

2025 Annual Report

Privileged Assets[®] Select Annuity

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Annual Financial Information

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

TO THE BOARD OF DIRECTORS OF RIVERSOURCE LIFE INSURANCE CO. OF NEW YORK AND THE CONTRACT OWNERS OF RIVERSOURCE OF NEW YORK VARIABLE ANNUITY ACCOUNT 1

Opinions on the Financial Statements

We have audited the accompanying statements of assets and liabilities of each of the divisions of RiverSource of New York Variable Annuity Account 1, as indicated in Note 1, as of December 31, 2025, and the related statements of operations and of changes in net assets for each of the periods indicated in Note 1, including the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of each of the divisions of RiverSource of New York Variable Annuity Account 1 as of December 31, 2025, and the results of each of their operations and the changes in each of their net assets of the periods indicated in Note 1 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinions

These financial statements are the responsibility of the RiverSource Life Insurance Co. of New York management. Our responsibility is to express an opinion on the financial statements of each of the divisions of the RiverSource of New York Variable Annuity Account 1 based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to each of the divisions of the RiverSource of New York Variable Annuity Account 1 in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits of these financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of investments owned as of December 31, 2025, by correspondence with the investee mutual funds. We believe that our audits provide a reasonable basis for our opinions.

/s/ PricewaterhouseCoopers LLP

Minneapolis, Minnesota

April 24, 2026

We have served as the auditor of one or more of the divisions of RiverSource of New York Variable Annuity Account 1 since 2010.

Statement of Assets and Liabilities

	Col VP Bal, CI 3	Col VP Disciplined Core, CI 3	Col VP Govt Money Mkt, CI 3	Col VP Inter Bond, CI 3	Col VP Overseas Core, CI 3
December 31, 2025					
Assets					
Investments, at fair value	\$118,187	\$182,125	\$10,899	\$22,799	\$7,604
Dividends receivable	—	—	1	—	—
Receivable for share redemptions	107	165	10	21	7
Total assets	118,294	182,290	10,910	22,820	7,611
Liabilities					
Payable to RiverSource Life of NY for: Mortality and expense risk fee	107	165	11	21	7
Total liabilities	107	165	11	21	7
Net assets applicable to certificates in accumulation period	118,187	182,125	10,899	22,799	7,604
Total net assets	\$118,187	\$182,125	\$10,899	\$22,799	\$7,604
Investment shares	2,148	1,435	10,900	2,645	427
Investments, at cost	\$ 43,857	\$ 43,368	\$10,900	\$26,357	\$5,651

	Col VP Select Mid Cap Gro, CI 3	Invesco VI Core Eq, Ser I	Janus Henderson VIT Gbl Res, Inst	Janus Henderson VIT Res, Inst	LVIP AC Cap Appr, Std CI II
December 31, 2025 (continued)					
Assets					
Investments, at fair value	\$39,997	\$167,837	\$193,904	\$664,264	\$44,345
Dividends receivable	—	—	—	—	—
Receivable for share redemptions	36	152	175	601	40
Total assets	40,033	167,989	194,079	664,865	44,385
Liabilities					
Payable to RiverSource Life of NY for: Mortality and expense risk fee	36	152	175	601	40
Total liabilities	36	152	175	601	40
Net assets applicable to certificates in accumulation period	39,997	167,837	193,904	664,264	44,345
Total net assets	\$39,997	\$167,837	\$193,904	\$664,264	\$44,345
Investment shares	631	4,658	2,434	10,235	2,925
Investments, at cost	\$16,521	\$138,146	\$111,755	\$355,593	\$41,549

See accompanying notes to financial statements.

Statement of Assets and Liabilities

December 31, 2025 (continued)	LVIP AC Val, Std CI II
Assets	
Investments, at fair value	\$181,536
Dividends receivable	—
Receivable for share redemptions	164
Total assets	181,700
Liabilities	
Payable to RiverSource Life of NY for:	
Mortality and expense risk fee	164
Total liabilities	164
Net assets applicable to certificates in accumulation period	181,536
Total net assets	\$181,536
Investment shares	14,052
Investments, at cost	\$134,272

See accompanying notes to financial statements.

Statement of Operations

	Col VP Bal, CI 3	Col VP Disciplined Core, CI 3	Col VP Govt Money Mkt, CI 3	Col VP Inter Bond, CI 3	Col VP Overseas Core, CI 3
Year ended December 31, 2025					
Investment income					
Dividend income	\$ —	\$ —	\$405	\$1,175	\$ 472
Variable account expenses	1,252	1,666	108	241	163
Investment income (loss) — net	(1,252)	(1,666)	297	934	309
Realized and unrealized gain (loss) on investments — net					
Realized gain (loss) on sales of investments:					
Proceeds from sales	29,494	2,907	110	4,038	20,422
Cost of investments sold	11,775	754	110	4,647	16,939
Net realized gain (loss) on sales of investments	17,719	2,153	—	(609)	3,483
Distributions from capital gains	—	—	—	—	—
Net change in unrealized appreciation (depreciation) of investments	(1,641)	20,965	—	1,504	2,048
Net gain (loss) on investments	16,078	23,118	—	895	5,531
Net increase (decrease) in net assets resulting from operations	\$14,826	\$21,452	\$297	\$1,829	\$ 5,840

	Col VP Select Mid Cap Gro, CI 3	Invesco VI Core Eq, Ser I	Janus Henderson VIT Gbl Res, Inst	Janus Henderson VIT Res, Inst	LVIP AC Cap Appr, Std CI II
Year ended December 31, 2025 (continued)					
Investment income					
Dividend income	\$ —	\$ 1,028	\$ 1,033	\$ —	\$ —
Variable account expenses	380	1,554	1,793	6,086	438
Investment income (loss) — net	(380)	(526)	(760)	(6,086)	(438)
Realized and unrealized gain (loss) on investments — net					
Realized gain (loss) on sales of investments:					
Proceeds from sales	386	1,554	1,809	7,433	22,699
Cost of investments sold	168	1,289	1,062	4,095	18,480
Net realized gain (loss) on sales of investments	218	265	747	3,338	4,219
Distributions from capital gains	—	11,835	15,353	45,617	7,113
Net change in unrealized appreciation (depreciation) of investments	5,025	10,319	16,595	54,636	(8,316)
Net gain (loss) on investments	5,243	22,419	32,695	103,591	3,016
Net increase (decrease) in net assets resulting from operations	\$4,863	\$21,893	\$31,935	\$ 97,505	\$ 2,578

See accompanying notes to financial statements.

Statement of Operations

	LVIP AC Val, Std CI II
Year ended December 31, 2025 (continued)	
Investment income	
Dividend income	\$ 2,799
Variable account expenses	1,692
Investment income (loss) — net	1,107
Realized and unrealized gain (loss) on investments — net	
Realized gain (loss) on sales of investments:	
Proceeds from sales	8,157
Cost of investments sold	6,053
Net realized gain (loss) on sales of investments	2,104
Distributions from capital gains	13,171
Net change in unrealized appreciation (depreciation) of investments	7,115
Net gain (loss) on investments	22,390
Net increase (decrease) in net assets resulting from operations	\$23,497

See accompanying notes to financial statements.

Statement of Changes in Net Assets

Year ended December 31, 2025	Col VP Bal, CI 3	Col VP Disciplined Core, CI 3	Col VP Govt Money Mkt, CI 3	Col VP Inter Bond, CI 3	Col VP Overseas Core, CI 3
Operations					
Investment income (loss) — net	\$ (1,252)	\$ (1,666)	\$ 297	\$ 934	\$ 309
Net realized gain (loss) on sales of investments	17,719	2,153	—	(609)	3,483
Distributions from capital gains	—	—	—	—	—
Net change in unrealized appreciation (depreciation) of investments	(1,641)	20,965	—	1,504	2,048
Net increase (decrease) in net assets resulting from operations	14,826	21,452	297	1,829	5,840
Certificate transactions					
Certificate purchase payments	—	1,175	—	100	100
Net transfers ⁽¹⁾	—	—	—	55	—
Certificate charges	—	(7)	(2)	—	—
Certificate terminations:					
Surrender benefits	(28,242)	(1,234)	—	(3,797)	(20,259)
Increase (decrease) from transactions	(28,242)	(66)	(2)	(3,642)	(20,159)
Increase (decrease) in net assets	(13,416)	21,386	295	(1,813)	(14,319)
Net assets at beginning of year	131,603	160,739	10,604	24,612	21,923
Net assets at end of year	\$118,187	\$182,125	\$10,899	\$22,799	\$ 7,604
Accumulation unit activity					
Units outstanding at beginning of year	26,674	26,005	8,144	12,300	9,965
Units purchased	—	185	—	49	42
Units redeemed	(5,431)	(196)	(2)	(1,817)	(7,476)
Units outstanding at end of year	21,243	25,994	8,142	10,532	2,531

See accompanying notes to financial statements.

Statement of Changes in Net Assets

Year ended December 31, 2025 (continued)	Col VP Select Mid Cap Gro, CI 3	Invesco VI Core Eq, Ser I	Janus Henderson VIT Gbl Res, Inst	Janus Henderson VIT Res, Inst	LVIP AC Cap Appr, Std CI II
Operations					
Investment income (loss) — net	\$ (380)	\$ (526)	\$ (760)	\$ (6,086)	\$ (438)
Net realized gain (loss) on sales of investments	218	265	747	3,338	4,219
Distributions from capital gains	—	11,835	15,353	45,617	7,113
Net change in unrealized appreciation (depreciation) of investments	5,025	10,319	16,595	54,636	(8,316)
Net increase (decrease) in net assets resulting from operations	4,863	21,893	31,935	97,505	2,578
Certificate transactions					
Certificate purchase payments	—	300	—	1,475	1,175
Net transfers ⁽¹⁾	44	—	—	—	—
Certificate charges	(6)	(6)	(16)	(68)	(38)
Certificate terminations:					
Surrender benefits	—	—	—	(1,298)	(22,223)
Increase (decrease) from transactions	38	294	(16)	109	(21,086)
Increase (decrease) in net assets	4,901	22,187	31,919	97,614	(18,508)
Net assets at beginning of year	35,096	145,650	161,985	566,650	62,853
Net assets at end of year	\$39,997	\$167,837	\$193,904	\$664,264	\$ 44,345
Accumulation unit activity					
Units outstanding at beginning of year	8,926	38,743	27,425	59,653	7,846
Units purchased	—	76	—	147	141
Units redeemed	(1)	(2)	(2)	(139)	(2,747)
Units outstanding at end of year	8,925	38,817	27,423	59,661	5,240

See accompanying notes to financial statements.

Statement of Changes in Net Assets

Year ended December 31, 2025 (continued)	LVIP AC Val, Std CI II
Operations	
Investment income (loss) — net	\$ 1,107
Net realized gain (loss) on sales of investments	2,104
Distributions from capital gains	13,171
Net change in unrealized appreciation (depreciation) of investments	7,115
Net increase (decrease) in net assets resulting from operations	23,497
Certificate transactions	
Certificate purchase payments	1,175
Net transfers ⁽¹⁾	—
Certificate charges	(7)
Certificate terminations:	
Surrender benefits	(6,458)
Increase (decrease) from transactions	(5,290)
Increase (decrease) in net assets	18,207
Net assets at beginning of year	163,329
Net assets at end of year	\$181,536
Accumulation unit activity	
Units outstanding at beginning of year	21,286
Units purchased	145
Units redeemed	(834)
Units outstanding at end of year	20,597

⁽¹⁾ Includes transfer activity from (to) other divisions and transfers from (to) RiverSource Life of NY's fixed account.

See accompanying notes to financial statements.

Statement of Changes in Net Assets

	Col VP Bal, CI 3	Col VP Disciplined Core, CI 3	Col VP Govt Money Mkt, CI 3	Col VP Inter Bond, CI 3	Col VP Overseas Core, CI 3
Year ended December 31, 2024					
Operations					
Investment income (loss) — net	\$ (1,313)	\$ (1,565)	\$ 537	\$ 1,005	\$ 672
Net realized gain (loss) on sales of investments	4,331	13,173	(2)	(853)	4
Distributions from capital gains	—	—	—	—	—
Net change in unrealized appreciation (depreciation) of investments	13,079	22,319	2	100	(254)
Net increase (decrease) in net assets resulting from operations	16,097	33,927	537	252	422
Certificate transactions					
Certificate purchase payments	—	900	—	740	740
Net transfers ⁽¹⁾	751	(8,765)	(16,442)	1,000	751
Certificate charges	—	(17)	(2)	—	(5)
Certificate terminations:					
Surrender benefits	(6,225)	(8,149)	—	(4,139)	(257)
Increase (decrease) from transactions	(5,474)	(16,031)	(16,444)	(2,399)	1,229
Increase (decrease) in net assets	10,623	17,896	(15,907)	(2,147)	1,651
Net assets at beginning of year	120,980	142,843	26,511	26,759	20,272
Net assets at end of year	\$131,603	\$160,739	\$ 10,604	\$24,612	\$21,923
Accumulation unit activity					
Units outstanding at beginning of year	27,778	28,804	21,119	13,481	9,427
Units purchased	153	158	—	850	656
Units redeemed	(1,257)	(2,957)	(12,975)	(2,031)	(118)
Units outstanding at end of year	26,674	26,005	8,144	12,300	9,965

See accompanying notes to financial statements.

Statement of Changes in Net Assets

Year ended December 31, 2024 (continued)	Col VP Select Mid Cap Gro, CI 3	Invesco VI Core Eq, Ser I	Janus Henderson VIT Gbl Res, Inst	Janus Henderson VIT Res, Inst	LVIP AC Cap Appr, Std CI II
Operations					
Investment income (loss) — net	\$ (670)	\$ (588)	\$ (464)	\$ (5,185)	\$ (686)
Net realized gain (loss) on sales of investments	49,065	10,230	15,312	56,028	7,903
Distributions from capital gains	—	11,474	4,828	14,415	3,459
Net change in unrealized appreciation (depreciation) of investments	(33,884)	15,815	13,990	93,344	6,844
Net increase (decrease) in net assets resulting from operations	14,511	36,931	33,666	158,602	17,520
Certificate transactions					
Certificate purchase payments	—	300	—	1,200	900
Net transfers ⁽¹⁾	(105,386)	(86,793)	(35,236)	(109,693)	(52,320)
Certificate charges	(13)	(6)	(23)	(243)	(68)
Certificate terminations:					
Surrender benefits	(383)	—	(2,924)	(1,098)	(1,015)
Increase (decrease) from transactions	(105,782)	(86,499)	(38,183)	(109,834)	(52,503)
Increase (decrease) in net assets	(91,271)	(49,568)	(4,517)	48,768	(34,983)
Net assets at beginning of year	126,367	195,218	166,502	517,882	97,836
Net assets at end of year	\$ 35,096	\$145,650	\$161,985	\$ 566,650	\$ 62,853
Accumulation unit activity					
Units outstanding at beginning of year	39,273	64,519	34,476	73,034	15,112
Units purchased	—	88	—	142	124
Units redeemed	(30,347)	(25,864)	(7,051)	(13,523)	(7,390)
Units outstanding at end of year	8,926	38,743	27,425	59,653	7,846

See accompanying notes to financial statements.

Statement of Changes in Net Assets

Year ended December 31, 2024 (continued)	LVIP AC Val, Std CI II
Operations	
Investment income (loss) — net	\$ 3,014
Net realized gain (loss) on sales of investments	10,138
Distributions from capital gains	8,792
Net change in unrealized appreciation (depreciation) of investments	(7,745)
Net increase (decrease) in net assets resulting from operations	14,199
Certificate transactions	
Certificate purchase payments	900
Net transfers ⁽¹⁾	21,178
Certificate charges	(7)
Certificate terminations:	
Surrender benefits	(32,620)
Increase (decrease) from transactions	(10,549)
Increase (decrease) in net assets	3,650
Net assets at beginning of year	159,679
Net assets at end of year	\$163,329
Accumulation unit activity	
Units outstanding at beginning of year	22,555
Units purchased	3,067
Units redeemed	(4,336)
Units outstanding at end of year	21,286

⁽¹⁾ Includes transfer activity from (to) other divisions and transfers from (to) RiverSource Life of NY's fixed account.

See accompanying notes to financial statements.

Notes to Financial Statements

1. ORGANIZATION

RiverSource of New York Variable Annuity Account 1 (the Account) was established under New York law as a segregated asset account of RiverSource Life Insurance Co. of New York (RiverSource Life of NY). The Account is registered as a unit investment trust under the Investment Company Act of 1940, as amended (the 1940 Act) and exists in accordance with the rules and regulations of the New York State Department of Financial Services.

The Account is used as a funding vehicle for Privileged Assets[®] Select Annuity (PASA) certificates issued by RiverSource Life of NY.

The Account is comprised of various divisions. Each division invests exclusively in shares of the following funds or portfolios (collectively, the Funds), which are registered under the 1940 Act as open-end management investment companies. The name of each Fund and the corresponding division name are provided below. Each division is comprised of subaccounts. Individual variable annuity accounts invest in subaccounts. For each division, the financial statements are comprised of a statement of assets and liabilities as of December 31, 2025, a related statement of operations for the year then ended and statements of changes in net assets for each of the two years in the period then ended, all presented to reflect a full twelve month period. These financial statements represent all divisions in the Account.

Division	Fund
Col VP Bal, CI 3	Columbia Variable Portfolio – Balanced Fund (Class 3)
Col VP Disciplined Core, CI 3	Columbia Variable Portfolio – Disciplined Core Fund (Class 3)
Col VP Govt Money Mkt, CI 3	Columbia Variable Portfolio – Government Money Market Fund (Class 3)
Col VP Inter Bond, CI 3	Columbia Variable Portfolio – Intermediate Bond Fund (Class 3)
Col VP Overseas Core, CI 3	Columbia Variable Portfolio – Overseas Core Fund (Class 3)
Col VP Select Mid Cap Gro, CI 3	Columbia Variable Portfolio – Select Mid Cap Growth Fund (Class 3)
Invesco VI Core Eq, Ser I	Invesco V.I. Core Equity Fund, Series I Shares
Janus Henderson VIT Gbl Res, Inst	Janus Henderson VIT Global Research Portfolio: Institutional Shares
Janus Henderson VIT Res, Inst	Janus Henderson VIT Research Portfolio: Institutional Shares
LVIP AC Cap Appr, Std CI II	LVIP American Century Capital Appreciation Fund, Standard Class II ⁽¹⁾
LVIP AC Val, Std CI II	LVIP American Century Value Fund, Standard Class II ⁽²⁾

⁽¹⁾ American Century VP Capital Appreciation, Class I reorganized into LVIP American Century Capital Appreciation Fund, Standard Class II on April 26, 2024.

⁽²⁾ American Century VP Value, Class I reorganized into LVIP American Century Value Fund, Standard Class II on April 26, 2024.

The assets of each division of the Account are not chargeable with liabilities arising out of the business conducted by any other segregated asset account or by RiverSource Life of NY.

RiverSource Life of NY serves as issuer of the certificates.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Investments in the Funds

Investment transactions are accounted for on the trade date the shares are purchased and sold. Realized gains and losses on the sales of investments are computed using the average cost method. Income from dividends and gains from realized capital gain distributions are reinvested in additional shares of the Funds and are recorded as income by the divisions on the ex-dividend date.

Unrealized appreciation or depreciation of investments in the accompanying financial statements represents the division's share of the Funds' undistributed net investment income, undistributed realized gain or loss and the unrealized appreciation or depreciation on their investment securities.

The Account categorizes its fair value measurements according to a three-level hierarchy. An investment's level within the fair value hierarchy is based on the lowest level of any input that is deemed significant to the fair value measurement. The three levels of the fair value hierarchy are defined as follows:

Level 1 – Unadjusted quoted prices for identical assets or liabilities in active markets that are accessible at the measurement date.

Level 2 – Prices or valuations based on observable inputs other than quoted prices in active markets for identical assets and liabilities.

Level 3 – Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

The Funds in the Account have been measured at fair value using the net asset value per share (or its equivalent) as a practical expedient and are therefore not categorized in the fair value hierarchy. There were no transfers between levels in the period ended December 31, 2025.

Federal Income Taxes

RiverSource Life of NY is taxed as a life insurance company. The Account is treated as part of RiverSource Life of NY for federal income tax purposes. Under existing federal income tax law, no income taxes are payable with respect to any investment income of the Account to the extent the earnings are credited under the certificates. Based on this, no charge is being made currently to the Account for federal income taxes. RiverSource Life of NY will review periodically the status of this policy. In the event of changes in the tax law, a charge may be made in future years for any federal income taxes that would be attributable to the certificates.

Subsequent Events

Management has evaluated Account related events and transactions that occurred through the date the financial statements were issued. Management noted there were no items requiring adjustments or additional disclosures in the Account's financial statements.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements. Actual results could differ from those estimates.

Segment Reporting

Accounting Standards Update 2023-07, Segment Reporting (Topic 280) - *Improvements to Reportable Segment Disclosures* enables investors to better understand an entity's overall performance and to assess its potential future cash flows through improved segment disclosures. The Chairman and President and Chief Executive Officer of RiverSource Life Insurance Co. of New York acts as the Account's chief operating decision maker ("CODM") in assessing performance and making decisions about resource allocation. The CODM has determined that the Account has a single operating segment because the CODM monitors net income, investment performance and overall operating results of the Account as a whole in making decisions about resource allocation. The financial information provided to and reviewed by the CODM is consistent with that presented within the Account's financial statements.

3. VARIABLE ACCOUNT EXPENSES

For PASA certificates, RiverSource Life of NY deducts a daily mortality and expense risk fee equal, on an annual basis, to 1.00% of the average daily net assets of each subaccount.

4. CERTIFICATE CHARGES

RiverSource Life of NY deducts a certificate administrative charge of \$30 per year on the certificate anniversary. This charge reimburses RiverSource Life of NY for expenses incurred in establishing and maintaining the annuity records. The charge may be waived based upon the underlying certificate value.

5. RELATED PARTY TRANSACTIONS

RiverSource Life of NY is a wholly-owned subsidiary of RiverSource Life Insurance Company, which is a wholly-owned subsidiary of Ameriprise Financial, Inc. (Ameriprise Financial).

The following table reflects fees paid by certain affiliated funds to Ameriprise Financial and its affiliates.

Fee Agreement:	Fees Paid To:
Management Agreement	Columbia Management Investment Advisers, LLC
Shareholder Services Agreement	Columbia Management Investment Services Corp.
Plan and Agreement of Distribution	Columbia Management Investment Distributors, Inc.
Investment Advisory Agreement*	Columbia Wanger Asset Management, LLC
Administrative Services Agreement*	Columbia Wanger Asset Management, LLC

* Prior to April 1, 2025, Columbia Wanger Asset Management, LLC (CWAM) furnished investment advisory services to funds in the Columbia Acorn Trust (CAT) and the Columbia Funds Variable Series Trust (CFVST) (formerly known as Wanger Advisors Trust) under an investment advisory agreement (the Advisory Agreement) and provided administrative services to such funds under a separate administrative services agreement (the Administration Services Agreement). Effective April 1, 2025, CAT and CFVST, on behalf of these funds, entered into a new management services agreement (the Management Agreement) that combined the management services fee that was previously paid under the Advisory Agreement with the administrative services fee that was previously paid under the Administration Services Agreement. Pursuant to a Novation of Management Agreement effective July 7, 2025, Columbia Management Investment Advisers, LLC (CMIA) replaced CWAM, a wholly owned subsidiary of CMIA as a party to the Management Agreement.

6. INVESTMENT TRANSACTIONS

The divisions' purchases of Funds' shares, including reinvestment of dividend distributions, for the year ended December 31, 2025 were as follows:

Division	Purchases
Col VP Bal, CI 3	\$ —
Col VP Disciplined Core, CI 3	1,175
Col VP Govt Money Mkt, CI 3	406
Col VP Inter Bond, CI 3	1,330
Col VP Overseas Core, CI 3	572
Col VP Select Mid Cap Gro, CI 3	44

Division	Purchases
Invesco VI Core Eq, Ser I	\$13,157
Janus Henderson VIT Gbl Res, Inst	16,386
Janus Henderson VIT Res, Inst	47,073
LVIP AC Cap Appr, Std CI II	8,288
LVIP AC Val, Std CI II	17,145

7. FINANCIAL HIGHLIGHTS

The table below shows certain financial information regarding the division(s).

	At December 31			For the year ended December 31		
	Units (000s)	Accumulation unit value	Net assets (000s)	Investment income ratio ⁽¹⁾	Expense ratio ⁽²⁾	Total return ⁽³⁾
Col VP Bal, CI 3						
2025	21	\$ 5.57	\$118	—%	1.00%	12.78%
2024	27	\$ 4.94	\$132	—%	1.00%	13.29%
2023	28	\$ 4.36	\$121	—%	1.00%	20.03%
2022	27	\$ 3.63	\$ 99	—%	1.00%	(17.57)%
2021	27	\$ 4.40	\$120	—%	1.00%	13.60%
Col VP Disciplined Core, CI 3						
2025	26	\$ 7.01	\$182	—%	1.00%	13.35%
2024	26	\$ 6.18	\$161	—%	1.00%	24.64%
2023	29	\$ 4.96	\$143	—%	1.00%	23.00%
2022	29	\$ 4.03	\$117	—%	1.00%	(19.64)%
2021	29	\$ 5.02	\$143	—%	1.00%	31.25%
Col VP Govt Money Mkt, CI 3						
2025	8	\$ 1.34	\$ 11	3.77%	1.00%	2.81%
2024	8	\$ 1.30	\$ 11	4.79%	1.00%	3.82%
2023	21	\$ 1.26	\$ 27	4.51%	1.00%	3.56%
2022	20	\$ 1.21	\$ 25	1.19%	1.00%	0.16%
2021	19	\$ 1.21	\$ 23	0.01%	1.00%	(0.97)%
Col VP Inter Bond, CI 3						
2025	11	\$ 2.16	\$ 23	4.91%	1.00%	7.96%
2024	12	\$ 2.01	\$ 25	4.78%	1.00%	0.83%
2023	13	\$ 1.99	\$ 27	2.25%	1.00%	5.14%
2022	13	\$ 1.89	\$ 24	3.10%	1.00%	(17.99)%
2021	13	\$ 2.31	\$ 29	3.19%	1.00%	(1.34)%
Col VP Overseas Core, CI 3						
2025	3	\$ 3.01	\$ 8	2.94%	1.00%	36.73%
2024	10	\$ 2.20	\$ 22	4.17%	1.00%	2.31%
2023	9	\$ 2.15	\$ 20	1.74%	1.00%	14.32%
2022	8	\$ 1.88	\$ 15	0.78%	1.00%	(15.65)%
2021	8	\$ 2.23	\$ 17	1.19%	1.00%	8.79%
Col VP Select Mid Cap Gro, CI 3						
2025	9	\$ 4.48	\$ 40	—%	1.00%	13.86%
2024	9	\$ 3.94	\$ 35	—%	1.00%	22.29%
2023	39	\$ 3.22	\$126	—%	1.00%	23.84%
2022	40	\$ 2.60	\$103	—%	1.00%	(31.61)%
2021	39	\$ 3.80	\$147	—%	1.00%	15.25%
Invesco VI Core Eq, Ser I						
2025	39	\$ 4.33	\$168	0.67%	1.00%	15.01%
2024	39	\$ 3.76	\$146	0.62%	1.00%	24.35%
2023	65	\$ 3.03	\$195	0.75%	1.00%	22.14%
2022	64	\$ 2.48	\$159	0.94%	1.00%	(21.34)%
2021	62	\$ 3.15	\$196	0.68%	1.00%	26.47%
Janus Henderson VIT Gbl Res, Inst						
2025	27	\$ 7.07	\$194	0.58%	1.00%	19.71%
2024	27	\$ 5.91	\$162	0.72%	1.00%	22.35%
2023	34	\$ 4.83	\$167	0.92%	1.00%	25.52%
2022	43	\$ 3.85	\$164	1.06%	1.00%	(20.21)%
2021	42	\$ 4.82	\$203	0.53%	1.00%	16.92%
Janus Henderson VIT Res, Inst						
2025	60	\$11.13	\$664	—%	1.00%	17.21%
2024	60	\$ 9.50	\$567	0.03%	1.00%	33.96%
2023	73	\$ 7.09	\$518	0.15%	1.00%	41.75%
2022	83	\$ 5.00	\$414	0.16%	1.00%	(30.59)%

	At December 31			For the year ended December 31		
	Units (000s)	Accumulation unit value	Net assets (000s)	Investment income ratio ⁽¹⁾	Expense ratio ⁽²⁾	Total return ⁽³⁾
2021	81	\$ 7.21	\$586	0.10%	1.00%	19.14%
LVIP AC Cap Appr, Std CI II						
2025	5	\$ 8.46	\$ 44	—%	1.00%	5.66%
2024	8	\$ 8.01	\$ 63	—%	1.00%	23.73%
2023	15	\$ 6.47	\$ 98	—%	1.00%	19.49%
2022	15	\$ 5.42	\$ 84	—%	1.00%	(28.82)%
2021	15	\$ 7.61	\$113	—%	1.00%	10.05%
LVIP AC Val, Std CI II						
2025	21	\$ 8.82	\$182	1.67%	1.00%	14.87%
2024	21	\$ 7.67	\$163	2.82%	1.00%	8.39%
2023	23	\$ 7.08	\$160	2.39%	1.00%	8.02%
2022	24	\$ 6.56	\$154	2.10%	1.00%	(0.46)%
2021	23	\$ 6.59	\$154	1.75%	1.00%	23.27%

⁽¹⁾ These amounts represent the dividends, excluding distributions of capital gains, received by the division from the underlying fund, net of management fees assessed by the fund manager, divided by the average net assets. These ratios exclude variable account expenses that result in direct reductions in the unit values. The recognition of investment income by the division is affected by the timing of the declaration of dividends by the underlying fund in which the division invests. These ratios are annualized for periods less than one year.

⁽²⁾ These ratios represent the annualized certificate expenses of the separate account, consisting primarily of mortality and expense charges, for each period indicated. The ratios include only those expenses that result in a direct reduction to unit values. Charges made directly to certificate owner accounts through the redemption of units and expenses of the underlying fund are excluded.

⁽³⁾ These amounts represent the total return for the periods indicated, including changes in the value of the underlying fund, and reflect deductions for all items included in the expense ratio. The total return does not include any expenses assessed through the redemption of units; inclusion of these expenses in the calculation would result in a reduction in the total return presented. The total return is calculated for the period indicated or from the notated effective date through the end of the reporting period.

REPORT OF INDEPENDENT AUDITORS

TO THE BOARD OF DIRECTORS AND SHAREHOLDER OF RIVERSOURCE LIFE INSURANCE CO. OF NEW YORK

Opinion

We have audited the accompanying financial statements of RiverSource Life Insurance Co. of New York (the “Company”), which comprise the balance sheets as of December 31, 2025 and 2024, and the related statements of income, of comprehensive income, of shareholder’s equity and of cash flows for each of the three years in the period ended December 31, 2025, including the related notes (collectively referred to as the “financial statements”).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2025 in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the Auditors’ Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company’s ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Auditors’ Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors’ report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with US GAAS will always detect a material misstatement when it exists. 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. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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In performing an audit in accordance with US GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain 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. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

/s/ PricewaterhouseCoopers LLP

Minneapolis, Minnesota

April 22, 2026

BALANCE SHEETS

(in thousands, except share amounts)

December 31,	2025	2024
Assets		
Investments:		
Available-for-Sale:		
Fixed maturities, at fair value (amortized cost: 2025, \$1,519,304; 2024, \$1,545,537)	\$1,445,880	\$1,420,630
Mortgage loans, at amortized cost (allowance for credit losses: 2025, \$316; 2024, \$424)	116,775	130,826
Policy loans	62,715	60,538
Other investments	682	638
Total investments	1,626,052	1,612,632
Cash and cash equivalents	120,625	145,878
Market risk benefits	155,104	147,075
Reinsurance recoverables (allowance for credit losses: 2025, \$3,200; 2024, \$3,300)	214,436	195,919
Receivables	11,096	10,340
Accrued investment income	14,188	14,363
Deferred acquisition costs	154,783	161,696
Other assets	131,784	189,005
Separate account assets	4,767,199	4,634,856
Total assets	\$7,195,267	\$7,111,764
Liabilities and Shareholder's Equity		
Liabilities:		
Policyholder account balances, future policy benefits and claims	\$1,800,874	\$1,843,572
Market risk benefits	21,487	26,470
Other liabilities	133,848	175,985
Separate account liabilities	4,767,199	4,634,856
Total liabilities	6,723,408	6,680,883
Shareholder's Equity:		
Common stock, \$10 par value; 200,000 shares authorized, issued and outstanding	2,000	2,000
Additional paid-in capital	106,926	106,926
Retained earnings	434,593	428,525
Accumulated other comprehensive income (loss), net of tax	(71,660)	(106,570)
Total shareholder's equity	471,859	430,881
Total liabilities and shareholder's equity	\$7,195,267	\$7,111,764

See Notes to Financial Statements.

STATEMENTS OF INCOME

(in thousands)

Years Ended December 31,	2025	2024	2023
Revenues			
Premiums	\$ 18,713	\$ 27,135	\$ 21,413
Net investment income	79,877	82,817	84,585
Policy and contract charges	132,420	125,670	123,750
Other revenues	24,330	23,564	22,102
Net realized investment gains (losses)	(1,527)	(419)	187
Total revenues	253,813	258,767	252,037
Benefits and Expenses			
Benefits, claims, losses and settlement expenses	45,366	51,316	48,540
Interest credited to fixed accounts	41,050	49,396	51,609
Remeasurement (gains) losses of future policy benefit reserves	1,204	(8,588)	2,003
Change in fair value of market risk benefits	50,518	26,843	45,118
Amortization of deferred acquisition costs	13,820	14,146	14,822
Other insurance and operating expenses	34,685	36,697	35,823
Total benefits and expenses	186,643	169,810	197,915
Pretax income (loss)	67,170	88,957	54,122
Income tax provision (benefit)	11,102	15,563	7,555
Net income	\$ 56,068	\$ 73,394	\$ 46,567

See Notes to Financial Statements.

STATEMENTS OF COMPREHENSIVE INCOME

(in thousands)

Years Ended December 31,	2025	2024	2023
Net income	\$ 56,068	\$ 73,394	\$ 46,567
Other comprehensive income (loss), net of tax:			
Net unrealized gains (losses) on securities	39,880	(23,676)	41,675
Effect of changes in discount rate assumptions on certain long-duration contracts	(6,092)	9,241	(6,125)
Effect of changes in instrument-specific credit risk on market risk benefits	1,122	(2,175)	(2,950)
Total other comprehensive income (loss), net of tax	34,910	(16,610)	32,600
Total comprehensive income (loss)	\$ 90,978	\$ 56,784	\$ 79,167

See Notes to Financial Statements.

STATEMENTS OF SHAREHOLDER'S EQUITY

(in thousands)

	Common Stock	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total
Balances at January 1, 2023	\$2,000	\$106,926	\$408,564	\$(122,560)	\$394,930
Net income	—	—	46,567	—	46,567
Other comprehensive income, net of tax	—	—	—	32,600	32,600
Cash dividend to RiverSource Life Insurance Company	—	—	(50,000)	—	(50,000)
Balances at December 31, 2023	2,000	106,926	405,131	(89,960)	424,097
Net income	—	—	73,394	—	73,394
Other comprehensive loss, net of tax	—	—	—	(16,610)	(16,610)
Cash dividend to RiverSource Life Insurance Company	—	—	(50,000)	—	(50,000)
Balances at December 31, 2024	2,000	106,926	428,525	(106,570)	430,881
Net income	—	—	56,068	—	56,068
Other comprehensive income, net of tax	—	—	—	34,910	34,910
Cash dividend to RiverSource Life Insurance Company	—	—	(50,000)	—	(50,000)
Balances at December 31, 2025	\$2,000	\$106,926	\$434,593	\$ (71,660)	\$471,859

See Notes to Financial Statements.

STATEMENTS OF CASH FLOWS

(in thousands)

Years Ended December 31,	2025	2024	2023
Cash Flows from Operating Activities			
Net income	\$ 56,068	\$ 73,394	\$ 46,567
Adjustments to reconcile net income to net cash provided by (used in) operating activities:			
Depreciation, amortization and accretion, net	833	1,412	2,049
Deferred income tax (benefit) expense	13,955	14,880	(1,519)
Contractholder and policyholder charges, non-cash	(27,665)	(27,735)	(27,744)
(Gain) loss from equity method investments	(65)	(62)	(72)
Net realized investment (gains) losses	1,635	914	431
Impairments and provision for loan losses	(108)	(495)	(618)
Changes in operating assets and liabilities:			
Deferred acquisition costs	6,913	5,237	7,105
Policyholder account balances, future policy benefits and claims, and market risk benefits, net	(698)	(77,148)	(42,580)
Derivatives, net of collateral	(7,711)	1,897	(36,844)
Reinsurance recoverables	(13,131)	349	(4,765)
Receivables	(956)	(2,277)	553
Accrued investment income	175	1,013	(654)
Current income tax, net	(242)	(1,753)	(3,253)
Other, net	(41)	9,397	4,121
Net cash provided by (used in) operating activities	28,962	(977)	(57,223)
Cash Flows from Investing Activities			
Available-for-Sale securities:			
Proceeds from sales	7,501	4,609	902
Maturities, sinking fund payments and calls	174,342	127,776	115,763
Purchases	(157,878)	(216)	(120,653)
Proceeds from maturities and repayments of mortgage loans	14,159	17,214	15,195
Funding of mortgage loans	—	(3,000)	(2,626)
Proceeds from sales of other investments	21	21	22
Change in policy loans, net	(2,177)	(6,923)	(2,824)
Net cash provided by (used in) investing activities	35,968	139,481	5,779
Cash Flows from Financing Activities			
Policyholder account balances:			
Deposits and other additions	84,763	111,071	105,284
Net transfers from (to) separate accounts	(3,138)	(11,509)	(5,907)
Surrenders and other benefits	(121,680)	(122,035)	(132,933)
Proceeds from line of credit with Ameriprise Financial, Inc.	—	2,600	—
Payments on line of credit with Ameriprise Financial, Inc.	—	(2,600)	—
Cash received for purchased options with deferred premiums	—	—	10,823
Cash paid for purchased options with deferred premiums	(128)	(235)	(501)
Cash dividends to RiverSource Life Insurance Company	(50,000)	(50,000)	(50,000)
Net cash provided by (used in) financing activities	(90,183)	(72,708)	(73,234)
Net increase (decrease) in cash and cash equivalents	(25,253)	65,796	(124,678)
Cash and cash equivalents at beginning of period	145,878	80,082	204,760
Cash and cash equivalents at end of period	\$ 120,625	\$ 145,878	\$ 80,082

See Notes to Financial Statements.

NOTES TO FINANCIAL STATEMENTS

1. NATURE OF BUSINESS AND BASIS OF PRESENTATION

RiverSource Life Insurance Co. of New York (the “Company”) is a stock life insurance company which is domiciled and holds a Certificate of Authority in the State of New York. The Company is a wholly owned subsidiary of RiverSource Life Insurance Company (“RiverSource Life”), which is domiciled in Minnesota. RiverSource Life is a wholly owned subsidiary of Ameriprise Financial, Inc. (“Ameriprise Financial”). The Company issues insurance and annuity products to customers in the State of New York.

The accompanying financial statements are prepared in accordance with U.S. generally accepted accounting principles (“GAAP”) which vary in certain respects from reporting practices prescribed or permitted by the New York State Department of Financial Services (“New York Department”) (the Company’s primary regulator) as described in Note 14. Certain reclassifications of prior period amounts have been made to conform with the current presentation.

The Company evaluated events or transactions that occurred after the balance sheet date for potential recognition or disclosure through April 22, 2026, the date the financial statements were issued. No subsequent events or transactions requiring recognition or disclosure were identified.

The Company’s operations constitute a single operating segment, and therefore a single reportable segment, as the chief operating decision maker (“CODM”) manages the business activities using information of the Company as a whole. As its CODM, the Company’s President and Chief Executive Officer utilizes the Statements of Income and its net income metric to allocate resources and assess performance of the Company. The accounting policies used to measure the profit and loss of the segment are the same as those described in Note 2.

The Company’s principal products are variable annuities, universal life (“UL”) insurance, including indexed universal life (“IUL”) and variable universal life (“VUL”) insurance, which are issued primarily to individuals. Waiver of premium and accidental death benefit riders are generally available with UL products, in addition to other benefit riders. Variable annuity contract purchasers can choose to add an optional guaranteed minimum death benefit (“GMDB”) rider to their contract.

The Company also offers payout annuities, term life insurance and disability income (“DI”) insurance.

The Company’s business is sold through the advisor network of Ameriprise Financial Services, LLC (“AFS”), a subsidiary of Ameriprise Financial. RiverSource Distributors, Inc., a subsidiary of Ameriprise Financial, serves as the principal underwriter and distributor of variable annuity and life insurance products issued by the Company.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Amounts Based on Estimates and Assumptions

Accounting estimates are an integral part of the financial statements. In part, they are based upon assumptions concerning future events. Among the more significant are those that relate to investment securities valuation and the recognition of credit losses or impairments, valuation of derivative instruments, litigation reserves, future policy benefits, market risk benefits, and income taxes and the recognition of deferred tax assets and liabilities. These accounting estimates reflect the best judgment of management and actual results could differ.

Investments

Available-for-Sale Securities

Available-for-Sale securities are carried at fair value with unrealized gains (losses) recorded in accumulated other comprehensive income (loss) (“AOCI”), net of impacts to benefit reserves, reinsurance recoverables and income taxes. Gains and losses are recognized on a trade date basis in the Statements of Income upon disposition of the securities.

Available-for-Sale securities are impaired when the fair value of an investment is less than its amortized cost. When an Available-for-Sale security is impaired, the Company first assesses whether or not: (i) it has the intent to sell the security (i.e., made a decision to sell) or (ii) it is more likely than not that the Company will be required to sell the security before its anticipated recovery. If either of these conditions exist, the Company recognizes an impairment by reducing the book value of the security for the difference between the investment’s amortized cost and its fair value with a corresponding charge to earnings. Subsequent increases in the fair value of Available-for-Sale securities that occur in periods after a write-down has occurred are recorded as unrealized gains in other comprehensive income (loss) (“OCI”), while subsequent decreases in fair value would continue to be recorded as reductions of book value with a charge to earnings.

For securities that do not meet the above criteria, the Company determines whether the decrease in fair value is due to a credit loss or due to other factors. The amount of impairment due to credit-related factors, if any, is recognized as an allowance for credit losses with a related charge to Net realized investment gains (losses). The allowance for credit losses is limited to the amount by which the security’s amortized cost basis exceeds its fair value. The amount of the impairment related to other factors is recognized in OCI.

Factors the Company considers in determining whether declines in the fair value of fixed maturity securities are due to credit-related factors include: (i) the extent to which the market value is below amortized cost; (ii) fundamental analysis of the liquidity, business prospects and overall financial condition of the issuer; and (iii) market events that could impact credit ratings, economic and business climate, litigation and government actions, and similar external business factors.

If through subsequent evaluation there is a sustained increase in cash flows expected, both the allowance and related charge to earnings may be reversed to reflect the increase in expected principal and interest payments.

In order to determine the amount of the credit loss component for corporate debt securities, a best estimate of the present value of cash flows expected to be collected discounted at the security's effective interest rate is compared to the amortized cost basis of the security. The significant inputs to cash flow projections consider potential debt restructuring terms, projected cash flows available to pay creditors and the Company's position in the debtor's overall capital structure. When assessing potential credit-related impairments for structured investments (e.g., residential mortgage backed securities, commercial mortgage backed securities and asset backed securities), the Company also considers credit-related factors such as overall deal structure and its position within the structure, quality of underlying collateral, delinquencies and defaults, loss severities, recoveries, prepayments and cumulative loss projections.

Management has elected to exclude accrued interest in its measurement of the allowance for credit losses for Available-for-Sale securities. Accrued interest on Available-for-Sale securities is recorded as earned in Accrued investment income.

Available-for-Sale securities are generally placed on nonaccrual status when the accrued balance becomes 90 days past due or earlier based on management's evaluation of the facts and circumstances of each security under review. All previously accrued interest is reversed through Net investment income.

The Company invests in structured investments which are considered variable interest entities ("VIEs") for which it is not the sponsor. These structured investments typically invest in fixed income instruments and are managed by third parties and include asset backed securities and commercial and residential mortgage backed securities. The Company classifies these investments as Available-for-Sale securities. The Company has determined that it is not the primary beneficiary of these structures due to the size of the Company's investment in the entities and position in the capital structure of these entities. The Company's maximum exposure to loss as a result of its investment in these structured investments is limited to its amortized cost. The Company has no obligation to provide financial or other support to the structured investments beyond its investment nor has the Company provided any support to the structured investments. See Note 5 for additional information on these structured investments.

Financing Receivables

Financing receivables are comprised of mortgage loans and policy loans.

Mortgage Loans

Mortgage loans are loans on commercial properties that are originated by the Company and are recorded at amortized cost less the allowance for credit losses.

Interest income is accrued as earned on the unpaid principal balances of the loans. Interest income recognized on mortgage loans is recorded in Net investment income.

Policy Loans

Policy loans do not exceed the cash surrender value at origination. As there is minimal risk of loss related to policy loans, there is no allowance for credit losses.

Interest income is accrued as earned on the unpaid principal balances of the loans. Interest income recognized on policy loans is recorded in Net investment income.

See Note 6 for additional information on financing receivables.

Allowance for Credit Losses

The allowance for credit losses is a valuation account that is deducted from the amortized cost basis of the financial assets to present the net amount expected to be collected over the asset's expected life, considering past events, current conditions and reasonable and supportable forecasts of future economic conditions. Estimates of expected credit losses consider both historical charge-off and recovery experience as well as current economic conditions and management's expectation of future charge-off and recovery levels. Expected losses related to risks other than credit risk are excluded from the allowance for credit losses. The allowance for credit losses is measured and recorded upon initial recognition of the loan, regardless of whether it is originated or purchased.

The allowance for credit losses for mortgage loans utilizes a probability of default and loss severity approach to estimate lifetime expected credit losses. Actual historical default and loss severity data is adjusted for current conditions and reasonable and supportable forecasts of future economic conditions to develop the probability of default and loss severity assumptions that are applied to the amortized cost basis of the loans over the expected life of each portfolio. The allowance for credit losses on mortgage loans is recorded through provisions charged to Net realized investment gains (losses) and is reduced/increased by net charge-offs/recoveries.

Management determines the adequacy of the allowance for credit losses based on the overall loan portfolio composition, recent and historical loss experience, and other pertinent factors, including when applicable, internal risk ratings, loan-to-value ratios, and occupancy rates, along with reasonable and supportable forecasts of economic and market conditions. This evaluation is inherently subjective as it requires estimates, which may be susceptible to significant change. While the Company may attribute portions of the allowance to specific loan pools as part of the allowance estimation process, the entire allowance is available to absorb losses expected over the life of the loan portfolio.

Nonaccrual Loans

Mortgage loans are placed on nonaccrual status when either the collection of interest or principal has become 90 days past due or is otherwise considered doubtful of collection. When a loan is placed on nonaccrual status, unpaid accrued interest is reversed. Interest payments received on loans on nonaccrual status are generally applied to principal unless the remaining principal balance has been determined to be fully collectible. Management has elected to exclude accrued interest in its measurement of the allowance for credit losses for mortgage loans.

Loan Modifications

A loan is modified when the Company makes certain concessionary modifications to contractual terms such as principal forgiveness, interest rate reductions, other-than-insignificant payment delays, and/or term extensions in an attempt to make the loan more affordable to a borrower experiencing financial difficulties. Generally, performance prior to the modification or significant events that coincide with the modification are considered in assessing whether the borrower can meet the new terms which may result in the loan being returned to accrual status at the time of the modification or after a performance period. If the borrower's ability to meet the revised payment schedule is not reasonably assured, the loan remains on nonaccrual status.

Charge-off and Foreclosure

Charge-offs are recorded when the Company concludes that all or a portion of the mortgage loan is uncollectible. Factors used by the Company to determine whether all amounts due on mortgage loans will be collected, include but are not limited to, the financial condition of the borrower, performance of the underlying properties, collateral and/or guarantees on the loan, and the borrower's estimated future ability to pay based on property type and geographic location.

If it is determined that foreclosure on a mortgage loan is probable and the fair value is less than the current loan balance, expected credit losses are measured as the difference between the amortized cost basis of the asset and fair value less estimated costs to sell, if applicable. Upon foreclosure, the mortgage loan and related allowance are reversed, and the foreclosed property is recorded as real estate owned within Other assets.

Cash and Cash Equivalents

Cash equivalents include highly liquid investments with original or remaining maturities at the time of purchase of 90 days or less.

Reinsurance

The Company cedes insurance risk to other insurers under reinsurance agreements.

Reinsurance premiums paid and benefits received are accounted for consistently with the basis used in accounting for the policies from which risk is reinsured and consistently with the terms of the reinsurance contracts. Reinsurance premiums paid for traditional life, long term care ("LTC") and DI insurance and life contingent payout annuities, net of the change in any prepaid reinsurance asset, are reported as a reduction of Premiums. Reinsurance recoveries are reported as components of Benefits, claims, losses and settlement expenses.

UL and VUL reinsurance premiums are reported as a reduction of Policy and contract charges. In addition, for UL and VUL insurance policies, the net cost of reinsurance ceded, which represents the discounted amount of the expected cash flows between the reinsurer and the Company, is classified as an asset and amortized based on estimated gross profits over the period the reinsurance policies are in force. Changes in the net cost of reinsurance are reflected as a component of Policy and contract charges.

Insurance liabilities are reported before the effects of reinsurance. Policyholder account balances, future policy benefits and claims recoverable under reinsurance contracts are recorded within Reinsurance recoverables, net of the allowance for credit losses. The Company evaluates the financial condition of its reinsurers prior to entering into new reinsurance contracts and on a periodic basis during the contract term. The allowance for credit losses related to reinsurance recoverable is based on applying observable industry data including insurer ratings, default and loss severity data to the Company's reinsurance recoverable balances. Management evaluates the results of the calculation and considers differences between the industry data and the Company's data. Such differences include that the Company has no actual history of significant losses and that industry data may contain non-life insurers. This evaluation is inherently subjective as it requires estimates, which may be susceptible to significant change given the long-term nature of these receivables. The allowance for credit losses on reinsurance recoverable is recorded through provisions charged to Benefits, claims, losses and settlement expenses.

The Company also assumes life insurance risk from other insurers in limited circumstances. Reinsurance premiums received and benefits paid are accounted for consistently with the basis used in accounting for the policies from which risk is reinsured and consistently with the terms of the reinsurance contracts. Liabilities for assumed business are recorded within Policyholder account balances, future policy benefits and claims.

See Note 8 for additional information on reinsurance.

Derivative Instruments and Hedging Activities

Freestanding derivative instruments are recorded at fair value and are reflected in Other assets or Other liabilities. The Company's policy is to not offset fair value amounts recognized for derivatives and collateral arrangements executed with the same counterparty under the same master netting arrangement. The accounting for changes in the fair value of a derivative instrument depends on its intended use and the resulting hedge designation, if any. The Company primarily uses derivatives as economic hedges that are not designated as accounting hedges or do not qualify for hedge accounting treatment.

Derivative instruments that are entered into for hedging purposes are designated as such at the time the Company enters into the contract. For all derivative instruments that are designated for hedging activities, the Company documents all of the hedging relationships between the hedge instruments and the hedged items at the inception of the relationships. Management also documents its risk management objectives and strategies for entering into the hedge transactions. The Company assesses, at inception and on a quarterly basis, whether derivatives designated as hedges are highly effective in offsetting the fair value or cash flows of hedged items. If it is determined that a derivative is no longer highly effective as a hedge, the Company will discontinue the application of hedge accounting.

For derivative instruments that do not qualify for hedge accounting or are not designated as accounting hedges, changes in fair value are recognized in current period earnings. Changes in fair value of derivatives are presented in the Statements of Income based on the nature and use of the instrument. Changes in fair value of derivatives used as economic hedges are presented in the Statements of Income with the corresponding change in the hedged asset or liability.

The equity component of IUL obligations is considered an embedded derivative.

See Note 12 for information regarding the Company's fair value measurement of derivative instruments and Note 16 for the impact of derivatives on the Statements of Income.

Market Risk Benefits

Market risk benefits are contracts or contract features that both provide protection to the contractholder from other-than-nominal capital market risk and expose the Company to other-than-nominal capital market risk. Market risk benefits include certain contract features on variable annuity products that provide minimum guarantees to contractholders. Guarantees accounted for as market risk benefits include GMDB, guaranteed minimum income benefit ("GMIB"), guaranteed minimum withdrawal benefits ("GMWB") and guaranteed minimum accumulation benefits ("GMAB"). If a contract contains multiple market risk benefits, those market risk benefits are bundled together as a single compound market risk benefit.

Market risk benefits are measured at fair value, at the individual contract level, using a non-option-based valuation approach or an option-based valuation approach dependent upon the fee structure of the contract. Changes in fair value are recognized in net income each period with the exception of the portion of the change in fair value due to a change in the instrument-specific credit risk, which is recognized in OCI.

Deferred Acquisition Costs

The Company incurs costs in connection with acquiring new and renewal insurance and annuity businesses. The portion of these costs which are incremental and direct to the acquisition of a new or renewal insurance policy or annuity contract are deferred. Significant costs capitalized include sales based compensation related to the acquisition of new and renewal insurance policies and annuity contracts, medical inspection costs for successful sales, and a portion of employee compensation and benefit costs based upon the amount of time spent on successful sales. Sales based compensation paid to Ameriprise Financial's advisors and employees and third-party distributors is capitalized. Employee compensation and benefits costs which are capitalized relate primarily to sales efforts, underwriting and processing. All other costs which are not incremental direct costs of acquiring an insurance policy or annuity contract are expensed as incurred. The deferred acquisition costs ("DAC") associated with insurance policies or annuity contracts that are significantly modified or internally replaced with another contract are accounted for as write-offs. These transactions are anticipated in establishing amortization periods and other valuation assumptions.

The Company monitors other DAC amortization assumptions, such as persistency, mortality, morbidity, and variable annuity benefit utilization each quarter and, when assessed independently, each could impact the Company's DAC balances. Unamortized DAC is reduced for actual experience in excess of expected experience.

The analysis of DAC balances and the corresponding amortization considers all relevant factors and assumptions described previously. Unless the Company's management identifies a significant deviation over the course of the quarterly monitoring, management reviews and updates these DAC amortization assumptions annually in the third quarter of each year.

DAC is amortized on a constant-level basis for the grouped contracts over the expected contract term to approximate straight-line amortization. Contracts are grouped by contract type and issue year into cohorts consistent with the grouping used in estimating the associated liability for future policy benefits. DAC related to all long-duration product types (except for life contingent payout annuities) is grouped on a calendar-year annual basis for each legal entity. Further disaggregation is reported for any contracts that include an additional liability for death or other insurance benefit. DAC related to life contingent payout annuities is grouped on a calendar-year annual basis for each legal entity for policies issued prior to 2021 and on a quarterly basis for each legal entity thereafter.

DAC related to annuity products (including variable deferred annuities, fixed deferred annuities, and life contingent payout annuities) is amortized based on initial premium. DAC related to life insurance products (including UL insurance, VUL insurance, IUL insurance, term life insurance, and whole life insurance) is amortized based on original specified amount (i.e., face amount). DAC related to DI insurance is amortized based on original monthly benefit.

The accounting contract term for annuity products (except for life contingent payout annuities) is the projected accumulation period. Life contingent payout annuities are amortized over the period which annuity payments are expected to be paid. The accounting contract term for life insurance products is the projected life of the contract. DI insurance is amortized over the projected life of the contract, including the claim paying period.

Deferred Sales Inducement Costs

Deferred sales inducements are contract features that are intended to attract new customers or to persuade existing customers to keep their current policy. Sales inducement costs consist of bonus interest credits and premium credits added to certain annuity contract and insurance policy values. These benefits are capitalized to the extent they are incremental to amounts that would be credited on similar contracts without the applicable feature. The amounts capitalized are amortized on a constant level basis using the same methodology and assumptions used to amortize DAC. Deferred sales inducement costs (“DSIC”) is recorded in Other assets and amortization of DSIC is recorded in Benefits, claims, losses and settlement expenses.

Separate Account Assets and Liabilities

Separate account assets represent funds held for the benefit of, and Separate account liabilities represent the obligation to, the variable annuity contractholders and variable life insurance policyholders who have a contractual right to receive the benefits of their contract or policy and bear the related investment risk. Gains and losses on separate account assets accrue directly to the contractholder or policyholder and are not reported in the Company’s Statements of Income. Separate account assets are recorded at fair value and Separate account liabilities are equal to the assets recognized.

Policyholder Account Balances, Future Policy Benefits and Claims

The Company establishes reserves to cover the benefits associated with non-traditional and traditional long-duration products. Non-traditional long-duration products include variable annuity contracts, fixed annuity contracts and UL and VUL policies. Traditional long-duration products include term life, whole life, DI and LTC insurance products and life contingent payout annuity products.

Non-Traditional Long-Duration Products

The liabilities for non-traditional long-duration products include fixed account values on variable and fixed annuities and UL and VUL policies, non-life contingent payout annuities, liabilities for guaranteed benefits associated with variable annuities and embedded derivatives for IUL products.

Liabilities for fixed account values on variable annuities, fixed deferred annuities, and UL and VUL policies are equal to accumulation values, which are the cumulative gross deposits and credited interest less withdrawals and various charges. The liability for non-life contingent payout annuities is recognized as the present value of future payments using the effective yield at inception of the contract.

A portion of the Company’s UL and VUL policies have product features that result in profits followed by losses from the insurance component of the contract. These profits followed by losses can be generated by the cost structure of the product or secondary guarantees in the contract. The secondary guarantee ensures that, subject to specified conditions, the policy will not terminate and will continue to provide a death benefit even if there is insufficient policy value to cover the monthly deductions and charges. The liability for these future losses is determined at the reporting date by estimating the death benefits in excess of account value and recognizing the excess over the estimated life based on expected assessments (e.g. cost of insurance charges, contractual administrative charges, similar fees and investment margin). See Note 9 for information regarding the liability for contracts with secondary guarantees. Liabilities for IUL products are equal to the accumulation of host contract values, guaranteed benefits, and the fair value of embedded derivatives.

See Note 11 for information regarding variable annuity guarantees.

Embedded Derivatives

The fair value of embedded derivatives related to IUL fluctuate based on equity markets and interest rates and the estimate of the Company's nonperformance risk and is recorded in Policyholder account balances, future policy benefits and claims. See Note 12 for information regarding the fair value measurement of embedded derivatives.

Traditional Long-Duration Products

The liability for future policy benefits for traditional long-duration products include cash flows related to unpaid amounts on reported claims, estimates of benefits payable on claims incurred but not yet reported and estimates of benefits that will become payable on term life, whole life, DI and LTC insurance policies and life contingent payout annuity policies as claims are incurred in the future. A liability for future policy benefits, which is the present value of estimated future policy benefits to be paid to or on behalf of policyholders and certain related expenses less the present value of estimated future net premiums to be collected from policyholders, is accrued as premium revenue is recognized. Expected insurance benefits are accrued over the life of the contract in proportion to premium revenue recognized (referred to as the net premium approach). The net premium ratio reflects cash flows from contract inception to contract termination (i.e., through the claim paying period) and cannot exceed 100%.

Assumptions utilized in the net premium approach, including mortality, morbidity, and terminations, are reviewed as part of experience studies at least annually or more frequently if suggested by evidence. Expense assumptions and actual expenses are updated within the net premium calculation consistent with other policyholder assumptions.

The updated cash flows used in the calculation are discounted using a forward rate curve. The discount rate represents an upper-medium-grade (i.e., low credit risk) fixed-income instrument yield (i.e., an A rating) that reflects the duration characteristics of the liability. Discount rates are locked in annually, at the end of each year for all products, except life contingent payout annuities, and calculated as the monthly average discount rate curves for the year. For life contingent payout annuities, the discount rates are locked in quarterly at the end of each quarter based on the average of the three months for the quarter.

The liability for future policy benefits will be updated for actual experience at least on an annual basis and concurrent with changes to cash flow assumptions. When net premiums are updated for cash flow changes, the estimated cash flows over the entire life of a group of contracts are updated using historical experience and updated future cash flow assumptions.

The revised net premiums are used to calculate an updated liability for future policy benefits as of the beginning of the reporting period, discounted at the original locked in rate (i.e., contract issuance rate). The updated liability for future policy benefits as of the beginning of the reporting period is then compared with the carrying amount of the liability as of that date prior to updating cash flow assumptions to determine the current period remeasurement gain or loss reflected in current period earnings. The revised net premiums are then applied as of the beginning of the quarter to calculate the benefit expense for the current reporting period.

The difference between the updated carrying amount of the liability for future policy benefits measured using the current discount rate assumption and the original discount rate assumption is recognized in OCI. The interest accretion rate remains the original discount rate used at contract issue date.

If the updating of cash flow assumptions results in the present value of future benefits and expenses exceeding the present value of future gross premiums, a charge to net income is recorded for the current reporting period such that net premiums are set equal to gross premiums. In subsequent periods, the liability for future policy benefits is accrued with net premiums set equal to gross premiums.

Contracts (except for life contingent payout annuities sold subsequent to December 31, 2020) are grouped into cohorts by contract type and issue year, as well as by legal entity and reportable segment. Life contingent payout annuities sold in periods beginning in 2021 are grouped into quarterly cohorts.

See Note 9 for information regarding the liabilities for traditional long-duration products.

Deferred Profit Liability

For limited-payment products, gross premiums received in excess of net premiums are deferred at initial recognition as a deferred profit liability ("DPL"). Gross premiums are measured using assumptions consistent with those used in the measurement of the liability for future policy benefits, including discount rate, mortality, lapses and expenses.

The DPL is amortized and recognized as premium revenue in proportion to expected future benefit payments from annuity contracts. Interest is accreted on the balance of the DPL using the discount rate determined at contract issuance. The Company reviews and updates its estimate of cash flows from the DPL at the same time as the estimates of cash flows for the liability for future policy benefits. When cash flows are updated, the updated estimates are used to recalculate the DPL at contract issuance. The recalculated DPL as of the beginning of the current reporting period is compared to the carrying amount of the DPL as of the beginning of the current reporting period, and any difference is recognized as either a charge or credit to premium revenue.

DPL is recorded in Policyholder account balances, future policy benefits and claims and included as a reconciling item within Note 9.

Unearned Revenue Liability

The Company's UL and VUL policies require payment of fees or other policyholder assessments in advance for services to be provided in future periods. These charges are deferred as unearned revenue and amortized using the same assumptions and factors used to amortize DAC. The unearned revenue liability is recorded in Other liabilities and the amortization is recorded in Policy and contract charges.

Income Taxes

The Company qualifies as a life insurance company for federal income tax purposes. As such, the Company is subject to the Internal Revenue Code provisions applicable to life insurance companies.

The Company's taxable income is included in the consolidated federal income tax return of Ameriprise Financial. The Company provides for income taxes on a separate return basis, except that, under an agreement between Ameriprise Financial and the Company, tax benefits are recognized for losses to the extent they can be used in the consolidated return. It is the policy of Ameriprise Financial that it will reimburse its subsidiaries for any tax benefits recorded. The controlled group for which the Company is a member is an applicable corporation with regard to the corporate alternative minimum tax ("CAMT") and is therefore required to compute the CAMT. In accordance with the tax sharing agreement, Ameriprise Financial will be liable for any CAMT liability and expense.

The Company's provision for income taxes represents the net amount of income taxes that the Company expects to pay or to receive from various taxing jurisdictions in connection with its operations. The Company provides for income taxes based on amounts that the Company believes it will ultimately owe taking into account the recognition and measurement for uncertain tax positions. Inherent in the provision for income taxes are estimates and judgments regarding the tax treatment of certain items.

In connection with the provision for income taxes, the financial statements reflect certain amounts related to deferred tax assets and liabilities, which result from temporary differences between the assets and liabilities measured for financial statement purposes versus the assets and liabilities measured for tax return purposes.

The Company is required to establish a valuation allowance for any portion of its deferred tax assets that management believes will not be realized. Significant judgment is required in determining if a valuation allowance should be established and the amount of such allowance if required. Factors used in making this determination include estimates relating to the performance of the business. Consideration is given to, among other things in making this determination: (i) future taxable income exclusive of reversing temporary differences and carryforwards; (ii) future reversals of existing taxable temporary differences; (iii) taxable income in prior carryback years; and (iv) tax planning strategies. Management may need to identify and implement appropriate planning strategies to ensure its ability to realize deferred tax assets and reduce the likelihood of the establishment of a valuation allowance with respect to such assets. See Note 18 for additional information on the Company's valuation allowance.

Changes in tax rates and tax law are accounted for in the period of enactment. Deferred tax assets and liabilities are adjusted for the effect of a change in tax laws or rates and the effect is included in net income.

Revenue Recognition

Premiums on traditional life, DI and LTC insurance products and life contingent payout annuities are net of reinsurance ceded and are recognized as revenue when due.

Interest income is accrued as earned using the effective interest method, which makes an adjustment of the yield for security premiums and discounts on all performing fixed maturity securities classified as Available-for-Sale so that the related security or loan recognizes a constant rate of return on the outstanding balance throughout its term. When actual prepayments differ significantly from originally anticipated prepayments, the retrospective effective yield is recalculated to reflect actual payments to date and updated future payment assumptions and a catch-up adjustment is recorded in the current period. In addition, the new effective yield, which reflects anticipated future payments, is used prospectively.

Mortality and expense risk fees are generally calculated as a percentage of the fair value of assets held in separate accounts and recognized when assessed. Variable annuity guaranteed benefit rider charges and cost of insurance charges on UL and VUL insurance and contract charges (net of reinsurance premiums and cost of reinsurance for UL insurance products) and surrender charges on annuities and UL and VUL insurance are recognized as revenue when assessed. These fees and charges are recorded in Policy and contract charges.

Realized gains and losses on the sale of securities, other than equity method investments, are recognized using the specific identification method on a trade date basis.

Fees received under marketing support and distribution services arrangements are recognized as revenue when earned.

See Note 4 for further discussion of accounting policies on revenue from contracts with customers.

3. RECENT ACCOUNTING PRONOUNCEMENTS

Adoption of New Accounting Standards

Income Taxes — Improvements to Income Tax Disclosures

In December 2023, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2023-09, *Improvements to Income Tax Disclosures*, updating the accounting standards related to income tax disclosures, primarily focused on the disaggregation of income taxes paid and the rate reconciliation table. The standard is to be applied prospectively with an option for retrospective application and is effective for annual periods beginning after December 15, 2024. The Company elected retrospective application and adopted the standard on January 1, 2025. The adoption of the standard did not have an impact on the Company’s financial condition and results of operations as the standard is disclosure-related only.

Future Adoption of New Accounting Standards

Expenses — Disaggregation of Income Statement Expenses

In November 2024, the FASB issued ASU 2024-03, *Disaggregation of Income Statement Expenses*, requiring public business entities to disclose disaggregated information about certain income statement expense line items. The disaggregated disclosures are required to be in the footnotes to the financial statements on an annual and interim basis. The standard is to be applied prospectively and is effective for annual periods beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027. The Company is assessing changes to disclosures resulting from the standard. The adoption of the standard will not have an impact on the Company’s financial condition and results of operations as the standard is disclosure-related only.

Financial Instruments — Measurement of Credit Losses for Accounts Receivable and Contract Assets

In July 2025, the FASB issued ASU 2025-05, *Measurement of Credit Losses for Accounts Receivable and Contract Assets*, which allows all entities to apply a practical expedient when estimating expected credit losses that assumes current conditions as of the balance sheet date will remain unchanged over the asset’s remaining life. The standard is effective for annual periods beginning after December 15, 2025, and interim reporting periods within those years. The adoption of the standard will not have an impact on the Company’s financial condition and results of operations.

Intangibles — Internal-Use Software

In September 2025, the FASB issued ASU 2025-06, *Targeted Improvements to the Accounting for Internal-Use Software*, to clarify and modernize the accounting treatment for internal-use software costs by eliminating the use of the sequential software development project stages method and provide further guidance on when an entity is required to start capitalizing eligible costs. Under the new guidance, capitalization begins when both of the following occur: (a) management, with the relevant authority, implicitly or explicitly authorizes and commits to funding a computer software project and (b) it is probable that the project will be completed, and the software will be used to perform the function intended. The Company can elect prospective, retrospective, or modified retrospective adoption. The standard is effective for annual periods beginning after December 15, 2027, and interim reporting periods within those years. The Company is evaluating the impact of the standard on its financial condition and results of operations.

Financial Instruments — Credit Losses: Purchased Loans

In November 2025, the FASB issued ASU 2025-08, *Purchased Loans*, which amends the accounting for certain acquired seasoned loans to require recognizing them at their purchase price plus an allowance for expected credit losses (referred to as the gross-up method). The standard is effective for annual periods beginning after December 15, 2026, including interim periods within those years, and must be applied prospectively. The Company is evaluating the impact of this standard on its financial condition and results of operations.

Derivatives and Hedging — Hedge Accounting Improvements

In November 2025, the FASB issued ASU 2025-09, *Hedge Accounting Improvements*, to make targeted changes within the hedge accounting model. The updates primarily relate to cash flow hedges and certain fair value and net investment hedges. The standard is effective for annual periods beginning after December 15, 2026, including interim periods within those years, and must be applied prospectively. The Company is evaluating the impact of this standard on its financial condition and results of operations.

4. REVENUE FROM CONTRACTS WITH CUSTOMERS

The following table presents disaggregated revenue from contracts with customers and a reconciliation to total revenues reported on the Statements of Income:

(in thousands)	Years Ended December 31,		
	2025	2024	2023
Policy and contract charges			
Affiliated (from Columbia Management Investment Distributors, Inc.)	\$ 9,570	\$ 9,678	\$ 9,193
Unaffiliated	1,040	996	850
Total	10,610	10,674	10,043
Other revenues			
Administrative fees			
Affiliated (from Columbia Management Investment Services, Corp.)	2,460	2,498	2,317
Unaffiliated	1,213	1,172	1,029
	3,673	3,670	3,346
Other fees			
Affiliated (from Columbia Management Investment Advisers, LLC ("CMIA"))	20,240	19,527	18,482
Unaffiliated	285	272	230
	20,525	19,799	18,712
Total	24,198	23,469	22,058
Total revenue from contracts with customers	34,808	34,143	32,101
Revenue from other sources ⁽¹⁾	219,005	224,624	219,936
Total revenues	\$253,813	\$258,767	\$252,037

⁽¹⁾ Amounts primarily consist of revenue associated with insurance and annuity products and investment income from financial instruments.

The following discussion describes the nature, timing, and uncertainty of revenues and cash flows arising from the Company's contracts with customers.

Policy and Contract Charges

The Company earns revenue for providing distribution-related services to affiliated and unaffiliated mutual funds that are available as underlying investments in its variable annuity and variable life insurance products. The performance obligation is satisfied at the time the mutual fund is distributed. Revenue is recognized over the time the mutual fund is held in the variable product and is generally earned based on a fixed rate applied, as a percentage, to the net asset value of the fund. The revenue is not recognized at the time of sale because it is variably constrained due to factors outside the Company's control, including market volatility and how long the fund(s) remain in the insurance policy or annuity contract. The revenue will not be recognized until it is probable that a significant reversal will not occur. These fees are accrued and collected on a monthly basis.

Other Revenues

Administrative Fees

The Company earns revenue for providing customer support, contract servicing and administrative services for affiliated and unaffiliated mutual funds that are available as underlying instruments in its variable annuity and variable life insurance products. The transfer agent and administration revenue is earned daily based on a fixed rate applied, as a percentage, to assets under management. These performance obligations are considered a series of distinct services that are substantially the same and are satisfied each day over the contract term. These fees are accrued and collected on a monthly basis.

Other Fees

The Company earns revenue for providing affiliated and unaffiliated partners an opportunity to educate the financial advisors of its affiliate, AFS, that sell the Company's products as well as product and marketing personnel to support the offer, sale and servicing of funds within the Company's variable annuity and variable life insurance products. These payments allow the parties to train and support the advisors, explain the features of their products, and distribute marketing and educational materials. The affiliated revenue is earned based on a rate, updated at least annually, which is applied, as a percentage, to the market value of assets invested. The unaffiliated revenue is earned based on a fixed rate applied, as a percentage, to the market value of assets invested. These performance obligations are considered a series of distinct services that are substantially the same and are satisfied each day over the contract term. These fees are accrued and collected on a monthly basis.

Receivables

Receivables for revenue from contracts with customers are recognized when the performance obligation is satisfied and the Company has an unconditional right to the revenue. Receivables related to revenues from contracts with customers were \$3.4 million and \$3.2 million as of December 31, 2025 and 2024, respectively.

5. INVESTMENTS

Available-for-Sale securities distributed by type were as follows:

Description of Securities (in thousands)	December 31, 2025			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Fixed maturities:				
Corporate debt securities	\$ 915,381	\$21,506	\$ (55,163)	\$ 881,724
Residential mortgage backed securities	284,339	806	(30,120)	255,025
Commercial mortgage backed securities	232,459	57	(14,854)	217,662
State and municipal obligations	67,798	4,800	(315)	72,283
Asset backed securities	18,579	466	(701)	18,344
Foreign government bonds and obligations	528	91	—	619
U.S. government and agency obligations	220	3	—	223
Total	\$1,519,304	\$27,729	\$(101,153)	\$1,445,880

Description of Securities (in thousands)	December 31, 2024			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Fixed maturities:				
Corporate debt securities	\$ 902,842	\$14,151	\$ (75,598)	\$ 841,395
Residential mortgage backed securities	264,471	146	(40,511)	224,106
Commercial mortgage backed securities	283,246	—	(25,417)	257,829
State and municipal obligations	69,925	3,528	(446)	73,007
Asset backed securities	24,305	544	(1,359)	23,490
Foreign government bonds and obligations	531	54	—	585
U.S. government and agency obligations	217	1	—	218
Total	\$1,545,537	\$18,424	\$(143,331)	\$1,420,630

As of December 31, 2025 and 2024, accrued interest of \$13.8 million and \$13.9 million, respectively, is excluded from the amortized cost basis of Available-for-Sale securities in the tables above and is recorded in Accrued investment income.

As of December 31, 2025 and 2024, fixed maturity securities comprised approximately 89% and 88%, respectively, of the Company's total investments. Rating agency designations are based on the availability of ratings from Nationally Recognized Statistical Rating Organizations ("NRSROs"), including Moody's Investors Service ("Moody's"), Standard & Poor's Ratings Services ("S&P") and Fitch Ratings Ltd. ("Fitch"). The Company uses the median of available ratings from Moody's, S&P and Fitch, or if fewer than three ratings are available, the lower rating is used. When ratings from Moody's, S&P and Fitch are unavailable, the Company may utilize ratings from other NRSROs or rate the securities internally. As of December 31, 2025 and 2024, \$4.9 million and \$9.4 million, respectively, of securities were internally rated by CMIA, an affiliate of the Company, using criteria similar to those used by NRSROs.

A summary of fixed maturity securities by rating was as follows:

Ratings (in thousands, except percentages)	December 31, 2025			December 31, 2024		
	Amortized Cost	Fair Value	Percent of Total Fair Value	Amortized Cost	Fair Value	Percent of Total Fair Value
AAA	\$ 261,858	\$ 247,062	17%	\$ 295,791	\$ 270,009	19%
AA	319,545	296,261	21	321,502	285,980	20
A	266,064	261,977	18	187,262	181,984	13
BBB	641,660	612,782	42	707,754	651,579	46
Below investment grade	30,177	27,798	2	33,228	31,078	2
Total fixed maturities	\$1,519,304	\$1,445,880	100%	\$1,545,537	\$1,420,630	100%

As of December 31, 2025 and 2024, approximately 76% and 74% of securities rated AA were GNMA, FNMA and FHLMC mortgage backed securities, respectively. No holdings of any issuer were greater than 10% of the Company's total shareholder's equity as of both December 31, 2025 and 2024.

The following tables summarize the fair value and gross unrealized losses on Available-for-Sale securities, aggregated by major investment type and the length of time that individual securities have been in a continuous unrealized loss position for which no allowance for credit losses has been recorded:

Description of Securities (in thousands, except number of securities)	December 31, 2025								
	Less than 12 Months			12 Months or More			Total		
	Number of Securities	Fair Value	Unrealized Losses	Number of Securities	Fair Value	Unrealized Losses	Number of Securities	Fair Value	Unrealized Losses
Corporate debt securities	17	\$62,861	\$(4,605)	133	\$497,497	\$(50,558)	150	\$560,358	\$(55,163)
Residential mortgage backed securities	1	297	(1)	56	204,887	(30,119)	57	205,184	(30,120)
Commercial mortgage backed securities	—	—	—	69	209,765	(14,854)	69	209,765	(14,854)
State and municipal obligations	2	1,280	(34)	6	4,319	(281)	8	5,599	(315)
Asset backed securities	—	—	—	8	16,368	(701)	8	16,368	(701)
Total	20	\$64,438	\$(4,640)	272	\$932,836	\$(96,513)	292	\$997,274	\$(101,153)

Description of Securities (in thousands, except number of securities)	December 31, 2024								
	Less than 12 Months			12 Months or More			Total		
	Number of Securities	Fair Value	Unrealized Losses	Number of Securities	Fair Value	Unrealized Losses	Number of Securities	Fair Value	Unrealized Losses
Corporate debt securities	45	\$160,846	\$(7,630)	151	\$ 515,598	\$(67,968)	196	\$ 676,444	\$(75,598)
Residential mortgage backed securities	2	2,242	(94)	56	215,835	(40,417)	58	218,077	(40,511)
Commercial mortgage backed securities	—	—	—	86	257,829	(25,417)	86	257,829	(25,417)
State and municipal obligations	5	3,860	(63)	9	6,372	(383)	14	10,232	(446)
Asset backed securities	—	—	—	9	18,493	(1,359)	9	18,493	(1,359)
Total	52	\$166,948	\$(7,787)	311	\$1,014,127	\$(135,544)	363	\$1,181,075	\$(143,331)

As part of the Company's ongoing monitoring process, management determined that the decrease in total gross unrealized losses on its Available-for-Sale securities for which an allowance for credit losses has not been recognized during the year ended December 31, 2025 is primarily attributable to interest rate movements and tightening of credit spreads. As of December 31, 2025, the Company did not recognize these unrealized losses in earnings because it was determined that such losses were due to non-credit factors. The Company does not intend to sell these securities and does not believe that it is more likely than not that the Company will be required to sell these securities before the anticipated recovery of the remaining amortized cost basis. As of December 31, 2025 and 2024, approximately 92% and 93%, respectively, of the total of Available-for-Sale securities with gross unrealized losses were considered investment grade.

The following table presents a rollforward of the allowance for credit losses on Available-for-Sale securities:

(in thousands)	Corporate Debt Securities
Balance at January 1, 2023	\$ 572
Additions for which credit losses were not previously recorded	365
Reductions for securities sold during the period (realized)	(458)
Additional increases (decreases) on securities that had an allowance recorded in a previous period	(114)
Balance at December 31, 2023	365
Reductions for securities sold during the period (realized)	(389)
Additional increases (decreases) on securities that had an allowance recorded in a previous period	24
Balance at December 31, 2024	—
Additional increases (decreases) on securities that had an allowance recorded in a previous period	—
Balance at December 31, 2025	\$ —

Net realized gains and losses on Available-for-Sale securities, determined using the specific identification method, recognized in Net realized investment gains (losses) were as follows:

(in thousands)	Years Ended December 31,		
	2025	2024	2023
Gross realized investment gains	\$ 757	\$ 403	\$ 93
Gross realized investment losses	(2,392)	(1,317)	(524)
Credit reversals (losses)	—	365	207
Total	\$(1,635)	\$ (549)	\$(224)

For the year ended December 31, 2024, net credit reversals primarily related to the sale of a previously impaired corporate debt security in the communications industry. For the year ended December 31, 2023, net credit reversals primarily related to the reversal of a previously recorded allowance for credit losses due to the sale of a corporate debt security in the communications industry partially offset by recording an allowance for credit losses of another corporate debt security in the communications industry.

See Note 17 for a rollforward of net unrealized investment gains (losses) included in AOCI.

Available-for-Sale securities by contractual maturity as of December 31, 2025 were as follows:

(in thousands)	Amortized Cost	Fair Value
Due within one year	\$ 37,063	\$ 36,883
Due after one year through five years	136,629	131,741
Due after five years through 10 years	218,565	204,045
Due after 10 years	591,670	582,180
	983,927	954,849
Residential mortgage backed securities	284,339	255,025
Commercial mortgage backed securities	232,459	217,662
Asset backed securities	18,579	18,344
Total	\$1,519,304	\$1,445,880

Actual maturities may differ from contractual maturities because issuers may have the right to call or prepay obligations. Residential mortgage backed securities, commercial mortgage backed securities and asset backed securities are not due at a single maturity date. As such, these securities were not included in the maturities distribution.

The following is a summary of Net investment income:

(in thousands)	Years Ended December 31,		
	2025	2024	2023
Available-for-Sale securities	\$64,083	\$65,545	\$66,737
Mortgage loans	5,087	5,649	6,080
Other investments	12,130	13,094	13,384
	81,300	84,288	86,201
Less: investment expenses	1,423	1,471	1,616
Total	\$79,877	\$82,817	\$84,585

Net realized investment gains (losses) are summarized as follows:

(in thousands)	Years Ended December 31,		
	2025	2024	2023
Fixed maturities	\$(1,635)	\$(549)	\$(224)
Mortgage loans	108	130	411
Total	\$(1,527)	\$(419)	\$ 187

6. FINANCING RECEIVABLES

Financing receivables are comprised of mortgage loans and policy loans. See Note 2 for information regarding the Company's accounting policies related to financing receivables and the allowance for credit losses.

Allowance for Credit Losses

The following table presents a rollforward of the allowance for credit losses:

(in thousands)	Mortgage Loans
Balance at January 1, 2023	\$ 965
Provisions	(411)
Balance at December 31, 2023	554
Provisions	(130)
Balance at December 31, 2024	424
Provisions	(108)
Balance at December 31, 2025	\$ 316

As of December 31, 2025 and 2024, accrued interest on mortgage loans was \$387 thousand and \$432 thousand, respectively, and is recorded in Accrued investment income and excluded from the amortized cost basis of mortgage loans.

Credit Quality Information

There were no nonperforming loans as of both December 31, 2025 and 2024.

Mortgage Loans

The Company reviews the credit worthiness of the borrower and the performance of the underlying properties in order to determine the risk of loss on mortgage loans. Loan-to-value ratio is the primary credit quality indicator included in this review.

Based on this review, the mortgage loans are assigned an internal risk rating, which management updates when credit risk changes. There were no mortgage loans which management has assigned its highest risk rating as of both December 31, 2025 and 2024. Loans with the highest risk rating represent distressed loans which the Company has identified as impaired or expects to become delinquent or enter into foreclosure within the next six months. There were no mortgage loans past due as of both December 31, 2025 and 2024.

The tables below present the amortized cost basis of mortgage loans by year of origination and loan-to-value ratio:

(in thousands)	December 31, 2025						
	2025	2024	2023	2022	2021	Prior	Total
Loan-to-Value Ratio							
>100%	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
80% – 100%	—	—	—	—	—	—	—
60% – 80%	—	2,932	—	5,144	—	7,137	15,213
40% – 60%	—	—	—	2,620	2,333	18,603	23,556
<40%	—	—	1,306	—	2,777	74,239	78,322
Total	\$ —	\$2,932	\$1,306	\$7,764	\$5,110	\$99,979	\$117,091

(in thousands)	December 31, 2024						
	2024	2023	2022	2021	2020	Prior	Total
Loan-to-Value Ratio							
>100%	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
80% – 100%	—	—	—	—	—	—	—
60% – 80%	2,987	—	4,111	—	5,418	5,108	17,624
40% – 60%	—	—	2,755	2,384	6,366	28,864	40,369
<40%	—	1,414	1,100	2,881	8,324	59,538	73,257
Total	\$2,987	\$1,414	\$7,966	\$5,265	\$20,108	\$93,510	\$131,250

Loan-to-value ratio is based on income and expense data provided by borrowers at least annually and long-term capitalization rate assumptions based on property type.

In addition, the Company reviews the concentrations of credit risk by region and property type. Concentrations of credit risk of mortgage loans by U.S. region were as follows:

(in thousands)	Loans		Percentage	
	December 31,		December 31,	
	2025	2024	2025	2024
East North Central	\$ 9,864	\$ 10,463	8%	8%
East South Central	4,121	4,520	4	3
Middle Atlantic	14,388	15,236	12	12
Mountain	11,335	15,563	10	12
New England	3,233	3,382	3	3
Pacific	36,974	41,816	32	32
South Atlantic	24,835	26,828	21	20
West North Central	7,442	8,202	6	6
West South Central	4,899	5,240	4	4
Total	\$117,091	\$131,250	100%	100%

Concentrations of credit risk of mortgage loans by property type were as follows:

(in thousands)	Loans		Percentage	
	December 31,		December 31,	
	2025	2024	2025	2024
Apartments	\$ 38,002	\$ 42,598	32%	33%
Industrial	22,212	23,951	19	18
Mixed use	5,260	5,575	4	4
Office	11,255	16,088	10	12
Retail	32,613	34,710	28	27
Other	7,749	8,328	7	6
Total	\$117,091	\$131,250	100%	100%

Policy Loans

Policy loans do not exceed the cash surrender value at origination. As there is minimal risk of loss related to policy loans, there is no allowance for credit losses.

7. DEFERRED ACQUISITION COSTS AND DEFERRED SALES INDUCEMENT COSTS

The following tables summarize the balances of and changes in DAC:

(in thousands)	Variable Annuities	Fixed Annuities	Universal Life Insurance	Variable Universal Life Insurance	Indexed Universal Life Insurance
Balance at January 1, 2025	\$101,018	\$2,102	\$5,484	\$29,889	\$ 16,901
Capitalization of acquisition costs	3,068	—	19	3,366	184
Amortization	(8,574)	(403)	(412)	(2,482)	(1,253)
Balance at December 31, 2025	\$ 95,512	\$1,699	\$5,091	\$30,773	\$ 15,832

(in thousands)	Other Life Insurance	Life Contingent Payout Annuities	Term and Whole Life Insurance	Disability Income Insurance	Total, All Products
Balance at January 1, 2025	\$ 71	\$ 577	\$ 783	\$ 4,871	\$161,696
Capitalization of acquisition costs	—	92	(14)	192	6,907
Amortization	(8)	(40)	(61)	(587)	(13,820)
Balance at December 31, 2025	\$ 63	\$ 629	\$ 708	\$ 4,476	\$154,783

(in thousands)	Variable Annuities	Fixed Annuities	Universal Life Insurance	Variable Universal Life Insurance	Indexed Universal Life Insurance
Balance at January 1, 2024	\$105,559	\$2,569	\$5,897	\$28,611	\$ 17,858
Capitalization of acquisition costs	4,264	—	23	3,693	355
Amortization	(8,805)	(467)	(436)	(2,415)	(1,312)
Balance at December 31, 2024	\$101,018	\$2,102	\$5,484	\$29,889	\$ 16,901

(in thousands)	Other Life Insurance	Life Contingent Payout Annuities	Term and Whole Life Insurance	Disability Income Insurance	Total, All Products
Balance at January 1, 2024	\$ 79	\$ 264	\$ 807	\$ 5,289	\$166,933
Capitalization of acquisition costs	—	340	39	195	8,909
Amortization	(8)	(27)	(63)	(613)	(14,146)
Balance at December 31, 2024	\$ 71	\$ 577	\$ 783	\$ 4,871	\$161,696

The following tables summarize the balances of and changes in DSIC:

(in thousands)	Variable Annuities	Fixed Annuities	Total, All Products
Balance at January 1, 2025	\$5,366	\$ 624	\$5,990
Amortization	(540)	(119)	(659)
Balance at December 31, 2025	\$4,826	\$ 505	\$5,331

(in thousands)	Variable Annuities	Fixed Annuities	Total, All Products
Balance at January 1, 2024	\$5,950	\$ 771	\$6,721
Amortization	(584)	(147)	(731)
Balance at December 31, 2024	\$5,366	\$ 624	\$5,990

8. REINSURANCE

The Company reinsures a portion of its insurance risks through reinsurance agreements with unaffiliated reinsurance companies. Reinsurance contracts do not relieve the Company from its primary obligation to policyholders.

The Company generally reinsures 90% of the death benefit liability for new term life insurance policies beginning in 2002 and new individual UL and VUL insurance policies beginning in 2003. Policies issued prior to these dates are not subject to these same reinsurance levels.

For IUL policies issued after September 1, 2013 and VUL policies issued after January 1, 2014, the Company generally reinsures 50% of the death benefit liability.

The maximum amount of life insurance risk the Company will retain is \$10 million on a single life and \$10 million on any flexible premium survivorship life policy; however, reinsurance agreements are in place such that retaining more than \$1.5 million of insurance risk on a single life or a flexible premium survivorship life policy is very unusual. Risk on UL and VUL policies is reinsured on a yearly renewable term basis. Risk on most term life policies starting in 2002 is reinsured on a coinsurance basis, a type of reinsurance in which the reinsurer participates proportionally in all material risks and premiums associated with a policy.

The Company also has life insurance risk previously assumed under reinsurance arrangements with an unaffiliated insurance company.

As of December 31, 2002, the Company discontinued underwriting LTC insurance. For existing LTC policies, the Company has continued ceding 50% of the risk on a coinsurance basis to Genworth Life Insurance Company of New York (“Genworth”) and retains the remaining risk. This reinsurance arrangement applies for 1996 and later issues only, which are about 91% of the Company’s total in force policies. Under these agreements, the Company has the right, but never the obligation, to recapture some, or all, of the risk ceded to Genworth.

Generally, the Company retains at most \$5,000 per month of risk per life on DI policies sold on policy forms introduced in 2010 and reinsures the remainder of the risk on a coinsurance basis with unaffiliated reinsurance companies. The Company retains all risk for new claims on DI contracts sold prior to 2010. The Company also retains all risk on accidental death benefit claims and substantially all risk associated with waiver of premium provisions.

As of both December 31, 2025 and 2024, traditional life and UL insurance policies in force were \$11.2 billion, of which \$7.8 billion and \$7.9 billion as of December 31, 2025 and 2024, respectively, were reinsured at the respective year ends.

The effect of reinsurance on premiums for traditional long-duration products was as follows:

(in thousands)	Years Ended December 31,		
	2025	2024	2023
Direct premiums	\$ 29,504	\$ 37,884	\$ 32,254
Reinsurance ceded	(10,791)	(10,749)	(10,841)
Net premiums	\$ 18,713	\$ 27,135	\$ 21,413

Policy and contract charges are presented on the Statements of Income net of \$12.4 million, \$11.6 million and \$11.0 million of reinsurance ceded for non-traditional long-duration products for the years ended December 31, 2025, 2024 and 2023, respectively.

The amount of claims recovered through reinsurance on all contracts was \$25.4 million, \$20.3 million and \$22.6 million for the years ended December 31, 2025, 2024 and 2023, respectively.

Reinsurance recoverables include approximately \$152.1 million and \$146.7 million related to LTC risk ceded to Genworth as of December 31, 2025 and 2024, respectively.

Policyholder account balances, future policy benefits and claims include \$880 thousand and \$981 thousand related to previously assumed reinsurance arrangements as of December 31, 2025 and 2024, respectively.

9. POLICYHOLDER ACCOUNT BALANCES, FUTURE POLICY BENEFITS AND CLAIMS

Policyholder account balances, future policy benefits and claims consisted of the following:

(in thousands)	December 31,	
	2025	2024
Policyholder account balances		
Policyholder account balances	\$1,201,148	\$1,266,039
Future policy benefits		
Reserve for future policy benefits	462,888	452,282
Deferred profit liability	8,603	8,412
Additional liabilities for insurance guarantees	105,216	93,655
Other insurance and annuity liabilities	10,561	14,399
Total future policy benefits	587,268	568,748
Policy claims and other policyholders' funds	12,458	8,785
Total policyholder account balances, future policy benefits and claims	\$1,800,874	\$1,843,572

Variable Annuities

Purchasers of variable annuities can select from a variety of investment options and can elect to allocate a portion to a fixed account. A vast majority of the premiums received for variable annuity contracts are held in separate accounts where the assets are held for the exclusive benefit of those contractholders.

Most of the variable annuity contracts issued by the Company contain a GMDB. The Company previously offered contracts with GMAB, GMWB and GMIB provisions. See Note 2 and Note 11 for information regarding the Company's variable annuity guarantees. See Note 12 and Note 16 for additional information regarding the Company's derivative instruments used to hedge risks related to these guarantees.

Fixed Annuities

Fixed annuities include both deferred and payout contracts. In 2020, the Company discontinued sales of fixed deferred annuities.

Deferred contracts offer a guaranteed minimum rate of interest and security of the principal invested. Payout contracts guarantee a fixed income payment for life or the term of the contract. Liabilities for fixed annuities in a benefit or payout status are based on future estimated payments using established industry mortality tables and interest rates.

Insurance Liabilities

UL policies accumulate cash value that increases by a fixed interest rate. Purchasers of VUL can select from a variety of investment options and can elect to allocate a portion of their account balance to a fixed account or a separate account. A vast majority of the premiums received for VUL policies are held in separate accounts where the assets are held for the exclusive benefit of those policyholders.

IUL is a UL policy that includes an indexed account. The rate of credited interest for funds allocated by a contractholder to the indexed account is linked to the performance of the specific index for the indexed account (subject to stated account parameters, which include a cap and floor, or a spread). The policyholder may allocate all or a portion of the policy value to a fixed or any available indexed account. The amount allocated by a contractholder to the indexed account creates an embedded derivative which is measured at fair value. The Company hedges the interest credited rate including equity and interest rate risk related to the indexed account with freestanding derivative instruments. See Note 16 for additional information regarding the Company's derivative instruments used to hedge the risk related to IUL.

The Company also offers term life insurance as well as DI products. The Company no longer offers standalone LTC products and whole life insurance but has in force policies from prior years.

Insurance liabilities include accumulation values, incurred but not reported claims, obligations for anticipated future claims, unpaid reported claims and claim adjustment expenses.

The balances of and changes in policyholder account balances were as follows:

(in thousands, except percentages)	Variable Annuities	Fixed Annuities	Non-Life Contingent Payout Annuities	Universal Life Insurance
Balance at January 1, 2025	\$222,195	\$637,027	\$25,773	\$ 83,432
Contract deposits	2,224	5,905	3,702	8,127
Policy charges	(1,086)	(3)	—	(11,700)
Surrenders and other benefits	(28,039)	(75,896)	(5,648)	(3,570)
Net transfer from (to) separate account liabilities	(597)	—	—	—
Interest credited	6,814	24,301	798	2,738
Balance at December 31, 2025	\$201,511	\$591,334	\$24,625	\$ 79,027
Weighted-average crediting rate	3.3%	4.1%	N/A	3.4%
Net amount at risk	N/A	N/A	N/A	\$543,791
Cash surrender value ⁽¹⁾	\$198,910	\$591,002	N/A	\$ 70,865

(in thousands, except percentages)	Variable Universal Life Insurance	Indexed Universal Life Insurance	Other Life Insurance	Total, All Products
Balance at January 1, 2025	\$ 103,241	\$170,458	\$23,913	\$1,266,039
Contract deposits	11,133	12,568	—	43,659
Policy charges	(6,120)	(8,754)	(2)	(27,665)
Surrenders and other benefits	(7,585)	(4,004)	(3,090)	(127,832)
Net transfer from (to) separate account liabilities	(2,541)	—	—	(3,138)
Interest credited	4,066	10,559	809	50,085
Balance at December 31, 2025	\$ 102,194	\$180,827	\$21,630	\$1,201,148
Weighted-average crediting rate	4.0%	3.0%	4.0%	
Net amount at risk	\$3,029,480	\$881,499	\$ 9,168	
Cash surrender value ⁽¹⁾	\$ 68,684	\$160,202	\$15,769	

(in thousands, except percentages)	Variable Annuities	Fixed Annuities	Non-Life Contingent Payout Annuities	Universal Life Insurance
Balance at January 1, 2024	\$251,056	\$677,635	\$25,052	\$ 87,208
Contract deposits	5,145	6,120	6,530	8,859
Policy charges	(776)	(26)	—	(12,182)
Surrenders and other benefits	(36,893)	(72,274)	(6,642)	(3,427)
Net transfer from (to) separate account liabilities	(3,807)	—	—	—
Interest credited	7,470	25,572	833	2,974
Balance at December 31, 2024	\$222,195	\$637,027	\$25,773	\$ 83,432
Weighted-average crediting rate	3.2%	4.0%	N/A	3.4%
Net amount at risk	N/A	N/A	N/A	\$569,918
Cash surrender value ⁽¹⁾	\$219,310	\$636,172	N/A	\$ 74,110

(in thousands, except percentages)	Variable Universal Life Insurance	Indexed Universal Life Insurance	Other Life Insurance	Total, All Products
Balance at January 1, 2024	\$ 97,977	\$159,277	\$24,481	\$1,322,686
Contract deposits	19,468	13,651	—	59,773
Policy charges	(6,339)	(8,412)	—	(27,735)
Surrenders and other benefits	(4,086)	(3,355)	(1,466)	(128,143)
Net transfer from (to) separate account liabilities	(7,702)	—	—	(11,509)
Interest credited	3,923	9,297	898	50,967
Balance at December 31, 2024	\$ 103,241	\$170,458	\$23,913	\$1,266,039
Weighted-average crediting rate	4.0%	2.3%	4.0%	
Net amount at risk	\$3,021,978	\$917,731	\$ 9,876	
Cash surrender value ⁽¹⁾	\$ 70,021	\$147,686	\$18,280	

⁽¹⁾ Cash surrender value represents the amount of the contractholder's account balances distributable at the balance sheet date less certain surrender charges. For variable annuities and VUL, the cash surrender value shown is the proportion of the total cash surrender value related to their fixed account liabilities.

Refer to Note 11 for the net amount at risk for market risk benefits associated with variable annuities. Fixed and non-life contingent payout annuities do not have net amount at risk in excess of account value. Net amount at risk for insurance products is calculated as the death benefit amount in excess of applicable account values, host, embedded derivative and separate account liabilities.

The following tables present the account values of fixed deferred annuities, fixed insurance, and the fixed portion of variable annuities and variable insurance contracts by range of guaranteed minimum interest rates (“GMIRs”) and the range of the difference between rates credited to policyholders and contractholders as of December 31, 2025 and 2024 and the respective guaranteed minimums, as well as the percentage of account values subject to rate reset in the time period indicated. Rates are reset at management’s discretion, subject to guaranteed minimums.

December 31, 2025							
Account Values with Crediting Rates							
(in thousands, except percentages)	Range of Guaranteed Minimum Crediting Rates	At Guaranteed Minimum	1-49 bps above Guaranteed Minimum	50-99 bps above Guaranteed Minimum	100-150 bps above Guaranteed Minimum	Greater than 150 bps above Guaranteed Minimum	Total
Fixed accounts of variable annuities	1% – 1.99%	\$ 257	\$ 5,177	\$10,067	\$ 5,011	\$ —	\$ 20,512
	2% – 2.99%	4,337	—	—	—	—	4,337
	3% – 3.99%	90,452	—	—	—	—	90,452
	4% – 5.00%	81,371	—	—	—	—	81,371
	Total	\$176,417	\$ 5,177	\$10,067	\$ 5,011	\$ —	\$196,672
Fixed annuities	1% – 1.99%	\$ 5	\$ 9,760	\$ 8,292	\$ 7,924	\$3,641	\$ 29,622
	2% – 2.99%	300	291	14	—	—	605
	3% – 3.99%	241,445	27	—	—	—	241,472
	4% – 5.00%	319,451	—	—	—	—	319,451
	Total	\$561,201	\$10,078	\$ 8,306	\$ 7,924	\$3,641	\$591,150
Universal life insurance	1% – 1.99%	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
	2% – 2.99%	3,309	205	849	153	55	4,571
	3% – 3.99%	43,971	43	279	750	—	45,043
	4% – 5.00%	27,068	179	10	—	—	27,257
	Total	\$ 74,348	\$ 427	\$ 1,138	\$ 903	\$ 55	\$ 76,871
Fixed accounts of variable universal life insurance	1% – 1.99%	\$ —	\$ —	\$ 223	\$ 102	\$1,943	\$ 2,268
	2% – 2.99%	58	786	288	31	744	1,907
	3% – 3.99%	5,084	27	155	772	—	6,038
	4% – 5.00%	39,149	905	—	—	—	40,054
	Total	\$ 44,291	\$ 1,718	\$ 666	\$ 905	\$2,687	\$ 50,267
Non-indexed accounts of indexed universal life insurance	1% – 1.99%	\$ —	\$ —	\$ —	\$ —	\$ 202	\$ 202
	2% – 2.99%	—	—	—	10,898	—	10,898
	3% – 3.99%	—	—	—	—	—	—
	4% – 5.00%	—	—	—	—	—	—
	Total	\$ —	\$ —	\$ —	\$10,898	\$ 202	\$ 11,100
Other life insurance	1% – 1.99%	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
	2% – 2.99%	—	—	—	—	—	—
	3% – 3.99%	—	—	—	—	—	—
	4% – 5.00%	15,690	—	—	—	—	15,690
	Total	\$ 15,690	\$ —	\$ —	\$ —	\$ —	\$ 15,690
Total	1% – 1.99%	\$ 262	\$14,937	\$18,582	\$13,037	\$5,786	\$ 52,604
	2% – 2.99%	8,004	1,282	1,151	11,082	799	22,318
	3% – 3.99%	380,952	97	434	1,522	—	383,005
	4% – 5.00%	482,729	1,084	10	—	—	483,823
	Total	\$871,947	\$17,400	\$20,177	\$25,641	\$6,585	\$941,750
Percentage of total account values that reset in:							
Next 12 months		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
> 12 months to 24 months		—	—	—	—	—	—
> 24 months		—	—	—	—	—	—
Total		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

December 31, 2024

Account Values with Crediting Rates

(in thousands, except percentages)	Range of Guaranteed Minimum Crediting Rates	Account Values with Crediting Rates					Total
		At Guaranteed Minimum	1-49 bps above Guaranteed Minimum	50-99 bps above Guaranteed Minimum	100-150 bps above Guaranteed Minimum	Greater than 150 bps above Guaranteed Minimum	
Fixed accounts of variable annuities	1% – 1.99%	\$ 2,059	\$ 9,655	\$ 7,152	\$ 5,074	\$ 126	\$ 24,066
	2% – 2.99%	4,904	—	—	—	—	4,904
	3% – 3.99%	102,364	67	—	—	—	102,431
	4% – 5.00%	85,029	—	—	—	—	85,029
	Total	\$194,356	\$ 9,722	\$ 7,152	\$ 5,074	\$ 126	\$ 216,430
Fixed annuities	1% – 1.99%	\$ 6,132	\$12,131	\$13,918	\$ 6,307	\$3,114	\$ 41,602
	2% – 2.99%	572	105	13	—	—	690
	3% – 3.99%	267,561	148	—	—	—	267,709
	4% – 5.00%	326,709	—	—	—	—	326,709
	Total	\$600,974	\$12,384	\$13,931	\$ 6,307	\$3,114	\$ 636,710
Universal life insurance	1% – 1.99%	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
	2% – 2.99%	3,389	148	743	7	44	4,331
	3% – 3.99%	45,770	45	254	659	—	46,728
	4% – 5.00%	29,958	179	11	—	—	30,148
	Total	\$ 79,117	\$ 372	\$ 1,008	\$ 666	\$ 44	\$ 81,207
Fixed accounts of variable universal life insurance	1% – 1.99%	\$ —	\$ —	\$ 244	\$ 104	\$1,667	\$ 2,015
	2% – 2.99%	376	803	—	33	452	1,664
	3% – 3.99%	5,637	32	93	692	—	6,454
	4% – 5.00%	42,983	564	—	—	—	43,547
	Total	\$ 48,996	\$ 1,399	\$ 337	\$ 829	\$2,119	\$ 53,680
Non-indexed accounts of indexed universal life insurance	1% – 1.99%	\$ —	\$ —	\$ 376	\$ 128	\$ —	\$ 504
	2% – 2.99%	—	9,783	—	—	—	9,783
	3% – 3.99%	—	—	—	—	—	—
	4% – 5.00%	—	—	—	—	—	—
	Total	\$ —	\$ 9,783	\$ 376	\$ 128	\$ —	\$ 10,287
Other life insurance	1% – 1.99%	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
	2% – 2.99%	—	—	—	—	—	—
	3% – 3.99%	—	—	—	—	—	—
	4% – 5.00%	18,207	—	—	—	—	18,207
	Total	\$ 18,207	\$ —	\$ —	\$ —	\$ —	\$ 18,207
Total	1% – 1.99%	\$ 8,191	\$21,786	\$21,690	\$11,613	\$4,907	\$ 68,187
	2% – 2.99%	9,241	10,839	756	40	496	21,372
	3% – 3.99%	421,332	292	347	1,351	—	423,322
	4% – 5.00%	502,886	743	11	—	—	503,640
	Total	\$941,650	\$33,660	\$22,804	\$13,004	\$5,403	\$1,016,521
Percentage of total account values that reset in:							
Next 12 months		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
> 12 months to 24 months		—	—	—	—	—	—
> 24 months		—	—	—	—	—	—
Total		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

The following tables summarize the balances of and changes in the liability for future policy benefits:

(in thousands, except percentages)	Life Contingent Payout Annuities	Term and Whole Life Insurance	Disability Income Insurance	Long Term Care Insurance	Total, All Products
Present Value of Expected Net Premiums:					
Balance at January 1, 2025	\$ —	\$ 35,346	\$ 4,941	\$ 48,273	\$ 88,560
Beginning balance at original discount rate	—	38,026	5,185	48,223	91,434
Effect of changes in cash flow assumptions	—	2,380	(990)	(1,877)	(487)
Effect of actual variances from expected experience	—	(2,150)	(466)	2,508	(108)
Adjusted beginning of year balance	\$ —	\$ 38,256	\$ 3,729	\$ 48,854	\$ 90,839
Issuances	6,925	3,684	625	—	11,234
Interest accrual	23	1,867	224	2,430	4,544
Net premiums collected	(6,948)	(3,566)	(422)	(5,331)	(16,267)
Derecognition (lapses)	—	—	—	—	—
Ending balance at original discount rate	\$ —	\$ 40,241	\$ 4,156	\$ 45,953	\$ 90,350
Effect of changes in discount rate assumptions	—	(1,734)	(60)	1,283	(511)
Balance at December 31, 2025	\$ —	\$ 38,507	\$ 4,096	\$ 47,236	\$ 89,839
Present Value of Future Policy Benefits:					
Balance at January 1, 2025	\$ 67,569	\$ 73,570	\$30,612	\$369,035	\$540,786
Beginning balance at original discount rate	71,941	76,041	29,825	373,901	551,708
Effect of changes in cash flow assumptions	(67)	1,374	(1,550)	(1,077)	(1,320)
Effect of actual variances from expected experience	(169)	(3,773)	(651)	6,205	1,612
Adjusted beginning of year balance	\$ 71,705	\$ 73,642	\$27,624	\$379,029	\$552,000
Issuances	6,925	3,655	626	—	11,206
Interest accrual	3,227	4,139	1,745	19,493	28,604
Benefit payments	(9,632)	(3,971)	(2,597)	(26,977)	(43,177)
Derecognition (lapses)	—	—	—	—	—
Ending balance at original discount rate	\$ 72,225	\$ 77,465	\$27,398	\$371,545	\$548,633
Effect of changes in discount rate assumptions	(2,178)	(821)	1,500	5,473	3,974
Balance at December 31, 2025	\$ 70,047	\$ 76,644	\$28,898	\$377,018	\$552,607
Adjustment due to reserve flooring	\$ —	\$ 120	\$ —	\$ —	\$ 120
Net liability for future policy benefits	\$ 70,047	\$ 38,257	\$24,802	\$329,782	\$462,888
Less: reinsurance recoverable	—	27,925	656	151,580	180,161
Net liability for future policy benefits, after reinsurance recoverable	\$ 70,047	\$ 10,332	\$24,146	\$178,202	\$282,727
Discounted expected future gross premiums	\$ —	\$100,961	\$42,652	\$ 53,924	\$197,537
Expected future gross premiums	\$ —	\$163,067	\$59,642	\$ 71,659	\$294,368
Expected future benefit payments	\$102,492	\$129,035	\$44,830	\$609,740	\$886,097
Weighted average interest accretion rate	4.5%	6.2%	6.5%	5.2%	
Weighted average discount rate	5.0%	5.4%	5.2%	5.3%	
Weighted average duration of liability (in years)	6	7	6	8	

(in thousands, except percentages)	Life Contingent Payout Annuities	Term and Whole Life Insurance	Disability Income Insurance	Long Term Care Insurance	Total, All Products
Present Value of Expected Net Premiums:					
Balance at January 1, 2024	\$ —	\$ 34,522	\$ 7,836	\$ 48,489	\$ 90,847
Beginning balance at original discount rate	—	35,649	7,720	47,397	90,766
Effect of changes in cash flow assumptions	—	3,237	(1,939)	4,830	6,128
Effect of actual variances from expected experience	—	(2,229)	(837)	(409)	(3,475)
Adjusted beginning of year balance	\$ —	\$ 36,657	\$ 4,944	\$ 51,818	\$ 93,419
Issuances	13,729	3,071	553	—	17,353
Interest accrual	53	1,788	309	2,512	4,662
Net premiums collected	(13,782)	(3,490)	(621)	(6,107)	(24,000)
Derecognition (lapses)	—	—	—	—	—
Ending balance at original discount rate	\$ —	\$ 38,026	\$ 5,185	\$ 48,223	\$ 91,434
Effect of changes in discount rate assumptions	—	(2,680)	(244)	50	(2,874)
Balance at December 31, 2024	\$ —	\$ 35,346	\$ 4,941	\$ 48,273	\$ 88,560
Present Value of Future Policy Benefits:					
Balance at January 1, 2024	\$ 64,261	\$ 74,238	\$37,113	\$395,386	\$570,998
Beginning balance at original discount rate	67,270	73,159	34,643	383,284	558,356
Effect of changes in cash flow assumptions	(1,352)	3,921	(3,096)	(1,924)	(2,451)
Effect of actual variances from expected experience	(1,387)	(2,563)	(1,481)	(2,519)	(7,950)
Adjusted beginning of year balance	\$ 64,531	\$ 74,517	\$30,066	\$378,841	\$547,955
Issuances	13,729	3,061	552	—	17,342
Interest accrual	3,152	4,132	1,916	19,949	29,149
Benefit payments	(9,471)	(5,669)	(2,709)	(24,889)	(42,738)
Derecognition (lapses)	—	—	—	—	—
Ending balance at original discount rate	\$ 71,941	\$ 76,041	\$29,825	\$373,901	\$551,708
Effect of changes in discount rate assumptions	(4,372)	(2,471)	787	(4,866)	(10,922)
Balance at December 31, 2024	\$ 67,569	\$ 73,570	\$30,612	\$369,035	\$540,786
Adjustment due to reserve flooring	\$ —	\$ 56	\$ —	\$ —	\$ 56
Net liability for future policy benefits	\$ 67,569	\$ 38,280	\$25,671	\$320,762	\$452,282
Less: reinsurance recoverable	—	27,679	718	146,132	174,529
Net liability for future policy benefits, after reinsurance recoverable	\$ 67,569	\$ 10,601	\$24,953	\$174,630	\$277,753
Discounted expected future gross premiums	\$ —	\$ 82,293	\$43,468	\$ 57,490	\$183,251
Expected future gross premiums	\$ —	\$136,563	\$62,172	\$ 79,143	\$277,878
Expected future benefit payments	\$101,241	\$126,924	\$49,284	\$626,799	\$904,248
Weighted average interest accretion rate	4.5%	6.2%	6.5%	5.4%	
Weighted average discount rate	5.4%	5.7%	5.6%	5.6%	
Weighted average duration of liability (in years)	6	6	7	8	

Impacts of the annual review of policy benefit reserves assumptions are reflected within the effect of changes in cash flow assumptions in the disaggregated rollforwards above. The annual review of policy benefit reserves assumptions in the third quarter of 2025 resulted in a net decrease in future policy benefit reserves, primarily due to decreased disability income insurance claim incidence rates offset by updates to LTC mortality assumptions. The annual review of policy benefit reserves assumptions in the third quarter of 2024 resulted in a net decrease in future policy benefit reserves, primarily due to updates to LTC premium rate increases and decreased disability income insurance claim incidence rates.

The balances of and changes in additional liabilities related to insurance guarantees were as follows:

(in thousands, except percentages)	Universal Life Insurance	Variable Universal Life Insurance	Other Life Insurance	Total, All Products
Balance at January 1, 2025	\$88,098	\$5,557	\$ —	\$ 93,655
Interest accrual	2,807	400	23	3,230
Benefit accrual	9,336	560	183	10,079
Benefit payments	(4,657)	(691)	(474)	(5,822)
Effect of actual variances from expected experience	2,026	105	420	2,551
Impact of change in net unrealized (gains) losses on securities	1,185	47	291	1,523
Balance at December 31, 2025	\$98,795	\$5,978	\$ 443	\$105,216
Weighted average interest accretion rate	2.9%	6.8%	3.7%	
Weighted average discount rate	3.1%	7.1%	4.0%	
Weighted average duration of reserves (in years)	9	8	7	

(in thousands, except percentages)	Universal Life Insurance	Variable Universal Life Insurance	Other Life Insurance	Total, All Products
Balance at January 1, 2024	\$80,639	\$5,509	\$ 217	\$86,365
Interest accrual	2,550	379	22	2,951
Benefit accrual	9,648	424	241	10,313
Benefit payments	(3,541)	(352)	(231)	(4,124)
Effect of actual variances from expected experience	(91)	(352)	(65)	(508)
Impact of change in net unrealized (gains) losses on securities	(1,107)	(51)	(184)	(1,342)
Balance at December 31, 2024	\$88,098	\$5,557	\$ —	\$93,655
Weighted average interest accretion rate	3.0%	6.7%	3.9%	
Weighted average discount rate	3.2%	7.0%	4.1%	
Weighted average duration of reserves (in years)	9	7	7	

The amount of revenue and interest recognized in the Statements of Income was as follows:

(in thousands)	Years Ended December 31,			
	2025		2024	
	Gross Premiums	Interest Expense	Gross Premiums	Interest Expense
Life contingent payout annuities	\$ 7,284	\$ 3,204	\$15,122	\$ 3,099
Term and whole life insurance	9,569	2,272	9,366	2,344
Disability income insurance	6,126	1,521	6,354	1,607
Long term care insurance	6,525	17,063	7,042	17,437
Total	\$29,504	\$24,060	\$37,884	\$24,487

The following tables summarize the balances of and changes in unearned revenue:

(in thousands)	Universal Life Insurance	Variable Universal Life Insurance	Indexed Universal Life Insurance	Total, All Products
Balance at January 1, 2025	\$ 97	\$11,564	\$22,279	\$33,940
Deferral of revenue	11	3,842	3,681	7,534
Amortization	(13)	(963)	(1,830)	(2,806)
Balance at December 31, 2025	\$ 95	\$14,443	\$24,130	\$38,668
Balance at January 1, 2024	\$ 98	\$ 9,038	\$20,154	\$29,290
Deferral of revenue	12	3,285	3,780	7,077
Amortization	(13)	(759)	(1,655)	(2,427)
Balance at December 31, 2024	\$ 97	\$11,564	\$22,279	\$33,940

10. SEPARATE ACCOUNT ASSETS AND LIABILITIES

The fair value of separate account assets is invested exclusively in mutual funds.

The balances of and changes in separate account liabilities were as follows:

(in thousands)	Variable Annuities	Variable Universal Life	Total
Balance at January 1, 2025	\$4,083,723	\$551,133	\$4,634,856
Premiums and deposits	86,438	27,776	114,214
Policy charges	(77,675)	(20,341)	(98,016)
Surrenders and other benefits	(468,025)	(20,406)	(488,431)
Investment return	520,921	82,706	603,627
Net transfer from (to) general account	545	469	1,014
Other charges	(64)	(1)	(65)
Balance at December 31, 2025	\$4,145,863	\$621,336	\$4,767,199
Cash surrender value	\$4,063,004	\$587,451	\$4,650,455

(in thousands)	Variable Annuities	Variable Universal Life	Total
Balance at January 1, 2024	\$4,018,325	\$496,999	\$4,515,324
Premiums and deposits	112,608	28,088	140,696
Policy charges	(80,105)	(19,541)	(99,646)
Surrenders and other benefits	(424,604)	(24,446)	(449,050)
Investment return	454,577	68,658	523,235
Net transfer from (to) general account	2,982	1,377	4,359
Other charges	(60)	(2)	(62)
Balance at December 31, 2024	\$4,083,723	\$551,133	\$4,634,856
Cash surrender value	\$3,989,419	\$521,592	\$4,511,011

11. MARKET RISK BENEFITS

Market risk benefits are contracts or contract features that both provide protection to the contractholder from other-than-nominal capital market risk and expose the Company to other-than-nominal capital market risk. Most of the variable annuity contracts issued by the Company contain a GMDB provision. The Company previously offered contracts containing GMWB, GMAB, or GMIB provisions.

The GMDB provisions provide a specified minimum return upon death of the contractholder. The death benefit payable is the greater of (i) the contract value less any purchase payment credits subject to recapture less a pro-rata portion of any rider fees, or (ii) the GMDB provisions specified in the contract.

The Company has the following primary GMDB provisions:

- Return of premium — provides purchase payments minus adjusted partial surrenders.
- Reset — provides that the value resets to the account value at specified contract anniversary intervals minus adjusted partial surrenders. This provision was often provided in combination with the return of premium provision and is no longer offered.
- Ratchet — provides that the value ratchets up to the maximum account value at specified anniversary intervals, plus subsequent purchase payments less adjusted partial surrenders.

The variable annuity contracts with GMWB riders typically have account values that are based on an underlying portfolio of mutual funds, the values of which fluctuate based on fund performance. At contract issue, the guaranteed amount is equal to the amount deposited but the guarantee may be increased annually to the account value (a “step-up”) in the case of favorable market performance or by a benefit credit if the contract includes this provision.

The Company has GMWB riders in force, which contain one or more of the following provisions:

- Withdrawals at a specified rate per year until the amount withdrawn is equal to the guaranteed amount.
- Withdrawals at a specified rate per year for the life of the contractholder (“GMWB for life”).
- Withdrawals at a specified rate per year for joint contractholders while either is alive.
- Withdrawals based on performance of the contract.
- Withdrawals based on the age withdrawals begin.
- Credits are applied annually for a specified number of years to increase the guaranteed amount as long as withdrawals have not been taken.

Variable annuity contractholders age 79 or younger at contract issue could obtain a principal-back guarantee by purchasing the optional GMAB rider for an additional charge. The GMAB rider guarantees that, regardless of market performance at the end of the 10-year waiting period, the contract value will be no less than the original investment or a specified percentage of the highest anniversary value, adjusted for withdrawals. If the contract value is less than the guarantee at the end of the 10-year period, a lump sum will be added to the contract value to make the contract value equal to the guarantee value.

Individual variable annuity contracts may have both a death benefit and a living benefit. Net amount at risk is quantified for each benefit and a composite net amount at risk is calculated using the greater of the death benefit or living benefit for each individual contract. The net amount at risk for GMDB and GMAB is defined as the current guaranteed benefit amount in excess of the current contract value. The net amount at risk for GMIB is defined as the greater of the present value of the minimum guaranteed annuity payments less the current contract value or zero. The net amount at risk for GMWB is defined as the greater of the present value of the minimum guaranteed withdrawal payments less the current contract value or zero.

The following table summarizes the balances of and changes in market risk benefits:

(in thousands, except age)	Years Ended December 31,		
	2025	2024	2023
Balance at beginning of period	\$(120,605)	\$ (47,475)	\$ 4,137
Issuances	—	—	3
Interest accrual and time decay	(10,735)	(9,164)	(8,114)
Reserve increase from attributed fees collected	41,880	43,501	43,343
Reserve release for benefit payments and derecognition	(145)	(297)	(1,878)
Effect of changes in interest rates and bond markets	(4,912)	(53,866)	(19,266)
Effect of changes in equity markets and subaccount performance	(49,488)	(64,842)	(69,222)
Effect of changes in equity index volatility	5,092	3,339	(4,254)
Actual policyholder behavior different from expected behavior	2,147	1,653	(2,579)
Effect of changes in future expected assumptions	4,570	3,793	6,621
Effect of changes in the instrument-specific credit risk on market risk benefits	(1,421)	2,753	3,734
Balance at end of period	\$(133,617)	\$(120,605)	\$ (47,475)
Reconciliation of the gross balances in an asset or liability position:			
Asset position	\$ 155,104	\$ 147,075	\$ 94,641
Liability position	(21,487)	(26,470)	(47,166)
Net asset (liability) position	\$ 133,617	\$ 120,605	\$ 47,475
Guaranteed benefit amount in excess of current account balances (net amount at risk):			
Death benefits	\$ 5,595	\$ 19,210	\$ 58,245
Living benefits	\$ 23,729	\$ 38,955	\$ 54,321
Composite (greater of)	\$ 29,119	\$ 55,956	\$107,200
Weighted average attained age of contractholders	68	68	67
Changes in unrealized (gains) losses in net income relating to liabilities held at end of period	\$ (59,507)	\$(118,760)	\$ (96,583)
Changes in unrealized (gains) losses in other comprehensive income (loss) relating to liabilities held at end of period	\$ (1,226)	\$ 2,866	\$ 3,742

The following tables provide a summary of the significant inputs and assumptions used in the fair value measurements developed by the Company or reasonably available to the Company of market risk benefits:

December 31, 2025					
Fair Value	Valuation Technique	Significant Inputs and Assumptions	Range	Weighted Average	
(in thousands)					
Market risk benefits	\$ (133,617)	Discounted cash flow	Utilization of guaranteed withdrawals ⁽¹⁾	0.0% – 52.8%	12.9%
			Surrender rate ⁽²⁾	0.5% – 53.4%	4.3%
			Market volatility ⁽³⁾	0.0% – 24.9%	11.2%
			Nonperformance risk ⁽⁴⁾	65 bps	65 bps
			Mortality rate ⁽⁵⁾	0.0% – 39.2%	2.0%
December 31, 2024					
Fair Value	Valuation Technique	Significant Inputs and Assumptions	Range	Weighted Average	
(in thousands)					
Market risk benefits	\$ (120,605)	Discounted cash flow	Utilization of guaranteed withdrawals ⁽¹⁾	0.0% – 52.8%	12.6%
			Surrender rate ⁽²⁾	0.4% – 39.4%	3.9%
			Market volatility ⁽³⁾	0.0% – 24.6%	10.3%
			Nonperformance risk ⁽⁴⁾	65 bps	65 bps
			Mortality rate ⁽⁵⁾	0.0% – 37.4%	1.8%

⁽¹⁾ The utilization of guaranteed withdrawals represents the percentage of contractholders that will begin withdrawing in any given year. The weighted average utilization rate represents the average assumption, weighted based on the benefit base. The calculation excludes policies that have already started taking withdrawals.

⁽²⁾ The weighted average surrender rate represents the average assumption weighted based on the account value of each contract.

⁽³⁾ Market volatility represents the implied volatility of each contractholder's mix of funds. The weighted average market volatility represents the average volatility across all contracts, weighted by the size of the guaranteed benefit.

⁽⁴⁾ The nonperformance risk is the spread added to the U.S. Treasury curve.

⁽⁵⁾ The weighted average mortality rate represents the average assumption weighted based on the account value of each contract.

Changes to Significant Inputs and Assumptions:

During the years ended December 31, 2025 and 2024, the Company updated inputs and assumptions based on management's review of experience studies. These updates resulted in the following notable changes in the fair value estimates of market risk benefits calculations:

Year ended December 31, 2025

- Updates to surrender assumptions resulted in a decrease to pretax income of \$3.3 million.
- Updates to utilization of guaranteed withdrawal assumptions resulted in a decrease to pretax income of \$678 thousand.

Year ended December 31, 2024

- Updates to surrender assumptions resulted in a decrease to pretax income of \$2.3 million.
- Updates to utilization of guaranteed withdrawal assumptions resulted in a decrease to pretax income of \$994 thousand.

Refer to the rollforward of market risk benefits for the impacts of changes to interest rate, equity market, volatility and nonperformance risk assumptions.

Uncertainty of Fair Value Measurements

Significant increases (decreases) in utilization and volatility used in the fair value measurement of market risk benefits in isolation would have resulted in a significantly higher (lower) liability value.

Significant increases (decreases) in nonperformance risk and surrender assumptions used in the fair value measurement of market risk benefits in isolation would have resulted in a significantly lower (higher) liability value.

Significant increases (decreases) in mortality assumptions used in the fair value measurement of the death benefit portion of market risk benefits in isolation would have resulted in a significantly higher (lower) liability value whereas significant increases (decreases) in mortality rates used in the fair value measurement of the life contingent portion of market risk benefits in isolation would have resulted in a significantly lower (higher) liability value.

Surrender assumptions, utilization assumptions and mortality assumptions vary with the type of base product, type of rider, duration of the policy, age of the contractholder, calendar year of the projection, previous withdrawal history, and the relationship between the value of the guaranteed benefit and the contract accumulation value.

Determination of Fair Value

The Company values market risk benefits using internal valuation models. These models include observable capital market assumptions and significant unobservable inputs related to implied volatility, contractholder behavior assumptions that include margins for risk, and the Company's nonperformance risk. These measurements are classified as Level 3.

12. FAIR VALUES OF ASSETS AND LIABILITIES

GAAP defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; that is, an exit price. The exit price assumes the asset or liability is not exchanged subject to a forced liquidation or distressed sale.

Valuation Hierarchy

The Company categorizes its fair value measurements according to a three-level hierarchy. The hierarchy prioritizes the inputs used by the Company's valuation techniques. A level is assigned to each fair value measurement based on the lowest level input that is significant to the fair value measurement in its entirety.

The three levels of the fair value hierarchy are defined as follows:

- Level 1 Unadjusted quoted prices for identical assets or liabilities in active markets that are accessible at the measurement date.
- Level 2 Prices or valuations based on observable inputs other than quoted prices in active markets for identical assets and liabilities.
- Level 3 Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

The following tables present the balances of assets and liabilities measured at fair value on a recurring basis:

(in thousands)	December 31, 2025			
	Level 1	Level 2	Level 3	Total
Assets				
Available-for-Sale securities:				
Corporate debt securities	\$ —	\$ 870,864	\$ 10,860	\$ 881,724
Residential mortgage backed securities	—	255,025	—	255,025
Commercial mortgage backed securities	—	217,662	—	217,662
State and municipal obligations	—	72,283	—	72,283
Asset backed securities	—	18,344	—	18,344
Foreign government bonds and obligations	—	619	—	619
U.S. government and agency obligations	223	—	—	223
Total Available-for-Sale securities	223	1,434,797	10,860	1,445,880
Cash equivalents	—	120,449	—	120,449
Market risk benefits	—	—	155,104	155,104 ⁽¹⁾
Other assets:				
Interest rate derivative contracts	204	1,516	—	1,720
Equity derivative contracts	3,323	81,434	—	84,757
Foreign exchange derivative contracts	50	—	—	50
Total other assets	3,577	82,950	—	86,527
Separate account assets at net asset value ("NAV")				4,767,199 ⁽²⁾
Total assets at fair value	\$3,800	\$1,638,196	\$165,964	\$6,575,159
Liabilities				
Policyholder account balances, future policy benefits and claims:				
IUL embedded derivatives	\$ —	\$ —	\$ 61,894	\$ 61,894
Total policyholder account balances, future policy benefits and claims	—	—	61,894	61,894 ⁽³⁾
Market risk benefits	—	—	21,487	21,487 ⁽¹⁾
Other liabilities:				
Interest rate derivative contracts	—	1,858	—	1,858
Equity derivative contracts	182	52,228	—	52,410
Total other liabilities	182	54,086	—	54,268
Total liabilities at fair value	\$ 182	\$ 54,086	\$ 83,381	\$ 137,649

(in thousands)	December 31, 2024			
	Level 1	Level 2	Level 3	Total
Assets				
Available-for-Sale securities:				
Corporate debt securities	\$ —	\$ 826,806	\$ 14,589	\$ 841,395
Residential mortgage backed securities	—	224,106	—	224,106
Commercial mortgage backed securities	—	257,829	—	257,829
State and municipal obligations	—	73,007	—	73,007
Asset backed securities	—	23,490	—	23,490
Foreign government bonds and obligations	—	585	—	585
U.S. government and agency obligations	218	—	—	218
Total Available-for-Sale securities	218	1,405,823	14,589	1,420,630
Cash equivalents	—	145,762	—	145,762
Market risk benefits	—	—	147,075	147,075 ⁽¹⁾
Other assets:				
Interest rate derivative contracts	79	1,712	—	1,791
Equity derivative contracts	2,011	115,824	—	117,835
Foreign exchange derivative contracts	189	426	—	615
Total other assets	2,279	117,962	—	120,241
Separate account assets at NAV				4,634,856 ⁽²⁾
Total assets at fair value	\$2,497	\$1,669,547	\$161,664	\$6,468,564

Liabilities

Policyholder account balances, future policy benefits and claims:				
IUL embedded derivatives	\$ —	\$ —	\$ 59,724	\$ 59,724
Total policyholder account balances, future policy benefits and claims	—	—	59,724	59,724 ⁽³⁾
Market risk benefits	—	—	26,470	26,470 ⁽¹⁾
Other liabilities:				
Interest rate derivative contracts	—	2,229	—	2,229
Equity derivative contracts	202	45,911	—	46,113
Total other liabilities	202	48,140	—	48,342
Total liabilities at fair value	\$ 202	\$ 48,140	\$ 86,194	\$ 134,536

⁽¹⁾ See Note 11 for additional information related to market risk benefits, including the balances of and changes in market risk benefits as well as the significant inputs and assumptions used in the fair value measurements of market risk benefits.

⁽²⁾ Amounts are comprised of financial instruments that are measured at fair value using the NAV per share (or its equivalent) as a practical expedient and have not been classified in the fair value hierarchy.

⁽³⁾ The Company's adjustment for nonperformance risk resulted in a \$6.5 million cumulative decrease to the embedded derivatives as of both December 31, 2025 and 2024.

The following tables provide a summary of changes in Level 3 assets and liabilities measured at fair value on a recurring basis:

(in thousands)	Available-for-Sale Securities	Policyholder Account Balances, Future Policy Benefits and Claims
	Corporate Debt Securities	IUL Embedded Derivatives
Balance at January 1, 2025	\$14,589	\$(59,724)
Total gains (losses) included in:		
Net income	(60) ⁽¹⁾	(12,945) ⁽²⁾
Other comprehensive income (loss)	379	—
Issues	—	1,765
Settlements	(4,048)	9,010
Balance at December 31, 2025	\$10,860	\$(61,894)
Changes in unrealized gains (losses) in net income relating to assets and liabilities held at December 31, 2025	\$ (60) ⁽¹⁾	\$(12,945) ⁽²⁾
Changes in unrealized gains (losses) in other comprehensive income (loss) relating to assets and liabilities held at December 31, 2025	\$ 346	\$ —

(in thousands)	Available-for-Sale Securities	Policyholder Account Balances, Future Policy Benefits and Claims
	Corporate Debt Securities	IUL Embedded Derivatives
Balance at January 1, 2024	\$23,276	\$(50,529)
Total gains (losses) included in:		
Net income	(58) ⁽¹⁾	(17,910) ⁽²⁾
Other comprehensive income (loss)	410	—
Issues	—	(257)
Settlements	(9,039)	8,972
Balance at December 31, 2024	\$14,589	\$(59,724)
Changes in unrealized gains (losses) in net income relating to assets and liabilities held at December 31, 2024	\$ (58) ⁽¹⁾	\$(17,910) ⁽²⁾
Changes in unrealized gains (losses) in other comprehensive income (loss) relating to assets and liabilities held at December 31, 2024	\$ 249	\$ —

(in thousands)	Available-for-Sale Securities	Policyholder Account Balances, Future Policy Benefits and Claims
	Corporate Debt Securities	IUL Embedded Derivatives
Balance at January 1, 2023	\$29,372	\$(42,382)
Total gains (losses) included in:		
Net income	(68) ⁽¹⁾	(13,670) ⁽²⁾
Other comprehensive income (loss)	585	—
Purchases	419	—
Issues	—	(2,453)
Settlements	(7,032)	7,976
Balance at December 31, 2023	\$23,276	\$(50,529)
Changes in unrealized gains (losses) in net income relating to assets and liabilities held at December 31, 2023	\$ (68) ⁽¹⁾	\$(13,670) ⁽²⁾
Changes in unrealized gains (losses) in other comprehensive income (loss) relating to assets and liabilities held at December 31, 2023	\$ 511	\$ —

⁽¹⁾ Included in Net investment income.

⁽²⁾ Included in Interest credited to fixed accounts.

The increase (decrease) to pretax income of the Company's adjustment for nonperformance risk on the fair value of its embedded derivatives was \$(1.1) million, \$(454) thousand and \$20 thousand, net of the reinsurance accrual, for the years ended December 31, 2025, 2024 and 2023, respectively.

Securities transferred from Level 3 primarily represent securities with fair values that are now obtained from a third-party pricing service with observable inputs or fair values that were included in an observable transaction with a market participant. Securities transferred to Level 3 represent securities with fair values that are now based on a single non-binding broker quote.

The following tables provide a summary of the significant unobservable inputs used in the fair value measurements developed by the Company or reasonably available to the Company of Level 3 assets and liabilities:

December 31, 2025					
	Fair Value	Valuation Technique	Unobservable Input	Range	Weighted Average
(in thousands)					
Corporate debt securities (private placements)	\$10,836	Discounted cash flow	Yield/spread to U.S. Treasuries ⁽¹⁾	0.9% – 1.4%	1.1%
IUL embedded derivatives	\$61,894	Discounted cash flow	Nonperformance risk ⁽²⁾	65 bps	65 bps
December 31, 2024					
	Fair Value	Valuation Technique	Unobservable Input	Range	Weighted Average
(in thousands)					
Corporate debt securities (private placements)	\$14,560	Discounted cash flow	Yield/spread to U.S. Treasuries ⁽¹⁾	0.8% – 1.6%	1.3%
IUL embedded derivatives	\$59,724	Discounted cash flow	Nonperformance risk ⁽²⁾	65 bps	65 bps

⁽¹⁾ The weighted average for the yield/spread to U.S. Treasuries for corporate debt securities (private placements) is weighted based on the security's market value as a percentage of the aggregate market value of the securities.

⁽²⁾ The nonperformance risk is the spread added to the U.S. Treasury curve.

Level 3 measurements not included in the tables above are obtained from non-binding broker quotes where unobservable inputs utilized in the fair value calculation are not reasonably available to the Company.

Uncertainty of Fair Value Measurements

Significant increases (decreases) in the yield/spread to U.S. Treasuries used in the fair value measurement of Level 3 corporate debt securities in isolation would have resulted in a significantly lower (higher) fair value measurement.

Significant increases (decreases) in nonperformance risk used in the fair value measurement of the IUL embedded derivatives in isolation would have resulted in a significantly lower (higher) fair value measurement.

Determination of Fair Value

The Company uses valuation techniques consistent with the market and income approaches to measure the fair value of its assets and liabilities. The Company's market approach uses prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities. The Company's income approach uses valuation techniques to convert future projected cash flows to a single discounted present value amount. When applying either approach, the Company maximizes the use of observable inputs and minimizes the use of unobservable inputs.

The following is a description of the valuation techniques used to measure fair value and the general classification of these instruments pursuant to the fair value hierarchy.

Assets

Available-for-Sale Securities

When available, the fair value of securities is based on quoted prices in active markets. If quoted prices are not available, fair values are obtained from third-party pricing services, non-binding broker quotes, or other model-based valuation techniques.

Level 1 securities primarily include U.S. Treasuries.

Level 2 securities primarily include corporate bonds, residential mortgage backed securities, commercial mortgage backed securities, state and municipal obligations, asset backed securities and foreign government securities. The fair value of these Level 2 securities is based on a market approach with prices obtained from third-party pricing services. Observable inputs used to value these securities can include, but are not limited to, reported trades, benchmark yields, issuer spreads and non-binding broker quotes. The fair value of securities included in an observable transaction with a market participant are also considered Level 2 when the market is not active.

Level 3 securities primarily include certain corporate bonds. The fair value of corporate bonds classified as Level 3 is typically based on a single non-binding broker quote. The underlying inputs used for some of the non-binding broker quotes are not readily available to the Company. The Company's privately placed corporate bonds are typically based on a single non-binding broker quote.

Management is responsible for the fair values recorded on the financial statements. Prices received from third-party pricing services are subjected to exception reporting that identifies investments with significant daily price movements as well as no movements. The Company reviews the exception reporting and resolves the exceptions through reaffirmation of the price or recording an appropriate fair value estimate. The Company also performs subsequent transaction testing. The Company performs annual due diligence of third-party pricing services. The Company's due diligence procedures include assessing the vendor's valuation qualifications, control environment, analysis of asset-class specific valuation methodologies, and understanding of sources of market observable assumptions and unobservable assumptions, if any, employed in the valuation methodology. The Company also considers the results of its exception reporting controls and any resulting price challenges that arise.

Cash Equivalents

Cash equivalents include time deposits and other highly liquid investments with original or remaining maturities at the time of purchase of 90 days or less. The Company's cash equivalents are classified as Level 2 and measured at amortized cost, which is a reasonable estimate of fair value because of the short time between the purchase of the instrument and its expected realization.

Other Assets

Derivatives that are measured using quoted prices in active markets, such as derivatives that are exchange-traded, are classified as Level 1 measurements. The variation margin on futures contracts is also classified as Level 1. The fair value of derivatives that are traded in less active over-the-counter ("OTC") markets is generally measured using pricing models with market observable inputs such as interest rates and equity index levels. These measurements are classified as Level 2 within the fair value hierarchy and include swaps and the majority of options. The counterparties' nonperformance risk associated with uncollateralized derivative assets was immaterial as of both December 31, 2025 and 2024. See Note 15 and Note 16 for further information on the credit risk of derivative instruments and related collateral.

Separate Account Assets

The fair value of assets held by separate accounts is determined by the NAV of the funds in which those separate accounts are invested. The NAV is used as a practical expedient for fair value and represents the exit price for the separate account. Separate account assets are excluded from classification in the fair value hierarchy.

Expenses

Charges by Ameriprise Financial and affiliated companies to the Company for use of joint facilities, technology support, marketing services and other services aggregated \$21.9 million, \$22.6 million and \$23.0 million for the years ended December 31, 2025, 2024 and 2023, respectively. Certain of these costs are included in DAC. Expenses allocated to the Company may not be reflective of expenses that would have been incurred by the Company on a stand-alone basis.

Income Taxes

The Company's taxable income is included in the consolidated federal and various state income tax returns of Ameriprise Financial. The net amount due from Ameriprise Financial for income taxes was \$1.6 million and \$1.3 million as of December 31, 2025 and 2024, respectively, which is reflected in Other assets.

Lines of Credit

The Company, as the borrower, has a revolving credit agreement with Ameriprise Financial as the lender. The aggregate amount outstanding under this line of credit may not exceed the lesser of \$25 million or 3% of the Company's statutory admitted assets (excluding separate accounts) as of the prior year end. The interest rate under the agreement is a Daily Simple Secured Overnight Financing Rate plus 0.1% and an applicable margin subject to adjustment based on debt ratings of the senior unsecured debt of Ameriprise Financial. Amounts borrowed may be repaid at any time with no prepayment penalty. The credit agreement is amended to extend the maturity on an annual basis with Ameriprise Financial, subject to the New York Department's non-disapproval. There were no amounts outstanding on this line of credit as of both December 31, 2025 and 2024.

Dividends or Distributions

During each of the years ended December 31, 2025, 2024 and 2023, the Company paid cash dividends or distributions of \$50 million to RiverSource Life. For dividends or other distributions from the Company, advance notification was provided to the New York Department prior to payments. See Note 14 for additional information.

14. STATUTORY ACCOUNTING PRINCIPLES AND REQUIREMENTS

The National Association of Insurance Commissioners ("NAIC") defines Risk-Based Capital ("RBC") requirements for insurance companies. The RBC requirements are used by the NAIC and state insurance regulators to identify companies that merit regulatory actions designed to protect policyholders. These requirements apply to the Company. The Company has met its minimum RBC requirements.

Insurance companies are required to prepare statutory financial statements in accordance with the accounting practices prescribed or permitted by the insurance departments of their respective states of domicile, which vary materially from GAAP. Prescribed statutory accounting practices include publications of the NAIC, as well as state laws, regulations and general administrative rules. The State of New York has adopted the NAIC Accounting Practices and Procedures Manual as its prescribed basis of statutory accounting principles. In addition, New York has prescribed certain reserve requirements that differ from those required under NAIC statutory accounting principles. As of December 31, 2025 and 2024, application of these New York prescribed practices which deviate from the NAIC requirements resulted in an increase of \$11.7 million and a decrease of \$469 thousand to the Company's net income, respectively, and a decrease to the Company's statutory surplus of \$64.8 million and \$76.5 million, respectively. The Company's RBC would not have triggered a regulatory event without the application of these prescribed practices.

The more significant differences between NAIC statutory accounting principles and GAAP include charging policy acquisition costs to expense as incurred, establishing annuity and insurance reserves using different actuarial methods and assumptions, valuing investments on a different basis and excluding certain assets from the balance sheet by charging them directly to surplus, such as a portion of the net deferred income tax assets.

State insurance statutes generally require insurance companies to provide notice to state regulators prior to payment of dividends or distributions and those dividends or distributions exceeding prescribed limitations are subject to potential disapproval. For the Company, dividends or distributions in a calendar year which exceed the greater of: (i) 10% of statutory surplus as of the immediately preceding year end, or (ii) statutory net gain from operations for the immediately preceding calendar year, not to exceed 30% of statutory surplus as of the immediately preceding year end would require pre-notification to the New York Department and are subject to potential disapproval. Statutory net gain from operations was \$83.4 million, \$83.8 million and \$66.6 million for the years ended December 31, 2025, 2024 and 2023, respectively.

Comparisons of net income and shareholder's equity, as shown in the accompanying GAAP financial statements, to that determined using statutory accounting principles prescribed by the State of New York ("SAP") were as follows:

(in thousands)	Years Ended December 31,		
	2025	2024	2023
Net Income			
Net income, per accompanying GAAP financial statements	\$ 56,068	\$ 73,394	\$ 46,567
Net income (loss), SAP basis ⁽¹⁾	86,956	(17,477)	60,310
Difference	\$(30,888)	\$ 90,871	\$(13,743)

(in thousands)	December 31,	
	2025	2024
Shareholder's Equity		
Shareholder's equity, per accompanying GAAP financial statements	\$471,859	\$430,881
Capital and surplus, SAP basis ⁽²⁾	215,821	218,309
Difference	\$256,038	\$212,572

⁽¹⁾ Results may be significantly impacted by changes in reserves for variable annuity guaranteed benefits, however, these impacts may be substantially offset by unrealized gains (losses) on derivatives which are not included in statutory income but are recorded directly to surplus.

⁽²⁾ Includes unassigned surplus of \$106.9 million and \$109.4 million as of December 31, 2025 and 2024, respectively.

As of December 31, 2025 and 2024, bonds carried at \$221 thousand and \$217 thousand, respectively, were on deposit with the State of New York as required by law.

15. OFFSETTING ASSETS AND LIABILITIES

Certain financial instruments and derivative instruments are eligible for offset in the Balance Sheets. The Company's derivative instruments are subject to master netting and collateral arrangements and qualify for offset. A master netting arrangement with a counterparty creates a right of offset for amounts due to and from that same counterparty that is enforceable in the event of a default or bankruptcy. The Company's policy is to recognize amounts subject to master netting arrangements on a gross basis in the Balance Sheets.

The following tables present the gross and net information about the Company's assets subject to master netting arrangements:

(in thousands)	December 31, 2025						
	Gross Amounts of Recognized Assets	Gross Amounts Offset in the Balance Sheets	Amounts of Assets Presented in the Balance Sheets	Gross Amounts Not Offset in the Balance Sheets			Net Amount
				Financial Instruments ⁽¹⁾	Cash Collateral	Securities Collateral	
Derivatives:							
OTC	\$82,244	\$—	\$82,244	\$(44,305)	\$(25,954)	\$(11,812)	\$ 173
OTC cleared	706	—	706	(706)	—	—	—
Exchange-traded	3,577	—	3,577	(182)	—	—	3,395
Total	\$86,527	\$—	\$86,527	\$(45,193)	\$(25,954)	\$(11,812)	\$3,568

(in thousands)	December 31, 2024						
	Gross Amounts of Recognized Assets	Gross Amounts Offset in the Balance Sheets	Amounts of Assets Presented in the Balance Sheets	Gross Amounts Not Offset in the Balance Sheets			Net Amount
				Financial Instruments ⁽¹⁾	Cash Collateral	Securities Collateral	
Derivatives:							
OTC	\$117,297	\$—	\$117,297	\$(37,596)	\$(73,188)	\$(6,475)	\$ 38
OTC cleared	665	—	665	(665)	—	—	—
Exchange-traded	2,279	—	2,279	(202)	—	—	2,077
Total	\$120,241	\$—	\$120,241	\$(38,463)	\$(73,188)	\$(6,475)	\$2,115

⁽¹⁾ Represents the amount of assets that could be offset by liabilities with the same counterparty under master netting or similar arrangements that management elects not to offset on the Balance Sheets.

The following tables present the gross and net information about the Company's liabilities subject to master netting arrangements:

(in thousands)	December 31, 2025						
	Gross Amounts of Recognized Liabilities	Gross Amounts Offset in the Balance Sheets	Amounts of Liabilities Presented in the Balance Sheets	Gross Amounts Not Offset in the Balance Sheets			Net Amount
				Financial Instruments ⁽¹⁾	Cash Collateral	Securities Collateral	
Derivatives:							
OTC	\$52,656	\$—	\$52,656	\$(44,305)	\$—	\$(8,349)	\$ 2
OTC cleared	1,430	—	1,430	(706)	—	—	724
Exchange-traded	182	—	182	(182)	—	—	—
Total	\$54,268	\$—	\$54,268	\$(45,193)	\$—	\$(8,349)	\$726

(in thousands)	December 31, 2024						
	Gross Amounts of Recognized Liabilities	Gross Amounts Offset in the Balance Sheets	Amounts of Liabilities Presented in the Balance Sheets	Gross Amounts Not Offset in the Balance Sheets			Net Amount
				Financial Instruments ⁽¹⁾	Cash Collateral	Securities Collateral	
Derivatives:							
OTC	\$46,836	\$—	\$46,836	\$(37,596)	\$—	\$(9,240)	\$ —
OTC cleared	1,304	—	1,304	(665)	—	—	639
Exchange-traded	202	—	202	(202)	—	—	—
Total	\$48,342	\$—	\$48,342	\$(38,463)	\$—	\$(9,240)	\$639

⁽¹⁾ Represents the amount of liabilities that could be offset by assets with the same counterparty under master netting or similar arrangements that management elects not to offset on the Balance Sheets.

In the tables above, the amount of assets or liabilities presented are offset first by financial instruments that have the right of offset under master netting or similar arrangements, then any remaining amount is reduced by the amount of cash and securities collateral. The actual collateral may be greater than amounts presented in the tables.

When the fair value of collateral accepted by the Company is less than the amount due to the Company, there is a risk of loss if the counterparty fails to perform or provide additional collateral. To mitigate this risk, the Company monitors collateral values regularly and requires additional collateral when necessary. When the value of collateral pledged by the Company declines, it may be required to post additional collateral.

Freestanding derivative instruments are reflected in Other assets and Other liabilities. Cash collateral pledged by the Company is reflected in Other assets and cash collateral accepted by the Company is reflected in Other liabilities. See Note 16 for additional disclosures related to the Company's derivative instruments.

16. DERIVATIVES AND HEDGING ACTIVITIES

Derivative instruments enable the Company to manage its exposure to various market risks. The value of such instruments is derived from an underlying variable or multiple variables, including equity and interest rate indices or prices. The Company primarily enters into derivative agreements for risk management purposes related to the Company's products and operations.

Certain of the Company's freestanding derivative instruments are subject to master netting arrangements. The Company's policy on the recognition of derivatives on the Balance Sheets is to not offset fair value amounts recognized for derivatives and collateral arrangements executed with the same counterparty under the same master netting arrangement. See Note 15 for additional information regarding the estimated fair value of the Company's freestanding derivatives after considering the effect of master netting arrangements and collateral.

Generally, the Company uses derivatives as economic hedges and accounting hedges. The following table presents the notional value and gross fair value of derivative instruments, including embedded derivatives:

(in thousands)	December 31, 2025			December 31, 2024		
	Notional	Gross Fair Value		Notional	Gross Fair Value	
		Assets ⁽¹⁾	Liabilities ⁽²⁾		Assets ⁽¹⁾	Liabilities ⁽²⁾
Derivatives not designated as hedging instruments						
Interest rate contracts	\$2,299,300	\$ 1,720	\$ 1,858	\$1,822,300	\$ 1,791	\$ 2,229
Equity contracts	1,372,051	84,757	52,410	1,551,292	117,835	46,113
Foreign exchange contracts	60,361	50	—	88,905	615	—
Total non-designated hedges	3,731,712	86,527	54,268	3,462,497	120,241	48,342
Embedded derivatives						
IUL	N/A	—	61,894	N/A	—	59,724
Total embedded derivatives	N/A	—	61,894	N/A	—	59,724
Total derivatives	\$3,731,712	\$86,527	\$116,162	\$3,462,497	\$120,241	\$108,066

N/A Not applicable

⁽¹⁾ The fair value of freestanding derivative assets is included in Other assets.

⁽²⁾ The fair value of freestanding derivative liabilities is included in Other liabilities. The fair value of IUL embedded derivatives is included in Policyholder account balances, future policy benefits and claims.

See Note 12 for additional information regarding the Company's fair value measurement of derivative instruments.

As of December 31, 2025 and 2024, investment securities with a fair value of \$98.4 million and \$88.8 million, respectively, were pledged to meet contractual obligations under derivative contracts, of which \$9.0 million and \$10.6 million, respectively, may be sold, pledged or rehypothecated by the counterparty. As of December 31, 2025 and 2024, investment securities with a fair value of \$12.9 million and \$7.0 million, respectively, were received as collateral to meet contractual obligations under derivative contracts, of which \$12.9 million and \$7.0 million, respectively, may be sold, pledged or rehypothecated by the Company. As of both December 31, 2025 and 2024, the Company had sold, pledged or rehypothecated none of these securities. In addition, as of both December 31, 2025 and 2024, non-cash collateral accepted was held in separate custodial accounts and was not included in the Company's Balance Sheets.

The following table presents a summary of the impact of derivatives not designated as hedging instruments, including embedded derivatives, on the Statements of Income:

(in thousands)	Interest Credited to Fixed Accounts	Change in Fair Value of Market Risk Benefits
Year Ended December 31, 2025		
Interest rate contracts	\$ —	\$ (11,823)
Equity contracts	5,526	(46,663)
Foreign exchange contracts	—	(3,623)
IUL embedded derivatives	(3,935)	—
Total gain (loss)	\$ 1,591	\$ (62,109)
Year Ended December 31, 2024		
Interest rate contracts	\$ —	\$ (56,025)
Equity contracts	3,916	(56,970)
Foreign exchange contracts	—	6,163
Credit contracts	—	4,105
IUL embedded derivatives	(8,938)	—
Total gain (loss)	\$(5,022)	\$(102,727)
Year Ended December 31, 2023		
Interest rate contracts	\$ —	\$ (23,725)
Equity contracts	4,569	(77,123)
Foreign exchange contracts	—	402
Credit contracts	—	(19)
IUL embedded derivatives	(5,694)	—
Total gain (loss)	\$(1,125)	\$(100,465)

The Company holds derivative instruments that either do not qualify or are not designated for hedge accounting treatment. These derivative instruments are used as economic hedges of equity, interest rate, credit and foreign currency exchange rate risk related to various products and transactions of the Company.

The deferred premium associated with certain of the above options is paid semi-annually over the life of the contract or at maturity. The following is a summary of the payments the Company is scheduled to make for these options as of December 31, 2025:

(in thousands)	Premiums Payable
2026	\$23,700
2027	—
2028	—
2029	13,830
2030	21,870
Total	\$59,400

Actual timing and payment amounts may differ due to future settlements, modifications or exercises of the contracts prior to the full premium being paid or received.

IUL products have returns tied to the performance of equity markets. As a result of fluctuations in equity markets, the obligation incurred by the Company related to IUL products will positively or negatively impact earnings over the life of these products. The equity component of IUL product obligations is considered an embedded derivative, which is bifurcated from the host contract for valuation purposes and reported on the Balance Sheets at fair value with changes in fair value reported in earnings. As a means of economically hedging its obligations under the provisions of this product, the Company enters into interest rate swaps, index options and futures contracts.

As discussed in Note 11, the Company issues variable annuity contracts that provide protection to contractholders from other-than-nominal capital market risk and expose the Company to other-than-nominal capital market risk. The Company economically hedges its obligations under these market risk benefits using options, swaptions, swaps and futures.

Credit Risk

Credit risk associated with the Company's derivatives is the risk that a derivative counterparty will not perform in accordance with the terms of the applicable derivative contract. To mitigate such risk, the Company has established guidelines and oversight of credit risk through a comprehensive enterprise risk management program that includes members of senior management. Key components of this program are to require preapproval of counterparties and the use of master netting and collateral arrangements whenever practical. See Note 15 for additional information on the Company's credit exposure related to derivative assets.

Certain of the Company's derivative contracts contain provisions that adjust the level of collateral the Company is required to post based on the Company's financial strength rating (or based on the debt rating of RiverSource Life's parent, Ameriprise Financial). Additionally, certain of the Company's derivative contracts contain provisions that allow the counterparty to terminate the contract if the Company does not maintain a specific financial strength rating or Ameriprise Financial's debt does not maintain a specific credit rating (generally an investment grade rating). If these termination provisions were to be triggered, the Company's counterparty could require immediate settlement of any net liability position. As of December 31, 2025 and 2024, the aggregate fair value of derivative contracts in a net liability position containing such credit contingent provisions was \$8.3 million and \$9.1 million, respectively. The aggregate fair value of assets posted as collateral for such instruments as of December 31, 2025 and 2024 was \$8.3 million and \$9.1 million, respectively. If the credit contingent provisions of derivative contracts in a net liability position as of December 31, 2025 and 2024 were triggered, the aggregate fair value of additional assets that would be required to be posted as collateral or needed to settle the instruments immediately would have been nil as of both December 31, 2025 and 2024, respectively.

17. SHAREHOLDER'S EQUITY

The following tables present the amounts related to each component of OCI:

(in thousands)	Year Ended December 31, 2025		
	Pretax	Income Tax Benefit (Expense)	Net of Tax
Net unrealized gains (losses) on securities:			
Net unrealized gains (losses) on securities arising during the period ⁽¹⁾	\$ 49,848	\$ (10,468)	\$ 39,380
Reclassification of net (gains) losses on securities included in net income ⁽²⁾	1,635	(343)	1,292
Impact of benefit reserves and reinsurance recoverables	(1,003)	211	(792)
Net unrealized gains (losses) on securities	50,480	(10,600)	39,880
Effect of changes in discount rate assumptions on certain long-duration contracts	(7,711)	1,619	(6,092)
Effect of changes in instrument-specific credit risk on market risk benefits ("MRBs")	1,421	(299)	1,122
Total other comprehensive income (loss)	\$ 44,190	\$ (9,280)	\$ 34,910

(in thousands)	Year Ended December 31, 2024		
	Pretax	Income Tax Benefit (Expense)	Net of Tax
Net unrealized gains (losses) on securities:			
Net unrealized gains (losses) on securities arising during the period ⁽¹⁾	\$(31,130)	\$ 6,537	\$(24,593)
Reclassification of net (gains) losses on securities included in net income ⁽²⁾	549	(115)	434
Impact of benefit reserves and reinsurance recoverables	612	(129)	483
Net unrealized gains (losses) on securities	(29,969)	6,293	(23,676)
Effect of changes in discount rate assumptions on certain long-duration contracts	11,697	(2,456)	9,241
Effect of changes in instrument-specific credit risk on MRBs	(2,753)	578	(2,175)
Total other comprehensive income (loss)	\$(21,025)	\$ 4,415	\$(16,610)

(in thousands)	Year Ended December 31, 2023		
	Pretax	Income Tax Benefit (Expense)	Net of Tax
Net unrealized gains (losses) on securities:			
Net unrealized gains (losses) on securities arising during the period ⁽¹⁾	\$54,710	\$ (11,489)	\$43,221
Reclassification of net (gains) losses on securities included in net income ⁽²⁾	224	(47)	177
Impact of benefit reserves and reinsurance recoverables	(2,181)	458	(1,723)
Net unrealized gains (losses) on securities	52,753	(11,078)	41,675
Effect of changes in discount rate assumptions on certain long-duration contracts	(7,753)	1,628	(6,125)
Effect of changes in instrument-specific credit risk on MRBs	(3,734)	784	(2,950)
Total other comprehensive income (loss)	\$41,266	\$ (8,666)	\$32,600

⁽¹⁾ Includes impairments on Available-for-Sale securities related to factors other than credit that were recognized in OCI during the period.

⁽²⁾ Reclassification amounts are recorded in Net realized investment gains (losses).

Other comprehensive income (loss) related to net unrealized gains (losses) on securities includes three components: (i) unrealized gains (losses) that arose from changes in the market value of securities that were held during the period; (ii) (gains) losses that were previously unrealized, but have been recognized in current period net income due to sales of Available-for-Sale securities and due to the reclassification of noncredit losses to credit losses; and (iii) other adjustments primarily consisting of changes in insurance and annuity asset and liability balances, such as benefit reserves and reinsurance recoverables, to reflect the expected impact on their carrying values had the unrealized gains (losses) been realized as of the respective balance sheet dates.

The following table presents the changes in the balances of each component of AOCI, net of tax:

(in thousands)	Net Unrealized Gains (Losses) on Securities	Effect of Changes in Discount Rate Assumptions	Effect of Changes in Instrument- Specific Credit Risk on MRBs	Total
Balance at January 1, 2023	\$(123,429)	\$ 144	\$ 725	\$(122,560)
OCI before reclassifications	41,498	(6,125)	(2,950)	32,423
Amounts reclassified from AOCI	177	—	—	177
Total OCI	41,675	(6,125)	(2,950)	32,600
Balance at December 31, 2023	(81,754)	(5,981)	(2,225)	(89,960)
OCI before reclassifications	(24,110)	9,241	(2,175)	(17,044)
Amounts reclassified from AOCI	434	—	—	434
Total OCI	(23,676)	9,241	(2,175)	(16,610)
Balance at December 31, 2024	(105,430)	3,260	(4,400)	(106,570)
OCI before reclassifications	38,588	(6,092)	1,122	33,618
Amounts reclassified from AOCI	1,292	—	—	1,292
Total OCI	39,880	(6,092)	1,122	34,910
Balance at December 31, 2025	\$ (65,550)	\$(2,832)	\$(3,278)	\$ (71,660)

18. INCOME TAXES

The components of income tax provision were as follows:

(in thousands)	Years Ended December 31,		
	2025	2024	2023
Current income tax			
Federal	\$ (2,889)	\$ 566	\$ 9,247
State and local	36	117	(173)
Total current income tax	(2,853)	683	9,074
Deferred federal income tax	13,955	14,880	(1,519)
Total income tax provision	\$11,102	\$15,563	\$ 7,555

The principal reasons that the aggregate income tax provision is different from that computed by using the U.S. statutory rate of 21% were as follows:

(in thousands, except percentages)	Years Ended December 31,					
	2025		2024		2023	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
U.S. federal statutory tax rate	\$14,106	21.0%	\$18,681	21.0%	\$11,366	21.0%
State and local income taxes, net of federal income tax effect ⁽¹⁾	28	—	93	0.1	(137)	(0.3)
Tax credits:						
Foreign tax credits, net of addback	(1,429)	(2.1)	(1,219)	(1.4)	(1,576)	(2.9)
Nontaxable or nondeductible items:						
Dividends received deduction	(1,773)	(2.6)	(1,857)	(2.1)	(1,848)	(3.4)
Other	75	0.1	(6)	—	109	0.2
Changes in unrecognized tax benefits	—	—	—	—	(309)	(0.6)
Other adjustments	95	0.1	(129)	(0.1)	(50)	—
Effective tax rate	\$11,102	16.5%	\$15,563	17.5%	\$ 7,555	14.0%

⁽¹⁾ State taxes in Illinois made up the majority (greater than 50 percent) of the tax effect in this category for 2025, 2024 and 2023.

Deferred income tax assets and liabilities result from temporary differences between the assets and liabilities measured for GAAP reporting versus income tax return purposes. Deferred income tax assets and liabilities are measured at the statutory rate of 21% as of both December 31, 2025 and 2024. The significant components of the Company's deferred income tax assets and liabilities, which are included net within Other assets or Other liabilities, were as follows:

(in thousands)	December 31,	
	2025	2024
Deferred income tax assets		
Insurance and annuity benefits including corresponding hedges	\$34,864	\$50,126
Investments including net unrealized on Available-for-Sale securities	15,911	25,863
Other	358	262
Gross deferred income tax assets	51,133	76,251
Deferred income tax liabilities		
Deferred acquisition costs	20,036	21,873
Other	1,226	1,272
Gross deferred income tax liabilities	21,262	23,145
Net deferred income tax assets	\$29,871	\$53,106

Based on analysis of the Company's tax position, management believes it is more likely than not that the Company's results of future operations and implementation of tax planning strategies will generate sufficient taxable income to enable the Company to utilize all of the deferred tax assets. Accordingly, no valuation allowance for deferred tax assets has been established as of both December 31, 2025 and 2024.

A reconciliation of the beginning and ending amount of gross unrecognized tax benefits was as follows:

(in thousands)	2025	2024	2023
Balance at January 1	\$—	\$—	\$ 320
Additions for tax positions related to the current year	—	—	6
Reductions for tax positions related to the current year	—	—	(6)
Additions for tax positions of prior years	—	—	324
Reductions for tax positions of prior years	—	—	(644)
Balance at December 31	\$—	\$—	\$ —

For all open tax years and all major taxing jurisdictions, management has concluded that there are no significant uncertain tax positions that would require recognition in the financial statements.

The Company recognizes interest and penalties related to unrecognized tax benefits as a component of the income tax provision. The Company did not recognize interest and penalties for the years ended December 31, 2025 and 2024, and recognized a net decrease of \$90 thousand in interest and penalties for the year ended December 31, 2023. As of both December 31, 2025 and 2024, the Company did not have a payable related to accrued interest and penalties.

The Company files its federal income tax return as part of the consolidated income tax return of Ameriprise Financial in the U.S. federal jurisdiction. The Company files as a separate entity and as part of unitary or combined returns with Ameriprise Financial and other affiliates in various state jurisdictions. The federal statutes of limitations are closed on years through 2018, except for two issues for 2016 which were claimed on an amended return. During the second quarter of 2025, the Internal Revenue Service ("IRS") finalized the audit of Ameriprise Financial's U.S. income tax returns for tax years 2019 and 2020, except for one issue for 2020, which remains open. The IRS is currently auditing Ameriprise Financial's U.S. income tax returns for 2021 through 2023. The state income tax returns of Ameriprise Financial or its subsidiaries, including the Company, are currently under examination by various jurisdictions for years ranging from 2018 through 2023.

The legislation commonly referred to as the One Big Beautiful Bill Act ("OBBBA") was enacted on July 4, 2025. The corporate tax law changes resulting from the OBBBA did not have an impact to the Company's financial statements for the year ended December 31, 2025 and, based on current guidance, the Company does not expect to record any material impacts in the future.

Income taxes paid (received) were as follows:

(in thousands)	2025	2024	2023
Income taxes paid (received), net	\$(2,612)	\$2,435	\$12,777
Federal	(2,729)	2,608	12,854
State and local	117	(173)	(77)
Illinois	*	(132)	*
Other state and local	*	(41)	*

* The amount of income taxes paid during the year is below the required 5% disaggregation threshold.

19. COMMITMENTS AND CONTINGENCIES

Commitments

As of both December 31, 2025 and 2024, the Company had no funding commitments related to mortgage loans.

Contingencies

The Company and its affiliates are involved, in the normal course of business, in legal proceedings, which include regulatory inquiries, arbitration and litigation (including class actions), concerning matters arising in connection with the conduct of its activities. These include proceedings specific to the Company as well as proceedings generally applicable to business practices in the industries in which it operates. The Company can also be subject to legal proceedings arising out of its general business activities, such as its investments, contracts and employment relationships. Uncertain economic conditions, heightened and sustained volatility in the financial markets and significant financial reform legislation may increase the likelihood that clients and other persons or regulators may present or threaten legal claims or that regulators increase the scope or frequency of examinations of the Company or the insurance industry generally.

As with other insurance companies, the level of regulatory activity concerning the Company's businesses remains elevated. From time to time, the Company and its affiliates, including AFS and RiverSource Distributors, Inc. receive requests for information from, and/or has been subject to examination or claims by various state, federal and other domestic authorities. The Company and its affiliates are cooperating with the applicable regulators. The Company and its affiliates typically have numerous pending matters that include information requests, exams, inquiries or disputes regarding their business activities and practices and other subjects, including from time to time: sales and distribution of, and disclosure practices related to, various products, including the Company's insurance and annuity products; supervision of associated persons, including AFS financial advisors and RiverSource Distributors, Inc.'s wholesalers; administration of insurance and annuity claims; security of client information; recordkeeping requirements; and transaction monitoring systems and controls.

These pending matters are subject to uncertainties and, as such, it is inherently difficult to determine whether any loss is probable or even reasonably possible, or to reasonably estimate the amount of any loss that may result from such matters. The Company cannot predict with certainty if, how, or when any such proceedings will be initiated or resolved. Matters frequently need to be more developed before a potential loss or range of loss can be reasonably estimated for any matter. An adverse outcome in any matter could result in an adverse judgment, a settlement, fine, penalty, or other sanction, and may lead to further claims, examinations, adverse publicity or reputational damage, each of which could have a material adverse effect on the Company's financial condition, results of operations, or liquidity.

In accordance with applicable accounting standards, the Company establishes an accrued liability for contingent litigation and regulatory matters when those matters present loss contingencies that are both probable and can be reasonably estimated. The Company discloses the nature of the contingency when management believes there is at least a reasonable possibility that the outcome may be material to the Company's financial statements and, where feasible, an estimate of the possible loss. In such cases, there still may be an exposure to loss in excess of any amounts reasonably estimated and accrued. When a loss contingency is not both probable and reasonably estimable, the Company does not establish an accrued liability, but continues to monitor, in conjunction with any outside counsel handling a matter, further developments that would make such loss contingency both probable and reasonably estimable. Once the Company establishes an accrued liability with respect to a loss contingency, the Company continues to monitor the matter for further developments that could affect the amount of the accrued liability that has been previously established, and any appropriate adjustments are made each quarter.

Guaranty Fund Assessments

The Company is required by law to be a member of the guaranty fund association in the State of New York. In the event of insolvency of one or more unaffiliated insurance companies, the Company could be adversely affected by the requirement to pay assessments to the guaranty fund association. The Company projects its cost of future guaranty fund assessments based on estimates of insurance company insolvencies provided by the National Organization of Life and Health Insurance Guaranty Associations and the amount of its premiums written relative to the industry-wide premium in the State of New York. The Company accrues the estimated cost of future guaranty fund assessments when it is considered probable that an assessment will be imposed, the event obligating the Company to pay the assessment has occurred and the amount of the assessment can be reasonably estimated.

As of both December 31, 2025 and 2024, the Company had no accrual established for estimated future guaranty fund assessments.

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