

MULTINATIONAL CORPORATION

International Experience Report

for the year ending

31 August 19XX

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The International Experience Report for the period ending 31 August 19XX reflects 6 units included in IGP covering 1,492 employees. Experience for this period produced an Accumulated Contribution to the International Account (CIA) of \$278,945.

The following is an overview of experience in recent years:

Year		Premium	Lives	Accumulated CIA	International Dividend
Year 3	USD	1,138,164	1,492	278,945	278,945
Year 2	USD	1,115,532	1,173	229,164	229,164
Year 1	USD	1,019,372	1,075	265,846	265,846

Multinational Corporation is currently a self-experienced account. In order to protect against claim fluctuations should the number of lives in the international account substantially be reduced, a threshold has been established below which the account would automatically join IGP's Small Groups Pool. The threshold for Multinational Corporation is 1,000 lives.

Your IGP representative will be pleased to answer any questions you may have regarding this information.

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Subsidiaries Included in IGP and IGP Associate Insurers

<u>LOCATION</u>	<u>UNIT</u>	<u>SUBSIDIARY</u>	<u>IGP ASSOCIATE</u>
BELGIUM	3	SUBSIDIARY BELGIUM	AG 1824
GERMANY	2	SUBSIDIARY GERMANY GMBH	VICTORIA LEBENSVERSICHERUNG AG
JAPAN	4	SUBSIDIARY JAPAN LTD.	THE DAI-ICHI MUTUAL LIFE INSURANCE COMPANY
SINGAPORE	6	SUBSIDIARY SINGAPORE LTD.	INSURANCE CORPORATION OF SINGAPORE LIMITED
UNITED KINGDOM	1	SUBSIDIARY UK LTD.	PPP HEALTHCARE
VENEZUELA	5	SUBSIDIARY VENEZUELA LTD.	SEGUROS LA SEGURIDAD, C.A.

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TOTAL RESULTS

1. No. of lives covered		1,492
2. Annual premium	USD	1,138,164
3. Tax paid by employer		7,595
4. Gross cost (2 + 3)		1,145,759
5. Investment income		128,708
6. Claims and annuity payments		665,486
7. Change in reserves		107,565
a. Beginning reserves		1,729,709
b. Ending reserves		1,837,274
8. Expenses and risk		95,475
9. Commissions		42,835
10. Tax paid by insurer		2,233
11. Local dividend		68,295
12. Subtotal (2+5-6-7-8-9-10-11)		284,983
13. Interest on (12) from policy year end to 31 August 19XX		3,986
14. Contribution to the International Account (12 + 13)		288,969
15. Prior margin/adjustment		-10,024
a. Prior margin/deficit		0
b. Currency adjustment		-10,024
16. Accumulated Contribution to the International Account (14 + 15)	USD	278,945

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	BELGIUM (3)	GERMANY (2)	JAPAN (4)
Policy year ending:	31 Dec 19XX	31 Jan 19XX	31 Jan 19XX
Exchange rate:	USD .029620	USD .593500	USD .007437
1. No. of lives covered	8	325	551
2. Annual premium	USD 12,813	USD 878,688	USD 49,313
3. Tax paid by employer	664	0	0
4. Gross cost (2 + 3)	13,477	878,688	49,313
5. Investment income	1,556	125,327	188
6. Claims and annuity payments	8,875	534,900	0
7. Change in reserves	-3,295	97,254	0
a. Beginning reserves	26,410	1,678,580	0
b. Ending reserves	23,115	1,775,834	0
8. Expenses and risk	2,919	55,975	13,439
9. Commissions	393	38,578	0
10. Tax paid by insurer	7	1,791	0
11. Local dividend	307	24,799	17,123
12. Subtotal (2+5-6-7-8-9-10-11)	5,163	250,718	18,939
13. Interest on (12) from policy year end to 31 August 19XX	83	3,641	220
14. Contribution to the International Account (12 + 13)	5,246	254,359	19,159
15. Prior margin/adjustment	-75	-8,389	-1,482
a. Prior margin/deficit	0	0	0
b. Currency adjustment	-75	-8,389	-1,482
16. Accumulated Contribution to the International Account (14 + 15)	USD 5,171	USD 245,970	USD 17,677

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	SINGAPORE	UNITED KINGDOM	VENEZEULA
	(6)	(1)	(5)
Policy year ending:	31 Oct 19XX	31 Aug 19XX	31 Aug 19XX
Exchange rate:	USD .619195	USD 1.705500	USD .001866
1. No. of lives covered	175	384	49
2. Annual premium	USD 14,086	USD 164,528	USD 18,736
3. Tax paid by employer	349	6,582	0
4. Gross cost (2 + 3)	14,435	171,110	18,736
5. Investment income	103	1,347	187
6. Claims and annuity payments	0	106,865	14,846
7. Change in reserves	2,907	9,587	1,112
a. Beginning reserves	0	22,156	2,563
b. Ending reserves	2,907	31,743	3,675
8. Expenses and risk	3,214	15,630	4,298
9. Commissions	1,990	0	1,874
10. Tax paid by insurer	60	0	375
11. Local dividend	4,578	21,397	91
12. Subtotal (2+5-6-7-8-9-10-11)	1,440	12,396	-3,673
13. Interest on (12) from policy year end to 31 August 19XX	42	0	0
14. Contribution to the International Account (12 + 13)	1,482	12,396	-3,673
15. Prior margin/adjustment	0	-46	-32
a. Prior margin/deficit	0	0	0
b. Currency adjustment	0	-46	-32
16. Accumulated Contribution to the International Account (14 + 15)	USD 1,482	USD 12,350	USD -3,705

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BELGIUM (3) - POOLED EXPERIENCE IN LOCAL CURRENCY

	<u>Year 3</u>	<u>Year 2</u>	<u>Year 1</u>
Policy year beginning:	01 Jan XX	01 Jan XX	01 Jan XX
Policy year ending:	31 Dec XX	31 Dec XX	31 Dec XX
1. Number of lives covered	8	14	21
2. Annual premium	432,593.00	1,001,595.00	1,338,179.00
Lump Sum Death Benefit	43,896.00	92,779.00	122,540.00
Medical	25,878.00	66,170.00	88,536.00
Long Term Disability	135,018.00	306,304.00	481,373.00
Pension	227,801.00	536,342.00	645,730.00
3. Tax paid by employer	22,420.00	53,321.00	71,605.00
4. Gross cost	455,013.00	1,054,916.00	1,409,784.00
5. Investment income	52,541.00	81,813.00	97,370.00
6. Claims and annuity payments	299,616.00	901,420.00	332,860.00
Lump Sum Death Benefit	0.00	119,195.00	0.00
Medical	0.00	43,385.00	21,964.00
Long Term Disability	0.00	122.00	916.00
Surrender Charge	299,616.00	738,718.00	309,980.00
7. Change in reserves	-111,253.00	-187,705.00	402,368.00
a. Beginning reserves	891,639.00	1,278,186.00	875,818.00
b. Ending reserves	780,386.00	1,090,481.00	1,278,186.00
Long Term Disability	48,269.00	111,704.00	101,274.00
Pension	726,385.00	968,418.00	1,163,847.00
Dividend	5,732.00	10,359.00	13,065.00
8. Expenses and risk	98,586.00	233,435.00	309,453.00
9. Commissions	13,273.00	30,945.00	43,671.00
10. Tax paid by insurer	253.00	692.00	1,062.00
11. Local dividend	10,359.00	13,065.00	8,134.00
12. Margin or deficit	174,300.00	91,556.00	338,001.00

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GERMANY (2) - POOLED EXPERIENCE IN LOCAL CURRENCY

	<u>Year 3</u>	<u>Year 2</u>	<u>Year 1</u>
Policy year beginning:	01 Feb XX	01 Feb XX	01 Feb XX
Policy year ending:	31 Jan XX	31 Jan XX	31 Jan XX
1. Number of lives covered	325	333	329
2. Annual premium	1,480,519.15	1,485,553.64	1,348,097.00
Insurance/Pension	1,480,519.15	1,485,553.64	1,348,097.00
3. Tax paid by employer	0.00	0.00	0.00
4. Gross cost	1,480,519.15	1,485,553.64	1,348,097.00
5. Investment income	211,166.30	169,011.61	157,385.73
6. Claims and annuity payments	901,263.94	565,934.43	297,443.28
Insurance/Pension	9,351.40	10,928.12	9,074.00
Other	891,912.54	555,006.31	288,369.28
7. Change in reserves	163,864.69	405,807.38	449,918.00
a. Beginning reserves	2,828,273.38	2,422,466.00	1,972,548.00
b. Ending reserves	2,992,138.07	2,828,273.38	2,422,466.00
Insurance/Pension	2,816,815.08	2,684,734.33	2,259,781.00
Dividend	175,322.99	143,539.05	162,685.00
8. Expenses and risk	94,316.14	104,934.81	94,373.24
9. Commissions	65,000.00	170,779.91	183,452.00
10. Tax paid by insurer	3,016.89	3,995.15	5,450.58
11. Local dividend	41,783.85	59,762.59	74,048.00
12. Margin or deficit	422,439.94	343,350.98	400,797.63

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JAPAN (4) - POOLED EXPERIENCE IN LOCAL CURRENCY

	<u>Year 3</u>	<u>Year 2</u>	<u>Year 1</u>
Policy year beginning:	01 Feb XX	01 Feb XX	01 Feb XX
Policy year ending:	31 Jan XX	31 Jan XX	31 Jan XX
1. Number of lives covered	551	409	310
2. Annual premium	6,630,573.00	5,331,481.00	4,225,010.00
Lump Sum Death Benefit	6,630,573.00	5,331,481.00	4,225,010.00
3. Tax paid by employer	0.00	0.00	0.00
4. Gross cost	6,630,573.00	5,331,481.00	4,225,010.00
5. Investment income	25,213.00	21,386.00	16,414.00
6. Claims and annuity payments	0.00	0.00	0.00
7. Change in reserves	0.00	0.00	0.00
a. Beginning reserves	0.00	0.00	0.00
b. Ending reserves	0.00	0.00	0.00
8. Expenses and risk	1,806,831.00	1,514,141.00	1,316,090.00
9. Commissions	0.00	0.00	0.00
10. Tax paid by insurer	0.00	0.00	0.00
11. Local dividend	2,302,409.00	1,678,777.00	1,267,504.00
12. Margin or deficit	2,546,546.00	2,159,949.00	1,657,830.00

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SINGAPORE (6) - POOLED EXPERIENCE IN LOCAL CURRENCY

	<u>Year 3*</u>	<u>Year 2</u>	<u>Year 1</u>
Policy year beginning:	01 Nov XX		
Policy year ending:	31 Oct XX		
1. Number of lives covered	175		
2. Annual premium	22,749.12		
Lump Sum Death Benefit	3,968.12		
Medical	18,781.00		
3. Tax paid by employer	563.43		
4. Gross cost	23,312.55		
5. Investment income	166.45		
6. Claims and annuity payments	0.00		
7. Change in reserves	4,695.25		
a. Beginning reserves	0.00		
b. Ending reserves	4,695.25		
Medical	4,695.25		
8. Expenses and risk	5,191.35		
9. Commissions	3,213.96		
10. Tax paid by insurer	96.42		
11. Local dividend	7,393.46		
12. Margin or deficit	2,325.13		

*First year participating in pool.

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UNITED KINGDOM (1) - POOLED EXPERIENCE IN LOCAL CURRENCY

	<u>Year 3</u>	<u>Year 2</u>	<u>Year 1</u>
Policy year beginning:	01 Sep XX	01 Sep XX	01 Sep XX
Policy year ending:	31 Aug XX	31 Aug XX	31 Aug XX
1. Number of lives covered	384	371	370
2. Annual premium	96,469.00	88,766.00	81,242.00
Medical	96,469.00	88,766.00	81,242.00
3. Tax paid by employer	3,859.00	2,219.00	2,031.00
4. Gross cost	100,328.00	90,985.00	83,273.00
5. Investment income	790.08	638.13	609.48
6. Claims and annuity payments	62,659.00	77,852.00	71,528.00
Medical	62,659.00	77,852.00	71,528.00
7. Change in reserves	5,621.00	457.00	689.00
a. Beginning reserves	12,991.00	12,534.00	11,845.00
b. Ending reserves	18,612.00	12,991.00	12,534.00
Medical	12,859.00	12,991.00	12,534.00
Dividend	5,753.00	0.00	0.00
8. Expenses and risk	9,164.55	7,988.95	7,596.13
9. Commissions	0.00	0.00	0.00
10. Tax paid by insurer	0.00	0.00	0.00
11. Local dividend	12,546.00	-78.00	-2,634.00
12. Margin or deficit	7,268.53	3,184.18	4,672.35

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VENEZUELA (5) - POOLED EXPERIENCE IN LOCAL CURRENCY

	<u>Year 3</u>	<u>Year 2</u>	<u>Year 1</u>
Policy year beginning:	01 Sep XX	01 Sep XX	01 Sep XX
Policy year ending:	31 Aug XX	31 Aug XX	31 Aug XX
1. Number of lives covered	49	46	45
2. Annual premium	10,042,338.68	7,046,499.12	5,176,379.69
Lump Sum Death Benefit	152,413.00	141,569.85	153,942.35
AD&D	41,073.00	37,394.95	35,466.85
Medical	9,848,852.68	6,867,534.32	4,986,970.49
3. Tax paid by employer	0.00	0.00	0.00
4. Gross cost	10,042,338.68	7,046,499.12	5,176,379.69
5. Investment income	100,298.32	71,127.03	54,995.53
6. Claims and annuity payments	7,957,286.21	3,631,941.72	4,493,449.58
Medical	7,957,286.21	3,631,941.72	4,493,449.58
7. Change in reserves	596,263.68	376,112.76	161,603.85
a. Beginning reserves	1,373,506.86	997,394.10	835,790.25
b. Ending reserves	1,969,770.54	1,373,506.86	997,394.10
Medical	1,969,770.54	1,373,506.86	997,394.10
8. Expenses and risk	2,303,835.33	1,586,729.19	1,159,935.05
9. Commissions	1,004,233.87	704,649.91	517,637.97
10. Tax paid by insurer	200,846.77	140,929.99	103,527.59
11. Local dividend	48,907.00	45,236.05	47,876.95
12. Margin or deficit	-1,968,735.86	632,026.53	-1,252,655.77