

**INCOME AND INVESTMENT RETURN**

Updated as December 31, 2009

*Composite*

Quarter	Beginning Market Value	Net Contribution	Investment Return		Ending Market Value	Investment Return
			Income Return	Market Return		
A	B	C	D	E	F	G
2000, 1st	1,201,318,368	33,590,243	17,681,401	(1,425,276)	1,251,164,736	16,256,125
2nd	1,251,164,736	(26,294,932)	17,931,561	19,005	1,242,820,370	17,950,566
3rd	1,242,820,370	(14,715,848)	18,004,879	5,252,258	1,251,361,658	23,257,137
4th	1,251,361,658	23,489,840	17,717,138	6,599,655	1,299,168,292	24,316,793
2001, 1st	1,299,168,292	(7,806,744)	16,964,026	15,401,416	1,323,726,990	32,365,442
2nd	1,323,726,990	(14,246,548)	15,479,061	1,751,176	1,326,710,679	17,230,238
3rd	1,326,710,679	(4,447,875)	14,036,446	6,462,436	1,342,761,686	20,498,882
4th	1,342,761,686	(996,293)	15,041,376	(10,297,703)	1,346,509,066	4,743,673
2002, 1st	1,346,509,066	11,411,060	12,957,296	(1,256,312)	1,369,621,110	11,700,985
2nd	1,369,621,110	(7,267,259)	12,114,021	(3,553,898)	1,370,913,974	8,560,122
3rd	1,370,913,974	(3,195,346)	12,205,092	(5,917,835)	1,374,005,885	6,287,257
4th	1,374,005,885	17,043,983	6,409,769	224,903	1,397,684,540	6,634,672
2003, 1st	1,397,684,540	(1,396,773)	4,958,704	(843,690)	1,400,402,781	4,115,014
2nd	1,400,402,781	(17,374,054)	5,616,594	(845,259)	1,387,800,063	4,771,335
3rd	1,387,800,063	(1,031,772,595)	3,701,339	(535,587)	359,193,219	3,165,752
4th	359,193,219	29,572,921	1,145,342	125,375	390,036,858	1,270,718
2004, 1st	390,036,858	(4,560,120)	1,185,467	303,704	386,965,910	1,489,172
2nd	386,965,910	(5,030,265)	1,457,006	(1,853,047)	381,539,604	(396,041)
3rd	381,539,604	(6,519,308)	1,670,218	748,675	377,439,190	2,418,894
4th	377,439,190	9,468,327	1,904,198	(362,888)	388,448,827	1,541,310
2005, 1st	388,448,827	(34,333,517)	2,069,276	423,050	356,607,637	2,492,327
2nd	356,607,637	(170,920,403)	1,224,095	(302,281)	186,609,047	921,813
3rd	186,609,047	(900,708)	1,308,787	221,747	187,238,874	1,530,535
4th	187,238,874	(2,783,301)	1,516,387	264,666	186,236,626	1,781,053
2006, 1st	186,236,626	(77,216)	1,839,663	20,905	188,019,978	1,860,568
2nd	188,019,978	(1,080,463)	1,979,342	145,777	189,064,634	2,125,119
3rd	189,064,634	(1,176,412)	2,068,657	374,402	190,331,281	2,443,059
4th	190,331,281	65,230,643	2,665,396	455,659	258,682,979	3,121,055
2007, 1st	258,682,979	(25,141,489)	2,772,612	(49,116)	236,264,985	2,723,496
2nd	236,264,985	31,806,485	3,144,876	(276,283)	270,940,064	2,868,594
3rd	270,940,064	(42,924,224)	2,850,237	134,431	231,000,509	2,984,669
4th	231,000,509	(152,124,957)	1,979,397	(49,513)	80,805,436	1,929,884
2008, 1st	80,805,436	(1,396,224)	730,481	198,232	80,337,924	928,712
2nd	80,337,924	(314,293)	558,982	(322,073)	80,260,539	236,908
3rd	80,260,539	(550,563)	507,559	(99,441)	80,118,093	408,117
4th	80,118,093	75,213,962	551,306	438,190	156,321,551	989,496
2009, 1st	156,321,551	(24,061,580)	416,475	(306,433)	132,370,013	110,042
2nd	132,370,013	4,298,191	98,989	(37,250)	136,729,943	61,739
3rd	136,729,943	(55,823)	49,946	(5,844)	136,718,222	44,102
4th	136,718,222	(77,031,369)	41,787	(25,227)	59,703,413	16,560
Total		(1,379,370,847)	226,555,184	11,200,706		237,755,894

Quarter	Beginning Market Value	Net Contribution	Investment Return		Ending Market Value	Investment Return
			Income Return	Market Return		
A	B	C	D	E	F	G
Year End 2009						
Totals Forward		(1,379,370,847)	226,555,184	11,200,706		237,755,894
2010, 1st	59,703,413	(21,684)	19,755	(9,552)	59,691,932	10,204
2nd	59,691,932	2,848,416	46,411	22,248	62,609,007	68,659
3rd	62,609,006	(1,017,089)	50,432	(6,870)	61,635,479	43,562
4th	61,635,479	(1,016,994)	27,927	(62)	60,646,350	27,865
2011, 1st	60,646,350	(1,017,210)	22,829	3,642	59,655,611	26,471
2nd	59,655,611	(1,016,817)	11,545	(941)	58,649,398	10,604
3rd	58,649,398	2,809,923	5,261	7,953	61,472,535	13,215
4th	61,472,535	(17,367)	10,497	(1,553,073)	59,912,592	(1,542,576)
<b>Total</b>		(1,377,819,669)	226,749,841	9,664,051		236,413,898

As of January 1, 2012, GAMHC has moved all assets into cash only. In the current investment environment, the corpus of the estate is not sufficient to earn enough interest to cover the cost of the investment management. Further, GAMHC intends to mail the final distribution later this year, meaning only short term investments would be acceptable for the assets.

As of June 30, 2012, the QSF2 funds have been moved to GAMHC's general accounts at Central Bank in anticipation of the upcoming distribution. On June 28, 2012, the Supervising Court issued its Order approving the release of the MetLife Lien on GAMHC's Account Fund. This order releases for distribution the \$13.5 million which had been held by GAMHC for potential indemnification claims of MetLife.

## **EXPLANATION**

GAMHC works closely with Central Bank in Jefferson City based on Court approved guidelines for investment of all GAMHC funds. In addition to the funds listed at Central Bank, the QSF2 holds approximately \$220,000 in a money market fund at US Bank.

### **4th Quarter 2011:**

**Beginning Market Value:** The beginning market value for each quarter carries over from the ending market value of the previous quarter.  
See Column B.

**Ending Market Value:** This is derived by taking the beginning market value for the quarter, then adding the net contribution and total investment returns. On December 31, 2011, the ending market value was \$59,912,592. See Column F.

**The cumulative total investment return (from income return and market return) as of the end 2011 was \$236,413,898.**  
See Column G.

## **RECEIVERSHIP ASSETS AND LIABILITIES**

This quarterly report is composed of all major accounts of the receivership, but does not include all assets and liabilities of the receivership. There may be differences in amounts reported in this report and in the Accountants' Compilation Report prepared by Mayer Hoffman McCann P.C. due to: 1) the Operating Account balance not being included above; 2) timing differences used to determine the final market value; and 3) additional liabilities of the receivership net of other assets not included in the market value amount listed above.

## **CLAIMS AGAINST RECEIVERSHIP ASSETS**

All claims under the Stock Purchase Agreement have been resolved. All claims of Eligible Members have been resolved. Potential tax issues for Tax Years 2011 and 2012 are believed to be minimal.

Under the Stock Purchase Agreement, MetLife has a \$13,500,000 lien on the proceeds of the sale of the assets of General American Life Insurance Co. to MetLife. GAMHC has requested that this lien be released in anticipation of the final distribution. The Supervising Court, based upon the Stipulation between MetLife and GAMHC, ordered this lien released on June 28, 2012.

GAMHC has requested a waiver from the Department of Justice, which is necessary before the estate can be closed. GAMHC originally requested this waiver in 2010; the DOJ reports that this waiver is still under review. This waiver was agreed upon by DOJ and GAMHC and approved by the Supervising Court on June 7, 2012.

The receivership also has a liability for normal operating expenses that have been incurred, but not approved by the Court. The amounts of these future operating expenses vary, but are estimated to be in the range of \$250,000 at any point in time.