

Pro-forma Impact of Certain Affiliated Reinsurance as of, and for, the Three Months Ended March 31, 2021

The following analysis presents information regarding the pro-forma notional attribution of capital and surplus to Forethought Life Insurance Company (FLIC) as a result of certain funds withheld reinsurance arrangements with its Bermuda-domiciled reinsurance affiliates, Global Atlantic Re Limited (GA Re) and Global Atlantic Assurance Limited (GAAL). This information is provided for the single purpose of evaluating the financial position of FLIC in connection with a particular rating agency and should not be, and is not intended to be, used for any other regulatory, investment, or other purpose. This information is not prepared on the basis of generally accepted accounting principles, statutory accounting principles in the United States or Bermuda, nor any other comprehensive basis of accounting. This information should be considered together with the statutory filings of Global Atlantic Financial Group's insurance entities. In addition, the information presented below is unaudited.

Notional Attribution of GA Re and GAAL Capital and Surplus

The following table presents a proportional allocation of capital to reinsurance arrangements which has been attributed based on relative (pro-rata) exposure.

	March 31, 2021
	(Unaudited, in thousands)
Notional Capital Attribution*	
FLIC - Funds Withheld Arrangement	\$ 665,625
Other Affiliate and External Reinsurance	1,717,565
Total GA Re and GAAL Capital and Surplus	\$ 2,383,189

Notional Attribution of Allocated Capital to Invested Assets

The below table further attributes the allocated capital and surplus to NAIC invested asset categories based on the proportional mix of the actual assets for GA Re and GAAL.

	March 31, 2021
	(Unaudited, in thousands)
Invested Assets*	
CMBS	\$ 24,894
RMBS	75,548
ABS	164,010
Corporate Bonds	268,513
US Government Bonds	9,319
Other Bonds	42,334
Mortgage	43,598
Cash	15,975
Derivatives	599
BA Assets	20,834
Total Allocated Surplus	\$ 665,625
Bonds by NAIC Category*	
NAIC 1	\$ 317,682
NAIC 2	254,192
Investment grade	571,874
NAIC 3	5,028
NAIC 4	2,222
NAIC 5	2,046
NAIC 6	-
Below Investment Grade	9,295
Exempt Investments	3,040
Money Market Funds	409
Total Bonds	\$ 584,618
Bonds by ASC 820 Fair Value Level*	
Level 1	\$ 3,040
Level 2	569,477
Level 3	12,102
Total	\$ 584,618

Notional Allocation of Investment Income to Surplus Account

The below table shows a notional allocation of surplus net investment income to FLIC based on underlying returns.

	For the Three Months Ended March 31, 2021
	(Unaudited, in thousands)
Net Investment Income*	
Bonds	\$ 5,470
Mortgages and Other Loans	623
Cash/Cash Equivalents	62
Gross	6,156
Expense	246
Total	\$ 5,909
Capital Gains and (Losses)*	
Bonds	\$ 7,011
Mortgages and Other Loans	(98)
Total	\$ 6,913

* Rounding differences may occur