

Golden State Mutual Life Insurance Company Summary Data of Business Offered

Golden State Mutual Life Insurance Company (“GSM”) is a mutual insurance company domiciled in California. GSM’s focus has been to provide protection products to the minority middle income marketplace with a geographic emphasis in California, Texas, North Carolina and Illinois. The company is licensed in California, Georgia, Illinois, Louisiana, Maryland, Michigan, Mississippi, Missouri, Nevada, North Carolina, Tennessee, Texas, and the District of Columbia. More than half of total premiums are produced in its domiciled state of California.

The company offers a portfolio of individual term and whole life products with annuity riders attached on a participating basis. Approximately three-fourths of its recurring premiums are life related, with the balance principally in fixed premium deferred annuities. Within its life product line approximately three-fourths of life premiums are traditional whole life participating policies with the remainder being term insurance. The majority of the annuities were sold as accumulation riders to the life insurance sales and are not as susceptible to surrender risks. In addition to its life and annuity lines, GSM also wrote a modest amount of individual accident and health insurance, as well as pre-need insurance policies. In early 2009, GSM started issuing Universal Life policies for which they have a limited number of policies.

GSM participates in an assumptive reinsurance program whereby it assumes group life insurance for a number of Fortune 500 companies as part of their corporate affirmative action program to offer their business to companies specializing in niche minority markets.

In November of 2006 GSM entered into a coinsurance agreement with Mutual of Detroit Insurance Company for 100% coinsurance of a block of approximately 26,600 paid up life insurance policies. The reserves on these policies, which were transferred to Mutual of Detroit, totaled \$11.3 million

In October of 2008 GSM entered into a coinsurance agreement with Southern Financial Life Insurance Company of Florida for 100% coinsurance of a block of approximately 15,500 small paid up life insurance policies. The reserves on these policies, which were transferred to Southern Financial, totaled \$10.3 million.

The Conservator expects ALL inforce policies from all lines of business to be included in any assumption bid. Details will be provided during the due diligence period if necessary.

The Chart below summarizes the inforce business and reserves for GSM as of 9/30/2009 (unaudited). These are based on preliminary reviews of the data files and will be used during the bid process. **The Conservator and GSM make no representations or warranties as to the accuracy of any financial data disclosed in this package.**

GOLDEN STATE MUTUAL LIFE INS. CO.
September 30, 2009 Inforce Policy Information

COMPANY	LINE OF BUSINESS	POLICY COUNT	ESTIMATED ANNUALIZED PREMIUM	ESTIMATED GROSS RESERVES	ESTIMATED ADVANCE, DUE, DEFERRED PREMIUMS	ESTIMATED POLICY LOANS	ESTIMATED NET RESERVES	ESTIMATED SURRENDER VALUE
Golden State Mutual	(GSM)							
	Debit Health	1,060	\$124,454.52	\$57,729.57	\$3,345.78		\$54,383.79	
	PNO Health	342	\$252,958.32	\$117,337.43	\$6,457.22		\$110,880.21	
	Total Health	1,402	\$377,412.84	\$175,067.00	\$9,803.00	\$0.00	\$165,264.00	\$0.00
	Annuities	7,379	\$4,611,259.89	\$15,587,712.68	\$0.00	\$0.00	\$15,587,712.68	\$15,587,712.68
	Industrial	9,555	\$56,961.72	\$2,212,442.09	\$4,233.00	\$850.10	\$2,207,358.99	\$2,312,157.01
	Debit Funeral	2,490	\$110,634.96	\$1,121,808.38	\$1,005.55	\$32,331.00	\$1,088,471.83	\$1,131,670.04
	Monthly Debit Ordinary	16,833	\$405,578.28	\$9,351,750.64	\$6,729.45	\$350,560.35	\$8,994,460.84	\$9,886,372.38
	Premium Notice Ordinary	25,380	\$5,432,376.70	\$29,414,647.90	\$1,476,113.51	\$3,473,512.01	\$24,465,022.38	\$25,039,763.10
	Premium Notice Term	2,963	\$728,402.10	\$1,159,020.62	\$271,889.52	\$36,489.05	\$850,642.05	\$344,901.39
	Premium Notice Funeral	18,912	\$2,989,606.28	\$10,445,095.30	\$596,397.44	\$301,064.78	\$9,547,633.08	\$9,369,333.09
	Universal Life	78	\$40,299.48	\$5,593.08	\$0.00	\$0.00	\$5,593.08	\$0.00
	Total Life	76,211	\$9,763,859.52	\$53,710,358.01	\$2,356,368.47	\$4,194,807.29	\$47,159,182.25	\$48,084,197.01
GSM	Grand Total	84,992	\$14,752,532.25	\$69,473,137.69	\$2,366,171.47	\$4,194,807.29	\$62,912,158.93	\$63,671,909.69
Mutual of Detroit	(MUDET)							
	Industrial	14,328	\$0.00	\$5,640,632.02		\$2,714.99	\$5,637,917.03	\$5,637,095.41
	Premium Notice Funeral	10,725	\$1,456.08	\$5,142,173.76		\$92,768.73	\$5,049,405.03	\$5,099,270.96
MUDET	Grand Total	25,053	\$1,456.08	\$10,782,805.78		\$95,483.72	\$10,687,322.06	\$10,736,366.37
Southern Financial	(SOFIC)							
	Industrial	65	\$0.00	\$45,198.28		\$0.00	\$45,198.28	\$45,599.82
	Debit Funeral	3,285	\$0.00	\$960,643.56		\$16,308.17	\$944,335.39	\$888,537.30
	Monthly Debit Ordinary	9,893	\$0.00	\$8,000,827.34		\$324,950.59	\$7,675,876.75	\$7,976,415.15
	Premium Notice Ordinary	324	\$0.00	\$256,547.50		\$5,505.09	\$251,042.41	\$256,440.57
	Premium Notice Funeral	1,373	\$660.00	\$918,314.40		\$18,648.82	\$899,665.58	\$915,447.00
SOFIC	Grand Total	14,940	\$660.00	\$10,181,531.08		\$365,412.67	\$9,816,118.41	\$10,082,439.84
ALL Companies	Grand Total	124,985	\$14,754,648.33	\$90,437,474.55	\$2,366,171.47	\$4,655,703.68	\$83,415,599.40	\$84,490,715.90