

Actuarial Work-Products, Inc.

8025 North Point Blvd, Suite 207W
Winston-Salem, NC 27106
Tel. (336) 759-2035
Fax. (336) 896-0392
e-mail: harker2@earthlink.net

Carlton Harker, FSA, MAAA
Principal
www.self-fundhealth.com
www.actuarialworkproducts.com
www.ifebp.org/1harker
www.awpse.com

TO: Addressee No. 1 Administrators, Inc. 414 Main Street Portland, OR 97114 Tel. 601-414-8888 Fax 601-516-1414	Addressee No. 2 Self-Funding Actuarial Service 8025 North Point Blvd Ste 207W Winston-Salem, NC 27106 Tel. 336-759-2035 Fax 336-896-0392	Addressee No. 3 ABC Manufacturing Co. 1841 Bypass Road Tupelo, MS 37116 Tel. 614-160-1425 Fax 614-280-8416
--	--	--

RE: Health Care Plan: ABC Manufacturing Co.
Claim Reserve as of: 06/30/2009 (Valuation Date)
Benefits Include: Medical, Rx
Purpose of Computation: 990
Engager is Addressee No. 1
Eligible User is Addressee No. 2

Date: 09/12/2009

The scope and objective of this Actuarial Certification were to value the Claims Reserves of said Health Care Plan as of the Valuation Date and for Purpose above-shown.

The methodology consisted of a modified extension of the "claims triangle" (incurred and paid) as of the Valuation Date and estimated claims paid after such date that were incurred prior thereto. The basis of the estimate was the claims data furnished by the Claims Administrator.

This Certification consists of three parts:

- Statement of Actuarial Opinion
- Actuary's Statement of Due Diligence
- Submitted Data and Computation Parameters.

Sincerely,

Carlton Harker, FSA, MAAA
Actuarial Work-Products, Inc.

STATEMENT OF ACTUARIAL OPINION
OF THE CLAIM RESERVE COMPUTATION FOR
THE HEALTH CARE PLAN OF
THE PLAN SPONSOR
AS OF THE VALUATION DATE

I, Carlton Harker, am a principal of Actuarial Work-Products, Inc., am a Fellow of the Society of Actuaries and am a member of the American Academy of Actuaries. My firm has been retained by the Engager to provide calculations of certain actuarial items for the above-cited Health Care Plan.

I relied upon such Eligible User of the subject Health Care Plan as to the accuracy and completeness of underlying information used in the computation of such items.

In other aspects, my examination included such review of the actuarial assumptions and methods and such tests of actuarial calculations as I considered necessary under the circumstances.

Claim Reserves as of the Valuation Date \$1,223,998

Claim Reserve Includes

- Due and unpaid and reported and not processed
- Incurred and not reported

Such reserves are net of reinsurance or stop-loss recovery. No provision is made for additional claims due to ongoing lawsuits, if any. No provision is made for claim-related expenses. No margin of safety is included.

There is a statistically-supportable confidence in such Claim Reserves set forth above as follows:

**Desired Level of Confidence That
The Actual Paid Claims Run-Out
Will Be Within the Indicated Limits**

	<u>Indicated Limit</u>	
	<u>Low</u>	<u>High</u>
60%	\$1,021,471	\$1,426,525
75%	\$946,729	\$1,501,267
90%	\$826,178	\$1,621,819

Testing of prior and/or current Claim Reserves is as follows:

Prior Valuation Date	Computed Reserve	Claims Paid Through Jul 2009		
		Expected	Actual	Ratio A/E
06/30/2008	\$850,000	\$850,000	\$856,309	1.01

This computation is probabilistic (or stochastic) in nature in that the computed Claim Reserve is a "best estimate" using sampling techniques. The traditional computation is deterministic in nature.

The claims shown below that are paid after the Valuation Date are arrayed by Incurred Month and indirectly or inferentially affect the computed Claim Reserve:

Incurred Month	Claims - Incurred Prior to Valuation Date - by Paid Month Jul 2009
Jun 2009	\$277,316
May 2009	\$228,354
Apr 2009	\$110,781
All Others	<u>\$20,174</u>
TOTAL	\$636,625

The following useful information involving the current Claim Reserve results therefrom:

<u>Bifurcated Claim Reserve</u>	
In Course of Settlement	\$477,468
Incurred but Not Reported	<u>\$746,530</u>
Total	\$1,223,998

<u>Paid Claims Run-Out</u>	
Actual	\$636,625
Expected	\$526,319
Ratio A/E	1.210

In my opinion, the claim reserve(s) certified herein, meet three criteria:

- Are computed in accordance with commonly accepted actuarial standards consistently applied and are fairly stated in accordance with sound actuarial principles;
- Make a good and sufficient provision, in the aggregate, for all non-matured claim obligations of the plan.
- Are computed on the basis of actuarial assumptions and actuarial methods consistent in most but not necessarily all material respects with those used in computing the corresponding items in the certification of the preceding plan year-end.

09/12/2009
Date

Carlton Harker, FSA, MAAA
Actuarial Work Products, Inc.
AAA Number 5293

ACTUARY'S DUE DILIGENCE STATEMENT

1. Claims paid dates for the lag study are understood by the actuary to be consistent with claims paid dates for the trust account, if any.
2. No audit of the accuracy of the submitted data was made.
3. With regards submitted claims lag data, the actuary was not provided with (a) reported, (b) processing, (c) check preparation or (d) check cleared dates. The date paid for purposes of the claim reserve is that date where the claim has been funded and the claim check effectively released into the "mail stream". That is, the actuary does not certify the amount of any liability for claims (a) in course of settlement or (b) due and unpaid.
4. Incurred date for a hospitalization may be the date of admission or the date of discharge; incurred date for maternity may be the date of birth or the date of conception.
5. No specific inquiry is made by the actuary as regards claims backlog.
6. The computation assumes a constancy of plan design.
7. No attempt to analyze larger claims is made.
8. The Certifying Actuary is qualified to provide this opinion in accordance with the rules of professional conduct promulgated by the American Academy of Actuaries.
9. With respect to this opinion, the actuary asserts:
 - a. That this Work-Product is an actuarial opinion as contemplated by the American Academy of Actuaries.
 - b. That he is qualified to offer such opinion by reason of his meeting the requisite examination, experience and continuing education requirements of the American Academy of Actuaries.
 - c. That this Actuarial Work-Product is the result of a mathematical computer program processing imputed data and documentation that are summarized herein.
 - d. That he is independent of and has no conflicted interest with any party with respects to this Work-Product.
 - e. That the Work-Product was prepared at the request of the Eligible User (approved as such by Actuarial Work-Products, Inc.), who is identified herein, and who may or may not be the ultimate user of such Work-Product.
 - f. That he has been engaged, as contemplated by the relevant American Academy of Actuaries, by the Engager identified herein.
10. The actuary intends to be a fiduciary with respect to this Work-Product and will act accordingly, striving to meet any and all standards of conduct necessary to meet this end.
11. The professional liability for this Work-Product is assumed by Self-Funding Actuarial Services, Inc. which has in place an appropriate professional liability insurance policy. A PDF of the summary page of this policy is available at: www.awpse.com/eando.pdf.

Plan Name: ABC Manufacturing Co.

Valuation Date: 06/30/2009

Produced by: Actuarial-Work Products, Inc.

----- SAMPLE NO: 1 -----			----- SAMPLE NO: 2 -----			----- SAMPLE NO: 3 -----			----- SAMPLE NO: 4 -----		
PAID: Nov 2007			PAID: Dec 2007			PAID: Jan 2008			PAID: Feb 2008		
INCURRED MONTH	\$CLAIMS PAID	PROJECTED \$LAG CLMS	INCURRED MONTH	\$CLAIMS PAID	PROJECTED \$LAG CLMS	INCURRED MONTH	\$CLAIMS PAID	PROJECTED \$LAG CLMS	INCURRED MONTH	\$CLAIMS PAID	PROJECTED \$LAG CLMS
Nov07	\$8,491	\$0	Dec07	\$70,548	\$0	Jan08	\$44,874	\$0	Feb08	\$100,286	\$0
Oct07	\$378,376	\$378,376	Nov07	\$493,060	\$493,060	Dec07	\$273,586	\$273,586	Jan08	\$223,369	\$223,369
Sep07	\$252,215	\$504,430	Oct07	\$190,208	\$380,416	Nov07	\$101,960	\$203,920	Dec07	\$164,771	\$329,542
Aug07	\$32,483	\$97,449	Sep07	\$50,841	\$152,523	Oct07	\$18,215	\$54,645	Nov07	\$179,906	\$539,718
Jul07	\$17,405	\$69,620	Aug07	\$47,169	\$188,676	Sep07	\$38,521	\$154,084	Oct07	\$14,555	\$58,220
Jun07	\$10,879	\$54,395	Jul07	\$3,590	\$17,950	Aug07	\$5,427	\$27,135	Sep07	\$52,395	\$261,975
May07	\$6,453	\$38,718	Jun07	\$1,047	\$6,282	Jul07	\$1,895	\$11,370	Aug07	\$465	\$2,790
Apr07	\$125	\$875	May07	\$7,746	\$54,222	Jun07	\$1,153	\$8,071	Jul07	\$5,506	\$38,542
Mar07	\$16,925	\$135,400	Apr07	\$1,483	\$11,864	May07	\$828	\$6,624	Jun07	\$3,722	\$29,776
Feb07	\$4,109	\$36,981	Mar07	\$89	\$801	Apr07	\$269	\$2,421	May07	\$5,326	\$47,934
Jan07	\$638	\$6,380	Feb07	\$1,279	\$12,790	Mar07	\$120	\$1,200	Apr07	\$-34	\$-340
Dec06	\$1,632	\$17,952	Jan07	\$9	\$99	Feb07	\$80	\$880	Mar07	\$669	\$7,359
Nov06	\$33	\$462	Dec06	\$266	\$3,724	Jan07	\$-176	\$-2,464	Feb07	\$252	\$3,528
TOTAL	\$729,764	\$1,341,038	TOTAL	\$867,335	\$1,322,407	TOTAL	\$486,752	\$741,472	TOTAL	\$751,188	\$1,542,413
ANN/%	\$8,757,168	15.30%	ANN/%	\$10,408,020	12.70%	ANN/%	\$5,841,024	12.70%	ANN/%	\$9,014,256	17.10%

----- SAMPLE NO: 5 -----			----- SAMPLE NO: 6 -----			----- SAMPLE NO: 7 -----			----- SAMPLE NO: 8 -----		
PAID: Mar 2008			PAID: Apr 2008			PAID: May 2008			PAID: Jun 2008		
INCURRED MONTH	\$CLAIMS PAID	PROJECTED \$LAG CLMS	INCURRED MONTH	\$CLAIMS PAID	PROJECTED \$LAG CLMS	INCURRED MONTH	\$CLAIMS PAID	PROJECTED \$LAG CLMS	INCURRED MONTH	\$CLAIMS PAID	PROJECTED \$LAG CLMS
Mar08	\$20,506	\$0	Apr08	\$173,850	\$0	May08	\$37,071	\$0	Jun08	\$16,888	\$0
Feb08	\$305,851	\$305,851	Mar08	\$444,244	\$444,244	Apr08	\$283,472	\$283,472	May08	\$305,567	\$305,567
Jan08	\$75,401	\$150,802	Feb08	\$687,061	\$1,374,122	Mar08	\$35,574	\$71,148	Apr08	\$78,453	\$156,906
Dec07	\$59,903	\$179,709	Jan08	\$160,000	\$480,000	Feb08	\$22,466	\$67,398	Mar08	\$458,499	\$1,375,497
Nov07	\$8,315	\$33,260	Dec07	\$50,819	\$203,276	Jan08	\$2,372	\$9,488	Feb08	\$4,785	\$19,140
Oct07	\$14,762	\$73,810	Nov07	\$6,234	\$31,170	Dec07	\$4,438	\$22,190	Jan08	\$6,663	\$33,315
Sep07	\$5,615	\$33,690	Oct07	\$9,526	\$57,156	Nov07	\$1,102	\$6,612	Dec07	\$1,159	\$6,954
Aug07	\$709	\$4,963	Sep07	\$14,924	\$104,468	Oct07	\$1,008	\$7,056	Nov07	\$202	\$1,414
Jul07	\$508	\$4,064	Aug07	\$-2,058	\$-16,464	Sep07	\$1,427	\$11,416	Oct07	\$957	\$7,656
Jun07	\$0	\$0	Jul07	\$6,250	\$56,250	Aug07	\$736	\$6,624	Sep07	\$134	\$1,206
May07	\$-1,060	\$-10,600	Jun07	\$890	\$8,900	Jul07	\$112	\$1,120	Aug07	\$880	\$8,800
Apr07	\$9	\$99	May07	\$553	\$6,083	Jun07	\$1,097	\$12,067	Jul07	\$112	\$1,232
Mar07	\$198	\$2,772	Apr07	\$198	\$2,772	May07	\$0	\$0	Jun07	\$568	\$7,952
TOTAL	\$490,717	\$778,420	TOTAL	\$1,552,491	\$2,751,977	TOTAL	\$390,875	\$498,591	TOTAL	\$874,867	\$1,925,639
ANN/%	\$5,888,604	13.20%	ANN/%	\$18,629,892	14.80%	ANN/%	\$4,690,500	10.60%	ANN/%	\$10,498,404	18.30%

----- SAMPLE NO: 9 -----			----- SAMPLE NO:10 -----			----- SAMPLE NO:11 -----			----- SAMPLE NO:12 -----		
PAID: Jul 2008			PAID: Aug 2008			PAID: Sep 2008			PAID: Oct 2008		
INCURRED MONTH	\$CLAIMS PAID	PROJECTED \$LAG CLMS	INCURRED MONTH	\$CLAIMS PAID	PROJECTED \$LAG CLMS	INCURRED MONTH	\$CLAIMS PAID	PROJECTED \$LAG CLMS	INCURRED MONTH	\$CLAIMS PAID	PROJECTED \$LAG CLMS
Jul08	\$103,708	\$0	Aug08	\$86,430	\$0	Sep08	\$95,304	\$0	Oct08	\$84,490	\$0
Jun08	\$239,879	\$239,879	Jul08	\$229,772	\$229,772	Aug08	\$283,142	\$283,142	Sep08	\$247,638	\$247,638
May08	\$154,416	\$308,832	Jun08	\$58,246	\$116,492	Jul08	\$105,501	\$211,002	Aug08	\$124,573	\$249,146
Apr08	\$32,605	\$97,815	May08	\$12,662	\$37,986	Jun08	\$99,238	\$297,714	Jul08	\$62,290	\$186,870
Mar08	\$-1,034	\$-4,136	Apr08	\$41,554	\$166,216	May08	\$27,609	\$110,436	Jun08	\$9,989	\$39,956
Feb08	\$7,669	\$38,345	Mar08	\$15,836	\$79,180	Apr08	\$2,213	\$11,065	May08	\$3,798	\$18,990
Jan08	\$1,481	\$8,886	Feb08	\$1,704	\$10,224	Mar08	\$807	\$4,842	Apr08	\$185	\$1,110
Dec07	\$2,237	\$15,659	Jan08	\$16,339	\$114,373	Feb08	\$1,213	\$8,491	Mar08	\$8,674	\$60,718
Nov07	\$3,484	\$27,872	Dec07	\$822	\$6,576	Jan08	\$522	\$4,176	Feb08	\$191	\$1,528
Oct07	\$596	\$5,364	Nov07	\$281	\$2,529	Dec07	\$658	\$5,922	Jan08	\$-863	\$-7,767
Sep07	\$15,086	\$150,860	Oct07	\$367	\$3,670	Nov07	\$288	\$2,880	Dec07	\$57	\$570
Aug07	\$2,936	\$32,296	Sep07	\$487	\$5,357	Oct07	\$-175	\$-1,925	Nov07	\$306	\$3,366
Jul07	\$49,810	\$697,340	Aug07	\$12,297	\$172,158	Sep07	\$-354	\$-4,956	Oct07	\$4,898	\$68,572
TOTAL	\$612,873	\$1,619,012	TOTAL	\$476,797	\$944,533	TOTAL	\$615,966	\$932,789	TOTAL	\$546,226	\$870,697
ANN/%	\$7,354,476	22.00%	ANN/%	\$5,721,564	16.50%	ANN/%	\$7,391,592	12.60%	ANN/%	\$6,554,712	13.30%

----- SAMPLE NO:13 -----			----- SAMPLE NO:14 -----			----- SAMPLE NO:15 -----			----- SAMPLE NO:16 -----		
PAID: Nov 2008			PAID: Dec 2008			PAID: Jan 2009			PAID: Feb 2009		
INCURRED MONTH	\$CLAIMS PAID	PROJECTED \$LAG CLMS	INCURRED MONTH	\$CLAIMS PAID	PROJECTED \$LAG CLMS	INCURRED MONTH	\$CLAIMS PAID	PROJECTED \$LAG CLMS	INCURRED MONTH	\$CLAIMS PAID	PROJECTED \$LAG CLMS
Nov08	\$84,490	\$0	Dec08	\$70,382	\$0	Jan09	\$91,182	\$0	Feb09	\$131,982	\$0
Oct08	\$247,638	\$247,638	Nov08	\$250,804	\$250,804	Dec08	\$312,083	\$312,083	Jan09	\$317,252	\$317,252
Sep08	\$24,573	\$49,146	Oct08	\$201,452	\$402,904	Nov08	\$437,927	\$875,854	Dec08	\$181,011	\$362,022
Aug08	\$62,290	\$186,870	Sep08	\$48,117	\$144,351	Oct08	\$491,813	\$1,475,439	Nov08	\$163,853	\$491,559
Jul08	\$9,989	\$39,956	Aug08	\$9,840	\$39,360	Sep08	\$49,678	\$198,712	Oct08	\$14,831	\$59,324
Jun08	\$3,798	\$18,990	Jul08	\$262	\$1,310	Aug08	\$18,236	\$91,180	Sep08	\$32,180	\$160,900
May08	\$185	\$1,110	Jun08	\$1,997	\$11,982	Jul08	\$3,078	\$18,468	Aug08	\$5,760	\$34,560
Apr08	\$8,674	\$60,718	May08	\$2,011	\$14,077	Jun08	\$2,058	\$14,406	Jul08	\$556	\$3,892
Mar08	\$191	\$1,528	Apr08	\$174	\$1,392	May08	\$1,013	\$8,104	Jun08	\$679	\$5,432
Feb08	\$-863	\$-7,767	Mar08	\$273	\$2,457	Apr08	\$1,159	\$10,431	May08	\$610	\$5,490
Jan08	\$57	\$570	Feb08	\$3,874	\$38,740	Mar08	\$0	\$0	Apr08	\$1,182	\$11,820
Dec07	\$306	\$3,366	Jan08	\$138	\$1,518	Feb08	\$16	\$176	Mar08	\$107	\$1,177
Nov07	\$4,799	\$67,186	Dec07	\$338	\$4,732	Jan08	\$219	\$3,066	Feb08	\$12	\$168
TOTAL	\$446,127	\$669,311	TOTAL	\$589,662	\$913,627	TOTAL	\$1,408,462	\$3,007,919	TOTAL	\$850,015	\$1,453,596
ANN/%	\$5,353,524	12.50%	ANN/%	\$7,075,944	12.90%	ANN/%	\$16,901,544	17.80%	ANN/%	\$10,200,180	14.30%

----- SAMPLE NO:17 -----			----- SAMPLE NO:18 -----			----- SAMPLE NO:19 -----			----- SAMPLE NO:20 -----		
PAID: Mar 2009			PAID: Apr 2009			PAID: May 2009			PAID: Jun 2009		
INCURRED MONTH	\$CLAIMS PAID	PROJECTED \$LAG CLMS	INCURRED MONTH	\$CLAIMS PAID	PROJECTED \$LAG CLMS	INCURRED MONTH	\$CLAIMS PAID	PROJECTED \$LAG CLMS	INCURRED MONTH	\$CLAIMS PAID	PROJECTED \$LAG CLMS
Mar09	\$150,958	\$0	Apr09	\$152,281	\$0	May09	\$149,724	\$0	Jun09	\$48,997	\$0
Feb09	\$256,048	\$256,048	Mar09	\$369,701	\$369,701	Apr09	\$222,233	\$222,233	May09	\$194,994	\$194,994
Jan09	\$185,748	\$371,496	Feb09	\$92,153	\$184,306	Mar09	\$155,679	\$311,358	Apr09	\$70,287	\$140,574
Dec08	\$61,664	\$184,992	Jan09	\$41,665	\$124,995	Feb09	\$126,062	\$378,186	Mar09	\$-16,721	\$-30,163
Nov08	\$35,191	\$140,764	Dec08	\$28,215	\$112,860	Jan09	\$85,040	\$340,160	Feb09	\$4,587	\$18,348
Oct08	\$11,875	\$59,375	Nov08	\$27,239	\$136,195	Dec08	\$3,819	\$19,095	Jan09	\$2,329	\$11,645
Sep08	\$1,061	\$6,366	Oct08	\$182,827	\$1,096,962	Nov08	\$7,943	\$47,658	Dec08	\$1,673	\$10,038
Aug08	\$12,883	\$90,181	Sep08	\$676	\$4,732	Oct08	\$14,859	\$104,013	Nov08	\$11,934	\$83,538
Jul08	\$2,505	\$20,040	Aug08	\$306	\$2,448	Sep08	\$1,699	\$13,592	Oct08	\$-455	\$-3,640
Jun08	\$262	\$2,358	Jul08	\$3,035	\$27,315	Aug08	\$3,430	\$30,870	Sep08	\$12,679	\$114,111
May08	\$-148	\$-1,480	Jun08	\$440	\$4,400	Jul08	\$6,412	\$64,120	Aug08	\$5,951	\$59,510
Apr08	\$205	\$2,255	May08	\$804	\$8,844	Jun08	\$375	\$4,125	Jul08	\$660	\$7,260
Mar08	\$-12,511	\$-175,154	Apr08	\$1,404	\$19,656	May08	\$3,577	\$50,078	Jun08	\$-120	\$-1,680
TOTAL	\$705,741	\$957,241	TOTAL	\$900,746	\$2,092,414	TOTAL	\$780,852	\$1,585,488	TOTAL	\$336,795	\$584,535
ANN/%	\$8,468,892	11.30%	ANN/%	\$10,808,952	19.40%	ANN/%	\$9,370,224	16.90%	ANN/%	\$4,041,540	14.50%

----- SAMPLE NO:21 -----			----- SAMPLE NO:22 -----			----- SAMPLE NO:23 -----			----- SAMPLE NO:24 -----		
PAID: Jul 2009			PAID: Aug 2009			PAID: Sep 2009			PAID: Oct 2009		
INCURRED MONTH	\$CLAIMS PAID	PROJECTED \$LAG CLMS	INCURRED MONTH	\$CLAIMS PAID	PROJECTED \$LAG CLMS	INCURRED MONTH	\$CLAIMS PAID	PROJECTED \$LAG CLMS	INCURRED MONTH	\$CLAIMS PAID	PROJECTED \$LAG CLMS
Jul09	\$147,717	\$0	Aug09	N/A	N/A	Sep09	N/A	N/A	Oct09	N/A	N/A
Jun09	\$277,316	\$277,316	Jul09	N/A	N/A	Aug09	N/A	N/A	Sep09	N/A	N/A
May09	\$228,354	\$456,708	Jun09	N/A	N/A	Jul09	N/A	N/A	Aug09	N/A	N/A
Apr09	\$110,781	\$332,343	May09	N/A	N/A	Jun09	N/A	N/A	Jul09	N/A	N/A
Mar09	\$8,176	\$32,704	Apr09	N/A	N/A	May09	N/A	N/A	Jun09	N/A	N/A
Feb09	\$5,076	\$25,380	Mar09	N/A	N/A	Apr09	N/A	N/A	May09	N/A	N/A
Jan09	\$2,561	\$15,366	Feb09	N/A	N/A	Mar09	N/A	N/A	Apr09	N/A	N/A
Dec08	\$840	\$5,880	Jan09	N/A	N/A	Feb09	N/A	N/A	Mar09	N/A	N/A
Nov08	\$3,041	\$24,328	Dec08	N/A	N/A	Jan09	N/A	N/A	Feb09	N/A	N/A
Oct08	\$240	\$2,160	Nov08	N/A	N/A	Dec08	N/A	N/A	Jan09	N/A	N/A
Sep08	\$91	\$910	Oct08	N/A	N/A	Nov08	N/A	N/A	Dec08	N/A	N/A
Aug08	\$279	\$3,069	Sep08	N/A	N/A	Oct08	N/A	N/A	Nov08	N/A	N/A
Jul08	\$-130	\$-1,820	Aug08	N/A	N/A	Sep08	N/A	N/A	Oct08	N/A	N/A
TOTAL	\$784,342	\$1,174,344	TOTAL	N/A	N/A	TOTAL	N/A	N/A	TOTAL	N/A	N/A
ANN/%	\$9,412,104	12.50%	ANN/%	N/A	N/A	ANN/%	N/A	N/A	ANN/%	N/A	N/A

Plan Name: ABC Manufacturing Co.

Valuation Date: 06/30/2009

Produced by: Actuarial-Work Products, Inc.

ADDRESSEES

ADDRESSEE 1 ID: T0001

NAME: Administrators, Inc.

ADDR: 414 Main Street

CITY: Portland

TEL: 601-414-8888

ST: OR ZIP: 97114

FAX: 601-516-1414

CONTACT: John Smith

EMAIL: jsmith@admin.com

ADDRESSEE 2 ID: E0001

NAME: Self-Funding Actuarial Service

ADDR: 8025 North Point Blvd Ste 207W

CITY: Winston-Salem

TEL: 336-759-2035

ST: NC ZIP: 27106

FAX: 336-896-0392

CONTACT: Carlton Harker

EMAIL: harker5@earthlink.net

ADDRESSEE 3 ID: P0006

NAME: ABC Manufacturing Co.

ADDR: 1841 Bypass Road

CITY: Tupelo

TEL: 614-160-1425

ST: MS ZIP: 37116

FAX: 614-280-8416

CONTACT: Bill Owner

EMAIL: bowner@abcco.com

PLAN

PLAN ID: 001

NAME OF PLAN: ABC Manufacturing Co.

PLAN DOL NUMBER:

OTHER DESIGNATION:

BENEFITS INCLUDED: M: Y

Rx: Y

D: N

V: N

STD: N

CLAIMS OVER SPECIFIC: Included (Y/N): N

INCURRED DATE ---

INSTITUTIONAL CARE: (A) dmission or (D) ischarge: D

MATERNITY: (C) onception or (B) irth: B

CLAIM RESERVE PURPOSE:

AICPA:

Gov:

990: X

1041:

MEWA:

DOL:

VALUATION

VAL NUMBER: 01

VALUATION DATE MONTH & YEAR: Jun 2009

CODE RANGE FOR SAMPLING PURPOSES: Nov 2007 TO Jul 2009

BASIS OF ANNUALIZED CLAIMS: MOST RECENT 12 MONTHS x 1.00

PRIOR RESERVE TESTING:

VAL CODE

COMPUTED RESERVE \$

Jun 2008

850000

MISCELLANEOUS VALUES

USER CODE: 063 USER NAME: sampleuser COMPUTER: 648I SERV VERSION: v20090704
 VAL CODE: 00101 REQUESTED: 09/12/2009 09:21:22 PM PRINTED: 09/12/2009 09:29:46 PM NUMBER: 5
 STATUS: CLAIMS COLLECTED REQUEST: REQUESTXX BROWSER: Mozilla/4.0 (compati IP ADDRESS: 65.188.160.34
 R: 0.148 F: 1.000 MRM: 12 CGT: 8270262.000 RGT: 3.112
 TEST METHOD: 1319403.000 MRM2: 21 C: 8270262.000 SD: 241103.316

PAID MO	CLAIMS \$
-----	-----
Jul 2008	612873.000
Aug 2008	476797.000
Sep 2008	615966.000
Oct 2008	546226.000
Nov 2008	446127.000
Dec 2008	589662.000
Jan 2009	1408462.000
Feb 2009	850015.000
Mar 2009	705741.000
Apr 2009	900746.000
May 2009	780852.000
Jun 2009	336795.000

TOTAL 8270262.000 x 1.000 = 8270262.000 = C
 C x R: 8270262.000 x 0.148 = 1223998.776 = CLAIM RESERVES

Plan Name: ABC Manufacturing Co.

Valuation Date: 06/30/2009

Produced by: Actuarial-Work Products, Inc.

STANDARD DEVIATION

PAID MO	#	R	(R-M)	(R-M)x(R-M)	M = Mean = 0.148
Nov 2007	1	0.153	0.005	0.00003	
Dec 2007	1	0.127	-0.021	0.00044	
Jan 2008	1	0.127	-0.021	0.00044	
Feb 2008	1	0.171	0.023	0.00053	
Mar 2008	1	0.132	-0.016	0.00026	
Apr 2008	1	0.148	0.000	0.00000	
May 2008	1	0.106	-0.042	0.00176	
Jun 2008	1	0.183	0.035	0.00123	
Jul 2008	1	0.220	0.072	0.00518	
Aug 2008	1	0.165	0.017	0.00029	
Sep 2008	1	0.126	-0.022	0.00048	
Oct 2008	1	0.133	-0.015	0.00023	
Nov 2008	1	0.125	-0.023	0.00053	
Dec 2008	1	0.129	-0.019	0.00036	
Jan 2009	1	0.178	0.030	0.00090	
Feb 2009	1	0.143	-0.005	0.00003	
Mar 2009	1	0.113	-0.035	0.00123	
Apr 2009	1	0.194	0.046	0.00212	
May 2009	1	0.169	0.021	0.00044	
Jun 2009	1	0.145	-0.003	0.00001	
Jul 2009	1	0.125	-0.023	0.00053	
TOTALS	21 = MRM2 (number of samples)			0.01700 = XSUM (sum of squares)	

XSUM / (MRM2 - 1): 0.01700 / 20 = 0.00085 = XAVE (average of squares)
 SQRT(XAVE): 241103.31560 = SDEV (standard deviation)

PRIOR-VALUATION DETAILS

Plan Name: ABC Manufacturing Co.

Valuation Date: 06/30/2009

Produced by: Actuarial-Work Products, Inc.

Jul08	Aug08	Sep08	Oct08	Nov08	Dec08	Jan09	Feb09	Mar09	Apr09	May09	Jun09
239879	58246	99238	9989	3798	1997	2058	679	262	440	375	-120
154416	12662	27609	3798	185	2011	1013	610	-148	804	3577	
32605	41554	2213	185	8674	174	1159	1182	205	1404		
-1034	15836	807	8674	191	273	0	107	-12511			
7669	1704	1213	191	-863	3874	16	12				
1481	16339	522	-863	57	138	219					
2237	822	658	57	306	338						
3484	281	288	306	4799							
596	367	-175	4898								
15086	487	-354									
2936	12297										
49810											
509165T	160595T	132019T	27235T	17147T	8805T	4465T	2590T	-12192T	2648T	3952T	-120T

*** MONTHS = 13 *** PERCENT = 100% *** PRIOR RESERVE = 850000 *** ACTUAL / EXPECTED = 856309 / 850000 = 1.007

RUN-OUT DETAILS

INCD/PAID	Jul 2009	Aug 2009	Sep 2009	Oct 2009	Nov 2009	Dec 2009
Jun 2009	277316	N/A	N/A	N/A	N/A	N/A
May 2009	228354	N/A	N/A	N/A	N/A	N/A
Apr 2009	110781	N/A	N/A	N/A	N/A	N/A
ALL OTHERS	20174	N/A	N/A	N/A	N/A	N/A
TOTAL	636625	N/A	N/A	N/A	N/A	N/A
IC%	0.750	N/A	N/A	N/A	N/A	N/A
IC/month	477469	N/A	N/A	N/A	N/A	N/A
EROC BASE	1223999	N/A	N/A	N/A	N/A	N/A
EROC%	0.430	N/A	N/A	N/A	N/A	N/A
EROC/mth	526319	N/A	N/A	N/A	N/A	N/A
Test %	0.462	N/A	N/A	N/A	N/A	N/A

AC TOTAL (actual run-out claims) = 636625

IC TOTAL (in course of settlement) = 477469

EROC TOTAL (expected run-out claims) = 526319

IC = 477469
 IBNR = 746530
 TOTAL = 1223999

AC = 636625
 EROC = 526319
 AC/EROC = 1.210