

Pro-forma Impact of an Unaffiliated Funds Withheld Reinsurance agreement as of, and for, the Six Months Ended June 30, 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.

	June 30, 2024		
	(Unaudited)		
Invested Assets	ULIC	GILICO	Total
CMBS	\$ 72,681,822	\$ 70,863,554	\$ 143,545,376
RMBS	58,195,578	147,854,394	206,049,972
ABS	201,809,928	386,582,943	588,392,871
Corporate Bonds	306,744,481	524,033,542	830,778,023
Municipal Bonds	-	15,407,546	15,407,546
Preferred Stock	5,000,000	3,500,000	8,500,000
Mortgage - Mezzanine	-	3,700,000	3,700,000
Cash	11,594,561	6,863,227	18,457,788
Short term	28,149,312	42,790,994	70,940,306
BA Assets	15,059,502	535,541	15,595,043
Total Cash and Invested Assets	699,235,183	1,202,131,741	1,901,366,924
Investment Income Due and Accrued	8,022,444	12,866,748	20,889,192
Securities Payable - FWH Deficit	1,628,971	6,890,827	8,519,798
Funds Withheld Liability	(708,886,598)	(1,221,889,316)	(1,930,775,914)
Total Allocated Surplus	\$ (0)	\$ -	\$ (0)
NAIC 1	\$ 342,612,299	\$ 625,095,529	\$ 967,707,828
NAIC 2	287,578,108	509,770,598	797,348,706
Investment grade	630,190,407	1,134,866,127	1,765,056,534
NAIC 3	9,241,401	9,875,852	19,117,253
NAIC 4	-	-	-
NAIC 5	-	-	-
NAIC 6	-	-	-
Below Investment Grade	9,241,401	9,875,852	19,117,253
Exempt Investments	-	-	-
Total Bonds	\$ 639,431,808	\$ 1,144,741,979	\$ 1,784,173,787
Bonds by ASC 820 Fair Value Level			
Level 1	-	-	-
Level 2	639,431,808	1,144,741,979	1,784,173,787
Level 3	-	-	-
Total Bonds	\$ 639,431,808	\$ 1,144,741,979	\$ 1,784,173,787
Bonds that are Privately Placed and 144A			
Publicly traded bonds	126,506,571	434,236,406	560,742,978
Privately placed 144A bonds	370,549,017	526,704,692	897,253,710
Privately placed non-144A bonds	142,376,220	183,800,880	326,177,100
Total Bonds	\$ 639,431,808	\$ 1,144,741,979	\$ 1,784,173,787

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 Six Months Ended June 30, 2024		
	(Unaudited)		
Net Investment Income	ULIC	GILICO	Total
Bonds	\$ 23,975,534	\$ 41,843,685	\$ 65,819,218
Mortgage and Other Loans	-	135,246	135,246
Preferred Stock	187,475	127,935	315,411
Cash/Cash Equivalents	1,490,199	1,815,008	3,305,207
BA Assets	564,657	19,576	584,233
Gross	26,217,865	43,941,449	70,159,314
Expense	-	-	-
Total	\$ 26,217,865	\$ 43,941,449	\$ 70,159,314
Capital Gains and Losses			
Bonds	\$ 211,485	\$ 13,737	\$ 225,222
Total	\$ 211,485	\$ 13,737	\$ 225,222