

F&G Life Re Ltd.

Financial Condition Report

For the year ended December 31, 2021

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1. Company background information

F&G Life Re Ltd. (the “Company”) was incorporated in Bermuda on August 24, 2017 and licensed as a Class C Insurer by the Bermuda Monetary Authority to write Long-Term reinsurance on October 19, 2017. The Company is a wholly owned subsidiary of Fidelity & Guaranty Life Insurance Company (“FGLIC”), an Iowa corporation. On December 31, 2020, the Company entered into a reinsurance transaction (“the Reinsurance Transaction”) whereby it assumed approximately \$5 billion of FGLIC’s fixed indexed annuity business on a funds withheld coinsurance basis. F&G Life Re retrocedes 45% of the assumed business on a funds withheld coinsurance basis to a rated Cayman Class D reinsurer, F&G Cayman Re Ltd. (“F&G Cayman Re”).

As a result of the Reinsurance Transaction, the Company met the asset threshold of a Bermuda Class E Insurer; and in May 2021, the Company applied to the Bermuda Monetary Authority (“BMA”) and was granted a reclassification. The companies involved in the Reinsurance Transaction are subsidiaries of F&G Annuities & Life, Inc. (“F&G Group”).

On June 1, 2020, F&G Group was acquired by Fidelity National Financial Inc. (“FNF”), a Fortune 500 company listed on the NYSE. FNF and its subsidiaries are regulated by the Florida Office of Insurance Regulation and the New York Department of Financial Services. On March 16, 2022, FNF announced its intention to dividend to FNF shareholders, on a pro rata basis, 15% of the common stock of its wholly-owned subsidiary, F&G Group. FNF will retain control of F&G Group through an 85% ownership stake. FNF will maintain 85% of F&G Group’s common stock, continuing to hold control and primary ownership. The distribution is expected to be completed in the third quarter of 2022.

The Company’s financial condition report (the “Report”) has been prepared in accordance with Section 6A(1)(e) of the Insurance Act 1978 (the “Act”) discussing Prudential Standards relating to Public Disclosures, and the Insurance (Public Disclosure) Rules 2015 (the “Rules”).

2. Business and performance

Name and contact details of the insurer	F&G Life Re Ltd Sterling House, 4 th Floor 16 Wesley Street Hamilton HM 11 Bermuda
Name and contact details of the insurance supervisor and group supervisor	Bermuda Monetary Authority BMA House 43 Victoria Street Hamilton HM 12 Bermuda
Name and contact details of the approved auditor	Ernst & Young Ltd. 3 Bermudiana Road Hamilton HM 08 Bermuda
Description of the ownership details including proportion of ownership interest	FGLIC (sole shareholder)
Where the insurer is part of a group, a group structure chart showing where the insurer fits within the group structure	See appendix 8.1
Insurance business written by business segment and by geographical region during the reporting period	Not applicable
Performance of investments, by asset class and details on material income and expenses incurred during the reporting period	See appendix 8.2
Acquisitions of subsidiaries	Not applicable
Any other material information	Refer to section 7. Significant events

3. Governance structure

3.1. Board and senior executives

3.1.1. Roles and responsibilities

The Company's business is managed under the supervision of its Board of Directors. The Board of Directors is responsible for strategic and material operational decisions and implementation of the Company. The Board of Directors is also responsible for providing oversight for the Company's corporate governance, risk management, and internal controls framework.

The Board of Directors consists of 3 members:

- Christopher O. Blunt, President and Chief Executive Officer of F&G Group;
- John T. Fleurant, Chief Financial Officer of F&G Group¹; and
- Wendy J.B. Young, Chief Executive Officer of F&G Life Re¹.

President and Chief Executive Officer of F&G Group – Christopher O. Blunt

Christopher O. Blunt joined F&G Group as Chief Executive Officer and President in January 2019. Mr. Blunt previously served as a Senior Managing Director and Chief Executive Officer of Blackstone Insurance Solutions, beginning in January 2018. Before joining Blackstone Insurance Solutions, Mr. Blunt served in a variety of senior leadership positions with New York Life from 2004 to 2017. During his tenure at New York Life, Mr. Blunt served as the President of New York Life's Investment Group and prior to that, as Co-President of the Insurance and Agency Group, which included the company's U.S. Life Operations, Seguros Monterrey New York Life Mexico and AARP Operations. Prior to joining New York Life, Mr. Blunt was Chairman and Chief Executive Officer of Giving Capital, Inc., a wealth management solutions provider serving the financial institutions marketplace, from 2001 to 2004. Mr. Blunt served in a variety of senior marketing and distribution roles in the investment management industry. Mr. Blunt was the Chief Marketing Officer — Americas for Merrill Lynch Investment Managers and President of Mercury Funds Distributors from 1999 to 2001. Before working with Merrill Lynch, Mr. Blunt was a Managing Director with Goldman Sachs & Co., as well as the National Sales Manager for Goldman Sachs Funds, from 1996 to 1999. He currently serves as Chair of the Board of Directors of the YMCA of Greater New York. Mr. Blunt received a B.A. in History from the University of Michigan and an MBA in Finance from The Wharton School at the University of Pennsylvania.

Chief Financial Officer of F&G Group - John T. Fleurant¹

John T. Fleurant joined F&G Group as Chief Financial Officer in November 2019. Mr. Fleurant served in a number of senior leadership positions with New York Life Insurance Co. from November 2010 to April 2019, including Senior Vice President of Finance and Controller from 2010 to 2013, and Executive Vice President and Chief Financial Officer from 2013 to 2019. Prior to joining New York Life Insurance Co., Mr. Fleurant was the Financial Controller and Chief Financial Officer, U.S. Businesses of Prudential Financial. Mr. Fleurant received a B.A. in accounting from Widener University.

F&G Life Re Chief Executive Officer – Wendy J.B. Young¹

Wendy J.B. Young, FSA, MAAA, oversees risk management efforts for the F&G Group. Wendy joined F&G in 2000 as an actuary and has been involved in a broad range of actuarial and finance functions at the F&G Group. Wendy's leadership roles include capital management, Interim CFO during FGL IPO, former CEO of F&G Reinsurance Ltd., and current position as CEO of F&G Life Re Ltd.

¹ Mr. Fleurant announced his retirement from the F&G Group in October 2021. In February 2022, Ms. Young was named Group CFO. On February 18, 2022, Mr. Fleurant stepped down as a Company director; Ms. Young stepped down as the Company CEO and Principal Representative maintaining her director role; Julia Hawkins was named as the Company's Interim CEO and the Company's new Principal Representative; and Bradley L Carlson was appointed as a Company director

Senior officers and senior roles

President and Chief Executive Officer	Wendy J.B. Young served as F&G Life Re CEO up until February 2022 when she was named F&G Group CFO, and Julia Hawkins was named F&G Life Re Interim CEO. Ms. Young remains a Director of the Company.
Chief Financial and Operating Officer	Julia Hawkins joined F&G Life Re as the CFO and COO in April 2021. She took on the role of Interim CEO in February 2022 when Ms. Young stepped down as an officer of the Company. She is an experienced and certified CPA with over 10 years' people management experience in the financial services industry. Prior to joining F&G Life Re, Julia held the CFO position at Northstar Financial Services in Bermuda. Before joining Northstar as Finance Manager in 2018, Ms. Hawkins served as the AVP of Retirement Benefits at BF&M Insurance Group for five years, where she led the pensions and annuity lines of business.
Chief Risk Officer	Gaurav Makkar joined F&G Life Re as the CRO in April 2021. He has more than 11+ years of extensive experience in Actuarial Reserving, Risk Management, Audit, Peer Review, Extensive Modelling, BSCR, Transactions Pricing and IFRS17. Prior to joining F&G Life Re, he worked as an Assistant Manager at KPMG Bermuda. Prior to that, Mr. Makkar worked at various professional services firms and insurance companies in India in Risk management, Actuarial modelling, Regulatory reporting, Actuarial valuation and Actuarial audits.
Chief Compliance Officer/MLRO	Sue Santedicola joined F&G Group as Chief Compliance Officer of F&G Life Re and F&G Cayman Re in August 2020. Ms. Santedicola worked with EFG Bank, Cayman National Bank and Walkers in senior compliance roles before joining F&G Group. Ms. Santedicola also worked for Deutsche Bank (Cayman) Ltd. from 2007 to 2018 where she served as the Head of Compliance and Anti-Financial Crime. Ms. Santedicola was also a Director on the Boards of both Deutsche Bank (Cayman) Ltd. and Deutsche Bank International Trust Company (Cayman) Ltd. Prior to joining Deutsche Bank, Ms. Santedicola worked for both the Cayman Islands Monetary Authority and the Cayman Islands Financial Reporting Authority from 1997 to 2007. Ms. Santedicola received an LLB from Liverpool University in the UK (through the Cayman Islands Law School) and B.A from Ryerson University in Toronto Canada.

3.1.2. Remuneration policy

The Company's remuneration practices provide executive compensation consisting of base salaries, incentive compensation, and employee benefits. Base salaries are fixed cash amounts that are determined based on role and market conditions. Incentive compensation is contingent on performance-based metrics for the individual and the Company.

The program is designed to appropriately compensate employees, while encouraging the objective of long-term financial performance and operational decisions in line with the Company's business and strategy.

3.1.3. Supplementary pension or early retirement schemes

The F&G Group maintains retirement savings plans to provide retirement benefits to eligible employees.

3.1.4. Material transactions with key personnel

Not applicable for the year ended December 31, 2021.

3.2. Fitness and propriety requirements

The Company elects members of the Board and senior executives based on qualified expertise, experience, and satisfactory background screening. Descriptions of the members holding these current roles, detailing their professional qualifications and work experience are detailed in section 3.1.1 Roles and Responsibilities.

3.3. Risk management and solvency self-assessment

Risk management is a critical part of F&G Life Re's business. The business is assessed through a formalized process involving (i) identifying short-term and long-term strategic and operational objectives, (ii) development of risk appetite statements that establish what the company is willing to accept in terms of risks to achieving its goals and objectives, (iii) identifying the levers that control the risk appetite of the company, (iv) establishing the overall limits of risk acceptable for a given risk driver, (v) establishing operational risk limits that are aligned with the tolerances, (vi) assigning risk limit quantification and mitigation responsibilities to individual team members within functional groups, (vii) analyzing the potential qualitative and quantitative impact of individual risks, including but not limited to stress and scenario testing covering economic and insurance related risks, (viii) mitigating risks by appropriate actions and (ix) identifying, documenting and communicating key business risks in a timely fashion. The responsibility for monitoring, evaluating and responding to risk is assigned first to management and employees, second to those occupying specialist functions, such as legal compliance and risk teams, and third to those occupying supervisory functions, such as internal audit and the board of directors.

F&G Group's risk management policies and procedures are set out at the F&G Group level, which then applies to all subsidiaries. The F&G Group has implemented several limit structures to manage risk. Examples include, but are not limited to, the following:

- At-risk limits on sensitivities of regulatory capital to the capital markets provide the fundamental framework to manage capital markets risks including the risk of asset / liability mismatch;
- Duration and convexity mismatch limits;
- Cash and asset/liability liquidity management;
- Credit risk concentration limits; and
- Investment and derivative guidelines.

F&G Group manages its capital based on two key risk metrics:

- Regulatory Capital Sensitivities: the potential reduction, under a range of moderate to extreme capital markets stress scenarios, of the excess of available statutory capital above the minimum required under the NAIC regulatory RBC methodology; and
- Earnings Sensitivities: the potential reduction in results of operations over a 30-year time horizon under the same moderate to extreme capital markets stress scenarios. Maintaining a consistent level of earnings helps the F&G Group to finance its operations, support its capital requirements and provide funds to pay dividends to stockholders

F&G Group's risk metrics cover the most important aspects in terms of performance measures where risk can materialize and are representative of the regulatory constraints to which its business is subject. The sensitivities for earnings and statutory capital are important metrics since they provide insight into the level of risk that F&G Group takes under stress scenarios. They also are the basis for internal risk management.

F&G Life Re management developed appropriate risk tolerances, risk limits and risk appetite for local risk management which roll up into the overall F&G Group risk tolerances, risk limits and risk appetite. The F&G Group compiles a quarterly risk register and risk assessment for each operating subsidiary, with a results dashboard for each operating subsidiary and the F&G Group which is reported to and reviewed by the F&G Group Enterprise Risk Management

(ERM) committee. F&G Life Re management also completed all of the Bermuda regulatory risk management, stress testing, and reporting requirements.

The Company's risk management policies and procedures are documented in the Risk Management Policy. This policy is prepared in accordance with the guidance Risk Management and Own Risk Solvency Assessment Model Act #505 ("RMORSA" or more commonly referred to as "ORSA") and ISO 31000.

The Company's risk management is governed by the Board of Directors. The Board of Directors take responsibility for the risk management program, provide governance and oversight, and ensure that any F&G Group risk management processes incorporating the Company's risk exposures are and remain appropriate and relevant for the Company. Risk management is a standing agenda item during every board meeting and a review of risk reports is included in each board agenda.

The following persons have these roles and responsibilities in relation to RM:

- Board:
 - o Determine strategic approach to risk and establish risk appetite; and
 - o Understand emerging and significant strategic and operational risks;

- Chief Risk Officer ("CRO"):
 - o Identify and assess the overall risks facing the Company on an ongoing basis;
 - o Direct communications with board and stakeholders on risk topics;
 - o Advise and support management and risk mitigation activities;
 - o Final review and approval of official RM reports; and
 - o Final review and approval of RM model results;

- Risk Modeller
 - o Stress testing modelling; and
 - o Economic capital modelling.

The Company relies upon the "Three Lines of Defense" approach:

- 1st Line – This line has the responsibility for originating insurance exposures in accordance with the stated objectives and strategies of the company. The President and Chief Executive Officer and the Chief Underwriting Officer are the senior leaders on the 1st Line;
- 2nd Line – This line has the responsibility for developing and managing an appropriate risk management framework which identifies, measures and monitors key risks of the company. The Chief Risk Officer and the Chief Compliance Officer are the senior leaders of the 2nd Line;
- 3rd Line – This line has the responsibility for providing independent assurance to the Board that the 1st Line is executing its responsibilities in accordance with the risk management framework established by the 2nd Line and that the risk management framework is effective. The 3rd Line is led by the Internal Audit Function, which is provided by the F&G Group.

3.4. Internal controls

The F&G Group sets controls at the group level, which then apply to all of the subsidiaries. The F&G Group, and therefore F&G Life Re, employs the COSO-2013 framework for SOX compliance. The F&G Group established an Internal Controls ("IC") area to ensure the health of the SOX/ICFR environment. IC is responsible for the following:

- Partnering with functional leads to identify needs and deploy dedicated financial risk and control resources
- Defining quality standards, ensuring consistent approach across company, facilitating continuous review of financial reporting risks and controls

- Coordinating review and testing of the control environment with internal and external audit
- Conducting management's assessment of internal controls for quarterly and annual financial reporting
- Leading "pre-audit" review of controls and providing control expertise during development of new initiatives
- Supporting and coordinating with the risk team in the review and evaluation of operational risks and controls

F&G Life Re relies on the F&G Group for internal controls related to services defined in the Business Services Agreement, and benefits from the IC structure. The F&G Life Re Chief Financial and Operating Officer will implement and execute controls for F&G Life Re. The F&G Life Re Chief Financial and Operating Officer will report to the F&G Life Re Ltd. Board. In addition, FNF internal audit will perform financial and operational audits of F&G Life Re.

3.5. Internal audit

Internal audit responsibilities will be performed by the central F&G Group internal audit function. Internal Audit is an independent and objective assurance and consulting function that examines and evaluates the effectiveness, efficiency and reliability of F&G Group business activities, through a systematic and disciplined approach. Internal Audit's activity is established by the FNF Audit Committee of the Board of Directors as part of its oversight role. Internal Audit's activity, with strict accountability for confidentiality and safeguarding of records and information, is granted full, free and unrestricted access to any and all of the Group's records, physical properties and personnel relevant to the area under review.

The Senior Vice President – Chief Audit Officer of FNF will oversee the Internal Audit activities for F&G Group and will report directly to the Audit Committee. The Chief Audit Officer will be assisted by the Audit Director who will provide daily oversight to the Internal Audit activities and report directly to the Company's Executive Committee as well as the Chief Audit Officer of FNF. The Internal Audit Policy governs the following responsibilities of Internal Audit:

- Develop a flexible annual audit plan using appropriate risk-based methodology, including any risks or control concerns identified by management, and submit that plan to the Audit Committee for review and approval.
- Implement the annual audit plan, as approved, including, and as appropriate, any special tasks or projects requested by management and the Audit Committee.
- Oversee the Group's testing program designed to ensure the Group's compliance with the Sarbanes-Oxley Act of 2002 and the Model Audit Rule.
- Review the design of business information systems to assess their integrity and reliability, including an assessment of the security of the data processing environments in which these business information systems operate.
- Issue periodic reports to the Audit Committee and management summarizing results of audit activities.
- Conduct follow-up procedures for significant audit findings to ensure corrective action is taken in an expeditious manner.
- Consider the scope of work of the external auditors, as appropriate, for the purpose of providing optimal audit coverage to the Group at a reasonable cost.
- Provide direct assistance to the external auditors to the maximum extent possible.
- Maintain a professional audit staff with sufficient knowledge, skills, and experience to meet the requirements of this Policy.
- Establish a quality assurance program by which the Chief Audit Officer assures operation of internal auditing activities.
- Perform consulting services as requested by management, beyond Internal Audit's assurance services, to assist management in meeting its objectives. Consulting services include advisory activities, the nature and scope of which are agreed with management, that are intended to add value and improve the Group's governance, risk management, and control processes without the auditor assuming management responsibility. Examples include counsel, advice, facilitation, and training.

- Evaluate and assess significant merging/consolidating functions and new or changing services, processes, operations, and control processes coincident with their development, implementation, and/or expansion.
- As requested, assist in the investigation of significant suspected fraudulent activities within the Group and notify management and the Audit Committee of the results, as appropriate

3.6. Actuarial function

Wendy J.B. Young, Chief Executive Officer of F&G Life Re, is a qualified actuary and is involved in a broad range of actuarial functions at F&G Life Re, with the exception of the Approved Actuary role. The role of actuarial oversight is owned by Gaurav Makkar, F&G Life Re's Chief Risk Officer.

The Approved Actuary role is outsourced to PriceWaterhouseCoopers.

The actuarial function of F&G Life Re is supported by staff from FGLIC and reputable actuarial consulting firms. The Company ensures the fitness and propriety of any individuals performing the actuarial function.

3.7. Outsourcing

F&G Life Re has outsourced information technology and claims administration to F&G Group's U.S. team. Appropriate claims audit rights will be maintained in the reinsurance contract to allow local Bermuda employees to conduct reviews of reported claims as appropriate.

With respect to outsourced operations, such as claims management and IT, an executed service provider agreement is in place between F&G Life Re and F&G Life Business Services in Iowa. The F&G Group's outsourcing policies and procedures are set out at the F&G Group level, which then applies to all subsidiaries.

4. Risk profile

The Company considers all risks that could affect its clients or the business of the Company. These risks include:

- credit risk;
- insurance underwriting and reinsurance risks;
- investment risk (including use of derivatives);
- market risk (including liquidity risk);
- strategic and tactical risks arising from the Company's business plan;
- concentration risk;
- legal and compliance risk;
- money laundering, terrorist financing and fraud risk; and
- operational risk (including outsourcing and business continuity management).

These risks are measured and monitored on an ongoing basis. All risks must be documented with assigned risk owners who are responsible for monitoring, reporting, and mitigating risks. Risks at all levels within the taxonomy have assigned owners who are responsible for the continuous monitoring and reporting of risk status as well as remediation of risk issues that may arise. The Company continuously monitors risks identified in the taxonomy using the annual risk assessments.

Stress testing is performed annually for F&G Life Re and Semi-Annually for FGLIC. Stresses are applied to the base deterministic stress testing scenario and range from severe systemic stresses (like a financial meltdown) to adverse stresses like a mis-estimation of longevity. Stress testing results and the approach are reviewed by the F&G Group's Board of Directors during the annual review. The Board of Directors shall confirm that the Company's business plan is adequately accommodated in the F&G Group stress testing program.

5. Solvency valuation

The Company uses valuation principles outlined by the Bermuda Monetary Authority (“BMA”) in “Guidance Note for Statutory Reporting Regime”. The economic valuation principles outlined in this document are to measure assets and liabilities on a fair value basis (the value that would be received upon the sale of an asset or paid to transfer a liability in an orderly transaction between open market participants at the measurement date). The solvency basis is the Bermuda Economic Balance Sheet (“EBS”), where all assets and liability values are calculated in accordance to the Bermuda EBS rules and regulations.

- Assets

Assets are held at fair market value.

- Technical Provisions

F&G Life Re uses the scenario-based approach for determining the best estimate liabilities in the Bermuda Economic Balance Sheet framework. The technical provisions as of December 31, 2021, were as follows:

	2021 ('000s)
Best Estimate Liability	2,669,392
Risk Margin	5,973
Technical Provisions	2,675,365

- Reinsurance Recoverables

F&G Life Re uses retrocession agreements to reduce its net exposures to loss on assumed business. The agreements provide for recovery of a portion of underlying loss and loss adjustment expenses. The Company remains liable to its cedants irrespective of whether retrocessionaires meet their obligations under the agreements.

- Other Liabilities

Other liabilities follow the valuation principles outlined by the BMA’s “Guidance Note for Statutory Reporting Regime” which values liabilities using a fair value basis for EBS.

6. Capital management

6.1. Eligible capital

6.1.1. Capital management policy and processes

The primary capital management objectives of the Company are to maintain a strong capital base to support the development of its business and to meet regulatory and rating agency capital requirements at all times.

F&G Life Re's capital position will be measured and monitored using the Bermuda Economic Balance Sheet framework.

6.1.2. Eligible capital categorized by Eligible Capital Rules

To enable the BMA to better assess the quality of the insurer's capital resources, a Class E insurer is required to disclose the makeup of its capital in accordance with a "3-tiered capital system". Highest quality capital is classified as Tier 1 Capital, lesser quality capital is classified as either Tier 2 or Tier 3 Capital. As of December 31, 2021, the eligible capital is categorized as follows.

	2021 ('000s)
Tier 1	400,761
Tier 2	0
Tier 3	0
Total	400,761

6.1.3. Transitional arrangements under the Eligible Capital Rules

Not applicable.

6.1.4. Factors affecting availability and transferability of capital

Not applicable.

6.1.5. Ancillary capital instruments approved by the authority

Not applicable.

6.1.6. Differences in shareholder's equity in financial statements vs available capital and surplus

Not applicable.

6.2. Regulatory capital requirements

6.2.1. ECR and Minimum Margin of Solvency at the end of the reporting period

Under the Bermuda Insurance Act, the Company is required to maintain SFS capital and surplus to meet the Minimum Margin of Solvency (MMS) which is equal to the greater of \$500,000 or 1.5% of SFS assets. The MMS is subject to a floor of 25% of the Enhanced Capital Ratio (ECR). The Company met the minimum requirements.

At the end of the reporting period, the regulatory capital requirements were as follows:

	2021 ('000s)
Statutory Capital (EBS)	400,761
Minimum Margin of Solvency	88,966
Enhanced Capital Requirement	190,066
MMS Ratio	n/a
ECR Ratio	211%
Transition ECR	137,428
Transition ECR Ratio	292%

6.2.2. Non-compliance with the Minimum Margin of Solvency and the ECR

The Company was compliant with the MSM and ECR requirement at the end of the reporting period.

6.2.3. Non-compliance, remedial measures taken and their effectiveness

Not applicable.

6.2.4. Description of the amount of the non-compliance at the end of the reporting period

Not applicable.

6.3. Approved internal capital model used to derive the ECR

6.3.1. Purpose and scope of the business risk areas where the internal model is used

Not applicable - the Company has not applied to have its internal capital model approved to determine regulatory capital requirements.

6.3.2. Partial internal model and integration with the BSCR model

Not applicable.

6.3.3. Description of methods used in the internal model to calculate the ECR

Not applicable.

6.3.4. Description of aggregation methodologies and diversification effects

Not applicable.

6.3.5. Differences in methods and assumption used in internal model vs BSCR model

Not applicable.

6.3.6. Description of the nature and suitability of the data used in the internal model

Not applicable.

6.3.7. Any other material information

Not applicable.

7. Significant events

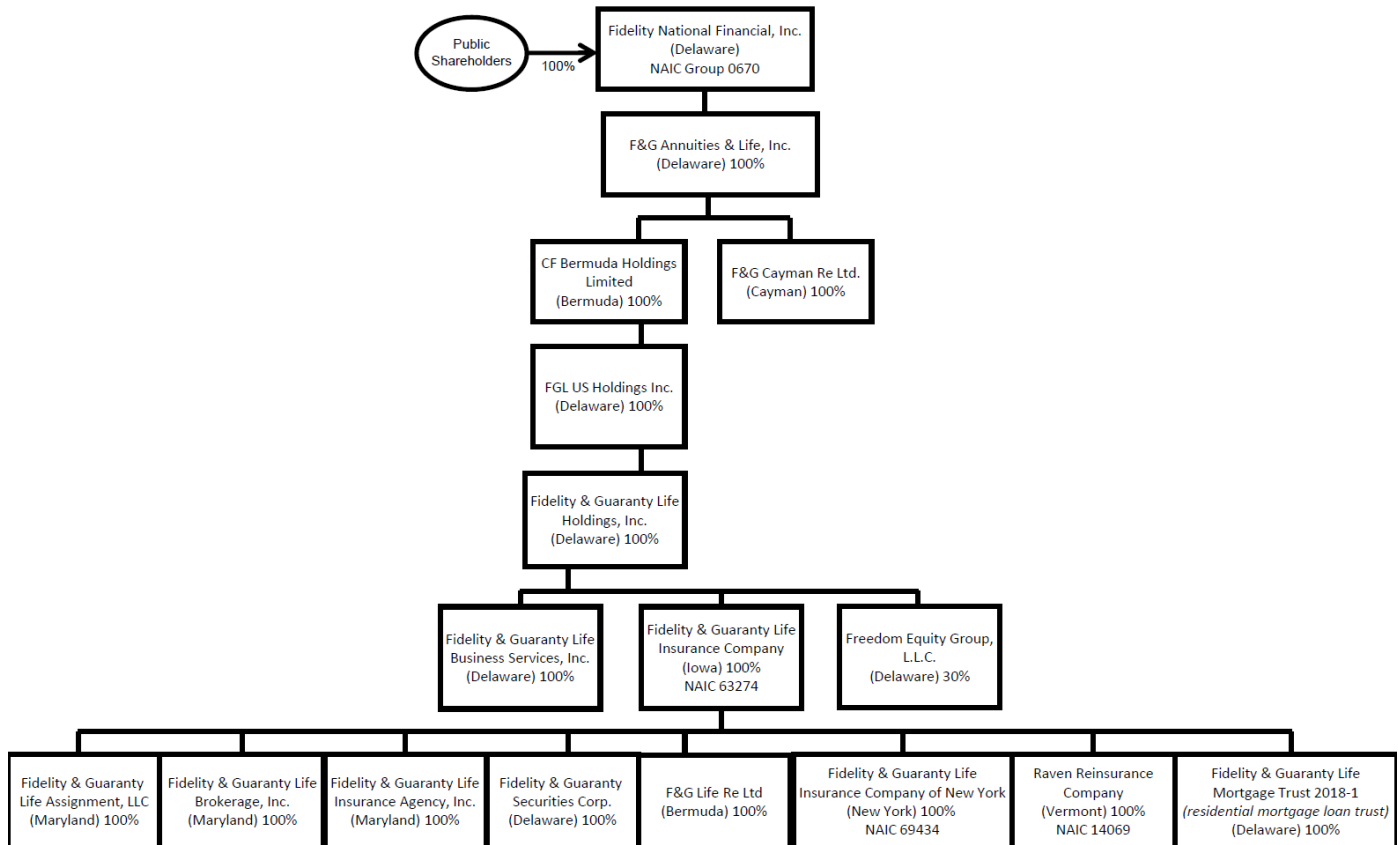
COVID-19

On March 11, 2020, the World Health Organization (WHO) declared COVID-19 as a pandemic. There have been multiple government and central bank responses to impose restrictions on limiting the spread and supporting economic conditions and financial markets during the pandemic. To ensure business sustainability, F&G Life Re along with its parent company, Fidelity National Financial (FNF), activated its Business Continuity Plan. Fidelity & Guaranty Life Insurance Company, F&G Life Re's direct parent, created a COVID task force and appointed individuals to be the point of contact for each of its local operations as they require support in addressing COVID-19 issues. All Bermuda-based employees have the ability to work from home and are aided by support services throughout the US. We continue to track local directives and advisories related to confirmed diagnoses, travel limitations, and school or other closures. Employees have been advised to avoid travel to any affected areas and any non-essential air travel or other forms of public transportation. We postpone or cancel events, conferences or meetings, as needed. Employees continue to use web-based meeting tools, video and telephone conferences for the majority of meetings. Our number one goal is ensuring the health and safety of our employees, business partners, and consumers. So far, F&G has not suffered any negative economic impacts due to the COVID-19 pandemic. The 12/31/2021 insurance technical provisions have been determined consistent with BMA standards. Moreover, there are no reasonably foreseeable conditions and limitations identified relevant to the determination of the technical provisions specific to F&G Life Re's business and circumstances.

8. Appendices

8.1. Group structure

F&G Annuities & Life
Corporate Organizational Chart – Current as of December 31, 2021



8.2. Performance of investments by asset class

F&G Life Re's investment strategy is designed to (i) achieve strong absolute returns, (ii) provide consistent yield and investment income, and (iii) preserve capital. All decisions are based on fundamental, bottom-up research, coupled with a top-down view that respects the cyclical nature of certain asset classes. The performance of investments by asset class for the reporting period are detailed in the table below.

BSCR Asset Class	Market Value (%)	Market Yield (%)
ABS/CLO	26.7	4.4
Cash	1.1	0.0
CMBS	8.5	4.5
Corp	57.1	3.6
Equity	2.2	12.0
Preferred	4.1	2.8
RMBS	0.3	4.4
Total Portfolio	100.0	4.0

9. Declaration

To the best of our knowledge and belief, we the undersigned confirm that the Financial Condition Report fairly represents the financial condition of the Company in all material respects.



Julia Hawkins
Interim Chief Executive Officer