

Pro-forma Impact of Certain Affiliated Reinsurance as of, and for, the Year Ended December 31, 2019

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.

	December 31, 2019
	(Unaudited, in thousands)
Notional Capital Attribution*	
FLIC - Funds Withheld Arrangement	\$ 578,330
Other Affiliate and External Reinsurance	1,417,288
Total GA Re and GAAL Capital and Surplus	\$ 1,995,618

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.

	December 31, 2019
	(Unaudited, in thousands)
Invested Assets*	
CMBS	\$ 26,372
RMBS	76,455
ABS	162,453
Corporate Bonds	211,437
US Government Bonds	7,287
Other Bonds	37,881
Mortgage	32,965
Cash	10,583
Short term	-
BA Assets	12,897
Total Allocated Surplus	\$ 578,330
NAIC 1	\$ 338,860
NAIC 2	159,018
Investment grade	497,878
NAIC 3	3,758
NAIC 4	1,461
NAIC 5	365
NAIC 6	2,975
Below Investment Grade	8,559
Exempt Investments	2,870
Money Market Funds	12,577
Total Bonds	\$ 521,885
Bonds by ASC 820 Fair Value Level*	
Level 1	\$ 5,897
Level 2	489,372
Level 3	26,616
Total	\$ 521,885

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 Year Ended December 31, 2019
	(Unaudited, in thousands)
Net Investment Income*	
Bonds	\$ 22,076
Mortgages and Other Loans	2,779
Cash/Cash Equivalents	115
Gross	24,970
Expense	873
Total	\$ 24,097
Capital Gains and (Losses)*	
Bonds	\$ 2,172
Mortgages and Other	(748)
Total	\$ 1,424

* Rounding differences may occur