

**2019 Annual Report**

*RiverSource* Succession Select<sup>®</sup> Variable Life Insurance

This wrapper contains:

- 2019 Annual Report for *RiverSource* Succession Select<sup>®</sup> Variable Life Insurance
- Supplement dated May 1, 2020 for *RiverSource* Succession Select<sup>®</sup> Variable Life Insurance Prospectus dated April 29, 2019



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Issued by: RiverSource Life Insurance Company

Beginning on January 1, 2021, as permitted by regulations adopted by the Securities and Exchange Commission, paper copies of your underlying funds' shareholder reports will no longer be sent by mail, unless you specifically request paper copies of the reports from RiverSource Life Insurance Company (RiverSource Life). Instead, the reports will be made available on a website, and you will be notified each time a report is posted and provided with a website link to access the report.

If you already elected to receive shareholder reports electronically, you will not be affected by this change and you need not take any action. You may elect to receive fund shareholder reports and other communications from RiverSource Life electronically by visiting [ameriprise.com/e-delivery](http://ameriprise.com/e-delivery).

You may elect to receive all future reports in paper free of charge. You can inform RiverSource Life that you wish to continue receiving paper copies of your shareholder reports by calling our Service Center at 1-800-862-7919. Your election to receive reports in paper will apply to all funds available under your variable universal life policy.

#### Effects of COVID-19 Pandemic

The coronavirus disease 2019 ("COVID-19") public health crisis presents ongoing significant economic and societal disruption, and has driven significant volatility in the equity and interest rate markets. Any periods of continued high market volatility, and your individual circumstances (e.g., your selected allocations and the timing of any purchase payments, transfers, or withdrawals), will affect values under your policy. As part of how we maintain our strong financial strength and claims-paying ability, we continue to reserve amounts for our contractual obligations in accordance with significant state solvency regulations. The extent to which the COVID-19 pandemic may impact financial markets, investment performance under your policy, and our financial strength and claims-paying ability will depend on future developments, which are highly uncertain and cannot be estimated, including the scope and duration of the pandemic and actions taken by governmental authorities, market participants, and other third parties in response to the pandemic.

We have implemented comprehensive strategies to address the operating environment spurred by the pandemic. To promote the safety and security of our employees and to assure the continuity of our business operations, we have implemented a work from home protocol for virtually all of our employee population, restricted business travel, and provided resources for complying with the guidance from the World Health Organization, the U.S. Centers for Disease Control and government authorities. We have been satisfying elevated customer service volumes and our operations teams have continued to operate successfully and without disruptions in service. Our pandemic strategy is flexible and scalable and takes into consideration that a pandemic could be widespread and may occur in multiple waves, affecting different communities at different times with varying levels of severity. We cannot, however, predict the impact that natural or man-made disasters and catastrophes, including the COVID-19 pandemic, may have over near- or longer-term periods.

**Prospectus Supplement dated May 1, 2020**

	<b>Product Name</b>	<b>Prospectus Form #/Date</b>
1.	RiverSource® Single Premium Variable Life Insurance	S-6199 K (05/08) / May 1, 2008
2.	RiverSource Succession Select® Variable Life Insurance	S-6202 CF (4/19) / April 29, 2019
3.	RiverSource® Variable Second-To-Die Life Insurance	S-6196 W (5/08) / May 1, 2008
4.	RiverSource® Variable Universal Life Insurance	S-6194 CG (5/20) / May 1, 2020
5.	RiverSource® Variable Universal Life Insurance III	S-6189 CG (5/20) / May 1, 2020
6.	RiverSource® Variable Universal Life IV / RiverSource® Variable Universal Life IV – Estate Series	S-6418 CG (5/20) / May 1, 2020

*This supplement describes proposed changes to certain variable life insurance policies listed above (the "Policies"). Please retain this supplement with your last printed prospectus for future reference.*

Effective on May 4, 2020 and subject to state regulatory requirements, transfers to the fixed account will be limited so the amount of Policy value transferred to the fixed account cannot result in the value of the fixed account (excluding the loan collateral) being greater than 20% of the Policy value (excluding Policy value backing a policy loan). If the fixed account is currently 20% or more of the Policy value, we will not accept any transfers to the fixed account.

For Policies 3, 4, 5 and 6 listed in the table above, if you purchased your Policy in Texas, the effective date of these changes is June 15, 2020.

For Policies 1 and 2 listed in the table above, if you purchased your Policy in Oregon, transfers to the fixed account will be limited so the amount of Policy value transferred to the fixed account cannot result in the value of the fixed account (excluding loan collateral) being greater than 40% of the Policy value (excluding Policy value backing a policy loan). If the fixed account is currently 40% or more of the Policy value, we will not accept any transfers to the fixed account.

For Policies 3, 5 and 6 listed in the table above, if you purchased your Policy in Maryland, the limitations on transfers to the fixed account do not apply.

**THIS SUPPLEMENT SHOULD BE READ AND RETAINED FOR FUTURE REFERENCE.**

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# Annual Financial Information

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

### TO THE BOARD OF DIRECTORS OF RIVERSOURCE LIFE INSURANCE COMPANY AND POLICY OWNERS OF RIVERSOURCE VARIABLE LIFE SEPARATE ACCOUNT

#### *Opinions on the Financial Statements*

We have audited the accompanying statements of assets and liabilities of each of the divisions of RiverSource Variable Life Separate Account, as indicated in Note 1, offered through RiverSource Succession Select® Variable Life Insurance sponsored by RiverSource Life Insurance Company, as of December 31, 2019, 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 Variable Life Separate Account as of December 31, 2019, and the results of each of their operations and the changes in each of their net assets for each 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 Company management. Our responsibility is to express an opinion on the financial statements of each of the divisions of the RiverSource Variable Life Separate Account 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 Variable Life Separate Account 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, 2019 by correspondence with the transfer agent and investee mutual funds. We believe that our audits provide a reasonable basis for our opinions.

/s/ PricewaterhouseCoopers LLP

Minneapolis, Minnesota

April 22, 2020

We have served as the auditor of one or more of the divisions of RiverSource Variable Life Separate Account since 2010

## Statement of Assets and Liabilities

December 31, 2019	AB VPS Dyn Asset Alloc, CI B	AB VPS Gro & Inc, CI B	AB VPS Intl Val, CI B	AB VPS Lg Cap Gro, CI B	ALPS Alerian Engy Infr, Class III
<b>Assets</b>					
Investments, at fair value <sup>(1),(2)</sup>	\$ 791,226	\$29,457,620	\$39,381,805	\$37,472,162	\$ 7,151,900
Dividends receivable	—	—	—	—	—
Accounts receivable from RiverSource Life for contract purchase payments	29	11,816	—	22,781	12,695
Receivable for share redemptions	93	12,175	39,019	64,559	4,597
Total assets	791,348	29,481,611	39,420,824	37,559,502	7,169,192
<b>Liabilities</b>					
Payable to RiverSource Life for:					
Mortality and expense risk fee	93	11,992	15,596	14,463	2,725
Minimum death benefit guarantee risk charge	—	—	—	—	—
Contract terminations	—	183	23,423	50,096	1,872
Payable for investments purchased	29	11,816	—	22,781	12,695
Total liabilities	122	23,991	39,019	87,340	17,292
Net assets applicable to Variable Life contracts in accumulation period	791,134	29,457,620	39,381,805	37,472,162	7,151,781
Net assets applicable to seed money	92	—	—	—	119
Total net assets	\$ 791,226	\$29,457,620	\$39,381,805	\$37,472,162	\$ 7,151,900
<sup>(1)</sup> Investment shares	59,223	989,839	2,765,576	654,193	798,203
<sup>(2)</sup> Investments, at cost	\$ 747,527	\$28,459,074	\$39,913,162	\$33,359,272	\$ 7,439,002

December 31, 2019 (continued)	AC VP Intl, CI I	AC VP Val, CI I	BlackRock Global Alloc, CI III	Calvert VP SRI Bal, CI I	Col VP Bal, CI 3
<b>Assets</b>					
Investments, at fair value <sup>(1),(2)</sup>	\$13,264,361	\$55,957,905	\$12,326,464	\$10,925,093	\$193,548,429
Dividends receivable	—	—	—	—	—
Accounts receivable from RiverSource Life for contract purchase payments	324	460	4,043	376	1,741
Receivable for share redemptions	8,974	41,270	4,368	5,263	296,790
Total assets	13,273,659	55,999,635	12,334,875	10,930,732	193,846,960
<b>Liabilities</b>					
Payable to RiverSource Life for:					
Mortality and expense risk fee	6,439	27,968	4,368	5,132	116,467
Minimum death benefit guarantee risk charge	—	—	—	—	948
Contract terminations	2,535	13,302	—	131	179,375
Payable for investments purchased	324	460	4,043	376	1,741
Total liabilities	9,298	41,730	8,411	5,639	298,531
Net assets applicable to Variable Life contracts in accumulation period	13,264,361	55,957,905	12,326,372	10,925,093	193,548,429
Net assets applicable to seed money	—	—	92	—	—
Total net assets	\$13,264,361	\$55,957,905	\$12,326,464	\$10,925,093	\$193,548,429
<sup>(1)</sup> Investment shares	1,153,423	4,774,565	851,275	4,770,783	6,245,512
<sup>(2)</sup> Investments, at cost	\$10,463,825	\$34,694,713	\$12,132,943	\$ 9,982,737	\$108,629,279

See accompanying notes to financial statements.

## Statement of Assets and Liabilities

December 31, 2019 (continued)	Col VP Disciplined Core, CI 3	Col VP Divd Opp, CI 3	Col VP Emer Mkts, CI 3	Col VP Global Strategic Inc, CI 3	Col VP Govt Money Mkt, CI 3
<b>Assets</b>					
Investments, at fair value <sup>(1),(2)</sup>	\$297,716,969	\$200,604,136	\$51,169,189	\$19,640,884	\$ 37,656,473
Dividends receivable	—	—	—	—	1,186
Accounts receivable from RiverSource Life for contract purchase payments	47	—	—	14,914	10,053
Receivable for share redemptions	293,676	450,054	106,095	9,813	35,427
<b>Total assets</b>	<b>298,010,692</b>	<b>201,054,190</b>	<b>51,275,284</b>	<b>19,665,611</b>	<b>37,703,139</b>
<b>Liabilities</b>					
Payable to RiverSource Life for:					
Mortality and expense risk fee	188,248	88,915	22,340	8,483	17,244
Minimum death benefit guarantee risk charge	351	—	—	—	44
Contract terminations	105,077	361,139	83,755	1,330	18,139
Payable for investments purchased	47	—	—	14,914	10,053
<b>Total liabilities</b>	<b>293,723</b>	<b>450,054</b>	<b>106,095</b>	<b>24,727</b>	<b>45,480</b>
Net assets applicable to Variable Life contracts in accumulation period	297,716,969	200,604,136	51,169,189	19,640,884	37,655,599
Net assets applicable to seed money	—	—	—	—	2,060
<b>Total net assets</b>	<b>\$297,716,969</b>	<b>\$200,604,136</b>	<b>\$51,169,189</b>	<b>\$19,640,884</b>	<b>\$ 37,657,659</b>
<sup>(1)</sup> Investment shares	5,152,596	6,865,302	2,705,933	2,170,263	37,656,473
<sup>(2)</sup> Investments, at cost	\$109,986,491	\$114,166,940	\$44,575,842	\$22,035,659	\$ 37,656,119

December 31, 2019 (continued)	Col VP Hi Yield Bond, CI 3	Col VP Inc Opp, CI 3	Col VP Inter Bond, CI 3	Col VP Lg Cap Gro, CI 3	Col VP Lg Cap Index, CI 3
<b>Assets</b>					
Investments, at fair value <sup>(1),(2)</sup>	\$ 52,930,585	\$ 20,216,534	\$93,770,263	\$62,956,317	\$117,210,707
Dividends receivable	—	—	—	—	—
Accounts receivable from RiverSource Life for contract purchase payments	8,896	50,030	106,815	16,080	—
Receivable for share redemptions	37,861	9,434	179,979	94,378	635,451
<b>Total assets</b>	<b>52,977,342</b>	<b>20,275,998</b>	<b>94,057,057</b>	<b>63,066,775</b>	<b>117,846,158</b>
<b>Liabilities</b>					
Payable to RiverSource Life for:					
Mortality and expense risk fee	23,703	9,434	44,643	27,451	49,077
Minimum death benefit guarantee risk charge	—	—	115	—	—
Contract terminations	14,158	—	135,221	66,927	586,374
Payable for investments purchased	8,896	50,030	106,815	16,080	—
<b>Total liabilities</b>	<b>46,757</b>	<b>59,464</b>	<b>286,794</b>	<b>110,458</b>	<b>635,451</b>
Net assets applicable to Variable Life contracts in accumulation period	52,930,585	20,216,534	93,770,263	62,956,317	117,210,707
Net assets applicable to seed money	—	—	—	—	—
<b>Total net assets</b>	<b>\$ 52,930,585</b>	<b>\$ 20,216,534</b>	<b>\$93,770,263</b>	<b>\$62,956,317</b>	<b>\$117,210,707</b>
<sup>(1)</sup> Investment shares	7,772,479	2,632,361	8,788,216	2,909,257	4,571,400
<sup>(2)</sup> Investments, at cost	\$ 52,941,820	\$ 21,412,195	\$92,544,046	\$30,834,244	\$ 68,114,466

See accompanying notes to financial statements.

## Statement of Assets and Liabilities

	Col VP Limited Duration Cr, CI 2	Col VP Mid Cap Gro, CI 3	Col VP Overseas Core, CI 3	Col VP Select Lg Cap Val, CI 3	Col VP Select Mid Cap Val, CI 3
<b>December 31, 2019 (continued)</b>					
<b>Assets</b>					
Investments, at fair value <sup>(1),(2)</sup>	\$ 7,378,276	\$18,273,272	\$61,964,408	\$18,408,643	\$15,380,689
Dividends receivable	—	—	—	—	—
Accounts receivable from RiverSource Life for contract purchase payments	14,495	14,188	—	12,674	6,904
Receivable for share redemptions	3,051	8,066	42,921	20,660	9,154
<b>Total assets</b>	<b>7,395,822</b>	<b>18,295,526</b>	<b>62,007,329</b>	<b>18,441,977</b>	<b>15,396,747</b>
<b>Liabilities</b>					
Payable to RiverSource Life for:					
Mortality and expense risk fee	3,051	7,999	39,366	8,463	6,742
Minimum death benefit guarantee risk charge	—	—	—	—	—
Contract terminations	—	67	3,555	12,197	2,412
Payable for investments purchased	14,495	14,188	—	12,674	6,904
<b>Total liabilities</b>	<b>17,546</b>	<b>22,254</b>	<b>42,921</b>	<b>33,334</b>	<b>16,058</b>
Net assets applicable to Variable Life contracts in accumulation period	7,378,193	18,273,272	61,964,408	18,408,643	15,380,689
Net assets applicable to seed money	83	—	—	—	—
<b>Total net assets</b>	<b>\$ 7,378,276</b>	<b>\$18,273,272</b>	<b>\$61,964,408</b>	<b>\$18,408,643</b>	<b>\$15,380,689</b>
<sup>(1)</sup> Investment shares	759,082	556,942	4,631,122	673,816	599,871
<sup>(2)</sup> Investments, at cost	\$ 7,176,762	\$10,392,393	\$50,749,051	\$13,791,396	\$11,030,269

	Col VP Select Sm Cap Val, CI 3	Col VP US Govt Mtge, CI 3	CS Commodity Return	CTIVP BR GI Infl Prot Sec, CI 3	CTIVP Vty Sycamore Estb Val, CI 3
<b>December 31, 2019 (continued)</b>					
<b>Assets</b>					
Investments, at fair value <sup>(1),(2)</sup>	\$15,582,381	\$20,798,625	\$ 5,309,128	\$10,781,473	\$25,361,840
Dividends receivable	—	—	—	—	—
Accounts receivable from RiverSource Life for contract purchase payments	23,874	12,874	14,855	1,340	12,493
Receivable for share redemptions	7,126	9,841	2,364	8,365	11,672
<b>Total assets</b>	<b>15,613,381</b>	<b>20,821,340</b>	<b>5,326,347</b>	<b>10,791,178</b>	<b>25,386,005</b>
<b>Liabilities</b>					
Payable to RiverSource Life for:					
Mortality and expense risk fee	7,126	9,781	2,364	4,857	11,672
Minimum death benefit guarantee risk charge	—	60	—	—	—
Contract terminations	—	—	—	3,508	—
Payable for investments purchased	23,874	12,874	14,855	1,340	12,493
<b>Total liabilities</b>	<b>31,000</b>	<b>22,715</b>	<b>17,219</b>	<b>9,705</b>	<b>24,165</b>
Net assets applicable to Variable Life contracts in accumulation period	15,582,381	20,798,625	5,309,128	10,781,473	25,361,840
Net assets applicable to seed money	—	—	—	—	—
<b>Total net assets</b>	<b>\$15,582,381</b>	<b>\$20,798,625</b>	<b>\$ 5,309,128</b>	<b>\$10,781,473</b>	<b>\$25,361,840</b>
<sup>(1)</sup> Investment shares	629,846	1,958,439	1,446,629	1,915,004	845,959
<sup>(2)</sup> Investments, at cost	\$10,413,907	\$20,382,710	\$ 7,533,347	\$11,841,479	\$19,254,810

See accompanying notes to financial statements.



## Statement of Assets and Liabilities

December 31, 2019 (continued)	DWS Alt Asset Alloc VIP, CI B	EV VT Floating-Rate Inc, Init CI	Fid VIP Contrafund, Serv CI 2	Fid VIP Gro & Inc, Serv CI	Fid VIP Mid Cap, Serv CI
<b>Assets</b>					
Investments, at fair value <sup>(1),(2)</sup>	\$ 1,793,584	\$19,738,240	\$103,407,662	\$51,429,994	\$93,093,260
Dividends receivable	—	64,385	—	—	—
Accounts receivable from RiverSource Life for contract purchase payments	355	6,281	5,196	—	—
Receivable for share redemptions	1,466	16,999	68,813	396,900	67,461
<b>Total assets</b>	<b>1,795,405</b>	<b>19,825,905</b>	<b>103,481,671</b>	<b>51,826,894</b>	<b>93,160,721</b>
<b>Liabilities</b>					
Payable to RiverSource Life for:					
Mortality and expense risk fee	615	9,180	42,160	25,393	46,568
Minimum death benefit guarantee risk charge	—	—	—	—	—
Contract terminations	851	7,819	26,653	371,507	20,893
Payable for investments purchased	355	70,666	5,196	—	—
<b>Total liabilities</b>	<b>1,821</b>	<b>87,665</b>	<b>74,009</b>	<b>396,900</b>	<b>67,461</b>
Net assets applicable to Variable Life contracts in accumulation period	1,793,506	19,738,240	103,407,662	51,429,994	93,093,260
Net assets applicable to seed money	78	—	—	—	—
<b>Total net assets</b>	<b>\$ 1,793,584</b>	<b>\$19,738,240</b>	<b>\$103,407,662</b>	<b>\$51,429,994</b>	<b>\$93,093,260</b>
<sup>(1)</sup> Investment shares	134,452	2,157,185	2,864,478	2,343,052	2,856,498
<sup>(2)</sup> Investments, at cost	\$ 1,766,882	\$20,000,915	\$ 86,931,364	\$36,396,070	\$86,971,510

December 31, 2019 (continued)	Fid VIP Overseas, Serv CI	Frank Global Real Est, CI 2	Frank Inc, CI 2	Frank Mutual Shares, CI 2	Frank Sm Cap Val, CI 2
<b>Assets</b>					
Investments, at fair value <sup>(1),(2)</sup>	\$18,660,958	\$46,065,706	\$ 7,318,025	\$19,188,792	\$39,540,598
Dividends receivable	—	—	—	—	—
Accounts receivable from RiverSource Life for contract purchase payments	—	37,862	9,734	3,085	9,099
Receivable for share redemptions	13,089	19,812	3,861	7,853	19,441
<b>Total assets</b>	<b>18,674,047</b>	<b>46,123,380</b>	<b>7,331,620</b>	<b>19,199,730</b>	<b>39,569,138</b>
<b>Liabilities</b>					
Payable to RiverSource Life for:					
Mortality and expense risk fee	9,253	19,812	2,887	7,387	16,080
Minimum death benefit guarantee risk charge	—	—	—	—	—
Contract terminations	3,836	—	974	466	3,361
Payable for investments purchased	—	37,862	9,734	3,085	9,099
<b>Total liabilities</b>	<b>13,089</b>	<b>57,674</b>	<b>13,595</b>	<b>10,938</b>	<b>28,540</b>
Net assets applicable to Variable Life contracts in accumulation period	18,660,958	46,065,706	7,317,934	19,188,792	39,540,598
Net assets applicable to seed money	—	—	91	—	—
<b>Total net assets</b>	<b>\$18,660,958</b>	<b>\$46,065,706</b>	<b>\$ 7,318,025</b>	<b>\$19,188,792</b>	<b>\$39,540,598</b>
<sup>(1)</sup> Investment shares	810,289	2,632,326	459,964	1,020,138	2,627,282
<sup>(2)</sup> Investments, at cost	\$14,468,527	\$39,894,179	\$ 7,170,384	\$20,151,957	\$44,722,164

See accompanying notes to financial statements.

## Statement of Assets and Liabilities

December 31, 2019 (continued)	GS VIT Mid Cap Val, Inst	GS VIT Multi-Strategy Alt, Advisor	GS VIT Sm Cap Eq Insights, Inst	GS VIT U.S. Eq Insights, Inst	Invesco Opp VI Global, Ser II
<b>Assets</b>					
Investments, at fair value <sup>(1),(2)</sup>	\$84,915,797	\$ 1,242,751	\$ 6,648,801	\$50,257,021	\$23,969,796
Dividends receivable	—	—	—	—	—
Accounts receivable from RiverSource Life for contract purchase payments	12,817	87	—	—	—
Receivable for share redemptions	47,059	1,278	3,830	71,937	75,550
<b>Total assets</b>	<b>84,975,673</b>	<b>1,244,116</b>	<b>6,652,631</b>	<b>50,328,958</b>	<b>24,045,346</b>
<b>Liabilities</b>					
Payable to RiverSource Life for:					
Mortality and expense risk fee	38,126	454	3,290	22,960	9,911
Minimum death benefit guarantee risk charge	—	—	—	—	—
Contract terminations	8,933	824	540	48,977	65,639
Payable for investments purchased	12,817	87	—	—	—
<b>Total liabilities</b>	<b>59,876</b>	<b>1,365</b>	<b>3,830</b>	<b>71,937</b>	<b>75,550</b>
Net assets applicable to Variable Life contracts in accumulation period	84,915,797	1,242,678	6,648,801	50,257,021	23,969,796
Net assets applicable to seed money	—	73	—	—	—
<b>Total net assets</b>	<b>\$84,915,797</b>	<b>\$ 1,242,751</b>	<b>\$ 6,648,801</b>	<b>\$50,257,021</b>	<b>\$23,969,796</b>
<sup>(1)</sup> Investment shares	5,235,253	138,237	526,846	2,802,957	571,390
<sup>(2)</sup> Investments, at cost	\$80,436,360	\$ 1,272,629	\$ 6,571,646	\$44,823,455	\$22,806,594

December 31, 2019 (continued)	Inves Opp VI Gbl Strat Inc, Ser II	Inves Opp VI Mn St Sm Cap, Ser II	Invesco VI Am Fran, Ser I	Invesco VI Bal Risk Alloc, Ser II	Invesco VI Comstock, Ser II
<b>Assets</b>					
Investments, at fair value <sup>(1),(2)</sup>	\$38,200,505	\$24,401,734	\$13,533,070	\$ 7,026,443	\$ 8,352,791
Dividends receivable	—	—	—	—	—
Accounts receivable from RiverSource Life for contract purchase payments	15,386	16,516	—	7,603	—
Receivable for share redemptions	39,757	11,994	8,769	2,720	35,920
<b>Total assets</b>	<b>38,255,648</b>	<b>24,430,244</b>	<b>13,541,839</b>	<b>7,036,766</b>	<b>8,388,711</b>
<b>Liabilities</b>					
Payable to RiverSource Life for:					
Mortality and expense risk fee	16,314	8,924	6,508	2,720	3,793
Minimum death benefit guarantee risk charge	—	—	—	—	—
Contract terminations	23,443	3,070	2,261	—	32,127
Payable for investments purchased	15,386	16,516	—	7,603	—
<b>Total liabilities</b>	<b>55,143</b>	<b>28,510</b>	<b>8,769</b>	<b>10,323</b>	<b>35,920</b>
Net assets applicable to Variable Life contracts in accumulation period	38,200,505	24,401,734	13,533,070	7,026,351	8,352,791
Net assets applicable to seed money	—	—	—	92	—
<b>Total net assets</b>	<b>\$38,200,505</b>	<b>\$24,401,734</b>	<b>\$13,533,070</b>	<b>\$ 7,026,443</b>	<b>\$ 8,352,791</b>
<sup>(1)</sup> Investment shares	7,446,492	1,066,043	201,535	654,841	488,753
<sup>(2)</sup> Investments, at cost	\$39,283,135	\$24,876,968	\$10,383,414	\$ 7,133,789	\$ 8,356,470

See accompanying notes to financial statements.

## Statement of Assets and Liabilities

December 31, 2019 (continued)	Invesco VI Core Eq, Ser I	Invesco VI Div Divd, Ser I	Invesco VI Intl Gro, Ser II	Invesco VI Mid Cap Gro, Ser I	Invesco VI Tech, Ser I
<b>Assets</b>					
Investments, at fair value <sup>(1),(2)</sup>	\$103,130,882	\$20,296,107	\$23,704,326	\$11,891,900	\$11,504,707
Dividends receivable	—	—	—	—	—
Accounts receivable from RiverSource Life for contract purchase payments	—	7,105	18,646	—	13
Receivable for share redemptions	102,293	8,785	10,603	21,721	5,796
<b>Total assets</b>	<b>103,233,175</b>	<b>20,311,997</b>	<b>23,733,575</b>	<b>11,913,621</b>	<b>11,510,516</b>
<b>Liabilities</b>					
Payable to RiverSource Life for:					
Mortality and expense risk fee	63,740	8,785	10,603	5,362	4,981
Minimum death benefit guarantee risk charge	—	—	—	—	—
Contract terminations	38,553	—	—	16,359	815
Payable for investments purchased	—	7,105	18,646	—	13
<b>Total liabilities</b>	<b>102,293</b>	<b>15,890</b>	<b>29,249</b>	<b>21,721</b>	<b>5,809</b>
Net assets applicable to Variable Life contracts in accumulation period	103,130,882	20,296,107	23,704,326	11,891,900	11,504,707
Net assets applicable to seed money	—	—	—	—	—
<b>Total net assets</b>	<b>\$103,130,882</b>	<b>\$20,296,107</b>	<b>\$23,704,326</b>	<b>\$11,891,900</b>	<b>\$11,504,707</b>
<sup>(1)</sup> Investment shares	2,950,812	745,358	616,017	2,178,004	422,501
<sup>(2)</sup> Investments, at cost	\$ 84,592,732	\$18,451,387	\$20,147,784	\$11,089,520	\$ 9,098,885

December 31, 2019 (continued)	Ivy VIP Asset Strategy, CI II	Janus Henderson VIT Enter, Serv	Janus Henderson VIT Gbl Tech, Serv	Janus Henderson VIT Overseas, Serv	Janus Henderson VIT Res, Serv
<b>Assets</b>					
Investments, at fair value <sup>(1),(2)</sup>	\$ 2,263,061	\$21,606,738	\$34,159,384	\$35,591,423	\$12,616,678
Dividends receivable	—	—	—	—	—
Accounts receivable from RiverSource Life for contract purchase payments	3,382	4,978	—	5,814	345
Receivable for share redemptions	736	432,290	115,438	51,790	6,647
<b>Total assets</b>	<b>2,267,179</b>	<b>22,044,006</b>	<b>34,274,822</b>	<b>35,649,027</b>	<b>12,623,670</b>
<b>Liabilities</b>					
Payable to RiverSource Life for:					
Mortality and expense risk fee	736	10,514	15,300	15,788	5,137
Minimum death benefit guarantee risk charge	—	—	—	—	—
Contract terminations	—	421,776	100,138	36,002	1,510
Payable for investments purchased	3,382	4,978	—	5,814	345
<b>Total liabilities</b>	<b>4,118</b>	<b>437,268</b>	<b>115,438</b>	<b>57,604</b>	<b>6,992</b>
Net assets applicable to Variable Life contracts in accumulation period	2,262,975	21,606,738	34,159,384	35,591,423	12,616,678
Net assets applicable to seed money	86	—	—	—	—
<b>Total net assets</b>	<b>\$ 2,263,061</b>	<b>\$21,606,738</b>	<b>\$34,159,384</b>	<b>\$35,591,423</b>	<b>\$12,616,678</b>
<sup>(1)</sup> Investment shares	238,214	270,321	2,272,747	1,115,719	318,281
<sup>(2)</sup> Investments, at cost	\$ 2,255,075	\$14,866,836	\$21,114,026	\$39,582,313	\$10,199,846

See accompanying notes to financial statements.

## Statement of Assets and Liabilities

December 31, 2019 (continued)	Lazard Ret Global Dyn MA, Serv	MFS Mass Inv Gro Stock, Serv CI	MFS New Dis, Serv CI	MFS Utilities, Serv CI	MS VIF Dis, CI II
<b>Assets</b>					
Investments, at fair value <sup>(1),(2)</sup>	\$ 2,952,370	\$41,453,134	\$28,453,881	\$24,381,055	\$17,875,303
Dividends receivable	—	—	—	—	—
Accounts receivable from RiverSource Life for contract purchase payments	3,758	9,733	—	13,278	42,697
Receivable for share redemptions	1,285	31,065	21,292	9,668	131,590
<b>Total assets</b>	<b>2,957,413</b>	<b>41,493,932</b>	<b>28,475,173</b>	<b>24,404,001</b>	<b>18,049,590</b>
<b>Liabilities</b>					
Payable to RiverSource Life for:					
Mortality and expense risk fee	1,285	18,251	12,741	9,668	6,279
Minimum death benefit guarantee risk charge	—	—	—	—	—
Contract terminations	—	12,814	8,551	—	125,311
Payable for investments purchased	3,758	9,733	—	13,278	42,697
<b>Total liabilities</b>	<b>5,043</b>	<b>40,798</b>	<b>21,292</b>	<b>22,946</b>	<b>174,287</b>
Net assets applicable to Variable Life contracts in accumulation period	2,952,271	41,453,134	28,453,881	24,381,055	17,875,303
Net assets applicable to seed money	99	—	—	—	—
<b>Total net assets</b>	<b>\$ 2,952,370</b>	<b>\$41,453,134</b>	<b>\$28,453,881</b>	<b>\$24,381,055</b>	<b>\$17,875,303</b>
<sup>(1)</sup> Investment shares	216,291	1,861,389	1,579,017	705,470	1,415,305
<sup>(2)</sup> Investments, at cost	\$ 2,761,841	\$33,106,133	\$26,184,565	\$20,692,630	\$17,257,345

December 31, 2019 (continued)	MS VIF Global Real Est, CI II	NB AMT US Eq Index PW Strat, CI S	PIMCO VIT All Asset, Advisor CI	PIMCO VIT Tot Return, Advisor CI	Put VT Global Hlth Care, CI IB
<b>Assets</b>					
Investments, at fair value <sup>(1),(2)</sup>	\$ 9,893,908	\$ 439,623	\$14,438,568	\$ 7,855,501	\$21,108,568
Dividends receivable	—	—	—	18,701	—
Accounts receivable from RiverSource Life for contract purchase payments	180,431	5	1,023	1,691	—
Receivable for share redemptions	4,287	154	22,375	6,556	24,995
<b>Total assets</b>	<b>10,078,626</b>	<b>439,782</b>	<b>14,461,966</b>	<b>7,882,449</b>	<b>21,133,563</b>
<b>Liabilities</b>					
Payable to RiverSource Life for:					
Mortality and expense risk fee	4,287	154	6,393	3,421	10,004
Minimum death benefit guarantee risk charge	—	—	—	—	—
Contract terminations	—	—	15,982	3,135	14,991
Payable for investments purchased	180,431	5	1,023	20,392	—
<b>Total liabilities</b>	<b>184,718</b>	<b>159</b>	<b>23,398</b>	<b>26,948</b>	<b>24,995</b>
Net assets applicable to Variable Life contracts in accumulation period	9,893,908	439,544	14,438,568	7,853,181	21,108,568
Net assets applicable to seed money	—	79	—	2,320	—
<b>Total net assets</b>	<b>\$ 9,893,908</b>	<b>\$ 439,623</b>	<b>\$14,438,568</b>	<b>\$ 7,855,501</b>	<b>\$21,108,568</b>
<sup>(1)</sup> Investment shares	916,103	42,682	1,322,213	712,840	1,263,986
<sup>(2)</sup> Investments, at cost	\$ 9,143,395	\$ 413,712	\$14,293,963	\$ 7,760,393	\$20,272,177

See accompanying notes to financial statements.

## Statement of Assets and Liabilities

December 31, 2019 (continued)	Put VT Hi Yield, CI IB	Put VT Intl Eq, CI IB	Put VT Sus Leaders, CI IA	Royce Micro-Cap, Invest CI	Temp Global Bond, CI 2
<b>Assets</b>					
Investments, at fair value <sup>(1),(2)</sup>	\$ 6,762,537	\$5,320,963	\$123,671,554	\$ 29,103,504	\$ 3,986,532
Dividends receivable	—	—	—	—	—
Accounts receivable from RiverSource Life for contract purchase payments	8,013	451	—	—	1,400
Receivable for share redemptions	3,298	35,275	152,354	20,827	4,887
<b>Total assets</b>	<b>6,773,848</b>	<b>5,356,689</b>	<b>123,823,908</b>	<b>29,124,331</b>	<b>3,992,819</b>
<b>Liabilities</b>					
Payable to RiverSource Life for:					
Mortality and expense risk fee	3,298	2,205	73,771	14,347	1,536
Minimum death benefit guarantee risk charge	—	—	—	—	—
Contract terminations	—	33,070	78,583	6,480	3,351
Payable for investments purchased	8,013	451	—	—	1,400
<b>Total liabilities</b>	<b>11,311</b>	<b>35,726</b>	<b>152,354</b>	<b>20,827</b>	<b>6,287</b>
Net assets applicable to Variable Life contracts in accumulation period	6,762,537	5,320,963	123,671,554	29,103,504	3,986,456
Net assets applicable to seed money	—	—	—	—	76
<b>Total net assets</b>	<b>\$ 6,762,537</b>	<b>\$5,320,963</b>	<b>\$123,671,554</b>	<b>\$ 29,103,504</b>	<b>\$ 3,986,532</b>
<sup>(1)</sup> Investment shares	1,070,022	354,968	3,097,985	2,984,975	249,626
<sup>(2)</sup> Investments, at cost	\$ 6,927,281	\$4,875,117	\$ 84,098,058	\$ 30,776,289	\$ 4,161,971

December 31, 2019 (continued)	Third Ave Val	VanEck VIP Global Gold, CI S	VP Aggr, CI 2	VP Aggr, CI 4	VP Conserv, CI 2
<b>Assets</b>					
Investments, at fair value <sup>(1),(2)</sup>	\$23,639,848	\$4,140,940	\$288,957,733	\$351,735,992	\$16,251,422
Dividends receivable	—	—	—	—	—
Accounts receivable from RiverSource Life for contract purchase payments	518	5,138	20,126	5,856	9,317
Receivable for share redemptions	12,609	1,657	100,608	277,817	93,533
<b>Total assets</b>	<b>23,652,975</b>	<b>4,147,735</b>	<b>289,078,467</b>	<b>352,019,665</b>	<b>16,354,272</b>
<b>Liabilities</b>					
Payable to RiverSource Life for:					
Mortality and expense risk fee	11,889	1,651	100,608	138,435	7,342
Minimum death benefit guarantee risk charge	—	—	—	—	—
Contract terminations	720	6	—	139,382	86,191
Payable for investments purchased	518	5,138	20,126	5,856	9,317
<b>Total liabilities</b>	<b>13,127</b>	<b>6,795</b>	<b>120,734</b>	<b>283,673</b>	<b>102,850</b>
Net assets applicable to Variable Life contracts in accumulation period	23,639,848	4,140,792	288,957,733	351,735,992	16,251,422
Net assets applicable to seed money	—	148	—	—	—
<b>Total net assets</b>	<b>\$23,639,848</b>	<b>\$4,140,940</b>	<b>\$288,957,733</b>	<b>\$351,735,992</b>	<b>\$16,251,422</b>
<sup>(1)</sup> Investment shares	1,459,250	479,831	13,122,513	15,944,515	1,087,779
<sup>(2)</sup> Investments, at cost	\$21,806,807	\$3,558,342	\$210,327,134	\$255,765,420	\$14,436,178

See accompanying notes to financial statements.

## Statement of Assets and Liabilities

December 31, 2019 (continued)	VP Conserv, CI 4	VP Man Vol Conserv, CI 2	VP Man Vol Conserv Gro, CI 2	VP Man Vol Gro, CI 2	VP Man Vol Mod Gro, CI 2
<b>Assets</b>					
Investments, at fair value <sup>(1),(2)</sup>	\$ 22,424,011	\$ 3,491,880	\$ 5,087,783	\$ 49,401,197	\$37,298,118
Dividends receivable	—	—	—	—	—
Accounts receivable from RiverSource Life for contract purchase payments	1,468	—	633	7,079	6,253
Receivable for share redemptions	9,391	52,161	2,084	144,136	13,526
<b>Total assets</b>	<b>22,434,870</b>	<b>3,544,041</b>	<b>5,090,500</b>	<b>49,552,412</b>	<b>37,317,897</b>
<b>Liabilities</b>					
Payable to RiverSource Life for:					
Mortality and expense risk fee	8,977	1,480	1,984	15,861	13,526
Minimum death benefit guarantee risk charge	—	—	—	—	—
Contract terminations	414	50,681	100	128,275	—
Payable for investments purchased	1,468	—	633	7,079	6,253
<b>Total liabilities</b>	<b>10,859</b>	<b>52,161</b>	<b>2,717</b>	<b>151,215</b>	<b>19,779</b>
Net assets applicable to Variable Life contracts in accumulation period	22,424,011	3,491,856	5,087,759	49,401,172	37,298,093
Net assets applicable to seed money	—	24	24	25	25
<b>Total net assets</b>	<b>\$ 22,424,011</b>	<b>\$ 3,491,880</b>	<b>\$ 5,087,783</b>	<b>\$ 49,401,197</b>	<b>\$37,298,118</b>
<sup>(1)</sup> Investment shares	1,500,938	275,385	378,555	3,302,219	2,403,229
<sup>(2)</sup> Investments, at cost	\$ 19,986,915	\$ 3,205,850	\$ 4,472,651	\$ 41,871,633	\$31,993,586

December 31, 2019 (continued)	VP Mod, CI 2	VP Mod, CI 4	VP Mod Aggr, CI 2	VP Mod Aggr, CI 4	VP Mod Conserv, CI 2
<b>Assets</b>					
Investments, at fair value <sup>(1),(2)</sup>	\$383,236,899	\$583,299,690	\$659,244,549	\$1,037,870,438	\$49,590,636
Dividends receivable	—	—	—	—	—
Accounts receivable from RiverSource Life for contract purchase payments	16,596	111,901	99,391	—	52,359
Receivable for share redemptions	186,071	254,138	275,386	767,372	24,352
<b>Total assets</b>	<b>383,439,566</b>	<b>583,665,729</b>	<b>659,619,326</b>	<b>1,038,637,810</b>	<b>49,667,347</b>
<b>Liabilities</b>					
Payable to RiverSource Life for:					
Mortality and expense risk fee	175,855	254,138	245,597	419,655	24,352
Minimum death benefit guarantee risk charge	—	—	—	—	—
Contract terminations	10,216	—	29,789	347,717	—
Payable for investments purchased	16,596	111,901	99,391	—	52,359
<b>Total liabilities</b>	<b>202,667</b>	<b>366,039</b>	<b>374,777</b>	<b>767,372</b>	<b>76,711</b>
Net assets applicable to Variable Life contracts in accumulation period	383,236,899	583,299,690	659,244,549	1,037,870,438	49,590,636
Net assets applicable to seed money	—	—	—	—	—
<b>Total net assets</b>	<b>\$383,236,899</b>	<b>\$583,299,690</b>	<b>\$659,244,549</b>	<b>\$1,037,870,438</b>	<b>\$49,590,636</b>
<sup>(1)</sup> Investment shares	20,715,508	31,478,666	32,571,371	51,202,291	2,981,999
<sup>(2)</sup> Investments, at cost	\$280,324,868	\$424,361,165	\$475,675,621	\$ 758,514,465	\$40,427,735

See accompanying notes to financial statements.

## Statement of Assets and Liabilities

December 31, 2019 (continued)	VP Mod Conserv, CI 4	VP Ptnrs Core Eq, CI 3	VP Ptnrs Sm Cap Val, CI 3	Wanger Intl	Wanger USA
<b>Assets</b>					
Investments, at fair value <sup>(1),(2)</sup>	\$75,729,262	\$5,885,207	\$13,740,347	\$89,411,897	\$115,353,315
Dividends receivable	—	—	—	—	—
Accounts receivable from RiverSource Life for contract purchase payments	79,607	450	871	—	—
Receivable for share redemptions	32,933	8,417	11,587	140,409	112,671
<b>Total assets</b>	<b>75,841,802</b>	<b>5,894,074</b>	<b>13,752,805</b>	<b>89,552,306</b>	<b>115,465,986</b>
<b>Liabilities</b>					
Payable to RiverSource Life for:					
Mortality and expense risk fee	32,933	2,665	5,204	39,201	49,584
Minimum death benefit guarantee risk charge	—	—	—	—	—
Contract terminations	—	5,752	6,383	101,208	63,087
Payable for investments purchased	79,607	450	871	—	—
<b>Total liabilities</b>	<b>112,540</b>	<b>8,867</b>	<b>12,458</b>	<b>140,409</b>	<b>112,671</b>
Net assets applicable to Variable Life contracts in accumulation period	75,729,262	5,885,207	13,740,347	89,411,897	115,353,315
Net assets applicable to seed money	—	—	—	—	—
<b>Total net assets</b>	<b>\$75,729,262</b>	<b>\$5,885,207</b>	<b>\$13,740,347</b>	<b>\$89,411,897</b>	<b>\$115,353,315</b>
<sup>(1)</sup> Investment shares	4,545,574	249,691	479,259	3,438,919	5,182,090
<sup>(2)</sup> Investments, at cost	\$60,439,894	\$3,855,924	\$10,673,790	\$96,852,845	\$137,790,878

December 31, 2019 (continued)	WF VT Intl Eq, CI 2	WF VT Opp, CI 2	WF VT Sm Cap Gro, CI 2
<b>Assets</b>			
Investments, at fair value <sup>(1),(2)</sup>	\$21,850,490	\$15,344,464	\$ 21,973,495
Dividends receivable	—	—	—
Accounts receivable from RiverSource Life for contract purchase payments	907	2,747	6,649
Receivable for share redemptions	35,749	7,037	51,615
<b>Total assets</b>	<b>21,887,146</b>	<b>15,354,248</b>	<b>22,031,759</b>
<b>Liabilities</b>			
Payable to RiverSource Life for:			
Mortality and expense risk fee	10,428	6,326	8,096
Minimum death benefit guarantee risk charge	—	—	—
Contract terminations	25,321	711	43,519
Payable for investments purchased	907	2,747	6,649
<b>Total liabilities</b>	<b>36,656</b>	<b>9,784</b>	<b>58,264</b>
Net assets applicable to Variable Life contracts in accumulation period	21,850,490	15,344,464	21,973,495
Net assets applicable to seed money	—	—	—
<b>Total net assets</b>	<b>\$21,850,490</b>	<b>\$15,344,464</b>	<b>\$ 21,973,495</b>
<sup>(1)</sup> Investment shares	11,622,601	575,130	2,217,305
<sup>(2)</sup> Investments, at cost	\$36,370,526	\$13,907,318	\$ 21,915,383

See accompanying notes to financial statements.

## Statement of Operations

	AB VPS Dyn Asset Alloc, CI B	AB VPS Gro & Inc, CI B	AB VPS Intl Val, CI B	AB VPS Lg Cap Gro, CI B	ALPS Alerian Engy Infr, Class III
<b>Year ended December 31, 2019</b>					
<b>Investment income</b>					
Dividend income	\$ 14,389	\$ 280,863	\$ 305,481	\$ —	\$ 120,874
Variable account expenses	1,062	125,960	172,466	144,683	32,907
Investment income (loss) — net	13,327	154,903	133,015	(144,683)	87,967
<b>Realized and unrealized gain (loss) on investments — net</b>					
Realized gain (loss) on sales of investments:					
Proceeds from sales	142,704	2,943,484	4,152,978	4,527,262	1,962,510
Cost of investments sold	139,566	2,864,407	4,540,759	4,118,207	2,089,307
Net realized gain (loss) on sales of investments	3,138	79,077	(387,781)	409,055	(126,797)
Distributions from capital gains	910	2,952,321	—	4,271,079	—
Net change in unrealized appreciation or depreciation of investments	88,720	2,317,179	5,922,151	4,452,861	1,273,451
Net gain (loss) on investments	92,768	5,348,577	5,534,370	9,132,995	1,146,654
Net increase (decrease) in net assets resulting from operations	\$ 106,095	\$ 5,503,480	\$ 5,667,385	\$8,988,312	\$ 1,234,621

	AC VP Intl, CI I	AC VP Val, CI I	BlackRock Global Alloc, CI III	Calvert VP SRI Bal, CI I	Col VP Bal, CI 3
<b>Year ended December 31, 2019 (continued)</b>					
<b>Investment income</b>					
Dividend income	\$ 109,795	\$ 1,114,894	\$ 150,895	\$ 145,406	\$ —
Variable account expenses	70,507	304,743	49,414	48,193	1,292,098
Investment income (loss) — net	39,288	810,151	101,481	97,213	(1,292,098)
<b>Realized and unrealized gain (loss) on investments — net</b>					
Realized gain (loss) on sales of investments:					
Proceeds from sales	1,812,180	6,237,801	1,995,993	1,451,488	21,527,921
Cost of investments sold	1,557,862	4,181,837	2,014,137	1,330,080	13,119,900
Net realized gain (loss) on sales of investments	254,318	2,055,964	(18,144)	121,408	8,408,021
Distributions from capital gains	659,474	3,078,471	470,861	334,725	—
Net change in unrealized appreciation or depreciation of investments	2,078,994	6,282,800	1,334,326	1,268,762	29,142,869
Net gain (loss) on investments	2,992,786	11,417,235	1,787,043	1,724,895	37,550,890
Net increase (decrease) in net assets resulting from operations	\$ 3,032,074	\$12,227,386	\$ 1,888,524	\$1,822,108	\$36,258,792

	Col VP Disciplined Core, CI 3	Col VP Divd Opp, CI 3	Col VP Emer Mkts, CI 3	Col VP Global Strategic Inc, CI 3	Col VP Govt Money Mkt, CI 3
<b>Year ended December 31, 2019 (continued)</b>					
<b>Investment income</b>					
Dividend income	\$ —	\$ —	\$ 82,041	\$ —	\$ 651,658
Variable account expenses	2,092,050	980,195	238,585	94,391	199,053
Investment income (loss) — net	(2,092,050)	(980,195)	(156,544)	(94,391)	452,605
<b>Realized and unrealized gain (loss) on investments — net</b>					
Realized gain (loss) on sales of investments:					
Proceeds from sales	34,107,843	18,756,101	6,398,518	2,214,900	12,737,526
Cost of investments sold	14,486,214	11,350,002	5,888,813	2,630,108	12,737,313
Net realized gain (loss) on sales of investments	19,621,629	7,406,099	509,705	(415,208)	213
Distributions from capital gains	—	—	5,629,507	—	15,339
Net change in unrealized appreciation or depreciation of investments	43,335,581	33,217,272	6,555,190	2,333,045	(214)
Net gain (loss) on investments	62,957,210	40,623,371	12,694,402	1,917,837	15,338
Net increase (decrease) in net assets resulting from operations	\$60,865,160	\$39,643,176	\$12,537,858	\$1,823,446	\$ 467,943

See accompanying notes to financial statements.



## Statement of Operations

Year ended December 31, 2019 (continued)	Col VP Hi Yield Bond, CI 3	Col VP Inc Opp, CI 3	Col VP Inter Bond, CI 3	Col VP Lg Cap Gro, CI 3	Col VP Lg Cap Index, CI 3
<b>Investment income</b>					
Dividend income	\$ 2,965,908	\$ 940,620	\$ 2,750,096	\$ —	\$ —
Variable account expenses	264,957	104,909	491,964	296,944	519,538
Investment income (loss) — net	2,700,951	835,711	2,258,132	(296,944)	(519,538)

<b>Realized and unrealized gain (loss) on investments — net</b>					
Realized gain (loss) on sales of investments:					
Proceeds from sales	6,099,706	3,144,767	10,177,480	8,232,173	13,341,679
Cost of investments sold	6,218,522	3,465,003	10,174,511	4,583,513	8,249,622
Net realized gain (loss) on sales of investments	(118,816)	(320,236)	2,969	3,648,660	5,092,057
Distributions from capital gains	—	—	—	—	—
Net change in unrealized appreciation or depreciation of investments	5,001,471	2,226,625	4,915,921	14,026,979	23,331,393
Net gain (loss) on investments	4,882,655	1,906,389	4,918,890	17,675,639	28,423,450
Net increase (decrease) in net assets resulting from operations	\$ 7,583,606	\$ 2,742,100	\$ 7,177,022	\$ 17,378,695	\$ 27,903,912

Year ended December 31, 2019 (continued)	Col VP Limited Duration Cr, CI 2	Col VP Mid Cap Gro, CI 3	Col VP Overseas Core, CI 3	Col VP Select Lg Cap Val, CI 3	Col VP Select Mid Cap Val, CI 3
<b>Investment income</b>					
Dividend income	\$ 132,745	\$ —	\$ 1,159,832	\$ —	\$ —
Variable account expenses	30,742	88,538	431,504	91,819	74,124
Investment income (loss) — net	102,003	(88,538)	728,328	(91,819)	(74,124)

<b>Realized and unrealized gain (loss) on investments — net</b>					
Realized gain (loss) on sales of investments:					
Proceeds from sales	1,484,876	2,666,382	7,684,705	3,526,990	2,358,146
Cost of investments sold	1,459,825	1,625,792	6,404,482	2,819,874	1,756,510
Net realized gain (loss) on sales of investments	25,051	1,040,590	1,280,223	707,116	601,636
Distributions from capital gains	—	—	8,438,295	—	—
Net change in unrealized appreciation or depreciation of investments	272,334	4,003,092	2,391,835	3,218,308	3,218,740
Net gain (loss) on investments	297,385	5,043,682	12,110,353	3,925,424	3,820,376
Net increase (decrease) in net assets resulting from operations	\$ 399,388	\$ 4,955,144	\$ 12,838,681	\$ 3,833,605	\$ 3,746,252

Year ended December 31, 2019 (continued)	Col VP Select Sm Cap Val, CI 3	Col VP US Govt Mtge, CI 3	CS Commodity Return	CTIVP BR GI Infl Prot Sec, CI 3	CTIVP Vty Sycamore Estb Val, CI 3
<b>Investment income</b>					
Dividend income	\$ —	\$ 552,345	\$ 46,136	\$ 337,154	\$ —
Variable account expenses	81,686	111,947	27,479	56,459	122,417
Investment income (loss) — net	(81,686)	440,398	18,657	280,695	(122,417)

<b>Realized and unrealized gain (loss) on investments — net</b>					
Realized gain (loss) on sales of investments:					
Proceeds from sales	2,302,897	4,105,797	830,639	1,925,085	3,320,220
Cost of investments sold	1,612,715	4,060,270	1,301,358	2,163,301	2,668,495
Net realized gain (loss) on sales of investments	690,182	45,527	(470,719)	(238,216)	651,725
Distributions from capital gains	—	—	—	—	—
Net change in unrealized appreciation or depreciation of investments	1,793,727	720,569	755,190	705,175	4,838,032
Net gain (loss) on investments	2,483,909	766,096	284,471	466,959	5,489,757
Net increase (decrease) in net assets resulting from operations	\$ 2,402,223	\$ 1,206,494	\$ 303,128	\$ 747,654	\$ 5,367,340

See accompanying notes to financial statements.

## Statement of Operations

Year ended December 31, 2019 (continued)	DWS Alt Asset Alloc VIP, CI B	EV VT Floating-Rate Inc, Init CI	Fid VIP Contrafund, Serv CI 2	Fid VIP Gro & Inc, Serv CI	Fid VIP Mid Cap, Serv CI
<b>Investment income</b>					
Dividend income	\$ 52,381	\$1,019,746	\$ 209,204	\$ 1,707,474	\$ 717,636
Variable account expenses	6,477	126,547	468,485	274,268	528,795
Investment income (loss) — net	45,904	893,199	(259,281)	1,433,206	188,841
<b>Realized and unrealized gain (loss) on investments — net</b>					
Realized gain (loss) on sales of investments:					
Proceeds from sales	241,747	8,593,144	13,577,762	5,893,419	11,794,537
Cost of investments sold	246,042	8,734,548	12,120,370	4,513,142	11,610,853
Net realized gain (loss) on sales of investments	(4,295)	(141,404)	1,457,392	1,380,277	183,684
Distributions from capital gains	—	—	11,186,437	4,167,364	10,234,119
Net change in unrealized appreciation or depreciation of investments	156,842	769,698	13,091,069	5,364,052	7,925,843
Net gain (loss) on investments	152,547	628,294	25,734,898	10,911,693	18,343,646
Net increase (decrease) in net assets resulting from operations	\$ 198,451	\$1,521,493	\$25,475,617	\$12,344,899	\$18,532,487

Year ended December 31, 2019 (continued)	Fid VIP Overseas, Serv CI	Frank Global Real Est, CI 2	Frank Inc, CI 2	Frank Mutual Shares, CI 2	Frank Sm Cap Val, CI 2
<b>Investment income</b>					
Dividend income	\$ 287,417	\$1,181,638	\$ 322,900	\$ 334,214	\$ 385,505
Variable account expenses	99,894	224,007	28,413	81,841	173,117
Investment income (loss) — net	187,523	957,631	294,487	252,373	212,388
<b>Realized and unrealized gain (loss) on investments — net</b>					
Realized gain (loss) on sales of investments:					
Proceeds from sales	2,409,413	4,641,172	675,443	2,200,776	4,007,257
Cost of investments sold	2,013,640	4,313,406	674,755	2,287,451	4,667,826
Net realized gain (loss) on sales of investments	395,773	327,766	688	(86,675)	(660,569)
Distributions from capital gains	629,948	923,883	97,592	1,787,057	6,141,344
Net change in unrealized appreciation or depreciation of investments	2,924,566	6,381,355	451,257	1,653,914	2,620,052
Net gain (loss) on investments	3,950,287	7,633,004	549,537	3,354,296	8,100,827
Net increase (decrease) in net assets resulting from operations	\$ 4,137,810	\$8,590,635	\$ 844,024	\$ 3,606,669	\$ 8,313,215

Year ended December 31, 2019 (continued)	GS VIT Mid Cap Val, Inst	GS VIT Multi-Strategy Alt, Advisor	GS VIT Sm Cap Eq Insights, Inst	GS VIT U.S. Eq Insights, Inst	Invesco Opp VI Global, Ser II
<b>Investment income</b>					
Dividend income	\$ 636,833	\$ 31,066	\$ 30,850	\$ 607,872	\$ 146,249
Variable account expenses	419,902	5,068	36,561	256,118	110,272
Investment income (loss) — net	216,931	25,998	(5,711)	351,754	35,977
<b>Realized and unrealized gain (loss) on investments — net</b>					
Realized gain (loss) on sales of investments:					
Proceeds from sales	9,620,850	176,186	897,300	6,768,013	4,494,396
Cost of investments sold	9,665,326	181,355	943,768	6,191,690	4,410,264
Net realized gain (loss) on sales of investments	(44,476)	(5,169)	(46,468)	576,323	84,132
Distributions from capital gains	2,986,940	—	135,718	1,751,250	3,302,826
Net change in unrealized appreciation or depreciation of investments	18,148,125	70,423	1,249,984	7,880,060	2,592,020
Net gain (loss) on investments	21,090,589	65,254	1,339,234	10,207,633	5,978,978
Net increase (decrease) in net assets resulting from operations	\$21,307,520	\$ 91,252	\$ 1,333,523	\$10,559,387	\$ 6,014,955

See accompanying notes to financial statements.

## Statement of Operations

Year ended December 31, 2019 (continued)	Inves Opp VI Gbl Strat Inc, Ser II	Inves Opp VI Mn St Sm Cap, Ser II	Invesco VI Am Fran, Ser I	Invesco VI Bal Risk Alloc, Ser II	Invesco VI Comstock, Ser II
<b>Investment income</b>					
Dividend income	\$ 1,273,662	\$ —	\$ —	\$ —	\$ 135,558
Variable account expenses	187,650	99,861	68,536	29,697	42,397
Investment income (loss) — net	1,086,012	(99,861)	(68,536)	(29,697)	93,161
<b>Realized and unrealized gain (loss) on investments — net</b>					
Realized gain (loss) on sales of investments:					
Proceeds from sales	6,094,820	3,764,790	1,626,858	919,077	1,482,751
Cost of investments sold	6,423,174	3,992,828	1,231,527	995,446	1,458,719
Net realized gain (loss) on sales of investments	(328,354)	(228,038)	395,331	(76,369)	24,032
Distributions from capital gains	—	2,200,070	1,772,084	—	1,035,108
Net change in unrealized appreciation or depreciation of investments	2,832,484	3,312,648	1,617,174	945,138	582,737
Net gain (loss) on investments	2,504,130	5,284,680	3,784,589	868,769	1,641,877
Net increase (decrease) in net assets resulting from operations	\$ 3,590,142	\$ 5,184,819	\$ 3,716,053	\$ 839,072	\$ 1,735,038

Year ended December 31, 2019 (continued)	Invesco VI Core Eq, Ser I	Invesco VI Div Divd, Ser I	Invesco VI Intl Gro, Ser II	Invesco VI Mid Cap Gro, Ser I	Invesco VI Tech, Ser I
<b>Investment income</b>					
Dividend income	\$ 928,515	\$ 544,781	\$ 286,386	\$ —	\$ —
Variable account expenses	698,255	96,426	117,407	59,564	53,854
Investment income (loss) — net	230,260	448,355	168,979	(59,564)	(53,854)
<b>Realized and unrealized gain (loss) on investments — net</b>					
Realized gain (loss) on sales of investments:					
Proceeds from sales	11,043,060	3,657,120	3,545,029	1,726,083	1,984,557
Cost of investments sold	8,938,103	3,338,642	3,054,605	1,577,733	1,597,353
Net realized gain (loss) on sales of investments	2,104,957	318,478	490,424	148,350	387,204
Distributions from capital gains	11,283,945	1,011,009	1,439,430	1,698,849	909,204
Net change in unrealized appreciation or depreciation of investments	10,365,308	2,336,039	3,261,457	1,423,037	1,922,728
Net gain (loss) on investments	23,754,210	3,665,526	5,191,311	3,270,236	3,219,136
Net increase (decrease) in net assets resulting from operations	\$ 23,984,470	\$ 4,113,881	\$ 5,360,290	\$ 3,210,672	\$ 3,165,282

Year ended December 31, 2019 (continued)	Ivy VIP Asset Strategy, CI II	Janus Henderson VIT Enter, Serv	Janus Henderson VIT Gbl Tech, Serv	Janus Henderson VIT Overseas, Serv	Janus Henderson VIT Res, Serv
<b>Investment income</b>					
Dividend income	\$ 45,720	\$ 10,602	\$ —	\$ 601,950	\$ 36,889
Variable account expenses	7,670	112,346	157,912	168,012	56,777
Investment income (loss) — net	38,050	(101,744)	(157,912)	433,938	(19,888)
<b>Realized and unrealized gain (loss) on investments — net</b>					
Realized gain (loss) on sales of investments:					
Proceeds from sales	455,059	3,118,420	3,885,766	4,191,270	2,411,315
Cost of investments sold	476,035	2,217,795	2,546,196	5,143,652	1,996,087
Net realized gain (loss) on sales of investments	(20,976)	900,625	1,339,570	(952,382)	415,228
Distributions from capital gains	87,058	1,276,443	2,169,643	—	1,284,609
Net change in unrealized appreciation or depreciation of investments	278,006	3,704,254	7,225,344	8,163,423	1,763,655
Net gain (loss) on investments	344,088	5,881,322	10,734,557	7,211,041	3,463,492
Net increase (decrease) in net assets resulting from operations	\$ 382,138	\$ 5,779,578	\$ 10,576,645	\$ 7,644,979	\$ 3,443,604

See accompanying notes to financial statements.

## Statement of Operations

Year ended December 31, 2019 (continued)	Lazard Ret Global Dyn MA, Serv	MFS Mass Inv Gro Stock, Serv CI	MFS New Dis, Serv CI	MFS Utilities, Serv CI	MS VIF Dis, CI II
<b>Investment income</b>					
Dividend income	\$ 1,464	\$ 128,017	\$ —	\$ 874,545	\$ —
Variable account expenses	15,608	191,747	133,186	108,656	66,350
Investment income (loss) — net	(14,144)	(63,730)	(133,186)	765,889	(66,350)
<b>Realized and unrealized gain (loss) on investments — net</b>					
Realized gain (loss) on sales of investments:					
Proceeds from sales	953,180	4,625,324	3,159,453	3,407,559	3,440,128
Cost of investments sold	941,074	3,954,381	2,794,940	2,972,234	3,216,236
Net realized gain (loss) on sales of investments	12,106	670,943	364,513	435,325	223,892
Distributions from capital gains	4,243	2,955,507	5,096,995	69,270	2,344,430
Net change in unrealized appreciation or depreciation of investments	464,857	8,422,558	3,008,657	3,615,955	1,991,534
Net gain (loss) on investments	481,206	12,049,008	8,470,165	4,120,550	4,559,856
Net increase (decrease) in net assets resulting from operations	\$ 467,062	\$11,985,278	\$ 8,336,979	\$4,886,439	\$4,493,506

Year ended December 31, 2019 (continued)	MS VIF Global Real Est, CI II	NB AMT US Eq Index PW Strat, CI S	PIMCO VIT All Asset, Advisor CI	PIMCO VIT Tot Return, Advisor CI	Put VT Global Hlth Care, CI IB
<b>Investment income</b>					
Dividend income	\$ 232,182	\$ 670	\$ 398,856	\$ 168,436	\$ —
Variable account expenses	45,917	1,940	73,168	29,070	105,928
Investment income (loss) — net	186,265	(1,270)	325,688	139,366	(105,928)
<b>Realized and unrealized gain (loss) on investments — net</b>					
Realized gain (loss) on sales of investments:					
Proceeds from sales	1,274,058	224,495	2,450,355	1,315,658	3,304,440
Cost of investments sold	1,155,209	223,903	2,513,676	1,301,967	3,602,798
Net realized gain (loss) on sales of investments	118,849	592	(63,321)	13,691	(298,358)
Distributions from capital gains	434,460	—	—	—	894,822
Net change in unrealized appreciation or depreciation of investments	662,707	65,773	1,246,870	224,884	4,563,945
Net gain (loss) on investments	1,216,016	66,365	1,183,549	238,575	5,160,409
Net increase (decrease) in net assets resulting from operations	\$1,402,281	\$ 65,095	\$ 1,509,237	\$ 377,941	\$5,054,481

Year ended December 31, 2019 (continued)	Put VT Hi Yield, CI IB	Put VT Intl Eq, CI IB	Put VT Sus Leaders, CI IA	Royce Micro-Cap, Invest CI	Temp Global Bond, CI 2
<b>Investment income</b>					
Dividend income	\$ 405,637	\$ 68,763	\$ 786,741	\$ —	\$ 294,681
Variable account expenses	38,056	24,756	792,596	158,603	19,051
Investment income (loss) — net	367,581	44,007	(5,855)	(158,603)	275,630
<b>Realized and unrealized gain (loss) on investments — net</b>					
Realized gain (loss) on sales of investments:					
Proceeds from sales	937,894	1,351,617	11,994,938	2,990,488	1,187,543
Cost of investments sold	997,697	1,356,708	8,757,212	3,156,610	1,216,463
Net realized gain (loss) on sales of investments	(59,803)	(5,091)	3,237,726	(166,122)	(28,920)
Distributions from capital gains	—	8,825	16,012,156	2,594,526	—
Net change in unrealized appreciation or depreciation of investments	564,598	1,065,624	15,120,098	2,540,194	(188,273)
Net gain (loss) on investments	504,795	1,069,358	34,369,980	4,968,598	(217,193)
Net increase (decrease) in net assets resulting from operations	\$ 872,376	\$ 1,113,365	\$34,364,125	\$4,809,995	\$ 58,437

See accompanying notes to financial statements.

## Statement of Operations

Year ended December 31, 2019 (continued)	Third Ave Val	VanEck VIP Global Gold, CI S	VP Aggr, CI 2	VP Aggr, CI 4	VP Conserv, CI 2
<b>Investment income</b>					
Dividend income	\$ 63,970	\$ —	\$ —	\$ —	\$ —
Variable account expenses	135,752	16,173	1,108,264	1,596,062	81,875
Investment income (loss) — net	(71,782)	(16,173)	(1,108,264)	(1,596,062)	(81,875)

<b>Realized and unrealized gain (loss) on investments — net</b>					
Realized gain (loss) on sales of investments:					
Proceeds from sales	2,741,071	978,643	23,927,147	56,265,550	3,869,049
Cost of investments sold	2,662,873	921,580	17,925,699	37,227,783	3,492,373
Net realized gain (loss) on sales of investments	78,198	57,063	6,001,448	19,037,767	376,676
Distributions from capital gains	—	—	—	—	—
Net change in unrealized appreciation or depreciation of investments	2,637,932	1,118,265	45,408,596	46,963,032	1,142,704
Net gain (loss) on investments	2,716,130	1,175,328	51,410,044	66,000,799	1,519,380
Net increase (decrease) in net assets resulting from operations	\$ 2,644,348	\$ 1,159,155	\$ 50,301,780	\$ 64,404,737	\$ 1,437,505

Year ended December 31, 2019 (continued)	VP Conserv, CI 4	VP Man Vol Conserv, CI 2	VP Man Vol Conserv Gro, CI 2	VP Man Vol Gro, CI 2	VP Man Vol Mod Gro, CI 2
<b>Investment income</b>					
Dividend income	\$ —	\$ —	\$ —	\$ —	\$ —
Variable account expenses	96,786	12,732	23,565	177,769	151,237
Investment income (loss) — net	(96,786)	(12,732)	(23,565)	(177,769)	(151,237)

<b>Realized and unrealized gain (loss) on investments — net</b>					
Realized gain (loss) on sales of investments:					
Proceeds from sales	3,650,761	362,850	1,311,493	6,889,359	4,469,748
Cost of investments sold	3,286,390	339,178	1,177,945	6,137,163	3,960,086
Net realized gain (loss) on sales of investments	364,371	23,672	133,548	752,196	509,662
Distributions from capital gains	—	—	—	—	—
Net change in unrealized appreciation or depreciation of investments	1,600,009	234,820	506,569	7,013,709	4,633,489
Net gain (loss) on investments	1,964,380	258,492	640,117	7,765,905	5,143,151
Net increase (decrease) in net assets resulting from operations	\$ 1,867,594	\$ 245,760	\$ 616,552	\$ 7,588,136	\$ 4,991,914

Year ended December 31, 2019 (continued)	VP Mod, CI 2	VP Mod, CI 4	VP Mod Aggr, CI 2	VP Mod Aggr, CI 4	VP Mod Conserv, CI 2
<b>Investment income</b>					
Dividend income	\$ —	\$ —	\$ —	\$ —	\$ —
Variable account expenses	1,935,932	2,975,700	2,713,658	4,877,334	267,324
Investment income (loss) — net	(1,935,932)	(2,975,700)	(2,713,658)	(4,877,334)	(267,324)

<b>Realized and unrealized gain (loss) on investments — net</b>					
Realized gain (loss) on sales of investments:					
Proceeds from sales	29,771,062	89,986,096	40,954,760	146,163,413	7,872,598
Cost of investments sold	22,590,360	59,878,055	30,095,209	92,349,805	6,611,005
Net realized gain (loss) on sales of investments	7,180,702	30,108,041	10,859,551	53,813,608	1,261,593
Distributions from capital gains	—	—	—	—	—
Net change in unrealized appreciation or depreciation of investments	46,584,992	55,249,965	93,586,217	118,182,067	4,593,922
Net gain (loss) on investments	53,765,694	85,358,006	104,445,768	171,995,675	5,855,515
Net increase (decrease) in net assets resulting from operations	\$ 51,829,762	\$ 82,382,306	\$ 101,732,110	\$ 167,118,341	\$ 5,588,191

See accompanying notes to financial statements.

## Statement of Operations

Year ended December 31, 2019 (continued)	VP Mod Conserv, CI 4	VP Ptrns Core Eq, CI 3	VP Ptrns Sm Cap Val, CI 3	Wanger Intl	Wanger USA
<b>Investment income</b>					
Dividend income	\$ —	\$ —	\$ —	\$ 678,576	\$ 284,809
Variable account expenses	372,864	29,603	58,584	421,270	544,943
Investment income (loss) — net	(372,864)	(29,603)	(58,584)	257,306	(260,134)
<b>Realized and unrealized gain (loss) on investments — net</b>					
Realized gain (loss) on sales of investments:					
Proceeds from sales	11,264,502	1,262,287	1,397,629	9,938,308	12,641,715
Cost of investments sold	8,798,790	889,668	1,077,554	11,631,868	15,632,550
Net realized gain (loss) on sales of investments	2,465,712	372,619	320,075	(1,693,560)	(2,990,835)
Distributions from capital gains	—	—	—	7,592,744	19,270,376
Net change in unrealized appreciation or depreciation of investments	6,622,705	934,917	2,038,125	15,068,774	12,536,915
Net gain (loss) on investments	9,088,417	1,307,536	2,358,200	20,967,958	28,816,456
Net increase (decrease) in net assets resulting from operations	\$ 8,715,553	\$ 1,277,933	\$ 2,299,616	\$ 21,225,264	\$ 28,556,322

Year ended December 31, 2019 (continued)	WF VT Intl Eq, CI 2	WF VT Opp, CI 2	WF VT Sm Cap Gro, CI 2
<b>Investment income</b>			
Dividend income	\$ 785,904	\$ 41,246	\$ —
Variable account expenses	117,501	70,122	97,212
Investment income (loss) — net	668,403	(28,876)	(97,212)
<b>Realized and unrealized gain (loss) on investments — net</b>			
Realized gain (loss) on sales of investments:			
Proceeds from sales	3,092,839	2,147,194	5,343,433
Cost of investments sold	4,820,858	1,959,922	5,236,877
Net realized gain (loss) on sales of investments	(1,728,019)	187,272	106,556
Distributions from capital gains	8,750,341	1,643,470	3,721,703
Net change in unrealized appreciation or depreciation of investments	(4,771,257)	2,027,006	1,044,543
Net gain (loss) on investments	2,251,065	3,857,748	4,872,802
Net increase (decrease) in net assets resulting from operations	\$ 2,919,468	\$ 3,828,872	\$ 4,775,590

See accompanying notes to financial statements.

## Statement of Changes in Net Assets

Year ended December 31, 2019	AB VPS Dyn Asset Alloc, CI B	AB VPS Gro & Inc, CI B	AB VPS Intl Val, CI B	AB VPS Lg Cap Gro, CI B	ALPS Alerian Engy Infr, Class III
<b>Operations</b>					
Investment income (loss) — net	\$ 13,327	\$ 154,903	\$ 133,015	\$ (144,683)	\$ 87,967
Net realized gain (loss) on sales of investments	3,138	79,077	(387,781)	409,055	(126,797)
Distributions from capital gains	910	2,952,321	—	4,271,079	—
Net change in unrealized appreciation or depreciation of investments	88,720	2,317,179	5,922,151	4,452,861	1,273,451
Net increase (decrease) in net assets resulting from operations	106,095	5,503,480	5,667,385	8,988,312	1,234,621
<b>Contract transactions</b>					
Contract purchase payments	70,473	1,018,532	2,278,781	1,689,146	529,381
Net transfers <sup>(1)</sup>	(27,286)	1,688,090	(857,758)	3,928,306	(533,515)
Transfers for policy loans	(10,161)	(81,825)	(46,419)	(269,188)	(32,822)
Policy charges	(17,290)	(581,651)	(1,095,655)	(570,044)	(150,339)
Contract terminations:					
Surrender benefits	(33,944)	(1,506,441)	(2,314,383)	(1,504,673)	(250,829)
Death benefits	—	—	(2,374)	(6,246)	—
Increase (decrease) from contract transactions	(18,208)	536,705	(2,037,808)	3,267,301	(438,124)
Net assets at beginning of year	703,339	23,417,435	35,752,228	25,216,549	6,355,403
Net assets at end of year	\$791,226	\$29,457,620	\$39,381,805	\$37,472,162	\$7,151,900
<b>Accumulation unit activity</b>					
Units outstanding at beginning of year	620,253	8,870,008	24,431,061	8,583,138	9,080,673
Contract purchase payments	55,936	341,625	1,439,726	530,357	606,619
Net transfers <sup>(1)</sup>	(23,295)	655,215	(564,048)	1,061,713	(688,185)
Transfers for policy loans	(7,969)	(16,961)	(22,465)	(66,565)	(36,972)
Policy charges	(13,881)	(196,572)	(688,420)	(173,168)	(177,260)
Contract terminations:					
Surrender benefits	(27,398)	(487,345)	(1,478,874)	(417,818)	(313,069)
Death benefits	—	—	(1,363)	(1,531)	—
Units outstanding at end of year	603,646	9,165,970	23,115,617	9,516,126	8,471,806

<sup>(1)</sup> Includes transfer activity from (to) other divisions and transfers from (to) RiverSource Life's fixed account.

See accompanying notes to financial statements.

## Statement of Changes in Net Assets

	AC VP Intl, CI I	AC VP Val, CI I	BlackRock Global Alloc, CI III	Calvert VP SRI Bal, CI I	Col VP Bal, CI 3
<b>Year ended December 31, 2019 (continued)</b>					
<b>Operations</b>					
Investment income (loss) — net	\$ 39,288	\$ 810,151	\$ 101,481	\$ 97,213	\$ (1,292,098)
Net realized gain (loss) on sales of investments	254,318	2,055,964	(18,144)	121,408	8,408,021
Distributions from capital gains	659,474	3,078,471	470,861	334,725	—
Net change in unrealized appreciation or depreciation of investments	2,078,994	6,282,800	1,334,326	1,268,762	29,142,869
Net increase (decrease) in net assets resulting from operations	3,032,074	12,227,386	1,888,524	1,822,108	36,258,792
<b>Contract transactions</b>					
Contract purchase payments	376,311	1,605,357	782,794	384,470	8,681,115
Net transfers <sup>(1)</sup>	(624,092)	(1,595,430)	(821,985)	2,186,850	(464,364)
Transfers for policy loans	(17,627)	(224,849)	(115,159)	904	(637,568)
Policy charges	(334,105)	(1,690,938)	(230,231)	(262,734)	(10,087,164)
Contract terminations:					
Surrender benefits	(626,686)	(2,776,013)	(451,324)	(465,675)	(9,910,565)
Death benefits	(286)	(167,977)	—	(51,830)	(283,031)
Increase (decrease) from contract transactions	(1,226,485)	(4,849,850)	(835,905)	1,791,985	(12,701,577)
Net assets at beginning of year	11,458,772	48,580,369	11,273,845	7,311,000	169,991,214
Net assets at end of year	\$13,264,361	\$55,957,905	\$12,326,464	\$10,925,093	\$193,548,429
<b>Accumulation unit activity</b>					
Units outstanding at beginning of year	6,632,538	17,119,452	10,341,562	3,608,211	86,317,481
Contract purchase payments	192,014	612,927	611,728	170,112	4,063,774
Net transfers <sup>(1)</sup>	(361,416)	(314,414)	(709,378)	875,660	(479,023)
Transfers for policy loans	(13,222)	(70,449)	(92,035)	2,080	(308,854)
Policy charges	(177,020)	(534,787)	(184,247)	(116,957)	(4,726,757)
Contract terminations:					
Surrender benefits	(343,686)	(862,343)	(392,913)	(202,535)	(4,458,451)
Death benefits	(214)	(52,031)	—	(28,198)	(136,797)
Units outstanding at end of year	5,928,994	15,898,355	9,574,717	4,308,373	80,271,373

<sup>(1)</sup> Includes transfer activity from (to) other divisions and transfers from (to) RiverSource Life's fixed account.

See accompanying notes to financial statements.



## Statement of Changes in Net Assets

Year ended December 31, 2019 (continued)	Col VP Disciplined Core, CI 3	Col VP Divd Opp, CI 3	Col VP Emer Mkts, CI 3	Col VP Global Strategic Inc, CI 3	Col VP Govt Money Mkt, CI 3
<b>Operations</b>					
Investment income (loss) — net	\$ (2,092,050)	\$ (980,195)	\$ (156,544)	\$ (94,391)	\$ 452,605
Net realized gain (loss) on sales of investments	19,621,629	7,406,099	509,705	(415,208)	213
Distributions from capital gains	—	—	5,629,507	—	15,339
Net change in unrealized appreciation or depreciation of investments	43,335,581	33,217,272	6,555,190	2,333,045	(214)
Net increase (decrease) in net assets resulting from operations	60,865,160	39,643,176	12,537,858	1,823,446	467,943
<b>Contract transactions</b>					
Contract purchase payments	10,904,204	7,095,907	2,059,651	891,797	5,017,497
Net transfers <sup>(1)</sup>	(7,446,892)	(4,710,003)	(1,106,723)	974,762	3,208,922
Transfers for policy loans	(2,474,298)	(1,059,263)	(384,741)	(20,431)	1,427,023
Policy charges	(14,786,033)	(5,704,237)	(1,150,873)	(674,576)	(4,248,464)
Contract terminations:					
Surrender benefits	(16,073,484)	(10,318,635)	(2,768,390)	(1,060,446)	(6,369,677)
Death benefits	(400,856)	(184,666)	(41,536)	(3,830)	(392,856)
Increase (decrease) from contract transactions	(30,277,359)	(14,880,897)	(3,392,612)	107,276	(1,357,555)
Net assets at beginning of year	267,129,168	175,841,857	42,023,943	17,710,162	38,547,271
Net assets at end of year	\$297,716,969	\$200,604,136	\$51,169,189	\$19,640,884	\$37,657,659
<b>Accumulation unit activity</b>					
Units outstanding at beginning of year	130,718,210	69,418,396	22,417,862	15,687,505	38,435,702
Contract purchase payments	4,828,845	2,489,678	942,583	741,192	4,978,261
Net transfers <sup>(1)</sup>	(3,238,114)	(1,600,268)	(187,019)	1,050,594	3,353,722
Transfers for policy loans	(1,012,892)	(372,119)	(149,984)	(17,702)	1,358,786
Policy charges	(6,935,132)	(1,943,256)	(505,227)	(537,942)	(4,196,962)
Contract terminations:					
Surrender benefits	(7,126,818)	(3,560,008)	(1,391,463)	(912,811)	(6,335,484)
Death benefits	(209,195)	(60,521)	(15,616)	(2,527)	(365,009)
Units outstanding at end of year	117,024,904	64,371,902	21,111,136	16,008,309	37,229,016

<sup>(1)</sup> Includes transfer activity from (to) other divisions and transfers from (to) RiverSource Life's fixed account.

See accompanying notes to financial statements.

## Statement of Changes in Net Assets

Year ended December 31, 2019 (continued)	Col VP Hi Yield Bond, CI 3	Col VP Inc Opp, CI 3	Col VP Inter Bond, CI 3	Col VP Lg Cap Gro, CI 3	Col VP Lg Cap Index, CI 3
<b>Operations</b>					
Investment income (loss) — net	\$ 2,700,951	\$ 835,711	\$ 2,258,132	\$ (296,944)	\$ (519,538)
Net realized gain (loss) on sales of investments	(118,816)	(320,236)	2,969	3,648,660	5,092,057
Distributions from capital gains	—	—	—	—	—
Net change in unrealized appreciation or depreciation of investments	5,001,471	2,226,625	4,915,921	14,026,979	23,331,393
Net increase (decrease) in net assets resulting from operations	7,583,606	2,742,100	7,177,022	17,378,695	27,903,912
<b>Contract transactions</b>					
Contract purchase payments	1,937,346	736,464	3,829,911	1,820,645	4,959,781
Net transfers <sup>(1)</sup>	(137,817)	717,460	7,632,948	(2,221,355)	1,171,106
Transfers for policy loans	(40,271)	(188,292)	(304,285)	(502,240)	(381,703)
Policy charges	(1,634,768)	(615,806)	(3,826,553)	(1,493,264)	(2,406,743)
Contract terminations:					
Surrender benefits	(2,936,410)	(1,077,266)	(6,587,904)	(3,694,813)	(6,574,821)
Death benefits	(93,115)	(5,284)	(31,166)	(204,613)	(90,063)
Increase (decrease) from contract transactions	(2,905,035)	(432,724)	712,951	(6,295,640)	(3,322,443)
Net assets at beginning of year	48,252,014	17,907,158	85,880,290	51,873,262	92,629,238
Net assets at end of year	\$52,930,585	\$20,216,534	\$93,770,263	\$62,956,317	\$117,210,707
<b>Accumulation unit activity</b>					
Units outstanding at beginning of year	22,533,350	9,632,030	56,411,617	21,072,422	36,452,657
Contract purchase payments	820,829	357,546	2,353,169	632,896	1,798,916
Net transfers <sup>(1)</sup>	23,530	402,233	4,974,776	(934,588)	318,773
Transfers for policy loans	(2,425)	(79,742)	(172,945)	(154,377)	(120,551)
Policy charges	(670,094)	(292,718)	(2,262,141)	(535,789)	(841,729)
Contract terminations:					
Surrender benefits	(1,367,977)	(547,499)	(4,236,676)	(1,275,407)	(2,183,915)
Death benefits	(34,589)	(2,522)	(15,937)	(119,404)	(41,547)
Units outstanding at end of year	21,302,624	9,469,328	57,051,863	18,685,753	35,382,604

<sup>(1)</sup> Includes transfer activity from (to) other divisions and transfers from (to) RiverSource Life's fixed account.

See accompanying notes to financial statements.

## Statement of Changes in Net Assets

Year ended December 31, 2019 (continued)	Col VP Limited Duration Cr, CI 2	Col VP Mid Cap Gro, CI 3	Col VP Overseas Core, CI 3	Col VP Select Lg Cap Val, CI 3	Col VP Select Mid Cap Val, CI 3
<b>Operations</b>					
Investment income (loss) — net	\$ 102,003	\$ (88,538)	\$ 728,328	\$ (91,819)	\$ (74,124)
Net realized gain (loss) on sales of investments	25,051	1,040,590	1,280,223	707,116	601,636
Distributions from capital gains	—	—	8,438,295	—	—
Net change in unrealized appreciation or depreciation of investments	272,334	4,003,092	2,391,835	3,218,308	3,218,740
Net increase (decrease) in net assets resulting from operations	399,388	4,955,144	12,838,681	3,833,605	3,746,252
<b>Contract transactions</b>					
Contract purchase payments	629,249	610,165	2,880,641	467,749	663,294
Net transfers <sup>(1)</sup>	2,530,746	(638,683)	(1,986,526)	770,235	(482,947)
Transfers for policy loans	(13,053)	(102,188)	(33,704)	(208,289)	29,523
Policy charges	(255,703)	(480,282)	(3,172,367)	(348,979)	(289,391)
Contract terminations:					
Surrender benefits	(570,806)	(891,335)	(3,544,606)	(1,119,342)	(628,148)
Death benefits	—	—	(17,273)	(1,329)	(7,366)
Increase (decrease) from contract transactions	2,320,433	(1,502,323)	(5,873,835)	(439,955)	(715,035)
Net assets at beginning of year	4,658,455	14,820,451	54,999,562	15,014,993	12,349,472
Net assets at end of year	\$7,378,276	\$18,273,272	\$61,964,408	\$18,408,643	\$15,380,689
<b>Accumulation unit activity</b>					
Units outstanding at beginning of year	4,748,113	5,128,844	44,069,213	5,821,321	5,112,784
Contract purchase payments	609,080	174,719	2,080,016	161,346	228,769
Net transfers <sup>(1)</sup>	2,493,402	(176,684)	(1,442,426)	246,274	(186,720)
Transfers for policy loans	(12,145)	(30,114)	(13,467)	(62,564)	18,428
Policy charges	(252,447)	(138,450)	(2,381,956)	(119,024)	(101,737)
Contract terminations:					
Surrender benefits	(560,635)	(282,991)	(2,554,265)	(395,486)	(208,460)
Death benefits	—	—	(14,362)	(539)	(3,203)
Units outstanding at end of year	7,025,368	4,675,324	39,742,753	5,651,328	4,859,861

<sup>(1)</sup> Includes transfer activity from (to) other divisions and transfers from (to) RiverSource Life's fixed account.

See accompanying notes to financial statements.

## Statement of Changes in Net Assets

Year ended December 31, 2019 (continued)	Col VP Select Sm Cap Val, CI 3	Col VP US Govt Mtge, CI 3	CS Commodity Return	CTIVP BR GI Infl Prot Sec, CI 3	CTIVP Vty Sycamore Estb Val, CI 3
<b>Operations</b>					
Investment income (loss) — net	\$ (81,686)	\$ 440,398	\$ 18,657	\$ 280,695	\$ (122,417)
Net realized gain (loss) on sales of investments	690,182	45,527	(470,719)	(238,216)	651,725
Distributions from capital gains	—	—	—	—	—
Net change in unrealized appreciation or depreciation of investments	1,793,727	720,569	755,190	705,175	4,838,032
Net increase (decrease) in net assets resulting from operations	2,402,223	1,206,494	303,128	747,654	5,367,340
<b>Contract transactions</b>					
Contract purchase payments	559,259	1,097,697	273,394	464,980	829,649
Net transfers <sup>(1)</sup>	(387,819)	821,903	55,037	142,607	1,786,205
Transfers for policy loans	(100,830)	13,655	10,891	(209,433)	(165,549)
Policy charges	(431,236)	(1,138,753)	(150,821)	(285,646)	(393,749)
Contract terminations:					
Surrender benefits	(914,698)	(1,394,826)	(247,847)	(699,487)	(1,338,173)
Death benefits	(38,304)	(20,031)	—	(6,111)	(1,210)
Increase (decrease) from contract transactions	(1,313,628)	(620,355)	(59,346)	(593,090)	717,173
Net assets at beginning of year	14,493,786	20,212,486	5,065,346	10,626,909	19,277,327
Net assets at end of year	\$15,582,381	\$20,798,625	\$5,309,128	\$10,781,473	\$25,361,840
<b>Accumulation unit activity</b>					
Units outstanding at beginning of year	4,964,570	16,362,699	8,774,108	7,886,126	6,879,034
Contract purchase payments	171,365	840,882	465,367	329,031	256,242
Net transfers <sup>(1)</sup>	(106,238)	675,186	(57,109)	126,879	586,983
Transfers for policy loans	(30,236)	8,103	15,906	(145,758)	(42,840)
Policy charges	(130,202)	(862,707)	(253,059)	(200,925)	(125,552)
Contract terminations:					
Surrender benefits	(294,607)	(1,088,848)	(412,187)	(493,803)	(442,011)
Death benefits	(13,401)	(13,666)	—	(4,134)	(337)
Units outstanding at end of year	4,561,251	15,921,649	8,533,026	7,497,416	7,111,519

<sup>(1)</sup> Includes transfer activity from (to) other divisions and transfers from (to) RiverSource Life's fixed account.

See accompanying notes to financial statements.

## Statement of Changes in Net Assets

Year ended December 31, 2019 (continued)	DWS Alt Asset Alloc VIP, CI B	EV VT Floating-Rate Inc, Init CI	Fid VIP Contrafund, Serv CI 2	Fid VIP Gro & Inc, Serv CI	Fid VIP Mid Cap, Serv CI
<b>Operations</b>					
Investment income (loss) — net	\$ 45,904	\$ 893,199	\$ (259,281)	\$ 1,433,206	\$ 188,841
Net realized gain (loss) on sales of investments	(4,295)	(141,404)	1,457,392	1,380,277	183,684
Distributions from capital gains	—	—	11,186,437	4,167,364	10,234,119
Net change in unrealized appreciation or depreciation of investments	156,842	769,698	13,091,069	5,364,052	7,925,843
Net increase (decrease) in net assets resulting from operations	198,451	1,521,493	25,475,617	12,344,899	18,532,487
<b>Contract transactions</b>					
Contract purchase payments	140,076	741,485	4,333,871	1,232,747	2,444,334
Net transfers <sup>(1)</sup>	175,124	(5,443,772)	(4,570,427)	(1,988,208)	(4,820,678)
Transfers for policy loans	(10,092)	(187,948)	(532,387)	(133,297)	(382,242)
Policy charges	(31,470)	(576,202)	(2,289,795)	(1,461,622)	(2,903,359)
Contract terminations:					
Surrender benefits	(46,353)	(1,759,182)	(4,737,276)	(2,827,125)	(5,005,292)
Death benefits	—	—	(75,667)	(54,628)	(150,204)
Increase (decrease) from contract transactions	227,285	(7,225,619)	(7,871,681)	(5,232,133)	(10,817,441)
Net assets at beginning of year	1,367,848	25,442,366	85,803,726	44,317,228	85,378,214
Net assets at end of year	\$1,793,584	\$19,738,240	\$103,407,662	\$51,429,994	\$ 93,093,260
<b>Accumulation unit activity</b>					
Units outstanding at beginning of year	1,457,599	16,691,829	36,231,834	15,576,864	25,731,280
Contract purchase payments	131,244	466,318	1,701,312	378,363	644,670
Net transfers <sup>(1)</sup>	171,243	(3,411,069)	(1,808,632)	(631,779)	(1,250,026)
Transfers for policy loans	(10,090)	(116,316)	(192,401)	(42,155)	(110,984)
Policy charges	(30,255)	(371,131)	(856,545)	(464,513)	(742,743)
Contract terminations:					
Surrender benefits	(45,918)	(1,143,564)	(1,657,449)	(853,046)	(1,314,748)
Death benefits	—	—	(36,173)	(14,569)	(38,954)
Units outstanding at end of year	1,673,823	12,116,067	33,381,946	13,949,165	22,918,495

<sup>(1)</sup> Includes transfer activity from (to) other divisions and transfers from (to) RiverSource Life's fixed account.

See accompanying notes to financial statements.

## Statement of Changes in Net Assets

Year ended December 31, 2019 (continued)	Fid VIP Overseas, Serv CI	Frank Global Real Est, CI 2	Frank Inc, CI 2	Frank Mutual Shares, CI 2	Frank Sm Cap Val, CI 2
<b>Operations</b>					
Investment income (loss) — net	\$ 187,523	\$ 957,631	\$ 294,487	\$ 252,373	\$ 212,388
Net realized gain (loss) on sales of investments	395,773	327,766	688	(86,675)	(660,569)
Distributions from capital gains	629,948	923,883	97,592	1,787,057	6,141,344
Net change in unrealized appreciation or depreciation of investments	2,924,566	6,381,355	451,257	1,653,914	2,620,052
Net increase (decrease) in net assets resulting from operations	4,137,810	8,590,635	844,024	3,606,669	8,313,215
<b>Contract transactions</b>					
Contract purchase payments	619,011	1,943,983	365,370	907,384	1,678,297
Net transfers <sup>(1)</sup>	(259,539)	(720,808)	1,657,469	(731,199)	(246,685)
Transfers for policy loans	18,303	(267,380)	(87,757)	(58,302)	(212,977)
Policy charges	(585,622)	(1,346,719)	(160,566)	(530,740)	(1,025,544)
Contract terminations:					
Surrender benefits	(1,183,511)	(2,302,373)	(196,793)	(912,769)	(2,082,931)
Death benefits	(4,211)	(80,856)	—	—	(2,522)
Increase (decrease) from contract transactions	(1,395,569)	(2,774,153)	1,577,723	(1,325,626)	(1,892,362)
Net assets at beginning of year	15,918,717	40,249,224	4,896,278	16,907,749	33,119,745
Net assets at end of year	\$18,660,958	\$46,065,706	\$7,318,025	\$19,188,792	\$39,540,598
<b>Accumulation unit activity</b>					
Units outstanding at beginning of year	8,964,017	19,285,200	4,571,720	8,268,925	11,878,246
Contract purchase payments	305,715	825,988	298,135	413,313	597,177
Net transfers <sup>(1)</sup>	(113,764)	(148,464)	1,422,838	(315,288)	43,271
Transfers for policy loans	13,603	(116,913)	(75,402)	(30,654)	(66,871)
Policy charges	(302,956)	(540,941)	(135,490)	(235,816)	(317,726)
Contract terminations:					
Surrender benefits	(601,397)	(955,306)	(173,023)	(386,098)	(671,697)
Death benefits	(3,006)	(30,360)	—	—	(543)
Units outstanding at end of year	8,262,212	18,319,204	5,908,778	7,714,382	11,461,857

<sup>(1)</sup> Includes transfer activity from (to) other divisions and transfers from (to) RiverSource Life's fixed account.

See accompanying notes to financial statements.

## Statement of Changes in Net Assets

Year ended December 31, 2019 (continued)	GS VIT Mid Cap Val, Inst	GS VIT Multi-Strategy Alt, Advisor	GS VIT Sm Cap Eq Insights, Inst	GS VIT U.S. Eq Insights, Inst	Invesco Opp VI Global, Ser II
<b>Operations</b>					
Investment income (loss) — net	\$ 216,931	\$ 25,998	\$ (5,711)	\$ 351,754	\$ 35,977
Net realized gain (loss) on sales of investments	(44,476)	(5,169)	(46,468)	576,323	84,132
Distributions from capital gains	2,986,940	—	135,718	1,751,250	3,302,826
Net change in unrealized appreciation or depreciation of investments	18,148,125	70,423	1,249,984	7,880,060	2,592,020
Net increase (decrease) in net assets resulting from operations	21,307,520	91,252	1,333,523	10,559,387	6,014,955
<b>Contract transactions</b>					
Contract purchase payments	2,791,682	78,245	184,808	1,390,129	1,065,936
Net transfers <sup>(1)</sup>	(3,876,438)	6,370	38,010	(2,186,978)	(1,182,004)
Transfers for policy loans	(495,377)	(5,506)	(81,129)	(238,028)	(272,199)
Policy charges	(2,410,307)	(21,153)	(186,170)	(1,211,525)	(477,138)
Contract terminations:					
Surrender benefits	(4,455,738)	(15,731)	(300,349)	(2,889,672)	(1,487,482)
Death benefits	(38,648)	—	—	(63,636)	(32,254)
Increase (decrease) from contract transactions	(8,484,826)	42,225	(344,830)	(5,199,710)	(2,385,141)
Net assets at beginning of year	72,093,103	1,109,274	5,660,108	44,897,344	20,339,982
Net assets at end of year	\$84,915,797	\$1,242,751	\$6,648,801	\$50,257,021	\$23,969,796
<b>Accumulation unit activity</b>					
Units outstanding at beginning of year	26,053,373	1,249,566	1,665,132	16,023,548	8,951,747
Contract purchase payments	861,007	83,261	47,228	430,730	423,534
Net transfers <sup>(1)</sup>	(1,101,496)	6,013	2,188	(721,042)	(420,138)
Transfers for policy loans	(167,817)	(5,755)	(20,397)	(73,232)	(107,984)
Policy charges	(702,337)	(22,477)	(48,616)	(384,832)	(184,723)
Contract terminations:					
Surrender benefits	(1,398,031)	(17,072)	(79,650)	(969,097)	(507,273)
Death benefits	(8,925)	—	—	(16,606)	(13,803)
Units outstanding at end of year	23,535,774	1,293,536	1,565,885	14,289,469	8,141,360

<sup>(1)</sup> Includes transfer activity from (to) other divisions and transfers from (to) RiverSource Life's fixed account.

See accompanying notes to financial statements.

## Statement of Changes in Net Assets

Year ended December 31, 2019 (continued)	Inves Opp VI Gbl Strat Inc, Ser II	Inves Opp VI Mn St Sm Cap, Ser II	Invesco VI Am Fran, Ser I	Invesco VI Bal Risk Alloc, Ser II	Invesco VI Comstock, Ser II
<b>Operations</b>					
Investment income (loss) — net	\$ 1,086,012	\$ (99,861)	\$ (68,536)	\$ (29,697)	\$ 93,161
Net realized gain (loss) on sales of investments	(328,354)	(228,038)	395,331	(76,369)	24,032
Distributions from capital gains	—	2,200,070	1,772,084	—	1,035,108
Net change in unrealized appreciation or depreciation of investments	2,832,484	3,312,648	1,617,174	945,138	582,737
Net increase (decrease) in net assets resulting from operations	3,590,142	5,184,819	3,716,053	839,072	1,735,038
<b>Contract transactions</b>					
Contract purchase payments	1,473,575	1,219,779	344,740	405,419	296,558
Net transfers <sup>(1)</sup>	(273,752)	(806,236)	(173,801)	525,367	(603,442)
Transfers for policy loans	(344,395)	(261,589)	(37,649)	2,526	(117,152)
Policy charges	(1,219,728)	(505,694)	(356,283)	(177,299)	(186,233)
Contract terminations:					
Surrender benefits	(2,017,269)	(963,372)	(529,325)	(306,550)	(280,226)
Death benefits	(5,088)	—	(16)	(1,268)	(1,188)
Increase (decrease) from contract transactions	(2,386,657)	(1,317,112)	(752,334)	448,195	(891,683)
Net assets at beginning of year	36,997,020	20,534,027	10,569,351	5,739,176	7,509,436
Net assets at end of year	\$38,200,505	\$24,401,734	\$13,533,070	\$7,026,443	\$8,352,791
<b>Accumulation unit activity</b>					
Units outstanding at beginning of year	25,781,703	8,092,935	5,616,448	5,305,952	3,320,766
Contract purchase payments	975,975	478,340	151,852	338,539	121,673
Net transfers <sup>(1)</sup>	(158,626)	(251,576)	(74,688)	440,676	(255,005)
Transfers for policy loans	(229,928)	(96,311)	(16,270)	889	(37,787)
Policy charges	(795,771)	(182,196)	(158,234)	(150,069)	(76,125)
Contract terminations:					
Surrender benefits	(1,318,794)	(327,515)	(233,920)	(263,949)	(106,251)
Death benefits	(3,258)	—	(8)	(1,176)	(671)
Units outstanding at end of year	24,251,301	7,713,677	5,285,180	5,670,862	2,966,600

<sup>(1)</sup> Includes transfer activity from (to) other divisions and transfers from (to) RiverSource Life's fixed account.

See accompanying notes to financial statements.



## Statement of Changes in Net Assets

Year ended December 31, 2019 (continued)	Invesco VI Core Eq, Ser I	Invesco VI Div Divd, Ser I	Invesco VI Intl Gro, Ser II	Invesco VI Mid Cap Gro, Ser I	Invesco VI Tech, Ser I
<b>Operations</b>					
Investment income (loss) — net	\$ 230,260	\$ 448,355	\$ 168,979	\$ (59,564)	\$ (53,854)
Net realized gain (loss) on sales of investments	2,104,957	318,478	490,424	148,350	387,204
Distributions from capital gains	11,283,945	1,011,009	1,439,430	1,698,849	909,204
Net change in unrealized appreciation or depreciation of investments	10,365,308	2,336,039	3,261,457	1,423,037	1,922,728
Net increase (decrease) in net assets resulting from operations	23,984,470	4,113,881	5,360,290	3,210,672	3,165,282
<b>Contract transactions</b>					
Contract purchase payments	3,818,124	635,074	803,038	391,210	366,672
Net transfers <sup>(1)</sup>	(2,555,839)	(543,579)	(592,110)	(540,902)	(395,297)
Transfers for policy loans	(285,870)	(136,037)	(176,931)	(41,596)	(146,896)
Policy charges	(4,959,258)	(390,859)	(452,252)	(316,676)	(274,583)
Contract terminations:					
Surrender benefits	(5,751,151)	(786,613)	(1,266,703)	(615,734)	(519,225)
Death benefits	(68,127)	(3,979)	(440)	(623)	—
Increase (decrease) from contract transactions	(9,802,121)	(1,225,993)	(1,685,398)	(1,124,321)	(969,329)
Net assets at beginning of year	88,948,533	17,408,219	20,029,434	9,805,549	9,308,754
Net assets at end of year	\$103,130,882	\$20,296,107	\$23,704,326	\$11,891,900	\$11,504,707
<b>Accumulation unit activity</b>					
Units outstanding at beginning of year	32,738,608	9,647,120	12,623,610	5,891,662	3,088,971
Contract purchase payments	1,211,721	310,253	446,974	193,927	104,771
Net transfers <sup>(1)</sup>	(807,627)	(264,158)	(485,201)	(259,647)	(120,638)
Transfers for policy loans	(89,441)	(65,750)	(107,665)	(20,249)	(29,510)
Policy charges	(1,549,542)	(191,449)	(249,054)	(156,985)	(78,665)
Contract terminations:					
Surrender benefits	(1,825,896)	(386,180)	(712,957)	(304,038)	(139,386)
Death benefits	(21,643)	(2,071)	(181)	(332)	—
Units outstanding at end of year	29,656,180	9,047,765	11,515,526	5,344,338	2,825,543

<sup>(1)</sup> Includes transfer activity from (to) other divisions and transfers from (to) RiverSource Life's fixed account.

See accompanying notes to financial statements.

## Statement of Changes in Net Assets

Year ended December 31, 2019 (continued)	Ivy VIP Asset Strategy, CI II	Janus Henderson VIT Enter, Serv	Janus Henderson VIT Gbl Tech, Serv	Janus Henderson VIT Overseas, Serv	Janus Henderson VIT Res, Serv
<b>Operations</b>					
Investment income (loss) — net	\$ 38,050	\$ (101,744)	\$ (157,912)	\$ 433,938	\$ (19,888)
Net realized gain (loss) on sales of investments	(20,976)	900,625	1,339,570	(952,382)	415,228
Distributions from capital gains	87,058	1,276,443	2,169,643	—	1,284,609
Net change in unrealized appreciation or depreciation of investments	278,006	3,704,254	7,225,344	8,163,423	1,763,655
Net increase (decrease) in net assets resulting from operations	382,138	5,779,578	10,576,645	7,644,979	3,443,604
<b>Contract transactions</b>					
Contract purchase payments	146,352	458,271	910,083	1,585,668	407,766
Net transfers <sup>(1)</sup>	44,320	617,271	681,568	(1,165,563)	(371,546)
Transfers for policy loans	(54,781)	(376,568)	(219,568)	(55,026)	(180,090)
Policy charges	(47,281)	(434,903)	(590,090)	(1,053,721)	(275,206)
Contract terminations:					
Surrender benefits	(22,536)	(1,251,718)	(1,536,769)	(2,034,622)	(721,191)
Death benefits	—	(2,774)	(7,947)	(36,840)	—
Increase (decrease) from contract transactions	66,074	(990,421)	(762,723)	(2,760,104)	(1,140,267)
Net assets at beginning of year	1,814,849	16,817,581	24,345,462	30,706,548	10,313,341
Net assets at end of year	\$2,263,061	\$21,606,738	\$34,159,384	\$35,591,423	\$12,616,678
<b>Accumulation unit activity</b>					
Units outstanding at beginning of year	1,865,371	4,836,279	7,749,599	21,452,322	4,168,406
Contract purchase payments	129,465	106,733	261,600	990,001	146,478
Net transfers <sup>(1)</sup>	43,959	155,073	(180,916)	(731,112)	(161,859)
Transfers for policy loans	(51,128)	(96,189)	(65,534)	(24,619)	(64,977)
Policy charges	(42,799)	(108,486)	(153,087)	(664,374)	(96,188)
Contract terminations:					
Surrender benefits	(21,003)	(264,568)	(388,051)	(1,346,835)	(241,395)
Death benefits	—	(1,289)	(3,706)	(22,955)	—
Units outstanding at end of year	1,923,865	4,627,553	7,219,905	19,652,428	3,750,465

<sup>(1)</sup> Includes transfer activity from (to) other divisions and transfers from (to) RiverSource Life's fixed account.

See accompanying notes to financial statements.

## Statement of Changes in Net Assets

	Lazard Ret Global Dyn MA, Serv	MFS Mass Inv Gro Stock, Serv CI	MFS New Dis, Serv CI	MFS Utilities, Serv CI	MS VIF Dis, CI II
<b>Year ended December 31, 2019 (continued)</b>					
<b>Operations</b>					
Investment income (loss) — net	\$ (14,144)	\$ (63,730)	\$ (133,186)	\$ 765,889	\$ (66,350)
Net realized gain (loss) on sales of investments	12,106	670,943	364,513	435,325	223,892
Distributions from capital gains	4,243	2,955,507	5,096,995	69,270	2,344,430
Net change in unrealized appreciation or depreciation of investments	464,857	8,422,558	3,008,657	3,615,955	1,991,534
Net increase (decrease) in net assets resulting from operations	467,062	11,985,278	8,336,979	4,886,439	4,493,506
<b>Contract transactions</b>					
Contract purchase payments	169,983	988,231	688,569	931,519	726,203
Net transfers <sup>(1)</sup>	(227,848)	(709,756)	580,074	108,550	2,735,110
Transfers for policy loans	(59,531)	(263,541)	(52,211)	(162,977)	(97,117)
Policy charges	(55,373)	(861,543)	(623,064)	(664,571)	(331,650)
Contract terminations:					
Surrender benefits	(94,600)	(1,583,896)	(1,301,223)	(1,228,050)	(849,811)
Death benefits	—	—	(1,616)	(5,858)	(5,771)
Increase (decrease) from contract transactions	(267,369)	(2,430,505)	(709,471)	(1,021,387)	2,176,964
Net assets at beginning of year	2,752,677	31,898,361	20,826,373	20,516,003	11,204,833
Net assets at end of year	\$2,952,370	\$41,453,134	\$28,453,881	\$24,381,055	\$17,875,303
<b>Accumulation unit activity</b>					
Units outstanding at beginning of year	2,415,877	24,243,971	6,336,201	8,556,491	4,343,014
Contract purchase payments	128,921	619,645	165,608	369,911	240,787
Net transfers <sup>(1)</sup>	(181,838)	(496,599)	174,720	291,763	739,547
Transfers for policy loans	(43,511)	(165,262)	(10,925)	(65,507)	(20,422)
Policy charges	(43,250)	(540,387)	(154,772)	(242,312)	(102,518)
Contract terminations:					
Surrender benefits	(74,204)	(986,827)	(356,149)	(418,599)	(239,993)
Death benefits	—	—	(426)	(1,878)	(2,173)
Units outstanding at end of year	2,201,995	22,674,541	6,154,257	8,489,869	4,958,242

<sup>(1)</sup> Includes transfer activity from (to) other divisions and transfers from (to) RiverSource Life's fixed account.

See accompanying notes to financial statements.

## Statement of Changes in Net Assets

	MS VIF Global Real Est, CI II	NB AMT US Eq Index PW Strat, CI S	PIMCO VIT All Asset, Advisor CI	PIMCO VIT Tot Return, Advisor CI	Put VT Global Hlth Care, CI IB
<b>Year ended December 31, 2019 (continued)</b>					
<b>Operations</b>					
Investment income (loss) — net	\$ 186,265	\$ (1,270)	\$ 325,688	\$ 139,366	\$ (105,928)
Net realized gain (loss) on sales of investments	118,849	592	(63,321)	13,691	(298,358)
Distributions from capital gains	434,460	—	—	—	894,822
Net change in unrealized appreciation or depreciation of investments	662,707	65,773	1,246,870	224,884	4,563,945
Net increase (decrease) in net assets resulting from operations	1,402,281	65,095	1,509,237	377,941	5,054,481
<b>Contract transactions</b>					
Contract purchase payments	355,562	31,572	609,432	303,480	695,048
Net transfers <sup>(1)</sup>	614,874	(108,931)	(426,682)	3,395,040	(727,332)
Transfers for policy loans	(55,158)	(10,948)	(22,980)	(107,018)	(196,889)
Policy charges	(191,503)	(12,950)	(433,176)	(121,680)	(443,008)
Contract terminations:					
Surrender benefits	(334,205)	(4,071)	(983,119)	(276,508)	(772,904)
Death benefits	—	—	—	—	(4,898)
Increase (decrease) from contract transactions	389,570	(105,328)	(1,256,525)	3,193,314	(1,449,983)
Net assets at beginning of year	8,102,057	479,856	14,185,856	4,284,246	17,504,070
Net assets at end of year	\$9,893,908	\$ 439,623	\$14,438,568	\$7,855,501	\$21,108,568
<b>Accumulation unit activity</b>					
Units outstanding at beginning of year	4,762,145	525,999	9,330,322	3,999,387	6,501,167
Contract purchase payments	189,802	31,882	389,965	265,835	233,394
Net transfers <sup>(1)</sup>	373,772	(110,284)	(293,608)	2,992,772	(193,391)
Transfers for policy loans	(14,586)	(11,068)	(20,416)	(91,476)	(66,564)
Policy charges	(100,251)	(13,118)	(273,565)	(107,583)	(145,429)
Contract terminations:					
Surrender benefits	(171,590)	(4,226)	(575,671)	(243,442)	(259,487)
Death benefits	—	—	—	—	(1,654)
Units outstanding at end of year	5,039,292	419,185	8,557,027	6,815,493	6,068,036

<sup>(1)</sup> Includes transfer activity from (to) other divisions and transfers from (to) RiverSource Life's fixed account.

See accompanying notes to financial statements.

## Statement of Changes in Net Assets

Year ended December 31, 2019 (continued)	Put VT Hi Yield, CI IB	Put VT Intl Eq, CI IB	Put VT Sus Leaders, CI IA	Royce Micro-Cap, Invest CI	Temp Global Bond, CI 2
<b>Operations</b>					
Investment income (loss) — net	\$ 367,581	\$ 44,007	\$ (5,855)	\$ (158,603)	\$ 275,630
Net realized gain (loss) on sales of investments	(59,803)	(5,091)	3,237,726	(166,122)	(28,920)
Distributions from capital gains	—	8,825	16,012,156	2,594,526	—
Net change in unrealized appreciation or depreciation of investments	564,598	1,065,624	15,120,098	2,540,194	(188,273)
Net increase (decrease) in net assets resulting from operations	872,376	1,113,365	34,364,125	4,809,995	58,437
<b>Contract transactions</b>					
Contract purchase payments	164,745	241,024	3,405,995	1,082,940	230,231
Net transfers <sup>(1)</sup>	(252,512)	(406,559)	(1,892,836)	(839,037)	197,286
Transfers for policy loans	(23,402)	(27,899)	(758,522)	(9,796)	(32,861)
Policy charges	(245,328)	(113,588)	(4,649,364)	(1,057,748)	(89,021)
Contract terminations:					
Surrender benefits	(339,832)	(251,512)	(6,346,134)	(1,369,282)	(260,917)
Death benefits	—	(271)	(69,683)	(69,382)	—
Increase (decrease) from contract transactions	(696,329)	(558,805)	(10,310,544)	(2,262,305)	44,718
Net assets at beginning of year	6,586,490	4,766,403	99,617,973	26,555,814	3,883,377
Net assets at end of year	\$6,762,537	\$5,320,963	\$123,671,554	\$29,103,504	\$3,986,532
<b>Accumulation unit activity</b>					
Units outstanding at beginning of year	2,860,221	2,967,243	28,381,936	10,454,254	3,891,759
Contract purchase payments	65,885	134,911	804,807	387,011	221,331
Net transfers <sup>(1)</sup>	(101,974)	(179,069)	(458,675)	(296,910)	184,956
Transfers for policy loans	(9,525)	(19,073)	(173,360)	(10,318)	(31,373)
Policy charges	(97,652)	(62,799)	(1,110,457)	(368,028)	(87,091)
Contract terminations:					
Surrender benefits	(135,684)	(134,797)	(1,506,257)	(498,720)	(257,974)
Death benefits	—	(154)	(18,257)	(24,660)	—
Units outstanding at end of year	2,581,271	2,706,262	25,919,737	9,642,629	3,921,608

<sup>(1)</sup> Includes transfer activity from (to) other divisions and transfers from (to) RiverSource Life's fixed account.

See accompanying notes to financial statements.

## Statement of Changes in Net Assets

Year ended December 31, 2019 (continued)	Third Ave Val	VanEck VIP Global Gold, CI S	VP Aggr, CI 2	VP Aggr, CI 4	VP Conserv, CI 2
<b>Operations</b>					
Investment income (loss) — net	\$ (71,782)	\$ (16,173)	\$ (1,108,264)	\$ (1,596,062)	\$ (81,875)
Net realized gain (loss) on sales of investments	78,198	57,063	6,001,448	19,037,767	376,676
Distributions from capital gains	—	—	—	—	—
Net change in unrealized appreciation or depreciation of investments	2,637,932	1,118,265	45,408,596	46,963,032	1,142,704
Net increase (decrease) in net assets resulting from operations	2,644,348	1,159,155	50,301,780	64,404,737	1,437,505
<b>Contract transactions</b>					
Contract purchase payments	1,091,924	189,486	22,108,324	14,194,728	479,999
Net transfers <sup>(1)</sup>	(815,565)	214,018	(4,164,071)	(15,301,220)	2,423,171
Transfers for policy loans	26,975	(38,593)	(2,531,226)	(3,143,363)	(297,612)
Policy charges	(1,012,624)	(58,775)	(5,767,783)	(5,672,150)	(611,034)
Contract terminations:					
Surrender benefits	(1,350,169)	(159,048)	(8,875,790)	(17,213,321)	(1,295,784)
Death benefits	(58,202)	(576)	(29,441)	(1,269)	—
Increase (decrease) from contract transactions	(2,117,661)	146,512	740,013	(27,136,595)	698,740
Net assets at beginning of year	23,113,161	2,835,273	237,915,940	314,467,850	14,115,177
Net assets at end of year	\$23,639,848	\$4,140,940	\$288,957,733	\$351,735,992	\$16,251,422
<b>Accumulation unit activity</b>					
Units outstanding at beginning of year	10,914,814	3,568,904	147,085,906	191,454,858	11,229,897
Contract purchase payments	485,049	209,006	12,538,833	7,705,160	365,121
Net transfers <sup>(1)</sup>	(357,662)	249,235	(2,106,199)	(7,650,833)	1,846,527
Transfers for policy loans	9,036	(39,999)	(1,352,181)	(1,726,049)	(226,698)
Policy charges	(439,018)	(63,003)	(3,230,347)	(3,077,488)	(460,259)
Contract terminations:					
Surrender benefits	(596,566)	(153,714)	(4,821,545)	(9,424,272)	(956,219)
Death benefits	(24,956)	(727)	(15,694)	(601)	—
Units outstanding at end of year	9,990,697	3,769,702	148,098,773	177,280,775	11,798,369

<sup>(1)</sup> Includes transfer activity from (to) other divisions and transfers from (to) RiverSource Life's fixed account.

See accompanying notes to financial statements.

## Statement of Changes in Net Assets

Year ended December 31, 2019 (continued)	VP Conserv, CI 4	VP Man Vol Conserv, CI 2	VP Man Vol Conserv Gro, CI 2	VP Man Vol Gro, CI 2	VP Man Vol Mod Gro, CI 2
<b>Operations</b>					
Investment income (loss) — net	\$ (96,786)	\$ (12,732)	\$ (23,565)	\$ (177,769)	\$ (151,237)
Net realized gain (loss) on sales of investments	364,371	23,672	133,548	752,196	509,662
Distributions from capital gains	—	—	—	—	—
Net change in unrealized appreciation or depreciation of investments	1,600,009	234,820	506,569	7,013,709	4,633,489
Net increase (decrease) in net assets resulting from operations	1,867,594	245,760	616,552	7,588,136	4,991,914
<b>Contract transactions</b>					
Contract purchase payments	831,583	10,165	172,166	3,583,072	2,077,254
Net transfers <sup>(1)</sup>	4,658,893	1,887,374	(115,050)	(1,495,681)	1,243,333
Transfers for policy loans	(32,282)	(71,264)	(44,149)	(302,591)	(191,717)
Policy charges	(776,566)	(83,829)	(191,216)	(841,414)	(1,074,220)
Contract terminations:					
Surrender benefits	(1,742,661)	(182,581)	(108,568)	(1,304,411)	(1,199,717)
Death benefits	—	—	—	—	(38,475)
Increase (decrease) from contract transactions	2,938,967	1,559,865	(286,817)	(361,025)	816,458
Net assets at beginning of year	17,617,450	1,686,255	4,758,048	42,174,086	31,489,746
Net assets at end of year	\$22,424,011	\$3,491,880	\$5,087,783	\$49,401,197	\$37,298,118
<b>Accumulation unit activity</b>					
Units outstanding at beginning of year	14,037,292	1,592,537	4,455,845	39,161,928	29,200,259
Contract purchase payments	628,042	8,904	148,650	2,993,874	1,745,792
Net transfers <sup>(1)</sup>	3,615,790	1,642,115	(115,239)	(1,219,910)	1,017,209
Transfers for policy loans	(22,732)	(60,531)	(38,345)	(257,814)	(156,913)
Policy charges	(581,931)	(74,339)	(166,355)	(704,282)	(910,451)
Contract terminations:					
Surrender benefits	(1,332,672)	(156,471)	(93,557)	(1,091,134)	(1,010,672)
Death benefits	—	—	—	—	(32,066)
Units outstanding at end of year	16,343,789	2,952,215	4,190,999	38,882,662	29,853,158

<sup>(1)</sup> Includes transfer activity from (to) other divisions and transfers from (to) RiverSource Life's fixed account.

See accompanying notes to financial statements.

## Statement of Changes in Net Assets

Year ended December 31, 2019 (continued)	VP Mod, CI 2	VP Mod, CI 4	VP Mod Aggr, CI 2	VP Mod Aggr, CI 4	VP Mod Conserv, CI 2
<b>Operations</b>					
Investment income (loss) — net	\$ (1,935,932)	\$ (2,975,700)	\$ (2,713,658)	\$ (4,877,334)	\$ (267,324)
Net realized gain (loss) on sales of investments	7,180,702	30,108,041	10,859,551	53,813,608	1,261,593
Distributions from capital gains	—	—	—	—	—
Net change in unrealized appreciation or depreciation of investments	46,584,992	55,249,965	93,586,217	118,182,067	4,593,922
Net increase (decrease) in net assets resulting from operations	51,829,762	82,382,306	101,732,110	167,118,341	5,588,191
<b>Contract transactions</b>					
Contract purchase payments	19,760,415	21,800,935	48,465,502	42,050,393	2,301,499
Net transfers <sup>(1)</sup>	4,714,839	(5,570,393)	(5,188,992)	(28,620,239)	4,203,940
Transfers for policy loans	(1,183,818)	(1,680,874)	(2,659,977)	(7,002,841)	100,650
Policy charges	(12,407,413)	(19,564,748)	(17,416,562)	(21,553,184)	(2,136,208)
Contract terminations:					
Surrender benefits	(16,706,450)	(36,708,714)	(25,030,019)	(61,575,533)	(3,558,623)
Death benefits	(216,765)	(1,807,300)	(302,872)	—	—
Increase (decrease) from contract transactions	(6,039,192)	(43,531,094)	(2,132,920)	(76,701,404)	911,258
Net assets at beginning of year	337,446,329	544,448,478	559,645,359	947,453,501	43,091,187
Net assets at end of year	\$383,236,899	\$583,299,690	\$659,244,549	\$1,037,870,438	\$49,590,636
<b>Accumulation unit activity</b>					
Units outstanding at beginning of year	231,274,894	370,021,173	366,697,164	609,531,431	31,627,635
Contract purchase payments	12,592,413	13,501,625	29,431,665	24,461,823	1,617,821
Net transfers <sup>(1)</sup>	2,936,507	(2,809,826)	(2,701,110)	(15,047,418)	2,855,912
Transfers for policy loans	(716,443)	(1,106,769)	(1,487,044)	(4,055,060)	69,043
Policy charges	(7,789,719)	(12,094,751)	(10,445,055)	(12,502,095)	(1,455,678)
Contract terminations:					
Surrender benefits	(10,370,574)	(22,823,756)	(14,538,218)	(35,913,392)	(2,423,551)
Death benefits	(134,143)	(1,134,360)	(173,753)	—	—
Units outstanding at end of year	227,792,935	343,553,336	366,783,649	566,475,289	32,291,182

<sup>(1)</sup> Includes transfer activity from (to) other divisions and transfers from (to) RiverSource Life's fixed account.

See accompanying notes to financial statements.



## Statement of Changes in Net Assets

Year ended December 31, 2019 (continued)	VP Mod Conserv, CI 4	VP Ptnrs Core Eq, CI 3	VP Ptnrs Sm Cap Val, CI 3	Wanger Intl	Wanger USA
<b>Operations</b>					
Investment income (loss) — net	\$ (372,864)	\$ (29,603)	\$ (58,584)	\$ 257,306	\$ (260,134)
Net realized gain (loss) on sales of investments	2,465,712	372,619	320,075	(1,693,560)	(2,990,835)
Distributions from capital gains	—	—	—	7,592,744	19,270,376
Net change in unrealized appreciation or depreciation of investments	6,622,705	934,917	2,038,125	15,068,774	12,536,915
Net increase (decrease) in net assets resulting from operations	8,715,553	1,277,933	2,299,616	21,225,264	28,556,322
<b>Contract transactions</b>					
Contract purchase payments	2,862,799	187,728	545,340	3,304,803	3,482,112
Net transfers <sup>(1)</sup>	2,971,368	(320,265)	(307,756)	(3,790,307)	(4,754,369)
Transfers for policy loans	(126,648)	(65,339)	(75,083)	(365,759)	(1,009,054)
Policy charges	(3,066,064)	(125,773)	(330,769)	(2,014,338)	(2,621,853)
Contract terminations:					
Surrender benefits	(3,886,856)	(282,075)	(643,982)	(4,677,550)	(5,526,732)
Death benefits	(101,899)	—	(285)	(10,457)	(119,752)
Increase (decrease) from contract transactions	(1,347,300)	(605,724)	(812,535)	(7,553,608)	(10,549,648)
Net assets at beginning of year	68,361,009	5,212,998	12,253,266	75,740,241	97,346,641
Net assets at end of year	\$75,729,262	\$5,885,207	\$13,740,347	\$89,411,897	\$115,353,315
<b>Accumulation unit activity</b>					
Units outstanding at beginning of year	50,525,456	2,416,019	5,459,934	35,662,521	28,624,782
Contract purchase payments	1,955,775	77,592	213,292	1,374,644	878,633
Net transfers <sup>(1)</sup>	2,063,394	(128,328)	(105,726)	(1,432,380)	(997,674)
Transfers for policy loans	(89,789)	(24,439)	(20,410)	(158,595)	(259,894)
Policy charges	(2,092,317)	(53,660)	(129,132)	(814,998)	(646,305)
Contract terminations:					
Surrender benefits	(2,624,702)	(132,799)	(255,690)	(1,944,618)	(1,372,030)
Death benefits	(77,643)	—	(85)	(3,943)	(25,799)
Units outstanding at end of year	49,660,174	2,154,385	5,162,183	32,682,631	26,201,713

<sup>(1)</sup> Includes transfer activity from (to) other divisions and transfers from (to) RiverSource Life's fixed account.

See accompanying notes to financial statements.

## Statement of Changes in Net Assets

Year ended December 31, 2019 (continued)	WF VT Intl Eq, CI 2	WF VT Opp, CI 2	WF VT Sm Cap Gro, CI 2
<b>Operations</b>			
Investment income (loss) — net	\$ 668,403	\$ (28,876)	\$ (97,212)
Net realized gain (loss) on sales of investments	(1,728,019)	187,272	106,556
Distributions from capital gains	8,750,341	1,643,470	3,721,703
Net change in unrealized appreciation or depreciation of investments	(4,771,257)	2,027,006	1,044,543
Net increase (decrease) in net assets resulting from operations	2,919,468	3,828,872	4,775,590
<b>Contract transactions</b>			
Contract purchase payments	836,663	520,220	1,106,614
Net transfers <sup>(1)</sup>	(291,952)	(709,295)	(2,165,192)
Transfers for policy loans	(85,599)	(51,601)	(195,091)
Policy charges	(611,422)	(360,924)	(514,144)
Contract terminations:			
Surrender benefits	(1,027,659)	(782,994)	(1,233,769)
Death benefits	(256)	(603)	(5,794)
Increase (decrease) from contract transactions	(1,180,225)	(1,385,197)	(3,007,376)
Net assets at beginning of year	20,111,247	12,900,789	20,205,281
Net assets at end of year	\$21,850,490	\$15,344,464	\$21,973,495
<b>Accumulation unit activity</b>			
Units outstanding at beginning of year	11,856,089	4,554,049	6,750,278
Contract purchase payments	467,943	160,607	369,071
Net transfers <sup>(1)</sup>	(69,996)	(199,729)	(557,189)
Transfers for policy loans	(44,981)	(8,667)	(54,984)
Policy charges	(330,766)	(105,956)	(159,184)
Contract terminations:			
Surrender benefits	(575,064)	(237,661)	(336,922)
Death benefits	(133)	(129)	(1,395)
Units outstanding at end of year	11,303,092	4,162,514	6,009,675

<sup>(1)</sup> Includes transfer activity from (to) other divisions and transfers from (to) RiverSource Life's fixed account.

See accompanying notes to financial statements.

## Statement of Changes in Net Assets

Year ended December 31, 2018	AB VPS Dyn Asset Alloc, CI B	AB VPS Gro & Inc, CI B	AB VPS Intl Val, CI B	AB VPS Lg Cap Gro, CI B	ALPS Alerian Engy Infr, Class III
<b>Operations</b>					
Investment income (loss) — net	\$ 10,788	\$ 69,575	\$ 284,505	\$ (123,459)	\$ 102,683
Net realized gain (loss) on sales of investments	1,847	407,908	216,736	648,889	(159,775)
Distributions from capital gains	953	2,870,376	—	2,916,371	—
Net change in unrealized appreciation or depreciation of investments	(69,025)	(4,904,974)	(11,507,193)	(3,217,422)	(1,512,916)
Net increase (decrease) in net assets resulting from operations	(55,437)	(1,557,115)	(11,005,952)	224,379	(1,570,008)
<b>Contract transactions</b>					
Contract purchase payments	54,564	945,593	2,508,341	1,350,726	579,501
Net transfers <sup>(1)</sup>	379,012	682,857	(332,337)	4,365,024	94,953
Transfers for policy loans	(1,938)	(215,090)	(332,396)	(264,937)	(63,982)
Policy charges	(14,748)	(562,540)	(1,234,060)	(446,300)	(168,301)
Contract terminations:					
Surrender benefits	(21,391)	(1,389,343)	(2,763,331)	(1,744,791)	(519,515)
Death benefits	—	—	(17,983)	(653)	(345)
Increase (decrease) from contract transactions	395,499	(538,523)	(2,171,766)	3,259,069	(77,689)
Net assets at beginning of year	363,277	25,513,073	48,929,946	21,733,101	8,003,100
Net assets at end of year	\$703,339	\$23,417,435	\$ 35,752,228	\$25,216,549	\$ 6,355,403
<b>Accumulation unit activity</b>					
Units outstanding at beginning of year	304,399	9,090,564	25,594,662	7,627,915	9,249,266
Contract purchase payments	44,602	324,467	1,397,897	473,015	672,996
Net transfers <sup>(1)</sup>	304,225	274,807	(173,334)	1,298,351	115,008
Transfers for policy loans	(1,612)	(78,041)	(181,410)	(85,624)	(87,335)
Policy charges	(12,284)	(197,975)	(682,122)	(152,414)	(200,870)
Contract terminations:					
Surrender benefits	(19,077)	(543,814)	(1,515,357)	(577,832)	(667,913)
Death benefits	—	—	(9,275)	(273)	(479)
Units outstanding at end of year	620,253	8,870,008	24,431,061	8,583,138	9,080,673

<sup>(1)</sup> Includes transfer activity from (to) other divisions and transfers from (to) RiverSource Life's fixed account.

See accompanying notes to financial statements.

## Statement of Changes in Net Assets

	AC VP Intl, CI I	AC VP Val, CI I	BlackRock Global Alloc, CI III	Calvert VP SRI Bal, CI I	Col VP Bal, CI 3
<b>Year ended December 31, 2018 (continued)</b>					
<b>Operations</b>					
Investment income (loss) — net	\$ 96,807	\$ 607,158	\$ 49,419	\$ 87,391	\$ (1,343,672)
Net realized gain (loss) on sales of investments	361,862	3,231,884	59,677	76,552	8,990,352
Distributions from capital gains	895,653	3,631	534,001	656,844	—
Net change in unrealized appreciation or depreciation of investments	(3,486,303)	(9,007,830)	(1,648,134)	(1,061,779)	(19,620,676)
Net increase (decrease) in net assets resulting from operations	(2,131,981)	(5,165,157)	(1,005,037)	(240,992)	(11,973,996)
<b>Contract transactions</b>					
Contract purchase payments	418,551	1,595,581	866,924	340,899	10,088,646
Net transfers <sup>(1)</sup>	316,043	(1,856,950)	412,185	712,963	(2,603,191)
Transfers for policy loans	(30,722)	(484,256)	(41,212)	21,984	(692,061)
Policy charges	(342,007)	(1,752,856)	(220,634)	(233,069)	(10,363,395)
Contract terminations:					
Surrender benefits	(774,291)	(3,957,396)	(530,841)	(328,860)	(9,857,362)
Death benefits	—	(78,510)	—	(54,454)	(66,631)
Increase (decrease) from contract transactions	(412,426)	(6,534,387)	486,422	459,463	(13,493,994)
Net assets at beginning of year	14,003,179	60,279,913	11,792,460	7,092,529	195,459,204
Net assets at end of year	\$11,458,772	\$48,580,369	\$11,273,845	\$ 7,311,000	\$169,991,214
<b>Accumulation unit activity</b>					
Units outstanding at beginning of year	6,784,024	19,186,220	10,064,894	3,368,038	92,845,830
Contract purchase payments	205,733	507,069	690,775	160,612	5,001,007
Net transfers <sup>(1)</sup>	201,500	(591,080)	272,433	369,630	(1,360,227)
Transfers for policy loans	(3,906)	(153,988)	(35,425)	7,715	(319,236)
Policy charges	(177,218)	(553,975)	(181,620)	(112,165)	(5,125,954)
Contract terminations:					
Surrender benefits	(377,595)	(1,250,483)	(469,495)	(164,555)	(4,694,914)
Death benefits	—	(24,311)	—	(21,064)	(29,025)
Units outstanding at end of year	6,632,538	17,119,452	10,341,562	3,608,211	86,317,481

<sup>(1)</sup> Includes transfer activity from (to) other divisions and transfers from (to) RiverSource Life's fixed account.

See accompanying notes to financial statements.

## Statement of Changes in Net Assets

Year ended December 31, 2018 (continued)	Col VP Disciplined Core, CI 3	Col VP Divd Opp, CI 3	Col VP Emer Mkts, CI 3	Col VP Global Strategic Inc, CI 3	Col VP Govt Money Mkt, CI 3
<b>Operations</b>					
Investment income (loss) — net	\$ (2,212,088)	\$ (1,032,497)	\$ (32,677)	\$ 729,275	\$ 320,756
Net realized gain (loss) on sales of investments	19,051,126	10,087,981	1,211,160	(747,246)	408
Distributions from capital gains	—	—	—	—	—
Net change in unrealized appreciation or depreciation of investments	(28,155,697)	(20,887,892)	(13,413,265)	(1,161,234)	(408)
Net increase (decrease) in net assets resulting from operations	(11,316,659)	(11,832,408)	(12,234,782)	(1,179,205)	320,756
<b>Contract transactions</b>					
Contract purchase payments	12,035,618	8,116,181	2,407,268	923,946	5,767,595
Net transfers <sup>(1)</sup>	(5,509,910)	(9,754,001)	426,562	(832,464)	(1,035,789)
Transfers for policy loans	(1,245,352)	(1,301,091)	(644,104)	(147,451)	696,042
Policy charges	(15,645,917)	(5,933,618)	(1,216,665)	(692,222)	(4,748,628)
Contract terminations:					
Surrender benefits	(18,538,250)	(12,624,612)	(2,702,651)	(1,099,364)	(4,281,001)
Death benefits	(115,116)	(62,566)	(14,765)	(60,641)	(333,964)
Increase (decrease) from contract transactions	(29,018,927)	(21,559,707)	(1,744,355)	(1,908,196)	(3,935,745)
Net assets at beginning of year	307,464,754	209,233,972	56,003,080	20,797,563	42,162,260
Net assets at end of year	\$267,129,168	\$175,841,857	\$ 42,023,943	\$17,710,162	\$38,547,271
<b>Accumulation unit activity</b>					
Units outstanding at beginning of year	144,301,759	76,996,530	22,825,708	17,075,014	42,265,669
Contract purchase payments	5,588,209	3,005,547	1,039,469	778,289	5,765,949
Net transfers <sup>(1)</sup>	(2,682,423)	(3,294,472)	515,402	(489,658)	(974,288)
Transfers for policy loans	(398,005)	(503,619)	(268,899)	(137,085)	670,232
Policy charges	(7,681,901)	(2,139,495)	(511,586)	(563,746)	(4,711,064)
Contract terminations:					
Surrender benefits	(8,359,755)	(4,624,575)	(1,177,336)	(928,359)	(4,267,344)
Death benefits	(49,674)	(21,520)	(4,896)	(46,950)	(313,452)
Units outstanding at end of year	130,718,210	69,418,396	22,417,862	15,687,505	38,435,702

<sup>(1)</sup> Includes transfer activity from (to) other divisions and transfers from (to) RiverSource Life's fixed account.

See accompanying notes to financial statements.

## Statement of Changes in Net Assets

Year ended December 31, 2018 (continued)	Col VP Hi Yield Bond, CI 3	Col VP Inc Opp, CI 3	Col VP Inter Bond, CI 3	Col VP Lg Cap Gro, CI 3	Col VP Lg Cap Index, CI 3
<b>Operations</b>					
Investment income (loss) — net	\$ 2,697,024	\$ 910,629	\$ 1,493,534	\$ (304,469)	\$ (506,294)
Net realized gain (loss) on sales of investments	(277,040)	(908,276)	(557,259)	3,695,918	4,083,468
Distributions from capital gains	—	—	655,199	—	—
Net change in unrealized appreciation or depreciation of investments	(4,778,659)	(881,586)	(1,971,080)	(5,624,309)	(8,922,736)
Net increase (decrease) in net assets resulting from operations	(2,358,675)	(879,233)	(379,606)	(2,232,860)	(5,345,562)
<b>Contract transactions</b>					
Contract purchase payments	2,206,758	821,520	4,135,391	1,845,438	4,868,903
Net transfers <sup>(1)</sup>	(3,392,883)	(3,188,470)	(2,044,406)	(301,661)	4,229,424
Transfers for policy loans	(437,421)	(190,860)	(423,218)	(621,881)	(310,441)
Policy charges	(1,706,567)	(648,975)	(3,975,203)	(1,516,288)	(2,217,744)
Contract terminations:					
Surrender benefits	(3,330,636)	(1,408,164)	(5,974,667)	(4,164,103)	(5,487,768)
Death benefits	(18,201)	(28,172)	(134,424)	(13,541)	(16,396)
Increase (decrease) from contract transactions	(6,678,950)	(4,643,121)	(8,416,527)	(4,772,036)	1,065,978
Net assets at beginning of year	57,289,639	23,429,512	94,676,423	58,878,158	96,908,822
Net assets at end of year	\$48,252,014	\$17,907,158	\$85,880,290	\$51,873,262	\$92,629,238
<b>Accumulation unit activity</b>					
Units outstanding at beginning of year	25,316,113	11,844,103	61,383,484	23,195,244	35,935,742
Contract purchase payments	971,546	423,016	2,674,399	671,445	1,935,435
Net transfers <sup>(1)</sup>	(1,324,559)	(1,447,666)	(869,673)	(376,053)	1,457,287
Transfers for policy loans	(181,360)	(88,417)	(334,456)	(218,231)	(127,250)
Policy charges	(737,121)	(325,284)	(2,486,727)	(602,562)	(830,388)
Contract terminations:					
Surrender benefits	(1,504,031)	(760,101)	(3,875,837)	(1,590,260)	(1,912,289)
Death benefits	(7,238)	(13,621)	(79,573)	(7,161)	(5,880)
Units outstanding at end of year	22,533,350	9,632,030	56,411,617	21,072,422	36,452,657

<sup>(1)</sup> Includes transfer activity from (to) other divisions and transfers from (to) RiverSource Life's fixed account.

See accompanying notes to financial statements.

## Statement of Changes in Net Assets

Year ended December 31, 2018 (continued)	Col VP Limited Duration Cr, CI 2	Col VP Mid Cap Gro, CI 3	Col VP Overseas Core, CI 3	Col VP Select Lg Cap Val, CI 3	Col VP Select Mid Cap Val, CI 3
<b>Operations</b>					
Investment income (loss) — net	\$ 41,593	\$ (87,986)	\$ 1,331,235	\$ (90,797)	\$ (79,552)
Net realized gain (loss) on sales of investments	(32,754)	856,613	2,256,982	730,824	779,513
Distributions from capital gains	—	—	—	—	—
Net change in unrealized appreciation or depreciation of investments	(30,699)	(1,577,907)	(15,428,939)	(2,877,211)	(2,722,855)
Net increase (decrease) in net assets resulting from operations	(21,860)	(809,280)	(11,840,722)	(2,237,184)	(2,022,894)
<b>Contract transactions</b>					
Contract purchase payments	158,016	686,658	3,314,568	512,938	745,410
Net transfers <sup>(1)</sup>	1,419,164	183,842	(2,361,458)	3,445,288	(683,165)
Transfers for policy loans	(31,403)	(104,908)	(41,021)	(191,218)	(218,925)
Policy charges	(81,517)	(463,118)	(3,429,660)	(307,017)	(306,535)
Contract terminations:					
Surrender benefits	(652,961)	(1,225,204)	(4,060,812)	(750,102)	(1,073,309)
Death benefits	—	—	(12,908)	(813)	(18,596)
Increase (decrease) from contract transactions	811,299	(922,730)	(6,591,291)	2,709,076	(1,555,120)
Net assets at beginning of year	3,869,016	16,552,461	73,431,575	14,543,101	15,927,486
Net assets at end of year	\$4,658,455	\$14,820,451	\$ 54,999,562	\$15,014,993	\$12,349,472
<b>Accumulation unit activity</b>					
Units outstanding at beginning of year	3,928,575	5,459,287	48,797,285	4,984,620	5,846,472
Contract purchase payments	156,061	220,487	2,310,159	182,087	264,375
Net transfers <sup>(1)</sup>	1,450,656	40,114	(1,714,057)	1,092,444	(329,930)
Transfers for policy loans	(32,358)	(40,344)	(39,723)	(56,137)	(95,588)
Policy charges	(82,197)	(146,287)	(2,512,370)	(106,529)	(113,383)
Contract terminations:					
Surrender benefits	(672,624)	(404,413)	(2,761,067)	(274,811)	(452,948)
Death benefits	—	—	(11,014)	(353)	(6,214)
Units outstanding at end of year	4,748,113	5,128,844	44,069,213	5,821,321	5,112,784

<sup>(1)</sup> Includes transfer activity from (to) other divisions and transfers from (to) RiverSource Life's fixed account.

See accompanying notes to financial statements.

## Statement of Changes in Net Assets

Year ended December 31, 2018 (continued)	Col VP Select Sm Cap Val, CI 3	Col VP US Govt Mtge, CI 3	CS Commodity Return	CTIVP BR GI Infl Prot Sec, CI 3	CTIVP Vty Sycamore Estb Val, CI 3
<b>Operations</b>					
Investment income (loss) — net	\$ (93,016)	\$ 472,933	\$ 122,524	\$ (59,454)	\$ (118,286)
Net realized gain (loss) on sales of investments	912,167	(133,163)	(687,211)	(483,620)	685,013
Distributions from capital gains	—	18,823	—	65,664	—
Net change in unrealized appreciation or depreciation of investments	(3,001,994)	(165,804)	(150,805)	362,223	(2,875,465)
Net increase (decrease) in net assets resulting from operations	(2,182,843)	192,789	(715,492)	(115,187)	(2,308,738)
<b>Contract transactions</b>					
Contract purchase payments	576,822	1,312,150	339,170	377,510	882,599
Net transfers <sup>(1)</sup>	(151,269)	(2,049,643)	(244,965)	199,277	1,680,150
Transfers for policy loans	(186,230)	(108,776)	(52,524)	(105,318)	(187,396)
Policy charges	(467,721)	(1,164,601)	(162,358)	(290,274)	(368,514)
Contract terminations:					
Surrender benefits	(1,002,194)	(1,409,781)	(345,550)	(659,593)	(1,002,908)
Death benefits	(5,821)	(19,441)	(13)	(56,895)	(817)
Increase (decrease) from contract transactions	(1,236,413)	(3,440,092)	(466,240)	(535,293)	1,003,114
Net assets at beginning of year	17,913,042	23,459,789	6,247,078	11,277,389	20,582,951
Net assets at end of year	\$14,493,786	\$20,212,486	\$5,065,346	\$10,626,909	\$19,277,327
<b>Accumulation unit activity</b>					
Units outstanding at beginning of year	5,312,916	19,074,233	9,656,195	8,215,851	6,554,785
Contract purchase payments	174,414	1,063,361	553,448	280,783	293,176
Net transfers <sup>(1)</sup>	(38,609)	(1,587,978)	(548,944)	219,418	542,719
Transfers for policy loans	(56,417)	(103,549)	(82,060)	(78,624)	(66,126)
Policy charges	(135,701)	(927,208)	(256,562)	(212,480)	(121,694)
Contract terminations:					
Surrender benefits	(290,180)	(1,141,408)	(547,943)	(498,373)	(323,511)
Death benefits	(1,853)	(14,752)	(26)	(40,449)	(315)
Units outstanding at end of year	4,964,570	16,362,699	8,774,108	7,886,126	6,879,034

<sup>(1)</sup> Includes transfer activity from (to) other divisions and transfers from (to) RiverSource Life's fixed account.

See accompanying notes to financial statements.



## Statement of Changes in Net Assets

Year ended December 31, 2018 (continued)	DWS Alt Asset Alloc VIP, CI B	EV VT Floating-Rate Inc, Init CI	Fid VIP Contrafund, Serv CI 2	Fid VIP Gro & Inc, Serv CI	Fid VIP Mid Cap, Serv CI
<b>Operations</b>					
Investment income (loss) — net	\$ 24,442	\$ 785,968	\$ (75,510)	\$ (164,559)	\$ (31,438)
Net realized gain (loss) on sales of investments	(22,018)	8,697	2,631,642	2,117,054	2,133,732
Distributions from capital gains	—	—	8,500,193	3,094,174	9,290,190
Net change in unrealized appreciation or depreciation of investments	(165,237)	(1,016,276)	(17,491,629)	(9,714,099)	(26,443,219)
Net increase (decrease) in net assets resulting from operations	(162,813)	(221,611)	(6,435,304)	(4,667,430)	(15,050,735)
<b>Contract transactions</b>					
Contract purchase payments	104,406	795,128	4,515,383	1,393,279	2,693,466
Net transfers <sup>(1)</sup>	(80,203)	4,081,481	(403,357)	(2,172,136)	(2,904,875)
Transfers for policy loans	(15,846)	(335,390)	(997,213)	(444,375)	(852,138)
Policy charges	(30,050)	(538,385)	(2,297,742)	(1,522,276)	(3,126,550)
Contract terminations:					
Surrender benefits	(61,831)	(1,513,813)	(5,278,932)	(3,107,799)	(6,621,284)
Death benefits	—	(14,027)	(16,877)	(231)	(39,414)
Increase (decrease) from contract transactions	(83,524)	2,474,994	(4,478,738)	(5,853,538)	(10,850,795)
Net assets at beginning of year	1,614,185	23,188,983	96,717,768	54,838,196	111,279,744
Net assets at end of year	\$1,367,848	\$25,442,366	\$ 85,803,726	\$44,317,228	\$ 85,378,214
<b>Accumulation unit activity</b>					
Units outstanding at beginning of year	1,553,519	15,290,242	38,382,868	17,483,964	28,380,288
Contract purchase payments	102,341	526,180	1,897,972	447,814	679,833
Net transfers <sup>(1)</sup>	(88,541)	2,410,168	(847,397)	(697,490)	(700,183)
Transfers for policy loans	(16,257)	(215,479)	(362,329)	(124,572)	(225,925)
Policy charges	(29,702)	(345,877)	(915,809)	(502,909)	(766,762)
Contract terminations:					
Surrender benefits	(63,761)	(962,859)	(1,917,185)	(1,029,841)	(1,625,754)
Death benefits	—	(10,546)	(6,286)	(102)	(10,217)
Units outstanding at end of year	1,457,599	16,691,829	36,231,834	15,576,864	25,731,280

<sup>(1)</sup> Includes transfer activity from (to) other divisions and transfers from (to) RiverSource Life's fixed account.

See accompanying notes to financial statements.

## Statement of Changes in Net Assets

Year ended December 31, 2018 (continued)	Fid VIP Overseas, Serv CI	Frank Global Real Est, CI 2	Frank Inc, CI 2	Frank Mutual Shares, CI 2	Frank Sm Cap Val, CI 2
<b>Operations</b>					
Investment income (loss) — net	\$ 164,657	\$ 940,806	\$ 227,993	\$ 379,937	\$ 157,518
Net realized gain (loss) on sales of investments	498,978	57,722	20,608	68,862	70,042
Distributions from capital gains	—	—	—	734,406	5,929,462
Net change in unrealized appreciation or depreciation of investments	(3,594,140)	(4,249,635)	(485,912)	(2,949,453)	(11,263,425)
Net increase (decrease) in net assets resulting from operations	(2,930,505)	(3,251,107)	(237,311)	(1,766,248)	(5,106,403)
<b>Contract transactions</b>					
Contract purchase payments	686,244	2,128,955	330,252	1,085,901	1,750,351
Net transfers <sup>(1)</sup>	58,682	(2,114,163)	(142,709)	(1,224,897)	(680,014)
Transfers for policy loans	(170,016)	(101,392)	(47,532)	(259,513)	(408,777)
Policy charges	(605,806)	(1,353,723)	(146,001)	(552,202)	(1,064,795)
Contract terminations:					
Surrender benefits	(1,017,544)	(2,509,204)	(160,581)	(1,264,526)	(2,395,973)
Death benefits	—	(14,892)	—	(21,761)	(9,399)
Increase (decrease) from contract transactions	(1,048,440)	(3,964,419)	(166,571)	(2,236,998)	(2,808,607)
Net assets at beginning of year	19,897,662	47,464,750	5,300,160	20,910,995	41,034,755
Net assets at end of year	\$15,918,717	\$40,249,224	\$4,896,278	\$16,907,749	\$ 33,119,745
<b>Accumulation unit activity</b>					
Units outstanding at beginning of year	9,506,642	20,906,977	4,741,891	9,227,681	12,544,346
Contract purchase payments	341,337	961,740	281,931	510,467	595,283
Net transfers <sup>(1)</sup>	11,732	(744,075)	(133,216)	(539,366)	(73,153)
Transfers for policy loans	(65,755)	(44,095)	(43,456)	(114,351)	(118,016)
Policy charges	(313,576)	(591,094)	(129,221)	(250,193)	(321,838)
Contract terminations:					
Surrender benefits	(516,363)	(1,198,764)	(146,209)	(556,726)	(745,881)
Death benefits	—	(5,489)	—	(8,587)	(2,495)
Units outstanding at end of year	8,964,017	19,285,200	4,571,720	8,268,925	11,878,246

<sup>(1)</sup> Includes transfer activity from (to) other divisions and transfers from (to) RiverSource Life's fixed account.

See accompanying notes to financial statements.

## Statement of Changes in Net Assets

Year ended December 31, 2018 (continued)	GS VIT Mid Cap Val, Inst	GS VIT Multi-Strategy Alt, Advisor	GS VIT Sm Cap Eq Insights, Inst	GS VIT U.S. Eq Insights, Inst	Invesco Opp VI Global, Ser II
<b>Operations</b>					
Investment income (loss) — net	\$ 649,722	\$ 20,436	\$ (5,069)	\$ 352,458	\$ 61,138
Net realized gain (loss) on sales of investments	903,986	(15,121)	73,173	1,298,225	498,126
Distributions from capital gains	9,929,228	—	945,710	7,329,344	1,652,299
Net change in unrealized appreciation or depreciation of investments	(20,337,870)	(95,531)	(1,616,119)	(12,097,019)	(5,552,538)
Net increase (decrease) in net assets resulting from operations	(8,854,934)	(90,216)	(602,305)	(3,116,992)	(3,340,975)
<b>Contract transactions</b>					
Contract purchase payments	3,135,767	72,193	203,537	1,533,310	1,225,807
Net transfers <sup>(1)</sup>	(4,350,930)	51,264	456,176	398,358	2,055,542
Transfers for policy loans	(578,774)	(15,277)	(28,911)	(502,925)	(185,713)
Policy charges	(2,503,540)	(20,620)	(186,178)	(1,252,320)	(477,678)
Contract terminations:					
Surrender benefits	(5,313,458)	(27,243)	(305,061)	(2,794,006)	(1,522,920)
Death benefits	(12,977)	—	—	(23,352)	(145)
Increase (decrease) from contract transactions	(9,623,912)	60,317	139,563	(2,640,935)	1,094,893
Net assets at beginning of year	90,571,949	1,139,173	6,122,850	50,655,271	22,586,064
Net assets at end of year	\$ 72,093,103	\$ 1,109,274	\$ 5,660,108	\$ 44,897,344	\$ 20,339,982
<b>Accumulation unit activity</b>					
Units outstanding at beginning of year	28,936,948	1,192,516	1,629,232	16,928,656	8,565,391
Contract purchase payments	1,016,326	77,429	51,338	493,283	491,369
Net transfers <sup>(1)</sup>	(1,235,726)	47,415	116,108	115,963	715,838
Transfers for policy loans	(206,134)	(16,417)	(6,535)	(148,250)	(73,100)
Policy charges	(765,469)	(22,209)	(47,897)	(412,947)	(186,850)
Contract terminations:					
Surrender benefits	(1,689,604)	(29,168)	(77,114)	(942,149)	(560,840)
Death benefits	(2,968)	—	—	(11,008)	(61)
Units outstanding at end of year	26,053,373	1,249,566	1,665,132	16,023,548	8,951,747

<sup>(1)</sup> Includes transfer activity from (to) other divisions and transfers from (to) RiverSource Life's fixed account.

See accompanying notes to financial statements.

## Statement of Changes in Net Assets

Year ended December 31, 2018 (continued)	Inves Opp VI Gbl Strat Inc, Ser II	Inves Opp VI Mn St Sm Cap, Ser II	Invesco VI Am Fran, Ser I	Invesco VI Bal Risk Alloc, Ser II	Invesco VI Comstock, Ser II
<b>Operations</b>					
Investment income (loss) — net	\$ 1,625,268	\$ (99,035)	\$ (67,075)	\$ 50,889	\$ 80,020
Net realized gain (loss) on sales of investments	(490,217)	415,052	596,649	(134,285)	375,714
Distributions from capital gains	—	3,037,277	766,196	570,870	890,204
Net change in unrealized appreciation or depreciation of investments	(3,205,116)	(5,859,864)	(1,742,513)	(947,986)	(2,449,406)
Net increase (decrease) in net assets resulting from operations	(2,070,065)	(2,506,570)	(446,743)	(460,512)	(1,103,468)
<b>Contract transactions</b>					
Contract purchase payments	1,686,490	1,264,022	349,927	403,449	297,069
Net transfers <sup>(1)</sup>	(859,185)	(173,537)	488,417	(263,759)	(298,607)
Transfers for policy loans	(303,525)	(184,118)	(86,553)	(95,735)	(140,904)
Policy charges	(1,245,543)	(479,698)	(376,938)	(196,573)	(202,017)
Contract terminations:					
Surrender benefits	(2,515,627)	(1,459,195)	(609,108)	(257,566)	(554,503)
Death benefits	(30,687)	(15,356)	—	—	(7,164)
Increase (decrease) from contract transactions	(3,268,077)	(1,047,882)	(234,255)	(410,184)	(906,126)
Net assets at beginning of year	42,335,162	24,088,479	11,250,349	6,609,872	9,519,030
Net assets at end of year	\$36,997,020	\$20,534,027	\$10,569,351	\$5,739,176	\$ 7,509,436
<b>Accumulation unit activity</b>					
Units outstanding at beginning of year	27,691,601	8,352,003	5,729,005	5,691,017	3,824,177
Contract purchase payments	1,155,092	485,833	165,228	352,133	127,611
Net transfers <sup>(1)</sup>	(308,758)	(38,540)	226,133	(252,217)	(253,454)
Transfers for policy loans	(232,558)	(67,257)	(40,592)	(86,087)	(56,057)
Policy charges	(830,901)	(168,496)	(178,287)	(172,670)	(83,565)
Contract terminations:					
Surrender benefits	(1,672,950)	(465,185)	(285,039)	(226,224)	(233,936)
Death benefits	(19,823)	(5,423)	—	—	(4,010)
Units outstanding at end of year	25,781,703	8,092,935	5,616,448	5,305,952	3,320,766

<sup>(1)</sup> Includes transfer activity from (to) other divisions and transfers from (to) RiverSource Life's fixed account.

See accompanying notes to financial statements.

## Statement of Changes in Net Assets

Year ended December 31, 2018 (continued)	Invesco VI Core Eq, Ser I	Invesco VI Div Divd, Ser I	Invesco VI Intl Gro, Ser II	Invesco VI Mid Cap Gro, Ser I	Invesco VI Tech, Ser I
<b>Operations</b>					
Investment income (loss) — net	\$ 186,655	\$ 358,873	\$ 297,469	\$ (60,369)	\$ (55,747)
Net realized gain (loss) on sales of investments	2,894,990	676,411	729,168	262,609	534,399
Distributions from capital gains	6,625,152	672,296	167,799	1,248,688	471,872
Net change in unrealized appreciation or depreciation of investments	(19,581,411)	(3,292,554)	(5,079,811)	(2,026,308)	(1,026,824)
Net increase (decrease) in net assets resulting from operations	(9,874,614)	(1,584,974)	(3,885,375)	(575,380)	(76,300)
<b>Contract transactions</b>					
Contract purchase payments	4,200,033	745,774	966,715	449,033	385,126
Net transfers <sup>(1)</sup>	(2,453,174)	(3,274,036)	(1,838,162)	(155,209)	655,475
Transfers for policy loans	(460,685)	(307,932)	(403,932)	(70,249)	(191,850)
Policy charges	(5,190,446)	(410,055)	(484,415)	(319,685)	(284,745)
Contract terminations:					
Surrender benefits	(6,816,457)	(919,670)	(1,364,523)	(887,282)	(708,715)
Death benefits	(95,131)	(1,042)	(22,543)	—	—
Increase (decrease) from contract transactions	(10,815,860)	(4,166,961)	(3,146,860)	(983,392)	(144,709)
Net assets at beginning of year	109,639,007	23,160,154	27,061,669	11,364,321	9,529,763
Net assets at end of year	\$ 88,948,533	\$17,408,219	\$20,029,434	\$ 9,805,549	\$ 9,308,754
<b>Accumulation unit activity</b>					
Units outstanding at beginning of year	36,302,564	11,792,538	14,708,667	6,414,001	3,215,272
Contract purchase payments	1,384,224	386,469	566,356	240,318	120,003
Net transfers <sup>(1)</sup>	(816,790)	(1,683,999)	(1,327,991)	(86,573)	113,274
Transfers for policy loans	(157,933)	(160,910)	(244,515)	(38,350)	(62,127)
Policy charges	(1,691,290)	(212,865)	(279,142)	(171,124)	(89,339)
Contract terminations:					
Surrender benefits	(2,248,859)	(473,589)	(781,918)	(466,610)	(208,112)
Death benefits	(33,308)	(524)	(17,847)	—	—
Units outstanding at end of year	32,738,608	9,647,120	12,623,610	5,891,662	3,088,971

<sup>(1)</sup> Includes transfer activity from (to) other divisions and transfers from (to) RiverSource Life's fixed account.

See accompanying notes to financial statements.

## Statement of Changes in Net Assets

Year ended December 31, 2018 (continued)	Ivy VIP Asset Strategy, CI II	Janus Henderson VIT Enter, Serv	Janus Henderson VIT Gbl Tech, Serv	Janus Henderson VIT Overseas, Serv	Janus Henderson VIT Res, Serv
<b>Operations</b>					
Investment income (loss) — net	\$ 29,545	\$ (80,003)	\$ (146,197)	\$ 416,944	\$ (18,459)
Net realized gain (loss) on sales of investments	(7,478)	705,442	1,253,682	(723,448)	512,886
Distributions from capital gains	80,299	905,459	1,168,049	—	555,436
Net change in unrealized appreciation or depreciation of investments	(221,372)	(1,768,008)	(2,265,517)	(5,376,009)	(1,390,947)
Net increase (decrease) in net assets resulting from operations	(119,006)	(237,110)	10,017	(5,682,513)	(341,084)
<b>Contract transactions</b>					
Contract purchase payments	166,175	458,792	757,646	1,846,814	478,458
Net transfers <sup>(1)</sup>	189,196	1,593,838	1,644,027	(480,662)	(73,151)
Transfers for policy loans	(15,805)	(241,968)	(329,292)	110,663	(70,520)
Policy charges	(47,341)	(400,663)	(545,773)	(1,131,279)	(254,879)
Contract terminations:					
Surrender benefits	(94,794)	(1,202,135)	(1,462,021)	(2,095,377)	(585,570)
Death benefits	—	—	(2,767)	(7,976)	(18,299)
Increase (decrease) from contract transactions	197,431	207,864	61,820	(1,757,817)	(523,961)
Net assets at beginning of year	1,736,424	16,846,827	24,273,625	38,146,878	11,178,386
Net assets at end of year	\$1,814,849	\$16,817,581	\$24,345,462	\$30,706,548	\$10,313,341
<b>Accumulation unit activity</b>					
Units outstanding at beginning of year	1,691,880	4,757,986	8,043,958	22,471,018	4,434,348
Contract purchase payments	154,659	121,971	234,324	1,116,965	191,229
Net transfers <sup>(1)</sup>	174,316	464,748	249,044	(324,107)	(112,363)
Transfers for policy loans	(15,053)	(69,418)	(118,168)	123,982	(17,009)
Policy charges	(44,334)	(112,902)	(166,562)	(687,048)	(98,110)
Contract terminations:					
Surrender benefits	(96,097)	(326,106)	(491,435)	(1,244,413)	(220,590)
Death benefits	—	—	(1,562)	(4,075)	(9,099)
Units outstanding at end of year	1,865,371	4,836,279	7,749,599	21,452,322	4,168,406

<sup>(1)</sup> Includes transfer activity from (to) other divisions and transfers from (to) RiverSource Life's fixed account.

See accompanying notes to financial statements.

## Statement of Changes in Net Assets

Year ended December 31, 2018 (continued)	Lazard Ret Global Dyn MA, Serv	MFS Mass Inv Gro Stock, Serv CI	MFS New Dis, Serv CI	MFS Utilities, Serv CI	MS VIF Dis, CI II
<b>Operations</b>					
Investment income (loss) — net	\$ 24,123	\$ (67,811)	\$ (125,992)	\$ 76,382	\$ (44,405)
Net realized gain (loss) on sales of investments	19,612	496,410	518,298	119,225	95,100
Distributions from capital gains	175,230	2,107,358	3,400,856	84,621	2,139,784
Net change in unrealized appreciation or depreciation of investments	(438,281)	(2,301,656)	(4,170,184)	(202,928)	(1,768,682)
Net increase (decrease) in net assets resulting from operations	(219,316)	234,301	(377,022)	77,300	421,797
<b>Contract transactions</b>					
Contract purchase payments	191,118	1,050,040	721,178	1,030,635	571,169
Net transfers <sup>(1)</sup>	884,463	(1,683,026)	(203,685)	(1,482,910)	3,573,212
Transfers for policy loans	(12,695)	(360,948)	(94,426)	(128,957)	(73,580)
Policy charges	(38,675)	(817,173)	(599,399)	(639,856)	(245,835)
Contract terminations:					
Surrender benefits	(78,075)	(2,173,191)	(1,407,558)	(1,285,872)	(528,883)
Death benefits	—	(39,956)	(6,602)	(12,964)	—
Increase (decrease) from contract transactions	946,136	(4,024,254)	(1,590,492)	(2,519,924)	3,296,083
Net assets at beginning of year	2,025,857	35,688,314	22,793,887	22,958,627	7,486,953
Net assets at end of year	\$2,752,677	\$31,898,361	\$20,826,373	\$20,516,003	\$11,204,833
<b>Accumulation unit activity</b>					
Units outstanding at beginning of year	1,647,960	27,149,454	6,766,403	9,358,152	3,217,696
Contract purchase payments	146,675	756,215	196,023	454,712	234,429
Net transfers <sup>(1)</sup>	727,015	(1,227,009)	(57,361)	(354,377)	1,213,141
Transfers for policy loans	(9,914)	(262,813)	(22,601)	(49,712)	(20,891)
Policy charges	(31,318)	(589,598)	(166,090)	(259,018)	(95,586)
Contract terminations:					
Surrender benefits	(64,541)	(1,552,900)	(378,692)	(590,263)	(205,775)
Death benefits	—	(29,378)	(1,481)	(3,003)	—
Units outstanding at end of year	2,415,877	24,243,971	6,336,201	8,556,491	4,343,014

<sup>(1)</sup> Includes transfer activity from (to) other divisions and transfers from (to) RiverSource Life's fixed account.

See accompanying notes to financial statements.

## Statement of Changes in Net Assets

Year ended December 31, 2018 (continued)	MS VIF Global Real Est, CI II	NB AMT US Eq Index PW Strat, CI S	PIMCO VIT All Asset, Advisor CI	PIMCO VIT Tot Return, Advisor CI	Put VT Global Hlth Care, CI IB
<b>Operations</b>					
Investment income (loss) — net	\$ 242,413	\$ (2,367)	\$ 395,766	\$ 77,815	\$ 76,796
Net realized gain (loss) on sales of investments	243,210	1,838	(91,021)	(36,529)	(391,542)
Distributions from capital gains	—	14,522	—	53,282	3,034,655
Net change in unrealized appreciation or depreciation of investments	(1,283,883)	(50,169)	(1,271,943)	(135,645)	(2,906,659)
Net increase (decrease) in net assets resulting from operations	(798,260)	(36,176)	(967,198)	(41,077)	(186,750)
<b>Contract transactions</b>					
Contract purchase payments	370,663	28,021	699,698	136,843	824,708
Net transfers <sup>(1)</sup>	(702,976)	59,388	(1,388,285)	682,866	(30,624)
Transfers for policy loans	(80,553)	(47,515)	(118,218)	(15,815)	(185,550)
Policy charges	(194,758)	(11,713)	(457,107)	(93,353)	(454,011)
Contract terminations:					
Surrender benefits	(593,542)	(31,549)	(782,069)	(128,508)	(1,033,441)
Death benefits	(13,296)	—	(24,781)	—	(130)
Increase (decrease) from contract transactions	(1,214,462)	(3,368)	(2,070,762)	582,033	(879,048)
Net assets at beginning of year	10,114,779	519,400	17,223,816	3,743,290	18,569,868
Net assets at end of year	\$ 8,102,057	\$479,856	\$14,185,856	\$4,284,246	\$17,504,070
<b>Accumulation unit activity</b>					
Units outstanding at beginning of year	5,698,116	530,449	10,586,068	3,467,263	6,777,047
Contract purchase payments	210,392	28,892	451,991	128,371	293,647
Net transfers <sup>(1)</sup>	(601,518)	59,155	(837,861)	626,554	35,490
Transfers for policy loans	(58,111)	(47,806)	(86,990)	(14,725)	(70,056)
Policy charges	(113,327)	(12,116)	(289,769)	(87,369)	(156,962)
Contract terminations:					
Surrender benefits	(361,499)	(32,575)	(477,413)	(120,707)	(377,953)
Death benefits	(11,908)	—	(15,704)	—	(46)
Units outstanding at end of year	4,762,145	525,999	9,330,322	3,999,387	6,501,167

<sup>(1)</sup> Includes transfer activity from (to) other divisions and transfers from (to) RiverSource Life's fixed account.

See accompanying notes to financial statements.



## Statement of Changes in Net Assets

Year ended December 31, 2018 (continued)	Put VT Hi Yield, CI IB	Put VT Intl Eq, CI IB	Put VT Sus Leaders, CI IA	Royce Micro-Cap, Invest CI	Temp Global Bond, CI 2
<b>Operations</b>					
Investment income (loss) — net	\$ 371,565	\$ 46,170	\$ (763,810)	\$ (182,025)	\$ (19,222)
Net realized gain (loss) on sales of investments	(53,242)	89,110	4,281,717	178,405	(5,957)
Distributions from capital gains	—	—	13,915,066	1,388,098	—
Net change in unrealized appreciation or depreciation of investments	(639,406)	(1,289,263)	(18,716,096)	(4,071,250)	82,325
Net increase (decrease) in net assets resulting from operations	(321,083)	(1,153,983)	(1,283,123)	(2,686,772)	57,146
<b>Contract transactions</b>					
Contract purchase payments	191,769	243,261	3,696,271	1,177,535	211,389
Net transfers <sup>(1)</sup>	(8,111)	330,541	(2,490,517)	(1,124,058)	110,335
Transfers for policy loans	(11,118)	(89,746)	(607,209)	(137,453)	(47,109)
Policy charges	(238,678)	(119,678)	(4,695,847)	(1,144,665)	(80,439)
Contract terminations:					
Surrender benefits	(356,000)	(335,640)	(7,375,773)	(2,113,244)	(121,124)
Death benefits	(35)	—	(44,459)	—	(1,156)
Increase (decrease) from contract transactions	(422,173)	28,738	(11,517,534)	(3,341,885)	71,896
Net assets at beginning of year	7,329,746	5,891,648	112,418,630	32,584,471	3,754,335
Net assets at end of year	\$6,586,490	\$ 4,766,403	\$ 99,617,973	\$26,555,814	\$3,883,377
<b>Accumulation unit activity</b>					
Units outstanding at beginning of year	3,035,182	2,990,076	31,395,611	11,553,116	3,815,141
Contract purchase payments	79,896	127,909	973,956	401,806	212,926
Net transfers <sup>(1)</sup>	(3,216)	152,290	(663,218)	(362,246)	119,876
Transfers for policy loans	(4,653)	(46,455)	(153,825)	(52,521)	(48,264)
Policy charges	(99,166)	(62,859)	(1,248,367)	(377,422)	(80,686)
Contract terminations:					
Surrender benefits	(147,808)	(193,718)	(1,911,325)	(708,479)	(126,052)
Death benefits	(14)	—	(10,896)	—	(1,182)
Units outstanding at end of year	2,860,221	2,967,243	28,381,936	10,454,254	3,891,759

<sup>(1)</sup> Includes transfer activity from (to) other divisions and transfers from (to) RiverSource Life's fixed account.

See accompanying notes to financial statements.

## Statement of Changes in Net Assets

	Third Ave Val	VanEck VIP Global Gold, CI S	VP Aggr, CI 2	VP Aggr, CI 4	VP Conserv, CI 2
<b>Year ended December 31, 2018 (continued)</b>					
<b>Operations</b>					
Investment income (loss) — net	\$ 376,111	\$ 76,411	\$ (1,119,099)	\$ (1,842,126)	\$ (81,783)
Net realized gain (loss) on sales of investments	572,393	(119,385)	5,383,230	24,944,514	271,509
Distributions from capital gains	—	—	—	—	—
Net change in unrealized appreciation or depreciation of investments	(7,071,321)	(514,293)	(27,678,510)	(54,416,146)	(661,292)
Net increase (decrease) in net assets resulting from operations	(6,122,817)	(557,267)	(23,414,379)	(31,313,758)	(471,566)
<b>Contract transactions</b>					
Contract purchase payments	1,230,319	124,158	22,179,362	15,559,636	505,034
Net transfers <sup>(1)</sup>	(1,018,608)	295,365	11,023,144	(975,704)	2,567,036
Transfers for policy loans	(121,216)	89,787	(2,902,548)	(3,642,977)	(102,285)
Policy charges	(1,147,910)	(59,863)	(5,342,222)	(5,883,358)	(595,143)
Contract terminations:					
Surrender benefits	(1,719,647)	(56,535)	(8,284,473)	(22,687,288)	(1,542,529)
Death benefits	(8,360)	—	(66,905)	(59,482)	(11,827)
Increase (decrease) from contract transactions	(2,785,422)	392,912	16,606,358	(17,689,173)	820,286
Net assets at beginning of year	32,021,400	2,999,628	244,723,961	363,470,781	13,766,457
Net assets at end of year	\$23,113,161	\$2,835,273	\$237,915,940	\$314,467,850	\$14,115,177
<b>Accumulation unit activity</b>					
Units outstanding at beginning of year	11,969,535	3,170,586	136,904,243	199,757,238	10,586,573
Contract purchase payments	478,246	147,076	12,845,702	8,610,800	396,454
Net transfers <sup>(1)</sup>	(394,760)	287,687	6,693,024	952,355	2,013,678
Transfers for policy loans	(50,157)	102,674	(1,695,424)	(2,000,232)	(86,835)
Policy charges	(434,085)	(70,640)	(3,058,346)	(3,241,437)	(463,933)
Contract terminations:					
Surrender benefits	(650,662)	(68,479)	(4,564,147)	(12,592,901)	(1,207,203)
Death benefits	(3,303)	—	(39,146)	(30,965)	(8,837)
Units outstanding at end of year	10,914,814	3,568,904	147,085,906	191,454,858	11,229,897

<sup>(1)</sup> Includes transfer activity from (to) other divisions and transfers from (to) RiverSource Life's fixed account.

See accompanying notes to financial statements.

## Statement of Changes in Net Assets

Year ended December 31, 2018 (continued)	VP Conserv, CI 4	VP Man Vol Conserv, CI 2	VP Man Vol Conserv Gro, CI 2	VP Man Vol Gro, CI 2	VP Man Vol Mod Gro, CI 2
<b>Operations</b>					
Investment income (loss) — net	\$ (106,505)	\$ (8,710)	\$ (24,995)	\$ (175,650)	\$ (159,030)
Net realized gain (loss) on sales of investments	1,053,734	14,833	83,604	658,465	667,386
Distributions from capital gains	—	—	—	—	—
Net change in unrealized appreciation or depreciation of investments	(1,586,651)	(54,845)	(304,325)	(4,227,798)	(2,613,725)
Net increase (decrease) in net assets resulting from operations	(639,422)	(48,722)	(245,716)	(3,744,983)	(2,105,369)
<b>Contract transactions</b>					
Contract purchase payments	928,841	25,752	284,248	3,818,496	1,719,025
Net transfers <sup>(1)</sup>	65,288	367,349	738,002	5,322,952	5,913,333
Transfers for policy loans	(93,808)	2,046	(27,685)	(841,173)	(68,948)
Policy charges	(873,963)	(60,279)	(177,752)	(778,016)	(933,085)
Contract terminations:					
Surrender benefits	(2,662,969)	(8,706)	(99,587)	(1,596,356)	(1,823,983)
Death benefits	(1,829)	—	—	—	—
Increase (decrease) from contract transactions	(2,638,440)	326,162	717,226	5,925,903	4,806,342
Net assets at beginning of year	20,895,312	1,408,815	4,286,538	39,993,166	28,788,773
Net assets at end of year	\$17,617,450	\$1,686,255	\$4,758,048	\$42,174,086	\$31,489,746
<b>Accumulation unit activity</b>					
Units outstanding at beginning of year	15,993,752	1,289,024	3,831,626	34,177,481	25,088,482
Contract purchase payments	727,495	23,317	253,377	3,245,499	1,493,165
Net transfers <sup>(1)</sup>	147,659	342,764	647,292	4,481,282	5,111,365
Transfers for policy loans	(72,372)	1,849	(25,202)	(713,288)	(60,305)
Policy charges	(679,290)	(56,292)	(160,528)	(664,044)	(816,168)
Contract terminations:					
Surrender benefits	(2,078,485)	(8,125)	(90,720)	(1,365,002)	(1,616,280)
Death benefits	(1,467)	—	—	—	—
Units outstanding at end of year	14,037,292	1,592,537	4,455,845	39,161,928	29,200,259

<sup>(1)</sup> Includes transfer activity from (to) other divisions and transfers from (to) RiverSource Life's fixed account.

See accompanying notes to financial statements.

## Statement of Changes in Net Assets

Year ended December 31, 2018 (continued)	VP Mod, CI 2	VP Mod, CI 4	VP Mod Aggr, CI 2	VP Mod Aggr, CI 4	VP Mod Conserv, CI 2
<b>Operations</b>					
Investment income (loss) — net	\$ (1,955,301)	\$ (3,435,896)	\$ (2,763,694)	\$ (5,727,948)	\$ (278,255)
Net realized gain (loss) on sales of investments	8,606,357	37,509,534	10,860,558	81,289,002	2,116,078
Distributions from capital gains	—	—	—	—	—
Net change in unrealized appreciation or depreciation of investments	(28,434,734)	(69,876,450)	(53,199,720)	(153,459,348)	(3,997,357)
Net increase (decrease) in net assets resulting from operations	(21,783,678)	(35,802,812)	(45,102,856)	(77,898,294)	(2,159,534)
<b>Contract transactions</b>					
Contract purchase payments	21,173,916	24,108,344	50,353,756	48,241,210	2,642,498
Net transfers <sup>(1)</sup>	2,413,008	(14,161,797)	7,949,501	(24,717,714)	(3,729,905)
Transfers for policy loans	(274,884)	(2,571,742)	(3,435,075)	(8,808,305)	(507,127)
Policy charges	(12,203,752)	(20,308,291)	(16,298,344)	(22,681,348)	(2,208,616)
Contract terminations:					
Surrender benefits	(18,048,045)	(36,319,189)	(25,050,977)	(72,404,467)	(3,823,893)
Death benefits	(28,589)	(433,658)	(19,946)	(232,983)	(82,363)
Increase (decrease) from contract transactions	(6,968,346)	(49,686,333)	13,498,915	(80,603,607)	(7,709,406)
Net assets at beginning of year	366,198,353	629,937,623	591,249,300	1,105,955,402	52,960,127
Net assets at end of year	\$337,446,329	\$544,448,478	\$559,645,359	\$ 947,453,501	\$43,091,187
<b>Accumulation unit activity</b>					
Units outstanding at beginning of year	235,009,252	400,097,319	356,964,567	654,007,372	36,971,865
Contract purchase payments	13,946,201	15,405,282	31,404,093	28,646,489	1,884,240
Net transfers <sup>(1)</sup>	1,771,069	(7,326,302)	5,342,512	(10,997,480)	(2,592,378)
Transfers for policy loans	(131,373)	(1,707,298)	(2,019,902)	(5,293,922)	(355,201)
Policy charges	(7,914,998)	(12,953,813)	(10,013,951)	(13,444,291)	(1,562,440)
Contract terminations:					
Surrender benefits	(11,387,016)	(23,226,410)	(14,968,802)	(43,253,993)	(2,660,085)
Death benefits	(18,241)	(267,605)	(11,353)	(132,744)	(58,366)
Units outstanding at end of year	231,274,894	370,021,173	366,697,164	609,531,431	31,627,635

<sup>(1)</sup> Includes transfer activity from (to) other divisions and transfers from (to) RiverSource Life's fixed account.

See accompanying notes to financial statements.

## Statement of Changes in Net Assets

Year ended December 31, 2018 (continued)	VP Mod Conserv, CI 4	VP Ptnrs Core Eq, CI 3	VP Ptnrs Sm Cap Val, CI 3	Wanger Intl	Wanger USA
<b>Operations</b>					
Investment income (loss) — net	\$ (423,705)	\$ (33,358)	\$ (67,323)	\$ 1,407,603	\$ (462,817)
Net realized gain (loss) on sales of investments	3,754,342	552,753	738,854	(214,460)	(1,112,456)
Distributions from capital gains	—	—	—	10,521,181	26,069,315
Net change in unrealized appreciation or depreciation of investments	(6,673,827)	(992,098)	(2,637,759)	(28,668,138)	(25,566,553)
Net increase (decrease) in net assets resulting from operations	(3,343,190)	(472,703)	(1,966,228)	(16,953,814)	(1,072,511)
<b>Contract transactions</b>					
Contract purchase payments	3,122,552	260,535	602,752	3,729,410	3,776,710
Net transfers <sup>(1)</sup>	(1,375,866)	(216,879)	(542,401)	(401,325)	(2,665,312)
Transfers for policy loans	(722,919)	(85,488)	(133,541)	(631,905)	(1,078,313)
Policy charges	(3,270,515)	(136,483)	(363,404)	(2,177,312)	(2,682,934)
Contract terminations:					
Surrender benefits	(5,703,678)	(320,834)	(750,138)	(5,552,589)	(6,381,849)
Death benefits	(503,834)	(22,566)	(13,599)	(15,406)	(21,003)
Increase (decrease) from contract transactions	(8,454,260)	(521,715)	(1,200,331)	(5,049,127)	(9,052,701)
Net assets at beginning of year	80,158,459	6,207,416	15,419,825	97,743,182	107,471,853
Net assets at end of year	\$68,361,009	\$5,212,998	\$12,253,266	\$ 75,740,241	\$ 97,346,641
<b>Accumulation unit activity</b>					
Units outstanding at beginning of year	56,167,808	2,768,581	5,865,384	37,368,092	30,946,887
Contract purchase payments	2,226,734	109,229	220,637	1,486,253	983,610
Net transfers <sup>(1)</sup>	(635,271)	(215,184)	(140,413)	84,407	(567,007)
Transfers for policy loans	(538,030)	(37,256)	(52,336)	(251,502)	(286,990)
Policy charges	(2,311,128)	(61,711)	(136,066)	(850,836)	(694,198)
Contract terminations:					
Surrender benefits	(4,041,124)	(133,911)	(292,657)	(2,168,584)	(1,752,633)
Death benefits	(343,533)	(13,729)	(4,615)	(5,309)	(4,887)
Units outstanding at end of year	50,525,456	2,416,019	5,459,934	35,662,521	28,624,782

<sup>(1)</sup> Includes transfer activity from (to) other divisions and transfers from (to) RiverSource Life's fixed account.

See accompanying notes to financial statements.

## Statement of Changes in Net Assets

Year ended December 31, 2018 (continued)	WF VT Intl Eq, CI 2	WF VT Opp, CI 2	WF VT Sm Cap Gro, CI 2
<b>Operations</b>			
Investment income (loss) — net	\$ 2,602,994	\$ (46,647)	\$ (96,814)
Net realized gain (loss) on sales of investments	(521,574)	394,085	469,450
Distributions from capital gains	5,652,646	1,400,682	2,038,918
Net change in unrealized appreciation or depreciation of investments	(12,159,783)	(2,759,558)	(2,804,007)
Net increase (decrease) in net assets resulting from operations	(4,425,717)	(1,011,438)	(392,453)
<b>Contract transactions</b>			
Contract purchase payments	902,033	645,032	1,163,629
Net transfers <sup>(1)</sup>	721,096	(881,321)	3,716,558
Transfers for policy loans	(195,982)	(183,973)	(115,133)
Policy charges	(654,195)	(361,490)	(478,827)
Contract terminations:			
Surrender benefits	(1,366,350)	(789,177)	(905,089)
Death benefits	(3,048)	—	—
Increase (decrease) from contract transactions	(596,446)	(1,570,929)	3,381,138
Net assets at beginning of year	25,133,410	15,483,156	17,216,596
Net assets at end of year	\$ 20,111,247	\$12,900,789	\$20,205,281
<b>Accumulation unit activity</b>			
Units outstanding at beginning of year	12,157,030	4,969,441	5,579,786
Contract purchase payments	463,935	223,569	405,562
Net transfers <sup>(1)</sup>	343,370	(251,200)	1,206,006
Transfers for policy loans	(93,628)	(60,708)	(36,114)
Policy charges	(329,098)	(112,955)	(148,288)
Contract terminations:			
Surrender benefits	(684,031)	(214,098)	(256,674)
Death benefits	(1,489)	—	—
Units outstanding at end of year	11,856,089	4,554,049	6,750,278

<sup>(1)</sup> Includes transfer activity from (to) other divisions and transfers from (to) RiverSource Life's fixed account.

See accompanying notes to financial statements.

# Notes to Financial Statements

## 1. ORGANIZATION

RiverSource Variable Life Separate Account (the Account) was established under Minnesota law as a segregated asset account of RiverSource Life Insurance Company (RiverSource Life). 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 Insurance Division, Department of Commerce of the State of Minnesota.

The Account is used as a funding vehicle for RiverSource Succession Select® Variable Life Insurance (Succession Select) policies issued by RiverSource Life.

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 offered through Succession Select policies and the corresponding division name are provided below. There are various other divisions offered in the Account that are not available under Succession Select policies. Each division is comprised of subaccounts. Individual variable life insurance policies invest in subaccounts. For each division, the financial statements are comprised of a statement of assets and liabilities as of December 31, 2019, 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 are of the Divisions of the Account offered through Succession Select.

Division	Fund
AB VPS Dyn Asset Alloc, CI B	AB VPS Dynamic Asset Allocation Portfolio (Class B)
AB VPS Gro & Inc, CI B	AB VPS Growth and Income Portfolio (Class B)
AB VPS Intl Val, CI B	AB VPS International Value Portfolio (Class B)
AB VPS Lg Cap Gro, CI B	AB VPS Large Cap Growth Portfolio (Class B)
ALPS Alerian Engy Infr, Class III	ALPS/Alerian Energy Infrastructure Portfolio: Class III
AC VP Intl, CI I	American Century VP International, Class I
AC VP Val, CI I	American Century VP Value, Class I
BlackRock Global Alloc, CI III	BlackRock Global Allocation V.I. Fund (Class III)
Calvert VP SRI Bal, CI I	Calvert VP SRI Balanced Portfolio – Class I
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 Divd Opp, CI 3	Columbia Variable Portfolio – Dividend Opportunity Fund (Class 3)
Col VP Emer Mkts, CI 3	Columbia Variable Portfolio – Emerging Markets Fund (Class 3)
Col VP Global Strategic Inc, CI 3	Columbia Variable Portfolio – Global Strategic Income Fund (Class 3)
Col VP Govt Money Mkt, CI 3	Columbia Variable Portfolio – Government Money Market Fund (Class 3)
Col VP Hi Yield Bond, CI 3	Columbia Variable Portfolio – High Yield Bond Fund (Class 3)
Col VP Inc Opp, CI 3	Columbia Variable Portfolio – Income Opportunities Fund (Class 3)
Col VP Inter Bond, CI 3	Columbia Variable Portfolio – Intermediate Bond Fund (Class 3)
Col VP Lg Cap Gro, CI 3	Columbia Variable Portfolio – Large Cap Growth Fund (Class 3)
Col VP Lg Cap Index, CI 3	Columbia Variable Portfolio – Large Cap Index Fund (Class 3)
Col VP Limited Duration Cr, CI 2	Columbia Variable Portfolio – Limited Duration Credit Fund (Class 2)
Col VP Mid Cap Gro, CI 3	Columbia Variable Portfolio – Mid Cap Growth Fund (Class 3)
Col VP Overseas Core, CI 3	Columbia Variable Portfolio – Overseas Core Fund (Class 3)
Col VP Select Lg Cap Val, CI 3	Columbia Variable Portfolio – Select Large Cap Value Fund (Class 3) (previously Columbia Variable Portfolio – Select Large-Cap Value Fund (Class 3))
Col VP Select Mid Cap Val, CI 3	Columbia Variable Portfolio – Select Mid Cap Value Fund (Class 3) (previously Columbia Variable Portfolio – Mid Cap Value Fund (Class 3))
Col VP Select Sm Cap Val, CI 3	Columbia Variable Portfolio – Select Small Cap Value Fund (Class 3) (previously Columbia Variable Portfolio – Select Smaller-Cap Value Fund (Class 3))
Col VP US Govt Mtg, CI 3	Columbia Variable Portfolio – U.S. Government Mortgage Fund (Class 3)
CS Commodity Return	Credit Suisse Trust – Commodity Return Strategy Portfolio
CTIVP BR GI Infl Prot Sec, CI 3	CTIVP® – BlackRock Global Inflation-Protected Securities Fund (Class 3)
CTIVP Vty Sycamore Estb Val, CI 3	CTIVP® – Victory Sycamore Established Value Fund (Class 3)
DWS Alt Asset Alloc VIP, CI B	DWS Alternative Asset Allocation VIP, Class B
EV VT Floating-Rate Inc, Init CI	Eaton Vance VT Floating-Rate Income Fund – Initial Class
Fid VIP Contrafund, Serv CI 2	Fidelity® VIP Contrafund <sup>SM</sup> Portfolio Service Class 2
Fid VIP Gro & Inc, Serv CI	Fidelity® VIP Growth & Income Portfolio Service Class
Fid VIP Mid Cap, Serv CI	Fidelity® VIP Mid Cap Portfolio Service Class
Fid VIP Overseas, Serv CI	Fidelity® VIP Overseas Portfolio Service Class
Frank Global Real Est, CI 2	Franklin Global Real Estate VIP Fund – Class 2
Frank Inc, CI 2	Franklin Income VIP Fund – Class 2
Frank Mutual Shares, CI 2	Franklin Mutual Shares VIP Fund – Class 2

Division	Fund
Frank Sm Cap Val, CI 2	Franklin Small Cap Value VIP Fund – Class 2
GS VIT Mid Cap Val, Inst	Goldman Sachs VIT Mid Cap Value Fund – Institutional Shares
GS VIT Multi-Strategy Alt, Advisor	Goldman Sachs VIT Multi-Strategy Alternatives Portfolio – Advisor Shares
GS VIT Sm Cap Eq Insights, Inst	Goldman Sachs VIT Small Cap Equity Insights Fund – Institutional Shares
GS VIT U.S. Eq Insights, Inst	Goldman Sachs VIT U.S. Equity Insights Fund – Institutional Shares
Invesco Opp VI Global, Ser II	Invesco Oppenheimer V.I. Global Fund, Series II Shares (previously Oppenheimer Global Fund/VA, Service Shares)
Inves Opp VI Gbl Strat Inc, Ser II	Invesco Oppenheimer V.I. Global Strategic Income Fund, Series II Shares (previously Oppenheimer Global Strategic Income Fund/VA, Service Shares)
Inves Opp VI Mn St Sm Cap, Ser II	Invesco Oppenheimer V.I. Main Street Small Cap Fund, Series II Shares (previously Oppenheimer Main Street Small Cap Fund®/VA, Service Shares)
Invesco VI Am Fran, Ser I	Invesco V.I. American Franchise Fund, Series I Shares
Invesco VI Bal Risk Alloc, Ser II	Invesco V.I. Balanced-Risk Allocation Fund, Series II Shares
Invesco VI Comstock, Ser II	Invesco V.I. Comstock Fund, Series II Shares
Invesco VI Core Eq, Ser I	Invesco V.I. Core Equity Fund, Series I Shares
Invesco VI Div Divd, Ser I	Invesco V.I. Diversified Dividend Fund, Series I Shares
Invesco VI Intl Gro, Ser II	Invesco V.I. International Growth Fund, Series II Shares
Invesco VI Mid Cap Gro, Ser I	Invesco V.I. Mid Cap Growth Fund, Series I Shares <sup>(1)</sup>
Invesco VI Tech, Ser I	Invesco V.I. Technology Fund, Series I Shares
Ivy VIP Asset Strategy, CI II	Ivy VIP Asset Strategy, Class II
Janus Henderson VIT Enter, Serv	Janus Henderson VIT Enterprise Portfolio: Service Shares
Janus Henderson VIT Gbl Tech, Serv	Janus Henderson VIT Global Technology Portfolio: Service Shares (effective on or about April 29, 2020, this Fund will be renamed to Janus Henderson VIT Global Technology and Innovation Portfolio: Service Shares)
Janus Henderson VIT Overseas, Serv	Janus Henderson VIT Overseas Portfolio: Service Shares
Janus Henderson VIT Res, Serv	Janus Henderson VIT Research Portfolio: Service Shares
Lazard Ret Global Dyn MA, Serv	Lazard Retirement Global Dynamic Multi-Asset Portfolio – Service Shares
MFS Mass Inv Gro Stock, Serv CI	MFS® Massachusetts Investors Growth Stock Portfolio – Service Class
MFS New Dis, Serv CI	MFS® New Discovery Series – Service Class
MFS Utilities, Serv CI	MFS® Utilities Series – Service Class
MS VIF Dis, CI II	Morgan Stanley VIF Discovery Portfolio, Class II Shares (previously Morgan Stanley VIF Mid Cap Growth Portfolio, Class II Shares)
MS VIF Global Real Est, CI II	Morgan Stanley VIF Global Real Estate Portfolio, Class II Shares
NB AMT US Eq Index PW Strat, CI S	Neuberger Berman AMT U.S. Equity Index PutWrite Strategy Portfolio (Class S)
PIMCO VIT All Asset, Advisor CI	PIMCO VIT All Asset Portfolio, Advisor Class
PIMCO VIT Tot Return, Advisor CI	PIMCO VIT Total Return Portfolio, Advisor Class
Put VT Global Hlth Care, CI IB	Putnam VT Global Health Care Fund – Class IB Shares
Put VT Hi Yield, CI IB	Putnam VT High Yield Fund – Class IB Shares
Put VT Intl Eq, CI IB	Putnam VT International Equity Fund – Class IB Shares
Put VT Sus Leaders, CI IA	Putnam VT Sustainable Leaders Fund – Class IA Shares
Royce Micro-Cap, Invest CI	Royce Capital Fund – Micro-Cap Portfolio, Investment Class
Temp Global Bond, CI 2	Templeton Global Bond VIP Fund – Class 2
Third Ave Val	Third Avenue Value Portfolio (effective on or about March 16, 2020, this Fund was renamed to Third Avenue VST FFI Strategies Portfolio)
VanEck VIP Global Gold, CI S	VanEck VIP Global Gold Fund (Class S Shares)
VP Aggr, CI 2	Variable Portfolio – Aggressive Portfolio (Class 2)
VP Aggr, CI 4	Variable Portfolio – Aggressive Portfolio (Class 4)
VP Conserv, CI 2	Variable Portfolio – Conservative Portfolio (Class 2)
VP Conserv, CI 4	Variable Portfolio – Conservative Portfolio (Class 4)
VP Man Vol Conserv, CI 2	Variable Portfolio – Managed Volatility Conservative Fund (Class 2)
VP Man Vol Conserv Gro, CI 2	Variable Portfolio – Managed Volatility Conservative Growth Fund (Class 2)
VP Man Vol Gro, CI 2	Variable Portfolio – Managed Volatility Growth Fund (Class 2)
VP Man Vol Mod Gro, CI 2	Variable Portfolio – Managed Volatility Moderate Growth Fund (Class 2)
VP Mod, CI 2	Variable Portfolio – Moderate Portfolio (Class 2)
VP Mod, CI 4	Variable Portfolio – Moderate Portfolio (Class 4)
VP Mod Aggr, CI 2	Variable Portfolio – Moderately Aggressive Portfolio (Class 2)
VP Mod Aggr, CI 4	Variable Portfolio – Moderately Aggressive Portfolio (Class 4)
VP Mod Conserv, CI 2	Variable Portfolio – Moderately Conservative Portfolio (Class 2)
VP Mod Conserv, CI 4	Variable Portfolio – Moderately Conservative Portfolio (Class 4)
VP Ptnrs Core Eq, CI 3	Variable Portfolio – Partners Core Equity Fund (Class 3) (previously CTIVP® – MFS® Blended Research® Core Equity Fund (Class 3))
VP Ptnrs Sm Cap Val, CI 3	Variable Portfolio – Partners Small Cap Value Fund (Class 3)
Wanger Intl	Wanger International
Wanger USA	Wanger USA



Division	Fund
WF VT Intl Eq, CI 2	Wells Fargo VT International Equity Fund – Class 2
WF VT Opp, CI 2	Wells Fargo VT Opportunity Fund – Class 2
WF VT Sm Cap Gro, CI 2	Wells Fargo VT Small Cap Growth Fund – Class 2

<sup>(1)</sup> Invesco V.I. Mid Cap Growth Fund, Series I Shares is scheduled to merge into Invesco Oppenheimer V.I. Discovery Mid Cap Growth Fund, Series I Shares sometime during the second quarter of 2020.

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.

RiverSource Life serves as the issuer of the policy.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Investments in the Funds

Investment transactions are accounted for on the 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. This hierarchy prioritizes the inputs used by the Account to value investment securities. 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 Funds in the Accounts 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, 2019.

### Federal Income Taxes

RiverSource Life is taxed as a life insurance company. The Account is treated as part of RiverSource Life 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 policies. Based on this, no charge is being made currently to the Account for federal income taxes. RiverSource Life 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 policies.

### 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.

### Recent Accounting Pronouncement

*Accounting Standards Update 2018-13 Disclosure Framework – Changes to the Disclosure Requirements for Fair Value Measurement*

In August 2018, the Financial Accounting Standards Board issued Accounting Standards Update (ASU) No. 2018-13 Disclosure Framework – Changes to the Disclosure Requirements for Fair Value Measurement. ASU No. 2018-13, in addition to other modifications and additions, removes the requirement to disclose the amount and reasons for transfers between Level 1 and Level 2 of the fair value hierarchy and the policy for the timing of transfers between levels. The standard is effective for annual periods beginning after December 15, 2019 and interim periods within those fiscal years. The Account adopted the standard on January 1, 2020. There was no impact of the standard to the Account's financials condition or results of operations.

### 3. VARIABLE ACCOUNT EXPENSES

For Succession Select policies, RiverSource Life deducts a daily mortality and expense risk fee equal, on an annual basis, to 0.90% of the average daily net assets of each subaccount for policy years 1-10; and 0.45% of the average daily net assets of each subaccount for policy years 11+. The financial statements include other subaccounts that are not offered through Succession Select policies.

### 4. POLICY CHARGES

A monthly deduction is made for the cost of insurance and the policy fee. The cost of insurance for the policy month is determined on the monthly date by determining the net amount at risk, as of that day, and by then applying the cost of insurance rates to the net amount at risk which RiverSource Life is assuming for the succeeding month. The monthly deduction will be taken from the subaccounts as specified in the application for the policy.

A policy fee may be deducted each month to reimburse RiverSource Life for expenses incurred in administering the policy, such as processing claims, maintaining records, making policy changes and communicating with owners of policies.

RiverSource Life deducts a premium expense charge from each premium payment. It partially compensates RiverSource Life for expenses associated with administering and distributing the policy, including the agents' compensation, advertising and printing the prospectus and sales literature. It also compensates RiverSource Life for paying taxes imposed by certain states and governmental subdivisions on premiums received by insurance companies.

Each month RiverSource Life deducts charges for any optional insurance benefits added to the policy by rider.

### 5. SURRENDER CHARGES

RiverSource Life may assess a surrender charge to help it recover certain expenses related to the issuance of the policy. Such charges are not treated as a separate expense of the divisions as they are ultimately deducted from surrender benefits paid by RiverSource Life. Charges by RiverSource Life for surrenders are not identified on an individual division basis.

### 6. RELATED PARTY TRANSACTIONS

RiverSource Life 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

### 7. INVESTMENT TRANSACTIONS

The divisions' purchases of Funds' shares, including reinvestment of dividend distributions, for the year ended December 31, 2019 were as follows:

Division	Purchases	Division	Purchases
AB VPS Dyn Asset Alloc, CI B	\$ 138,733	Col VP Inc Opp, CI 3	\$ 3,547,754
AB VPS Gro & Inc, CI B	6,587,413	Col VP Inter Bond, CI 3	13,148,563
AB VPS Intl Val, CI B	2,248,185	Col VP Lg Cap Gro, CI 3	1,639,589
AB VPS Lg Cap Gro, CI B	11,920,959	Col VP Lg Cap Index, CI 3	9,499,698
ALPS Alerian Engy Infr, Class III	1,612,353	Col VP Limited Duration Cr, CI 2	3,907,312
AC VP Intl, CI I	1,284,457	Col VP Mid Cap Gro, CI 3	1,075,521
AC VP Val, CI I	5,276,573	Col VP Overseas Core, CI 3	10,977,493
BlackRock Global Alloc, CI III	1,732,430	Col VP Select Lg Cap Val, CI 3	2,995,216
Calvert VP SRI Bal, CI I	3,675,411	Col VP Select Mid Cap Val, CI 3	1,568,987
Col VP Bal, CI 3	7,534,246	Col VP Select Sm Cap Val, CI 3	907,583
Col VP Disciplined Core, CI 3	1,738,434	Col VP US Govt Mtge, CI 3	3,925,840
Col VP Divd Opp, CI 3	2,895,009	CS Commodity Return	789,950
Col VP Emer Mkts, CI 3	8,478,869	CTIVP BR GI Infl Prot Sec, CI 3	1,612,690
Col VP Global Strategic Inc, CI 3	2,227,785	CTIVP Vty Sycamore Estb Val, CI 3	3,914,976
Col VP Govt Money Mkt, CI 3	11,852,956	DWS Alt Asset Alloc VIP, CI B	514,936
Col VP Hi Yield Bond, CI 3	5,895,622	EV VT Floating-Rate Inc, Init CI	2,260,724

Division	Purchases	Division	Purchases
Fid VIP Contrafund, Serv CI 2	\$16,633,237	MS VIF Global Real Est, CI II	\$ 2,284,353
Fid VIP Gro & Inc, Serv CI	6,261,856	NB AMT US Eq Index PW Strat, CI S	117,897
Fid VIP Mid Cap, Serv CI	11,400,056	PIMCO VIT All Asset, Advisor CI	1,519,518
Fid VIP Overseas, Serv CI	1,831,315	PIMCO VIT Tot Return, Advisor CI	4,648,338
Frank Global Real Est, CI 2	3,748,533	Put VT Global Hlth Care, CI IB	2,643,351
Frank Inc, CI 2	2,645,245	Put VT Hi Yield, CI IB	609,146
Frank Mutual Shares, CI 2	2,914,580	Put VT Intl Eq, CI IB	845,644
Frank Sm Cap Val, CI 2	8,468,627	Put VT Sus Leaders, CI IA	17,690,695
GS VIT Mid Cap Val, Inst	4,339,895	Royce Micro-Cap, Invest CI	3,164,106
GS VIT Multi-Strategy Alt, Advisor	244,409	Temp Global Bond, CI 2	1,507,891
GS VIT Sm Cap Eq Insights, Inst	682,477	Third Ave Val	551,628
GS VIT U.S. Eq Insights, Inst	3,671,307	VanEck VIP Global Gold, CI S	1,108,982
Invesco Opp VI Global, Ser II	5,448,058	VP Aggr, CI 2	23,558,896
Inves Opp VI Gbl Strat Inc, Ser II	4,794,175	VP Aggr, CI 4	27,532,893
Inves Opp VI Mn St Sm Cap, Ser II	4,547,887	VP Conserv, CI 2	4,485,914
Invesco VI Am Fran, Ser I	2,578,072	VP Conserv, CI 4	6,492,942
Invesco VI Bal Risk Alloc, Ser II	1,337,575	VP Man Vol Conserv, CI 2	1,909,983
Invesco VI Comstock, Ser II	1,719,337	VP Man Vol Conserv Gro, CI 2	1,001,111
Invesco VI Core Eq, Ser I	12,755,144	VP Man Vol Gro, CI 2	6,350,565
Invesco VI Div Divd, Ser I	3,890,491	VP Man Vol Mod Gro, CI 2	5,134,969
Invesco VI Intl Gro, Ser II	3,468,040	VP Mod, CI 2	21,795,938
Invesco VI Mid Cap Gro, Ser I	2,241,047	VP Mod, CI 4	43,479,302
Invesco VI Tech, Ser I	1,870,578	VP Mod Aggr, CI 2	36,108,182
Ivy VIP Asset Strategy, CI II	646,241	VP Mod Aggr, CI 4	64,584,675
Janus Henderson VIT Enter, Serv	3,302,698	VP Mod Conserv, CI 2	8,516,532
Janus Henderson VIT Gbl Tech, Serv	5,134,774	VP Mod Conserv, CI 4	9,544,338
Janus Henderson VIT Overseas, Serv	1,865,104	VP Ptnrs Core Eq, CI 3	626,960
Janus Henderson VIT Res, Serv	2,535,769	VP Ptnrs Sm Cap Val, CI 3	526,510
Lazard Ret Global Dyn MA, Serv	675,910	Wanger Intl	10,234,750
MFS Mass Inv Gro Stock, Serv CI	5,086,596	Wanger USA	21,102,309
MFS New Dis, Serv CI	7,413,791	WF VT Intl Eq, CI 2	11,331,358
MFS Utilities, Serv CI	3,221,331	WF VT Opp, CI 2	2,376,591
MS VIF Dis, CI II	7,895,172	WF VT Sm Cap Gro, CI 2	5,960,548

## 8. FINANCIAL HIGHLIGHTS

The table below shows certain financial information regarding the divisions.

	At December 31			For the year ended December 31					
	Units (000s)	Accumulation unit value lowest to highest <sup>(1)</sup>		Net assets (000s)	Investment income ratio <sup>(2)</sup>	Expense ratio lowest to highest <sup>(3)</sup>		Total return lowest to highest <sup>(1)(4)</sup>	
<b>AB VPS Dyn Asset Alloc, CI B</b>									
2019	604	\$1.34	to \$1.19	\$791	1.86%	0.00%	to 0.90%	15.24%	to 14.21%
2018	620	\$1.16	to \$1.05	\$703	1.97%	0.00%	to 0.90%	(7.35%)	to (8.18%)
2017	304	\$1.26	to \$1.14	\$363	2.28%	0.00%	to 0.90%	14.32%	to 13.30%
2016	189	\$1.10	to \$1.00	\$195	0.35%	0.00%	to 0.90%	3.37%	to 2.44%
2015	646	\$1.06	to \$0.98	\$641	0.72%	0.00%	to 0.90%	(1.30%)	to (2.19%)
<b>AB VPS Gro &amp; Inc, CI B</b>									
2019	9,166	\$2.25	to \$2.90	\$29,458	1.04%	0.30%	to 0.90%	23.24%	to 22.50%
2018	8,870	\$1.82	to \$2.36	\$23,417	0.74%	0.30%	to 0.90%	(6.13%)	to (6.69%)
2017	9,091	\$1.94	to \$2.53	\$25,513	1.24%	0.30%	to 0.90%	18.24%	to 17.54%
2016	10,271	\$1.64	to \$2.16	\$24,139	0.82%	0.30%	to 0.90%	10.74%	to 10.08%
2015	10,896	\$1.48	to \$1.96	\$23,189	1.18%	0.30%	to 0.90%	1.12%	to 0.52%
<b>AB VPS Intl Val, CI B</b>									
2019	23,116	\$1.37	to \$1.68	\$39,382	0.81%	0.30%	to 0.90%	16.44%	to 15.74%
2018	24,431	\$1.17	to \$1.45	\$35,752	1.09%	0.30%	to 0.90%	(23.21%)	to (23.67%)
2017	25,595	\$1.53	to \$1.90	\$48,930	1.99%	0.30%	to 0.90%	24.72%	to 23.98%
2016	26,378	\$1.23	to \$1.54	\$41,047	1.08%	0.30%	to 0.90%	(1.09%)	to (1.69%)
2015	28,187	\$1.24	to \$1.56	\$44,495	2.23%	0.30%	to 0.90%	2.10%	to 1.48%

	At December 31				For the year ended December 31				
	Units (000s)	Accumulation unit value lowest to highest <sup>(1)</sup>		Net assets (000s)	Investment income ratio <sup>(2)</sup>	Expense ratio lowest to highest <sup>(3)</sup>		Total return lowest to highest <sup>(1)(4)</sup>	
<b>AB VPS Lg Cap Gro, CI B</b>									
2019	9,516	\$3.23	to \$3.11	\$37,472	—	0.00%	to 0.90%	34.37%	to 33.16%
2018	8,583	\$2.40	to \$2.34	\$25,217	—	0.00%	to 0.90%	2.32%	to 1.40%
2017	7,628	\$2.35	to \$2.31	\$21,733	—	0.00%	to 0.90%	31.67%	to 30.50%
2016	6,072	\$1.78	to \$1.77	\$12,543	—	0.00%	to 0.90%	2.35%	to 1.44%
2015	4,799	\$1.74	to \$1.74	\$9,752	—	0.00%	to 0.90%	10.86%	to 9.86%
<b>ALPS Alerian Engy Infr, Class III</b>									
2019	8,472	\$1.02	to \$0.79	\$7,152	1.60%	0.00%	to 0.90%	20.41%	to 19.33%
2018	9,081	\$0.85	to \$0.66	\$6,355	1.82%	0.00%	to 0.90%	(18.95%)	to (19.68%)
2017	9,249	\$1.05	to \$0.82	\$8,003	1.80%	0.00%	to 0.90%	(0.84%)	to (1.73%)
2016	9,479	\$1.06	to \$0.84	\$8,289	2.58%	0.00%	to 0.90%	40.79%	to 39.54%
2015	5,852	\$0.75	to \$0.60	\$3,627	0.85%	0.00%	to 0.90%	(37.92%)	to (38.48%)
<b>AC VP Intl, CI I</b>									
2019	5,929	\$2.68	to \$1.44	\$13,264	0.88%	0.45%	to 0.90%	27.84%	to 27.27%
2018	6,633	\$2.09	to \$1.13	\$11,459	1.27%	0.45%	to 0.90%	(15.60%)	to (15.99%)
2017	6,784	\$2.48	to \$1.35	\$14,003	0.88%	0.45%	to 0.90%	30.62%	to 30.03%
2016	7,583	\$1.90	to \$1.04	\$11,859	1.08%	0.45%	to 0.90%	(5.92%)	to (6.34%)
2015	8,430	\$2.02	to \$1.11	\$13,793	0.37%	0.45%	to 0.90%	0.31%	to (0.14%)
<b>AC VP Val, CI I</b>									
2019	15,898	\$1.14	to \$3.73	\$55,958	2.12%	0.00%	to 0.90%	13.24% <sup>(7)</sup>	to 25.90%
2018	17,119	\$2.79	to \$2.96	\$48,580	1.64%	0.45%	to 0.90%	(9.56%)	to (9.97%)
2017	19,186	\$3.09	to \$3.29	\$60,280	1.66%	0.45%	to 0.90%	8.26%	to 7.77%
2016	20,776	\$2.85	to \$3.05	\$60,449	1.75%	0.45%	to 0.90%	19.94%	to 19.40%
2015	22,285	\$2.38	to \$2.56	\$54,179	2.12%	0.45%	to 0.90%	(4.31%)	to (4.75%)
<b>BlackRock Global Alloc, CI III</b>									
2019	9,575	\$1.53	to \$1.20	\$12,326	1.27%	0.00%	to 0.90%	17.75%	to 16.70%
2018	10,342	\$1.30	to \$1.03	\$11,274	0.86%	0.00%	to 0.90%	(7.58%)	to (8.41%)
2017	10,065	\$1.41	to \$1.12	\$11,792	1.43%	0.00%	to 0.90%	13.71%	to 12.69%
2016	7,723	\$1.24	to \$1.00	\$7,948	1.30%	0.00%	to 0.90%	3.81%	to 2.88%
2015	6,592	\$1.19	to \$0.97	\$6,575	1.62%	0.00%	to 0.90%	(1.00%)	to (1.89%)
<b>Calvert VP SRI Bal, CI I</b>									
2019	4,308	\$1.82	to \$2.11	\$10,925	1.64%	0.30%	to 0.90%	24.03%	to 23.29%
2018	3,608	\$1.47	to \$1.71	\$7,311	1.75%	0.30%	to 0.90%	(2.96%)	to (3.55%)
2017	3,368	\$1.51	to \$1.77	\$7,093	1.99%	0.30%	to 0.90%	11.66%	to 10.99%
2016	4,001	\$1.35	to \$1.60	\$7,493	1.85%	0.30%	to 0.90%	7.53%	to 6.89%
2015	4,295	\$1.26	to \$1.49	\$7,490	0.11%	0.30%	to 0.90%	(2.48%)	to (3.07%)
<b>Col VP Bal, CI 3</b>									
2019	80,271	\$1.97	to \$2.20	\$193,548	—	0.00%	to 0.90%	22.78%	to 21.68%
2018	86,317	\$1.60	to \$1.81	\$169,991	—	0.00%	to 0.90%	(5.89%)	to (6.74%)
2017	92,846	\$1.70	to \$1.94	\$195,459	—	0.00%	to 0.90%	14.52%	to 13.50%
2016	95,608	\$1.49	to \$1.71	\$175,745	—	0.00%	to 0.90%	6.41%	to 5.45%
2015	94,602	\$1.40	to \$1.62	\$163,708	—	0.00%	to 0.90%	1.71%	to 0.79%
<b>Col VP Disciplined Core, CI 3</b>									
2019	117,025	\$2.43	to \$1.99	\$297,717	—	0.30%	to 0.90%	24.26%	to 23.52%
2018	130,718	\$1.96	to \$1.61	\$267,129	—	0.30%	to 0.90%	(4.03%)	to (4.60%)
2017	144,302	\$2.04	to \$1.69	\$307,465	—	0.30%	to 0.90%	23.85%	to 23.11%
2016	160,720	\$1.65	to \$1.37	\$274,822	—	0.30%	to 0.90%	7.61%	to 6.97%
2015	178,449	\$1.53	to \$1.28	\$283,877	—	0.30%	to 0.90%	0.46%	to (0.15%)
<b>Col VP Divd Opp, CI 3</b>									
2019	64,372	\$2.02	to \$3.31	\$200,604	—	0.30%	to 0.90%	23.55%	to 22.81%
2018	69,418	\$1.63	to \$2.70	\$175,842	—	0.30%	to 0.90%	(6.15%)	to (6.72%)
2017	76,997	\$1.74	to \$2.89	\$209,234	—	0.30%	to 0.90%	13.94%	to 13.26%
2016	81,382	\$1.53	to \$2.55	\$203,016	—	0.30%	to 0.90%	13.18%	to 12.50%
2015	88,080	\$1.35	to \$2.27	\$195,127	—	0.30%	to 0.90%	(3.06%)	to (3.64%)
<b>Col VP Emer Mkts, CI 3</b>									
2019	21,111	\$1.44	to \$3.35	\$51,169	0.17%	0.30%	to 0.90%	31.04%	to 30.25%
2018	22,418	\$1.10	to \$2.57	\$42,024	0.46%	0.30%	to 0.90%	(21.81%)	to (22.29%)
2017	22,826	\$1.41	to \$3.31	\$56,003	0.09%	0.30%	to 0.90%	46.62%	to 45.74%
2016	19,191	\$0.96	to \$2.27	\$36,907	0.10%	0.30%	to 0.90%	4.66%	to 4.03%
2015	20,224	\$0.92	to \$2.19	\$37,404	0.12%	0.30%	to 0.90%	(9.27%)	to (9.82%)

	At December 31				For the year ended December 31					
	Units (000s)	Accumulation unit value lowest to highest <sup>(1)</sup>		Net assets (000s)	Investment income ratio <sup>(2)</sup>	Expense ratio lowest to highest <sup>(3)</sup>		Total return lowest to highest <sup>(1)(4)</sup>		
<b>Col VP Global Strategic Inc, CI 3</b>										
2019	16,008	\$0.94	to \$1.80	\$19,641	—	0.30%	to 0.90%	10.58%	to 9.91%	
2018	15,688	\$0.85	to \$1.64	\$17,710	4.24%	0.30%	to 0.90%	(5.62%)	to (6.19%)	
2017	17,075	\$0.90	to \$1.75	\$20,798	—	0.30%	to 0.90%	5.46%	to 4.83%	
2016	17,191	\$0.86	to \$1.67	\$21,415	—	0.30%	to 0.90%	(1.52%)	to (2.11%)	
2015	18,895	\$0.87	to \$1.70	\$24,191	—	0.30%	to 0.90%	(6.45%)	to (7.02%)	
<b>Col VP Govt Money Mkt, CI 3</b>										
2019	37,229	\$1.03	to \$1.10	\$37,658	1.71%	0.20%	to 0.90%	1.56%	to 0.86%	
2018	38,436	\$1.01	to \$1.09	\$38,547	1.36%	0.20%	to 0.90%	1.17%	to 0.47%	
2017	42,266	\$1.00	to \$1.09	\$42,162	0.29%	0.20%	to 0.90%	0.17% <sup>(6)</sup>	to (0.60%)	
2016	46,641	\$0.99	to \$1.09	\$47,393	0.01%	0.30%	to 0.90%	(0.29%)	to (0.87%)	
2015	47,210	\$0.99	to \$1.10	\$48,320	0.01%	0.30%	to 0.90%	(0.29%)	to (0.89%)	
<b>Col VP Hi Yield Bond, CI 3</b>										
2019	21,303	\$1.45	to \$2.91	\$52,931	5.78%	0.30%	to 0.90%	16.37%	to 15.67%	
2018	22,533	\$1.25	to \$2.52	\$48,252	5.53%	0.30%	to 0.90%	(4.29%)	to (4.86%)	
2017	25,316	\$1.30	to \$2.65	\$57,290	5.40%	0.30%	to 0.90%	6.09%	to 5.45%	
2016	25,517	\$1.23	to \$2.51	\$58,044	6.04%	0.30%	to 0.90%	11.39%	to 10.72%	
2015	27,650	\$1.10	to \$2.27	\$56,676	6.04%	0.30%	to 0.90%	(1.43%)	to (2.03%)	
<b>Col VP Inc Opp, CI 3</b>										
2019	9,469	\$1.42	to \$2.22	\$20,217	4.90%	0.30%	to 0.90%	15.88%	to 15.19%	
2018	9,632	\$1.23	to \$1.93	\$17,907	4.87%	0.30%	to 0.90%	(4.15%)	to (4.73%)	
2017	11,844	\$1.28	to \$2.02	\$23,430	6.09%	0.30%	to 0.90%	6.07%	to 5.43%	
2016	12,080	\$1.21	to \$1.92	\$23,585	12.07%	0.30%	to 0.90%	10.53%	to 9.86%	
2015	8,419	\$1.09	to \$1.75	\$15,026	8.97%	0.30%	to 0.90%	(1.31%)	to (1.91%)	
<b>Col VP Inter Bond, CI 3</b>										
2019	57,052	\$1.20	to \$2.05	\$93,770	3.08%	0.30%	to 0.90%	8.79%	to 8.14%	
2018	56,412	\$1.10	to \$1.89	\$85,880	2.22%	0.30%	to 0.90%	(0.04%)	to (0.64%)	
2017	61,383	\$1.10	to \$1.91	\$94,676	2.67%	0.30%	to 0.90%	3.42%	to 2.80%	
2016	60,870	\$1.06	to \$1.85	\$96,573	1.66%	0.30%	to 0.90%	4.23%	to 3.60%	
2015	63,913	\$1.02	to \$1.79	\$98,135	1.33%	0.30%	to 0.90%	(0.12%)	to (0.74%)	
<b>Col VP Lg Cap Gro, CI 3</b>										
2019	18,686	\$2.69	to \$1.54	\$62,956	—	0.30%	to 0.90%	35.35%	to 34.54%	
2018	21,072	\$1.99	to \$1.14	\$51,873	—	0.30%	to 0.90%	(4.38%)	to (4.96%)	
2017	23,195	\$2.08	to \$1.20	\$58,878	—	0.30%	to 0.90%	27.56%	to 26.80%	
2016	30,115	\$1.63	to \$0.95	\$49,268	—	0.30%	to 0.90%	0.87%	to 0.26%	
2015	36,405	\$1.62	to \$0.95	\$56,943	—	0.30%	to 0.90%	8.68%	to 8.02%	
<b>Col VP Lg Cap Index, CI 3</b>										
2019	35,383	\$2.58	to \$2.50	\$117,211	—	0.00%	to 0.90%	30.95%	to 29.78%	
2018	36,453	\$1.97	to \$1.93	\$92,629	—	0.00%	to 0.90%	(4.81%)	to (5.67%)	
2017	35,936	\$2.07	to \$2.05	\$96,909	—	0.00%	to 0.90%	21.29%	to 20.20%	
2016	34,342	\$1.71	to \$1.70	\$75,415	—	0.00%	to 0.90%	11.51%	to 10.50%	
2015	33,130	\$1.53	to \$1.54	\$65,863	—	0.00%	to 0.90%	0.86%	to (0.04%)	
<b>Col VP Limited Duration Cr, CI 2</b>										
2019	7,025	\$1.16	to \$1.02	\$7,378	2.12%	0.00%	to 0.90%	7.47%	to 6.50%	
2018	4,748	\$1.08	to \$0.96	\$4,658	1.58%	0.00%	to 0.90%	(0.02%)	to (0.92%)	
2017	3,929	\$1.08	to \$0.96	\$3,869	2.10%	0.00%	to 0.90%	1.80%	to 0.89%	
2016	3,365	\$1.06	to \$0.96	\$3,262	3.48%	0.00%	to 0.90%	5.28%	to 4.33%	
2015	1,986	\$1.01	to \$0.92	\$1,841	5.40%	0.00%	to 0.90%	(2.49%)	to (3.37%)	
<b>Col VP Mid Cap Gro, CI 3</b>										
2019	4,675	\$2.37	to \$3.17	\$18,273	—	0.30%	to 0.90%	34.62%	to 33.81%	
2018	5,129	\$1.76	to \$2.37	\$14,820	—	0.30%	to 0.90%	(5.14%)	to (5.71%)	
2017	5,459	\$1.85	to \$2.51	\$16,552	—	0.30%	to 0.90%	22.42%	to 21.69%	
2016	5,658	\$1.51	to \$2.07	\$14,078	—	0.30%	to 0.90%	1.86%	to 1.24%	
2015	6,587	\$1.49	to \$2.04	\$15,978	—	0.30%	to 0.90%	5.18%	to 4.54%	
<b>Col VP Overseas Core, CI 3</b>										
2019	39,743	\$1.51	to \$1.32	\$61,964	1.96%	0.30%	to 0.90%	24.95%	to 24.20%	
2018	44,069	\$1.20	to \$1.06	\$55,000	2.68%	0.30%	to 0.90%	(16.95%)	to (17.45%)	
2017	48,797	\$1.45	to \$1.29	\$73,432	1.96%	0.30%	to 0.90%	26.99%	to 26.23%	
2016	54,426	\$1.14	to \$1.02	\$63,844	1.50%	0.30%	to 0.90%	(6.38%)	to (6.95%)	
2015	60,010	\$1.22	to \$1.10	\$75,374	0.92%	0.30%	to 0.90%	4.72%	to 4.09%	

	At December 31				For the year ended December 31				
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<b>Col VP Select Lg Cap Val, CI 3</b>									
2019	5,651	\$2.35	to \$2.69	\$18,409	—	0.30%	to 0.90%	26.16%	to 25.41%
2018	5,821	\$1.86	to \$2.15	\$15,015	—	0.30%	to 0.90%	(12.57%)	to (13.10%)
2017	4,985	\$2.13	to \$2.47	\$14,543	—	0.30%	to 0.90%	20.44%	to 19.73%
2016	4,453	\$1.77	to \$2.06	\$10,717	—	0.30%	to 0.90%	19.46%	to 18.74%
2015	4,990	\$1.48	to \$1.74	\$10,115	—	0.30%	to 0.90%	(5.31%)	to (5.88%)
<b>Col VP Select Mid Cap Val, CI 3</b>									
2019	4,860	\$2.17	to \$2.64	\$15,381	—	0.30%	to 0.90%	31.03%	to 30.24%
2018	5,113	\$1.65	to \$2.02	\$12,349	—	0.30%	to 0.90%	(13.67%)	to (14.18%)
2017	5,846	\$1.92	to \$2.36	\$15,927	—	0.30%	to 0.90%	13.05%	to 12.37%
2016	6,498	\$1.69	to \$2.10	\$15,053	—	0.30%	to 0.90%	13.66%	to 12.98%
2015	6,935	\$1.49	to \$1.86	\$14,284	—	0.30%	to 0.90%	(5.24%)	to (5.82%)
<b>Col VP Select Sm Cap Val, CI 3</b>									
2019	4,561	\$2.04	to \$2.99	\$15,582	—	0.30%	to 0.90%	17.23%	to 16.53%
2018	4,965	\$1.74	to \$2.57	\$14,494	—	0.30%	to 0.90%	(12.96%)	to (13.48%)
2017	5,313	\$2.00	to \$2.97	\$17,913	—	0.30%	to 0.90%	11.86%	to 11.20%
2016	5,874	\$1.78	to \$2.67	\$17,690	—	0.30%	to 0.90%	13.49%	to 12.81%
2015	6,354	\$1.57	to \$2.37	\$16,916	—	0.30%	to 0.90%	(3.52%)	to (4.10%)
<b>Col VP US Govt Mtg, CI 3</b>									
2019	15,922	\$1.18	to \$1.52	\$20,799	2.66%	0.30%	to 0.90%	6.30%	to 5.66%
2018	16,363	\$1.11	to \$1.44	\$20,212	2.72%	0.30%	to 0.90%	1.41%	to 0.80%
2017	19,074	\$1.10	to \$1.43	\$23,460	2.81%	0.30%	to 0.90%	2.91%	to 2.29%
2016	19,608	\$1.07	to \$1.40	\$24,105	2.81%	0.30%	to 0.90%	2.28%	to 1.66%
2015	20,296	\$1.04	to \$1.37	\$24,564	2.85%	0.30%	to 0.90%	0.92%	to 0.30%
<b>CS Commodity Return</b>									
2019	8,533	\$0.57	to \$0.48	\$5,309	0.88%	0.30%	to 0.90%	6.37%	to 5.73%
2018	8,774	\$0.54	to \$0.45	\$5,065	2.58%	0.30%	to 0.90%	(11.92%)	to (12.46%)
2017	9,656	\$0.61	to \$0.51	\$6,247	9.11%	0.30%	to 0.90%	1.21%	to 0.61%
2016	10,897	\$0.60	to \$0.51	\$6,640	—	0.30%	to 0.90%	11.69%	to 11.02%
2015	11,700	\$0.54	to \$0.46	\$6,453	—	0.30%	to 0.90%	(25.32%)	to (25.77%)
<b>CTIVP BR GI Infl Prot Sec, CI 3</b>									
2019	7,497	\$1.20	to \$1.52	\$10,781	3.14%	0.30%	to 0.90%	7.49%	to 6.85%
2018	7,886	\$1.11	to \$1.42	\$10,627	—	0.30%	to 0.90%	(0.81%)	to (1.41%)
2017	8,216	\$1.12	to \$1.44	\$11,277	2.36%	0.30%	to 0.90%	2.24%	to 1.63%
2016	8,297	\$1.10	to \$1.42	\$11,487	—	0.30%	to 0.90%	8.18%	to 7.52%
2015	8,421	\$1.02	to \$1.32	\$10,811	37.07%	0.30%	to 0.90%	(1.78%)	to (2.38%)
<b>CTIVP Vty Sycamore Estb Val, CI 3</b>									
2019	7,112	\$2.43	to \$3.03	\$25,362	—	0.30%	to 0.90%	27.63%	to 26.86%
2018	6,879	\$1.90	to \$2.39	\$19,277	—	0.30%	to 0.90%	(10.37%)	to (10.91%)
2017	6,555	\$2.12	to \$2.68	\$20,583	—	0.30%	to 0.90%	15.38%	to 14.69%
2016	4,969	\$1.84	to \$2.33	\$13,505	—	0.30%	to 0.90%	20.28%	to 19.55%
2015	2,511	\$1.53	to \$1.95	\$5,667	—	0.30%	to 0.90%	(0.14%)	to (0.74%)
<b>DWS Alt Asset Alloc VIP, CI B</b>									
2019	1,674	\$1.16	to \$1.02	\$1,794	3.30%	0.00%	to 0.90%	14.35%	to 13.32%
2018	1,458	\$1.02	to \$0.90	\$1,368	1.94%	0.00%	to 0.90%	(9.35%)	to (10.16%)
2017	1,554	\$1.12	to \$1.00	\$1,614	2.00%	0.00%	to 0.90%	7.01%	to 6.05%
2016	1,345	\$1.05	to \$0.94	\$1,310	1.88%	0.00%	to 0.90%	4.99%	to 4.05%
2015	1,157	\$1.00	to \$0.91	\$1,079	2.57%	0.00%	to 0.90%	(6.54%)	to (7.38%)
<b>EV VT Floating-Rate Inc, Init CI</b>									
2019	12,116	\$1.23	to \$1.39	\$19,738	4.32%	0.30%	to 0.90%	6.76%	to 6.12%
2018	16,692	\$1.15	to \$1.31	\$25,442	3.76%	0.30%	to 0.90%	(0.37%)	to (0.97%)
2017	15,290	\$1.15	to \$1.32	\$23,189	3.26%	0.30%	to 0.90%	3.11%	to 2.49%
2016	15,959	\$1.12	to \$1.29	\$23,522	3.49%	0.30%	to 0.90%	8.62%	to 7.97%
2015	17,114	\$1.03	to \$1.19	\$23,250	3.34%	0.30%	to 0.90%	(1.29%)	to (1.88%)
<b>Fid VIP Contrafund, Serv CI 2</b>									
2019	33,382	\$2.41	to \$2.35	\$103,408	0.21%	0.00%	to 0.90%	31.28%	to 30.10%
2018	36,232	\$1.83	to \$1.80	\$85,804	0.43%	0.00%	to 0.90%	(6.64%)	to (7.48%)
2017	38,383	\$1.96	to \$1.95	\$96,718	0.78%	0.00%	to 0.90%	21.59%	to 20.50%
2016	42,055	\$1.62	to \$1.62	\$85,135	0.61%	0.00%	to 0.90%	7.73%	to 6.77%
2015	46,978	\$1.50	to \$1.51	\$89,137	0.80%	0.00%	to 0.90%	0.42%	to (0.48%)

	At December 31				For the year ended December 31				
	Units (000s)	Accumulation unit value lowest to highest <sup>(1)</sup>		Net assets (000s)	Investment income ratio <sup>(2)</sup>	Expense ratio lowest to highest <sup>(3)</sup>		Total return lowest to highest <sup>(1)(4)</sup>	
<b>Fid VIP Gro &amp; Inc, Serv CI</b>									
2019	13,949	\$4.21	to \$2.65	\$51,430	3.51%	0.45%	to 0.90%	29.36%	to 28.78%
2018	15,577	\$3.26	to \$2.06	\$44,317	0.25%	0.45%	to 0.90%	(9.48%)	to (9.89%)
2017	17,484	\$3.60	to \$2.28	\$54,838	1.18%	0.45%	to 0.90%	16.25%	to 15.73%
2016	19,497	\$3.10	to \$1.97	\$52,017	1.64%	0.45%	to 0.90%	15.43%	to 14.91%
2015	21,530	\$2.68	to \$1.72	\$49,399	1.97%	0.45%	to 0.90%	(2.79%)	to (3.23%)
<b>Fid VIP Mid Cap, Serv CI</b>									
2019	22,918	\$3.77	to \$5.20	\$93,093	0.78%	0.45%	to 0.90%	22.79%	to 22.24%
2018	25,731	\$3.07	to \$4.25	\$85,378	0.54%	0.45%	to 0.90%	(15.02%)	to (15.41%)
2017	28,380	\$3.61	to \$5.03	\$111,280	0.62%	0.45%	to 0.90%	20.16%	to 19.62%
2016	31,367	\$3.00	to \$4.20	\$102,814	0.42%	0.45%	to 0.90%	11.61%	to 11.11%
2015	35,534	\$2.69	to \$3.78	\$105,228	0.39%	0.45%	to 0.90%	(1.94%)	to (2.38%)
<b>Fid VIP Overseas, Serv CI</b>									
2019	8,262	\$2.57	to \$1.66	\$18,661	1.64%	0.45%	to 0.90%	27.10%	to 26.53%
2018	8,964	\$2.03	to \$1.31	\$15,919	1.44%	0.45%	to 0.90%	(15.27%)	to (15.65%)
2017	9,507	\$2.39	to \$1.55	\$19,898	1.34%	0.45%	to 0.90%	29.52%	to 28.94%
2016	9,938	\$1.85	to \$1.20	\$15,844	1.31%	0.45%	to 0.90%	(5.55%)	to (5.97%)
2015	11,248	\$1.95	to \$1.28	\$18,907	1.29%	0.45%	to 0.90%	3.03%	to 2.56%
<b>Frank Global Real Est, CI 2</b>									
2019	18,319	\$1.54	to \$3.11	\$46,066	2.64%	0.30%	to 0.90%	22.01%	to 21.28%
2018	19,285	\$1.26	to \$2.57	\$40,249	2.62%	0.30%	to 0.90%	(7.06%)	to (7.62%)
2017	20,907	\$1.36	to \$2.78	\$47,465	3.12%	0.30%	to 0.90%	10.14%	to 9.49%
2016	20,874	\$1.23	to \$2.54	\$46,447	1.20%	0.30%	to 0.90%	0.24%	to (0.36%)
2015	21,919	\$1.23	to \$2.55	\$49,206	3.22%	0.30%	to 0.90%	0.27%	to (0.33%)
<b>Frank Inc, CI 2</b>									
2019	5,909	\$1.42	to \$1.18	\$7,318	5.22%	0.00%	to 0.90%	16.06%	to 15.02%
2018	4,572	\$1.22	to \$1.03	\$4,896	4.83%	0.00%	to 0.90%	(4.30%)	to (5.17%)
2017	4,742	\$1.28	to \$1.08	\$5,300	4.55%	0.00%	to 0.90%	9.67%	to 8.69%
2016	3,209	\$1.17	to \$1.00	\$3,276	4.91%	0.00%	to 0.90%	14.02%	to 13.00%
2015	3,020	\$1.02	to \$0.88	\$2,713	4.98%	0.00%	to 0.90%	(7.05%)	to (7.89%)
<b>Frank Mutual Shares, CI 2</b>									
2019	7,714	\$1.89	to \$2.47	\$19,189	1.82%	0.00%	to 0.90%	22.57%	to 21.47%
2018	8,269	\$1.54	to \$2.04	\$16,908	2.37%	0.00%	to 0.90%	(9.07%)	to (9.89%)
2017	9,228	\$1.69	to \$2.26	\$20,911	2.25%	0.00%	to 0.90%	8.35%	to 7.38%
2016	9,712	\$1.56	to \$2.10	\$20,875	1.98%	0.00%	to 0.90%	16.06%	to 15.02%
2015	10,835	\$1.35	to \$1.83	\$20,189	3.09%	0.00%	to 0.90%	(4.94%)	to (5.79%)
<b>Frank Sm Cap Val, CI 2</b>									
2019	11,462	\$2.26	to \$5.10	\$39,541	1.05%	0.00%	to 0.90%	26.35%	to 25.22%
2018	11,878	\$1.79	to \$4.08	\$33,120	0.88%	0.00%	to 0.90%	(12.88%)	to (13.66%)
2017	12,544	\$2.06	to \$4.72	\$41,035	0.51%	0.00%	to 0.90%	10.65%	to 9.66%
2016	12,266	\$1.86	to \$4.30	\$40,529	0.81%	0.00%	to 0.90%	30.19%	to 29.02%
2015	12,474	\$1.43	to \$3.34	\$32,367	0.63%	0.00%	to 0.90%	(7.39%)	to (8.22%)
<b>GS VIT Mid Cap Val, Inst</b>									
2019	23,536	\$2.04	to \$5.58	\$84,916	0.79%	0.30%	to 0.90%	31.13%	to 30.35%
2018	26,053	\$1.55	to \$4.28	\$72,093	1.28%	0.30%	to 0.90%	(10.73%)	to (11.27%)
2017	28,937	\$1.74	to \$4.83	\$90,572	0.73%	0.30%	to 0.90%	10.74%	to 10.08%
2016	28,414	\$1.57	to \$4.38	\$89,356	1.34%	0.30%	to 0.90%	13.19%	to 12.52%
2015	32,228	\$1.39	to \$3.90	\$90,612	0.39%	0.30%	to 0.90%	(9.36%)	to (9.90%)
<b>GS VIT Multi-Strategy Alt, Advisor</b>									
2019	1,294	\$0.98	to \$0.94	\$1,243	2.61%	0.00%	to 0.90%	8.60%	to 7.63%
2018	1,250	\$0.91	to \$0.87	\$1,109	2.26%	0.00%	to 0.90%	(7.09%)	to (7.93%)
2017	1,193	\$0.97	to \$0.94	\$1,139	2.12%	0.00%	to 0.90%	5.14%	to 4.20%
2016	1,036	\$0.93	to \$0.91	\$945	0.82%	0.00%	to 0.90%	0.27%	to (0.62%)
2015	715	\$0.92	to \$0.91	\$655	3.26%	0.00%	to 0.90%	(4.89%)	to (5.74%)
<b>GS VIT Sm Cap Eq Insights, Inst</b>									
2019	1,566	\$4.53	to \$3.57	\$6,649	0.48%	0.45%	to 0.90%	24.28%	to 23.72%
2018	1,665	\$3.65	to \$2.88	\$5,660	0.49%	0.45%	to 0.90%	(9.03%)	to (9.45%)
2017	1,629	\$4.01	to \$3.18	\$6,123	0.55%	0.45%	to 0.90%	11.07%	to 10.57%
2016	1,700	\$3.61	to \$2.88	\$5,764	1.19%	0.45%	to 0.90%	22.65%	to 22.10%
2015	1,852	\$2.94	to \$2.36	\$5,129	0.28%	0.45%	to 0.90%	(2.37%)	to (2.80%)

	At December 31				For the year ended December 31				
	Units (000s)	Accumulation unit value lowest to highest <sup>(1)</sup>		Net assets (000s)	Investment income ratio <sup>(2)</sup>	Expense ratio lowest to highest <sup>(3)</sup>		Total return lowest to highest <sup>(1)(4)</sup>	
<b>GS VIT U.S. Eq Insights, Inst</b>									
2019	14,289	\$2.54	to \$2.45	\$50,257	1.25%	0.30%	to 0.90%	24.83%	to 24.09%
2018	16,024	\$2.03	to \$1.97	\$44,897	1.22%	0.30%	to 0.90%	(6.48%)	to (7.04%)
2017	16,929	\$2.18	to \$2.12	\$50,655	1.41%	0.30%	to 0.90%	23.70%	to 22.96%
2016	19,039	\$1.76	to \$1.73	\$43,369	1.32%	0.30%	to 0.90%	10.40%	to 9.74%
2015	20,819	\$1.59	to \$1.57	\$42,921	1.34%	0.30%	to 0.90%	(0.31%)	to (0.91%)
<b>Invesco Opp VI Global, Ser II</b>									
2019	8,141	\$2.29	to \$2.63	\$23,970	0.64%	0.00%	to 0.90%	31.45%	to 30.28%
2018	8,952	\$1.75	to \$2.02	\$20,340	0.75%	0.00%	to 0.90%	(13.39%)	to (14.17%)
2017	8,565	\$2.02	to \$2.35	\$22,586	0.71%	0.00%	to 0.90%	36.32%	to 35.10%
2016	7,751	\$1.48	to \$1.74	\$14,759	0.78%	0.00%	to 0.90%	(0.16%)	to (1.05%)
2015	8,417	\$1.48	to \$1.76	\$16,293	1.08%	0.00%	to 0.90%	3.67%	to 2.74%
<b>Inves Opp VI Gbl Strat Inc, Ser II</b>									
2019	24,251	\$1.20	to \$1.62	\$38,201	3.39%	0.00%	to 0.90%	10.61%	to 9.61%
2018	25,782	\$1.09	to \$1.48	\$36,997	4.54%	0.00%	to 0.90%	(4.54%)	to (5.40%)
2017	27,692	\$1.14	to \$1.57	\$42,335	1.98%	0.00%	to 0.90%	6.04%	to 5.08%
2016	27,639	\$1.07	to \$1.49	\$41,543	4.62%	0.00%	to 0.90%	6.26%	to 5.31%
2015	32,055	\$1.01	to \$1.42	\$45,707	5.48%	0.00%	to 0.90%	(2.49%)	to (3.37%)
<b>Inves Opp VI Mn St Sm Cap, Ser II</b>									
2019	7,714	\$2.34	to \$2.82	\$24,402	—	0.00%	to 0.90%	26.13%	to 25.00%
2018	8,093	\$1.85	to \$2.25	\$20,534	0.06%	0.00%	to 0.90%	(10.54%)	to (11.34%)
2017	8,352	\$2.07	to \$2.54	\$24,088	0.65%	0.00%	to 0.90%	13.91%	to 12.89%
2016	7,409	\$1.82	to \$2.25	\$18,842	0.25%	0.00%	to 0.90%	17.67%	to 16.62%
2015	6,894	\$1.55	to \$1.93	\$15,265	0.64%	0.00%	to 0.90%	(6.09%)	to (6.94%)
<b>Invesco VI Am Fran, Ser I</b>									
2019	5,285	\$2.58	to \$2.49	\$13,533	—	0.45%	to 0.90%	36.14%	to 35.53%
2018	5,616	\$1.89	to \$1.84	\$10,569	—	0.45%	to 0.90%	(4.06%)	to (4.49%)
2017	5,729	\$1.98	to \$1.93	\$11,250	0.08%	0.45%	to 0.90%	26.77%	to 26.20%
2016	6,134	\$1.56	to \$1.53	\$9,511	—	0.45%	to 0.90%	1.81%	to 1.35%
2015	6,818	\$1.53	to \$1.51	\$10,393	—	0.45%	to 0.90%	4.54%	to 4.07%
<b>Invesco VI Bal Risk Alloc, Ser II</b>									
2019	5,671	\$1.33	to \$1.20	\$7,026	—	0.00%	to 0.90%	14.88%	to 13.85%
2018	5,306	\$1.16	to \$1.06	\$5,739	1.30%	0.00%	to 0.90%	(6.71%)	to (7.55%)
2017	5,691	\$1.24	to \$1.14	\$6,610	4.03%	0.00%	to 0.90%	9.83%	to 8.85%
2016	4,342	\$1.13	to \$1.05	\$4,605	0.21%	0.00%	to 0.90%	11.51%	to 10.52%
2015	2,494	\$1.01	to \$0.95	\$2,385	4.68%	0.00%	to 0.90%	(4.40%)	to (5.26%)
<b>Invesco VI Comstock, Ser II</b>									
2019	2,967	\$2.07	to \$1.90	\$8,353	1.67%	0.30%	to 0.90%	24.57%	to 23.82%
2018	3,321	\$1.67	to \$1.54	\$7,509	1.41%	0.30%	to 0.90%	(12.63%)	to (13.16%)
2017	3,824	\$1.91	to \$1.77	\$9,519	1.93%	0.30%	to 0.90%	17.22%	to 16.52%
2016	4,393	\$1.63	to \$1.52	\$8,878	1.26%	0.30%	to 0.90%	16.64%	to 15.94%
2015	5,513	\$1.39	to \$1.31	\$9,628	1.66%	0.30%	to 0.90%	(6.47%)	to (7.03%)
<b>Invesco VI Core Eq, Ser I</b>									
2019	29,656	\$3.16	to \$3.78	\$103,131	0.94%	0.45%	to 0.90%	28.39%	to 27.81%
2018	32,739	\$2.46	to \$2.95	\$88,949	0.88%	0.45%	to 0.90%	(9.80%)	to (10.21%)
2017	36,303	\$2.73	to \$3.29	\$109,639	1.03%	0.45%	to 0.90%	12.67%	to 12.16%
2016	40,315	\$2.42	to \$2.93	\$108,518	0.75%	0.45%	to 0.90%	9.77%	to 9.28%
2015	44,945	\$2.21	to \$2.68	\$110,617	1.11%	0.45%	to 0.90%	(6.19%)	to (6.61%)
<b>Invesco VI Div Divd, Ser I</b>									
2019	9,048	\$2.15	to \$2.20	\$20,296	2.87%	0.30%	to 0.90%	24.72%	to 23.97%
2018	9,647	\$1.72	to \$1.78	\$17,408	2.28%	0.30%	to 0.90%	(7.85%)	to (8.41%)
2017	11,793	\$1.87	to \$1.94	\$23,160	1.70%	0.30%	to 0.90%	8.25%	to 7.60%
2016	12,201	\$1.72	to \$1.80	\$22,220	1.49%	0.30%	to 0.90%	14.47%	to 13.79%
2015	7,157	\$1.51	to \$1.59	\$11,424	1.69%	0.30%	to 0.90%	1.76%	to 1.15%
<b>Invesco VI Intl Gro, Ser II</b>									
2019	11,516	\$1.55	to \$1.38	\$23,704	1.27%	0.30%	to 0.90%	27.85%	to 27.09%
2018	12,624	\$1.21	to \$1.09	\$20,029	1.75%	0.30%	to 0.90%	(15.46%)	to (15.97%)
2017	14,709	\$1.44	to \$1.29	\$27,062	1.26%	0.30%	to 0.90%	22.36%	to 21.63%
2016	16,524	\$1.17	to \$1.06	\$23,731	1.20%	0.30%	to 0.90%	(0.99%)	to (1.58%)
2015	16,532	\$1.18	to \$1.08	\$24,088	1.29%	0.30%	to 0.90%	(2.91%)	to (3.49%)



	At December 31				For the year ended December 31					
	Units (000s)	Accumulation unit value lowest to highest <sup>(1)</sup>		Net assets (000s)	Investment income ratio <sup>(2)</sup>	Expense ratio lowest to highest <sup>(3)</sup>		Total return lowest to highest <sup>(1)(4)</sup>		
<b>Invesco VI Mid Cap Gro, Ser I</b>										
2019	5,344	\$2.34	to \$2.15	\$11,892	—	0.30%	to 0.90%	33.94%	to 33.13%	
2018	5,892	\$1.74	to \$1.62	\$9,806	—	0.30%	to 0.90%	(5.87%)	to (6.43%)	
2017	6,414	\$1.85	to \$1.73	\$11,364	—	0.30%	to 0.90%	22.12%	to 21.40%	
2016	6,846	\$1.52	to \$1.42	\$9,908	—	0.30%	to 0.90%	0.46%	to (0.15%)	
2015	5,135	\$1.51	to \$1.42	\$7,407	—	0.30%	to 0.90%	0.90%	to 0.30%	
<b>Invesco VI Tech, Ser I</b>										
2019	2,826	\$2.71	to \$3.29	\$11,505	—	0.30%	to 0.90%	35.47%	to 34.66%	
2018	3,089	\$2.00	to \$2.44	\$9,309	—	0.30%	to 0.90%	(0.75%)	to (1.35%)	
2017	3,215	\$2.02	to \$2.47	\$9,530	—	0.30%	to 0.90%	34.73%	to 33.93%	
2016	3,553	\$1.50	to \$1.85	\$7,689	—	0.30%	to 0.90%	(1.05%)	to (1.64%)	
2015	4,676	\$1.51	to \$1.88	\$10,010	—	0.30%	to 0.90%	6.49%	to 5.86%	
<b>Ivy VIP Asset Strategy, CI II</b>										
2019	1,924	\$1.26	to \$1.12	\$2,263	2.26%	0.00%	to 0.90%	21.78%	to 20.69%	
2018	1,865	\$1.03	to \$0.93	\$1,815	1.93%	0.00%	to 0.90%	(5.44%)	to (6.29%)	
2017	1,692	\$1.09	to \$0.99	\$1,736	1.50%	0.00%	to 0.90%	18.27%	to 17.22%	
2016	2,419	\$0.92	to \$0.84	\$2,091	0.55%	0.00%	to 0.90%	(2.57%)	to (3.44%)	
2015	3,335	\$0.95	to \$0.87	\$2,956	0.36%	0.00%	to 0.90%	(8.35%)	to (9.17%)	
<b>Janus Henderson VIT Enter, Serv</b>										
2019	4,628	\$6.23	to \$2.38	\$21,607	0.05%	0.45%	to 0.90%	34.55%	to 33.95%	
2018	4,836	\$4.63	to \$1.77	\$16,818	0.11%	0.45%	to 0.90%	(1.11%)	to (1.56%)	
2017	4,758	\$4.68	to \$1.80	\$16,847	0.14%	0.45%	to 0.90%	26.52%	to 25.95%	
2016	4,849	\$3.70	to \$1.43	\$13,476	0.03%	0.45%	to 0.90%	11.60%	to 11.10%	
2015	4,708	\$3.31	to \$1.29	\$11,735	0.53%	0.45%	to 0.90%	3.30%	to 2.84%	
<b>Janus Henderson VIT Gbl Tech, Serv</b>										
2019	7,220	\$3.77	to \$2.15	\$34,159	—	0.30%	to 0.90%	44.38%	to 43.52%	
2018	7,750	\$2.61	to \$1.50	\$24,345	—	0.30%	to 0.90%	0.61%	to 0.00%	
2017	8,044	\$2.59	to \$1.50	\$24,274	—	0.30%	to 0.90%	44.48%	to 43.62%	
2016	8,959	\$1.79	to \$1.04	\$16,410	0.09%	0.30%	to 0.90%	13.51%	to 12.83%	
2015	9,428	\$1.58	to \$0.92	\$15,266	—	0.30%	to 0.90%	4.33%	to 3.71%	
<b>Janus Henderson VIT Overseas, Serv</b>										
2019	19,652	\$1.27	to \$1.56	\$35,591	1.83%	0.30%	to 0.90%	26.33%	to 25.57%	
2018	21,452	\$1.01	to \$1.24	\$30,707	1.65%	0.30%	to 0.90%	(15.39%)	to (15.90%)	
2017	22,471	\$1.19	to \$1.48	\$38,147	1.59%	0.30%	to 0.90%	30.41%	to 29.64%	
2016	24,229	\$0.91	to \$1.14	\$31,600	4.69%	0.30%	to 0.90%	(6.99%)	to (7.54%)	
2015	26,524	\$0.98	to \$1.23	\$37,183	0.50%	0.30%	to 0.90%	(9.08%)	to (9.62%)	
<b>Janus Henderson VIT Res, Serv</b>										
2019	3,750	\$2.64	to \$2.52	\$12,617	0.31%	0.00%	to 0.90%	35.23%	to 34.01%	
2018	4,168	\$1.95	to \$1.88	\$10,313	0.36%	0.00%	to 0.90%	(2.84%)	to (3.71%)	
2017	4,434	\$2.01	to \$1.95	\$11,178	0.24%	0.00%	to 0.90%	27.56%	to 26.42%	
2016	5,161	\$1.58	to \$1.55	\$9,728	0.38%	0.00%	to 0.90%	0.27%	to (0.63%)	
2015	5,636	\$1.57	to \$1.55	\$10,592	0.45%	0.00%	to 0.90%	5.07%	to 4.13%	
<b>Lazard Ret Global Dyn MA, Serv</b>										
2019	2,202	\$1.50	to \$1.29	\$2,952	0.05%	0.00%	to 0.90%	17.79%	to 16.73%	
2018	2,416	\$1.27	to \$1.11	\$2,753	1.45%	0.00%	to 0.90%	(6.57%)	to (7.41%)	
2017	1,648	\$1.36	to \$1.20	\$2,026	—	0.00%	to 0.90%	20.53%	to 19.45%	
2016	1,587	\$1.13	to \$1.00	\$1,614	0.21%	0.00%	to 0.90%	3.30%	to 2.38%	
2015	2,095	\$1.09	to \$0.98	\$2,072	—	0.00%	to 0.90%	(0.44%)	to (1.34%)	
<b>MFS Mass Inv Gro Stock, Serv CI</b>										
2019	22,675	\$1.85	to \$1.79	\$41,453	0.34%	0.30%	to 0.90%	39.17%	to 38.33%	
2018	24,244	\$1.33	to \$1.30	\$31,898	0.33%	0.30%	to 0.90%	0.27%	to (0.33%)	
2017	27,149	\$1.32	to \$1.30	\$35,688	0.42%	0.30%	to 0.90%	27.72%	to 26.96%	
2016	29,260	\$1.04	to \$1.02	\$30,145	0.38%	0.30%	to 0.90%	5.53%	to 4.89%	
2015	31,277	\$0.98	to \$0.98	\$30,623	0.60%	0.30%	to 0.90%	(1.85%)(5)	to (2.30%)(5)	
<b>MFS New Dis, Serv CI</b>										
2019	6,154	\$2.41	to \$3.20	\$28,454	—	0.30%	to 0.90%	40.85%	to 40.01%	
2018	6,336	\$1.71	to \$2.28	\$20,826	—	0.30%	to 0.90%	(2.01%)	to (2.60%)	
2017	6,766	\$1.75	to \$2.35	\$22,794	—	0.30%	to 0.90%	25.95%	to 25.20%	
2016	7,476	\$1.39	to \$1.87	\$19,951	—	0.30%	to 0.90%	8.47%	to 7.83%	
2015	8,493	\$1.28	to \$1.74	\$20,555	—	0.30%	to 0.90%	(2.44%)	to (3.02%)	

	At December 31				For the year ended December 31				
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<b>MFS Utilities, Serv CI</b>									
2019	8,490	\$1.94	to \$5.44	\$24,381	3.79%	0.00%	to 0.90%	24.80%	to 23.68%
2018	8,556	\$1.55	to \$4.40	\$20,516	0.84%	0.00%	to 0.90%	0.81%	to (0.10%)
2017	9,358	\$1.54	to \$4.40	\$22,959	4.11%	0.00%	to 0.90%	14.49%	to 13.47%
2016	8,643	\$1.35	to \$3.88	\$22,773	3.68%	0.00%	to 0.90%	11.23%	to 10.24%
2015	9,246	\$1.21	to \$3.52	\$22,085	3.86%	0.00%	to 0.90%	(14.76%)	to (15.52%)
<b>MS VIF Dis, CI II</b>									
2019	4,958	\$2.69	to \$2.80	\$17,875	—	0.00%	to 0.90%	39.97%	to 38.71%
2018	4,343	\$1.92	to \$2.02	\$11,205	—	0.00%	to 0.90%	10.53%	to 9.53%
2017	3,218	\$1.74	to \$1.84	\$7,487	—	0.00%	to 0.90%	38.60%	to 37.36%
2016	3,387	\$1.26	to \$1.34	\$5,490	—	0.00%	to 0.90%	(8.84%)	to (9.66%)
2015	3,874	\$1.38	to \$1.48	\$6,997	—	0.00%	to 0.90%	(5.99%)	to (6.83%)
<b>MS VIF Global Real Est, CI II</b>									
2019	5,039	\$1.45	to \$1.24	\$9,894	2.59%	0.30%	to 0.90%	17.70%	to 17.00%
2018	4,762	\$1.24	to \$1.06	\$8,102	3.13%	0.30%	to 0.90%	(8.48%)	to (9.03%)
2017	5,698	\$1.35	to \$1.16	\$10,115	2.42%	0.30%	to 0.90%	9.38%	to 8.73%
2016	6,975	\$1.23	to \$1.07	\$10,236	1.35%	0.30%	to 0.90%	2.81%	to 2.20%
2015	8,384	\$1.20	to \$1.05	\$11,927	2.23%	0.30%	to 0.90%	(1.71%)	to (2.30%)
<b>NB AMT US Eq Index PW Strat, CI S</b>									
2019	419	\$1.07	to \$1.02	\$440	0.14%	0.00%	to 0.90%	15.26%	to 14.22%
2018	526	\$0.93	to \$0.89	\$480	—	0.00%	to 0.90%	(6.78%)	to (7.62%)
2017	530	\$1.00	to \$0.97	\$519	—	0.00%	to 0.90%	6.68%	to 5.72%
2016	433	\$0.93	to \$0.91	\$398	—	0.00%	to 0.90%	(0.64%)	to (1.54%)
2015	514	\$0.94	to \$0.93	\$478	—	0.00%	to 0.90%	(5.06%)	to (5.91%)
<b>PIMCO VIT All Asset, Advisor CI</b>									
2019	8,557	\$1.28	to \$1.57	\$14,439	2.81%	0.00%	to 0.90%	11.74%	to 10.74%
2018	9,330	\$1.15	to \$1.42	\$14,186	2.98%	0.00%	to 0.90%	(5.45%)	to (6.30%)
2017	10,586	\$1.21	to \$1.52	\$17,224	4.51%	0.00%	to 0.90%	13.38%	to 12.36%
2016	11,365	\$1.07	to \$1.35	\$16,502	2.46%	0.00%	to 0.90%	12.91%	to 11.90%
2015	13,719	\$0.95	to \$1.21	\$17,569	2.95%	0.00%	to 0.90%	(9.19%)	to (10.00%)
<b>PIMCO VIT Tot Return, Advisor CI</b>									
2019	6,815	\$1.21	to \$1.13	\$7,856	2.87%	0.00%	to 0.90%	8.25%	to 7.28%
2018	3,999	\$1.11	to \$1.05	\$4,284	2.45%	0.00%	to 0.90%	(0.63%)	to (1.53%)
2017	3,467	\$1.12	to \$1.07	\$3,743	1.93%	0.00%	to 0.90%	4.81%	to 3.87%
2016	2,097	\$1.07	to \$1.03	\$2,172	1.98%	0.00%	to 0.90%	2.58%	to 1.66%
2015	1,219	\$1.04	to \$1.01	\$1,240	5.65%	0.00%	to 0.90%	0.01%	to (0.89%)
<b>Put VT Global Hlth Care, CI IB</b>									
2019	6,068	\$2.54	to \$3.62	\$21,109	—	0.30%	to 0.90%	29.90%	to 29.13%
2018	6,501	\$1.95	to \$2.80	\$17,504	0.97%	0.30%	to 0.90%	(0.89%)	to (1.49%)
2017	6,777	\$1.97	to \$2.84	\$18,570	0.53%	0.30%	to 0.90%	14.95%	to 14.27%
2016	7,099	\$1.72	to \$2.49	\$17,596	—	0.30%	to 0.90%	(11.62%)	to (12.14%)
2015	9,324	\$1.94	to \$2.83	\$26,289	6.84%	0.30%	to 0.90%	7.46%	to 6.82%
<b>Put VT Hi Yield, CI IB</b>									
2019	2,581	\$2.60	to \$2.69	\$6,763	5.98%	0.45%	to 0.90%	13.89%	to 13.37%
2018	2,860	\$2.28	to \$2.38	\$6,586	5.76%	0.45%	to 0.90%	(4.50%)	to (4.93%)
2017	3,035	\$2.39	to \$2.50	\$7,330	6.01%	0.45%	to 0.90%	6.50%	to 6.02%
2016	3,441	\$2.24	to \$2.36	\$7,819	6.39%	0.45%	to 0.90%	15.03%	to 14.51%
2015	3,779	\$1.95	to \$2.06	\$7,480	6.97%	0.45%	to 0.90%	(5.77%)	to (6.20%)
<b>Put VT Intl Eq, CI IB</b>									
2019	2,706	\$1.53	to \$1.88	\$5,321	1.36%	0.30%	to 0.90%	24.78%	to 24.03%
2018	2,967	\$1.23	to \$1.52	\$4,766	1.34%	0.30%	to 0.90%	(19.36%)	to (19.84%)
2017	2,990	\$1.52	to \$1.89	\$5,892	2.14%	0.30%	to 0.90%	26.20%	to 25.45%
2016	2,908	\$1.21	to \$1.51	\$4,631	3.35%	0.30%	to 0.90%	(2.75%)	to (3.33%)
2015	2,896	\$1.24	to \$1.56	\$4,771	1.10%	0.30%	to 0.90%	(0.16%)	to (0.76%)
<b>Put VT Sus Leaders, CI IA</b>									
2019	25,920	\$5.18	to \$4.43	\$123,672	0.68%	0.45%	to 0.90%	36.11%	to 35.50%
2018	28,382	\$3.80	to \$3.27	\$99,618	0.01%	0.45%	to 0.90%	(1.73%)	to (2.17%)
2017	31,396	\$3.87	to \$3.34	\$112,419	0.84%	0.45%	to 0.90%	28.98%	to 28.40%
2016	34,472	\$3.00	to \$2.60	\$95,803	0.93%	0.45%	to 0.90%	7.58%	to 7.10%
2015	35,708	\$2.79	to \$2.43	\$92,008	1.91%	0.45%	to 0.90%	(0.52%)	to (0.97%)

	At December 31				For the year ended December 31				
	Units (000s)	Accumulation unit value lowest to highest <sup>(1)</sup>		Net assets (000s)	Investment income ratio <sup>(2)</sup>	Expense ratio lowest to highest <sup>(3)</sup>		Total return lowest to highest <sup>(1)(4)</sup>	
<b>Royce Micro-Cap, Invest CI</b>									
2019	9,643	\$2.79	to \$4.02	\$29,104	—	0.45%	to 0.90%	19.02%	to 18.48%
2018	10,454	\$2.34	to \$3.39	\$26,556	—	0.45%	to 0.90%	(9.46%)	to (9.86%)
2017	11,553	\$2.59	to \$3.76	\$32,584	0.66%	0.45%	to 0.90%	4.71%	to 4.25%
2016	12,678	\$2.47	to \$3.61	\$34,331	0.70%	0.45%	to 0.90%	19.18%	to 18.64%
2015	14,318	\$2.07	to \$3.04	\$32,661	—	0.45%	to 0.90%	(12.85%)	to (13.24%)
<b>Temp Global Bond, CI 2</b>									
2019	3,922	\$1.08	to \$0.98	\$3,987	7.27%	0.00%	to 0.90%	2.01%	to 1.10%
2018	3,892	\$1.06	to \$0.97	\$3,883	—	0.00%	to 0.90%	1.94%	to 1.02%
2017	3,815	\$1.04	to \$0.96	\$3,754	—	0.00%	to 0.90%	1.93%	to 1.01%
2016	2,999	\$1.02	to \$0.95	\$2,899	—	0.00%	to 0.90%	2.94%	to 2.02%
2015	3,043	\$0.99	to \$0.94	\$2,876	7.47%	0.00%	to 0.90%	(4.30%)	to (5.16%)
<b>Third Ave Val</b>									
2019	9,991	\$2.23	to \$2.82	\$23,640	0.27%	0.45%	to 0.90%	11.96%	to 11.45%
2018	10,915	\$1.99	to \$2.53	\$23,113	1.84%	0.45%	to 0.90%	(20.70%)	to (21.06%)
2017	11,970	\$2.51	to \$3.20	\$32,021	0.84%	0.45%	to 0.90%	13.08%	to 12.57%
2016	12,933	\$2.22	to \$2.85	\$30,716	0.81%	0.45%	to 0.90%	11.72%	to 11.22%
2015	14,736	\$1.99	to \$2.56	\$31,423	3.32%	0.45%	to 0.90%	(9.30%)	to (9.71%)
<b>VanEck VIP Global Gold, CI S</b>									
2019	3,770	\$1.19	to \$1.07	\$4,141	—	0.00%	to 0.90%	38.75%	to 37.50%
2018	3,569	\$0.86	to \$0.78	\$2,835	3.02%	0.00%	to 0.90%	(15.70%)	to (16.46%)
2017	3,171	\$1.02	to \$0.93	\$3,000	4.28%	0.00%	to 0.90%	11.63%	to 10.63%
2016	3,063	\$0.91	to \$0.84	\$2,595	0.23%	0.00%	to 0.90%	47.94%	to 46.62%
2015	1,044	\$0.61	to \$0.57	\$603	—	0.00%	to 0.90%	(24.16%)	to (24.84%)
<b>VP Aggr, CI 2</b>									
2019	148,099	\$1.84	to \$2.02	\$288,958	—	0.00%	to 0.90%	21.59%	to 20.50%
2018	147,086	\$1.51	to \$1.67	\$237,916	—	0.00%	to 0.90%	(8.58%)	to (9.41%)
2017	136,904	\$1.65	to \$1.85	\$244,724	—	0.00%	to 0.90%	18.91%	to 17.85%
2016	126,807	\$1.39	to \$1.57	\$193,614	—	0.00%	to 0.90%	5.91%	to 4.96%
2015	124,746	\$1.31	to \$1.49	\$181,784	—	0.00%	to 0.90%	(0.76%)	to (1.65%)
<b>VP Aggr, CI 4</b>									
2019	177,281	\$1.76	to \$2.02	\$351,736	—	0.30%	to 0.90%	21.31%	to 20.59%
2018	191,455	\$1.45	to \$1.68	\$314,468	—	0.30%	to 0.90%	(8.89%)	to (9.44%)
2017	199,757	\$1.60	to \$1.85	\$363,471	—	0.30%	to 0.90%	18.52%	to 17.81%
2016	205,807	\$1.35	to \$1.57	\$322,620	—	0.30%	to 0.90%	5.65%	to 5.02%
2015	222,489	\$1.27	to \$1.50	\$331,221	—	0.30%	to 0.90%	(1.05%)	to (1.65%)
<b>VP Conserv, CI 2</b>									
2019	11,798	\$1.30	to \$1.37	\$16,251	—	0.00%	to 0.90%	10.75%	to 9.76%
2018	11,230	\$1.18	to \$1.25	\$14,115	—	0.00%	to 0.90%	(2.95%)	to (3.82%)
2017	10,587	\$1.21	to \$1.30	\$13,766	—	0.00%	to 0.90%	7.42%	to 6.46%
2016	13,191	\$1.13	to \$1.22	\$16,100	—	0.00%	to 0.90%	3.44%	to 2.51%
2015	12,778	\$1.09	to \$1.19	\$15,157	—	0.00%	to 0.90%	(0.16%)	to (1.06%)
<b>VP Conserv, CI 4</b>									
2019	16,344	\$1.26	to \$1.37	\$22,424	—	0.30%	to 0.90%	10.42%	to 9.76%
2018	14,037	\$1.14	to \$1.25	\$17,617	—	0.30%	to 0.90%	(3.17%)	to (3.76%)
2017	15,994	\$1.18	to \$1.30	\$20,895	—	0.30%	to 0.90%	7.02%	to 6.38%
2016	19,023	\$1.10	to \$1.22	\$23,326	—	0.30%	to 0.90%	3.13%	to 2.51%
2015	18,600	\$1.07	to \$1.19	\$22,196	—	0.30%	to 0.90%	(0.46%)	to (1.06%)
<b>VP Man Vol Conserv, CI 2</b>									
2019	2,952	\$1.21	to \$1.16	\$3,492	—	0.00%	to 0.90%	11.92%	to 10.91%
2018	1,593	\$1.09	to \$1.04	\$1,686	—	0.00%	to 0.90%	(2.58%)	to (3.46%)
2017	1,289	\$1.11	to \$1.08	\$1,409	—	0.00%	to 0.90%	7.89%	to 6.92%
2016	1,574	\$1.03	to \$1.01	\$1,601	—	0.00%	to 0.90%	3.06%	to 2.13%
2015	639	\$1.00	to \$0.99	\$633	—	0.00%	to 0.90%	(1.13%)	to (2.03%)
<b>VP Man Vol Conserv Gro, CI 2</b>									
2019	4,191	\$1.24	to \$1.18	\$5,088	—	0.00%	to 0.90%	14.00%	to 12.97%
2018	4,456	\$1.09	to \$1.05	\$4,758	—	0.00%	to 0.90%	(4.30%)	to (5.16%)
2017	3,832	\$1.14	to \$1.10	\$4,287	—	0.00%	to 0.90%	11.19%	to 10.20%
2016	4,651	\$1.03	to \$1.00	\$4,689	—	0.00%	to 0.90%	3.17%	to 2.24%
2015	3,300	\$0.99	to \$0.98	\$3,245	—	0.00%	to 0.90%	(1.83%)	to (2.71%)

	At December 31				For the year ended December 31				
	Units (000s)	Accumulation unit value lowest to highest <sup>(1)</sup>		Net assets (000s)	Investment income ratio <sup>(2)</sup>	Expense ratio lowest to highest <sup>(3)</sup>		Total return lowest to highest <sup>(1)(4)</sup>	
<b>VP Man Vol Gro, CI 2</b>									
2019	38,883	\$1.30	to \$1.23	\$49,401	—	0.00%	to 0.90%	18.26%	to 17.20%
2018	39,162	\$1.10	to \$1.05	\$42,174	—	0.00%	to 0.90%	(7.73%)	to (8.56%)
2017	34,177	\$1.19	to \$1.15	\$39,993	—	0.00%	to 0.90%	17.48%	to 16.43%
2016	28,478	\$1.01	to \$0.99	\$28,387	—	0.00%	to 0.90%	3.37%	to 2.44%
2015	30,602	\$0.98	to \$0.96	\$29,671	—	0.00%	to 0.90%	(3.34%)	to (4.21%)
<b>VP Man Vol Mod Gro, CI 2</b>									
2019	29,853	\$1.28	to \$1.22	\$37,298	—	0.00%	to 0.90%	16.17%	to 15.13%
2018	29,200	\$1.10	to \$1.06	\$31,490	—	0.00%	to 0.90%	(5.85%)	to (6.70%)
2017	25,088	\$1.17	to \$1.13	\$28,789	—	0.00%	to 0.90%	14.34%	to 13.32%
2016	24,415	\$1.02	to \$1.00	\$24,563	—	0.00%	to 0.90%	3.42%	to 2.49%
2015	23,281	\$0.99	to \$0.97	\$22,774	—	0.00%	to 0.90%	(2.52%)	to (3.40%)
<b>VP Mod, CI 2</b>									
2019	227,793	\$1.55	to \$1.69	\$383,237	—	0.00%	to 0.90%	16.13%	to 15.09%
2018	231,275	\$1.34	to \$1.47	\$337,446	—	0.00%	to 0.90%	(5.57%)	to (6.42%)
2017	235,009	\$1.42	to \$1.57	\$366,198	—	0.00%	to 0.90%	13.22%	to 12.21%
2016	241,303	\$1.25	to \$1.40	\$336,097	—	0.00%	to 0.90%	4.63%	to 3.70%
2015	242,400	\$1.20	to \$1.35	\$325,206	—	0.00%	to 0.90%	(0.56%)	to (1.45%)
<b>VP Mod, CI 4</b>									
2019	343,553	\$1.50	to \$1.70	\$583,300	—	0.30%	to 0.90%	15.83%	to 15.14%
2018	370,021	\$1.29	to \$1.47	\$544,448	—	0.30%	to 0.90%	(5.85%)	to (6.42%)
2017	400,097	\$1.37	to \$1.58	\$629,938	—	0.30%	to 0.90%	12.87%	to 12.19%
2016	438,780	\$1.22	to \$1.40	\$618,470	—	0.30%	to 0.90%	4.32%	to 3.69%
2015	477,669	\$1.17	to \$1.35	\$647,973	—	0.30%	to 0.90%	(0.85%)	to (1.45%)
<b>VP Mod Aggr, CI 2</b>									
2019	366,784	\$1.69	to \$1.85	\$659,245	—	0.00%	to 0.90%	18.71%	to 17.65%
2018	366,697	\$1.42	to \$1.58	\$559,645	—	0.00%	to 0.90%	(7.03%)	to (7.87%)
2017	356,965	\$1.53	to \$1.71	\$591,249	—	0.00%	to 0.90%	16.15%	to 15.11%
2016	342,835	\$1.32	to \$1.49	\$496,512	—	0.00%	to 0.90%	5.27%	to 4.32%
2015	337,001	\$1.25	to \$1.42	\$468,274	—	0.00%	to 0.90%	(0.73%)	to (1.62%)
<b>VP Mod Aggr, CI 4</b>									
2019	566,475	\$1.62	to \$1.86	\$1,037,870	—	0.30%	to 0.90%	18.39%	to 17.68%
2018	609,531	\$1.37	to \$1.58	\$947,454	—	0.30%	to 0.90%	(7.36%)	to (7.91%)
2017	654,007	\$1.48	to \$1.71	\$1,105,955	—	0.30%	to 0.90%	15.85%	to 15.15%
2016	691,922	\$1.28	to \$1.49	\$1,027,371	—	0.30%	to 0.90%	4.95%	to 4.32%
2015	748,667	\$1.22	to \$1.43	\$1,063,929	—	0.30%	to 0.90%	(1.09%)	to (1.69%)
<b>VP Mod Conserv, CI 2</b>									
2019	32,291	\$1.42	to \$1.52	\$49,591	—	0.00%	to 0.90%	13.52%	to 12.50%
2018	31,628	\$1.25	to \$1.35	\$43,091	—	0.00%	to 0.90%	(4.12%)	to (4.99%)
2017	36,972	\$1.31	to \$1.43	\$52,960	—	0.00%	to 0.90%	10.01%	to 9.02%
2016	46,631	\$1.19	to \$1.31	\$61,117	—	0.00%	to 0.90%	3.97%	to 3.03%
2015	39,242	\$1.14	to \$1.27	\$50,023	—	0.00%	to 0.90%	(0.22%)	to (1.12%)
<b>VP Mod Conserv, CI 4</b>									
2019	49,660	\$1.38	to \$1.53	\$75,729	—	0.30%	to 0.90%	13.15%	to 12.47%
2018	50,525	\$1.22	to \$1.36	\$68,361	—	0.30%	to 0.90%	(4.34%)	to (4.92%)
2017	56,168	\$1.27	to \$1.43	\$80,158	—	0.30%	to 0.90%	9.59%	to 8.93%
2016	65,124	\$1.16	to \$1.31	\$85,866	—	0.30%	to 0.90%	3.73%	to 3.10%
2015	60,936	\$1.12	to \$1.27	\$77,811	—	0.30%	to 0.90%	(0.59%)	to (1.20%)
<b>VP Ptnrs Core Eq, CI 3</b>									
2019	2,154	\$2.14	to \$1.85	\$5,885	—	0.30%	to 0.90%	26.00%	to 25.25%
2018	2,416	\$1.70	to \$1.48	\$5,213	—	0.30%	to 0.90%	(8.36%)	to (8.91%)
2017	2,769	\$1.86	to \$1.62	\$6,207	—	0.30%	to 0.90%	19.91%	to 19.20%
2016	3,187	\$1.55	to \$1.36	\$5,620	—	0.30%	to 0.90%	9.36%	to 8.70%
2015	3,492	\$1.42	to \$1.25	\$5,641	—	0.30%	to 0.90%	0.16%	to (0.45%)
<b>VP Ptnrs Sm Cap Val, CI 3</b>									
2019	5,162	\$1.75	to \$3.03	\$13,740	—	0.30%	to 0.90%	19.30%	to 18.58%
2018	5,460	\$1.47	to \$2.56	\$12,253	—	0.30%	to 0.90%	(13.86%)	to (14.37%)
2017	5,865	\$1.70	to \$2.98	\$15,420	—	0.30%	to 0.90%	6.70%	to 6.07%
2016	5,873	\$1.60	to \$2.81	\$15,548	—	0.30%	to 0.90%	25.16%	to 24.41%
2015	6,411	\$1.28	to \$2.26	\$13,540	—	0.30%	to 0.90%	(9.62%)	to (10.17%)

	At December 31			For the year ended December 31					
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<b>Wanger Intl</b>									
2019	32,683	\$1.65	to \$2.77	\$89,412	0.82%	0.30%	to 0.90%	29.60%	to 28.83%
2018	35,663	\$1.27	to \$2.15	\$75,740	2.03%	0.30%	to 0.90%	(17.95%)	to (18.44%)
2017	37,368	\$1.55	to \$2.63	\$97,743	1.22%	0.30%	to 0.90%	32.52%	to 31.73%
2016	37,288	\$1.17	to \$2.00	\$76,959	1.16%	0.30%	to 0.90%	(1.70%)	to (2.29%)
2015	40,569	\$1.19	to \$2.05	\$85,635	1.44%	0.30%	to 0.90%	(0.20%)	to (0.80%)
<b>Wanger USA</b>									
2019	26,202	\$2.49	to \$5.30	\$115,353	0.26%	0.30%	to 0.90%	30.71%	to 29.93%
2018	28,625	\$1.91	to \$4.08	\$97,347	0.09%	0.30%	to 0.90%	(1.76%)	to (2.35%)
2017	30,947	\$1.94	to \$4.18	\$107,472	—	0.30%	to 0.90%	19.22%	to 18.51%
2016	31,191	\$1.63	to \$3.53	\$97,613	—	0.30%	to 0.90%	13.35%	to 12.67%
2015	33,872	\$1.44	to \$3.13	\$94,274	—	0.30%	to 0.90%	(0.90%)	to (1.50%)
<b>WF VT Intl Eq, CI 2</b>									
2019	11,303	\$1.46	to \$1.92	\$21,850	3.69%	0.30%	to 0.90%	15.14%	to 14.45%
2018	11,856	\$1.27	to \$1.68	\$20,111	11.34%	0.30%	to 0.90%	(17.53%)	to (18.03%)
2017	12,157	\$1.54	to \$2.04	\$25,133	2.78%	0.30%	to 0.90%	23.97%	to 23.23%
2016	11,216	\$1.24	to \$1.66	\$18,945	2.79%	0.30%	to 0.90%	2.99%	to 2.37%
2015	13,122	\$1.21	to \$1.62	\$21,579	3.98%	0.30%	to 0.90%	1.50%	to 0.89%
<b>WF VT Opp, CI 2</b>									
2019	4,163	\$2.45	to \$3.75	\$15,344	0.28%	0.00%	to 0.90%	31.46%	to 30.29%
2018	4,554	\$1.87	to \$2.88	\$12,901	0.18%	0.00%	to 0.90%	(7.15%)	to (7.98%)
2017	4,969	\$2.01	to \$3.13	\$15,483	0.68%	0.00%	to 0.90%	20.44%	to 19.36%
2016	5,354	\$1.67	to \$2.62	\$14,274	2.03%	0.00%	to 0.90%	12.23%	to 11.23%
2015	5,830	\$1.49	to \$2.36	\$14,035	0.13%	0.00%	to 0.90%	(3.08%)	to (3.95%)
<b>WF VT Sm Cap Gro, CI 2</b>									
2019	6,010	\$2.44	to \$4.30	\$21,973	—	0.00%	to 0.90%	24.83%	to 23.71%
2018	6,750	\$1.95	to \$3.48	\$20,205	—	0.00%	to 0.90%	1.31%	to 0.40%
2017	5,580	\$1.93	to \$3.46	\$17,217	—	0.00%	to 0.90%	25.86%	to 24.73%
2016	5,264	\$1.53	to \$2.78	\$13,709	—	0.00%	to 0.90%	7.75%	to 6.78%
2015	6,422	\$1.42	to \$2.60	\$15,861	—	0.00%	to 0.90%	(2.88%)	to (3.75%)

<sup>(1)</sup> The accumulation unit values and total returns are based on the life insurance policies with the lowest and highest expense ratios.

<sup>(2)</sup> 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.

<sup>(3)</sup> These ratios represent the annualized policy 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 policy owner accounts through the redemption of units and expenses of the underlying fund are excluded.

<sup>(4)</sup> 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. Investment options with a date notation indicate the effective date of that investment option in the variable account. The total return is calculated for the period indicated or from the effective date through the end of the reporting period. Although the total return is presented as a range of minimum to maximum values, based on the subaccounts representing the minimum and maximum expense ratio amounts, some individual subaccount total returns are not within the ranges presented due to the introduction of new subaccounts during the year and other market factors.

<sup>(5)</sup> New subaccount operations commenced on March 27, 2015.

<sup>(6)</sup> New subaccount operations commenced on April 28, 2017.

<sup>(7)</sup> New subaccount operations commenced on February 25, 2019.

## **REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

### **TO THE BOARD OF DIRECTORS AND SHAREHOLDER OF RIVERSOURCE LIFE INSURANCE COMPANY**

#### *Opinion on the Financial Statements*

We have audited the accompanying consolidated balance sheets of RiverSource Life Insurance Company and its subsidiaries (the “Company”) as of December 31, 2019 and 2018, and the related consolidated 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, 2019, including the related notes (collectively referred to as the “consolidated financial statements”). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2019 and 2018, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2019 in conformity with accounting principles generally accepted in the United States of America.

#### *Basis for Opinion*

These consolidated financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s consolidated financial statements 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 the Company 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 consolidated financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated 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 consolidated 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 consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ PricewaterhouseCoopers LLP

Minneapolis, Minnesota

February 26, 2020

We have served as the Company’s auditor since 2010.

**CONSOLIDATED BALANCE SHEETS**

(in millions, except share amounts)

December 31,	2019	2018
<b>Assets</b>		
Investments:		
Available-for-Sale: Fixed maturities, at fair value (amortized cost: 2019, \$19,111; 2018, \$21,099)	\$ 20,902	\$ 21,528
Mortgage loans, at amortized cost (less allowance for loan losses: 2019, \$17; 2018, \$16)	2,655	2,547
Policy loans	867	861
Other investments	734	838
Total investments	25,158	25,774
Cash and cash equivalents	1,275	1,085
Reinsurance recoverables	3,198	3,113
Other receivables	1,713	209
Accrued investment income	169	203
Deferred acquisition costs	2,673	2,742
Other assets	5,332	3,554
Separate account assets	82,425	73,393
Total assets	\$121,943	\$110,073
<b>Liabilities and Shareholder's Equity</b>		
Liabilities:		
Policyholder account balances, future policy benefits and claims	\$ 30,504	\$ 29,407
Short-term borrowings	201	201
Line of credit with Ameriprise Financial, Inc.	50	—
Other liabilities	5,427	3,500
Separate account liabilities	82,425	73,393
Total liabilities	118,607	106,501
Shareholder's equity:		
Common stock, \$30 par value; 100,000 shares authorized, issued and outstanding	3	3
Additional paid-in capital	2,466	2,466
Retained earnings	293	1,058
Accumulated other comprehensive income, net of tax	574	45
Total shareholder's equity	3,336	3,572
Total liabilities and shareholder's equity	\$121,943	\$110,073

See Notes to Consolidated Financial Statements.

**CONSOLIDATED STATEMENTS OF INCOME**

(in millions)

<b>Years Ended December 31,</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
<b>Revenues</b>			
Premiums	\$ 397	\$ 396	\$ 410
Net investment income	917	1,023	1,011
Policy and contract charges	2,042	2,081	1,943
Other revenues	464	411	400
Net realized investment gains (losses)	(2)	10	40
Total revenues	3,818	3,921	3,804
<b>Benefits and expenses</b>			
Benefits, claims, losses and settlement expenses	1,804	1,373	1,239
Interest credited to fixed accounts	669	674	656
Amortization of deferred acquisition costs	133	255	207
Other insurance and operating expenses	685	679	701
Total benefits and expenses	3,291	2,981	2,803
Pretax income (loss)	527	940	1,001
Income tax provision (benefit)	(60)	35	260
Net income	\$ 587	\$ 905	\$ 741
Supplemental Disclosures:			
Total other-than-temporary impairment losses on securities	\$ (24)	\$ —	\$ —
Portion of loss recognized in other comprehensive income (before taxes)	7	—	—
Net impairment losses recognized in net realized investment gains (losses)	\$ (17)	\$ —	\$ —

See Notes to Consolidated Financial Statements.



**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

(in millions)

<b>Years Ended December 31,</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Net income	\$ 587	\$ 905	\$741
Other comprehensive income (loss), net of tax:			
Net unrealized gains (losses) on securities	529	(412)	(3)
Net unrealized gains (losses) on derivatives	—	1	3
Other	—	—	(1)
Total other comprehensive income (loss), net of tax	529	(411)	(1)
Total comprehensive income	\$1,116	\$ 494	\$740

See Notes to Consolidated Financial Statements.

**CONSOLIDATED STATEMENTS OF SHAREHOLDER'S EQUITY**

(in millions)

	Common Shares	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total
<b>Balances at January 1, 2017</b>	\$ 3	\$2,466	\$ 862	\$ 457	\$ 3,788
Comprehensive income:					
Net income	—	—	741	—	741
Other comprehensive income (loss), net of tax	—	—	—	(1)	(1)
Total comprehensive income					740
Cash dividends to Ameriprise Financial, Inc.	—	—	(700)	—	(700)
<b>Balances at December 31, 2017</b>	3	2,466	903	456	3,828
Comprehensive income:					
Net income	—	—	905	—	905
Other comprehensive income (loss), net of tax	—	—	—	(411)	(411)
Total comprehensive income					494
Cash dividends to Ameriprise Financial, Inc.	—	—	(750)	—	(750)
<b>Balances at December 31, 2018</b>	3	2,466	1,058	45	3,572
Cumulative effect of adoption of premium amortization on purchased callable debt securities guidance	—	—	(2)	—	(2)
Comprehensive income:					
Net income	—	—	587	—	587
Other comprehensive income (loss), net of tax	—	—	—	529	529
Total comprehensive income					1,116
Cash dividends to Ameriprise Financial, Inc.	—	—	(1,350)	—	(1,350)
<b>Balances at December 31, 2019</b>	\$ 3	\$2,466	\$ 293	\$ 574	\$ 3,336

See Notes to Consolidated Financial Statements.

**CONSOLIDATED STATEMENTS OF CASH FLOWS**

(in millions)

Years Ended December 31,	2019	2018	2017
<b>Cash Flows from Operating Activities</b>			
Net income	\$ 587	\$ 905	\$ 741
Adjustments to reconcile net income to net cash provided by (used in) operating activities:			
Depreciation, amortization and accretion, net	(22)	37	48
Deferred income tax (benefit) expense	(278)	(3)	101
Contractholder and policyholder charges, non-cash	(380)	(368)	(359)
Loss from equity method investments	99	64	108
Net realized investment (gains) losses	(15)	(10)	(40)
Other-than-temporary impairments and provision for loan losses recognized in net realized investment gains (losses)	17	—	—
Changes in operating assets and liabilities:			
Deferred acquisition costs	(106)	1	(35)
Policyholder account balances, future policy benefits and claims, net	751	906	(121)
Derivatives, net of collateral	333	(170)	504
Reinsurance recoverables	(90)	(212)	(266)
Other receivables	19	14	42
Accrued investment income	26	16	18
Other, net	25	(1)	(33)
<b>Net cash provided by (used in) operating activities</b>	<b>966</b>	<b>1,179</b>	<b>708</b>
<b>Cash Flows from Investing Activities</b>			
Available-for-Sale securities:			
Proceeds from sales	232	56	234
Maturities, sinking fund payments and calls	2,250	2,635	2,491
Purchases	(1,772)	(3,049)	(2,034)
Proceeds from sales, maturities and repayments of mortgage loans	223	280	690
Funding of mortgage loans	(331)	(208)	(439)
Proceeds from sales and collections of other investments	129	137	156
Purchase of other investments	(164)	(217)	(201)
Purchase of equipment and software	(10)	(8)	(9)
Change in policy loans, net	(6)	(16)	(15)
Cash paid for deposit receivable	(349)	—	—
Cash received for deposit receivable	98	—	—
Advance on line of credit to Ameriprise Financial, Inc.	—	(273)	(15)
Repayment from Ameriprise Financial, Inc. on line of credit	—	273	15
Cash paid for written options with deferred premiums	(243)	(131)	(82)
Cash received from written options with deferred premiums	170	130	75
Other, net	42	(15)	3
<b>Net cash provided by (used in) investing activities</b>	<b>269</b>	<b>(406)</b>	<b>869</b>
<b>Cash Flows from Financing Activities</b>			
Policyholder account balances:			
Deposits and other additions	2,152	1,933	2,059
Net transfers from (to) separate accounts	(86)	(75)	(157)
Surrenders and other benefits	(1,728)	(1,904)	(1,893)
Proceeds from line of credit with Ameriprise Financial, Inc.	73	10	20
Repayments to Ameriprise Financial, Inc. on line of credit	(23)	(10)	(20)
Cash received for purchased options with deferred premiums	206	254	116
Cash paid for purchased options with deferred premiums	(289)	(208)	(263)
Cash dividends to Ameriprise Financial, Inc.	(1,350)	(750)	(700)
<b>Net cash provided by (used in) financing activities</b>	<b>(1,045)</b>	<b>(750)</b>	<b>(838)</b>
Net increase (decrease) in cash and cash equivalents	190	23	739
Cash and cash equivalents at beginning of period	1,085	1,062	323
Cash and cash equivalents at end of period	\$ 1,275	\$ 1,085	\$ 1,062
<b>Supplemental Disclosures:</b>			
Income taxes paid (received), net	\$ 215	\$ 158	\$ 250
Interest paid on borrowings	5	4	2
Non-cash investing activity:			
Partnership commitments not yet remitted	4	1	9
Investments transferred in connection with fixed annuity reinsurance transaction	1,265	—	—

See Notes to Consolidated Financial Statements.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## 1. NATURE OF BUSINESS AND BASIS OF PRESENTATION

RiverSource Life Insurance Company is a stock life insurance company with one wholly owned stock life insurance company subsidiary, RiverSource Life Insurance Co. of New York (“RiverSource Life of NY”). RiverSource Life Insurance Company is a wholly owned subsidiary of Ameriprise Financial, Inc. (“Ameriprise Financial”).

- RiverSource Life Insurance Company is domiciled in Minnesota and holds Certificates of Authority in American Samoa, the District of Columbia and all states except New York. RiverSource Life Insurance Company issues insurance and annuity products.
- RiverSource Life of NY is domiciled and holds a Certificate of Authority in New York. RiverSource Life of NY issues insurance and annuity products.

RiverSource Life Insurance Company also wholly owns RiverSource Tax Advantaged Investments, Inc. (“RTA”). RTA is a stock company domiciled in Delaware and is a limited partner in affordable housing partnership investments.

The accompanying Consolidated Financial Statements include the accounts of RiverSource Life Insurance Company and companies in which it directly or indirectly has a controlling financial interest (collectively, the “Company”). All intercompany transactions and balances have been eliminated in consolidation.

In 2017, the Company recorded the following out-of-period corrections:

- a \$12 million out-of-period correction related to a variable annuity model assumption that decreased amortization of deferred acquisition costs (“DAC”) by \$8 million and decreased benefits, claims, losses and settlement expenses by \$4 million.
- a \$20 million decrease to income tax provision for a reversal of a tax reserve.

The impact of these out-of-period corrections was not material to prior period financial statements.

The accompanying Consolidated 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 state insurance regulatory authorities as described in Note 15.

The Company evaluated events or transactions that may have occurred after the balance sheet date for potential recognition or disclosure through the date the financial statements were issued. No subsequent events or transactions were identified.

The Company’s principal products are variable deferred 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 optional benefit riders to their contracts, such as guaranteed minimum death benefit (“GMDB”), guaranteed minimum withdrawal benefit (“GMWB”) and guaranteed minimum accumulation benefit (“GMAB”) riders.

The Company also offers immediate annuities, fixed deferred annuities, and traditional life and disability income (“DI”) insurance. The Company issues only non-participating life insurance policies which do not pay dividends to policyholders and contractholders.

Nearly all of the Company’s business is sold through the retail channel of Ameriprise Financial Services, LLC (“AFS”) (previously Ameriprise Financial Services, Inc. until January 2020), 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

### Principles of Consolidation

A variable interest entity (“VIE”) is an entity that either has equity investors that lack certain essential characteristics of a controlling financial interest (including substantive voting rights, the obligation to absorb the entity’s losses, or the rights to receive the entity’s returns) or has equity investors that do not provide sufficient financial resources for the entity to support its activities.

Voting interest entities (“VOEs”) are those entities that do not qualify as a VIE. The Company consolidates VOEs in which it holds a greater than 50% voting interest. The Company generally accounts for entities using the equity method when it holds a greater than 20% but less than 50% voting interest or when the Company exercises significant influence over the entity. All other investments that are not reported at fair value as trading or Available-for-Sale securities are accounted for under the cost method when the Company owns less than a 20% voting interest and does not exercise significant influence.

A VIE is consolidated by the reporting entity that determines it has both:

- the power to direct the activities of the VIE that most significantly impact the VIE's economic performance; and
- the obligation to absorb potentially significant losses or the right to receive potentially significant benefits to the VIE.

All VIEs are assessed for consolidation under this framework. When evaluating entities for consolidation, the Company considers its contractual rights in determining whether it has the power to direct the activities of the VIE that most significantly impact the VIEs economic performance. In determining whether the Company has this power, it considers whether it is acting in a role that enables it to direct the activities that most significantly impact the economic performance of an entity or if it is acting in an agent role.

In determining whether the Company has the obligation to absorb losses of the VIE or the right to receive benefits from the VIE that could potentially be significant to the VIE, the Company considers an analysis of its rights to receive benefits such as investment returns and its obligation to absorb losses associated with any investment in the VIE in conjunction with other qualitative factors. Management and incentive fees that are at market and commensurate with the level of services provided, and where the Company does not hold other interests in the VIE that would absorb more than an insignificant amount of the VIE's expected losses or receive more than an insignificant amount of the VIE's expected residual returns, are not considered a variable interest and are excluded from the analysis.

The consolidation guidance has a scope exception for reporting entities with interests in registered money market funds which do not have an explicit support agreement.

### **Amounts Based on Estimates and Assumptions**

Accounting estimates are an integral part of the Consolidated 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 recognition of other-than-temporary impairments, DAC and the corresponding recognition of DAC amortization, valuation of derivative instruments and hedging activities, litigation reserves, future policy benefits and claims reserves 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 ("AOCI"), net of impacts to DAC, deferred sales inducement costs ("DSIC"), unearned revenue, benefit reserves, reinsurance recoverables and income taxes. Gains and losses are recognized on a trade date basis in the Consolidated Statements of Income upon disposition of the securities.

When the fair value of an investment is less than its amortized cost, the Company assesses whether or not: (i) it has the intent to sell the security (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, an other-than-temporary impairment is considered to have occurred and the Company recognizes an other-than-temporary impairment for the difference between the investment's amortized cost and its fair value through earnings. For securities that do not meet the above criteria and the Company does not expect to recover a security's amortized cost, the security is also considered other-than-temporarily impaired. For these securities, the Company separates the total impairment into the credit loss component and the amount of the loss related to other factors. The amount of the total other-than-temporary impairment related to credit loss is recognized in earnings.

The amount of the total other-than-temporary impairment related to other factors is recognized in other comprehensive income ("OCI"), net of impacts to DAC, DSIC, unearned revenue, benefit reserves, reinsurance recoverables and income taxes. For Available-for-Sale securities that have recognized an other-than-temporary impairment through earnings, the difference between the amortized cost and the cash flows expected to be collected is accreted as interest income if through subsequent evaluation there is a sustained increase in the cash flow expected. Subsequent increases and decreases in the fair value of Available-for-Sale securities are included in OCI.

The Company provides a supplemental disclosure on the face of its Consolidated Statements of Income that presents: (i) total other-than-temporary impairment losses recognized during the period and (ii) the portion of other-than-temporary impairment losses recognized in OCI. The sum of these amounts represents the credit-related portion of other-than-temporary impairments that were recognized in earnings during the period. The portion of other-than-temporary losses recognized in OCI includes: (i) the portion of other-than-temporary impairment losses related to factors other than credit recognized during the period and (ii) reclassifications of other-than-temporary impairment losses previously determined to be related to factors other than credit that are determined to be credit-related in the current period. The amount presented on the Consolidated Statements of Income as the portion of other-than-temporary losses recognized in OCI excludes subsequent increases and decreases in the fair value of these securities.

For all securities that are considered temporarily impaired, the Company does not intend to sell these securities (has not made a decision to sell) and it is not more likely than not that the Company will be required to sell the security before recovery of its amortized cost basis. The Company believes that it will collect all principal and interest due on all investments that have amortized cost in excess of fair value that are considered only temporarily impaired.

Factors the Company considers in determining whether declines in the fair value of fixed maturity securities are other-than-temporary include: (i) the extent to which the market value is below amortized cost; (ii) the duration of time in which there has been a significant decline in value; (iii) fundamental analysis of the liquidity, business prospects and overall financial condition of the issuer; and (iv) market events that could impact credit ratings, economic and business climate, litigation and government actions, and similar external business factors. In order to determine the amount of the credit loss component for corporate debt securities considered other-than-temporarily impaired, 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.

For structured investments (e.g., residential mortgage backed securities, commercial mortgage backed securities and asset backed securities), the Company also considers 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 in assessing potential other-than-temporary impairments of these investments. Based upon these factors, securities that have indicators of potential other-than-temporary impairment are subject to detailed review by management. Securities for which declines are considered temporary continue to be monitored by management until management determines there is no current risk of an other-than-temporary impairment.

#### *Other Investments*

Other investments primarily reflect the Company's interests in affordable housing partnerships and syndicated loans. Affordable housing partnerships are accounted for under the equity method.

### **Financing Receivables**

#### *Mortgage Loans and Syndicated Loans*

Mortgage loans, net reflect the Company's interest in commercial mortgage loans less the related allowance for loan losses. Syndicated loans represent the Company's investment in below investment grade loan syndications. Mortgage loans and syndicated loans are stated at amortized cost, net of allowances for loan losses. Interest income is accrued on the unpaid principal balances of the loans as earned.

#### *Policy Loans*

Policy loans include life insurance policy and annuity loans and are reported at the unpaid principal balance, plus accrued interest. When originated, policy loan balances do not exceed the cash surrender value of the underlying products. As there is minimal risk of loss related to these loans, the Company does not record an allowance for loan losses for policy loans.

#### *Deposit Receivable*

For each of its reinsurance agreements, the Company determines whether the agreement provides indemnification against loss or liability related to insurance risk in accordance with applicable accounting standards. If the Company determines that a reinsurance agreement does not expose the reinsurer to a reasonable possibility of a significant loss from insurance risk, the Company records the agreement using the deposit method of accounting. Deposits made are included in other receivables. As amounts are received, consistent with the underlying contracts, the deposit receivable is adjusted. The deposit receivable is accreted using the interest method and the accretion is reported in other revenues.

See Note 7 for additional information on the deposit receivable.

#### *Nonaccrual Loans*

Generally, loans are evaluated for or 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.

Commercial mortgage loans are evaluated for impairment when the loan is considered for nonaccrual status, restructured or foreclosure proceedings are initiated on the property. If it is determined that the fair value is less than the current loan balance, it is written down to fair value less estimated selling costs. Foreclosed property is recorded as real estate owned in other investments.

#### *Allowance for Loan Losses*

Management determines the adequacy of the allowance for loan 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 ("LTV")

ratios, FICO scores of the borrower, debt service coverage and occupancy rates, along with current economic and market conditions. This evaluation is inherently subjective as it requires estimates, which may be susceptible to significant change.

The Company determines the amount of the allowance based on management's assessment of relative risk characteristics of the loan portfolio. The allowance is recorded for homogeneous loan categories on a pool basis, based on an analysis of product mix and risk characteristics of the portfolio, including geographic concentration, bankruptcy experiences, and historical losses, adjusted for current trends and market conditions.

While the Company attributes portions of the allowance to specific loan pools as part of the allowance estimation process, the entire allowance is available to absorb losses inherent in the total loan portfolio. The allowance is increased through provisions charged to net realized investment gains (losses) and reduced/increased by net charge-offs/recoveries.

#### *Impaired Loans*

The Company considers a loan to be impaired when, based on current information and events, it is probable the Company will not be able to collect all amounts due (both interest and principal) according to the contractual terms of the loan agreement. Impaired loans may also include loans that have been modified in troubled debt restructurings as a concession to borrowers experiencing financial difficulties. Management evaluates for impairment all restructured loans and loans with higher impairment risk factors. Factors used by the Company to determine whether all amounts due on commercial 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. The impairment recognized is measured as the excess of the loan's recorded investment over: (i) the present value of its expected principal and interest payments discounted at the loan's effective interest rate, (ii) the fair value of collateral or (iii) the loan's observable market price.

#### *Restructured Loans*

A loan is classified as a restructured loan when the Company makes certain concessionary modifications to contractual terms for borrowers experiencing financial difficulties. When the interest rate, minimum payments, and/or due dates have been modified in an attempt to make the loan more affordable to a borrower experiencing financial difficulties, the modification is considered a troubled debt restructuring. Generally, performance prior to the restructuring or significant events that coincide with the restructuring 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 restructuring 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.

#### **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. 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.

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 for traditional life, long term care ("LTC") and DI, net of the change in any prepaid reinsurance asset, are reported as a reduction of premiums. 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 or contra asset and amortized over the estimated life of the policies in proportion to the estimated gross profits ("EGPs") and is subject to retrospective adjustment in a manner similar to retrospective adjustment of DAC. The assumptions used to project the expected cash flows are consistent with those used for DAC valuation for the same contracts. Changes in the net cost of reinsurance are reflected as a component of policy and contract charges. Reinsurance recoveries are reported as components of benefits, claims, losses and settlement expenses.

Insurance liabilities are reported before the effects of reinsurance. Policyholder account balances, future policy benefits and claims recoverable under reinsurance contracts are recorded as reinsurance recoverables.

The Company also assumes life insurance and fixed annuity 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 9 for additional information on reinsurance.

### **Land, Buildings, Equipment and Software**

Land, buildings, equipment and internally developed or purchased software are carried at cost less accumulated depreciation or amortization and are reflected within other assets. The Company uses the straight-line method of depreciation and amortization over periods ranging from three to 39 years.

As of December 31, 2019 and 2018, land, buildings, equipment and software were \$129 million and \$135 million, respectively, net of accumulated depreciation of \$189 million and \$174 million, respectively. Depreciation and amortization expense for the years ended December 31, 2019, 2018 and 2017 was \$16 million, \$15 million and \$15 million, respectively.

### **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. The Company occasionally designates derivatives as (i) hedges of changes in the fair value of assets, liabilities, or firm commitments ("fair value hedges") or (ii) hedges of a forecasted transaction or of the variability of cash flows to be received or paid related to a recognized asset or liability ("cash flow hedges").

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 Consolidated 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 Consolidated Statements of Income with the corresponding change in the hedged asset or liability.

For derivative instruments that qualify as fair value hedges, changes in the fair value of the derivatives, as well as changes in the fair value of the hedged assets, liabilities or firm commitments, are recognized on a net basis in current period earnings. The carrying value of the hedged item is adjusted for the change in fair value from the designated hedged risk. If a fair value hedge designation is removed or the hedge is terminated prior to maturity, previous adjustments to the carrying value of the hedged item are recognized into earnings over the remaining life of the hedged item.

For derivative instruments that qualify as cash flow hedges, the effective portion of the gain or loss on the derivative instruments is reported in AOCI and reclassified into earnings when the hedged item or transaction impacts earnings. The amount that is reclassified into earnings is presented in the Consolidated Statements of Income with the hedged instrument or transaction impact. Any ineffective portion of the gain or loss is reported in current period earnings as a component of net investment income. If a hedge designation is removed or a hedge is terminated prior to maturity, the amount previously recorded in AOCI is reclassified to earnings over the period that the hedged item impacts earnings. For hedge relationships that are discontinued because the forecasted transaction is not expected to occur according to the original strategy, any related amounts previously recorded in AOCI are recognized in earnings immediately.

The equity component of indexed annuities and IUL obligations are considered embedded derivatives. Additionally, certain annuities contain GMAB and GMWB provisions. The GMAB and the non-life contingent benefits associated with GMWB provisions are also considered embedded derivatives.

See Note 13 for information regarding the Company's fair value measurement of derivative instruments and Note 17 for the impact of derivatives on the Consolidated Statements of Income.

### **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 AFS 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 DAC associated with insurance policies or annuity contracts that are significantly



modified or internally replaced with another contract are accounted for as contract terminations. These transactions are anticipated in establishing amortization periods and other valuation assumptions.

The Company monitors other DAC amortization assumptions, such as persistency, mortality, morbidity, interest margin, variable annuity benefit utilization and maintenance expense levels each quarter and, when assessed independently, each could impact the Company's DAC balances.

The analysis of DAC balances and the corresponding amortization is a dynamic process that 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.

#### *Non-Traditional Long-Duration Products*

For non-traditional long-duration products (including variable and fixed deferred annuity contracts, UL and VUL insurance products), DAC are amortized based on projections of EGPs over amortization periods equal to the approximate life of the business.

EGPs vary based on persistency rates (assumptions at which contractholders and policyholders are expected to surrender, make withdrawals from and make deposits to their contracts), mortality levels, client asset value growth rates (based on equity and bond market performance), variable annuity benefit utilization and interest margins (the spread between earned rates on invested assets and rates credited to contractholder and policyholder accounts) and are management's best estimates. Management regularly monitors financial market conditions and actual contractholder and policyholder behavior experience and compares them to its assumptions. These assumptions are updated whenever it appears that earlier estimates should be revised. When assumptions are changed, the percentage of EGPs used to amortize DAC might also change. A change in the required amortization percentage is applied retrospectively; an increase in amortization percentage will result in a decrease in the DAC balance and an increase in DAC amortization expense, while a decrease in amortization percentage will result in an increase in the DAC balance and a decrease in DAC amortization expense. The impact on results of operations of changing assumptions can be either positive or negative in any particular period and is reflected in the period in which such changes are made. At each balance sheet date, the DAC balance is adjusted for the effect that would result from the realization of unrealized gains (losses) on securities impacting EGPs, with the related change recognized through AOCI.

The client asset value growth rates are the rates at which variable annuity and VUL insurance contract values invested in separate accounts are assumed to appreciate in the future. The rates used vary by equity and fixed income investments. Management reviews and, where appropriate, adjusts its assumptions with respect to client asset value growth rates on a regular basis. The Company typically uses a five-year mean reversion process as a guideline in setting near-term equity fund growth rates based on a long-term view of financial market performance as well as recent actual performance. The suggested near-term equity fund growth rate is reviewed quarterly to ensure consistency with management's assessment of anticipated equity market performance. DAC amortization expense recorded in a period when client asset value growth rates exceed management's near-term estimate will typically be less than in a period when growth rates fall short of management's near-term estimate.

#### *Traditional Long-Duration Products*

For traditional long-duration products (including traditional life and DI insurance products), DAC are generally amortized as a percentage of premiums over amortization periods equal to the premium paying period. The assumptions made in calculating the DAC balance and DAC amortization expense are consistent with those used in determining the liabilities.

For traditional life and DI insurance products, the assumptions provide for adverse deviations in experience and are revised only if management concludes experience will be so adverse that DAC are not recoverable. If management concludes that DAC are not recoverable, DAC are reduced to the amount that is recoverable based on best estimate assumptions and there is a corresponding expense recorded in the Consolidated Statements of Income.

#### **Deferred Sales Inducement Costs**

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 using the same methodology and assumptions used to amortize DAC. 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 Consolidated 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 risks 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.

Guarantees accounted for as insurance liabilities include GMDB, gain gross-up (“GGU”), guaranteed minimum income benefit (“GMIB”) and the life contingent benefits associated with GMWB. In addition, UL and VUL policies with product features that result in profits followed by losses are accounted for as insurance liabilities.

Guarantees accounted for as embedded derivatives include GMAB and the non-life contingent benefits associated with GMWB. In addition, the portion of indexed annuities and IUL policies allocated to the indexed account is accounted for as an embedded derivative.

Changes in future policy benefits and claims are reflected in earnings in the period adjustments are made. Where applicable, benefit amounts expected to be recoverable from reinsurance companies who share in the risk are separately recorded as reinsurance recoverables.

#### *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, liabilities for guaranteed benefits associated with variable annuities and embedded derivatives for variable annuities, indexed annuities and IUL products.

Liabilities for fixed account values on variable and 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.

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 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 11 for information regarding the liability for contracts with secondary guarantees.

Liabilities for indexed annuity products and indexed accounts of IUL products are equal to the accumulation of host contract values covering guaranteed benefits and the fair value of embedded equity options.

The GMDB and GGU liability is determined by estimating the expected value of death benefits in excess of the projected contract accumulation value and recognizing the excess over the estimated life based on expected assessments (e.g., mortality and expense fees, contractual administrative charges and similar fees).

If elected by the contract owner and after a stipulated waiting period from contract issuance, a GMIB guarantees a minimum lifetime annuity based on a specified rate of contract accumulation value growth and predetermined annuity purchase rates. The GMIB liability is determined each period by estimating the expected value of annuitization benefits in excess of the projected contract accumulation value at the date of annuitization and recognizing the excess over the estimated life based on expected assessments.

The liability for the life contingent benefits associated with GMWB provisions is determined by estimating the expected value of benefits that are contingent upon survival after the account value is equal to zero and recognizing the benefits over the estimated life based on expected assessments (e.g., mortality and expense fees, contractual administrative charges and similar fees).

In determining the liabilities for GMDB, GGU, GMIB and the life contingent benefits associated with GMWB, the Company projects these benefits and contract assessments using actuarial models to simulate various equity market scenarios. Significant assumptions made in projecting future benefits and assessments relate to customer asset value growth rates, mortality, persistency, benefit utilization and investment margins and are consistent with those used for DAC valuation for the same contracts. As with DAC, unless the Company’s management identifies a significant deviation over the course of quarterly monitoring, management reviews and updates these assumptions annually in the third quarter of each year.

See Note 11 for information regarding variable annuity guarantees.

Liabilities for fixed annuities in a benefit or payout status utilize assumptions established as of the date the payout phase is initiated. The liabilities are the present value of future estimated payments reduced for mortality (which is based on industry mortality tables with modifications based on the Company’s experience) and discounted with interest rates.

#### *Embedded Derivatives*

The fair value of embedded derivatives related to GMAB and the non-life contingent benefits associated with GMWB provisions fluctuate based on equity, interest rate and credit markets and the estimate of the Company’s nonperformance risk, which can

cause these embedded derivatives to be either an asset or a liability. The fair value of embedded derivatives related to indexed annuities and IUL fluctuate based on equity markets and interest rates and the estimate of the Company's nonperformance risk and is a liability. See Note 13 for information regarding the fair value measurement of embedded derivatives.

#### *Traditional Long-Duration Products*

The liabilities for traditional long-duration products include liabilities for 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 policies as claims are incurred in the future.

Liabilities for unpaid amounts on reported life insurance claims are equal to the death benefits payable under the policies.

Liabilities for unpaid amounts on reported DI and LTC claims include any periodic or other benefit amounts due and accrued, along with estimates of the present value of obligations for continuing benefit payments. These unpaid amounts are calculated using anticipated claim continuance rates based on established industry tables, adjusted as appropriate for the Company's experience. The discount rates used to calculate present values are based on average interest rates earned on assets supporting the liability for unpaid amounts.

Liabilities for estimated benefits payable on claims that have been incurred but not yet reported are based on periodic analysis of the actual time lag between when a claim occurs and when it is reported.

Liabilities for estimates of benefits that will become payable on future claims on term life, whole life and DI insurance policies are based on the net level premium and LTC policies are based on a gross premium valuation reflecting management's current best estimate assumptions. Net level premium includes anticipated premium payments, mortality and morbidity rates, policy persistency and interest rates earned on assets supporting the liability. Gross premium valuation includes expected premium rate increases, benefit reductions, morbidity rates, policy persistency and interest rates earned on assets supporting the liability. Anticipated mortality and morbidity rates are based on established industry mortality and morbidity tables, with modifications based on the Company's experience. Anticipated premium payments and persistency rates vary by policy form, issue age, policy duration and certain other pricing factors.

For term life, whole life, DI and LTC policies, the Company utilizes best estimate assumptions as of the date the policy is issued with provisions for the risk of adverse deviation, as appropriate. After the liabilities are initially established, management performs premium deficiency tests using best estimate assumptions without provisions for adverse deviation annually in the third quarter of each year unless management identifies a material deviation over the course of quarterly monitoring. If the liabilities determined based on these best estimate assumptions are greater than the net reserves (i.e., GAAP reserves net of any DAC balance), the existing net reserves are adjusted by first reducing the DAC balance by the amount of the deficiency or to zero through a charge to current period earnings. If the deficiency is more than the DAC balance, then the net reserves are increased by the excess through a charge to current period earnings. If a premium deficiency is recognized, the assumptions as of the date of the loss recognition are locked in and used in subsequent periods. The assumptions for LTC insurance products are management's best estimate as of the date of loss recognition and thus no longer provide for adverse deviations in experience.

See Note 10 for information regarding the liabilities for traditional long-duration products.

#### **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 EGPs, similar to 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 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 Consolidated 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 19 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. See Note 19 for further discussion on the enactment of the legislation commonly referred to as the Tax Cuts and Jobs Act ("Tax Act") and the impact to the Company's provision for income taxes for the year ended December 31, 2017.

### **Revenue Recognition**

Premiums on traditional life, DI and LTC insurance products and immediate annuities with a life contingent feature 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 based on a percentage of the fair value of assets held in the Company's separate accounts and recognized when assessed. Variable annuity guaranteed benefit rider charges, 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.

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**

##### *Leases — Recognition of Lease Assets and Liabilities on Balance Sheet*

In February 2016, the Financial Accounting Standards Board ("FASB") updated the accounting standards for leases. The update was issued to increase transparency and comparability for the accounting of lease transactions. The standard requires most lease transactions for lessees to be recorded on the balance sheet as lease assets and lease liabilities and both quantitative and qualitative disclosures about leasing arrangements. The standard was effective for interim and annual periods beginning after December 15, 2018. Entities had the option to adopt the standard using a modified retrospective approach at either the beginning of the earliest period presented or as of the date of adoption. The Company adopted the standard using a modified retrospective approach as of January 1, 2019. The Company also elected the package of practical expedients permitted under the transition guidance within the accounting standard that allows entities to carryforward their historical lease classification and to not reassess contracts for embedded leases among other things. The adoption did not have a material impact on the Company's consolidated financial condition or results of operations.

##### *Income Statement — Reporting Comprehensive Income — Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income*

In February 2018, the FASB updated the accounting standards related to the presentation of tax effects stranded in AOCI. The update allows a reclassification from AOCI to retained earnings for tax effects stranded in AOCI resulting from the Tax Act. The election of the update was optional. The update was effective for fiscal years beginning after December 15, 2018. Entities could record the impacts either in the period of adoption or retrospectively to each period (or periods) in which the effect of the change in the U.S. federal corporate income tax rate in the Tax Act is recognized. The Company adopted the standard on January 1, 2019 and elected not to reclassify the stranded tax effects in AOCI.

##### *Derivatives and Hedging — Targeted Improvements to Accounting for Hedging Activities*

In August 2017, the FASB updated the accounting standards to amend the hedge accounting recognition and presentation requirements. The objectives of the update are to better align the financial reporting of hedging relationships to the economic

results of an entity's risk management activities and simplify the application of the hedge accounting guidance. The update also adds new disclosures and amends existing disclosure requirements. The standard was effective for interim and annual periods beginning after December 15, 2018, and was required to be applied on a modified retrospective basis. The Company adopted the standard on January 1, 2019. The adoption did not have an impact on the Company's consolidated financial condition or results of operations.

*Receivables — Nonrefundable Fees and Other Costs — Premium Amortization on Purchased Callable Debt Securities*

In March 2017, the FASB updated the accounting standards to shorten the amortization period for certain purchased callable debt securities held at a premium. Under previous guidance, premiums were generally amortized over the contractual life of the security. The amendments require the premium to be amortized to the earliest call date. The update applies to securities with explicit, non-contingent call features that are callable at fixed prices and on preset dates. The standard was effective for interim and annual periods beginning after December 15, 2018, and was required to be applied on a modified retrospective basis through a cumulative-effect adjustment directly to retained earnings as of the beginning of the period of adoption. The Company adopted the standard on January 1, 2019. The adoption did not have a material impact on the Company's consolidated financial condition or results of operations.

*Revenue from Contracts with Customers*

In May 2014, the FASB updated the accounting standards for revenue from contracts with customers. The update provides a five step revenue recognition model for all revenue arising from contracts with customers and affects all entities that enter into contracts to provide goods or services to their customers (unless the contracts are in the scope of other standards). The standard also updates the accounting for certain costs associated with obtaining and fulfilling a customer contract and requires disclosure of quantitative and qualitative information that enables users of financial statements to understand the nature, amount, timing, and uncertainty of revenues and cash flows arising from contracts with customers. The standard was effective for interim and annual periods beginning after December 15, 2017. The standard was permitted to be applied retrospectively for all periods presented or retrospectively with a cumulative-effect adjustment at the date of adoption. The Company adopted the revenue recognition guidance on a retrospective basis on January 1, 2018. The update does not apply to revenue associated with the manufacturing of insurance and annuity products or financial instruments as these revenues are in the scope of other standards. Therefore, the update did not have an impact on these revenues. The Company's implementation efforts included the identification of revenue within the guidance and the review of the customer contracts to determine the Company's performance obligation and the associated timing of each performance obligation. The adoption of the standard resulted in the reclassification of certain revenues within total revenues. See Note 4 for new disclosures on revenue from contracts with customers.

*Financial Instruments — Recognition and Measurement of Financial Assets and Financial Liabilities*

In January 2016, the FASB updated the accounting standards on the recognition and measurement of financial instruments. The update requires entities to carry marketable equity securities, excluding investments in securities that qualify for the equity method of accounting, at fair value with changes in fair value reflected in net income each reporting period. The update affects other aspects of accounting for equity instruments, as well as the accounting for financial liabilities utilizing the fair value option. The update eliminates the requirement to disclose the methods and assumptions used to estimate the fair value of financial assets or liabilities held at cost on the balance sheet and requires entities to use the exit price notion when measuring the fair value of these financial instruments. The standard was effective for interim and annual periods beginning after December 15, 2017. The Company adopted the standard on January 1, 2018 using a modified retrospective approach. The adoption of the standard did not have a material impact on the Company's consolidated financial condition or results of operations.

*Fair Value Measurement — Disclosure Framework — Changes to the Disclosure Requirements for Fair Value Measurement*

In August 2018, the FASB updated the accounting standards related to disclosures for fair value measurements. The update eliminates the following disclosures: 1) the amount of and reasons for transfers between Level 1 and Level 2 of the fair value hierarchy, 2) the policy of timing of transfers between levels of the fair value hierarchy, and 3) the valuation processes for Level 3 fair value measurements. The new disclosures include changes in unrealized gains and losses for the period included in OCI for recurring Level 3 fair value measurements of instruments held at the end of the reporting period and the range and weighted average used to develop significant unobservable inputs and how the weighted average was calculated. The new disclosures are required on a prospective basis; all other provisions should be applied retrospectively. The update is effective for interim and annual periods beginning after December 15, 2019. Early adoption is permitted for the entire standard or only the provisions to eliminate or modify disclosure requirements. The Company early adopted the provisions of the standard to eliminate or modify disclosure requirements in the fourth quarter of 2018. The update does not have an impact on the Company's consolidated financial condition or results of operations.

**Future Adoption of New Accounting Standards**

*Income Taxes — Simplifying the Accounting for Income Taxes*

In December 2019, the FASB updated the accounting standards to simplify the accounting for income taxes. The update eliminates certain exceptions to accounting principles related to intraperiod tax allocation (prospective basis), deferred tax

liabilities related to outside basis differences (modified retrospective basis through a cumulative-effect adjustment to retained earnings as of the beginning of the period of adoption) and year-to-date losses in interim periods (prospective basis). The update also amends existing guidance related to situations when an entity receives a step-up in the tax basis of goodwill (prospective basis), allocation of income tax expense when members of a consolidated tax filing group issue separate financial statements (retrospective basis for all periods presented), interim recognition of enactment of tax laws or rate changes (prospective basis) and franchise taxes and other taxes partially based on income (retrospective basis for all periods presented or a modified retrospective basis through a cumulative-effect adjustment to retained earnings as of the beginning of the period of adoption). The standard is effective for interim and annual periods beginning after December 15, 2020, with early adoption permitted. The method of adoption is noted parenthetically after each amendment above. The Company is currently evaluating the impact of the standard on its consolidated financial condition or results of operations.

*Financial Services — Insurance — Targeted Improvements to the Accounting for Long-Duration Contracts*

In August 2018, the FASB updated the accounting standard related to long-duration insurance contracts. The guidance revises key elements of the measurement models and disclosure requirements for long-duration insurance contracts issued by insurers and reinsurers.

The guidance establishes a significant new category of benefit features called market risk benefits that protect the contractholder from other-than-nominal capital market risk and expose the insurer to that risk. Insurers will have to measure market risk benefits at fair value. Market risk benefits include variable annuity guaranteed benefits (i.e. guaranteed minimum death, withdrawal, withdrawal for life, accumulation and income benefits). The portion of the change in fair value attributable to a change in the instrument-specific credit risk of market risk benefits in a liability position will be recorded in OCI.

Significant changes also relate to the measurement of the liability for future policy benefits for nonparticipating traditional long-duration insurance contracts and immediate annuities with a life contingent feature include the following:

- Insurers will be required to review and update the cash flow assumptions used to measure the liability for future policy benefits rather than using assumptions locked in at contract inception. The review of assumptions to measure the liability for all future policy benefits will be required annually at the same time each year, or more frequently if suggested by experience. The effect of updating assumptions will be measured on a retrospective catch-up basis and presented separate from the ongoing policyholder benefit expense in the statement of operations in the period the update is made. This new unlocking process will be required for the Company's term and whole life insurance, disability income, long term care insurance and immediate annuities with a life contingent feature.
- The discount rate used to measure the liability for future policy benefits will be standardized. The current requirement to use a discount rate reflecting expected investment yields will change to an upper-medium grade (low credit risk) fixed income corporate instrument yield (generally interpreted as an "A" rating) reflecting the duration characteristics of the liability. Entities will be required to update the discount rate at each reporting date with the effect of discount rate changes reflected in OCI.
- The current premium deficiency test is being replaced with a net premium ratio cap of 100%. If the net premium ratio (i.e. the ratio of the present value of total expected benefits and related expenses to the present value of total expected premiums) exceeds 100%, insurers are required to recognize a loss in the statement of operations in the period. Contracts from different issue years will no longer be permitted to be grouped to determine contracts in a loss position.

In addition, the update requires DAC and DSIC relating to all long-duration contracts and most investment contracts to be amortized on a straight-line basis over the expected life of the contract independent of profit emergence. Under the new guidance, interest will not accrue to the deferred balance and DAC and DSIC will not be subject to an impairment test.

The update requires significant additional disclosures, including disaggregated rollforwards of the liability for future policy benefits, policyholder account balances, market risk benefits, DAC and DSIC, as well as qualitative and quantitative information about expected cash flows, estimates and assumptions. The update is effective for interim and annual periods beginning after December 15, 2021. The standard should be applied to the liability for future policy benefits and DAC and DSIC on a modified retrospective basis and applied to market risk benefits on a retrospective basis with the option to apply full retrospective transition if certain criteria are met. Early adoption is permitted. The Company is currently evaluating the impact of the standard on its consolidated financial condition, results of operations and disclosures.

*Intangibles — Goodwill and Other — Internal-Use Software — Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That Is a Service Contract*

In August 2018, the FASB updated the accounting standards related to customer's accounting for implementation costs incurred in a cloud computing arrangement ("CCA") that is a service contract. The update requires implementation costs for a CCA to be evaluated for capitalization using the same approach as implementation costs associated with internal-use software. The update also addresses presentation, measurement and impairment of capitalized implementation costs in a CCA that is a service contract. The update requires new disclosures on the nature of hosting arrangements that are service contracts, significant judgements

made when applying the guidance and quantitative disclosures, including amounts capitalized, amortized and impaired. The update is effective for interim and annual periods beginning after December 15, 2019, and can be applied either prospectively or retrospectively. The Company adopted the standard using a prospective approach on January 1, 2020. The adoption did not have an impact on the Company's consolidated financial condition or results of operations.

*Financial Instruments — Credit Losses — Measurement of Credit Losses on Financial Instruments*

In June 2016, the FASB updated the accounting standards related to accounting for credit losses on certain types of financial instruments. The update replaces the current incurred loss model for estimating credit losses with a new model that requires an entity to estimate the credit losses expected over the life of the asset. Generally, the initial estimate of the expected credit losses and subsequent changes in the estimate will be reported in current period earnings and recorded through an allowance for credit losses on the balance sheet. The current credit loss model for Available-for-Sale debt securities does not change; however, the credit loss calculation and subsequent recoveries are required to be recorded through an allowance. The standard is effective for interim and annual periods beginning after December 15, 2019. A modified retrospective cumulative adjustment to retained earnings should be recorded as of the first reporting period in which the guidance is effective for loans, receivables, and other financial instruments subject to the new expected credit loss model. Prospective adoption is required for establishing an allowance related to Available-for-Sale debt securities, certain beneficial interests, and financial assets purchased with a more-than-insignificant amount of credit deterioration since origination. The Company adopted the standard on January 1, 2020. The adoption of this update did not have a material impact on the Company's consolidated financial condition or 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 Consolidated Statements of Income.

(in millions)	Years Ended December 31,		
	2019	2018	2017
Policy and contract charges			
Affiliated (from Columbia Management Investment Distributors, Inc.)	\$ 170	\$ 170	\$ 167
Unaffiliated	14	16	16
Total	184	186	183
Other revenues			
Administrative fees			
Affiliated (from Columbia Management Investment Services, Corp.)	43	44	42
Unaffiliated	20	22	23
	63	66	65
Other fees			
Affiliated (from Columbia Management Investment Advisers, LLC ("CMIA") and Columbia Wanger Asset Management, LLC)	344	336	325
Unaffiliated	4	3	4
	348	339	329
Total	411	405	394
<b>Total revenue from contracts with customers</b>	595	591	577
Revenue from other sources <sup>(1)</sup>	3,223	3,330	3,227
Total revenues	\$3,818	\$3,921	\$3,804

<sup>(1)</sup> Amounts primarily consist of revenue associated with insurance and annuity products or 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 \$55 million and \$49 million as of December 31, 2019 and 2018, respectively.

**5. VARIABLE INTEREST ENTITIES**

The Company is a limited partner in affordable housing partnerships that qualify for government-sponsored low income housing tax credit programs and partnerships that invest in multi-family residential properties that were originally developed with an affordable housing component. The Company has determined it is not the primary beneficiary and therefore does not consolidate these partnerships.

A majority of the limited partnerships are VIEs. The Company's maximum exposure to loss as a result of its investment in the VIEs is limited to the carrying value. The carrying value is reflected in other investments and was \$270 million \$352 million as of December 31, 2019 and 2018, respectively. The Company had a \$15 million and \$43 million liability recorded as of December 31, 2019 and 2018, respectively, related to original purchase commitments not yet remitted to the VIEs. The Company has not provided any additional support and is not contractually obligated to provide additional support to the VIEs beyond the funding commitments.

The Company invests in structured investments which are considered VIEs for which it is not generally the sponsor. These structured investments typically invest in fixed income instruments and are primarily managed by third parties and include asset backed securities, 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 lack of power to direct the activities that most significantly impact the economic performance, 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 6 for additional information on these structured investments.

**6. INVESTMENTS**

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

Description of Securities (in millions)	December 31, 2019				
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	Noncredit OTTI <sup>(1)</sup>
Fixed maturities:					
Corporate debt securities	\$10,188	\$1,336	\$ (2)	\$11,522	\$—
Residential mortgage backed securities	3,039	73	(4)	3,108	—
Commercial mortgage backed securities	3,526	95	(3)	3,618	—
State and municipal obligations	1,071	237	(2)	1,306	—
Asset backed securities	1,036	45	(1)	1,080	—
Foreign government bonds and obligations	250	19	(2)	267	—
U.S. government and agency obligations	1	—	—	1	—
Total	\$19,111	\$1,805	\$(14)	\$20,902	\$—



Description of Securities (in millions)	December 31, 2018				
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	Noncredit OTTI <sup>(1)</sup>
Fixed maturities:					
Corporate debt securities	\$12,044	\$554	\$(207)	\$12,391	\$—
Residential mortgage backed securities	2,890	25	(44)	2,871	—
Commercial mortgage backed securities	3,737	17	(102)	3,652	—
State and municipal obligations	1,129	162	(8)	1,283	—
Asset backed securities	1,013	35	(3)	1,045	—
Foreign government bonds and obligations	285	9	(9)	285	—
U.S. government and agency obligations	1	—	—	1	—
Total	\$21,099	\$802	\$(373)	\$21,528	\$—

<sup>(1)</sup> Represents the amount of other-than-temporary impairment (“OTTI”) losses in AOCI. Amount includes unrealized gains and losses on impaired securities subsequent to the initial impairment measurement date. These amounts are included in gross unrealized gains and losses as of the end of the period.

As of December 31, 2019 and 2018, investment securities with a fair value of \$1.9 billion and \$1.4 billion, respectively, were pledged to meet contractual obligations under derivative contracts and short-term borrowings, of which \$576 million and \$405 million, respectively, may be sold, pledged or rehypothecated by the counterparty.

As of December 31, 2019 and 2018, fixed maturity securities comprised approximately 83% and 84%, 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, 2019 and 2018, approximately \$615 million and \$706 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 millions, except percentages)	December 31, 2019			December 31, 2018		
	Amortized Cost	Fair Value	Percent of Total Fair Value	Amortized Cost	Fair Value	Percent of Total Fair Value
AAA	\$ 6,771	\$ 6,950	33%	\$ 6,602	\$ 6,499	30%
AA	1,176	1,374	7	1,310	1,455	7
A	2,695	3,157	15	2,550	2,776	13
BBB	7,709	8,626	41	9,745	9,945	46
Below investment grade	760	795	4	892	853	4
Total fixed maturities	\$19,111	\$20,902	100%	\$21,099	\$21,528	100%

As of December 31, 2019 and 2018, approximately 39% and 34%, respectively, of securities rated AAA were GNMA, FNMA and FHLMC mortgage backed securities. The Company had holdings of \$380 million in Ameriprise Advisor Financing, LLC (“AAF”), an affiliate of the Company, which was greater than 10% of total equity as of December 31, 2019. The Company had holdings of \$382 million in AT&T, Inc., and holdings of \$374 million in AAF, both which were greater than 10% of total equity as of December 31, 2018. There were no other holdings of any other issuer greater than 10% of total equity as of both December 31, 2019 and 2018.

The following tables provide information about Available-for-Sale securities with gross unrealized losses and the length of time that individual securities have been in a continuous unrealized loss position:

(in millions, except number of securities)	December 31, 2019								
	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	15	\$ 64	\$ —	7	\$ 90	\$ (2)	22	\$ 154	\$ (2)
Residential mortgage backed securities	29	571	(1)	20	298	(3)	49	869	(4)
Commercial mortgage backed securities	18	310	(1)	7	82	(2)	25	392	(3)
State and municipal obligations	5	23	—	3	54	(2)	8	77	(2)
Asset backed securities	10	111	(1)	6	54	—	16	165	(1)
Foreign government bonds and obligations	1	—	—	10	15	(2)	11	15	(2)
Total	78	\$1,079	\$ (3)	53	\$ 593	\$ (11)	131	\$ 1,672	\$ (14)

(in millions, except number of securities)	December 31, 2018								
	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	286	\$4,792	\$(141)	93	\$ 972	\$(66)	379	\$ 5,764	\$(207)
Residential mortgage backed securities	54	826	(9)	57	897	(35)	111	1,723	(44)
Commercial mortgage backed securities	69	1,146	(25)	88	1,565	(77)	157	2,711	(102)
State and municipal obligations	6	88	(2)	24	129	(6)	30	217	(8)
Asset backed securities	11	149	(1)	17	124	(2)	28	273	(3)
Foreign government bonds and obligations	17	86	(4)	14	17	(5)	31	103	(9)
Total	443	\$7,087	\$(182)	293	\$3,704	\$(191)	736	\$10,791	\$(373)

As part of the Company's ongoing monitoring process, management determined that the change in gross unrealized losses on its Available-for-Sale securities is attributable to lower interest rates as well as tighter credit spreads.

The following table presents a rollforward of the cumulative amounts recognized in the Consolidated Statements of Income for OTTI related to credit losses on Available-for-Sale securities for which a portion of the securities' total OTTI was recognized in OCI:

(in millions)	December 31,		
	2019	2018	2017
Beginning balance	\$—	\$—	\$ 21
Credit losses for which an other-than-temporary impairment was not previously recognized	15	—	—
Credit losses for which an other-than-temporary impairment was previously recognized	2	—	—
Reductions for securities sold during the period (realized)	—	—	(21)
Ending balance	\$17	\$—	\$—

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 millions)	Years Ended December 31,		
	2019	2018	2017
Gross realized investment gains	\$ 29	\$ 16	\$ 48
Gross realized investment losses	(14)	(7)	(4)
Other-than-temporary impairments	(17)	—	—
Total	\$ (2)	\$ 9	\$ 44

Other-than-temporary impairments for the year ended December 31, 2019 related to credit losses on corporate debt securities. See Note 18 for a rollforward of net unrealized investment gains (losses) included in AOCI.

Available-for-Sale securities by contractual maturity as of December 31, 2019 were as follows:

(in millions)	Amortized Cost	Fair Value
Due within one year	\$ 364	\$ 368
Due after one year through five years	4,428	4,600
Due after five years through 10 years	2,660	2,882
Due after 10 years	4,058	5,246
	11,510	13,096
Residential mortgage backed securities	3,039	3,108
Commercial mortgage backed securities	3,526	3,618
Asset backed securities	1,036	1,080
Total	\$19,111	\$20,902

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 millions)	Years Ended December 31,		
	2019	2018	2017
Fixed maturities	\$848	\$ 919	\$ 947
Mortgage loans	119	117	137
Other investments	(26)	11	(48)
	941	1,047	1,036
Less: investment expenses	24	24	25
Total	\$917	\$1,023	\$1,011

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

(in millions)	Years Ended December 31,		
	2019	2018	2017
Fixed maturities	\$ (2)	\$ 9	\$44
Mortgage loans	—	1	(4)
Total	\$ (2)	\$10	\$40

## 7. FINANCING RECEIVABLES

The Company's financing receivables include commercial mortgage loans, syndicated loans, policy loans and the deposit receivable. Syndicated loans are reflected in other investments. The deposit receivable is reflected in other receivables.

### Allowance for Loan Losses

Policy loans do not exceed the cash surrender value of the policy at origination. As there is minimal risk of loss related to policy loans, the Company does not record an allowance for loan losses for policy loans. The Company does not have an allowance for loan losses for the deposit receivable as the receivable is supported by a trust and there is minimal risk of loss.

The following table presents a rollforward of the allowance for loan losses for the years ended and the ending balance of the allowance for loan losses by impairment method:

(in millions)	December 31,		
	2019	2018	2017
Beginning balance	\$20	\$22	\$25
Charge-offs	—	(2)	(3)
Ending balance	\$20	\$20	\$22
Individually evaluated for impairment	\$—	\$—	\$—
Collectively evaluated for impairment	20	20	22

The recorded investment in financing receivables by impairment method was as follows:

(in millions)	December 31,	
	2019	2018
Individually evaluated for impairment	\$ 15	\$ 19
Collectively evaluated for impairment	3,052	2,943
Total	\$3,067	\$2,962

As of December 31, 2019 and 2018, the Company's recorded investment in financing receivables individually evaluated for impairment for which there was no related allowance for loan losses was \$15 million and \$20 million, respectively.

During the years ended December 31, 2019, 2018 and 2017, the Company purchased \$121 million, \$137 million and \$156 million, respectively, and sold \$43 million, \$44 million and \$259 million, respectively, of loans. The loans purchased consisted of syndicated loans. The loans sold during 2019 and 2018 consisted of syndicated loans. The loans sold during 2017 primarily consisted of residential mortgage loans. See below for additional discussion on the sales of these loans.

### Credit Quality Information

Nonperforming loans were \$9 million and nil as of December 31, 2019 and 2018, respectively. All other loans were considered to be performing.

#### Commercial 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 commercial mortgage loans. Based on this review, the commercial mortgage loans are assigned an internal risk rating, which management updates as necessary. Commercial mortgage loans which management has assigned its highest risk rating were less than 1% of total commercial mortgage loans as of both December 31, 2019 and 2018. 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. In addition, the Company reviews the concentrations of credit risk by region and property type.

Concentrations of credit risk of commercial mortgage loans by U.S. region were as follows:

	Loans		Percentage	
	December 31, 2019	December 31, 2018	December 31, 2019	December 31, 2018
	(in millions)			
South Atlantic	\$ 705	\$ 699	26%	27%
Pacific	792	766	30	30
Mountain	237	224	9	9
West North Central	207	203	8	8
East North Central	232	208	9	8
Middle Atlantic	167	171	6	7
West South Central	169	139	6	5
New England	47	54	2	2
East South Central	116	99	4	4
	2,672	2,563	100%	100%
Less: allowance for loan losses	17	16		
Total	\$2,655	\$2,547		

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

	Loans		Percentage	
	December 31, 2019	December 31, 2018	December 31, 2019	December 31, 2018
	(in millions)			
Retail	\$ 891	\$ 854	33%	33%
Office	404	408	15	16
Apartments	660	583	25	23
Industrial	404	423	15	16
Mixed use	66	45	3	2
Hotel	51	43	2	2
Other	196	207	7	8
	2,672	2,563	100%	100%
Less: allowance for loan losses	17	16		
Total	\$2,655	\$2,547		

### Residential Mortgage Loans

During the year ended December 31, 2017, the Company sold \$249 million of residential mortgage loans and recorded a loss of \$4 million.

### Syndicated Loans

The recorded investment in syndicated loans as of December 31, 2019 and 2018 was \$395 million and \$399 million, respectively. The Company's syndicated loan portfolio is diversified across industries and issuers. The primary credit indicator for syndicated loans is whether the loans are performing in accordance with the contractual terms of the syndication. Total nonperforming syndicated loans as of December 31, 2019 and 2018 were \$9 million and nil, respectively.

### Troubled Debt Restructurings

The recorded investment in restructured loans was not material as of both December 31, 2019 and 2018. Troubled debt restructurings did not have a material impact to the Company's allowance for loan losses or income recognized for the years ended December 31, 2019, 2018 and 2017. There are no commitments to lend additional funds to borrowers whose loans have been restructured.

### Deposit Receivable

The deposit receivable was \$1.5 billion as of December 31, 2019.

In the first quarter of 2019, the Company reinsured approximately \$1.7 billion of fixed annuity policies sold through third parties, which is approximately 20% of in force fixed annuity account balances. The arrangement contains investment guidelines and a trust to meet the Company's risk management objectives. The transaction was effective as of January 1, 2019.

## 8. DEFERRED ACQUISITION COSTS AND DEFERRED SALES INDUCEMENT COSTS

In the third quarter of the year, management updates market-related inputs and implements model changes related to the living benefit valuation. In addition, management conducts its annual review of life insurance and annuity valuation assumptions relative to current experience and management expectations including modeling changes. These aforementioned changes are collectively referred to as unlocking. The impact of unlocking to DAC for the year ended December 31, 2019 primarily reflected updates to interest rate assumptions, partially offset by a favorable impact from lower surrenders on annuity contracts with a withdrawal benefit. The impact of unlocking to DAC for the year ended December 31, 2018 primarily reflected updated mortality assumptions on UL and VUL insurance products and lower surrender rate assumptions on variable annuities, partially offset by an unfavorable impact from updates to assumptions on utilization of guaranteed withdrawal benefits. The impact of unlocking to DAC for the year ended December 31, 2017 primarily reflected improved persistency and mortality on UL and VUL insurance products and a correction related to a variable annuity model assumption partially offset by updates to market-related inputs to the living benefit valuation.

The balances of and changes in DAC were as follows:

(in millions)	2019	2018	2017
Balance at January 1	\$2,742	\$2,639	\$2,611
Capitalization of acquisition costs	239	254	242
Amortization, excluding the impact of valuation assumptions review	(119)	(288)	(219)
Amortization, impact of valuation assumptions review	(14)	33	12
Impact of change in net unrealized (gains) losses on securities	(175)	104	(7)
Balance at December 31	\$2,673	\$2,742	\$2,639

The balances of and changes in DSIC, which is included in other assets, were as follows:

(in millions)	2019	2018	2017
Balance at January 1	\$249	\$273	\$301
Capitalization of sales inducement costs	1	2	4
Amortization, excluding the impact of valuation assumptions review	(15)	(42)	(37)
Amortization, impact of valuation assumptions review	—	—	(1)
Impact of change in net unrealized (gains) losses on securities	(19)	16	6
Balance at December 31	\$216	\$249	\$273

## 9. REINSURANCE

The Company reinsures a portion of the insurance risks associated with its traditional life, DI and LTC insurance products 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 2001 (RiverSource Life of NY began in 2002) and new individual UL and VUL insurance policies beginning in 2002 (2003 for RiverSource Life of NY). Policies issued prior to these dates are not subject to these same reinsurance levels.

However, 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. Similarly, the Company reinsures 50% of the death benefit and morbidity liabilities related to its UL product with LTC benefits.

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 2001 (2002 for RiverSource Life of NY) 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 and fixed annuity risk previously assumed under reinsurance arrangements with unaffiliated insurance companies.

For existing LTC policies, the Company has continued ceding 50% of the risk on a coinsurance basis to subsidiaries of Genworth Financial, Inc. (“Genworth”) and retains the remaining risk. For RiverSource Life of NY, this reinsurance arrangement applies for 1996 and later issues only. 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 most states starting in 2007 (2010 for RiverSource Life of NY) 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 on other policy forms introduced prior to 2007 (2010 for RiverSource Life of NY). 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, 2019 and 2018, traditional life and UL insurance policies in force were \$195.1 billion, of which \$142.8 billion and \$142.4 billion as of December 31, 2019 and 2018 were reinsured at the respective year ends.

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

(in millions)	Years Ended December 31,		
	2019	2018	2017
Direct premiums	\$ 621	\$ 621	\$ 637
Reinsurance ceded	(224)	(225)	(227)
Net premiums	\$ 397	\$ 396	\$ 410

Policy and contract charges are presented on the Consolidated Statements of Income net of \$132 million, \$126 million and \$114 million of reinsurance ceded for non-traditional long-duration products for the years ended December 31, 2019, 2018 and 2017, respectively.

The amount of claims recovered through reinsurance on all contracts was \$377 million, \$331 million and \$298 million for the years ended December 31, 2019, 2018 and 2017, respectively.

Reinsurance recoverables include approximately \$2.5 billion related to LTC risk ceded to Genworth as of both December 31, 2019 and 2018.

Policyholder account balances, future policy benefits and claims include \$466 million and \$484 million related to previously assumed reinsurance arrangements as of December 31, 2019 and 2018, respectively.

## 10. POLICYHOLDER ACCOUNT BALANCES, FUTURE POLICY BENEFITS AND CLAIMS AND SEPARATE ACCOUNT LIABILITIES

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

(in millions)	December 31,	
	2019	2018
<b>Policyholder account balances</b>		
Fixed annuities <sup>(1)</sup>	\$ 8,909	\$ 9,338
Variable annuity fixed sub-accounts	5,103	5,129
UL/VUL insurance	3,110	3,063
IUL insurance	2,025	1,728
Other life insurance	646	683
Total policyholder account balances	19,793	19,941
<b>Future policy benefits</b>		
Variable annuity GMWB	1,462	875
Variable annuity GMAB <sup>(2)</sup>	(39)	(19)
Other annuity liabilities	139	26
Fixed annuity life contingent liabilities	1,444	1,459
Life and DI insurance	1,212	1,221
LTC insurance	5,302	4,981
UL/VUL and other life insurance additional liabilities	1,033	749
Total future policy benefits	10,553	9,292
Policy claims and other policyholders' funds	158	174
Total policyholder account balances, future policy benefits and claims	\$30,504	\$29,407

<sup>(1)</sup> Includes fixed deferred annuities, non-life contingent fixed payout annuities and indexed annuity host contracts.

<sup>(2)</sup> Includes the fair value of GMAB embedded derivatives that was a net asset as of both December 31, 2019 and 2018 reported as a contra liability.

### Fixed Annuities

Fixed annuities include deferred, payout and indexed annuity contracts.

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, ranging from 2.71% to 9.38% as of December 31, 2019, depending on year of issue, with an average rate of approximately 3.83%. The Company generally invests the proceeds from the annuity contracts in fixed rate securities.

The Company's equity indexed annuity ("EIA") product is a single premium fixed deferred annuity. The Company discontinued new sales of EIAs in 2007. The contract was issued with an initial term of seven years and interest earnings are linked to the performance of the S&P 500<sup>®</sup> Index. This annuity has a minimum interest rate guarantee of 3% on 90% of the initial premium, adjusted for any surrenders. The Company generally invests the proceeds from the annuity contracts in fixed rate securities and hedges the equity risk with derivative instruments.

The Company's fixed index annuity product is a fixed annuity that includes an indexed account. The rate of interest credited above the minimum guarantee for funds allocated to the indexed account is linked to the performance of the specific index for the indexed account (subject to a cap). The Company offers S&P 500<sup>®</sup> Index and MSCI<sup>®</sup> EAFE Index account options. Both options offer two crediting durations, one-year and two-year. The contractholder may allocate all or a portion of the policy value to a fixed or indexed account. The portion of the policy allocated to the indexed account is accounted for as an embedded derivative. The Company hedges the interest credited rate including equity and interest rate risk related to the indexed account with derivative instruments. The contractholder can choose to add a GMWB for life rider for an additional fee.

See Note 17 for additional information regarding the Company's derivative instruments used to hedge the risk related to indexed annuities.

*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 currently issued by the Company contain one or more guaranteed benefits, including GMWB, GMAB, GMDB and GGU provisions. The Company previously offered contracts with GMIB provisions. See Notes 2 and 11 for additional information regarding the Company's variable annuity guarantees. The Company does not currently hedge its risk under the GGU and GMIB provisions. See Notes 13 and 17 for additional information regarding the Company's derivative instruments used to hedge risks related to GMWB, GMAB and GMDB provisions.

*Insurance Liabilities*

UL/VUL is the largest group of insurance policies written by the Company. Purchasers of UL 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 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 above the minimum guarantee for funds allocated to the indexed account is linked to the performance of the specific index for the indexed account (subject to a cap and floor). The Company offers an S&P 500<sup>®</sup> Index account option and a blended multi-index account option comprised of the S&P 500 Index, the MSCI<sup>®</sup> EAFE Index and the MSCI EM Index. Both options offer two crediting durations, one-year and two-year. The policyholder may allocate all or a portion of the policy value to a fixed or any available indexed account. The portion of the policy allocated to the indexed account is accounted for as an embedded derivative at fair value. The Company hedges the interest credited rate including equity and interest rate risk related to the indexed account with derivative instruments. See Note 17 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 and unpaid reported claims.

The liability for estimates of benefits that will become payable on future claims on term life, whole life and DI policies is based on the net level premium and LTC policies is based on a gross premium valuation reflecting management's current best estimate assumptions. Both include the anticipated interest rates earned on assets supporting the liability. Anticipated interest rates for term and whole life ranged from 3% to 10% as of December 31, 2019. Anticipated interest rates for DI policies ranged from 3.5% to 7.5% as of December 31, 2019 and for LTC policies ranged from 5.8% to 6.8% as of December 31, 2019.

The liability for unpaid reported claims on DI and LTC policies includes an estimate of the present value of obligations for continuing benefit payments. The discount rates used to calculate present values are based on average interest rates earned on assets supporting the liability for unpaid amounts and were 4.5% and 6.0% for DI and LTC claims, respectively, as of December 31, 2019.

Portions of the Company's UL and VUL policies have product features that result in profits followed by losses from the insurance component of the policy. These profits followed by losses can be generated by the cost structure of the product or secondary guarantees in the policy. 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.

*Separate Account Liabilities*

Separate account liabilities consisted of the following:

(in millions)	December 31,	
	2019	2018
Variable annuity	\$74,965	\$66,913
VUL insurance	7,429	6,451
Other insurance	31	29
Total	\$82,425	\$73,393



**11. VARIABLE ANNUITY AND INSURANCE GUARANTEES**

The majority of the variable annuity contracts offered by the Company contain GMDB provisions. The Company also offers variable annuities with GGU, GMWB and GMAB provisions. The Company previously offered contracts containing GMIB provisions. See Notes 2 and 10 for additional information regarding the Company's variable annuity guarantees.

The GMDB and GGU 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 every sixth contract anniversary 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 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 can also 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.

Certain UL policies offered by the Company provide secondary guarantee benefits. 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 following table provides information related to variable annuity guarantees for which the Company has established additional liabilities:

Variable Annuity Guarantees by Benefit Type <sup>(1)</sup> (in millions, except age)	December 31, 2019				December 31, 2018			
	Total Contract Value	Contract Value in Separate Accounts	Net Amount at Risk	Weighted Average Attained Age	Total Contract Value	Contract Value in Separate Accounts	Net Amount at Risk	Weighted Average Attained Age
<b>GMDB:</b>								
Return of premium	\$62,909	\$60,967	\$ 5	67	\$55,810	\$53,872	\$ 417	67
Five/six-year reset	7,983	5,263	7	67	7,670	4,941	112	67
One-year ratchet	5,935	5,600	7	70	5,560	5,210	417	70
Five-year ratchet	1,396	1,340	—	66	1,307	1,251	23	66
Other	1,192	1,174	65	73	1,033	1,014	148	72
Total — GMDB	\$79,415	\$74,344	\$ 84	67	\$71,380	\$66,288	\$1,117	67
<b>GGU death benefit</b>	\$ 1,115	\$ 1,063	\$133	71	\$ 992	\$ 940	\$ 112	70
<b>GMIB</b>	\$ 186	\$ 172	\$ 6	70	\$ 180	\$ 164	\$ 12	69
<b>GMWB:</b>								
GMWB	\$ 1,999	\$ 1,993	\$ 1	73	\$ 1,990	\$ 1,984	\$ 3	72
GMWB for life	46,799	46,691	272	68	40,966	40,876	742	68
Total — GMWB	\$48,798	\$48,684	\$273	68	\$42,956	\$42,860	\$ 745	68
<b>GMAB</b>	\$ 2,528	\$ 2,524	\$ —	60	\$ 2,456	\$ 2,450	\$ 24	59

<sup>(1)</sup> Individual variable annuity contracts may have more than one guarantee and therefore may be included in more than one benefit type. Variable annuity contracts for which the death benefit equals the account value are not shown in this table.

The net amount at risk for GMDB, GGU 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 provides information related to insurance guarantees for which the Company has established additional liabilities:

(in millions, except age)	December 31, 2019		December 31, 2018	
	Net Amount at Risk	Weighted Average Attained Age	Net Amount at Risk	Weighted Average Attained Age
UL secondary guarantees	\$6,550	67	\$6,513	66

The net amount at risk for UL secondary guarantees is defined as the current guaranteed death benefit amount in excess of the current policyholder account balance.

Changes in additional liabilities (contra liabilities) for variable annuity and insurance guarantees were as follows:

(in millions)	GMDB & GGU	GMIB	GMWB <sup>(1)</sup>	GMAB <sup>(1)</sup>	UL
Balance at January 1, 2017	\$16	\$ 8	\$1,017	\$(24)	\$434
Incurred claims	5	—	(554)	(56)	84
Paid claims	(4)	(2)	—	—	(29)
Balance at December 31, 2017	17	6	463	(80)	489
Incurred claims	8	2	412	61	201
Paid claims	(6)	—	—	—	(31)
Balance at December 31, 2018	19	8	875	(19)	659
Incurred claims	2	(1)	587	(20)	141
Paid claims	(5)	—	—	—	(42)
Balance at December 31, 2019	\$16	\$ 7	\$1,462	\$(39)	\$758

<sup>(1)</sup> The incurred claims for GMWB and GMAB include the change in the fair value of the liabilities (contra liabilities) less paid claims.

The liabilities for guaranteed benefits are supported by general account assets.

The following table summarizes the distribution of separate account balances by asset type for variable annuity contracts providing guaranteed benefits:

(in millions)	December 31,	
	2019	2018
Mutual funds:		
Equity	\$44,739	\$39,764
Bond	23,374	21,190
Other	6,471	5,568
Total mutual funds	\$74,584	\$66,522

No gains or losses were recognized on assets transferred to separate accounts for the years ended December 31, 2019, 2018 and 2017.

## 12. SHORT-TERM BORROWINGS

The Company enters into repurchase agreements in exchange for cash which it accounts for as secured borrowings and pledges Available-for-Sale securities to collateralize its obligations under the repurchase agreements. The amount of the Company's liability including accrued interest as of December 31, 2019 and 2018 was nil and \$50 million, respectively. As of December 31, 2018, the Company had pledged \$52 million of agency residential mortgage backed securities. The remaining maturity of outstanding repurchase agreements was less than three months as of December 31, 2018. The weighted average annualized interest rate on repurchase agreements held as of December 31, 2018 was 2.6%.

RiverSource Life Insurance Company is a member of the Federal Home Loan Bank ("FHLB") of Des Moines which provides access to collateralized borrowings. The Company has pledged Available-for-Sale securities consisting of commercial mortgage backed securities to collateralize its obligation under these borrowings. The fair value of the securities pledged is recorded in investments and was \$840 million and \$780 million as of December 31, 2019 and 2018, respectively. The amount of the Company's liability including accrued interest was \$201 million and \$151 million as of December 31, 2019 and 2018, respectively. The remaining maturity of outstanding FHLB advances was less than two months as of December 31, 2019 and less than three months as of December 31, 2018. The weighted average annualized interest rate on the FHLB advances held as of December 31, 2019 and 2018 was 1.8% and 2.6%, respectively.

**13. 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 millions)	December 31, 2019			
	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
Available-for-Sale securities:				
Corporate debt securities	\$ —	\$10,787	\$ 735	\$ 11,522
Residential mortgage backed securities	—	3,091	17	3,108
Commercial mortgage backed securities	—	3,618	—	3,618
State and municipal obligations	—	1,306	—	1,306
Asset backed securities	—	691	389	1,080
Foreign government bonds and obligations	—	267	—	267
U.S. government and agency obligations	1	—	—	1
Total Available-for-Sale securities:	1	19,760	1,141	20,902
Cash equivalents	—	1,256	—	1,256
Other assets:				
Interest rate derivative contracts	—	1,451	—	1,451
Equity derivative contracts	162	2,650	—	2,812
Foreign exchange derivative contracts	1	15	—	16
Credit derivative contracts	—	4	—	4
Total other assets	163	4,120	—	4,283
Separate account assets at net asset value ("NAV")				82,425 <sup>(1)</sup>
<b>Total assets at fair value</b>	<b>\$164</b>	<b>\$25,136</b>	<b>\$1,141</b>	<b>\$108,866</b>
<b>Liabilities</b>				
Policyholder account balances, future policy benefits and claims:				
Indexed annuity embedded derivatives	\$ —	\$ 3	\$ 43	\$ 46
IUL embedded derivatives	—	—	881	881
GMWB and GMAB embedded derivatives	—	—	763	763 <sup>(2)</sup>
Total policyholder account balances, future policy benefits and claims	—	3	1,687	1,690 <sup>(3)</sup>
Other liabilities:				
Interest rate derivative contracts	—	418	—	418
Equity derivative contracts	36	3,018	—	3,054
Foreign exchange derivative contracts	1	5	—	6
Total other liabilities	37	3,441	—	3,478
<b>Total liabilities at fair value</b>	<b>\$ 37</b>	<b>\$ 3,444</b>	<b>\$1,687</b>	<b>\$ 5,168</b>

December 31, 2018

(in millions)	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
Available-for-Sale securities:				
Corporate debt securities	\$ —	\$11,520	\$ 871	\$12,391
Residential mortgage backed securities	—	2,807	64	2,871
Commercial mortgage backed securities	—	3,652	—	3,652
State and municipal obligations	—	1,283	—	1,283
Asset backed securities	—	671	374	1,045
Foreign government bonds and obligations	—	285	—	285
U.S. government and agency obligations	1	—	—	1
Total Available-for-Sale securities:	1	20,218	1,309	21,528
Cash equivalents	—	1,000	—	1,000
Other assets:				
Interest rate derivative contracts	—	789	—	789
Equity derivative contracts	189	1,515	—	1,704
Foreign exchange derivative contracts	—	54	—	54
Total other assets	189	2,358	—	2,547
Separate account assets at NAV				73,393 <sup>(1)</sup>
<b>Total assets at fair value</b>	<b>\$190</b>	<b>\$23,576</b>	<b>\$1,309</b>	<b>\$98,468</b>
<b>Liabilities</b>				
Policyholder account balances, future policy benefits and claims:				
Indexed annuity embedded derivatives	\$ —	\$ 3	\$ 14	\$ 17
IUL embedded derivatives	—	—	628	628
GMWB and GMAB embedded derivatives	—	—	328	328 <sup>(4)</sup>
Total policyholder account balances, future policy benefits and claims	—	3	970	973 <sup>(5)</sup>
Other liabilities:				
Interest rate derivative contracts	—	422	—	422
Equity derivative contracts	77	1,901	—	1,978
Foreign exchange derivative contracts	2	32	—	34
Credit derivative contracts	—	18	—	18
Total other liabilities	79	2,373	—	2,452
<b>Total liabilities at fair value</b>	<b>\$ 79</b>	<b>\$ 2,376</b>	<b>\$ 970</b>	<b>\$ 3,425</b>

<sup>(1)</sup> Amounts are comprised of certain 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.

<sup>(2)</sup> The fair value of the GMWB and GMAB embedded derivatives included \$981 million of individual contracts in a liability position and \$218 million of individual contracts in an asset position as of December 31, 2019.

<sup>(3)</sup> The Company's adjustment for nonperformance risk resulted in a \$(502) million cumulative increase (decrease) to the embedded derivatives as of December 31, 2019.

<sup>(4)</sup> The fair value of the GMWB and GMAB embedded derivatives included \$646 million of individual contracts in a liability position and \$318 million of individual contracts in an asset position as of December 31, 2018.

<sup>(5)</sup> The Company's adjustment for nonperformance risk resulted in a \$(726) million cumulative increase (decrease) to the embedded derivatives as of December 31, 2018.

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

(in millions)	Available-for-Sale Securities			
	Corporate Debt Securities	Residential Mortgage Backed Securities	Asset Backed Securities	Total
Balance, January 1, 2019	\$ 871	\$ 64	\$374	\$1,309
Total gains (losses) included in:				
Net income	(1)	—	—	(1) <sup>(1)</sup>
Other comprehensive income (loss)	30	—	5	35
Purchases	55	27	—	82
Settlements	(220)	(3)	—	(223)
Transfers into Level 3	—	—	10	10
Transfers out of Level 3	—	(71)	—	(71)
Balance, December 31, 2019	\$ 735	\$ 17	\$389	\$1,141
Changes in unrealized gains (losses) relating to assets held at December 31, 2019	\$ (1)	\$—	\$—	\$ (1) <sup>(1)</sup>

(in millions)	Policyholder Account Balances, Future Policy Benefits and Claims			
	Indexed Annuity Embedded Derivatives	IUL Embedded Derivatives	GMWB and GMAB Embedded Derivatives	Total
Balance, January 1, 2019	\$14	\$628	\$328	\$ 970
Total (gains) losses included in:				
Net income	8 <sup>(2)</sup>	209 <sup>(2)</sup>	80 <sup>(3)</sup>	297
Issues	21	113	361	495
Settlements	—	(69)	(6)	(75)
Balance, December 31, 2019	\$43	\$881	\$763	\$1,687
Changes in unrealized (gains) losses relating to liabilities held at December 31, 2019	\$—	\$209 <sup>(2)</sup>	\$ 82 <sup>(3)</sup>	\$ 291

(in millions)	Available-for-Sale Securities					
	Corporate Debt Securities	Residential Mortgage Backed Securities	Commercial Mortgage Backed Securities	Asset Backed Securities	Total	Other Derivative Contracts
Balance, January 1, 2018	\$1,072	\$ 87	\$—	\$—	\$1,159	\$—
Total gains (losses) included in:						
Net income	(1)	—	—	—	(1) <sup>(1)</sup>	(3) <sup>(3)</sup>
Other comprehensive income (loss)	(26)	1	—	3	(22)	—
Purchases	15	—	12	381	408	3
Settlements	(189)	(6)	—	—	(195)	—
Transfers out of Level 3	—	(18)	(12)	(10)	(40)	—
Balance, December 31, 2018	\$ 871	\$ 64	\$—	\$374	\$1,309	\$—
Changes in unrealized gains (losses) relating to assets held at December 31, 2018	\$ (1)	\$—	\$—	\$—	\$ (1) <sup>(1)</sup>	\$—

(in millions)	Policyholder Account Balances, Future Policy Benefits and Claims			
	Indexed Annuity Embedded Derivatives	IUL Embedded Derivatives	GMWB and GMAB Embedded Derivatives	Total
Balance, January 1, 2018	\$—	\$601	\$ (49)	\$552
Total (gains) losses included in:				
Net income	(3) <sup>(2)</sup>	(9) <sup>(2)</sup>	49 <sup>(3)</sup>	37
Issues	17	90	350	457
Settlements	—	(54)	(22)	(76)
Balance, December 31, 2018	\$14	\$628	\$328	\$970
Changes in unrealized (gains) losses relating to liabilities held at December 31, 2018	\$—	\$ (9) <sup>(2)</sup>	\$ 47 <sup>(3)</sup>	\$ 38

(in millions)	Available-for-Sale Securities					Common Stocks
	Corporate Debt Securities	Residential Mortgage Backed Securities	Commercial Mortgage Backed Securities	Asset Backed Securities	Total	
Balance, January 1, 2017	\$1,157	\$115	\$—	\$ 13	\$1,285	\$—
Total gains (losses) included in:						
Net income	1	—	—	—	1 <sup>(1)</sup>	—
Other comprehensive income (loss)	(8)	1	—	—	(7)	—
Purchases	124	67	36	49	276	—
Settlements	(202)	(7)	—	(13)	(222)	—
Transfers into Level 3	—	—	—	11	11	4
Transfers out of Level 3	—	(89)	(36)	(60)	(185)	(4)
Balance, December 31, 2017	\$1,072	\$ 87	\$—	\$—	\$1,159	\$—
Changes in unrealized gains (losses) relating to assets held at December 31, 2017	\$ 1	\$ —	\$—	\$—	\$ 1 <sup>(1)</sup>	\$—

(in millions)	Policyholder Account Balances, Future Policy Benefits and Claims		
	IUL Embedded Derivatives	GMWB and GMAB Embedded Derivatives	Total
Balance, January 1, 2017	\$464	\$ 614	\$1,078
Total (gains) losses included in:			
Net income	87 <sup>(2)</sup>	(977) <sup>(3)</sup>	(890)
Issues	92	326	418
Settlements	(42)	(12)	(54)
Balance, December 31, 2017	\$601	\$ (49)	\$ 552
Changes in unrealized (gains) losses relating to liabilities held at December 31, 2017	\$ 87 <sup>(2)</sup>	\$(946) <sup>(3)</sup>	\$ (859)

<sup>(1)</sup> Included in net investment income in the Consolidated Statements of Income.

<sup>(2)</sup> Included in interest credited to fixed accounts in the Consolidated Statements of Income.

<sup>(3)</sup> Included in benefits, claims, losses and settlement expenses in the Consolidated Statements of Income.

The increase (decrease) to pretax income of the Company's adjustment for nonperformance risk on the fair value of its embedded derivatives was \$(190) million, \$281 million and \$(71) million, net of DAC, DSIC, unearned revenue amortization and the reinsurance accrual, for the years ended December 31, 2019, 2018 and 2017, 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. 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, 2019					
	Fair Value	Valuation Technique	Unobservable Input	Range	Weighted Average
	(in millions)				
Corporate debt securities (private placements)	\$735	Discounted cash flow	Yield/spread to U.S. Treasuries	0.8% – 2.8%	1.3%
Asset backed securities	\$389	Discounted cash flow	Annual default rate	3.5%	
			Loss severity	25.0%	
			Yield/spread to swap rates	120 bps – 170 bps	123 bps
IUL embedded derivatives	\$881	Discounted cash flow	Nonperformance risk <sup>(1)</sup>	65 bps	
Indexed annuity embedded derivatives	\$ 43	Discounted cash flow	Surrender rate	0.0% – 50.0%	
			Nonperformance risk <sup>(1)</sup>	65 bps	
GMWB and GMAB embedded derivatives	\$763	Discounted cash flow	Utilization of guaranteed withdrawals <sup>(2)</sup>	0.0% – 36.0%	
			Surrender rate	0.1% – 73.5%	
			Market volatility <sup>(3)</sup>	3.7% – 15.9%	
			Nonperformance risk <sup>(1)</sup>	65 bps	

December 31, 2018

	Fair Value	Valuation Technique	Unobservable Input	Range	Weighted Average
	(in millions)				
Corporate debt securities (private placements)	\$871	Discounted cash flow	Yield/spread to U.S. Treasuries	1.0% – 3.6%	1.5%
Asset backed securities	\$374	Discounted cash flow	Annual default rate	2.5%	
			Loss severity	25.0%	
			Yield/spread to swap rates	85 bps – 115 bps	87 bps
IUL embedded derivatives	\$628	Discounted cash flow	Nonperformance risk <sup>(1)</sup>	119 bps	
Indexed annuity embedded derivatives	\$ 14	Discounted cash flow	Surrender rate	0.0% – 50.0%	
			Nonperformance risk <sup>(1)</sup>	119 bps	
GMWB and GMAB embedded derivatives	\$328	Discounted cash flow	Utilization of guaranteed withdrawals <sup>(2)</sup>	0.0% – 36.0%	
			Surrender rate	0.1% – 73.4%	
			Market volatility <sup>(3)</sup>	4.0% – 16.1%	
			Nonperformance risk <sup>(1)</sup>	119 bps	

<sup>(1)</sup> The nonperformance risk is the spread added to the observable interest rates used in the valuation of the embedded derivatives.

<sup>(2)</sup> The utilization of guaranteed withdrawals represents the percentage of contractholders that will begin withdrawing in any given year.

<sup>(3)</sup> Market volatility is implied volatility of fund of funds and managed volatility funds.

Level 3 measurements not included in the table 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 the annual default rate used in the fair value measurement of Level 3 asset backed securities in isolation, generally, would have resulted in a significantly lower (higher) fair value measurement and significant increases (decreases) in loss severity in isolation would have resulted in a significantly lower (higher) fair value measurement.

Significant increases (decreases) in the yield/spread to swap rates 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.

Significant increases (decreases) in nonperformance risk and surrender rate used in the fair value measurement of the indexed annuity embedded derivatives in isolation would have resulted in a significantly lower (higher) liability value.

Significant increases (decreases) in utilization and volatility used in the fair value measurement of the GMWB and GMAB embedded derivatives in isolation would have resulted in a significantly higher (lower) liability value.

Significant increases (decreases) in nonperformance risk and surrender rate used in the fair value measurement of the GMWB and GMAB embedded derivatives in isolation would have resulted in a significantly lower (higher) liability value. Utilization of guaranteed withdrawals and surrender rates vary with the type of rider, the duration of the policy, the age of the contractholder, the distribution channel and whether the value of the guaranteed benefit exceeds the contract accumulation value.

### 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

##### Cash Equivalents

Cash equivalents include 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.

#### *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.

Level 3 securities primarily include certain corporate bonds, non-agency residential mortgage backed securities and affiliated and unaffiliated asset backed securities. The fair value of corporate bonds, non-agency residential mortgage backed securities and unaffiliated asset backed securities 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. The fair value of affiliated asset backed securities is determined using a discounted cash flow model. Inputs used to determine the expected cash flows include assumptions about discount rates and default, prepayment and recovery rates of the underlying assets. Given the significance of the unobservable inputs to this fair value measurement, the fair value of the investment in the affiliated asset backed securities is classified as Level 3.

In consideration of the above, 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.

#### *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.

#### *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 December 31, 2019 and 2018. See Notes 16 and 17 for further information on the credit risk of derivative instruments and related collateral.

### **Liabilities**

#### *Policyholder Account Balances, Future Policy Benefits and Claims*

There is no active market for the transfer of the Company's embedded derivatives attributable to the provisions of certain variable annuity riders, index annuity and IUL products.

The Company values the embedded derivatives attributable to the provisions of certain variable annuity riders using internal valuation models. These models calculate fair value as the present value of future expected benefit payments less the present value of future expected rider fees attributable to the embedded derivative feature. The projected cash flows used by these models include observable capital market assumptions and incorporate significant unobservable inputs related to implied volatility as well as contractholder behavior assumptions that include margins for risk, all of which the Company believes an exit market participant would expect. The fair value also reflects a current estimate of the Company's nonperformance risk specific to these embedded derivatives. Given the significant unobservable inputs to this valuation, these measurements are classified as Level 3. The embedded derivatives attributable to these provisions are recorded in policyholder account balances, future policy benefits and claims.

The Company uses various Black-Scholes calculations to determine the fair value of the embedded derivatives associated with the provisions of its fixed index annuity and IUL products. The Company uses a discounted cash flow model to determine the fair



value of the embedded derivatives associated with the provisions of its equity index annuity product. The projected cash flows generated by this model are based on significant observable inputs related to interest rates, volatilities and equity index levels and, therefore, are classified as Level 2. The fair value of fixed index annuity and IUL embedded derivatives includes significant observable interest rates, volatilities and equity index levels and the significant unobservable estimate of the Company's nonperformance risk. Given the significance of the nonperformance risk assumption to the fair value, the fixed index annuity and IUL embedded derivatives are classified as Level 3. The embedded derivatives attributable to these provisions are recorded in policyholder account balances, future policy benefits and claims.

**Other Liabilities**

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 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 Company's nonperformance risk associated with uncollateralized derivative liabilities was immaterial as of December 31, 2019 and 2018. See Notes 16 and 17 for further information on the credit risk of derivative instruments and related collateral.

**Fair Value on a Nonrecurring Basis**

The Company assesses its investment in affordable housing partnerships for OTTI. The investments that are determined to be OTTI are written down to their fair value. The Company uses a discounted cash flow model to measure the fair value of these investments. Inputs to the discounted cash flow model are estimates of future net operating losses and tax credits available to the Company and discount rates based on market condition and the financial strength of the syndicator (general partner). The balance of affordable housing partnerships measured at fair value on a nonrecurring basis was \$158 million and \$112 million as of December 31, 2019 and 2018, respectively, and is classified as Level 3 in the fair value hierarchy.

**Asset and Liabilities Not Reported at Fair Value**

The following tables provide the carrying value and the estimated fair value of financial instruments that are not reported at fair value.

(in millions)	December 31, 2019				
	Carrying Value	Fair Value			Total
		Level 1	Level 2	Level 3	
<b>Financial Assets</b>					
Mortgage loans, net	\$2,655	\$—	\$—	\$ 2,707	\$ 2,707
Policy loans	867	—	—	810	810
Other investments	410	—	376	34	410
Other receivables	1,514	—	—	1,648	1,648
<b>Financial Liabilities</b>					
Policyholder account balances, future policy benefits and claims	\$9,110	\$—	\$—	\$10,061	\$10,061
Short-term borrowings	201	—	201	—	201
Line of credit with Ameriprise Financial	50	—	—	50	50
Other liabilities	22	—	—	21	21
Separate account liabilities — investment contracts	340	—	340	—	340
(in millions)	December 31, 2018				
	Carrying Value	Fair Value			Total
		Level 1	Level 2	Level 3	
<b>Financial Assets</b>					
Mortgage loans, net	\$2,547	\$—	\$—	\$ 2,514	\$ 2,514
Policy loans	861	—	—	810	810
Other investments	411	—	355	41	396
<b>Financial Liabilities</b>					
Policyholder account balances, future policy benefits and claims	\$9,609	\$—	\$—	\$ 9,672	\$ 9,672
Short-term borrowings	201	—	201	—	201
Other liabilities	59	—	—	57	57
Separate account liabilities — investment contracts	312	—	312	—	312 <sup>(1)</sup>

<sup>(1)</sup> The fair value of separate account liabilities — investment contracts as of December 31, 2018 was previously incorrectly omitted from the fair value hierarchy based on use of NAV per share as a practical expedient.

Other investments include syndicated loans and the Company's membership in the FHLB. Other receivables include the reinsurance deposit receivable. See Note 7 for additional information on mortgage loans, policy loans, syndicated loans and the deposit receivable.

Policyholder account balances, future policy benefits and claims includes fixed annuities in deferral status, non-life contingent fixed annuities in payout status, indexed annuity host contracts and the fixed portion of a small number of variable annuity contracts classified as investment contracts. See Note 10 for additional information on these liabilities. Short-term borrowings include repurchase agreement and FHLB borrowings. See Note 12 for further information on short-term borrowings. Other liabilities include future funding commitments to affordable housing partnerships and other real estate partnerships. Separate account liabilities are related to certain annuity products that are classified as investment contracts.

#### **14. RELATED PARTY TRANSACTIONS**

##### **Revenues**

See Note 4 for information about revenues from contracts with customers earned by the Company from related party transactions with affiliates.

The Company is the lessor of one real estate property which it leases to Ameriprise Financial under an operating lease that expires November 30, 2029. The Company earned \$5 million in rental income for each of the years ended December 31, 2019, 2018 and 2017, which is reflected in Other revenues on the Company's Consolidated Statements of Income. The Company expects to earn \$5 million in each year of the five year period ended December 31, 2024 and a total of \$24 million thereafter.

##### **Expenses**

Charges by Ameriprise Financial and affiliated companies to the Company for use of joint facilities, technology support, marketing services and other services aggregated \$370 million, \$365 million and \$390 million for the years ended December 31, 2019, 2018 and 2017, 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 income tax return of Ameriprise Financial. The net amount due from (to) Ameriprise Financial for federal income taxes was \$85 million and \$60 million as of December 31, 2019 and 2018, respectively, which is reflected in Other, net within operating activities on the Consolidated Statements of Cash Flows.

##### **Investments**

The Company invests in AA and A rated asset backed securities issued by AAF, an affiliate of the Company. The asset backed securities are collateralized by a portfolio of loans issued to advisors affiliated with AFS, an affiliated broker dealer. As of December 31, 2019 and 2018, the fair value of these asset backed securities was \$380 million and \$374 million, respectively, and is reported in Investments: Available-for-Sale Fixed Maturities on the Company's Consolidated Balance Sheets. For the year ended December 31, 2019, interest income from these asset backed securities was \$14 million and is reported in Net investment income on the Company's Consolidated Statements of Income.

##### **Lines of Credit**

RiverSource Life Insurance Company, as the borrower, has a revolving credit agreement with Ameriprise Financial as the lender. The aggregate amount outstanding under the line of credit may not exceed 3% of RiverSource Life Insurance Company's statutory admitted assets (excluding separate accounts) as of the prior year end. The interest rate for any borrowing under the agreement is established by reference to London Inter-Bank Offered Rate ("LIBOR") for U.S. dollar deposits with maturities comparable to the relevant interest period, plus 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 amounts outstanding on this line of credit were \$50 million and nil as of December 31, 2019 and 2018, respectively. The outstanding balance at December 31, 2019 was paid in full during January 2020.

RiverSource Life of NY, as the borrower, has a revolving credit agreement with Ameriprise Financial as the lender. The aggregate amount outstanding under the line of credit may not exceed the lesser of \$25 million or 3% of RiverSource Life of NY's statutory admitted assets (excluding separate accounts) as of the prior year end. The interest rate for any borrowing is established by reference to LIBOR for U.S. dollar deposits with maturities comparable to the relevant interest period. Amounts borrowed may be repaid at any time with no prepayment penalty. There were no amounts outstanding on this line of credit as of both December 31, 2019 and 2018.

RTA, as the borrower, has a revolving credit agreement with Ameriprise Financial as the lender not to exceed \$100 million. The interest rate for any borrowing is established by reference to LIBOR for U.S. dollar deposits with maturities comparable to the relevant interest period, plus an applicable margin subject to adjustment based on debt ratings of the senior unsecured debt of Ameriprise Financial. This line of credit is automatically renewed annually with Ameriprise Financial. There were no amounts outstanding on this revolving credit agreement as of both December 31, 2019 and 2018.

RiverSource Life Insurance Company, as the lender, has a revolving credit agreement with Ameriprise Financial as the borrower. This line of credit is not to exceed 3% of RiverSource Life Insurance Company's statutory admitted assets as of the prior year end. The interest rate for any borrowing is established by reference to LIBOR for U.S. dollar deposits with maturities comparable

to the relevant interest period, plus an applicable margin subject to adjustment based on debt ratings of the senior unsecured debt of Ameriprise Financial. In the event of default, an additional 1% interest will accrue during such period of default. There were no amounts outstanding on this revolving credit agreement as of both December 31, 2019 and 2018.

### Dividends or distributions

Cash dividends or distributions paid and received by RiverSource Life Insurance Company were as follows:

(in millions)	Years Ended December 31,		
	2019	2018	2017
Paid to Ameriprise Financial	\$1,350	\$750	\$700
Received from RiverSource Life of NY	43	48	50
Received from RTA	100	45	20
Received from RiverSource REO 1, LLC <sup>(1)</sup>	—	2	—

<sup>(1)</sup> RiverSource REO 1, LLC is a wholly owned subsidiary of RiverSource Life Insurance Company which holds foreclosed mortgage loans and real estate.

For dividends and other distributions from the life insurance companies, advance notification was provided to state insurance regulators prior to payments. See Note 15 for additional information.

## 15. REGULATORY 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 more significant differences from 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.

RiverSource Life Insurance Company received approval from the Minnesota Department of Commerce to apply a permitted statutory accounting practice, effective July 1, 2017 through June 30, 2019, for certain derivative instruments used to economically hedge the interest rate exposure of certain variable annuity products that do not qualify for statutory hedge accounting. The permitted practice is intended to mitigate the impact to statutory surplus from the misalignment between variable annuity statutory reserves, which are not carried at fair value, and the fair value of derivatives used to economically hedge the interest rate exposure of non-life contingent living benefit guarantees.

The permitted practice allowed RiverSource Life Insurance Company to defer a portion of the change in fair value, net investment income and realized gains or losses generated from designated derivatives to the extent the amounts do not offset the current period interest-rate related change in the variable annuity statutory reserve liability. The deferred amount could be amortized over ten years using the straight-line method with the ability to accelerate amortization at management’s discretion. As of June 30, 2019, RiverSource Life Insurance Company elected to accelerate amortization of the net deferred amount associated with its permitted practice.

State insurance statutes contain limitations as to the amount of dividends and other distributions that insurers may make without providing prior notification to state regulators. For RiverSource Life Insurance Company, payments in excess of unassigned surplus, as determined in accordance with accounting practices prescribed by the State of Minnesota, require advance notice to the Minnesota Department of Commerce, RiverSource Life Insurance Company’s primary regulator, and are subject to potential disapproval. RiverSource Life Insurance Company’s statutory unassigned surplus aggregated \$326 million and \$642 million as of December 31, 2019 and 2018, respectively.

In addition, dividends or distributions whose fair market value, together with that of other dividends or distributions made within the preceding 12 months, exceed the greater of the previous year’s statutory net gain from operations or 10% of the previous year-end statutory capital and surplus are referred to as “extraordinary dividends.” Extraordinary dividends also require advance notice to the Minnesota Department of Commerce, and are subject to potential disapproval. Statutory capital and surplus was \$2.9 billion and \$3.3 billion as of December 31, 2019 and 2018, respectively.

Statutory net gain from operations and net income (loss) for RiverSource Life Insurance Company are summarized as follows:

(in millions)	Years Ended December 31,		
	2019	2018	2017
Statutory net gain from operations	\$1,505	\$1,686	\$958
Statutory net income (loss)	786	1,628	222

Government debt securities of \$4 million as of both December 31, 2019 and 2018 were on deposit with various states as required by law.

### 16. OFFSETTING ASSETS AND LIABILITIES

Certain financial instruments and derivative instruments are eligible for offset in the Consolidated Balance Sheets. The Company's derivative instruments and repurchase agreements 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 Consolidated Balance Sheets.

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

December 31, 2019							
(in millions)	Gross Amounts of Recognized Assets	Gross Amounts Offset in the Consolidated Balance Sheets	Amounts of Assets Presented in the Consolidated Balance Sheets	Gross Amounts Not Offset in the Consolidated Balance Sheets			Net Amount
				Financial Instruments <sup>(1)</sup>	Cash Collateral	Securities Collateral	
Derivatives:							
OTC	\$4,181	\$—	\$4,181	\$(2,886)	\$(1,214)	\$(73)	\$ 8
OTC cleared	21	—	21	(21)	—	—	—
Exchange-traded	81	—	81	(5)	—	—	76
Total derivatives	\$4,283	\$—	\$4,283	\$(2,912)	\$(1,214)	\$(73)	\$84

December 31, 2018							
(in millions)	Gross Amounts of Recognized Assets	Gross Amounts Offset in the Consolidated Balance Sheets	Amounts of Assets Presented in the Consolidated Balance Sheets	Gross Amounts Not Offset in the Consolidated Balance Sheets			Net Amount
				Financial Instruments <sup>(1)</sup>	Cash Collateral	Securities Collateral	
Derivatives:							
OTC	\$2,499	\$—	\$2,499	\$(2,066)	\$(390)	\$(26)	\$17
OTC cleared	34	—	34	(23)	—	—	11
Exchange-traded	14	—	14	(1)	—	—	13
Total derivatives	\$2,547	\$—	\$2,547	\$(2,090)	\$(390)	\$(26)	\$41

<sup>(1)</sup> 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 Consolidated Balance Sheets.

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

December 31, 2019							
(in millions)	Gross Amounts of Recognized Liabilities	Gross Amounts Offset in the Consolidated Balance Sheets	Amounts of Liabilities Presented in the Consolidated Balance Sheets	Gross Amounts Not Offset in the Consolidated Balance Sheets			Net Amount
				Financial Instruments <sup>(1)</sup>	Cash Collateral	Securities Collateral	
Derivatives:							
OTC	\$3,426	\$—	\$3,426	\$(2,886)	\$—	\$(540)	\$—
OTC cleared	41	—	41	(21)	—	—	20
Exchange-traded	11	—	11	(5)	—	—	6
Total derivatives	\$3,478	\$—	\$3,478	\$(2,912)	\$—	\$(540)	\$26

December 31, 2018

(in millions)	Gross Amounts of Recognized Liabilities	Gross Amounts Offset in the Consolidated Balance Sheets	Amounts of Liabilities Presented in the Consolidated Balance Sheets	Gross Amounts Not Offset in the Consolidated Balance Sheets			Net Amount
				Financial Instruments <sup>(1)</sup>	Cash Collateral	Securities Collateral	
Derivatives:							
OTC	\$2,419	\$—	\$2,419	\$(2,066)	\$(24)	\$(328)	\$ 1
OTC cleared	23	—	23	(23)	—	—	—
Exchange-traded	10	—	10	(1)	—	—	9
Total derivatives	2,452	—	2,452	(2,090)	(24)	(328)	10
Repurchase agreements	50	—	50	—	—	(50)	—
Total	\$2,502	\$—	\$2,502	\$(2,090)	\$(24)	\$(378)	\$ 10

<sup>(1)</sup> 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 Consolidated 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. Repurchase agreements are reflected in short-term borrowings. See Note 17 for additional disclosures related to the Company's derivative instruments and Note 12 for additional disclosures related to the Company's repurchase agreements.

## 17. 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 Consolidated 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 16 for additional information regarding the estimated fair value of the Company's freestanding derivatives after considering the effect of master netting arrangements and collateral.

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 millions)	December 31, 2019			December 31, 2018		
	Notional	Gross Fair Value		Notional	Gross Fair Value	
Assets <sup>(1)</sup>		Liabilities <sup>(2)</sup>	Assets <sup>(1)</sup>		Liabilities <sup>(2)</sup>	
<b>Derivatives not designated as hedging instruments</b>						
Interest rate contracts	\$ 57,950	\$1,451	\$ 418	\$ 57,185	\$ 789	\$ 422
Equity contracts	60,596	2,812	3,054	51,463	1,704	1,978
Credit contracts	1,386	4	—	1,206	—	18
Foreign exchange contracts	3,251	16	6	4,747	54	34
Total non-designated hedges	123,183	4,283	3,478	114,601	2,547	2,452
<b>Embedded derivatives</b>						
GMWB and GMAB <sup>(3)</sup>	N/A	—	763	N/A	—	328
IUL	N/A	—	881	N/A	—	628
Indexed annuities	N/A	—	46	N/A	—	17
Total embedded derivatives	N/A	—	1,690	N/A	—	973
Total derivatives	\$123,183	\$4,283	\$5,168	\$114,601	\$2,547	\$3,425

N/A Not applicable.

<sup>(1)</sup> The fair value of freestanding derivative assets is included in Other assets on the Consolidated Balance Sheets.

<sup>(2)</sup> The fair value of freestanding derivative liabilities is included in Other liabilities on the Consolidated Balance Sheets. The fair value of GMWB and GMAB, IUL, and indexed annuity embedded derivatives is included in Policyholder account balances, future policy benefits and claims on the Consolidated Balance Sheets.

<sup>(3)</sup> The fair value of the GMWB and GMAB embedded derivatives as of December 31, 2019 included \$981 million of individual contracts in a liability position and \$218 million of individual contracts in an asset position. The fair value of the GMWB and GMAB embedded derivatives as of December 31, 2018 included \$646 million of individual contracts in a liability position and \$318 million of individual contracts in an asset position.

See Note 13 for additional information regarding the Company's fair value measurement of derivative instruments.

As of December 31, 2019 and 2018, investment securities with a fair value of \$84 million and \$28 million, respectively, were received as collateral to meet contractual obligations under derivative contracts, of which \$84 million and \$28 million, respectively, may be sold, pledged or rehypothecated by the Company. As of both December 31, 2019 and 2018, the Company had sold, pledged, or rehypothecated none of these securities. In addition, as of both December 31, 2019 and 2018, non-cash collateral accepted was held in separate custodial accounts and was not included in the Company's Consolidated Balance Sheets.

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

(in millions)	Interest Credited to Fixed Accounts	Benefits, Claims, Losses and Settlement Expenses
<b>Year Ended December 31, 2019</b>		
Interest rate contracts	\$ —	\$ 1,100
Equity contracts	117	(1,501)
Credit contracts	—	(73)
Foreign exchange contracts	—	(30)
GMWB and GMAB embedded derivatives	—	(435)
IUL embedded derivatives	(140)	—
Indexed annuities embedded derivatives	(8)	—
Total gain (loss)	\$ (31)	\$ (939)
<b>Year Ended December 31, 2018</b>		
Interest rate contracts	\$ —	\$ (312)
Equity contracts	(49)	306
Credit contracts	—	7
Foreign exchange contracts	—	1
Other contracts	—	(4)
GMWB and GMAB embedded derivatives	—	(377)
IUL embedded derivatives	63	—
Indexed annuities embedded derivatives	3	—
Total gain (loss)	\$ 17	\$ (379)
<b>Year Ended December 31, 2017</b>		
Interest rate contracts	\$ —	\$ 3
Equity contracts	75	(1,006)
Credit contracts	—	(22)
Foreign exchange contracts	—	(23)
Other contracts	—	(2)
GMWB and GMAB embedded derivatives	—	663
IUL embedded derivatives	(45)	—
Total gain (loss)	\$ 30	\$ (387)

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.

Certain annuity contracts contain GMWB or GMAB provisions, which guarantee the right to make limited partial withdrawals each contract year regardless of the volatility inherent in the underlying investments or guarantee a minimum accumulation value of consideration received at the beginning of the contract period, after a specified holding period, respectively. The GMAB and non-life contingent GMWB provisions are considered embedded derivatives, which are bifurcated from their host contracts for valuation purposes and reported on the Consolidated Balance Sheets at fair value with changes in fair value reported in earnings. The Company economically hedges the exposure related to GMAB and non-life contingent GMWB provisions using options (equity index, interest rate swaptions, etc.), swaps (interest rate, total return, etc.) and futures.

The deferred premium associated with certain of the above options and swaptions is paid or received 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 and receive for these options and swaptions as of December 31, 2019:

(in millions)	Premiums Payable	Premiums Receivable
2020	\$ 214	\$133
2021	152	112
2022	204	198
2023	126	58
2024	70	10
2025-2029	351	7
Total	\$1,117	\$518

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.

The Company has a macro hedge program to provide protection against the statutory tail scenario risk arising from variable annuity reserves on its statutory surplus and to cover some of the residual risks not covered by other hedging activities. As a means of economically hedging these risks, the Company may use a combination of futures, options, swaps and swaptions. Certain of the macro hedge derivatives may contain settlement provisions linked to both equity returns and interest rates. The Company's macro hedge derivatives that contain settlement provisions linked to both equity returns and interest rates, if any, are shown in other contracts in the tables above.

Indexed annuity and 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 indexed annuity and IUL products will positively or negatively impact earnings over the life of these products. The equity component of indexed annuity and IUL product obligations are considered embedded derivatives, which are bifurcated from their host contracts for valuation purposes and reported on the Consolidated 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 these products, the Company enters into index options and futures contracts.

#### Cash Flow Hedges

During the year ended December 31, 2019, the Company held no derivatives that were designated as cash flow hedges. During the years ended December 31, 2019 and 2018, no hedge relationships were discontinued due to forecasted transactions no longer being expected to occur according to the original hedge strategy. For the years ended December 31, 2019, 2018 and 2017, amounts recognized in earnings on derivative transactions that were ineffective were not material. See Note 18 for a summary of net unrealized gains (losses) included in AOCI related to previously designated cash flow hedges.

#### 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 16 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 the Company'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, 2019 and 2018, the aggregate fair value of derivative contracts in a net liability position containing such credit contingent provisions was \$189 million and \$91 million, respectively. The aggregate fair value of assets posted as collateral for such instruments as of December 31, 2019 and 2018 was \$189 million and \$90 million, respectively. If the credit contingent provisions of derivative contracts in a net liability position as of December 31, 2019 and 2018 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 and \$1 million, respectively.

**18. SHAREHOLDER'S EQUITY**

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

(in millions)	Years Ended December 31, 2019		
	Pretax	Income Tax	Net of Tax
		Benefit (Expense)	
Net unrealized gains (losses) on securities:			
Net unrealized gains (losses) on securities arising during the period <sup>(1)</sup>	\$1,360	\$(289)	\$1,071
Reclassification of net (gains) losses on securities included in net income <sup>(2)</sup>	2	—	2
Impact of DAC, DSIC, unearned revenue, benefit reserves and reinsurance recoverables	(688)	144	(544)
Net unrealized gains (losses) on securities	674	(145)	529
Total other comprehensive income (loss)	\$ 674	\$(145)	\$ 529

(in millions)	Years Ended December 31, 2018		
	Pretax	Income Tax	Net of Tax
		Benefit (Expense)	
Net unrealized gains (losses) on securities:			
Net unrealized gains (losses) on securities arising during the period <sup>(1)</sup>	\$ (952)	\$ 203	\$ (749)
Reclassification of net (gains) losses on securities included in net income <sup>(2)</sup>	(9)	2	(7)
Impact of DAC, DSIC, unearned revenue, benefit reserves and reinsurance recoverables	435	(91)	344
Net unrealized gains (losses) on securities	(526)	114	(412)
Net unrealized gains (losses) on derivatives:			
Reclassification of net (gains) losses on derivatives included in net income <sup>(3)</sup>	1	—	1
Net unrealized gains (losses) on derivatives	1	—	1
Total other comprehensive income (loss)	\$ (525)	\$ 114	\$ (411)

(in millions)	Years Ended December 31, 2017		
	Pretax	Income Tax	Net of Tax
		Benefit (Expense)	
Net unrealized gains (losses) on securities:			
Net unrealized gains (losses) on securities arising during the period <sup>(1)</sup>	\$ 210	\$ (61)	\$ 149
Reclassification of net (gains) losses on securities included in net income <sup>(2)</sup>	(44)	15	(29)
Impact of DAC, DSIC, unearned revenue, benefit reserves and reinsurance recoverables	(180)	57	(123)
Net unrealized gains (losses) on securities	(14)	11	(3)
Net unrealized gains (losses) on derivatives:			
Reclassification of net (gains) losses on derivatives included in net income <sup>(3)</sup>	5	(2)	3
Net unrealized gains (losses) on derivatives	5	(2)	3
Other	(1)	—	(1)
Total other comprehensive income (loss)	\$ (10)	\$ 9	\$ (1)

<sup>(1)</sup> Includes other-than-temporary impairment losses on Available-for-Sale securities related to factors other than credit that were recognized in other comprehensive income (loss) during the period.

<sup>(2)</sup> Reclassification amounts are recorded in net realized investment gains (losses).

<sup>(3)</sup> Reclassification amounts are recorded in net investment income.

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 other-than-temporary impairment losses to credit losses; and (iii) other adjustments primarily consisting of changes in insurance and annuity asset and liability balances, such as DAC, DSIC, unearned revenue, 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 millions)	Net Unrealized Gains (Losses) on Securities	Net Unrealized Gains (Losses) on Derivatives	Other	Total
<b>Balance, January 1, 2017</b>	\$ 461	\$ (4)	\$—	\$ 457
OCI before reclassifications	26	—	(1)	25
Amounts reclassified from AOCI	(29)	3	—	(26)
Total OCI	(3)	3	(1)	(1)
<b>Balance, December 31, 2017</b>	458 <sup>(1)</sup>	(1)	(1)	456
OCI before reclassifications	(405)	—	—	(405)
Amounts reclassified from AOCI	(7)	1	—	(6)
Total OCI	(412)	1	—	(411)
<b>Balance, December 31, 2018</b>	46 <sup>(1)</sup>	—	(1)	45
OCI before reclassifications	527	—	—	527
Amounts reclassified from AOCI	2	—	—	2
Total OCI	529	—	—	529
<b>Balance, December 31, 2019</b>	\$ 575 <sup>(1)</sup>	\$—	\$ (1)	\$ 574

<sup>(1)</sup> Includes nil of noncredit related impairments on securities and net unrealized gains (losses) on previously impaired securities as of each December 31, 2019, 2018 and 2017.

## 19. INCOME TAXES

The components of income tax provision were as follows:

(in millions)	Years Ended December 31,		
	2019	2018	2017
<b>Current income tax</b>			
Federal	\$ 210	\$35	\$158
State	8	3	1
Total current income tax	218	38	159
<b>Deferred income tax</b>			
Federal	(271)	(1)	103
State	(7)	(2)	(2)
Total deferred income tax	(278)	(3)	101
Total income tax provision	\$ (60)	\$35	\$260

On December 22, 2017, the Tax Act was signed into law. The provision for income taxes for the year ended December 31, 2017 included an expense of \$140 million due to the enactment of the Tax Act. The \$140 million expense included a \$136 million expense for the remeasurement of deferred tax assets and liabilities to the Tax Act's statutory rate of 21% and a \$4 million expense for the remeasurement of tax contingencies, specifically state tax contingencies and interest accrued for tax contingencies. In 2018, the Company finalized its accounting related to the Tax Act and determined no adjustments were necessary.

The principal reasons that the aggregate income tax provision is different from that computed by using the U.S. statutory rates of 21% for 2019 and 2018 and 35% for 2017 were as follows:

	Years Ended December 31,		
	2019	2018	2017
Tax at U.S. statutory rate	21.0%	21.0%	35.0%
Changes in taxes resulting from:			
Low income housing tax credits	(15.3)	(8.5)	(7.4)
Foreign tax credit, net of addback	(9.5)	(2.8)	(2.7)
Dividend received deduction	(7.6)	(4.2)	(12.9)
Audit adjustments	(1.4)	—	—
Uncertain tax positions	1.8	—	—
Impact of Tax Act	—	(1.1)	14.0
Taxes applicable to prior years	—	(1.1)	—
Other, net	(0.4)	0.4	—
Income tax provision	(11.4)%	3.7%	26.0%

The decrease in the Company's effective tax rate for the year ended December 31, 2019 compared to 2018 is primarily due to the lower pre-tax income relative to tax preferred items. The decrease in the Company's effective tax rate for the year ended December 31, 2018 compared to 2017 was primarily the result of the decrease in the federal statutory rate and a \$140 million expense in 2017 due to provisions of the Tax Act and an increase in low income housing credits, partially offset by lower levels of the dividends received deduction.

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, 2019 and 2018. The significant components of the Company's deferred income tax assets and liabilities, which are included net within other assets or other liabilities on the Consolidated Balance Sheets, were as follows:

(in millions)	December 31,	
	2019	2018
<b>Deferred income tax assets</b>		
Liabilities for policyholder account balances, future policy benefits and claims	\$ 940	\$705
Investment related	210	144
Other	12	14
Gross deferred income tax assets	1,162	863
Less: valuation allowance	11	11
Total deferred income tax assets	1,151	852
<b>Deferred income tax liabilities</b>		
Deferred acquisition costs	446	423
Net unrealized gains on Available-for-Sale securities	182	37
Deferred sales inducement costs	50	53
Other	13	12
Gross deferred income tax liabilities	691	525
Net deferred income tax assets	\$ 460	\$327

Included in the Company's deferred income tax assets are tax benefits primarily related to state net operating losses of \$9 million, net of federal benefit, which will expire beginning December 31, 2020. Based on analysis of the Company's tax position, management believes it is more likely than not that the Company will not realize certain state net operating losses of \$9 million and state deferred tax assets of \$2 million; therefore, a valuation allowance of \$11 million has been established.

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

(in millions)	2019	2018	2017
Balance at January 1	\$ 19	\$ 14	\$ 59
Additions based on tax positions related to the current year	1	5	5
Additions for tax positions of prior years	34	1	—
Reductions for tax positions of prior years	(4)	(1)	(50)
Audit settlements	(11)	—	—
Balance at December 31	\$ 39	\$ 19	\$ 14

If recognized, approximately \$17 million, \$8 million and \$5 million, net of federal tax benefits, of unrecognized tax benefits as of December 31, 2019, 2018 and 2017, respectively, would affect the effective tax rate.

It is reasonably possible that the total amount of unrecognized tax benefits will change in the next 12 months. The Company estimates that the total amount of gross unrecognized tax benefits may decrease by approximately \$30 million in the next 12 months primarily due to Internal Revenue Service ("IRS") settlements and state exams.

The Company recognizes interest and penalties related to unrecognized tax benefits as a component of the income tax provision. The Company recognized a net increase of \$1 million in interest and penalties for the year ended December 31, 2019, a net decrease of nil, and \$1 million in interest and penalties for the years ended December 31, 2018 and 2017, respectively. The Company had a payable of \$2 million and \$1 million related to accrued interest and penalties as of December 31, 2019 and 2018, respectively.

The Company files income tax returns as part of its inclusion in the consolidated federal income tax returns of Ameriprise Financial in the U.S. federal jurisdiction and various state jurisdictions. In the third quarter of 2019, the federal statutes of limitation closed for the 2014 and 2015 tax years. Ameriprise Financial's tax returns for 2014 and 2015 are effectively settled except for one issue which was claimed on amended returns filed in the second quarter of 2019. The IRS is currently auditing Ameriprise Financial's U.S. income tax returns for 2016 and 2017. Ameriprise Financial's or the Company's state income tax returns are currently under examination by various jurisdictions for years ranging from 2009 through 2017.

## 20. COMMITMENTS, GUARANTEES AND CONTINGENCIES

### Commitments

The following table presents the Company's funding commitments as of December 31:

(in millions)	2019	2018
Commercial mortgage loans	\$59	\$ 50
Affordable housing and other real estate partnerships	22	59
Total funding commitments	\$81	\$109

### Guarantees

The Company's annuity and life products all have minimum interest rate guarantees in their fixed accounts. As of December 31, 2019, these guarantees range from 1% to 5%.

### Contingencies

Insurance companies have been the subject of increasing regulatory, legislative and judicial scrutiny. Numerous state and federal regulatory agencies have commenced examinations and other inquiries of insurance companies regarding sales and marketing practices (including sales to older consumers and disclosure practices), claims handling, and unclaimed property and escheatment practices and procedures. The Company has cooperated and will continue to cooperate with the applicable regulators.

The Company is involved in the normal course of business in a number of other legal and arbitration proceedings concerning matters arising in connection with the conduct of its business activities. The Company believes that it is not a party to, nor are any of its properties the subject of, any pending legal, arbitration or regulatory investigation, examination or proceeding that is likely to have a material adverse effect on its consolidated financial condition, results of operations or liquidity. Notwithstanding the foregoing, it is possible that the outcome of any current or future legal, arbitration or regulatory proceeding could have a material impact on results of operations in any particular reporting period as the proceedings are resolved.

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.

### Guaranty Fund Assessments

RiverSource Life Insurance Company and RiverSource Life of NY are required by law to be a member of the guaranty fund association in every state where they are licensed to do business. 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 associations.

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 ("NOLHGA") and the amount of its premiums written relative to the industry-wide premium in each state. 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.

The Company has a liability for estimated guaranty fund assessments and a related premium tax asset. As of both December 31, 2019 and 2018, the estimated liability was \$12 million. As of December 31, 2019 and 2018, the related premium tax asset was \$10 million and \$11 million, respectively. The expected period over which guaranty fund assessments will be made and the related tax credits recovered is not known.

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RiverSource Life Insurance Company  
70100 Ameriprise Financial Center  
Minneapolis, MN 55474  
1-800-862-7919

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