

Pro-forma Impact of an Unaffiliated Funds Withheld Reinsurance agreement as of, and for, the Three Months Ended March 31, 2024

The following analysis presents information regarding the pro-forma notional removal of funds withheld invested assets and reserves from United Life Insurance Company (ULIC) and Guaranty Income Life Insurance Company (GILICO), as a result of certain funds withheld reinsurance arrangements with an unaffiliated Bermuda-domiciled Class E reinsurance company. This information is provided for the single purpose of evaluating the financial position of ULIC and GILICO in connection with a particular rating agency and should not be, and is not intended to be, used for any other regulatory, investment or other purpose. This information is not prepared on the basis of generally accepted accounting principles, or statutory accounting principles in the United States or Bermuda, nor any other comprehensive basis of accounting. The information presented below is unaudited.

Funds Withheld Invested Assets

The below table provides the actual funds withheld assets for ULIC and GILICO.

	March 31, 2024		
	(Unaudited)		
	ULIC	GILICO	Total
Invested Assets			
CMBS	\$ 73,979,957	\$ 80,141,967	\$ 154,121,924
RMBS	51,157,656	130,718,634	181,876,291
ABS	213,007,703	391,206,409	604,214,112
Corporate Bonds	318,549,167	526,812,993	845,362,160
Municipal Bonds	-	15,392,693	15,392,693
Preferred Stock	5,000,000	3,500,000	8,500,000
Mortgage - Mezzanine	-	3,700,000	3,700,000
Cash	2,271,808	11,662,930	13,934,738
Short term	29,955,702	58,131,330	88,087,032
BA Assets	15,022,321	536,874	15,559,195
Total Cash and Invested Assets	708,944,314	1,221,803,831	1,930,748,145
Investment Income Due and Accrued	7,768,930	11,407,020	19,175,950
Securities Payable - FWH Deficit	(6,120,763)	(11,959,259)	(18,080,022)
Funds Withheld Liability	(710,592,481)	(1,221,251,592)	(1,931,844,073)
Total Allocated Surplus	\$ -	\$ -	\$ -
NAIC 1	\$ 339,474,312	\$ 604,757,543	\$ 944,231,855
NAIC 2	306,820,496	518,668,494	825,488,991
Investment grade	646,294,808	1,123,426,037	1,769,720,846
NAIC 3	9,091,267	9,826,845	18,918,112
NAIC 4	-	-	-
NAIC 5	-	-	-
NAIC 6	1,308,407	11,019,815	12,328,222
Below Investment Grade	10,399,674	20,846,660	31,246,334
Exempt Investments	-	-	-
Total Bonds	\$ 656,694,483	\$ 1,144,272,697	\$ 1,800,967,180
Bonds by ASC 820 Fair Value Level			
Level 1	-	-	-
Level 2	656,694,483	1,144,272,697	1,800,967,180
Level 3	-	-	-
Total Bonds	\$ 656,694,483	\$ 1,144,272,697	\$ 1,800,967,180
Bonds that are Privately Placed and 144A			
Publicly traded bonds	126,651,570	422,470,243	549,121,813
Privately placed 144A bonds	383,013,287	532,637,506	915,650,794
Privately placed non-144A bonds	147,029,625	189,164,948	336,194,573
Total Bonds	\$ 656,694,483	\$ 1,144,272,697	\$ 1,800,967,180

Notional Attribution of Investment Income to Surplus Account

The below table shows the funds withheld net investment income to ULIC and GILICO, based on underlying returns.

	For the Three Months Ended		
	March 31, 2024		
	(Unaudited)		
	ULIC	GILICO	Total
Net Investment Income			
Bonds	\$ 12,320,345	\$ 20,755,886	\$ 33,076,231
Mortgage and Other Loans	-	67,114	67,114
Preferred Stock	93,806	63,486	157,292
Cash/Cash Equivalents	604,625	1,265,993	1,870,619
BA Assets	281,836	9,738	291,574
Gross	13,300,612	22,162,218	35,462,830
Expense	-	-	-
Total	\$ 13,300,612	\$ 22,162,218	\$ 35,462,830
Capital Gains and Losses			
Bonds	\$ 36,024	\$ 59,000	\$ 95,024
Total	\$ 36,024	\$ 59,000	\$ 95,024