

EXHIBIT E

PROJECTED FINANCIAL AND OPERATING RESULTS ASSOCIATED WITH SCENARIO TWO

Scenario 2

Balance Sheet

(Dollars in Millions)

	6/30/10	Pre-Consummation 12/31/10	Adjustment for Consummation Transactions	Post-Consummation 12/31/10	Projections for End of Year:						
					2011	2012	2013	2014	2015	2016	2017
Assets											
Invested assets											
Bonds ⁽¹⁾	\$4,268	\$4,512	\$(430)	\$4,082	\$4,121	\$4,378	\$4,770	\$4,978	\$5,476	\$5,872	\$6,148
Stocks	511	175	0	175	181	186	192	197	203	209	216
Intercompany Loans	790	732	0	732	596	499	330	449	541	513	636
Cash & Cash Equivalents	313	313	0	313	313	313	313	313	50	50	50
Total Cash and Investments	5,881	5,732	(430)	5,302	5,210	5,376	5,604	5,938	6,270	6,644	7,049
Other Assets ⁽¹⁾	(1,682)	64	(56)	8	8	8	8	8	8	8	8
Total Assets	\$6,204	\$5,796	\$(486)	\$5,310	\$5,218	\$5,384	\$5,612	\$5,945	\$6,278	\$6,652	\$7,057
Liabilities											
Unearned Premiums Reserve	\$2,211	\$1,946	\$0	\$1,946	\$1,753	\$1,573	\$1,407	\$1,257	\$1,124	\$1,003	\$891
Loss and LAE Reserves	2,022	2,824	(1,811)	1,013	1,961	1,734	1,474	1,310	1,158	1,055	977
Other Liabilities	2,097	24	0	24	24	24	24	24	24	24	24
Contingency Reserve	380	429	0	429	517	597	675	745	808	865	917
Total Liabilities	\$6,710	\$5,223	\$(1,811)	\$3,412	\$4,255	\$3,928	\$3,580	\$3,338	\$3,114	\$2,947	\$2,810
Surplus as regards Policyholders	\$(506)	\$573	\$1,325	\$1,898	\$963	\$1,455	\$2,031	\$2,608	\$3,164	\$3,705	\$4,247
Total Liabilities and Surplus	\$6,204	\$5,796	\$(486)	\$5,310	\$5,218	\$5,384	\$5,612	\$5,945	\$6,278	\$6,652	\$7,057
Qualified Statutory Capital	\$(125)	\$1,002	\$1,325	\$2,327	\$1,480	\$2,052	\$2,706	\$3,353	\$3,972	\$4,570	\$5,164

⁽¹⁾ Reclassifies approx. \$8 million "Other Assets" as "Bonds"

	6/30/10	Pre-Consummation 12/31/10	Adjustment for Consummation Transactions	Post-Consummation 12/31/10	Projections for End of Year:						
					2011	2012	2013	2014	2015	2016	2017
Surplus Reconciliation											
Common Stock	\$82	\$82	\$0	\$82	\$82	\$82	\$82	\$82	\$82	\$82	\$82
Preferred Stock	26	26	0	26	26	26	26	26	26	26	26
Gross Paid-in and Contributed Surplus	3,552	3,552	0	3,552	3,552	3,552	3,552	3,552	3,552	3,552	3,552
Unassigned Surplus	(4,161)	(5,138)	35	(5,103)	(7,304)	(7,259)	(6,952)	(6,568)	(6,165)	(5,737)	(5,282)
Bank Settlement Notes	2,000	2,000	0	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Segregated Account Surplus Notes	0	50	1,290	1,340	2,607	3,053	3,323	3,515	3,668	3,781	3,869
Junior Surplus Notes	0	0	0	0	0	0	0	0	0	0	0
Total Surplus	\$1,500	\$573	\$1,325	\$1,898	\$963	\$1,455	\$2,031	\$2,608	\$3,164	\$3,705	\$4,247
Unassigned Surplus Reconciliation											
Beginning Balance	\$0	\$(4,161)	\$0	\$(4,161)	\$(5,103)	\$(7,304)	\$(7,259)	\$(6,952)	\$(6,568)	\$(6,165)	\$(5,737)
Net Income	0	(593)	35	(558)	(2,118)	120	378	449	460	479	501
Change in Equity in Affiliates	0	(335)	0	(335)	5	5	6	6	6	6	6
Additions to Contingency Reserves	0	(49)	0	(49)	(87)	(80)	(78)	(71)	(63)	(57)	(52)
Release of Contingency Reserves	0	0	0	0	0	0	0	0	0	0	0
Ending Balance	\$(4,161)	\$(5,138)	\$35	\$(5,103)	\$(7,304)	\$(7,259)	\$(6,952)	\$(6,568)	\$(6,165)	\$(5,737)	\$(5,282)

Scenario 2

Balance Sheet

(Dollars in Millions)

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Assets													
Invested assets													
Bonds ⁽¹⁾	\$6,600	\$7,460	\$7,948	\$8,472	\$9,006	\$9,547	\$10,108	\$10,904	\$11,517	\$12,151	\$12,806	\$13,499	\$14,216
Stocks	222	229	236	243	250	258	265	0	0	0	0	0	0
Intercompany Loans	605	190	172	154	141	143	141	198	208	221	235	239	252
Cash & Cash Equivalents	50	50	50	50	50	50	50	50	50	50	50	50	50
Total Cash and Investments	7,477	7,929	8,405	8,919	9,448	9,997	10,564	11,153	11,775	12,423	13,091	13,787	14,518
Other Assets ⁽¹⁾	8	8	8	8	8	8	8	8	8	8	8	8	8
Total Assets	\$7,485	\$7,937	\$8,413	\$8,927	\$9,455	\$10,005	\$10,571	\$11,161	\$11,783	\$12,430	\$13,099	\$13,795	\$14,526
Liabilities													
Unearned Premiums Reserve	\$787	\$696	\$613	\$535	\$466	\$408	\$355	\$307	\$262	\$222	\$185	\$153	\$120
Loss and LAE Reserves	944	904	882	877	888	909	940	973	1,016	1,058	1,097	1,136	1,179
Other Liabilities	24	24	24	24	24	24	24	24	24	24	24	24	24
Contingency Reserve	966	1,009	1,048	1,084	1,116	1,143	1,168	1,190	1,211	1,229	1,246	881	897
Total Liabilities	\$2,721	\$2,633	\$2,567	\$2,521	\$2,495	\$2,484	\$2,487	\$2,494	\$2,513	\$2,534	\$2,553	\$2,194	\$2,220
Surplus as regards Policyholders	\$4,764	\$5,303	\$5,846	\$6,406	\$6,961	\$7,520	\$8,084	\$8,667	\$9,270	\$9,896	\$10,546	\$11,601	\$12,306
Total Liabilities and Surplus	\$7,485	\$7,937	\$8,413	\$8,927	\$9,455	\$10,005	\$10,571	\$11,161	\$11,783	\$12,430	\$13,099	\$13,795	\$14,526
Qualified Statutory Capital	\$5,730	\$6,312	\$6,894	\$7,490	\$8,076	\$8,664	\$9,252	\$9,857	\$10,481	\$11,126	\$11,792	\$12,482	\$13,202

⁽¹⁾ Reclassifies approx. \$8 million "Other Assets" as "Bonds"

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Surplus Reconciliation													
Common Stock	\$82	\$82	\$82	\$82	\$82	\$82	\$82	\$82	\$82	\$82	\$82	\$82	\$82
Preferred Stock	26	26	26	26	26	26	26	26	26	26	26	26	26
Gross Paid-in and Contributed Surplus	3,552	3,552	3,552	3,552	3,552	3,552	3,552	3,552	3,552	3,552	3,552	3,552	3,552
Unassigned Surplus	(4,834)	(4,349)	(3,917)	(3,386)	(2,850)	(2,302)	(1,745)	(1,169)	(569)	55	696	1,742	2,439
Bank Settlement Notes	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Segregated Account Surplus Notes	3,938	3,992	4,034	4,062	4,082	4,094	4,100	4,107	4,110	4,113	4,120	4,129	4,137
Junior Surplus Notes	0	0	69	69	69	69	69	69	69	69	69	69	69
Total Surplus	\$4,764	\$5,303	\$5,846	\$6,406	\$6,961	\$7,520	\$8,084	\$8,667	\$9,270	\$9,896	\$10,546	\$11,601	\$12,306
Unassigned Surplus Reconciliation													
Beginning Balance	\$(5,282)	\$(4,834)	\$(4,349)	\$(3,917)	\$(3,386)	\$(2,850)	\$(2,302)	\$(1,745)	\$(1,169)	\$(569)	\$55	\$696	\$1,742
Net Income	490	521	465	561	560	567	575	590	622	641	659	680	713
Change in Equity in Affiliates	6	7	7	7	7	8	8	8	0	0	0	0	0
Additions to Contingency Reserves	(49)	(42)	(39)	(37)	(32)	(27)	(25)	(22)	(21)	(18)	(17)	(15)	(16)
Release of Contingency Reserves	0	0	0	0	0	0	0	0	0	0	0	380	0
Ending Balance	\$(4,834)	\$(4,349)	\$(3,917)	\$(3,386)	\$(2,850)	\$(2,302)	\$(1,745)	\$(1,169)	\$(569)	\$55	\$696	\$1,742	\$2,439

Scenario 2

Balance Sheet

(Dollars in Millions)

	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
Assets													
Invested assets													
Bonds ⁽¹⁾	\$15,006	\$15,806	\$16,645	\$17,512	\$18,182	\$19,178	\$19,988	\$20,998	\$22,061	\$23,172	\$24,353	\$25,592	\$26,893
Stocks	0	0	0	0	0	0	0	0	0	0	0	0	0
Intercompany Loans	106	116	125	135	143	146	149	152	151	153	155	157	159
Cash & Cash Equivalents	50	50	50	50	50	50	50	50	50	50	50	50	50
Total Cash and Investments	15,163	15,972	16,820	17,697	18,375	19,375	20,188	21,200	22,261	23,375	24,558	25,799	27,102
Other Assets ⁽¹⁾	8	8	8	8	8	8	8	8	8	8	8	8	8
Total Assets	\$15,170	\$15,980	\$16,828	\$17,705	\$18,383	\$19,382	\$20,195	\$21,208	\$22,269	\$23,382	\$24,566	\$25,807	\$27,109
Liabilities													
Unearned Premiums Reserve	\$97	\$80	\$65	\$53	\$43	\$33	\$25	\$21	\$18	\$16	\$14	\$12	\$11
Loss and LAE Reserves	1,250	1,316	1,412	1,498	642	653	76	50	19	(23)	(19)	(15)	(11)
Other Liabilities	24	24	24	24	24	24	24	24	24	24	24	24	24
Contingency Reserve	820	747	676	611	553	501	451	404	363	325	290	259	232
Total Liabilities	\$2,190	\$2,167	\$2,177	\$2,186	\$1,262	\$1,211	\$576	\$500	\$425	\$342	\$309	\$281	\$257
Surplus as regards Policyholders	\$12,980	\$13,812	\$14,651	\$15,519	\$17,121	\$18,171	\$19,619	\$20,708	\$21,844	\$23,040	\$24,257	\$25,526	\$26,853
Total Liabilities and Surplus	\$15,170	\$15,980	\$16,828	\$17,705	\$18,383	\$19,382	\$20,195	\$21,208	\$22,269	\$23,382	\$24,566	\$25,807	\$27,109
Qualified Statutory Capital	\$13,800	\$14,559	\$15,327	\$16,129	\$17,674	\$18,672	\$20,070	\$21,112	\$22,208	\$23,365	\$24,546	\$25,785	\$27,085

⁽¹⁾ Reclassifies approx. \$8 million "Other Assets" as "Bonds"

	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
Surplus Reconciliation													
Common Stock	\$82	\$82	\$82	\$82	\$82	\$82	\$82	\$82	\$82	\$82	\$82	\$82	\$82
Preferred Stock	26	26	26	26	26	26	26	26	26	26	26	26	26
Gross Paid-in and Contributed Surplus	3,552	3,552	3,552	3,552	3,552	3,552	3,552	3,552	3,552	3,552	3,552	3,552	3,552
Unassigned Surplus	3,101	3,921	4,772	5,650	6,554	7,588	8,621	9,688	10,799	11,962	13,183	14,456	15,786
Bank Settlement Notes	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Segregated Account Surplus Notes	4,150	4,162	4,150	4,139	4,838	4,855	5,269	5,291	5,316	5,349	5,345	5,341	5,337
Junior Surplus Notes	69	69	69	69	69	69	69	69	69	69	69	69	69
Total Surplus	\$12,980	\$13,812	\$14,651	\$15,519	\$17,121	\$18,171	\$19,619	\$20,708	\$21,844	\$23,040	\$24,257	\$25,526	\$26,853
Unassigned Surplus Reconciliation													
Beginning Balance	\$2,439	\$3,101	\$3,921	\$4,772	\$5,650	\$6,554	\$7,588	\$8,621	\$9,688	\$10,799	\$11,962	\$13,183	\$14,456
Net Income	585	747	781	813	846	982	984	1,020	1,070	1,125	1,185	1,242	1,304
Change in Equity in Affiliates	0	0	0	0	0	0	0	0	0	0	0	0	0
Additions to Contingency Reserves	(10)	(8)	(7)	(5)	(5)	(4)	(3)	(2)	(1)	(1)	(1)	(1)	(1)
Release of Contingency Reserves	87	80	78	71	63	57	52	49	42	39	37	32	27
Ending Balance	\$3,101	\$3,921	\$4,772	\$5,650	\$6,554	\$7,588	\$8,621	\$9,688	\$10,799	\$11,962	\$13,183	\$14,456	\$15,786

Balance Sheet

(Dollars in Millions)

	2044	2045	2046	2047	2048	2049	2050
Assets							
Invested assets							
Bonds ⁽¹⁾	\$28,256	\$29,689	\$31,193	\$32,774	\$34,434	\$36,178	\$38,011
Stocks	0	0	0	0	0	0	0
Intercompany Loans	160	161	162	163	163	164	0
Cash & Cash Equivalents	50	50	50	50	50	50	50
Total Cash and Investments	28,466	29,900	31,406	32,987	34,647	36,392	38,061
Other Assets ⁽¹⁾	8	8	8	8	8	8	8
Total Assets	\$28,474	\$29,908	\$31,413	\$32,994	\$34,655	\$36,400	\$38,069
Liabilities							
Unearned Premiums Reserve	\$10	\$9	\$8	\$7	\$5	\$4	\$3
Loss and LAE Reserves	(7)	(3)	(0)	(0)	(0)	(0)	0
Other Liabilities	24	24	24	24	24	24	24
Contingency Reserve	208	187	166	148	132	117	0
Total Liabilities	\$235	\$217	\$198	\$179	\$161	\$146	\$28
Surplus as regards Policyholders	\$28,239	\$29,691	\$31,215	\$32,815	\$34,494	\$36,254	\$38,041
Total Liabilities and Surplus	\$28,474	\$29,908	\$31,413	\$32,994	\$34,655	\$36,400	\$38,069
Qualified Statutory Capital	\$28,446	\$29,877	\$31,381	\$32,963	\$34,625	\$36,371	\$38,041

⁽¹⁾ Reclassifies approx. \$8 million "Other Assets" as "Bonds"

	2044	2045	2046	2047	2048	2049	2050
Surplus Reconciliation							
Common Stock	\$82	\$82	\$82	\$82	\$82	\$82	\$82
Preferred Stock	26	26	26	26	26	26	26
Gross Paid-in and Contributed Surplus	3,552	3,552	3,552	3,552	3,552	3,552	3,552
Unassigned Surplus	17,176	18,631	20,158	21,758	23,436	25,196	26,983
Bank Settlement Notes	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Segregated Account Surplus Notes	5,334	5,331	5,329	5,329	5,329	5,329	5,329
Junior Surplus Notes	69	69	69	69	69	69	69
Total Surplus	\$28,239	\$29,691	\$31,215	\$32,815	\$34,494	\$36,254	\$38,041
Unassigned Surplus Reconciliation							
Beginning Balance	\$15,786	\$17,176	\$18,631	\$20,158	\$21,758	\$23,436	\$25,196
Net Income	1,365	1,434	1,506	1,582	1,662	1,746	1,670
Change in Equity in Affiliates	0	0	0	0	0	0	0
Additions to Contingency Reserves	(1)	(1)	(0)	(1)	(1)	(1)	(1)
Release of Contingency Reserves	25	22	21	18	17	15	118
Ending Balance	\$17,176	\$18,631	\$20,158	\$21,758	\$23,436	\$25,196	\$26,983

Scenario 2

Income Statement

(Dollars in Millions)

	Pre- Consummation 2nd Half 2010	Adjustment for Consummation Transactions	Post- Consummation 2nd Half 2010	2011	2012	2013	2014	2015	2016	2017
Revenue										
Premiums Earned	\$360	\$0	\$360	\$369	\$324	\$289	\$245	\$216	\$196	\$178
Investment Income	140	35	174	334	294	294	371	353	373	403
Contractual Adjustment to XOL	0	0	0	0	0	0	0	0	0	0
Fee and Other Income	10	0	10	12	11	10	9	8	7	6
Total Revenue	\$510	\$35	\$545	\$715	\$629	\$593	\$625	\$576	\$576	\$587
Loss and Expenses										
Losses and LAE	\$1,002	\$0	\$1,002	\$2,714	\$417	\$137	\$114	\$67	\$60	\$54
Operating Expenses	63	0	63	120	93	78	62	49	37	32
Additional Write-downs	38	0	38	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0
Total Loss and Expenses	\$1,103	\$0	\$1,103	\$2,833	\$509	\$214	\$176	\$116	\$97	\$86
Pre-tax Income	\$(593)	\$35	\$(558)	\$(2,118)	\$120	\$378	\$449	\$460	\$479	\$501
Taxes	0	0	0	0	0	0	0	0	0	0
Net Income	\$(593)	\$35	\$(558)	\$(2,118)	\$120	\$378	\$449	\$460	\$479	\$501

Scenario 2

Income Statement

(Dollars in Millions)

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Revenue													
Premiums Earned	\$166	\$148	\$136	\$125	\$112	\$98	\$90	\$81	\$76	\$67	\$61	\$55	\$53
Investment Income	419	444	467	505	516	538	554	579	617	648	673	703	739
Contractual Adjustment to XOL	0	0	0	0	0	0	0	0	0	0	0	0	0
Fee and Other Income	5	4	3	0	0	0	0	0	0	0	0	0	0
Total Revenue	\$590	\$596	\$605	\$630	\$628	\$636	\$644	\$660	\$693	\$714	\$734	\$757	\$792
Loss and Expenses													
Losses and LAE	\$70	\$48	\$115	\$45	\$45	\$45	\$47	\$48	\$50	\$52	\$54	\$56	\$58
Operating Expenses	30	27	26	25	23	23	22	22	22	21	21	21	21
Additional Write-downs	0	0	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Loss and Expenses	\$99	\$75	\$141	\$70	\$68	\$68	\$69	\$70	\$71	\$73	\$75	\$77	\$79
Pre-tax Income	\$490	\$521	\$465	\$561	\$560	\$567	\$575	\$590	\$622	\$641	\$659	\$680	\$713
Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Income	\$490	\$521	\$465	\$561	\$560	\$567	\$575	\$590	\$622	\$641	\$659	\$680	\$713

Scenario 2

Income Statement

(Dollars in Millions)

	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
Revenue													
Premiums Earned	\$42	\$34	\$30	\$25	\$22	\$19	\$15	\$10	\$8	\$6	\$6	\$5	\$4
Investment Income	770	798	839	881	921	1,017	1,023	1,035	1,086	1,141	1,199	1,257	1,320
Contractual Adjustment to XOL	0	0	0	0	0	0	0	0	0	0	0	0	0
Fee and Other Income	(146)	0	0	0	0	0	0	0	0	0	0	0	0
Total Revenue	\$666	\$832	\$869	\$906	\$943	\$1,036	\$1,038	\$1,045	\$1,093	\$1,148	\$1,205	\$1,262	\$1,324
Loss and Expenses													
Losses and LAE	\$60	\$64	\$67	\$72	\$76	\$33	\$33	\$4	\$3	\$1	\$(1)	\$(1)	\$(1)
Operating Expenses	21	21	21	21	21	21	21	21	21	21	21	21	21
Additional Write-downs	0	0	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Loss and Expenses	\$81	\$85	\$88	\$93	\$97	\$54	\$54	\$25	\$24	\$22	\$20	\$20	\$20
Pre-tax Income	\$585	\$747	\$781	\$813	\$846	\$982	\$984	\$1,020	\$1,070	\$1,125	\$1,185	\$1,242	\$1,304
Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Income	\$585	\$747	\$781	\$813	\$846	\$982	\$984	\$1,020	\$1,070	\$1,125	\$1,185	\$1,242	\$1,304

Income Statement

(Dollars in Millions)

	2044	2045	2046	2047	2048	2049	2050
Revenue							
Premiums Earned	\$4	\$3	\$2	\$3	\$2	\$2	\$2
Investment Income	1,382	1,452	1,524	1,601	1,681	1,765	1,853
Contractual Adjustment to XOL	0	0	0	0	0	0	0
Fee and Other Income	0	0	0	0	0	0	(164)
Total Revenue	\$1,386	\$1,455	\$1,527	\$1,603	\$1,683	\$1,767	\$1,691
Loss and Expenses							
Losses and LAE	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Operating Expenses	21	21	21	21	21	21	21
Additional Write-downs	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0
Total Loss and Expenses	\$21	\$21	\$21	\$21	\$21	\$21	\$21
Pre-tax Income	\$1,365	\$1,434	\$1,506	\$1,582	\$1,662	\$1,746	\$1,670
Taxes	0	0	0	0	0	0	0
Net Income	\$1,365	\$1,434	\$1,506	\$1,582	\$1,662	\$1,746	\$1,670

Scenario 2

Cash Flow Statement

(Dollars in Millions)

	Pre-Consummation 2nd Half 2010	Adjustment for Consummation Transactions	Post-Consummation 2nd Half 2010	Projections for End of Year:						
				2011	2012	2013	2014	2015	2016	2017
Cash From Operations										
Net Installment Premiums	\$88	\$0	\$88	\$176	\$145	\$123	\$96	\$82	\$75	\$66
Investment Portfolio Receipts	45	11	57	199	204	230	258	280	312	341
Securities Receivable	0	11	11	0	0	0	0	0	0	0
Reinsurer Commutation	6	0	6	0	0	0	0	0	0	0
Accrued Premiums	16	0	16	0	0	0	0	0	0	0
Receivable From Affiliates	6	0	6	0	0	0	0	0	0	0
Fee Income	6	0	6	12	11	10	9	8	7	6
Dividends from Everspan	0	0	0	0	0	0	0	0	0	0
Accrued Interest Receivable	40	0	40	0	0	0	0	0	0	0
Loss Payments	(25)	(453)	(478)	(452)	(171)	(109)	(72)	(57)	(43)	(39)
Operating Expenses	(63)	0	(63)	(120)	(93)	(78)	(62)	(49)	(37)	(32)
Interest Expense	0	0	0	0	0	0	0	0	0	0
Accrued Other Expenses	(58)	0	(58)	0	0	0	0	0	0	0
Tax Refund (Payment)	(3)	0	(3)	0	0	0	0	0	0	0
Reinsurance Recovery	205	0	205	0	0	0	0	0	0	0
Commutations and Other	(126)	0	(126)	0	0	0	0	0	0	0
Net Cash from Operations	\$138	\$(430)	\$(292)	\$(184)	\$96	\$176	\$228	\$263	\$313	\$342
Cash From Investments										
Investments (Acquired)/Sold	\$(433)	\$430	\$(2)	\$(291)	\$(493)	\$(662)	\$(487)	\$(726)	\$(642)	\$(519)
Principal Amortization (Including Intercompany Loans)	295	0	295	475	397	486	259	199	329	177
Net Cash from Investments	\$(138)	\$430	\$292	\$184	\$(96)	\$(176)	\$(228)	\$(526)	\$(313)	\$(342)
Cash from Financing										
Capital and Paid-in Surplus	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Dividends to AFG	0	0	0	0	0	0	0	0	0	0
Dividends on AMPS	0	0	0	0	0	0	0	0	0	0
Amortization of Debt / Preferred	0	0	0	0	0	0	0	0	0	0
Amortization of Bank Settlement Notes	0	0	0	0	0	0	0	0	0	0
Amortization of Segregated Account Surplus Notes	0	0	0	0	0	0	0	0	0	0
Net Cash from Financing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Change in Cash and Cash Equivalents	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$(263)	\$0	\$0
Cash Equivalents - Beginning of Period	\$313	\$313	\$313	\$313	\$313	\$313	\$313	\$313	\$50	\$50
Cash Equivalents - End of Period	\$313	\$313	\$313	\$313	\$313	\$313	\$313	\$50	\$50	\$50

Cash Flow Statement

(Dollars in Millions)

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Cash From Operations													
Net Installment Premiums	\$61	\$57	\$53	\$47	\$43	\$39	\$37	\$33	\$30	\$27	\$25	\$23	\$20
Investment Portfolio Receipts	359	373	407	428	454	480	507	533	572	602	632	664	698
Securities Receivable	0	0	0	0	0	0	0	0	0	0	0	0	0
Reinsurer Commutation	0	0	0	0	0	0	0	0	0	0	0	0	0
Accrued Premiums	0	0	0	0	0	0	0	0	0	0	0	0	0
Receivable From Affiliates	0	0	0	0	0	0	0	0	0	0	0	0	0
Fee Income	5	4	3	0	0	0	0	0	0	0	0	0	0
Dividends from Everspan	0	0	0	0	0	0	0	273	0	0	0	0	0
Accrued Interest Receivable	0	0	0	0	0	0	0	0	0	0	0	0	0
Loss Payments	(30)	(30)	(25)	(20)	(14)	(11)	(9)	(8)	(3)	(6)	(8)	(8)	(7)
Operating Expenses	(30)	(27)	(26)	(25)	(23)	(23)	(22)	(22)	(22)	(21)	(21)	(21)	(21)
Interest Expense	0	0	0	0	0	0	0	0	0	0	0	0	0
Accrued Other Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0
Tax Refund (Payment)	0	0	0	0	0	0	0	0	0	0	0	0	0
Reinsurance Recovery	0	0	0	0	0	0	0	0	0	0	0	0	0
Commutations and Other	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Cash from Operations	\$365	\$376	\$412	\$431	\$460	\$485	\$513	\$809	\$577	\$602	\$628	\$658	\$689
Cash From Investments													
Investments (Acquired)/Sold	\$(661)	\$(1,152)	\$(753)	\$(887)	\$(841)	\$(988)	\$(893)	\$(1,210)	\$(927)	\$(1,003)	\$(1,009)	\$(992)	\$(1,043)
Principal Amortization (Including Intercompany Loans)	296	776	341	457	381	503	380	402	350	402	381	334	354
Net Cash from Investments	\$(365)	\$(376)	\$(412)	\$(431)	\$(460)	\$(485)	\$(513)	\$(809)	\$(577)	\$(602)	\$(628)	\$(658)	\$(689)
Cash from Financing													
Capital and Paid-in Surplus	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Dividends to AFG	0	0	0	0	0	0	0	0	0	0	0	0	0
Dividends on AMPS	0	0	0	0	0	0	0	0	0	0	0	0	0
Amortization of Debt / Preferred	0	0	0	0	0	0	0	0	0	0	0	0	0
Amortization of Bank Settlement Notes	0	0	0	0	0	0	0	0	0	0	0	0	0
Amortization of Segregated Account Surplus Notes	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Cash from Financing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Change in Cash and Cash Equivalents	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Equivalents - Beginning of Period	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50
Cash Equivalents - End of Period	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50

Cash Flow Statement

(Dollars in Millions)

	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
Cash From Operations													
Net Installment Premiums	\$18	\$17	\$15	\$13	\$11	\$9	\$8	\$5	\$5	\$4	\$4	\$3	\$3
Investment Portfolio Receipts	731	757	796	836	877	906	955	994	1,042	1,095	1,148	1,205	1,265
Securities Receivable	0	0	0	0	0	0	0	0	0	0	0	0	0
Reinsurer Commutation	0	0	0	0	0	0	0	0	0	0	0	0	0
Accrued Premiums	0	0	0	0	0	0	0	0	0	0	0	0	0
Receivable From Affiliates	0	0	0	0	0	0	0	0	0	0	0	0	0
Fee Income	0	0	0	0	0	0	0	0	0	0	0	0	0
Dividends from Everspan	0	0	0	0	0	0	0	0	0	0	0	0	0
Accrued Interest Receivable	0	0	0	0	0	0	0	0	0	0	0	0	0
Loss Payments	23	16	15	3	(233)	(5)	(153)	(7)	(9)	(11)	1	1	1
Operating Expenses	(21)	(21)	(21)	(21)	(21)	(21)	(21)	(21)	(21)	(21)	(21)	(21)	(21)
Interest Expense	0	0	0	0	0	0	0	0	0	0	0	0	0
Accrued Other Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0
Tax Refund (Payment)	0	0	0	0	0	0	0	0	0	0	0	0	0
Reinsurance Recovery	0	0	0	0	0	0	0	0	0	0	0	0	0
Commutations and Other	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Cash from Operations	\$751	\$769	\$805	\$832	\$634	\$888	\$789	\$971	\$1,017	\$1,067	\$1,132	\$1,189	\$1,248
Cash From Investments													
Investments (Acquired)/Sold	\$(1,134)	\$(1,138)	\$(1,201)	\$(1,270)	\$(1,094)	\$(1,503)	\$(1,285)	\$(1,472)	\$(1,601)	\$(1,630)	\$(1,733)	\$(1,820)	\$(1,915)
Principal Amortization (Including Intercompany Loans)	382	369	395	438	460	614	496	501	584	563	600	631	668
Net Cash from Investments	\$(751)	\$(769)	\$(805)	\$(832)	\$(634)	\$(888)	\$(789)	\$(971)	\$(1,017)	\$(1,067)	\$(1,132)	\$(1,189)	\$(1,248)
Cash from Financing													
Capital and Paid-in Surplus	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Dividends to AFG	0	0	0	0	0	0	0	0	0	0	0	0	0
Dividends on AMPS	0	0	0	0	0	0	0	0	0	0	0	0	0
Amortization of Debt / Preferred	0	0	0	0	0	0	0	0	0	0	0	0	0
Amortization of Bank Settlement Notes	0	0	0	0	0	0	0	0	0	0	0	0	0
Amortization of Segregated Account Surplus Notes	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Cash from Financing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Change in Cash and Cash Equivalents	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Equivalents - Beginning of Period	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50
Cash Equivalents - End of Period	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50

Cash Flow Statement

(Dollars in Millions)

	2044	2045	2046	2047	2048	2049	2050
Cash From Operations							
Net Installment Premiums	\$2	\$2	\$2	\$1	\$1	\$1	\$0
Investment Portfolio Receipts	1,328	1,394	1,464	1,536	1,613	1,694	1,778
Securities Receivable	0	0	0	0	0	0	0
Reinsurer Commutation	0	0	0	0	0	0	0
Accrued Premiums	0	0	0	0	0	0	0
Receivable From Affiliates	0	0	0	0	0	0	0
Fee Income	0	0	0	0	0	0	0
Dividends from Everspan	0	0	0	0	0	0	0
Accrued Interest Receivable	0	0	0	0	0	0	0
Loss Payments	1	1	1	0	0	0	0
Operating Expenses	(21)	(21)	(21)	(21)	(21)	(21)	(21)
Interest Expense	0	0	0	0	0	0	0
Accrued Other Expenses	0	0	0	0	0	0	0
Tax Refund (Payment)	0	0	0	0	0	0	0
Reinsurance Recovery	0	0	0	0	0	0	0
Commutations and Other	0	0	0	0	0	0	0
Net Cash from Operations	\$1,311	\$1,376	\$1,445	\$1,517	\$1,593	\$1,673	\$1,757
Cash From Investments							
Investments (Acquired)/Sold	\$(2,009)	\$(2,115)	\$(2,226)	\$(2,343)	\$(2,466)	\$(2,596)	\$(2,732)
Principal Amortization (Including Intercompany Loans)	698	739	781	826	873	922	974
Net Cash from Investments	\$(1,311)	\$(1,376)	\$(1,445)	\$(1,517)	\$(1,593)	\$(1,673)	\$(1,757)
Cash from Financing							
Capital and Paid-in Surplus	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Dividends to AFG	0	0	0	0	0	0	0
Dividends on AMPS	0	0	0	0	0	0	0
Amortization of Debt / Preferred	0	0	0	0	0	0	0
Amortization of Bank Settlement Notes	0	0	0	0	0	0	0
Amortization of Segregated Account Surplus Notes	0	0	0	0	0	0	0
Net Cash from Financing	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Change in Cash and Cash Equivalents	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Equivalents - Beginning of Period	\$50	\$50	\$50	\$50	\$50	\$50	\$50
Cash Equivalents - End of Period	\$50	\$50	\$50	\$50	\$50	\$50	\$50

Memo Items:

(Dollars in Millions)

	Pre-Consumption 12/31/10	Adjustment for Consumption Transactions	Post-Consumption 12/31/10	Projections for End of Year:						
				2011	2012	2013	2014	2015	2016	2017
Bank Settlement Notes										
Beginning Balance	\$2,000	\$0	\$2,000	\$2,051	\$2,156	\$2,266	\$2,381	\$2,503	\$2,630	\$2,764
PIK Interest	51	0	51	105	110	116	121	128	134	141
Amortization	0	0	0	0	0	0	0	0	0	0
Ending Balance	\$2,051	\$0	\$2,051	\$2,156	\$2,266	\$2,381	\$2,503	\$2,630	\$2,764	\$2,905
Segregated Account Surplus Notes (Net of Surplus Notes Received by AAC)										
Beginning Balance	\$0	\$0	\$0	\$1,340	\$2,675	\$3,258	\$3,694	\$4,075	\$4,435	\$4,774
PIK Interest	0	0	0	68	136	166	188	208	226	243
Additions	0	1,408	1,408	1,314	473	287	206	162	120	93
Surplus Notes Received by AAC	0	(68)	(68)	(47)	(26)	(17)	(13)	(10)	(7)	(5)
Amortization	0	0	0	0	0	0	0	0	0	0
Ending Balance	\$0	\$1,340	\$1,340	\$2,675	\$3,258	\$3,694	\$4,075	\$4,435	\$4,774	\$5,106
Junior Surplus Notes										
Beginning Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PIK Interest	0	0	0	0	0	0	0	0	0	0
Additions	0	0	0	0	0	0	0	0	0	0
Amortization	0	0	0	0	0	0	0	0	0	0
Ending Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Surplus Notes Received by AAC										
Begin Balance	\$0	\$0	\$0	\$68	\$119	\$151	\$176	\$198	\$218	\$236
Additions	0	68	68	47	26	17	13	10	7	5
PIK Interest	0	0	0	3	6	8	9	10	11	12
Amortization	0	0	0	0	0	0	0	0	0	0
End Balance	\$0	\$68	\$68	\$119	\$151	\$176	\$198	\$218	\$236	\$253
Loss Payments - General Account:										
Loss Payments - Gross of Remediation	\$26	\$0	\$26	\$14	\$13	\$13	\$4	\$3	\$3	\$8
Remediation	(1)	0	(1)	0	0	0	0	0	0	0
Net Loss Payments	\$25	\$0	\$25	\$14	\$13	\$13	\$4	\$3	\$3	\$8
Cash Loss Payments	\$26	\$0	\$26	\$14	\$13	\$13	\$4	\$3	\$3	\$8
Cash Remediation Receipts	(1)	0	(1)	0	0	0	0	0	0	0
	\$25	\$0	\$25	\$14	\$13	\$13	\$4	\$3	\$3	\$8
Loss Payments - Segregated Account:										
Loss Payments - Gross of Remediation	\$176	\$1,811	\$1,987	\$1,752	\$630	\$383	\$274	\$217	\$159	\$124
Remediation	0	0	0	0	0	0	0	0	0	0
Net Loss Payments	\$176	\$1,811	\$1,987	\$1,752	\$630	\$383	\$274	\$217	\$159	\$124
Cash Loss Payments	\$126	\$453	\$578	\$438	\$158	\$96	\$69	\$54	\$40	\$31
Remediation Receipts	0	0	0	0	0	0	0	0	0	0
Segregated Account Surplus Notes	50	1,358	1,408	1,314	473	287	206	162	120	93
Junior Surplus Notes	0	0	0	0	0	0	0	0	0	0
	\$176	\$1,811	\$1,987	\$1,752	\$630	\$383	\$274	\$217	\$159	\$124

Memo Items:

(Dollars in Millions)

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Bank Settlement Notes													
Beginning Balance	\$2,905	\$3,053	\$3,209	\$3,373	\$3,545	\$3,726	\$3,916	\$4,115	\$4,325	\$4,546	\$4,778	\$5,021	\$5,277
PIK Interest	148	156	164	172	181	190	200	210	221	232	244	256	269
Amortization	0	0	0	0	0	0	0	0	0	0	0	0	0
Ending Balance	\$3,053	\$3,209	\$3,373	\$3,545	\$3,726	\$3,916	\$4,115	\$4,325	\$4,546	\$4,778	\$5,021	\$5,277	\$5,547
Segregated Account Surplus Notes (Net of Surplus Notes Received by AAC)													
Beginning Balance	\$5,106	\$5,435	\$5,767	\$6,102	\$6,442	\$6,790	\$7,148	\$7,519	\$7,909	\$8,316	\$8,743	\$9,196	\$9,674
PIK Interest	260	277	294	311	329	346	365	383	403	424	446	469	493
Additions	73	58	44	30	20	13	7	7	3	3	8	9	8
Surplus Notes Received by AAC	(4)	(3)	(2)	(1)	(1)	(1)	(0)	(0)	(0)	(0)	(0)	0	0
Amortization	0	0	0	0	0	0	0	0	0	0	0	0	0
Ending Balance	\$5,435	\$5,767	\$6,102	\$6,442	\$6,790	\$7,148	\$7,519	\$7,909	\$8,316	\$8,743	\$9,196	\$9,674	\$10,176
Junior Surplus Notes													
Beginning Balance	\$0	\$0	\$0	\$69	\$70	\$72	\$74	\$76	\$78	\$80	\$82	\$84	\$86
PIK Interest	0	0	0	2	2	2	2	2	2	2	2	2	2
Additions	0	0	69	0	0	0	0	0	0	0	0	0	0
Amortization	0	0	0	0	0	0	0	0	0	0	0	0	0
Ending Balance	\$0	\$0	\$69	\$70	\$72	\$74	\$76	\$78	\$80	\$82	\$84	\$86	\$88
Surplus Notes Received by AAC													
Beg Balance	\$253	\$270	\$287	\$303	\$320	\$337	\$355	\$374	\$393	\$413	\$435	\$457	\$480
Additions	4	3	2	1	1	1	0	0	0	0	0	(0)	(0)
PIK Interest	13	14	15	15	16	17	18	19	20	21	22	23	24
Amortization	0	0	0	0	0	0	0	0	0	0	0	0	0
End Balance	\$270	\$287	\$303	\$320	\$337	\$355	\$374	\$393	\$413	\$435	\$457	\$480	\$505
Loss Payments - General Account:													
Loss Payments - Gross of Remediation	\$6	\$11	\$10	\$10	\$7	\$7	\$7	\$6	\$2	\$5	\$5	\$5	\$5
Remediation	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Loss Payments	\$6	\$11	\$10	\$10	\$7	\$7	\$7	\$6	\$2	\$5	\$5	\$5	\$5
Cash Loss Payments	\$6	\$11	\$10	\$10	\$7	\$7	\$7	\$6	\$2	\$5	\$5	\$5	\$5
Cash Remediation Receipts	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Loss Payments	\$6	\$11	\$10	\$10	\$7	\$7	\$7	\$6	\$2	\$5	\$5	\$5	\$5
Loss Payments - Segregated Account:													
Loss Payments - Gross of Remediation	\$97	\$77	\$127	\$40	\$27	\$17	\$9	\$9	\$4	\$4	\$10	\$12	\$10
Remediation	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Loss Payments	\$97	\$77	\$127	\$40	\$27	\$17	\$9	\$9	\$4	\$4	\$10	\$12	\$10
Cash Loss Payments	\$24	\$19	\$15	\$10	\$7	\$4	\$2	\$2	\$1	\$1	\$3	\$3	\$3
Remediation Receipts	0	0	0	0	0	0	0	0	0	0	0	0	0
Segregated Account Surplus Notes	73	58	44	30	20	13	7	7	3	3	8	9	8
Junior Surplus Notes	0	0	69	0	0	0	0	0	0	0	0	0	0
Net Loss Payments	\$97	\$77	\$127	\$40	\$27	\$17	\$9	\$9	\$4	\$4	\$10	\$12	\$10

Memo Items:

(Dollars in Millions)

	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
Bank Settlement Notes													
Beginning Balance	\$5,547	\$5,829	\$6,127	\$6,439	\$6,768	\$7,113	\$7,475	\$7,857	\$8,257	\$8,678	\$9,121	\$9,586	\$10,075
PIK Interest	283	297	312	328	345	363	381	401	421	443	465	489	514
Amortization	0	0	0	0	0	0	0	0	0	0	0	0	0
Ending Balance	\$5,829	\$6,127	\$6,439	\$6,768	\$7,113	\$7,475	\$7,857	\$8,257	\$8,678	\$9,121	\$9,586	\$10,075	\$10,589
Segregated Account Surplus Notes (Net of Surplus Notes Received by AAC)													
Beginning Balance	\$10,176	\$10,707	\$11,266	\$11,828	\$12,420	\$13,753	\$14,470	\$15,623	\$16,441	\$17,306	\$18,221	\$19,146	\$20,118
PIK Interest	519	546	575	603	633	701	738	797	839	883	929	976	1,026
Additions	12	13	(13)	(10)	699	16	458	22	26	32	(4)	(4)	(4)
Surplus Notes Received by AAC	0	(0)	0	0	(0)	(0)	(44)	0	0	0	0	0	0
Amortization	0	0	0	0	0	0	0	0	0	0	0	0	0
Ending Balance	\$10,707	\$11,266	\$11,828	\$12,420	\$13,753	\$14,470	\$15,623	\$16,441	\$17,306	\$18,221	\$19,146	\$20,118	\$21,141
Junior Surplus Notes													
Beginning Balance	\$88	\$90	\$93	\$95	\$97	\$100	\$102	\$105	\$108	\$111	\$113	\$116	\$119
PIK Interest	2	2	2	2	2	3	3	3	3	3	3	3	3
Additions	0	0	0	0	0	0	0	0	0	0	0	0	0
Amortization	0	0	0	0	0	0	0	0	0	0	0	0	0
Ending Balance	\$90	\$93	\$95	\$97	\$100	\$102	\$105	\$108	\$111	\$113	\$116	\$119	\$122
Surplus Notes Received by AAC													
Beg Balance	\$505	\$530	\$557	\$586	\$616	\$647	\$680	\$759	\$797	\$838	\$880	\$925	\$972
Additions	(0)	0	(0)	(0)	0	0	44	(0)	(0)	(0)	(0)	(0)	(0)
PIK Interest	26	27	28	30	31	33	35	39	41	43	45	47	50
Amortization	0	0	0	0	0	0	0	0	0	0	0	0	0
End Balance	\$530	\$557	\$586	\$616	\$647	\$680	\$759	\$797	\$838	\$880	\$925	\$972	\$1,022
Loss Payments - General Account:													
Loss Payments - Gross of Remediation	\$(27)	\$(20)	\$(11)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Remediation	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Loss Payments	\$(27)	\$(20)	\$(11)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Loss Payments	\$(27)	\$(20)	\$(11)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Remediation Receipts	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Loss Payments	\$(27)	\$(20)	\$(11)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Loss Payments - Segregated Account:													
Loss Payments - Gross of Remediation	\$17	\$17	\$(17)	\$(14)	\$932	\$22	\$611	\$29	\$34	\$43	\$(5)	\$(5)	\$(5)
Remediation	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Loss Payments	\$17	\$17	\$(17)	\$(14)	\$932	\$22	\$611	\$29	\$34	\$43	\$(5)	\$(5)	\$(5)
Cash Loss Payments	\$4	\$4	\$(4)	\$(3)	\$233	\$5	\$153	\$7	\$9	\$11	\$(1)	\$(1)	\$(1)
Remediation Receipts	0	0	0	0	0	0	0	0	0	0	0	0	0
Segregated Account Surplus Notes	12	13	(13)	(10)	699	16	458	22	26	32	(4)	(4)	(4)
Junior Surplus Notes	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Loss Payments	\$17	\$17	\$(17)	\$(14)	\$932	\$22	\$611	\$29	\$34	\$43	\$(5)	\$(5)	\$(5)

Memo Items:

(Dollars in Millions)

	2044	2045	2046	2047	2048	2049	2050
Bank Settlement Notes							
Beginning Balance	\$10,589	\$11,129	\$11,697	\$12,293	\$12,920	\$13,579	\$14,272
PIK Interest	540	568	597	627	659	693	728
Amortization	0	0	0	0	0	0	0
Ending Balance	\$11,129	\$11,697	\$12,293	\$12,920	\$13,579	\$14,272	\$14,999
Segregated Account Surplus Notes (Net of Surplus Notes Received by AAC)							
Beginning Balance	\$21,141	\$22,215	\$23,345	\$24,534	\$25,785	\$27,100	\$28,482
PIK Interest	1,078	1,133	1,191	1,251	1,315	1,382	1,453
Additions	(4)	(3)	(2)	(0)	(0)	(0)	(0)
Surplus Notes Received by AAC	0	0	0	0	0	0	0
Amortization	0	0	0	0	0	0	0
Ending Balance	\$22,215	\$23,345	\$24,534	\$25,785	\$27,100	\$28,482	\$29,935
Junior Surplus Notes							
Beginning Balance	\$122	\$125	\$129	\$132	\$135	\$139	\$142
PIK Interest	3	3	3	3	3	4	4
Additions	0	0	0	0	0	0	0
Amortization	0	0	0	0	0	0	0
Ending Balance	\$125	\$129	\$132	\$135	\$139	\$142	\$146
Surplus Notes Received by AAC							
Begin Balance	\$1,022	\$1,074	\$1,129	\$1,186	\$1,247	\$1,311	\$1,377
Additions	(0)	(0)	(0)	(0)	(0)	(0)	(0)
PIK Interest	52	55	58	61	64	67	70
Amortization	0	0	0	0	0	0	0
End Balance	\$1,074	\$1,129	\$1,186	\$1,247	\$1,311	\$1,377	\$1,448
Loss Payments - General Account:							
Loss Payments - Gross of Remediation	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Remediation	0	0	0	0	0	0	0
Net Loss Payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Loss Payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Remediation Receipts	0	0	0	0	0	0	0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Loss Payments - Segregated Account:							
Loss Payments - Gross of Remediation	\$(5)	\$(4)	\$(3)	\$(0)	\$(0)	\$(0)	\$(0)
Remediation	0	0	0	0	0	0	0
Net Loss Payments	\$(5)	\$(4)	\$(3)	\$(0)	\$(0)	\$(0)	\$(0)
Cash Loss Payments	\$(1)	\$(1)	\$(1)	\$(0)	\$(0)	\$(0)	\$(0)
Remediation Receipts	0	0	0	0	0	0	0
Segregated Account Surplus Notes	(4)	(3)	(2)	(0)	(0)	(0)	(0)
Junior Surplus Notes	0	0	0	0	0	0	0
	\$(5)	\$(4)	\$(3)	\$(0)	\$(0)	\$(0)	\$(0)

Ambac Assurance Corporation
Recovery of Surplus Note Principal and Interest Supporting Calculations
(Dollars in Millions)

Year	2050
Bonds	\$38,011
Investments in Subsidiaries (Stocks)	0
Cash & Cash Equivalents	50
Intercompany Loans	0
Total Claims Paying Resources	\$38,061
Segregated Account Surplus Notes (Net of Surplus Notes Received by AAC)	\$29,935
Bank Settlement Notes	\$14,999
Total Surplus Notes	\$44,934
Recovery of Surplus Note Principal and Interest	85%
Excess Claims Paying Resources	\$0
Junior Surplus Notes	\$146
Recovery of Junior Surplus Note Principal and Interest	0%