# Who's Watching Your Back?

## An Assessment of Life Insurance Policyholder Protections Following the Passage of the Budget Control Act of 2011

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Throughout the financial downturn that began in 2008, many clients and advisors expressed concern: Will my insurance company survive? Will I lose my insurance coverage? As hundreds of banks failed and our economy faced a variety of challenges, the concern was valid. But the life insurance industry remained strong, issuing policies, servicing in-force business, and paying claims. In fact, in a sharp contrast to the banking world, very few life insurance companies became insolvent—the insurer impairment rates for 2008 and 2009 were lower than the average insurer impairment rate from 1976 to 2009—and the three life insurance companies that accepted funds through the U.S. Treasury Department's Troubled Asset Relief Program (TARP) have already repaid the funds (ahead of schedule). Throughout the downturn, the life insurance industry reminded consumers, regulators, and legislators of its financial discipline, commitment to policyholders, and respect for the confidence families and businesses placed in their organizations.

Unfortunately, the U.S.'s economic recovery has been slowed by debt and deficits. On August 5, 2011, just three days after President Obama signed into law the Budget Control Act of 2011, Standard & Poor's Rating Services (S&P) downgraded the long-term credit rating of the United States to 'AA+' from 'AAA' and maintained its negative rating outlook. The action came after S&P placed the rating on CreditWatch Negative on July 15, 2011. According to S&P the downgrade reflects their opinion that the fiscal plan approved by Congress and signed into law by President Obama falls short of what, in S&P's view, would be necessary to stabilize the government's medium-term debt situation. Additionally, S&P stated that the effectiveness and stability of American policymaking and political institutions have weakened at a time when persistent fiscal and economic challenges have continued to grow.

As a result, clients and advisors may once again express concerns regarding the stability of life insurance companies, both in terms of policies they own and policies they may be considering for purchase. Will our nation's debt impact financial stability and impede insurers' ability to meet client obligations?

In light of the current environment, it is easy to lose sight of the proven policyholder protections that the life insurance industry continues to provide, including regulatory and third party oversight, as well as mechanisms to support policyholders of troubled companies. M Financial Group has updated this bulletin to provide Member Firms, and their clients and advisors, with important information about the regulations and safety nets designed to protect policyholders.

## Life Insurance Regulation Focus: Protecting Policyholders and Maintaining Insurance Company Solvency

Life insurance remains one of the most highly regulated financial services industries. State insurance departments, which serve as the principal regulator, are primarily focused on protecting the public by providing greater certainty that life insurance companies will remain solvent in order to meet contractual obligations (paying death benefit claims and surrender values to policyholders). Regulations also extend to company licensing, producer licensing, product design, contract and application language, and market conduct; however, most critical to the subject at hand are the regulations and protections related to company solvency.

***Conservative Reserves***: Life insurers are required to hold reserves to cover the cost of all future claims. The required reserves are calculated using a conservative method mandated by state law and regulation. As an example, the underlying required mortality assumption (i.e., death rates) applied to the reserve calculation is much greater than current actual experience, resulting in a reserve cushion to handle adverse future mortality experience. Conservative assumptions for expenses and interest earnings also provide for additional reserve cushioning.

***Conservative Capital***: In addition to conservative reserves, life insurers are also required by state law and regulation to hold a capital and surplus cushion. The size of the capital cushion is based on the types of risk on the insurer's balance sheet:

- asset default risk
- insurance risk (mortality)
- interest rate risk (asset/liability interest disintermediation)
- general business risk

If the capital and surplus of a company falls below a minimum required level, the state regulator is required to intervene and take specific action to protect policyholders (see **Regulatory Receivership** section).

Distribution of Invested Assets
Top 30 Life Insurance Companies*
As of 12/31/10

| | |
|---|---|
| Bonds | 74.4% |
| Mortgages | 11.0% |
| Policy Loans | 4.5% |
| Cash & Short Term Inv. | 3.0% |
| Common Stock | 2.3% |
| Preferred Stock | 0.3% |
| Real Estate | 0.7% |
| Other | 3.9% |
| Quality of Invested Assets | |
| % of Investment Grade Bonds | 92.4% |
| % of Performing Mortgages | 99.7% |

*Top 30 issuers of high face amount life insurance policies, representing 80% of total issued face amounts in permanent life policies in 2010.

***High Quality General Account Assets***: Since life insurers are required to hold additional capital and surplus for investments made in riskier assets, a significant portion of insurance portfolios backing the insurance liabilities are comprised of the highest quality assets. These portfolios typically include a well diversified mix of high quality bonds, commercial mortgages, and real estate. Additionally, life insurance company portfolios have much less leverage than banks or investment banks, which results in less portfolio volatility.

***Cash Flow/Liquidity Testing***: As part of their regulatory filings, life insurers are required to ensure that the assets they hold will provide sufficient liquidity to meet policyholder liabilities by modeling thousands of economic scenarios. Additional reserves will be required if the cash flow testing reveals liquidity risk above a stated threshold. Therefore, even if investment returns are adversely affected by a market downturn, there is comfort—via the modeling process—that sufficient liquidity exists to meet policyholder liabilities.

***Restrictions Between Insurance Subsidiary and Parent Holding Company***: Regulated life insurance subsidiaries have protections in place to protect policyholder interests from being diluted by the parent holding company. The insurance regulations essentially create a wall between a life insurance subsidiary and the parent company (and other affiliated subsidiaries). These regulations require that all assets, reserves, and capital and surplus must be held separately by the life insurance subsidiary. In addition, there are restrictions on the transfer of capital or surplus to the parent company (or other affiliated subsidiaries). Any capital transfers that exceed the restrictions must be approved by regulators. Before approving such transactions, regulators are required to confirm that the transaction would not in any way impair the life insurance company's ability to pay policyholder benefits.

This protection was notable in the situation with AIG. AIG's troubles stem from a non-insurance entity, AIG's Financial Products subsidiary, which was issuing credit protection products—the situation does not involve an impairment of the life insurance operations. These credit protection products suffered huge losses due to the ongoing credit crisis. The assets within AIG's life subsidiary are protected by regulation for the benefit of the life subsidiary and must be sufficient to meet the life subsidiary's liabilities (i.e., assets from the life subsidiary are not allowed to be transferred to the financial products subsidiary).

***Insurance Company Financial Statement Reviews***: Insurance companies must file financial statements with the state insurance commissioner on a quarterly basis. The insurance commissioner reviews the financial statements to ensure appropriate disclosure and accounting treatment (financial statements must use statutory accounting rules which are conservative and focus on company solvency rather than profits). The reviews also include financial analytics and commentaries. The reviews help the state insurance commissioner determine if the insurance company is financially stable. If the insurance company is under financial distress, the state insurance commissioner can take actions to protect policyholders (see Receivership below).

***Mandatory Annual CPA Audits and Periodic State Examinations***: Life insurance companies are also required to have annual audits of their financial statements by an independent third party CPA firm. In addition, the state insurance commissioner will perform a more thorough examination of the insurance company on a periodic basis. The additional examinations provide further confidence in the accuracy of the financial statements, resulting in a more accurate evaluation of company solvency.

## Regulatory Receivership: What Happens If the Insurance Company Fails?

What if the worst case comes to pass and an insurance company becomes insolvent? Do policyholders lose their insurance coverage? In addition to state regulatory requirements geared toward maintaining company solvency, the regulatory system also has a series of safety nets that protect policyholders in the event of an insurance company's financial impairment.

### Regulatory Receivership

The state insurance commissioner has the authority to place a financially impaired insurance company into receivership, essentially taking control of the company. The regulator will appoint a conservator to administer the insurance company while in receivership.

The conservator has three options:

1. Restructure the company with the goal of managing the company back to financial health and allowing the company to continue as an ongoing entity;
2. Sell the whole company; or
3. Liquidate the company by selling it in parts.

During receivership, the conservator has full discretion over payment of both general creditor claims and policyholder benefits, with policyholder protection being the primary concern (i.e., funding of policyholder claims will have first priority over general creditor claims). The conservator will work with the insurance company and, if necessary, secure a financially strong purchasing insurance company, to ensure the best outcome for policyholders.

However, even conservator authority cannot guarantee that all of the insurance company's policyholder obligations (including death benefits) will be met. While as an absolute last resort, it may be determined that benefits need to be discounted in order to rehabilitate the insurance company, or to find a willing purchaser, with the logic being that it is better to pay some portion of the benefit versus nothing.

In addition, insurance companies typically have six months to make payments from general account funds to meet policyholder obligations. However, when a company is in receivership due to liquidity restrictions, the potential for a "run on the bank" may lead the state conservator to extend this time frame. Under the same pretext, the SEC may also determine to delay funds from the separate account in order to protect policyholder interests.

It is important to note that separate account assets are not subject to general creditors. For variable products, premiums invested in separate account funds are segregated from the insurer's general portfolio. Generally speaking, state law protects separate account assets for the policyholders of the separate account. This provides an extra layer of policyholder protection that is significant during times of broader financial instability: since separate account assets are not comingled with the insurer's portfolio, creditors of the insurance company do not have claim to these assets. The actual level of protection varies from state to state. Please note that many variable products include general account fund options and funds allocated to these general accounts do not have general creditor protections.

***Backstop—State Guaranty Funds***: If it is determined during the receivership process that funds on hand are insufficient to pay policyholder benefits, then limited funds can be secured from the State Guaranty Fund. Life and health insurance guaranty associations are state entities (in all 50 states as well as Puerto Rico and the District of Columbia) created to protect policyholders of an insolvent insurance company. All insurance companies licensed to sell life or health insurance in a state must be members of that state's guaranty association. The guaranty association cooperates with the commissioner and the receiver in determining whether the company can be rehabilitated or if the failed company should be liquidated and its policies transferred to financially sound insurance companies who will assume the responsibility for continuing coverage and paying covered claims. Once the liquidation is ordered, the guaranty association provides coverage to the company's policyholders who are state residents (up to the limits specified by state laws—see below).

While laws governing maximum limits and types of policies covered vary from state to state, most states set basic limits of:

- $300,000 in life insurance death benefits
- $100,000 in cash surrender or withdrawal value for life insurance
- $100,000 in withdrawal and cash values for annuities

The overall benefit "cap" in most states for an individual life is $300,000, though some states have maximums that are higher.

While these limits do result in only partial coverage of high-dollar policies, in recent insolvencies more than 90 percent of policyholder benefits have been covered in full.

If the claim is being administered directly by the state guaranty association, and if the policy value is greater than the state's limits, the value in excess of that limit may be submitted as a policyholder-level claim against the estate of the failed insurance company, and the contract holder may receive distributions as the company's assets are liquidated by the receiver.

To amass the funds needed to protect the state's policyholders, insurers doing business in that state are assessed a share of the amount required to meet all covered claims. The amount insurers are assessed is based on the amount of premiums they collect in that state.

The National Organization of Life & Health Insurance Guaranty Associations website (www.nolhga.com) provides detailed information regarding state guaranty funds, including specific limits by state.

## Insurance Company Financial Stress and the Impact on Policy Performance

When discussing policyholder protection, the most important point to remember is that a life insurance policy is a contract. If the policyholder meets his/her obligations (i.e., pays the premiums on the policy), the insurance company must honor all contractual guarantees.

This point has specific applications by product type. For current assumption products, this means the guaranteed cap on policy loads and the guaranteed floor for the crediting rate is still in effect. For No-Lapse Guarantee products, the guarantee must be honored (i.e., if the cash value is reduced to zero, instead of the policy lapsing, the death benefit coverage is still maintained as long as the required premium has been paid). Additionally, the required no-lapse premium cannot be changed.

The impact of insurance company financial stress on current assumption (nonguaranteed) performance is not black and white. Since the assumptions are not guaranteed, in theory an insurance company could increase policy loads or decrease the crediting rate in order to generate higher profits to offset losses within the product line or elsewhere within the company. If the losses are being generated by the product line, it is likely current performance will be reduced. As an example, if the general account supporting the insurance liabilities is experiencing credit defaults (similar to the recent experience with residential mortgage-backed securities), investment earnings decline and the crediting rate could be reduced accordingly to maintain the pricing spread. However, if the product line is not experiencing losses, then the insurance company has an incentive to maintain the current performance. This is because an increase in product loads or a decrease to the crediting rate results in reduced product performance, and could drive healthy policyholders to leave the company for better performing products elsewhere, leaving the previous carrier with only unhealthy and unprofitable lives.

During this financial crisis, of the basic pricing elements (mortality, expense, investment earnings, and persistency), only investment earnings have been impacted, suggesting downward pressure on crediting rates. Mortality, expense, and persistency experience continues to be good, suggesting current policy loads will be maintained. One concern had been that policyholders may terminate or exchange policies from financially distressed companies, but this has not happened significantly. Policyholders appear to recognize that while insurance companies are experiencing some financial stress, the companies are still financially strong. In addition, and possibly just as important, insurance products have surrender penalties (up-front loads or surrender charges) that may serve as a barrier for some policyholders to terminate or exchange their policies.

***Impact on Policy Performance When An Insurance Company is Placed in Receivership***: For non-guaranteed current performance, the comments offered in the previous section still apply. However, when an insurance company is in receivership the losses are more significant, and therefore there may be greater incentive to generate profits through a reduction in current performance. But keep in mind, if the underlying product line is profitable, there is also an incentive for the insurance company to maintain the block.

For guarantees, as mentioned previously in the regulatory receivership section, a conservator has the authority to alter the contractual guarantees in order to restore profitability. While a conservator would view changing guarantees as a last resort, it may make sense to enact a discounted guarantee rather than further impairing the company in a manner that ultimately prevents the company from paying any benefits. As stated previously, from a policyholder perspective, receiving some benefits is better than receiving nothing.

## Insurance Company Structures: Stock vs. Mutual

Stock insurance companies are publicly traded and owned by their stockholders. Mutual insurance companies are owned by their policyholders and do not issue publicly held stock. Publicly traded life insurance companies have two key stakeholders: stockholders and policyholders. For mutual companies, stockholders and policyholders are one in the same. The regulations and protections described in this bulletin apply to all life insurance companies, regardless of the ownership structure. Unlike stockholders, policyholders are not directly impacted by the declining stock price of an insurance company.

*Stockholders*, those who own stock in a particular insurance company, are focused on *the company's future earnings*. The recent price declines across life insurance stocks are the result of earnings erosion driven by higher capital costs and declining investment portfolio returns. Prices will typically rebound when investors believe future earnings will improve. A declining stock price does not directly impact the operations of the company with respect to policyholders; however, it does indirectly impact the amount and cost of capital that a company could raise should the need arise.

*Policyholders* are focused on *solvency*: a life insurer's ability to honor the contract in place and pay a claim if submitted. As mentioned previously, a declining stock price does not directly impact a carrier's solvency. In fact, the safeguards mentioned in this assessment may provide policyholders meaningful comfort in volatile times. To look at it a bit differently, when you buy insurance you are not buying the stock of the insurance company. Instead, you are purchasing an asset that is subject to strict regulations designed to protect policyholders.

A current real life example of conflicting interests is the required additional reserves on variable annuity with guarantee products due to equity market declines. The additional reserves provide more certainty to policyholders that the variable annuity obligations will be met, however the additional reserves drive down insurance company profits, which typically has an adverse impact on the company's stock price.

## Third Party Evaluation of Insurance Company Financial Strength

Assessing the financial strength (claims paying ability) of an insurance company is exceptionally difficult and complex. There are independent third party professional evaluators that provide analyses and commentary on life insurance companies.

***Rating Agencies***: There are four major rating agencies designated by the Securities and Exchange Commission (SEC) as Nationally Recognized Statistical Rating Organizations (NRSROs): A.M. Best, Moody's, Standard & Poor's, and Fitch. These rating agencies monitor and report on the financial strength and claims paying ability of life insurance companies. These agencies consider a myriad of factors, including capital adequacy, liquidity, asset quality, operating leverage, company earnings, investment performance, reinsurance programs, and the quality of company management. In addition to analyses and commentary, each rating agency provides insurance financial strength letter ratings for each insurance company evaluated.

The following is a summary of financial strength rating designations by rating agency:

**Financial Strength Rating Designations**

| Rank | A. M. Best | | Standard & Poor's | | Moody's | | Fitch | |
|---|---|---|---|---|---|---|---|---|
| 1 | A++ | Superior | AAA | Extremely Strong | Aaa | Exceptional | AAA | Highest |
| 2 | A+ | | AA+ | Very Strong | Aa1 | Excellent | AA+ | Very High |
| 3 | A | Excellent | AA | | Aa2 | | AA | |
| 4 | A- | | AA- | Excellent | Aa3 | | AA- | |
| 5 | B++ | Very Good | A+ | Good | A1 | Good | A+ | High |
| 6 | B+ | | A | | A2 | | A | |
| 7 | B | Adequate | A- | | A3 | | A- | |
| 8 | B- | | BBB+ | Adequate | Baa1 | Adequate | BBB+ | Below Average Claims |
| 9 | C++ | Fair | BBB | | Baa2 | | BBB | |
| 10 | C+ | | BBB- | | Baa3 | | BBB- | |
| 11 | C | Marginal | BB+ | May be adequate, but caution under adverse economy | Ba1 | Questionable | BB+ | Uncertain |
| 12 | C- | | BB | | Ba2 | | BB | |
| 13 | D | Very Vulnerable | BB- | | Ba3 | | BB- | |
| 14 | E | Under State Supervision | B+ | Currently able but vulnerable | B1 | Poor | B+ | Possesing risk of non-payment of claims. |
| 15 | F | In Liquidation | B | | B2 | | B | |
| 16 | | | B- | | B3 | | B- | |
| 17 | | | CCC + | Vulnerable to adverse economy | Caa1 | Very Poor | CCC+ | Substantial risk of non-payment of claims. |
| 18 | | | CCC | | Caa2 | | CCC | |
| 19 | | | CCC- | | Caa3 | | CCC- | |
| 20 | | | CC | | Ca | Extremely Poor | CC | |
| 21 | | | | | C | Lowest | C | |
| 22 | | | | | | | DDD | In Liquidation |
| 23 | | | | | | | DD | |
| 24 | | | | | | | D | |

There is no black and white rule regarding recommendations to purchase insurance from life insurance companies that have certain ratings. Buying decisions depend upon the risk profile of the client and other considerations such as price, underwriting, product features, and post-issue service. The mix of financial strength criteria and other product/company considerations will determine the appropriate company and product. Generally speaking, the claims paying ability of companies that have ratings below "Adequate" (blue shade in the rating designation matrix) are considered to be too great a risk for most clients.

While rating agency reports and ratings are the best source of information on insurance company financial strength, the economy is fluid and can change quickly. Unexpected or unanticipated stresses on an insurance company or the insurance industry—especially during the economic downturn—have shown that rating agency evaluations are not foolproof. Rating agencies typically provide annual reviews, but if conditions change, rating agencies typically provide interim updates that may include rating and/or outlook changes.

***Stock Analysts***: Stock analysts provide reviews and recommendations of publicly traded companies, including stock insurance companies. While the primary purpose of stock analyst reviews is an evaluation of an insurance company as it relates to its stock price, versus company solvency, there is still valuable information that can be gleaned from the stock reports. Expected earnings drive stock prices, but earnings can also drive surplus levels, which provide cushion for paying policyholder claims. In a volatile environment, stock analysts continue to provide stockholders and policyholders, as well as prospective buyers of life insurance, with valuable perspective.

## M Financial Group: An Added Layer of Policyholder Protection

Life insurance due care requires an understanding of the factors that impact policy performance and drive product selection. M Financial Group continues to lead the industry in life insurance due care and client advocacy, providing insight and analysis that deliver significant value. M Member Firms utilize these resources to provide another layer of oversight and information to assist clients and advisors in making informed decisions regarding life insurance purchases.

While uncertainty persists, and solvency remains a question, life insurance may offer a safer port in the current financial storm. The policyholder safeguards noted above, together with products offered by highly rated, financially strong carriers, create—under the appropriate circumstances—an attractive opportunity. From a financial strength perspective, it is important to keep in mind that the life insurance industry remains highly rated, especially when compared to most other financial institutions.

More than ever, opportunities in the life insurance market should be pursued in conjunction with an insurance advisor who understands the complexities of the landscape and the mechanics of the products available. In-force service—which is provided after the purchase of the policy and remains a hallmark of M Financial's commitment to client advocacy—is also critical. In a volatile environment, it is essential to continuously monitor policy performance and carrier financial strength, and assess the impact of emerging trends.

In support of this commitment to client advocacy, M Financial developed an In-force Management Assessment Tool, which poses questions to consider when determining to what extent the insurance advisor can advocate effectively on behalf of clients and their advisors.

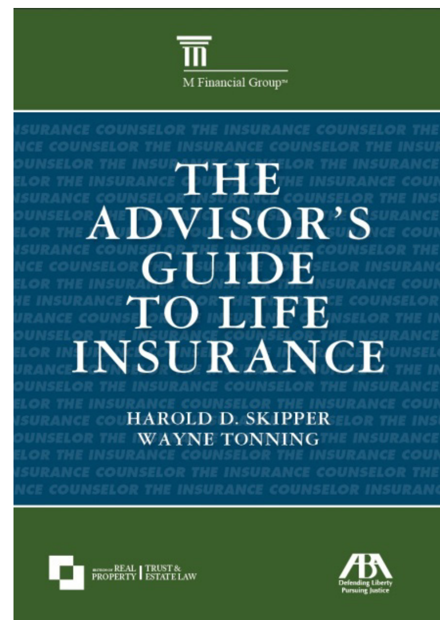
The questions are as follows (M Financial's answers to these questions are provided as Appendix A):

1. Is the distribution channel independent of, or captive to, the insurance company?
2. Is the volume of business sold by the distribution channel sufficient to build credible data and be relevant to the insurance company?
3. Is the client pricing experience socialized with all risks or is it placed in a select risk pool?
4. Is the client a member of a risk class that justifies superior pricing characteristics?
5. Does the insurance company have a good reputation built on competitive products and a superior track record?
6. Is there risk sharing by the distributor/producer? Is the distribution channel putting capital at risk to legitimately "own" a seat at the table when it comes to negotiating price adjustments?
7. What resources and technical support are dedicated to monitoring the policy on an ongoing basis and who provides them (captive or independent)?
8. How do you characterize the producer's relationship with the insurance company?
9. Does the client advocacy model have a track record?
10. Is the client advocacy model sustainable?

M Financial also makes available, through a secure website, a number of due care resources designed to support Member Firms in their interactions with clients and advisors. Resources include:

- M Due Care Bulletins on pertinent topics with insight and analysis.
- Timely updates regarding the insurance industry and M's Carriers.
- Rating agency commentaries and financial strength rating changes.
- Wall Street reports, including stock analyst commentaries.
- M Carrier commentaries.
- Due Care Tools and Resources: Carrier financial strength ratings for the insurance industry. This spreadsheet is updated monthly and includes a summary of rating changes for the previous month, distributions of ratings, and a ratings key which summarizes the letter ratings for each rating agency.
- Carrier financial data spreadsheet, which includes the previous five years of annual statement data for U.S. life and health companies. Data includes: surplus, earnings, asset distribution, quality of assets, and investment performance.
- Life insurance product competitive summaries of illustrated performance.

M Member Firms can also access specific rating agency reports and commentaries through M Financial's Product Management department.




M Financial's commitment to client advocacy can also be seen in *The Advisor's Guide to Life Insurance* (AGLI), a comprehensive educational resource developed by M Financial and published by the American Bar Association that provides insight on the purchase, fundamentals, applications, and maintenance of life insurance products. The AGLI is designed for professional advisors—including attorneys, CPAs, and Family Offices—involved in the evaluation, purchase, and management of life insurance policies on behalf of clients. It increases awareness and understanding of the benefits of life insurance, facilitating more informed decisions and enhancing plan sustainability and effectiveness.

M Financial Group will continue to monitor and evaluate developments relating to the life insurance industry.

## For More Information

To learn more about life insurance policyholder protections, please contact:

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***This information has been taken from sources, which we believe to be reliable, but there is no guarantee as to its accuracy. This material is not intended to present an opinion on legal or tax matters. Please consult with your attorney or tax advisor, as applicable.***

## Inforce Management Assessment Tool

| | Question | M Financial Group Answers |
|---|---|---|
| 1. | Is the distribution channel independent of, or captive to, the insurance company? | Independent |
| 2. | Is the volume of business sold by the distribution channel sufficient to build credible data and be relevant to the insurance company? | • $1.3 billion in 2010 new sales<br>• 30+ years of data<br>• $123 billion inforce face amount<br>• $33 billion in policy cash value |
| 3. | Is the client pricing experience socialized with all risks or is it placed in a select risk pool? | In segregated proprietary product pool—not socialized |
| 4. | Is the client a member of a risk class that justifies superior pricing characteristics? | Clients in risk class are exclusively high net worth and highly compensated executive clients of M Financial Member Firms |
| 5. | Does the insurance company have a good reputation built on competitive products and a superior track record? | • M Carriers are highly rated<br>• Member Firms have access to 20+ competitive proprietary products |
| 6. | Is there risk sharing by the distributor/producer? Is the distribution channel putting capital at risk to legitimately "own" a seat at the table when it comes to negotiating price adjustments? | • M reinsurance via M Financial Re<br>• $47 billion of face amount reinsured<br>• Upwards of $50 million of new capital invested per year |
| 7. | What resources and technical support are dedicated to monitoring the policy on an ongoing basis and who provides them (captive or independent)? | • Independent staff<br>• 12 actuaries<br>• Annually audited by independent consultants |
| 8. | How do you characterize the producer's relationship with the insurance company? | Independent producers that maintain deep relationships with a select group of Carrier Partners |
| 9. | Does the client advocacy model have a track record? | • 34 repricings<br>• $80 million in historical value<br>• $170 million in future value |
| 10. | Is the client advocacy model sustainable? | Yes, based on 30+ years of data and 15+years of proprietary product experience. |