

**ASSET VALUATION RESERVE (Continued)
BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS
DEFAULT COMPONENT**

Line Number	NAIC Designation	Description	1 Book / Adjusted Carrying Value	2 Reclassify Related Party Encumbrances	3 Add Third Party Encumbrances	4 Balance for AVR Reserve Calculations (Cols. 1+2+3)	Basic Contribution		Reserve Objective		Maximum Reserve	
							5 Factor	6 Amount (Cols. 4x5)	7 Factor	8 Amount (Cols. 4x7)	9 Factor	10 Amount (Cols. 4x9)
		MORTGAGE LOANS										
		In Good Standing:										
35		Farm Mortgages – CM1 – Highest Quality			XXX		0.0011		0.0057		0.0074	
36		Farm Mortgages – CM2 – High Quality			XXX		0.0040		0.0114		0.0149	
37		Farm Mortgages – CM3 – Medium Quality			XXX		0.0069		0.0200		0.0257	
38		Farm Mortgages – CM4 – Low Medium Quality			XXX		0.0120		0.0343		0.0428	
39		Farm Mortgages – CM5 – Low Quality			XXX		0.0183		0.0486		0.0628	
40		Residential Mortgages – Insured or Guaranteed			XXX		0.0003		0.0007		0.0011	
41		Residential Mortgages – All Other			XXX		0.0015		0.0034		0.0046	
42		Commercial Mortgages – Insured or Guaranteed			XXX		0.0003		0.0007		0.0011	
43		Commercial Mortgages – All Other – CM1 – Highest Quality			XXX		0.0011		0.0057		0.0074	
44		Commercial Mortgages – All Other – CM2 – High Quality			XXX		0.0040		0.0114		0.0149	
45		Commercial Mortgages – All Other – CM3 – Medium Quality			XXX		0.0069		0.0200		0.0257	
46		Commercial Mortgages – All Other – CM4 – Low Medium Quality			XXX		0.0120		0.0343		0.0428	
47		Commercial Mortgages – All Other – CM5 – Low Quality			XXX		0.0183		0.0486		0.0628	
		Overdue, Not in Process:										
48		Farm Mortgages			XXX		0.0480		0.0868		0.1371	
48		Residential Mortgages – Insured or Guaranteed			XXX		0.0006		0.0014		0.0023	
50		Residential Mortgages – All Other			XXX		0.0029		0.0066		0.0103	
51		Commercial Mortgages – Insured or Guaranteed			XXX		0.0006		0.0014		0.0023	
52		Commercial Mortgages – All Other			XXX		0.0480		0.0868		0.1371	
		In Process of Foreclosure:										
53		Farm Mortgages			XXX		0.0000		0.1942		0.1942	
54		Residential Mortgages – Insured or Guaranteed			XXX		0.0000		0.0046		0.0046	
55		Residential Mortgages – All Other			XXX		0.0000		0.0149		0.0149	
56		Commercial Mortgages – Insured or Guaranteed			XXX		0.0000		0.0046		0.0046	
57		Commercial Mortgages – All Other			XXX		0.0000		0.1942		0.1942	
58		Total Schedule B Mortgages (Sum of Lines 35 through 57)			XXX		XXX		XXX		XXX	
59		Schedule DA Mortgages			XXX		0.0034		0.0114		0.0149	
60		Total Mortgage Loans on Real Estate (Lines 58 + 59)			XXX		XXX		XXX		XXX	