

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

		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Year	Age	Bond Issuance*	Projected Borrowing Rate	Projected Variable Interest Cost	Projected Policy Loans	Projected Side Fund Balance	Projected Side Fund Earnings	Policy Premiums	Projected Cash Surrender Value @ 95%	Supplemental Collateral Requirement	Projected Death Benefit Net of Loan	Captive Surplus Balance	Captive Surplus Balance Net of Taxes
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	10,000,000	7,620,000
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	10,500,000	8,001,000
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	11,031,300	8,405,851
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	11,589,484	8,831,187
5	54		3.75%	1,441,245	0	0	0	6,369,439	30,040,754	8,760,978	71,536,152	12,175,912	9,278,045
6	55		3.50%	3,196,717	0	48,296,890	965,938	1,703,695	33,312,775	10,600,928	70,158,549	12,792,013	9,747,514
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	13,439,289	10,240,738
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	14,119,317	10,758,919
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	14,833,754	11,303,321
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	15,584,342	11,875,269
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	16,372,910	12,476,157
12	61		2.75%	2,511,706	0	0	0	5,591,815	84,328,042	7,882,551	74,431,580	17,201,379	13,107,451
13	62		2.00%	1,826,696	1,826,696				87,994,683	4,215,910	40,291,202	18,071,769	13,770,688
14	63		3.00%	2,740,043	2,740,043				91,017,336	1,193,257	43,472,942	18,986,200	14,467,485
15	64		3.00%	2,740,043	2,740,043				94,281,523		46,908,928	19,946,902	15,199,539
16	65		2.25%	2,055,033	2,055,033				99,017,174		51,893,824	20,956,215	15,968,636
17	66				91,334,780	<RETIRE BOND			14,974,537		53,974,537	22,016,600	16,776,649
18	67				0				17,267,588		56,267,588	23,130,640	17,625,547
19	68				0				19,789,482		58,789,482	24,301,050	18,517,400
20	69				0				22,556,504		61,556,504	25,530,683	19,454,381
21	70				0				25,585,375		64,585,375	26,822,536	20,438,772
22	71				0				28,893,191		67,893,191	28,179,756	21,472,974
23	72				0				32,498,726		71,498,726	29,605,652	22,559,507
24	73				0				36,421,462		75,421,462	31,103,698	23,701,018
25	74				0				40,682,833		79,682,833	32,677,545	24,900,289
26	75				0				45,305,986		84,305,986	34,331,028	26,160,244
27	76				0				50,346,384		89,346,384	36,068,179	27,483,952
28	77				0				55,838,407		94,838,407	37,893,228	28,874,640
29	78				0				61,819,526		100,819,526	39,810,626	30,335,697
30	79				0				68,330,761		107,330,761	41,825,043	31,870,683
31	80				0				75,416,482		114,416,482	43,941,391	33,483,340
32	81				0				83,119,215		122,119,215	46,164,825	35,177,597
33	82				0				91,490,489		130,490,489	48,500,765	36,957,583
34	83				0				100,586,648		139,586,648	50,954,904	38,827,637
35	84				0				110,468,922		149,468,922	53,533,222	40,792,315
36	85				0				121,184,191		160,184,191	56,242,003	42,856,406
37	86				0				132,821,981		171,821,981	59,087,848	45,024,940
38	87				0				145,458,187		184,458,187	62,077,693	47,303,202
39	88				0				159,169,886		198,169,886	65,218,825	49,696,744
40	89				0				174,043,669		213,043,669	68,518,897	52,211,400
41	90				0				190,188,151		229,188,151	71,985,953	54,853,297
42	91				0				207,609,606		246,609,606	75,628,443	57,628,873
43	92				0				226,417,172		265,417,172	79,455,242	60,544,894
44	93				0				246,731,303		285,731,303	83,475,677	63,608,466
45	94				0				268,708,413		307,708,413	87,699,546	66,827,054
46	95				0				292,548,583		331,548,583	92,137,143	70,208,503
47	96				0				318,139,205		357,139,205	96,799,283	73,761,054
48	97				0				345,615,491		384,615,491	101,697,327	77,493,363
49	98				0				375,050,594		414,050,594	106,843,211	81,414,527
50	99				0				406,528,538		445,528,538		
51	100				0				440,197,155		479,197,155		

91,334,780

***Bond Size Assumption**
Estimated Issuing Expenses-Included
Policy Assumptions:
Preferred Underwriting
Policy Return 6.84% Per AG49 Guidelines

Alternate policy return scenario