

Current instruction for C-3 Phase I showing changes which will be adopted for 2015 and are being posted as 2014 guidance for Life and Fraternal RBC filings:

Appendix 1a – Cash Flow Testing for C-3 RBC Methodology

Single Scenario C-3 Measurement Considerations

1. GENERAL METHOD - This approach incorporates interim values, consistent with the approach used for bond, mortgage and mortality RBC factor quantification. The approach establishes the risk measure in terms of an absolute level of risk (e.g., solvency) rather than volatility around an expected level of risk. It also recognizes reserve conservatism, to the degree that such conservatism hasn't been used elsewhere.
- 2.