



## *2008 Life & Annuity Market Conduct Annual Statement*

### *Kentucky*

For the 2008 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 292 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.

<b>Schedule 1: Individual Life Cash Value Products Includes UL, VL, VUL, Whole Life and Equity Index Life</b>		<b>Statewide Average</b>
1.	The number of replacements issued compared to the number of policies issued	6.812%
2.	The number of 1035 exchanges to the number of policies issued	1.360%
3.	The number of surrenders compared to the number of policies issued	39.125%
4.	The number of policies with loan balances compared to the number of policies in force	4.800%
5.	The number of claims paid beyond 60 days compared to the total number of claims paid	0.989%
6.	The number of claims denied compared to the total number of claims closed	0.414%
7.	Number of complaints per 1,000 policies in force	0.267

<b>Number of companies with ratios falling in the range:</b>												
	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	169	54	20	17	11	10	2	1	0	0	5	0
Ratio2	216	38	12	8	6	5	1	0	0	1	1	1
Ratio3	39	24	20	17	13	12	3	7	5	6	8	135
Ratio4	70	180	33	4	1	0	0	0	0	0	1	0
Ratio5	231	39	8	5	3	0	0	1	0	1	1	0
Ratio6	254	24	7	1	2	0	0	0	0	0	1	0
Ratio7	202	18	19	11	8	15	4	2	0	3	1	6

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<b>Schedule 2: Individual Life Non-Cash Value Products - Term</b>		<b>Statewide Average</b>
1.	The number of replacements issued compared to the number of policies issued	9.887%
2.	The number of claims paid beyond 60 days compared to the total number of claims paid	1.899%
3.	The number of claims denied compared to the total number of claims closed	6.108%
4.	Number of complaints per 1,000 policies in force	0.250

<b>Number of companies with ratios falling in the range:</b>												
	<b>0%</b>	<b>&gt;0% to 10%</b>	<b>&gt;10% to 20%</b>	<b>&gt;20% to 30%</b>	<b>&gt;30% to 40%</b>	<b>&gt;40% to 50%</b>	<b>&gt;50% to 60%</b>	<b>&gt;60% to 70%</b>	<b>&gt;70% to 80%</b>	<b>&gt;80% to 90%</b>	<b>&gt;90% to 100%</b>	<b>&gt;100%</b>
Ratio1	158	23	28	22	12	2	0	0	0	0	1	1
Ratio2	228	6	3	3	3	0	0	0	1	0	3	0
Ratio3	223	7	4	1	5	3	0	0	0	0	4	0
Ratio4	208	9	8	3	3	9	1	1	1	0	1	3

<b>Schedule 3: Group Life Products (Cash &amp; Noncash Value) Includes VL, UL, VUL, Whole Life, Equity Index Life and Term</b>		<b>Statewide Average</b>
1.	The number of claims paid beyond 60 days compared to the total number of claims paid	0.733%
2.	The number of claims denied compared to the total number of claims closed	0.874%
3.	Number of complaints per 1,000 policies in force	0.349

<b>Number of companies with ratios falling in the range:</b>												
	<b>0%</b>	<b>&gt;0% to 10%</b>	<b>&gt;10% to 20%</b>	<b>&gt;20% to 30%</b>	<b>&gt;30% to 40%</b>	<b>&gt;40% to 50%</b>	<b>&gt;50% to 60%</b>	<b>&gt;60% to 70%</b>	<b>&gt;70% to 80%</b>	<b>&gt;80% to 90%</b>	<b>&gt;90% to 100%</b>	<b>&gt;100%</b>
Ratio1	147	17	5	2	1	0	0	0	0	1	1	0
Ratio2	140	29	3	0	0	1	0	0	0	0	1	0
Ratio3	144	4	1	0	1	1	2	1	0	1	0	19

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<b>Schedule 4: Individual Fixed Annuities Includes Equity Index Annuity Products</b>		<b>Statewide Average</b>
1.	The number of replacements issued compared to the number of policies issued	27.601%
2.	The number of 1035 exchanges to the number of policies issued	15.650%
3.	The number of surrenders compared to the number of policies issued	67.388%
4.	Number of complaints per 1,000 policies in force	0.514

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	125	9	10	19	13	8	8	3	5	3	0	2
Ratio2	136	17	21	16	6	2	2	2	0	1	0	2
Ratio3	51	14	11	6	4	4	7	2	6	4	10	86
Ratio4	175	4	3	1	1	7	3	2	0	2	1	6

<b>Schedule 5: Individual Variable Annuities</b>		<b>Statewide Average</b>
1.	The number of replacements issued compared to the number of policies issued	23.833%
2.	The number of 1035 exchanges to the number of policies issued	12.868%
3.	The number of surrenders compared to the number of policies issued	74.067%
4.	Number of complaints per 1,000 policies in force	0.588

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	43	5	11	10	12	4	1	2	5	0	2	1
Ratio2	48	11	18	8	2	2	0	1	2	1	2	1
Ratio3	14	0	2	0	4	4	5	3	4	1	2	57
Ratio4	71	2	6	9	3	3	0	1	0	1	0	0