

Exhibit G

Projected Financial and Operating Results Associated with Scenario 4

209666-0001\21775683.1

9/22/17

Balance Sheet
(Dollars in Millions)

| | Transaction Adjustments | | | | | | | | | | Post-Transaction 12/31/2017 | | | |
|--|-------------------------|----------------|----------------|-------------------------------|--------------------------------|------------------------------------|-----------------------------------|---|---|--------------|--------------------------------|-------------------------|---|----------------|
| | 3/31/2017 | 6/30/2017 | 9/30/2017 | Pre-Transaction 12/31/2017 | AAC Exchanges DPOs for SSNs | AAC Satisfies DPOs (except AFG) | AAC Satisfies DPOs held by AFG | AAC Exchanges with GA SSN Holders | Post-Record Date Claims Final Payment | Tier 2 | | SSN Interest Payment | Other Financial Statement Impacts & Reclassifications | Tax Effect |
| Assets | | | | | | | | | | | | | | |
| Invested assets | | | | | | | | | | | | | | |
| Bonds | \$4,778 | \$5,223 | \$5,133 | \$5,285 | \$(171) | \$(2,252) | \$0 | \$(278) | \$0 | \$240 | \$(13) | \$(33) | \$(61) | \$2,716 |
| Tier 2 Account | | | | 234 | | | | | | | | | | 234 |
| Stocks | 229 | (42) | (40) | (42) | | | | | | | | | | (42) |
| Intercompany Loans | (35) | 50 | 50 | 50 | | | | | | | | | | 50 |
| Cash & Cash Equivalents | 292 | 5,462 | 5,375 | 5,527 | (171) | (2,252) | 0 | (278) | 240 | 240 | (13) | (33) | (61) | 2,958 |
| Total Cash and Investments | 5,263 | 5,462 | 5,375 | 5,527 | (171) | (2,252) | 0 | (278) | 240 | 240 | (13) | (33) | (61) | 2,958 |
| Other Assets | 198 | 0 | 0 | 0 | | | | | | | | | | 0 |
| Total Assets | \$5,461 | \$5,462 | \$5,375 | \$5,527 | \$(171) | \$(2,252) | \$0 | \$(278) | \$0 | \$240 | \$(13) | \$(33) | \$(61) | \$2,958 |
| Liabilities | | | | | | | | | | | | | | |
| Unearned Premiums Reserve | 452 | \$437 | \$422 | 409 | | | | | | | | | | \$409 |
| Loss and LAE Reserves | 2,536 | 2,562 | 2,461 | 2,489 | (3,706) | (136) | | | | | | | | (1,353) |
| Secured Borrowings | 93 | 85 | 76 | 67 | | | | | | | | | | 67 |
| Other Liabilities | 1,023 | 947 | 947 | 947 | (135) | | | (423) | | 240 | | (356) | | 33 |
| Tier 2 Notes | 0 | 0 | 0 | 0 | | | | | | | | | | 240 |
| Secured Note | 412 | 419 | 426 | 432 | | | | | | | | | | 1,311 |
| Contingency Reserve | | | | | | | | | | | | | | 432 |
| Total Liabilities | \$4,516 | \$4,449 | \$4,332 | 4,343 | \$(135) | \$(2,603) | \$(12) | \$(137) | \$0 | \$240 | \$0 | \$(356) | \$0 | \$1,339 |
| Surplus as regards Policyholders | \$945 | \$1,013 | \$1,043 | 1,184 | \$(36) | \$351 | \$12 | \$(44) | \$0 | \$0 | \$(13) | \$323 | \$(61) | \$1,619 |
| Total Liabilities and Surplus | \$5,461 | \$5,462 | \$5,375 | 5,527 | \$(171) | \$(2,252) | \$0 | \$(278) | \$0 | \$240 | \$(13) | \$(33) | \$(61) | \$2,958 |
| Qualified Statutory Capital | \$1,357 | \$1,432 | \$1,469 | 1,616 | \$(36) | \$351 | \$12 | \$(141) | \$0 | \$0 | \$(13) | \$323 | \$(61) | \$2,051 |
| Surplus Reconciliation | | | | | | | | | | | | | | |
| Common Stock | 82 | \$82 | \$82 | 82 | | | | | | | | | | \$82 |
| Preferred Stock | 26 | 26 | 26 | 26 | | | | | | | | | | 26 |
| Gross Paid-in and Contributed Surplus | 3,551 | 3,551 | 3,551 | 3,551 | | | | | | | | | | 3,551 |
| Unassigned Surplus | (3,089) | (3,020) | (2,988) | (2,846) | (36) | 351 | 12 | (141) | 0 | 0 | (13) | (33) | (61) | (2,767) |
| Tier 2 Notes | 0 | 0 | 0 | 0 | | | | | | | | | | 0 |
| Senior Surplus Notes | 0 | 0 | 0 | 0 | | | | | | | | | | 0 |
| Junior Surplus Notes | 374 | 373 | 371 | 376 | | | | | | | | | | 356 |
| Total Surplus | \$945 | \$1,013 | \$1,043 | 1,184 | \$(36) | \$351 | \$12 | \$(141) | \$0 | \$0 | \$(13) | \$323 | \$(61) | \$1,619 |
| Unassigned Surplus Reconciliation | | | | | | | | | | | | | | |
| Beginning Balance | | \$(3,089) | \$(3,020) | (3,020) | | | | | | | | | | \$(2,988) |
| Net Income | | 74 | 37 | 146 | (36) | 351 | 12 | (141) | 0 | 0 | (13) | (33) | (61) | 225 |
| Change in non-admitted assets | | 0 | 0 | 0 | | | | | | | | | | 0 |
| Change in Equity in Affiliates | | 2 | 2 | 2 | | | | | | | | | | 2 |
| Additions to Contingency Reserves | | (7) | (7) | (6) | | | | | | | | | | (6) |
| Release of Contingency Reserves | | 0 | 0 | 0 | | | | | | | | | | 0 |
| Ending Balance | | \$(3,020) | \$(2,988) | \$(2,878) | \$(36) | \$351 | \$12 | \$(141) | \$0 | \$0 | \$(13) | \$(33) | \$(61) | \$(2,767) |

Balance Sheet
(Dollars in Millions)

| | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Assets | | | | | | | | | | |
| Invested assets | | | | | | | | | | |
| Bonds | \$2,606 | \$2,627 | \$2,888 | \$2,931 | \$2,960 | \$2,958 | \$3,002 | \$3,012 | \$3,063 | \$3,100 |
| Tier 2 Account | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Stocks | 241 | 248 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Intercompany Loans | (45) | (49) | (53) | (55) | (57) | (54) | (54) | (55) | (50) | (46) |
| Cash & Cash Equivalents | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 |
| Total Cash and Investments | 2,852 | 2,875 | 2,885 | 2,926 | 2,954 | 2,954 | 2,998 | 3,009 | 3,063 | 3,104 |
| Other Assets | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Assets | \$2,852 | \$2,875 | \$2,885 | \$2,926 | \$2,954 | \$2,954 | \$2,998 | \$3,009 | \$3,063 | \$3,104 |
| Liabilities | | | | | | | | | | |
| Unearned Premiums Reserve | \$361 | \$322 | \$287 | \$254 | \$226 | \$201 | \$178 | \$156 | \$136 | \$117 |
| Loss and LAE Reserves | 1,210 | 1,188 | 1,148 | 1,136 | 1,112 | 1,166 | 1,145 | 1,488 | 1,485 | 1,517 |
| Secured Borrowings | 32 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other Liabilities | 33 | 33 | 28 | 28 | 28 | 28 | 28 | 28 | 28 | 28 |
| Tier 2 Notes | 260 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Secured Note | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contingency Reserve | 454 | 474 | 492 | 510 | 526 | 541 | 555 | 290 | 302 | 312 |
| Total Liabilities | \$2,350 | \$2,016 | \$1,955 | \$1,928 | \$1,892 | \$1,936 | \$1,906 | \$1,963 | \$1,952 | \$1,974 |
| Surplus as regards Policyholders | \$502 | \$859 | \$930 | \$997 | \$1,062 | \$1,017 | \$1,091 | \$1,046 | \$1,111 | \$1,130 |
| Total Liabilities and Surplus | \$2,852 | \$2,875 | \$2,885 | \$2,926 | \$2,954 | \$2,954 | \$2,998 | \$3,009 | \$3,063 | \$3,104 |
| Qualified Statutory Capital | \$956 | \$1,333 | \$1,422 | \$1,507 | \$1,588 | \$1,558 | \$1,646 | \$1,337 | \$1,413 | \$1,441 |

| | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 |
|--|--------------|--------------|--------------|--------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Surplus Reconciliation | | | | | | | | | | |
| Common Stock | \$82 | \$82 | \$82 | \$82 | \$82 | \$82 | \$82 | \$82 | \$82 | \$82 |
| Preferred Stock | 26 | 26 | 26 | 26 | 26 | 26 | 26 | 26 | 26 | 26 |
| Gross Paid-in and Contributed Surplus | 3,551 | 3,551 | 3,551 | 3,551 | 3,551 | 3,551 | 3,551 | 3,551 | 3,551 | 3,551 |
| Unassigned Surplus | (3,879) | (3,762) | (3,692) | (3,624) | (3,560) | (3,604) | (3,530) | (3,575) | (3,510) | (3,492) |
| Tier 2 Notes | 0 | 240 | 240 | 240 | 240 | 240 | 240 | 240 | 240 | 240 |
| Senior Surplus Notes | 356 | 356 | 356 | 356 | 356 | 356 | 356 | 356 | 356 | 356 |
| Junior Surplus Notes | 365 | 365 | 365 | 365 | 365 | 365 | 365 | 365 | 365 | 365 |
| Total Surplus | \$930 | \$930 | \$930 | \$997 | \$1,062 | \$1,017 | \$1,091 | \$1,046 | \$1,111 | \$1,130 |
| Unassigned Surplus Reconciliation | | | | | | | | | | |
| Beginning Balance | \$(2,767) | \$(3,879) | \$(3,762) | \$(3,692) | \$(3,624) | \$(3,560) | \$(3,604) | \$(3,530) | \$(3,575) | \$(3,510) |
| Net Income | (1,098) | 130 | 81 | 85 | 80 | (29) | 88 | (310) | 76 | 29 |
| Change in non-admitted assets | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Change in Equity in Affiliates | 7 | 0 | 7 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Additions to Contingency Reserves | (22) | (29) | (19) | (17) | (16) | (15) | (14) | (13) | (11) | (10) |
| Release of Contingency Reserves | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 278 | 0 | 0 |
| Ending Balance | \$(3,879) | \$(3,762) | \$(3,692) | \$(3,624) | \$(3,560) | \$(3,604) | \$(3,530) | \$(3,575) | \$(3,510) | \$(3,492) |

Note: Assumes reclassification of Tier 2 Notes once litigation proceeds as a source of payment is exhausted.

Balance Sheet
(Dollars in Millions)

| | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Assets | | | | | | | | |
| Invested assets | | | | | | | | |
| Bonds | \$3,123 | \$3,106 | \$3,124 | \$3,026 | \$3,037 | \$3,108 | \$3,137 | \$3,180 |
| Tier 2 Account | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Stocks | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Intercompany Loans | (42) | (38) | (34) | (30) | (26) | (22) | (19) | (16) |
| Cash & Cash Equivalents | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 |
| Total Cash and Investments | 3,131 | 3,118 | 3,141 | 3,046 | 3,061 | 3,135 | 3,168 | 3,215 |
| Other Assets | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Assets | \$3,131 | \$3,118 | \$3,141 | \$3,046 | \$3,061 | \$3,135 | \$3,168 | \$3,215 |
| Liabilities | | | | | | | | |
| Unearned Premiums Reserve | \$98 | \$83 | \$68 | \$58 | \$50 | \$44 | \$39 | \$33 |
| Loss and LAE Reserves | 1,487 | 1,439 | 1,449 | 1,303 | 1,266 | 1,289 | 1,263 | 1,240 |
| Secured Borrowings | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other Liabilities | 28 | 28 | 28 | 28 | 28 | 28 | 28 | 28 |
| Tier 2 Notes | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Secured Note | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contingency Reserve | 321 | 329 | 336 | 343 | 343 | 343 | 343 | 343 |
| Total Liabilities | \$1,934 | \$1,879 | \$1,882 | \$1,732 | \$1,345 | \$1,361 | \$1,330 | \$1,301 |
| Surplus as regards Policyholders | \$1,196 | \$1,239 | \$1,259 | \$1,314 | \$1,716 | \$1,775 | \$1,838 | \$1,914 |
| Total Liabilities and Surplus | \$3,131 | \$3,118 | \$3,141 | \$3,046 | \$3,061 | \$3,135 | \$3,168 | \$3,215 |
| Qualified Statutory Capital | \$1,517 | \$1,568 | \$1,595 | \$1,657 | \$1,716 | \$1,775 | \$1,838 | \$1,914 |

| | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Surplus Reconciliation | | | | | | | | |
| Common Stock | \$82 | \$82 | \$82 | \$82 | \$82 | \$82 | \$82 | \$82 |
| Preferred Stock | 26 | 26 | 26 | 26 | 26 | 26 | 26 | 26 |
| Gross Paid-in and Contributed Surplus | 3,551 | 3,551 | 3,551 | 3,551 | 3,551 | 3,551 | 3,551 | 3,551 |
| Unassigned Surplus | (3,425) | (3,382) | (3,302) | (3,307) | (2,905) | (2,847) | (2,784) | (2,708) |
| Tier 2 Notes | 240 | 240 | 240 | 240 | 240 | 240 | 240 | 240 |
| Senior Surplus Notes | 356 | 356 | 356 | 356 | 356 | 356 | 356 | 356 |
| Junior Surplus Notes | 365 | 365 | 365 | 365 | 365 | 365 | 365 | 365 |
| Total Surplus | \$1,196 | \$1,239 | \$1,259 | \$1,314 | \$1,716 | \$1,775 | \$1,838 | \$1,914 |
| Unassigned Surplus Reconciliation | | | | | | | | |
| Beginning Balance | \$(3,425) | \$(3,425) | \$(3,382) | \$(3,302) | \$(3,307) | \$(2,905) | \$(2,847) | \$(2,784) |
| Net Income | 76 | 51 | 27 | 62 | 59 | 59 | 63 | 76 |
| Change in non-admitted assets | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Change in Equity in Affiliates | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Additions to Contingency Reserves | (7) | (8) | (7) | (6) | (6) | (6) | (6) | (6) |
| Release of Contingency Reserves | 0 | 0 | 0 | 0 | 348 | 0 | 0 | 0 |
| Ending Balance | \$(3,425) | \$(3,382) | \$(3,302) | \$(3,307) | \$(2,905) | \$(2,847) | \$(2,784) | \$(2,708) |

Balance Sheet
(Dollars in Millions)

| | 2036 | 2037 | 2038 | 2039 | 2040 | 2041 | 2042 | 2043 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Assets | | | | | | | | |
| Invested assets | | | | | | | | |
| Bonds | \$3,527 | \$3,214 | \$3,055 | \$3,167 | \$3,270 | \$3,394 | \$3,525 | \$3,597 |
| Tier 2 Account | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Stocks | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Intercompany Loans | (15) | (11) | (9) | (7) | (5) | (4) | (5) | (2) |
| Cash & Cash Equivalents | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 |
| Total Cash and Investments | 3,564 | 3,253 | 3,096 | 3,210 | 3,314 | 3,440 | 3,572 | 3,645 |
| Other Assets | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Assets | \$3,564 | \$3,253 | \$3,096 | \$3,210 | \$3,314 | \$3,440 | \$3,572 | \$3,645 |
| Liabilities | | | | | | | | |
| Unearned Premiums Reserve | \$27 | \$21 | \$19 | \$17 | \$16 | \$15 | \$14 | \$13 |
| Loss and LAE Reserves | 1,179 | 637 | 296 | 302 | 294 | 301 | 308 | 242 |
| Secured Borrowings | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other Liabilities | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Tier 2 Notes | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Secured Note | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contingency Reserve | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Liabilities | \$1,206 | \$658 | \$314 | \$320 | \$310 | \$316 | \$323 | \$256 |
| Surplus as regards Policyholders | \$2,358 | \$2,595 | \$2,782 | \$2,890 | \$3,004 | \$3,124 | \$3,250 | \$3,389 |
| Total Liabilities and Surplus | \$3,564 | \$3,253 | \$3,096 | \$3,210 | \$3,314 | \$3,440 | \$3,572 | \$3,645 |
| Qualified Statutory Capital | \$2,358 | \$2,595 | \$2,782 | \$2,890 | \$3,004 | \$3,124 | \$3,250 | \$3,389 |

| | 2036 | 2037 | 2038 | 2039 | 2040 | 2041 | 2042 | 2043 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Surplus Reconciliation | | | | | | | | |
| Common Stock | \$82 | \$82 | \$82 | \$82 | \$82 | \$82 | \$82 | \$82 |
| Preferred Stock | 26 | 26 | 26 | 26 | 26 | 26 | 26 | 26 |
| Gross Paid-in and Contributed Surplus | 3,551 | 3,551 | 3,551 | 3,551 | 3,551 | 3,551 | 3,551 | 3,551 |
| Unassigned Surplus | (2,263) | (2,027) | (1,840) | (1,731) | (1,617) | (1,497) | (1,372) | (1,232) |
| Tier 2 Notes | 240 | 240 | 240 | 240 | 240 | 240 | 240 | 240 |
| Senior Surplus Notes | 356 | 356 | 356 | 356 | 356 | 356 | 356 | 356 |
| Junior Surplus Notes | 365 | 365 | 365 | 365 | 365 | 365 | 365 | 365 |
| Total Surplus | \$2,358 | \$2,595 | \$2,782 | \$2,890 | \$3,004 | \$3,124 | \$3,250 | \$3,389 |
| Unassigned Surplus Reconciliation | | | | | | | | |
| Beginning Balance | \$(2,708) | \$(2,263) | \$(2,027) | \$(1,840) | \$(1,731) | \$(1,617) | \$(1,497) | \$(1,372) |
| Net Income | 445 | 236 | 187 | 109 | 114 | 120 | 125 | 140 |
| Change in non-admitted assets | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Change in Equity in Affiliates | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Additions to Contingency Reserves | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Release of Contingency Reserves | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Ending Balance | \$(2,263) | \$(2,027) | \$(1,840) | \$(1,731) | \$(1,617) | \$(1,497) | \$(1,372) | \$(1,232) |

Balance Sheet
(Dollars in Millions)

| | 2044 | 2045 | 2046 | 2047 | 2048 | 2049 | 2050 | 2051 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Assets | | | | | | | | |
| Invested assets | | | | | | | | |
| Bonds | \$3,701 | \$3,836 | \$3,994 | \$4,369 | \$4,179 | \$4,108 | \$4,025 | \$3,929 |
| Tier 2 Account | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Stocks | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Intercompany Loans | (1) | (1) | (0) | (0) | (0) | (0) | (0) | 0 |
| Cash & Cash Equivalents | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 |
| Total Cash and Investments | 3,750 | 3,885 | 4,044 | 4,419 | 4,229 | 4,158 | 4,075 | 3,979 |
| Other Assets | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Assets | \$3,750 | \$3,885 | \$4,044 | \$4,419 | \$4,229 | \$4,158 | \$4,075 | \$3,979 |
| Liabilities | | | | | | | | |
| Unearned Premiums Reserve | \$12 | \$12 | \$11 | \$9 | \$8 | \$6 | \$5 | \$3 |
| Loss and LAE Reserves | 198 | 186 | 191 | 2,533 | 2,153 | 1,873 | 1,562 | 1,218 |
| Secured Borrowings | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other Liabilities | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Tier 2 Notes | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Secured Note | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contingency Reserve | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Liabilities | \$210 | \$198 | \$202 | \$2,543 | \$2,160 | \$1,879 | \$1,567 | \$1,222 |
| Surplus as regards Policyholders | \$3,540 | \$3,687 | \$3,842 | \$1,876 | \$2,069 | \$2,279 | \$2,508 | \$2,757 |
| Total Liabilities and Surplus | \$3,750 | \$3,885 | \$4,044 | \$4,419 | \$4,229 | \$4,158 | \$4,075 | \$3,979 |
| Qualified Statutory Capital | \$3,540 | \$3,687 | \$3,842 | \$1,876 | \$2,069 | \$2,279 | \$2,508 | \$2,757 |

| | 2044 | 2045 | 2046 | 2047 | 2048 | 2049 | 2050 | 2051 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Surplus Reconciliation | | | | | | | | |
| Common Stock | \$82 | \$82 | \$82 | \$82 | \$82 | \$82 | \$82 | \$82 |
| Preferred Stock | 26 | 26 | 26 | 26 | 26 | 26 | 26 | 26 |
| Gross Paid-in and Contributed Surplus | 3,551 | 3,551 | 3,551 | 3,551 | 3,551 | 3,551 | 3,551 | 3,551 |
| Unassigned Surplus | (1,081) | (934) | (779) | (2,745) | (2,553) | (2,343) | (2,113) | (1,864) |
| Tier 2 Notes | 240 | 240 | 240 | 240 | 240 | 240 | 240 | 240 |
| Senior Surplus Notes | 356 | 356 | 356 | 356 | 356 | 356 | 356 | 356 |
| Junior Surplus Notes | 365 | 365 | 365 | 365 | 365 | 365 | 365 | 365 |
| Total Surplus | \$3,540 | \$3,687 | \$3,842 | \$1,876 | \$2,069 | \$2,279 | \$2,508 | \$2,757 |
| Unassigned Surplus Reconciliation | | | | | | | | |
| Beginning Balance | \$(1,232) | \$(1,081) | \$(934) | \$(779) | \$(2,745) | \$(2,553) | \$(2,343) | \$(2,113) |
| Net Income | 150 | 147 | 155 | (1,966) | 193 | 210 | 229 | 249 |
| Change in non-admitted assets | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Change in Equity in Affiliates | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Additions to Contingency Reserves | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Release of Contingency Reserves | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Ending Balance | \$(1,081) | \$(934) | \$(779) | \$(2,745) | \$(2,553) | \$(2,343) | \$(2,113) | \$(1,864) |

Balance Sheet
(Dollars in Millions)

| | 2052 | 2053 | 2054 |
|---|----------------|----------------|----------------|
| Assets | | | |
| Invested assets | | | |
| Bonds | \$3,821 | \$3,704 | \$3,960 |
| Tier 2 Account | \$0 | \$0 | \$0 |
| Stocks | 0 | 0 | 0 |
| Intercompany Loans | 0 | 0 | 0 |
| Cash & Cash Equivalents | 50 | 50 | 50 |
| Total Cash and Investments | 3,871 | 3,754 | 4,010 |
| Other Assets | 0 | 0 | 0 |
| Total Assets | \$3,871 | \$3,754 | \$4,010 |
| Liabilities | | | |
| Unearned Premiums Reserve | \$2 | \$1 | \$0 |
| Loss and LAL Reserves | 842 | 434 | (16) |
| Secured Borrowings | 0 | 0 | 0 |
| Other Liabilities | 0 | 0 | 0 |
| Tier 2 Notes | 0 | 0 | 0 |
| Secured Note | 0 | 0 | 0 |
| Contingency Reserve | 0 | 0 | 0 |
| Total Liabilities | \$845 | \$435 | \$(16) |
| Surplus as regards Policyholders | \$3,026 | \$3,319 | \$4,025 |
| Total Liabilities and Surplus | \$3,871 | \$3,754 | \$4,010 |
| Qualified Statutory Capital | \$3,026 | \$3,319 | \$4,025 |

| | 2052 | 2053 | 2054 |
|--|----------------|----------------|----------------|
| Surplus Reconciliation | | | |
| Common Stock | \$82 | \$82 | \$82 |
| Preferred Stock | 26 | 26 | 26 |
| Gross Paid-in and Contributed Surplus | 3,351 | 3,351 | 3,351 |
| Unassigned Surplus | (1,595) | (1,302) | (596) |
| Tier 2 Notes | 240 | 240 | 240 |
| Senior Surplus Notes | 356 | 356 | 356 |
| Junior Surplus Notes | 365 | 365 | 365 |
| Total Surplus | \$3,026 | \$3,319 | \$4,025 |
| Unassigned Surplus Reconciliation | | | |
| Beginning Balance | \$(1,864) | \$(1,595) | \$(1,302) |
| Net Income | 269 | 293 | 706 |
| Change in non-admitted assets | 0 | 0 | 0 |
| Change in Equity in Affiliates | 0 | 0 | 0 |
| Additions to Contingency Reserves | 0 | 0 | 0 |
| Release of Contingency Reserves | 0 | 0 | 0 |
| Ending Balance | \$(1,595) | \$(1,302) | \$(596) |

Income Statement
(Dollars in Millions)

| | 9/30/2017 | | Pre-Transaction 12/31/2017 | | Transaction Adjustments | | | | | | | | | | Post-Transaction 12/31/2017 |
|--------------------------------|-----------|-----------|----------------------------|------------|-----------------------------|---------------------------------|--------------------------------|-------------------------------------|---------------------------------------|--------|----------------------|---|------------|--------|-----------------------------|
| | 6/30/2017 | 9/30/2017 | 9/30/2017 | 12/31/2017 | AAC Exchanges DPOs for SSNs | AAC Satisfies DPOs (except AVG) | AAC Satisfies DPOs held by AVG | AAC Exchanges with G.A. SSN Holders | Post-Record Date Claims Final Payment | Tier 2 | SSN Interest Payment | Other Financial Statement Impacts & Reclassifications | Tax Effect | | |
| Revenue | | | | | | | | | | | | | | | |
| Premiums Earned | \$21 | \$23 | 21 | 21 | | | | | | | | | | \$21 | |
| Investment Income | 112 | 78 | 77 | 77 | | | | | | | | | | 41 | |
| Fee and Miscellaneous Income | 11 | 1 | 127 | 127 | (56) | 76 | | | | | | | | 202 | |
| Total Revenues | \$144 | \$103 | \$224 | \$224 | \$(66) | \$76 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$264 | |
| Loss and Expenses | | | | | | | | | | | | | | | |
| Losses and LAE | \$46 | \$47 | 47 | 47 | | | | | | | | | | | |
| Interest Expense | 0 | 0 | 9 | 9 | | | | | | | | | | | |
| Operating Expenses | 16 | 16 | 16 | 16 | | | | | | | | | | | |
| Total Loss and Expenses | \$65 | \$63 | \$72 | \$72 | \$0 | \$(275) | \$(12) | \$141 | | \$0 | \$13 | \$53 | \$0 | \$(28) | |
| Pre-tax Income | \$79 | \$40 | 152 | 152 | \$(36) | \$351 | \$12 | \$(141) | | \$0 | \$(13) | \$(33) | | \$292 | |
| Taxes / Payment to AVG for NOL | 5 | 3 | 6 | 6 | | | | | | | | | | 66 | |
| Net Income | \$74 | \$37 | \$146 | \$146 | \$(36) | \$351 | \$12 | \$(141) | | \$0 | \$(13) | \$(33) | \$(61) | \$225 | |

Income Statement
(Dollars in Millions)

| | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 |
|---------------------------------|-------------------|--------------|--------------|--------------|--------------|----------------|--------------|-----------------|--------------|--------------|
| Revenue | | | | | | | | | | |
| Premiums Earned | \$76 | \$65 | \$58 | \$54 | \$47 | \$42 | \$39 | \$37 | \$34 | \$33 |
| Investment Income | 192 | 178 | 164 | 170 | 160 | 149 | 145 | 146 | 141 | 149 |
| Fee and Miscellaneous Income | 4 | 3 | 2 | 1 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Revenues | \$272 | \$246 | \$224 | \$225 | \$207 | \$191 | \$184 | \$182 | \$176 | \$182 |
| Loss and Expenses | | | | | | | | | | |
| Losses and LAE | \$1,194 | \$86 | \$100 | \$100 | \$88 | \$182 | \$61 | \$458 | \$66 | \$120 |
| Interest Expense | 107 | (20) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Operating Expenses | 68 | 50 | 43 | 40 | 39 | 38 | 35 | 34 | 34 | 33 |
| Total Loss and Expenses | \$1,369 | \$115 | \$143 | \$140 | \$127 | \$220 | \$96 | \$492 | \$99 | \$155 |
| Pre-tax Income | \$(-1,098) | \$130 | \$81 | \$85 | \$80 | \$(-29) | \$88 | \$(-310) | \$76 | \$29 |
| Taxes / Payment to AIFG for NOL | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Net Income | \$(-1,098) | \$130 | \$81 | \$85 | \$80 | \$(-29) | \$88 | \$(-310) | \$76 | \$29 |

Income Statement
(Dollars in Millions)

| | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
|--------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Revenue | | | | | | | | |
| Premiums Earned | \$31 | \$27 | \$26 | \$20 | \$17 | \$15 | \$15 | \$12 |
| Investment Income | 151 | 146 | 144 | 139 | 134 | 133 | 139 | 151 |
| Fee and Miscellaneous Income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Revenues | \$183 | \$173 | \$170 | \$160 | \$151 | \$148 | \$152 | \$163 |
| Loss and Expenses | | | | | | | | |
| Losses and LAE | \$76 | \$91 | \$115 | \$70 | \$64 | \$64 | \$64 | \$63 |
| Interest Expense | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Operating Expenses | 31 | 31 | 28 | 28 | 27 | 25 | 25 | 24 |
| Total Loss and Expenses | \$107 | \$122 | \$144 | \$98 | \$92 | \$90 | \$89 | \$87 |
| Pre-tax Income | \$76 | \$51 | \$27 | \$62 | \$59 | \$59 | \$63 | \$76 |
| Taxes / Payment to AFG for NOL | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Net Income | \$76 | \$51 | \$27 | \$62 | \$59 | \$59 | \$63 | \$76 |

Income Statement
(Dollars in Millions)

| | 2036 | 2037 | 2038 | 2039 | 2040 | 2041 | 2042 | 2043 |
|--------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Revenue | | | | | | | | |
| Premiums Earned | \$12 | \$10 | \$7 | \$5 | \$5 | \$4 | \$4 | \$4 |
| Investment Income | 182 | 291 | 217 | 122 | 129 | 133 | 139 | 153 |
| Fee and Miscellaneous Income | 351 | 17 | 17 | 16 | 16 | 16 | 16 | 16 |
| Total Revenues | \$545 | \$319 | \$241 | \$144 | \$149 | \$153 | \$159 | \$173 |
| Loss and Expenses | | | | | | | | |
| Losses and LAE | \$77 | \$59 | \$32 | \$15 | \$15 | \$15 | \$15 | \$16 |
| Interest Expense | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Operating Expenses | 24 | 23 | 23 | 20 | 20 | 19 | 18 | 17 |
| Total Loss and Expenses | \$100 | \$83 | \$54 | \$35 | \$35 | \$34 | \$33 | \$33 |
| Pre-tax Income | \$445 | \$236 | \$187 | \$109 | \$114 | \$120 | \$125 | \$140 |
| Taxes / Payment to AIG for NOL | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Net Income | \$445 | \$236 | \$187 | \$109 | \$114 | \$120 | \$125 | \$140 |

Income Statement
(Dollars in Millions)

| | 2044 | 2045 | 2046 | 2047 | 2048 | 2049 | 2050 | 2051 |
|--------------------------------|--------------|--------------|--------------|------------------|--------------|--------------|--------------|--------------|
| Revenue | | | | | | | | |
| Premiums Earned | \$3 | \$2 | \$2 | \$3 | \$3 | \$2 | \$2 | \$2 |
| Investment Income | 160 | 155 | 162 | 268 | 334 | 332 | 337 | 341 |
| Fee and Miscellaneous Income | 16 | 16 | 16 | 543 | 0 | 0 | 0 | 0 |
| Total Revenues | \$179 | \$173 | \$180 | \$814 | \$336 | \$334 | \$339 | \$343 |
| Loss and Expenses | | | | | | | | |
| Losses and LAE | \$12 | \$10 | \$9 | \$2,765 | \$130 | \$110 | \$96 | \$80 |
| Interest Expense | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Operating Expenses | 16 | 16 | 15 | 15 | 14 | 14 | 14 | 14 |
| Total Loss and Expenses | \$29 | \$26 | \$25 | \$2,780 | \$144 | \$124 | \$109 | \$94 |
| Pre-tax Income | \$150 | \$147 | \$155 | \$(1,966) | \$193 | \$210 | \$229 | \$249 |
| Taxes / Payment to AIG for NOL | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Net Income | \$150 | \$147 | \$155 | \$(1,966) | \$193 | \$210 | \$229 | \$249 |

Income Statement
(Dollars in Millions)

| | 2052 | 2053 | 2054 |
|--------------------------------|--------------|--------------|--------------|
| Revenue | | | |
| Premiums Earned | \$1 | \$1 | \$1 |
| Investment Income | 345 | 349 | 742 |
| Fee and Miscellaneous Income | 0 | 0 | 0 |
| Total Revenues | \$347 | \$350 | \$743 |
| Loss and Expenses | | | |
| Losses and LAE | \$64 | \$43 | \$22 |
| Interest Expense | 0 | 0 | 0 |
| Operating Expenses | 14 | 14 | 14 |
| Total Loss and Expenses | \$78 | \$57 | \$36 |
| Pre-tax Income | \$269 | \$293 | \$707 |
| Taxes / Payment to AIG for NOI | 0 | 0 | 0 |
| Net Income | \$269 | \$293 | \$706 |

Cash Flow Statement
(Dollars in Millions)

| | 6/30/2017 | | 9/30/2017 | | Pre-Transaction 12/31/2017 | | Transaction Adjustments | | | | | | | Post-Transaction 12/31/2017 | |
|--|-----------|---------|-----------|--|----------------------------|--|-----------------------------|---------------------------------|--|---------------------------------------|---------|----------------------|---|-----------------------------|-----------|
| | | | | | | | AAC Exchanges DPOs for SSNs | AAC Satisfies DPOs (except AIG) | AAC Satisfies DPOs with G.A. SSN Holders held by AIG | Post-Record Date Claims Final Payment | Tier 2 | SSN Interest Payment | Other Financial Statement Impacts & Reclassifications | Tax Effect | |
| Cash from Operations | \$6 | \$8 | 7 | | | | | | | | | | | | \$7 |
| Net Installment Premiums | 9 | 34 | 34 | | | | | | | | | | | | 34 |
| Investment Portfolio Interest | 2 | 0 | 0 | | | | | | | | | | | | 0 |
| Accrued Premiums | 183 | 0 | 0 | | | | | | | | | | | | 0 |
| Receivables and Other Invested Assets | 1 | 1 | 127 | | | | | | | | | | | | 127 |
| Fee and Miscellaneous Income | 0 | 0 | 0 | | | | | | | | | | | | 0 |
| Dividends from Everspan | 0 | 0 | 0 | | | | | | | | | | | | 0 |
| Accrued Interest | 22 | 0 | 0 | | | | | | | | | | | | 0 |
| Loss Payments | (20) | (147) | (17) | | | | | | | | | | | | (17) |
| Operating Expenses | (16) | (16) | (16) | | | | | | | | | | (33) | | (49) |
| Interest Expense | 0 | 0 | (9) | | | | | | | | | (13) | | | (22) |
| Accrued Other Expenses | (40) | 0 | 0 | | | | | | | | | | | | 0 |
| Securities Payable | (9) | 0 | 0 | | | | | | | | | | | | 0 |
| Tax Refund (Payment) | (32) | (3) | (6) | | | | (1,694) | | (3) | | | | | (61) | (66) |
| Payment of DPOs | 0 | 0 | 0 | | | | | | | | | | | | (1,698) |
| Dividends from AUK | 0 | 0 | 0 | | | | | | | | | | | | 0 |
| Purchase of Prior Called SSN Interest Stub | (3) | 0 | 0 | | | | | | | | | | | | 0 |
| Net Cash from Operations | \$103 | \$(123) | \$120 | | | | \$0 | \$(1,694) | \$0 | \$(3) | \$0 | \$(13) | \$(33) | \$(61) | \$(1,694) |
| Cash from Investments | \$(473) | \$14 | (228) | | | | | | | | | | | | \$996 |
| Investments (Acquired)/Sold | 129 | 109 | 108 | | | | | | | | | | | | 726 |
| Amortization (Inc. Interscompany Loans) | | | | | | | | | | | | | | | |
| Net Cash from Investments | \$(344) | \$123 | \$(120) | | | | \$0 | \$1,694 | \$0 | \$3 | \$(240) | \$13 | \$53 | \$61 | \$996 |
| Cash from Financing | 0 | 0 | 0 | | | | | | | | | | | | 240 |
| Net Tier 2 | 0 | 0 | 0 | | | | | | | | 240 | | | | 240 |
| P&I Payment of GA Surplus Notes Secured Note | 0 | 0 | 0 | | | | | | | | (278) | | | | (278) |
| Net Cash from Financing | \$0 | \$0 | \$0 | | | | \$0 | \$0 | \$0 | \$0 | \$240 | \$0 | \$0 | \$0 | \$(38) |
| Net Change in Cash and Cash Equivalents | \$(242) | \$0 | \$0 | | | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Cash Equivalents - Beginning of Period | \$292 | \$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 |

Note: Assumes 100% participation of GA Surplus Note Holders

Cash Flow Statement
(Dollars in Millions)

| | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 |
|--|-----------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Cash From Operations | | | | | | | | | | |
| Net Installment Premiums | \$28 | \$26 | \$23 | \$21 | \$19 | \$17 | \$16 | \$15 | \$14 | \$13 |
| Investment Portfolio Interest | 97 | 94 | 100 | 113 | 118 | 121 | 121 | 123 | 123 | 127 |
| Accrued Premiums | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Receivables and Other Invested Assets | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Fee and Miscellaneous Income | 4 | 3 | 2 | 1 | 0 | 0 | 0 | 0 | 0 | 0 |
| Dividends from Everspan | 0 | 0 | 256 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Accrued Interest Receivable | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Loss Payments | 1,569 | (109) | (140) | (112) | (112) | (128) | (82) | (115) | (68) | (89) |
| Operating Expenses | (68) | (50) | (43) | (40) | (39) | (38) | (35) | (34) | (34) | (33) |
| Interest Expense | (87) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Accrued Other Expenses | 0 | 0 | 0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Securities Payable | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Tax Refund (Payment) | 0 | (0) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Payment of DFOs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Dividends from AUK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Purchase of Prior Called SSN Interest Stub | 0 | 0 | 0 | 0.0 | 0.0 | 0 | 0 | 0 | 0 | 0 |
| Net Cash from Operations | \$1,344 | \$636 | \$198 | \$616 | \$(14) | \$(28) | \$20 | \$(12) | \$36 | \$19 |
| Cash From Investments | | | | | | | | | | |
| Investments (Acquired)/Sold | \$(46) | \$(220) | \$(507) | \$(288) | \$(197) | \$(105) | \$(139) | \$(118) | \$(191) | \$(111) |
| Amortization (Inc. Intercompany Loans) | 213 | 257 | 309 | 304 | 211 | 133 | 119 | 130 | 155 | 92 |
| Net Cash from Investments | \$167 | \$56 | \$(198) | \$16 | \$14 | \$28 | \$(20) | \$12 | \$(6) | \$(19) |
| Cash from Financing | | | | | | | | | | |
| Net Tier 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| P&I Payment of GA Surplus Notes | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Secured Note | (1,511) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Net Cash from Financing | \$(1,511) | \$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 |
| Cash Equivalents - Beginning of Period | \$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 |

Note: Assumes 100% participation of GA Surplus Note Holders

Cash Flow Statement
(Dollars in Millions)

| | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
|--|--------|--------|--------|---------|--------|---------|--------|---------|
| Cash From Operations | | | | | | | | |
| Net Installment Premiums | \$1.3 | \$12 | \$11 | \$10 | \$9 | \$8 | \$7 | \$7 |
| Investment Portfolio Interest | 128 | 129 | 131 | 127 | 122 | 121 | 124 | 125 |
| Accrued Premiums | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Receivables and Other Invested Assets | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Fee and Miscellaneous Income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Dividends from Everspan | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Dividends from Interest-Stub | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Accrued Interest Receivable | (105) | (139) | (104) | (216) | (101) | (42) | (89) | (87) |
| Loss Payments | (31) | (31) | (28) | (28) | (27) | (25) | (25) | (24) |
| Operating Expenses | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Interest Expense | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Accrued Other Expenses | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Securities Payable | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Tax Refund (Payment) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Payment of DPOs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Dividends from AUK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Dividends from Interest-Stub | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Net Cash from Operations | \$4 | \$(29) | \$9 | \$(106) | \$3 | \$63 | \$17 | \$21 |
| Cash From Investments | | | | | | | | |
| Investments (Acquired)/Sold | \$(89) | \$(44) | \$(75) | \$41 | \$(67) | \$(127) | \$(90) | \$(118) |
| Amortization (Inc. Intercompany Loans) | 84 | 73 | 66 | 65 | 64 | 65 | 72 | 97 |
| Net Cash from Investments | \$(4) | \$29 | \$(9) | \$106 | \$(3) | \$(63) | \$(17) | \$(21) |
| Cash from Financing | | | | | | | | |
| Net Tier 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| P&I Payment of GA Surplus Notes | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Secured Note | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Net Cash from Financing | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Net Change in Cash and Cash Equivalents | \$0 | \$0 | \$0 | \$(0) | \$(0) | \$0 | \$0 | \$(0) |
| Cash Equivalents - Beginning of Period | \$50 | \$50 | \$50 | \$50 | \$50 | \$50 | \$50 | \$50 |
| Cash Equivalents - End of Period | \$50 | \$50 | \$50 | \$50 | \$50 | \$50 | \$50 | \$50 |

Note: Assumes 100% participation of GA Surplus Note Holders

Cash Flow Statement
(Dollars in Millions)

| | 2036 | 2037 | 2038 | 2039 | 2040 | 2041 | 2042 | 2043 |
|--|---------|---------|---------|---------|---------|---------|---------|---------|
| Cash From Operations | | | | | | | | |
| Net Installment Premiums | \$6 | \$5 | \$5 | \$4 | \$4 | \$3 | \$3 | \$2 |
| Investment Portfolio Interest | 127 | 144 | 127 | 121 | 126 | 131 | 138 | 144 |
| Accrued Premiums | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Receivables and Other Invested Assets | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Fee and Miscellaneous Income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Dividends from Everspan | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Dividends from AUK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Loss Payments | (137) | (612) | (372) | (9) | (24) | (8) | (8) | (82) |
| Operating Expenses | (24) | (23) | (23) | (20) | (20) | (19) | (18) | (17) |
| Interest Expense | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Accrued Other Expenses | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Securities Payable | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Tax Refund (Payment) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Payment of DPOs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Dividends from AUK | 351 | 17 | 17 | 16 | 16 | 16 | 16 | 16 |
| Purchase of Prior Called SSN Interest-Stub | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Net Cash from Operations | \$323 | \$(459) | \$(247) | \$112 | \$103 | \$124 | \$131 | \$64 |
| Cash From Investments | | | | | | | | |
| Investments (Acquired)/Sold | \$(424) | \$106 | \$7 | \$(176) | \$(170) | \$(195) | \$(204) | \$(156) |
| Amortization (Inc. Intercompany Loans) | 101 | 353 | 240 | .63 | .67 | .70 | .74 | .93 |
| Net Cash from Investments | \$(323) | \$459 | \$247 | \$(112) | \$(103) | \$(124) | \$(131) | \$(64) |
| Cash from Financing | | | | | | | | |
| Net Tier 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| P&I Payment of GA Surplus Notes | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Secured Note | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Net Cash from Financing | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Net Change in Cash and Cash Equivalents | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$(0) | \$(0) |
| Cash Equivalents - Beginning of Period | \$50 | \$50 | \$50 | \$50 | \$50 | \$50 | \$50 | \$50 |
| Cash Equivalents - End of Period | \$50 | \$50 | \$50 | \$50 | \$50 | \$50 | \$50 | \$50 |

Note: Assumes 100% participation of GA Surplus Note Holders

Cash Flow Statement
(Dollars in Millions)

| | 2044 | 2045 | 2046 | 2047 | 2048 | 2049 | 2050 | 2051 |
|--|---------|---------|---------|---------|---------|---------|---------|---------|
| Cash From Operations | | | | | | | | |
| Net Installment Premiums | \$2 | \$2 | \$2 | \$1 | \$1 | \$1 | \$0 | \$0 |
| Investment Portfolio Interest | 148 | 154 | 160 | 168 | 189 | 182 | 181 | 179 |
| Accrued Premiums | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Receivables and Other Invested Assets | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Fee and Miscellaneous Income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Dividends from Everspan | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Dividends from Interest Receivable | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Loss Payments | (56) | (22) | (5) | (423) | (511) | (390) | (406) | (424) |
| Operating Expenses | (16) | (16) | (15) | (15) | (14) | (14) | (14) | (14) |
| Interest Expense | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Accrued Other Expenses | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Securities Payable | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Tax Refund (Payment) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Payment of DPOs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Dividends from AUK | 16 | 16 | 16 | 543 | 0 | 0 | 0 | 0 |
| Purchase of Prior Called SSN Interest-Stub | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Net Cash from Operations | \$93 | \$134 | \$158 | \$275 | \$(334) | \$(221) | \$(239) | \$(239) |
| Cash From Investments | | | | | | | | |
| Investments (Acquired)/Sold | \$(195) | \$(220) | \$(248) | \$(509) | \$43 | \$(76) | \$(68) | \$(68) |
| Amortization (Inc. Intercompany Loans) | 102 | 87 | 90 | 234 | 291 | 297 | 307 | 317 |
| Net Cash from Investments | \$(93) | \$(134) | \$(158) | \$(275) | \$334 | \$221 | \$239 | \$259 |
| Cash from Financing | | | | | | | | |
| Net Tier 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| P&I Payment of GA Surplus Notes | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Secured Note | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Net Cash from Financing | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Net Change in Cash and Cash Equivalents | \$0 | \$0 | \$0 | \$(6) | \$0 | \$0 | \$(6) | \$0 |
| Cash Equivalents - Beginning of Period | \$50 | \$50 | \$50 | \$50 | \$50 | \$50 | \$50 | \$50 |
| Cash Equivalents - End of Period | \$50 | \$50 | \$50 | \$50 | \$50 | \$50 | \$50 | \$50 |

Note: Assumes 100% participation of GA Surplus Note Holders

Cash Flow Statement
(Dollars in Millions)

| | 2052 | 2053 | 2054 |
|--|----------------|----------------|----------------|
| Cash From Operations | | | |
| Net Installment Premiums | \$0 | \$0 | \$0 |
| Investment Portfolio Interest | 176 | 173 | 170 |
| Accrued Premiums | 0 | 0 | 0 |
| Receivables and Other Invested Assets | 0 | 0 | 0 |
| Fee and Miscellaneous Income | 0 | 0 | 0 |
| Dividends from Everspan | 0 | 0 | 0 |
| Accrued Interest Receivable | 0 | 0 | 0 |
| Loss Payments | (440) | (452) | (471) |
| Operating Expenses | (14) | (14) | (14) |
| Interest Expense | 0 | 0 | 0 |
| Accrued Other Expenses | \$0 | \$0 | \$0 |
| Securities Payable | 0 | 0 | 0 |
| Tax Refund (Payment) | 0 | 0 | (0) |
| Payment of DPOs | 0 | 0 | 0 |
| Dividends from AUK | 0 | 0 | 0 |
| Purchase of Prior Called SSN Interest Stub | 0 | 0 | 0 |
| Net Cash from Operations | \$(278) | \$(293) | \$(316) |
| Cash From Investments | | | |
| Investments (Acquired)/Sold | \$(48) | \$(42) | \$(803) |
| Amortization (Inc. Intercompany Loans) | 326 | 335 | 1,119 |
| Net Cash from Investments | \$278 | \$293 | \$316 |
| Cash from Financing | | | |
| Net Tier 2 | 0 | 0 | 0 |
| R&D Payment of GA Surplus Notes | 0 | 0 | 0 |
| Secured Note | 0 | 0 | 0 |
| Net Cash from Financing | \$0 | \$0 | \$0 |
| Net Change in Cash and Cash Equivalents | \$0 | \$(0) | \$(0) |
| Cash Equivalents - Beginning of Period | \$50 | \$50 | \$50 |
| Cash Equivalents - End of Period | \$50 | \$50 | \$50 |

Note: Assumes 100% participation of GA Surplus Note Holders

Scenario 4

Ambac Assurance Corporation
Recovery on Tier 2 and Surplus Note Supporting Calculations
(Dollars in Millions)

| Year | 2054 |
|--|----------------|
| Bonds | \$3,960 |
| Investments in Subsidiaries (Stocks) | 0 |
| Cash & Cash Equivalents | 50 |
| Intercompany Loans | 0 |
| Total Claims Paying Resources | \$4,010 |
| Tier 2 | \$4,910 |
| Tier 2 Recovery | 81.7% |
| Excess | \$0 |
| Senior Surplus Notes | \$3,229 |
| Recovery of Surplus Notes [G] | 0.0% |
| Excess Claims Paying Resources | \$0 |
| Junior Surplus Notes | \$2,941 |
| Recovery of Junior Surplus Note | 0.0% |