

2005 Individual Life and Annuity Expense Study

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Executive Summary

The Society of Actuaries' Committee on Life Insurance Company Expenses (CLICE) has developed and conducted inter-company expense experience studies since 2001. This report documents the results of the Committee's fifth expense study—the 2005 SOA Individual Life and Annuity Expense Study.

The Committee distributed a call to life insurance companies for contributions of 2005 calendar year expense data. Contributions of individual life and annuity expense data was received from 32 U.S. life insurance companies.

A Per Policy Index is used to facilitate the comparison of first year expenses (excluding commissions and premium taxes) among contributors. Similarly, a Per Policy *Inforce* Index is used to compare operating expenses (excluding commissions, termination expenses, premium taxes, and for annuities, annuity payout expenses). These two indices provide the reader with a high level basis for making comparisons and should be reviewed first. Additional measures are available within the report for those interested in more detailed unit costs. As recognition of their participation, special reports with individually tailored results were produced for contributing companies.

Comparison of 2004 and 2005 Per Policy Index Unit Costs For Companies Contributing to both 2004 and 2005 Studies

Products		Year	First Year*			Inforce#		
			25% Percentile	Weighted Average**	75% Percentile	25% Percentile	Weighted Average	75% Percentile
Life	Term	2004	\$396	\$661	\$891	\$44	\$66	\$102
		2005	444	634	868	44	59	91
	Permanent	2004	390	1,464	1,543	47	54	109
		2005	351	1,243	2,059	50	54	93
	Variable	2004	1,669	3,143	3,885	161	195	519
		2005	674	2,565	5,607	142	102	411
Annuities	Fixed	2004	\$361	\$751	\$687	\$59	\$117	\$149
	Deferred	2005	345	950	863	62	123	149
	Fixed	2004	286	926	1,765	58	163	123
	Immediate	2005	245	2,862	1,486	66	191	182
	Variable	2004	422	1,863	1,568	139	275	341
	Deferred	2005	447	2,370	1,983	134	268	307

*Excludes commissions and premium taxes
#Excludes commissions, premium taxes, termination expenses and contract expenses during payout period
**See Data Issue 7 on page 7 for an explanation of why some weighted average figures are greater than the 75th percentile.

Due to differences in expense allocation practice among contributing companies, the mix of companies that contributed, and the limited number of contributors in certain product/channel categories, the results of this study, and particularly comparisons by year, product, distribution channel, and company size, should be viewed with caution.

The committee has distributed a request for, and is receiving contributions to the 2006 study, which will further continue this annual effort. The committee expresses its appreciation to all of the contributing companies for their assistance and support of this study. The committee also expresses its appreciation and thanks to SOA Staff, Jeanne Nallon and Steve Siegel, who were responsible for much of the work of producing the study.

Section 1: Description of Data Received from Contributors

Appendix 1 contains a sample data submission form for both individual life and annuity products. Contributors were asked to provide both expenses and corresponding units. There are two applicable worksheets for each product category. Expenses were categorized as either acquisition or non-acquisition. Non-acquisition expenses, except Renewal Commissions, were not requested by distribution channel.

Contributors were also asked to separately identify any non-recurring expenses of significant size (in excess of 2.0% of total expenses) with their data submission. These non-recurring expenses totaled about 0.6% of total expenses for life insurance and 0.8% of total expenses for annuities. The tables in the results section include all non-recurring expenses. No further evaluation was conducted of these expenses.

Contributors were asked to provide expense study data for the following product categories:

- Life insurance—Term, Permanent, Variable, COLI and BOLI. It was thought that these product groups had product or expense characteristics that would result in different unit expenses. For these life insurance products, contributors were further asked to provide acquisition expense detail to the best of their ability broken down by the following distribution channels: Career, Brokerage, PPGA, Multi-Line, Direct Response, Other and Unallocated (that expense that was not split by channel).
- Annuities—Immediate, Deferred, Variable Immediate and Variable Deferred. For these annuity products, acquisition expense breakdowns were requested for the following distribution channels: Career, Brokerage, PPGA, Stockbroker, Financial Institutions, Other and Unallocated.

The data received from the contributors was aggregated and unit cost calculations were developed. As part of the aggregation process, a series of data integrity checks was performed and contributors were contacted to resolve missing or anomalous data. The contributed data was then refined over the course of several months.

In some instances, there was insufficient data to provide unit cost calculations for particular products and distribution channels. For the impacted distribution channels, the expenses and units are only included in the totals category, rather than separately shown as a specific channel.

The 32 companies (listed in Section 4) that contributed data to the 2005 study represent \$5.3 B of life insurance expenses, \$21.5 B of life insurance premium, \$3.4 B of annuity expenses and \$31.8 B of annuity premium.

For certain universal life insurance and variable universal life insurance products, dump-ins and excess first year premiums (premiums paid in excess of planned periodic payments, typically compensated more like single premiums) were separately identified.

For this study, these were combined with single premiums for calculation purposes. The table below presents the total amount (\$000,000s) of the dump-ins and corresponding dump-in commissions reported by the contributors for the applicable life insurance products.

	Product	
	Individual Permanent Life	Individual Variable Life
Dump-ins	\$ 786 M	\$ 192 M
Dump-in Commissions	\$ 30.9 M (3.9%)	\$ 3.0 M (1.6%)
First Year Premiums*	\$1,863 M	\$ 330 M
First Year Commissions*	\$ 791 M (42.4%)	\$ 122 M (36.8%)

*Includes Dump-ins

Section 2: Data Issues

As part of the data cleansing process, a series of data checks were conducted. Overall, the quality of the data has consistently improved since the initiation of the study in 2001. This is, in part, as a result of repeating contributors who have become more familiar with the process and the data requirements of the study. In addition, the data checks have become more sophisticated based on prior years' experience. The data issues encountered this year include:

- 1. Missing Units or Expenses for a Given Set of Data**—In some instances, a contributor provided the units and not the expenses, or vice versa, for a particular product and distribution channel combination. This required one of several remedial actions, depending upon the situation. First, detailed feedback from the contributor was sought. If detailed corrections or adjustments from the contributor were not available, a pro-rata approach for allocating expenses and units was proposed. If a pro-rata solution did not prove to be reasonable, the missing units or expenses were handled on an individual basis and a decision was made regarding whether to include the data in the study results.

- 2. Not Enough Data to Present Detailed Level Results by Product/Distribution Channel**—For some products and distribution channels, an insufficient number of contributors provided data to present detailed level statistics. In these instances, only summary level statistics are shown to maintain confidentiality of contributor experience. In addition, there continues to be an insufficient number of contributors with COLI, BOLI, or Variable Immediate Annuity experience to publish results for these product categories. It is hoped that a sufficient number of contributors will provide data next year.

- 3. Wide Company Variation in Unit Costs**—Abnormally high unit costs and wide company variation were observed in several products/distribution channels. This is particularly evident for Variable products. The primary explanations for this variation included the recent introduction of this product line by a company resulting in relatively high unit expenses or a small number of policies sold and inforce. When a valid explanation for the unit costs was obtained from the contributor, the data was retained. Otherwise, the data was eliminated.

- 4. Claim/Surrender/Lapse Expenses**—A number of contributors did not include the number of claims, surrenders or lapses and/or applicable expenses needed to derive the Per Termination, Per Claim, and Per Annuitized Contract unit costs. Where possible, units or expenses were imputed for these contributors based on the study averages (for those that did submit such data). For life products, an insufficient number of contributors provided surrender and lapse information for this purpose. Consequently, an explicit unit cost for surrender and lapse expense could not be developed. Surrender and lapse expenses were included in the Per Policy Inforce calculation for life products. For annuity products, more credible

surrender and lapse information was submitted and this is the basis of the Per Termination calculation.

5. **Premium Tax**—Several companies were unable to provide premium tax data by the categories requested. Companies that did not provide premium tax information were excluded from these averages.
6. **Additivity of Unit Cost Factors**—In order to maintain the additivity of the average unit cost factors, adjustments were made to the data when necessary, e.g., when a company did not report any expenses that were related to a particular unit.
7. **High Weighted Average Per Policy Index Figures for Annuity Products**—For Fixed Immediate and Variable Deferred annuities, it was observed that the weighted average for the Per Policy Index is greater than the 75th percentile. This skewing is caused by several contributors with much higher expenses on a per policy basis than the majority of other contributors. These contributors were unsure if their data systems might have caused an undercounting of policies or other misallocation. It was decided to retain their data for purposes of the study. However, for these products, the unweighted average is most likely a better measure for benchmarking purposes.

Section 3: Description of Unit Cost Formulas Used

The following formulas were used to develop the unit cost calculations shown in the tables and graphs included in Section 6.

Life Products

Acquisition

Per Policy Issued= (Underwriting – All Other + Policy and Contract Issue + 1/3 * Product Development + 1/3 * Other Acquisition) / (Total Policies/Contracts Issued)

Per 1000 Issued= (Underwriting – Inspection Reports and Medical Exams +1/3* Product Development +1/3* Other Acquisition) / (Total Volume Issued)

Percent of First Year Premium= (Sales and Marketing + 1/3 * Product Development + 1/3 * Other Acquisition) / (First Year Premium Collected - 0.9 * UL and VUL Dump-in Included in First Year Premium Collected + 0.1* Single Premium Collected - 0.1 * Paid-Up Additions Included in Single Premium Collected)

First Year Commission Percent= (First Year Commissions – UL and VUL Dump-in Included in First Year Commissions) / (First Year Premium Collected – UL and VUL Dump-in Included in First Year Premiums Collected)

Single Premium Commission Expense= (UL and VUL Dump-in Included in First Year Commissions + Single Commissions) / (UL and VUL Dump-in Included in First Year Premium Collected + Single Premium Collected – Paid-Up Additions Included in Single Premiums Collected)

Per Policy Index= (Sum of the numerators (expenses) for the Per Policy Issued, Per 1000 Issued and Percent of First Year Premium Calculations) / (Total Policies and Contracts Issued)

Per Premium (Includes Single Premium) Index (see Table 17) = (Sum of the numerators (expenses) for the Per Policy Issued, Per 1000 Issued and Percent of First Year Premium Calculations) / (First Year Premium Collected + Single Premium Collected)

Per Premium (First Year Premium Basis Only) Index (see Table 17) = (Sum of the numerators (expenses) for the Per Policy Issued, Per 1000 Issued and Percent of First Year Premium Calculations) / (First Year Premium Collected - 0.9 * UL and VUL Dump-in Included in First Year Premium Collected + 0.1* Single Premium Collected - 0.1 * Paid-Up Additions Included in Single Premium Collected)

Per 1,000 Issued Index= (Sum of the numerators (expenses) for the Per Policy Issued, Per 1000 Issued and Percent of First Year Premium Calculations) / (Total Volume Issued)

Non-Acquisition

Renewal Commission Percent= (Renewal Commissions) / (Renewal Premium Collected)

Premium Tax= (Premium Tax & Guarantee Association Assessments) / (First Year Premium Collected + Single Premium Collected + Renewal Premium Collected)

Per Claim= (Benefit Department(s) and Claim Settlement Expenses) / (Number of Claims)

Per Policy Inforce= (Policyowner Services + Surrender and Lapse Expenses + Significant Non-recurring Expenses + Total Overhead + Other non-overhead) / (0.5 * Policies and Contracts Current Year + 0.5 * Policies and Contracts Previous Year)

Annuity Products

Acquisition

Per Policy Issued= (Policy and Contract Issue + 2/3 * Product Development + 2/3 * Other Acquisition) / (Total Policies and Contracts Issued)

Per Policy Index= (Sum of the numerators (expenses) for the Per Policy Issued and Percent of First Year Premium Calculations) / (Total Policies and Contracts Issued)

Per Premium Index (see Table 17) = (Sum of the numerators (expenses) for the Per Policy Issued and Percent of First Year Premium Calculations) / (First Year Premium Collected + Single Premium Collected)

Percent of First Year Premium/Single Premium= Sales and Marketing + 1/3 * Product Development + 1/3 * Other Acquisition) / (First Year Premium Collected + Single Premium Collected)

Commission Percent= (First Year Commissions + Single Commissions) / (First Year Premium Collected + Single Premium Collected)

Non-Acquisition

Renewal Commission Percent= (Renewal Commissions) / (Renewal Premium Collected)

Premium Tax= (Premium Tax & Guarantee Association Assessments) / (First Year Premium Collected + Single Premium Collected + Renewal Premium Collected)

Per Termination= (Surrender and Lapse Expenses) / (Number of Surrender and Lapses)

Per Annuitized Contract= (Benefit Department(s) and Claim Settlement Expenses / (Number of Annuity Contracts on which a Periodic Payment was made)

Per Policy Inforce= (Policyowner Services + Significant Non-recurring Expenses + Total Overhead + Other non-overhead) / (0.5 * Policies and Contracts Current Year + 0.5 * Policies and Contracts Previous Year)

Section 4: List of Participating Companies

The Committee on Life Insurance Company Expenses gratefully acknowledges the participation of the following companies. Their support of this study and assistance proved invaluable in its completion.

Participating Companies

AAA Life	Liberty Life of Boston
American Family Insurance	MassMutual Financial Services
American Fidelity	Metropolitan Life Insurance
Boston Mutual	Minnesota Life Insurance
Columbus Life Insurance	Midland National Life
Country Insurance and Fin Services	North American Company for Life and Health
Empire General Life Assurance	Physicians Life
Farm Family	Protective Life
Farmers New World Life Insurance	Prudential Financial
Guardian Life Insurance	Standard Insurance
Horace Mann	State Farm Life Insurance
Illinois Mutual Life	Symetra Life Insurance
ING USFS Retail Life	United Farm Family Life
Investors Heritage Life Insurance	United Home Family Life
Jackson National Life Insurance	Western Southern Life Assurance
Lafayette Life	Western Southern Life Insurance

Section 5: Explanatory Notes for the Results Tables and Graphs

Unit Cost Statistics

The following are definitions of the five statistics shown for the unit cost calculations that appear in the results tables and graphs:

1. Weighted Average—(The sum of applicable expenses of all contributors for a given product-distribution channel)/(The sum of applicable units for all contributors for a given product-distribution channel)
2. Unweighted Average—(The sum of all contributors' individual unit cost calculations for a given product-distribution channel)/(Number of contributors)
3. Median—The median unit cost of all contributors for a given product-distribution channel.
4. 25th Percentile—The 25th percentile unit cost of all contributors for a given product-distribution channel.
5. 75th Percentile—The 75th percentile unit cost of all contributors for a given product-distribution channel.

Note: The 25th Percentile and 75th Percentile are only shown if at least 6 companies provided data for that product-distribution channel. If a Percentile did not represent a particular company, the average of the two adjoining company results was used.

It is possible that the Weighted Average is either greater than the 75th Percentile or less than the 25th Percentile. This can occur if the distribution of weights represented by individual companies is significantly skewed.

Definition of Company Size

For the results tables and graphs categorized by company size, definitions for small, medium and large contributors for both life and annuity products are given below. Note that size is defined as the total premium for either *all* life products or *all* annuity products. As a result for example, if a company had a large life insurance portfolio that included only a very small amount of variable life insurance inforce, that variable life business would still be included in the large company category. The size ranges were chosen to produce roughly the same number of contributors in the small, medium and large categories. In addition, it is possible, based on the size definitions, that not all size categories are represented for a given individual product.

Life

Small: <\$100 million in premium for all life products
Medium: \$100 million–\$1 billion in premium for all life products
Large: >\$1 billion in premium for all life products

Annuity

Small: <\$150 million in premium for all annuity products

Medium: \$150 million–\$1 billion in premium for all annuity products

Large: > \$1 billion in premium for all annuity products

Number of Company Totals

In some instances, the number of company totals will appear to be inconsistent between the product-distribution and summary exhibits. This is caused by the study's protocol for only showing specific results for a particular product-distribution channel if there are a minimum number of companies. However, the data not explicitly presented will still be included in the summary totals for the product. For example, if only three contributors included information for the Term Life Brokerage category, results for Term Life Brokerage will not be explicitly presented. Yet, the data for Term Life Brokerage would be included in the Totals calculation for Term Life.

Comparison of 2004 and 2005 Results

The graphs comparing 2004 and 2005 results are based only on companies that appeared in both the 2004 and 2005 studies. This was done to eliminate the variation that would be caused by a change in company mix. The corresponding figures are shown in Tables 8 and 17.

Although the 2004 and 2005 comparison results are based only on companies that contributed data for both years, significant variation in unit costs between 2004 and 2005 were observed for several individual contributors. This is the primary underlying cause for the substantial changes in some aggregate units costs from 2004 to 2005 that are shown in Tables 8 and 17.

To highlight the variability that was observed, Tables 8 and 17 also include items labeled 25th Percentile Difference and 75th Percentile Difference. These items represent the 25th and 75th percentile of the distribution of the differences in unit costs for 2004 and 2005 for each contributor.

For example, to calculate the 25th Percentile Difference and 75th Percentile Difference for the Term Life Per Policy Index, the percentage change in Per Policy Index cost for 2004 to 2005 is calculated for all companies contributing in both years. The Term Life Per Policy Index differences are then ordered from lowest to highest. The 25th percentile and 75th percentile of these differences are then shown in Table 8 to give an indication of the range of the results.

This observed variation will be further examined in next year's study and contributors will be asked to provide rationale for significant changes in results from one year to the next.

Caveat

Due to differences in expense allocation practice among contributing companies, the mix of companies that contributed, and the limited number of contributors in certain categories provided, the results should be viewed with caution.

Section 6: Results Tables and Graphs

List of Tables and Graphs

Life Products

Tables 1–3—Individual Life Products by Distribution Channel

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Table 4—Summary of Weighted Averages for All Individual Life Products

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Table 8—2004–2005 Life Trend Data

Table 9—Aggregate Life Expenses and Units

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Graph 2—First Year Commission Percent—Size Graph

Graph 3—Single Premium Commission Percent—Size Graph

Graph 4—Per Policy Inforce—Size Graph

Graph 5—Renewal Commission Percent—Size Graph

Graph 6—Per Policy Index—Product Graph

Graph 7—First Year Commission Percent—Product Graph

Graph 8—Single Premium Commission Percent—Product Graph

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Graphs 11–15—Life Products—Comparison of 2004 and 2005 Unit Costs for
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Graph 11—Per Policy Index

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Annuity Products

Tables 10–12—Individual Annuity Products by Distribution Channel

Table 10—Fixed Deferred

Table 11—Fixed Immediate

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Table 13—Summary of Weighted Averages for All Individual Life Products

Tables 14–16—Individual Annuity Products Categorized by Size

Table 14—Fixed Deferred

Table 15—Fixed Immediate

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Table 17—2004–2005 Annuity Trend Data

Table 18—Aggregate Annuity Expenses and Units

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Graph 17— First Year/Single Premium Commission Percent—Size Graph

Graph 18—Per Policy Inforce—Size Graph

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Graph 20—Per Policy Index—Product Graph

Graph 21—First Year/Single Premium Commission Percent—Product Graph

Graph 22—Per Policy Inforce—Product Graph

Graph 23—Renewal Commission Percent—Product Graph

Graphs 24–27—Annuity Products—Comparison of 2004 and 2005 Unit Costs for Companies Contributing in Both 2004 and 2005

Graph 24— Per Policy Index

Graph 25—First Year/Single Premium Commission Percent

Graph 26—Per Policy Inforce

Graph 27—Renewal Commission Percent

Life and Annuity Products

Table 19—Per Policy Index Comparison Table

2005 INDIVIDUAL LIFE AND ANNUITY EXPENSE STUDY

Table 1
Term Life Insurance

CAREER

Number of Companies = 11

	Acquisition				Commission Percent		
	Per Policy Issued	Per 1000 Issued	Percent of First Year Premium	Per Policy Index	First Year	Single Premium	Renewal
Weighted Average	\$146	\$0.32	61.5%	\$665	47.6%	N/A	2.8%
Unweighted Average	\$154	\$0.34	51.0%	\$598	60.4%	N/A	3.8%
Median	\$126	\$0.32	43.1%	\$416	54.8%	N/A	3.3%
25th Percentile	\$101	\$0.22	15.0%	\$350	41.3%	N/A	2.9%
75th Percentile	\$192	\$0.49	85.6%	\$718	83.6%	N/A	4.5%

BROKERAGE

Number of Companies = 8

	Acquisition				Commission Percent		
	Per Policy Issued	Per 1000 Issued	Percent of First Year Premium	Per Policy Index	First Year	Single Premium	Renewal
Weighted Average	\$380	\$0.38	40.5%	\$1,262	88.3%	N/A	2.7%
Unweighted Average	\$382	\$0.51	43.0%	\$1,294	96.2%	N/A	4.1%
Median	\$240	\$0.48	42.7%	\$774	90.2%	N/A	4.0%
25th Percentile	\$127	\$0.36	23.9%	\$540	64.6%	N/A	1.7%
75th Percentile	\$509	\$0.84	57.2%	\$1,473	123.9%	N/A	5.3%

MULTI-LINE

Number of Companies = 4

	Acquisition				Commission Percent		
	Per Policy Issued	Per 1000 Issued	Percent of First Year Premium	Per Policy Index	First Year	Single Premium	Renewal
Weighted Average	\$123	\$0.69	26.9%	\$381	51.0%	N/A	4.5%
Unweighted Average	\$145	\$0.52	52.6%	\$558	81.0%	N/A	4.6%
Median	\$143	\$0.46	30.6%	\$434	70.9%	N/A	3.9%

DIRECT RESPONSE

Number of Companies = 4

	Acquisition				Commission Percent		
	Per Policy Issued	Per 1000 Issued	Percent of First Year Premium	Per Policy Index	First Year	Single Premium	Renewal
Weighted Average	\$195	\$1.86	58.7%	\$627	18.8%	N/A	0.9%
Unweighted Average	\$419	\$0.94	64.4%	\$1,204	55.4%	N/A	1.0%
Median	\$454	\$0.67	57.4%	\$1,493	54.8%	N/A	0.5%

TOTAL

Number of Companies = 27

	Acquisition				Commission Percent		
	Per Policy Issued	Per 1000 Issued	Percent of First Year Premium	Per Policy Index	First Year	Single Premium	Renewal
Weighted Average	\$169	\$0.48	43.0%	\$606	62.9%	N/A	3.1%
Unweighted Average	\$214	\$0.53	48.7%	\$732	78.0%	N/A	3.3%
Median	\$155	\$0.47	43.1%	\$686	79.5%	N/A	3.1%
25th Percentile	\$114	\$0.28	28.5%	\$403	57.3%	N/A	2.3%
75th Percentile	\$280	\$0.78	65.0%	\$868	95.0%	N/A	4.3%

TOTAL

Number of Companies = 27

Non-Acquisition - All Distribution Systems Combined

	Per Policy Inforce	Premium Tax as Percent of Premium	Per Claim	New Business Average Policy Size (1,000's)	Inforce Average Policy Size (1,000's)
Weighted Average	\$58	1.8%	\$229	\$304	\$217
Unweighted Average	\$72	1.8%	\$677	\$332	\$242
Median	\$64	1.8%	\$295	\$310	\$216
25th Percentile	\$39	1.3%	\$151	\$234	\$149
75th Percentile	\$79	2.5%	\$701	\$416	\$303

Note: Please see accompanying report for complete description of the tables and calculations.

2005 INDIVIDUAL LIFE AND ANNUITY EXPENSE STUDY

Table 2

Permanent Life Insurance

CAREER

Number of Companies =13

	Acquisition				Commission Percent		
	Per Policy Issued	Per 1000 Issued	Percent of First Year Premium	Per Policy Index	First Year	Single Premium	Renewal
Weighted Average	\$164	\$0.77	79.0%	\$1,477	64.9%	2.8%	2.2%
Unweighted Average	\$261	\$0.86	54.9%	\$1,403	75.8%	4.4%	4.1%
Median	\$133	\$0.68	54.4%	\$555	74.2%	2.3%	4.0%
25th Percentile	\$92	\$0.61	11.9%	\$328	53.9%	0.1%	3.0%
75th Percentile	\$276	\$1.14	75.2%	\$741	93.2%	3.8%	5.0%

BROKERAGE

Number of Companies =8

	Acquisition				Commission Percent		
	Per Policy Issued	Per 1000 Issued	Percent of First Year Premium	Per Policy Index	First Year	Single Premium	Renewal
Weighted Average	\$336	\$0.80	37.0%	\$2,894	89.2%	4.5%	2.1%
Unweighted Average	\$276	\$1.40	47.9%	\$4,299	99.2%	5.2%	4.8%
Median	\$170	\$1.36	41.3%	\$798	85.8%	5.0%	4.8%
25th Percentile	\$95	\$0.15	12.0%	\$438	69.4%	2.7%	2.7%
75th Percentile	\$390	\$1.62	72.2%	\$4,281	110.5%	6.0%	6.4%

PPGA

Number of Companies =4

	Acquisition				Commission Percent		
	Per Policy Issued	Per 1000 Issued	Percent of First Year Premium	Per Policy Index	First Year	Single Premium	Renewal
Weighted Average	\$266	\$1.18	14.2%	\$947	115.3%	4.2%	2.9%
Unweighted Average	\$232	\$2.43	45.5%	\$890	102.0%	3.8%	2.0%
Median	\$161	\$1.24	18.7%	\$515	115.1%	3.8%	2.2%

MULTI-LINE

Number of Companies =4

	Acquisition				Commission Percent		
	Per Policy Issued	Per 1000 Issued	Percent of First Year Premium	Per Policy Index	First Year	Single Premium	Renewal
Weighted Average	\$140	\$1.80	22.7%	\$429	46.1%	4.1%	4.5%
Unweighted Average	\$122	\$2.06	55.1%	\$707	85.0%	4.8%	4.4%
Median	\$119	\$2.17	24.1%	\$353	81.0%	5.4%	3.6%

TOTAL

Number of Companies =29

	Acquisition				Commission Percent		
	Per Policy Issued	Per 1000 Issued	Percent of First Year Premium	Per Policy Index	First Year	Single Premium	Renewal
Weighted Average	\$147	\$1.08	48.3%	\$989	69.9%	4.5%	3.5%
Unweighted Average	\$244	\$1.37	48.6%	\$1,331	83.8%	4.4%	4.2%
Median	\$139	\$1.23	33.1%	\$555	93.2%	2.9%	3.9%
25th Percentile	\$98	\$0.68	11.9%	\$351	54.1%	0.3%	2.8%
75th Percentile	\$276	\$1.50	73.6%	\$1,773	104.6%	6.0%	5.7%

TOTAL

Number of Companies =29

	Non-Acquisition - All Distribution Systems Combined				
	Per Policy Inforce	Premium Tax as Percent of Premium	Per Claim	New Business Average Policy Size (1,000's)	Inforce Average Policy Size (1,000's)
Weighted Average	\$51	1.3%	\$71	\$91	\$42
Unweighted Average	\$66	1.8%	\$223	\$139	\$71
Median	\$65	1.8%	\$156	\$83	\$55
25th Percentile	\$40	1.2%	\$97	\$41	\$33
75th Percentile	\$84	2.3%	\$287	\$240	\$82

Note: Please see accompanying report for complete description of the tables and calculations.

2005 INDIVIDUAL LIFE AND ANNUITY EXPENSE STUDY

Table 3

Variable Life Insurance

CAREER

Number of Companies = 6

	Acquisition				Commission Percent		
	Per Policy Issued	Per 1000 Issued	Percent of First Year Premium	Per Policy Index	First Year	Single Premium	Renewal
Weighted Average	\$244	\$0.51	64.6%	\$2,165	65.2%	1.4%	2.9%
Unweighted Average	\$559	\$1.19	63.7%	\$3,154	65.6%	1.6%	5.1%
Median	\$268	\$0.55	58.9%	\$2,285	63.1%	2.0%	5.4%
25th Percentile	\$209	\$0.38	35.2%	\$632	52.2%	0.5%	3.5%
75th Percentile	\$323	\$0.98	87.4%	\$4,919	73.8%	2.7%	7.1%

TOTAL

Number of Companies = 13

	Acquisition				Commission Percent		
	Per Policy Issued	Per 1000 Issued	Percent of First Year Premium	Per Policy Index	First Year	Single Premium	Renewal
Weighted Average	\$255	\$0.58	52.9%	\$2,097	61.0%	1.6%	3.3%
Unweighted Average	\$486	\$1.68	47.5%	\$2,542	68.0%	1.2%	4.6%
Median	\$218	\$0.64	34.3%	\$1,450	66.4%	1.2%	4.8%
25th Percentile	\$185	\$0.35	17.4%	\$615	48.8%	0.0%	3.2%
75th Percentile	\$325	\$1.33	79.7%	\$4,297	85.1%	2.2%	5.8%

TOTAL

Number of Companies = 13

	Non-Acquisition - All Distribution Systems Combined				
	Per Policy Inforce	Premium Tax as Percent of Premium	Per Claim	New Business Average Policy Size (1,000's)	Inforce Average Policy Size (1,000's)
Weighted Average	\$102	1.9%	\$98	\$259	\$140
Unweighted Average	\$397	1.8%	\$725	\$276	\$232
Median	\$182	2.0%	\$589	\$266	\$227
25th Percentile	\$102	0.6%	\$159	\$145	\$141
75th Percentile	\$447	2.2%	\$1,166	\$353	\$313

Note: Please see accompanying report for complete description of the tables and calculations.

**2005 INDIVIDUAL LIFE AND ANNUITY EXPENSE STUDY
TABLE 4 -- WEIGHTED AVERAGES -- INDIVIDUAL LIFE PRODUCTS**

CAREER

	Number of Companies	Acquisition				Commission Percent		
		Per Policy Issued	Per 1000 Issued	Percent of First Year Premium	Per Policy Index	First Year	Single Premium	Renewal
Term Life	11	\$146	\$0.32	61.5%	\$665	47.6%	N/A	2.8%
Permanent Life	13	\$164	\$0.77	79.0%	\$1,477	64.9%	2.8%	2.2%
Variable Life	6	\$244	\$0.51	64.6%	\$2,165	65.2%	1.4%	2.9%
TOTAL	13	\$164	\$0.43	71.8%	\$1,179	60.6%	2.3%	2.5%

BROKERAGE

	Number of Companies	Acquisition				Commission Percent		
		Per Policy Issued	Per 1000 Issued	Percent of First Year Premium	Per Policy Index	First Year	Single Premium	Renewal
Term Life	8	\$380	\$0.38	40.5%	\$1,262	88.3%	N/A	2.7%
Permanent Life	8	\$336	\$0.80	37.0%	\$2,894	89.2%	4.5%	2.1%
TOTAL	8	\$370	\$0.43	39.9%	\$1,776	86.2%	4.3%	2.8%

MULTI-LINE

	Number of Companies	Acquisition				Commission Percent		
		Per Policy Issued	Per 1000 Issued	Percent of First Year Premium	Per Policy Index	First Year	Single Premium	Renewal
Term Life	4	\$123	\$0.69	26.9%	\$381	51.0%	N/A	4.5%
Permanent Life	4	\$140	\$1.80	22.7%	\$429	46.1%	4.1%	4.5%
TOTAL	4	\$131	\$0.91	23.8%	\$405	47.5%	4.1%	4.6%

TOTAL

	Number of Companies	Acquisition				Commission Percent		
		Per Policy Issued	Per 1000 Issued	Percent of First Year Premium	Per Policy Index	First Year	Single Premium	Renewal
Term Life	27	\$169	\$0.48	43.0%	\$606	62.9%	N/A	3.1%
Permanent Life	29	\$147	\$1.08	48.3%	\$989	69.9%	4.5%	3.5%
Variable Life	13	\$255	\$0.58	52.9%	\$2,097	61.0%	1.6%	3.3%
TOTAL	29	\$162	\$0.62	47.4%	\$851	66.9%	4.1%	3.4%

TOTAL

	Number of Companies	Non-Acquisition - All Distribution Systems Combined					
		Per Policy Inforce	Premium Tax as Percent of Premium	Per Claim	New Business Average Policy Size (1,000's)	Inforce Average Policy Size (1,000's)	
Term Life	27	\$58	1.8%	\$229	\$304	\$217	
Permanent Life	29	\$51	1.3%	\$71	\$91	\$42	
Variable Life	13	\$102	1.9%	\$98	\$259	\$140	
TOTAL	29	\$56	1.5%	\$80	\$200	\$85	

Note: Please see accompanying report for complete descriptions of the tables and calculations.

2005 INDIVIDUAL LIFE AND ANNUITY EXPENSE STUDY

Table 5

Term Life Insurance

SMALL

Number of Companies = 6

	Acquisition				Commission Percent		
	Per Policy Issued	Per 1000 Issued	Percent of First Year Premium	Per Policy Index	First Year	Single Premium	Renewal
Weighted Average	\$201	\$0.89	35.5%	\$623	94.0%	N/A	3.0%
Unweighted Average	\$149	\$0.72	42.5%	\$498	100.0%	N/A	3.9%
Median	\$131	\$0.68	39.1%	\$503	97.2%	N/A	4.3%
25th Percentile	\$100	\$0.50	28.3%	\$302	79.7%	N/A	2.6%
75th Percentile	\$183	\$0.96	55.0%	\$694	112.0%	N/A	5.6%

SMALL

Number of Companies = 6

Non-Acquisition - All Distribution Systems Combined

	Per Policy Inforce	Premium Tax as Percent of Premium	Per Claim	New Business Average Policy Size (1,000's)	Inforce Average Policy Size (1,000's)
Weighted Average	\$82	1.8%	\$1,531	\$245	\$209
Unweighted Average	\$72	1.6%	\$1,609	\$196	\$163
Median	\$65	1.8%	\$953	\$199	\$177
25th Percentile	\$38	1.5%	\$305	\$91	\$84
75th Percentile	\$92	2.0%	\$1,913	\$293	\$247

MEDIUM

Number of Companies = 17

	Acquisition				Commission Percent		
	Per Policy Issued	Per 1000 Issued	Percent of First Year Premium	Per Policy Index	First Year	Single Premium	Renewal
Weighted Average	\$165	\$0.51	39.3%	\$596	77.9%	N/A	2.8%
Unweighted Average	\$236	\$0.51	48.9%	\$740	77.5%	N/A	3.1%
Median	\$161	\$0.45	39.0%	\$686	81.4%	N/A	2.9%
25th Percentile	\$122	\$0.32	29.0%	\$469	63.3%	N/A	2.5%
75th Percentile	\$283	\$0.64	55.2%	\$896	90.1%	N/A	3.7%

MEDIUM

Number of Companies = 17

Non-Acquisition - All Distribution Systems Combined

	Per Policy Inforce	Premium Tax as Percent of Premium	Per Claim	New Business Average Policy Size (1,000's)	Inforce Average Policy Size (1,000's)
Weighted Average	\$60	2.0%	\$157	\$291	\$226
Unweighted Average	\$73	1.9%	\$420	\$327	\$243
Median	\$63	1.8%	\$264	\$320	\$216
25th Percentile	\$35	1.3%	\$132	\$241	\$166
75th Percentile	\$80	2.9%	\$602	\$406	\$296

2005 INDIVIDUAL LIFE AND ANNUITY EXPENSE STUDY

Table 5

Term Life Insurance

LARGE

Number of Companies = 4

	Acquisition				Commission Percent		
	Per Policy Issued	Per 1000 Issued	Percent of First Year Premium	Per Policy Index	First Year	Single Premium	Renewal
Weighted Average	\$169	\$0.44	46.5%	\$611	48.9%	N/A	3.5%
Unweighted Average	\$224	\$0.32	57.0%	\$1,051	47.2%	N/A	3.3%
Median	\$223	\$0.22	60.1%	\$1,098	46.6%	N/A	3.6%

LARGE

Number of Companies = 4

Non-Acquisition - All Distribution Systems Combined

	Per Policy Inforce	Premium Tax as Percent of Premium	Per Claim	New Business Average Policy Size (1,000's)	Inforce Average Policy Size (1,000's)
Weighted Average	\$54	1.7%	\$428	\$318	\$210
Unweighted Average	\$73	1.5%	\$310	\$555	\$354
Median	\$62	1.4%	\$316	\$647	\$380

Note: Please see accompanying report for complete descriptions of the tables and calculations.

2005 INDIVIDUAL LIFE AND ANNUITY EXPENSE STUDY

Table 6

Permanent Life Insurance

SMALL

Number of Companies =6

	Acquisition				Commission Percent		
	Per Policy Issued	Per 1000 Issued	Percent of First Year Premium	Per Policy Index	First Year	Single Premium	Renewal
Weighted Average	\$92	\$1.13	29.1%	\$309	95.0%	7.8%	4.5%
Unweighted Average	\$96	\$1.51	43.4%	\$327	83.6%	9.9%	4.8%
Median	\$95	\$1.26	36.1%	\$294	83.9%	8.8%	4.5%
25th Percentile	\$92	\$0.73	14.7%	\$223	57.0%	6.4%	4.0%
75th Percentile	\$113	\$1.57	60.2%	\$455	104.4%	12.3%	4.9%

SMALL

Number of Companies =6

Non-Acquisition - All Distribution Systems Combined					
	Per Policy Inforce	Premium Tax as Percent of Premium	Per Claim	New Business Average Policy Size (1,000's)	Inforce Average Policy Size (1,000's)
Weighted Average	\$45	2.0%	\$63	\$44	\$26
Unweighted Average	\$62	2.3%	\$305	\$44	\$35
Median	\$70	2.1%	\$303	\$28	\$33
25th Percentile	\$33	1.8%	\$188	\$20	\$22
75th Percentile	\$87	2.5%	\$448	\$70	\$52

MEDIUM

Number of Companies =19

	Acquisition				Commission Percent		
	Per Policy Issued	Per 1000 Issued	Percent of First Year Premium	Per Policy Index	First Year	Single Premium	Renewal
Weighted Average	\$120	\$1.32	31.9%	\$608	96.4%	4.7%	3.9%
Unweighted Average	\$285	\$1.45	46.3%	\$1,115	90.4%	3.5%	4.1%
Median	\$164	\$1.24	29.6%	\$701	94.4%	3.2%	3.4%
25th Percentile	\$103	\$0.99	8.7%	\$465	82.2%	0.1%	2.7%
75th Percentile	\$289	\$1.48	71.8%	\$1,723	106.3%	5.4%	5.8%

MEDIUM

Number of Companies =19

Non-Acquisition - All Distribution Systems Combined					
	Per Policy Inforce	Premium Tax as Percent of Premium	Per Claim	New Business Average Policy Size (1,000's)	Inforce Average Policy Size (1,000's)
Weighted Average	\$48	1.6%	\$49	\$66	\$47
Unweighted Average	\$64	1.7%	\$196	\$144	\$78
Median	\$64	1.6%	\$131	\$92	\$65
25th Percentile	\$40	1.2%	\$70	\$53	\$39
75th Percentile	\$82	2.1%	\$249	\$249	\$84

2005 INDIVIDUAL LIFE AND ANNUITY EXPENSE STUDY

Table 6

Permanent Life Insurance

LARGE

Number of Companies =4

	Acquisition				Commission Percent		
	Per Policy Issued	Per 1000 Issued	Percent of First Year Premium	Per Policy Index	First Year	Single Premium	Renewal
Weighted Average	\$182	\$0.93	60.8%	\$1,478	52.3%	3.7%	3.4%
Unweighted Average	\$273	\$0.78	67.4%	\$3,865	52.8%	2.2%	3.8%
Median	\$297	\$0.50	75.7%	\$4,145	51.6%	2.2%	3.4%

LARGE

Number of Companies =4

	Non-Acquisition - All Distribution Systems Combined				
	Per Policy Inforce	Premium Tax as Percent of Premium	Per Claim	New Business Average Policy Size (1,000's)	Inforce Average Policy Size (1,000's)
Weighted Average	\$53	1.2%	\$91	\$123	\$41
Unweighted Average	\$87	1.3%	\$228	\$255	\$97
Median	\$84	1.2%	\$161	\$281	\$85

Note: Please see accompanying report for complete descriptions of the tables and calculations.

2005 INDIVIDUAL LIFE AND ANNUITY EXPENSE STUDY

Table 7

Variable Life Insurance

MEDIUM

Number of Companies = 10

	Acquisition				Commission Percent		
	Per Policy Issued	Per 1000 Issued	Percent of First Year Premium	Per Policy Index	First Year	Single Premium	Renewal
Weighted Average	\$224	\$0.68	16.1%	\$849	80.5%	0.8%	6.8%
Unweighted Average	\$549	\$1.99	41.2%	\$2,275	76.6%	1.0%	4.8%
Median	\$217	\$0.77	28.5%	\$1,072	77.1%	0.3%	4.9%
25th Percentile	\$157	\$0.40	18.0%	\$632	65.3%	0.0%	3.3%
75th Percentile	\$671	\$2.40	69.2%	\$2,225	86.3%	2.1%	6.3%

MEDIUM

Number of Companies = 10

Non-Acquisition - All Distribution Systems Combined					
	Per Policy Inforce	Premium Tax as Percent of Premium	Per Claim	New Business Average Policy Size (1,000's)	Inforce Average Policy Size (1,000's)
Weighted Average	\$291	2.0%	\$455	\$237	\$269
Unweighted Average	\$483	1.8%	\$760	\$266	\$246
Median	\$325	1.6%	\$591	\$270	\$237
25th Percentile	\$117	0.3%	\$185	\$138	\$176
75th Percentile	\$500	2.6%	\$1,141	\$335	\$308

LARGE

Number of Companies = 3

	Acquisition				Commission Percent		
	Per Policy Issued	Per 1000 Issued	Percent of First Year Premium	Per Policy Index	First Year	Single Premium	Renewal
Weighted Average	\$293	\$0.47	90.0%	\$3,673	41.0%	2.2%	2.4%
Unweighted Average	\$278	\$0.67	68.8%	\$3,429	39.1%	2.3%	4.0%
Median	\$322	\$0.43	77.9%	\$4,297	40.6%	2.3%	4.3%

LARGE

Number of Companies = 3

Non-Acquisition - All Distribution Systems Combined					
	Per Policy Inforce	Premium Tax as Percent of Premium	Per Claim	New Business Average Policy Size (1,000's)	Inforce Average Policy Size (1,000's)
Weighted Average	\$77	1.9%	\$76	\$286	\$123
Unweighted Average	\$121	1.8%	\$630	\$309	\$183
Median	\$116	2.0%	\$155	\$266	\$131

Note: Please see accompanying report for complete descriptions of the tables and calculations.

2005 INDIVIDUAL LIFE AND ANNUITY EXPENSE STUDY

Table 8

**Life Products - Comparison of 2004 and 2005 Unit Costs
for Companies Contributing in both 2004 and 2005**

Term Life Insurance										
Number of Contributing Companies = 10										
	Acquisiton		Commission Percent						Non-acquisition	
	Per Policy Index		First Year		Single Premium		Renewal		Per Policy Inforce	
	2004	2005	2004	2005	2004	2005	2004	2005	2004	2005
Weighted Average	\$661	\$634	58.9%	61.8%	N/A	N/A	3.2%	3.2%	\$66	\$59
25th Percentile	\$396	\$444	51.1%	56.3%	N/A	N/A	3.0%	2.8%	\$44	\$44
75th Percentile	\$891	\$868	85.1%	90.1%	N/A	N/A	4.6%	4.4%	\$102	\$91
25th Percentile Difference		6%		1%		N/A		-16%		-7%
75th Percentile Difference		25%		13%		N/A		0%		18%

Perm Life Insurance										
Number of Contributing Companies = 10										
	Acquisiton		Commission Percent						Non-acquisition	
	Per Policy Index		First Year		Single Premium		Renewal		Per Policy Inforce	
	2004	2005	2004	2005	2004	2005	2004	2005	2004	2005
Weighted Average	\$1,464	\$1,243	68.2%	68.0%	2.4%	4.4%	3.2%	3.6%	\$54	\$54
25th Percentile	\$390	\$351	58.7%	62.4%	0.0%	0.2%	2.8%	3.9%	\$47	\$50
75th Percentile	\$1,543	\$2,059	103.1%	105.5%	6.0%	5.7%	5.4%	5.7%	\$109	\$93
25th Percentile Difference		2%		-1%		-6%		-6%		-5%
75th Percentile Difference		20%		16%		21%		3%		8%

Variable Life Insurance										
Number of Contributing Companies = 4										
	Acquisiton		Commission Percent						Non-acquisition	
	Per Policy Index		First Year		Single Premium		Renewal		Per Policy Inforce	
	2004	2005	2004	2005	2004	2005	2004	2005	2004	2005
Weighted Average	\$3,143	\$2,565	48.5%	58.8%	1.5%	1.5%	4.1%	3.2%	\$195	\$102
25th Percentile	\$1,669	\$674	44.5%	58.0%	0.2%	0.3%	2.9%	2.8%	\$161	\$142
75th Percentile	\$3,885	\$5,607	97.5%	88.9%	2.6%	2.3%	6.0%	6.0%	\$519	\$411
25th Percentile Difference		10%		-1%		-1%		-10%		-24%
75th Percentile Difference		50%		10%		19%		1%		1%

Note: Please see accompanying report for complete descriptions of the tables and calculations.

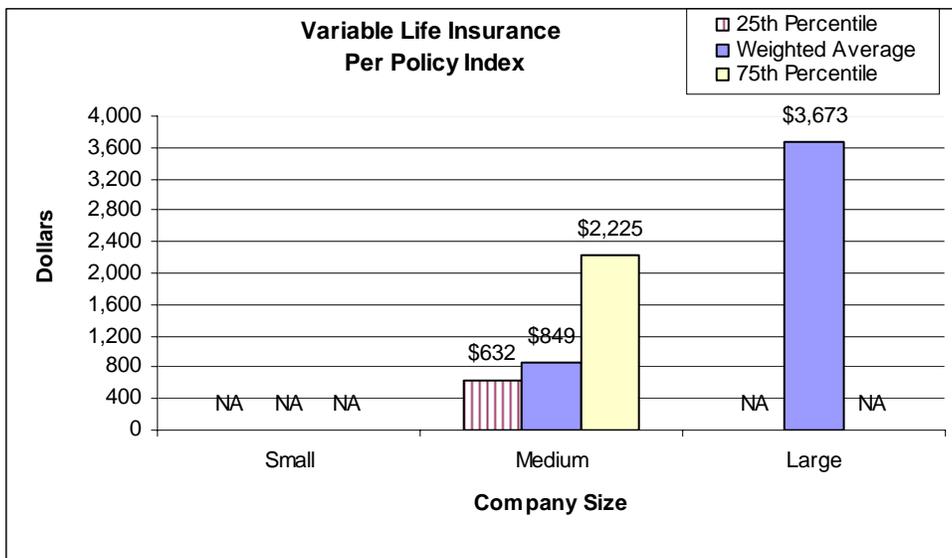
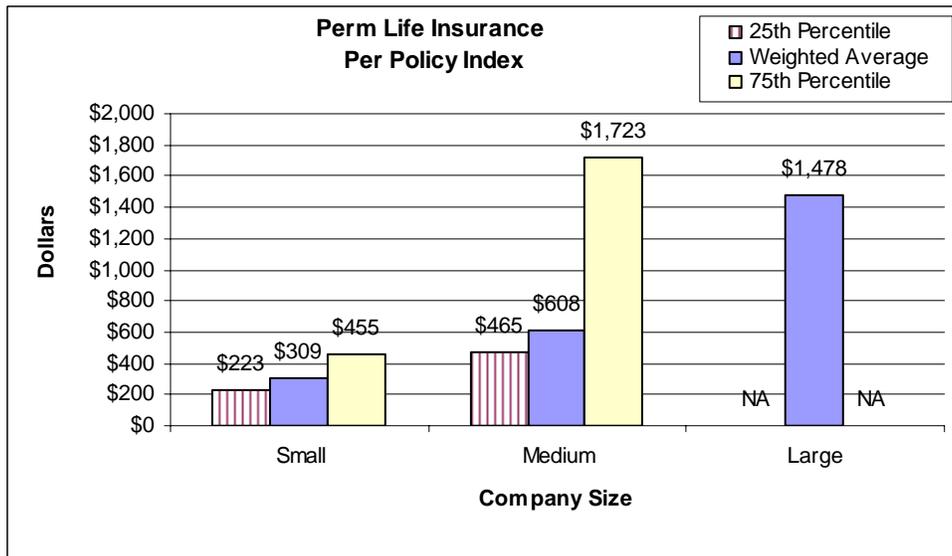
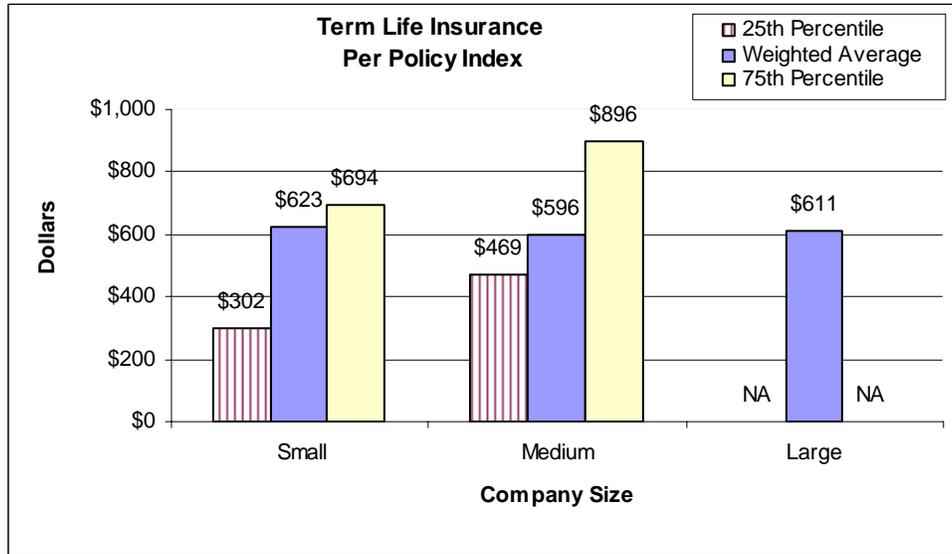
2005 SOA Expense Study
Table 9—Total Expense Units—All Companies

	Life Products							Total
	Career	Brokerage	PPGA	Multi-Line	Direct Response	Other	Unallocated	
A. New Business - Direct								
1. Policies / Contracts Issued	531,374	100,359	69,095	661,387	86,552	27,095	148,871	1,624,733
2. Volume Issued (Round to 1000s)	117,440,175	54,985,220	19,344,284	91,462,077	2,644,892	8,379,634	30,447,525	324,703,807
3. First Year Premium Collected	870,947,094	552,222,314	327,411,383	420,600,209	26,308,667	225,158,511	296,356,044	2,719,004,223
a. UL and VUL Dump-in Included in A-3	231,448,837	287,840,637	191,757,184	16,741,140	11,072	161,777,460	22,677,822	912,254,152
4. Single Premium Collected	1,832,437,149	73,653,661	1,025,724	338,408,367	0	152,563,346	920,914,747	3,319,002,995
a. UL and VUL Dump-in Included in A-4	66,098,549	284,668	0	0	0	0	0	66,383,217
b. Paid-Up Additions Included in A-4	1,648,395,450	65,010,785	18,599	285,847,621	0	0	917,539,747	2,916,812,203
B. Inforce - Direct - Current Year								
1. Policies / Contracts	15,924,270	858,968	1,237,911	7,808,590	636,677	515,988	4,449,017	31,431,421
2. Volume (Round to 1000s)	810,374,808	323,988,238	193,760,105	644,949,707	27,570,687	45,917,895	681,740,581	2,728,302,021
3. Renewal Premium Collected	7,750,381,283	1,307,611,862	809,059,218	2,879,611,878	195,510,832	159,459,742	2,390,903,740	15,492,538,557
4. Reserves or Account Balances	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	171,498,761,009	171,498,761,009
C. Inforce - Direct - Previous Year								
1. Policies / Contracts	16,318,675	808,580	1,238,696	7,695,491	694,017	488,767	3,494,763	30,738,989
2. Volume (Round to 1000s)	774,517,457	287,505,268	186,412,475	602,691,444	27,097,207	39,023,467	669,676,517	2,586,923,837
3. Renewal Premium Collected	7,726,404,808	1,183,667,831	773,871,014	2,747,637,459	186,170,389	141,913,415	2,210,198,147	14,969,863,064
4. Reserves or Account Balances	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	157,580,657,055	157,580,657,055
D. Claims/Contracts								
1. Number of Claims	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	502,533	502,533
2. Number of Surrenders/Lapses	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	1,399,850	1,399,850

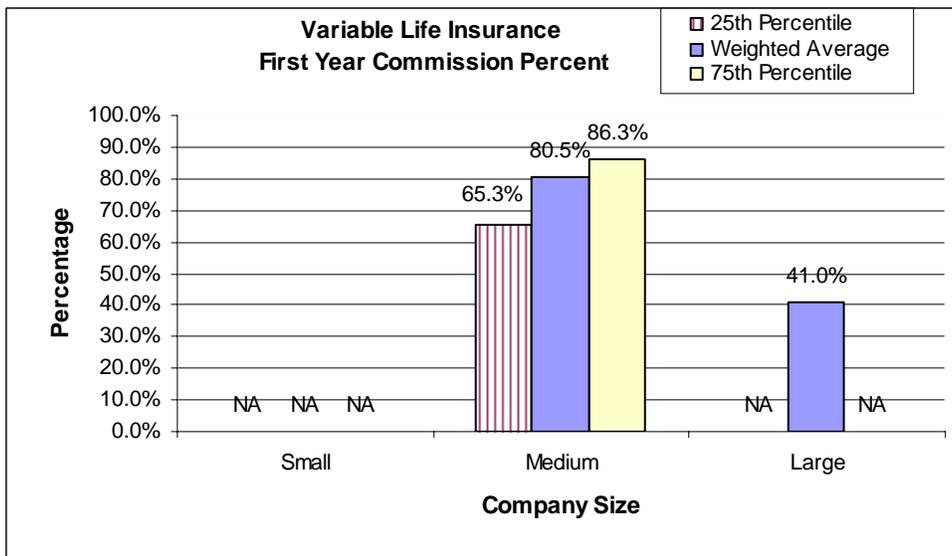
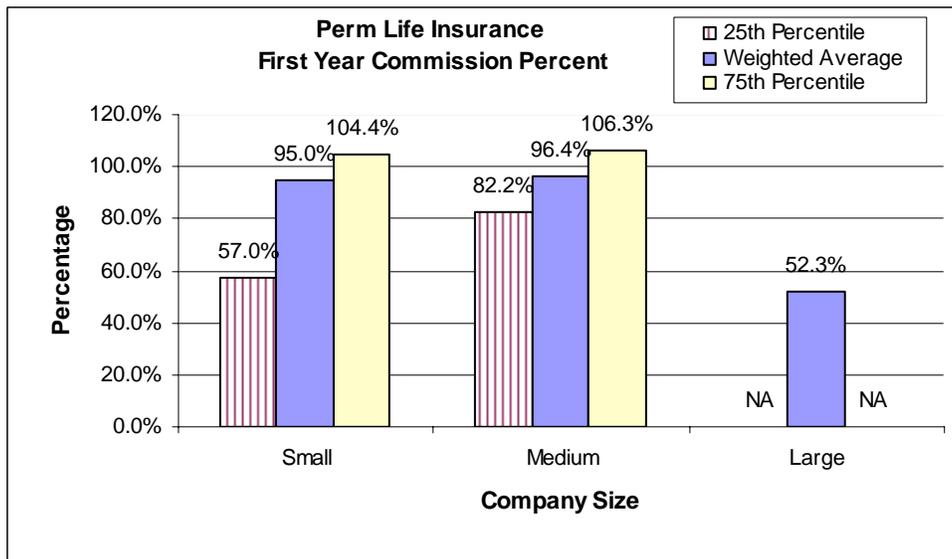
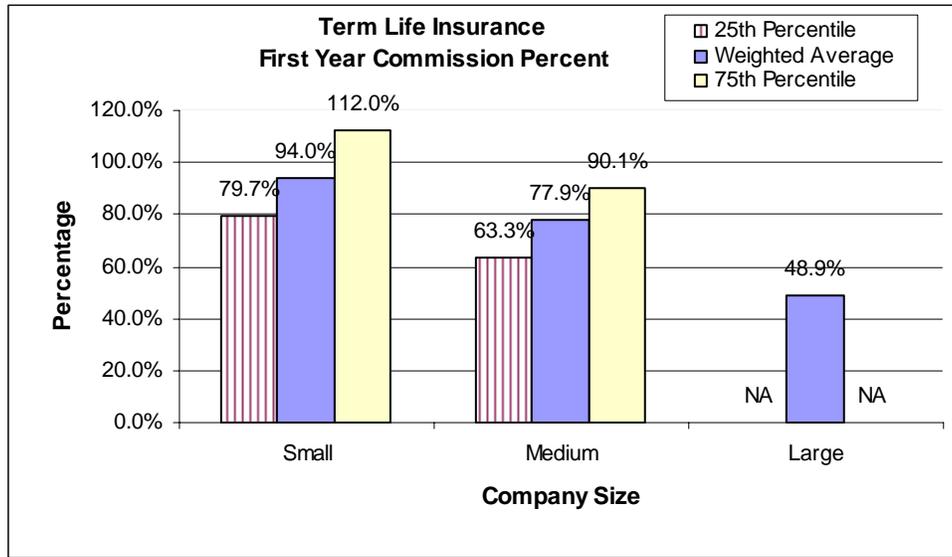
2005 SOA Expense Study
Table 9—Total Expenses—All Companies

Function	Life Products							Total
	Career	Brokerage	PPGA	Multi-Line	Direct Response	Other	Unallocated	
E. Commissions Paid								
1. First Year Commissions	394,314,280	240,198,892	154,102,384	191,811,158	1,473,589	65,481,487	195,522,330	1,242,904,120
a. UL and VUL Dump-in Included in F-1	6,621,718	12,423,637	7,841,310	25,561	487	6,916,542	25,000	33,854,256
2. Single Commissions	3,028,067	299,242	629	2,788,137	0	9,553,812	4,364,578	20,034,465
a. UL and VUL Dump-in Included in F-2	0	0	0	0	0	0	0	0
3. Renewal Commissions	189,943,182	36,945,314	23,968,293	131,268,225	461,539	3,430,287	142,243,197	528,260,037
F. Other Acquisition Expenses Paid								
1. Sales / Marketing	485,048,648	115,053,991	23,923,166	66,891,313	26,041,034	18,472,458	136,376,739	871,807,349
2. Underwriting - Inspection Reports and Medical Exams	47,038,025	21,399,724	11,093,584	52,166,334	2,047,874	4,404,317	16,184,235	154,334,092
3. Underwriting - All Other	44,877,618	13,746,977	4,122,824	40,492,751	849,396	2,259,569	11,448,675	117,797,810
4. Policy / Contract Issue	38,682,883	21,005,735	11,701,257	15,353,580	975,652	7,436,710	3,567,381	98,723,198
5. Product Development	10,973,475	2,161,596	4,119,139	2,212,611	311,966	4,701,504	2,034,873	26,515,164
6. Other Acquisition	19,182	4,832,506	3,612,358	90,807,920	7,653,426	0	6,317,482	113,242,874
G. Other Expenses Paid								
1. Benefit Department(s) / Claim Settlement Expenses	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	40,126,422	40,126,422
2. Policyowner Services	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	479,045,594	479,045,594
3. Surrender and Lapse Expenses	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	15,512,518	15,512,518
4. Significant Non-recurring Expenses	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	29,430,120	29,430,120
5. Total Overhead	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	1,116,641,655	1,116,641,655
6. Amount of Total Overhead Allocable to Acquisition	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	129,285,502	129,285,502
7. Other non-overhead	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	86,994,163	86,994,163
H. Premium Tax & Guar Assoc Assessments								
	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	314,988,928	314,988,928
I. Total Expenses								
	1,213,925,360	455,643,976	236,643,634	593,792,028	39,814,476	115,740,145	2,600,798,889	5,256,358,508

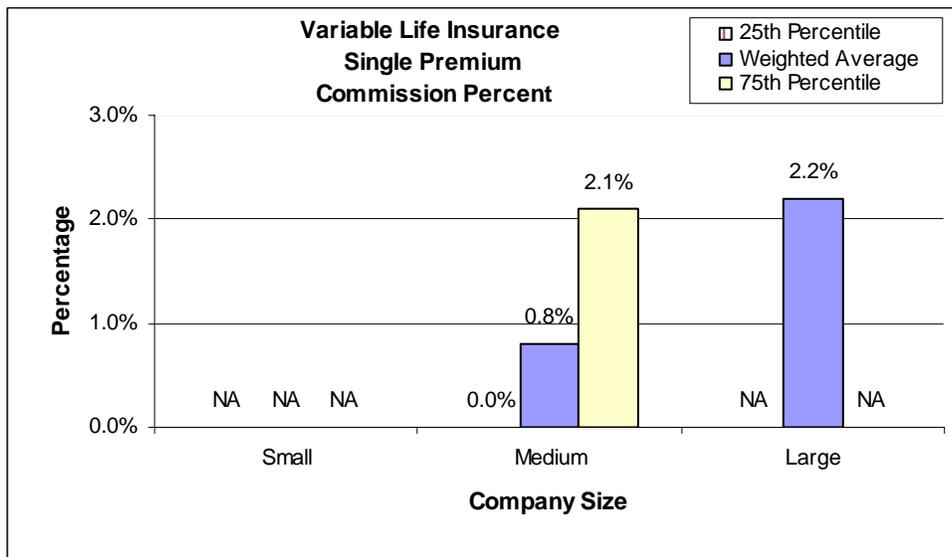
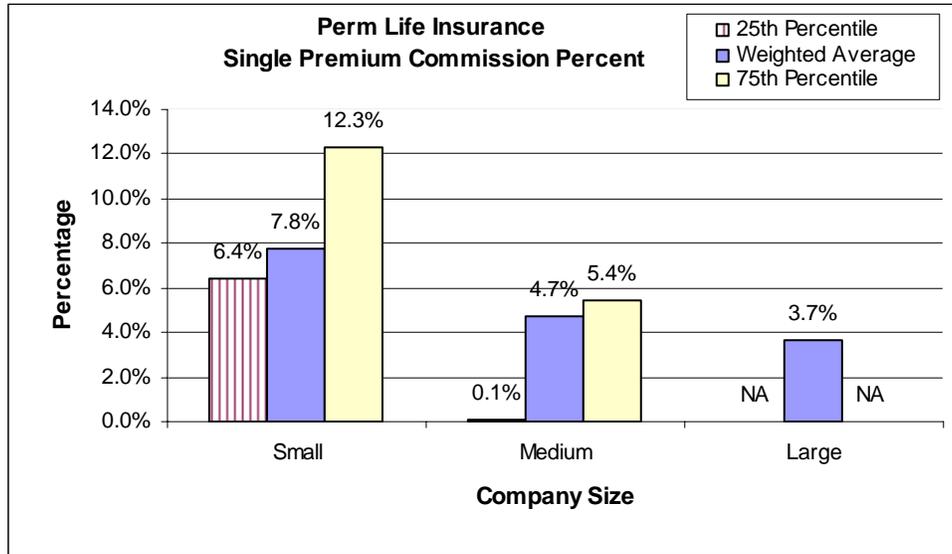
2005 Life Products
Graph 1—Acquisition Expense—All Distribution Systems Combined
Per Policy Index



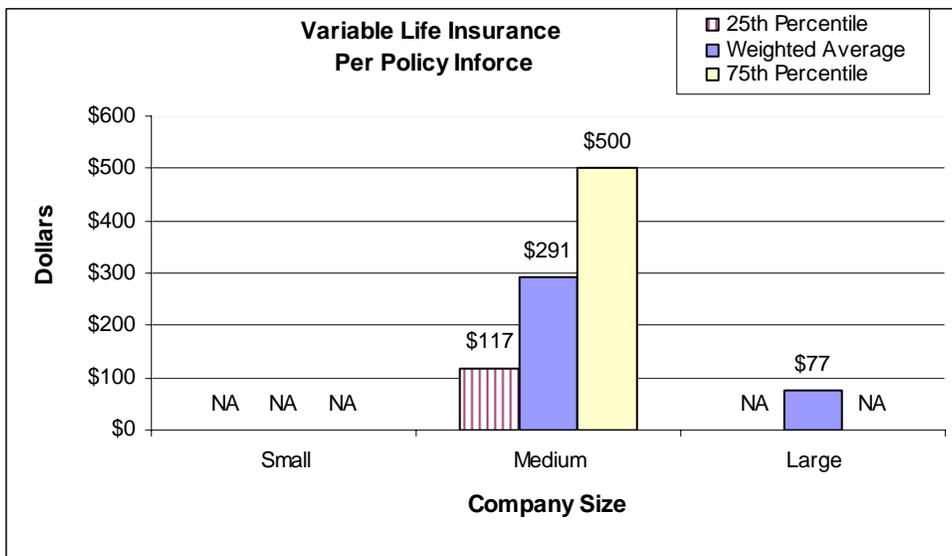
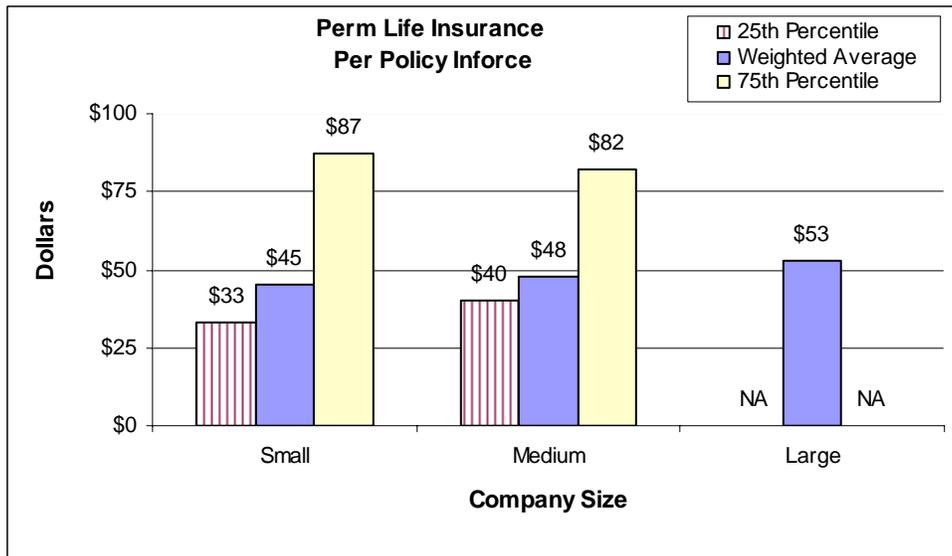
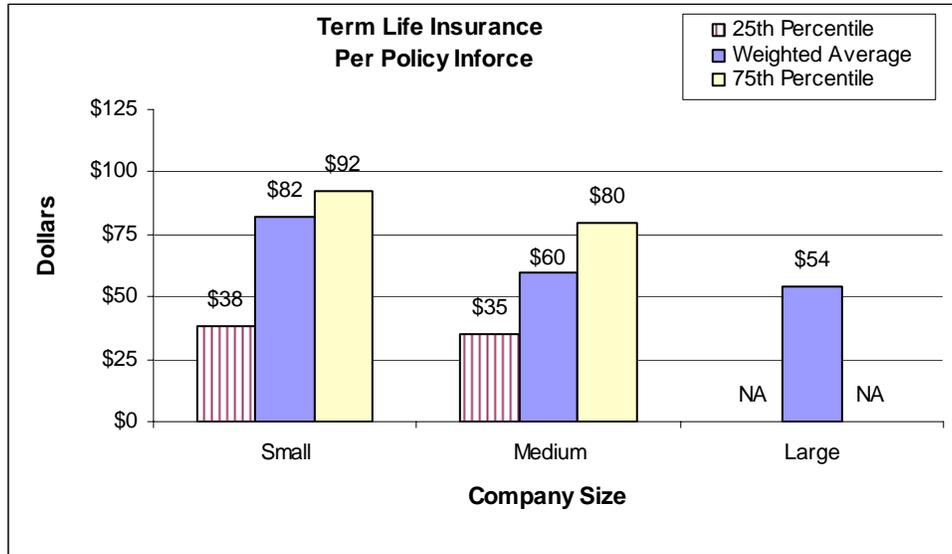
2005 Life Products
Graph 2—Acquisition Expense—All Distribution Systems Combined
First Year Commission Percent



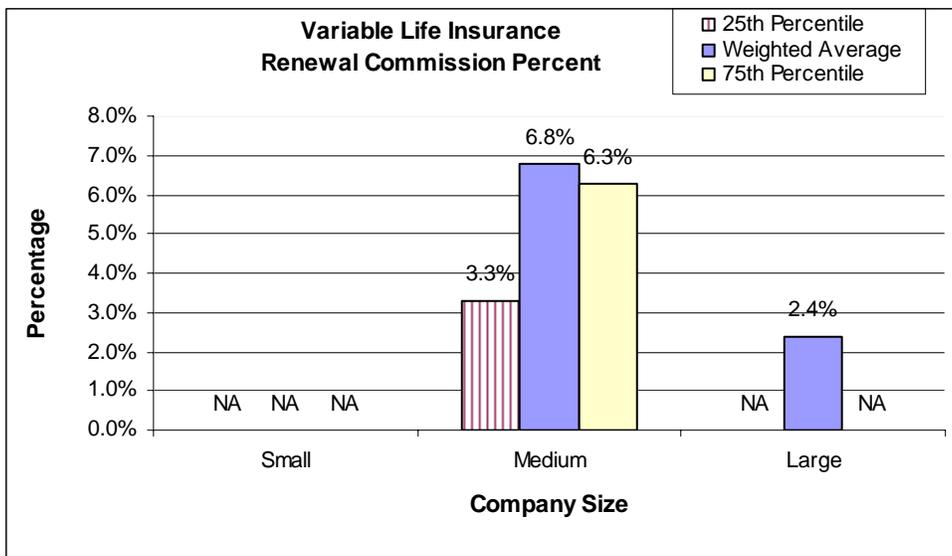
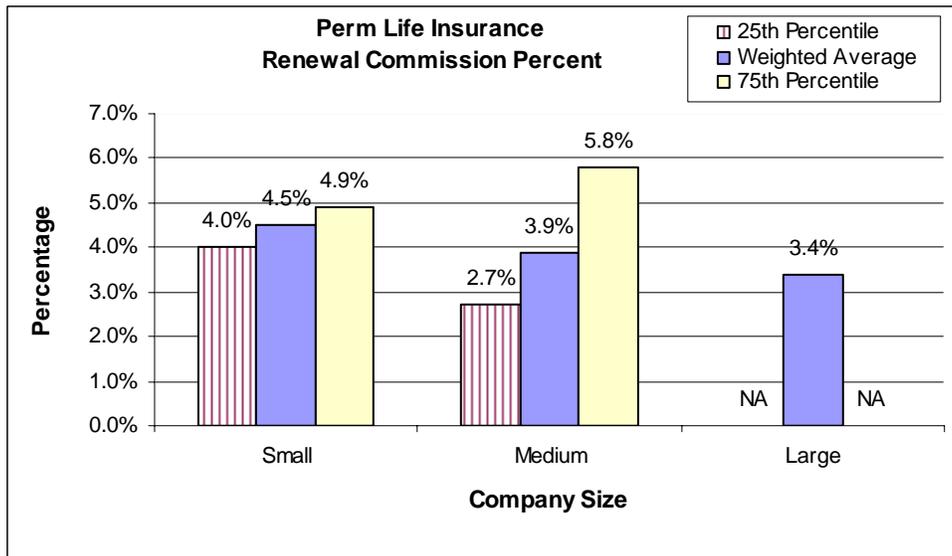
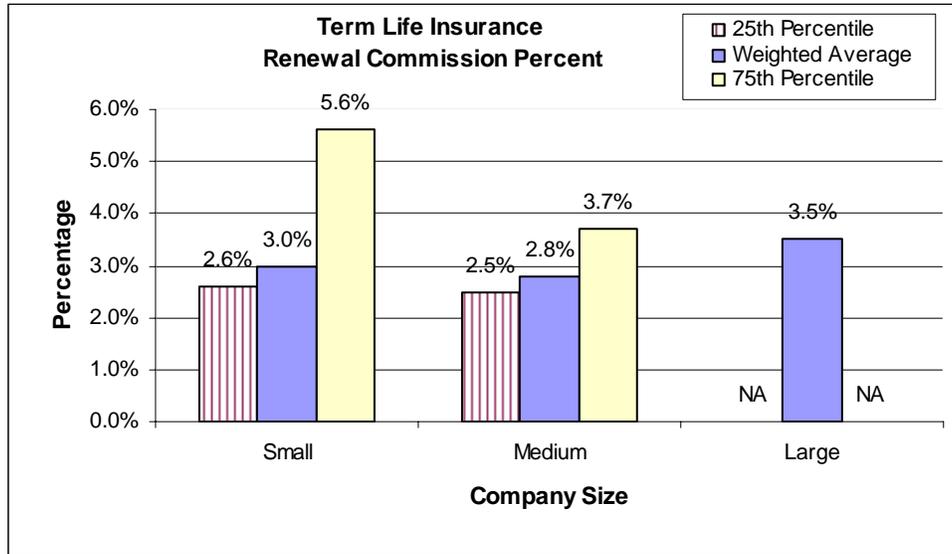
2005 Life Products
Graph 3—Acquisition Expense—All Distribution Systems Combined
Single Premium Commission Percent



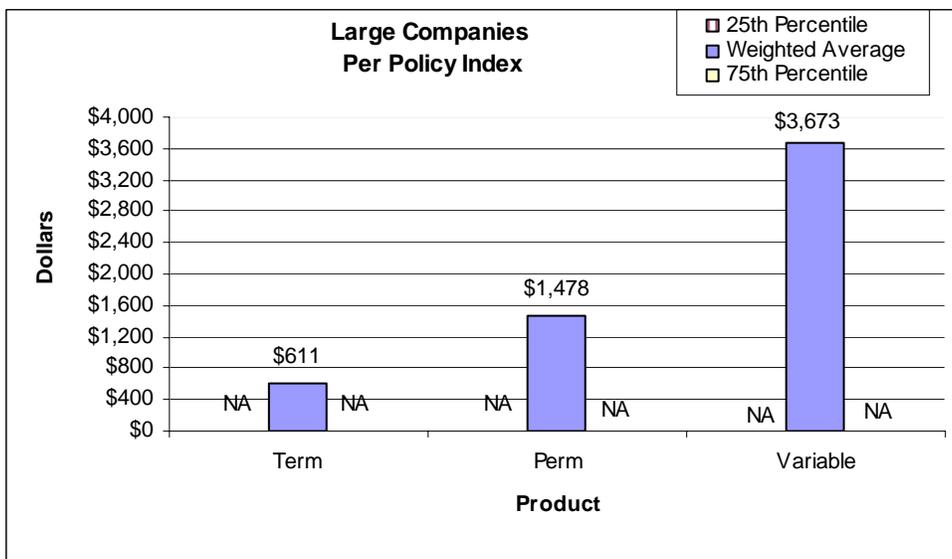
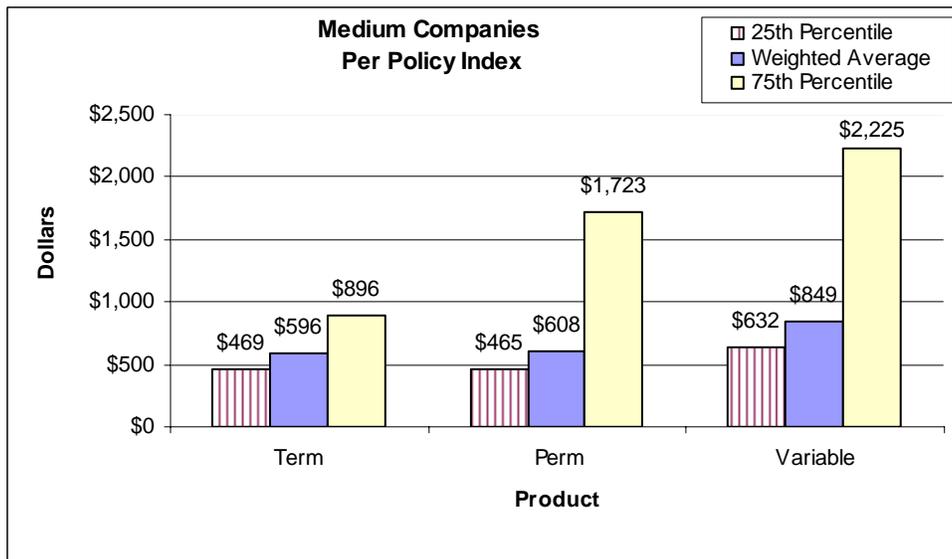
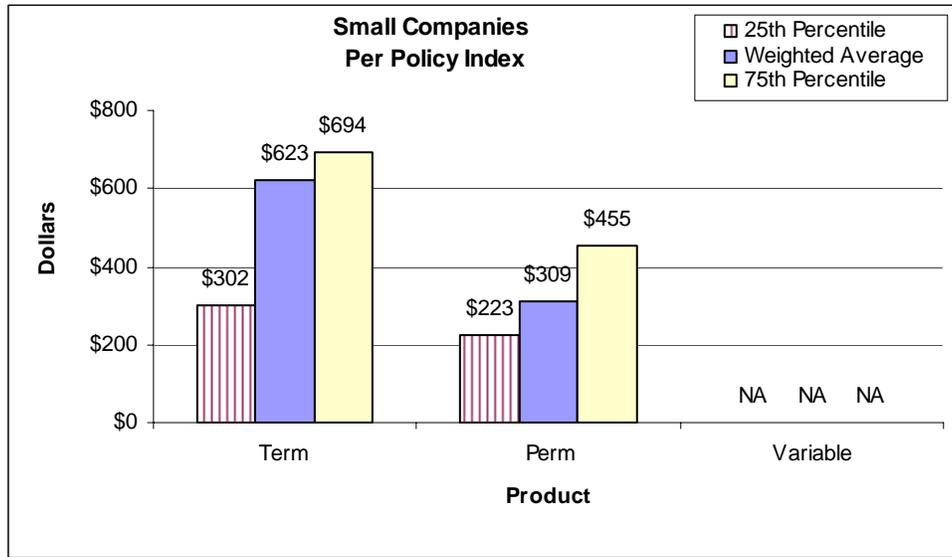
2005 Life Products
Graph 4—Non-acquisition Expense—All Distribution Systems Combined
Per Policy Inforce



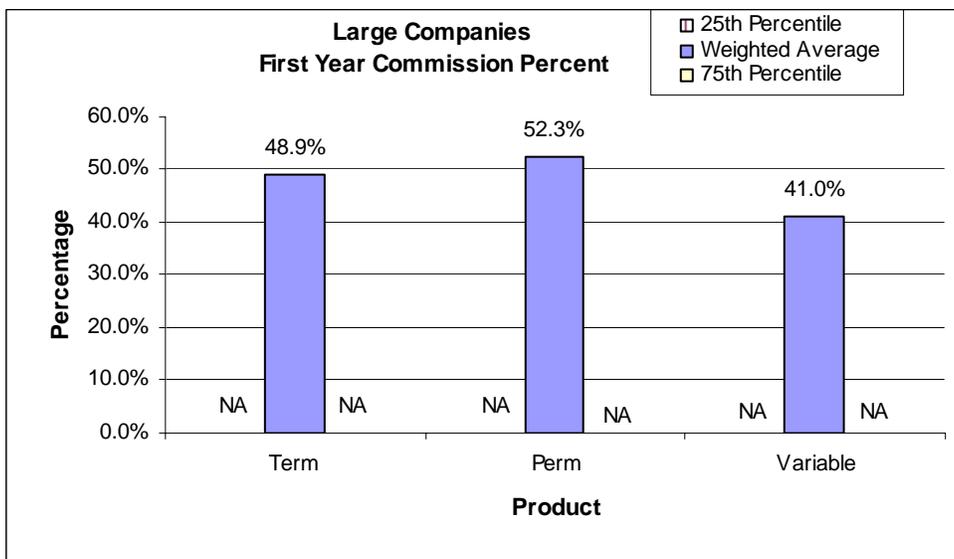
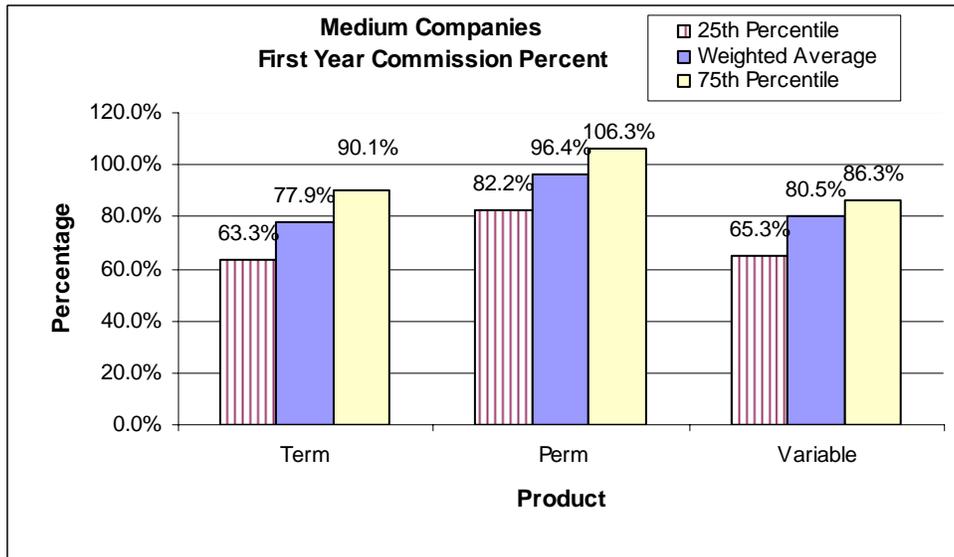
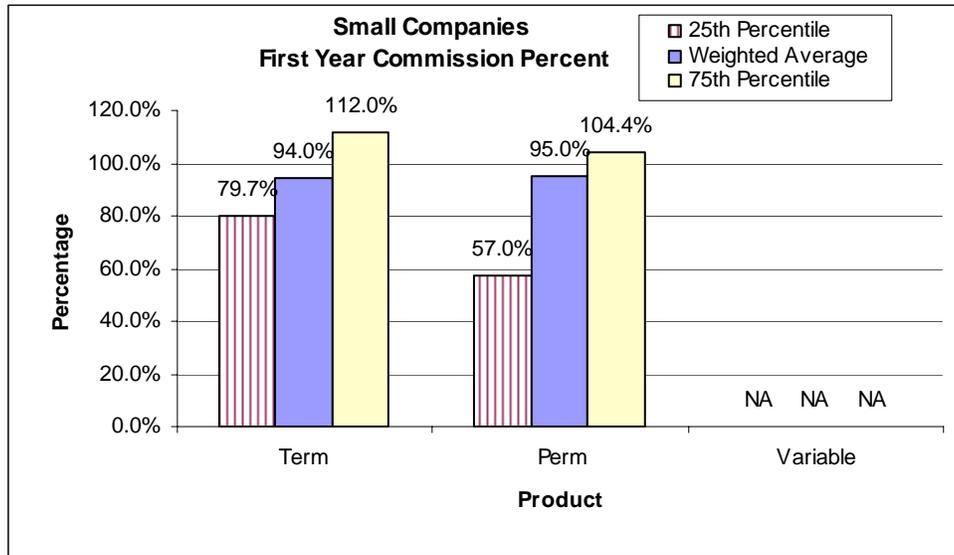
2005 Life Products
Graph 5—Acquisition Expense—All Distributions Systems Combined
Renewal Commission Percent



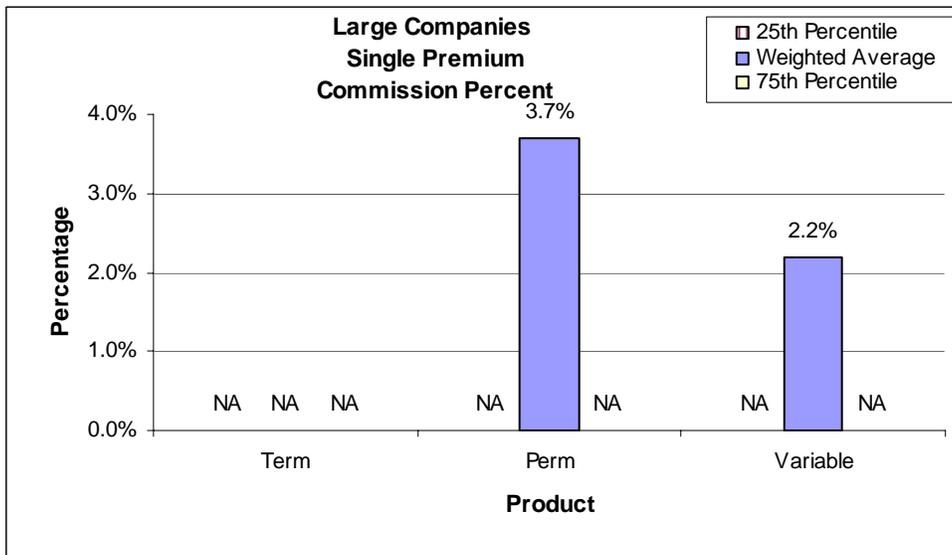
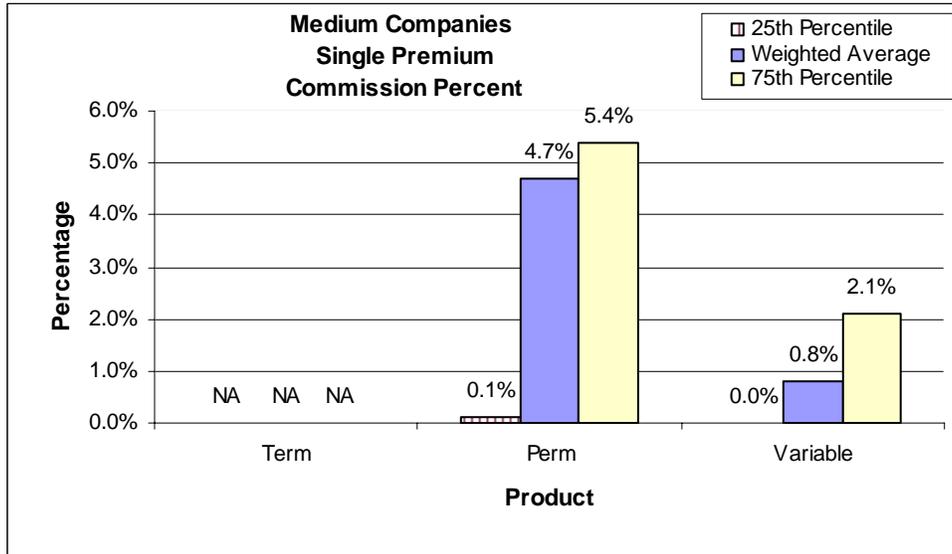
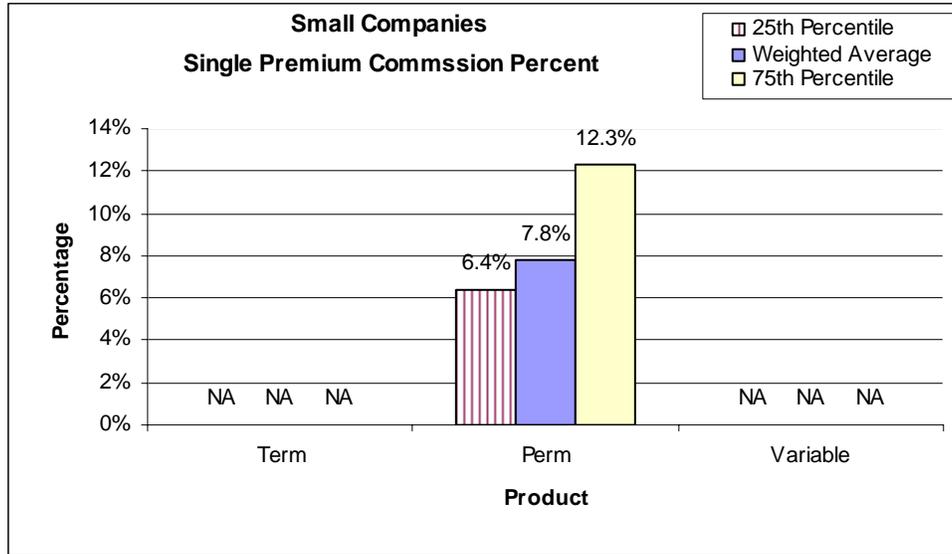
2005 Life Products
Graph 6—Acquisition Expense—All Distribution Systems Combined
Per Policy Index



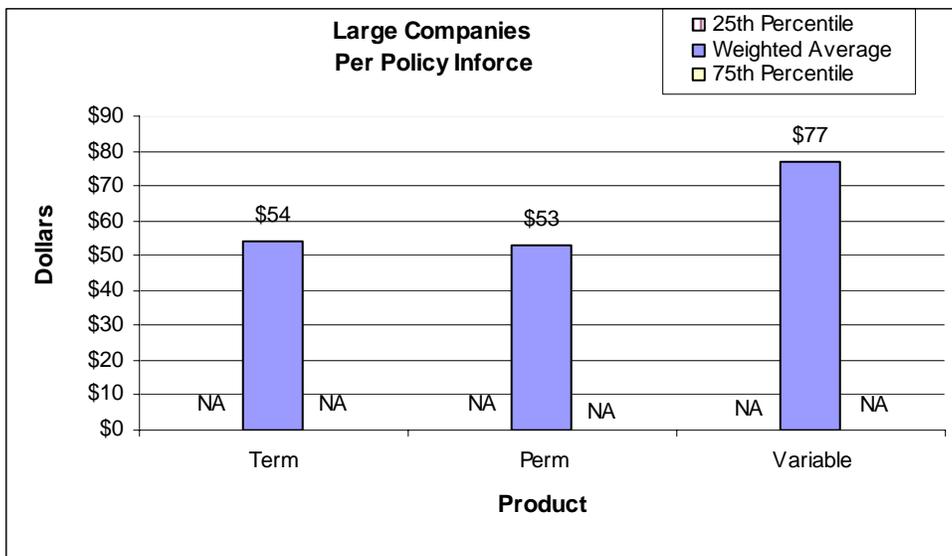
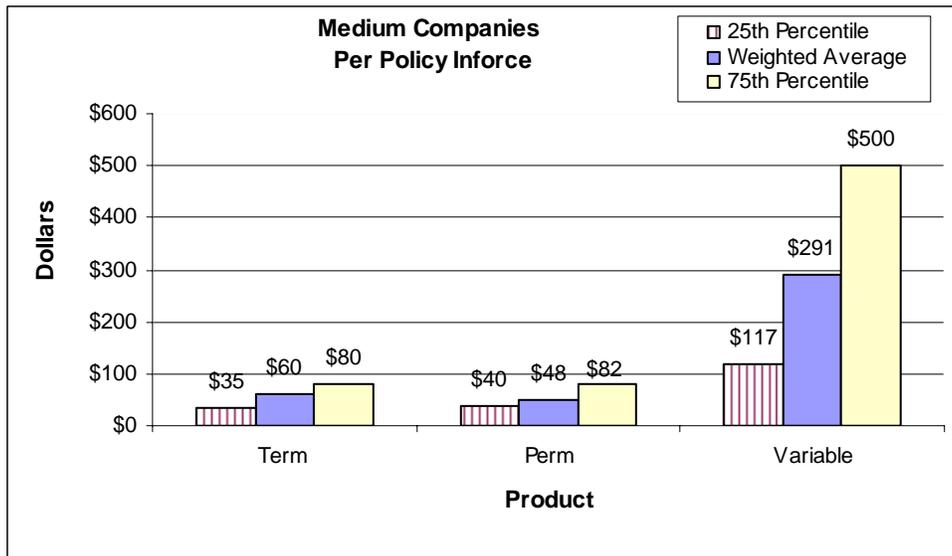
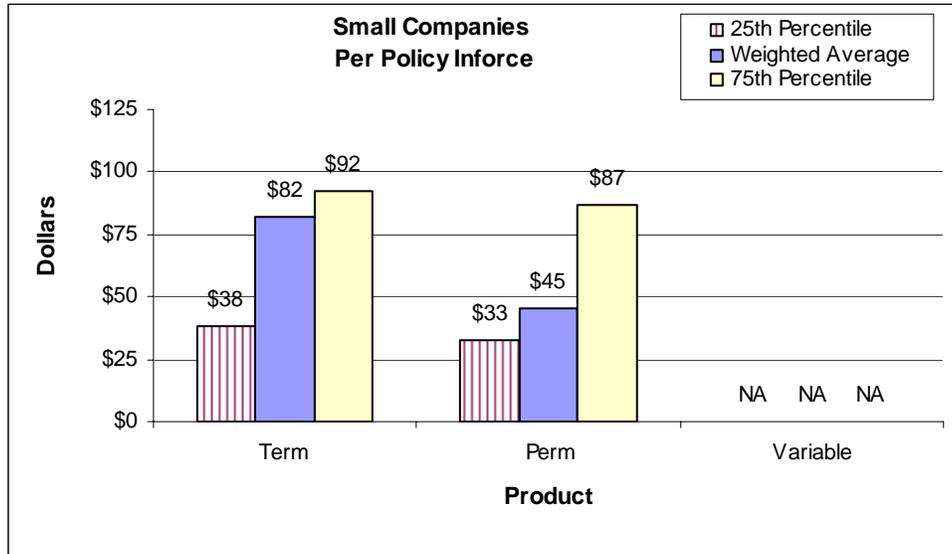
2005 Life Products
Graph 7—Acquisition Expense—All Distribution Systems Combined
First Year Commission Percent



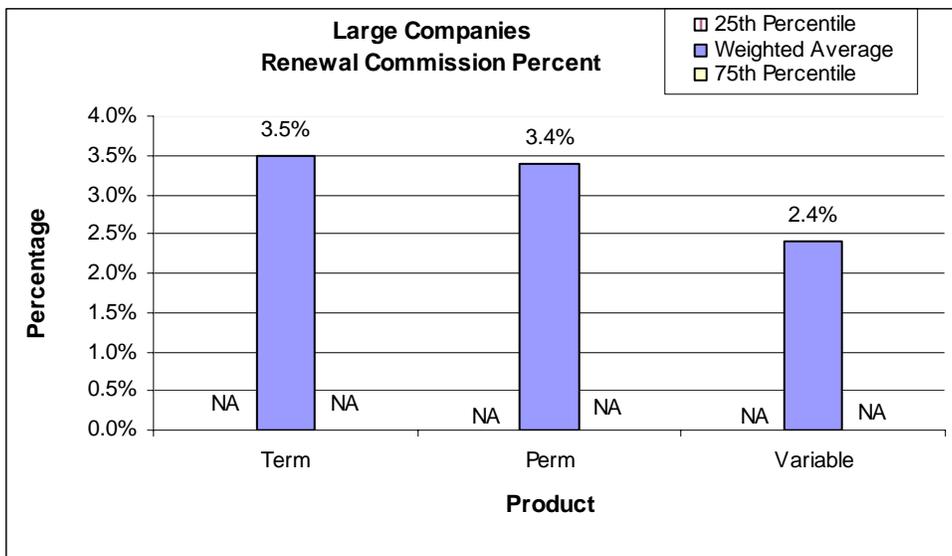
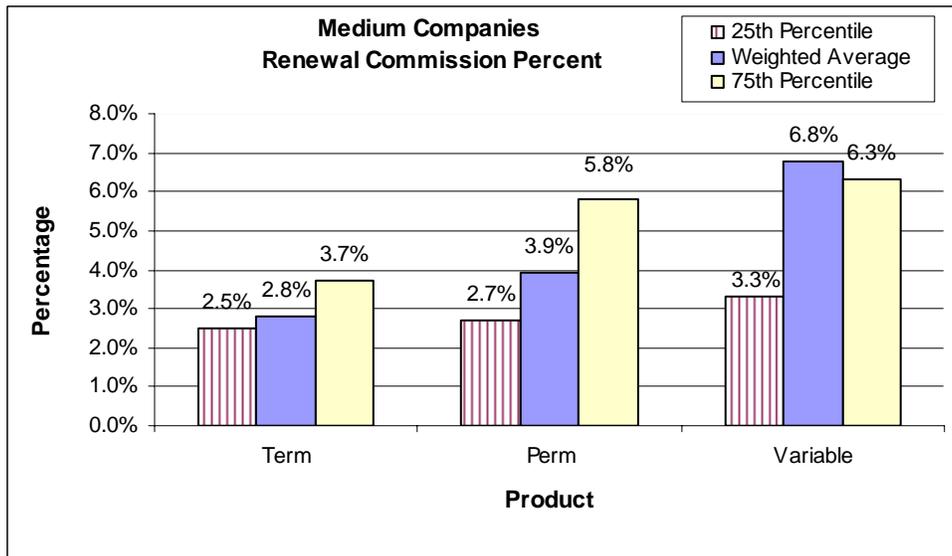
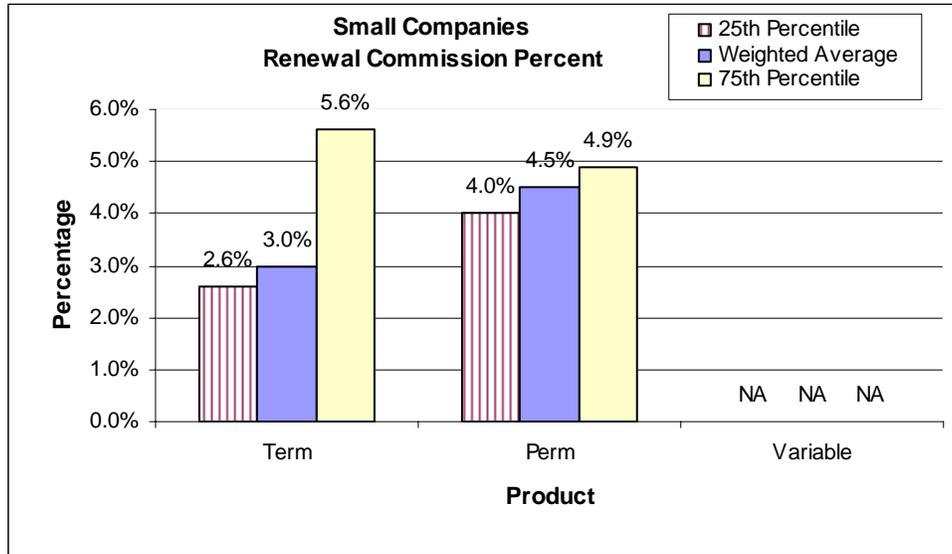
2005 Life Products
Graph 8—Acquisition Expense—All Distribution Systems Combined
Single Premium Commission Percent



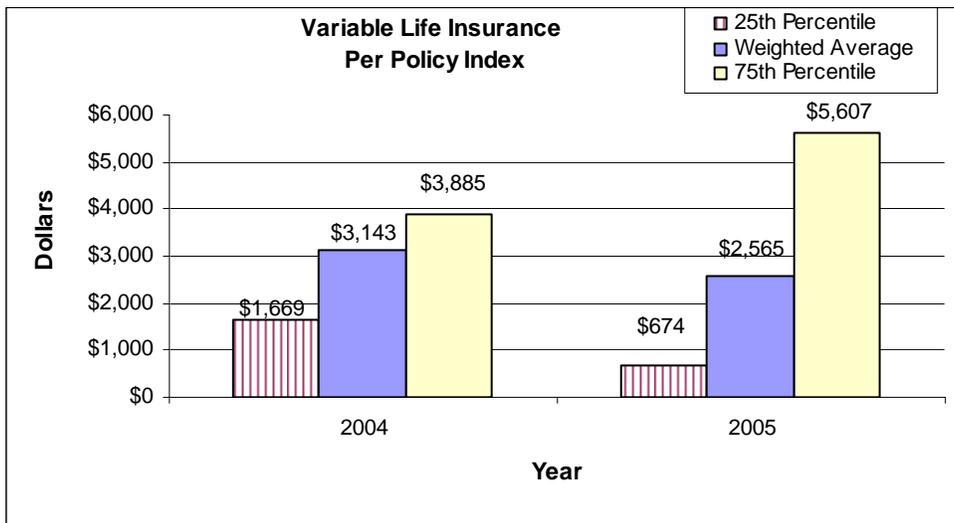
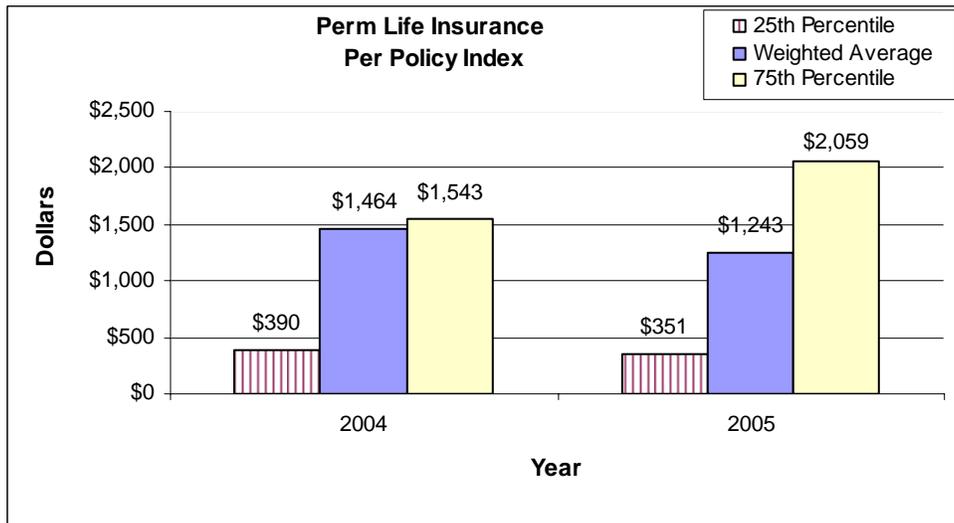
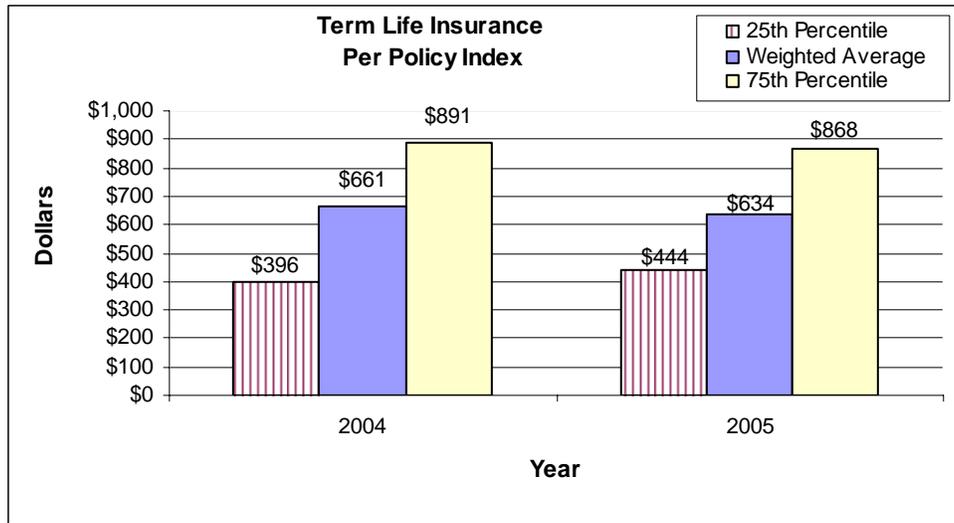
2005 Life Products
Graph 9—Non-acquisition Expense—All Distribution Systems Combined
Per Policy Inforce



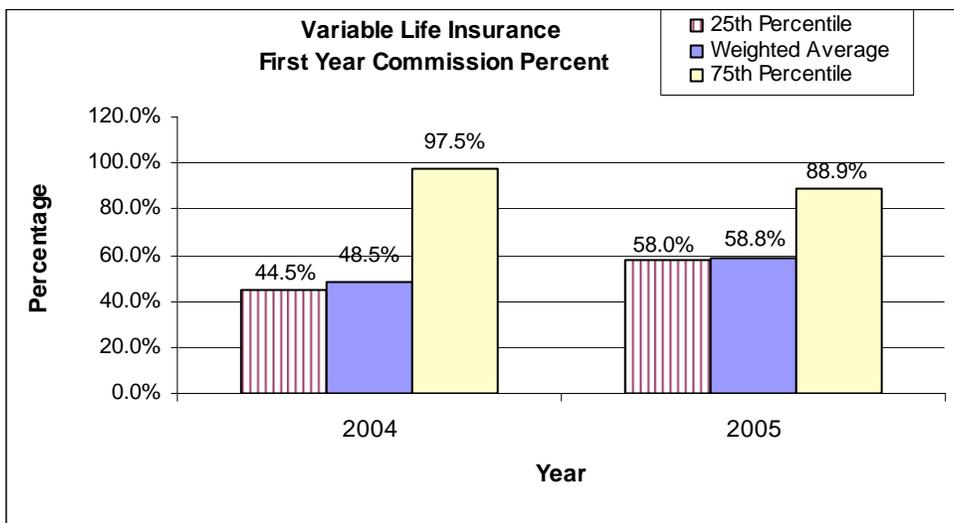
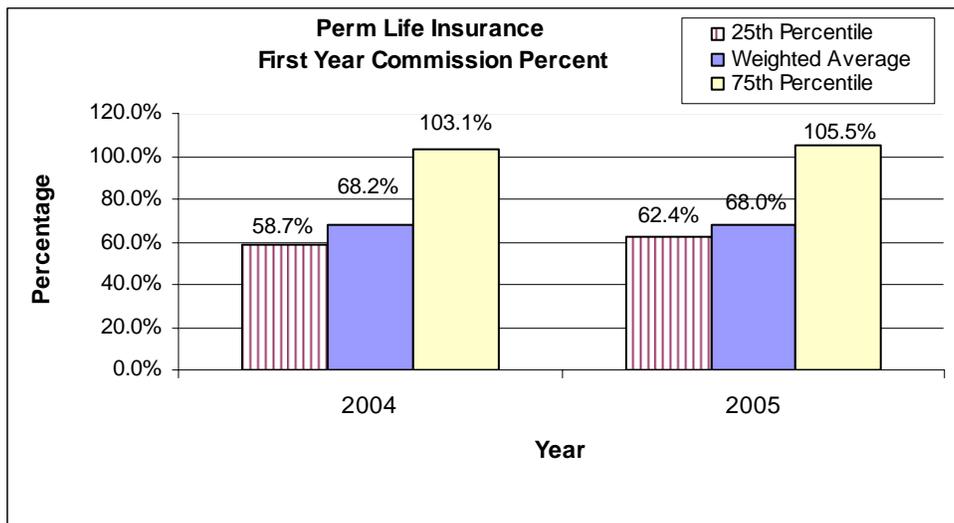
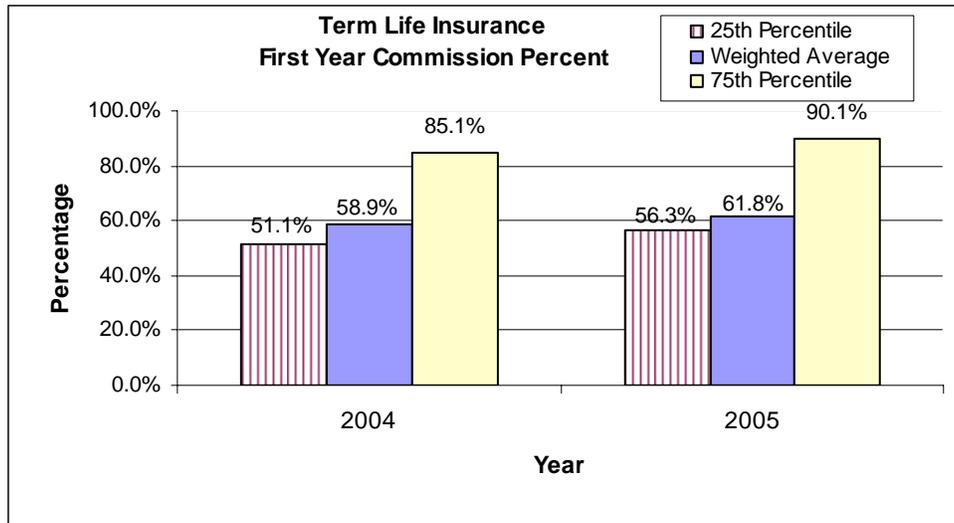
2005 Life Products
Graph 10—Acquisition Expense—All Distribution Systems Combined
Renewal Commission Percent



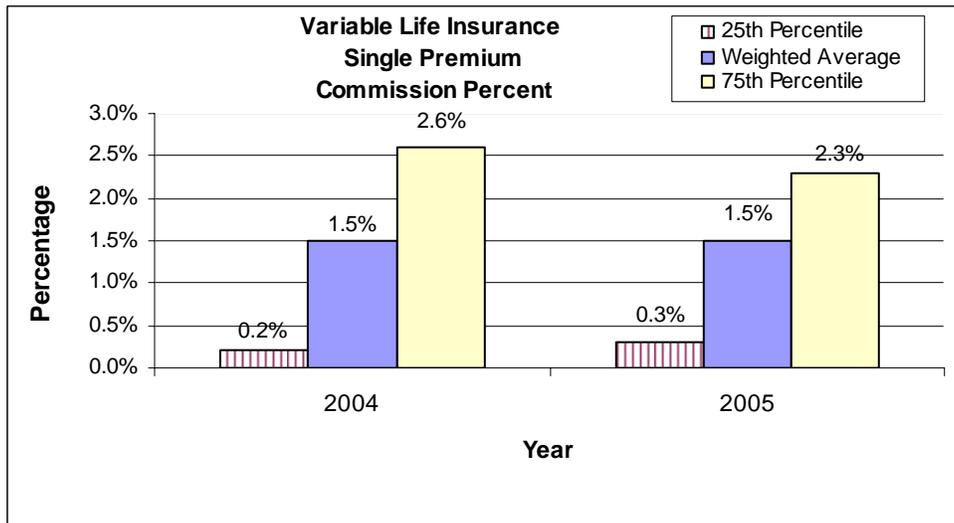
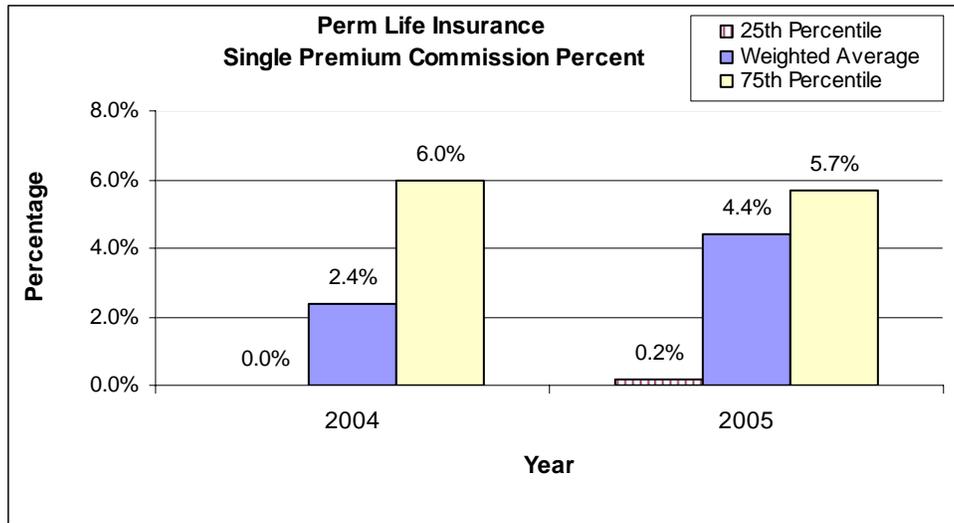
**Graph 11—Comparison of 2004 & 2005 Results
Based on only Companies Contributing in both 2004 & 2005
Acquisition—All Distribution Systems Combined
Per Policy Index**



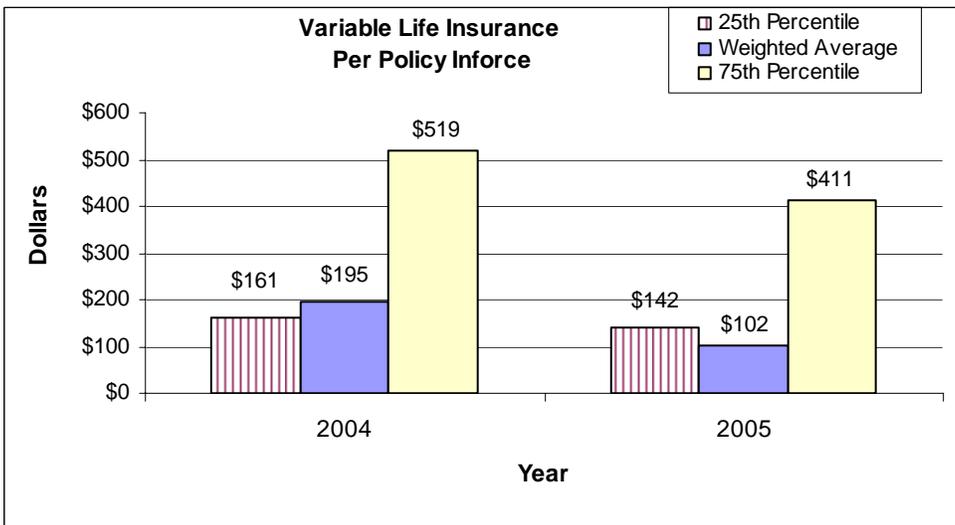
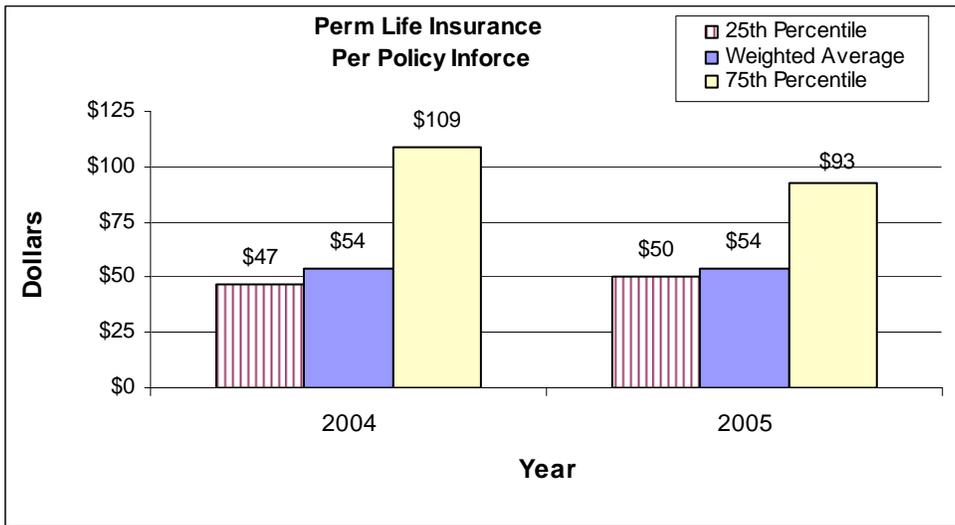
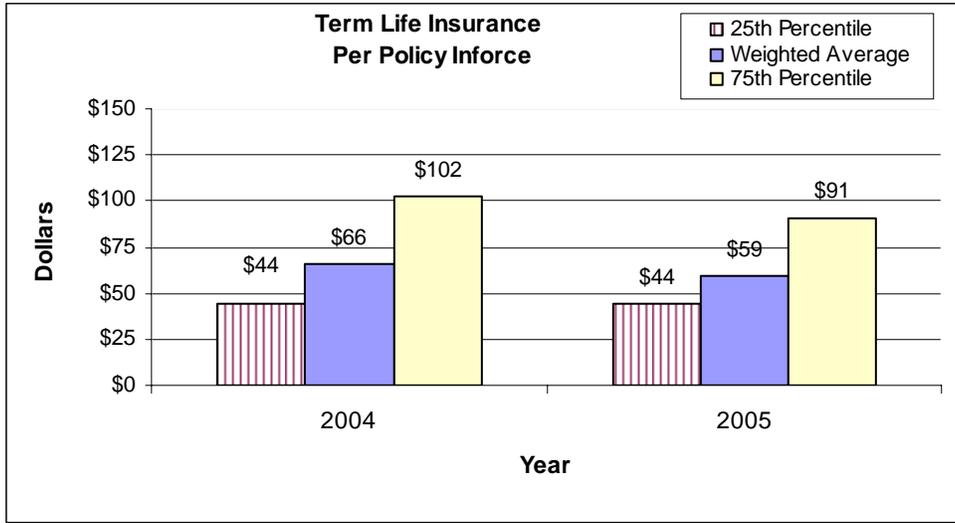
**Graph 12—Comparison of 2004 & 2005 Results
Based on only Companies Contributing in both 2004 & 2005
Acquisition—All Distribution Systems Combined
First Year Commission Percent**



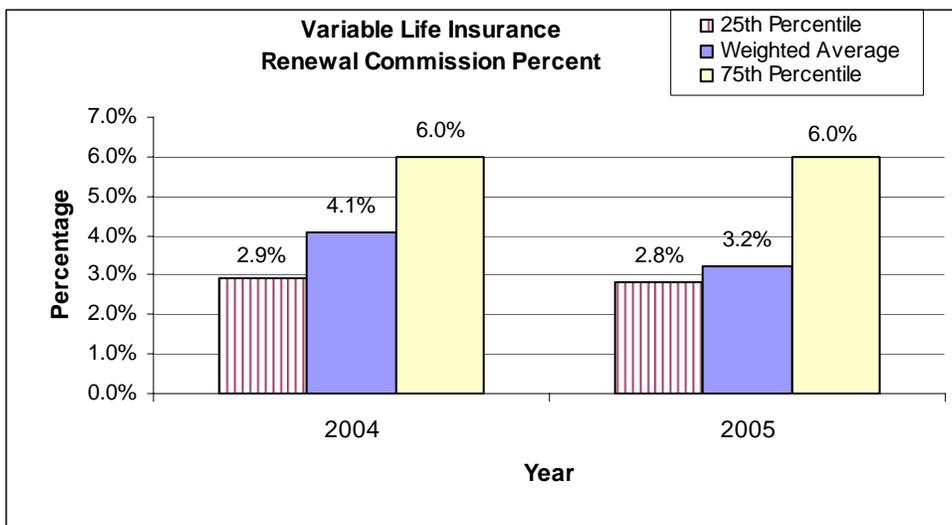
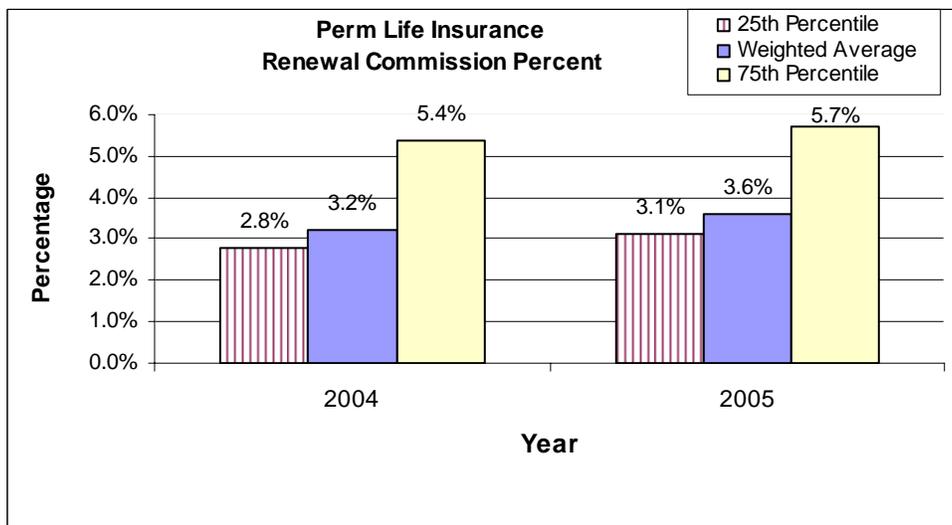
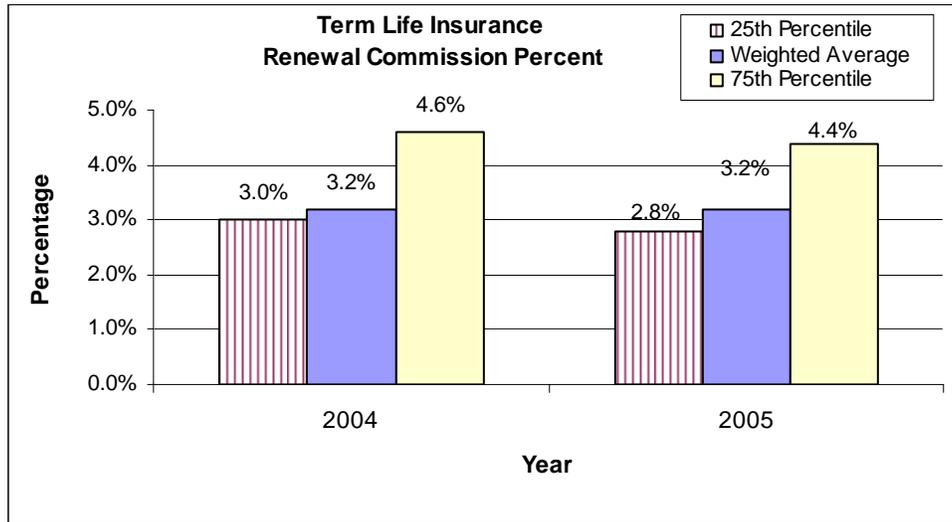
**Graph 13—Comparison of 2004 & 2005 Results
Based on only Companies Contributing in both 2004 & 2005
Acquisition—All Distribution Systems Combined
Single Premium Commission Percent**



**Graph 14—Comparison of 2004 & 2005 Results
Based on only Companies Contributing in both 2004 & 2005
Non-acquisition—All Distribution Systems Combined
Per Policy Inforce**



**Graph 15—Comparison of 2004 & 2005 Results
Based on only Companies Contributing in both 2004 & 2005
Acquisition—All Distribution Systems Combined
Renewal Commission Percent**



2005 INDIVIDUAL LIFE & ANNUITY EXPENSE STUDY

Table 10

Fixed Deferred Annuity

CAREER

Number of Companies =15

	Acquisition			Commission Percent	
	Per Policy Issued	Percent of First Year/Single Premium	Per Policy Index	First Year/Single Premium	Renewal Commission Percent
Weighted Average	\$168	3.6%	\$897	5.1%	4.2%
Unweighted Average	\$197	2.7%	\$848	4.8%	3.4%
Median	\$124	1.1%	\$592	3.7%	3.0%
25th Percentile	\$113	0.9%	\$279	3.2%	2.0%
75th Percentile	\$179	4.3%	\$688	6.6%	4.6%

BROKERAGE

Number of Companies =9

	Acquisition			Commission Percent	
	Per Policy Issued	Percent of First Year/Single Premium	Per Policy Index	First Year/Single Premium	Renewal Commission Percent
Weighted Average	\$149	0.9%	\$622	7.1%	5.4%
Unweighted Average	\$298	5.6%	\$1,173	5.9%	8.5%
Median	\$120	1.2%	\$674	6.1%	6.1%
25th Percentile	\$113	1.0%	\$563	3.7%	4.0%
75th Percentile	\$274	4.6%	\$1,423	7.2%	10.2%

FINANCIAL INSTITUTIONS

Number of Companies =4

	Acquisition			Commission Percent	
	Per Policy Issued	Percent of First Year/Single Premium	Per Policy Index	First Year/Single Premium	Renewal Commission Percent
Weighted Average	\$266	1.7%	\$1,138	6.6%	3.5%
Unweighted Average	\$405	1.3%	\$1,103	5.8%	3.1%
Median	\$268	1.1%	\$1,059	5.8%	3.4%

TOTAL

Number of Companies =26

	Acquisition			Commission Percent	
	Per Policy Issued	Percent of First Year/Single Premium	Per Policy Index	First Year/Single Premium	Renewal Commission Percent
Weighted Average	\$177	1.5%	\$833	7.2%	4.9%
Unweighted Average	\$342	3.3%	\$1,041	5.0%	5.6%
Median	\$158	1.1%	\$671	4.7%	3.3%
25th Percentile	\$112	0.9%	\$429	3.5%	2.1%
75th Percentile	\$214	2.7%	\$1,374	6.3%	7.3%

TOTAL

Number of Companies =26

	Non-Acquisition All Distribution Systems Combined				
	Per Policy Inforce	Per Termination	Per Contract	Premium Tax as Percent of Premium	Average Account Balance
Weighted Average	\$111	\$40	\$27	0.1%	\$24,714
Unweighted Average	\$125	\$49	\$34	1.0%	\$26,329
Median	\$71	\$24	\$37	0.1%	\$24,856
25th Percentile	\$56	\$24	\$20	0.0%	\$11,017
75th Percentile	\$133	\$60	\$37	0.2%	\$43,466

Note: Please see accompanying report for complete description of the tables and calculations.

2005 INDIVIDUAL LIFE & ANNUITY EXPENSE STUDY

Table 11

Fixed Immediate Annuity

CAREER

Number of Companies =8

	Acquisition			Commission Percent	
	Per Policy Issued	Percent of First Year/Single Premium	Per Policy Index	First Year/Single Premium	Renewal Commission Percent
Weighted Average	\$52	0.3%	\$241	3.2%	N/A
Unweighted Average	\$104	3.3%	\$662	6.0%	N/A
Median	\$103	0.6%	\$295	3.1%	N/A
25th Percentile	\$32	0.1%	\$168	1.9%	N/A
75th Percentile	\$148	3.7%	\$1,201	9.0%	N/A

BROKERAGE

Number of Companies =4

	Acquisition			Commission Percent	
	Per Policy Issued	Percent of First Year/Single Premium	Per Policy Index	First Year/Single Premium	Renewal Commission Percent
Weighted Average	\$310	0.5%	\$754	2.6%	N/A
Unweighted Average	\$533	0.4%	\$1,153	2.4%	N/A
Median	\$59	0.5%	\$432	3.0%	N/A

TOTAL

Number of Companies =17

	Acquisition			Commission Percent	
	Per Policy Issued	Percent of First Year/Single Premium	Per Policy Index	First Year/Single Premium	Renewal Commission Percent
Weighted Average	\$241	2.9%	\$2,691	2.8%	N/A
Unweighted Average	\$225	2.4%	\$1,100	5.3%	N/A
Median	\$137	1.0%	\$633	3.1%	N/A
25th Percentile	\$60	0.1%	\$245	1.9%	N/A
75th Percentile	\$232	2.8%	\$1,486	4.5%	N/A

TOTAL

Number of Companies =17

	Non-Acquisition All Distribution Systems Combined				
	Per Policy Inforce	Per Termination	Per Contract	Premium Tax as Percent of Premium	Average Account Balance
Weighted Average	\$163	\$18	\$3	0.2%	\$26,419
Unweighted Average	\$100	\$21	\$4	0.7%	\$38,564
Median	\$62	\$10	\$3	0.2%	\$31,838
25th Percentile	\$26	\$10	\$2	0.0%	\$24,330
75th Percentile	\$138	\$10	\$4	0.3%	\$40,540

Note: Please see accompanying report for complete description of the tables and calculations.

2005 INDIVIDUAL LIFE & ANNUITY EXPENSE STUDY

Table 12

Variable Deferred Annuity

CAREER

Number of Companies =7

	Acquisition			Commission Percent	
	Per Policy Issued	Percent of First Year/Single Premium	Per Policy Index	First Year/Single Premium	Renewal Commission Percent
Weighted Average	\$224	6.4%	\$2,737	4.8%	2.2%
Unweighted Average	\$150	3.6%	\$1,211	4.5%	5.5%
Median	\$133	2.8%	\$708	4.4%	3.3%
25th Percentile	\$101	1.0%	\$527	3.6%	2.2%
75th Percentile	\$212	5.8%	\$1,670	5.2%	4.5%

BROKERAGE

Number of Companies =4

	Acquisition			Commission Percent	
	Per Policy Issued	Percent of First Year/Single Premium	Per Policy Index	First Year/Single Premium	Renewal Commission Percent
Weighted Average	\$145	2.7%	\$2,256	5.4%	2.3%
Unweighted Average	\$861	4.7%	\$2,817	11.5%	6.4%
Median	\$140	3.4%	\$2,259	5.6%	6.9%

TOTAL

Number of Companies =13

	Acquisition			Commission Percent	
	Per Policy Issued	Percent of First Year/Single Premium	Per Policy Index	First Year/Single Premium	Renewal Commission Percent
Weighted Average	\$205	2.8%	\$2,046	5.8%	3.2%
Unweighted Average	\$534	3.4%	\$1,716	6.8%	6.9%
Median	\$171	2.1%	\$1,249	5.0%	6.7%
25th Percentile	\$106	1.3%	\$578	3.7%	3.6%
75th Percentile	\$341	4.1%	\$2,092	6.3%	9.3%

TOTAL

Number of Companies =13

	Non-Acquisition All Distribution Systems Combined				
	Per Policy Inforce	Per Termination	Per Contract	Premium Tax as Percent of Premium	Average Account Balance
Weighted Average	\$241	\$12	\$42	0.1%	\$28,432
Unweighted Average	\$328	\$29	\$54	0.2%	\$29,700
Median	\$245	\$7	\$65	0.0%	\$15,988
25th Percentile	\$132	\$7	\$59	0.0%	\$3,170
75th Percentile	\$364	\$17	\$65	0.4%	\$41,341

Note: Please see accompanying report for complete description of the tables and calculations.

2005 INDIVIDUAL LIFE AND ANNUITY EXPENSE STUDY
TABLE 13—WEIGHTED AVERAGES—INDIVIDUAL ANNUITY PRODUCTS

CAREER

	Number of Companies	Acquisition			Commission Percent	
		Per Policy Issued	Percent of First Year/Single Premium	Per Policy Index	First Year/Single Premium	Renewal Commission Percent
Fixed Deferred Annuity	13	\$168	3.6%	\$897	5.1%	4.2%
Fixed Immediate Annuity	8	\$52	0.3%	\$241	3.2%	N/A
Variable Deferred Annuity	7	\$224	6.4%	\$2,737	4.8%	2.2%
TOTAL	14	\$204	5.7%	\$2,100	4.9%	2.6%

BROKERAGE

	Number of Companies	Acquisition			Commission Percent	
		Per Policy Issued	Percent of First Year/Single Premium	Per Policy Index	First Year/Single Premium	Renewal Commission Percent
Fixed Deferred Annuity	9	\$149	0.9%	\$622	7.1%	5.4%
Fixed Immediate Annuity	4	\$310	0.5%	\$754	2.6%	N/A
Variable Deferred Annuity	4	\$145	2.7%	\$2,256	5.4%	2.3%
TOTAL	9	\$147	2.2%	\$1,668	5.9%	2.7%

TOTAL

	Number of Companies	Acquisition			Commission Percent	
		Per Policy Issued	Percent of First Year/Single Premium	Per Policy Index	First Year/Single Premium	Renewal Commission Percent
Fixed Deferred Annuity	26	\$177	1.5%	\$833	7.2%	4.9%
Fixed Immediate Annuity	17	\$241	2.9%	\$2,691	2.8%	N/A
Variable Deferred Annuity	13	\$205	2.8%	\$2,046	5.8%	3.2%
TOTAL	26	\$193	2.4%	\$1,544	6.2%	3.7%

TOTAL

	Number of Companies	Non-Acquisition - All Distribution Systems Combined				
		Per Policy Inforce	Per Termination	Per Contract	Premium Tax as Percent of Premium	Average Account Balance
Fixed Deferred Annuity	26	\$111	\$40	\$27	0.1%	\$24,714
Fixed Immediate Annuity	17	\$163	\$18	\$3	0.2%	\$26,419
Variable Deferred Annuity	13	\$241	\$12	\$42	0.1%	\$28,432
TOTAL	26	\$164	\$32	\$25	0.1%	\$26,315

Note: Please see accompanying report for complete descriptions of the tables and calculations.

2005 INDIVIDUAL LIFE & ANNUITY EXPENSE STUDY

Table 14

Fixed Deferred Annuity

SMALL

Number of Companies = 14

	Acquisition			Commission Percent	
	Per Policy Issued	Percent of First Year/Single Premium	Per Policy Index	First Year/Single Premium	Renewal Commission Percent
Weighted Average	\$241	1.3%	\$740	4.5%	4.9%
Unweighted Average	\$277	4.5%	\$839	3.9%	4.6%
Median	\$172	1.1%	\$528	3.7%	2.9%
25th Percentile	\$108	0.7%	\$429	3.2%	1.9%
75th Percentile	\$200	2.5%	\$1,374	4.9%	3.7%

SMALL

Number of Companies = 14

	Non-Acquisition All Distribution Systems Combined				
	Per Policy Inforce	Per Termination	Per Contract	Premium Tax as Percent of Premium	Average Account Balance
Weighted Average	\$95	\$39	\$95	0.1%	\$25,414
Unweighted Average	\$142	\$57	\$26	1.7%	\$25,104
Median	\$68	\$24	\$37	0.0%	\$26,210
25th Percentile	\$56	\$24	\$14	0.0%	\$6,109
75th Percentile	\$112	\$60	\$37	0.2%	\$43,317

MEDIUM

Number of Companies = 8

	Acquisition			Commission Percent	
	Per Policy Issued	Percent of First Year/Single Premium	Per Policy Index	First Year/Single Premium	Renewal Commission Percent
Weighted Average	\$149	1.3%	\$506	5.5%	4.2%
Unweighted Average	\$507	2.0%	\$1,253	5.5%	8.1%
Median	\$128	1.2%	\$678	4.9%	7.3%
25th Percentile	\$111	1.0%	\$297	3.6%	2.4%
75th Percentile	\$270	2.7%	\$1,371	6.9%	10.3%

MEDIUM

Number of Companies = 8

	Non-Acquisition All Distribution Systems Combined				
	Per Policy Inforce	Per Termination	Per Contract	Premium Tax as Percent of Premium	Average Account Balance
Weighted Average	\$72	\$54	\$35	0.2%	\$24,256
Unweighted Average	\$93	\$39	\$47	0.2%	\$30,394
Median	\$75	\$24	\$37	0.2%	\$24,689
25th Percentile	\$51	\$24	\$37	0.1%	\$16,754
75th Percentile	\$121	\$49	\$39	0.4%	\$44,967

2005 INDIVIDUAL LIFE & ANNUITY EXPENSE STUDY

Table 14

Fixed Deferred Annuity

LARGE

Number of Companies =4

	Acquisition			Commission Percent	
	Per Policy Issued	Percent of First Year/Single Premium	Per Policy Index	First Year/Single Premium	Renewal Commission Percent
Weighted Average	\$184	1.5%	\$999	7.8%	5.1%
Unweighted Average	\$207	2.2%	\$1,225	7.5%	5.2%
Median	\$174	1.2%	\$822	7.1%	4.4%

LARGE

Number of Companies =4

	Non-Acquisition				
	All Distribution Systems Combined				
	Per Policy Inforce	Per Termination	Per Contract	Premium Tax as Percent of Premium	Average Account Balance
Weighted Average	\$133	\$24	\$17	0.1%	\$24,388
Unweighted Average	\$129	\$24	\$26	0.1%	\$20,799
Median	\$129	\$24	\$37	0.1%	\$23,503

Note: Please see accompanying report for complete descriptions of the tables and calculations.

2005 INDIVIDUAL LIFE & ANNUITY EXPENSE STUDY

Table 15

Fixed Immediate Annuity

SMALL

Number of Companies = 10

	Acquisition			Commission Percent	
	Per Policy Issued	Percent of First Year/Single Premium	Per Policy Index	First Year/Single Premium	Renewal Commission Percent
Weighted Average	\$232	0.4%	\$661	2.9%	N/A
Unweighted Average	\$227	2.5%	\$780	4.7%	N/A
Median	\$120	0.7%	\$421	2.9%	N/A
25th Percentile	\$59	0.1%	\$220	1.8%	N/A
75th Percentile	\$154	2.7%	\$1,303	3.2%	N/A

SMALL

Number of Companies = 10

	Non-Acquisition All Distribution Systems Combined				
	Per Policy Inforce	Per Termination	Per Contract	Premium Tax as Percent of Premium	Average Account Balance
Weighted Average	\$92	\$19	\$8	0.2%	\$40,821
Unweighted Average	\$99	\$25	\$6	0.3%	\$48,850
Median	\$66	\$10	\$3	0.2%	\$32,581
25th Percentile	\$46	\$10	\$3	0.0%	\$25,041
75th Percentile	\$87	\$10	\$5	0.3%	\$55,865

Note: Please see accompanying report for complete descriptions of the tables and calculations.

2005 INDIVIDUAL LIFE & ANNUITY EXPENSE STUDY

Table 16

Variable Deferred Annuity

MEDIUM

Number of Companies =7

	Acquisition			Commission Percent	
	Per Policy Issued	Percent of First Year/Single Premium	Per Policy Index	First Year/Single Premium	Renewal Commission Percent
Weighted Average	\$487	2.0%	\$1,224	5.7%	8.4%
Unweighted Average	\$784	3.3%	\$1,830	8.1%	6.9%
Median	\$120	2.1%	\$688	3.9%	7.2%
25th Percentile	\$59	1.1%	\$396	3.6%	4.6%
75th Percentile	\$1,086	3.9%	\$2,527	6.7%	10.0%

MEDIUM

Number of Companies =7

	Non-Acquisition All Distribution Systems Combined				
	Per Policy Inforce	Per Termination	Per Contract	Premium Tax as Percent of Premium	Average Account Balance
Weighted Average	\$201	\$14	\$65	0.1%	\$26,048
Unweighted Average	\$194	\$39	\$61	0.2%	\$23,100
Median	\$137	\$8	\$65	0.0%	\$19,531
25th Percentile	\$119	\$7	\$65	0.0%	\$7,490
75th Percentile	\$260	\$19	\$65	0.2%	\$36,559

LARGE

Number of Companies =4

	Acquisition			Commission Percent	
	Per Policy Issued	Percent of First Year/Single Premium	Per Policy Index	First Year/Single Premium	Renewal Commission Percent
Weighted Average	\$170	2.8%	\$2,163	5.8%	2.5%
Unweighted Average	\$249	2.3%	\$1,706	6.0%	5.2%
Median	\$170	1.6%	\$1,429	5.7%	6.4%

LARGE

Number of Companies =4

	Non-Acquisition All Distribution Systems Combined				
	Per Policy Inforce	Per Termination	Per Contract	Premium Tax as Percent of Premium	Average Account Balance
Weighted Average	\$252	\$7	\$38	0.1%	\$28,213
Unweighted Average	\$409	\$7	\$35	0.1%	\$60,752
Median	\$260	\$7	\$35	0.1%	\$76,082

Note: Please see accompanying report for complete descriptions of the tables and calculations.

2005 INDIVIDUAL LIFE AND ANNUITY EXPENSE STUDY
Table 17

**Annuity Products - Comparison of 2004 and 2005 Unit Costs
for Companies Contributing in both 2004 and 2005**

Fixed Deferred Annuity

Number of Companies Contributing = 14

	Acquisiton		Commission Percent				Non-acquisition	
	Per Policy Index		First Year/Single Premium		Renewal		Per Policy Inforce	
	2004	2005	2004	2005	2004	2005	2004	2005
Weighted Average	\$751	\$950	5.2%	5.7%	4.9%	4.4%	\$117	\$123
25th Percentile	\$361	\$345	3.5%	3.6%	2.3%	2.1%	\$59	\$62
75th Percentile	\$687	\$863	5.2%	5.6%	5.0%	6.6%	\$149	\$149
25th Percentile Difference		-16%		-8%		-13%		-10%
75th Percentile Difference		58%		9%		3%		15%

Fixed Immediate Annuity

Number of Companies Contributing = 9

	Acquisiton		Commission Percent				Non-acquisition	
	Per Policy Index		First Year/Single Premium		Renewal		Per Policy Inforce	
	2004	2005	2004	2005	2004	2005	2004	2005
Weighted Average	\$926	\$2,862	2.6%	2.4%	N/A	N/A	\$163	\$191
25th Percentile	\$286	\$245	1.7%	1.9%	N/A	N/A	\$58	\$66
75th Percentile	\$1,765	\$1,486	3.3%	3.2%	N/A	N/A	\$123	\$182
25th Percentile Difference		-43%		-18%		N/A		-12%
75th Percentile Difference		13%		184%		N/A		27%

Variable Deferred Annuity

Number of Companies Contributing = 7

	Acquisiton		Commission Percent				Non-acquisition	
	Per Policy Index		First Year/Single Premium		Renewal		Per Policy Inforce	
	2004	2005	2004	2005	2004	2005	2004	2005
Weighted Average	\$1,863	\$2,370	5.9%	6.0%	2.4%	2.9%	\$275	\$268
25th Percentile	\$422	\$447	3.2%	3.4%	2.8%	2.8%	\$139	\$134
75th Percentile	\$1,568	\$1,983	7.4%	6.9%	6.3%	8.2%	\$341	\$307
25th Percentile Difference		2%		-6%		-5%		-16%
75th Percentile Difference		23%		8%		21%		-3%

Note: Please see accompanying report for complete descriptions of the tables and calculations.

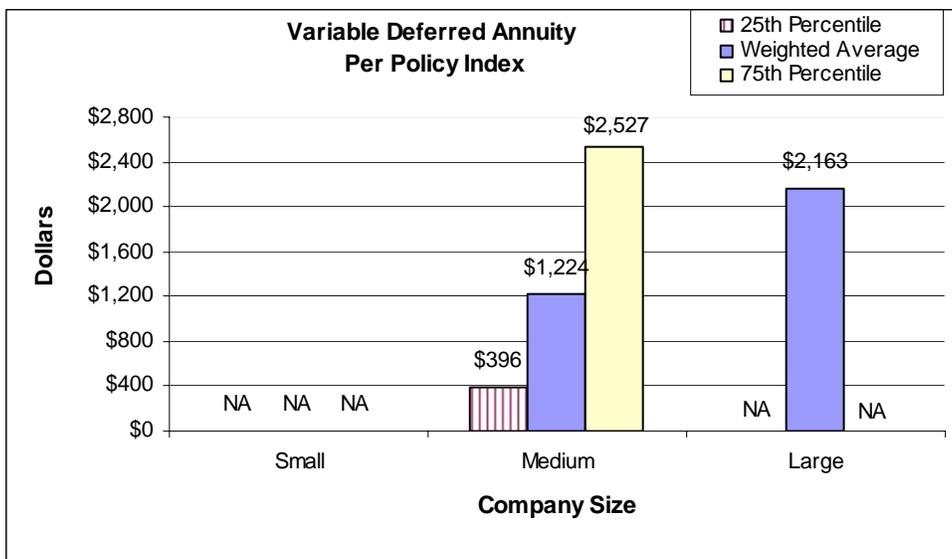
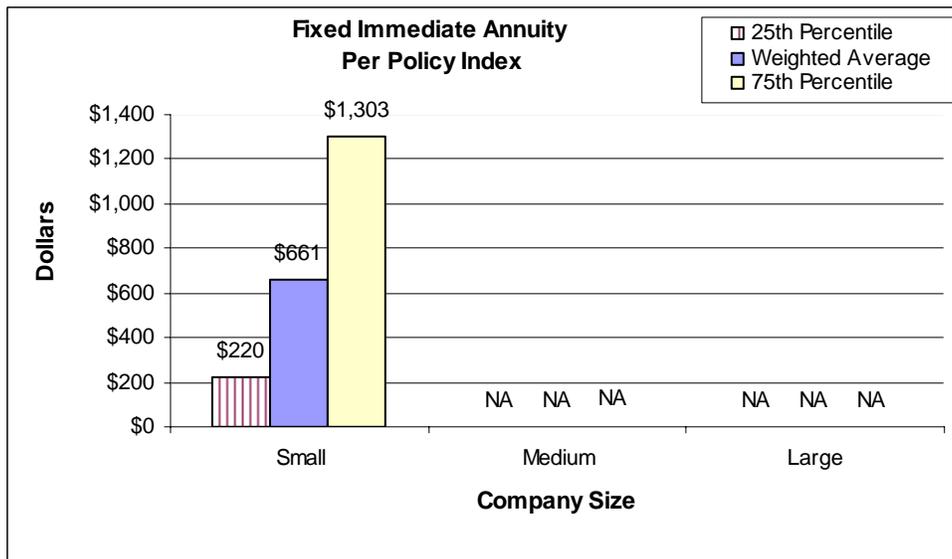
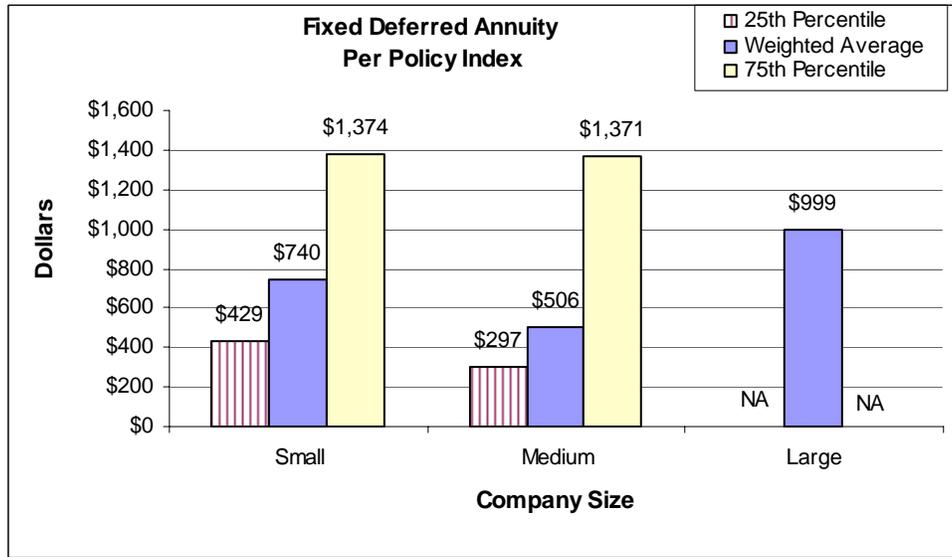
2005 SOA Expense Study
Table 18—Total Expense Units—All Companies

	Annuity Products							Total
	Career	Brokerage	PPGA	Stockbroker	Financial Institutions	Other	Unallocated	
A. New Business - Direct								
1. Policies / Contracts Issued	135,147	158,709	73	20,845	29,407	43,861	111,067	499,109
2. First Year Premium Collected	3,962,288,045	9,961,801,372	243,262	1,563,689,082	1,406,392,400	2,165,103,156	6,643,204,490	25,702,721,807
3. Single Premium Collected	509,179,535	939,995,706	0	98,014,966	506,331,754	68,073,156	720,313,591	2,841,908,708
B. Inforce - Direct - Current Year								
1. Policies / Contracts	2,089,283	1,530,281	71	233,826	262,425	286,299	1,209,330	5,611,515
2. Volume (not applicable to annuities)	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX
3. Renewal Premium Collected	1,612,960,719	901,661,269	0	102,570,625	55,308,556	132,780,248	471,818,654	3,277,100,071
4. Account Balances	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	175,776,617,024	175,776,617,024
C. Inforce - Direct - Previous Year								
1. Policies / Contracts	822,005	911,106	0	269,248	97,011	247,829	1,094,431	3,441,630
2. Renewal Premium Collected	361,352,840	47,145,409	0	59,275,972	32,091	153,053,693	435,151,736	1,056,011,741
3. Account Balances	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	73,329,616,523	73,329,616,523
D. Claims/Contracts								
1. Number of Surrenders/Lapses	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	181,206	181,206
2. Number of Annuity Contracts on which a Periodic Payment was made	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	347,033	347,033

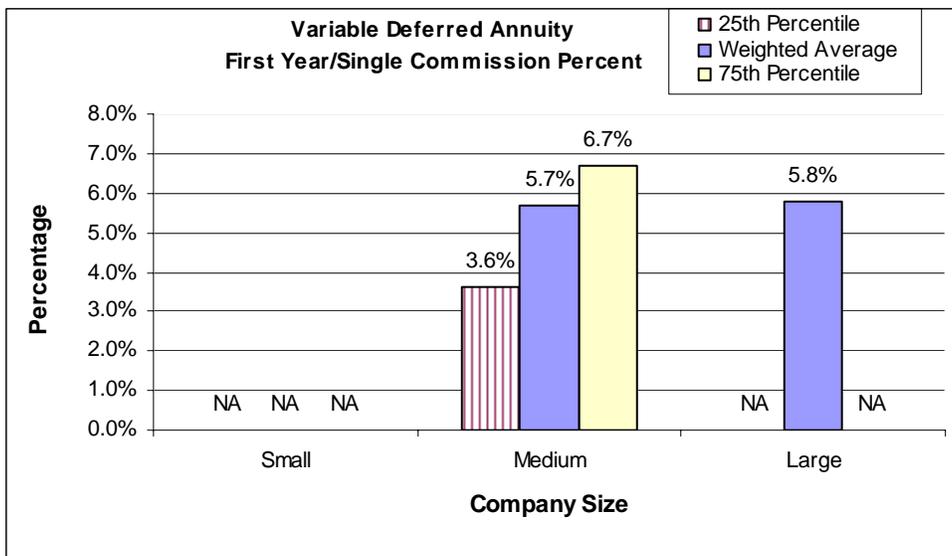
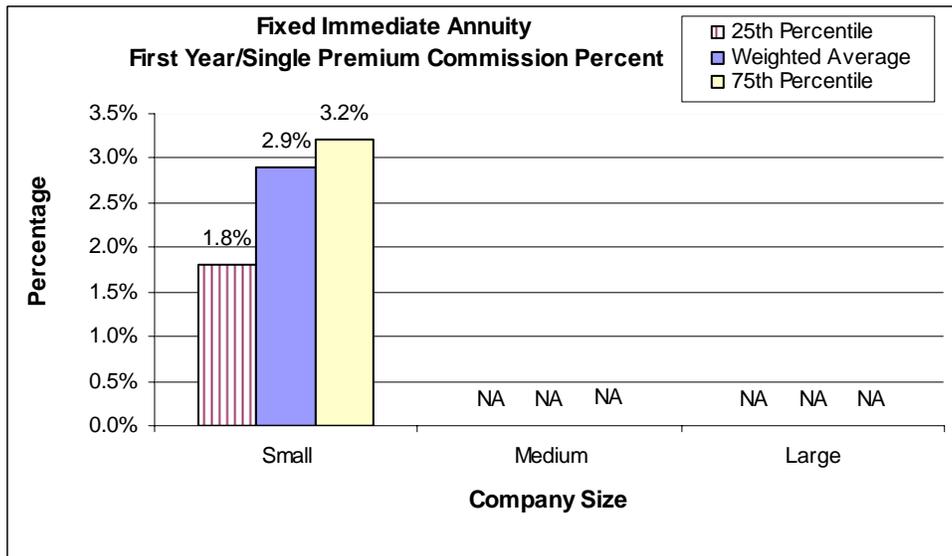
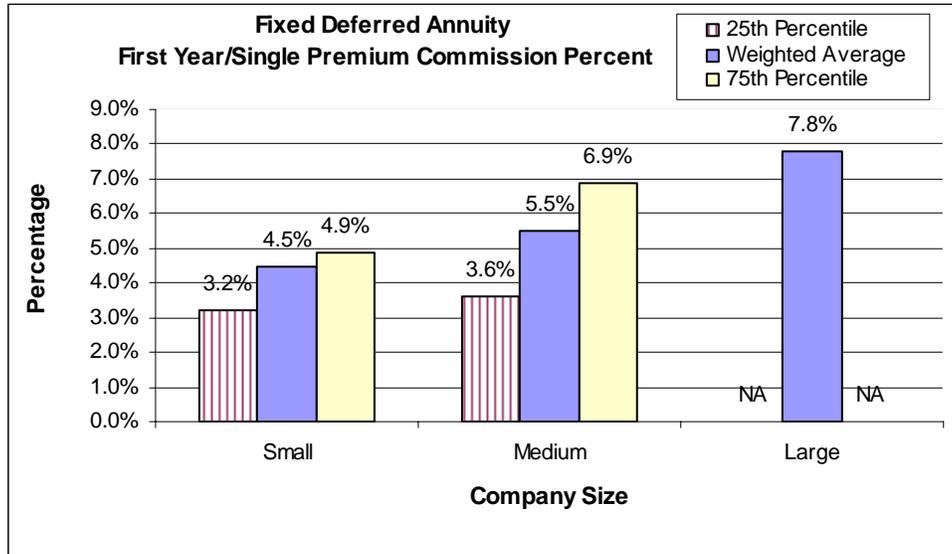
2005 SOA Expense Study
Table 18—Total Expenses—All Companies

Function	Annuity Products							
	Career	Brokerage	PPGA	Stockbroker	Financial Institutions	Other	Unallocated	Total
E. Commissions Paid								
1. First Year Commissions	199,901,026	595,078,711	2,940	79,676,327	86,013,791	210,131,299	472,933,359	1,643,737,453
2. Single Commissions	17,321,741	44,946,355	0	3,821,870	27,919,872	3,022,274	23,986,500	121,018,612
3. Renewal Commissions	42,634,966	23,973,932	598,819	7,872,122	1,661,649	10,920,249	32,616,342	120,278,080
F. Acquisition / Developmental Expenses Paid								
1. Sales / Marketing	249,872,989	235,315,063	6,068,638	29,529,103	29,974,573	14,319,498	82,233,676	647,313,539
2. UW - IR and ME - Not applicable	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX
3. UW - Other - Not applicable	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX
4. Policy / Contract Issue	14,871,203	10,922,582	18,901	3,183,109	4,121,175	5,581,327	4,518,981	43,217,278
5. Product Development	15,749,427	14,420,824	147,231	2,008,366	2,496,758	484,914	1,361,977	36,669,497
6. Other Acquisition - Please list	3,257,603	4,137,202	0	543,359	738,749	5,438,340	29,239,706	43,354,959
G. Other Expenses Paid								
1. Benefit Department(s) / Claim Settlement Expenses	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	8,641,920	8,641,920
2. Policyowner Services	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	139,177,250	139,177,250
3. Surrender and Lapse Expenses	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	5,862,185	5,862,185
4. Significant Non-recurring Expenses							28,795,789	28,795,789
5. Total Overhead	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	517,985,859	517,985,859
6. Amount of Total Overhead Allocable to Acquisition	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	6,924,791	6,924,791
7. Other non-overhead							55,996,011	55,996,011
H. Premium Tax & Guar Assoc Assessments								
	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	26,778,614	26,778,614
I. Total Expenses								
	543,608,954	928,794,669	6,836,528	126,634,257	152,926,568	249,897,901	1,430,128,171	3,438,827,048

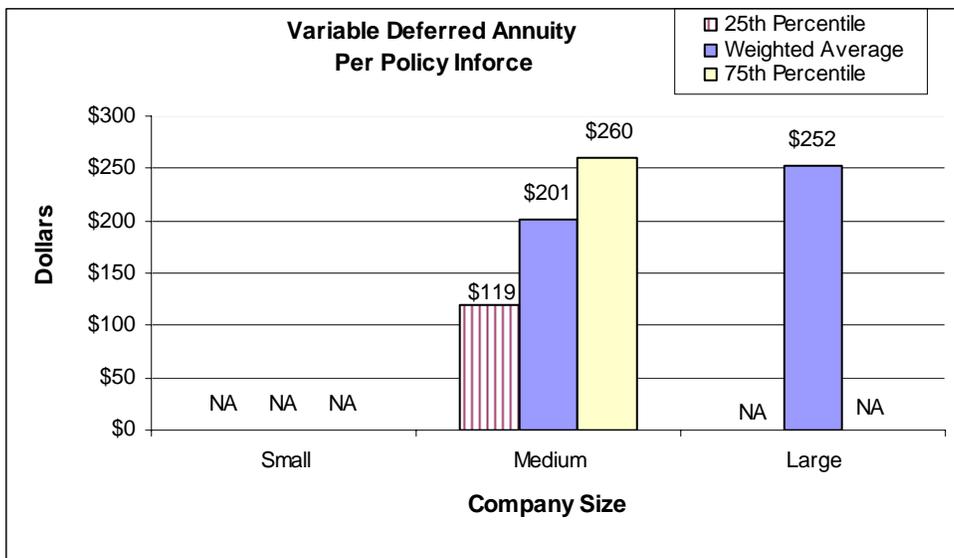
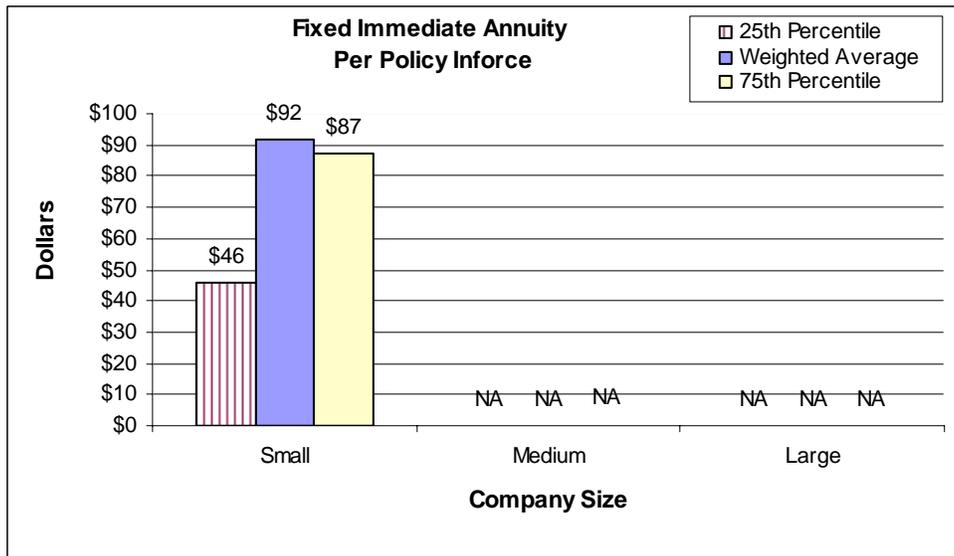
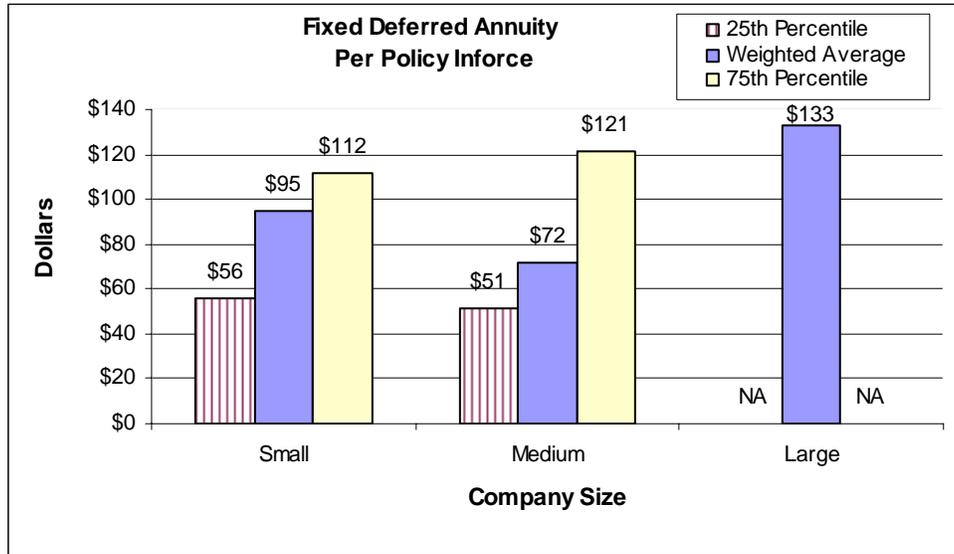
2005 Annuity Products
Graph 16—Acquisition Expense—All Distribution Systems Combined
Per Policy Index



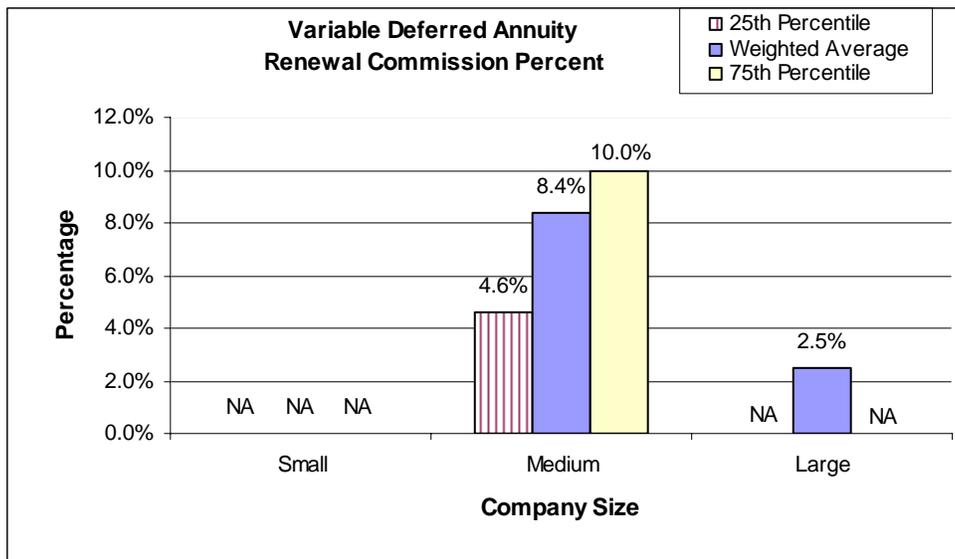
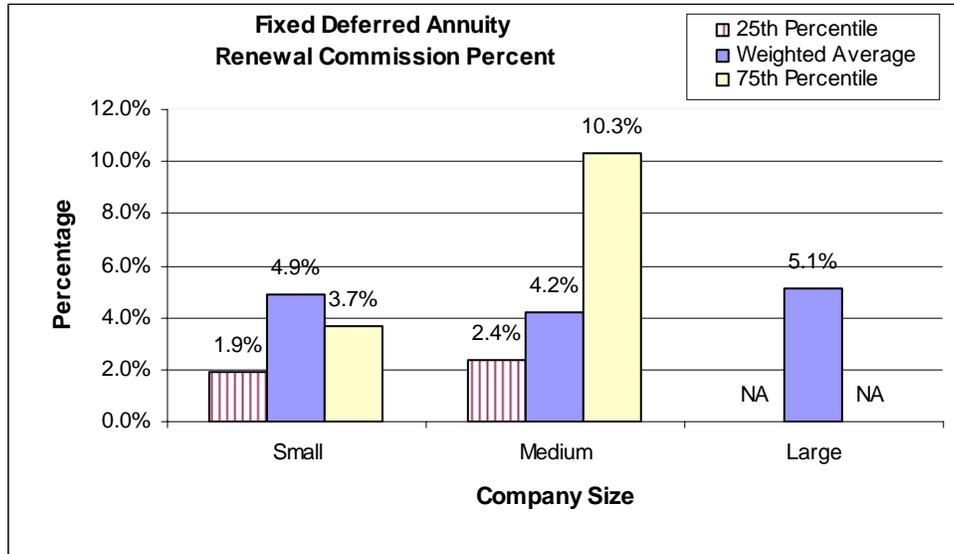
2005 Annuity Products
Graph 17—Acquisition Expense—All Distribution Systems Combined
First Year/Single Premium Commission Percent



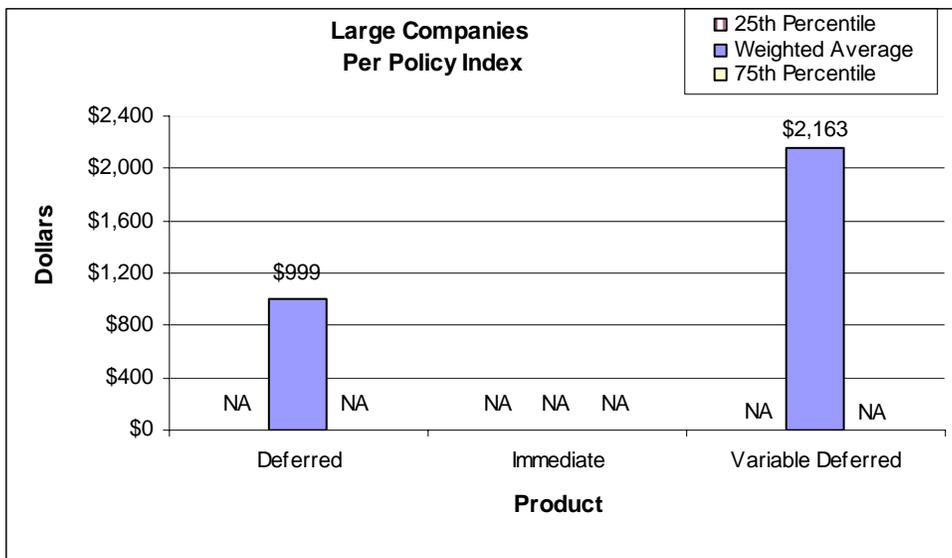
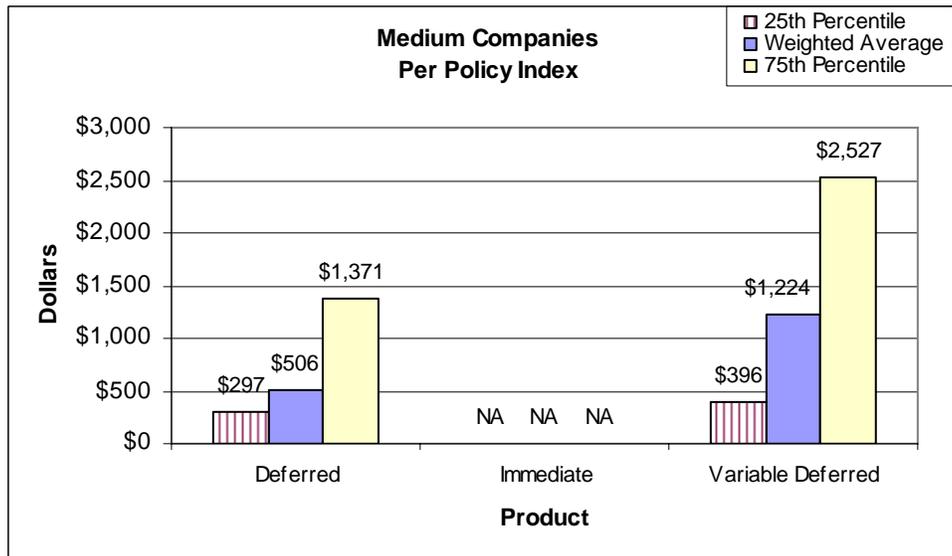
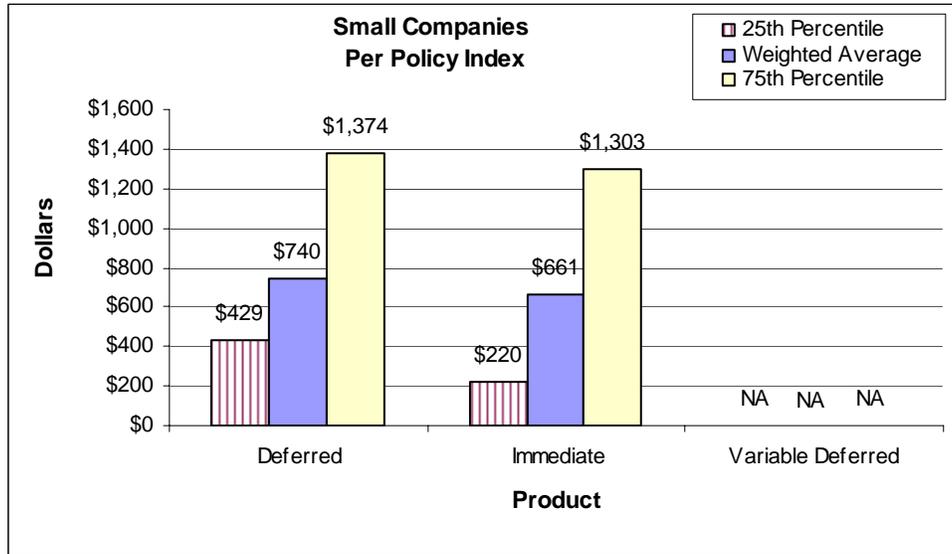
2005 Annuity Products
Graph 18—Non-acquisition Expense—All Distribution Systems Combined
Per Policy Inforce



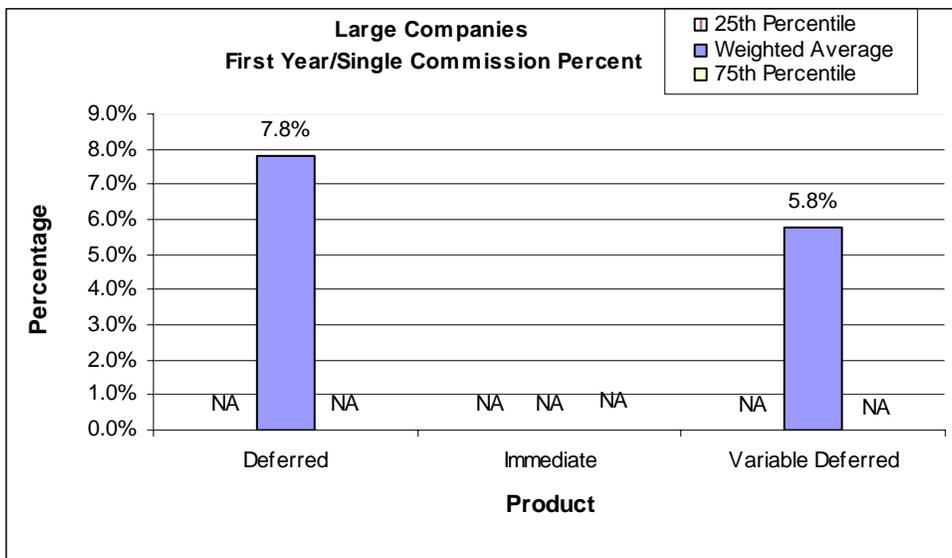
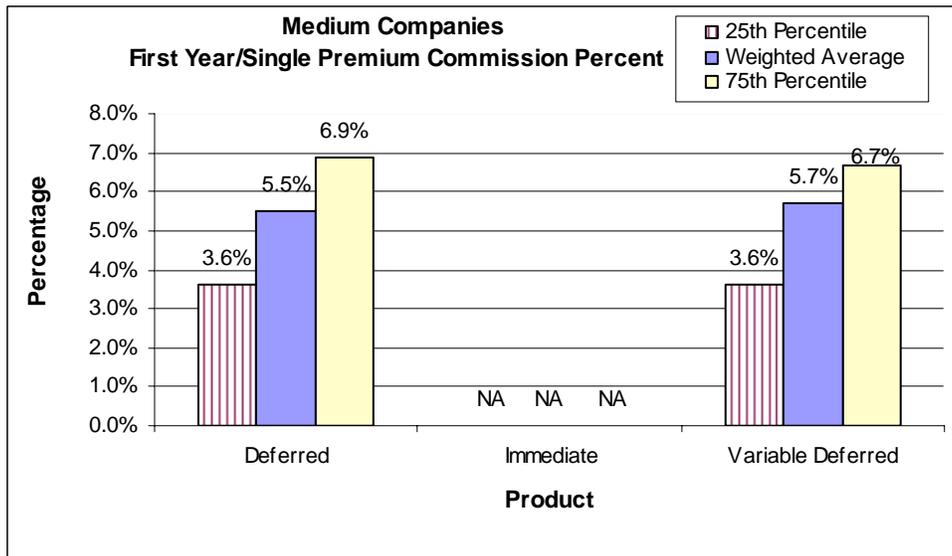
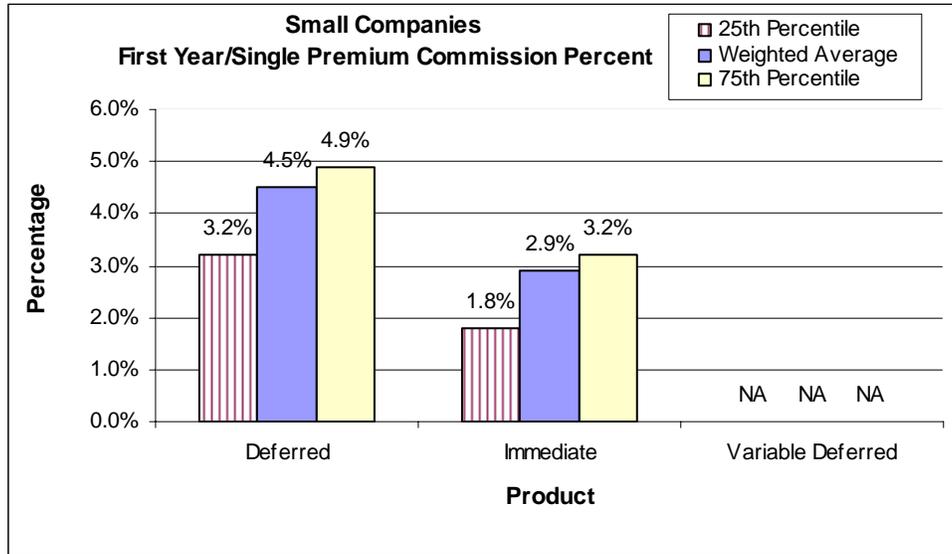
2005 Annuity Products
Graph 19—Acquisition Expense—All Distribution Systems Combined
Renewal Commission Percent



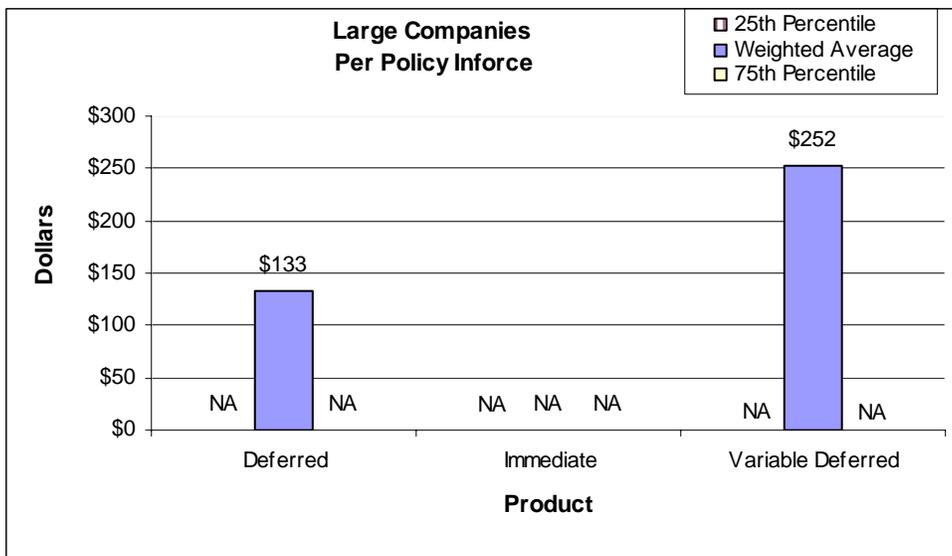
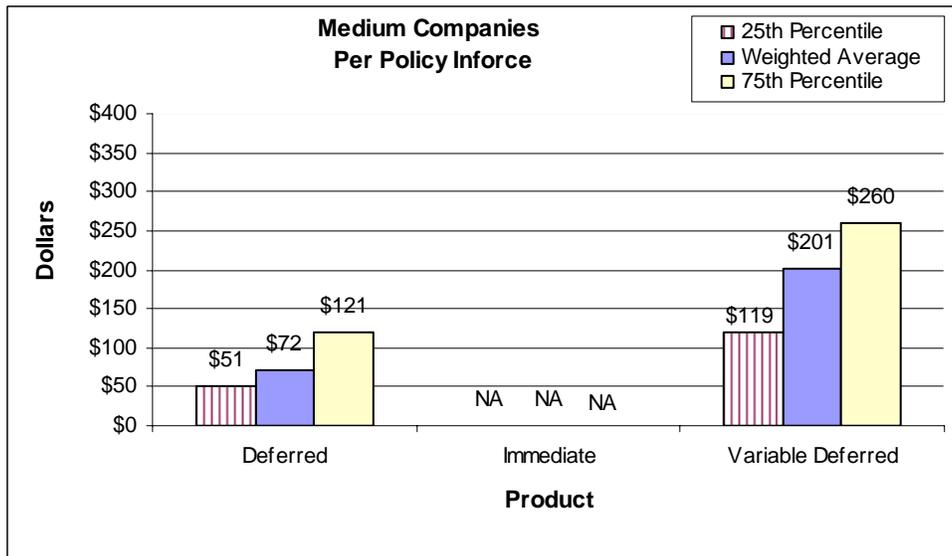
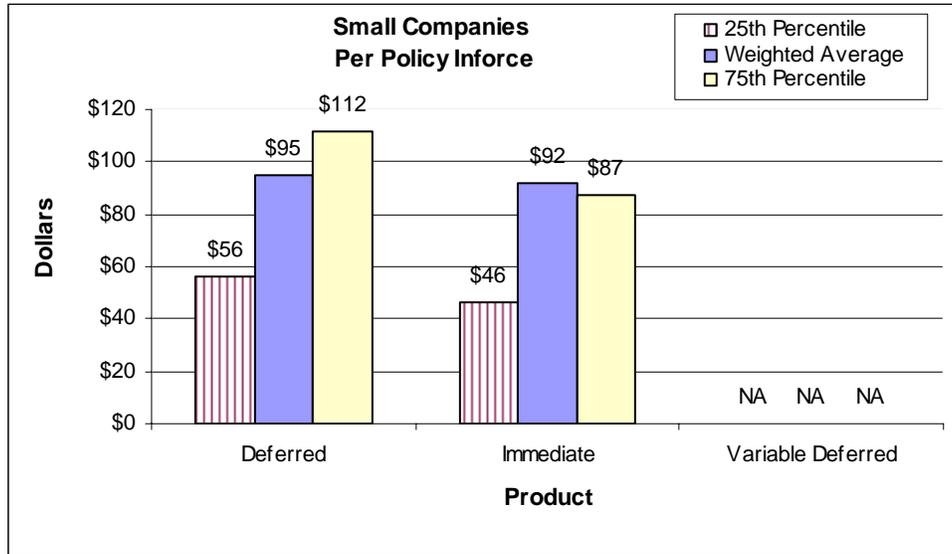
2005 Annuity Products
Graph 20—Acquisition Expense—All Distribution Systems Combined
Per Policy Index



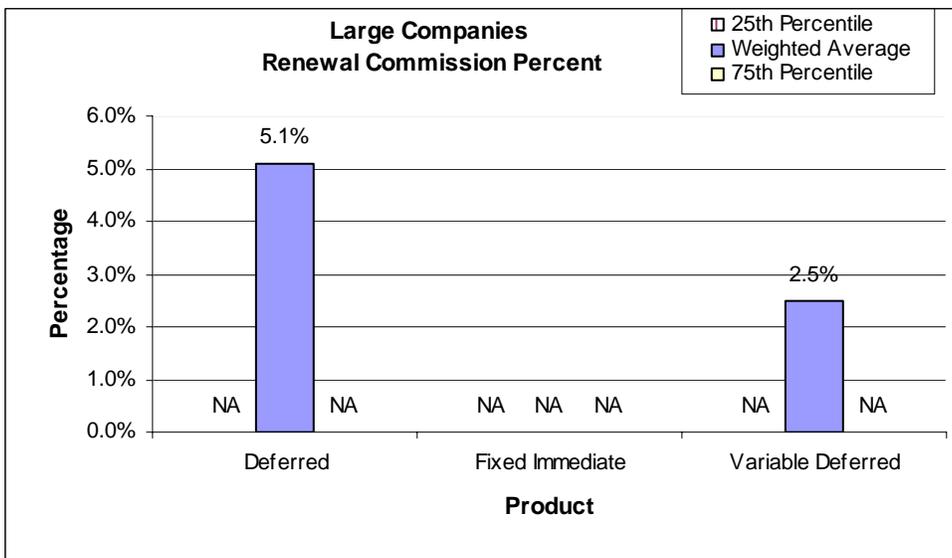
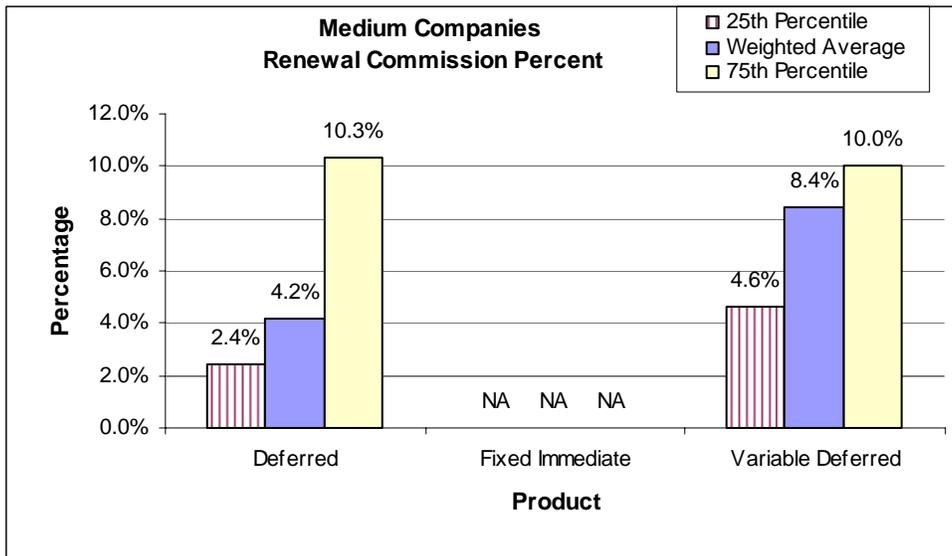
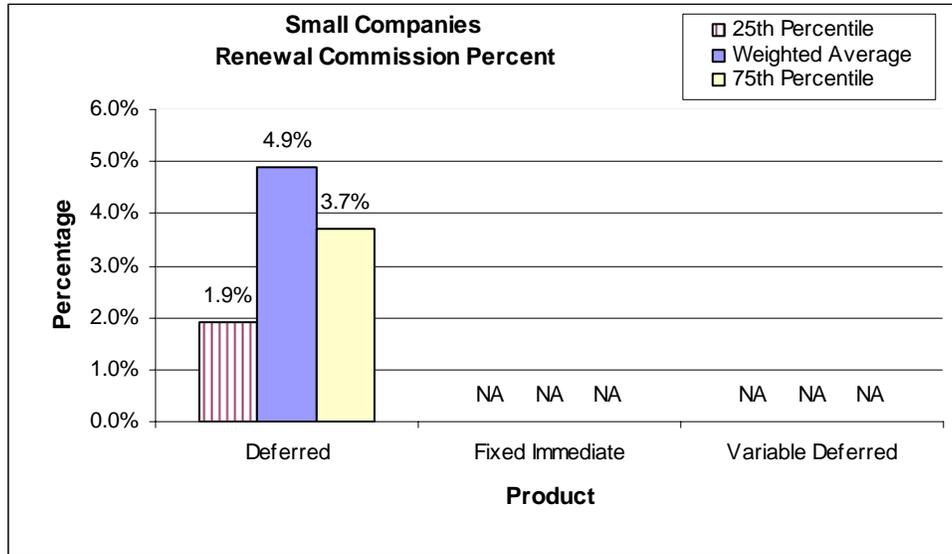
2005 Annuity Products
Graph 21—Acquisition Expense—All Distribution Systems Combined
First Year/Single Premium Commission Percent



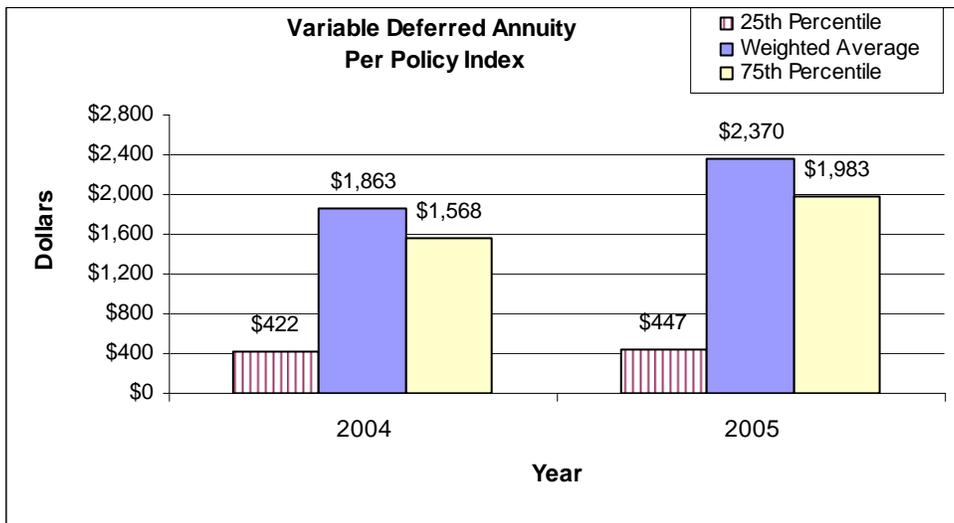
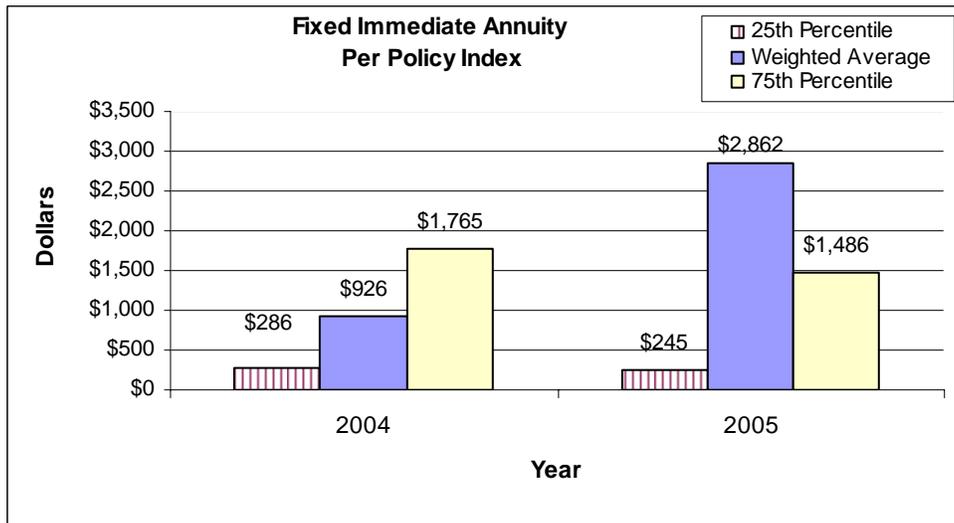
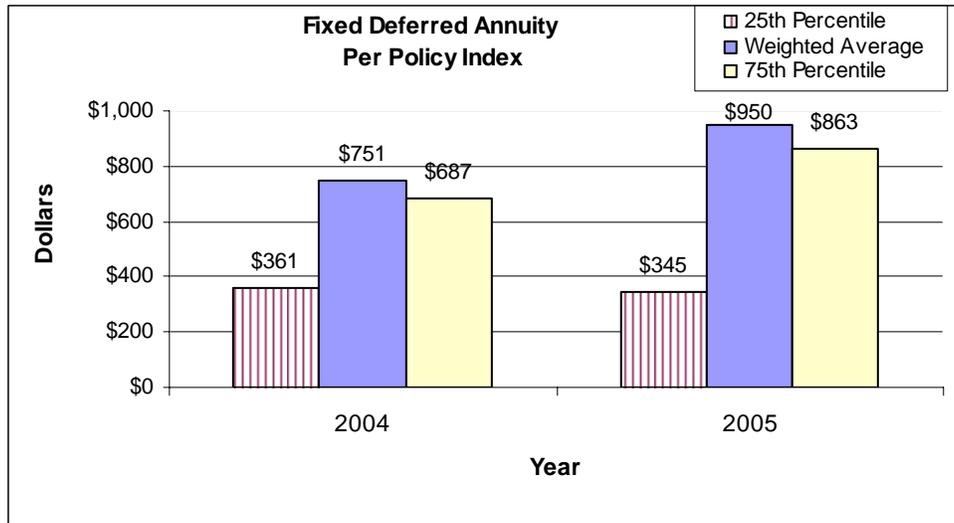
2005 Annuity Products
Graph 22—Non-acquisition Expense—All Distribution Systems Combined
Per Policy Inforce



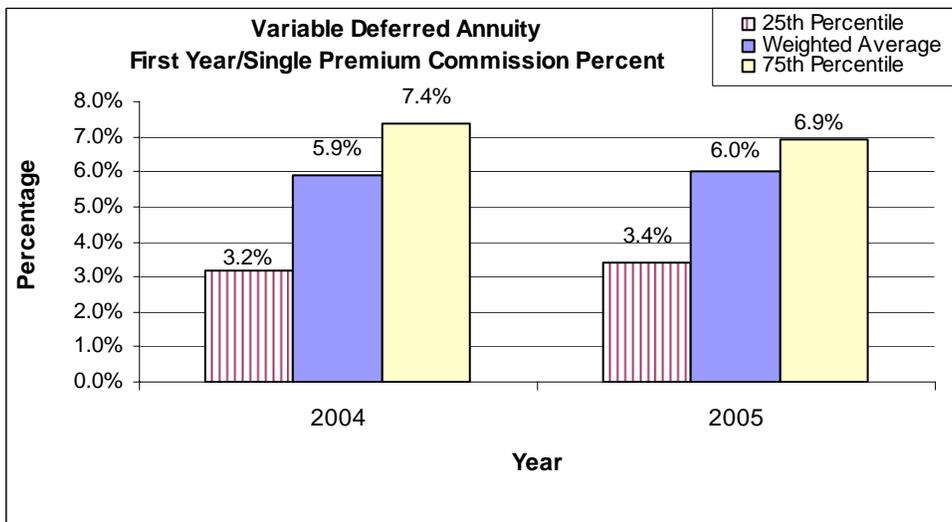
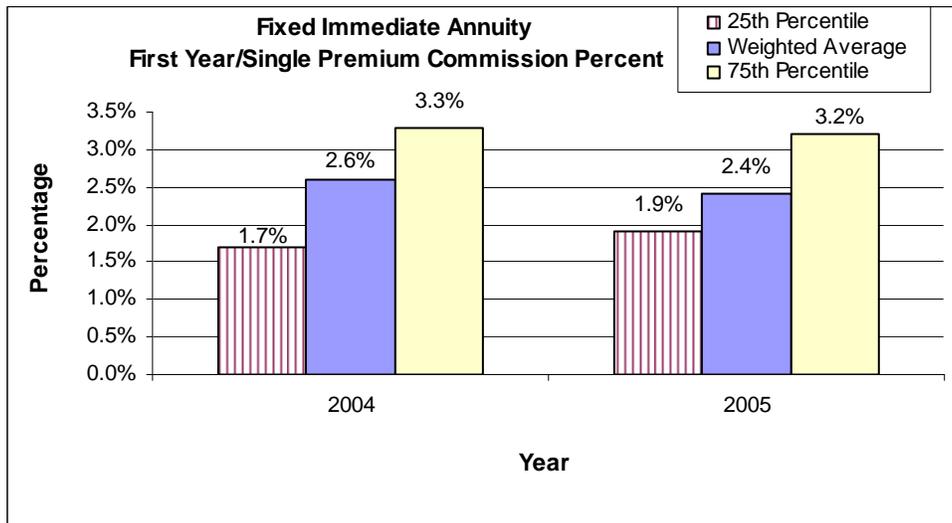
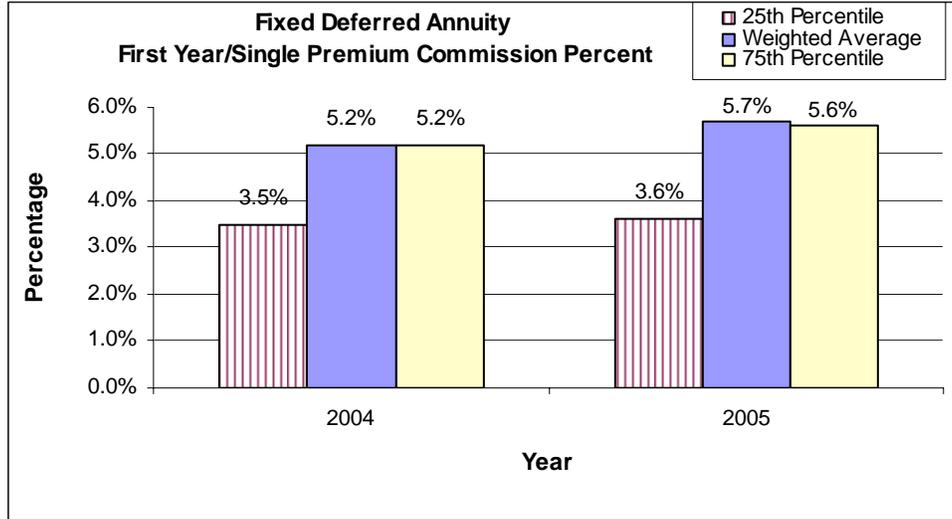
2005 Annuity Products
Graph 23—Acquisition Expense—All Distribution Systems Combined
Renewal Commission Percent



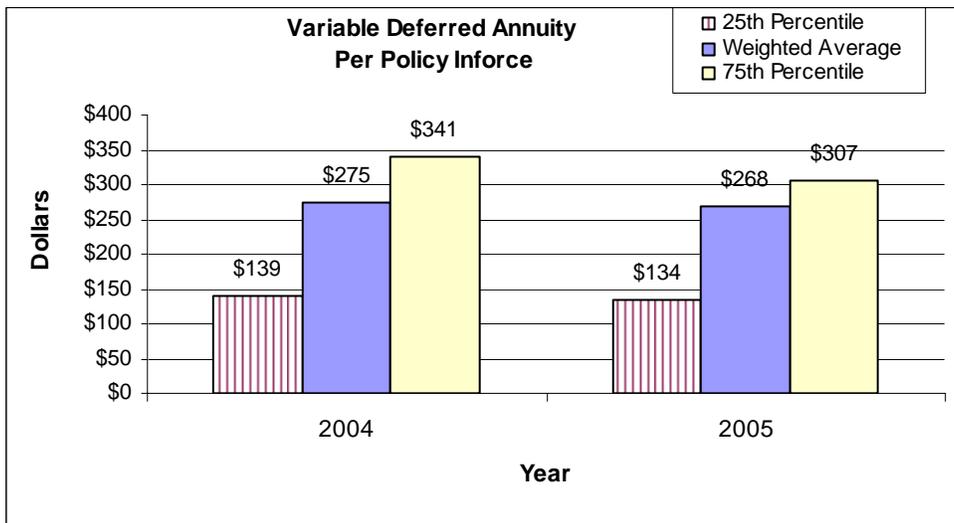
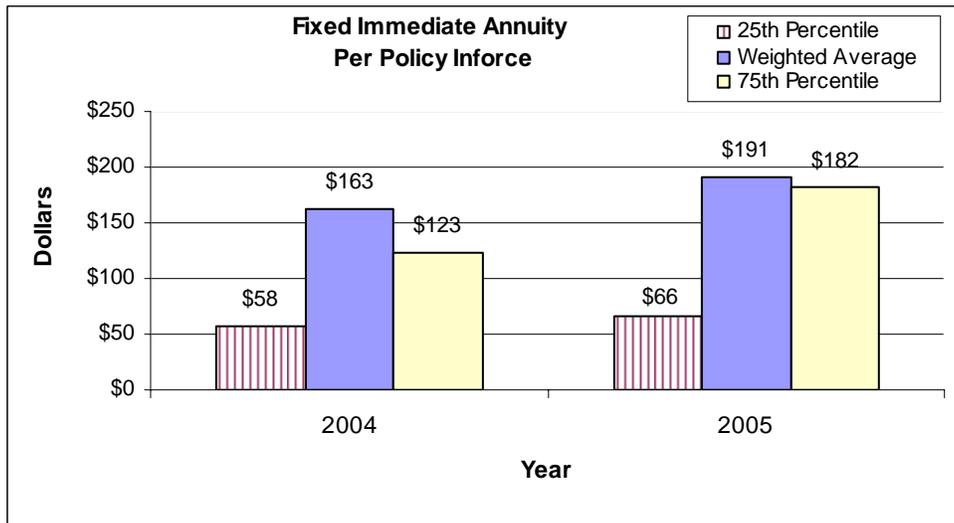
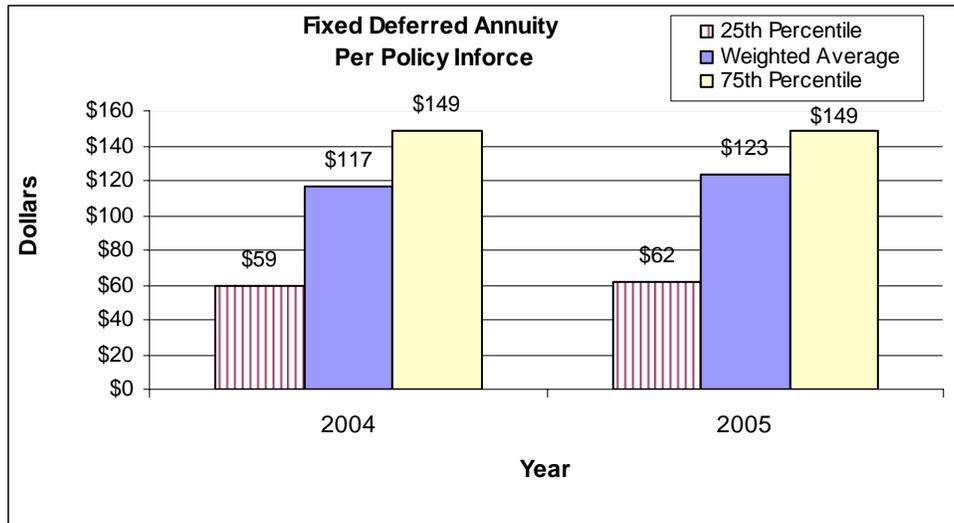
**Graph 24—Comparison of 2004 & 2005 Results
Based on only Companies Contributing in both 2004 & 2005
Acquisition—All Distribution Systems Combined
Per Policy Index**



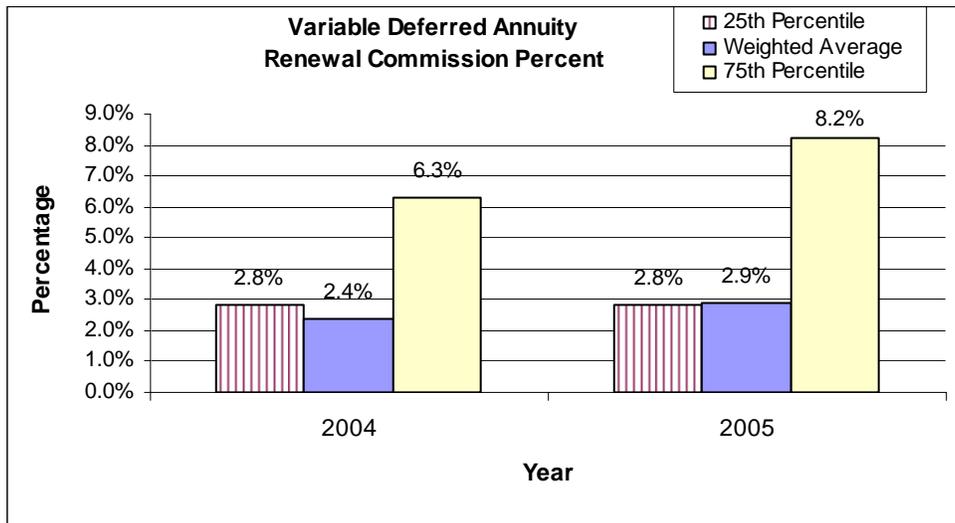
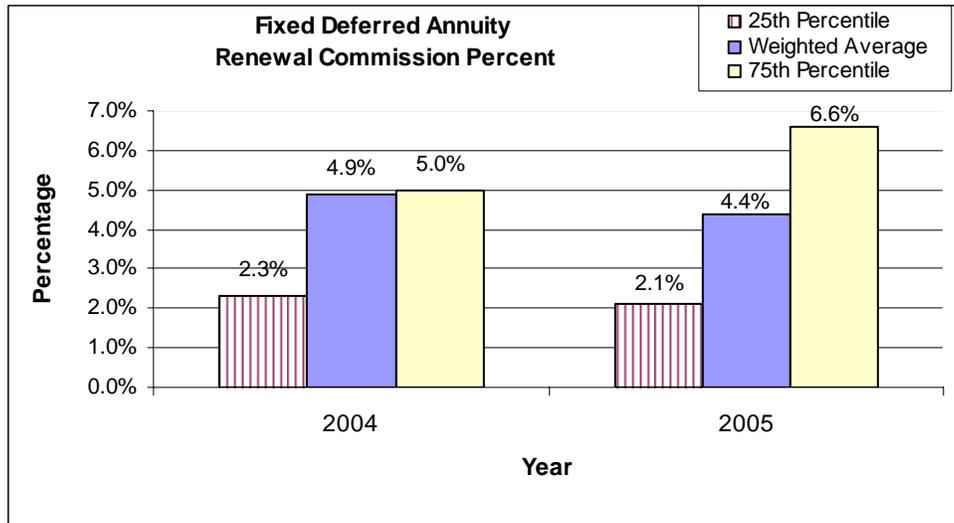
**Graph 25—Comparison of 2004 & 2005 Results
Based on only Companies Contributing in both 2004 & 2005
Acquisition—All Distribution Systems Combined
First Year/Single Premium Commission Percent**



**Graph 26—Comparison of 2004 & 2005 Results
Based on only Companies Contributing in both 2004 & 2005
Non-acquisition—All Distribution Systems Combined
Per Policy Inforce**



**Graph 27—Comparison of 2004 & 2005 Results
Based on only Companies Contributing in both 2004 & 2005
Acquisition—All Distribution Systems Combined
Renewal Commission Percent**



Comparison of Per Policy, Per Premium, and Per 1,000 Issued Indexes

Table 19

Life Insurance Products

Product	Per Policy Index	Per Premium Index (Includes Single Premium)	Per Premium Index (Includes First Year Premium Only)	Per 1,000 Issued Index
Term	\$ 606	89%	89.8%	\$1.99
Perm	\$ 989	15%	64.2%	\$10.89
Variable	\$ 2,097	36%	65.6%	\$8.10

Annuity Products

Product	Per Policy Index	Per Premium Index
Deferred	\$ 833	1.9%
Immediate	\$ 2,691	3.2%
Variable Deferred	\$ 2,046	3.1%

Note: See Section 3 for Index Formulas.

**Committee on Life Insurance Company Expenses
2005 Individual Life and Annuity Expense Study**

Purpose and Objectives

While expenses are critical to pricing, policy illustration, financial reporting and performance analysis, actuaries working in these areas have had little in the way of inter-company information in a format that is useful for measuring their company's performance against industry averages or benchmarks. The Committee on Life Insurance Company Expenses (CLICE) was formed in part to address the need to fill this void.

CLICE is finalizing its work on the 2004 inter-company expenses study for individual life and annuity products which is expected to be posted on the SOA website in about a month.

The objective of the 2005 study is to continue this effort while expanding the level of contributions, to serve as a useful unit expense benchmark to pricing actuaries and their managements from which to assess their own unit expense performance. In addition, CLICE expects the results to be useful in enhancing the generation of the Generally Recognized Expense Table (GRET) in the U.S. used by some companies to demonstrate compliance with the NAIC model sales illustration regulation. This study is intended to be completed by U.S companies and U.S. operations of Canadian companies.

Concurrently, CLICE has been working with the American Academy of Actuaries' Life Reserving Working Group on the implications of expense data gathering for principle based reserving. Although the efforts of the working group have not yet necessitated any revisions to the current data submission form, CLICE will continue to monitor this effort and alter the form, if needed. In this regard, because the data submitted for this study may eventually serve another purpose, CLICE is all the more appreciative of contributions to the study.

Confidentiality

All responses to this survey will be kept completely confidential. Society of Actuaries staff will process the responses—no individual company data will be published. Where comparative results are presented, no companies will be identified.

General Instructions

The study covers all Individual Life and Annuity business including Variable Life and Variable Annuities. Accident and Health and all group business are to be excluded.

The Committee believes that broad participation is critical to the success of the study. Therefore, it is important that you participate in the study even if you cannot provide all of the requested detail; in particular, if all of your expenses cannot be broken down by distribution system and line of business. However, when transmitting your contribution, please indicate to the Committee any information not provided in the detail requested.

This study asks for information by distribution channel and line of business relating to acquisition and policy/contract maintenance activities. Except where otherwise instructed, expenses should be those that are directly incurred by the function described in the line item. Overhead should be recorded in the line items provided for that purpose. **Use your best judgment in determining the appropriate method to allocate expenses among the various distribution channels and lines of business.**

When data for each distribution channel is provided, please be sure to include both applicable units and expenses so they can be properly matched. Where you are unable to provide the breakdowns by distribution channel, use the Unallocated column. **If the allocation by line of business is not available, use the Other Life or Other Annuity line of business, as appropriate.**

For Immediate Annuities, units and expenses for structured settlements should not be included. If for some reason, it is not possible to exclude the units and expenses for structured settlements, please note in the comments section how you treated them.

Please only input numerical values in the actual expense and unit tables; for explanatory notes, please use the comments sections.

If you find it necessary to deviate from the instructions or use the Unallocated column, please provide an explanation in the area provided for that purpose or call Steve Siegel at the Society of Actuaries (847-706-3578) or ssiegel@soa.org for instructions.

Completed worksheets should be e-mailed to Jeanne Nallon at jnallon@soa.org.

Format

An Excel workbook is being used to collect the data. The tabs at the bottom of the workbook indicate units and expense worksheets for each line of business. You need only fill out the sheets for the lines of business that are applicable to your company. You will not be able to make entries in any cells other than those where data is expected. All other cells are protected. Totals are automatically calculated, where applicable. The width of the columns in the workbook has been left adjustable to make it easier to ensure that the correct figures are inputted (this option is only available in Excel Versions 2002 and later). If you have any problems entering data, please contact Steve Siegel at the above e-address.

Company Information

Enter the name of your company and the requested information for the primary contact for this study. Place an X in the appropriate box for your Corporate Organization Type. Enter an X in the Yes box for Primarily Burial Life Insurance Company, if your company primarily sells this type of business. Enter the amount of Gross Investment Income and Investment Expenses from Lines 10 and 11, respectively, of the Exhibit of Net Investment Income of the NAIC General Account and Separate Account Annual Statement. Please note any characteristics unique to your company that might significantly impact comparisons with other companies and/or if your company underwent any major changes that would impact your 2005 results in the space provided.

Lines of Business

This study covers all Individual Life and Annuity business including Variable Life and Annuities. Accident and health and all group business are to be excluded. Lines of business descriptions are as follows:

- Term—Life insurance policies and riders that are classified as term insurance for purposes of completing the Exhibit of Life Insurance in the NAIC Annual Statement.
- Fixed and Flexible Premium Permanent—Whole life, limited pay life, single premium whole life, interest sensitive life, fixed premium universal life and flexible premium universal life, not included in the other lines of business.
- COLI—Corporate owned life insurance.
- BOLI—Bank owned life insurance.
- Variable Life Insurance—Variable whole life and variable universal life insurance.
- Individual Deferred Annuities—Fixed premium, flexible premium and single premium deferred annuities. Include equity-indexed annuities. Do not include variable annuities.
- Individual Immediate Annuities—Annuities for which the annuitant begins receiving periodic payments, usually fixed, within one year. Do not include variable annuities.
- Variable Individual Deferred Annuities—Fixed premium, flexible premium and single premium variable individual deferred annuities. Investment returns vary directly with underlying fund.
- Variable Individual Immediate Annuities—Annuities for which the annuitant begins receiving periodic payments within one year. -Investment returns vary directly with underlying fund.

Distribution Channel Descriptions

Career	An agency-building system using full-time agents who report to managers who are company employees or general agents who are independent contractors.
Brokerage	A system that uses independent producers (brokers) who are contracted with multiple companies. The bulk of their income comes from overrides rather than personal production. This includes managing general agents and independent marketing organizations.
PPGA	A system that uses independent personal producing general agents (PPGAs) who are often contracted with multiple companies. The bulk of their income comes from personal production rather than overrides.
Home service	A system that uses full-time agents who sell industrial, ordinary, and property-casualty products in an assigned territory known as a debit. These agents may be responsible for home collection of renewal premiums.
Multi-line agency	A system that uses full-time agents licensed in property-casualty, life, health, annuities, and equity products and who primarily represent one company.
Direct response	Buyer-initiated purchases made in response to direct home office offerings through the mail, media advertising, the company's website as well as purchases resulting from home office or call center-based telemarketing efforts.
Stockbrokers	Individuals licensed by the Securities and Exchange Commission (SEC) working in a wirehouse, or an independent or regional broker dealer.
Financial institutions	Commercial banks, savings banks, savings and loans, credit unions and thrifts that distribute insurance products to their customers. Sales are made by the institution's dedicated sales force, agents of affiliated agencies, or contracted third-party marketers.
Other	Any distribution method that does not fall into one of the categories outlined above.
Unallocated	Use this column if you are unable to segregate your data into the categories shown above.

Expense Units

All expense units reported are for the calendar year 2005. References are to the NAIC Annual Statement blank. Fraternal companies should use the corresponding lines from the Fraternal blank.

A. New Business—Direct (before reinsurance is deducted)

1. Policies/Contracts Issued—Number of individual policies/contracts issued on direct business. Joint policies should be counted as one policy. Riders should not be included on this line.
2. Volume Issued (Round to 1000s)—For individual life insurance report the initial face amount/sum insured issued before reinsurance is deducted. Include riders that increase the death benefit on the base policy insured(s). **Please round the Volume Issued to 1000s. For instance, 987,654,321,123 should be entered as 987,654,321.** Not applicable for annuities.
3. First Year Premium Collected—First year premium collected included in Exhibit 1, Line 6.1. This should include premiums in excess of UL and VUL target premiums paid in the first policy year.

- 3a. UL and VUL Dump-ins Included in A-3—Enter the amount of premium included in A-3 that exceeded the target premium (in the first policy year) and for which a lower commission rate was paid.
 4. Single Premium Collected—Single premium collected included in Exhibit 1, Line 10.1. This should include any Dump-ins for UL and VUL paid in renewal years and dividends used to purchase paid up insurance.
 - 4a. UL and VUL Dump-in Included in A-4—Enter the amount of premium included in A-4 that exceeded the target premium and dump-ins and for which a lower commission rate was paid.
 - 4b. Paid-Up Additions Included in A-4—Enter the amount of single premium included on line A-4 from dividends used to purchase paid-up insurance. Exclude any amount applied to dividend deposits.
- B. Inforce—Direct (before reinsurance is deducted)—Current Year
1. Policies/Contracts—Number of individual policies/contracts inforce at the end of the year being reported in the NAIC Policy Exhibit.
 2. Volume (Round to 1000s)—For individual life insurance, the face amount/sum insured inforce on direct business as reported in the NAIC Policy Exhibit. **Please round the Volume Inforce to 1000s.** For individual annuities, leave blank.
 3. Renewal Premium Collected—Renewal premium collected included in Exhibit 1, Line 16.1.
 4. Reserves or Account Values—For business other than UL, VUL or Annuities, enter the amount of reserves underlying the policies/contracts for each category of business. For UL, VUL and Annuities, enter the account values underlying the policies/contracts for each category of business.
- C. Inforce—Direct (before reinsurance is deducted)—Previous Year (include business in its first policy year that was inforce at the end of the immediately preceding year)
1. Policies/Contracts—Same as B-1 above for the yearend immediately preceding the study.
 2. Volume (Round to 1000s)—Same as B-2 above for the yearend immediately preceding the study. **Please round the Volume Inforce to 1000s.**
 3. Renewal Premium Collected—Same as B-3 above for the yearend immediately preceding the study.
 4. Reserves or Account Values—Same as B-4 above for the yearend immediately preceding the study.
- D. Claims/Contracts
1. Number of Claims—For Life Insurance, enter the number of death and disability claims. This item is not applicable to Annuities.
 2. Number of Surrenders/Lapses—For Life, enter the number of surrenders/lapses during the year. For annuities, enter the number of both surrenders/lapses and deaths.
 3. Number of Annuity Contracts on which a Periodic Payment was made—For annuities, enter the number of contracts on which a periodic payment was being made during 2005. This is not applicable for Life Insurance.

Expense Type Descriptions

All expenses reported are for the calendar year 2005.

E. Commissions Paid

1. First Year Commissions and Related Expenses—Commissions and related expenses paid included in Exhibit 1, Line 27 of the NAIC Annual Statement. This includes any commissions associated with Dump-in premiums included in 1a.
 - 1a. UL and VUL Dump-in Included in E-1—Enter the amount of commission included in E-1 that was paid on premium that exceeded the target premium.
2. Single Commissions—Commissions paid included in Exhibit 1, Line 28 of the NAIC Annual Statement. This includes any commissions associated with Dump-in premiums included in 2a.
 - 2a. UL and VUL Dump-in Included in E-2—Enter the amount of commission included in E-2 that was paid on premium that exceeded the target premium.
3. Renewal Commissions—Commissions paid included in Exhibit 1, Line 29 of the NAIC Annual Statement. Include service fees paid. Asset trailing expenses for annuities should also be included.

F. Acquisition Expenses other than commissions

1. Sales/Marketing—All expenses, other than commissions, directly paid in the acquisition of new business, including home office, field office, licensing, sales promotion, etc.
2. Underwriting—Inspection Reports and Medical Exams—All expenses paid for inspection reports, MIB's, blood tests, para-medicals, full medicals and attending physician's statements. **This does not apply to annuities.**
3. Underwriting—All Other—All other expenses paid in relation to underwriting the risk. **This does not apply to annuities.**
4. Policy/Contract Issue—All expenses paid for the preparation and issue of policies or contracts.
5. Product Development—If your company allocates product development expenses as acquisition expenses, enter the amount here. If not, enter 0.
6. Other Acquisition—All other expenses paid directly relating to the acquisition of new business. Do not include any overhead expenses that are included in "Total Overhead" (G.4). Please list separately and describe each significant type of expense included here. Please include direct response acquisition related expenses in a separate line.

G. Other Expenses (no distribution channel expense splits have been requested)

1. Benefits Department(s) and Claim Settlement Expenses—For life, only expenses for death, disability, and ADB claims should be included, i.e. those expenses related to Exhibit 8 claims including internal and external staff, investigation, etc.

For annuities, only expenses pertaining to the periodic payment of annuity benefits (including both immediate and supplementary contracts) should be included. Expenses related to surrenders and lapses should be included in G.3. Surrender and Lapse Expenses.

2. Policyowner Services—All expenses paid directly relating to the servicing of the underlying life or annuity policies/contracts.
3. Surrender and Lapse Expenses—All expenses paid relating to surrenders and lapses. For annuities, also include expenses related to terminations due to death. If it is not possible to separate these expenses, please include them with G.2. Policyowner Services and indicate in the notes section of the worksheet if included in G.2.

4. Significant Unusual Non-recurring Expenses—significant unusual expenses paid that are not expected to recur. These expenses may be related, but not limited, to development or purchase of new systems, mergers and acquisitions, demutualizations or large legal judgements. Indicate the type of expense included. Only include such an expense here if it is greater than 2% of total expenses for the line of business.
 5. Total Overhead—Expenses that are not directly related to the acquisition or maintenance of policies/contracts.
 6. Amount of Total Overhead Allocable to Acquisition—In the pricing process, some companies allocate a certain portion of the total overhead expenses as part of their acquisition costs. If applicable, please note how much of this is included in G.5. Total Overhead.
 7. Other Non-overhead—All other expenses paid. Please list and describe each such expense separately.
- H. Premium Tax and Guarantee Association Assessments—Premium taxes paid and guarantee association assessments paid (no distribution channel expense splits have been requested). If Premium Tax is 0, please note this in the comments section.
- I. Total Expenses—Should equal the sum of E through H. Note that this should not be entered.

**2005 SOA Expense Study Worksheet
Company Information**

Company Name	
---------------------	--

Contact Information

Name	
Telephone	
E-mail	

	Stock	Mutual	Mutual Holding	Demutualizing	Fraternal
Corporate Organization Type					

	Yes
Primarily Burial Life Insurance Company	

	General Account	Separate Accounts
Gross Investment Income		
Investment Expenses		

Please describe the procedure followed in allocating overhead and other indirect expenses to lines of business and distribution channels.

Date Last Updated:	March 22, 2006
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Please note any characteristics unique to your company that might significantly impact comparisons with other companies in Cell A24:

Please note if your company underwent any major changes in 2004 that would significantly impact your company's results in this study in Cell A27

2005 SOA Expense Study Worksheet
Expense Units

	Individual Term Life Insurance							Total
	Career	Brokerage	PPGA	Multi-Line	Direct Response	Other	Unallocated	
A. New Business - Direct								
1. Policies / Contracts Issued								0
2. Volume Issued (Round to 1000s)								0
3. First Year Premium Collected								0
a. UL and VUL Dump-in Included in A-3								0
4. Single Premium Collected								0
a. UL and VUL Dump-in Included in A-4								0
b. Paid-Up Additions Included in A-4								0
B. Inforce - Direct - Current Year								
1. Policies / Contracts								0
2. Volume (Round to 1000s)								0
3. Renewal Premium Collected								0
4. Reserves or Account Balances	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
C. Inforce - Direct - Previous Year								
1. Policies / Contracts								0
2. Volume (Round to 1000s)								0
3. Renewal Premium Collected								0
4. Reserves or Account Balances	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
D. Claims/Contracts								
1. Number of Claims	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
2. Number of Surrenders/Lapses	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0

Comments / Notes:

**2005 SOA Expense Study Worksheet
Expenses**

Function	Individual Term Life Insurance							Total
	Career	Brokerage	PPGA	Multi-Line	Direct Response	Other	Unallocated	
E. Commissions Paid								
1. First Year Commissions								0
a. UL and VUL Dump-in Included in F-1								0
2. Single Commissions								0
a. UL and VUL Dump-in Included in F-2								0
3. Renewal Commissions								0
F. Other Acquisition Expenses Paid								
1. Sales / Marketing								0
2. Underwriting - Inspection Reports and Medical Exams								0
3. Underwriting - All Other								0
4. Policy / Contract Issue								0
5. Product Development								0
6. Other Acquisition - Please list								0
a.								0
b.								0
c.								0
d.								0
G. Other Expenses Paid								
1. Benefit Department(s) / Claim Settlement Expenses	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
2. Policyowner Services	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
3. Surrender and Lapse Expenses	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
4. Significant Non-recurring Expenses (specify)								0
a.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
b.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
c.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
d.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
5. Total Overhead	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
6. Amount of Total Overhead Allocable to Acquisition	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
7. Other non-overhead								0
a.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
b.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
c.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
d.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
H. Premium Tax & Guar Assoc Assessments								
	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
I. Total Expenses								
	0	0	0	0	0	0	0	0

Comments / Notes:

2005 SOA Expense Study Worksheet
Expense Units

	Individual Permanent Life Insurance							Total
	Career	Brokerage	PPGA	Multi-Line	Direct Response	Other	Unallocated	
A. New Business - Direct								
1. Policies / Contracts Issued								0
2. Volume Issued (Round to 1000s)								0
3. First Year Premium Collected								0
a. UL and VUL Dump-in Included in A-3								0
4. Single Premium Collected								0
a. UL and VUL Dump-in Included in A-4								0
b. Paid-Up Additions Included in A-4								0
B. Inforce - Direct - Current Year								
1. Policies / Contracts								0
2. Volume (Round to 1000s)								0
3. Renewal Premium Collected								0
4. Reserves or Account Balances	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
C. Inforce - Direct - Previous Year								
1. Policies / Contracts								0
2. Volume (Round to 1000s)								0
3. Renewal Premium Collected								0
4. Reserves or Account Balances	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
D. Claims/Contracts								
1. Number of Claims	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
2. Number of Surrenders/Lapses	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0

Comments / Notes:

**2005 SOA Expense Study Worksheet
Expenses**

Function	Individual Permanent Life Insurance							Total
	Career	Brokerage	PPGA	Multi-Line	Direct Response	Other	Unallocated	
E. Commissions Paid								
1. First Year Commissions								0
a. UL and VUL Dump-in Included in F-1								0
2. Single Commissions								0
a. UL and VUL Dump-in Included in F-2								0
3. Renewal Commissions								0
F. Other Acquisition Expenses Paid								
1. Sales / Marketing								0
2. Underwriting - Inspection Reports and Medical Exams								0
3. Underwriting - All Other								0
4. Policy / Contract Issue								0
5. Product Development								0
6. Other Acquisition - Please list								0
a.								0
b.								0
c.								0
d.								0
G. Other Expenses Paid								
1. Benefit Department(s) / Claim Settlement Expenses	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
2. Policyowner Services	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
3. Surrender and Lapse Expenses	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
4. Significant Non-recurring Expenses (specify)								0
a.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
b.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
c.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
d.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
5. Total Overhead	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
6. Amount of Total Overhead Allocable to Acquisition	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
7. Other non-overhead								0
a.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
b.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
c.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
d.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
H. Premium Tax & Guar Assoc Assessments								
	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
I. Total Expenses								
	0	0	0	0	0	0	0	0

Comments / Notes:

2005 SOA Expense Study Worksheet
Expense Units

	Individual COLI Life Insurance							Total
	Career	Brokerage	PPGA	Multi-Line	Direct Response	Other	Unallocated	
A. New Business - Direct								
1. Policies / Contracts Issued								0
2. Volume Issued (Round to 1000s)								0
3. First Year Premium Collected								0
a. UL and VUL Dump-in Included in A-3								0
4. Single Premium Collected								0
a. UL and VUL Dump-in Included in A-4								0
b. Paid-Up Additions Included in A-4								0
B. Inforce - Direct - Current Year								
1. Policies / Contracts								0
2. Volume (Round to 1000s)								0
3. Renewal Premium Collected								0
4. Reserves or Account Balances	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
C. Inforce - Direct - Previous Year								
1. Policies / Contracts								0
2. Volume (Round to 1000s)								0
3. Renewal Premium Collected								0
4. Reserves or Account Balances	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
D. Claims/Contracts								
1. Number of Claims	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
2. Number of Surrenders/Lapses	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0

Comments / Notes:

2005 SOA Expense Study Worksheet
Expenses

Function	Individual COLI Life Insurance							Total
	Career	Brokerage	PPGA	Multi-Line	Direct Response	Other	Unallocated	
E. Commissions Paid								
1. First Year Commissions								0
a. UL and VUL Dump-in Included in F-1								0
2. Single Commissions								0
a. UL and VUL Dump-in Included in F-2								0
3. Renewal Commissions								0
F. Other Acquisition Expenses Paid								
1. Sales / Marketing								0
2. Underwriting - Inspection Reports and Medical Exams								0
3. Underwriting - All Other								0
4. Policy / Contract Issue								0
5. Product Development								0
6. Other Acquisition - Please list								0
a.								0
b.								0
c.								0
d.								0
G. Other Expenses Paid								
1. Benefit Department(s) / Claim Settlement Expenses	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
2. Policyowner Services	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
3. Surrender and Lapse Expenses	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
4. Significant Non-recurring Expenses (specify)								0
a.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
b.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
c.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
d.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
5. Total Overhead	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
6. Amount of Total Overhead Allocable to Acquisition	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
7. Other non-overhead								0
a.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
b.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
c.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
d.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
H. Premium Tax & Guar Assoc Assessments								
	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
I. Total Expenses								
	0	0	0	0	0	0	0	0

Comments / Notes:

2005 SOA Expense Study Worksheet
Expense Units

	Individual BOLI Life Insurance							Total
	Career	Brokerage	PPGA	Multi-Line	Direct Response	Other	Unallocated	
A. New Business - Direct								
1. Policies / Contracts Issued								0
2. Volume Issued (Round to 1000s)								0
3. First Year Premium Collected								0
a. UL and VUL Dump-in Included in A-3								0
4. Single Premium Collected								0
a. UL and VUL Dump-in Included in A-4								0
b. Paid-Up Additions Included in A-4								0
B. Inforce - Direct - Current Year								
1. Policies / Contracts								0
2. Volume (Round to 1000s)								0
3. Renewal Premium Collected								0
4. Reserves or Account Balances	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
C. Inforce - Direct - Previous Year								
1. Policies / Contracts								0
2. Volume (Round to 1000s)								0
3. Renewal Premium Collected								0
4. Reserves or Account Balances	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
D. Claims/Contracts								
1. Number of Claims	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
2. Number of Surrenders/Lapses	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0

Comments / Notes:

**2005 SOA Expense Study Worksheet
Expenses**

Function	Individual BOLI Life Insurance							Total
	Career	Brokerage	PPGA	Multi-Line	Direct Response	Other	Unallocated	
E. Commissions Paid								
1. First Year Commissions								0
a. UL and VUL Dump-in Included in F-1								0
2. Single Commissions								0
a. UL and VUL Dump-in Included in F-2								0
3. Renewal Commissions								0
F. Other Acquisition Expenses Paid								
1. Sales / Marketing								0
2. Underwriting - Inspection Reports and Medical Exams								0
3. Underwriting - All Other								0
4. Policy / Contract Issue								0
5. Product Development								0
6. Other Acquisition - Please list								0
a.								0
b.								0
c.								0
d.								0
G. Other Expenses Paid								
1. Benefit Department(s) / Claim Settlement Expenses	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
2. Policyowner Services	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
3. Surrender and Lapse Expenses	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
4. Significant Non-recurring Expenses (specify)								0
a.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
b.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
c.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
d.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
5. Total Overhead	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
6. Amount of Total Overhead Allocable to Acquisition	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
7. Other non-overhead								0
a.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
b.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
c.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
d.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
H. Premium Tax & Guar Assoc Assessments								
	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
I. Total Expenses								
	0	0	0	0	0	0	0	0

Comments / Notes:

2005 SOA Expense Study Worksheet
Expense Units

	Individual Variable Life Insurance							Total
	Career	Brokerage	PPGA	Multi-Line	Direct Response	Other	Unallocated	
A. New Business - Direct								
1. Policies / Contracts Issued								0
2. Volume Issued (Round to 1000s)								0
3. First Year Premium Collected								0
a. UL and VUL Dump-in Included in A-3								0
4. Single Premium Collected								0
a. UL and VUL Dump-in Included in A-4								0
b. Paid-Up Additions Included in A-4								0
B. Inforce - Direct - Current Year								
1. Policies / Contracts								0
2. Volume (Round to 1000s)								0
3. Renewal Premium Collected								0
4. Reserves or Account Balances	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
C. Inforce - Direct - Previous Year								
1. Policies / Contracts								0
2. Volume (Round to 1000s)								0
3. Renewal Premium Collected								0
4. Reserves or Account Balances	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
D. Claims/Contracts								
1. Number of Claims	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
2. Number of Surrenders/Lapses	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0

Comments / Notes:

**2005 SOA Expense Study Worksheet
Expenses**

Function	Individual Variable Life Insurance							Total
	Career	Brokerage	PPGA	Multi-Line	Direct Response	Other	Unallocated	
E. Commissions Paid								
1. First Year Commissions								0
a. UL and VUL Dump-in Included in F-1								0
2. Single Commissions								0
a. UL and VUL Dump-in Included in F-2								0
3. Renewal Commissions								0
F. Other Acquisition Expenses Paid								
1. Sales / Marketing								0
2. Underwriting - Inspection Reports and Medical Exams								0
3. Underwriting - All Other								0
4. Policy / Contract Issue								0
5. Product Development								0
6. Other Acquisition - Please list								0
a.								0
b.								0
c.								0
d.								0
G. Other Expenses Paid								
1. Benefit Department(s) / Claim Settlement Expenses	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
2. Policyowner Services	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
3. Surrender and Lapse Expenses	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
4. Significant Non-recurring Expenses (specify)								0
a.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
b.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
c.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
d.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
5. Total Overhead	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
6. Amount of Total Overhead Allocable to Acquisition	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
7. Other non-overhead								0
a.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
b.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
c.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
d.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
H. Premium Tax & Guar Assoc Assessments								
	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
I. Total Expenses								
	0	0	0	0	0	0	0	0

Comments / Notes:

**2005 SOA Expense Study Worksheet
Expense Units**

	Individual Deferred Annuity							Total
	Career	Brokerage	PPGA	Stockbroker	Financial Institutions	Other	Unallocated	
A. New Business - Direct								
1. Policies / Contracts Issued								0
2. First Year Premium Collected								0
3. Single Premium Collected								0
B. Inforce - Direct - Current Year								
1. Policies / Contracts								0
2. Volume (not applicable to annuities)	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX
3. Renewal Premium Collected								0
4. Account Balances	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
C. Inforce - Direct - Previous Year								
1. Policies / Contracts								0
2. Renewal Premium Collected								0
3. Account Balances	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
D. Claims/Contracts								
1. Number of Surrenders/Lapses	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
2. Number of Annuity Contracts on which a Periodic Payment was made	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0

Comments / Notes:

**2005 SOA Expense Study Worksheet
Expenses**

Function	Individual Deferred Annuity							Total
	Career	Brokerage	PPGA	Stockbroker	Financial Institutions	Other	Unallocated	
E. Commissions Paid								
1. First Year Commissions								0
2. Single Commissions								0
3. Renewal Commissions								0
F. Acquisition / Developmental Expenses Paid								
1. Sales / Marketing								0
2. UW - IR and ME - Not applicable	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX
3. UW - Other - Not applicable	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX
4. Policy / Contract Issue								0
5. Product Development								0
6. Other Acquisition - Please list								
a.								0
b.								0
c.								0
d.								0
G. Other Expenses Paid								
1. Benefit Department(s) / Claim Settlement Expenses	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
2. Policyowner Services	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
3. Surrender and Lapse Expenses	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
4. Significant Non-recurring Expenses (specify)								
a.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
b.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
c.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
d.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
5. Total Overhead	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
6. Amount of Total Overhead Allocable to Acquisition	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
7. Other non-overhead								
a.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
b.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
c.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
d.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
H. Premium Tax & Guar Assoc Assessments								
	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
I. Total Expenses								
	0	0	0	0	0	0	0	0

Comments / Notes:

**2005 SOA Expense Study Worksheet
Expense Units**

	Individual Immediate Annuity							Total
	Career	Brokerage	PPGA	Stockbroker	Financial Institutions	Other	Unallocated	
A. New Business - Direct								
1. Policies / Contracts Issued								0
2. First Year Premium Collected								0
3. Single Premium Collected								0
B. Inforce - Direct - Current Year								
1. Policies / Contracts								0
2. Volume (not applicable to annuities)	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX
3. Renewal Premium Collected								0
4. Account Balances	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
C. Inforce - Direct - Previous Year								
1. Policies / Contracts								0
2. Renewal Premium Collected								0
3. Account Balances	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
D. Claims/Contracts								
1. Number of Surrenders/Lapses	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
2. Number of Annuity Contracts on which a Periodic Payment was made	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0

Comments / Notes:

**2005 SOA Expense Study Worksheet
Expenses**

Function	Individual Immediate Annuity							Total
	Career	Brokerage	PPGA	Stockbroker	Financial Institutions	Other	Unallocated	
E. Commissions Paid								
1. First Year Commissions								0
2. Single Commissions								0
3. Renewal Commissions								0
F. Acquisition / Developmental Expenses Paid								
1. Sales / Marketing								0
2. UW - IR and ME - Not applicable	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX
3. UW - Other - Not applicable	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX
4. Policy / Contract Issue								0
5. Product Development								0
6. Other Acquisition - Please list								
a.								0
b.								0
c.								0
d.								0
G. Other Expenses Paid								
1. Benefit Department(s) / Claim Settlement Expenses	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
2. Policyowner Services	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
3. Surrender and Lapse Expenses	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
4. Significant Non-recurring Expenses (specify)								
a.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
b.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
c.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
d.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
5. Total Overhead	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
6. Amount of Total Overhead Allocable to Acquisition	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
7. Other non-overhead								
a.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
b.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
c.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
d.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
H. Premium Tax & Guar Assoc Assessments								
	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
I. Total Expenses								
	0	0	0	0	0	0	0	0

Comments / Notes:

**2005 SOA Expense Study Worksheet
Expense Units**

	Individual Variable Deferred Annuity							Total
	Career	Brokerage	PPGA	Stockbroker	Financial Institutions	Other	Unallocated	
A. New Business - Direct								
1. Policies / Contracts Issued								0
2. First Year Premium Collected								0
3. Single Premium Collected								0
B. Inforce - Direct - Current Year								
1. Policies / Contracts								0
2. Volume (not applicable to annuities)	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX
3. Renewal Premium Collected								0
4. Account Balances	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
C. Inforce - Direct - Previous Year								
1. Policies / Contracts								0
2. Renewal Premium Collected								0
3. Account Balances	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
D. Claims/Contracts								
1. Number of Surrenders/Lapses	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
2. Number of Annuity Contracts on which a Periodic Payment was made	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0

Comments / Notes:

**2005 SOA Expense Study Worksheet
Expenses**

Function	Individual Variable Deferred Annuity							Total
	Career	Brokerage	PPGA	Stockbroker	Financial Institutions	Other	Unallocated	
E. Commissions Paid								
1. First Year Commissions								0
2. Single Commissions								0
3. Renewal Commissions								0
F. Acquisition / Developmental Expenses Paid								
1. Sales / Marketing								0
2. UW - IR and ME - Not applicable	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX
3. UW - Other - Not applicable	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX
4. Policy / Contract Issue								0
5. Product Development								0
6. Other Acquisition - Please list								
a.								0
b.								0
c.								0
d.								0
G. Other Expenses Paid								
1. Benefit Department(s) / Claim Settlement Expenses	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
2. Policyowner Services	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
3. Surrender and Lapse Expenses	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
4. Significant Non-recurring Expenses (specify)								
a.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
b.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
c.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
d.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
5. Total Overhead	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
6. Amount of Total Overhead Allocable to Acquisition	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
7. Other non-overhead								
a.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
b.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
c.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
d.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
H. Premium Tax & Guar Assoc Assessments								
	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
I. Total Expenses	0	0	0	0	0	0	0	0

Comments / Notes:

**2005 SOA Expense Study Worksheet
Expense Units**

	Individual Variable Immediate Annuity							Total
	Career	Brokerage	PPGA	Stockbroker	Financial Institutions	Other	Unallocated	
A. New Business - Direct								
1. Policies / Contracts Issued								0
2. First Year Premium Collected								0
3. Single Premium Collected								0
B. Inforce - Direct - Current Year								
1. Policies / Contracts								0
2. Volume (not applicable to annuities)	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX
3. Renewal Premium Collected								0
4. Account Balances	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
C. Inforce - Direct - Previous Year								
1. Policies / Contracts								0
2. Renewal Premium Collected								0
3. Account Balances	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
D. Claims/Contracts								
1. Number of Surrenders/Lapses	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
2. Number of Annuity Contracts on which a Periodic Payment was made	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0

Comments / Notes:

**2005 SOA Expense Study Worksheet
Expenses**

Function	Individual Variable Immediate Annuity							Total
	Career	Brokerage	PPGA	Stockbroker	Financial Institutions	Other	Unallocated	
E. Commissions Paid								
1. First Year Commissions								0
2. Single Commissions								0
3. Renewal Commissions								0
F. Acquisition / Developmental Expenses Paid								
1. Sales / Marketing								0
2. UW - IR and ME - Not applicable	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX
3. UW - Other - Not applicable	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX
4. Policy / Contract Issue								0
5. Product Development								0
6. Other Acquisition - Please list								
a.								0
b.								0
c.								0
d.								0
G. Other Expenses Paid								
1. Benefit Department(s) / Claim Settlement Expenses	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
2. Policyowner Services	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
3. Surrender and Lapse Expenses	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
4. Significant Non-recurring Expenses (specify)								
a.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
b.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
c.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
d.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
5. Total Overhead	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
6. Amount of Total Overhead Allocable to Acquisition	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
7. Other non-overhead								
a.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
b.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
c.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
d.	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
H. Premium Tax & Guar Assoc Assessments								
	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		0
I. Total Expenses								
	0	0	0	0	0	0	0	0

Comments / Notes:
