

# Griffith, Ballard & Company

## Valuation Interest Rate Calculations

For use during Valuation Year 2015

*Based on Actual Rates through April 30, 2015*

### MOODY'S CORPORATE AVERAGE YIELDS

Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	
4.37%	4.29%	4.39%	4.22%	4.28%	4.17%	3.84%	3.93%	3.98%	3.93%	TBA	TBA	
12-Month Average: 2014:			4.72%	2013:		4.15%	2012:		4.55%	36-Month Average: 2014:		4.47%

### CURRENT YEAR PROJECTED AVERAGES

	Projected Avg.	Current Avg.	projected if future monthly average changes by					
			-0.50%	+0.50%	-1.00%	+1.00%	-2.00%	+2.40%
12-month average	4.10%	4.19%	4.02%	4.19%	3.94%	4.27%	3.77%	4.50%
36-month average	4.32%	4.35%	4.30%	4.35%	4.27%	4.38%	4.21%	4.46%
<i>Lower</i>	4.10%	4.19%	4.02%	4.19%	3.94%	4.27%	3.77%	4.46%

### PROJECTED VALUATION RATES, BASED ON ABOVE

	Rate	Change from prior yr.	projected if future monthly average changes by					
			-0.50%	+0.50%	-1.00%	+1.00%	-2.00%	+2.40%
Life Formula	3.50%	0.00%	3.25%	3.50%	3.25%	3.50%	3.25%	3.50%
Life Reserve*	3.50%	0.00%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
Life Nonfor Fctr	4.50%	0.00%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%
Flex Prem DA**	3.50%	-0.25%	3.50%	3.50%	3.50%	3.75%	3.50%	3.75%
Single Prem DA**	3.50%	-0.50%	3.50%	3.75%	3.50%	3.75%	3.50%	3.75%
Immed Annuity	4.00%	-0.50%	3.75%	4.00%	3.75%	4.00%	3.50%	4.25%

\* Minimum change from prior year rate is 0.50%

\*\* for Type C, 10 years and fewer, issue-year basis

### SINGLE PREMIUM DEFERRED ANNUITY

ISSUE-YEAR BASIS	2015				2014				
	Duration	Ref*	A	B	C	Ref*	A	B	C
5 Years or Less		4.10%	4.00%	3.75%	3.50%	4.72%	4.50%	4.00%	4.00%
5+ to 10 Years		4.10%	4.00%	3.75%	3.50%	4.72%	4.50%	4.00%	4.00%
10+ to 20 Years		4.10%	3.75%	3.50%	3.50%	4.47%	4.00%	3.75%	3.75%
Greater than 20 Years		4.10%	3.50%	3.50%	3.50%	4.47%	3.75%	3.50%	3.50%

### FLEXIBLE PREMIUM DEFERRED ANNUITY

ISSUE-YEAR BASIS	2015				2014				
	Duration	Ref*	A	B	C	Ref*	A	B	C
5 Years or Less		4.10%	4.00%	3.75%	3.50%	4.72%	4.50%	4.00%	3.75%
5+ to 10 Years		4.10%	3.75%	3.75%	3.50%	4.72%	4.25%	4.00%	3.75%
10+ to 20 Years		4.10%	3.75%	3.50%	3.50%	4.47%	4.00%	3.75%	3.75%
Greater than 20 Years		4.10%	3.50%	3.50%	3.50%	4.47%	3.75%	3.50%	3.50%

\* 12- preceding month average (if greater than 10 years, use 36- preceding month average, if lower)

### DYNAMIC MINIMUM ANNUITY NONFORFEITURE RATES

Five-Year Constant Maturity Treasury (Monthly Average) and Related Minimum Guarantee Rates

	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14
5-Yr CMT:	1.37%	1.58%	1.65%	1.52%	1.64%	1.70%	1.59%	1.68%	1.70%	1.63%
Minimum Rate:	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15
5-Yr CMT:	1.77%	1.55%	1.62%	1.64%	1.37%	1.47%	1.52%	1.35%	TBA	TBA
Minimum Rate:	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	TBA	TBA

Applicable Federal Interest Rate for Purposes of Sn. 807\*: 2015: 1.68% 2014: 1.79% 2013: 2.16%

\* Note, use the maximum of this and the life reserve valuation rate

use: 3.50% 3.50% 3.50%