

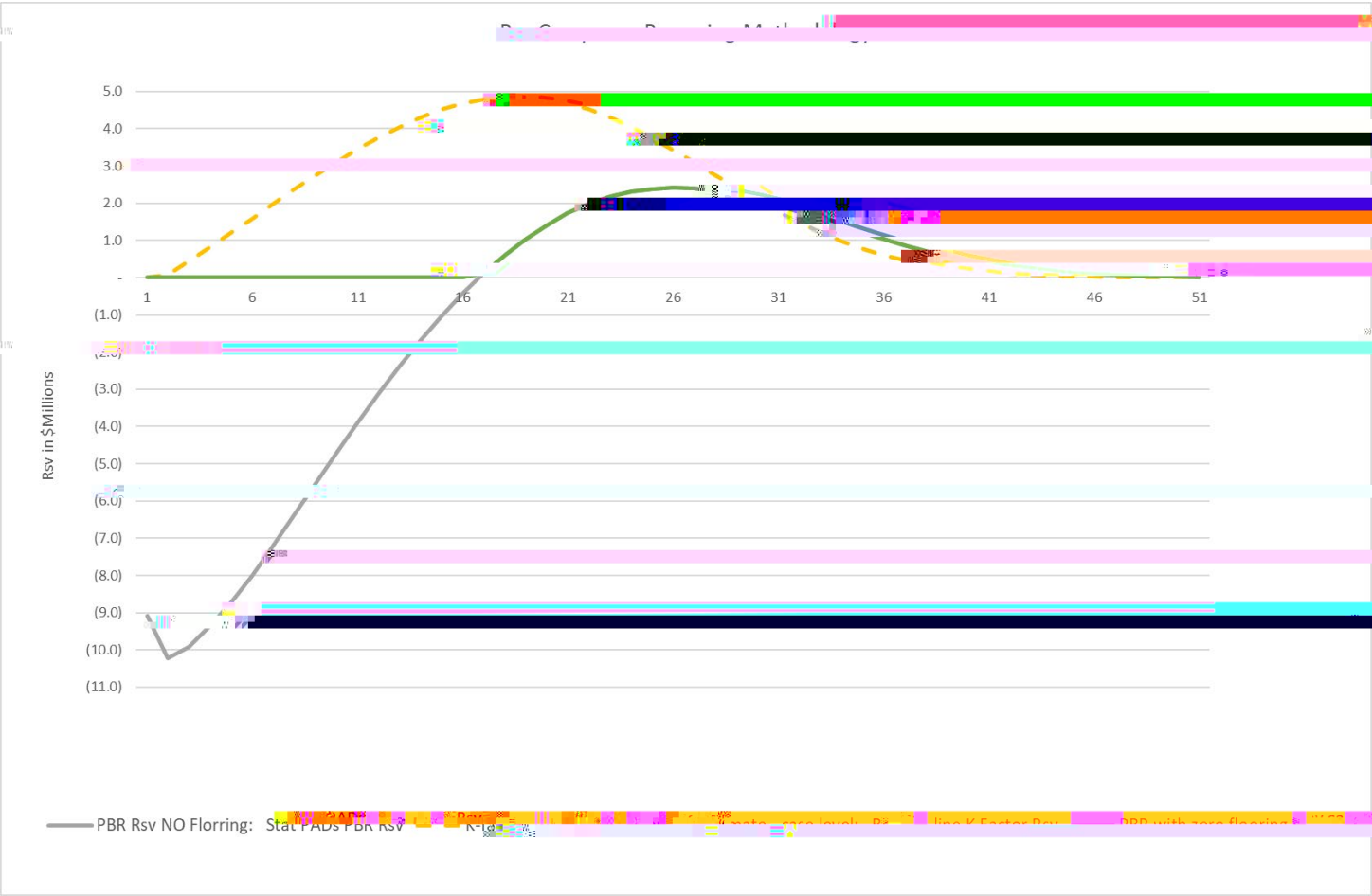
VM-22 Reserving

A New PBR Reserve Flooring Proposal

The new flooring basis for PBR reserves

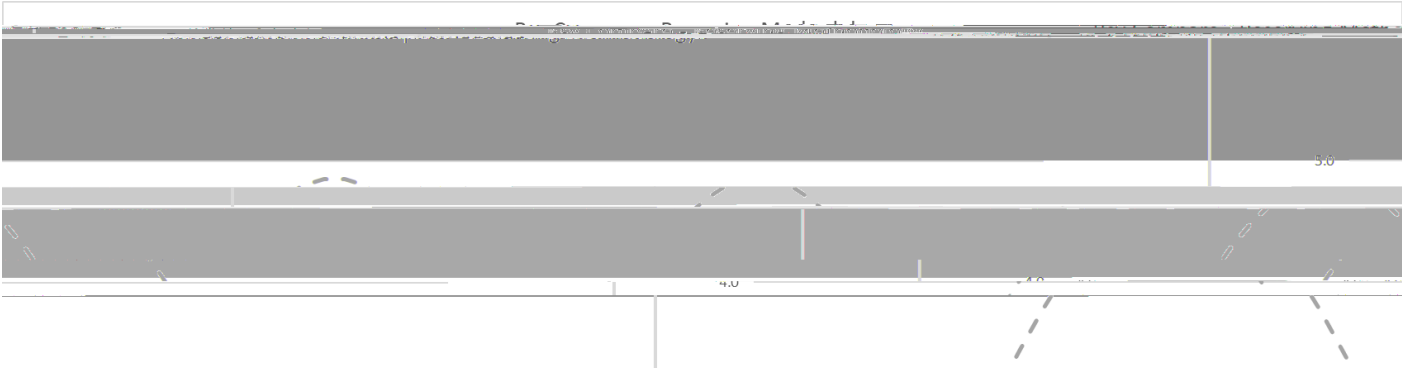
- The proposal is to express the floor for PBR reserves as a percentage of Longevity Reinsurance benefits payable within the next 12 months from the date of valuation.
 - Currently proposing flooring at 2% of the Longevity Reinsurance benefits payable within the next 12 months from the valuation date
- The proposed 2% floor could be described as the amount required to pre-

Sample Reserve Comparisons

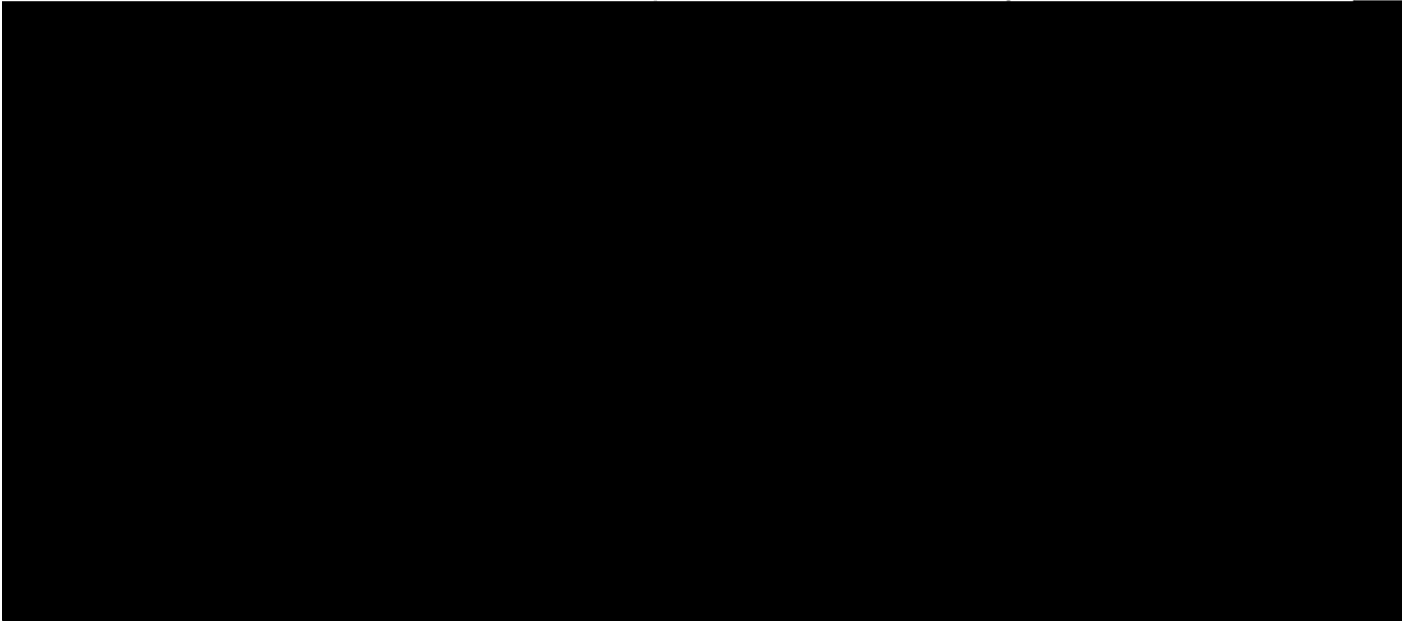


- Business mix:**
- 100% new business
 - 100% younger white-collar contract

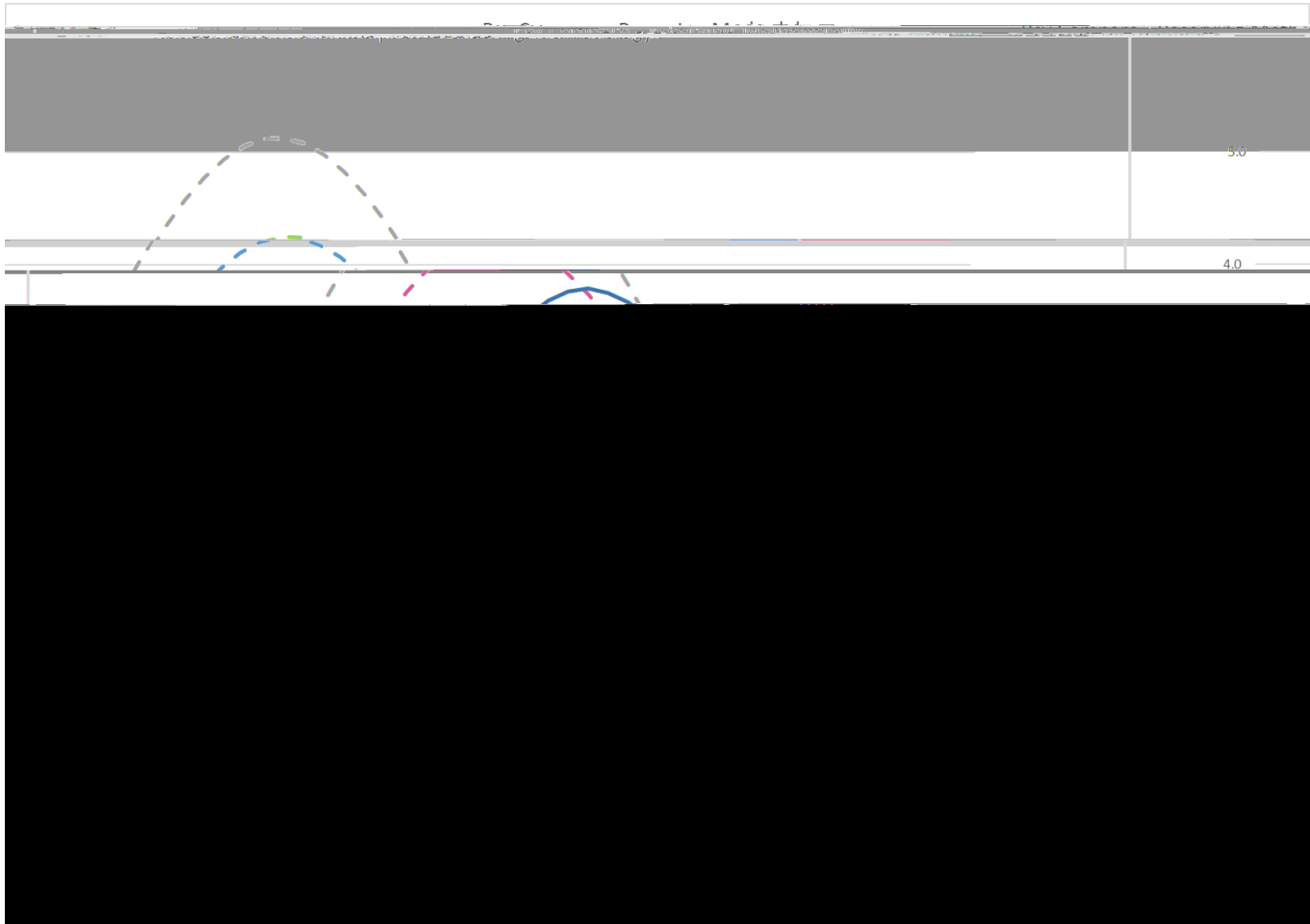
Sample Reserve Comparisons



- Business mix:**
- 100% new business
 - 100% younger white-collar contract



Sample Reserve Comparisons



- Business mix:**
- 100% new business
 - 50% each of 100% retirees with older blue-collar contract and younger white-collar contract