

CALCULATION OF TAX EFFECT FOR LIFE AND FRATERNAL RISK-BASED CAPITAL

	<u>Source</u>	(1) <u>RBC Amount</u>	<u>Tax Factor</u>	(2) <u>RBC Tax Effect</u>
ASSET RISKS				
<u>Bonds</u>				
(001) Long-term Bonds – NAIC 1	LR002 Bonds Column (2) Line (2.8) + LR018 Off-Balance Sheet Collateral Column (3) Line (2.8)	_____ X	0.1680	= _____
(002) Long-term Bonds – NAIC 2	LR002 Bonds Column (2) Line (3.4) + LR018 Off-Balance Sheet Collateral Column (3) Line (3.4)	_____ X	0.1680	= _____
(003) Long-term Bonds – NAIC 3	LR002 Bonds Column (2) Line (4.4) + LR018 Off-Balance Sheet Collateral Column (3) Line (4.4)	_____ X	0.1680	= _____
(004) Long-term Bonds – NAIC 4	LR002 Bonds Column (2) Line (5.4) + LR018 Off-Balance Sheet Collateral Column (3) Line (5.4)	_____ X	0.1680	= _____
(005) Long-term Bonds – NAIC 5	LR002 Bonds Column (2) Line (6.4) + LR018 Off-Balance Sheet Collateral Column (3) Line (6.4)	_____ X	0.1680	= _____
(006) Long-term Bonds – NAIC 6	LR002 Bonds Column (2) Line (7) + LR018 Off-Balance Sheet Collateral Column (3) Line (7)	_____ X	0.2100	= _____
(007) Short-term Bonds – NAIC 1	LR002 Bonds Column (2) Line (10.8)	_____ X	0.1680	= _____
(008) Short-term Bonds – NAIC 2	LR002 Bonds Column (2) Line (11.4)	_____ X	0.1680	= _____
(009) Short-term Bonds – NAIC 3	LR002 Bonds Column (2) Line (12.4)	_____ X	0.1680	= _____
(010) Short-term Bonds – NAIC 4	LR002 Bonds Column (2) Line (13.4)	_____ X	0.1680	= _____
(011) Short-term Bonds – NAIC 5	LR002 Bonds Column (2) Line (14.4)	_____ X	0.1680	= _____
(012) Short-term Bonds – NAIC 6	LR002 Bonds Column (2) Line (15)	_____ X	0.2100	= _____
(013) Credit for Hedging - NAIC 1 Through 5 Bonds	LR014 Hedged Asset Bond Schedule Column (13) Line (0199999)	_____ X	0.1680	= _____ †
(014) Credit for Hedging - NAIC 6 Bonds	LR014 Hedged Asset Bond Schedule Column (13) Line (0299999)	_____ X	0.2100	= _____ †
(015) Bond Reduction - Reinsurance	LR002 Bonds Column (2) Line (19)	_____ X	0.2100	= _____ †
(016) Bond Increase - Reinsurance	LR002 Bonds Column (2) Line (20)	_____ X	0.2100	= _____
(017) Non-Exempt NAIC 1 U.S. Government Agency	LR002 Bonds Column (2) Line (22)	_____ X	0.1680	= _____
(018) Bonds Size Factor	LR002 Bonds Column (2) Line (26) - LR002 Bonds Column (2) Line (21)	_____ X	0.1680	= _____
<u>Mortgages</u>				
<u>In Good Standing</u>				
(019) Residential Mortgages - Insured	LR004 Mortgages Column (6) Line (1)	_____ X	0.1575	= _____
(020) Residential Mortgages - Other	LR004 Mortgages Column (6) Line (2)	_____ X	0.1575	= _____
(021) Commercial Mortgages - Insured	LR004 Mortgages Column (6) Line (3)	_____ X	0.1575	= _____
(022) Total Commercial Mortgages - All Other	LR004 Mortgages Column (6) Line (9)	_____ X	0.1575	= _____
(023) Total Farm Mortgages 90 Days Overdue	LR004 Mortgages Column (6) Line (15)	_____ X	0.1575	= _____
(024) Farm Mortgages	LR004 Mortgages Column (6) Line (16)	_____ X	0.1575	= _____
(025) Residential Mortgages - Insured	LR004 Mortgages Column (6) Line (17)	_____ X	0.1575	= _____
(026) Residential Mortgages - Other	LR004 Mortgages Column (6) Line (18)	_____ X	0.1575	= _____
(027) Commercial Mortgages - Insured	LR004 Mortgages Column (6) Line (19)	_____ X	0.1575	= _____
(028) Commercial Mortgages - Other	LR004 Mortgages Column (6) Line (20)	_____ X	0.1575	= _____
<u>In Process of Foreclosure</u>				
(029) Farm Mortgages	LR004 Mortgages Column (6) Line (21)	_____ X	0.1575	= _____

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CALCULATION OF TAX EFFECT FOR LIFE AND FRATERNAL RISK-BASED CAPITAL (CONTINUED)

	<u>Source</u>	(1) <u>RBC Amount</u>	<u>Tax Factor</u>	(2) <u>RBC Tax Effect</u>
(030) Residential Mortgages - Insured	LR004 Mortgages Column (6) Line (22)	_____ X	0.1575	= _____
(031) Residential Mortgages - Other	LR004 Mortgages Column (6) Line (23)	_____ X	0.1575	= _____
(032) Commercial Mortgages - Insured	LR004 Mortgages Column (6) Line (24)	_____ X	0.1575	= _____
(033) Commercial Mortgages - Other	LR004 Mortgages Column (6) Line (25)	_____ X	0.1575	= _____
(034) Due & Unpaid Taxes Mortgages	LR004 Mortgages Column (6) Line (26)	_____ X	0.1575	= _____
(035) Due & Unpaid Taxes - Foreclosures	LR004 Mortgages Column (6) Line (27)	_____ X	0.1575	= _____
(036) Mortgage Reduction - Reinsurance	LR004 Mortgages Column (6) Line (29)	_____ X	0.2100	= _____ †
(037) Mortgage Increase - Reinsurance	LR004 Mortgages Column (6) Line (30)	_____ X	0.2100	= _____
<u>Preferred Stock</u>				
(038) Unaffiliated Preferred Stock NAIC 1	LR005 Unaffiliated Preferred and Common Stock Column (5) Line (1) + LR018 Off-Balance Sheet Collateral Column (3) Line (9)	_____ X	0.1575	= _____
(039) Unaffiliated Preferred Stock NAIC 2	LR005 Unaffiliated Preferred and Common Stock Column (5) Line (2) + LR018 Off-Balance Sheet Collateral Column (3) Line (10)	_____ X	0.1575	= _____
(040) Unaffiliated Preferred Stock-NAIC 3	LR005 Unaffiliated Preferred and Common Stock Column (5) Line (3) + LR018 Off-Balance Sheet Collateral Column (3) Line (11)	_____ X	0.1575	= _____

(041)	Unaffiliated Preferred Stock NAIC 4	LR005 Unaffiliated Preferred and Common Stock Column (5) Line (4) + LR018 Off-Balance Sheet Collateral Column (3) Line (12)	X	0.1575	=	_____
(042)	Unaffiliated Preferred Stock NAIC 5	LR005 Unaffiliated Preferred and Common Stock Column (5) Line (5) + LR018 Off-Balance Sheet Collateral Column (3) Line (13)	X	0.1575	=	_____
(043)	Unaffiliated Preferred Stock NAIC 6	LR005 Unaffiliated Preferred and Common Stock Column (5) Line (6) + LR018 Off-Balance Sheet Collateral Column (3) Line (14)	X	0.2100	=	_____
(044)	Preferred Stock Reduction-Reinsurance	LR005 Unaffiliated Preferred and Common Stock Column (5) Line (8)	X	0.2100	=	_____ †
(045)	Preferred Stock Increase-Reinsurance <u>Separate Accounts</u>	LR005 Unaffiliated Preferred and Common Stock Column (5) Line (9)	X	0.2100	=	_____
(046)	Guaranteed Index	LR006 Separate Accounts Column (3) Line (1)	X	0.1575	=	_____
(047)	Nonindex-Book Reserve	LR006 Separate Accounts Column (3) Line (2)	X	0.1575	=	_____
(048)	Separate Accounts Nonindex-Market Reserve	LR006 Separate Accounts Column (3) Line (3)	X	0.1575	=	_____
(049)	Separate Accounts Reduction-Reinsurance	LR006 Separate Accounts Column (3) Line (5)	X	0.2100	=	_____ †
(050)	Separate Accounts Increase-Reinsurance	LR006 Separate Accounts Column (3) Line (6)	X	0.2100	=	_____
(051)	Synthetic GICs	LR006 Separate Accounts Column (3) Line (8)	X	0.1575	=	_____
(052)	Separate Account Surplus <u>Real Estate</u>	LR006 Separate Accounts Column (3) Line (13)	X	0.1575	=	_____
(053)	Company Occupied Real Estate	LR007 Real Estate Column (3) Line (3)	X	0.2100	=	_____
(054)	Foreclosed Real Estate	LR007 Real Estate Column (3) Line (6)	X	0.2100	=	_____
(055)	Investment Real Estate	LR007 Real Estate Column (3) Line (9)	X	0.2100	=	_____ †
(056)	Real Estate Reduction - Reinsurance	LR007 Real Estate Column (3) Line (11)	X	0.2100	=	_____ †
(057)	Real Estate Increase - Reinsurance <u>Schedule BA</u>	LR007 Real Estate Column (3) Line (12)	X	0.2100	=	_____
(058)	Sch BA Real Estate Excluding Low Income Housing Tax Credits	LR007 Real Estate Column (3) Line (16)	X	0.2100	=	_____
(059)	Guaranteed Low Income Housing Tax Credits	LR007 Real Estate Column (3) Line (17) + Line (19)	X	0.0000	=	_____
(060)	Non-Guaranteed and All Other Low Income Housing Tax Credits	LR007 Real Estate Column (3) Line (18) + Line (20) + Line (21)	X	0.0000	=	_____
(061)	Sch BA Real Estate Reduction - Reinsurance	LR007 Real Estate Column (3) Line (23)	X	0.2100	=	_____ †
(062)	Sch BA Real Estate Increase - Reinsurance	LR007 Real Estate Column (3) Line (24)	X	0.2100	=	_____

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CALCULATION OF TAX EFFECT FOR LIFE AND FRATERNAL RISK-BASED CAPITAL (CONTINUED)

			(1)		(2)
	<u>Source</u>		<u>RBC Amount</u>	<u>Tax Factor</u>	<u>RBC Tax Effect</u>
(063)	Sch BA Bond NAIC 1	LR008 Other Long-Term Assets Column (5) Line (2)	X	0.1575	=
(064)	Sch BA Bond NAIC 2	LR008 Other Long-Term Assets Column (5) Line (3)	X	0.1575	=
(065)	Sch BA Bond NAIC 3	LR008 Other Long-Term Assets Column (5) Line (4)	X	0.1575	=
(066)	Sch BA Bond NAIC 4	LR008 Other Long-Term Assets Column (5) Line (5)	X	0.1575	=
(067)	Sch BA Bond NAIC 5	LR008 Other Long-Term Assets Column (5) Line (6)	X	0.1575	=
(068)	Sch BA Bond NAIC 6	LR008 Other Long-Term Assets Column (5) Line (7)	X	0.2100	=
(069)	BA Bond Reduction - Reinsurance	LR008 Other Long-Term Assets Column (5) Line (9)	X	0.2100	=
(070)	BA Bond Increase - Reinsurance	LR008 Other Long-Term Assets Column (5) Line (10)	X	0.2100	=
(071)	BA Preferred Stock NAIC 1	LR008 Other Long-Term Assets Column (5) Line (12.3)	X	0.1575	=
(072)	BA Preferred Stock NAIC 2	LR008 Other Long-Term Assets Column (5) Line (13)	X	0.1575	=
(073)	BA Preferred Stock NAIC 3	LR008 Other Long-Term Assets Column (5) Line (14)	X	0.1575	=
(074)	BA Preferred Stock NAIC 4	LR008 Other Long-Term Assets Column (5) Line (15)	X	0.1575	=
(075)	BA Preferred Stock NAIC 5	LR008 Other Long-Term Assets Column (5) Line (16)	X	0.1575	=
(076)	BA Preferred Stock NAIC 6	LR008 Other Long-Term Assets Column (5) Line (17)	X	0.2100	=
(077)	BA Preferred Stock Reduction-Reinsurance	LR008 Other Long-Term Assets Column (5) Line (19)	X	0.2100	=
(078)	BA Preferred Stock Increase - Reinsurance	LR008 Other Long-Term Assets Column (5) Line (20)	X	0.2100	=
(079)	Rated Surplus Notes	LR008 Other Long-Term Assets Column (5) Line (31)	X	0.1575	=
(080)	Rated Capital Notes	LR008 Other Long-Term Assets Column (5) Line (41)	X	0.1575	=
(081)	BA Common Stock Affiliated	LR008 Other Long-Term Assets Column (5) Line (48.3)	X	0.2100	=
(082)	BA Collateral Loans	LR008 Other Long-Term Assets Column (5) Line (50)	X	0.1575	=
(083)	Other BA Assets	LR008 Other Long-Term Assets Column (5) Line (52.3) + LR018 Off-Balance Sheet Collateral Column (3) Line (17) + Line (18)	X	0.2100	=
(084)	Other BA Assets Reduction-Reinsurance	LR008 Other Long-Term Assets Column (5) Line (54)	X	0.2100	=
(085)	Other BA Assets Increase - Reinsurance	LR008 Other Long-Term Assets Column (5) Line (55)	X	0.2100	=
(086)	BA Mortgages - In Good Standing	LR009 Schedule BA Mortgages Column (6) Line (11)	X	0.1575	=
(087)	BA Mortgages - 90 Days Overdue	LR009 Schedule BA Mortgages Column (6) Line (15)	X	0.1575	=
(088)	BA Mortgages - In Process of Foreclosure	LR009 Schedule BA Mortgages Column (6) Line (19)	X	0.1575	=
(089)	Reduction - Reinsurance	LR009 Schedule BA Mortgages Column (6) Line (21)	X	0.2100	=
(090)	Increase - Reinsurance <u>Miscellaneous</u>	LR009 Schedule BA Mortgages Column (6) Line (22)	X	0.2100	=
(091)	Asset Concentration Factor	LR010 Asset Concentration Factor Column (6) Line (62) Grand Total Page	X	0.1575	=
(092)	Miscellaneous Assets	LR012 Miscellaneous Assets Column (2) Line (7)	X	0.1575	=
(093)	Derivatives - Collateral and Exchange Traded	LR012 Miscellaneous Assets Column (2) Lines (8) + (9) + (10)	X	0.1575	=
(094)	Derivatives NAIC 1	LR012 Miscellaneous Assets Column (2) Line (11)	X	0.1575	=
(095)	Derivatives NAIC 2	LR012 Miscellaneous Assets Column (2) Line (12)	X	0.1575	=

(096)	Derivatives NAIC 3	LR012 Miscellaneous Assets Column (2) Line (13)	_____	X	0.1575	=	_____
(097)	Derivatives NAIC 4	LR012 Miscellaneous Assets Column (2) Line (14)	_____	X	0.1575	=	_____
(098)	Derivatives NAIC 5	LR012 Miscellaneous Assets Column (2) Line (15)	_____	X	0.1575	=	_____
(099)	Derivatives NAIC 6	LR012 Miscellaneous Assets Column (2) Line (16)	_____	X	0.2100	=	_____
(100)	Miscellaneous Assets Reduction-Reinsurance	LR012 Miscellaneous Assets Column (2) Line (19)	_____	X	0.2100	=	_____ †
(101)	Miscellaneous Assets Increase-Reinsurance	LR012 Miscellaneous Assets Column (2) Line (20)	_____	X	0.2100	=	_____

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CALCULATION OF TAX EFFECT FOR LIFE AND FRATERNAL RISK-BASED CAPITAL (CONTINUED)

			(1)		(2)		
		Source	RBC Amount	Tax Factor	RBC Tax Effect		
(102)	Replications	LR013 Replication (Synthetic Asset) Transactions and Mandatory Convertible Securities Column (7) Line (9999999)	_____	X	0.1575	=	_____
(103)	Reinsurance	LR016 Reinsurance Column (4) Line (17)	_____	X	0.2100	=	_____
(104)	Investment Affiliates	LR042 Summary for Affiliated Investments Column (4) Line (6)	_____	X	0.2100	=	_____
(105)	Investment in Parent	LR042 Summary for Affiliated Investments Column (4) Line (10)	_____	X	0.2100	=	_____
(106)	Other Affiliate: Property and Casualty Insurers not Subject to Risk-Based Capital	LR042 Summary for Affiliated Investments Column (4) Line (11)	_____	X	0.2100	=	_____
(107)	Other Affiliate: Life Insurers not Subject to Risk-Based Capital	LR042 Summary for Affiliated Investments Column (4) Line (12)	_____	X	0.2100	=	_____
(108)	Publicly Traded Insurance Affiliates	LR042 Summary for Affiliated Investments Column (4) Line (14)	_____	X	0.2100	=	_____
(109)	Subtotal for C-1o Assets	Sum of Lines (001) through (108), Recognizing the Deduction of Lines (013), (014), (015), (036), (044), (049), (056), (061), (069), (077), (084), (089) and (100)	=====			=	=====
	<u>C-0 Affiliated Common Stock</u>						
(110)	Off-Balance Sheet and Other Items	LR017 Off-Balance Sheet and Other Items Column (5) Line (27)	_____	X	0.1575	=	_____
(111)	Off-Balance Sheet Items Reduction - Reinsurance	LR017 Off-Balance Sheet and Other Items Column (5) Line (28)	_____	X	0.2100	=	_____ †
(112)	Off-Balance Sheet Items Increase - Reinsurance	LR017 Off-Balance Sheet and Other Items Column (5) Line (29)	_____	X	0.2100	=	_____
(113)	Affiliated US Property - Casualty Insurers Directly Owned	LR042 Summary for Affiliated Investments Column (4) Line (1)	_____	X	0.2100	=	_____
(114)	Affiliated US Life Insurers Directly Owned	LR042 Summary for Affiliated Investments Column (4) Line (2)	_____	X	0.2100	=	_____
(115)	Affiliated US Health Insurers Directly and Indirectly Owned	LR042 Summary for Affiliated Investments Column (4) Line (3)	_____	X	0.2100	=	_____
(116)	Affiliated US Property - Casualty Insurers Indirectly Owned	LR042 Summary for Affiliated Investments Column (4) Line (4)	_____	X	0.2100	=	_____
(117)	Affiliated US Life Insurers Indirectly Owned	LR042 Summary for Affiliated Investments Column (4) Line (5)	_____	X	0.2100	=	_____
(118)	Affiliated Alien Life Insurers - Canadian	LR042 Summary for Affiliated Investments Column (4) Line (8)	_____	X	0.2100	=	_____
(119)	Affiliated Alien Life Insurers - All Others	LR042 Summary for Affiliated Investments Column (4) Line (9)	_____	X	0.0000	=	_____
(120)	Subtotal for C-0 Affiliated Common Stock	Lines (110)-(111)+(112)+(113)+(114)+(115)+(116)+(117)+(118)+(119)	=====			=	=====
	<u>Common Stock</u>						
(121)	Unaffiliated Common Stock	LR005 Unaffiliated Preferred and Common Stock Column (5) Line (17) + LR018 Off-Balance Sheet Collateral Column (3) Line (16)	_____	X	0.2100	=	_____
(122)	Credit for Hedging - Common Stock	LR015 Hedged Asset Common Stock Schedule Column (10) Line (0299999)	_____	X	0.2100	=	_____ †
(123)	Stock Reduction - Reinsurance	LR005 Unaffiliated Preferred and Common Stock Column (5) Line (19)	_____	X	0.2100	=	_____ †
(124)	Stock Increase - Reinsurance	LR005 Unaffiliated Preferred and Common Stock Column (5) Line (20)	_____	X	0.2100	=	_____
(125)	BA Common Stock Unaffiliated	LR008 Other Long-Term Assets Column (5) Line (47)	_____	X	0.2100	=	_____
(126)	BA Common Stock Affiliated - C-1cs	LR008 Other Long-Term Assets Column (5) Line (49.2)	_____	X	0.2100	=	_____
(127)	Common Stock Concentration Factor	LR011 Common Stock Concentration Factor Column (6) Line (6)	_____	X	0.2100	=	_____
(128)	NAIC 01 Working Capital Finance Notes	LR008 Other Long-Term Assets Column (5) Line (51.1)	_____	X	0.1575	=	_____
(129)	NAIC 02 Working Capital Finance Notes	LR008 Other Long-Term Assets Column (5) Line (51.2)	_____	X	0.1575	=	_____
(130)	Affiliated Preferred Stock and Common Stock - Holding Company in Excess of Indirect Subs	LR042 Summary for Affiliated Investments Column (4) Line (7)	_____	X	0.2100	=	_____
(131)	Affiliated Preferred Stock and Common Stock - All Other	LR042 Summary for Affiliated Investments Column (4) Line (13)	_____	X	0.2100	=	_____
(132)	Total for C-1cs Assets	Lines (121)-(122)-(123)+(124)+(125)+(126)+(127)+(128)+(129)+(130)+(131)	=====			=	=====
	<u>Insurance Risk</u>						
(133)	Disability Income Premium	LR019 Health Premiums Column (2) Lines (21) through (27)	_____	X	0.2100	=	_____

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CALCULATION OF TAX EFFECT FOR LIFE AND FRATERNAL RISK-BASED CAPITAL (CONTINUED)

		Source	(1)		(2)		
			RBC Amount	Tax Factor	RBC Tax Effect		
(134)	Long-Term Care	LR019 Health Premiums Column (2) Line (28) + LR023 Long-Term Care Column (4) Line (7)	_____	X	0.2100	=	_____
(135)	Life Insurance C-2 Risk	LR025 Life Insurance Column (2) Line (8)	_____	X	0.2100	=	_____

(136)	Group Insurance C-2 Risk	LR025 Life Insurance Column (2) Lines (20) and (21)	_____	X	0.2100	=	_____
(136b)	Longevity C-2 Risk	LR025-A Longevity Risk Column (2) Line (5)	_____	X	0.2100	=	_____
(137)	Disability and Long-Term Care Health Claim Reserves	LR024 Health Claim Reserves Column (4) Line (9) + Line (15)	_____	X	0.2100	=	_____
(138)	Premium Stabilization Credit	LR026 Premium Stabilization Reserves Column (2) Line (10)	_____	X	0.0000	=	_____
(139)	Total C-2 Risk	L(133) + L(134) + L(137) + L(138) + Greatest of [Guardrail Factor * (L(135)+L(136)), Guardrail Factor * L(136b), Square Root of [(L(135) + L(136)) ² + L(136b) ² + 2 * (TBD Correlation Factor) * (L(135) + L(136)) * L(136b)]]	_____			=	_____
(140)	Interest Rate Risk	LR027 Interest Rate Risk Column (3) Line (36)	_____	X	0.2100	=	_____
(141)	Health Credit Risk	LR028 Health Credit Risk Column (2) Line (7)	_____	X	0.0000	=	_____
(142)	Market Risk	LR027 Interest Rate Risk Column (3) Line (37)	_____	X	0.2100	=	_____
(143)	Business Risk	LR029 Business Risk Column (2) Line (40)	_____	X	0.2100	=	_____
(144)	Health Administrative Expenses	LR029 Business Risk Column (2) Line (57)	_____	X	0.0000	=	_____
(145)	Total Tax Effect	Lines (109) + (120) + (132) + (139) + (140) + (141) + (142) + (143) + (144)	_____			=	_____

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