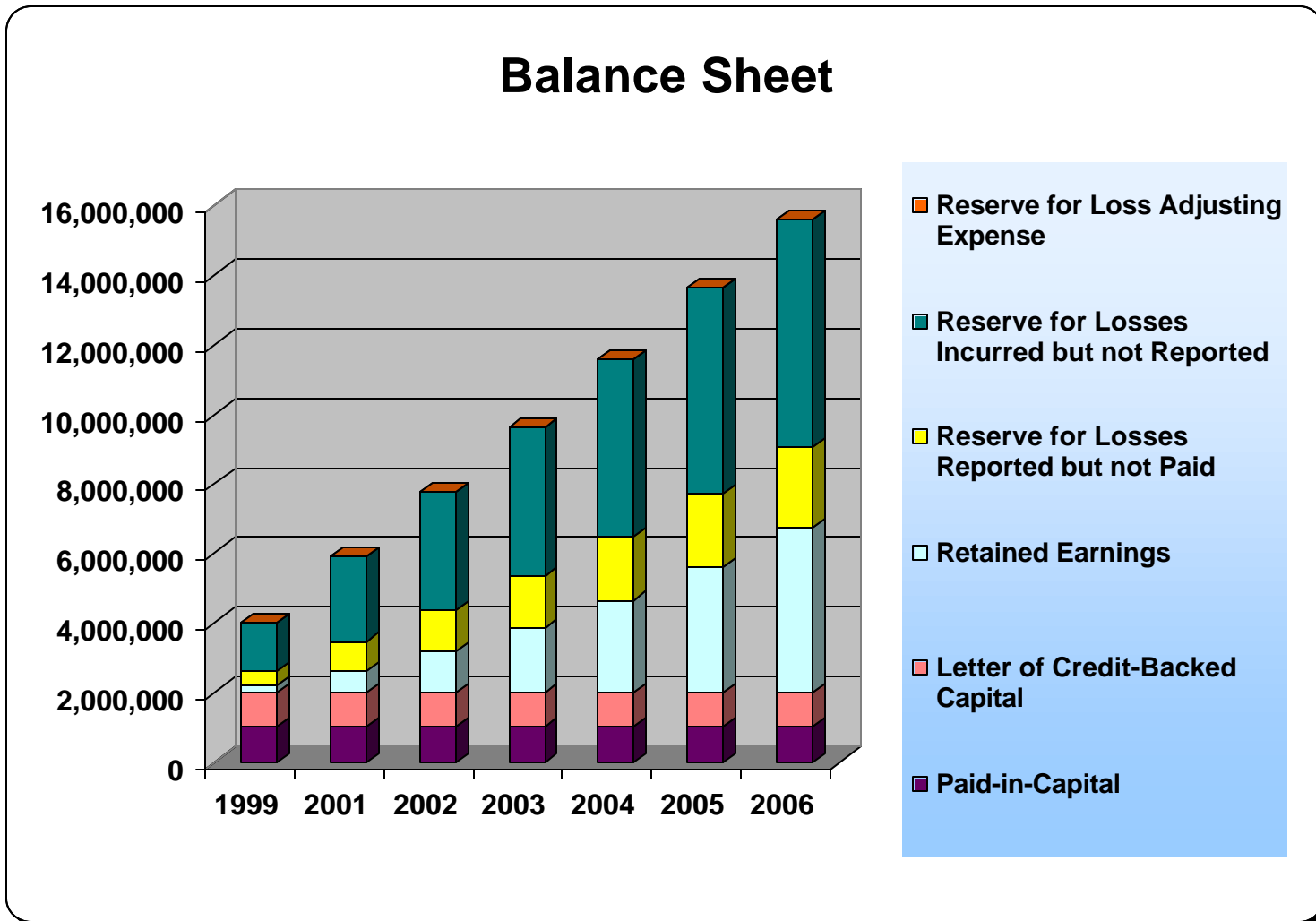


**XYZ Corporation**  
**North American Property and Liability Programs**  
 7/1/1999-2000

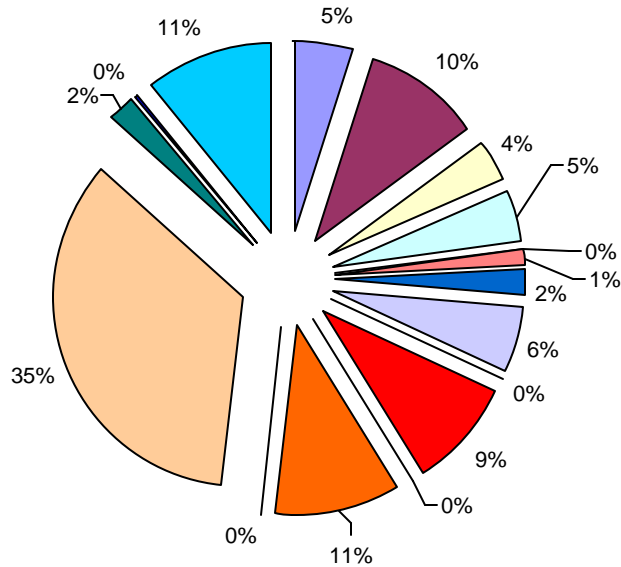
Offshore Insurance Subsidiary, Tax Reporting "Domestic Election" Option  
 Scenario #1 'Expected' Loss Levels, 6% After-Tax Cost of Capital



### Captive Balance Sheet

Year	1999	2001	2002	2003	2004	2005	2006
Reserve for Losses Reported but not Paid	429,991	845,456	1,197,210	1,505,568	1,827,038	2,123,513	2,335,864
Reserve for Losses Incurred but not Reported	1,393,749	2,453,426	3,395,888	4,270,146	5,097,443	5,922,562	6,514,818
Reserve for Loss Adjusting Expense	0	0	0	0	0	0	0
Retained Earnings	202,309	616,781	1,163,971	1,841,840	2,653,067	3,605,926	4,742,095
Paid-in-Capital	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Letter of Credit-Backed Capital	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
<b>Total Liabilities and Surplus</b>	<b>4,026,049</b>	<b>5,915,663</b>	<b>7,757,069</b>	<b>9,617,554</b>	<b>11,577,548</b>	<b>13,652,001</b>	<b>15,592,777</b>

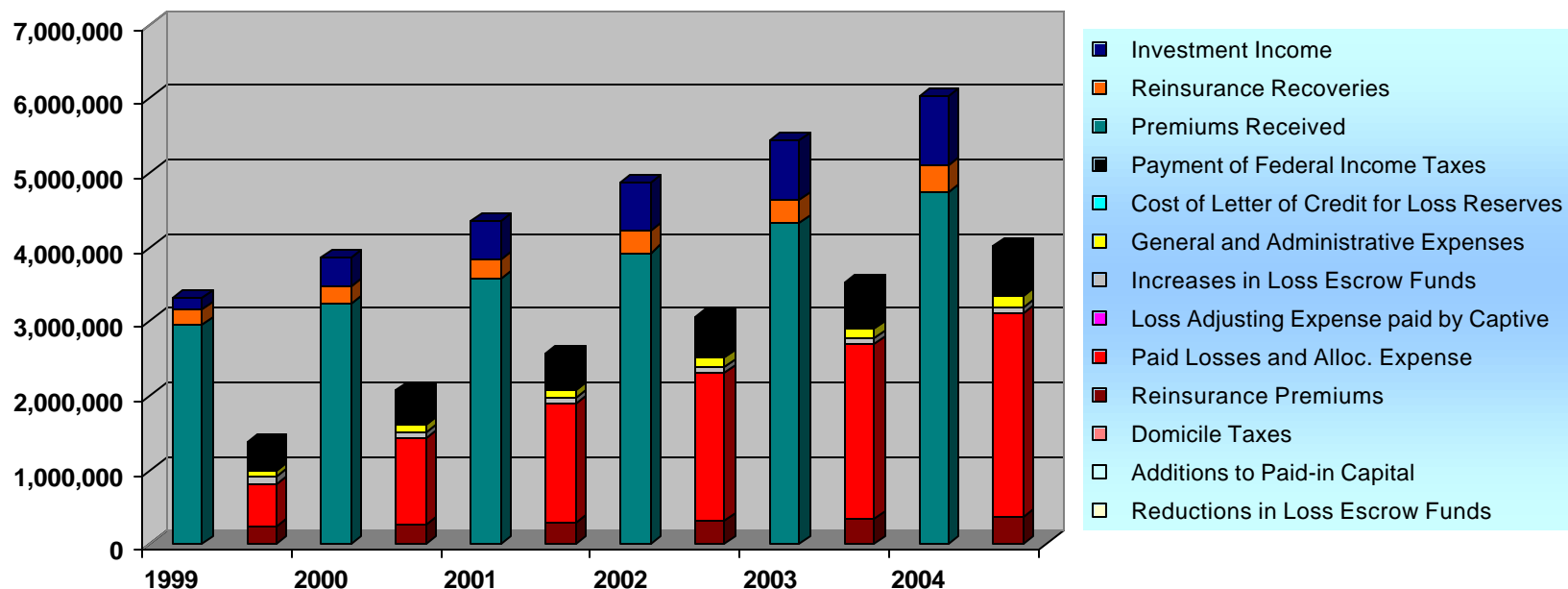
### 1999 Distribution of Program Premium



- Fronting Fees & Insurer Services
- Brokerage Services
- State Taxes, Boards, Bureaus, Residual Market Loads
- Loss Adjusting Services
- Federal Excise Tax
- Charge for W.C.Loss Limitation
- Loss Control Services
- Reinsurance Premiums
- Domicile Taxes Paid by Captive
- Paid Losses net of reinsurance
- Paid Loss Adjustment Expense
- Reserves for Reported Losses
- Loss Adjusting Expense Reserve
- Reserve for losses incurred but not reported (IBNR)
- General, Administrative, & Audit Expense
- Letter of Credit Costs on Loss Reserves
- Operating Income

Year	1999	
Fronting Fees & Insurer Services	200,000	5% for policy issuance
Brokerage Services	400,000	Assume same as for existing program
State Taxes, Boards, Bureaus, Residual Market Loads	140,000	3.5% of gross premium
Loss Adjusting Services	180,000	7.5% of incurred loss
Federal Excise Tax	0	Assumes IRS domestic election for Bermuda "captive" to be taxed as a domestic company
Charge for W.C.Loss Limitation	50,000	2.5% of WC Premium
Loss Control Services	80,000	2% of gross premiums for loss control services on WC/GL/AL/Property
Reinsurance Premiums	225,000	
Domicile Taxes Paid by Captive	7,375	
<b>Paid Losses net of reinsurance</b>	<b>359,594</b>	
Paid Loss Adjustment Expense	0	
Reserves for Reported Losses	429,991	
Loss Adjusting Expense Reserve	0	
Reserve for losses incurred but not reported (IBNR)	1,393,749	
General, Administrative, & Audit Expense	95,000	
Letter of Credit Costs on Loss Reserves	11,490	
Operating Income	427,802	
	<b>4,000,000</b>	

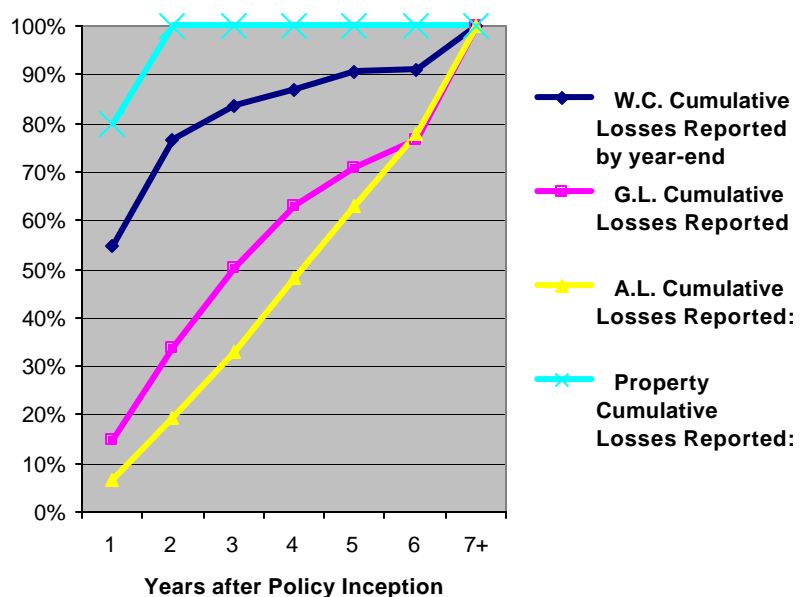
## Sources and Uses of Funds



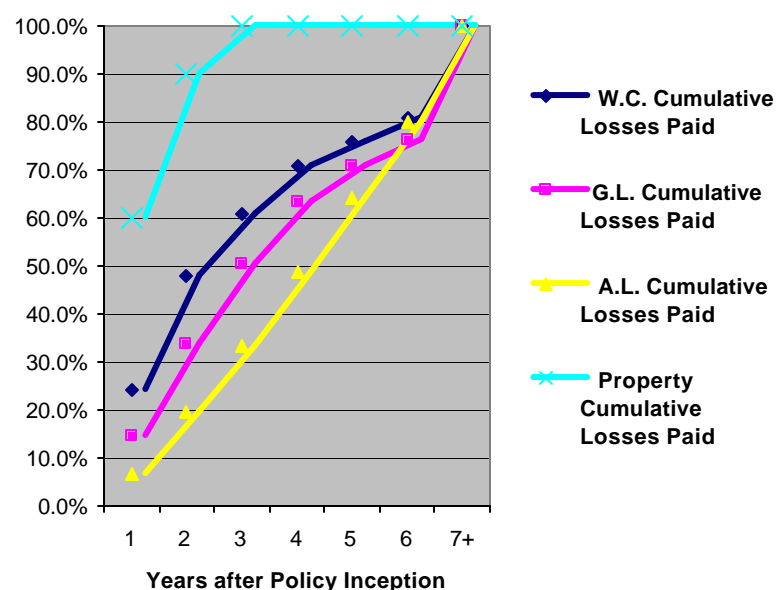
### Sources and Uses of Funds by Captive

	1999	1999	2000	2000	2001	2001	2002	2002	2003
Premiums Received	2,950,000		3,245,000		3,569,500		3,926,450		4,319,095
Reinsurance Recoveries	216,667		238,333		262,167		288,383		317,222
Reductions in Loss Escrow Funds									
Additions to Paid-in Capital	0		0		0		0		0
Investment Income	145,442		383,644		516,520		650,853		791,216
Domicile Taxes		7,375		8,113		8,924		9,816	
Reinsurance Premiums		225,000		247,500		272,250		299,475	
Paid Losses and Alloc. Expense		576,260		1,164,858		1,609,784		2,011,783	
Loss Adjusting Expense paid by Captive		0		0		0		0	
Increases in Loss Escrow Funds		96,043		98,100		74,154		67,000	
General and Administrative Expenses		95,000		104,500		114,950		126,445	
Cost of Letter of Credit for Loss Reserves		11,490		4,018		6,434		8,514	
Payment of Federal Income Taxes		370,935		448,375		494,439		549,167	

### Loss Reporting Patterns



### Loss Payout Pattern



#### Loss Reporting

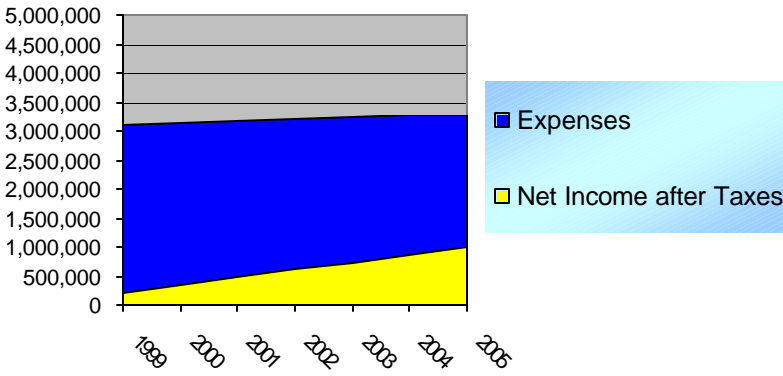
Year	1	2	3	4	5	6	7+
W.C. Cumulative Losses Reported by year-end	54.9%	76.5%	83.5%	87.0%	90.6%	91.1%	100.0%
G.L. Cumulative Losses Reported	14.7%	33.9%	50.2%	63.0%	70.7%	76.4%	100.0%
A.L. Cumulative Losses Reported:	6.4%	19.4%	33.0%	48.0%	63.0%	77.8%	100.0%
Property Cumulative Losses Reported:	80.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

24.0%	24.0%	13.0%	10.0%	5.0%	5.0%	19.0%
14.6%	19.0%	16.8%	12.6%	7.6%	5.7%	23.6%
6.8%	12.9%	13.8%	15.1%	15.5%	16.0%	19.8%
60.0%	30.0%	10.0%	0.0%	0.0%	0.0%	0.0%

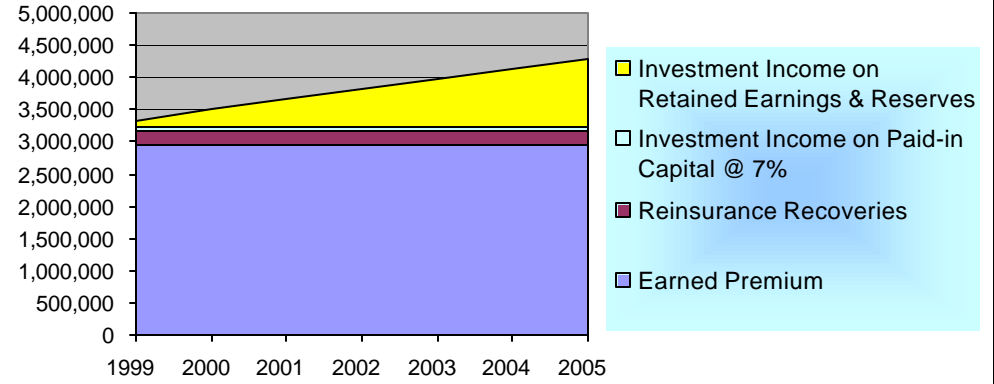
#### Loss Payout

Year	1	2	3	4	5	6	7+
W.C. Cumulative Losses Paid	24.0%	48.0%	61.0%	71.0%	76.0%	81.0%	100.0%
G.L. Cumulative Losses Paid	14.6%	33.7%	50.5%	63.2%	70.7%	76.4%	100.0%
A.L. Cumulative Losses Paid	6.8%	19.7%	33.5%	48.6%	64.1%	80.2%	100.0%
Property Cumulative Losses Paid	60.0%	90.0%	100.0%	100.0%	100.0%	100.0%	100.0%

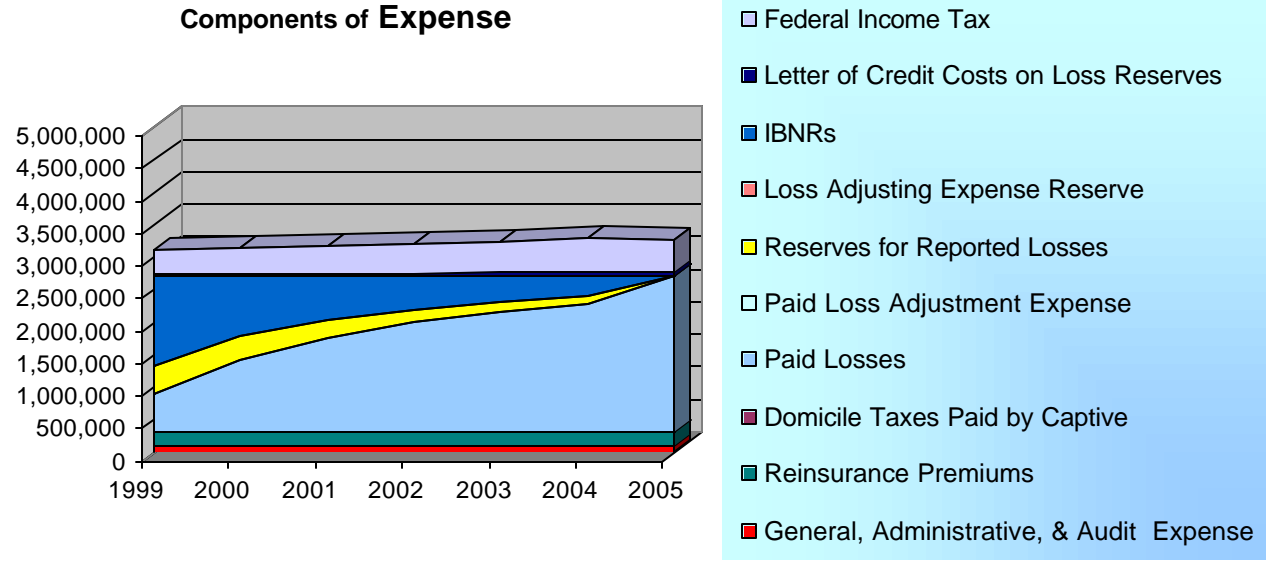
**Revenue vs. Expense: Policy Year One Carried to Ultimate Loss Payout**



**Policy Year One Carried to Ultimate Loss Payout: Components of Revenue**



**Policy Year One Carried to Ultimate Loss Payout: Components of Expense**



## Development of Income for One Policy Year Carried to Ultimate Loss Payout

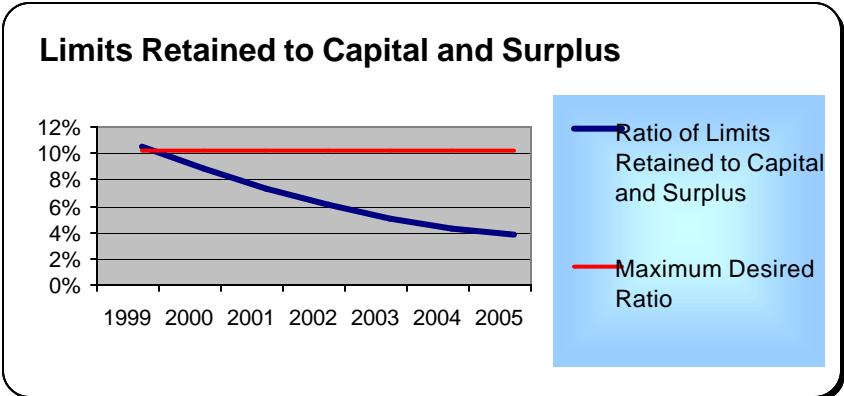
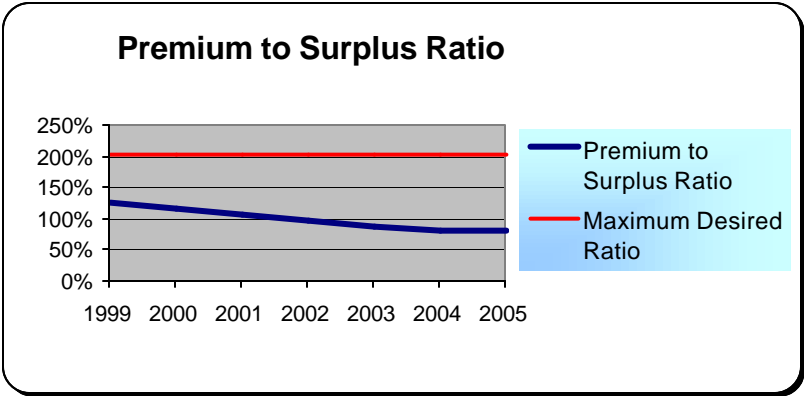
### Cumulative Amounts: Expenses

	1999	2000	2001	2002	2003	2004	2005
Reinsurance Premiums	225,000	225,000	225,000	225,000	225,000	225,000	225,000
Domicile Taxes Paid by Captive	7,375	7,375	7,375	7,375	7,375	7,375	7,375
Paid Losses	576,260	1,107,232	1,435,672	1,676,693	1,828,805	1,970,854	2,400,000
Paid Loss Adjustment Expense	0	0	0	0	0	0	0
Reserves for Reported Losses	429,991	372,467	267,208	188,637	170,913	113,772	0
Loss Adjusting Expense Reserve	0	0	0	0	0	0	0
IBNRs	1,393,749	920,302	697,120	534,670	400,282	315,374	0
General, Administrative, & Audit Expense	95,000	95,000	95,000	95,000	95,000	95,000	95,000
Letter of Credit Costs on Loss Reserves	11,490	19,634	25,709	30,266	33,865	36,568	36,568
Federal Income Tax	370,935	392,946	418,077	448,700	484,013	520,974	516,306
<b>Expenses</b>	<b>3,109,800</b>	<b>3,139,955</b>	<b>3,171,161</b>	<b>3,206,342</b>	<b>3,245,253</b>	<b>3,284,917</b>	<b>3,280,249</b>

### Cumulative Amounts: Revenues

	1999	2000	2001	2002	2003	2004	2005
Earned Premium	2,950,000	2,950,000	2,950,000	2,950,000	2,950,000	2,950,000	2,950,000
Reinsurance Recoveries	216,667	216,667	216,667	216,667	216,667	216,667	216,667
Investment Income on Retained Earnings & Reserves	75,442	261,938	430,816	591,144	747,535	902,463	1,045,824
Investment Income on Paid-in Capital @ 7%	70,000	70,000	70,000	70,000	70,000	70,000	70,000
<b>Revenues</b>	<b>3,312,109</b>	<b>3,498,605</b>	<b>3,667,483</b>	<b>3,827,811</b>	<b>3,984,202</b>	<b>4,139,130</b>	<b>4,282,490</b>
Net Income after Taxes	202,309	358,649	496,322	621,469	738,949	854,213	1,002,241

# Key Financial Ratios



**Premium to Surplus Ratio**

	1999	2000	2001	2002	2003	2004	2005
Premiums written by Captive	2,950,000	3,245,000	3,569,500	3,926,450	4,319,095	4,751,005	5,226,105
Average Capital and Surplus	2,409,545	2,890,376	3,502,905	4,247,454	5,129,497	6,174,010	6,742,095
Premium to Surplus Ratio	122%	112%	102%	92%	84%	77%	78%
Maximum Desired Ratio	200%	200%	200%	200%	200%	200%	200%

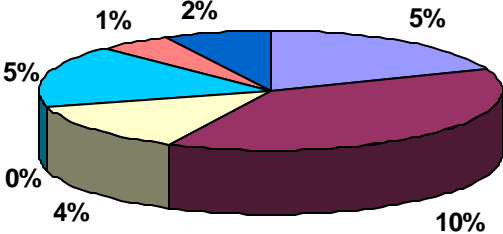
**Limits Retained to Capital and Surplus**

Policy Limits Written	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Average Capital and Surplus	2,409,545	2,890,376	3,502,905	4,247,454	5,129,497	6,174,010	6,742,095
Ratio of Limits Retained to Capital and Surplus	10%	9%	7%	6%	5%	4%	4%
Maximum Desired Ratio	10%	10%	10%	10%	10%	10%	10%



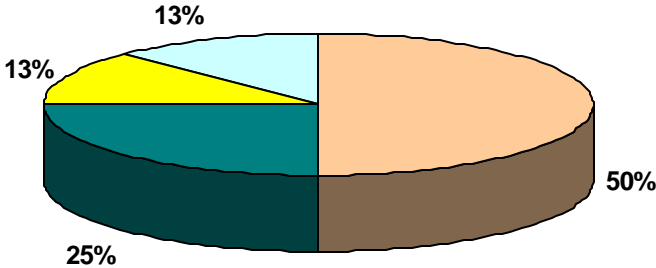
### Key Expense Components

**Year 1 Fees by Admitted Insurer:  
Percentage of Program Premium**



- Fronting Fees & Insurer Services
- Brokerage Services
- State Taxes, Boards, Bureaus, Residual Market Loads
- Federal Excise Tax
- Loss Adjusting
- Charge for W.C.Loss Limitation
- Loss Control Services

**Year 1 Estimated Losses**



- Workers Compensation
- General Liability
- Automobile Liability
- Property, Other

Fees by Admitted Insurer	Year 1	% of Program Premium
Fronting Fees & Insurer Services	200,000	5%
Brokerage Services	400,000	10%
State Taxes, Boards, Bureaus, Residual Market Loads	140,000	4%
Federal Excise Tax	0	0%
Loss Adjusting	180,000	5%
Charge for W.C.Loss Limitation	50,000	1%
Loss Control Services	80,000	2%
Net Premium Ceded to Captive	2,950,000	74%
	4,000,000	100%

Breakdown of Year 1 Est. Losses	Year 1	% of Program Premium
Workers Compensation	1,200,000	50%
General Liability	600,000	25%
Automobile Liability	300,000	13%
Property, Other	300,000	13%
	2,400,000	100%

**GENERAL INFORMATION**

**C. GL/AL  
Guaranteed  
Cost**

- 4. Names of Rating Plans:
- 5. Fiscal Year-end Being Evaluated

**A. Guaranteed Cost  
1999**

**B. Deductible**

5. Retained Limits per Occurrence	Retained Limit by Method of Insurance		
	Workers' Compensation	Property: Deductible Programs	GL/AL Guaranteed Cost
A. Workers Compensation	250,000		
B. General Liability \$1MM/occ. \$2MM aggregate policy limits	100,000		
C. Automobile Liability	100,000		
D. Automobile Physical Damage			
E. Property (\$100 MM max. PML)	100,000	10,000	

**ADMITTED INSURER SERVICES & COSTS**

**A. Guaranteed Cost**

**B. Property Programs: Deductible**

**C. GL/AL Deductible**

- Basic / Company Retention
- Claims Handling Charges
- Premium Taxes, Tax Multiplier
- Boards, Bureaus, Assessments
- Excess Loss Premium
- Minimum Premium Pct.
- Maximum Premium Pct.
- Loss Limit
- Secondary Loss Limit (eg. USL&H)

7.5%

**FINANCIAL ASSUMPTIONS**

- Tax Rate for Deductions of Prem., etc.
- Cost of Letters of Credit
- Cost of Capital After Tax (Wtd. Avg.)
- Rate of Return on Captive's Investments (Before Tax)

41.0%      34%      Federal Tax Rate

0.6%

6.0%

7.0%

## XYZ Corporation North American Property and Liability Programs

PREMIUMS BY LINE OF INSURANCE	Total Premium	Rating Base	Rating Base Units	Projected Exposure	Rate	Premium Breakdown		
<b>Workers Compensation -</b>								
Discounted Standard Premium		Payroll	\$		Various	WC on approx.		
Subject Premium	2,000,000	Payroll	\$					
Non-Subject Premium		Payroll	\$					
<b>General Liability</b>								
Primary Premium	1,000,000	Revenues	\$Thousands			100 clubs approx. total	Approx. Breakdown by region: 70 CA 15 NJ 15 NY	
Excess Premium (Umbrella)	200,000							
<b>Automobile Liability</b>								
Subject Premium	500,000	Vehicles	# of Vehicles					
Excess Premium		Vehicles	# of Vehicles					
AutoPhysical Damage		Vehicles	# of Vehicles					
<b>Other Premiums</b>								
Property	500,000							
W.C. Assigned Risk Prem.								
<b>Combined Total Premiums</b>								
Primary Premiums	4,000,000							
Umbrella and Misc.	200,000							
<b>Total</b>	<b>4,200,000</b>							

## XYZ Corporation North American Property and Liability Programs

<b>LOSS PROJECTIONS: Losses retained by Captive</b>
Combined Loss Ratio assumption
Workers Compensation
General Liability
Automobile Liability
Automobile Physical Damage
Property
Combined Total

<b>Breakdown by Method of Insurance (&amp; Limits):</b>			
Proj. Loss	(limits)	Proj. Loss	(limits)
<b>60%</b>			
1,200,000		0	
600,000		0	
300,000		0	
0		0	
300,000		0	
2,400,000		0	

## XYZ Corporation North American Property and Liability Programs

### COSTS PAID BY CAPTIVE (except to Fronting Carrier):

Captive Management	75,000	
Domicile Jurisdiction Fees	0.25%	
Audit, Actuarial, & Misc.	20,000	
Unearned Premium Percentage of Annual Premium	0.00%	
Reinsurance Premium: % of WC Discounted Std. Premium	0.00%	(Provided by fronting carrier, deducted from gross premium)
Reinsurance Premium % of Primary GL/AL: Excess GL/AL	10.00%	
Reinsurance Premium % of Property Premium	25.00%	
Loss Adjusting	0.00%	

### FINANCIAL SECURITY AND TIMING OF PAYMENTS

Year of Program Operation:						
1	2	3	4	5	6	7

Initial Loss Escrow Fund (2 mos. paid losses)	96,043						
Loss Escrow Fund Balance End of Year	96,043	88,495	54,740	40,170	25,352	23,675	17,881
Letter of Credit for Policy Yr. 1 Yearly Ending Balance	1,823,740	1,292,768	964,328	723,307	571,195	429,146	0
Letter of Credit Yearly Avg. Balance % of Yr.1 End	100.00%	70.89%	52.88%	39.66%	31.32%	23.53%	0.00%
Letter of Credit: Based on Total GL/AL Incurred Losses	2,100,000						

Percent of Subject Premium payable at inception	
Pct. of Subject Premium payable throughout year	100%

**TIMING ASSUMPTIONS (LOSSES)**

	INCEPTION	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7+	TERMINATION
Year No.	0	1	2	3	4	5	6	7	8
Assumed Cumulative Wtd. Avg. Loss Reporting Pattern		41.9%	61.7%	71.0%	77.7%	83.3%	86.9%	100.0%	
Incremental Loss Payout Pattern		24.0%	22.1%	13.7%	10.0%	6.3%	5.9%	17.9%	
Avg. Pct. Losses Outstanding During Yr.		88.0%	64.9%	47.0%	35.2%	27.0%	20.8%	8.9%	
Losses Outstanding End of Year		76.0%	53.9%	40.2%	30.1%	23.8%	17.9%		
Calculation of Wtd. Avg. Loss Reporting Factors:									
	<b>Weights:</b>								
W.C. Cumulative Losses Reported by year-end	50.0%	54.9%	76.5%	83.5%	87.0%	90.6%	91.1%	100.0%	
G.L. Cumulative Losses Reported	25.0%	14.7%	33.9%	50.2%	63.0%	70.7%	76.4%	100.0%	
A.L. Cumulative Losses Reported:	12.5%	6.4%	19.4%	33.0%	48.0%	63.0%	77.8%	100.0%	
Property Cumulative Losses Reported:	12.5%	80.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
	100.0%								
Calculation of Wtd. Avg. Loss Payout Factors:									
W.C. Incremental Losses Paid	50.0%	24.0%	24.0%	13.0%	10.0%	5.0%	5.0%	19.0%	
G.L. Incremental Losses Paid	25.0%	14.6%	19.0%	16.8%	12.6%	7.6%	5.7%	23.6%	
A.L. Incremental Losses Paid	12.5%	6.8%	12.9%	13.8%	15.1%	15.5%	16.0%	19.8%	
Property Incremental Losses Paid:	12.5%	60.0%	30.0%	10.0%	0.0%	0.0%	0.0%	0.0%	
	100.0%								

## XYZ Corporation North American Property and Liability Programs

**OTHER ASSUMPTIONS:**

Paid in Capital	1,000,000								
Capital Backed with LOC	1,000,000								
Annual Rate of Growth in parts of Gross Written Premium / yr. (or) if >0, Stated amounts of Gross Written Premium / yr.	10.0%	4,000,000	4,400,000	4,840,000	5,324,000	5,856,400	6,442,040	7,086,244	7,794,868
<b>Growth Factor</b> implied in Stated Amounts of GWP		10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
Growth Factor applied to Administrative Expenses	10.0%								

**DISCLAIMER:**

Any tax treatment assumptions shown are for purposes of illustration only.  
Qualified tax advisers should verify applicability of illustrated tax treatments.

**NOTES:**

Entries enclosed by boxes are new data entries.	<div style="border: 1px solid black; width: 50px; height: 15px;"></div>	Other entries are calculated, or are carried over from spreadsheet representing existing program.
Entries in shaded boxes are entered formulas.	<div style="background-color: #cccccc; border: 1px solid black; width: 50px; height: 15px;"></div>	Other entries are calculated, or are carried over from spreadsheet representing existing program.

Because it is assumed that no opportunity costs are incurred, taxation of insurance subsidiary investment income is assumed to be imputed within the overall after-tax P.V. rate.

**CALCULATION OF YEAR 1 LOSSES WITHIN CAPTIVE'S RETENTION**

Line of Coverage:	<b>Retained Losses</b>	<b>Retained Limits</b>
Workers Compensation	1,200,000	250,000
Workers Compensation (Deductible)		
General Liability	600,000	250,000
Automobile Liability	300,000	250,000
Property, Other	300,000	250,000
Combined total	<u>2,400,000</u>	



**XYZ Corporation**  
**North American Property and Liability Programs**

**CALCULATION OF NET PREMIUM CEDED TO CAPTIVE (Workers Compensation only):**

**Captive Fiscal Year: 7/1/1999-2000**

<b>Gross Written Premium</b>	<b>4,200,000</b>		
Less: Premium for Umbrella Coverage	(200,000)		
<b>Program Premium</b>	<b>4,000,000</b>		
<b>Less:</b>			
Fronting Fees & Insurer Services	(200,000)	5.0%	for policy issuance
Brokerage Services (12.5%)	(400,000)	10.0%	Assume same as for existing program
State Taxes, Boards, Bureaus, Residual Market Loads	(140,000)	3.5%	of gross premium
Federal Excise Tax	0	0.0%	Assumes IRS domestic election for Bermuda "captive" to be taxed as a domestic company
Charge for W.C.Loss Limitation	(50,000)	2.5%	of WC Premium
Loss Control Services	(80,000)	2.0%	of gross premiums for loss control services on WC/GL/AL/Property
Loss Adjusting Services	(180,000)	7.5%	of incurred loss
<b>Net Premium Ceded to Captive</b>	<b>2,950,000</b>		

**PREMIUMS FOR DIRECT INSURANCE WRITTEN BY CAPTIVE**

Workers Compensation	[ ]
General / Auto Liability	[ ]
Other	[ ]
<b>Total</b>	<b>0</b>

**XYZ Corporation**  
**North American Property and Liability Programs**  
**7/1/1999-2000**

**CAPTIVE INSURANCE COMPANY**

**Scenario #1 'Expected' Loss Levels, 6% After-Tax Cost of Capital, Format 'A' (No Opportunity Costs)**

**Illustration of Cash Flows Resulting from Ultimate Costs of One Policy Year**

Cash Flow Timing:	Policy Year 7/1/1999-2000								TOTALS
	INCEPTION	YEAR 1 Monthly/Mid	YEAR 2 Monthly/Mid	YEAR 3 Monthly/Mid	YEAR 4 Monthly/Mid	YEAR 5 Monthly/Mid	YEAR 6 Monthly/Mid	YEAR 7+ (Yr. 8 Avg.)	
<b>A. Reinsurance of Admitted Insurer - W.C.</b>									
W.C./G.L./A.L./Property Premium Paid to Admitted Insurer		4,000,000							4,000,000
Net Premium Ceded to Captive		(2,950,000)							(2,950,000)
Repayment of Losses by Captive to Atlantic		576,260	530,971	328,441	241,021	152,112	142,049	429,146	2,400,000
Loss Adjusting Expense paid to Jenkins for first \$100,000/occ.		0	0	0	0	0	0	0	0
<b>C. Operating Costs &amp; Fronting Carrier Security</b>									
Captive Operational Expenses		95,000							95,000
Domicile Fees Paid by Captive		7,375							7,375
Cost of Letter of Credit for Open Loss Reserves		11,490	9,378	6,996	5,247	4,144	3,113	0	40,367
Loss Escrow Fund	96,043		0	(7,548)	(33,755)	(14,570)	(14,818)	(25,352)	0
<b>Total Before-Tax Cash Flows</b>	96,043	1,740,125	540,349	327,888	212,513	141,686	130,344	403,794	3,592,742
Tax on Ins. Sub. Operating Income exc. Res.Losses		765,524	(183,299)	(113,735)	(83,496)	(52,942)	(49,216)	(145,910)	136,926
Reduction of Tax on Ins.Sub.Income from Disc.Res.Losses		(444,039)	141,902	81,447	59,609	35,082	33,501	92,499	0
Cash Flows After Tax	96,043	2,061,610	498,952	295,600	188,625	123,825	114,630	350,383	3,729,668
Present Value Factor After Tax @ 6%	1.00	0.97	0.92	0.86	0.82	0.77	0.73	0.65	
<b>Present Value of After-Tax Cash Flows</b>	96,043	1,999,762	459,036	254,216	154,672	95,346	83,680	227,749	<b>\$3,370,503</b>

**XYZ Corporation**  
**North American Property and Liability Programs**

Scenario 1  
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**INSURANCE SUBSIDIARY INCOME STATEMENT (One Policy Year Carried to Ultimate Loss Payout)**

Captive Fiscal Year:	1999	2000	2001	2002	2003	2004	2005	Totals
<b>Premiums Ceded by Admitted Insurer(s)</b>	2,950,000							2,950,000
Plus: Beg. of Yr. Reserve for Unearned Premium								0
Less: End of Year Reserve for Unearned Premium								0
<b>Earned Premium</b>	2,950,000							2,950,000
Less: Reinsurance Premiums	(225,000)							(225,000)
Less: Domicile Taxes Paid by Captive	(7,375)							(7,375)
<b>Net Premiums</b>	2,717,625							2,717,625
Less: Paid Losses	(576,260)	(530,971)	(328,441)	(241,021)	(152,112)	(142,049)	(429,146)	(2,400,000)
Less: Paid Loss Adjustment Expense	0	0	0	0	0	0	0	0
Less: (Additions) / Reductions in Reserves for Reported Losses	(429,991)	57,524	105,259	78,571	17,725	57,141	113,772	0
Less: (Additions) / Reductions in Loss Adjusting Expense Reserve	0	0	0	0	0	0	0	0
Less: (Additions) / Reductions in IBNRs	(1,393,749)	473,447	223,182	162,450	134,387	84,908	315,374	0
Plus: Reinsurance Recoveries	216,667							216,667
<b>Underwriting Income</b>	534,292	0	0	0	0	0	0	534,292
Less: General, Administrative, & Audit Expense	(95,000)							(95,000)
Less: Letter of Credit Costs on Loss Reserves	(11,490)	(8,144)	(6,075)	(4,557)	(3,599)	(2,704)	0	(36,568)
<b>Operating Income</b>	427,802	(8,144)	(6,075)	(4,557)	(3,599)	(2,704)	0	402,723
Plus: Investment Income on Paid-in Capital @ 7%	70,000							70,000
Plus: Invest. Income on Ret. Earnings & Reserves	75,442	186,496	168,878	160,328	156,391	154,928	143,361	1,045,824
<b>Net Income</b>	573,245	178,351	162,803	155,772	152,793	152,224	143,361	1,518,547
Less: Federal Income Tax (Assumes Domestic Domicile / U.S. Domestic)	(370,935)	(22,011)	(25,130)	(30,624)	(35,313)	(36,961)	4,668	(516,306)
<b>Net Income after Taxes</b>	202,309	156,340	137,672	125,148	117,480	115,263	148,029	1,002,241
Less: Dividends of Operating Income								
Less: Dividends of Investment Income								
<b>Change in Retained Earnings</b>	202,309	156,340	137,672	125,148	117,480	115,263	148,029	1,002,241

**XYZ Corporation**  
**North American Property and Liability Programs**

**CALCULATION OF INSURANCE SUBSIDIARY INVESTMENT INCOME**

Captive Fiscal Year:	1999	2000	2001	2002	2003	2004	2005
<b>Beginning of Year Cash Balance</b>	1,000,000	2,930,005	2,562,923	2,405,909	2,304,606	2,284,792	2,259,683
Cash Received During Year:							
Premiums Received	2,950,000						
Reinsurance Recoveries	216,667						
Reductions in Loss Escrow Funds		7,548	33,755	14,570	14,818	1,677	5,794
Additions to Paid-in Capital							
<b>Total Cash Received During Year</b>	<b>3,166,667</b>	<b>7,548</b>	<b>33,755</b>	<b>14,570</b>	<b>14,818</b>	<b>1,677</b>	<b>5,794</b>
Cash Disbursed During Year:							
Premium Taxes	(7,375)						
Reinsurance Premiums	(225,000)						
Paid Losses and Alloc. Expense	(576,260)	(530,971)	(328,441)	(241,021)	(152,112)	(142,049)	(429,146)
Loss Adjusting Expense Paid	0	0	0	0	0	0	0
Increases in Loss Escrow Funds	(96,043)						
General and Administrative Expenses	(95,000)						
Cost of Letter of Credit for Loss Reserves	(11,490)	(8,144)	(6,075)	(4,557)	(3,599)	(2,704)	0
<b>Total Cash Disbursed During Year</b>	<b>(1,011,168)</b>	<b>(539,116)</b>	<b>(334,516)</b>	<b>(245,578)</b>	<b>(155,710)</b>	<b>(144,753)</b>	<b>(429,146)</b>
<b>Average Cash Balance (See notes re timing)</b>	<b>2,077,749</b>	<b>2,664,222</b>	<b>2,412,542</b>	<b>2,290,405</b>	<b>2,234,160</b>	<b>2,213,254</b>	<b>2,048,007</b>
Investment Rate	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
<b>Investment Income</b>	<b>145,442</b>	<b>186,496</b>	<b>168,878</b>	<b>160,328</b>	<b>156,391</b>	<b>154,928</b>	<b>143,361</b>
Payment of Federal Income Taxes	(370,935)	(22,011)	(25,130)	(30,624)	(35,313)	(36,961)	4,668
Dividends to Parent of Operating Income							
Dividends to Parent of Investment Income							
<b>End-of-Year Cash Balance</b>	<b>2,930,005</b>	<b>2,562,923</b>	<b>2,405,909</b>	<b>2,304,606</b>	<b>2,284,792</b>	<b>2,259,683</b>	<b>1,984,360</b>

**XYZ Corporation**  
**North American Property and Liability Programs**

**INSURANCE SUBSIDIARY BALANCE SHEET (Ultimate Costs Associated with One Policy Year)**

Captive Fiscal Year:	1999	2000	2001	2002	2003	2004	2005
<b>Assets</b>							
Cash & Marketable Securities	2,930,005	2,562,923	2,405,909	2,304,606	2,284,792	2,259,683	1,984,360
Promissory Notes Receivable							
Reinsurance Recoverable							
Loss Escrow Fund with Admitted Insurer(s)	96,043	88,495	54,740	40,170	25,352	23,675	17,881
Capitalization Letter of Credit	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
<b>Total Assets</b>	<b>4,026,049</b>	<b>3,651,418</b>	<b>3,460,649</b>	<b>3,344,776</b>	<b>3,310,144</b>	<b>3,283,358</b>	<b>3,002,241</b>
<b>Liabilities and Shareholders Equity</b>							
Reserve for Unearned Premium							
Reserve for Losses Reported but not Paid	429,991	372,467	267,208	188,637	170,913	113,772	0
Reserve for Losses Incurred but not Reported	1,393,749	920,302	697,120	534,670	400,282	315,374	0
Reserve for Loss Adjustment Expense	0	0	0	0	0	0	0
<b>Retained Earnings</b>	<b>202,309</b>	<b>358,649</b>	<b>496,322</b>	<b>621,469</b>	<b>738,949</b>	<b>854,213</b>	<b>1,002,241</b>
Paid-in-Capital	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Letter of Credit-Backed Capital	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
<b>Total Liabilities and Surplus</b>	<b>4,026,049</b>	<b>3,651,418</b>	<b>3,460,649</b>	<b>3,344,776</b>	<b>3,310,144</b>	<b>3,283,358</b>	<b>3,002,241</b>

**XYZ Corporation**  
**North American Property and Liability Programs**

**Calculation of Weighted Average IRS Discount Rates:**

Line of Coverage	Percent of Captive's Total Losses	IRS 1990 Discount Factors by Number of Years after Year of Occurrence						
		(AY+0)	(AY+1)	(AY+2)	(AY+3)	(AY+4)	(AY+5)	(AY+6)
Workers Compensation	50.0%	0.788625	0.737393	0.698790	0.667257	0.651719	0.634857	0.642246
- Contribution to Wtd. Avg.		0.394313	0.368697	0.349395	0.333629	0.325860	0.317429	0.321123
General Liability	12.5%	0.740706	0.750977	0.758150	0.747521	0.735014	0.708954	0.697890
- Contribution to Wtd. Avg.		0.092588	0.093872	0.094769	0.093440	0.091877	0.088619	0.087236
Automobile Liability	12.5%	0.877021	0.870044	0.868219	0.860219	0.848471	0.823190	0.808335
- Contribution to Wtd. Avg.		0.109628	0.108756	0.108527	0.107527	0.106059	0.102899	0.101042
Automobile Physical Damage	12.5%	0.956650	0.928550	0.963270	0.963270	1.000000	1.000000	1.000000
- Contribution to Wtd. Avg.		0.119581	0.116069	0.120409	0.120409	0.125000	0.125000	0.125000
Wtd. Avg. Discount Factors	87.5%	0.716110	0.687393	0.673100	0.655005	0.648795	0.633947	0.634401

Calculation of Discounted Loss Reserves for Seven Policy Years:

Loss Reporting and Payout Percentages:	Captive Fiscal Year							Totals
	1	2	3	4	5	6	7	
Cumulative Loss Reporting Pattern	41.9%	61.7%	71.0%	77.7%	83.3%	86.9%	100.0%	100.0%
Year-to-Year Loss Reporting Pattern	41.9%	19.7%	9.3%	6.8%	5.6%	3.5%	13.1%	100.0%
Year-to-Year Loss Payout Pattern	24.0%	22.1%	13.7%	10.0%	6.3%	5.9%	17.9%	100.0%
<b>Incurred Losses:</b>								
Policy Year Incurred Losses	<b>2,400,000</b>	<b>2,640,000</b>	<b>2,904,000</b>	<b>3,194,400</b>	<b>3,513,840</b>	<b>3,865,224</b>	<b>4,251,746</b>	<b>22,769,210</b>
Cumulative Incurred Losses	2,400,000	5,040,000	7,944,000	11,138,400	14,652,240	18,517,464	22,769,210	22,769,210
<b>Reported Losses:</b>								
Incurred in Policy Year 1	1,006,251	473,447	223,182	162,450	134,387	84,908	315,374	2,400,000
Incurred in Policy Year 2		1,106,876	520,792	245,500	178,695	147,826	93,399	2,293,089
Incurred in Policy Year 3			1,217,564	572,871	270,050	196,565	162,609	2,419,658
Incurred in Policy Year 4				1,339,320	630,158	297,055	216,221	2,482,755
Incurred in Policy Year 5					1,473,252	693,174	326,761	2,493,187
Incurred in Policy Year 6						1,620,577	762,491	2,383,069
Incurred in Policy Year 7							1,782,635	1,782,635
Total Losses Reported During Policy Year	1,006,251	1,580,323	1,961,538	2,320,142	2,686,543	3,040,106	3,659,490	16,254,393
Cumulative Reported Losses	1,006,251	2,586,574	4,548,112	6,868,254	9,554,797	12,594,902	16,254,393	16,254,393
<b>Paid Losses:</b>								
Incurred in Policy Year 1	576,260	530,971	328,441	241,021	152,112	142,049	429,146	2,400,000
Incurred in Policy Year 2		633,886	584,068	361,285	265,123	167,323	156,254	2,167,940
Incurred in Policy Year 3			697,275	642,475	397,413	291,635	184,055	2,212,854
Incurred in Policy Year 4				767,003	706,723	437,155	320,799	2,231,679
Incurred in Policy Year 5					843,703	777,395	480,870	2,101,968
Incurred in Policy Year 6						928,073	855,135	1,783,208
Incurred in Policy Year 7							1,020,880	1,020,880
Total Losses Paid During Policy Year	576,260	1,164,858	1,609,784	2,011,783	2,365,074	2,743,630	3,447,139	13,918,528
Cumulative Paid Losses	576,260	1,741,118	3,350,902	5,362,686	7,727,759	10,471,389	13,918,528	13,918,528
<b>Loss Reserves:</b>								
Reserve for Losses Reported but not Paid	429,991	845,456	1,197,210	1,505,568	1,827,038	2,123,513	2,335,864	
Reserve for Losses Incurred but not Reported	1,393,749	2,453,426	3,395,888	4,270,146	5,097,443	5,922,562	6,514,818	
Total Loss Reserves Year-end	1,823,740	3,298,882	4,593,098	5,775,714	6,924,481	8,046,075	8,850,682	
Average Reserves for Reported Losses During Year	214,995	637,724	1,021,333	1,351,389	1,666,303	1,975,275	2,229,689	
Change in Reserves for Reported Losses	429,991	415,466	351,754	308,358	321,469	296,475	212,351	
Change in Reserves for Losses Incurred but not Reported	1,393,749	1,059,677	942,462	874,258	827,297	825,118	592,256	

**Breakdown of Loss Reserves by Year Incurred:**

	1	2	3	4	5	6	
Incurring in Policy Year 1	1,823,740	1,292,768	964,328	723,307	571,195	429,146	0
Incurring in Policy Year 2		2,006,114	1,422,045	1,060,760	795,638	628,314	472,060
Incurring in Policy Year 3			2,206,725	1,564,250	1,166,836	875,201	691,146
Incurring in Policy Year 4				2,427,397	1,720,675	1,283,520	962,721
Incurring in Policy Year 5					2,670,137	1,892,742	1,411,872
Incurring in Policy Year 6						2,937,151	2,082,016
Incurring in Policy Year 7							3,230,866
Totals by Fiscal Year	1,823,740	3,298,882	4,593,098	5,775,714	6,924,481	8,046,075	8,850,682

**Breakdown of Discounted Loss Reserves by Year Incurred:**

Incurring in Policy Year 1	1,305,998	888,640	649,089	473,769	370,589	272,055	0
Incurring in Policy Year 2		1,436,597	977,504	713,998	521,146	407,647	299,261
Incurring in Policy Year 3			1,580,257	1,075,254	785,397	573,261	448,412
Incurring in Policy Year 4				1,738,283	1,182,780	863,937	630,587
Incurring in Policy Year 5					1,912,111	1,301,058	950,331
Incurring in Policy Year 6						2,103,322	1,431,163
Incurring in Policy Year 7							2,313,654
Totals by Fiscal Year	1,305,998	2,325,237	3,206,850	4,001,304	4,772,023	5,521,281	6,073,409

**Change in Loss Reserves by Year Incurred:**

Incurring in Policy Year 1	1,823,740	(530,971)	(328,441)	(241,021)	(152,112)	(142,049)	(429,146)
Incurring in Policy Year 2		2,006,114	(584,068)	(361,285)	(265,123)	(167,323)	(156,254)
Incurring in Policy Year 3			2,206,725	(642,475)	(397,413)	(291,635)	(184,055)
Incurring in Policy Year 4				2,427,397	(706,723)	(437,155)	(320,799)
Incurring in Policy Year 5					2,670,137	(777,395)	(480,870)
Incurring in Policy Year 6						2,937,151	(855,135)
Incurring in Policy Year 7							3,230,866
Totals by Fiscal Year	1,823,740	1,475,142	1,294,216	1,182,617	1,148,766	1,121,594	804,607

**Change in Discounted Loss Reserves by Year Incurred:**

Incurring in Policy Year 1	1,305,998	(417,358)	(239,551)	(175,319)	(103,181)	(98,533)	(272,055)
Incurring in Policy Year 2		1,436,597	(459,094)	(263,506)	(192,851)	(113,499)	(108,386)
Incurring in Policy Year 3			1,580,257	(505,003)	(289,857)	(212,136)	(124,849)
Incurring in Policy Year 4				1,738,283	(555,503)	(318,842)	(233,350)
Incurring in Policy Year 5					1,912,111	(611,053)	(350,727)
Incurring in Policy Year 6						2,103,322	(672,159)
Incurring in Policy Year 7							2,313,654
Totals by Fiscal Year	1,305,998	1,019,240	881,612	794,454	770,719	749,258	552,128
Cumulative Totals	1,305,998	2,325,237	3,206,850	4,001,304	4,772,023	5,521,281	6,073,409



**XYZ Corporation**  
**North American Property and Liability Programs**

Scenario 1  
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**INSURANCE SUBSIDIARY INCOME STATEMENT (7 Policy Years)**

Captive Fiscal Year:	1999	2000	2001	2002	2003	2004	2005	Totals
<b>Premiums Ceded by Admitted Insurer(s)</b>	2,950,000	3,245,000	3,569,500	3,926,450	4,319,095	4,751,005	5,226,105	27,987,154
<b>Plus: Premiums for Direct Insurance Written</b>	0	0	0	0	0	0	0	0
<b>Total Premiums Received</b>	2,950,000	3,245,000	3,569,500	3,926,450	4,319,095	4,751,005	5,226,105	27,987,154
Plus: Beg. of Yr. Reserve for Unearned Premium	0	0	0	0	0	0	0	0
Less: End of Year Reserve for Unearned Premium	0	0	0	0	0	0	0	0
<b>Earned Premium</b>	2,950,000	3,245,000	3,569,500	3,926,450	4,319,095	4,751,005	5,226,105	27,987,154
Less: Reinsurance Premiums	(225,000)	(247,500)	(272,250)	(299,475)	(329,423)	(362,365)	(398,601)	(2,134,613)
Less: Premium Taxes (Portion Paid by Captive)	(7,375)	(8,113)	(8,924)	(9,816)	(10,798)	(11,878)	(13,065)	(69,968)
<b>Net Premiums</b>	2,717,625	2,989,388	3,288,326	3,617,159	3,978,875	4,376,762	4,814,438	25,782,573
Less: Paid Losses	(576,260)	(1,164,858)	(1,609,784)	(2,011,783)	(2,365,074)	(2,743,630)	(3,447,139)	(13,918,528)
Less: Paid Loss Adjusting Expense	0	0	0	0	0	0	0	0
Less: (Additions) / Reductions in Loss Adjusting Expense Reserve	0	0	0	0	0	0	0	0
Less: (Additions) / Reductions in Reserves for Reported Losses	(429,991)	(415,466)	(351,754)	(308,358)	(321,469)	(296,475)	(212,351)	(2,335,864)
Less: (Additions) / Reductions in IBNRs	(1,393,749)	(1,059,677)	(942,462)	(874,258)	(827,297)	(825,118)	(592,256)	(6,514,818)
Plus: Reinsurance Recoveries	216,667	238,333	262,167	288,383	317,222	348,944	383,838	2,055,554
<b>Underwriting Income</b>	534,292	587,721	646,493	711,142	782,256	860,482	946,530	5,068,916
Less: General & Administrative Expenses	(95,000)	(104,500)	(114,950)	(126,445)	(139,090)	(152,998)	(168,298)	(901,281)
Less: Letter of Credit Costs on Loss Reserves	(11,490)	(4,018)	(6,434)	(8,514)	(10,498)	(12,444)	(14,047)	(67,444)
<b>Operating Income</b>	427,802	479,203	525,109	576,183	632,669	695,039	764,185	4,100,191
Plus: Investment Income on Paid-in Capital @ 7%	70,000	70,000	70,000	70,000	70,000	70,000	70,000	490,000
Plus: Invest. Income on Ret. Earnings & Reserves	75,442	313,644	446,520	580,853	721,216	870,495	1,017,349	4,025,518
<b>Net Income</b>	573,245	862,847	1,041,628	1,227,036	1,423,885	1,635,534	1,851,534	8,615,709
Less: Federal Income Tax (Assumes U.S "Domestic Election")	(370,935)	(448,375)	(494,439)	(549,167)	(612,657)	(682,676)	(715,364)	(3,873,614)
<b>Net Income after Taxes</b>	202,309	414,472	547,190	677,869	811,228	952,858	1,136,169	4,742,095
Less: Dividends of Operating Income								
Less: Dividends of Investment Income								
<b>Change in Retained Earnings</b>	202,309	414,472	547,190	677,869	811,228	952,858	1,136,169	4,742,095

45.0%

**XYZ Corporation**  
**North American Property and Liability Programs**

**CALCULATION OF INSURANCE SUBSIDIARY INVESTMENT INCOME (7 Policy Years)**

Captive Fiscal Year:	1999	2000	2001	2002	2003	2004	2005
<b>Beginning of Year Cash Balance</b>	1,000,000	2,930,005	4,721,520	6,488,771	8,282,257	10,183,369	12,194,729
Cash Received During Year:							
Premiums Received	2,950,000	3,245,000	3,569,500	3,926,450	4,319,095	4,751,005	5,226,105
Reinsurance Recoveries	216,667	238,333	262,167	288,383	317,222	348,944	383,838
Reductions in Loss Escrow Funds							
Additions to Paid-in Capital							
<b>Total Cash Received During Year</b>	3,166,667	3,483,333	3,831,667	4,214,833	4,636,317	5,099,948	5,609,943
Cash Disbursed During Year:							
Domicile Taxes	(7,375)	(8,113)	(8,924)	(9,816)	(10,798)	(11,878)	(13,065)
Reinsurance Premiums	(225,000)	(247,500)	(272,250)	(299,475)	(329,423)	(362,365)	(398,601)
Paid Losses and Alloc. Expense	(576,260)	(1,164,858)	(1,609,784)	(2,011,783)	(2,365,074)	(2,743,630)	(3,447,139)
Paid Loss Adjusting Expense	0	0	0	0	0	0	0
Increases in Loss Escrow Funds	(96,043)	(98,100)	(74,154)	(67,000)	(58,882)	(63,093)	(117,251)
General and Administrative Expenses	(95,000)	(104,500)	(114,950)	(126,445)	(139,090)	(152,998)	(168,298)
Cost of Letter of Credit for Loss Reserves	(11,490)	(4,018)	(6,434)	(8,514)	(10,498)	(12,444)	(14,047)
<b>Total Cash Disbursed During Year</b>	(1,011,168)	(1,627,087)	(2,086,497)	(2,523,033)	(2,913,763)	(3,346,408)	(4,158,402)
<b>Average Cash Balance (See notes re timing)</b>	2,077,749	5,480,628	7,378,855	9,297,896	11,303,081	13,435,642	15,533,552
Investment Rate	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
<b>Investment Income</b>	145,442	383,644	516,520	650,853	791,216	940,495	1,087,349
Payment of Federal Income Taxes	(370,935)	(448,375)	(494,439)	(549,167)	(612,657)	(682,676)	(715,364)
Dividends to Parent of Operating Income							
Dividends to Parent of Investment Income							
<b>End-of-Year Cash Balance</b>	2,930,005	4,721,520	6,488,771	8,282,257	10,183,369	12,194,729	14,018,254

**XYZ Corporation**  
**North American Property and Liability Programs**

**INSURANCE SUBSIDIARY BALANCE SHEET (7 Policy Years)**

Captive Fiscal Year:	1999	2000	2001	2002	2003	2004	2005
<b>Assets</b>							
Cash & Marketable Securities	2,930,005	4,721,520	6,488,771	8,282,257	10,183,369	12,194,729	14,018,254
Promissory Notes Receivable							
Reinsurance Recoverable							
Appropriated Asset: Loss Escrow Fund with Admitted Insurer(s)	96,043	194,143	268,297	335,297	394,179	457,272	574,523
Capitalization Letter of Credit	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
<b>Total Assets</b>	<b>4,026,049</b>	<b>5,915,663</b>	<b>7,757,069</b>	<b>9,617,554</b>	<b>11,577,548</b>	<b>13,652,001</b>	<b>15,592,777</b>
<b>Liabilities and Shareholders Equity</b>							
Reserve for Unearned Premium							
Reserve for Losses Reported but not Paid	429,991	845,456	1,197,210	1,505,568	1,827,038	2,123,513	2,335,864
Reserve for Losses Incurred but not Reported	1,393,749	2,453,426	3,395,888	4,270,146	5,097,443	5,922,562	6,514,818
Reserve for Loss Adjusting Expense	0	0	0	0	0	0	0
<b>Retained Earnings</b>	<b>202,309</b>	<b>616,781</b>	<b>1,163,971</b>	<b>1,841,840</b>	<b>2,653,067</b>	<b>3,605,926</b>	<b>4,742,095</b>
Paid-in-Capital	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Letter of Credit-Backed Capital	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
<b>Total Liabilities and Surplus</b>	<b>4,026,049</b>	<b>5,915,663</b>	<b>7,757,069</b>	<b>9,617,554</b>	<b>11,577,548</b>	<b>13,652,001</b>	<b>15,592,777</b>

**XYZ Corporation**  
**North American Property and Liability Programs**

**Calculation of Federal Income Tax on Insurance Subsidiary Income**  
**Ultimate Costs of One Policy Year, Calculated per 1986 Tax Reform Act Provisions for Discounting of Loss Reserves**

Captive Fiscal Year:	1999	2001	2002	2003	2004	2005	2006	Totals
Net Premiums Earned by Insurance Subsidiary	2,717,625							
Less: Paid Losses	(576,260)	(530,971)	(328,441)	(241,021)	(152,112)	(142,049)	(429,146)	(2,400,000)
Less: Loss Adjusting Expense	0	0	0	0	0	0	0	0
Less: (Additions) / Reductions in Loss Adjusting Expense Reserve	0	0	0	0	0	0	0	0
Less: (Additions) / Reductions in Discounted Loss Reserves	(1,305,998)	417,358	239,551	175,319	103,181	98,533	272,055	0
Plus: Reinsurance Recoveries	216,667							
<b>Underwriting Income</b>	1,052,034	(113,614)	(88,890)	(65,701)	(48,931)	(43,516)	(157,090)	534,292
Less: General & Administrative Expenses	(95,000)							(95,000)
Less: Letter of Credit Costs on Loss Reserves	(11,490)	(8,144)	(6,075)	(4,557)	(3,599)	(2,704)	0	(36,568)
Operating Income restated for tax purposes	945,544	(121,758)	(94,965)	(70,258)	(52,530)	(46,220)	(157,090)	402,723
Plus: Investment Income on Capital	70,000	70,000	70,000	70,000	70,000	70,000	70,000	490,000
Plus: Invest. Income on Ret. Earnings & Reserves	75,442	116,496	98,878	90,328	86,391	84,928	73,361	625,824
<b>Taxable Net Income</b>	1,090,987	64,738	73,913	90,070	103,862	108,708	(13,730)	1,518,547
x 34 %	34.0%	34.0%	34.0%	34.0%	34.0%	34.0%	34.0%	34.0%
<b>Federal Income Tax (Assumes Domestic Election)</b>	370,935	22,011	25,130	30,624	35,313	36,961	(4,668)	516,306