February 12, 2026

RE: Liquidity and Severe Mortality Inquiry

TO: All licensed life insurers, and accredited life reinsurers, hereinafter referred to as "insurers"

All responses must be submitted by May 1, 2026.

Instructions

1. This Inquiry is to be completed by the Chief Financial Officer (or highest-ranking financial officer) of the insurer and should be submitted via the Department's Portal. The Portal is an interactive, secure, on-line file submission system which requires self-service user registration, application sign-up and approval. Additional details regarding the Portal may be found on our website.

2. The purpose of these interrogatories is to assess stress liquidity exposure and financial flexibility for coping with both expected and unexpected cash demands. Reasonable groupings of like instruments may be used where specific asset and liability information is sought. However, there should be sufficient delineation to identify material differences. All responses are expected to be in the spirit of this exercise. There should be no material omissions.

3. The analysis should be done for the general account and guaranteed separate accounts subject to Section 4240(a)(5) of the New York Insurance Law, unless otherwise specified.

4. The quantitative interrogatories refer to direct minus ceded plus assumed business in the aggregate. Amounts should be provided in thousands (000 omitted).

5. All companies must complete all interrogatories and all tables of the attached Excel spreadsheet (liquidity25.xlsx). The completed tables should be submitted in an Excel file format.

6. Questions concerning this Inquiry should be directed via e-mail to Christian Wright, (Associate Actuary - Life) at christian.wright@dfs.ny.gov.

If an insurer submitting information pursuant to this Inquiry deems such information to be a trade secret or contends that such information, if disclosed, would cause substantial injury to the competitive position of the insurer, it may, at the time the report is submitted, request that the Department except such information from disclosure. The request shall be in writing and shall state the reasons why the information should be excepted from disclosure. Entitlement to such exception shall be determined in accordance with the procedures set forth in Section 89(5) of the Public Officer's Law and 23 NYCRR 3.

ACKNOWLEDGEMENT

I have consulted with all appropriate persons to ensure this response is complete and accurate. These persons include:

List each person separately by name and title.

To the best of my knowledge and belief, the Company has the financial flexibility to adequately manage stress liquidity conditions, except as noted below:

List and describe all exceptions, including any material subsequent events after 12/31/2025.

The Department will be promptly notified if the Company's ability to manage stress liquidity risk becomes compromised.

Company Name	
NAIC Number	
Name of Chief Financial Officer or highest-ranking financial officer	
Title	
Email Address	
Phone Number	
Date of response	

INTERROGATORIES (To be answered by all companies)

1. Does your Company have a formal written liquidity plan?

    a. If yes, provide an overview, particularly as it relates to coping with stress conditions.

    b. If not, explain why a written liquidity plan is not necessary and describe your Company's liquidity policy, particularly as it relates to coping with stress conditions.

    c. What liquidity stress testing is performed? How often is such testing performed and what are the most recent results?

    d. Describe how your Company would respond to an immediate and material cash demand, such as could be triggered by a rating agency downgrade.

    e. Describe means of raising cash other than disinvestment, such as lines of credit and issuing commercial paper. What restrictions, covenants, etc., limit the Company's ability to utilize these means? State the reasons why any such lines of credit are expected to be reliable, e.g., by describing the terms and conditions under which they may be canceled by the lender.

    f. Describe any changes the Company has implemented during the course of the most recent year to address stress liquidity (e.g., due to economic changes, changes in product mix or design, etc.)?

2. Does your Company engage in yield enhancing activities such as securities lending, repurchase agreements, dollar rolls or similar activities?

    a. If so, provide a detailed overview of all such activities.

    b. Provide the amounts associated with each of the various yield enhancing activities.

(In millions)	**Notional**	**Market Value**
Securities Lending		
Repurchase Agreements		
Reverse Repurchase Agreements		
Dollar Rolls		
Reverse Dollar Rolls		
Other (explain below)		

c. Explain how the Company addresses any incremental stress liquidity risk that may be associated with such activities.

d. How much additional return is generated by each of these activities in terms of portfolio yield, e.g., the extra bps per year?

e. How are these activities integrated into the Company's overall risk management practices? How transparent is it?

f. What are the specific constraints on these activities? Provide the name of the individual responsible for monitoring each of the various activities. Have any exceptions been made? If so, when and by whom and for what reason?

g. What stress testing is performed with respect to these activities possibly unwinding dramatically faster than anticipated?

3. If your Company is rated by a rating agency,

   a. Complete the table below listing the date of the last report and the rating received from all applicable rating agencies.

Agency	**Date of Last Report**	**Rating**
AM Best		
S&P		
Fitch		
Moody's		

   b. What were the key findings of each rating agency's analysis with respect to liquidity? For this purpose, a quote from the detailed rating agency write-up will suffice.

   c. Has there been any significant change in your Company's liquidity position since the effective date of the rating agency liquidity analysis?

   d. Describe and quantify all contracts that include rating downgrade "put" provisions. Such contracts include, but are not limited to, reinsurance arrangements and derivatives contracts (e.g., swaps).

4. With respect to reinsurance agreements, ceded or assumed, describe and quantify all reinsurance arrangements that have potential material impact on your Company's liquidity exposure. A definition of materiality should be included in your response.

5. For this interrogatory, "illiquid assets" are defined as private placements, real estate, commercial mortgages, investments in affiliates and any other investments that are not readily marketable.

a. Does the Company have “any other investments that are not readily marketable?” If yes, please describe and quantify.

b. What percentage of admitted assets does each of the illiquid asset categories constitute?

Asset Category	**Amount (in thousands)**	**% Admitted Assets**
Private Placements		
Equity Real Estate		
Commercial Mortgage Loans		
Investments in Affiliates		
Other		

c. Describe and quantify all illiquid assets that are used to support liabilities in the context of asset adequacy analysis.

d. To the extent that any illiquid assets were used to support liabilities with potential material cash demands as of 12/31/2025, describe in detail the manner in which market values of these illiquid assets are determined, their marketability, and the rationale as to why illiquid assets are appropriate to support demand liabilities. A definition of materiality should be included in your response.

6. Describe all general account guarantees associated with market value separate accounts of the Company (For this purpose, "guarantees" means guarantees of principal, interest, performance indices, minimum benefits, or other arrangements where the Company is liable for an amount greater than the market value of related separate account assets. Guarantees because of death or morbidity may be excluded). What is the total liquidity exposure for each material guarantee as of 12/31/2025? The value of any such guarantee is that amount, as of 12/31/2025, deliverable to contract holders in excess of the market value of the separate accounts. A definition of materiality should be included in your response.

7. Can the total of your Company’s potential large* and institutional** cash demands, if any, have a material impact on the Company’s cash position (Treasuries are considered cash for this purpose)? A definition of materiality should be included in your response. What impact can the potential capital losses from these demands have on your Company’s capital and surplus?

8. Are any of the Company’s assets pledged or encumbered for purposes other than to directly support its insurance liabilities (e.g., FHLB loans, etc.)?

   a. If yes, then please explain and also provide the amount of such assets.

   b. To what extent would such assets impair the Company’s financial flexibility in a stress liquidity scenario?

9. Describe all potential cash demands at the holding company level that can have a negative impact on the Company's liquidity position.

10. Provide a high-level explanation of the magnitude of a severe mortality event that the Company's surplus and any contingency funds could withstand. For example, this explanation can take the form, "the Company can withstand double mortality (or an x% increase in mortality) in one year" or "the Company can withstand x% of its life insurance in-force dying in one year". Please describe and submit the results of testing the Company has performed on a potential spike in claims related to an event of this type. In addition, please describe and submit the results of this test assuming that half of the Company's reinsurance is uncollectible.

11. Describe whether and how your Company could withstand a severe mortality event that causes an extra 1.0% of policyholders to die in one year, assuming these extra deaths are uniformly distributed across the insured population. How would this change if half of the Company's reinsurance were uncollectible?

12. Other than pandemic risk, what exposure does your Company have that could potentially cause a severe mortality event (e.g., geographical concentration, concentration of groups, war risks, etc.)?

* Large cash demand is defined as equal to or greater than 10% of Company surplus.

** Institutional is defined as cash value products of at least $10 million, under common control or ownership, for which the decision to access the cash is in a single person/entity.