John Hancock Life Insurance Company (U.S.A.)
Actuarial Memorandum for Inforce Rate Increase – Custom Care III
July 20, 2026

Product Name	Form Number	Issue Date Range
Custom Care III	ICC10-LTC-11	Jun 2011 - Dec 2012

These policy form rates were originally priced with a margin for moderately adverse experience in accordance with the NAIC model rate stability regulations which were being implemented on a State by State basis during the time of our initial rate filing.

1. Scope & Purpose

This memorandum consists of materials which support the development of new premium rates for the above captioned policy series forms. The purpose of this memorandum is to demonstrate that the requirements of this State in regards to an in force rate increase request have been met. This rate filing is not intended to be used for any other purpose.

2. Requested Rate Increase

The Company is requesting a flat rate increase of 52.1% determined as the amount needed to satisfy the rate stability rule ensuring a loss ratio no less than 85% (or the original pricing loss ratio if greater) on the rate increase portion, while applying 58% (or the original pricing loss ratio if greater) on the original rate schedule. The requested rate increase is based on nationwide experience through 2024 and projected future experience, reflecting the timing and history of the state's rate increases.

In the rate schedules by policy form, **Appendix B1** contains the new proposed rate tables for all policy forms included with this filing.

Please note that the actual rates implemented may vary slightly from those in the Appendices due to implementation rounding algorithms.

Exhibit 1 contains nationwide past premium and claims experience as well as future premium and claim projections and hedge gains, where all premiums reflect the timing and history of the state's rate increases. All policies are included with the exception of limited pay policies, which are a small proportion of our business as seen in the State and Nationwide Distribution of Business section. Waived premiums are not included.

Exhibit 1 also contains the original expected loss ratio projections, adjusted for the following:

- Original expected loss ratios assumed all business was issued with a 4% maximum valuation rate. Some business was issued in 2013 which has a 3.5% maximum valuation rate, therefore, the loss ratio needed to be adjusted.

- For contracts with the CPI linked inflation rider, both past and future benefits were updated to reflect the impact of actual past CPI rates differing from the original pricing assumption. In this way, the current projected benefits and the benefits projected in original pricing are based on the same level of CPI indices. This adjustment is needed to neutralize the impact on the rate increase for differences in actual past CPI from original pricing assumptions; i.e. the need for a rate increase and the level of a rate increase is not dependent on changes in the CPI levels. Adjustments will be made in both directions (i.e. when actual CPI is higher or lower than original pricing).
- Updated to reflect the actual mix of business sold

The lifetime loss ratio as of 12/31/2024 is calculated as the sum of accumulated past and discounted future claims less hedge gains divided by the sum of accumulated past and discounted future earned premium where accumulation and discounting occur at the maximum statutory valuation discount rate. The maximum statutory valuation discount rate is 4.0% for policies issued before 2013 and 3.5% for policies issued in 2013 and after.

The exhibit illustrates that the anticipated lifetime loss ratio, net of hedge gains and with the requested rate increase is 65.9%, compared to the original pricing loss ratio (determined at the maximum statutory valuation rate and updated for actual CPI for consistency with the rate increase request) of 61.4%.

Furthermore, **Exhibit 1** demonstrates that the calculated loss ratio respects the rate stability form requirement:

The sum of the accumulated value of incurred claims without the inclusion of active life reserves, and the present value of future projected incurred claims, without the inclusion of active life reserves, will not be less than the sum of the following:

1. Accumulated value of the initial earned premium times the greater of the original assumed lifetime loss ratio and 58%,
2. Accumulated value of prior premium rate schedule increases times the greater of the original assumed lifetime loss ratio and 85%,
3. Present value of future projected initial earned premium times the greater of the original assumed lifetime loss ratio and 58%, and
4. Present value of future projected premium in excess of the projected initial earned premium times the greater of the original assumed lifetime loss ratio and 85%.

Detail on assumptions and recent analysis is provided in **Addendum #1 - Assumptions and Analysis Performed**.

3. Nationwide Loss Ratio Exhibit (Exhibit 1)

Custom Care III/Core Care (LTC-11)

	Calendar Year	Original Assumptions: Incurred Claims	Original Assumptions: Earned Premium	Original Assumptions: Incurred Loss Ratio	With Current Assumptions: Incurred Claims	With Current Assumptions: Earned Premium	With Current Assumptions: Incurred Loss Ratio	Historical and Projected Experience With Proposed Rate Increase: Incurred Claims	Historical and Projected Experience With Proposed Rate Increase: Earned Premium	Historical and Projected Experience With Proposed Rate Increase: Incurred Loss Ratio
	2001	-	-	0%	-	2,176	0%	-	2,176	0%
	2002	-	-	0%	-	2,176	0%	-	2,176	0%
	2003	-	-	0%	-	2,176	0%	-	2,176	0%
	2004	-	-	0%	-	2,176	0%	-	2,176	0%
	2005	-	-	0%	-	2,176	0%	-	2,176	0%
Historical	2006	-	-	0%	-	2,176	0%	-	2,176	0%
Experience	2007	-	-	0%	-	9,974	0%	-	9,974	0%
	2008	-	-	0%	-	13,161	0%	-	13,161	0%
	2009	-	-	0%	-	14,935	0%	-	14,935	0%
	2010	-	-	0%	-	25,297	0%	-	25,297	0%
	2011	35,833	7,488,632	0%	119,960	7,749,237	2%	119,960	7,749,237	2%
	2012	291,182	25,029,174	1%	-	25,198,913	0%	-	25,198,913	0%
	2013	603,184	28,707,922	2%	9,812	28,477,124	0%	9,812	28,477,124	0%
	2014	940,264	29,477,615	3%	315,334	29,195,486	1%	315,334	29,195,486	1%
	2015	1,324,357	29,054,456	5%	576,514	28,750,983	2%	576,514	28,750,983	2%
	2016	1,746,900	28,558,885	6%	1,320,345	28,151,989	5%	1,320,345	28,151,989	5%
	2017	2,150,939	28,059,456	8%	2,692,492	28,056,521	10%	2,692,492	28,056,521	10%
	2018	2,705,500	27,535,871	10%	2,624,870	29,051,709	9%	2,624,870	29,051,709	9%
	2019	3,419,375	26,978,206	13%	4,030,866	28,257,171	14%	4,030,866	28,257,171	14%
	2020	4,217,685	26,378,935	16%	3,394,908	27,683,463	12%	3,394,908	27,683,463	12%
	2021	5,101,590	25,734,891	20%	3,411,784	27,274,002	13%	3,411,784	27,274,002	13%
	2022	5,962,277	25,043,943	24%	5,506,630	26,741,766	21%	5,506,630	26,741,766	21%
	2023	6,989,747	24,303,758	29%	5,969,847	26,150,025	23%	5,969,847	26,150,025	23%
	2024	8,229,046	23,512,713	35%	7,395,730	25,523,493	29%	7,395,730	25,523,493	29%
	2025	9,569,105	22,676,077	42%	11,159,718	25,448,692	44%	11,159,718	25,448,692	44%
	2026	10,954,725	21,801,086	50%	12,571,150	25,817,446	49%	12,571,150	25,817,446	49%
	2027	12,284,011	20,893,954	59%	14,653,374	25,131,816	58%	14,521,493	36,309,587	40%
	2028	13,946,114	19,958,000	70%	16,962,580	24,342,990	70%	16,657,253	36,350,099	46%
	2029	15,939,041	18,986,840	84%	19,226,281	23,502,894	82%	18,880,208	35,095,627	54%
	2030	17,920,524	17,979,650	100%	21,584,727	22,626,955	95%	21,196,202	33,787,635	63%
	2031	19,597,126	16,943,848	116%	24,451,993	21,697,707	113%	24,011,857	32,400,037	74%
Projected	2032	20,892,599	15,887,193	132%	27,420,085	20,685,215	133%	26,926,524	30,888,136	87%
Future	2033	22,468,086	14,811,969	152%	30,499,830	19,595,429	156%	29,950,833	29,260,817	102%
Experience	2034	24,263,646	13,721,158	177%	33,586,494	18,448,022	182%	32,981,937	27,547,454	120%
	2035	25,856,260	12,624,847	205%	36,601,805	17,250,888	212%	35,942,973	25,759,838	140%
	2036	27,050,789	11,537,338	234%	39,436,977	16,020,415	246%	38,727,112	23,922,438	162%
	2037	26,952,360	10,476,021	257%	41,990,404	14,774,346	284%	41,234,577	22,061,748	187%
	2038	27,155,800	9,457,430	287%	44,163,408	13,512,500	327%	43,368,467	20,177,501	215%
	2039	27,771,692	8,487,518	327%	45,866,411	12,264,791	374%	45,040,816	18,314,364	246%
	2040	28,167,512	7,573,695	372%	46,969,513	11,043,808	425%	46,124,062	16,491,135	280%
	2041	28,147,692	6,719,686	419%	47,425,164	9,845,505	482%	46,571,511	14,701,771	317%
	2042	26,596,028	5,925,785	449%	47,150,301	8,665,585	544%	46,301,596	12,939,860	358%
	2043	25,460,360	5,194,852	490%	46,154,789	7,547,449	612%	45,324,003	11,270,206	402%
	2044	24,817,539	4,525,429	548%	44,595,103	6,523,293	684%	43,792,391	9,740,888	450%
	2045	23,991,548	3,919,147	612%	42,628,099	5,605,924	760%	41,860,793	8,371,030	500%
	2046	22,932,793	3,374,865	680%	40,308,667	4,780,454	843%	39,583,111	7,138,398	555%
	2047	20,754,295	2,888,123	719%	37,716,725	4,051,731	931%	37,037,824	6,050,235	612%
	2048	18,893,372	2,457,189	769%	34,911,449	3,393,118	1029%	34,283,043	5,066,764	677%
	2049	17,492,414	2,076,853	842%	31,992,673	2,813,014	1137%	31,416,804	4,200,525	748%
	2050	16,055,410	1,745,404	920%	29,009,071	2,325,278	1248%	28,486,907	3,472,214	820%
	2051	14,575,753	1,459,030	999%	26,048,150	1,919,682	1357%	25,579,283	2,866,559	892%
	2052	12,609,251	1,212,699	1040%	23,160,943	1,564,703	1480%	22,744,046	2,336,488	973%
	2053	10,978,423	1,003,114	1094%	20,418,463	1,268,627	1609%	20,050,931	1,894,374	1058%

Note: Please refer to the Actuarial Memorandum, section "Ensuring No Cross-Subsidization Betw een States", for adjustments made to experience exhibits

Values as of 12/31/2024 (discounted at maximum statutory valuation rates)

	Original Assumptions: Incurred Claims	Original Assumptions: Earned Premium	Original Assumptions: Incurred Loss Ratio	With Current Assumptions: Incurred Claims	With Current Assumptions: Earned Premium	With Current Assumptions: Incurred Loss Ratio	With Proposed Rate Increase: Incurred Claims	With Proposed Rate Increase: Earned Premium	With Proposed Rate Increase: Incurred Loss Ratio
Past :	51,074,248	468,684,575	10.9%	43,224,393	480,443,993	9.0%	43,224,393	480,443,993	9.0%
Future :	367,503,330	212,649,154	172.8%	561,858,157	271,959,086	206.6%	552,274,960	380,664,824	145.1%
Lifetime :	418,577,578	681,333,729	61.4%	605,082,550	752,403,080	80.4%	595,499,354	861,108,817	69.2%
Lifetime Net of Hedges :	**418,577,578**	**681,333,729**	**61.4%**	**577,068,035**	**752,403,080**	**76.7%**	**567,484,838**	**861,108,817**	**65.9%**

Total Incurred Claims exceed Total Initial Premiums x max(58%, Original Pricing Loss Ratio) + Increased Premiums x max(85%, Original Pricing Loss Ratio)

Impact of Improved Hedge Terms	**(28,014,515)**		Accum Value of Past Initial Prm x 61.4% =	285,619,021
Minimum (Accum Value of Past Incurred Claims,			Present Value of Future Initial Prm x 61.4% =	143,130,129
Accum Value of Adjusted Expected Incurred Claims)	43,224,393		Accum Value of Prior Increases x 85.0% =	13,201,923
Present Value of Future Incurred Claims =	552,274,960		Present Value of Future Increases x 85.0% =	125,533,764
Total =	567,484,838	>=	Total =	567,484,837

4. Proposed Effective Date

New rates will not be effective until after the completion of prior rate increases for all policyholders with product forms listed in this memo. These rates will be effective on the next policy anniversary date after completion, following at least a 90 day policyholder notification period.. The assumed effective date used to calculate the rate increase is 01/01/2027.

5. History of Previous Rate Revisions

An average rate increase of 7.5% on these policy forms was accepted by your state on December 05, 2017.

An average rate increase of 7.5% on these policy forms was accepted by your state on May 15, 2025.

6. Reduced Benefit Options (RBOs)

If the full or substantial portion of the rate increase request is approved and per the state's agreement, we will file the following additional options which provide policyholders alternatives to the rate increase:

- ***Inflation Landing Spots***
  Future inflation options (also referred to as "landing spots") allow policyholders that have Compound inflation coverage the option to offset the rate increase. Under these options, the policyholders get to keep their current accumulated Daily benefit and their current remaining Lifetime Maximum Benefit, but the future indexation rate will be reduced to a level which is actuarially equivalent to the requested rate increase in aggregate, where possible. These options are not available to limited pay policies or policyholders who have elected three prior inflation reductions.

- ***Voluntary Enhanced Paid-Up Policy Option***
  For those who choose to stop paying premiums, this option will be a paid-up policy with a policy limit equal to the lesser of the current policy limit and 150% of premiums paid less any benefits received.

The premium rate tables reflecting these options will be filed upon request following a full or substantial approval.

7. State Policyholder Counts & Average Annual Premium

The table below summarizes the number of policies inforce that could be affected by the rate increase in your state and their annualized premiums, as well as the average annual premium per policy before and after the requested increase.

Counts and premiums are based on policies inforce as of 12/31/2024. Premium-paying policies as well as policies on claim are included, since although the premium for policies on claim is currently waived, they could be subject to the rate increase upon recovery. Paid-up policies and policies which have exercised the nonforfeiture benefit option are excluded.

Form	Number of Policies	2024 Annualized Premium*	2024 Average Annual Premium Before the rate increase*	2024 Average Annual Premium After the rate increase
ICC10-LTC-11	136	380,760	2,799	4,257

*Premiums reflect the rate increases approved in prior filing(s), including approvals where implementation is not yet complete

8. State and Nationwide Distribution of Business as of December 31, 2024

The state-specific and nationwide distribution of business for policyholders impacted by the rate increase is shown below by inflation type, benefit period, and issue age. The breakdown of business by Premium Payment Option is also included to show the number of policyholders no longer paying premiums due to nonforfeiture election or paid-up status.

Inflation Type

State	GPO	Compound	CPI	CPI to 75	Total
NW	12%	3%	74%	11%	100%
MD	9%	3%	74%	14%	100%
NW	1,179	259	7,203	1,036	9,677
MD	12	4	101	19	136

Benefit Period

State	1 yr	2 yr	3 yr	4 yr	5 yr	6 yr	10 yr	Total
NW	0%	7%	32%	20%	24%	14%	3%	100%
MD	0%	11%	49%	16%	18%	5%	1%	100%
NW	8	656	3,117	1,958	2,321	1,372	245	9,677
MD	0	15	66	22	25	7	1	136

Issue Age

State	< 40	40-44	45-49	50-54	55-59	60-64	65-69	70-74	75-79	Total
NW	1%	2%	5%	16%	29%	29%	14%	4%	1%	100%
MD	1%	2%	7%	18%	33%	27%	9%	4%	0%	100%
NW	134	186	522	1,522	2,802	2,773	1,323	350	65	9,677
MD	1	3	9	24	45	37	12	5	0	136

Premium Payment Option

State	Lifetime Pay	On Claim	Limited Pay	NFO*	Survivorship Waiver of Premium*	Total
NW	95%	1%	2%	2%	0%	100%
MD	96%	1%	2%	0%	0%	100%
NW	9,411	116	150	223	9	9,909
MD	131	2	3	0	0	136

*Policies not included in distributions by count shown above as they are not impacted by the rate increase.

9. Benefit Description(s)

A brief policy description for each of the policy forms:

ICC10-LTC-11
Individually underwritten long-term care policies that provide comprehensive long-term care coverage for care received in a nursing home or assisted care living facility, home health care, hospice care, respite care, or attendance at an Adult Day Care Center providing Adult Day Care.

Provides reimbursement of covered long-term care expenses incurred after an elected elimination period is met, up to the maximum daily/monthly amount. The benefit eligibility is determined based on the insured's cognitive impairment or their requiring physical assistance to perform two out of six activities of daily living (ADLs) of bathing, dressing, eating, toiletting, transferring and maintaining continence.

Premiums are waived after the insured has met the elimination period and is receiving benefits and will continue to be waived until the insured stops receiving such benefits.

10. Renewability

All policy forms are guaranteed renewable.

11. Applicability

This filing is applicable to in force policies only, as these policy forms are no longer being sold in the market. The premium changes will apply to the base forms as well as all applicable riders.

12. Trend Assumptions

As this is not medical insurance, we have not included any explicit medical cost trends in the projections.

13. Marketing Method

This product was typically marketed through our traditional agency system and brokers involving a personal contact with each applicant.

14. Underwriting

These policy forms were underwritten using a medical and risk questionnaire. We also utilized Attending Physician Statement and personal interviews depending on the age of the applicant and medical conditions.

15. Premium Classes

The base policy premium rates vary by issue age, benefit period, inflation option, home health care maximum benefit percentage, and underwriting class, as in the initial rate filing.

All premium factors related to the insured elected benefit design options or any eligible discount remain unchanged from the initial rate filing.

16. Premium Modalization Rules

Frequency	Multiple of Annual Premium
Semiannual	.52
Quarterly	.27
Monthly	.09

17. Issue Age Range

The issue age range is 18-79 for all policy forms.

18. Area Factors

Area factors are not applicable to any of the policy forms or riders.

19. Reserves

Active Life Reserves have not been used in this rate increase demonstration. Minimum Statutory Claim reserves as of 12/31/2024 have been discounted to the date of incurral of each respective claim and included in the historical incurred claims. Incurred But Not Reported claim reserves as of 12/31/2024 have also been allocated to the calendar year of incurral and included in historic incurred claims.

20. Ensuring No Cross-Subsidization Between States

We have ensured no state's rate increase approvals will subsidize other states' rate increases. Rate increases will vary by state, but only to reflect the timing and amount of prior rate increases approved by that state. This is accomplished by first backing-out all prior approved rate increases from our nationwide premium data. We then re-introduce actual prior rate increases with the amount and timing based on your state's prior approvals (as detailed in the section entitled **History of Previous Rate Revisions**). The current proposed rate increase is then determined as the amount needed to satisfy the rate stability rule.

Although some states may have capped our previous inforce rate increase filings, in each case this was done with the understanding that the full amount of the proposed rate increases were justified and that John Hancock would be refiling for the remainder at a later date. In instances where the remainder remains unapproved, it has been included in the current filings.

21. Past Losses Testing

The 2014 Long Term Care Model Regulation defines past losses as actual past claims less expected past claims when determining loss ratio compliance. Expected past claims are defined as the following:

> "Expected claims shall be calculated based on the original filing assumptions assumed until new assumptions are filed as part of a rate increase. New assumptions shall be used for all periods beyond each requested effective date of a rate increase [regardless of whether or not the rate increase is approved]. Expected claims are calculated for each calendar year based on the in-force at the beginning of the calendar year. Expected claims shall include margins for moderately adverse experience; either amounts included in the claims that were used to determine the lifetime loss ratio consistent with the original filing or as modified in any rate increase filing."

We apply this methodology in demonstrating that we are not recouping past losses.

The 'Adjusted Expected Incurred Claims' are initially calculated by applying the original pricing durational loss ratio to the actual earned premium in a given calendar year. Later, in years in which and after which we filed for inforce rate increases, expected incurred claims are based on the new assumptions that were filed.

The accumulated value of the Adjusted Expected Incurred Claims is compared to the accumulated value of Actual Incurred Claims. The lesser of the Adjusted Expected Incurred Claims or Actual Incurred Claims is used for past claims when ensuring that the resulting overall increase in rates satisfies the rate stability rule ensuring a loss ratio no less than 85% (or the original pricing loss ratio if greater) on the rate increase portion, while applying 58% (or the original pricing loss ratio if greater) on the original rate schedule. This is demonstrated at the bottom of **Exhibit 1**. The derivation of Adjusted Expected Incurred Claims and comparison to Actual Incurred Claims can be seen in **Addendum #2 – Demonstration of not Recouping Past Losses**.

22. Actuarial Certification

I am a Fellow of the Society of Actuaries and a Member of the American Academy of Actuaries, and I meet the Academy's qualification standards for rendering this opinion and am familiar with the requirements for filing long-term care insurance premiums and filing for increases in long-term care insurance premiums. This memorandum has been prepared in conformity with all applicable Actuarial Standards of Practice, including ASOP No. 8.

The preceding Actuarial Memorandum contains:

a) the assumptions on which this certification is based;
b) the adjustments to prior assumptions with an explanation of the reasons previous assumptions were not realized;
c) a lifetime projection of the prior premium rate schedules and incurred claims plus future expected premiums and claims which demonstrates that the revised premium rate schedule meets the loss ratios standards and necessary details of this state; and
d) disclosure of the manner, if any, in which reserves have been recognized.

If the requested premium rate schedule increase is implemented and the underlying assumptions which reflect moderately adverse conditions are realized, no further premium rate schedule increases are anticipated.

I have reviewed and taken into consideration the policy design and coverage provided, and our current underwriting and claims adjudication processes.

In forming my opinion, I have used actuarial assumptions and actuarial methods and such tests of the actuarial calculations as I considered necessary. Based on these assumptions or statutory requirements where necessary, the premium rate filing is in compliance with the loss ratio standards of this state.

The basis for contract reserves has been previously filed and there is no anticipation of any changes.

P.J. Beltramini, FSA, MAAA
VP, Long Term Care Inforce Management
John Hancock Life Insurance Company (U.S.A.)

Addendum #1 - Assumptions and Analysis Performed

As part of the inforce management of the business, the Company completes periodic analysis for morbidity, voluntary lapse rates, and mortality. The findings from these analyses were used in projecting the inforce business to determine the effect of experience on the projected lifetime loss ratio. The most current studies show unfavorable trends since the study that prompted our 2022 rate increase filings.

Relative to previous expectations, the new data demonstrates higher utilization of benefits and unfavorable mortality for non-claimants, partially offset by favorable claim terminations and claim incidence.

[REDACTED]

A. Current & Prior Assumptions

Morbidity

[REDACTED]

Incidence

[REDACTED]

After updating assumptions to reflect the generally favorable experience, the overall A/E ratio is 99%.

The final A/Es show a better fit across attained age groupings:

Attained Age	Current
0-94	99%
95+	99%
Total	99%

Claim Terminations

[REDACTED]

After updating assumptions to reflect termination experience, the A/E is 99% for the first 5 months on claim, 100% for months 6+ and 100% overall.

Months on Claim	Months 1-5	Months 6+	Total
Total	99%	100%	100%

Utilization

[REDACTED]

After updating our assumption based on experience, the calendar year 2024 A/E is 100%.

Inflation Type	Prior	Current
None	105%	98%
Compound	112%	101%
Simple	108%	100%
Total	110%	100%

Voluntary Lapses

[REDACTED]

Actual to Expected ratios for this block (John Hancock individual business) summarized by inflation and duration groups before and after the assumption update are shown below.

Lapse	Prior			Current		
Duration	No Inflation	Inflation	Total	No Inflation	Inflation	Total
15-19	124%	114%	115%	101%	99%	99%
20+	113%	106%	108%	103%	103%	103%
Total	112%	106%	107%	98%	101%	100%

The changes to the expected lapse assumption improved the fit across cohorts and resulted in a total A/E of 100%.

Mortality

[REDACTED]

The table below shows the A/E ratios for non-claimants before and after the assumption update for all Custom Care products. Experience was lower than expected.

Prior	Current
87%	102%

Expenses

[REDACTED]

CPI Inflation Rate

[REDACTED]

B. Original Pricing Assumptions

[REDACTED]

Addendum #2 – Demonstration of not Recouping Past Losses
Custom Care III/Core Care (ICC-LTC-11)

	Calendar Year	Original Incurred Loss Ratio	Historic Data Earned Premium	**Adjusted Expected Incurred Claims**		Historic Data Incurred Claims
Original Pricing	1988	0%	-	**-**		-
	1989	0%	-	**-**		-
	1990	0%	-	**-**		-
	1991	0%	-	**-**		-
	1992	0%	-	**-**		-
	1993	0%	-	**-**		-
	1994	0%	-	**-**		-
	1995	0%	-	**-**		-
	1996	0%	-	**-**		-
	1997	0%	-	**-**		-
	1998	0%	-	**-**		-
	1999	0%	-	**-**		-
	2000	0%	-	**-**		-
	2001	0%	2,176	**-**		-
	2002	0%	2,176	**-**		-
	2003	0%	2,176	**-**		-
	2004	0%	2,176	**-**		-
	2005	0%	2,176	**-**		-
	2006	0%	2,176	**-**		-
	2007	0%	9,945	**-**		-
	2008	0%	13,161	**-**		-
	2009	0%	14,851	**-**		-
	2010	0%	25,165	**-**		-
	2011	0%	7,516,698	**35,973**		119,960
	2012	1%	24,824,218	**288,871**		-
	2013	2%	28,407,601	**597,129**		9,812
	2014	3%	29,187,692	**931,702**		315,334
	2015	5%	28,763,111	**1,312,669**		576,514
2016 Assumptions	2016			**1,618,626**		1,320,345
	2017			**2,001,144**		2,692,492
	2018			**2,494,209**		2,624,870
2019 Assumptions	2019			**3,800,786**		4,030,866
	2020			**4,523,944**		3,394,908
	2021			**5,437,941**		3,411,784
2022 Assumptions	2022			**6,635,688**		5,506,630
	2023			**7,995,856**		5,969,847
	2024			**9,381,832**		7,395,730
Values as of 12/31/2024 (discounted at maximum statutory valuation rates)						
Past :				**54,567,850**	>	43,224,393

Minimum (Accum Value of Past Incurred Claims,
Accum Value of Adjusted Expected Incurred Claims) = 43,224,393

The lesser of actual and expected past claims, $43,224,393, is used in demonstrating compliance with the minimum loss ratio in Exhibit 1