



UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

DIVISION OF
INVESTMENT MANAGEMENT

**From the Division of Investment Management:
Industry Letter**

April 8, 2025

Re: Permission for Insurance Company Issuers of Index-Linked Life Insurance Policies and Contingent Deferred Annuities to File Certain Financial Statements

Insurance companies may, pursuant to Regulation S-X 3-13 (“Rule 3-13”), file financial statements prepared in accordance with statutory accounting principles prescribed or permitted by the insurance company’s domiciliary state regulator, audited by an independent auditor (“SAP financial statements”), in place of financial statements prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP financial statements”), in registration statements filed on Form S-1 for (i) non-variable, index-linked life insurance policies, (ii) combination life insurance policies that offer variable investment options as well as index-linked investment options (together, “RILUs”), and (iii) contingent deferred annuities (“CDAs” and together with RILUs, “Covered Insurance Products”), subject to the representations and acknowledgments set forth below.¹

Specifically, to be permitted to file SAP financial statements in Form S-1 filings for Covered Insurance Products, each insurance company must file a letter on the Commission’s EDGAR system, which will be made publicly available, that states its intent to file SAP financial statements and includes the following representations and acknowledgments (the “Letter”):²

1. The life insurance policies or annuity contracts, as applicable, for which the insurance company intends to rely on the permission are Covered Insurance Products;
2. The insurance company’s SAP financial statements are appropriate statements of comparable character to GAAP financial statements and their inclusion in the

¹ As discussed in this letter, a RILU generally credits positive or negative interest based, in part, on the performance of a specified index, rate, or benchmark, and a CDA generally provides guaranteed lifetime income payments contingent upon depletion of a contract owner’s investment account, which is held with a third-party investment firm, pursuant to certain conditions specified in the contract.

² The Letter must be filed on the Commission’s EDGAR system before the insurance company intends to file SAP financial statements and need only be filed once with respect to the insurance company’s Covered Insurance Products.

company's Covered Insurance Products' registration statements is consistent with the protection of investors;

3. (a) The insurance company would not be required to prepare audited GAAP financial statements except in connection with registering the Covered Insurance Products, and (b) any GAAP information relating to the insurance company that it otherwise prepares does not constitute a GAAP reporting package or partial GAAP financial statements;
4. While relying on the permission to file SAP financial statements, the insurance company will be eligible for and will rely on the exemption from filing periodic reports required by the Securities Exchange Act of 1934 ("Exchange Act") as provided by Rule 12h-7 under the Exchange Act, and will comply with the conditions of Rule 12h-7;
5. The insurance company will indicate in a cover letter accompanying the filing of any new registration statement for a Covered Insurance Product, or any post-effective amendment to an existing registration statement for a Covered Insurance Product, that it is relying on the permission to file SAP financial statements consistent with its Letter; and
6. (a) Reliance on such permission is subject to the Commission staff's assessment of the Covered Insurance Product's registration statement(s) or post-effective amendment(s) thereto for consistency with the preceding representations, and (b) the insurance company may only file SAP financial statements consistent with such representations unless and until the Commission or its staff informs it otherwise.

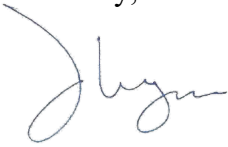
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Based on the representations and acknowledgements in the Letter, permission under Rule 3-13 for an insurance company to file SAP financial statements in lieu of GAAP financial statements in registration statements filed for Covered Insurance Products on Form S-1, as it relates to the accounting basis of those financial statements only and as described above, is presumptively granted.³

³ Any different product types, representations or acknowledgements might require the Division to reach a different conclusion. As to any Covered Insurance Product registered or amended in the future, this permission is subject to the Commission staff's assessment of the Covered Insurance Product's registration statement for consistency with the acknowledgements and representations in the Letter and the intended product type.

If you have any questions, please call the Chief Accountant's Office of the Division of Investment Management at (202) 551-6918.

Sincerely,

A handwritten signature in black ink, appearing to read "Jenson Wayne". The signature is fluid and cursive, with a large initial "J" and "W".

Jenson Wayne, Chief Accountant
Division of Investment Management

For the Commission, by the Division of Investment Management, pursuant to delegated authority.