



Best's Credit Rating Effective Date

July 25, 2024

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Information

[Best's Credit Rating Methodology](#)

[Guide to Best's Credit Ratings](#)

[Market Segment Outlooks](#)

Financial Data Presented

Financial data in this report: (i) includes data of affiliated entities that are not rating unit members where analytics benefit from inclusion; and/or (ii) excludes data of rating unit member entities if they operate in different segments or geographic areas than the Rating Unit generally. See [list of companies](#) for details of rating unit members and any such included and/or excluded entities.

The financial data in this report reflects the most current data available to the Analytical Team at the time of the rating. Updates to the financial exhibits in this report are available here: [Best's Financial Report](#).

TIAA Group

AMB #: 070362

Associated Ultimate Parent: AMB # 007112 - Teachers Insurance and Annuity Association of America

Best's Credit Ratings - for the Rating Unit Members

Financial Strength Rating (FSR)

A++
Superior
Outlook: Stable
Action: Affirmed

Issuer Credit Rating (ICR)

aaa
Exceptional
Outlook: Stable
Action: Affirmed

Assessment Descriptors

Balance Sheet Strength	Strongest
Operating Performance	Very Strong
Business Profile	Very Favorable
Enterprise Risk Management	Very Strong

Rating Unit - Members

Rating Unit: TIAA Group | **AMB #:** 070362

AMB # 060222 **Rating Unit Members** TIAA-CREF Life Insurance Co

AMB # 007112 **Rating Unit Members** Teachers Ins & Annuity Assn

Rating Rationale

Balance Sheet Strength: **Strongest**

- TIAA Group has continued to have the strongest level of risk-adjusted capitalization as measured by Best's Capital Adequacy Ratio (BCAR).
- A significant portion of TIAA Group's general account reserves are not subject to discretionary withdrawal, supporting a stable liability structure and low liquidity requirements.
- It does not provide secondary or living benefit guarantees in its pension and insurance businesses, reducing capital requirements.
- Overall stable investment portfolio (with moderate exposure to real estate-related assets) that has been slowly increasing over the last five years towards private fixed-income instruments, including private placements, commercial mortgages, and private high-yield lately.

Operating Performance: **Very Strong**

- TIAA Group has substantial positive trending net premiums written annually, which consistently contribute to its growing asset balances.
- Overall trend of positive net operating performance, mainly driven by its strength in group and individual annuity businesses has been challenged the past two years but is expected to recover.
- Operating expenses have increased driven by initiative investments and BAU expense growth, offset by strong investment performance as well as increasing asset management fee income.
- TIAA Group has generally had low claims payments and expenses relative to premiums.
- Overall net operating results that have been stable and predictable, except for the past two years incorporating the sale of TIAA Bank and some realized/unrealized losses related to commercial mortgage holdings.

Business Profile: **Very Favorable**

- TIAA Group enjoys strong brand recognition and continues to be a market leader in the higher education retirement and pension market.
- A strong senior management team will be key in the timely execution of the continued strategy and an important factor going forward with opportunities to accelerate future growth.
- Low-cost distribution system through institutions and strong relationships with universities, while developing new products to effectively compete in the 401(k) and IRA markets, pursuing additional third-party distribution partnerships.
- TIAA Group has a unique liability structure having the majority of the general account pension business that cannot be surrendered and can only be received as a death benefit, IRS required minimum distributions, or in the form of an annuity payout.

Enterprise Risk Management: **Very Strong**

- TIAA Group has a well-developed risk management framework that is continuously reviewed and supported by a sound governance structure composed of key risk committees that are headed by the Enterprise Risk Management and Compliance Committee.
- Risk appetites and tolerances are well defined and integrated into risk monitoring and reporting processes at various levels of TIAA Group. Key risks to the organization are identified and monitored by the appropriate committee.
- TIAA Group regularly performs capital modeling and stress testing on its annuity business targeting major risks to capital, and it has a substantial amount of excess capital that serves to backstop its enterprise risk management program.
- TIAA Group has conservative reserves that include no significant secondary or living benefit guarantees, and it generally does not allow for withdrawals other than in the form of annuity benefits allowing for longer-duration investment strategies.

Outlook

- The stable outlooks reflect the expectation that TIAA Group will maintain its overall balance sheet strength assessment, supported by a trend of risk-adjusted capitalization at the strongest level, as measured by BCAR, maintain very strong operating performance over the intermediate term and continue to improve its very strong enterprise risk management framework.

Rating Drivers

- A negative rating action could occur if there is a significant and sustained decline in the overall balance sheet metrics.
- A negative rating action could occur if there was a material and sustained decline in TIAA Group's operating performance.

Key Financial Indicators

Best's Capital Adequacy Ratio (BCAR) Scores (%)

Confidence Level	95.0	99.0	99.5	99.6
BCAR Score	50.7	34.2	27.4	25.7

Source: Best's Capital Adequacy Ratio Model - L/H, US

Key Financial Indicators USD (000)	3-Months		Year End - December 31				
	2024	2023	2023	2022	2021	2020	2019
Assets:							
General Account	312,303,646	310,087,181	311,695,322	310,951,525	304,162,451	294,344,598	280,369,565
Separate Accounts	52,847,003	53,816,983	52,090,457	54,348,539	56,061,075	46,912,885	47,849,509
Total	365,150,649	363,904,163	363,785,779	365,300,064	360,223,526	341,257,483	328,219,075
Liabilities:							
Net Life Reserves	236,079,572	231,358,099	235,169,577	231,135,153	228,150,899	227,840,900	220,106,646
Net Accident & Health Reserves	1	1	1	1	1	1	1
Liability for Deposit Contracts	17,351,781	16,899,754	17,524,136	17,095,521	11,381,624	10,215,208	6,141,288
Asset Valuation Reserve	6,984,569	6,770,867	6,872,794	6,646,757	8,409,622	5,915,843	6,375,979
Other General Account	10,949,701	11,814,471	10,792,635	13,499,627	13,362,008	10,465,052	8,953,160
Total	323,208,664	320,504,833	321,674,706	322,578,262	317,250,846	301,256,206	289,350,868
Total Capital and Surplus	41,941,985	43,399,330	42,111,073	42,721,802	42,972,680	40,001,277	38,868,207
Net Income	-115,279	435,369	-731,569	-345,042	3,912,167	915,181	1,410,121
Net Premiums Earned	4,548,976	3,777,768	17,499,182	15,616,355	14,206,110	17,600,428	15,534,431
Net Investment Income	3,166,510	3,599,701	13,204,394	12,786,012	13,404,177	12,129,714	12,362,184

Source: BestLink® - Best's Financial Suite

Key Financial Ratios (%)	3-Months		Year End - December 31					Weighted Average
	2024	2023	2023	2022	2021	2020	2019	
Operating Return on Revenue	1.9	9.5	2.6	6.9	14.1	5.0	5.6	6.6
Operating Return on Capital and Surplus	1.6	7.6	2.3	5.3	10.3	4.2	4.5	5.3
Net Investment Yield	4.1	4.7	4.3	4.2	4.5	4.3	4.5	4.4
Pre-Tax Investment Total Return	3.7	4.4	3.5	3.1	5.4	4.3	4.6	4.2

Source: BestLink® - Best's Financial Suite

Leverage (%)	3-Months		Year End - December 31				
	2024	2023	2023	2022	2021	2020	2019
General Account Liabilities to Capital and Surplus	6.5	6.1	6.4	6.3	6.1	6.4	6.2
Higher Risk Assets to Capital and Surplus:							
Mortgages Not in Good Standing	...	...	0.9	0.3	...	0.1	...
All Other Higher Risk Assets	164.2	146.1	162.1	141.4	129.6	127.4	129.1

Source: BestLink® - Best's Financial Suite

Liquidity Analysis	3-Months		Year End - December 31				
	2024	2023	2023	2022	2021	2020	2019
Current Liquidity (%)	80.4	82.6	80.5	83.4	83.1	84.1	83.1
Net Operating Cash Flow USD (000)	267,273	575,518	4,400,266	5,081,971	3,912,452	9,019,975	5,702,174

Source: BestLink® - Best's Financial Suite

Credit Analysis

Balance Sheet Strength

TIAA Group's consolidated strongest level of risk-adjusted capitalization for its current business and investment risks as measured by Best's Capital Adequacy Ratio (BCAR) model has continued, along with a diversified investment portfolio with a high degree of liquidity, and a stable liability structure for a significant portion of its reserves. The organization's unique organizational structure, given its stable liability profile and its ability to adjust crediting and dividend rates, provide the group with significant financial flexibility.

Capitalization

TIAA Group's total capital, which includes the asset valuation reserve for 2023 continued to decline by another 1% to \$48.9B primarily from net realized losses partially related to impairments on commercial mortgages from decline in occupancy for office buildings from increased remote work post-COVID19, which is expected to rebound somewhat by next year. Prior increases in total capital have been driven by net income. The total capital five-year CAGR was 2.4%. A \$1.25 billion surplus note was issued in May 2020, to further support the company's surplus position during the COVID-19 pandemic. The company has continued to have very strong liquidity in 2023, with the ability to navigate the current interest rate environment providing positive trending balance sheet strength.

Capital Generation Analysis USD (000)	3-Months		Year End - December 31				
	2024	2023	2023	2022	2021	2020	2019
Beginning Capital and Surplus	42,111,073	42,721,802	42,721,802	42,972,680	40,001,277	38,868,207	38,111,721
Net Operating Gain	173,037	813,476	958,273	2,269,941	4,264,947	1,670,233	1,741,364
Net Realized Capital Gains (Losses)	-288,316	-378,107	-1,689,842	-2,614,983	-352,780	-755,052	-331,243
Net Unrealized Capital Gains (Losses)	-15,651	112,993	223,712	-669,205	1,614,442	-757,288	398,914
Net Change in Paid-In Capital and Surplus	34	33	381	381	381	1,248,692	326
Other Changes in Capital and Surplus	-38,192	129,134	-103,253	762,988	-2,555,587	-273,516	-1,052,874
Net Change in Capital and Surplus	-169,088	677,528	-610,729	-250,878	2,971,403	1,133,070	756,486
Ending Capital and Surplus	41,941,985	43,399,330	42,111,073	42,721,802	42,972,680	40,001,277	38,868,207
Net Change in Capital and Surplus (%)	-0.4	1.6	-1.4	-0.6	7.4	2.9	2.0
Net Change in Capital and Surplus (5 yr CAGR)	...	...	2.0	...	...	...	...

Source: BestLink® - Best's Financial Suite

Asset Liability Management - Investments

TIAA Group's total admitted assets are allocated around 84% to its general account with the remainder allocated to its separate accounts. The majority of the group's general account invested assets are in long-term bonds representing about 69% of total general account invested assets. The remainder of TIAA Group's general account invested assets consist of alternative assets (Schedule BA), direct mortgage loans, preferred and common stocks, real estate assets, contract loans, cash balances, short-term securities, and derivative instruments. AM Best notes TIAA does not engage in derivative financial instrument transactions for speculative purposes. Most of the Group's common stocks are investments in subsidiaries and affiliates. The overall mortgage loan portfolio has performed well over the years, but has had some delinquencies, foreclosures, or restructured loans in both 2022-2023. Below investment grade (BIG) holdings increased 0.6% year-over-year as a percentage of total general account assets, from 6.8% to 7.4%. The overall investment portfolio, has been slowly increasing towards private fixed income, including private placements, commercial mortgages, and private high yield over the last several years.

TIAA Group currently maintains three non-guaranteed separate accounts that have been established to fund variable annuities in its non-pension and pension lines of business. A fourth separate account was established to fund a flexible fixed annuity contract offered to employer sponsored defined pension plans principally in the 403(b) market. The decrease in separate account assets and liabilities in 2023 was mainly driven by higher outflows from real estate market pressure, along with increased market volatility.

TIAA Group benefits from a uniquely stable and long-maturity liability structure, as the majority of its insurance reserves are comprised of annuities that are not subject to discretionary withdrawal at the option of the contract holder. This unique structure provides the group with a significant degree of flexibility in its investment strategy. TIAA Group has used a well-balanced mix of long-maturity corporate bonds - including public and private, direct commercial mortgages, structured securities, treasuries and other alternative investment classes that include private equity and real estate to support its liabilities. The group also uses derivative instruments for economic hedging, income generation, and asset replication purposes. As a result of its stable liability structure and large capital base,

Balance Sheet Strength (Continued...)

the company has historically been able to take a higher degree of illiquid credit risk and, to some extent, higher schedule BA asset exposure, in its investment portfolio when compared to other insurers. Nonetheless, policyholders have benefited from TIAA Group's ability to translate this incremental risk into above-average investment performance that has contributed to enhanced policyholder dividends relative to its peers. Policyholders also benefit from the significant economies of scale in TIAA's operations, resulting in lower investment expenses and higher net investment yields.

Composition of Cash and Invested Assets	3-Months		Year End - December 31				
	2024	2023	2023	2022	2021	2020	2019
Total Cash and Invested Assets USD (000)	306,898,206	304,730,146	306,456,766	306,506,574	299,355,264	288,827,001	275,155,646
Composition Percentages (%)							
Unaffiliated:							
Cash and Short Term Investments	0.3	0.5	0.3	0.4	0.3	0.9	0.4
Bonds	69.2	70.1	69.4	70.4	70.1	72.2	71.6
Stocks	0.9	1.2	0.9	1.6	1.6	0.4	0.4
Mortgage Loans	13.2	12.3	13.4	12.3	12.3	12.0	11.8
Other Invested Assets	6.8	6.7	6.7	6.6	6.4	5.2	5.1
Total Unaffiliated	90.6	90.8	90.6	91.3	90.7	90.8	89.4
Investments in Affiliates	9.7	9.3	9.6	8.9	9.4	9.3	10.7
Non-Admitted	-0.2	-0.2	-0.2	-0.2	-0.1	-0.1	-0.1
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: BestLink® - Best's Financial Suite

Bonds and Short Term Investments - Distribution by Maturity (%)	Years					Average (Years)
	0-1	1-5	5-10	10-20	20+	
Government Bonds	0.4	1.1	2.0	5.2	1.3	12.9
Government Agencies and Municipal Bonds	0.2	1.2	2.0	4.6	2.5	14.2
Industrial and Miscellaneous Bonds	4.4	23.7	20.8	14.8	15.5	10.6
Bank Loans	0.3	3.9	1.2	...	...	4.0
Hybrid Securities	...	...	0.1	...	0.1	13.0
Affiliated Bonds	...	...	...	0.1	...	15.0
Total Bonds	5.0	26.1	24.9	24.8	19.3	11.2

Source: BestLink® - Best's Financial Suite

Bonds - Distribution by Issuer	Year End - December 31				
	2023	2022	2021	2020	2019
Bonds USD (000)	212,759,701	215,655,670	210,217,751	208,989,696	197,718,283
US Government (%)	7.9	8.2	9.6	13.2	15.4
Foreign Government (%)	1.9	1.9	2.1	2.2	2.5
Foreign - All Other (%)	12.6	12.8	13.7	13.2	13.1
State, Municipal & Special Revenue (%)	10.6	11.1	11.3	11.0	10.9
Industrial & Miscellaneous (%)	66.7	65.7	62.9	59.2	57.0
Hybrid Securities (%)	0.2	0.2	0.2	0.2	0.2
SVO Identified (%)	...	...	...	0.8	0.5
Affiliated (%)	0.1	...	0.1	0.2	0.4
Total Bonds (%)	100.0	100.0	100.0	100.0	100.0

Source: BestLink® - Best's Financial Suite

Balance Sheet Strength (Continued...)

Reserve Adequacy

TIAA maintains a large amount of additional insurance reserves above statutory requirements including deferred and payout annuities issued after 2000. As of YE-2023, almost 99% of TIAA's GA policy & contract reserves were attributable to pension and other retirement annuities. More than half of the annuity reserves have no surrenders allowed, and have a 3% guaranteed minimum crediting rate.

Operating Performance

TIAA Group has demonstrated a generally consistent track record of strong net operating profitability, reflecting its extremely stable liability structure, lean expense structure, and favorable investment income trends. Distribution of traditional annuity products is conducted directly with its institutional clients. Pension and retirement products (other than products sold by TIAA-CREF Life) are offered to employees on a payroll deduction basis and, therefore, incur no commission costs. However, full administrative service and support is provided both to the institution and individual plan participants. TIAA Group strategically has continued to increase its infrastructure costs in recent years to add to its technology platform and advertising expense in order to raise brand awareness. Overall the net income growth has outpaced controlled expenses over a sustained period of time.

The organization enjoys a significant competitive advantage due to its extremely stable liability structure, which ensures long-term persistency of its policies in force and provides for considerable flexibility in investment strategy. TIAA Group generates predictable and significant positive cash flows, and with approximately 69% of its general account reserves considered to be not cashable, the company can invest in opportunities - such as real estate or alternative investments - with long-term payback, a luxury not available to most of its competitors.

TIAA Group has generated meaningful and generally consistent net operating gains despite the prior low interest rate environment and volatile equity markets. Individual and group annuities are seeing industry strength and AM Best believes TIAA Group is in a good position to take advantage of the market opportunity.

The ordinary life segment's net operating performance has fluctuated in recent years between modest gains and losses, dampened somewhat by new business expense strain. The group's capital allocated to the non-insurance segments has also contributed meaningful earnings. The company continues to focus both on the top line and expenses to return to a positive earnings trend in the near term.

Year End - December 31

Net Operating Gain By LOB USD (000)	2023	2022	2021	2020	2019
Individual Life	79,061	73,769	92,838	285,852	-226,312
Group Life	4,179	5,485	7,776	8,174	95
Individual Annuities	279,111	1,097,976	2,849,501	1,208,593	1,754,483
Group Annuities	597,006	1,091,616	1,313,486	166,635	212,325
Accident & Health	-1,085	1,095	1,345	979	773
Total	958,273	2,269,941	4,264,947	1,670,233	1,741,364

Source: BestLink® - Best's Financial Suite

Year End - December 31

Accident & Health Statistics	2023	2022	2021	2020	2019
Net Premiums Written USD (000)	2	2	2	2	2
Net Premiums Earned USD (000)	2	2	2	2	2
Claims and Cost Containment Ratio (%)	156.6	143.8	259.4	250.6	8.0
Expense Ratio (%)	999.9	999.9	999.9	-99.9	999.9
Combined Ratio (%)	999.9	999.9	999.9	-99.9	999.9
Underwriting Results USD (000)	-1,089	1,048	1,265	971	780

Source: BestLink® - Best's Financial Suite



Business Profile

TIAA Group's primary business is providing retirement annuities to fund defined contribution pension plans at participating institutions. At year-end 2023, approximately 98% of the group's general account policy and contract reserves were attributable to pension and retirement annuities and as such, AM Best notes that TIAA Group's business is highly concentrated in the pension and retirement annuity space.

TIAA Group does not have a commissioned sales force to distribute its products and premiums for pension annuity and mutual fund products are remitted directly by participating institutions. TIAA Group recognizes that its customers are looking for financial solutions that meet their needs at every life stage. From the individual client perspective, TIAA Group looks to offer advice, products and services related to fulfilling the client's long-term financial goals, while from the institutional perspective, TIAA Group offers efficient and cost-effective delivery of products and administration. TIAA has a continued strong franchise in the higher education market, and remains a dominant player in the U.S. higher education pension market. In 2023 continued to achieve a very high percentage winning rate for recordkeeping agreements that was up significantly year over year among top 1000 clients.

Expanded into the 401(k) sector with Secure Income Account suite of solutions as well as into broader IRA market. First 401(k) recordkeeping and managed account partnership executed in early Q4-2022. The 401(k) distribution strategy is highly dependent upon developing successful partnerships with some of the largest recordkeepers, plus some additional niche providers covering majority of the distributors serving the retirement market.

The company has a very strong executive team with a proven track record for quality performance which AM Best expects to continue in the near term in a highly competitive market with challenges from other asset accumulators.

2023 By Line Business	Direct Premiums Written		Reinsurance Premiums Assumed		Reinsurance Premiums Ceded		Net Premiums Written		Business Retention
	USD (000)	%	USD (000)	%	USD (000)	%	USD (000)	%	%
Individual Life	305,235	1.7	...	...	57,104	61.8	248,131	1.4	81.3
Group Life	39,613	0.2	...	...	17,691	19.2	21,923	0.1	55.3
Individual Annuities	5,953,876	33.8	...	...	...	...	5,953,876	34.0	100.0
Group Annuities	11,275,251	64.1	...	...	...	...	11,275,251	64.4	100.0
Accident & Health	17,560	0.1	...	...	17,558	19.0	2	...	...
Total	17,591,536	100.0	...	...	92,354	100.0	17,499,182	100.0	99.5

Source: BestLink® - Best's Financial Suite

Year End - December 31

Geographic Breakdown by Direct Premiums Written and Deposit-Type Contracts USD (000)

	2023	2022	2021	2020	2019
New York	3,891,076	3,688,098	2,979,981	3,761,411	3,156,003
California	1,554,257	2,078,381	1,029,729	1,775,147	1,233,600
Pennsylvania	1,195,392	1,363,097	1,048,294	1,205,482	1,001,993
Michigan	1,194,762	952,768	1,113,152	2,395,147	911,922
New Jersey	1,032,210	967,721	879,587	1,188,250	1,113,911
Top 5 States	8,867,698	9,050,064	7,050,744	10,325,437	7,417,428
All Other	10,524,401	8,931,717	9,565,051	11,732,809	9,867,789
Total	19,392,099	17,981,781	16,615,795	22,058,246	17,285,217
Geographic Concentration Index	0.07	...	...	...	...

Source: BestLink® - Best's Financial Suite

Enterprise Risk Management

The mission of TIAA's Enterprise Risk Management (ERM) division is to support TIAA to achieve key goals, avoid severe risks, protect the Company's financial strength and reputation, and help ensure that the company delivers on its long-term promises and meets its strategic objectives. To achieve this mission, ERM uses the industry three lines of defense and promotes the proactive identification,

Enterprise Risk Management (Continued...)

measurement, assessment, and management of risks within the firm's risk appetite to drive more informed and effective risk/reward decisions and achieve better business outcomes.

TIAA's ERM is an independent function reporting to TIAA's Board of Trustees and is supported by a strong governance structure. ERM management provides risk oversight and governance at both the enterprise and line of business levels and operates a risk committee structure that includes integrated line of business risk management committees and a risk committee of the Board. Risk oversight at the Board level is provided and managed through the Risk and Compliance Committee. The risk governance structure at the line of business level includes nine integrated management committees inclusive of the Enterprise Risk Management and Compliance Committee and eight committees that report into it, which include the following: Retirement, Wealth and Product Risk Management Committee, Nuveen Risk Management Committee, Client Services & Technology Risk Management Committee, Model Governance and Oversight Committee, Asset Liability Committee, , Enterprise Risk Management and Compliance Governance Committee, Operational Risk Management Committee, and Conduct Risk Committee.

AM Best notes that TIAA has a significant amount of overall resources dedicated to its risk management program. As a result, its ERM framework and capabilities are more than sufficient to support its risk profile.

In January 2021, an additional Risks Working Group was established to discuss, challenge, and escalate the most impactful risks to the firm, considering both quantitative and qualitative factors, which could have material impacts to AUM, revenue, or the firm's reputational or regulatory standing. The 1st Line of Defense has made significant progress with foundational work in ESG & Climate, while regulatory guidance is still evolving.

Environmental, Social & Governance

Some evolving external requirements and related internal initiatives are driving TIAA to develop and integrate a variety of climate-related activities. Enhancing the risk framework to explicitly capture climate risk across risk categories and programs. Continued working with the General Account to execute a Net Zero Carbon pledge with financial impact analysis to the portfolio from investment decisions. Further developing scenario analysis to understand potential financial impacts from climate-related risks. AM Best considers TIAA Group's exposure to material environmental, social and corporate governance (ESG) risks to be low, and as of now ESG factors are unlikely to impact the credit quality of the company over the short-term.

Financial Statements

	3-Months		Year End - December 31			
	2024		2023		2022	
Balance Sheet	USD (000)	%	USD (000)	%	USD (000)	%
Cash and Short Term Investments	986,560	0.3	797,786	0.2	1,301,591	0.4
Bonds	212,613,688	58.2	212,703,002	58.5	215,594,805	59.0
Preferred and Common Stock	3,099,773	0.8	2,907,310	0.8	7,036,210	1.9
Other Invested Assets	90,198,185	24.7	90,048,669	24.8	82,573,968	22.6
Total Cash and Invested Assets	306,898,206	84.0	306,456,766	84.2	306,506,574	83.9
Premium Balances	47,448	...	57,762	...	55,259	...
Net Deferred Tax Asset	1,757,745	0.5	1,742,175	0.5	1,314,805	0.4
Other Assets	3,600,247	1.0	3,438,620	0.9	3,074,887	0.8
Total General Account Assets	312,303,646	85.5	311,695,322	85.7	310,951,525	85.1
Separate Account Assets	52,847,003	14.5	52,090,457	14.3	54,348,539	14.9
Total Assets	365,150,649	100.0	363,785,779	100.0	365,300,064	100.0
Net Life Reserves	236,079,572	64.7	235,169,577	64.6	231,135,153	63.3
Net Accident & Health Reserves	1	...	1	...	1	...
Liability for Deposit Contracts	17,351,781	4.8	17,524,136	4.8	17,095,521	4.7
Asset Valuation Reserve	6,984,569	1.9	6,872,794	1.9	6,646,757	1.8
Other Liabilities	10,949,701	3.0	10,792,635	3.0	13,499,627	3.7
Total General Account Liabilities	271,365,624	74.3	270,359,143	74.3	268,377,060	73.5
Separate Account Liabilities	51,843,040	14.2	51,315,563	14.1	54,201,203	14.8
Total Liabilities	323,208,664	88.5	321,674,706	88.4	322,578,262	88.3
Capital Stock	2,500	...	2,500	...	2,500	...
Paid-In and Contributed Surplus	550	...	550	...	550	...
Other Surplus	41,938,935	11.5	42,108,023	11.6	42,718,752	11.7
Total Capital and Surplus	41,941,985	11.5	42,111,073	11.6	42,721,802	11.7
Total Liabilities, Capital and Surplus	365,150,649	100.0	363,785,779	100.0	365,300,064	100.0

Source: BestLink® - Best's Financial Suite



Income Statement USD (000)	3-Months		Year End - December 31	
	2024	2023	2023	2022
Net Premiums Earned:				
Individual Life	...	...	248,131	285,951
Group Life	...	...	21,923	24,308
Individual Annuities	...	...	5,953,876	5,697,433
Group Annuities	...	...	11,275,251	9,608,661
Accident & Health	...	...	2	2
Total Net Premiums Earned	4,548,976	3,777,768	17,499,182	15,616,355
Net Investment Income	3,166,510	3,599,701	13,204,394	12,786,012
Reserve Adjustments on Reinsurance Ceded	-1,631	-10,090	-27,409	-11,453
Other Income	1,261,131	1,159,957	5,844,932	4,315,544
Total Revenue	8,974,986	8,527,335	36,521,098	32,706,459
Policy Benefits	7,593,049	6,990,678	31,542,537	25,020,617
Commissions and Expense Allowances	728	898	3,153	4,209
Insurance and Other Expense	472,202	502,034	1,990,924	1,800,808
Net Transfers to (from) Separate Accounts	-416,837	-921,644	-3,081,992	-484,300
Dividends to Policyholders	1,148,120	1,226,159	5,099,945	4,140,797
Pre-Tax Net Operating Gain	177,724	729,211	966,531	2,224,328
Income Taxes Incurred	4,687	-84,265	8,258	-45,613
Net Operating Gain	173,037	813,476	958,273	2,269,941
Net Realized Capital Gains	-288,316	-378,107	-1,689,842	-2,614,983
Net Income	-115,279	435,369	-731,569	-345,042

Source: BestLink® - Best's Financial Suite

Statement of Operating Cash Flows USD (000)	3-Months		Year End - December 31	
	2024	2023	2023	2022
Net Premiums Collected	4,942,304	4,126,902	19,456,943	16,902,900
Net Investment Income	3,110,804	3,483,839	12,966,435	12,634,006
Other Income Received	86,971	99,201	343,841	364,860
Total Collected Operating Revenue	8,140,078	7,709,942	32,767,218	29,901,766
Net Benefits and Loss Related Payments	6,616,707	6,782,580	27,396,588	22,267,478
Commissions and Other Expenses Paid	906,557	838,026	1,536,583	1,343,310
Net Transfers to (from) Separate Accounts	-161,301	-926,190	-2,478,575	-476,419
Dividends to Policyholders	510,756	486,224	1,943,105	1,778,738
Income Taxes Paid (Recovered)	87	-46,217	-30,748	-93,313
Total Paid Expenses and Transfers	7,872,806	7,134,424	28,366,953	24,819,795
Net Operating Cash Flow	267,273	575,518	4,400,266	5,081,971

Source: BestLink® - Best's Financial Suite

Related Methodology and Criteria

- [AM Best's Stress Liquidity Ratio for US Life Insurers, 05/09/2024](#)
- [Best's Credit Rating Methodology, 01/18/2024](#)
- [Available Capital and Insurance Holding Company Analysis, 01/18/2024](#)
- [Evaluating US Surplus Notes, 06/13/2024](#)
- [Scoring and Assessing Innovation, 02/27/2023](#)
- [Understanding BCAR for US and Canadian Life/Health Insurers, 06/27/2024](#)



Additional Rating Types

AM Best assigns Best's Issue Credit Ratings. Refer to the profile page to view current Issue Ratings for [Teachers Ins & Annuity Assn \(AMB#007112\)](#)

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