

SCHEDULE Q
REPORT

The supporting Worksheets need not be submitted; however they must be retained by the Company for six years.

TOTAL SELLING EXPENSE

(Note: the entry for each item below should be the amount incurred during the year of the report.)

Line	Expense	Amount
1.	Commissions: Individual life insurance and annuity commissions. § 4228 (c)(2)(A) and Definition: § 4228 (b)(5) (from Total Selling Expense Worksheet, item A)	
2.	Net advances and loans to agents and loan interest subsidies, including amounts charged off by company. § 4228 (c)(2)(B) (from Total Selling Expense Worksheet, item B)	
3.	Direct solicitation advertising expense. § 4228 (c)(2)(C)	
4.	Expense of distribution, marketing and sales support directly related to the procurement of new business. § 4228 (c)(2)(D)(i),(ii),(iii),(iv)	
5.	Expense allowances paid to agents and brokers by the company and agent, broker or agency expenses assumed or reimbursed by the company. § 4228 (c)(2)(E)	
6.	Company cost of sales conferences, training meetings and awards. § 4228 (c)(2)(F)	
7.	All other compensation and expense currently incurred on behalf of active and retired agents and brokers not included in Line 1, including the cost of all security benefits provided to agents. § 4228 (c)(2)(G)	
8.	Total Selling Expense Calculation: Lines 1 + 2 + 3 + 4 + 5 + 6 + 7	

TOTAL SELLING EXPENSE LIMIT

Line	Limit	Amount
9.	Amount (see worksheet) of qualifying first year premiums on life insurance policies. § 4228(c)(4)(A) and § 4228 (c)(4)(K) (entry from: Total Selling Expense Limit Worksheet, item 1)	
10.	5% of excess premiums on life insurance policies. § 4228 (c)(4)(B) (entry from: Total Selling Expense Limit Worksheet, item 2)	
11.	5% of all considerations on annuities and supplementary contracts. § 4228 (c)(4)(B) (a) Calculated amount from: Total Selling Expense Limit Worksheet, item 3) \$ _____ (b) Reduction from Adjustment Worksheet, Part III-Summary Reduction: \$ _____ (c) (a) – (b)	
12.	110% of the sum of Lines 9 + 10 + 11. § 4228(c)(4)(C)	
13.	\$1.00 for each \$1,000 of life insurance issued during the year for which any premium was paid, excluding term insurance issued for less than one year. § 4228 (c)(4)(D)(i)thru(iv) (entry from: Total Selling Expense Limit Worksheet, item 4)	
14.	\$70 for each new policy, other than policies for term insurance for less than one year, and for each new annuity contract and supplementary contract paid for during the current year. § 4228 (c)(4)(E) (entry from: Total Selling Expense Limit Worksheet, item 5)	

(Note: The Amount calculated for each Line used to prepare the Total Selling Expense Limit should be the product of the rate or percentage shown and the sum of amounts from the General Account and, where applicable, each Separate Account.)

Line	Limit	Amount
15.	Amount (see worksheet) of renewal premiums on life insurance policies, adjusted where a company chooses, to recognize fund-based compensation (see worksheet). § 4228 (c)(4)(F) and § 4228 (c)(4)(K) (entry from: Total Selling Expense Limit Worksheet, item 6)	
16.	\$0.15 for each \$1,000 of life insurance in force at the end of the current year. § 4228 (c)(4)(G) (entry from: Total Selling Expense Limit Worksheet, item 7)	
17.	For Life Insurance In Force on December 31 of the current year, the sum of (a) and (b) : § 4228 (c)(4)(H)(i)+(ii) (a) \$1.00 for each \$1,000 of the first \$1 billion of in force \$ (b) \$0.50 for each \$1,000 of the next \$1 billion of in force \$ (c) (a) + (b) (entries from: Total Selling Expense Limit Worksheet, item 8)	
18.	For Annuities and for Supplementary Contracts In Force on December 31 of the current year, the sum of (a) and (b) : § 4228 (c)(4)(H)(iii)+(iv) (a) .050% of the first \$1 billion of annuity reserves \$ (b) .025% of the next \$1 billion of annuity reserves \$ (c) (a) + (b) (entries from: Total Selling Expense Limit Worksheet, item 9)	
19.	For agents who are qualified to receive a training allowance subsidy under the terms of Section 4228 (e)(3): § 4228 (c)(4)(I) (a) \$30,000 for each such agent appointed during the current year: \$ (b) \$20,000 for each such agent appointed in the calendar year prior to the current year and still employed by the company on January 1 of the current year: \$ (c) \$10,000 for each such agent appointed in the calendar year two prior to the current year and still employed by the company on January 1 of the current year: \$ (d) (a) + (b) + (c) (entries from: Total Selling Expense Limit Worksheet, item 10)	
20.	Increment to limit for compensation based on annuity funds. § 4228 (c)(4)(K)(iii) (entries from Adjustments Worksheet, Part III: Increment to Amount of Limit)	
21.	From the Prior Calendar Year's Report: § 4228 (c)(4)(J) Excess of Total Selling Expense Limit over Total Selling Expense, not to exceed 5% of the Total Selling Limit determined excluding this item for the prior calendar year, calculated as: .05 x (Prior year: Line 22 less Line 21). (entries from: Total Selling Expense Limit Worksheet, item 11)	
22.	Total Selling Expense Limit: Lines 9 + 10 + 11 + 12 + 13 + 14 + 15 + 16 + 17c + 18c + 19d + 20 + 21	

(Note: The Amount calculated for each Line used to prepare the Total Selling Expense Limit should be the product of the rate or percentage shown and the sum of amounts from the General Account and, where applicable, each Separate Account.)

SCHEDULE Q

INTERROGATORIES

1. SCHEDULE Q LIMIT RESULTS: TOTAL SELLING EXPENSE MARGIN

- a) EXPERIENCE OF THE CURRENT AND PRIOR YEARS
- For the current calendar year (2022) and the three calendar years preceding the current calendar year, show the amount from Schedule Q Report for Total Selling Expense Limit (Line 22), the Total Selling Expense (Line 8) and then calculate the Total Selling Expense Margin:

	<u>Year</u>	<u>Total Selling Expense Limit</u> (1)	<u>Total Selling Expense</u> (2)	<u>Total Selling Expense Margin</u> (3) = (1) – (2)
1.	2022			
2.	2021			
3.	2020			
4.	2019			

- b) PROJECTED EXPERIENCE OVER THE NEXT THREE YEARS
- For each of the three years following the current calendar year (2022), report the Company’s projected Total Selling Expense Limit, Total Selling Expense and Total Selling Expense Margin, based on reasonable assumptions and all changes currently contemplated.

	<u>Year</u>	<u>Total Selling Expense Limit</u> (1)	<u>Total Selling Expense</u> (2)	<u>Total Selling Expense Margin</u> (3) = (1) – (2)
1.	2023			
2.	2024			
3.	2025			

The Statement below is to be signed by a knowledgeable officer of the company, whose signature confirms that the officer has performed a personal review of the information included and the responses provided:

I have reviewed the sources of total selling expenses reported for the current calendar year and, to the best of my knowledge and belief, on the basis of the projected experience over the next three years based on reasonable assumptions, including changes currently being contemplated, the company’s expenses will not exceed the limit imposed thereon by New York Insurance Law Section 4228.

(Date) (Signature) (Name) (Title)

If the officer cannot attest to the final clause of the statement above, then complete the following:

I have projected total selling expenses and total selling expense limits over the next three years using reasonable assumptions and currently contemplated changes, and I have determined that total selling expenses are expected to exceed the total selling expense limit imposed thereon by New York Insurance Law Section 4228 for the following years:

	<u>Year</u> (1)	<u>Amount of Excess of Expense over Limit</u> (2)
1.		
2.		
3.		

(Date) (Signature) (Name) (Title)

SCHEDULE Q INTERROGATORIES (Continued)

2. COMPENSATION FILINGS

(The situations in which a filing of compensation plans is required, and the timing and required contents of such a filing, are set out in §4228 (f)).

- a) With respect to the current calendar year, has your company made any changes in compensation plans for which a filing is required?

Yes [] No []
- b) If Yes, these changes are covered by filings under §4228(f) which:

i) will be made separately

Yes [] No []

ii) have been made separately

Yes [] No []

Note that all filings under §4228(f) should be mailed to Mr. Roy Mensch of the New York State Department of Financial Services at One State Street, New York, NY 10004 or emailed to him at sub4228@dfs.ny.gov

- c) With respect to the current calendar year, has your company made any changes in compensation plans for which a filing other than §4228(f)(1)(A) is required?

Yes [] No []

3. CHANGE IN REPORTING METHODS

- a) Has any information been reported in this year's Schedule Q using a method materially different from last year's Schedule Q?

Yes [] No []
- b) If YES, identify and describe the material difference(s).

4. APPROXIMATIONS

- a) Have any approximations been used to determine amounts or values used in the preparation of Schedule Q?

Yes [] No []
- b) If YES,

i) Benchmark Gross Level Premium. Describe:

ii) Other. Describe:
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