UNITED STATES DISTRICT COURT

CENTRAL DISTRICT OF CALIFORNIA

WILLIAM F. WREN and JOHN MURPHY, on behalf of themselves and others similarly situated, *Plaintiffs*, v. TRANSAMERICA LIFE INSURANCE COMPANY, *Defendant*.	Case No.: 5:21-cv-00178-JGB-SP

DECLARATION OF ROBERT MILLS

CONTENTS

I, Robert Mills, hereby declare and state as follows:

I. INTRODUCTION

1. I am an economist and a Managing Director at Berkeley Research Group, LLC ("BRG") in its Los Angeles, California office. BRG is a global strategic advisory and expert consulting firm that provides independent advice, data analytics, valuation, authoritative studies, expert testimony, investigations, transaction advisory services, restructuring services, and regulatory and dispute consulting to companies, government agencies, law firms, and regulatory bodies around the world. I have 30 years of economic research and consulting experience in areas including the valuation of intellectual property and other assets, industrial organization, the analysis of structured and unstructured data, and the calculation of economic damages.

2. Over the course of my career, I have worked on numerous projects involving the life insurance industry, including matters in which I have been asked to compute damages caused by breaches of contract. In connection with those matters, I have analyzed data for more than one million policies spanning hundreds of life insurance products. I have been qualified as an expert on damages issues and have provided expert testimony before United States District Courts, state courts, the United States International Trade Commission, and at arbitration. My experience with class action litigation includes analyzing class certification issues, providing opinions on damages, developing settlement fund distribution plans, and quantifying disbursements to class members. A biographical summary of my relevant work is attached as Exhibit 1.

3. I understand that William F. Wren and John Murphy (collectively, "Plaintiffs") entered into a Settlement Agreement with Transamerica Life Insurance Company ("TLIC") concerning Plaintiffs' claims asserted in this lawsuit that TLIC refused to credit certain

Cash Value Increases ("CVIs") contemplated by the life insurance policies owned by Plaintiffs and members of the Settlement Class ("Settlement Class Members"). I further understand that the Settlement Agreement provides, among other things, $110 million in immediate cash payments to the Settlement Class and secures TLIC's commitment to credit 40-year guaranteed CVIs for certain policies that are in force on their 40th anniversary. During this litigation, TLIC also credited and agreed to credit 30-year guaranteed CVIs with interest under TLIC's "Bonus Crediting Project" for in force policies that did not receive a CVI (or received only a partial CVI) on their 30-year anniversary date. I further understand that, under the Settlement Agreement, TLIC has agreed not to reverse those credits, which would make the benefits of the Bonus Crediting Project permanent.

4. I have been asked by counsel for Plaintiffs to calculate the amount of unpaid 30-year CVIs for DRL policies owned by Settlement Class Members, which were in force as of January 1, 2016 ("Settlement Class Policies"). There are 2,356 Settlement Class Policies. I have also been asked to calculate the value of the 30-year CVIs credited to Settlement Class Policies under the Bonus Crediting Project and to estimate the value of 40-year guaranteed CVIs that TLIC has agreed to credit to Settlement Class Policies.

II. ANALYSIS

A. Unpaid 30-Year CVIs

5. The 30-year CVI for a Settlement Class Policy is calculated as the sum of scheduled premiums paid during the first ten policy years multiplied by a 30-year CVI percentage. Certain Settlement Class Policies contain a single 30-year CVI percentage while other Settlement Class Policies contain two 30-year CVI percentages, which I understand TLIC calls "guaranteed"

and "non-guaranteed" percentages.[1] I have relied upon data produced by TLIC to determine scheduled premiums paid during the first ten policy years and 30-year CVI percentages for the Settlement Class Policies.[2]

6. I have been asked to calculate unpaid 30-year CVIs using (i) the 30-year CVI percentage for Settlement Class Policies that contain only one 30-year CVI percentage and (ii) the percentage that TLIC calls the "guaranteed" 30-year CVI percentage for Settlement Class Policies that contain two 30-year CVI percentages. To calculate the unpaid 30-year CVI for each of the Settlement Class Policies, I multiplied scheduled premiums paid during the first ten policy years for the policy by the policy's applicable 30-year CVI percentage and subtracted from this amount 30-year CVIs, if any, that were previously credited to the policy exclusive of any interest included in the credited 30-year CVIs.[3] Unpaid 30-year CVIs for the Settlement Class Policies total $81,603,329.06. The $110 million in immediate cash payments to the Settlement Class provided by the Settlement Agreement amounts to 134.8 percent of unpaid 30-year CVIs for the Settlement Class Policies.

7. I have also been asked to calculate unpaid 30-year CVIs using what TLIC calls the 30-year "non-guaranteed" CVI percentage for all Settlement Class Policies. Unpaid 30-year CVIs for the Settlement Class Policies under this calculation methodology total

1. I understand that certain Settlement Class Policies do not contain a 30-year CVI percentage. Accordingly, I understand that no 30-year CVI was due for those policies. I also understand that no scheduled premiums were paid during the first ten policy years for certain Settlement Class Policies and, as a result, no 30-year CVI was due for those policies.

2. Second Amended Appendix A to Transamerica Life Insurance Company's Fourth Supplemental Objections and Responses to Plaintiff's Second Set of Interrogatories, October 13, 2025.

   Policy data (TLIC_WREN_02018131 and TLIC_WREN_02018132).

   "Wren - Bonus Credit Data 062226."

3. I have relied upon data provided by TLIC to determine 30-year CVIs that were previously credited to the Settlement Class Policies exclusive of any interest included in the credited 30-year CVIs. See TLIC_WREN_02018132; Exhibits 3, 4, and 5 to the deposition of Aliza Klau dated September 30, 2025; and "Wren - Bonus Credit Data 062226."

$121,422,218.49. The $110 million in immediate cash payments to the Settlement Class provided by the Settlement Agreement amounts to 90.6 percent of unpaid 30-year CVIs for the Settlement Class Policies under this analysis.

B. <u>Value of 30-Year CVIs Credited Under the Bonus Crediting Project</u>

8. TLIC credited or agreed to credit 30-year CVIs to 347 Settlement Class Policies under the Bonus Crediting Project. These CVIs included the 30-year "guaranteed" CVI amount (or the amount that was underpaid for Settlement Class Policies that previously received a partial 30-year CVI) plus interest accrued at a rate of 4% per year from the 30-year anniversary date of the policy through the date on which the CVI was credited.[4] The total amount of these CVIs is $14,648,637.64, inclusive of interest.

9. Premiums paid by owners of the Settlement Class Policies are subjected to premium loads imposed by TLIC. A premium load is the portion of a premium payment that is not credited to a policy's cash value because it is used to cover expenses, commissions, taxes, or other charges. The premium loads are deducted from gross premiums paid by policyholders and the remainder, *i.e.*, the net premiums, are credited to cash value. I understand that premium loads for the Settlement Class Policies are equal to 10% of gross premium payments.[5]

10. The 30-year CVIs credited under the Bonus Crediting Project were not subjected to premium loads because they were or will be directly credited to cash value rather than paid in cash. The $14,648,637.64 in 30-year CVIs credited under the Bonus Crediting Project is equivalent to $16,276,264.04 on a cash pre-load basis.[6]

4. Exhibits 3 and 4 to the deposition of Aliza Klau dated September 30, 2025 and "Wren - Bonus Credit Data 062226."

5. *See, for example,* Annual Statement to Contract Owner dated November 18, 2025 for Contract No. 000G029391 insuring the life of John A. Murphy and Annual Statement to Contract Owner dated September 6, 2011 for Contract No. 000G016164 insuring the life of William F. Wren.

6. $16,276,264.04 = $14,648,637.64 ÷ (1 - 10%).

C. Value of 40-Year CVIs that TLIC Has Agreed to Credit

11. I understand that TLIC has agreed to credit "guaranteed" 40-year CVIs to Settlement Class Policies that were part of the Bonus Crediting Project and that remain in force on their 40-year anniversary date. According to TLIC's data, there are 307 Settlement Class Policies with a "guaranteed" 40-year CVI that were part of the Bonus Crediting Project and were in force as of the most recent date for which TLIC provided policy status information.[7] The 40-year anniversary dates for these policies range from December 29, 2027 to June 20, 2030.[8] Assuming each of these 307 policies remains in force on its 40-year anniversary date, the credited 40-year CVIs will total $11,675,929.48 for these policies. The present value of these CVIs is $10,358,915.64 as of July 10, 2026.[9] The present value of these CVIs is equivalent to $11,509,906.27 on a cash pre-load basis.[10]

12. Settlement Class Policies included in my 40-year CVI analysis could terminate before they reach their 40-year anniversary due to death claims. To account for this possibility in my valuation, I have discounted the 40-year CVIs to reflect an average mortality rate of 3 percent per year. This mortality rate assumption is reasonable for purposes of estimating the value of the 40-year CVIs in my view given the historical experience of the Settlement Class Policies. The estimated present value of the 40-year CVIs under these assumptions is $9,228,077.78 as of July 10, 2026. The estimated present value of the 40-year CVIs is equivalent, on a cash, pre-load basis, to $10,253,419.76, which represents a reasonable estimate of the value

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7. See TLIC_WREN_02018131; Exhibits 3 and 4 to the deposition of Aliza Klau dated September 30, 2025; and "Wren - Bonus Credit Data 062226."
8. See TLIC_WREN_02018131.
9. The present value of future CVIs was calculated using a discount rate of 4% per year, which is the rate that TLIC used when crediting interest under the Bonus Crediting Project. See Exhibit 5 to the deposition of Aliza Klau dated September 30, 2025.
10. $11,509,906.27 = $10,358,915.64 ÷ (1 - 10%).

of the agreed 40-year CVIs to the Settlement Class in my view given that this figure reflects the mortality-adjusted present value of the credits including the benefit associated with not having to pay premium loads to receive the credits.[11]

I hereby declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge.

Executed on July 9, 2026,
at Redondo Beach, California

Robert Mills

11. $10,253,419.76 = $9,228,077.78 ÷ (1 - 10%).

EXHIBIT 1

BRG

INTELLIGENCE THAT WORKS

ROBERT MILLS

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Los Angeles, CA 90067

Direct: 424.281.3665
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Robert Mills is a Managing Director who has more than twenty-five years of experience quantifying economic damages in connection with commercial litigation. He has served as an expert witness and consultant across a range of matters, including patent, trademark, and copyright infringement; theft of trade secrets; breach of contract; fraud; and labor disputes. Mr. Mills has testified as an economic expert in federal district court, state courts in multiple jurisdictions, the US International Trade Commission (ITC), and arbitration in forums including FINRA, the American Arbitration Association, JAMS, and the International Chamber of Commerce. He has appeared at mediation venues and before the US Department of Justice.

Mr. Mills has significant experience dating to the late 1990s assessing fair, reasonable, and non-discriminatory (FRAND) royalties in the field of standard-essential patent licensing, including standards promulgated by the IEEE, ITU, JEDEC, and ETSI. He has been recognized as an expert by courts in the areas of patent damages and economic analysis related to royalty calculations and FRAND licensing and by the ITC on patent valuation in the FRAND context. In addition, he has served as an expert on FRAND issues in international arbitrations and has been instructed as an expert on F/RAND issues in matters pending before the High Court of Justice Business and Property Courts of England and Wales and the Unified Patent Court.

Mr. Mills also has significant experience conducting economic analyses and damages assessments in the life insurance industry. He has served as an expert in life insurance disputes where he has analyzed cost of insurance rates, cost of insurance charges, mortality rates, administrative expenses, rider charges, credited interest, death benefits, and policy lapses, among other issues. He has analyzed more than one million policies spanning hundreds of life insurance products during his career.

Mr. Mills also engages in economic research and consulting activities outside the dispute context. He has assessed the anticipated competitive effects of mergers and joint ventures on behalf of government regulatory agencies and merging parties; developed forecasts and strategic recommendations for government agencies, financial institutions, and clients involved with real estate development; assisted clients with the valuation of intangible assets; and provided support in licensing negotiations.

PRESENT EMPLOYMENT

Berkeley Research Group, LLC
Managing Director, 2025 – present

PREVIOUS POSITIONS

Micronomics
1998 – 2025

Affiliated with InteCap
2000 – 2003

Hobson Johnson & Associates
Associate Consultant, 1996 – 1998

University of California, Santa Barbara
Teaching Assistant, Department of Economics, 1994 – 1995

SELECTED CONSULTING EXPERIENCE

Economic Damages/Lost Profits

- Calculated lost profits on behalf of plaintiffs and defendants in connection with contract disputes, patent infringement, fraud, antitrust, and other causes of action. Addressed lost sales, incremental cost, market definition, capacity, foreseeability, and mitigation.
- Assessed feasibility of calculating damages on a class-wide basis in numerous class action matters involving alleged breaches of contract, securities violations, employment disputes, and other causes of action.
- Quantified relevant profits under disgorgement theories of damages.
- Determined magnitude of alleged underpayment of overtime to a class of exempt employees on behalf of a national retail chain.
- Quantified lost earnings and benefits in connection with wrongful termination and personal injury matters.
- Determined damages resulting from cost of insurance overcharges in the life insurance industry.
- Analyzed irreparable harm issues in connection with motions for temporary restraining orders and preliminary injunctions.

Intellectual Property

- Determined reasonable royalties and calculated lost profits in connection with patent infringement matters on behalf of patent owners and alleged infringers. Addressed royalty bases, reasonable royalty rates, apportionment, commercial success, non-infringing substitutes, availability, comparability, capacity constraints, convoyed sales, price erosion damages, and the entire market value rule.
- Calculated damages on behalf of clients involved with theft of trade secrets, trademark infringement, and copyright infringement litigation.
- Reviewed hundreds of license and cross-license agreements covering technologies related to telecommunications, semiconductors, software, sporting goods, medical devices, security, construction materials, motion control, and consumer products, among other industries
- Analyzed and opined on F/RAND-compliant terms in connection with standard-essential patents.
- Assisted with the negotiation of patent license agreements

Antitrust

- Assessed the anticipated competitive effects of mergers, acquisitions, and joint ventures on behalf of government regulatory agencies as well as merging parties.
- Estimated anticipated post-merger prices using merger simulation techniques on behalf of a manufacturer of branded consumer products and presented findings to US Department of Justice.
- Conducted studies of market definition, attempted monopolization, and economic damages on behalf of plaintiffs and defendants involved with antitrust litigation.
- Evaluated price fixing allegations in the semiconductor industry.
- Conducted econometric analyses of pricing and output in a matter involving price fixing allegations.

Real Estate

- Assisted government agencies with eminent domain compensation issues.
- Prepared feasibility studies and financial projections for income producing properties, including commercial, industrial, residential, and resort projects.
- Prepared forecasts of vacancy, absorption, rental rates, and new construction for financial institutions, government agencies, and real estate developers.
- Conducted study of student housing options on behalf of a university. Recommended adjustments to university housing rental rates and determined target rates for planned development.

- Recommended development strategies to numerous real estate developers. Addressed product size, mix, location, and other qualitative factors.
- Calculated damages caused by interference with development of a master planned community.

Cost Benefit/Risk Analysis

- Estimated the economic, fiscal, and social impact of instituting system development fees for new real estate development.
- Assisted a multi-jurisdiction planning commission in assessing economic, fiscal, and social impacts of anticipated demilitarization.
- Advised the developer of a major destination resort of the economic and fiscal impacts of the proposed project.
- Advised client on financial and other costs and benefits of relocating headquarters and manufacturing operations.
- Recommended development strategies to a port authority based on analysis of the costs and benefits of its options.
- Assisted law firms, corporate legal departments, and mediators with assessments of litigation risk and the expected value of litigation.

Econometrics

- Developed econometric models used to assess the competitive impacts of proposed mergers.
- Estimated own- and cross-price elasticity of demand for differentiated products in the baking industry.
- Prepared and evaluated revenue and earnings forecasts on behalf of plaintiffs and defendants involved with commercial litigation.
- Evaluated econometric models provided to a government regulatory agency by parties contemplating a merger.
- Developed econometric models used to measure the effects of economic events on the value of firms.

RECENT TESTIMONY

1. *TVPX ARS, Inc. v. Genworth Life and Annuity Insurance Company*
   United States District Court, Eastern District of Virginia
   Case No. 3:25-cv-184-JAG
   Breach of Contract
   Reports, Declaration, Deposition

2. *Telcom Ventures LLC v. Samsung Electronics Co., Ltd., et al.*
   United States District Court, Eastern District of Texas
   Case No. 2:24-cv-00691-JRG
   Patent Infringement
   Reports, Deposition

3. *Kendrick Davis v. Clients On Demand, LLC, et al.*
   United States District Court, Central District of California
   Case No. 2:23cv-10541-MWC-SSC
   Breach of Contract, Fraud, False Advertising, et al.
   Reports, Deposition

4. *Lawrence Handorf, et al. v. Transamerica Life Insurance Company*
   United States District Court, Northern District of Iowa
   Case No. 23-cv-00032-CJW-MAR
   Breach of Contract
   Reports, Deposition

5. *Sean Flynn, et al. v. McGraw Hill LLC, et al.*
   United States District Court, Southern District of New York
   Case No. 21-cv-614 (LGS) (BCM)
   Breach of Contract
   Report, Deposition

6. *In the Matter of Certain Electronic Computing Devices, and Components and Modules Thereof*
   United States International Trade Commission
   Investigation No. 337-TA-1387
   F/RAND Licensing
   Reports, Trial

7. *In the Matter of Certain Mobile Phones, Components Thereof, and Products Containing Same*
   United States International Trade Commission
   Investigation No. 337-TA-1375
   F/RAND Licensing
   Reports, Deposition, Trial

8. *Fractus, S.A. v. ADT LLC d/b/a ADT Security Services*
United States District Court, Eastern District of Texas
Case No. 2:22-cv-412
Patent Infringement
Reports, Deposition

9. *Zilkr Cloud Technologies, LLC v. Cisco Systems, Inc.*
United States District Court, Eastern District of Texas
Case No. 2:22-cv-00166
Patent Infringement
Report, Deposition

10. *PWNHealth, LLC d/b/a Everly Health Solutions v. Walgreen Co.*
American Arbitration Association
Case No. 01-22-002-4919
Trademark Infringement; Breach of Contract
Report, Trial

11. *Microsoft Corporation v. MediaPointe, Inc., et al.*
United States District Court, Central District of California
Case No. 2:22-cv-01009
Patent Infringement
Report, Deposition

12. *Jane Doe v. MindGeek USA Inc., et al.*
United States District Court, Central District of California
Case No. 8:21-cv-00338-CJC-ADS
Violation of Federal and State Laws
Report, Declaration, Deposition

13. *Akamai Technologies, Inc. v. MediaPointe, Inc., et al.*
United States District Court, Central District of California
Case No. 2:22-cv-06233
Patent Infringement
Reports, Deposition

14. *Jenale Nielsen v. Walt Disney Parks and Resorts U.S. Inc.*
United States District Court, Central District of California
Case No. 8:21-cv-02055-DOC-ADS
Breach of Contract
Declarations, Deposition

15. *Eland 1 Solar CEI Parent, LLC, et al. v. 8minutenergy US Solar, LLC, et al.*
    JAMS Alternative Dispute Resolution
    JAMS Ref No. 5100000603
    Breach of Contract, Fraud
    Reports, Declarations, Deposition, Trial

16. *Ericsson Inc., et al. v. Apple Inc.*
    United States District Court, Eastern District of Texas
    Case No. 2:21-cv-376-JRG
    Breach of Contract, FRAND Licensing
    Reports, Deposition, Trial

17. *In the matter of Certain Mobile Telephones, Tablet Computers with Cellular Connectivity, and Smart Watches with Cellular Connectivity, Components Thereof, and Products Containing Same*
    United States International Trade Commission
    Investigation No. 337-TA-1299
    FRAND Licensing
    Reports, Deposition

18. *Advance Trust & Life Escrow Services, LTA, et al. v. PHL Variable Insurance Company*
    United States District Court, Southern District of New York
    Case No. 1:18-cv-03444 (PAC)
    Breach of Contract
    Reports, Declarations, Deposition

19. *TVPX ARS Inc., et al. v. Lincoln National Life Insurance Company*
    United States District Court, Eastern District of Pennsylvania
    Case No. 18-CV-05173 (RBS)
    Breach of Contract
    Reports, Deposition

20. *Aspect Pharmaceuticals, LLC v. Allergan, Inc., et al.*
    JAMS Ref. No. 1220067779
    Breach of Contract
    Report, Trial

21. *LSIMC, LLC v. American General Life Insurance Company*
    United States District Court, Central District of California
    Case No. 20-CV-11518-SVW-PVC
    Breach of Contract
    Reports, Declarations, Deposition

22. *HTC Corporation v. Telefonaktiebolaget LM Ericsson*
International Chamber of Commerce International Court of Arbitration
ICC Case No. 24176/MK
FRAND Licensing, Breach of Contract
Reports, Trial

23. *Advance Trust & Life Escrow Services, LTA v. North American Company for Life and Health Insurance*
United States District Court, Southern District of Iowa
Case No. 4:18-cv-00368-SMR-HCA
Breach of Contract
Reports, Declarations, Depositions

24. *Lois Friedman, et al. v. John Murphy, et al.*
Superior Court of the State of California, County of Los Angeles
Case No. SC 121128
Shareholder Dispute and Professional Negligence
Deposition

EDUCATION

MA, Economics	University of California, Santa Barbara, 1995
MS, Applied Economics	Portland State University, 1994
BS, Economics and History	Portland State University, 1992

PROFESSIONAL AFFILIATIONS

American Economic Association, Member
Licensing Executives Society, Member

PAPERS/PRESENTATIONS

- "Practical Elements of Finance," Practising Law Institute, New York, New York, June 13-14, 2011.
- "Regression Analysis Applications in Litigation," (with Dubravka Tosic), chapter in *Pocket MBA: Finance for Lawyers*, Practising Law Institute, March 2011.
- "Industry Norms and Reasonable Royalty Rate Determination," (with Roy Weinstein and Michelle Porter), *les Nouvelles*, March 2008.

- "Market Concentration and Unilateral Effects," UCLA First Annual Institute on US and EU Antitrust Aspects of Mergers and Acquisitions, Ritz-Carlton Hotel, Marina Del Ray, California, February 28, 2004.

- "Hot Topics in Intellectual Property Valuation," California Mandatory Continuing Legal Education Program, Los Angeles, November 2000.

- "Valuing Intellectual Property," California Mandatory Continuing Legal Education Program, Los Angeles, July 2000.

- "Unilateral Effects in Merger Analysis: The Simulation Approach," for the Los Angeles County Bar Association, February 1999.