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2009 Life & Annuity Market Conduct Annual Statement

Statewide averages are calculated for up to seven categories depending on the type of insurance reported in the Life & Annuity Market Conduct Annual Statement. In Arizona, for the 2009 L&A MCAS, licensed companies with at least \$50,000 in life insurance premium and/or annuity considerations were required to participate. A total of 295 companies participated.

The following charts reflect the number of reporting insurance companies whose ratios fall within various ranges. These charts are for informational purposes only, and the ratios do not necessarily represent standards for market behavior. This information does not establish insurer compliance or non-compliance. **This data cannot be used in any form of company advertising or marketing.**

Schedule 1: Individual Life Cash Value Products

	Statewide Average Ratio
Ratio 1. The number of replacements issued compared to the number of policies issued	6.5%
Ratio 2. The number of 1035 exchanges to the number of policies issued	2.3%
Ratio 3. The number of surrenders compared to the number of policies issued	50.6%
Ratio 4. The number of policies with loan balances exceeding 25% compared to the number of policies in force	7.9%
Ratio 5. The number of claims paid beyond 60 days from the date of due proof of loss compared to the number of claims paid	0.4%
Ratio 6. The number of claims denied, resisted or compromised compared to the number of claims closed	0.1%
Ratio 7. Number of complaints per 1,000 policies in force	0.378#

	Number of companies with ratios falling in the range:											
	0%	>0% to 10%	>10% to 20%	>20% to 30%	>30% to 40%	>40% to 50%	>50% to 60%	>60% to 70%	>70% to 80%	>80% to 90%	>90% to 100%	>100%
Ratio 1	159	54	18	16	7	7	6	1	0	0	2	0
Ratio 2	199	42	13	8	5	1	0	0	1	0	1	0
Ratio 3	26	16	16	18	9	11	11	4	5	8	4	142
Ratio 4	51	163	41	10	1	2	1	0	0	0	0	1
Ratio 5	220	30	13	4	2	0	1	0	0	0	0	0
Ratio 6	242	24	1	2	0	1	0	0	0	0	0	0

	Number of complaints per 1,000 policies in force											
	0	>0 to 0.25	>0.25 - 0.5	>0.5 to 0.75	>0.75 to 1	>1 to 2	>2 to 3	>3 to 4	>4 to 5	>5 to 6	>6 to 7	>7
Ratio 7	173	16	25	12	9	19	8	1	2	2	1	2

Schedule 2: Individual Life Non-Cash Value Products

	Statewide Average Ratio
Ratio 1. The number of replacements issued compared to the number of policies issued	15.8%
Ratio 2. The number of claims paid beyond 60 days from the date of due proof of loss compared to the number of claims paid	1.6%
Ratio 3. The number of claims denied, resisted or compromised compared to the number of claims closed	3.0%
Ratio 4. Number of complaints per 1,000 policies in force	0.325#

Number of companies with ratios falling in the range:												
	0%	>0% to 10%	>10% to 20%	>20% to 30%	>30% to 40%	>40% to 50%	>50% to 60%	>60% to 70%	>70% to 80%	>80% to 90%	>90% to 100%	>100%
Ratio 1	143	30	26	16	14	4	3	0	0	0	1	1
Ratio 2	219	9	0	1	2	5	0	0	0	0	2	0
Ratio 3	217	10	7	2	1	0	0	1	0	0	0	0

Number of complaints per 1,000 policies in force												
	0	>0 to 0.25	>0.25 - 0.5	>0.5 to 0.75	>0.75 to 1	>1 to 2	>2 to 3	>3 to 4	>4 to 5	>5 to 6	>6 to 7	>7
Ratio 4	198	10	11	3	5	3	4	0	3	0	0	1

Schedule 3: Group Life Products

	Statewide Average Ratio
Ratio 1. The number of claims paid beyond 60 days from the date of due proof of loss compared to the number of claims paid	0.5%
Ratio 2. The number of claims denied, resisted or compromised compared to the number of claims closed	0.6%
Ratio 3. Number of complaints per 1,000 policies in force	0.549#

Number of companies with ratios falling in the range:												
	0%	>0% to 10%	>10% to 20%	>20% to 30%	>30% to 40%	>40% to 50%	>50% to 60%	>60% to 70%	>70% to 80%	>80% to 90%	>90% to 100%	>100%
Ratio 1	146	17	7	2	2	2	0	1	1	0	1	0
Ratio 2	145	24	4	1	0	2	0	1	0	0	2	0

Number of complaints per 1,000 policies in force												
	0	>0 to 0.25	>0.25 - 0.5	>0.5 to 0.75	>0.75 to 1	>1 to 2	>2 to 3	>3 to 4	>4 to 5	>5 to 6	>6 to 7	>7
Ratio 3	149	2	0	1	1	1	1	4	0	1	0	19

Schedule 4: Individual Fixed Annuities

	Statewide Average Ratio
Ratio 1. The number of replacements issued compared to the number of policies issued	25.1%
Ratio 2. The number of 1035 exchanges to the number of policies issued	11.7%
Ratio 3. The number of surrenders compared to the number of policies issued	49.6%
Ratio 4. Number of complaints per 1,000 policies in force	0.606#

Number of companies with ratios falling in the range:												
	0%	>0% to 10%	>10% to 20%	>20% to 30%	>30% to 40%	>40% to 50%	>50% to 60%	>60% to 70%	>70% to 80%	>80% to 90%	>90% to 100%	>100%
Ratio 1	116	17	20	26	10	12	4	4	1	1	0	4
Ratio 2	121	28	44	6	7	5	0	1	0	0	1	2
Ratio 3	49	13	12	9	8	8	8	5	5	7	6	85

Number of complaints per 1,000 policies in force												
	0	>0 to 0.25	>0.25 - 0.5	>0.5 to 0.75	>0.75 to 1	>1 to 2	>2 to 3	>3 to 4	>4 to 5	>5 to 6	>6 to 7	>7
Ratio 4	168	0	5	8	8	12	1	3	2	0	0	8

Schedule 5: Individual Variable Annuities

	Statewide Average Ratio
Ratio 1. The number of replacements issued compared to the number of policies issued	22.3%
Ratio 2. The number of 1035 exchanges to the number of policies issued	12.1%
Ratio 3. The number of surrenders compared to the number of policies issued	87.8%
Ratio 4. Number of complaints per 1,000 policies in force	0.789#

Number of companies with ratios falling in the range:												
	0%	>0% to 10%	>10% to 20%	>20% to 30%	>30% to 40%	>40% to 50%	>50% to 60%	>60% to 70%	>70% to 80%	>80% to 90%	>90% to 100%	>100%
Ratio 1	48	7	18	11	7	3	0	3	1	2	1	0
Ratio 2	50	15	19	5	2	2	1	1	0	1	2	3
Ratio 3	9	0	2	3	3	4	1	5	2	3	6	63

Number of complaints per 1,000 policies in force												
	0	>0 to 0.25	>0.25 - 0.5	>0.5 to 0.75	>0.75 to 1	>1 to 2	>2 to 3	>3 to 4	>4 to 5	>5 to 6	>6 to 7	>7
Ratio 4	65	2	7	5	9	9	3	1	0	0	0	0