INSTRUCTIONS FOR 443 RESERVES

The easiest way to calculate reserves is to use the Chamberlain table that is in your Rule Book. Find the issue age, how many years in force, and that gives you the reserve amount based on $1000.00. You will need ½ that for $500.00 policies.

OR

Use the enclosed work sheet by:
Name

Column A	**List the Age of each individual at the time of issuance.**
Column B	**List the Month and year the policy was written. (All policies written after March 88, no matter what amount)**
Column C	**List the face amount of the policy for each individual**
Column D	**List the number of years the policy has been in force. Count the First year the policy was issued, if it was between January 1 and June 30.**
Column E	**List the amount per $1000.00 as shown in the chamberlain tables.**
Reserve Column	**The reserve is calculated by multiplying Column C by Column E.**

Multiplying Tables   **$500=0.5 x rate = reserves**
1000=1.0 x rate = reserves
1500=1.5 x rate = reserves
2000=2.0 x rate = reserves
2500=2.5 x rate = reserves

Example: **Issue Age = 25**   **Rate =143 (from chamberlain table)**
Number years held = 23
Policy Amount = $2,000

$2,000 [amount of benefit]

$1,000 {used to derive benefit multiplier. This amount NEVER changes}

$ 143 [derived from Chamberlain Tables]

(2000/1000) * 143 = 286 reserve requirement