

EXAMINATION REPORT
OF
AMERICAN LIFE INSURANCE COMPANY
AS OF
DECEMBER 31, 2023

TRINIDAD NAVARRO
COMMISSIONER



STATE OF DELAWARE
DEPARTMENT OF INSURANCE

REPORT ON EXAMINATION
OF
AMERICAN LIFE INSURANCE COMPANY
AS OF
DECEMBER 31, 2023

The above-captioned report was completed by examiners of the Delaware Department of Insurance.

Consideration has been duly given to the comments, conclusions and recommendations of the examiners regarding the status of the company as reflected in the report.

This report is hereby accepted, adopted and filed as an official record of this Department.

Trinidad Navarro
Insurance Commissioner

Dated this 26th day of June, 2025

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May 28, 2025

Honorable Trinidad Navarro
Commissioner of Insurance
Delaware Department of Insurance
1351 West North Street, Suite 101
Dover, Delaware 19904

Dear Commissioner:

In compliance with instructions and statutory provisions contained in Examination Certification No. 24.011, dated March 7, 2024, an examination has been made of the affairs, financial condition and management of the

AMERICAN LIFE INSURANCE COMPANY

hereinafter referred to as the Company or ALICO, incorporated under the laws of the State of Delaware as a stock company with its statutory home office located at 1209 Orange Street, Wilmington, Delaware 19801. The main administrative office of the Company is located at 18210 Crane Nest Drive, Tampa, Florida 33647.

SCOPE OF EXAMINATION

We have performed our multi-state examination of ALICO. The last examination was conducted as of December 31, 2018, by the Delaware Department of Insurance (Department). This examination covers the five-year period from January 1, 2019 through December 31, 2023. The examination was a coordinated examination, and was conducted concurrently with examination of MetLife, Inc. (MetLife), the New York holding company and the life and health insurance entities within the MetLife, the Delaware domiciled affiliate, Delaware American Life Insurance Company

(DELAM), Metropolitan Life Insurance Company (MLIC), Metropolitan Tower Life Insurance Company (MTL), SafeHealth Life Insurance Company, MetLife Health Plans, Inc., Superior Vision of NJ Inc., MetLife Reinsurance Company of Charleston, Block Vision of TX, Inc., SafeGuard Health Plans, Inc. and MetLife Reinsurance Company of Vermont. The State of New York was assigned the lead state by the National Association of Insurance Commissioners (NAIC). To the fullest extent, the efforts, resources, project materials and findings were coordinated and made available to all examination participants. Separate reports of examination were filed for each company.

We conducted our examination in accordance with the NAIC *Financial Condition Examiners Handbook* (Handbook). The Handbook requires that we plan and perform the examination to evaluate the financial condition, assess corporate governance, identify current and prospective risks of the company and evaluate system controls and procedures used to mitigate those risks. An examination also includes identifying and evaluating significant risks that could cause an insurer's surplus to be materially misstated both currently and prospectively.

All accounts and activities of the company were considered in accordance with the risk-focused examination process. This may include assessing significant estimates made by management and evaluating management's compliance with Statutory Accounting Principles. The examination does not attest to the fair presentation of the financial statements included herein. If, during the course of the examination an adjustment is identified, the impact of such an adjustment will be documented separately following the Company's financial statements.

This examination report includes significant findings of fact, as mentioned in 18 *Del. C.* § 321, and general information about the insurer and its financial condition. There may be other items identified during the examination that, due to their nature (e.g. subjective conclusions,

proprietary information, etc.), are not included within the examination report but separately communicated to other regulators and/or the Company.

During the course of this examination, consideration was given to work performed by the Company's external accounting firm, Deloitte & Touche LLP (D&T). Certain auditor work papers of the 2023 audit of the Company have been incorporated into the work papers of the examiners and have been utilized in determining the scope, areas of emphasis in conducting the examination and in the area of risk mitigation and substantive testing.

SUMMARY OF SIGNIFICANT FINDINGS

There were no significant findings or material changes in financial statements as a result of this examination.

HISTORY

The Company was incorporated under the laws of the State of Delaware on August 18, 1921, as the Asia Life Insurance Company, with the principal office located in Shanghai, China. In 1951, the Company amended its Certificate of Incorporation, changing the corporate title to American Life Insurance Company and changing the principal office to Bermuda. The Company became a member of the American International Group, Inc. (AIG) holding company system in 1968 when ALICO was acquired by AIG. In 1969, the Company relocated its principal office to Wilmington, Delaware.

On November 30, 2009, AIG transferred all outstanding shares of ALICO to a special purpose vehicle, ALICO Holdings, LLC (referred to as ALICO Holdings or the ALICO SPV), in exchange for all common and preferred shares of ALICO Holdings. Subsequently, AIG assigned its preferred membership interest in ALICO Holdings to the Federal Reserve Bank of New York

(FRBNY) to settle \$9 billion in outstanding obligations related to the FRBNY credit facility provided to AIG.

On March 7, 2010, AIG and ALICO Holdings entered into a definitive agreement with MetLife regarding the sale of ALICO by the ALICO SPV to MetLife, along with the sale of DELAM by AIG to MetLife.

On November 1, 2010, MetLife completed the acquisition of the Company and Delaware affiliate DELAM for \$16.2 billion. MetLife sought approval from the Department to gain control via a Form A submission on April 14, 2010, which was approved on August 26, 2010.

Capitalization

The Company's capital is comprised of 500,000 shares of common stock authorized, of which 304,271 shares are issued and outstanding, at \$10 per share par value. There are no other classes of capital stock. Based upon ALICO's Board of Directors (Board) Resolution dated June 30, 2014, ALICO transferred \$36,957,290 from gross paid-in and contributed surplus to common capital stock to comply with local regulatory capital requirements. Approval for this transfer was received from the Department on September 11, 2014. As of December 31, 2023, the Company's capitalization totaled \$40,000 thousand. All outstanding shares of the Company's common stock were owned by MetLife.

During the examination period, the Company paid dividend distributions out of gross paid-in surplus as a return of capital to its direct parent, MetLife. The following distributions were made by the Company (dollars in thousands):

Year	Surplus Paid-In Distributions ⁽¹⁾
2019	\$ (1,100,000)
2020	\$ (1,200,000)
2021	\$ (334,476)
2022	\$ (669,000)
2023	\$ (1,387,000)

(1) Refer to the notes under Dividend section below, for details of dividend distributions paid out of gross paid-in (surplus) as a return of capital to the parent, MetLife.

As of December 31, 2023, the Company reported gross paid-in and contributed surplus of \$1,087,872,933

Dividends

The Company's Board approved the payment of extraordinary dividends during the exam period as follows (dollars in thousands):

Year	Dividends
2019	\$ 1,100,000 ⁽¹⁾
2020	\$ 1,200,000 ⁽²⁾
2021	\$ 1,135,000 ⁽³⁾
2022	\$ 1,289,000 ⁽⁴⁾
2023	\$ 1,887,000 ⁽⁵⁾

- (1) The Company paid an extraordinary dividend to MetLife in the amounts of \$600,000 thousand and \$500,000 thousand in the form of cash on June 27, 2019, and December 20, 2019, respectively. The extraordinary dividends were approved by the Department and were paid out of gross paid-in (surplus).
- (2) The Company paid an extraordinary dividend to MetLife in the amounts of \$1,200,000 thousand in the form of cash and bonds on December 28, 2020. The bonds were transferred at fair value, including accrued interest of \$1,110 thousand and had a book adjusted carrying value of \$334,750 thousand. A realized gain of \$5,242 thousand was recognized on the transfer of bonds. The extraordinary dividend was approved by the Department and was paid out of gross paid-in (surplus).
- (3) The Company paid an extraordinary dividend to MetLife in the amounts of \$600,000 thousand and \$535,000 thousand in the form of cash on June 30, 2021, and December 29, 2021, respectively. The extraordinary dividends were approved by the Department and were paid out of gross paid-in (surplus).
- (4) The Company paid an ordinary dividend to MetLife in the amount of \$620,000 thousand in the form of cash on June 27, 2022, and an extraordinary dividend in the amount of \$669,000 thousand on December 29, 2022. Both the ordinary and extraordinary dividends were approved by the Department. The ordinary dividend was paid out of unassigned funds (surplus) while the extraordinary dividend paid out of gross paid-in (surplus).
- (5) The Company paid an extraordinary dividend totaling \$1,887,000 thousand in 2023 to MetLife. Of that amount, \$942,000 thousand was paid on June 29, 2023, and \$945,000 thousand was paid on December 28, 2023. The extraordinary dividends were approved by the Department, and both payments made to MetLife were from gross paid-in (surplus) and unassigned funds (surplus). Of the total dividend amount paid in 2023,

\$500,000 thousand was paid out of unassigned funds in the form of cash and the \$1,387,000 thousand contribution was a return of capital (see Capital section above).

All dividends were approved in the Board minutes and proper filings were made to the Department for extraordinary dividends. In the year 2020, the extraordinary dividend was paid in the form of cash and bonds. The other years in the exam period, the extraordinary dividends were paid out of gross paid-in (surplus), or a combination of unassigned funds (surplus) and gross paid-in (surplus).

Surplus Notes

As of December 31, 2023, the Company held the following outstanding Surplus Notes (dollars in thousands):

Item Number	Original Issue Amount of Note (000's)	Date Issued	Maturity Date	Carrying Value of Note Current Year (000's)	Interest Rate	Current Year Interest Paid (000's)
#0003	\$ 100,000	6/30/2020	6/30/2025	\$ 100,000	1.88%	\$ 950
#0004	521,000	6/29/2021	6/30/2026	521,000	2.17%	11,463
#0005	250,000	12/28/2021	12/30/2026	250,000	2.60%	6,590
#0006	510,000	6/27/2022	6/30/2027	510,000	5.03%	26,009
#0007	635,800	12/29/2022	12/30/2027	635,800	5.32%	34,388
#0008	409,000	6/30/2023	6/30/2028	409,000	5.62%	11,748
#0009	860,000	12/28/2023	12/30/2028	860,000	5.06%	-
	<u>\$ 3,285,800</u>			<u>\$ 3,285,800</u>		<u>\$ 91,149</u>

- (1) The Company issued surplus note 0003, noted in the table to MetLife Credit Corp (MCC). The Company redeemed for cash and canceled surplus note 0003 in June 2023, prior to the stated maturity date, with the approval from the Department. As of December 31, 2023, note 0003 had no approved accrued interest and no unapproved interest. The Company issued surplus notes 0004, 0005, 0006, 0007, 0008 and 0009 in the table above to MetLife Ireland Treasury d.a.c. (MIT). As of December 31, 2023, notes 0004, 0005, 0006, 0007, 0008 and 0009 had \$5,747,000, \$3,304,000, \$13,040,000, \$17,194,000, \$11,749,000 and \$0 of approved accrued interest, all of which was accrued in the current reporting period, and \$31,000, \$18,000, \$71,000, \$94,000, \$64,000 and \$242,000, respectively, of unapproved interest.
- (2) The surplus notes are subordinate in right of payment to policy claims, all existing and future indebtedness and all other creditor claims (each as defined in the surplus notes) but are senior to the claims of shareholders.
- (3) Each payment of principal and interest on the surplus notes may be made only with the prior written approval of the Department, the approval of which will only be granted if, in the judgment of the Department, the financial condition of the Company warrants such payment. In addition, pursuant to applicable Delaware law, any payment of principal or interest on the surplus notes may be only out of free and divisible surplus of the Company.

Borrowed Money

The Company borrows under its revolving credit agreement with MCC, an affiliate. Except as noted under Surplus Notes, the Company did not have any other debt outstanding as of December 31, 2023.

MANAGEMENT AND CONTROL

Directors

Pursuant to the General Corporation Law of the State of Delaware, as implemented by the Company's Articles of Incorporation and bylaws, the property, business and affairs of the Company shall be managed by a Board. The amended and restated bylaws (revised effective April 8, 2009, December 10, 2010, September 28, 2011, September 24, 2012 and December 26, 2012), require that the Board consist of not less than two (2) nor more than twenty-two (22) directors, chosen by the stockholders, who hold office until the next annual meeting of the stockholders, or until successors are elected. The Board may at any regular or special meeting increase its number by electing additional members to hold office until the next meeting of stockholders or until their successors are elected.

As of December 31, 2023, the members of the Board, together with their principal business affiliations, were as follows:

<u>Name and Location</u>	<u>Principal Occupation</u>
Tamara Schock New York, New York	Chairman, President, Chief Executive Officer, Executive Vice President and Chief Accounting Officer
Charles Sheridan Scully Whippany, New Jersey	Executive Investment Officer
Kevin Dean Mackenzie Mackay New York, New York	Senior Vice President and Assistant Treasurer
Kenneth Douglas Laguardia New York, New York	Senior Vice President

Committees

Article Section 14 of the amended and restated bylaws states that the Board may appoint from among its members any committees, standing or special, which it shall deem advisable.

As of December 31, 2023, the Board had one designated committee; the Audit Committee, established on March 31, 2011, for the purpose of assisting the Board in fulfilling its responsibilities to the shareholders(s) for the oversight and management of (i) the quality and integrity of the Company's financial statements and accounting practices, (ii) ALICO's compliance with legal and regulatory requirements, (iii) the independent auditors qualifications, performance and independence and (iv) the performance of ALICO's internal auditors and audit function.

During the period covered by this examination, the full Board served as the Audit Committee of the Company. None of the members of the Audit Committee were considered independent.

Officers

Section 8 of the Company's restated and amended bylaws states the officers of the Company shall be a Chairman of the Board, a President, one or more Vice Presidents, a Secretary, a Treasurer and such other officers as may be from time to time elected or appointed by the Board or in a manner prescribed by the Board. The Secretary and Treasurer may or may not be the same person, and any one of the Vice Presidents may, if deemed advisable by the Board, hold the offices of Vice President and Treasurer, or Vice President and Secretary, but not the offices of Vice President, Secretary and Treasurer.

As of December 31, 2023, the Company's principal officers and their respective titles were as follows:

<u>Name</u>	<u>Title</u>
Tamara Schock	Chief Executive Officer, and Chief Accounting Officer
Steven Paul Belcher	Chief Financial Officer
Charles Patrick Connery	Vice President and Treasurer
Junyi nmn Wang	Appointed Actuary

The directors and officers of the Company are subject to MetLife's formal written Code of Business Ethics, which sets out minimum standards of ethical conduct that apply to all employees, officers and directors. Incorporated into the Code of Business Ethics are conflict of interest disclosure requirements. Each year, all officers and directors are required to complete a Conflict-of-Interest Disclosure, disclosing all actual and potential conflicts of interest and any outside business activities or personal relationships that could lead to a conflict or appearance of conflict.

In accordance with the *Department Examination Handbook*, Section 12, a review of biographies and inquiries with Management noted that there was no indication of any criminal conviction of officers, directors or key employees of the Company.

Corporate Records

The recorded minutes of the shareholder and Board were reviewed for the period under examination. The recorded minutes of the Board adequately documented its meetings and approval of Company transactions and events including approval of investment transactions in accordance with 18 *Del. C.* §1304. In addition, a review of Company files indicated that written correspondence was submitted to the Department with regard to the changes in officers and directors during the period under examination in compliance with 18 *Del. C.* §4919.

Insurance Holding Company System

The Company is a member of an insurance holding company system as defined in 18 *Del. C. §5001 (7)* of the Delaware Insurance Code. The Company's Holding Company Registration Statements were timely filed with the Department for the years under examination. As noted above, the Company is a wholly owned subsidiary of MetLife. MetLife's common stock is publicly traded on the New York Stock Exchange under the ticker symbol MET.

An abbreviated organizational chart of the MetLife holding company system as of December 31, 2023, is as follows:

Company	Domicile	% Owner
MetLife Inc.	DE	
Metropolitan Life Insurance Company	NY	100%
MetLife Holdings, Inc.	DE	100%
MetLife Credit Corp.	DE	100%
Metropolitan Tower Life Insurance Company	NE	100%
MetLife Investment Management Holdings, LLC	DE	100%
MetLife Chile Inversiones Limitada ⁽¹⁾	CHL	72.351
MetLife Global, Inc.	DE	100%
SafeGuard Health Enterprises, Inc.	DE	100%
MetLife Health Plans, Inc.	NJ	100%
SafeGuard Health Plans, Inc.	CA	100%
SafeHealth Life Insurance Company	CA	100%
SafeGuard Health Plans, Inc.	FL	100%
SafeGuard Health Plans, Inc.	TX	100%
Newbury Insurance Company, Limited	DE	100%
MetLife Reinsurance Company of Charleston	SC	100%
MetLife Reinsurance Company of Vermont	VT	100%
MetLife European Holdings, LLC	DE	100%
MetLife Group, Inc	NY	100%
MetLife Services and Solutions, LLC	DE	100%
MetLife Investors Group, LLC	DE	100%
MetLife Investors Distribution Company	MO	100%
MetLife Investments Securities, LLC	DE	100%
Versant Health, Inc.	DE	100%
MetLife Reinsurance Company of Hamilton Ltd.	BERM	100%
Cova Life Management Company	DE	100%
MetLife Consumer Services, Inc.	DE	100%
MetLife Global Benefits, Ltd.	CYM	100%
MetLife Capital Trust IV	DE	100%

MetLife Home Loans LLC	DE	100%
Inversiones MetLife Holdco Dos Limitada ⁽²⁾	CHL	99.99946%
MetLife Pet Insurance Solutions LLC	KY	100%
Metropolitan General Insurance Company	RI	100%
MetLife Insurance Brokerage, Inc.	NY	100%
Delaware American Life Insurance Company	DE	100%
American Life Insurance Company	DE	100%
BIDV MetLife Life Insurance LLC ⁽³⁾	VNM	60.61%
MetLife Life Insurance K.K.	JPN	100%
Fortissimo Co. Ltd.	JPN	100%
MetLife Japan Water Tower Owner (Blocker) LLC	DE	100%
MetLife Japan Owner (Blocker) LLC	DE	100%
Borderland Investments Limited	DE	100%
ALICO Hellas Single Member LLC	GRC	100%
ALICO Properties Inc ⁽⁴⁾	DE	51%
Global Properties, Inc.	DE	100%
International Technical and Advisory Services Limited	DE	100%
MetLife Global Holding Company I GmbH (Swiss)	CHE	100%
MetLife, Life Insurance Company ⁽⁵⁾	EGY	84.125%
MetLife Global Holding Company II GmbH (Swiss)	CHE	100%
Closed Joint-stock Company Master-D	RUS	100%
MetLife Colombia Seguros de Vida S.A. ⁽⁶⁾	COL	89.9999%
MetLife Reinsurance Company of Bermuda Ltd.	BMU	100%
MetLife Emeklilik ve Hayat A.S. ⁽⁷⁾	TUR	99.98%
PJSC MetLife ⁽⁸⁾	UKR	99.9988%
MM Global Operations Support Center, S.A. de C.V. ⁽⁹⁾	MEX	100%
MetLife International Holdings, LLC	DE	100%
MetLife Global Holdings Corporation S.A. de C.V. ⁽¹⁰⁾	IRL	98.9%
MetLife Ireland Treasury d.a.c.	IRL	100%
Metropolitan Global Management, LLC ⁽¹¹⁾	IRL	97.7%
MetLife Investment Management Limited	GB - ENG	100%
MetLife Innovation Center Limited	IRL	100%
MetLife Asia Holding Company Pte. Ltd.	SGP	100%
ALICO Operations, LLC	DE	100%
MetLife Asia Services Sdn. Bhd	MYS	100%
MetLife EU Holding Company Limited	IRL	100%
MetLife UK Limited	UK	100%
MetLife Investment Management Holdings Limited	IRL	100%
Affirmative Investment Management Partners Ltd	GBR	100%
MetLife Investments Asia Limited	HKG	100%
MetLife Investments Limited	GB - ENG	100%
MetLife Latin America Asesorias e Inversiones Limitada ⁽¹²⁾	CHL	100%
MetLife Investment Management Europe Limited	IRL	100%

- (1) 72.35109659% of MetLife Chile Inversiones Limitada is owned by MetLife, 24.8823628% is owned by ALICO, 2.76654057% is owned by Inversiones MetLife Holdco Dos Limitada and 0.00000004% is owned by Natiloportem Holdings, LLC (Natiloportem,)
- (2) 99.99946% of Inversiones MetLife Holdco Dos Limitada is owned by MetLife, Inc., 0.000535% is owned by MetLife International Holdings, LLC. and 0.0000054% is owned by Natiloportem Holdings, LLC.
- (3) 60.61% of BIDV MetLife Life Insurance Limited Liability Company is held by ALICO and the remainder by third parties.
- (4) 51% of ALICO Properties, Inc. is owned by ALICO and the remaining interest by third parties.
- (5) 84.125% of MetLife, Life Insurance Company (Egypt) is owned by MetLife Global Holding Company I GmbH and the remaining interest by third parties.
- (6) 89.9999657134583% of MetLife Colombia Seguros de Vida S.A. is owned by MetLife Global Holding Company II GmbH, 10.0000315938813% is owned by MetLife Global Holding Company I GmbH, International Technical and Advisory Services Limited, Borderland Investments Limited and Natiloportem Holdings, LLC each own 0.000000897553447019009%.
- (7) 99.98% of MetLife Emeklilik ve Hayat A.S. is owned by MetLife Global Holding Company II GmbH (Swiss) and the remaining by third parties.
- (8) 99.9988% of PJSC MetLife is owned by MetLife Global Holding Company II GmbH, .0006% is owned by International Technical and Advisory Services Limited and the remaining .0006% is owned by Borderland Investments Limited.
- (9) 99.999509% of MM Global Operations Support Center S.A. de C.V. (Mexico) is held by MetLife Global Holding Company II GmbH (Swiss) and 0.000491% is held by MetLife Global Holding Company I GmbH (Swiss).
- (10) 98.9% is owned by MetLife International Holdings, LLC and 1.1% is owned by MetLife International Limited, LLC.
- (11) 99.7% is owned by MetLife Global Holdings Corporation S.A. de C.V. and 0.3% is owned by MetLife International Holdings, LLC.
- (12) 99.99% of MetLife Latin American Asesorias e Inversiones Limitada is owned by MetLife Investment Management Holdings (Ireland) Limited and .01% is owned by MetLife Global Holding Company II GmbH (Swiss)

Copies of the Form B – Insurance Holding Company Registration Statements, filed with the Department during the period under examination were reviewed in conjunction with the review of the management, service and tax agreements in place during the period under examination. This review indicated that the Company complied with the provisions of 18 *Del. Admin. Code* 1801.

Agreements with Affiliates

A summary of the Company's significant affiliated agreements in force, excluding agreements associated with related party invested assets, as of December 31, 2023, follows:

Tax Sharing Agreement with MetLife, Inc.

Effective December 31, 2014, the Company became a party to the Consolidated Tax Allocation Agreement with MetLife and other affiliated companies, originally effective January 1, 1985, and as amended. The agreement states that members of the consolidated group will be reimbursed if their losses and credits reduce the Federal income tax liability, which is computed on a separate return basis. Affiliates considered ineligible companies, as they have not met the five-year membership period eligibility test for life/non-life consolidated purposes, will not have their tax losses currently utilized by life members. The apportionment of tax liability follows Section 1552 (a) of the Internal Revenue Code.

Master Services and Facilities Agreement

Effective October 1, 2018, the Company entered into a Master Services and Facilities Agreement with MetLife Services and Solutions LLC (MSS) to receive various services, facilities and equipment. Named services included legal, communications, human resources, broker-dealer, general management, controller, investment management, actuarial, treasury, benefits management, systems and technology, adjusting services and claims, underwriting and policyholder services. Services, facilities and equipment are requested by the recipient as deemed necessary to its operations. The agreement provides that the Company is to pay MSS a charge equal to all expenses, direct and indirect, reasonably and equitably determined to be attributable to the services, facilities and equipment provided.

Guarantees, Indemnities and Support Obligations

As of December 31, 2023, the Company was obligor under certain guarantees, indemnities and support obligations, which included:

- The Company guarantees the payment of policyholder liabilities for policies issued by ALICO Compania De Seguros S.A. (which merged into MetLife Seguros S.A. in 2012, a former subsidiary and was sold to an external party in 2021).
- In the normal course of its business, the Company has provided certain indemnities and guarantees to third parties such that it may be required to make payments now or in the future. In the context of acquisition, disposition, investment and other transactions, the Company has provided indemnities and guarantees, including those related to tax, environmental and other specific liabilities and other indemnities and guarantees that are triggered by, among other things, breaches of representation, warranties or covenants provided by the Company.
- The Company indemnifies its directors and officers as provided in its charters and by-laws.
- The Company indemnifies its agents for liabilities incurred because of their representation of the Company's interests.
- The Company entered into a net worth agreement with its indirect subsidiary, MetLife Europe d.a.c (ME), an Irish company. Under the agreement the Company agrees to cause ME to have Solvency II Capital and Reserves, as well as liquidity to meet its obligations on a timely basis.
- The Company committed to provide support to its indirect subsidiary, MetLife Limited (ML), as necessary to cover certain losses, up to GBP 103 million, in respect of certain unit-linked policies of the Company's former United Kingdom branch that were transferred to ML. These policies were subsequently transferred to the Company's indirect subsidiary, ME, and, accordingly, the Company instead committed to providing this support to ME. The Company, in turn, is entitled to indemnification for these same losses pursuant to an agreement with MetLife. As of December 31, 2023, the potential amount of future payments required to be made under this guarantee was \$127,825.
- The Company guarantees the payment of policyholder liabilities for policies issued by ZAO ALICO Insurance Company (which was sold to an external party in 2018). This guarantee was terminated prospectively in 2016, on a cut off basis. ALICO's ongoing guarantee obligations are limited to in force contracts that were issued prior to the termination of the guarantee.
- The Company guarantees the payment of policyholder liabilities for policies issued by AHICO First American-Hungarian Insurance Company (which merged into ME in 2015), a subsidiary. This guarantee was terminated prospectively, on a cut off basis, upon AHICO First American-Hungarian Insurance Company's merger with and into ME. ALICO's ongoing guarantee obligations are limited to in force contracts that were issued prior to the merger.
- The Company guarantees the payment of policyholder liabilities for policies issued by First American Czech Insurance Company, A.S. (which merged into ME in 2015), a subsidiary. This guarantee was terminated prospectively, on a cut off basis, upon First American Czech Insurance Company's merger with and into ME. ALICO's ongoing guarantee obligations are limited to in force contracts that were issued prior to the merger.

As of December 31, 2023, since the inception of each of these agreements, the Company has not made payments on any of these guarantees, nor has it contributed capital to ME or ML.

Other Intercompany Agreements

The following agreements became effective prior to the examination period and remained in-force as of December 31, 2023:

<u>Description</u>	<u>Effective Date</u>
Master Services and Facilities Agreement with Affiliates	November 1, 2010
Master Service Agreement with MLIC	November 1, 2010 ⁽¹⁾
Second Amendment and Reimbursement Agreement with MGL	November 1, 2010
Assignment and Assumption Agreement with AAM and MIA	November 1, 2010
Discretionary Investment Management Agreement with MIM	November 1, 2010 ⁽²⁾
Common Paymaster Agreement with MIHL	November 1, 2010
Long Term Compensation Payment Agreement with Affiliates	February 23, 2011
Master Intercompany IT Services Agreement with MSS	June 1, 2011
Software Product Licensing Agreement with ITAS	Various Dates
Profit Participation Agreement with MetLife Global I and ME Branches	March 1, 2013
Global Service Agreement with DELAM, MTL and MIHL	June 19, 2014
ALICO Administration Agreement with MetLife Insurance Limited	June 21, 2016

- (1) This agreement is substantially inoperative due to entry into the new MSS Master Service Agreement discussed above; however, there may continue to be instances in which MLIC may provide a discrete service. As such, the Company has not terminated this agreement. If the Company does terminate it, a notice will be provided in the Form B filings of ALICO and DELAM at such time.
- (2) MetLife Investment Management, LLC (MIM), formerly known as MetLife Investment Advisors, LLC (MIA), as successor to AIG Asset Management (US), LLC via the 2010 Assignment and Assumption Agreement.

Acronym Legend

MGL – MetLife Global, Inc.

ITAS – International Technical and Advisory Services

MIHL – MetLife International Holdings, LLC (formerly known as MetLife International Holdings, Inc.)

For the year 2023, the Company reported expenses of \$509,832,475 under its various Management Agreements and Service Contracts and reported total General Insurance Expenses of \$724,600,000 (rounded). These amounts for 2023 were considered consistent with amounts reported for 2019, 2020, 2021 and 2022.

TERRITORY AND PLAN OF OPERATION

Territory

The Company is licensed in the state of Delaware and is permitted to write both life insurance, and accident and health (A&H) along with property and casualty (P&C) insurance through the Certificate of Authority issued by the Department. The Company is also licensed to write or maintain existing business in approximately 50 foreign countries through both branch and subsidiary operations.

The Company operates in certain territories through a subsidiary, some of which are required to have a minority local shareholder. In accordance with Delaware Insurance Laws and Regulations, the Company's subsidiaries are not consolidated for statutory filing purposes but are recorded based on the underlying adjusted statutory equity of the respective entity's financial statements. The Company's two main operating subsidiaries are: MetLife Insurance K.K., which houses its Japanese operations, and MetLife Global Holding Company I, which houses the remaining international business. The Company's business is diversified to include operations in Europe, Latin America, the Middle East and Asia, with Japan being the largest territory.

The Company, through its branches and subsidiaries, offers individual life (variable universal life (VUL), term, whole, endowment and annuity policies), individual A&H (accidental death and dismemberment, disability, critical illness and accident medical expenses), and Corporate Solutions, which consists of group medical, group life and disability and credit life (credit card insurance, mortgage loan insurance, personal and auto loan insurance, and bill protector insurance). Beginning in 2023, the Company's UAE Branch began offering pet insurance.

Subsidiarization and Sale of Branches

Historically, ALICO conducted most of its insurance business abroad through branches. In 2004, the Internal Revenue Service (IRS) issued a ruling (Rev. Rul. 2004-75) requiring certain U.S. insurance companies to withhold U.S. tax when making income payments to foreign policyholders. To materially eliminate this tax issue and with agreement from the IRS, the Company agreed to modify its branch structure. As of May 2016, the Company had completed its subsidiarization and reorganization of its branch operations. In the end, the project accomplished the following:

- All fourteen European Union (EU) insurance legal entities were put underneath a single EU holding company based in Ireland, MetLife EU Holding Company (MEUHC);
- Eleven country businesses were converted from U.S. ALICO branches or local subsidiaries into EU-passport branches based on the Irish solo insurance subsidiaries (MetLife Europe and MetLife Europe Insurance); and
- Greece was converted into a local Greek subsidiary.

Remaining Branch Operations

Certain operations in the Middle East and Asia are subject to local laws that require local insurance operations to be jointly owned by a local entity or person. However, some of the Company's historic branches are grandfathered from this requirement. Conversion of these branches into subsidiaries would have resulted in MetLife losing this grandfathering and thus losing full ownership and control, which is not commercially viable. Accordingly, there are no plans to convert the following branches into subsidiaries:

- Middle East - Bahrain, Jordan, Kuwait, Lebanon, Palestine National Authority, Oman, Qatar, UAE, Dubai Airport Free Zone (DIFC), and UAE (DIFC).
- Asia – Bangladesh and Nepal.

Direct premiums written by former branches, which were converted to subsidiaries, i.e., branches in Eastern and Western Europe, the United Kingdom and Japan, are reported at the

subsidiary level. Consequently, direct written premiums from these regions are not reported in ALICO's blue book exhibits.

Plan of Operation

ALICO operates exclusively outside the United States. For 2023, the Company reported the following geographical distribution of its direct premiums and annuity considerations:

Branch	2023 Premiums	Percentage of Total	2018 Premiums ⁽¹⁾	Percentage of Total
UAE	\$ 625,010,398	48.00%	\$ 872,449,450	56.40%
Bangladesh	287,192,726	22.05%	292,560,232	18.91%
Lebanon	104,306,320	8.01%	122,695,156	7.93%
ME Pensions	0	0.00%	7,035,170	0.45%
Jordan	55,416,798	4.26%	43,112,489	2.79%
Kuwait	36,689,830	2.82%	37,091,189	2.40%
Bahrain	24,361,406	1.87%	31,224,621	2.02%
Oman	24,795,888	1.90%	24,944,387	1.61%
Qatar	103,411,546	7.94%	64,733,698	4.18%
Qatar Financial Center	0	0.00%	8,967,066	0.58%
Nepal	38,727,055	2.97%	30,928,238	2.00%
PNA Palestine	415,924	0.03%	619,981	0.04%
All Other	1,884,269	0.14%	10,512,870	0.68%
Total Direct Premium and Annuity Considerations	<u>\$ 1,302,212,161</u>	100%	<u>\$ 1,546,874,548</u>	100%

(1) 2018 premium information extracted from the 2018 Exam Report.

Operations in the Middle East, Africa and South Asia Markets

After the 2012 and 2013 subsidiarization and transfer of branches, the direct premium remaining on ALICO's books is primarily from the Middle East, Africa, and South Asia (MEASA) markets. As of year-end 2023, business produced by MEASA branches accounted for 99.86% of the Company's total direct premiums and annuity considerations. The remaining percentage consists of run-off blocks of business, Involuntary Loss of Employment (ILOE) business, and International Dollar business.

The Company's direct 2023 premiums were written in the following lines of business:

Lines of Business	2023 Direct Premiums	Percentage of Total
Individual Life	\$ 743,535,765	56.87%
Individual Annuities	6,950,061	0.53%
Group Life	50,829,726	3.89%
Group Annuities	4,057,216	0.31%
A&H	502,136,991	38.40%
Other Lines of Business	962	0.00%
Total	<u>\$ 1,307,510,721</u>	<u>100.00%</u>

Products Offered by the MEASA Branches

The following is a brief description of the major products offered by the MEASA branches.

- **Individual Life** products include the basic products of VUL, term, whole, endowment, and annuity policies.
- **Individual A&H** products include accidental death and dismemberment, disability, critical illness, and accident medical expenses. The products generally provide a lump sum or periodic payments in case of an accidental death or disability, a diagnosis of major illness, or medical expenses on an accident.
- **Corporate Solutions** products offered are group medical, group life and disability, and credit life. Group medical products are designed to provide group medical packages to small, medium sized and multinational corporations that offer in-patient, outpatient and additional benefits to covered employees. Group life and disability products are designed to provide group life cover for small, medium sized companies and multinational corporations. Packages can be tailor created to offer basic life cover with variations that include supplementary life cover, voluntary life cover, and dependents life cover, in addition to disability protection. Credit life products include credit card insurance, mortgage loan insurance, personal and auto loan insurance, and bill protector insurance.

P&C Operations – Ongoing reinsurance

ALICO also reinsures ILOE business in the EMEA region.

P&C Operations – New business

In 2023, ALICO began marketing Pet Insurance through its UAE branch. On October 5, 2023, the Department approved the Company to write and report Pet Insurance, a P&C line of

business in the life blue book blank with increased reporting requirements, and subject to a 3% threshold trigger. If pet insurance premium ever breaches 3% of all premiums written, the Company will be required to file a separate P&C yellow book blank.

Agency Relations and Sales Distribution

In MEASA, the Company markets its products and services through a multi-distribution strategy which varies by geographic region and stage of market development. The various distribution channels include career agency, Bancassurance, direct marketing, brokerage, other third-party distribution, and e-commerce. In developing countries, the career agency channel covers the needs of the emerging middle class with primarily traditional products (e.g., whole life, term, endowment and A&H). In more developed and mature markets, career agents, while continuing to serve their existing customers to keep pace with their developing financial needs, also target upper middle class and mass affluent customer bases with a more sophisticated product set including more investment sensitive products, such as universal life insurance, unit-linked life insurance, mutual funds, and single premium deposit insurance. In the Bancassurance channel, MetLife leverages partnerships that span all regions and have developed extensive and far-reaching capabilities in all regions. MetLife's direct marketing operations, the largest of which is in Japan, deploy both broadcast marketing approaches (e.g. direct response TV, web-based lead generation), and traditional direct marketing techniques such as inbound and outbound telemarketing.

REINSURANCE

For 2023, the Company reported the following breakdown of premiums:

Direct	\$ 1,307,510,721
Reinsurance Assumed (from affiliates)	89,850,223
Reinsurance Assumed (from non-affiliates)	<u>81,483,858</u>
Total Direct and Assumed	\$ 1,478,844,802
Reinsurance Ceded (to affiliates)	6,957,388
Reinsurance Ceded (to non-affiliates)	<u>284,187,558</u>
Net Premiums Written	<u><u>\$ 1,187,699,857</u></u>

The Company enters into reinsurance agreements primarily as a purchaser of reinsurance for its various insurance products and as a provider of reinsurance for some insurance products issued by affiliated and unaffiliated companies. The Company participates in reinsurance activities to limit losses and to minimize exposure to significant risks and provide additional capacity for future growth.

The Company enters into various agreements with reinsurers that cover individual risks, group risks or defined blocks of business, primarily on an excess of retention or quota share basis. These reinsurance agreements spread risk and minimize the effect of losses. The extent of each risk retained by the Company depends on an evaluation of the specific risk, subject, in certain circumstances, to maximum retention limits based on the characteristics of coverage.

The Company obtains reinsurance for capital requirement purposes and when the economic impact of the reinsurance agreement makes it appropriate to do so. The Company reinsures, for selected large corporate customers, its group employee benefits or credit insurance business with various client-affiliated reinsurance companies, covering policies issued to the employees or customers of the clients. Additionally, the Company cedes and assumes risk with other insurance companies when either company requires a business partner with the appropriate local licensing to issue certain types of policies in certain countries. In these cases, the assuming

company typically underwrites the risks, develops the products, and assumes most or all the risk. The Company evaluates its reinsurance programs routinely and may increase or decrease its retention at any time.

The Company has exposure to catastrophes, which could contribute to significant fluctuations in the Company's results in operations. The Company, acting on behalf of its branches outside of the United States, purchases catastrophic coverage from affiliates. This coverage includes nuclear and terrorism risks.

The Company reinsures its business through a diversified group of reinsurers. The Company analyzes recent trends in arbitration and litigation outcomes in disputes, if any, with its reinsurers. The Company monitors ratings and evaluates the financial strength of its reinsurers by analyzing their financial statements. The Company also periodically monitors the collectability of reinsurance balances. In addition, the reinsurance recoverable balance due from each reinsurer is evaluated as part of the overall monitoring process. Recoverability of reinsurance recoverable balances is evaluated based on these analyses. The Company remains liable for all risks reinsured in the event the reinsurers are unable to meet their obligations under the agreements.

Credit for Reinsurance

The letters of credit and the trust agreements for unauthorized reinsurers were reviewed and were determined to comply with the requirements of 18 *Del. Admin. Code* 1003 "Credit for Reinsurance" and the NAIC *Accounting Practices and Procedures Manual*, SSAP No. 61.

Reinsurance Contract Review

Significant reinsurance contracts put into place during the examination period were reviewed for compliance with 18 *Del. Admin Code* §1000, NAIC Guidelines and Statutory Accounting Principles (SSAP). No exceptions were noted.

FINANCIAL STATEMENTS

The following financial statements, as reported and filed by the Company with the Department, are reflected in the following:

General Account:

- Assets as of December 31, 2023
- Liabilities, Surplus and Other Funds as of December 31, 2023
- Summary of Operations for the year ended December 31, 2023
- Reconciliation of Capital and Surplus for the Period from the Prior Examination as of December 31, 2018 to December 31, 2023

Separate Accounts:

- Statement of Assets, Liabilities and Surplus of December 31, 2023

Assets
As of December 31, 2023

	Assets	Assets Nonadmitted	Net Admitted Assets
Bonds	\$ 2,586,340,263	\$ -	\$ 2,586,340,263
Preferred stocks	-	-	-
Common stocks	9,486,192,713	44,707,062	9,441,485,651
Mortgage loans on real estate:			
First lies	23,397,000		23,397,000
Other than first liens	-		-
Real estate:			
Properties occupied by the company	10,237,903	1,718,272	8,519,631
Properties held for the production of income	853,489	311,110	542,379
Cash, cash equivalents, short-term investments	1,062,745,685	-	1,062,745,685
Contract loans	95,250,791		95,250,791
Derivatives	-		-
Other invested assets	82,929,188	32,363,449	50,565,739
Receivables for securities	23,199,249	-	23,199,249
Aggregate write-ins for invested assets	-	-	-
Subtotals, cash and invested assets	<u>\$ 13,371,146,281</u>	<u>\$ 79,099,893</u>	<u>\$ 13,292,046,388</u>
Investment income due and accrued	49,309,029		49,309,029
Premiums and considerations:			
Uncollected premiums and agents' balances in the course of collection	170,051,027	21,618,068	148,432,959
Reinsurance:			
Amounts recoverable from reinsurers	186,372,218		186,372,218
Funds held by or deposited with reinsured companies (reinsurance)	9,381,321		9,381,321
Other amounts receivable under reinsurance contracts	83,644,842		83,644,842
Net deferred tax asset	9,279,115	9,279,115	-
Guaranty funds receivable or on deposit	-		-
Electronic data processing equipment and software	19,057,078	15,272,333	3,784,745
Furniture and equipment, including health care delivery assets	6,695,540	6,695,540	-
Receivables from parent, subsidiaries and affiliates	104,866,196	16,665,082	88,201,114
Health care and other amounts receivable	-		-
Aggregate write-ins for other than invested assets	<u>37,798,564</u>	<u>37,798,564</u>	<u>-</u>
Total assets excluding Separate Accounts, Segregated Accounts and Protected Call Accounts	\$ 14,047,601,211	\$ 186,428,595	\$ 13,861,172,616
From Separate Accounts, Segregated Accounts and Protected Cell Accounts	1,982,335,923	-	1,982,335,923
Total	<u><u>\$ 16,029,937,134</u></u>	<u><u>\$ 186,428,595</u></u>	<u><u>\$ 15,843,508,539</u></u>

Liabilities, Surplus and Other Funds
As of December 31, 2023

		<u>Notes</u>
Aggregate reserves for life contracts	\$ 1,902,994,947	1
Aggregate reserves for accident and health contracts	79,054,447	1
Liability for deposit type contracts	36,508	1
Contract claims:		
Life	126,378,348	1
Accident and health	107,223,924	1
Policyholders' dividends/refunds to members and coupons due and unpaid	88	
Provision for policyholder dividends and coupons payable in following calendar year - estimate amounts:		
Policyholders' dividends and refunds to members not yet apportioned for payment	57,779,606	
Premiums and annuity considerations for life and accident and health contracts received in advance less discount	2,206,429	
Contract liabilities not included elsewhere:		
Provision for experience rating refunds	3,828,857	
Other amounts payable on reinsurance	318,098,591	
Commissions to agents due or accrued-life and annuity contracts \$ 7,997,597 accident and health \$148,699 and deposit-type contacts \$	8,146,290	
Commissions and expense allowances payable on reinsurance assumed	38,832,856	
General expenses due or accrued	55,409,624	
Transfers to Separate Accounts due or accrued	(54,560,684)	1
Taxes, licenses and fees	1,826,603	
Current federal and foreign income taxes	293,982,176	
Net deferred tax liability	217,469,279	
Unearned investment income	5,907,632	
Amounts withheld or retained by company as agent or trustee	8,432,629	
Amounts held for agents' account, including \$ 509,976 agents' credit balances	509,976	
Remittances and items not allocated	57,166,634	
Liability for benefits for employees and agents if not included above	108,586,263	
Borrowed money \$ and interest thereon \$ 51,033,959	51,033,955	
Miscellaneous liabilities:		
Asset valuation reserve	1,945,572,686	
Reinsurance in unauthorized and certified companies	57,983,829	
Funds held under reinsurance treaties and unauthorized reinsurers	8,036,670	
Payable to parent, subsidiaries and affiliates	152,297,754	
Payable for securities	3,201,165	
Aggregate write-ins for liabilities	31,977,749	
Total liabilities excluding Separate Accounts	<u>\$ 5,589,414,831</u>	
From Separate Accounts Statement	<u>1,982,335,923</u>	
Total Liabilities	<u>\$ 7,571,750,754</u>	
Common capital stock	40,000,000	
Surplus notes	3,185,800,000	
Gross paid-in and contributed surplus	1,087,872,933	
Unassigned funds	3,958,084,852	
Capital and surplus	<u>\$ 8,271,757,785</u>	
Total Liabilities, Capital and Surplus	<u>\$ 15,843,508,539</u>	

Summary of Operations
For the Year Ended December 31, 2023

Premiums and annuity considerations for life and accident and health	\$ 1,187,699,857
Consideration for supplementary contracts with life contingencies	10,687,640
Net investment income	1,413,899,426
Amortization of Interest Maintenance Reserve	607,520
Commissions and expense allowances on reinsurance ceded	43,325,706
Miscellaneous income:	
Income from fees associated with investment management, administration and contract guarantees from Separate Accounts	88,317,877
Aggregate write-ins for miscellaneous income	48,556,054
Totals	<u>\$ 2,793,094,080</u>
Death benefits	\$ 36,386,641
Matured endowments (excluding guaranteed annual pure endowments)	237,921,152
Annuity benefits	17,023,382
Disability benefits and benefits under accident and health contracts	218,196,600
Surrender benefits and withdrawals for life contracts	525,304,095
Interest and adjustments on contract or deposit-type contract funds	(469,067)
Payments on supplementary contracts with life contingencies	3,573,695
Increase in aggregate reserves for life and accident and health contracts	(45,798,872)
Totals	<u>\$ 992,137,626</u>
Commissions on premiums, annuity considerations and deposit-type contracts funds	129,708,792
Commissions and expense allowances on reinsurance assumed	62,802,800
General insurance expenses	724,596,204
Insurance taxes, licenses and fees, excluding federal income taxes	23,567,219
Increase in loading on deferred and uncollected premiums	(955,047)
Net transfers to or (from) Separate Accounts net of reinsurance	(29,783,949)
Aggregate write-ins for deductions	4,453,724
Totals	<u>\$ 1,906,527,369</u>
Net gain from operations before dividends to policyholders and federal income taxes	\$ 886,566,711
Dividend to policyholders	6,091,903
Net gain from operations after dividends to policyholders and before federal income taxes	880,474,808
Federal and foreign income taxes incurred	(64,815,420)
Net gain from operations after dividends to policyholders and federal income taxes and before realized capital gains (losses)	945,290,228
Net realized capital gains (losses)	(178,016,809)
Net Income	<u>\$ 767,273,419</u>

Reconciliation of Capital and Surplus
for the Period from the Prior Examination
as of December 31, 2018, to December 31, 2023

	Common Capital Stock	Surplus Notes	Gross Paid-in and Contributed Surplus	Unassigned Surplus	Total
12/31/18	\$ 40,000,000	\$ 200,000,000	\$ 5,778,348,543	\$ (1,097,704,650)	\$ 4,920,643,893
12/31/19 ⁽¹⁾			(1,100,000,000)	1,149,445,177	49,445,177
12/31/20 ⁽²⁾		(100,000,000)	(1,200,000,000)	748,783,863	(551,216,137)
12/31/21		771,000,000	(334,475,610)	728,549,336	1,165,073,726
12/31/22		1,145,800,000	(669,000,000)	(1,020,923,651)	(544,123,651)
12/31/23		1,169,000,000	(1,387,000,000)	3,449,934,777	3,231,934,777
	<u>\$ 40,000,000</u>	<u>\$ 3,185,800,000</u>	<u>\$ 1,087,872,933</u>	<u>\$ 3,958,084,852</u>	<u>\$ 8,271,757,785</u>

- (1) During 2019, the Company discovered an error related to the nonadmitted premiums for ceded reinsurance. The correction of the error was reported as prior period adjustment in surplus. The impact of the correction on the Company's surplus was an increase of \$28 million.
- (2) During 2020, the Company discovered errors related to the value of affiliated common stock and a subsequent change in asset valuation reserve. The net impact of this correction on surplus was a decrease of \$466 million.

Separate Account Statement of Assets, Liabilities and Surplus
As of December 31, 2023

	General			
	Account Basis	Fair Value Basis	Total	Notes
Bonds	\$ -	\$ 7,484,489	\$ 7,484,489	
Common stocks		1,778,553,332	1,778,553,332	
Cash and cash equivalents		174,107,702	174,107,702	
Subtotals, cash and invested assets	\$ -	\$ 1,960,145,523	\$ 1,960,145,523	
Investment income due and accrued		29,019	29,019	
Receivable for securities		7,337,562	7,337,562	
Aggregate write-ins for other than invested assets		14,823,819	14,823,819	
Total	\$ -	\$ 1,982,335,923	\$ 1,982,335,923	
Aggregate reserve for life, annuity and . accident and health	\$ -	\$ 1,855,260,116	\$ 1,855,260,116	1
Liability for deposit-type contracts		82,501	82,501	1
Other transfers to general account due or accrued		54,560,684	54,560,684	1
Remittances and items not allocated		489,872	489,872	
Payable for securities		69,720,136	69,720,136	
Aggregate write-ins for liabilities		2,222,614	2,222,614	
Total liabilities	\$ -	\$ 1,982,335,923	\$ 1,982,335,923	

**ANALYSIS OF CHANGES IN FINANCIAL STATEMENTS RESULTING FROM THE
EXAMINATION**

There were no changes made to the financial statements as a result of this examination.

COMMENTS ON FINANCIAL STATEMENT ITEMS

Note 1:

General Account

Aggregate reserve for life contracts	\$ 1,902,994,947
Aggregate reserve for accident and health contracts	\$ 79,054,447
Liability for deposit-type contracts	\$ 36,508
Contract claims	
Life	\$ 126,378,348
Accident and health	\$ 107,223,924
Transfers to the Separate Accounts	\$ (54,560,684)
Uncollected Premiums	\$ 148,432,959

Separate Account

Aggregate reserve for life, annuity, and A&H contracts	\$ 1,855,260,116
Liability for deposit-type contracts	\$ 82,501
Transfers to the General Account	\$ 54,560,684

The Department retained the actuarial services of The INS Companies (Consulting Actuary) to perform a risk-focused review of the Company's reserving and pricing activities. The Consulting Actuary assisted in review of the inherent risks, management oversight and other mitigating controls over the Company's actuarial processes and procedures. The Consulting Actuary performed an independent reserve analysis including an assessment of the Company's reserves for compliance with standard valuation laws, applicable NAIC Actuarial Guidelines and Model Regulations. Also, the Consulting Actuary reviewed the Company's Asset Adequacy Analysis filed in accordance with the Actuarial Opinion Memorandum Regulation for the year ended December 31, 2023.

SUBSEQUENT EVENTS

The following material subsequent events occurred, requiring disclosure in this examination report.

Dividend Payments

On May 23, 2024, ALICO submitted a request to pay an extraordinary dividend in the amount of \$1,100 million to MetLife on or before June 30, 2024. The Department approved payment on June 21, 2024.

On November 22, 2023, ALICO submitted a request to pay an extraordinary dividend in the amount of \$400 million to MetLife on or before December 31, 2024. The Department approved payment on December 17, 2024.

Surplus Note Issuance

On May 23, 2024, the Company submitted a request to issue a surplus note in the amount of \$700 million to its indirect subsidiary, MIT. The Department approved the issuance of the surplus note in the amount of \$700 million on July 19, 2024.

On November 22, 2024, the Company submitted a request to issue a surplus note in the amount of \$250 million to its indirect subsidiary, MIT. The Department approved the issuance of the surplus note in the amount of \$250 million on December 17, 2024.

Surplus Note Interest Payments

On May 23, 2024, the Company submitted a request to make interest payments on prior issued surplus notes in the aggregate amount of \$73,332,494.39 on or before July 1, 2024. On June 21, 2024, the Department approved the payment of interest on prior issued surplus notes in the requested amounts on or before July 1, 2024.

On November 22, 2024, the Company submitted a request to make interest payments on prior issued surplus notes in the aggregate amount of \$93,633,405.50 on December 30, 2024. On December 17, 2024, the Department approved the payment of interest on prior issued surplus notes in the requested amounts on December 30, 2024.

Intercompany Agreements

On January 1, 2024, ALICO entered into a Net Worth Agreement (NWA) with its indirect subsidiary, MetLife UK LLC. (MUK), a United Kingdom insurance company. The agreement became effective on April 1, 2024, per court order. Under the agreement, ALICO agrees to cause MUK to have the Solvency II Capital and Reserves, as well as liquidity to meet its obligations on a timely basis.

On May 2, 2024, ALICO submitted a 5th Amendment to the Discretionary Investment Management (DIM) Agreement with MetLife Investment Management, LLC (MIM). The Department approved the amendment on July 16, 2024, and became effective upon approval by the Department.

October 21, 2024, ALICO submitted a 6th Amendment to the DIM with MIM. The Department approved the amendment on November 26, 2024, with an effective date of January 1, 2025.

On July 17, 2024, ALICO filed a proposed Transfer Agreement between ALICO, MetLife Global Holding Company I GmbH (Swiss I) and MetLife Global Holding Company III GmbH (Swiss III) which amends the Profit Participation Agreement (the PPA) between ALICO and Swiss I, that was entered into in 2012 as part of ALICO's restructuring of its international operations to satisfy the terms of a Closing Agreement between Alico and the IRS. Under the Proposed Agreement, Swiss III will replace Swiss I as party to the PPA with the effect that 1) Swiss III will acquire all rights and will assume all obligations of Swiss I under the PPA, and 2) Swiss I will be fully discharged from any and all obligations under the PPA. Swiss I and Swiss III are proposing to enter into the Proposed Agreement as part of the plan with the Department to restructure aspects of ALICO's holding company structure for tax efficiencies. The Company sought approval of the

proposed agreement to become effective on or about July 29, 2024, subject to the formation of Swiss III. Approval was given by the Department on July 29, 2024.

Violation of Office of Foreign Asset Control (OFAC)

On November 14, 2024, ALICO settled with OFAC for \$178,421 related to apparent violations of Iranian Transactions and Sanctions Regulations. The settlement amount reflects OFAC's determination that ALICO's apparent violations were non-egregious and voluntarily self-disclosed.

SUMMARY OF RECOMMENDATIONS

There were no examination report findings or recommendations as a result of the December 31, 2023, examination.

The assistance and cooperation of the consulting actuarial firm, INS Consultants, Inc., the consulting information system specialist firm, INS Services, Inc., the investment specialist firm, Rutter Associates, LLC, the Company's outside audit firm, D&T, and the Company's management and staff were appreciated and is acknowledged.

Respectfully submitted,

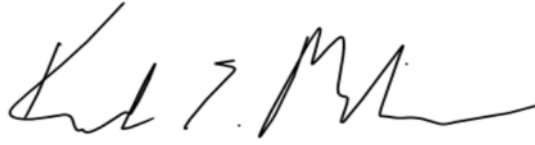
A handwritten signature in black ink, appearing to read "Keith E. Misenheimer".

Keith E. Misenheimer, CFE, ALMI, CFE, ARM
Examiner-In-Charge
Delaware Department of Insurance

A handwritten signature in black ink, appearing to read "James M. Perkins".

James M. Perkins, CFE
Supervising Examiner
Delaware Department of Insurance

I, Keith E. Misenheimer, hereby verify and attest, under penalty of perjury, that the above is a true and correct copy of the examination report and findings submitted to the Delaware Department of Insurance pursuant to Examination Certification No. 24.011.

A handwritten signature in black ink, appearing to read 'Keith E. Misenheimer', written in a cursive style.

Keith E. Misenheimer, CFE, ALMI, CFE, ARM