



2009 Life & Annuity Market Conduct Annual Statement

Kentucky

For the 2009 Life & Annuity MCAS, licensed companies with at least \$50,000 in subject life insurance premium and/or annuity considerations were required to participate in the project in Kentucky. A total of 283 companies participated in the project.

The following statewide averages and charts indicating where the number of reporting companies whose ratios fall within various ranges are for informational purposes only and do not represent standards for market behavior. This information does not establish compliance or non-compliance. Information shown below is unaudited and subject to revision.

Schedule 1: Individual Life Cash Value Products Includes UL, VL, VUL, Whole Life and Equity Index Life		Statewide Average
1.	The number of replacements issued compared to the number of policies issued	6.047%
2.	The number of 1035 exchanges to the number of policies issued	1.455%
3.	The number of surrenders compared to the number of policies issued	37.484%
4.	The number of policies with loan balances compared to the number of policies in force	5.191%
5.	The number of claims paid beyond 60 days compared to the total number of claims paid	1.021%
6.	The number of claims denied compared to the total number of claims closed	0.236%
7.	Number of complaints per 1,000 policies in force	3.619

Number of companies with ratios falling in the range:												
	0%	>0% to 10%	>10% to 20%	>20% to 30%	>30% to 40%	>40% to 50%	>50% to 60%	>60% to 70%	>70% to 80%	>80% to 90%	>90% to 100%	>100%
Ratio1	143	59	18	17	6	9	4	1	1	0	1	3
Ratio2	190	39	15	6	2	2	2	0	0	1	0	5
Ratio3	25	22	27	14	12	10	4	10	7	2	6	123
Ratio4	45	175	33	5	0	1	0	0	0	0	0	3
Ratio5	211	30	14	4	2	1	0	0	0	0	0	0
Ratio6	232	21	5	2	2	0	0	0	0	0	0	0
Ratio7	177	20	16	11	7	16	11	0	1	0	0	3

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Schedule 2: Individual Life Non-Cash Value Products - Term		Statewide Average
1.	The number of replacements issued compared to the number of policies issued	10.419%
2.	The number of claims paid beyond 60 days compared to the total number of claims paid	1.714%
3.	The number of claims denied compared to the total number of claims closed	2.189%
4.	Number of complaints per 1,000 policies in force	2.788

Number of companies with ratios falling in the range:												
	0%	>0% to 10%	>10% to 20%	>20% to 30%	>30% to 40%	>40% to 50%	>50% to 60%	>60% to 70%	>70% to 80%	>80% to 90%	>90% to 100%	>100%
Ratio1	142	23	22	18	16	7	1	1	1	0	1	0
Ratio2	214	9	1	1	2	1	0	0	0	0	4	0
Ratio3	216	6	6	2	2	0	0	0	0	0	0	0
Ratio4	192	12	9	3	2	8	0	2	2	1	0	1

Schedule 3: Group Life Products (Cash & Noncash Value) Includes VL, UL, VUL, Whole Life, Equity Index Life and Term		Statewide Average
1.	The number of claims paid beyond 60 days compared to the total number of claims paid	1.586%
2.	The number of claims denied compared to the total number of claims closed	2.076%
3.	Number of complaints per 1,000 policies in force	1.490

Number of companies with ratios falling in the range:												
	0%	>0% to 10%	>10% to 20%	>20% to 30%	>30% to 40%	>40% to 50%	>50% to 60%	>60% to 70%	>70% to 80%	>80% to 90%	>90% to 100%	>100%
Ratio1	132	20	5	1	2	1	0	0	0	1	1	0
Ratio2	132	24	6	0	0	1	0	0	0	0	0	0
Ratio3	135	3	2	0	0	2	4	0	1	1	0	15

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Schedule 4: Individual Fixed Annuities Includes Equity Index Annuity Products		Statewide Average
1.	The number of replacements issued compared to the number of policies issued	19.733%
2.	The number of 1035 exchanges to the number of policies issued	8.938%
3.	The number of surrenders compared to the number of policies issued	50.450%
4.	Number of complaints per 1,000 policies in force	0.282

Number of companies with ratios falling in the range:												
	0%	>0% to 10%	>10% to 20%	>20% to 30%	>30% to 40%	>40% to 50%	>50% to 60%	>60% to 70%	>70% to 80%	>80% to 90%	>90% to 100%	>100%
Ratio1	109	13	23	13	15	7	4	2	4	2	3	2
Ratio2	123	29	23	10	2	3	1	1	2	0	0	3
Ratio3	57	16	10	5	10	8	7	5	2	3	7	67
Ratio4	173	5	3	2	0	7	2	0	1	1	0	3

Schedule 5: Individual Variable Annuities		Statewide Average
1.	The number of replacements issued compared to the number of policies issued	19.281%
2.	The number of 1035 exchanges to the number of policies issued	9.556%
3.	The number of surrenders compared to the number of policies issued	67.021%
4.	Number of complaints per 1,000 policies in force	0.645

Number of companies with ratios falling in the range:												
	0%	>0% to 10%	>10% to 20%	>20% to 30%	>30% to 40%	>40% to 50%	>50% to 60%	>60% to 70%	>70% to 80%	>80% to 90%	>90% to 100%	>100%
Ratio1	46	6	16	10	4	3	0	0	1	1	4	1
Ratio2	46	19	13	1	1	2	0	1	1	0	3	5
Ratio3	14	1	2	2	6	4	2	2	3	3	1	52
Ratio4	68	4	6	1	2	7	1	2	0	0	0	1