<u>**Explanation of Int Vol Load.xls**</u>

Column A-B: Historic USSWAP10 Index Levels from Bloomberg.

Column C-D: Calculation of 63 business day (i.e. 3-month) realized volatility. Assumes population mean = 0 to avoid the impact of short-term trends that would lower realized volatility estimates.

Column F-G: Historic USSV0C10 Index Levels from Bloomberg.

Column H-I: Matches 10-year Swap Rate and its 3-month realized volatility to the In-3-Month-For-10-Year Swaption Volatility, USSV0C10 Index, by date.

Column J: Calculation of Implied Volatility Load by day.

Column K: Conversion of load from logarithmic to arithmetic basis to be consistent with G++ model.

Column L: Calculation of running average of interest rate load.