

## Part IV. Statutory Filings to Accompany the Annual Statement

not included in the Annual Statement for Fictitious, we had to make assumptions in preparing the calculation, such as the distribution of fixed assets by RBC class. Table 88 provides the  $R_1$  portion of the calculation for Fictitious.

TABLE 88

<i><b><math>R_1</math> Charge for Fictitious Insurance Company NAIC Risk-Based Capital 2011</b></i>			
<u><b><math>R_1</math> Calculation – Fixed Income Assets</b></u>	<u><b>Amount Held</b></u>	<u><b>Charge Factor</b></u>	<u><b>RBC Charge</b></u>
Cash and Cash Equivalents	154,000	0.0030	462
Total Other Short-Term Investments	829,000	0.0030	2,487
Mortgage Bonds	245,000	0.0500	12,250
Net Admitted Collateral Loans	0	0.0500	0
<b>Bonds</b>			
U.S. Government	6,395,684	0.0000	0
Class 01 U.S. Government Agency Bonds	0	0.0030	0
Class 01 Unaffiliated Bonds	46,060,660	0.0030	138,182
Class 02 Unaffiliated Bonds	4,987,460	0.0100	49,875
Class 03 Unaffiliated Bonds	704,112	0.0200	14,082
Class 04 Unaffiliated Bonds	352,056	0.0450	15,843
Class 05 Unaffiliated Bonds	117,352	0.1000	11,735
Class 06 Unaffiliated Bonds	58,676	0.3000	17,603
Subtotal – Bonds subject to bond size factor	58,676,000		247,319
<b>Estimated number of bonds</b>	120		
	<u><b>Count</b></u>	<u><b>Multiplier</b></u>	<u><b>Weighting</b></u>
0 to 50	50	2.50	125
50 to 100	50	1.30	65
100 to 400	20	1.00	20
More than 400	0	0.900	0
<b>Sum (weighted average)</b>	120	1.750	210
Bond size factor RBC	247,319	0.750	185,490
Asset concentration RBC	87,825,000	0.0012	105,390
<b>Total <math>R_1</math> Charge – Fixed Income Assets Risk</b>			<b>553,398</b>

THE RBC CHARGE FOR ASSET RISK ASSOCIATED WITH EQUITY INVESTMENTS ( $R_2$ )

$R_2$  includes the charge for risk associated with equity investments in the following:

1. Holding company
2. Upstream affiliate (i.e., parent company)
3. Insurance subsidiaries that are not subject to RBC (other than alien insurers)
4. Investment affiliate
5. Other non-insurance subsidiaries