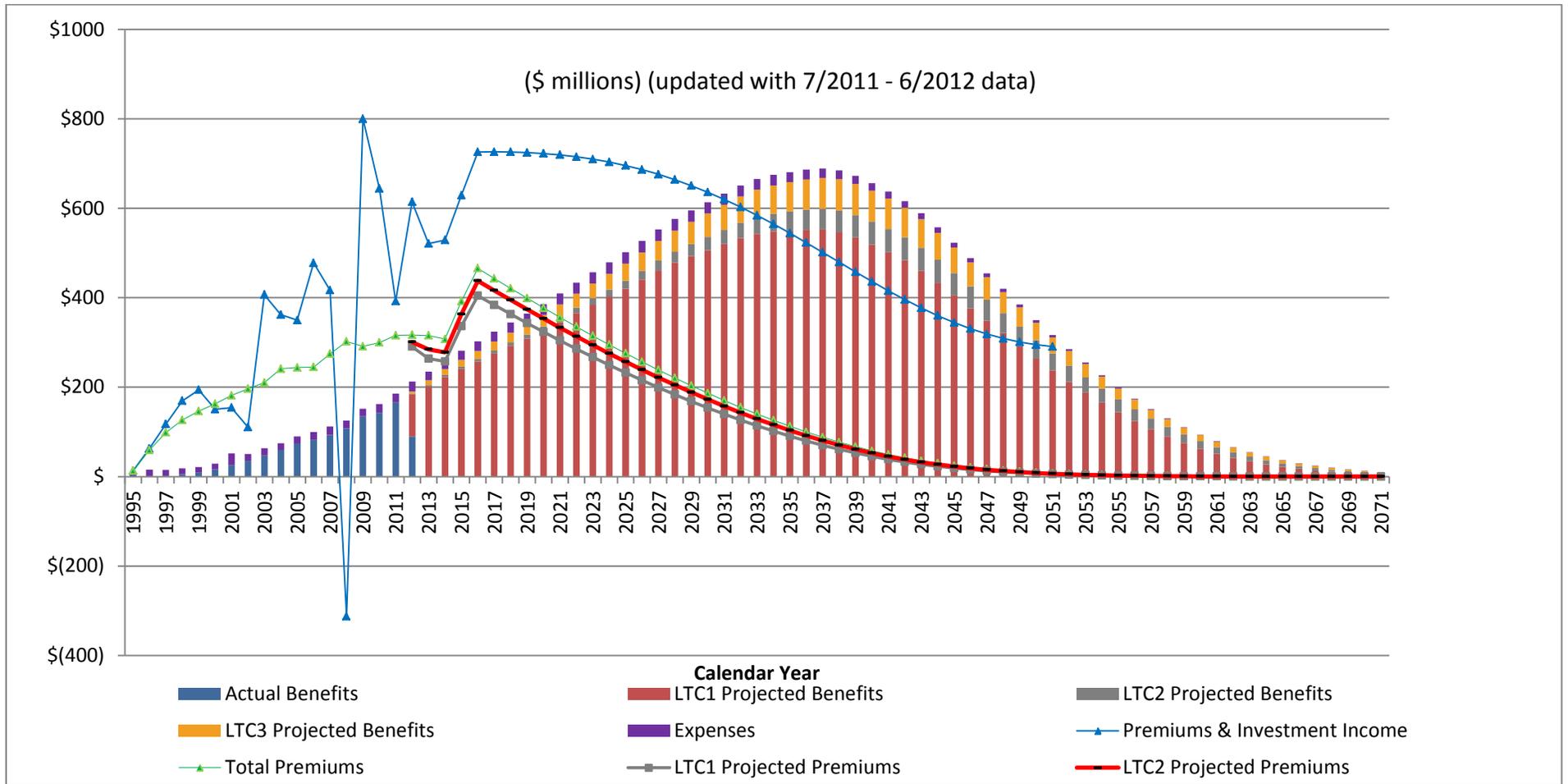


# HISTORIC AND BASE CASE PROJECTED CASH FLOW



2011 Annual Valuation (updated as of 12/31/2011) used for projected cash flows starting 7/2012

\*Revised discount rate is 5.75% for all projected years

\*5% premium increase is proposed to stop in 2014

\*79% premium increase is proposed in 2015 for members with inflation or lifetime without inflation LTC1 and LTC2

\*Restated funding status as of 6/30/2011 is a deficit of (4.13%) which reflects the revised discount rate

Projected Premiums:

- LTC1 = Gray line
- LTC2 = Difference between red and gray line
- LTC3 = Difference between green and red line