

(I) THE NET PRESENT VALUE OF ALL OUTSTANDING POLICIES IN FORCE, LESS REINSURANCE;

(II) RESERVES FOR ACCIDENTAL DEATH BENEFITS AND TOTAL AND PERMANENT DISABILITY BENEFITS, LESS REINSURANCE;

(III) THE PRESENT VALUE OF SUPPLEMENTARY CONTRACTS, INCLUDING DIVIDENDS LEFT WITH THE LIFE INSURER TO ACCUMULATE AT INTEREST;

(IV) LIABILITIES ON CANCELED POLICIES THAT ARE NOT INCLUDED IN NET RESERVE AND ON WHICH A SURRENDER VALUE MAY BE DEMANDED, AND OUTSTANDING POLICY CLAIMS AND LOSSES; AND

(V) ANY ADDITIONAL RESERVES THAT THE COMMISSIONER REASONABLY REQUIRES FOR THE LIFE INSURANCE.

(C) CASH AND DEPOSITS.

THE RESERVE INVESTMENTS OF A LIFE INSURER MAY INCLUDE:

(1) CASH OR DEPOSITS IN CHECKING OR SAVINGS ACCOUNTS, UNDER CERTIFICATES OF DEPOSIT, OR IN ANY OTHER FORM IN A NATIONAL OR STATE BANK OR TRUST COMPANY; OR

(2) SHARES OR DEPOSITS IN A SAVINGS AND LOAN ASSOCIATION OR BUILDING AND LOAN ASSOCIATION TO THE EXTENT THAT THE INVESTMENT OR ACCOUNT IS INSURED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION.

(D) INTEREST BEARING BONDS AND OTHER OBLIGATIONS.

(1) THE RESERVE INVESTMENTS OF A LIFE INSURER MAY INCLUDE:

(I) INTEREST BEARING BONDS, NOTES, CERTIFICATES OF INDEBTEDNESS, BILLS, OR OTHER DIRECT INTEREST BEARING OBLIGATIONS OF THE UNITED STATES OR CANADA OR OTHER INTEREST BEARING OBLIGATIONS FULLY GUARANTEED BOTH AS TO PRINCIPAL AND INTEREST BY THE UNITED STATES OR CANADA;

(II) INTEREST BEARING BONDS OF A STATE, A PROVINCE OF CANADA, A COUNTY OR INCORPORATED CITY OF A STATE, OR A MUNICIPALITY OF CANADA;

(III) INTEREST BEARING BONDS OF A COMMISSION, INSTRUMENTALITY, AUTHORITY, OR POLITICAL SUBDIVISION WITH LEGAL AUTHORITY TO ISSUE INTEREST BEARING BONDS, OF THE UNITED STATES, CANADA, A STATE, A PROVINCE OF CANADA, A COUNTY OR INCORPORATED CITY OF A STATE, OR A MUNICIPALITY OF CANADA;

(IV) INTEREST BEARING BONDS, NOTES, OR OTHER INTEREST BEARING OBLIGATIONS OF A CORPORATION INCORPORATED UNDER THE LAWS OF THE UNITED STATES, CANADA, A STATE, OR A PROVINCE OF CANADA; OR