

ANNUAL STATEMENTS

LIFE INSURANCE COMPANIES

NAME OF COMPANY:

**Aruba Business of American Bankers
Life Assurance Company of Florida**

YEAR:

2024

Version: November 2020

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GUIDELINES FOR THE COMPOSITION AND COMPILATION OF THE STATEMENTS

PURSUANT TO SECTION 11, FOURTH PARAGRAPH OF THE STATE ORDINANCE SUPERVISION INSURANCE BUSINESS (A.B. 2000 NO.82) (SOSIB) THE CENTRALE BANK VAN ARUBA (THE BANK) SHALL DETERMINE THE MODELS OF THE STATEMENTS.

1. Sending and addressing of the statements

According to section 11, paragraph 1 of the SOSIB the insurer shall send, within six months after the end of each financial year, statements to the Bank, which provide a clear picture of the operations carried out by the insurer and of its financial position. Mentioned statements must be submitted by means of a closed envelope addressed as follows:

**Centrale Bank van Aruba
Supervision Department
J.E. Yrausquin Boulevard 8
Oranjestad**

2. Scope

The statements should reflect the operations conducted in or from Aruba.

3. Reporting date

The reporting period of the statements must be from January 1st, to December 31st, of the corresponding reporting year.

4. Management certification

The management certification (form 1) must be signed by the management of the life insurance company before the statements are submitted to the Bank.

5. Adding of new headings

Adding of new headings to the statements is not allowed. If it is difficult to classify a particular item, it should be included under the heading that is most suitable to the situation and a brief explanatory note should be added.

6. Explanation of important changes

If there have been important changes in the concerning year, a separate written explanation must be provided. With important changes we refer to all changes in the balance sheet and income statement items greater than of 10 percent and/or AFL 1 million compared to the amount reported in the preceding year.

7. Currency Conversion

All amounts must be report in Aruban Florin (AFL). Foreign currency balances must be converted to their AFL equivalent. Foreign currencies officially quoted by the CBA should be converted using the average of the buying and selling rate quoted by the CBA on the reporting date. Foreign currencies not quoted by the CBA should be converted using AFL 1.79 per USD 1.00 as a cross rate.

8. Rounding of figures

All amounts must be rounded to thousand Florins. Only whole numbers are to be filled in. The rounding should be affected in such a way that the total assets equal the total liabilities. Amounts below AFL 500 must be rounded to zero; the relevant item should then show "0" (zero).

9. Offsetting

Offsetting of debit and credit balances of a similar nature is not allowed. Debit and credit balances should be reported at their corresponding amounts (i.e. gross).

10. Applicable standards

It is recommended to apply the International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB).

11. Technical provisions

According to section 13, paragraph 1, of the SOSIB, an insurer must maintain adequate technical provisions, which are fully covered by admissible assets. Pursuant to the second paragraph of article 13, an insurance company must also take into account the Actuarial Guidelines for Insurance Companies issued by the CBA. The CBA may raise objections against the nature and valuation of these assets, which objections shall be promptly addressed by the insurer.

12. Solvency requirements

According to section 14, paragraph 1, of the SOSIB an insurer engaged in the life insurance business must have a solvency margin equal to eight percent of the provision for insurance obligations at the end of the preceding financial year, without taking the reinsurance portion of these obligations into account.

Furthermore, pursuant to the third paragraph of article 14 of the SOSIB, an insurer must comply with the Solvency Guidelines for Life Insurance Companies issued by the CBA.

13. Management letter

The management letter issued by the external auditor must be submitted together with the insurer's annual statements completed in the Bank's format.

14. Fine

Section 16, paragraph 1 and 2, of the SOSIB states that, if an insurer does not (timely) comply with the reporting requirement set by the CBA, the CBA can impose an administrative sanction, i.e. a penalty charge order and/or an administrative fine. The Bank may impose a fine of AFL 1,000.- for each day the insurer has been in default.

1. MANAGEMENT CERTIFICATION

We, the undersigned, hereby certify as follows:

1. That the attached balance sheet, income statement, and other forms are true and correct.
2. That all assets, liabilities, income and expenditures for the period ending December 31, 2024 are included in these financial statements.
3. That all the assets reported are the property of the company, free of liens and claims, unless stated otherwise in these financial statements.
4. That all known capital and or surplus commitments and contingent liabilities are disclosed appropriately in these financial statements.

Name and position: Laura Hochban, Treasurer, American Bankers Life Assurance Company of Florida
and Vice President, Controller Global Housing & Reinsurance

Signature: Laura Hochban Digitally signed by Laura Hochban
Date: 2025.06.03 21:42:24 -05'00'

2. MANAGEMENT REPORT

In this report senior-management of the company must elaborate on the most important developments occurred during the reporting year and present the company's projections on the operations of the company for the immediate future.

The business prior to November 30, 2006 was ceded on a written/paid basis and completely ran-off during 2011. An amendment in the reinsurance contract took place on November 30, 2006 going from ceded on a written/paid basis to ceded on an earned/incurred basis and completely ran-off during 2015. An additional amendment in the reinsurance contract took place on July 1, 2010 going from ceded on an earned/incurred basis to ceded on a written/paid basis. There is one month lag on reporting premiums. Losses are ceded in the actual month incurred. In 2022, the reinsurance contract was terminated and is in run-off, resulting in a negative income for 2024.

The projected income statement included in the annual statement filing of the Aruba business of American Bankers Assurance Company of Florida has been prepared by, and is the responsibility of, the Company's management. MPHC Accountants & Adviseurs, N.V. has neither examined, compiled nor performed any procedures with respect to the accompanying projected income statement and, accordingly, MPHC Accountants & Adviseurs, N.V. does not express an opinion or any other form of assurance with respect thereto. The MPHC Accountants & Adviseurs, N.V. report included in this annual statement filing relates to the Company's historical financial information. It does not extend to the prospective financial information and should not be read to do so.

The (unaudited) projected income statement for 2025 for the Aruba branch is as follows:

PROJECTED INCOME STATEMENT

(In thousands AFL)

	(Unaudited) Pro-Forma 2025 AFL
REVENUE	
Direct earned premiums	(15)
Less: Reinsurance	15
Net Premiums	-
Investment income on time deposit	-
Ceding Fee	(2)
Total Revenue	(2)
EXPENSES	
Direct claims incurred	10
Less: Reinsurance recovered	(10)
Change in technical provisions	-
Net advance commission	-
General Expenses	49
Total Expenses	49
PRE-TAX INCOME (LOSS)	(51)
Less: Corporate tax	11
NET EARNINGS AFTER TAXES	(40)

A. BALANCE SHEET
As of December 31, 2024 and 2023
(In Thousand AFL)

		2024	2023
	ASSETS		
1.00	Investments	-	-
2.00	Fixed Assets		
3.00	Affiliated Companies	2,822	2,837
4.00	Current Assets	656	695
5.00	Intangibles		
	TOTAL ASSETS	3,478	3,532
	LIABILITIES AND SHAREHOLDERS' EQUITY		
6.00	Technical Provisions		
7.00	Long Term Liabilities		
8.00	Current Liabilities	3	15
	TOTAL LIABILITIES	3	15
9.00	Shareholders' Equity ¹	3,475	3,517
	TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	3,478	3,532

¹ The assigned capital in the case of a branch or agency.

The accompanying notes to the financial statements are an integral part of this balance sheet.

B. INCOME STATEMENT
For the Years Ended December 31, 2024 and 2023
(In Thousand AFL)

		2024	2023
	INCOME		
1.00	Net earned premiums	-	-
2.00	Investment income	-	-
3.00	Other income	(13)	(66)
	TOTAL INCOME	(13)	(66)
	EXPENDITURES		
4.00	Net claims incurred	-	-
5.00	Commissions and other acquisition costs	-	-
6.00	General and administrative expenses	40	41
7.00	Change in technical provisions	-	-
8.00	Policyholders' dividends		
9.00	Other expenditures		
	TOTAL EXPENDITURES	40	41
	NET INCOME (LOSS) BEFORE TAXES	(53)	(107)
10.00	Less: Corporate taxes	(11)	(22)
	NET INCOME (LOSS) AFTER TAXES	(42)	(85)

The accompanying notes to the financial statements are an integral part of this income statement.

C. ACCOUNTING AND VALUATION PRINCIPLES

Summarize the accounting and valuation principles used to prepare the statements and disclose any significant change in the principles applied in comparison with previous year.

Basis of Financial Statement Presentation

The Aruba business of American Bankers Life Assurance Company of Florida ("ABLAC" or the "Company") is subject to the STATE ORDINANCE SUPERVISION INSURANCE BUSINESS (A.B. 2000 NO.82) (SOSIB) of THE CENTRALE BANK VAN ARUBA and is licensed to write life, annuities, and accident and sickness insurance in Aruba. This business is not segregated in a separate legal entity and these financial statements do not contain all the assets, liabilities, revenues and expenses of the Company. The Company is a wholly owned subsidiary of American Bankers Insurance Group, Inc. ("ABIG"), an insurance holding company domiciled in the State of Florida. Through its affiliation with ABIG, the Company is also an indirect wholly-owned subsidiary of Assurant, Inc.

The accompanying financial statements have been prepared in Aruban Florin ("AFL") as the reporting currency. The underlying financial records are maintained in United States dollars ("U.S. \$") as the functional currency. The exchange rate used to translate the balance sheet at December 31, 2024 and 2023 for U.S. \$1.00 was AFL 1.79 for both years. The income statement was translated using the average exchange rates of AFL 1.79 for both fiscal years 2024 and 2023.

Summary of Significant Accounting Policies

These financial statements are presented in accordance with the accounting practices prescribed or permitted by the Centrale Bank van Aruba for determining and reporting the financial conditions and results of operations of an insurance company and its solvency under the Aruba SOSIB.

The accompanying financial statements that reflect the insurance business of ABLAC in Aruba are carved out from ABLAC's financial statements and have been prepared solely for filing with the Aruba regulatory authorities.

Investments

Investments are valued in accordance with the accounting practices prescribed or permitted by the Centrale Bank van Aruba. In general, bonds are stated at amortized cost using the modified scientific method of amortization. At December 2024 and 2023, the Company is in compliance with the 40-60% Investment Rule per the Centrale Bank van Aruba's Guidelines for the Composition and Compilation of the Statements.

Time Deposit

The Time Deposit was opened solely for the purpose of holding the minimum solvency margin required by the Supervision Department. It is pledged and can only be released by the authorized person from ABLAC and Supervision Department of the Centrale Bank van Aruba. The Time Deposit, in the amount of AFL 588,238, was closed on October 31, 2021 and transferred to the Cash on hand (current account) on November 1, 2021. The Company is working to move the balance from the Caribbean Mercantile Bank N.V. to RBC Royal Bank (Aruba) N.V. The RBC Royal Bank (Aruba) N.V. account was opened in 2024, but waiting on CBA's approval to transfer funds.

Affiliated Companies

The receivable in the Affiliated Companies account represents the cash flow from the net operational results arising under the normal course of operations of the Aruba business of ABLAC. This business does not have a separate bank account because the cash is recorded in ABLAC's U.S. bank account.

Per the Centrale Bank van Aruba's "Guidelines for the Composition and Compilation of the Statements", the receivable in the Affiliated Companies is admissible insofar as it originates from the normal course of business.

Acquisition Expenses

Acquisition costs, such as commissions, underwriting salaries, premium taxes, and other expenses directly related to the cost of acquiring business are charged to expense as incurred.

Technical Provisions

The amounts presented are net of reinsurance. The life reserves are based on mortality tables and interest assumptions using either the net level or commissioners' reserve valuation method. The valuation bases are in accordance with the accounting practices prescribed or permitted by the Centrale Bank van Aruba. Aggregate reserves for accident and health policies include the present value of amounts not yet due on existing claims and unearned premiums.

Shareholders' Equity

The shareholder's equity represents the net assets and liabilities of the business generated by ABLAC in Aruba for the years ended December 31, 2024 and 2023. The following table summarizes the equity rollforward for 2024 and 2023.

	(In Thousands AFL)	
	<u>2024</u>	<u>2023</u>
Total Equity (Beginning of Year)	3,517	3,602
(Withdrawal) / Additional Paid In Capital	-	-
Net income / (loss)	(42)	(85)
Total Equity (End of Year)	<u>3,475</u>	<u>3,517</u>
Required Solvency Margin	500	500
Net Equity Unassigned	<u><u>2,975</u></u>	<u><u>3,017</u></u>

Premiums

Premiums for life policies are recorded as revenue when due. Accident and health premiums are recorded as revenue when due and earned ratably over the period covered by the policy. The change in the unearned premium reserves is reported as a component of the Change in Technical Provisions on the Income Statement.

Reinsurance

ABLAC writes credit business in Aruba through Island Finance, an unaffiliated financial institution. This business is ceded 100% to Caribbean Financial Group Insurance Ltd. (CFG). The business prior to November 30, 2006 was ceded on a written/paid basis and completely ran-off during 2011. An amendment in the reinsurance contract took place on November 30, 2006 going from ceded on a written/paid basis to ceded on an earned/incurred basis and completely ran-off during 2015. An additional amendment in the reinsurance contract took place on July 1, 2010 going from ceded on an earned/incurred basis to ceded on a written/paid basis. ABLAC retains a 10% ceding fee on this business. In 2022, the contract was terminated with CFG and is in run-off, resulting in a negative income for 2024.

Policy and contract liabilities ceded to reinsurers are reported as reduction to the related reserves. However, to the extent that the reinsuring company may not be able to meet obligations under the reinsurance agreement, ABLAC remains liable. Amounts due from reinsurer were comprised primarily of ceded losses, ceded advanced commissions and ceding fees. At December 31, 2024 and 2023 these amounts were approximately AFL 54 and AFL 97, respectively. Amounts due to reinsurer were comprised of ceded premiums payable and ceded reserves. At December 31, 2024 and 2023, these amounts were approximately AFL 3 and AFL 15, respectively. In accordance with the accounting practices prescribed or permitted by the Centrale Bank van Aruba, the balance sheet amounts are reported net of ceded reinsurance .

Commissions

Direct and ceded commissions are calculated at 20% of direct and ceded premiums, respectively. Direct premiums for 2024 and 2023 were AFL (132) and AFL (657), resulting in direct commission expenses of AFL (26) and AFL (131), respectively. Ceded premiums for 2024 and 2023 were AFL (132) and AFL (657), resulting in ceded commission income of AFL (26) and AFL (131), respectively.

Expenses

Certain expenses related to the processing of premiums, claims, and the general operations of ABLAC have been allocated by ABLAC to the Aruba business. However, per Amendment Five to Reinsurance Agreement, some of these expenses such as fees and services incurred or provided by ABLAC in connection with the production of the business contemplated in the Reinsurance Agreement, including but not limited to the cost for ABLAC to maintain the necessary licenses and appointments and to maintain an agent of record in the jurisdiction(s) in which the reinsured coverage is written, insurance association costs, translation services, and annual audits are recoverable for all such amounts incurred or paid by ABLAC commencing January 1, 2010.

Taxes

Allocation of tax expense is based on the pretax income of the Aruba business. Taxes payable are allocated based on direct premiums from the Aruba business as a percentage of ABLAC's total direct premiums. ABLAC is required to file a tax return annually with the appropriate taxing authorities.

Estimates

These financial statements require management to make estimates and assumptions that affect the reported amounts in the financial statements and accompanying notes. The estimates are continually reviewed and adjusted as necessary. Such adjustments are generally reflected in current operation. The most significant items on the financial statements of the Aruba business of ABLAC affected by the use of estimates are technical provisions and general and administrative expenses. The Company believes the amounts reported are reasonable and adequate.

Going Concern

The financial statements have been prepared on a going concern basis which assumes that the Aruba business of ABLAC will be able to have a positive equity and/or be able to pay its current liabilities as disclosed in the statement of financial position which is based on the following: As mentioned in Reinsurance paragraph above, the contract with CFG was terminated in 2022 and is in run-off, resulting in a negative income for 2024. The activities of ABLAC will be continued up till 2027. Policyholders have the right to cancel coverage at any time.

Contingent Liabilities

ABLAC is involved with a number of cases in the ordinary course of business relating to insurance matters or, more infrequently, certain corporate matters. Generally, the liability of ABLAC is limited to specific amounts relating to insurance or policy coverage for which provision has been made in the financial statements. Other cases involve general corporate matters, which generally do not represent significant contingencies for ABLAC. None of these pending cases involve the Aruba business of ABLAC.

Subsequent Events

The Company evaluated subsequent events through the date the accompanying financial statements were issued and determined there were none.

D. NOTES TO THE BALANCE SHEET
As of December 31, 2024 and 2023
(In Thousand AFL)

		2024	2023
1.00	INVESTMENTS		
1.10	Shares		
1.20	Bonds		
1.30	Real Estate		
1.40	Time Deposits	-	-
1.50	Mortgage Loans		
1.60	Policy Loans		
1.70	Other Loans		
1.71	- Secured		
1.72	- Unsecured		
1.80	Other-specify		
	Total	-	-
2.00	FIXED ASSETS		
2.10	Real Estate		
2.20	Office Furniture and Equipment		
2.30	Other-Specify		
	Total	-	-
3.00	AFFILIATED COMPANIES		
3.10	Shares		
3.20	Loans		
3.30	Current Accounts	2,822	2,837
	Total	2,822	2,837
4.00	CURRENT ASSETS		
4.10	Cash on Hand	598	598
4.20	Due from other depository corporations		
4.30	Agents' and Brokers' Debit Balances		
4.40	Uncollected Premiums from Direct Business		
4.50	Investment Income Due or Accrued		
4.60	Amounts Receivable from Reinsurers	58	97
4.70	Amounts Due from Members (Mutual Companies)		
4.80	Other-specify		
	Total	656	695
5.00	INTANGIBLES	-	-
	Specify		

D. NOTES TO THE BALANCE SHEET
As of December 31, 2024 and 2023
(In Thousand AFL)
(Continued)

		2024	2023
6.00	TECHNICAL PROVISIONS		
6.10	Previous Year	-	-
6.20	Additions	-	-
6.30	Deductions	-	-
	Total	-	-
7.00	LONG TERM LIABILITIES		
7.10	Loans from Financial Institutions		
7.20	Members' Loan/Loans Affiliates		
7.30	Other-specify		
	Total	-	-
8.00	CURRENT LIABILITIES		
8.05	Premiums Paid in Advance		
8.10	Premiums in Suspense		
8.15	Agents' and Brokers' credit balances		
8.20	Benefits Payable		
8.25	Bank Overdrafts and Loans		
8.30	Amounts Due to Reinsurers	3	15
8.35	Corporate Taxes Payable	-	-
8.40	Dividends Payable to Policyholders		
8.45	Dividends Payable to Shareholders		
8.50	Amounts Payable to Affiliates		
8.55	Other-specify		
	Total	3	15
9.00	SHAREHOLDERS' EQUITY		
9.10	Issued and paid-in capital		
9.20	Reserves-specify		
9.30	Retained earnings	3,475	3,517
	Total	3,475	3,517
	OFF-BALANCE SHEET ITEMS		
	Contingent Liabilities-specify		
	Commitments-specify		
	Related Party Transactions-specify		

E. NOTES TO THE INCOME STATEMENT
For the Years Ended December 31, 2024 and 2023
(In Thousand AFL)

		2024	2023
1.00	NET EARNED PREMIUMS		
1.10	Direct Written Premiums	(132)	(657)
1.20	Assumed Reinsurance Premiums		
	Gross Written Premiums	(132)	(657)
1.30	Less: Ceded Reinsurance Premiums	(132)	(657)
	Total	-	-
2.00	INVESTMENT INCOME		
2.10	Direct Investment Income		
2.11	Dividend Income		
2.12	Interest on Bonds		
2.13	Income from rent		
2.14	Interest on Time Deposits	-	-
2.15	Interest on Mortgage Loans		
2.16	Interest on Policy Loans		
2.17	Interest on Other Loans		
2.18	Other – Specify		
	Sub-total	-	-
2.20	Indirect Investment Income		
2.21	Revaluation Adjustments		
2.22	Capital Gain / (Loss) On Sales		
2.23	Other-specify		
	Sub-total	-	-
	TOTAL INVESTMENT INCOME	-	-
3.00	OTHER INCOME	(13)	(66)
	Specify		
4.00	NET CLAIMS INCURRED		
4.10	Deaths Claims	64	315
4.20	Maturities / lapses		
4.30	Surrenders		
4.40	Other-specify		
4.50	Less: Ceded Claims Recovered	64	315
		-	-
6.00	GENERAL AND ADMINISTRATIVE EXPENSES		
6.10	Personnel costs (including social premiums)		
6.20	Other-specify	40	41
	Total	40	41

F. OTHER ITEMS-NOTES TO THE BALANCE SHEET
As of December 31, 2024 and 2023
(In Thousand AFL)

[illegible]

Items pertaining to form *D. Notes to the balance sheet* for which further specification is required.

F. OTHER ITEMS-NOTES TO THE INCOME STATEMENT
For the Years Ended December 31, 2024 and 2023
(In Thousand AFL)

[illegible]

Items pertaining to form E. *Notes to the income statement* for which further specification is required.

H. BREAK-DOWN OF THE INVESTMENTS

[illegible]

1) Local investments denominated in local currency (Afl.) and foreign currencies (Fc).

I. THE 40-60% INVESTMENT RULE

Table I

% of	Total liabilities insurance companies ¹⁾	Required amount in Local Investments
	Total Liability	
40%	First 10 million	4 million
50%	Second 10 million	5 million
60%	Remainder	60% of the remainder
	TOTAL	9 million + 60% of the remainder

Table II

	AFL
Total Liability ¹⁾	3
Required local investments (40%)	1
Required local investments (50%)	
Required local investments (60%)	
Total required local investments (A)	1
Actual local investments ²⁾ (B)	0
Surplus/Deficit (B-A)	-1

¹⁾ Excluding shareholders' equity (paid-in capital, reserves and retained earnings) or assigned capital.

²⁾ Local investments denominated in Aruban Florins and foreign currencies.

J. COVERAGE TEST¹

	ADMISSABLE ASSETS	Outstanding Amount	Weight Factor	Weighted Assets
1.00	Investments			
1.10	Shares		80%	.....
1.20	Bonds			
	Government Bonds		100%	.....
	Corporate-High credit quality		95%	.....
	Corporate-Medium to low grade quality		85%	.....
1.30	Real Estate		90%	.....
1.40	Time Deposits	-	100%	-
1.50-1.60	Mortgage and Policy Loans		100%	.....
1.71	Other Loans—secured		100%	.....
1.72	Other loans—unsecured		95%	.....
1.80	Other investments		65%	.....
2.00	Fixed Assets:			
2.10	Real Estate-in own use		90%	.....
2.20-2.40	Other Fixed Assets		65%	.....
3.00	Affiliated companies ²⁾		90%	.....
4.00	Current assets:			
4.10	Cash on Hand	598	100%	598
4.20	Due from other depository corporation		100%	
4.30	Agents/brokers balances, 90 days and under		100%	
4.40	Uncollected Premiums, 90 days and under		100%	
4.50	Investment Income due, 90 days and under		100%	
4.60	Reinsurance Receivables	58	100%	58
4.70	Amounts due from Members ³⁾		100%	
4.80	Other		100%	
	Total weighted assets	656		656
8.00	Less: Current liabilities ⁴⁾			3
	Assets available to cover Technical Provisions			653
6.00	Less: Technical Provisions			-
	Surplus or (Deficiency)			653
	Coverage ratio (in percent)			0.0%

For further guidance please refer to the CBA's guidelines on the coverage test.

¹ In case the company sells insured investment products, whereby the policyholder bears the complete investment risk, the investments and technical provisions associated with these products should not be included in the coverage test calculation. In such case an explanatory note should be added to the coverage test sheet.

² Only branches and agencies of life insurance companies are allowed to include claims on affiliated companies under this line item.

³ Only applicable to mutual insurance companies.

⁴ Excluding liabilities to affiliated companies.

K. SOLVENCY MARGIN REQUIREMENT

According to article 14, paragraph 1 of the SOSIB, an insurer engaged in the life insurance business must have a solvency margin equal eight percent of the provision for insurance obligations at the end of the preceding financial year, without taking the reinsurance portion of these obligations into account.

Furthermore, pursuant to the third paragraph of this article, an insurer must comply with the Solvency Guidelines issued by the CBA. In the case of a life insurer **AFL 400,000** if the insurer is doing strictly doing life insurance or **AFL 500,000** if the insurer has been doing both life, accident & sickness insurance prior to July 2001 within the same legal entity.

Solvency Margin Calculation Life Insurance Company			
		Amounts in AFL	
9.00 Shareholders' Equity (= available solvency margin)	A		3,475
5% of Total investments		-	
Excess intercompany current accounts receivable ¹	B		
6.00 Technical Provisions		-	
8% thereof or		-	
a minimum of AFL 400 or AFL 500		500	
Required solvency margin ²	C		500
Surplus/(Deficit) (A-B-C)			2,975

¹The outstanding amount of intercompany current accounts receivable that exceeds 5% of Total investments. Not applicable to branches or agencies. Branches or agencies should fill out 0 (zero) under this line item.

²The highest outcome of either:

- 8% of the "Provision for Insurance Obligations" in the preceding financial year, or
- **AFL 400,000** if the insurer is doing strictly doing life insurance, or
- **AFL 500,000** if the insurer has been doing both life, accident & sickness insurance prior to July 2001 within the same legal entity.

**L. ADMISSABLE ASSETS TO COVER THE MINIMUM SOLVENCY
MARGIN OF AFL 400,000 or AFL 500,000**

Assets to cover the minimum Solvency Margin of AFL 400,000 or AFL 500,000		
		Amounts in AFL
1	Treasury Bonds issued by the Government of Aruba	
2	Shares certificates, debentures, profit-sharing certificate and other similar securities	-
3	Proof of Partnership rights	
4	Certificates of the assets as referred to in points 2 and 3	
5	Scrip certificates of the assets as referred to in points 1 up to and including 3	
6	Acknowledgement of debt towards the insurer, not being treasury bills or debentures, issued by or guaranteed by the Government of Aruba or other public entities in Aruba	
7	Acknowledgement of debt towards the insurer, not being debentures, issued by companies incorporated in Aruba or issued by companies incorporated in Aruba for which a license pursuant to section 4 or 24 of the State Ordinance on the Supervision on the Credit System (AB 1998 no. 16) has been granted	
	TOTAL	-

For further guidance please refer to the CBA's guidelines on the Solvency Margin.

I. AUDITORS' REPORT

See attached.

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
American Bankers Life Assurance Company
of Florida
701 Waterford Way Suite 600
Miami, FL 33126
USA

Our opinion

We have audited the financial statements of the Aruba business of American Bankers Life Assurance Company of Florida (ABLAC).

In our opinion, the accompanying financial statements as at December 31, 2024 of the Aruba business of American Bankers Life Assurance Company of Florida (ABLAC) are prepared, in all material respects, in accordance with the accounting policies selected and disclosed by the company as set out in notes to the balance sheet.

The financial statements comprise:

1. the balance sheet as at December 31, 2024;
2. the income statement for the year 2024;
3. the notes comprising a summary of the accounting policies and other explanatory information (C up till and including E).

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of the Aruba business of American Bankers Life Assurance Company of Florida (ABLAC) in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to the going concern section in the notes of the financial statements which indicates that the contract with CFG was terminated and that the activities of ABLAC will be continued up till 2027. The policyholders have the right to cancel coverage at any time. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other information

In addition to the financial statements and our auditor's report thereon, the annual statement for the year 2024 for the Central Bank of Aruba contains other information that consists of:

- General information (pages 2 up till 6).
- Other information (pages 16 up till 22).

Based on the following procedures performed, we conclude that the other information is consistent with the financial statements and does not contain material misstatements.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

Management is responsible for the preparation of the other information, included in the annual statement for the year 2024 for the Central Bank of Aruba in accordance with the reporting requirements of the Central Bank of Aruba.

Emphasis of the basis of accounting and restriction on use and distribution

We draw attention to the notes to the financial statements, which describes the basis of accounting. The accounting policies used are selected and disclosed by the company. The financial statements are intended for the Central Bank of Aruba and are prepared to assist the Aruba business of American Bankers Life Assurance Company of Florida (ABLAC) to comply with the reporting requirements of the Central Bank of Aruba. As a result, the financial statements may not be suitable for another purpose. Therefore, our auditor's report is intended solely for the Central Bank of Aruba and should not be distributed to or used by other parties than the Central Bank of Aruba.

Our opinion is not modified in respect of this matter.

Responsibilities of management and the supervisory board for the financial statements

Management is responsible for the preparation of the financial statements in accordance with the accounting policies selected and disclosed by the company as set out in the notes to the balance sheet. Furthermore, management is responsible for such internal control as management determines is necessary to enable that the preparation of the financial statements are free from material misstatement, whether due to fraud or error.

The supervisory board is responsible for overseeing the company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included e.g.:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control;
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists

related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern;

- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- Evaluating whether the financial statements represent the underlying transactions and events free from material misstatement.

We communicate with the managing board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

Willemstad, Curaçao, June 2, 2025

MPHC ACCOUNTANTS & ADVISEURS N.V.



drs J. Advokaat RA

II. ACTUARIAL REPORT

Refer to the actuarial guidelines for life insurance companies issued by the CBA.

Not applicable

III. ACTUARIAL CERTIFICATION

Refer to the actuarial guidelines for life insurance companies issued by the CBA.

Not applicable