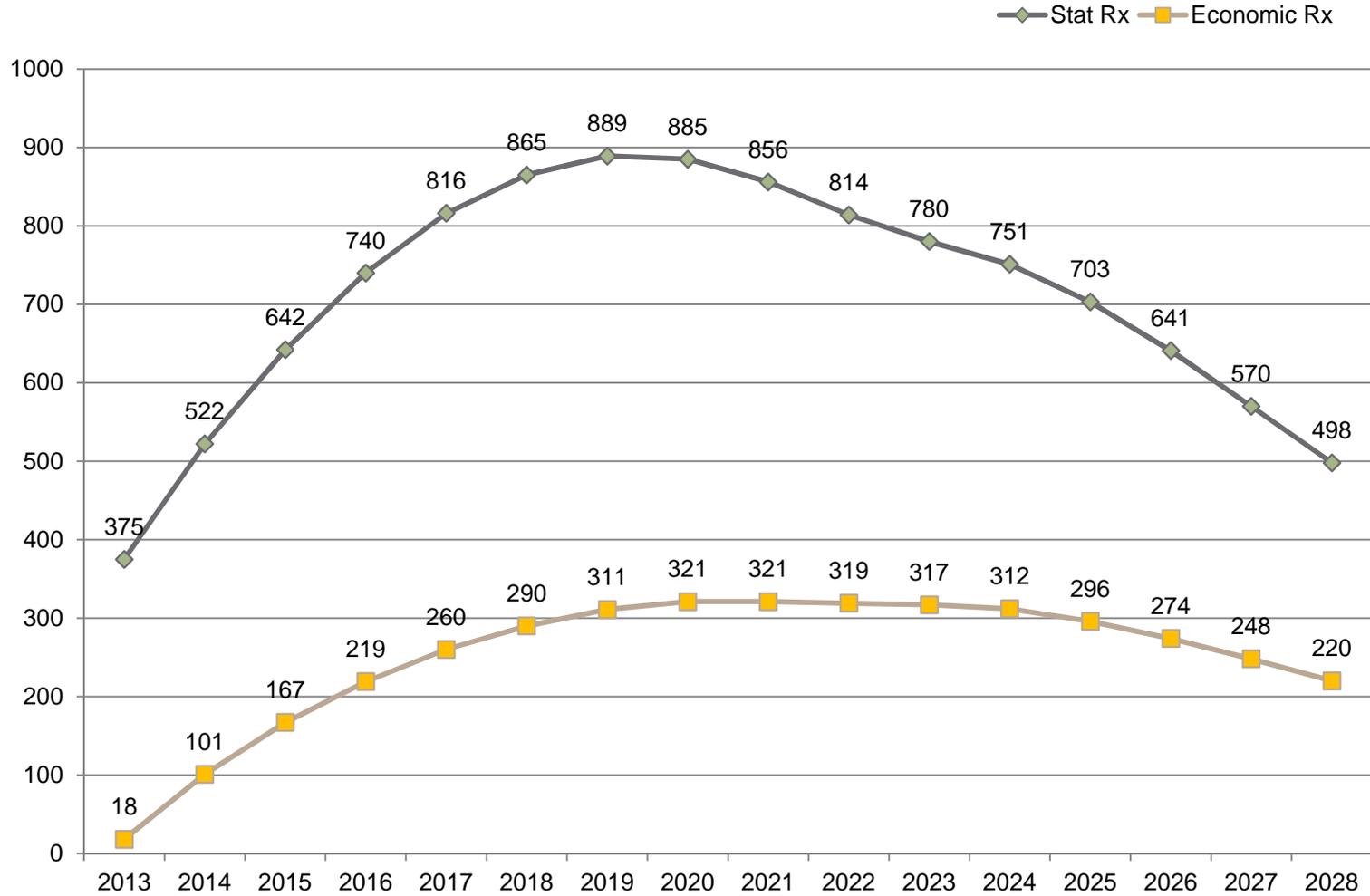


# Statutory and Economic Reserves (End of Year, Millions)



## Concerns with Special Purpose Financial Insurers

- SPFIs continue to attract attention at national level
  - US Treasury (FIO and Office of Financial Research), SEC, Financial press
- Concerns include:
  - Lack of consistency
  - Lack of transparency
  - Creation of an unlevel playing field
- Issues for Vermont
  - Impact on our “Gold Standard” reputation
  - Economic impact



## Vermont's Leadership Position

- Our current standards serve as model for ACLI proposals
- We are actively participating on all related NAIC committees and working directly with interested parties
- We will require even higher standards for future licenses to address issues and enhance our position in the market:
  - Define qualified financing structures
  - Require enhanced reporting and disclosures