Valued Client
$77,000,000 VRDO Premium Funded
A+ Rated US Domestic Life Insurance Company

Year	Age	(1) Bond Issuance*	(2) Projected Borrowing Rate	(3) Projected Variable Interest Cost	(4) Projected Income to Trust	(5) Projected Policy Loans	(6) Projected Side Fund Balance	(7) Projected Side Fund Earnings	(8) Policy Premiums	(9) Projected Cash Surrender Value @ 95%	(10) Supplemental Collateral Requirement	(11) Projected Death Benefit Net of Loan
1	50	**38,433,195**	5.07%	1,948,563		0	30,473,756	1,066,581	6,369,439	3,410,280	4,917,696	**74,820,979**
2	51		5.07%	1,948,563		0	22,946,317	803,121	6,369,439	9,472,646	6,382,770	**73,467,848**
3	52		3.75%	1,441,245		0	15,470,878	348,095	6,369,439	15,913,483	7,417,371	**72,562,028**
4	53		3.75%	1,441,245		0	7,823,439	176,027	6,369,439	22,759,730	8,218,563	**71,909,415**
5	54		3.75%	1,441,245		0	0	0	6,369,439	30,040,754	8,760,978	**71,536,152**
6	55	**52,901,585**	3.50%	3,196,717		0	48,296,890	965,938	1,703,695	33,312,775	10,600,928	**70,158,549**
7	56		3.50%	3,196,717		0	40,314,075	806,282	5,591,815	40,480,047	11,416,471	**69,500,010**
8	57		3.25%	2,968,380		0	32,319,260	565,587	5,591,815	48,094,382	11,796,951	**69,297,755**
9	58		3.25%	2,968,380		0	24,181,445	423,175	5,591,815	56,181,405	11,847,743	**69,446,986**
10	59		3.25%	2,968,380		0	15,898,630	278,226	5,591,815	64,769,224	11,542,739	**69,974,521**
11	60		2.50%	2,283,370		0	8,103,815	81,038	5,591,815	74,333,220	9,773,558	**72,014,530**
12	61		2.75%	2,511,706		0	0	0	5,591,815	84,328,042	7,882,551	**74,431,580**
13	62		2.00%	1,826,696		1,826,696				87,994,683	4,215,910	**40,291,202**
14	63		3.00%	2,740,043		2,740,043				91,017,336	1,193,257	**43,472,942**
15	64		3.00%	2,740,043		2,740,043				94,281,523		**46,908,928**
16	65		2.25%	2,055,033		2,055,033				99,017,174		**51,893,824**
17	66					**91,334,780**	**<RETIRE BOND**			14,974,537		**53,974,537**
18	67				3,000,000	0				14,088,225		**53,088,225**
19	68				3,000,000	0				13,240,781		**52,240,781**
20	69				3,000,000	0				12,437,256		**51,437,256**
21	70				3,000,000	0				11,682,491		**50,682,491**
22	71				3,000,000	0				10,981,006		**49,981,006**
23	72				3,000,000	0				10,338,258		**49,338,258**
24	73				3,000,000	0				9,759,656		**48,759,656**
25	74				3,000,000	0				9,251,728		**48,251,728**
26	75				3,000,000	0				8,821,863		**47,821,863**
27	76				3,000,000	0				8,508,847		**47,508,847**
28	77				3,000,000	0				8,329,424		**47,329,424**
29	78				3,000,000	0				8,302,404		**47,302,404**
30	79				3,000,000	0				8,449,068		**47,449,068**
31	80				3,000,000	0				8,792,918		**47,792,918**
32	81				3,000,000	0				9,354,409		**48,354,409**
33	82				3,000,000	0				10,161,739		**49,161,739**
34	83				3,000,000	0				11,246,560		**50,246,560**
35	84				3,000,000	0				12,644,016		**51,644,016**
36	85				3,000,000	0				14,373,406		**53,373,406**
37	86				3,000,000	0				16,495,091		**55,495,091**
38	87				3,000,000	0				19,054,133		**58,054,133**
39	88				3,000,000	0				22,095,038		**61,095,038**
40	89				3,000,000	0				25,669,961		**64,669,961**
41	90				3,000,000	0				29,851,125		**68,851,125**
42	91				3,000,000	0				34,606,385		**73,606,385**
43	92				3,000,000	0				40,004,257		**79,004,257**
44	93				3,000,000	0				46,122,282		**85,122,282**
45	94				3,000,000	0				53,071,550		**92,071,550**
46	95				3,000,000	0				61,004,252		**100,004,252**
47	96					0				72,936,634		**111,936,634**
48	97					0				85,961,186		**124,961,186**
49	98					0				100,105,883		**139,105,883**
50	99					0				115,407,234		**154,407,234**
51	100					0				131,962,872		**170,962,872**
		91,334,780										

(12) Captive Surplus Balance	(13) Captive Surplus Balance Net of Taxes
10,000,000	7,620,000
10,500,000	8,001,000
11,031,300	8,405,851
11,589,484	8,831,187
12,175,912	9,278,045
12,792,013	9,747,514
13,439,289	10,240,738
14,119,317	10,758,919
14,833,754	11,303,321
15,584,342	11,875,269
16,372,910	12,476,157
17,201,379	13,107,451
18,071,769	13,770,688
18,986,200	14,467,485
19,946,902	15,199,539
20,956,215	15,968,636
22,016,600	16,776,649
23,130,640	17,625,547
24,301,050	18,517,400
25,530,683	19,454,381
26,822,536	20,438,772
28,179,756	21,472,974
29,605,652	22,559,507
31,103,698	23,701,018
32,677,545	24,900,289
34,331,028	26,160,244
36,068,179	27,483,952
37,893,228	28,874,640
39,810,626	30,335,697
41,825,043	31,870,683
43,941,391	33,483,340
46,164,825	35,177,597
48,500,765	36,957,583
50,954,904	38,827,637
53,533,222	40,792,315
56,242,003	42,856,406
59,087,848	45,024,940
62,077,693	47,303,202
65,218,825	49,696,744
68,518,897	52,211,400
71,985,953	54,853,297
75,628,443	57,628,873
79,455,242	60,544,894
83,475,677	63,608,466
87,699,546	66,827,054
92,137,143	70,208,503
96,799,283	73,761,054
101,697,327	77,493,363
106,843,211	81,414,527

***Bond Sizing Assumtions**
Estimated Issuing Expenses-Included

Policy Assumptions:
Preferred Underwriting
Policy Return 6.84% Per AG49 Guidelines

Alternate policy return scenario