

**Subject:** Documentation for Milliman Report  
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**From:** Birny Birnbaum

Ana:

I write to request any documents produced or analyses performed by Milliman in support of the following opinions or statements in their report on credit insurance prima facie rates. Since your request for comments on the informal draft is due in three business days, I request that you provide any responsive documents prior to October 26.

Page 1 – recommendations regarding data call procedures and edits

Page 2 – reviewed data for reasonableness

Page 25 – noted certain data problems during review and TDI cleaned up those areas.

Page 25 – any investigation of reasonableness of expenses or cause of decline in expenses

Page 26 – any documents supporting assumptions in profit margin calculation

Page 26 – copy of modeling suggesting that discount factor offsets net investment income

Page 26 – any documents or analysis supporting that premium to equity selection of 2.0 “reflects surplus (equity) targets for the industry, driven in part by Risk Based Capital requirements, along with a recognition that surplus strain on single premium business may require additional commitments of equity by the insurance carrier.

Page 26 – 15% before tax return on equity is reasonable for the industry

I prefer receiving the documents electronically by e-mail. However, I am willing to come to TDI to review documents if that is more convenient for you.

Thanks!

Birny