

BEFORE THE INSURANCE COMMISSIONER OF THE STATE OF IOWA

In the matter of the Application of Transamerica Life Insurance Company (TLIC) for Approval of Its Plan of Division	AFFIDAVIT OF BONNIE GERST
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**BEFORE THE INSURANCE COMMISSIONER AND THE ATTORNEY GENERAL OF
THE STATE OF IOWA**

In the matter of the Application of Transamerica Life Insurance Company (TLIC) for Approval of the merger of Newly Formed Company with SCOR Global Life USA Reinsurance Company	AFFIDAVIT OF BONNIE GERST
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FILED CONFIDENTIALLY PURSUANT TO PROTECTIVE ORDER

STATE OF IOWA)
) ss:
COUNTY OF LINN)

I, Bonnie Gerst, being first duly sworn, hereby depose and state as follows:

1. I am the President of Financial Assets and Senior Vice President of Transamerica Corporation (“Transamerica”). I submit this Affidavit in support of the Plan of Division and Merger (the “Plan”) that was submitted by Transamerica Life Insurance Company (“TLIC”), a Transamerica subsidiary, to the Iowa Insurance Division (“IID”) on May 12, 2026, as amended on July 29, 2026. This Affidavit describes my understanding of TLIC’s rationale for and mechanics of the Plan, and sets out facts supporting my belief that the Plan complies with the requirements set forth in Chapter 521I (Division of Domestic Stock Insurers) of the Iowa Code (the “Iowa Division Law”) and Chapter 521 (Consolidation, Merger, and Reinsurance) of the Iowa Code (the

AX-035

“Iowa Merger Law”), and merits approval by the Iowa Insurance Commissioner (the “Commissioner”) and the Iowa Attorney General.

2. Since joining Transamerica in 2000, I have served in a number of financial roles, including the M&A core team for the sale of the Transamerica Reinsurance (“TARe”) business in 2011 (described in more detail below). I also served as interim Chief Accounting Officer at TARe after Aegon Ltd. (“Aegon”) acquired the company in 2000. I was appointed President of Transamerica’s Financial Assets division in October 2022, and in that role have led the team responsible for optimizing Transamerica’s businesses designated as Financial Assets, including the blocks of universal life, annuity, variable annuity, and long-term care representing approximately 40% of the capital, and I am responsible for inforce management for Transamerica. Additionally, I manage the ongoing relationship of divestitures and risk mitigation through capital reinsurance transactions with various counterparties, including SCOR.

3. Prior to joining Transamerica, I worked at Ernst & Young as Audit Manager and was the Chief Financial Officer of National Travelers Life. I earned my bachelor’s degree in accounting and business administration from Coe College in Cedar Rapids, Iowa in 1989. I received my Certified Public Accountant (“CPA”) designation in 1989, although I no longer maintain an active license. I am therefore familiar with U.S. Generally Accepted Accounting Principles (“GAAP”) and the National Association of Insurance Commissioners’ (“NAIC”) U.S. statutory accounting principles focused on the life insurance industry, and I have continued to use these accounting standards throughout my career. While at Transamerica, I have followed the Financial Accounting Standards Board’s standards and practices and NAIC guidance to understand potential new principles that could develop into changes to GAAP and relevant statutory accounting principles.

4. I am a member of the Transamerica Management Board and a member of the board of directors at each of Transamerica's subsidiary insurance companies, including TLIC. As a member of TLIC's board of directors, I have been authorized to provide this Affidavit by TLIC, which submitted the Plan to the IID.

5. This Affidavit is based on my personal knowledge, my financial and accounting expertise, my knowledge and understanding of TLIC's financial and actuarial condition and its financial books and records, my knowledge regarding the Plan and the Specified Business, and my review of certain documents and exhibits referenced in this Affidavit.

6. This Affidavit is intended to be confidential and not made available to the public, as it discusses and refers to certain materials designated as confidential, including the Milliman Report and certain other confidential materials that incorporate proprietary and competitively sensitive trade secret level business plans and financial analyses. It is my understanding that this Affidavit will be considered by the Commissioner and Iowa Attorney General in their evaluation of the Plan, and that it is confidential under the Iowa Division Law (as defined below). This Affidavit is not intended to waive any confidentiality in whole or in part.

7. The Plan proposes to formalize TLIC's allocation of specific reinsurance business (the "Specified Business," as defined in the Plan) that, pursuant to a series of retrocession agreements and subsequent retrocession transactions initiated in 2011, is ceded to and operated by SCOR Global Life Americas Reinsurance Company ("SGLA") and certain of SGLA's affiliates (collectively, "SCOR").¹ Pursuant to those transactions, SCOR has had full responsibility for administering and servicing the Specified Business for almost 15 years. Thus, the Plan is designed

¹ Pursuant to the Amendment discussed below, the Specified Business includes all of the "Defined Block," as defined in the Milliman Report, except for the John Hancock contracts listed on Schedule 1B to the Plan.

to result in the parties to the reinsurance treaties that make up the Specified Business (the “Cedants”) having a direct contractual relationship with a SCOR entity, while otherwise preserving the status quo for the Cedants, as that business is already administered by SGLA.

8. On July 29, 2026, TLIC submitted an amendment to the Plan (the “Amendment”) that contemplates that certain business associated with reinsurance contracts issued to John Hancock Life Insurance Company and its affiliate The Manufacturers Life Insurance Company (Bermuda Branch) (together, “John Hancock”) will not be allocated to TLIC-A in the Division and will remain retroceded to SCOR at the time of the Division and Merger. TLIC made the decision to exclude John Hancock from the transaction to avoid any potential further continuance of the Hearing and delay in approval of the Division and Merger, and the changes to the Plan reflected in the Amendment are immaterial to TLIC, TLIC-A, SCOR, and SGLUSA from a financial perspective.

9. The simplification of TLIC’s organizational structure, administration, and financial reporting requirements as envisioned in the Plan will benefit TLIC’s policyholders and the Cedants, and will increase regulatory transparency by reflecting SCOR’s management of the Specified Business. The relevant accounting standards require TLIC to report assumed and ceded risk associated with the Specified Business by counterparty/treaty, even though all of that risk has been fully transitioned to SCOR via retrocession. This ultimately affects the overall costs embedded in TLIC administration cost, impacts SCOR administration cost for Cedants when the cost of rate actions related to the underlying reinsurance contracts are assessed, and increases costs of regulatory oversight during insurance examinations and monitoring.

10. Under the Plan, TLIC will allocate the Specified Business to a newly formed Iowa-domiciled stock insurance company, TLIC Division Insurance Company A (“TLIC-A”). This part

of the process is referred to as the “Division.” Upon the Division, TLIC and TLIC-A will be the two resulting companies, and all the assets, liabilities, contracts, and required surplus associated with the Specified Business will reside in TLIC-A. Simultaneously with the Division, TLIC-A will merge with and into SCOR Global Life USA Reinsurance Company (“SGLUSA”), a Delaware-domiciled reinsurance company. This part of the process is referred to as the “Merger.” Upon the effectiveness of the Merger, all the assets, liabilities, contracts, and required surplus associated with the Specified Business and allocated to TLIC-A in the Division will reside in SGLUSA as the surviving company.

11. After the Division and Merger contemplated by the Plan, SGLUSA will be reinsurer on the reinsurance contracts to which the Specified Business is related by operation of law, and any related liabilities will be allocated to SGLUSA. Accordingly, TLIC will not have any legal obligation or responsibility for those reinsurance agreements, and SGLUSA—not TLIC—will be responsible for fulfilling all obligations under those reinsurance agreements.

12. If the Plan is approved, it will not negatively affect the Cedants or TLIC’s policyholders. SCOR—a core entity with equivalent financial strength ratings to TLIC—has been administering the Specified Business for almost 15 years and supporting ongoing financial obligations to the Cedants. The Specified Business was closed to new business since shortly after the 2011 transaction, therefore the business has declined through maturity of the inforce, reducing the exposure over the past 15 years. Other than the Specified Business, all other assets, liabilities, contracts, and required surplus associated with TLIC will be retained by TLIC. No Cedant’s contractual rights or obligations will change as a result of the Division and Merger. Further, if the Plan is approved, it will not negatively impact the financial stability of TLIC and its affiliates. In

fact, it will slightly improve TLIC's capitalization ratios [REDACTED]

[REDACTED]

13. This Affidavit will be divided into the following parts. First, I will describe the background of the transaction and explain the history of the relationship between TLIC and SCOR, as well as the rationale for the Plan. Second, I will provide an overview of the mechanics of the Division and Merger and explain how the surviving TLIC entity will be adequately capitalized, solvent, and sufficiently reserved. Finally, I will address the impacts of the Division and the Merger on policyholders, Cedants—including intervenors American General Life Insurance Company (“AGL”) and The United States Life Insurance Company (“USL”)—retrocessionaires, and the surviving TLIC entity, which I believe demonstrate that the Plan complies with the Iowa Division Law and the Iowa Merger Law.

BACKGROUND

14. I am TLIC's overall executive sponsor for the Plan and am responsible for the financial results, administrative execution, and relationship with the Cedants. I also was involved in drafting the Plan. My core responsibilities relating to the Plan and the execution of the Division and Merger have included: (1) strategizing goals and objectives with TLIC's management; (2) supervising the TLIC Capital Strategy and Regulatory teams in assessing and ensuring that TLIC and TLIC-A would be adequately capitalized and solvent post-Division and Merger; and (3) working with management, risk committees and the boards at TLIC and SCOR as they considered the Plan. In addition, I interacted with representatives from the IID and its independent advisors—Faegre Drinker Biddle & Reath LLP (“Faegre”) as its outside counsel and Risk & Regulatory Consulting (“RRC”) as its independent actuarial expert—and I monitored the TLIC team that interfaced with RRC to ensure that they and IID had the information needed to analyze the Plan consistent with applicable regulatory requirements.

15. I have been collaborating for more than two years with my colleagues at TLIC and with SCOR to prepare the Plan and the related financial projections. This involved expertise from departments from both companies, including Accounting, In Force Management, Actuarial, Legal, Reinsurance Operations, Capital Strategy, Finance, Risk and Treasury. The Actuarial, Finance, and Reinsurance Operations teams from TLIC and SCOR developed the inventory of TARE contracts, U.S. statutory reserves reported, and claim reserves associated with the Covered Contracts (defined below). The Legal team drafted the Plan and its associated and ancillary agreements, interacted with IID as necessary, and managed the implementation of structural changes envisioned in the Plan, such as the formation of TLIC-A. Together with the Legal team, the Treasury teams at TLIC and SCOR assessed SGLUSA's capital and prepared financial projections. The Actuarial team liaised with TLIC's independent consultants at Ernst & Young ("E&Y") as well as TLIC and SCOR's jointly retained independent consultants at Milliman, Inc. ("Milliman"). The Finance team reviewed and coordinated IID's review of the pro forma financial statements for TLIC-A and SGLUSA. Thus, the Plan reflects TLIC and SCOR's discussions with IID, Faegre, and RRC, as well as TLIC and SCOR's internal review and the analyses of the independent consultants at E&Y and Milliman.

16. During diligence in 2011 and again over the past two years, TLIC concluded that SGLUSA's financial strength and protections for the Cedants are equivalent to TLIC's. SCOR SE and its subsidiaries, including SGLUSA and SGLA, have "core ratings" of A+ by S&P Global, A+ by Fitch and A by A.M. Best based on balance sheet strength, liquidity, reserve adequacy, operating performance, business profile, and enterprise risk management, among other factors.

[REDACTED]

[REDACTED]

17. In addition, Milliman conducted an independent analysis of the proposed Division and Merger and prepared a report dated May 11, 2026 (the “Milliman Report”), which addresses the financial requirements necessary for a division to satisfy the Iowa Division Law. As described in the Milliman Report and the Affidavit of Laird Zacheis, a principal and consulting actuary at Milliman, Milliman determined that the financial requirements of the Iowa Division Law were satisfied by the Plan. TLIC submitted the Milliman Report to IID on May 12, 2026.² Milliman also drafted a memorandum concluding that the Amendment had no material impact on its conclusions in the Milliman Report, which was submitted to IID on August 10, 2026.

18. RRC submitted its own report to IID (“RRC Report”), which I understand was filed on July 10, 2026. I reviewed the RRC Report, which states that RRC reviewed the Milliman Report, its underlying data, and additional documents related to SCOR and SGLUSA’s financial health and the financials of the Specified Business. RRC concurred with Milliman’s ultimate conclusions and independently concluded the Division and Merger would satisfy the criteria found in Iowa Division Law Section 521I.8(3) and (4) required for approval by the Commissioner, and that the resulting entities would be in compliance with Iowa Code Section 508.36, Actuarial Standards of Practice, and the NAIC Valuation Manual.

TLIC’S ALLOCATION OF ITS REINSURANCE BUSINESS TO SCOR

19. TLIC offers life and health insurance as well as annuities, mutual funds, and retirement solutions. Its products are primarily distributed through agents and brokers. TLIC previously offered reinsurance products to insurance companies, but it exited that market beginning in 2011, when it transitioned its institution-to-institution reinsurance business, TARE, to SCOR.

² Milliman made a minor edit to the Milliman Report that was updated on May 29, 2026, and TLIC submitted the updated Milliman Report to IID on June 2, 2026.

20. In August 2011 and subsequent transactions in October 2017, July 2018 and July 2024, Transamerica entities, including TLIC, entered into a series of retrocession and administration services agreements with SCOR which ceded to SGLA, and SGLA assumed on a reinsurance indemnity basis, all of the TARE business, along with a transition of all operations and financial results of the business (collectively, as amended and supplemented, the “TARE Transaction”). Given the complexity of the business and required unwinding of captive financing structures, it took multiple years to transition all economic risks associated with the reinsurance business to SCOR. Certain TLIC assumed reinsurance risk (“Excluded Business”) was ceded to SCOR in October 2017 and July 2018, but a specified subset of the Excluded Business (the “TLIC Conversions”) was not ceded at that time to SCOR. The TLIC Conversions were ceded to SCOR in July 2024. In 2024, Transamerica also sold Transamerica International Re (Bermuda) Ltd. (renamed SCOR Bermuda Ltd., “SCOR Bermuda”) to SCOR, completing the transition of economic outcomes for the Specified Business.

21. The TARE Transaction resulted in the transition of all operations, employees, and assets supporting the administration of the Specified Business to SCOR in 2011, including all invested and cash assets supporting the Specified Business and a dedicated blocked bank account administered and funded by SCOR that accepts reinsurance settlements, thereby effectuating a complete risk transfer. As a result of the TARE Transaction, all life, accident and health reinsurance assumed by TLIC is currently retroceded to SGLA and SCOR Bermuda, some of which is retroceded to third party retrocessionaires under Inuring Reinsurance Agreements and administered by SGLA.³ After the completion of the TARE Transaction, TLIC’s balance sheet reflected no future economic risks or benefits from the Specified Business.

³ These third-party agreements that remain represent recoveries of prior claims.

22. TLIC terminated all new business with the Cedants following the TARE Transaction to the extent it had not already done so prior to 2011. For example, new reinsurance business with AGL and USL terminated in 2007. Cedants, including AGL and USL, entered into new reinsurance treaties directly with SCOR in the years following the TARE Transaction. The size of the Specified Business and counterparty exposure has thus reduced significantly with the passage of time. The net amount at risk and reserves ceded are generally 30-40% of the original exposure of the Specified Business. Inforce AGL and USL business is 26.5% of the original amount, and reserves are 63.3% of the original amount. The reduction in reserves ceded for all of the TARE business currently retroceded to SCOR, and for the AGL and USL treaties that will be allocated to TLIC-A in the Division and Merger along with the rest of the Specified Business, is represented below in Figure 1.

Figure 1

Total Assumed	2011	2025 ⁴
Inforce Assumed	\$717B	\$190B
Reserves Assumed	\$6.0B	\$3.8B
Premiums Assumed	\$1.6B	\$0.86B

AGL/USL Assumed	2011	2025 ⁵
Inforce Assumed	\$16.3B	\$3.2B
Reserves Assumed	\$0.2B	\$0.1B
Premiums Assumed	\$0.05B	\$0.04B
% Total Reserves Assumed	3.3%	2.6%

⁴ The reserves assumed have not declined as significantly as inforce and premiums as the reinsurance includes some XXX requirements where the XXX reserve peak was still increasing at the date of initial transaction. The inforce is 26.5% of the original amount reflecting the decrease in the size of the block and counterparty exposure.

⁵

Decrease In AGL/USL Business and Reserves			
	Inforce	Reserves ⁶	Premium
2011	16,281,578,879.00	165,991,375.70	50,348,132.57
2012	14,890,654,114.00	167,004,048.88	49,090,450.78
2013	14,165,895,767.00	178,001,275.61	52,198,688.06
2014	12,885,758,960.00	173,122,454.78	48,453,127.03
2015	11,965,931,590.00	168,106,645.11	46,954,750.68
2016	10,954,606,743.64	159,546,421.12	46,542,950.10
2017	10,071,353,962.51	156,149,567.03	47,762,475.88
2018	9,328,401,642.00	150,423,757.12	46,553,338.12
2019	8,511,664,505.00	125,676,426.58	37,363,784.62
2020	7,217,543,453.00	116,029,277.49	34,554,097.12
2021	6,188,317,628.40	107,184,913.80	47,978,682.40
2022	4,852,163,103.42	91,484,416.28	28,419,181.30
2023	4,441,241,573.95	86,105,151.19	33,325,488.49
2024	4,052,378,056.00	110,237,609.00	49,815,642.87
2025	3,672,050,730.36	105,954,688.08	36,879,359.54

Percent		
Decrease	25%	63%

SGLUSA AS MERGER PARTNER FOR TLIC-A

23. SCOR is a leading provider of inforce and reinsurance solutions in the North American life insurance industry as well as globally, and thus has been a natural successor to manage the Specified Business. SGLUSA is the primary reinsurer for new business and designated by rating agencies as “core” to the SCOR SE organization. SCOR SE, SGLUSA, and SGLA are rated A+ by Fitch, and, like TLIC, A+ by S&P Global and A by A.M. Best, demonstrating universally recognized creditworthiness and financial strength that takes into consideration capital

⁶ The inforce is approximately 25% of the original amount, reflecting the decrease in the size of the block and counterparty exposure. The reserves have decreased to a lesser extent, by approximately 63%, [REDACTED]

management protections of subsidiaries and the importance of subsidiaries to the group. As represented below in Figure 2, SCOR Group and its U.S. subsidiaries (including SGLUSA and SGLA) are highly rated by multiple financial rating agencies in recognition of SCOR's robust balance sheet and overall financial strength.

Figure 2

Moody's			
	Rating Type	Rating	Outlook
SCOR Group	Financial Strength	A1	Stable
SGLUSA / SGLA	Financial Strength	A	Stable
S&P Global			
	Rating Type	Rating	Outlook
SCOR Group	Financial Strength	A+	Stable
SGLUSA / SGLA	Financial Strength	A+	Stable
A.M. Best			
	Rating Type	Rating	Outlook
SCOR Group	Financial Strength	A	Stable
SGLUSA / SGLA	Financial Strength	A	Stable

24. In fact, SCOR's ratings since the TARE Transaction have strengthened, as represented in Figure 3. The trajectory in SCOR's ratings, equivalency to TLIC's ratings, and decline in the size of relevant counterparty risk over the last 15 years all factored into TLIC's decision to pursue the Division and Merger contemplated by the Plan.

Figure 3

S&P Ratings	2011	2025
Transamerica	AA- Rating – Negative Outlook	A+ Rating – Stable Outlook
SCOR	A Rating - Positive Outlook	A+ Rating – Stable Outlook
Reserve Assumed	2011	2025
Transamerica	\$6.0B	\$3.8B

25. TLIC is satisfied that SCOR's capital management strategy provides equivalent outcomes and protections for the Cedants, including for the reasons explained in more detail in the testimony of Brock Robbins and the Milliman Report. SCOR and Transamerica have [REDACTED]

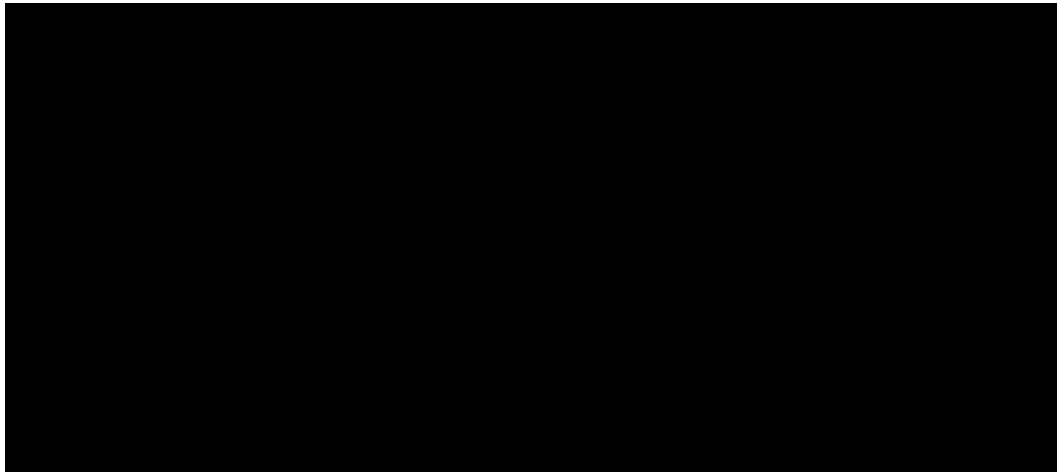
[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Figure 4



26. As a reinsurer that does not issue insurance contracts directly to policyholders, SCOR's capital management policy for SGLUSA [REDACTED]

[REDACTED] Transamerica's Capital Policy mandates that [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] These differing policies, which provide equivalent

⁷ The RBC ratio is a method of measuring the amount of capital appropriate for an insurance company to support its overall business operations in consideration of its size and risk profile.

protection against financial stressors, are reflected in [REDACTED]

[REDACTED] as described in more detail in the Milliman Report and RRC Report. [REDACTED]

[REDACTED], SCOR “monitors and updates all Group and legal entity capital and regulatory solvency positions (actual and one-year projections) to detect any material changes over each quarter and anticipate the necessary actions to maintain adequate solvency” on a quarterly basis.

27. Thus, although [REDACTED]

Figure 5

28. Finally, SCOR has a proven track record of successfully managing the Specified Business. Since taking over administration of the Specified Business in 2011, SCOR has managed relationships with over 500 unique counterparties that had ceded business to TLIC pursuant to 3,600 treaties (all of which have been retroceded to SCOR) and overseen the approximately \$190 billion of inforce business and roughly \$3.8 billion in statutory reserves necessary to operate the business. Since the TARE Transaction, TLIC has not made any payments to any Cedants as

direct obligor on the relevant treaties (as settlements are made through a SCOR-maintained blocked account on behalf of TLIC), and none of the Cedants have requested that TLIC do so, as SCOR unfailingly meets its obligations on the retroceded risk.

RATIONALE FOR PROPOSED DIVISION AND MERGER

29. The purpose of the proposed Division and Merger outlined in the Plan is to segregate the assumed reinsurance risks and related reinsurance balances of the Specified Business for which the risk transfer to SCOR was effectuated in the TARE Transaction, in order to effect a full allocation of all such business to TLIC-A in the Division, then to SGLUSA via the Merger, by operation of law.

30. First, the Division and Merger will address significant administrative and reporting burdens that TLIC and SCOR incur as a result of the current organizational structure, which ultimately impact TLIC policyholders, the Cedants, IID, and regulatory transparency. As NAIC noted in its most recent White Paper on restructuring transactions,

prudent allocation of reserves and management of runoff books of business reduces volatility and improves capital efficiency with benefits for reinsureds and policyholders of both runoff and on-going books of business. . . . Run-off business can be both a distraction to management's focus as well as redirect regulatory focus away from the insurer's ongoing business. The isolation of such business from on-going business enhances the visibility of those runoff operations as well as the supervision of runoff operations, by both regulators and the insurer.

Restructuring Mechanisms: An NAIC White Paper at 3, December 11, 2025, <https://content.naic.org/sites/default/files/inline-files/White%20Paper%20draft%20clean%2012-11-25-Calibri.pdf> (the "White Paper"). Indeed, a critical purpose of insurance divisions is to "provide legal and economic finality to run-off insurance risks to improve the efficient allocation of capital and management resources to run-off." *Id.* That is exactly the situation here, as the Specified Business has declined significantly since the TARE Transaction because TLIC stopped writing new reinsurance business at that time, as discussed in more detail above.

31. U.S. Statutory Accounting Principles, International Financial Reporting Standard 17 (“IFRS 17”) and GAAP standards mandate the valuation of reinsurance cash flows, financial assets, liabilities and current assumptions, which must be reflected on the financial statements for both accepted and ceded risks by treaty, even though these offset by reporting legal entity. The future cash flows and experience and assumptions need to be reviewed and updated regularly (against the offset of the accepted and ceded risks), and significant accounting disclosures are required, including under U.S. Statutory Reporting Schedule S and regulatory reporting related to each counterparty. Thus, TLIC incurs ongoing expense to provide valuations as if it had retained the risk associated with the Specified Business, even though the net balance sheet risk is zero. When Transamerica’s ultimate parent, Aegon, redomiciles to the U.S. in 2028, it would also be required to incur additional expense to value the gross accepted and ceded contracts. *See, e.g., <https://www.aegon.com/investors/redomiciliation>*. Given the reduction of the Specified Business over the past 15 years, TLIC’s operational costs with respect to financial reporting relative to the remaining risk have become increasingly disproportionate. The increased overhead costs associated with this reporting ultimately have an adverse impact on TLIC policyholders and are embedded in new business cost. The duplication of administration ultimately also impacts the Cedants when the cost of rate actions related to the underlying reinsurance contracts are assessed, because they do not accurately reflect the true cost of carrying the ceded risk.

32. The Division and Merger will simplify TLIC’s organizational structure and financial reporting going forward by removing the currently required counter-party reporting for assets and liabilities associated with the Specified Business, which will accurately reflect the fact that TLIC does not manage the Specified Business. This is consistent with NAIC’s current focus on transparency and insight into the ultimate risk taker where assets supporting the business reside,

as reflected in Actuarial Guideline 55 and the White Paper. In fact, all regulators, including IID, will benefit from the simplification and increased transparency that will result from the allocation of the Covered Contracts to SGLUSA by operation of law, including in connection with Aegon's redomiciliation in 2028.

33. Second, TLIC will no longer have any responsibility for the Specified Business that it does not operate and the related liabilities, while the Cedants' rights, obligations, collateral terms, and risk will remain unchanged. While Cedants, including AGL and USL, have counterparty risk that currently runs to TLIC alone, the reality is that TLIC does not hold the assets supporting the business and has no qualifying collateral under NAIC guidelines. SCOR already handles administrative operations for the blocked cash account that supports the settlement of cash flows to the Cedants and maintains the ongoing relationships with Cedants. SCOR thus demonstrably has the physical assets to support the reserves, and its credit ratings and the opinions of both Milliman and RRC demonstrate that there will be no change to Cedants' credit risk as a result of the Division and Merger. SGLUSA will be the reinsurer of the Specified Business by operation of law, meaning that SGLUSA—not TLIC—will be responsible for fulfilling all obligations under the allocated reinsurance agreements. Cedants will have more direct access to the management team and the assets supporting SGLUSA, and counterparty risk will run to SGLUSA alone, reflecting the reality that SCOR has had full responsibility for the economics and administration of the Specified Business for approximately 15 years. Therefore, the Division and Merger is the final consummation of risk transfer to SGLA-related entities that has been in place for 15 years.

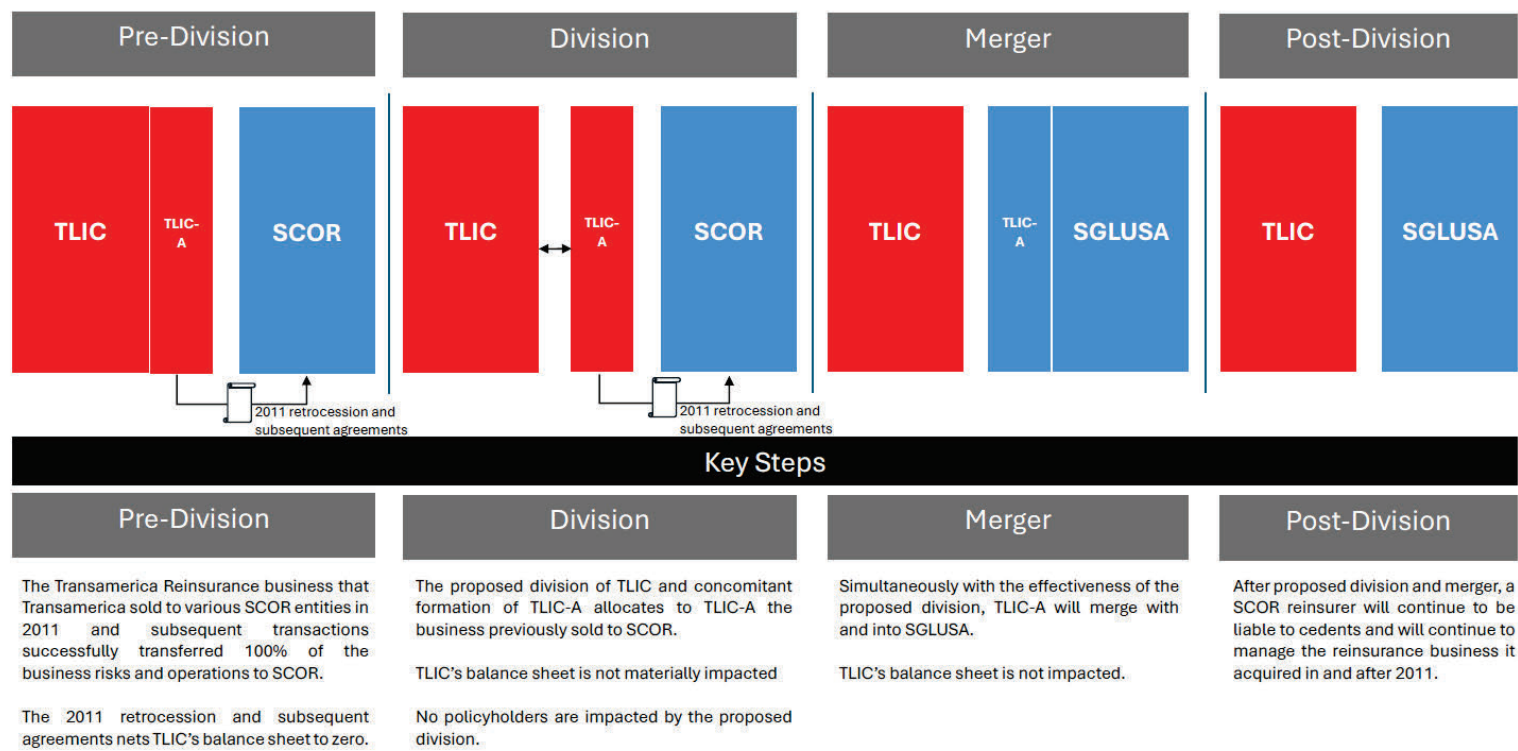
MECHANICS OF THE DIVISION AND MERGER

34. The Plan and its exhibits describe in detail the Specified Business, the Division and Merger, and the anticipated effects of the Division and Merger, and meets the requirements of

Iowa Division Law Sections 521I(2) and (3), including because it (1) identifies the dividing and resulting insurers, (2) attaches existing and proposed articles of incorporation and bylaws for dividing and resulting insurers, (3) describes the allocation and treatment of assets, liabilities, and shares among and by the dividing and resulting insurers, and (4) describes the terms and conditions associated with the Division, among other things. I describe the essential elements of the Division and Merger at a high level below, but additional detail may be found in the Plan and the accompanying schedules and attachments, all of which have been filed publicly subject to certain limited redactions authorized by IID.

35. The structure of the Division and Merger contemplated by the Plan is reflected in Figure 6 below:

Figure 6



36. Here, the “Dividing Insurer” as defined in Iowa Division Law is TLIC. TLIC is an Iowa domestic insurer, holding a license from IID. Under the Plan, TLIC will divide into two entities: (1) TLIC, and (2) a newly created Iowa domestic insurer licensed by IID, TLIC-A.

37. TLIC’s name, articles of incorporation and bylaws, capital stock, board of directors and officers will not be affected by the Division, and post-Division TLIC shall be the sole successor of pre-Division TLIC for purposes of all licenses, permits, orders, approvals, consents, registrations, memberships or authorizations under all applicable laws or otherwise issued by any governmental authority. In other words, except with respect to the assets, liabilities, contracts, and required surplus specifically allocated to TLIC-A under the Plan, as described below, TLIC will remain unchanged in any and all respects post-Division.

38. Under the Plan, TLIC will allocate to TLIC-A all life, accident, and health reinsurance and retrocession contracts currently retroceded to SCOR entities pursuant to the TARE Transaction except for the contracts listed in Schedule 1B to the Plan (referred to in the Plan as the “Covered Contracts”),⁸ along with all assets and liabilities arising out of, resulting from or relating to the Covered Contracts. TLIC will also allocate to TLIC-A an initial capitalization of \$5 million that has been segregated in a separate bank account included in the assets to be divided, in order to meet the minimum capital and surplus required for TLIC-A to obtain its license to transact the business of insurance in Iowa under Iowa law (although TLIC-A will not actually transact

⁸ The Covered Contracts are identified on Schedules 1 and 1A to the Plan. Schedule 1 is populated using information available in Transamerica’s accounting systems and reflects what is reported on TLIC’s 2025 year-end Schedule S. Schedule 1A is administrative in nature and made up of a compilation of treaties starting with the April 2011 retrocession agreement and subsequent agreements, adjusting for novations, terminations, and recaptures since 2011 through December 31, 2025. TLIC and SCOR included the treaties in Schedule 1A as part of the Division, despite their not having financial impacts reflected on TLIC’s 2025 year-end Schedule S, to avoid the inadvertent omission of any treaties in the Division and Merger.

insurance business by virtue of the simultaneous Merger). Furthermore, TLIC will provide a Net Worth Maintenance Agreement to TLIC-A (the “NWMA”), pursuant to which TLIC will maintain TLIC-A’s RBC Ratio at 200%, which agreement terminates automatically upon the Merger. The operative draft of the proposed NWMA is attached to the Plan as Annex F.

39. The assets and liabilities allocated to TLIC-A as part of the Division are identified on Schedule 4 and Schedule 6 to the Plan, respectively. The assets and liabilities that remain with TLIC after the Division are identified on Schedule 5 and Schedule 7 to the Plan, respectively. The numerical allocation of the assets and liabilities to TLIC-A as of December 31, 2025 is also depicted on a pro forma basis on the balance sheet included as Schedule 2 to the Plan. Additionally, the Plan contains a detailed description of the methodology TLIC used to prepare TLIC-A’s pro forma statutory balance sheet, which is included in Schedule 3 to the Plan.

40. As a result of the Merger, SGLUSA, not TLIC, will be the reinsurer on all Covered Contracts by operation of law. SGLUSA will be directly liable to the Cedants and will manage the reinsurance business that SCOR has administered for nearly 15 years. All terms, conditions, rights, and obligations associated with the Covered Contracts will remain unchanged following the Division and Merger. Because the Specified Business that will be allocated to SGLUSA in the Merger consists solely of TARE reinsurance business that TLIC transitioned to various SCOR entities in 2011, and the subsequent transactions that ceded 100% of the risks and transitioned operations to such entities, TLIC’s balance sheet will not be materially impacted by the Division and Merger. For the same reason, the Division and Merger will have no adverse impact on TLIC’s policyholders or the cedants, retrocessionaires, or intermediaries subject to the Covered Contracts.

41. After the Division and Merger, TLIC will be adequately capitalized and solvent, and will carry sufficient reserves, consistent with NAIC statutory requirements, as discussed in

greater detail below as well as the Affidavit of Mr. Zacheis of Milliman. Though TLIC-A will merge with SGLUSA simultaneously with the Division, TLIC-A will itself be initially capitalized through the segregated \$5 million, with the NWMA as an additional protective backstop.

42. It also was important to TLIC that SGLUSA would remain adequately capitalized and solvent following the Division and Merger, consistent with its strong financial ratings. I understand that Brock Robbins, Chief Executive Officer of SCOR, has submitted an Affidavit and will testify about how post-Division and Merger SGLUSA satisfies the statutory factors that must be met under the Iowa Division Law and the Iowa Merger Law for the Commissioner and Iowa Attorney General to approve the Plan.

43. The Plan of Division was approved by the Board of Directors of TLIC and its shareholder, Commonwealth General Corporation, on May 6, 2026, and the Amendment was approved on July 27, 2026. The Merger was also approved by the Board of Directors of TLIC and Commonwealth General Corporation on May 6, 2026. Subject to receipt of the Commissioner's approval of the Plan of Division and Merger in accordance with the Iowa Division Law and Iowa Merger Law, the approval of the Delaware Insurance Commissioner, and the filing of requisite certificates and articles with the Commissioners of Insurance and the Secretaries of State in Iowa and Delaware, TLIC is targeting an October 1, 2026 effective date.

TLIC'S FINANCIAL CONDITION BEFORE AND AFTER THE DIVISION AND MERGER

44. TLIC is one of the largest life insurance companies in the United States, with assets of approximately \$184 billion (including cash and invested assets of approximately \$70 billion), total liabilities of approximately \$179 billion, and a total surplus of approximately \$5.3 billion. Those figures are not materially different post-Division, with a nearly identical surplus, as

demonstrated by the pro forma reference balance sheet of the Specified Business that will be allocated to TLIC-A attached as Schedule 2 to the Plan, reproduced as Figure 7 below.

Figure 7

PRO FORMA REFERENCE BALANCE SHEET INFORMATION AS OF DECEMBER 31, 2025

Proforma of Business Included in TLIC-A

Assets				
		TLIC Net Admitted Assets	TLIC - A Divided Business	TLIC After Division
01	Bonds (Schedule D)	49,695,684,689	0	49,695,684,689
02.1	Preferred stocks (Schedule D)	40,038,365	0	40,038,365
02.2	Common stocks (Schedule D)	2,683,623,521	0	2,683,623,521
03.1	Mortgage loans on real estate: First liens	8,817,714,626	0	8,817,714,626
03.2	Mortgage loans on real estate: Other than first liens	0	0	0
04.1	Properties occupied by the company (less \$... encumbrances)	36,702,270	0	36,702,270
04.2	Properties held for the production of income (less \$... encumbrances)	179,272	0	179,272
04.3	Properties held for sale (less \$... encumbrances)	0	0	0
05	Cash (\$..., Schedule E Part 1), cash equivalents (\$..., Schedule E Part 2) and short-term investments (\$..., Schedule DA)	1,103,020,616	6,581,106	1,096,439,510
06	Contract loans (including \$... premium notes)	2,375,663,348	0	2,375,663,348
07	Derivatives	247,281,388	0	247,281,388
08	Other invested assets (Schedule BA)	3,043,857,865	0	3,043,857,865
09	Receivables for securities	9,919,478	0	9,919,478
10	Securities lending reinvested collateral assets	1,657,101,280	0	1,657,101,280
11	Aggregate write-ins for invested assets	530,931,033	0	530,931,033
12	Subtotals, cash and invested assets (Lines 1 to 11)	70,241,717,751	6,581,106	70,235,136,645

		TLIC Net Admitted Assets	TLIC - A Divided Business	TLIC After Division
13	Title plants less \$... Charged off (for Title insurers only)	0	0	0
14	Investment income due and accrued	613,207,001	0	613,207,001
15.1	Uncollected premiums and agents' balances in the course of collection	62,994,354	0	62,994,354
15.2	Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$... earned but unbilled premiums)	560,779	0	560,779
15.3	Accrued retrospective premiums (\$...) and contracts subject to redetermination (\$...)	0	0	0
16.1	Amounts recoverable from reinsurers	23,654,544	0	23,654,544
16.2	Funds held by or deposited with reinsured companies	4,750,417	4,750,417	0
16.3	Other amounts receivable under reinsurance contracts	96,428,324	10,845,102	85,583,222
17	Amounts receivable relating to uninsured plans	0	0	0
18.1	Current federal and foreign income tax recoverable and interest thereon	114,349,012	0	114,349,012
18.2	Net deferred tax asset	688,850,940	0	688,850,940
19	Guaranty funds receivable or on deposit	13,859,362	0	13,859,362
20	Electronic data processing equipment and software	0	0	0
21	Furniture and equipment, including health care delivery assets (\$...)	0	0	0
22	Net adjustment in assets and liabilities due to foreign exchange rates	0	0	0
23	Receivables from parent, subsidiaries and affiliates	609,857,647	0	609,857,647
24	Health care (\$...) and other amounts receivable	0	0	0

		TLIC Net Admitted Assets	TLIC - A Divided Business	TLIC After Division
25	Aggregate write-ins for other than invested assets	1,781,385,397	142,098	1,781,243,299
26	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	74,251,615,528	22,318,723	74,222,715,699
27	From Separate Accounts, Segregated Accounts and Protected Cell Accounts	109,591,979,919	0	109,591,979,919
28	Total (Lines 26 and 27)	183,843,595,447	22,318,723	183,814,695,618

Liabilities, Surplus and Other Funds

		TLIC Liabilities	TLIC – A Divided Business	TLIC After Division
01	Aggregate reserve for life contracts \$... less \$... included in Line 6.3 (including \$... Modco Reserve)	47,225,249,905	0	47,225,249,905
02	Aggregate reserve for accident and health contracts (including \$... Modco Reserve)	7,183,580,137	0	7,183,580,137
03	Liability for deposit-type contracts (including \$... Modco Reserve)	670,552,085	0	670,552,085
04.1	Contract Claims: Life	550,455,049	0	550,455,049
04.2	Accident and health	368,936,755	0	368,936,755
05	Policyholders' dividends/refunds to members \$... and coupons \$... due and unpaid	1,608,262	0	1,608,262
06.1	Policyholders' dividends and refunds to members apportioned for payment (including \$... Modco)	29,284,626	0	29,284,626
06.2	Policyholders' dividends and refunds to members not yet apportioned (including \$... Modco)	0	0	0

		TLIC Liabilities	TLIC – A Divided Business	TLIC After Division
06.3	Coupons and similar benefits (including \$... Modco)	0	0	0
07	Amount provisionally held for deferred dividend policies not included in Line 6	0	0	0
08	Premiums and annuity considerations for life and accident and health contracts received in advance less \$... discount; including \$... accident and health premiums	17,782,118	0	17,782,118
09.1	Surrender values on canceled contracts	0	0	0
09.2	Provision for experience rating refunds, including the liability of \$... accident and health experience rating refunds of which \$... is for medical loss ratio rebate per the Public Health Service Act	8,787,466	0	8,787,466
09.3	Other amounts payable on reinsurance, including \$... assumed and \$... ceded	0	0	0
09.4	Interest maintenance reserve	98	0	98
10	Commissions to agents due or accrued-life and annuity contracts \$... accident and health \$... and deposit-type contract funds \$...	37,492,070	0	37,492,070
11	Commissions and expense allowances payable on reinsurance assumed	11,084,908	10,845,102	239,806
12	General expenses due or accrued	360,317,460	0	360,317,460
13	Transfers to Separate Accounts due or accrued (net) (including \$... accrued for expense allowances recognized in reserves, net of reinsured allowances)	(236,167,249)	0	(236,167,249)
14	Taxes, licenses and fees due or accrued, excluding federal income taxes	44,303,996	0	44,303,996
15.1	Current federal and foreign income taxes, including \$... on realized capital gains (losses)	0	0	0

		TLIC Liabilities	TLIC – A Divided Business	TLIC After Division
15.2	Net deferred tax liability	0	0	0
16	Unearned investment income	36,898,220	0	36,898,220
17	Amounts withheld or retained by reporting entity as agent or trustee	415,312,314	0	415,312,314
18	Amounts held for agents' account, including \$... agents' credit balances	29,519,062	0	29,519,062
19	Remittances and items not allocated	142,833,099	930,120	141,902,979
20	Net adjustment in assets and liabilities due to foreign exchange rates	0	0	0
21	Liability for benefits for employees and agents if not included above	76,795,496	0	76,795,496
22	Borrowed money \$... and interest thereon \$...	650,284,661	0	650,284,661
23	Dividends to stockholders declared and unpaid		0	0
24.01	Asset valuation reserve	1,292,338,227	0	1,292,338,227
24.02	Reinsurance in unauthorized and certified (\$...) companies	5,958,725	0	5,958,725
24.03	Funds held under reinsurance treaties with unauthorized and certified (\$...) reinsurers	3,508,791,042	5,543,501	3,503,247,541
24.04	Payable to parent, subsidiaries and affiliates	0	0	0
24.05	Drafts outstanding	0	0	0
24.06	Liability for amounts held under uninsured plans	0	0	0
24.07	Funds held under coinsurance	3,588,364,270	0	3,588,364,270
24.08	Derivatives	934,284,533	0	934,284,533
24.09	Payable for securities	8,305,889	0	8,305,889
24.10	Payable for securities lending	1,657,101,280	0	1,657,101,280
24.11	Capital notes \$... and interest thereon \$...	0	0	0
25	Aggregate write-ins for liabilities	350,372,044	0	350,372,044
26	Total liabilities excluding Separate Accounts business (Lines 1 to 25)	68,970,426,548	17,318,723	68,953,107,825

		TLIC Liabilities	TLIC – A Divided Business	TLIC After Division
27	From Separate Accounts Statement	109,591,978,396	0	109,591,978,396
28	Total liabilities (Lines 26 and 27)	178,562,404,944	17,318,723	178,545,086,221
29	Common capital stock	6,761,900	0	6,761,900
30	Preferred capital stock	0	0	0
31	Aggregate write-ins for other than special surplus funds	0	0	0
32	Surplus notes	0	0	0
33	Gross paid in and contributed surplus	4,248,594,702	5,000,000	4,243,594,702
34	Aggregate write-ins for special surplus funds	1,027,572,415	0	1,027,572,415
35	Unassigned funds (surplus)	(1,738,514)	0	(1,738,514)
36.1	Treasury stock at cost: common	0	0	0
36.2	Treasury stock at cost: preferred	0	0	0
37	Surplus (Total Lines 31+32+33+34+35-36) (including \$... in Separate Accounts Statement)	5,274,428,603	5,000,000	5,269,428,603
38	Totals of Lines 29, 30 and 37	5,281,190,503	5,000,000	5,276,190,503
39	Totals of Lines 28 and 38 (Page 2, Line 28, Col. 3)	183,843,595,447	22,318,723	183,821,276,724

45. TLIC's reinsurance obligations assumed from third parties under the Covered Contracts are offset by reinsurance obligations previously ceded to SCOR other than the segregated capital of \$5 million, which was used to initially capitalize TLIC-A for purposes of allowing TLIC-A to obtain its insurance license in Iowa. The \$5 million in initial capitalization for TLIC-A will have no adverse impact on its balance sheet, and in any event will be recovered from SGLUSA upon consummation of the Merger.

46. Various rating agencies uniformly consider Transamerica and Aegon's overall capitalization and ability to meet their obligations to be strong. Transamerica's latest ratings are reproduced below as Figure 8.

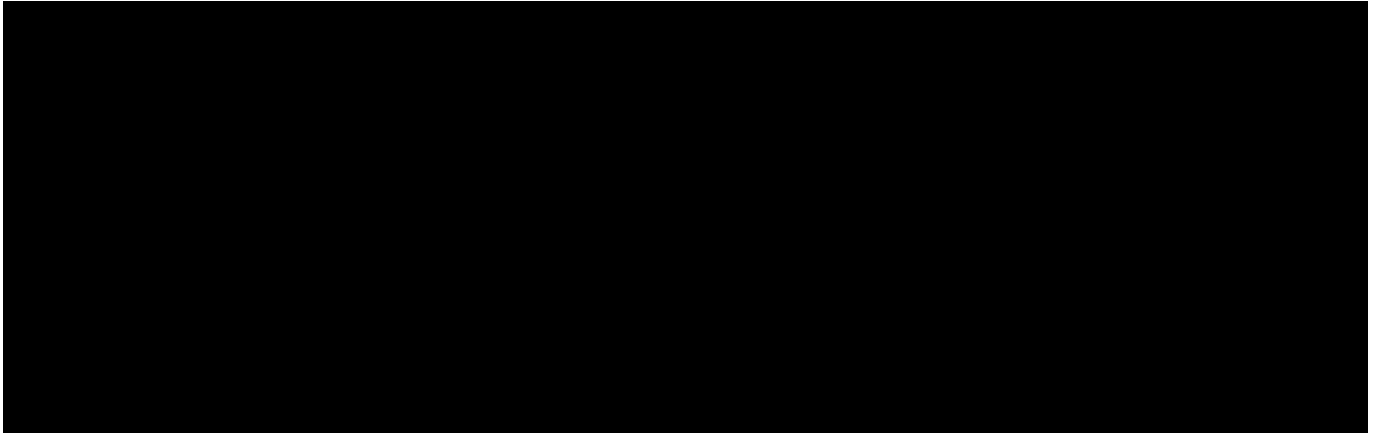
Figure 8

Moody's			
	Rating Type	Rating	Outlook
Aegon Ltd.	LT Issuer/Senior Unsecured	Baa1	Stable
Transamerica *	Financial Strength	A1	Stable
S&P Global			
	Rating Type	Rating	Outlook
Aegon Ltd.	LT Issuer/Senior Unsecured	BBB+	Stable
Transamerica *	Financial Strength	A+	Stable
A.M. Best			
	Rating Type	Rating	Outlook
Transamerica *	Financial Strength	A	Stable

47. Milliman's analysis confirms that TLIC's capitalization ratio will remain strong following the Division and Merger, and in fact will slightly increase as a result, primarily due to a [REDACTED] Milliman's analysis based on a review of TLIC's pro forma financials is reproduced below as Figure 9. I understand that it is Milliman's conclusion

that the impact on TLIC's RBC of removing John Hancock's contracts from the Specified Business pursuant to the Amendment is immaterial.

Figure 9



48. An RBC Ratio of [REDACTED] is well above TLIC's target and is consistent with TLIC's industry peers, as Milliman's peer benchmarking analysis shows. Milliman's peer-benchmarking analysis is summarized below in Figure 10.

Figure 10

Direct Issuers (\$000s)								
Company	General Account Liabilities	Adjusted Capital	CAL RBC Ratio	Liabilities / Adjusted Capital	Rating			
					S&P Global	Fitch	AM Best	Moody's
Transamerica Life Insurance Company					A+	WD	A	A1
American General Life Insurance Company					A+	A+	A	A2
Brighthouse Life Insurance Company					A	A-	A	A3
Equitable Financial Life Insurance Company					A+	WD	A	A1
Equitable Financial Life Insurance Company of America					A+	WD	NR	A1
John Hancock Life Insurance Company (U.S.A)					AA-	AA-	A+	Aa3
Globe Life Inc.					A	A	NR	Baa1
Lincoln National Life Insurance Company					A+	A+	A	Baa2
Massachusetts Mutual Life Insurance Company					AA+	AA	A++	Aa3
Metropolitan Life Insurance Company					AA-	A+	A+	A3
Midland National Life Insurance Company					A+	A+	A+	NR
United of Omaha Life Insurance Company					A+	NR	A+	A1
NLV Financial Corporation					NR	NR	NR	A1
Nationwide Life Insurance Company					A+	NR	A+	Baa1
New York Life Insurance Company					AA+	AA+	A++	Aa1
Northwestern Mutual Life Insurance Company					AA+	AA+	A++	Aa1
Pacific Life Insurance Company					AA-	A+	A+	Aa3
Primerica, Inc.					A-	NR	NR	Baa1
Principal Life Insurance Company					A-	A	NR	A1
Protective Life Insurance Company					AA-	AA-	A+	A1
Prudential Insurance Company of America					AA-	A+	A+	A3
Securian Financial Group, Inc.					A-	A+	NR	A3
State Farm Life Insurance Company					AA	NR	A+	Aa1
The Guardian Life Insurance Company of America					AA+	WD	A++	Aa1
The Penn Mutual Life Insurance Company					A+	AA-	A+	Aa3
Western-Southern Life Assurance Company					AA-	AA	A+	Aa3
Median excluding TLIC								
Mean excluding TLIC								
Transamerica Life Insurance Post Division & Merger					A+	WD	A	A1

49. From time to time, TLIC will declare a dividend subject to approval of its board,

[REDACTED]

[REDACTED] Figure 11 represents an

example of the assessment [REDACTED]

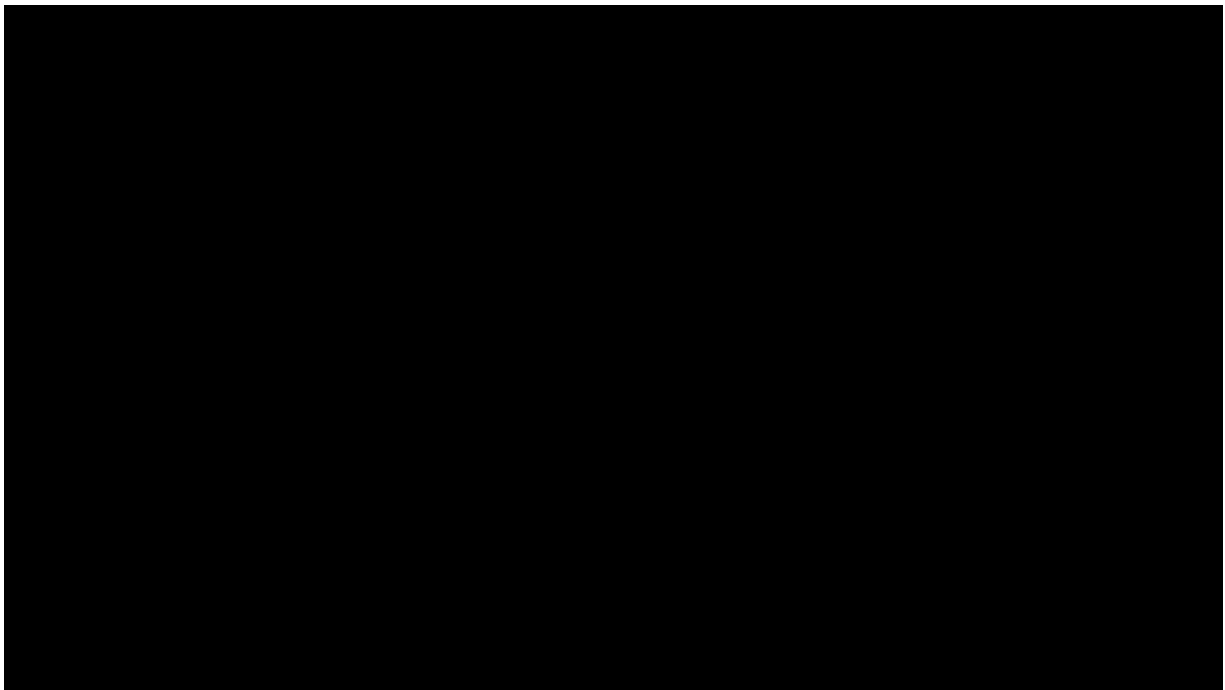
[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Figure 11



50. Additionally, because its financial condition will be unchanged, TLIC will maintain its license to transact the business of insurance in all 50 states, and its A+ credit rating from S&P Global and A credit rating from AM Best will remain unchanged after the Division and the Merger.

COMPLIANCE WITH DIVISION LAW AND MERGER LAW REQUIREMENTS

Reasonable Notice Has Been Provided to All Necessary Parties.

51. TLIC ensured that notice was provided to all necessary parties pursuant to the Communication Plan attached to the Plan as Annex B. The IID reviewed and commented on the Communication Plan before it was implemented. The notice in the Communication Plan complies with the applicable notice provisions of Iowa Division Law Section 521I.1 et seq., Iowa Code Section 521.4, and the Iowa Administrative Procedure Act, Iowa Code Ch. 17A.

52. Notice of the Division Hearing was mailed on May 14, 2026 to each known cedant, retrocessionaire, or intermediary (as relevant) for the Covered Contracts. The notices were sent by regular mail to each recipient's last known address and noted that a Plan of Division has been filed, as well as briefly describing the nature of the Division and Merger. The notices also provided the date, time, and location of the Hearing and included information regarding requests to intervene and submission of written statements. The notices also were served by publication in print and electronic format for two consecutive weeks in the Wall Street Journal (beginning on May 18, 2026) and Insurance Journal (beginning on May 26, 2026), and published on Transamerica's and IID's websites at <https://www.Transamerica.com/PoDHearing> and <https://iid.iowa.gov/legal-resources/notice-public-hearings> (beginning on May 13, 2026).

53. Subsequent notices with updated hearing information have been posted on IID's and Transamerica's websites since then. After the Commissioner granted IID's motion for a continuance of the proceedings on June 15, 2026, a notice of the continuance was mailed on July 13, 2026 to each known cedant, retrocessionaire, or intermediary (as relevant) for the Covered Contracts, and posted on IID's and Transamerica's websites. The notice provides the new date of the Hearing and directs the recipient to the most recent documents posted on IID's and

Transamerica's websites, including the Commissioner's scheduling and administrative order continuing the hearing. Transamerica's and IID's websites have also been updated to reflect the Commissioner's order that the hearing will begin at 8:00 am CT.

54. If, at any time following the filing of the Plan of Division and before the Commissioner approves the Plan, SCOR or TLIC become aware of the identity and location of a cedant, retrocessionaire, or intermediary that was not listed in the Plan, TLIC shall ensure they are provided written notice by overnight mail with a copy to the Commissioner and SCOR.

55. In sum, all third-party treaty holders and the general public (including TLIC's policyholders and creditors) were provided notice of this hearing and given the opportunity to comment on or object to the proposed Division and Merger.

56. On May 29, 2026, John Hancock submitted the *Motion to Intervene of Interested Party John Hancock Life Insurance Company* ("JH Motion to Intervene") and Exhibit 1, *Petition in Intervention of Interested Party John Hancock Life Insurance Company* ("JH Petition"), via email to IID and counsel for TLIC and SGLUSA. John Hancock argued that (1) the Division Law does not apply to divisions involving reinsurance treaties, (2) the Plan does not meet the requirements of Iowa Division Law Section 521I.8(3)(a)-(g), (3) purported anti-assignment clauses prevent the Division and Merger, and (4) the Plan presents certain constitutional issues. John Hancock also filed a motion for summary judgment, largely reiterating its arguments with respect to the applicability of the Division Law, on July 20, 2026. I understand that, following the Amendment, John Hancock withdrew its Petition and is no longer a party to these proceedings. I also understand that, despite withdrawing, John Hancock submitted a comment letter in these proceedings on August 12, 2026.

57. On July 24, 2026, Corebridge Financial, Inc. (“Corebridge”) filed a comment letter asserting that, along with AGL and USL (its subsidiaries), it had an interest in these proceedings by virtue of 47 AGL and USL reinsurance agreements that are part of the Specified Business, which Corebridge asserted gave it “meaningful” financial risk exposure.⁹ Corebridge complained in its letter that the Division and Merger would shift the concentration of its counterparty credit risk, among other things.

58. On July 31, 2026, AGL and USL submitted a motion to intervene in these proceedings along with a petition in intervention (“AGL/USL Intervention”), via email to IID and counsel for TLIC and SGLUSA. AGL and USL are represented by the same attorneys as John Hancock and argue similarly that (1) the Division Law does not apply to divisions involving reinsurance treaties, (2) the Plan does not meet the requirements of Iowa Division Law Section 521I.8(3)(a)-(g) and the Iowa Merger Law. AGL and USL do not make the same contractual arguments that John Hancock did, and TLIC’s counsel has not identified any AGL or USL treaties that contain an anti-assignment provision or a right of recapture because of a change of control or adverse credit events. I disagree with AGL and USL’s arguments that the Plan does not meet the requirements of Iowa Division Law and Iowa Merger Law, as set forth in this Affidavit as well as the testimony of Brock Robbins, the Milliman Report, and the Affidavit of Laird Zacheis.

⁹ Both John Hancock and the Corebridge entities are parties to yearly renewable treaties

The Plan Meets the Requirements of Iowa Division Law Section 521I.8(3)(a)-(g) and Iowa Code Section 521A.3(4)(a)(1)-(6).

59. On May 12, 2026, TLIC [REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED] given that TLIC-A will merge with and into SGLUSA upon the simultaneous Division and Merger and thereupon cease to exist. As of the signing of this Affidavit, TLIC has not yet received the Commissioner's ruling [REDACTED], so I address both statutes here to the extent applicable.

60. Based on my understanding of the Iowa Division Law and Iowa Merger Law, the Plan satisfies the requirements under Iowa Division Law Section 521I.8(3)(a)-(g) and Iowa Code Section 521A.3(4)(a)(1)-(6), which are summarized below and substantially overlap. This Affidavit focuses on how these factors apply with respect to TLIC, with the understanding that other witnesses, including Mr. Zacheis and Mr. Robbins, will discuss how these factors apply with respect to SGLUSA.

Iowa Division Law Section 521I.8(3)(a) and Iowa Code Section 521A.3(4)(a)(4): The Interests Of The Cedants, Policyholders, Creditors, Or Shareholders Of TLIC Will Be Adequately Protected, And The Plan Is Not Unfair Or Unreasonable With Respect To The Cedants/Policyholders Of TLIC, Nor Contrary To The Public Interest.

Iowa Division Law Section 521I.8(3)(b) and Iowa Code Section 521A.3(4)(a)(3): The Financial Condition Of TLIC and SGLUSA, Upon The Division And Merger, Will Not Jeopardize The Financial Stability Of TLIC or SGLUSA, Or Prejudice The Interests Of

TLIC's Life Reinsurance Policyholders Or Cedants Whose Contracts Are Being Allocated As Part Of The Division.

Iowa Code Section 521A.3(4)(a)(6): The Division and Merger Is Not Likely To Be Hazardous Or Prejudicial to the Insurance-Buying Public.

61. As explained above, the Division and Merger will have no adverse impact on any TLIC policyholders, cedants, or retrocessionaires, or on the financial stability of TLIC and its affiliates, because the proposed Division and Merger simply formalizes the TARE Transaction, pursuant to which TLIC and SCOR have been operating for almost 15 years. In the Division and simultaneous Merger, TLIC will allocate to TLIC-A life, accident and health reinsurance currently retroceded to SGLA and SCOR Bermuda, for which SCOR assumed operational responsibility and financial results beginning in 2011, and TLIC-A will merge with SGLUSA. Because SCOR has had full responsibility for administering and servicing the Specified Business for almost 15 years and has done so successfully, the interests of the Cedants, including AGL and USL, will not be negatively affected—SGLUSA will simply serve as the counterparty to their contracts by operation of law and SGLA will continue to administer the Specified Business as before.

62. As all insurers are aware, including, presumably, the intervenors in this matter, counterparty risk is dynamic and subject to change over time. Among other things, companies merge, are bought and sold, change management, sell and divest assets and business, and are impacted by recessions and other market events. In other words, counterparties are not static, particularly during the extended terms for life and annuity business. For example, Transamerica was purchased by Aegon in 1999 and sold its reinsurance business to SCOR in 2011 by means of a retrocession arrangement. At the time of the TARE Transaction, as demonstrated above in Figure 3, Transamerica's credit rating was lower than it is today, and SCOR's and Transamerica's credit ratings have both improved over time and are equivalent. Corebridge itself has recently announced

a merger with Equitable Holdings, and thus contemplates relying on regulatory oversight to evaluate the current protections for and risk profiles of policyholders and counterparties.

63. Counterparty risk has always been an important consideration for TLIC, and TLIC established that SCOR was well-equipped to manage the Specified Business when it transferred the risk in 2011 through the TARE Transaction. In fact, SCOR has stronger financial ratings than it did then, and the reserves ceded have reduced significantly over the last 15 years. SGLUSA and SCOR's financial strength is equivalent to TLIC's, and, as Milliman's analysis shows, SGLUSA's RBC ratio and ability to meet its payment obligations are projected to remain strong following the Division and Merger. As a core entity, SGLUSA [REDACTED]

[REDACTED]

64. The Cedants' rights and obligations under their respective reinsurance treaties will remain unchanged when SGLUSA becomes a counterparty by operation of law, and there are downstream benefits for Cedants, TLIC policyholders, SCOR, TLIC, and regulators associated with the streamlined financial reporting that will result from the Division and Merger.

65. TLIC's financial stability and capitalization are strong and will remain so following the Division and Merger. Because the operations and financial results of the reinsurance contracts retroceded to SCOR almost 15 years ago were also transitioned to SCOR, the Specified Business has no current material impact on TLIC's financial condition, so the allocation of the Specified Business will not adversely impact TLIC's balance sheet and RBC ratio, as explained above. In fact, TLIC's capitalization ratios will improve as a result of the Division and Merger. Only assets, liabilities, and required surplus associated with the reinsurance business that TLIC sold to SCOR almost 15 years ago will be allocated to TLIC-A, and then to SGLUSA, pursuant to the Division and Merger, with all other assets, liabilities, and contracts remaining with TLIC. TLIC will

allocate to TLIC-A an initial capitalization of \$5 million and enter into a NWMA with TLIC-A, pursuant to which TLIC will agree to keep TLIC-A's RBC Ratio equal to at least 200%, should it fall below that number before the effectiveness of the Merger.

66. Based on the Affidavits of Mr. Zacheis and Mr. Robbins, it is my understanding that SGLUSA will be adequately capitalized and solvent after the Division and Merger, and will carry sufficient reserves consistent with NAIC statutory requirements.

AGL and USL's Risk Profile

67. While AGL and USL highlight the net amount at risk in their papers, that is not how counterparty risk is measured in the insurance industry. Rather, the NAIC RBC is measured by reserves ceded. As Figure 12 below demonstrates, reinsurance ceded to TLIC and SCOR entities is well under 1% of reserves ceded relative to the AGL/USL reinsurance programs, based on Schedule S to Corebridge's financial statements. This is within industry standards for counterparty exposure and concentration.

Figure 12

American General Life Insurance Reinsurance Ceded

Sch S Part 3 Section 1	S&P Rating	Amount in Force	Reserves	Premiums
SCOR	A+	1,534,062,079	41,895,458	11,980,745
TLIC	A+	3,206,405,408	90,059,898	44,341,006
Other	Various	883,542,598,065	50,036,897,664	58,580,063,547
Total		888,283,065,552	50,168,853,020	58,636,385,298
TLIC%		0.4%	0.3%	0.1%
SCOR%		0.2%	0.1%	0.0%
Combined % Ceded		0.5%	0.4%	0.1%

United States Life

Sch S Part 3 Section 1	S&P Rating	Amount in Force	Reserves	Premiums
SCOR	A+	268,327,453	1,150,904	2,045,756
TLIC	A+	16,000	1,345	712
Other	Various	17,024,040,744	146,064,496	99,783,702
Total		17,292,384,197	147,216,745	101,830,170
TLIC%		0.0%	0.0%	0.0%
SCOR%		1.6%	0.8%	2.0%
Combined % Ceded		1.6%	0.8%	2.0%

68. The immaterial size of AGL and USL's risk is also demonstrated by NAIC standards for calculating RBC ratios, as seen in Figure 13. NAIC considers recoverability of amounts from reinsurers in quantifying reinsurance counterparty risk for the purposes of NAIC RBC Calculation. This risk is deemed comparable to that represented by bonds between risk class 1 and 2 and is assigned a pre-tax factor of 0.78% of reserves.

Figure 13

	2025	RBC Factor¹⁰	RBC CAL
Total Reserves Assumed	\$3.8B	0.78%	\$0.03B
AGL/USL Reserves	\$0.09B	0.78%	\$0.0007B

Iowa Division Law Section 521I.8(3)(c): TLIC Will Maintain Its Certificate Of Authority To Transact The Business Of Insurance In This State.

69. TLIC is qualified to transact its insurance business in all 50 U.S. states, including Iowa, and will continue to maintain its insurance licenses following the Division and Merger. As

¹⁰ RBC Factor can be reduced for collateral, but this table assumes no such reduction.

described above, the Division and Merger will have no adverse effect on TLIC's capital and surplus, or on any other eligibility threshold under Iowa law.

70. Because the Division and Merger will occur simultaneously and TLIC-A thus will not actually transact insurance business in Iowa, the parties consulted with IID to determine how to satisfy the statutory licensing requirement of the Iowa Division Law in the context of this unique transaction, as this will be the first division under Iowa Division Law. Given the nature of the proposed Division and Merger, IID agreed to an abbreviated application process whereby IID would issue a certificate of authority to TLIC-A that is conditional on TLIC-A's merger into SGLUSA. IID determined that TLIC-A's eligibility for a certificate of authority in Iowa would be premised on SGLUSA's qualifications in addition to an initial capitalization of \$5 million.

71. Thus, the application for TLIC-A's license will be submitted to IID before the effective date of the Division and Merger and granted conditionally upon TLIC-A's merger into SGLUSA, at which time TLIC will simultaneously allocate the initial capitalization of \$5 million to TLIC-A. Based on the above, IID anticipates that, when presented with a complete application, it will issue TLIC-A a certificate of authority qualified as being solely for the purpose of effectuating the Division and Merger. Although Iowa Code Section 521A.3(4)(a)(1), which requires that following a "change of control the domestic insurer" acquired must "satisfy the requirements for the issuance of a license to write the line or lines of insurance for which it is presently licensed" is not strictly relevant given TLIC-A's momentary existence, TLIC-A will satisfy IID's licensure requirements.

Iowa Division Law Section 521I.8(3)(d): The Proposed Division Does Not Violate Iowa's Fraudulent Transfer Statute, Chapter 684 Of The Iowa Code.

Iowa Division Law Section 521I.8(3)(e): The Proposed Division Is Not Being Made For The Purpose Of Hindering, Delaying, Or Defrauding Any Policyholders Or Other Creditors Of TLIC.

Iowa Division Law Section 521I.8(3)(f): TLIC Will Remain Solvent When The Division And Simultaneous Merger Become Effective.

Iowa Division Law Section 521I.8(3)(g): The Remaining Assets Of TLIC Will Not Be Unreasonably Small In Relation To The Business And Transactions It Will Engage In After Completion Of The Division And Simultaneous Merger.

72. As explained in greater detail above, TLIC is not engaged in fraudulent transfer or attempting to obstruct policyholders, creditors, cedants, or any party in interest. Through the Division and Merger, TLIC seeks to simplify TLIC's organizational structure and financial reporting going forward by segregating the Specified Business and giving legal formality to the reality that all risk, operations, and financial results of the Specified Business were transitioned to SCOR almost 15 years ago. The counterparties to the Covered Contracts will have a direct contractual relationship with the entity that runs the associated business, while TLIC's policyholders will be unaffected because the Division and Merger is designed to maintain the status quo. All obligations and rights under the Covered Contracts will remain the same, and, as explained in more detail in the Milliman Report, Zacheis Affidavit, and Robbins Affidavit, SGLUSA has sufficient assets and capitalization to meet all of its obligations under the Covered Contracts.

73. TLIC's financial condition is strong—as recognized by multiple credit rating agencies—and will not be adversely affected by the Division and Merger. In fact, TLIC's RBC Ratios are expected to improve slightly as a result of the Division and Merger, and its surplus will

be virtually unchanged. TLIC is clearly solvent and will remain solvent after the Division and Merger, as defined by Iowa Code 684, with adequate assets to conduct its business going forward.

The Remainder Of The Requirements Under Iowa Code Section 521A.3 Are Satisfied, To The Extent Applicable.

74. Iowa Code Section 521A.3(4) also requires that a merger “will not substantially lessen competition in insurance” in Iowa (Section 521A.3(4)(a)(2)) and “[t]he competence, experience, and integrity of those persons who would control the operation of the insurer are sufficient to indicate that the interests of policyholders of the insurer and of the public will not be jeopardized by the merger or other acquisition of control” (Section 521A.3(4)(a)(5)). I understand that these factors will be addressed in the Affidavit of Brock Robbins.

75. I note, however, that SGLUSA is not an Iowa domestic insurer and will simply be continuing the reinsurance business in which it already engages following the Division and Merger, including administering the Specified Business as it has done for 15 years and continuing to write new business with Cedants as appropriate, which TLIC has discontinued. In other words, the Division and Merger will not result in consolidation of two entities’ businesses, but in the continuation and streamlining of an existing business, and thus does not affect competition in Iowa.

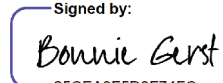
76. SCOR is a leading provider of reinsurance in the North American life insurance industry and has been successfully managing the Specified Business for over 15 years. SGLUSA is the primary reinsurer for new business for SCOR, which boasts strong credit ratings equivalent to TLIC’s [REDACTED]. I therefore believe that SCOR and SGLUSA management will continue to administer the Specified Business competently and with the utmost integrity.

CONCLUSION

77. For all the reasons explained above, I believe that the Plan complies with the requirements of the Iowa Division Law and the Iowa Merger Law, and I respectfully request that the Commissioner and the Iowa Attorney General approve the proposed Plan.

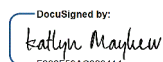
I, Bonnie Gerst, certify under penalty of perjury that the foregoing statements are true and correct, except as to matters stated to be on information and belief and as to such matters I certify that I verily believe the same to be true.

Signed by:


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Bonnie Gerst
Member of the Board of Directors
Transamerica Life Insurance
Company
6400 C Street SW
Cedar Rapids, IA 52499

Subscribed and Sworn to
Before me this 13th day of
August, 2026.


F390F56AC800414
Notary Public

KATLYN MAYHEW
NOTARIAL SEAL
IOWA
Commission Number 854400
My Commission Expires 3/5/2027

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