ORDER

After full consideration and review of the report of the financial examination of Chesterfield Reinsurance Company for the period ended December 31, 2020, together with any written submissions or rebuttals and any relevant portions of the examiner’s workpapers, I, Chlora Lindley-Myers, Director of the Missouri Department of Commerce and Insurance pursuant to section 374.205.3(3)(a), RSMo, adopt such examination report. After my consideration and review of such report, workpapers, and written submissions or rebuttals, I hereby incorporate by reference and deem the following parts of such report to be my findings and conclusions to accompany this order pursuant to section 374.205.3(4), RSMo: summary of significant finding, company history, management and control, territory and plan of operation, growth of company and loss experience, reinsurance, accounts and records, financial statements, comments on financial statement items, financial statement changes resulting from examination, and summary of recommendations.

Based on such findings and conclusions, I hereby ORDER that the report of the financial examination of Chesterfield Reinsurance Company for as of December 31, 2020 be and is hereby ADOPTED as filed and for Chesterfield Reinsurance Company for to take the following action or actions, which I consider necessary to cure any violation of law, regulation or prior order of the Director revealed by such report: (1) account for its financial condition and affairs in a manner consistent with the Director’s findings and conclusions.

So ordered, signed and official seal affixed this 27th day of April, 2022.

Chlora Lindley-Myers, Director
Department of Commerce and Insurance
REPORT OF
FINANCIAL EXAMINATION OF

CHESTERFIELD REINSURANCE
COMPANY

AS OF
DECEMBER 31, 2020

STATE OF MISSOURI
DEPARTMENT OF COMMERCE & INSURANCE
JEFFERSON CITY, MISSOURI
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Honorable Chlora Lindley-Myers, Director  
Missouri Department of Commerce and Insurance  
301 West High Street, Room 530  
Jefferson City, Missouri 65101  

Director Lindley-Myers:

In accordance with your financial examination warrant, a full-scope financial examination has been made of the records, affairs, and financial condition of

**Chesterfield Reinsurance Company (NAIC #15604)**

hereinafter referred to as such, as Chesterfield Re, or as the Company. Its administrative office is located at 16600 Swingley Ridge Road, Chesterfield, MO 63017-1706, telephone number (636) 736-7000. The fieldwork for this examination began on March 10, 2021, and concluded on the above date.

**SCOPE OF EXAMINATION**

**Period Covered**  
The Missouri Department of Commerce and Insurance (Department) has performed a single-state financial examination of Chesterfield Re. The last examination of the Company by the Department covered the period of January 1, 2013 through December 31, 2016. The current examination covers the period of January 1, 2017 through December 31, 2020, as well as a review of any material transactions and events occurring subsequent to the examination period through the date of this report.

**Procedures**  
We conducted our examination in accordance with the National Association of Insurance Commissioners (NAIC) *Financial Condition Examiners Handbook (Handbook)*, except where practices, procedures, and applicable regulations of the Department or statutes of the state of Missouri prevailed. The *Handbook* requires that we plan and perform the examination to evaluate the financial condition, assess corporate governance, identify current and prospective risks of the Company, and evaluate system controls and procedures used to mitigate those risks. An examination also includes the identification and evaluation of significant risks that could cause the Company’s surplus to be materially misstated, both on a current and prospective basis.

This examination also included a review of significant estimates made by management and evaluation of management’s compliance with Statutory Accounting Principles. The examination does not attest to the fair presentation of the financial statements included herein. If, during the course of the examination an adjustment is identified, the impact of such adjustment will be documented separately following the Company’s financial statements.
All accounts and activities of the Company were considered in accordance with the risk-focused examination process. Those activities considered in the examination as key to Chesterfield Re included Investments, Premiums, Reserves and Claims Handling, Reinsurance Assumed, Reinsurance Ceded, Related Party, and Capital and Surplus. The examination also included a review and evaluation of information technology general controls.

This examination was conducted as part of a coordinated examination of the Reinsurance Group of America, Incorporated (RGA, Inc.), which consists of eight insurance companies domiciled in various states. The Missouri Department of Commerce and Insurance is the lead state regulator for the group. Along with Missouri, two other states, California and South Carolina, participated in the coordinated examination. The examination was conducted concurrently with the examinations of the Company’s Missouri-domiciled affiliates, RGA Reinsurance Company, Reinsurance Company of Missouri, Incorporated, Castlewood Reinsurance Company, Parkway Reinsurance Company and Rockwood Reinsurance Company.

This examination report includes significant findings of fact, as mentioned in Section 374.205 RSMo (Examination, director may conduct, when…) and general information about the Company and its financial condition. There may be other items identified during the examination that, due to their nature (e.g., subjective conclusions, proprietary information, etc.), are not included within the examination report but are separately communicated to other regulators and/or the Company.

**SUMMARY OF SIGNIFICANT FINDINGS**

There were no material adverse findings, significant non-compliance issues, or material changes to the financial statements noted during the examination.

**COMPANY HISTORY**

**General**

Chesterfield Re was incorporated on June 27, 2014, as a Missouri life insurance company. The Company was issued a Certificate of Authority to operate as a stock life insurance company under the provisions of Chapter 376 RSMo, (Life, Health and Accident Insurance), and commenced business on October 1, 2014. Chesterfield Re is a wholly-owned subsidiary of Chesterfield Financial Holdings LLC (Chesterfield Financial).

The Company was created as part of an Embedded Value Securitization transaction. Chesterfield Re entered into a retrocession agreement whereby it assumed a specified quota share of a closed block of life reinsurance business from RGA Reinsurance Company (RGA Re) on a yearly renewal term basis. Due to the nature of the transaction, Chesterfield Re will not assume any additional business or retrocede any risk until the notes issued under the transaction are fully redeemed. Each quarter, the Company may request approval from the Department to pay a dividend to its parent, Chesterfield Financial, in an amount equal to statutory surplus in excess of 350% of Authorized Control Level RBC, after payment in full of any surplus note interest and principal then outstanding.

**Mergers, Acquisitions, and Major Corporate Events**

There were no mergers, acquisitions, or other major corporate events during the examination period.
Dividends and Capital Contributions
Below is a summary of the extraordinary dividends declared and paid to the Company’s parent, Chesterfield Financial, during the examination period. All dividends were approved by the Department prior to payment.

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>$36,561,424</td>
</tr>
<tr>
<td>2018</td>
<td>35,430,850</td>
</tr>
<tr>
<td>2019</td>
<td>33,693,820</td>
</tr>
<tr>
<td>2020</td>
<td>20,975,243</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$126,661,337</strong></td>
</tr>
</tbody>
</table>

Gross paid-in and contributed surplus remained constant at $345,900,000 during the period under examination.

Surplus Notes
The Company has not issued any surplus notes during the examination period.

MANAGEMENT AND CONTROL

Board of Directors
The management of the Company is vested in a Board of Directors that are elected by the shareholder. The Company’s Articles of Incorporation and Bylaws specify that there shall be at least nine and not more than twenty-one members. The Board of Directors elected and serving as of December 31, 2020, were as follows:
**Name and Address**  
James P. Ash  
Chesterfield, MO  
Jeffrey A. Boyer  
Chesterfield, MO  
Verene H. Duvall  
Chesterfield, MO  
Mark M. Hopfinger  
Chesterfield, MO  
James M. Kellett  
Chesterfield, MO  
Douglas J. Knowling  
Chesterfield, MO  
Stephanie J. Koch  
Chesterfield, MO  
Timothy L. Rozar  
Chesterfield, MO  
Charles J. Souza  
Chesterfield, MO

**Principal Occupation and Business Affiliation**  
Senior Vice President – Valuation & Financial Analysis  
RGA Enterprise Services Company  
Vice President & Treasurer  
RGA Enterprise Services Company  
Vice President & Managing Actuary  
RGA Enterprise Services Company  
President  
Chesterfield Reinsurance Company  
Executive Vice President - Valuation & Financial Analysis  
RGA Enterprise Services Company  
Senior Vice President & Corporate Actuary  
RGA Enterprise Services Company  
Senior Vice President – Global Analysis & Inforce Mgmt  
RGA Enterprise Services Company  
Senior Vice President & Chief of Staff  
RGA Enterprises Services Company  
Vice President - Structured Finance  
RGA Enterprise Services Company

**Senior Officers**  
The officers elected and serving, as of December 31, 2020, were as follows:

<table>
<thead>
<tr>
<th>Name</th>
<th>Office</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mark M. Hopfinger</td>
<td>President</td>
</tr>
<tr>
<td>Dana C. Wiele</td>
<td>SVP, General Counsel &amp; Asst. Secretary</td>
</tr>
<tr>
<td>Jeffrey A. Boyer</td>
<td>Vice President &amp; Treasurer</td>
</tr>
</tbody>
</table>

**Principal Committees**  
The Company has no active committees. RGA, Inc. has established the following committees: Audit, Compensation, Nominating & Corporate Governance, Investment and Risk, all of which provide management oversight to Chesterfield Re.

**Corporate Records**  
The Company's Articles of Incorporation and Bylaws were reviewed. The Articles of Incorporation and Bylaws were revised in 2018 to declassify the Board of Directors and require each member to be elected annually. The minutes of the Board of Directors, shareholder and RGA, Inc.’s committees were reviewed for the period under examination. The minutes appear to properly document and approve corporate events and transactions.
Holding Company, Subsidiaries, and Affiliates
Chesterfield Re is a member of an Insurance Holding Company System, as defined by Section 382.010 RSMo (Definitions). Chesterfield Re is a wholly-owned indirect subsidiary of Reinsurance Company of Missouri, Incorporated (RCM), which is a wholly-owned subsidiary of RGA, Inc. RGA, Inc. is a Missouri holding company formed in December 1992 and is the ultimate parent of the holding company system. An Insurance Holding Company Registration Statement was filed by RGA, Inc. for each year under examination.

Organizational Chart
The following organizational chart depicts the applicable portion of the holding company group as of December 31, 2020. All subsidiaries are wholly-owned unless otherwise noted.

Intercompany Transactions
The following agreements represent significant contracts executed with affiliated entities that were in effect as of December 31, 2020. A brief description of these agreements are as follows:

Tax Allocation Agreement: An agreement between RGA, Inc., Chesterfield Re and various other affiliates, effective January 1, 1998, stating the parties will file a consolidated federal income tax return.

Surplus Note Purchase Agreement: An agreement between Chesterfield Re and RGA, Inc., effective December 10, 2014, whereby RGA, Inc. agrees, subject to the terms and conditions therein, to purchase surplus notes in the amount necessary to maintain the surplus of Chesterfield Re above 300% of Authorized Control Level RBC, subject to an aggregate outstanding principal amount of $100 million.

Investment Management Agreement: An agreement between Chesterfield Re and RGA Enterprise Services Company (ESC), effective January 1, 2016, whereby ESC provides certain investment management services to Chesterfield Re.
Services Agreement: An Agreement between Chesterfield Re and ESC, effective January 1, 2016, stating ESC provides certain administrative services to Chesterfield Re, including marketing, securities, IT, finance, accounting, legal, tax, general administration, human resources and other ancillary services.

TERRITORY AND PLAN OF OPERATION

The Company is only licensed in Missouri. Chesterfield Re is licensed under Chapter 376 RSMo (Life, Health and Accident Insurance) to write life insurance, annuities and endowments, and accident and health insurance.

The Company was established to reinsure a closed block of life reinsurance business from RGA Re, as part of an Embedded Value Securitization transaction. No additional business will be assumed by the Company until this closed block of business runs off, or until the termination of the securitization transaction to which it is a party.

GROWTH OF COMPANY AND LOSS EXPERIENCE

The table below summarizes the Company’s growth and loss experience for the period under examination:

($000s omitted)

<table>
<thead>
<tr>
<th>Year</th>
<th>Net Premiums Written</th>
<th>Change in Net Premiums</th>
<th>Benefit and Loss Payments Incurred</th>
<th>Capital and Surplus</th>
<th>Ratio of Net Premiums to Surplus</th>
<th>Net Income (Loss)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>$201,137</td>
<td>$7,206</td>
<td>$171,229</td>
<td>$95,317</td>
<td>211.0%</td>
<td>$40,594</td>
</tr>
<tr>
<td>2018</td>
<td>208,953</td>
<td>7,815</td>
<td>174,281</td>
<td>101,017</td>
<td>206.8%</td>
<td>41,417</td>
</tr>
<tr>
<td>2019</td>
<td>216,280</td>
<td>7,326</td>
<td>208,537</td>
<td>86,997</td>
<td>248.6%</td>
<td>19,209</td>
</tr>
<tr>
<td>2020</td>
<td>215,162</td>
<td>(1,117)</td>
<td>202,976</td>
<td>101,323</td>
<td>212.4%</td>
<td>24,696</td>
</tr>
</tbody>
</table>

REINSURANCE

General

The Company’s premium activity on a direct written, assumed, and ceded basis for the period under examination is detailed below:

($000s omitted)

<table>
<thead>
<tr>
<th>Premium Type</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Premiums Written</td>
<td>$</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Reinsurance Assumed:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Affiliates</td>
<td>201,137</td>
<td>208,953</td>
<td>216,280</td>
<td>215,162</td>
</tr>
<tr>
<td>Reinsurance Ceded:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Affiliates</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Net Premiums Written</td>
<td>$201,137</td>
<td>$208,953</td>
<td>$216,280</td>
<td>$215,162</td>
</tr>
</tbody>
</table>

Assumed Reinsurance

Chesterfield Re’s sole assumed reinsurance treaty is with RGA Re. The business assumed consists of a 30% quota share of RGA Re’s net retained U.S. non-permanent coinsurance with premium guarantees of no more than one year, and yearly renewal term policies.
Ceded Reinsurance
The Company did not have any reinsurance ceded during the examination period.

ACCOUNTS AND RECORDS

Independent Auditor
The certified public accounting (CPA) firm, Deloitte & Touche, LLP, in Saint Louis, Missouri, performed the statutory audit of the Company for all the years in the examination. Reliance was placed upon the CPA workpapers as deemed appropriate.

Actuarial Opinion
The Company’s actuarial opinion regarding reserves and other actuarial items was issued by Jon T. Deuchler, ASA, MAAA, Executive Director of Structured Transactions, for all years in the examination period.

Consulting Actuary
Pursuant to a contract with the Department, Ben Leiser, FSA, MAAA of Risk and Regulatory Consulting, LLC, reviewed the underlying actuarial assumptions and methodologies used by Chesterfield Re to determine the adequacy of reserves and other actuarial items. Mr. Leiser determined that the Company made a reasonable provision for the reserves and other actuarial items that were reported in the statutory financial statements, as of December 31, 2020. William Leung, FSA, MAAA, the Department’s Life Actuary, reviewed the work performed by the consulting actuary.

Information Systems
Pursuant to a contract with the Department, Sharon Riley, AES, CGEIT, CISA, CRISC, CDPSE and Carol Riley, CISA, CGEIT, CDPSE, AIRC, FLMI of Noble Consulting Services, Inc. (Noble), conducted a review of the Company’s information systems. No material weaknesses were identified. Kimberly Dobbs, CFE, AES, CISA, Information Systems Financial Examiner with the Department, reviewed the work performed by Noble.

FINANCIAL STATEMENTS

The following financial statements are based on the statutory financial statements filed by the Company with the Department and present the financial condition of Chesterfield Re for the period ending December 31, 2020. The accompanying comments on financial statements reflect any examination adjustments to the amounts reported in the financial statements and should be considered an integral part of the financial statements. The failure of any column of numbers to add to its respective total is due to rounding or truncation.

There may have been additional differences found in the course of this examination, which are not shown in the “Comments on Financial Statement Items.” These differences were determined to be immaterial concerning their effect on the financial statements, and therefore were only communicated to the Company and noted in the workpapers for each individual key activity.
## ASSETS
As of December 31, 2020

<table>
<thead>
<tr>
<th>Assets</th>
<th>Nonadmitted Assets</th>
<th>Net Admitted Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bonds</td>
<td>$75,897,255</td>
<td>$0</td>
</tr>
<tr>
<td>Cash, Cash Equivalents, and Short-Term Investments</td>
<td>14,337,496</td>
<td>0</td>
</tr>
<tr>
<td>Receivables for Securities</td>
<td>10,062</td>
<td>0</td>
</tr>
<tr>
<td>Investment Income Due and Accrued</td>
<td>652,120</td>
<td>0</td>
</tr>
</tbody>
</table>
| Reinsurance: 
  Funds Held by or Deposited with 
  Reinsured Companies | 233,220,158 | 0 | 223,220,158 |
| Net Deferred Tax Asset | 11,952,896 | 1,179,941 | 10,772,955 |
| Aggregate Write-Ins for Other-Than-Invested Assets | 150,291 | 150,291 | 0 |
| **TOTAL ASSETS** | **$336,220,278** | **$1,330,232** | **$334,890,046** |

## LIABILITIES, SURPLUS AND OTHER FUNDS
As of December 31, 2020

<table>
<thead>
<tr>
<th>Assets</th>
<th>Nonadmitted Assets</th>
<th>Net Admitted Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aggregate Reserve for Life Contracts</td>
<td>$210,448,085</td>
<td></td>
</tr>
</tbody>
</table>
| Contract Claims: 
  Life | | 22,772,073 |
| Contract Liabilities Not Included Elsewhere: 
  Other Amounts Payable on Reinsurance | | 85,406 |
| General Expenses Due or Accrued | | 665 |
| Miscellaneous Liabilities: 
  Asset Valuation Reserve | | 239,561 |
| Payable to Parent, Subsidiaries, and Affiliates | | 20,599 |
| **TOTAL LIABILITIES** | **$233,566,389** | |
| Common Capital Stock | | 600,000 |
| Gross Paid In and Contributed Surplus | | 345,900,000 |
| Unassigned Funds (Surplus) | | (245,176,343) |
| **TOTAL CAPITAL AND SURPLUS** | **$101,323,657** | |
| **TOTAL LIABILITIES AND SURPLUS** | **$334,890,046** | |
SUMMARY OF OPERATIONS
For the Year Ended December 31, 2020

Premiums and Annuity Considerations for Life and Accident and Health Contracts $ 215,162,984
Net Investment Income 3,001,216
Amortization of Interest Maintenance Reserve 2,305
Miscellaneous Income:
  Aggregate Write-Ins for Miscellaneous Income 9,931,806
Total Revenue $ 228,098,311

Death Benefits 202,976,577
Increase in Aggregate Reserves for Life and Accident and Health Contracts (3,199,647)
Commissions and Expense Allowances on Reinsurance Assumed 2,261,405
General Insurance Expenses 1,359,532
Insurance Taxes, License, and Fees, Excluding Federal Income Taxes 4,137
Total Underwriting Deductions $ 203,402,004

Net Gain (Loss) From Operations Before Dividends to Policyholders and Federal Income Taxes $ 24,696,307

NET INCOME (LOSS) $ 24,696,307

RECONCILIATION OF CAPITAL AND SURPLUS
Changes from January 1, 2017 to December 31, 2020

($000’s omitted)

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital and Surplus, Beginning of Year</td>
<td>$ 91,166</td>
<td>$ 95,317</td>
<td>$ 101,017</td>
<td>$ 86,997</td>
</tr>
<tr>
<td>Net Income (Loss)</td>
<td>40,594</td>
<td>41,417</td>
<td>19,209</td>
<td>24,696</td>
</tr>
<tr>
<td>Change in Net Deferred Income Tax</td>
<td>(34,168)</td>
<td>(8,647)</td>
<td>(4,049)</td>
<td>(5,201)</td>
</tr>
<tr>
<td>Change in Nonadmitted Assets</td>
<td>34,338</td>
<td>8,411</td>
<td>4,134</td>
<td>16,046</td>
</tr>
<tr>
<td>Change in Asset Valuation Reserve</td>
<td>(51)</td>
<td>(50)</td>
<td>379</td>
<td>(239)</td>
</tr>
<tr>
<td>Dividends to Stockholders</td>
<td>(36,561)</td>
<td>(35,430)</td>
<td>(33,693)</td>
<td>(20,975)</td>
</tr>
<tr>
<td>Net Change in Capital and Surplus</td>
<td>4,151</td>
<td>5,699</td>
<td>(14,019)</td>
<td>14,326</td>
</tr>
<tr>
<td>Capital and Surplus, End of Year</td>
<td>$ 95,317</td>
<td>$ 101,017</td>
<td>$ 86,997</td>
<td>$ 101,323</td>
</tr>
</tbody>
</table>
None.

FINANCIAL STATEMENT CHANGES RESULTING FROM EXAMINATION
None.

SUMMARY OF RECOMMENDATIONS
None.

SUBSEQUENT EVENTS

COVID-19 Pandemic
The COVID-19 pandemic has continued to develop, with significant uncertainty remaining regarding the full effect of COVID-19 on the U.S. and global insurance and reinsurance industry. The Department has been in communication with Chesterfield Re regarding the impact of COVID-19 on its business operations and financial position. During 2021, the Company experienced elevated claims that were thought to be COVID-19 related. This resulted in the issuance of the Surplus Note discussed below. The Department continues to closely monitor the impact of the pandemic on the Company and will take necessary action if a solvency concern arises.

Surplus Note Issuance
On May 21, 2021, Chesterfield Re issued a $10 million surplus note to RGA, Inc. The note carries a 3% interest rate and matures in 2046. The surplus note issuance helped Chesterfield Re maintain an adequate surplus level after an unexpected increase in claims during the first quarter of 2021.

Retrocession Agreement with RGA Reinsurance Company (Barbados), Ltd.
Effective December 31, 2021, the Company entered into a retrocession reinsurance agreement with RGA Reinsurance Company (Barbados), Ltd. whereby Chesterfield Re cedes a 10% quota share of its liabilities assumed from RGA Re under an agreement effective October 1, 2014.

Recapture by RGA Reinsurance Company
During the first quarter of 2022, RGA Re filed a request to recapture a block of business ceded to Chesterfield Re in 2014. The business was ceded to Chesterfield Re in connection with an embedded value transaction. Also associated with the recapture is a request for the Company to repay the $10 million surplus note issued in 2021 to RGA, Inc., and a request to pay an extraordinary dividend to Chesterfield Financial. The Department approved each of the Company’s requests. Chesterfield Re has minimal surplus and will temporarily have no reinsurance risk. The Company anticipates a new block of business will be assumed by year-end 2022.
ACKNOWLEDGMENT

The assistance and cooperation extended by the officers and the employees of Chesterfield Reinsurance Company during the course of this examination is hereby acknowledged and appreciated. In addition to the undersigned, Michael Borawski, CFE (Fraud), James Le, CFE, CPA, CPCU, Josh Nash, CFE, CPA, and Conner Nilges, AFE, examiners for the Missouri Department of Commerce and Insurance, also participated in this examination.

VERIFICATION

State of Missouri  
County of Saint Louis

I, on my oath swear that to the best of my knowledge and belief the above examination report is true and accurate and is comprised of only facts appearing upon the books, records, or other documents of Chesterfield Reinsurance Company, its agents or other persons examined, or as ascertained from the testimony of its officers or agents or other persons examined concerning its affairs, and such conclusions and recommendations as the examiners find reasonably warranted from the facts.

Karen Milster, CFE, CPA
Examiner-In-Charge
Missouri Department of Commerce and Insurance

Scott Reeves, CFE, CPA, CAMS, CCA, CSCD, CHE
Examiner-In-Charge
Missouri Department of Commerce and Insurance

Sworn to and subscribed before me this 22 day of March, 2022.

My commission expires: 3-08-2024

Notary Public
SUPERVISION

The examination process has been monitored and supervised by the undersigned. The examination report and supporting workpapers have been reviewed and approved. Compliance with NAIC procedures and guidelines as contained in the *Financial Condition Examiners Handbook* has been confirmed, except where practices, procedures, and applicable regulations of the Missouri Department of Commerce and Insurance and statutes of the state of Missouri prevailed.

Michael Shadowens, CFE
Assistant Chief Financial Examiner
Missouri Department of Commerce and Insurance