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### Detail Eliminated To Conserve Space

## Introduction

Risk-based capital (RBC) is a method of measuring the minimum amount of capital appropriate for a reporting entity to support its overall business operations in consideration of its size and risk profile. It provides an elastic means of setting the capital requirement in which the degree of risk taken by the insurer is the primary determinant. The five major categories of risks involved are:

Insurance Affiliates H-0 And Misc. Other	This is the risk from declining value of insurance subsidiaries as well as risk from off-balance sheet and other misc. accounts (e.g. DTAs).
Asset Risk – Other	H-1 This is the risk of assets' default of principal and interest or fluctuation in market value.

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