

An Equity Split Dollar Plan

The Plan Description

Of all the strategies used by employers to provide unique fringe benefits for their valuable executives, this variation is one of the most efficient.

With this plan, the employer pays all (or substantially all) the premium due on a cash value life insurance policy on the life of a valued executive.

The policy is owned by the executive or, if estate liquidity use is contemplated, an irrevocable trust. The employer is furnished an assignment of death benefits and cash values to the extent of the premiums it has paid. The remaining death benefits are paid to the executive's named beneficiaries (or to the trust). The cash values that exceed the recovery rights of the employer belong to the policyowner - the executive or trust, as the case may be.

Tax free access to policy cash value in excess of the employer's premium recovery rights is available through use of policy loan provisions. Available at very favorable interest rates, loans on executive-owned plans are frequently used for retirement income, although they may be utilized for any purpose.

Split dollar plans have yearly income tax ramifications. The IRS has issued rulings specifying that, unless an offsetting payment is made, an executive covered with a split dollar arrangement is in receipt of a taxable economic benefit to the extent relief is provided from paying premiums personally. Income tax calculations are not, however, derived from the premium paid by the employer. Instead, they are based on the premium relief the executive has experienced -- measured by certain term insurance rates available from the issuing insurance company or, at the taxpayer's option, from a special term-type rate table published by the government. Either method usually creates an advantageous spread between the actual policy premium and the cost of the plan to the executive.

Favorable income tax impact, combined with the plan's impressive cash surrender values and death benefit, creates a multi-benefit executive compensation plan with significant financial leverage. This is particularly evident in the accompanying presentation.

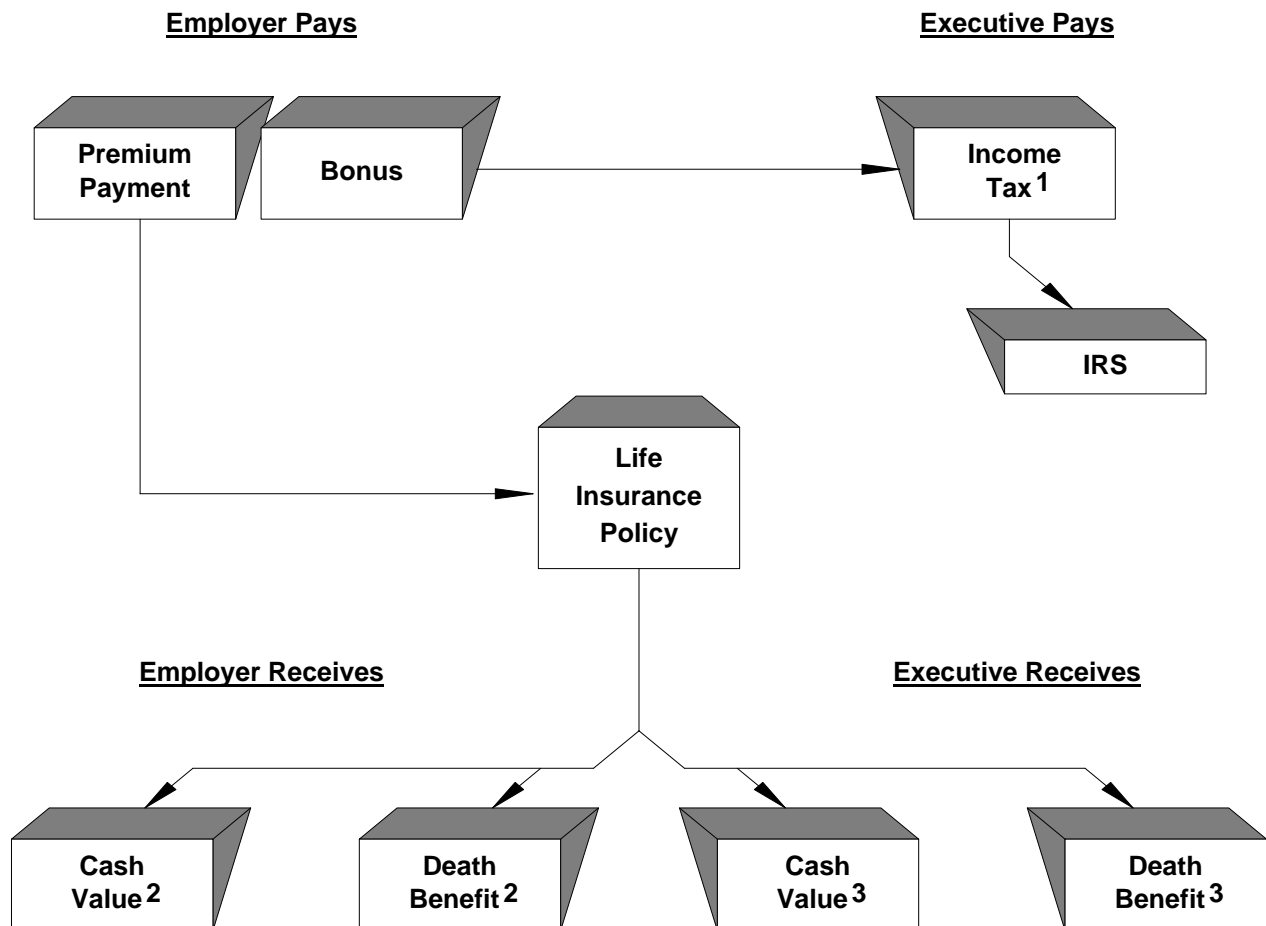
An Equity Split Dollar Plan Using Variable Universal Life (VUL)

Who Pays What - Who Receives What

Presented By: [Licensed user's name appears here]
Date: 01/01/2003

For: Frank Contini
Contini Manufacturing, Inc.

Flow Chart Analysis



(1) For the bonus and any economic benefit imputed on the plan.

(2) Equal to cumulative premiums paid by employer.

(3) Equal to remaining balance after employer's portion is deducted.

An Equity Split Dollar Plan Using Variable Universal Life (VUL)

Illustration of Values of The Policy Used in the Plan

Values Page: 1
Date: 01/01/2003

Presented By: [Licensed user's name appears here]

For: Frank Contini
Contini Manufacturing, Inc.

	Male Age 43	VUL Interest Rate 10.00%	Initial Payment 100,000	Initial Death Benefit 2,500,000	
Year	(1) Net Payment	(2) Pre-Tax Policy Cash Flow	(3) Year End Accum Value*	(4) Year End Cash Value*	(5) Death Benefit
1	100,000	0	102,283	71,033	2,500,000
2	100,000	0	213,739	151,239	2,500,000
3	100,000	0	334,685	267,685	2,500,000
4	100,000	0	465,803	398,803	2,500,000
5	100,000	0	608,019	541,019	2,500,000
6	0	0	653,489	589,839	2,500,000
7	0	0	702,478	642,848	2,500,000
8	0	0	755,302	700,362	2,500,000
9	0	0	812,183	762,603	2,500,000
10	0	0	873,486	829,936	2,500,000
11	0	0	939,576	902,726	2,500,000
12	0	0	1,010,869	981,389	2,500,000
13	0	0	1,087,855	1,066,415	2,500,000
14	0	0	1,171,067	1,158,337	2,500,000
15	0	0	1,261,081	1,261,081	2,500,000
16	0	0	1,358,587	1,358,587	2,500,000
17	0	0	1,464,355	1,464,355	2,500,000
18	0	0	1,579,232	1,579,232	2,500,000
19	0	0	1,704,231	1,704,231	2,500,000
20	0	0	1,840,499	1,840,499	2,500,000
	500,000	0			

*This is an example of an InsMark "supplemental" illustration for variable universal life insurance. In a real presentation, this footnote will refer to an accompanying "basic" illustration from a specific life insurance company and a prospectus.

An Equity Split Dollar Plan Using Variable Universal Life (VUL)

Illustration of Values of The Policy Used in the Plan

Values Page: 2
Date: 01/01/2003

Presented By: [Licensed user's name appears here]

For: Frank Contini
Contini Manufacturing, Inc.

	Male Age 43	VUL Interest Rate 10.00%	Initial Payment 100,000	Initial Death Benefit 2,500,000	
Year	(1) Net Payment	(2) Pre-Tax Policy Cash Flow	(3) Year End Accum Value*	(4) Year End Cash Value*	(5) Death Benefit
21	0	0	1,989,345	1,989,345	2,500,000
22	0	0	2,152,085	2,152,085	2,625,544
23	0	0	2,328,173	2,328,173	2,793,808
24	0	0	2,518,371	2,518,371	2,996,862
25	0	0	2,723,794	2,723,794	3,214,077
26	0	0	2,945,662	2,945,662	3,446,424
27	0	0	3,185,279	3,185,278	3,694,923
28	0	0	3,444,078	3,444,077	3,960,689
29	0	0	3,724,585	3,724,585	4,208,781
30	0	0	4,028,944	4,028,944	4,472,128
31	0	0	4,359,607	4,359,607	4,751,972
32	0	0	4,719,389	4,719,389	5,049,747
33	0	0	5,111,556	5,111,556	5,367,134
34	0	0	5,535,378	5,535,378	5,812,147
35	0	0	5,993,231	5,993,231	6,292,892
36	0	0	6,487,632	6,487,631	6,812,013
37	0	0	7,021,249	7,021,249	7,372,311
40	0	0	8,886,220	8,886,220	9,330,531
45	0	0	13,067,103	13,067,103	13,720,460
50	0	0	19,065,212	19,065,212	19,637,170
	500,000	0			

*This is an example of an InsMark "supplemental" illustration for variable universal life insurance. In a real presentation, this footnote will refer to an accompanying "basic" illustration from a specific life insurance company and a prospectus.

Summary of Costs and Benefits

An Equity Split Dollar Plan Using Variable Universal Life (VUL)

Summary Page: 1
Date: 01/01/2003

Presented By: [Licensed user's name appears here]

For: Frank Contini
Contini Manufacturing, Inc.

Year	Male Age 43	Form of Transaction (Coll. Assign.)	Employer's Tax Bracket 34.00%	Executive's Tax Bracket 35.00%	VUL Interest Rate 10.00%		
	Employer			Executive			
	(1) Net Payment	(2) Share of Cash Value*	(3) Share of Death Benefit	(4) Net Payment	(5) Share of Accum Value*	(6) Share of Cash Value*	(7) Share of Death Benefit
1	101,194	71,033	100,000	0	2,283	0	2,400,000
2	101,226	151,239	200,000	0	13,739	0	2,300,000
3	101,267	267,685	300,000	0	34,685	0	2,200,000
4	101,269	398,803	400,000	0	65,803	0	2,100,000
5	101,279	500,000	500,000	0	108,019	41,019	2,000,000
6	1,343	500,000	500,000	0	153,489	89,839	2,000,000
7	1,429	500,000	500,000	0	202,478	142,848	2,000,000
8	1,514	500,000	500,000	0	255,302	200,362	2,000,000
9	1,614	500,000	500,000	0	312,183	262,603	2,000,000
10	1,734	500,000	500,000	0	373,486	329,936	2,000,000
11	1,876	500,000	500,000	0	439,576	402,726	2,000,000
12	2,040	500,000	500,000	0	510,869	481,389	2,000,000
13	2,225	500,000	500,000	0	587,855	566,415	2,000,000
14	2,431	500,000	500,000	0	671,067	658,337	2,000,000
15	2,658	500,000	500,000	0	761,081	761,081	2,000,000
16	2,907	500,000	500,000	0	858,587	858,587	2,000,000
17	3,198	500,000	500,000	0	964,355	964,355	2,000,000
18	3,526	500,000	500,000	0	1,079,232	1,079,232	2,000,000
19	3,895	500,000	500,000	0	1,204,231	1,204,231	2,000,000
20	4,314	500,000	500,000	0	1,340,499	1,340,499	2,000,000
	542,939			0			

*This is an example of an InsMark "supplemental" illustration for variable universal life insurance. In a real presentation, this footnote will refer to an accompanying "basic" illustration from a specific life insurance company and a prospectus.

This illustration assumes valid IRC Sec. 83(b) elections are utilized that insulate policy values from taxation.

Summary of Costs and Benefits

An Equity Split Dollar Plan Using Variable Universal Life (VUL)

Summary Page: 2
Date: 01/01/2003

Presented By: [Licensed user's name appears here]

For: Frank Contini
Contini Manufacturing, Inc.

	Male Age 43	Form of Transaction (Coll. Assign.)	Employer's Tax Bracket 34.00%	Executive's Tax Bracket 35.00%	VUL Interest Rate 10.00%		
	Employer			Executive			
Year	(1) Net Payment	(2) Share of Cash Value*	(3) Share of Death Benefit	(4) Net Payment	(5) Share of Accum Value*	(6) Share of Cash Value*	(7) Share of Death Benefit
21	4,691	500,000	500,000	0	1,489,345	1,489,345	2,000,000
22	5,386	500,000	500,000	0	1,652,085	1,652,085	2,125,544
23	6,269	500,000	500,000	0	1,828,173	1,828,173	2,293,808
24	7,391	500,000	500,000	0	2,018,371	2,018,371	2,496,862
25	8,661	500,000	500,000	0	2,223,794	2,223,794	2,714,077
26	10,115	500,000	500,000	0	2,445,662	2,445,662	2,946,424
27	11,774	500,000	500,000	0	2,685,279	2,685,278	3,194,923
28	13,713	500,000	500,000	0	2,944,078	2,944,077	3,460,689
29	19,072	500,000	500,000	0	3,224,585	3,224,585	3,708,781
30	25,960	500,000	500,000	0	3,528,944	3,528,944	3,972,128
31	34,634	500,000	500,000	0	3,859,607	3,859,607	4,251,972
32	45,386	500,000	500,000	0	4,219,389	4,219,389	4,549,747
33	58,654	500,000	500,000	0	4,611,556	4,611,556	4,867,134
34	75,590	500,000	500,000	0	5,035,378	5,035,378	5,312,147
35	96,944	500,000	500,000	0	5,493,231	5,493,231	5,792,892
36	123,757	500,000	500,000	0	5,987,632	5,987,631	6,312,013
37	157,138	500,000	500,000	0	6,521,249	6,521,249	6,872,311
40	280,715	500,000	500,000	0	8,386,220	8,386,220	8,830,531
45	1,102,286	500,000	500,000	0	12,567,103	12,567,103	13,220,460
50	3,622,854	500,000	500,000	0	18,565,212	18,565,212	19,137,170
	17,529,254			0			

*This is an example of an InsMark "supplemental" illustration for variable universal life insurance. In a real presentation, this footnote will refer to an accompanying "basic" illustration from a specific life insurance company and a prospectus.

This illustration assumes valid IRC Sec. 83(b) elections are utilized that insulate policy values from taxation.

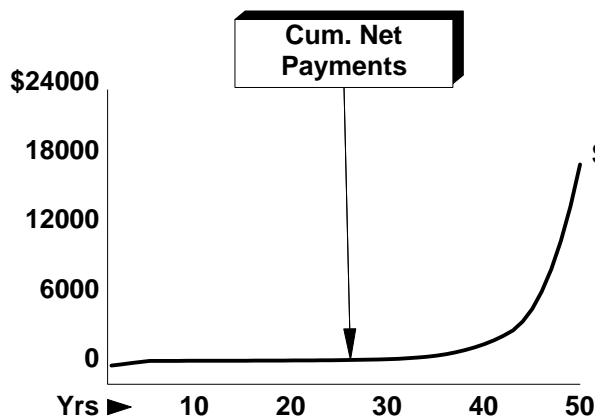
An Equity Split Dollar Plan Using Variable Universal Life (VUL)

Presented By: [Licensed user's name appears here]
Date: 01/01/2003

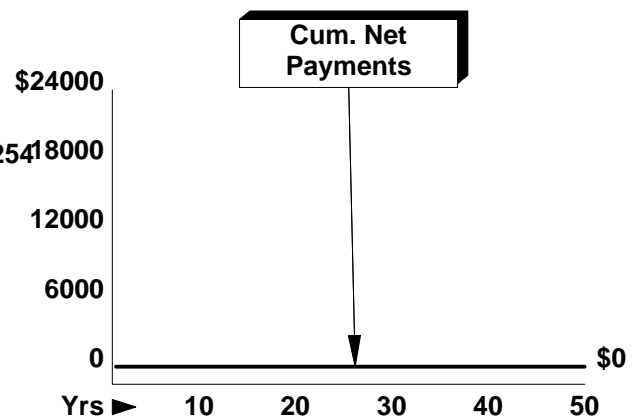
For: Frank Contini
Contini Manufacturing, Inc.

50 Year Graphic Analysis

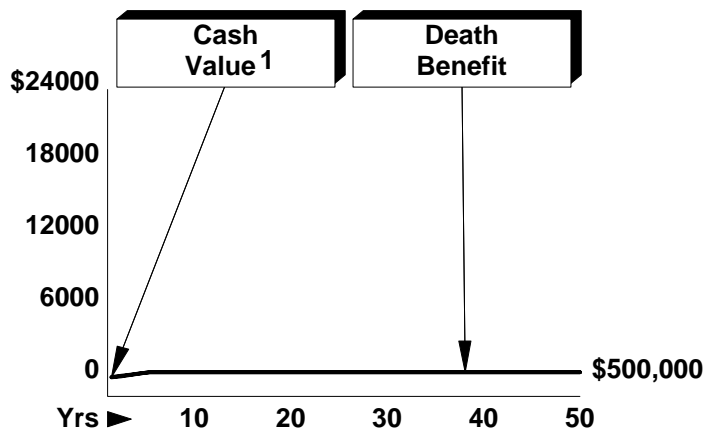
Employer's Payments



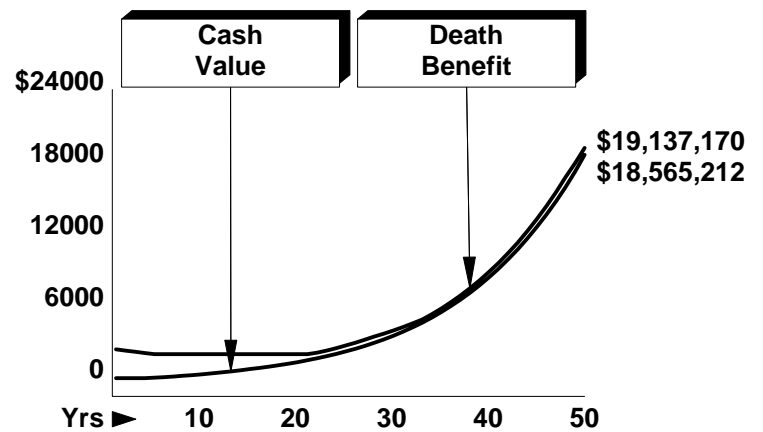
Executive's Payments



Employer's Values



Executive's Values



(1) Employer cash value equal to employer death benefit in year 5 and thereafter.

Note: The after tax effects of bonuses are included in the cumulative net payments of both the employer and the executive.

Employer's Analysis

An Equity Split Dollar Plan Using Variable Universal Life (VUL)

Employer's Page: 1
Date: 01/01/2003

Presented By: [Licensed user's name appears here]

For: Frank Contini
Contini Manufacturing, Inc.

Male Form of Employer's VUL
Age Transaction Tax Bracket Interest Rate
43 (Coll. Assign.) 34.00% 10.00%

Year	Employer's Costs					Employer's Values	
	(1) Split Dollar Net Premium Share	(2) Cum. Split Dollar Net Premium Share	(3) Bonus to Executive	(4) After Tax Cost of Bonus	(5) Net Payment (1)+(4)	(6) Employer's Share of Cash Value*	(7) Employer's Share of Death Benefit
1	100,000	100,000	1,809	1,194	101,194	71,033	100,000
2	100,000	200,000	1,858	1,226	101,226	151,239	200,000
3	100,000	300,000	1,919	1,267	101,267	267,685	300,000
4	100,000	400,000	1,922	1,269	101,269	398,803	400,000
5	100,000	500,000	1,938	1,279	101,279	500,000	500,000
6	0	500,000	2,035	1,343	1,343	500,000	500,000
7	0	500,000	2,165	1,429	1,429	500,000	500,000
8	0	500,000	2,294	1,514	1,514	500,000	500,000
9	0	500,000	2,445	1,614	1,614	500,000	500,000
10	0	500,000	2,628	1,734	1,734	500,000	500,000
11	0	500,000	2,843	1,876	1,876	500,000	500,000
12	0	500,000	3,091	2,040	2,040	500,000	500,000
13	0	500,000	3,371	2,225	2,225	500,000	500,000
14	0	500,000	3,683	2,431	2,431	500,000	500,000
15	0	500,000	4,028	2,658	2,658	500,000	500,000
16	0	500,000	4,405	2,907	2,907	500,000	500,000
17	0	500,000	4,846	3,198	3,198	500,000	500,000
18	0	500,000	5,342	3,526	3,526	500,000	500,000
19	0	500,000	5,902	3,895	3,895	500,000	500,000
20	0	500,000	6,537	4,314	4,314	500,000	500,000
	500,000		65,061	42,939	542,939		

*This is an example of an InsMark "supplemental" illustration for variable universal life insurance. In a real presentation, this footnote will refer to an accompanying "basic" illustration from a specific life insurance company and a prospectus.

Columns (6) and (7) can never exceed column (2) because the employer's recovery of policy values is limited to the amount in column (2) for that year. Remaining policy values belong to the executive.

Employer's Analysis

An Equity Split Dollar Plan Using Variable Universal Life (VUL)

Employer's Page: 2
Date: 01/01/2003

Presented By: [Licensed user's name appears here]

For: Frank Contini
Contini Manufacturing, Inc.

Male Form of Employer's VUL
Age Transaction Tax Bracket Interest Rate
43 (Coll. Assign.) 34.00% 10.00%

Year	Employer's Costs					Employer's Values	
	(1) Split Dollar Net Premium Share	(2) Cum. Split Dollar Net Premium Share	(3) Bonus to Executive	(4) After Tax Cost of Bonus	(5) Net Payment (1)+(4)	(6) Employer's Share of Cash Value*	(7) Employer's Share of Death Benefit
21	0	500,000	7,108	4,691	4,691	500,000	500,000
22	0	500,000	8,160	5,386	5,386	500,000	500,000
23	0	500,000	9,498	6,269	6,269	500,000	500,000
24	0	500,000	11,199	7,391	7,391	500,000	500,000
25	0	500,000	13,123	8,661	8,661	500,000	500,000
26	0	500,000	15,326	10,115	10,115	500,000	500,000
27	0	500,000	17,840	11,774	11,774	500,000	500,000
28	0	500,000	20,778	13,713	13,713	500,000	500,000
29	0	500,000	28,897	19,072	19,072	500,000	500,000
30	0	500,000	39,333	25,960	25,960	500,000	500,000
31	0	500,000	52,476	34,634	34,634	500,000	500,000
32	0	500,000	68,767	45,386	45,386	500,000	500,000
33	0	500,000	88,870	58,654	58,654	500,000	500,000
34	0	500,000	114,530	75,590	75,590	500,000	500,000
35	0	500,000	146,885	96,944	96,944	500,000	500,000
36	0	500,000	187,511	123,757	123,757	500,000	500,000
37	0	500,000	238,088	157,138	157,138	500,000	500,000
40	0	500,000	425,326	280,715	280,715	500,000	500,000
45	0	500,000	1,670,131	1,102,286	1,102,286	500,000	500,000
50	0	500,000	5,489,173	3,622,854	3,622,854	500,000	500,000
	500,000		25,801,906	17,029,254	17,529,254		

*This is an example of an InsMark "supplemental" illustration for variable universal life insurance. In a real presentation, this footnote will refer to an accompanying "basic" illustration from a specific life insurance company and a prospectus.

Columns (6) and (7) can never exceed column (2) because the employer's recovery of policy values is limited to the amount in column (2) for that year. Remaining policy values belong to the executive.

Executive's Cost Analysis

An Equity Split Dollar Plan Using Variable Universal Life (VUL)

Executive's Cost Detail Page: 1
Date: 01/01/2003

Presented By: [Licensed user's name appears here]

For: Frank Contini
Contini Manufacturing, Inc.

Male Form of Executive's VUL
Age Transaction Tax Bracket Interest Rate
43 (Coll. Assign.) 35.00% 10.00%

Executive's Costs						
Year	(1) Executive's Scheduled Premium Share	(2) Additional Taxable Value of Benefit*	(3) Bonus Income Received	(4) Taxable Income (2)+(3)	(5) Income Tax Due on Col (4)	(6) Executive's Net Payment (1)-(3)+(5)
1	0	3,360	1,809	5,169	1,809	0
2	0	3,450	1,858	5,308	1,858	0
3	0	3,564	1,919	5,483	1,919	0
4	0	3,570	1,922	5,492	1,922	0
5	0	3,600	1,938	5,538	1,938	0
6	0	3,780	2,035	5,815	2,035	0
7	0	4,020	2,165	6,185	2,165	0
8	0	4,260	2,294	6,554	2,294	0
9	0	4,540	2,445	6,985	2,445	0
10	0	4,880	2,628	7,508	2,628	0
11	0	5,280	2,843	8,123	2,843	0
12	0	5,740	3,091	8,831	3,091	0
13	0	6,260	3,371	9,631	3,371	0
14	0	6,840	3,683	10,523	3,683	0
15	0	7,480	4,028	11,508	4,028	0
16	0	8,180	4,405	12,585	4,405	0
17	0	9,000	4,846	13,846	4,846	0
18	0	9,920	5,342	15,262	5,342	0
19	0	10,960	5,902	16,862	5,902	0
20	0	12,140	6,537	18,677	6,537	0
	0	120,824	65,061	185,885	65,061	0

*Assuming column (1) offsets the economic benefit.

This is an example of an InsMark "supplemental" illustration for variable universal life insurance. In a real presentation, this footnote will refer to an accompanying "basic" illustration from a specific life insurance company and a prospectus.

Column (2) is the imputed economic benefit in compliance with IRS Notice 2002-8. (Lowest eligible ART rates utilized.)

Executive's Cost Analysis

An Equity Split Dollar Plan Using Variable Universal Life (VUL)

Executive's Cost Detail Page: 2
Date: 01/01/2003

Presented By: [Licensed user's name appears here]

For: Frank Contini
Contini Manufacturing, Inc.

Male	Form of	Executive's	VUL
Age	Transaction	Tax Bracket	Interest Rate
43	(Coll. Assign.)	35.00%	10.00%

Executive's Costs						
Year	(1) Executive's Scheduled Premium Share	(2) Additional Taxable Value of Benefit*	(3) Bonus Income Received	(4) Taxable Income (2)+(3)	(5) Income Tax Due on Col (4)	(6) Executive's Net Payment (1)-(3)+(5)
21	0	13,200	7,108	20,308	7,108	0
22	0	15,155	8,160	23,315	8,160	0
23	0	17,639	9,498	27,137	9,498	0
24	0	20,799	11,199	31,998	11,199	0
25	0	24,372	13,123	37,495	13,123	0
26	0	28,462	15,326	43,788	15,326	0
27	0	33,131	17,840	50,971	17,840	0
28	0	38,587	20,778	59,365	20,778	0
29	0	53,666	28,897	82,563	28,897	0
30	0	73,047	39,333	112,380	39,333	0
31	0	97,455	52,476	149,931	52,476	0
32	0	127,711	68,767	196,478	68,767	0
33	0	165,045	88,870	253,915	88,870	0
34	0	212,698	114,530	327,228	114,530	0
35	0	272,787	146,885	419,672	146,885	0
36	0	348,234	187,511	535,745	187,511	0
37	0	442,164	238,088	680,252	238,088	0
40	0	789,891	425,326	1,215,217	425,326	0
45	0	3,101,671	1,670,131	4,771,802	1,670,131	0
50	0	10,194,179	5,489,173	15,683,352	5,489,173	0
	0	47,917,824	25,801,906	73,719,730	25,801,906	0

*Assuming column (1) offsets the economic benefit.

This is an example of an InsMark "supplemental" illustration for variable universal life insurance. In a real presentation, this footnote will refer to an accompanying "basic" illustration from a specific life insurance company and a prospectus.

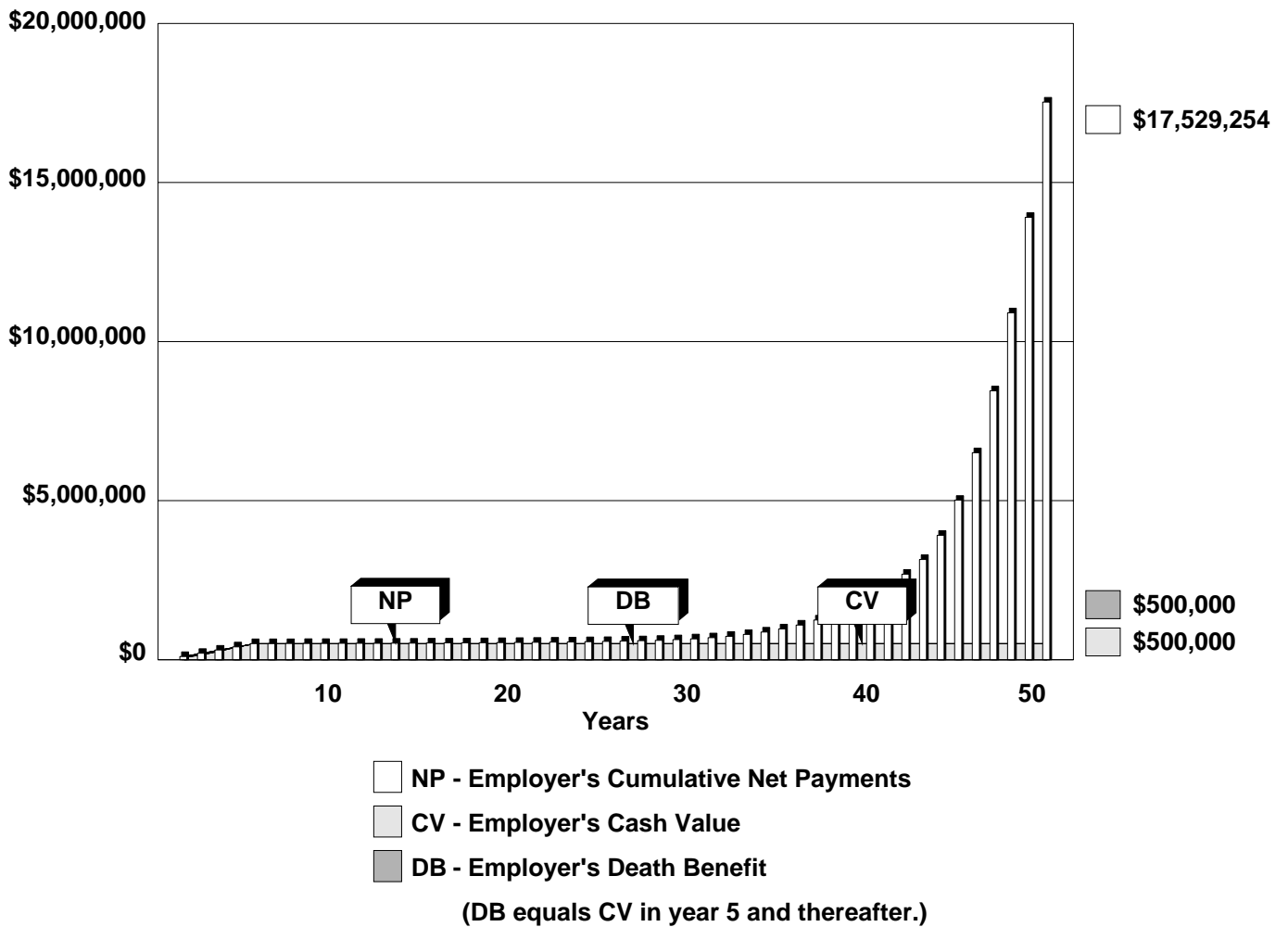
Column (2) is the imputed economic benefit in compliance with IRS Notice 2002-8. (Lowest eligible ART rates utilized.)

An Equity Split Dollar Plan Using Variable Universal Life (VUL)

Presented By: [Licensed user's name appears here]
Date: 01/01/2003

For: Frank Contini
Contini Manufacturing, Inc.

Employer's 50 Year Graphic Analysis



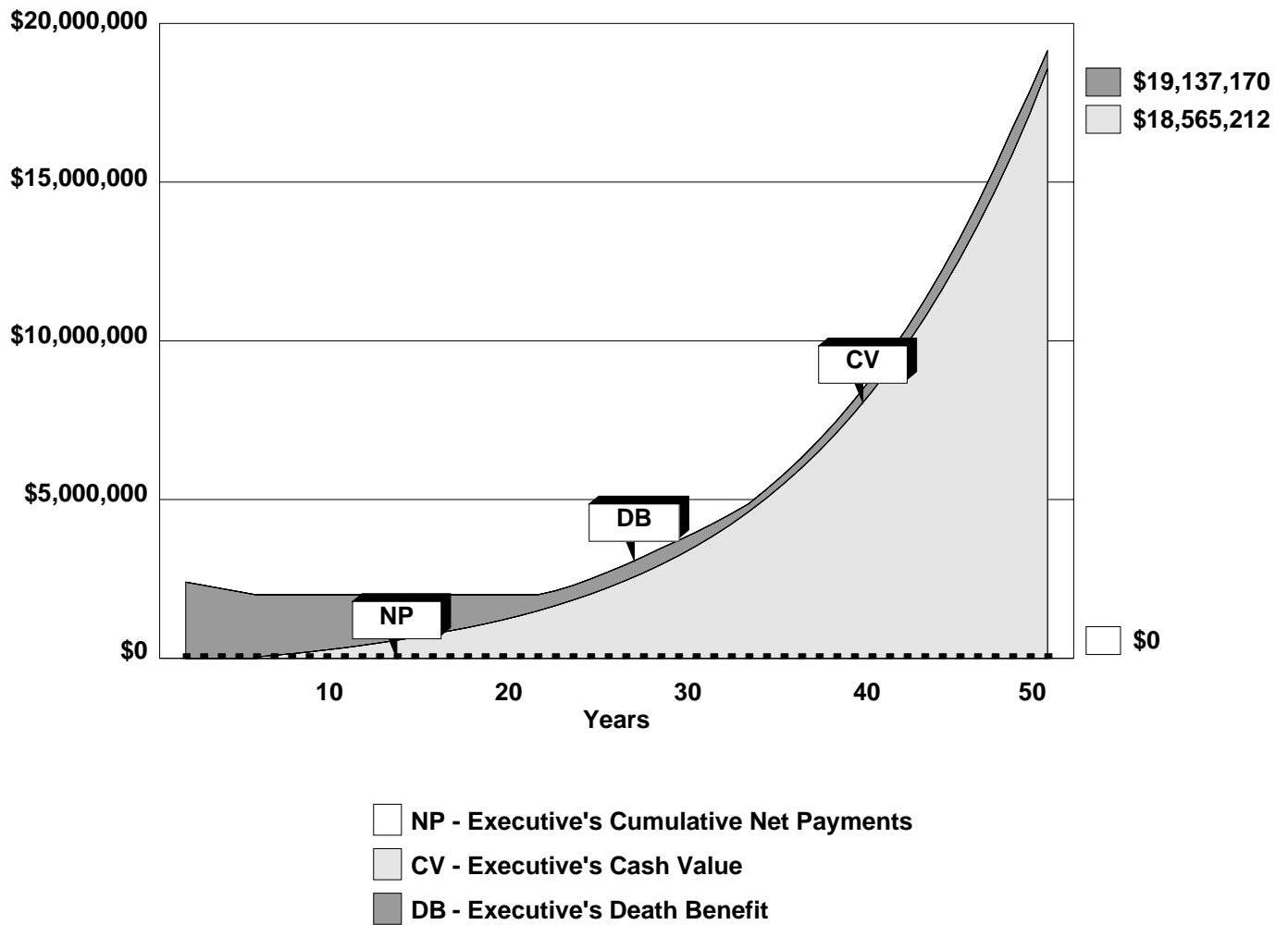
Note: The after tax effects of bonuses are included in the cumulative net payments of the employer.

An Equity Split Dollar Plan Using Variable Universal Life (VUL)

Presented By: [Licensed user's name appears here]
Date: 01/01/2003

For: Frank Contini
Contini Manufacturing, Inc.

Executive's 50 Year Graphic Analysis



Note: The after tax effects of bonuses are included in the cumulative net payments of the executive.

A Leveraged Benefit Plan (Using Guidelines from IRC Section 7872)

Highlights of the Plan

This plan is an executive fringe benefit arrangement involving a series of employer-sponsored loans to a valued executive for the purpose of purchasing a cash value life insurance policy. The plan is designed to operate within the IRC Section 7872 safe harbor of IRS Notice 2002-8.

Promissory Notes: The loans associated with the plan are evidenced by a series of promissory notes between the employer and the executive, and the life insurance policy is assigned as collateral security for the loans. The loans are term loans, i.e., they are due at the end of a specific period of years; however, the promissory note calls for the acceleration of repayment should the executive die prior to the date of scheduled loan repayments.

Loan Interest: The interest rate for the life of each loan is set at least to the long-term rate in effect at the beginning of the loan under IRC Section 7872 (often referred to as the "Applicable Federal Rate" or "AFR"). As an additional benefit in some plans, the employer will help offset the executive's loan interest payments via a bonus.

Under Sec. 7872, if no interest or an inadequate rate of interest is charged on a loan, the IRS recharacterizes the loan into an "arms-length" transaction and imputes an interest rate that is deemed to have been received by the lender and paid by the borrower. The rate is published monthly and is determined by the length of the loan transaction, i.e., either the short-term rate (3 years or less), the mid-term rate (over 3 years but not over 9 years), or the long-term rate (over 9 years).

So long as the loan interest rate is equal to or exceeds the applicable Section 7872 interest rate, no further interest is imputed by the IRS on the transaction. In the accompanying material, the loan interest rate is set to the long-term Section 7872 rate of 4.90% in effect for the month in which this report is written (January 2003).

For illustrative purposes, the accompanying material illustrates a constant 4.90% interest rate on the entire series of loans illustrated; however, the loan interest rate for each new loan will likely be different. Each future loan must bear the appropriate Sec. 7872 loan interest rate in effect during the month the new loan is executed, and each new loan should be evidenced by its own promissory note, as well.

There are four ways to deal with unknown future Sec. 7872 loan interest rates:

1. If a bonus is paid to the executive to offset the loan interest, accept the risk: This may increase or decrease the amount of the bonus; however, the loan interest paid to the employer by the executive should provide a full or partial offset, as the case may be.

2. Accrue additional loan interest: If the loan interest rate increases, the executive could be allowed to accrue the additional loan interest. Alternatively, the executive could withdraw funds from the policy to make up the difference in the loan interest due.
3. Renegotiate the loans: Wait until a time when the Sec. 7872 rate dips and recast the series of promissory notes into a new note at the reduced rate. For a detailed analysis of this strategy, see the report entitled "Renegotiating the Applicable Federal Rate".
4. Consolidate all loans at the inception of the plan: In this case, the loaned funds in excess of those needed to pay the policy's initial premium should be reserved by the executive to pay the remaining stream of premiums as they fall due. In this case, the employer may wish to consider requiring some form of custodianship for the reserved funds to be certain they are used for the intended purpose.

Repayment of Loans from the Employer

In the event of the executive's death, the employer's loans are repaid from the life insurance policy's death benefit; otherwise, loan repayment is handled in one of the ways listed below.

1. The executive uses personal funds to repay the loans from the employer.
2. The executive makes a loan or withdrawal on the policy in order to secure the funds to repay the loans from the employer.
3. The employer pays a bonus to the executive equal to the amount of the loan repayment due by the executive, and the executive uses the bonus to repay the loans from the employer. When this occurs, the executive often makes a loan or withdrawal on the policy to offset the income tax on the bonus.
4. The employer pays a gross-up bonus to the executive which includes the amount of the loan repayment due by the executive as well as the income tax on the bonus, and the executive uses the net bonus proceeds to repay the loan from the employer.

Living Benefits for the Executive

With the Leveraged Benefit Plan, the executive has direct access to policy cash values in excess of the amount required to collateralize the loans from the employer. The policy cash values are usually accessed via: 1) income tax free policy loans or 2) withdrawals which are taxable only to the extent they exceed the policy's cumulative premiums.

Death Benefits for the Executive's Beneficiaries

Income tax free death benefits from the executive's share of the life insurance policy's death benefit can produce income streams for the executive's family or liquidity to help offset wealth transfer taxes.

Conclusion

As plans and strategies are built for maximizing after tax income, the Leveraged Benefit Plan plays an important role; however, this document, in and of itself, is not sufficient for a comprehensive evaluation of the arrangement. Spreadsheets of costs and benefits and specimen documentation should also be carefully reviewed. This report is not a substitute for advice from legal and tax advisers of all participants, and the Leveraged Benefit Plan should not be utilized without their specific approval.

Notes

Policy loans reduce cash values and death benefits, and the lapse of a loaned policy could result in severe tax ramifications to the policy owner. Be sure to consult your professional tax adviser if you have any questions about this issue.

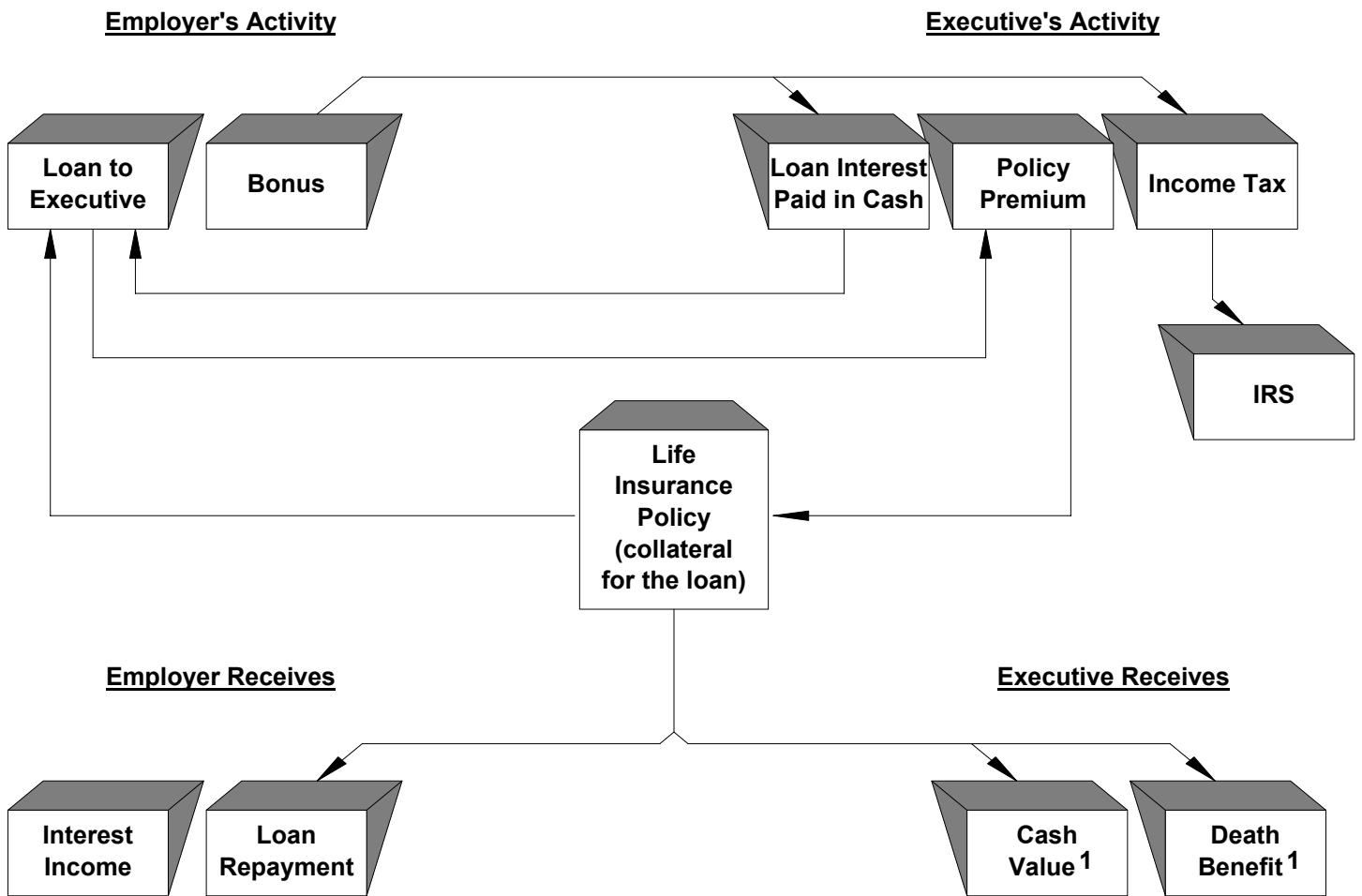
Specimen documentation is available including promissory notes and collateral assignment forms.

A Leveraged Benefit Plan (Using Guidelines from IRC Section 7872) Funded With Variable Universal Life (VUL)

Presented By: [Licensed user's name appears here]
Date: 01/01/2003

For: Frank Contini
Contini Manufacturing, Inc.

Flow Chart Analysis



(1) Less cumulative loan due employer.

A Leveraged Benefit Plan Using Variable Universal Life (VUL)

Illustration of Values of The Policy Used in the Plan

Values Page: 1
Date: 01/01/2003

Presented By: [Licensed user's name appears here]

For: Frank Contini
Contini Manufacturing, Inc.

		Male Age 45	VUL Interest Rate 8.00%	Initial Payment 100,000	Initial Policy Death Benefit 2,500,000		
Year	Age	(1) Policy Premium	(2) Pre-Tax Policy Cash Flow	(3) Year End Accum Value*	(4) Year End Cash Value*	(5) Death Benefit	
1	45	100,000	0	334,685	267,685	2,500,000	
2	46	100,000	0	465,803	398,803	2,500,000	
3	47	100,000	0	608,019	541,019	2,500,000	
4	48	0	0	653,489	589,839	2,500,000	
5	49	0	0	702,478	642,848	2,500,000	
6	50	0	0	755,302	700,362	2,500,000	
7	51	0	0	812,183	762,603	2,500,000	
8	52	0	0	873,486	829,936	2,500,000	
9	53	0	0	939,576	902,726	2,500,000	
10	54	0	0	1,010,869	981,389	2,500,000	
11	55	0	0	1,087,855	1,066,415	2,500,000	
12	56	0	0	1,171,067	1,158,337	2,500,000	
13	57	0	0	1,261,081	1,261,081	2,500,000	
14	58	0	0	1,358,587	1,358,587	2,500,000	
15	59	0	0	1,464,355	1,464,355	2,500,000	
16	60	0	0	1,579,232	1,579,232	2,500,000	
17	61	0	0	1,704,231	1,704,231	2,500,000	
18	62	0	0	1,840,499	1,840,499	2,500,000	
19	63	0	0	1,989,345	1,989,345	2,500,000	
20	64	0	0	2,152,085	2,152,085	2,625,544	
		300,000	0				

*This is an example of an InsMark "supplemental" illustration for variable universal life insurance. In a real presentation, this footnote will refer to an accompanying "basic" illustration from a specific life insurance company and a prospectus.

20 Year Summary

Cum. Payments	300,000
Cum. Pre-Tax Policy Cash Flow	0
Cash Value	2,152,085
Death Benefit	2,625,544

A Leveraged Benefit Plan Using Variable Universal Life (VUL)

Illustration of Values of The Policy Used in the Plan

Values Page: 2
Date: 01/01/2003

Presented By: [Licensed user's name appears here]

For: Frank Contini
Contini Manufacturing, Inc.

		Male Age 45	VUL Interest Rate 8.00%	Initial Payment 100,000	Initial Policy Death Benefit 2,500,000		
Year	Age	(1) Policy Premium	(2) Pre-Tax Policy Cash Flow	(3) Year End Accum Value*	(4) Year End Cash Value*	(5) Death Benefit	
21	65	0	0	2,328,173	2,328,173	2,793,808	
22	66	0	0	2,518,371	2,518,371	2,996,862	
23	67	0	0	2,723,794	2,723,794	3,214,077	
24	68	0	0	2,945,662	2,945,662	3,446,424	
25	69	0	0	3,185,279	3,185,278	3,694,923	
26	70	0	0	3,444,078	3,444,077	3,960,689	
27	71	0	0	3,724,585	3,724,585	4,208,781	
28	72	0	0	4,028,944	4,028,944	4,472,128	
29	73	0	0	4,359,607	4,359,607	4,751,972	
30	74	0	0	4,719,389	4,719,389	5,049,747	
31	75	0	0	5,111,556	5,111,556	5,367,134	
32	76	0	0	5,535,378	5,535,378	5,812,147	
33	77	0	0	5,993,231	5,993,231	6,292,892	
34	78	0	0	6,487,632	6,487,631	6,812,013	
35	79	0	0	7,021,249	7,021,249	7,372,311	
36	80	0	0	7,596,897	7,596,897	7,976,742	
38	82	0	0	8,886,220	8,886,220	9,330,531	
40	84	0	0	10,380,821	10,380,821	10,899,860	
45	89	0	0	15,195,364	15,195,364	15,955,130	
48	92	0	0	19,065,212	19,065,212	19,637,170	
		300,000	0				

*This is an example of an InsMark "supplemental" illustration for variable universal life insurance. In a real presentation, this footnote will refer to an accompanying "basic" illustration from a specific life insurance company and a prospectus.

48 Year Summary

Cum. Payments	300,000
Cum. Pre-Tax Policy Cash Flow	0
Cash Value	19,065,212
Death Benefit	19,637,170

Note to Registry members: Be sure to read the first footnote on the lower left.

Summary of Costs and Benefits

A Leveraged Benefit Plan (Using Guidelines From IRC Section 7872) Funded With Variable Universal Life (VUL)

Summary Page: 1
Date: 01/01/2003

Presented By: [Licensed user's name appears here]

For: Frank Contini
Contini Manufacturing, Inc.

Male Age 45	Employer's Tax Bracket 34.00%	Executive's Tax Bracket 35.00%	VUL Interest Rate 8.00%	Initial Policy Death Benefit 2,500,000
-------------------	-------------------------------------	--------------------------------------	-------------------------------	--

Year	Age	Employer's Plan Payments, Loan Receivable, and Cumulative Charge to Earnings				Executive's Plan Payments and Loan Collateral			
		(1) Net Payment to the Plan**	(2) Cumulative Net Payments to the Plan	(3) Portion of Col. (2) Due as a Loan Receivable	(4) Cumulative Charge to Earnings (2) - (3)	(5) Net Payment to the Plan	Loan Collateral		
						Accum Value*	Cash Value*	Death Benefit	
1	45	305,224	305,224	300,000	5,224	0	334,685	267,685	2,500,000
2	46	106,966	412,190	400,000	12,190	0	465,803	398,803	2,500,000
3	47	108,707	520,897	500,000	20,897	0	608,019	541,019	2,500,000
4	48	8,707	529,604	500,000	29,604	0	653,489	589,839	2,500,000
5	49	8,707	538,311	500,000	38,311	0	702,478	642,848	2,500,000
6	50	8,707	547,018	500,000	47,018	0	755,302	700,362	2,500,000
7	51	8,707	555,725	500,000	55,725	0	812,183	762,603	2,500,000
8	52	8,707	564,432	500,000	64,432	0	873,486	829,936	2,500,000
9	53	8,707	573,139	500,000	73,139	0	939,576	902,726	2,500,000
10	54	8,707	581,846	500,000	81,846	0	1,010,869	981,389	2,500,000
11	55	8,707	590,553	500,000	90,553	0	1,087,855	1,066,415	2,500,000
12	56	8,707	599,260	500,000	99,260	0	1,171,067	1,158,337	2,500,000
13	57	8,707	607,967	500,000	107,967	0	1,261,081	1,261,081	2,500,000
14	58	8,707	616,674	500,000	116,674	0	1,358,587	1,358,587	2,500,000
15	59	8,707	625,381	500,000	125,381	0	1,464,355	1,464,355	2,500,000
16	60	8,707	634,088	500,000	134,088	0	1,579,232	1,579,232	2,500,000
17	61	8,707	642,795	500,000	142,795	0	1,704,231	1,704,231	2,500,000
18	62	8,707	651,502	500,000	151,502	0	1,840,499	1,840,499	2,500,000
19	63	8,707	660,209	500,000	160,209	0	1,989,345	1,989,345	2,500,000
20	64	8,707	668,916	500,000	168,916	0	2,152,085	2,152,085	2,625,544
		668,916				0			

**\$200,000 of the \$305,224 value in year 1 represents the prior amounts due the employer under the split dollar arrangement being converted to this plan.

Executive's 20 Year Summary

*This is an example of an InsMark "supplemental" illustration for variable universal life insurance. In a real presentation, this footnote will refer to an accompanying "basic" illustration from a specific life insurance company and a prospectus.

	Living Values	Death Benefit
Variable Universal Life (VUL):	2,152,085	2,625,544
Less Loan Repayment Due Employer:	500,000	500,000
Equals Executive's Net Value:	1,652,085	2,125,544

Summary of Costs and Benefits

A Leveraged Benefit Plan (Using Guidelines From IRC Section 7872) Funded With Variable Universal Life (VUL)

Summary Page: 2
Date: 01/01/2003

Presented By: [Licensed user's name appears here]

For: Frank Contini
Contini Manufacturing, Inc.

Male Age 45
Employer's Tax Bracket 34.00%
Executive's Tax Bracket 35.00%
VUL Interest Rate 8.00%
Initial Policy Death Benefit 2,500,000

Year	Age	Employer's Plan Payments, Loan Receivable, and Cumulative Charge to Earnings				Executive's Plan Payments and Loan Collateral			
		(1) Net Payment to the Plan	(2) Cumulative Net Payments to the Plan	(3) Portion of Col. (2) Due as a Loan Receivable	(4) Cumulative Charge to Earnings (2) - (3)	(5) Net Payment to the Plan	(6) - (8) Loan Collateral		
						Accum Value*	Cash Value*	Death Benefit	
21	65	8,707	677,623	500,000	177,623	0	2,328,173	2,328,173	2,793,808
22	66	8,707	686,330	500,000	186,330	0	2,518,371	2,518,371	2,996,862
23	67	8,707	695,037	500,000	195,037	0	2,723,794	2,723,794	3,214,077
24	68	8,707	703,744	500,000	203,744	0	2,945,662	2,945,662	3,446,424
25	69	8,707	712,451	500,000	212,451	0	3,185,279	3,185,278	3,694,923
26	70	8,707	721,158	500,000	221,158	0	3,444,078	3,444,077	3,960,689
27	71	8,707	729,865	500,000	229,865	0	3,724,585	3,724,585	4,208,781
28	72	8,707	738,572	500,000	238,572	0	4,028,944	4,028,944	4,472,128
29	73	8,707	747,279	500,000	247,279	0	4,359,607	4,359,607	4,751,972
30	74	8,707	755,986	500,000	255,986	0	4,719,389	4,719,389	5,049,747
31	75	8,707	764,693	500,000	264,693	0	5,111,556	5,111,556	5,367,134
32	76	8,707	773,400	500,000	273,400	0	5,535,378	5,535,378	5,812,147
33	77	8,707	782,107	500,000	282,107	0	5,993,231	5,993,231	6,292,892
34	78	8,707	790,814	500,000	290,814	0	6,487,632	6,487,631	6,812,013
35	79	8,707	799,521	500,000	299,521	0	7,021,249	7,021,249	7,372,311
36	80	8,707	808,228	500,000	308,228	0	7,596,897	7,596,897	7,976,742
38	82	8,707	825,642	500,000	325,642	0	8,886,220	8,886,220	9,330,531
40	84	8,707	843,056	500,000	343,056	0	10,380,821	10,380,821	10,899,860
45	89	8,707	886,591	500,000	386,591	0	15,195,364	15,195,364	15,955,130
48	92	8,707	912,712	500,000	412,712	0	19,065,212	19,065,212	19,637,170
		912,712				0			

Executive's 48 Year Summary

*This is an example of an InsMark "supplemental" illustration for variable universal life insurance. In a real presentation, this footnote will refer to an accompanying "basic" illustration from a specific life insurance company and a prospectus.

	Living Values	Death Benefit
Variable Universal Life (VUL):	19,065,212	19,637,170
Less Loan Repayment Due Employer:	500,000	500,000
Equals Executive's Net Value:	18,565,212	19,137,170

A Leveraged Benefit Plan (Using Guidelines From IRC Section 7872) Funded With Variable Universal Life (VUL)

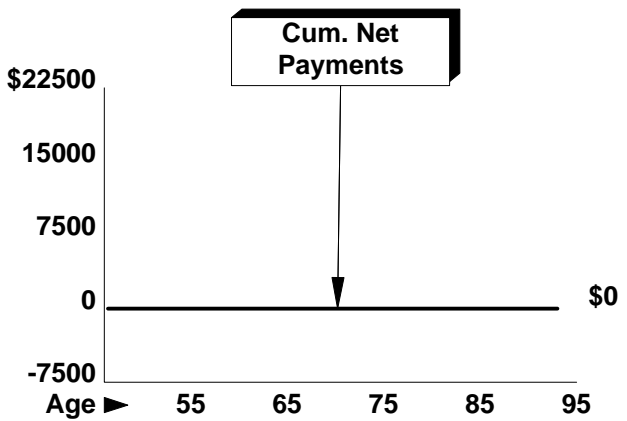
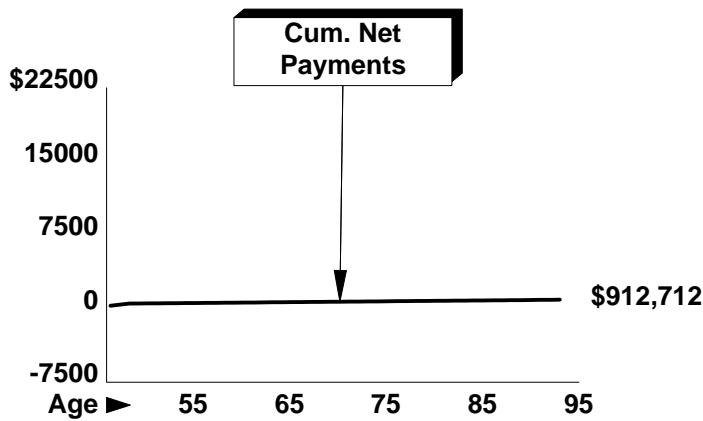
Presented By: [Licensed user's name appears here]
Date: 01/01/2003

For: Frank Contini
Contini Manufacturing, Inc.

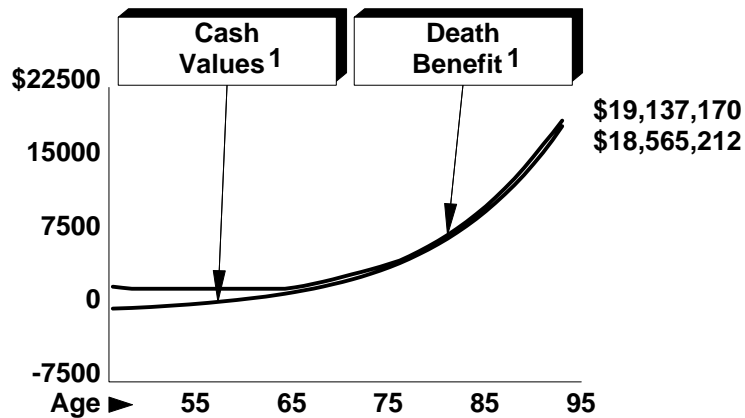
48 Year Graphic Analysis

Employer's Payments

Executive's Payments



Executive's Values



(1) Less cumulative loan due employer.

Employer's Net Payment Analysis

A Leveraged Benefit Plan
(Using Guidelines From IRC Section 7872)
Funded With
Variable Universal Life (VUL)

Employer's Page: 1
Date: 01/01/2003

Presented By: [Licensed user's name appears here]

For: Frank Contini
Contini Manufacturing, Inc.

		Male Age 45	Employer's Tax Bracket 34.00%	IRC Sec. 7872 Long Term Rate 4.90%	Promissory Note Interest Rate 4.90%					
Year	Age	(1) Beginning of Year Loan to Executive	(2) Outstanding Loan to Executive*	(3) Year End Loan Interest Received from Executive	(4) After Tax Loan Interest Received from Executive	(5) Bonus Paid to Executive	(6) After Tax Cost of Bonus Paid to Executive	(7) Employer's Net Payment to the Plan (1) - (4) + (6)*	(8) Employer's Annual Charge to Earnings (6) - (4)	(9) Employer's Cumulative Charge to Earnings
1	45	100,000	300,000	14,700	9,702	22,615	14,926	305,224	5,224	5,224
2	46	100,000	400,000	19,600	12,936	30,154	19,902	106,966	6,966	12,190
3	47	100,000	500,000	24,500	16,170	37,692	24,877	108,707	8,707	20,897
4	48	0	500,000	24,500	16,170	37,692	24,877	8,707	8,707	29,604
5	49	0	500,000	24,500	16,170	37,692	24,877	8,707	8,707	38,311
6	50	0	500,000	24,500	16,170	37,692	24,877	8,707	8,707	47,018
7	51	0	500,000	24,500	16,170	37,692	24,877	8,707	8,707	55,725
8	52	0	500,000	24,500	16,170	37,692	24,877	8,707	8,707	64,432
9	53	0	500,000	24,500	16,170	37,692	24,877	8,707	8,707	73,139
10	54	0	500,000	24,500	16,170	37,692	24,877	8,707	8,707	81,846
11	55	0	500,000	24,500	16,170	37,692	24,877	8,707	8,707	90,553
12	56	0	500,000	24,500	16,170	37,692	24,877	8,707	8,707	99,260
13	57	0	500,000	24,500	16,170	37,692	24,877	8,707	8,707	107,967
14	58	0	500,000	24,500	16,170	37,692	24,877	8,707	8,707	116,674
15	59	0	500,000	24,500	16,170	37,692	24,877	8,707	8,707	125,381
16	60	0	500,000	24,500	16,170	37,692	24,877	8,707	8,707	134,088
17	61	0	500,000	24,500	16,170	37,692	24,877	8,707	8,707	142,795
18	62	0	500,000	24,500	16,170	37,692	24,877	8,707	8,707	151,502
19	63	0	500,000	24,500	16,170	37,692	24,877	8,707	8,707	160,209
20	64	0	500,000	24,500	16,170	37,692	24,877	8,707	8,707	168,916
		300,000		475,300	313,698	731,225	482,614	668,916	168,916	

*\$200,000 of the Outstanding Loan and the Employer's Net Payment in year 1 represents the prior amounts due the employer under the split dollar arrangement being converted to this plan.

See accompanying Leveraged Benefit Plan report for remarks regarding IRC Section 7872 interest rates used in this illustration.

The promissory note between the employer and the executive is presumed to be secured by a collateral assignment of the policy.

Employer's Net Payment Analysis

A Leveraged Benefit Plan (Using Guidelines From IRC Section 7872) Funded With Variable Universal Life (VUL)

Employer's Page: 2
Date: 01/01/2003

Presented By: [Licensed user's name appears here]

For: Frank Contini
Contini Manufacturing, Inc.

		Male Age 45	Employer's Tax Bracket 34.00%	IRC Sec. 7872 Long Term Rate 4.90%	Promissory Note Interest Rate 4.90%					
Year	Age	(1) Beginning of Year Loan to Executive	(2) Outstanding Loan to Executive	(3) Year End Loan Interest Received from Executive	(4) After Tax Loan Interest Received from Executive	(5) Bonus Paid to Executive	(6) After Tax Cost of Bonus Paid to Executive	(7) Employer's Net Payment to the Plan (1) - (4) + (6)	(8) Employer's Annual Charge to Earnings (6) - (4)	(9) Employer's Cumulative Charge to Earnings
21	65	0	500,000	24,500	16,170	37,692	24,877	8,707	8,707	177,623
22	66	0	500,000	24,500	16,170	37,692	24,877	8,707	8,707	186,330
23	67	0	500,000	24,500	16,170	37,692	24,877	8,707	8,707	195,037
24	68	0	500,000	24,500	16,170	37,692	24,877	8,707	8,707	203,744
25	69	0	500,000	24,500	16,170	37,692	24,877	8,707	8,707	212,451
26	70	0	500,000	24,500	16,170	37,692	24,877	8,707	8,707	221,158
27	71	0	500,000	24,500	16,170	37,692	24,877	8,707	8,707	229,865
28	72	0	500,000	24,500	16,170	37,692	24,877	8,707	8,707	238,572
29	73	0	500,000	24,500	16,170	37,692	24,877	8,707	8,707	247,279
30	74	0	500,000	24,500	16,170	37,692	24,877	8,707	8,707	255,986
31	75	0	500,000	24,500	16,170	37,692	24,877	8,707	8,707	264,693
32	76	0	500,000	24,500	16,170	37,692	24,877	8,707	8,707	273,400
33	77	0	500,000	24,500	16,170	37,692	24,877	8,707	8,707	282,107
34	78	0	500,000	24,500	16,170	37,692	24,877	8,707	8,707	290,814
35	79	0	500,000	24,500	16,170	37,692	24,877	8,707	8,707	299,521
36	80	0	500,000	24,500	16,170	37,692	24,877	8,707	8,707	308,228
38	82	0	500,000	24,500	16,170	37,692	24,877	8,707	8,707	325,642
40	84	0	500,000	24,500	16,170	37,692	24,877	8,707	8,707	343,056
45	89	0	500,000	24,500	16,170	37,692	24,877	8,707	8,707	386,591
48	92	0	500,000	24,500	16,170	37,692	24,877	8,707	8,707	412,712
		300,000		1,161,300	766,458	1,786,601	1,179,170	912,712	412,712	

See accompanying Leveraged Benefit Plan report for remarks regarding IRC Section 7872 interest rates used in this illustration.

The promissory note between the employer and the executive is presumed to be secured by a collateral assignment of the policy.

Executive's Net Payment Analysis

A Leveraged Benefit Plan (Using Guidelines From IRC Section 7872) Funded With Variable Universal Life (VUL)

Executive's Page: 1
Date: 01/01/2003

Presented By: [Licensed user's name appears here]

For: Frank Contini
Contini Manufacturing, Inc.

		Male Age 45	Executive's Tax Bracket 35.00%	IRC Sec. 7872 Long Term Rate 4.90%	Promissory Note Interest Rate 4.90%			
Year	Age	(1) Policy Premium Due by Executive	(2) Beginning of Year Loan from Employer	(3) Cumulative Loan Due Employer**	(4) Year End Loan Interest Paid to Employer	(5) Year End Bonus Received from Employer	(6) After Tax Bonus Received from Employer	(7) Executive's Net Payment to the Plan*
1	45	100,000	100,000	300,000	14,700	22,615	14,700	0
2	46	100,000	100,000	400,000	19,600	30,154	19,600	0
3	47	100,000	100,000	500,000	24,500	37,692	24,500	0
4	48	0	0	500,000	24,500	37,692	24,500	0
5	49	0	0	500,000	24,500	37,692	24,500	0
6	50	0	0	500,000	24,500	37,692	24,500	0
7	51	0	0	500,000	24,500	37,692	24,500	0
8	52	0	0	500,000	24,500	37,692	24,500	0
9	53	0	0	500,000	24,500	37,692	24,500	0
10	54	0	0	500,000	24,500	37,692	24,500	0
11	55	0	0	500,000	24,500	37,692	24,500	0
12	56	0	0	500,000	24,500	37,692	24,500	0
13	57	0	0	500,000	24,500	37,692	24,500	0
14	58	0	0	500,000	24,500	37,692	24,500	0
15	59	0	0	500,000	24,500	37,692	24,500	0
16	60	0	0	500,000	24,500	37,692	24,500	0
17	61	0	0	500,000	24,500	37,692	24,500	0
18	62	0	0	500,000	24,500	37,692	24,500	0
19	63	0	0	500,000	24,500	37,692	24,500	0
20	64	0	0	500,000	24,500	37,692	24,500	0
		300,000	300,000		475,300	731,225	475,300	0

*Column (7) = Columns (1) - (2) + (4) - (6)

See accompanying Leveraged Benefit Plan report for remarks regarding IRC Section 7872 interest rates used in this illustration.

**\$200,000 of the \$300,000 value in year 1 represents the prior amounts due the employer under the split dollar arrangement being converted to this plan.

The promissory note between the employer and the executive is presumed to be secured by a collateral assignment of the policy.

Executive's Net Payment Analysis

A Leveraged Benefit Plan (Using Guidelines From IRC Section 7872) Funded With Variable Universal Life (VUL)

Executive's Page: 2
Date: 01/01/2003

Presented By: [Licensed user's name appears here]

For: Frank Contini
Contini Manufacturing, Inc.

		Male Age 45	Executive's Tax Bracket 35.00%	IRC Sec. 7872 Long Term Rate 4.90%	Promissory Note Interest Rate 4.90%				
Year	Age	(1) Policy Premium Due by Executive	(2) Beginning of Year Loan from Employer	(3) Cumulative Loan Due Employer	(4) Year End Loan Interest Paid to Employer	(5) Year End Bonus Received from Employer	(6) After Tax Bonus Received from Employer	(7) Executive's Net Payment to the Plan*	
21	65	0	0	500,000	24,500	37,692	24,500	0	
22	66	0	0	500,000	24,500	37,692	24,500	0	
23	67	0	0	500,000	24,500	37,692	24,500	0	
24	68	0	0	500,000	24,500	37,692	24,500	0	
25	69	0	0	500,000	24,500	37,692	24,500	0	
26	70	0	0	500,000	24,500	37,692	24,500	0	
27	71	0	0	500,000	24,500	37,692	24,500	0	
28	72	0	0	500,000	24,500	37,692	24,500	0	
29	73	0	0	500,000	24,500	37,692	24,500	0	
30	74	0	0	500,000	24,500	37,692	24,500	0	
31	75	0	0	500,000	24,500	37,692	24,500	0	
32	76	0	0	500,000	24,500	37,692	24,500	0	
33	77	0	0	500,000	24,500	37,692	24,500	0	
34	78	0	0	500,000	24,500	37,692	24,500	0	
35	79	0	0	500,000	24,500	37,692	24,500	0	
36	80	0	0	500,000	24,500	37,692	24,500	0	
38	82	0	0	500,000	24,500	37,692	24,500	0	
40	84	0	0	500,000	24,500	37,692	24,500	0	
45	89	0	0	500,000	24,500	37,692	24,500	0	
48	92	0	0	500,000	24,500	37,692	24,500	0	
		300,000	300,000		1,161,300	1,786,601	1,161,300	0	

*Column (7) = Columns (1) - (2) + (4) - (6)

See accompanying Leveraged Benefit Plan report for remarks regarding IRC Section 7872 interest rates used in this illustration.

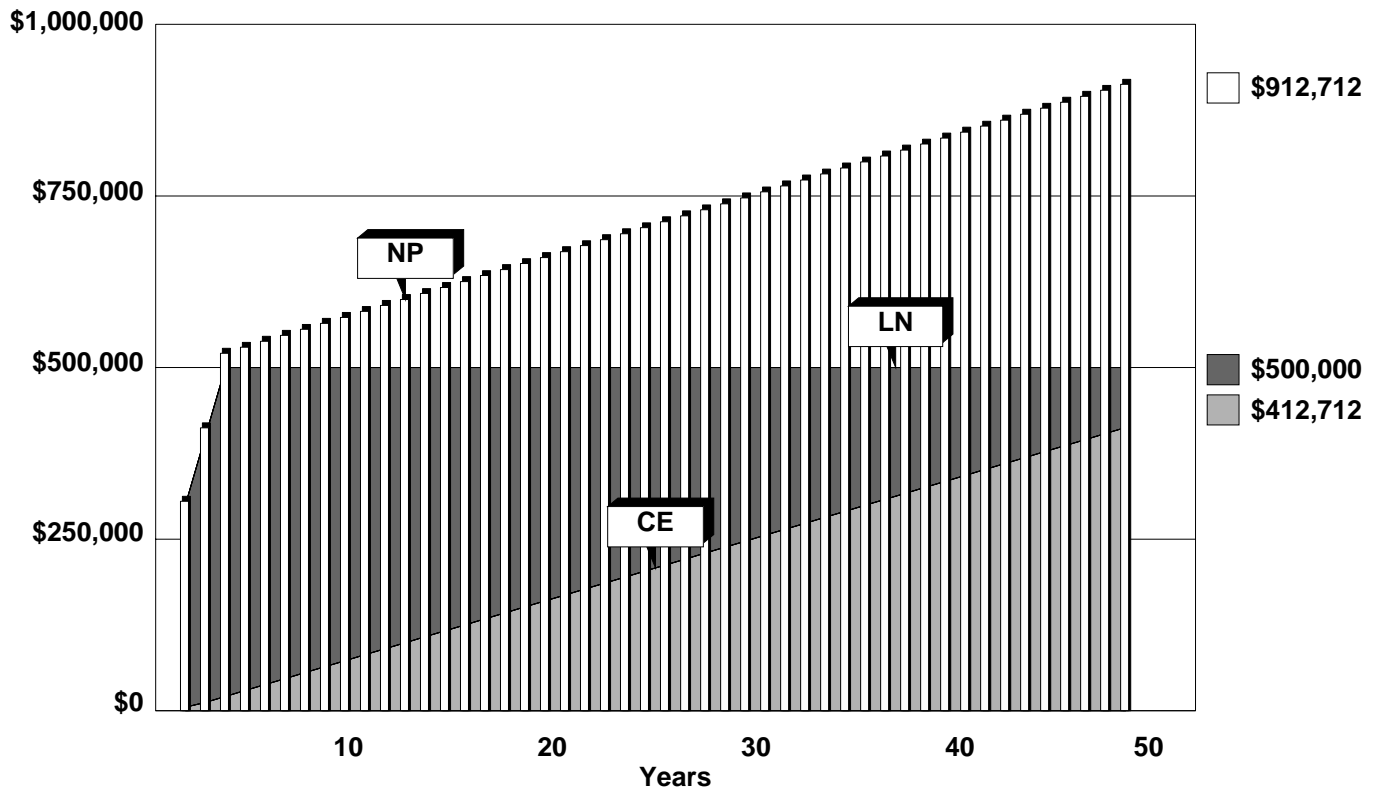
The promissory note between the employer and the executive is presumed to be secured by a collateral assignment of the policy.

A Leveraged Benefit Plan (Using Guidelines From IRC Section 7872) Funded With Variable Universal Life (VUL)

Presented By: [Licensed user's name appears here]
Date: 01/01/2003

For: Frank Contini
Contini Manufacturing, Inc.

Employer's 48 Year Graphic Analysis



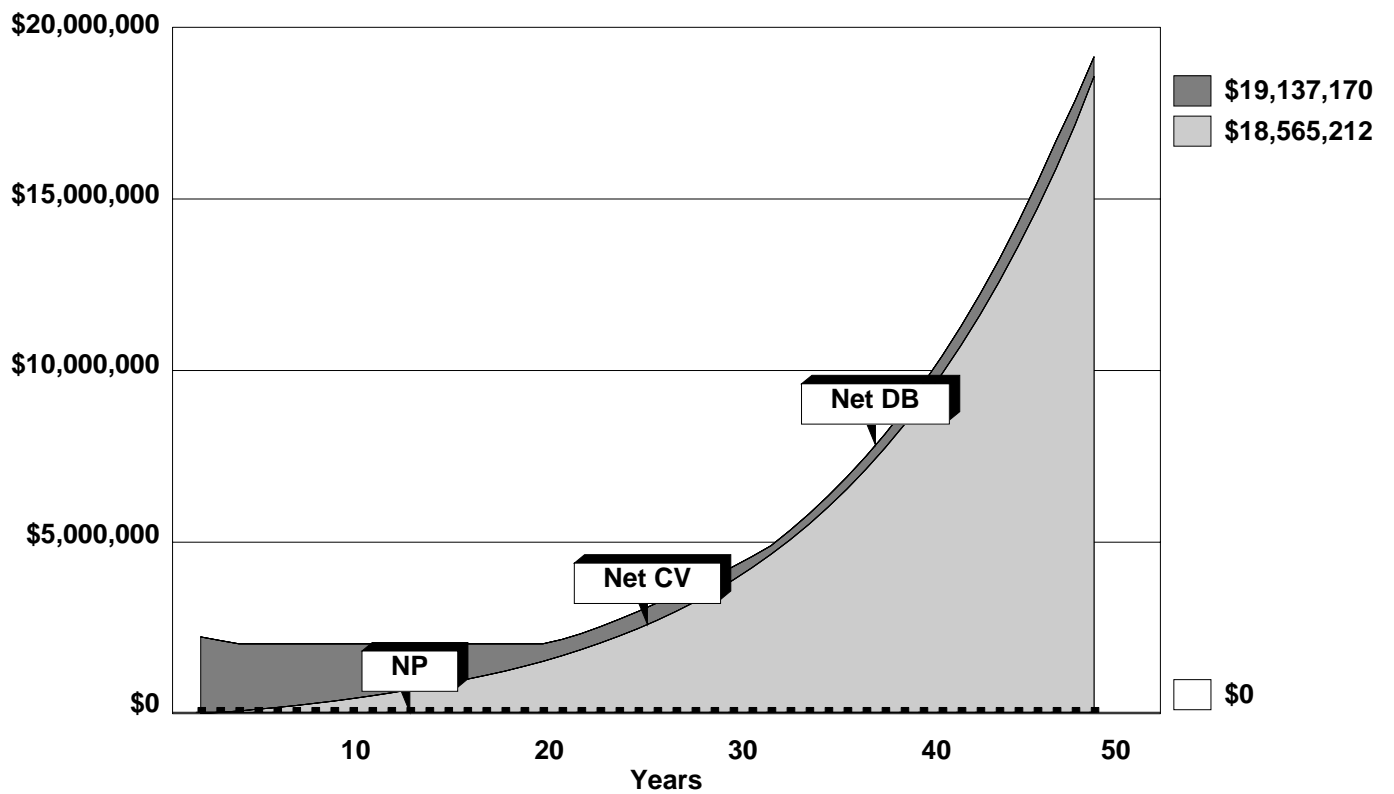
- NP - Employer's Cumulative Net Payments
- CE - Cumulative Charge to Earnings
- LN - Loans Due Employer from Executive

A Leveraged Benefit Plan (Using Guidelines From IRC Section 7872) Funded With Variable Universal Life (VUL)

Presented By: [Licensed user's name appears here]
Date: 01/01/2003

For: Frank Contini
Contini Manufacturing, Inc.

Executive's 48 Year Graphic Analysis



- NP - Executive's Cumulative Net Payments
- Net CV - Executive's Cash Value Less Cum. Loan Due Employer
- Net DB - Executive's Death Benefit Less Cum. Loan Due Employer