	Company A		covar adj calculations
B1 Fixed Income	2,955	7%	8,732,025
B2 Equity	5,989	14%	35,868,121
B3 Interest Rate	1,246	3%	1,551,270
B4 Credit	3,942	9%	3,885,411
B5 Loss and LAE Reserves	20,488	46%	504,413,172
B6 NWP	9,508	22%	90,402,064
B7 Off Balance Sheet	16	0%	
Gross Required Capital	44,159	100%	
Lee: Covariance Adjustment	18,735	42%	
Net Required Capital	25,424	58%	25,410

	Industry 2005		
B1 Fixed Income	8,061,030	2%	64,980,201,775,051
B2 Equity	84,966,375	18%	7,219,284,834,248,980
B3 Interest Rate	6,434,637	1%	41,404,549,594,858
B4 Credit	50,616,364	11%	640,504,067,413,801
B5	206,610,299		
Diversification Factor	0.84		
Loss and LAE Reserves	173,552,651	38%	39,545,631,028,179,200
B6	169,157,974		
Diversification Factor	0.81		
NWP	137,017,959	30%	18,773,921,056,545,700
B7 Off Balance Sheet	-	0%	
Gross Required Capital	460,649,015	100%	
Less: Covariance Adjustment	203,188,871	44%	
Net Required Capital	257,460,144	56%	

	Industry 2005 - Monoline		
B1 Fixed Income	8,061,030	2%	64,980,201,775,051
B2 Equity	84,966,375	16%	7,219,284,834,248,980
B3 Interest Rate	6,434,637	1%	41,404,549,594,858
B4 Credit	50,616,364	10%	640,504,067,413,801
B5	206,610,299		
Diversification Factor	0.985		
Loss and LAE Reserves	203,511,145	39%	52,358,284,285,530,600
B6	169,157,974		
Diversification Factor	0.985		
NWP	166,620,604	32%	27,762,425,784,311,900
B7 Off Balance Sheet	-	0%	
Gross Required Capital	520,210,154	100%	
Less: Covariance Adjustment	223,415,808	43%	
Net Required Capital	296,794,346	57%	
	1.153		
	0.867		