

Executive's Share of a Leveraged Deferred Compensation Plan vs. An Equity Account

Introduction

A decision to acquire additional life insurance can represent one of several significant phases in your overall financial planning. An important part of this decision involves the comparison of the life insurance policy to alternative investment possibilities.

To help you make an informed decision about acquiring the policy, the accompanying presentation shows financial data regarding life insurance compared to an Equity Account.

The study offers information from which you and your advisers can draw informed conclusions about the suitability of either plan.

Following are major features of the life insurance policy for you to consider as part of your overall assessment:

1. Accumulating cash values;
2. Income tax deferred growth of cash values;
3. Competitive current interest rate;
4. Lifelong income options;
5. Tax free access to cash values through policy loans;
6. Income tax free death benefits for beneficiaries;
7. Probate free death benefits for beneficiaries;
8. Privacy of all transactions;
9. Advance of death benefits in certain adverse health circumstances -- as defined in the policy contract.

Favorable income tax consequences combine with significant policy values and benefits to produce a life insurance solution that has a considerable amount of financial leverage. This is particularly evident in the following presentation.

Executive's Share of a Leveraged Deferred Compensation Plan vs. An Equity Account

Comparison Page: 1

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

For: Elizabeth Rand, MD

Date: [Current date appears here]

Female	Equity Account	Equity Account	Dividend	Income	Composite Capital	Portfolio	Indexed UL
Age	Growth	Dividend	Tax Rate	Tax Rate	Gains Tax Rate*	Turnover	Interest Rate
40	7.50%	1.00%	25.00%	45.00%	30.00%	10.00%	7.50%

Year	Equity Account*			Indexed Universal Life				
	(1) Annual Deposit to the Account	(2) After Tax Cash Flow from the Account	(3) Year End Account Value	(4) Net Payment	(5) After Tax Policy Loan Proceeds	(6) Surrender Value Increase**	(7) Year End Surrender Value**	(8) Death Benefit
1	56,602	0	60,686	56,602	0	0	0	3,500,000
2	58,204	0	127,369	58,204	0	0	0	3,400,000
3	59,806	0	200,379	59,806	0	0	0	3,300,000
4	61,408	0	280,072	61,408	0	0	0	3,200,000
5	63,010	0	366,830	63,010	0	0	0	3,100,000
6	8,010	0	400,373	8,010	0	4,495	4,495	3,100,000
7	8,010	0	435,824	8,010	0	36,841	41,336	3,100,000
8	8,010	0	473,313	8,010	0	39,417	80,753	3,100,000
9	8,010	0	512,974	8,010	0	42,317	123,070	3,100,000
10	8,010	0	554,953	8,010	0	45,569	168,639	3,100,000
11	8,010	0	599,400	8,010	0	56,860	225,499	3,100,000
12	8,010	0	646,476	8,010	0	52,123	277,622	3,100,000
13	8,010	0	696,348	8,010	0	55,879	333,501	3,100,000
14	8,010	0	749,196	8,010	0	59,902	393,403	3,100,000
15	8,010	0	805,207	8,010	0	64,208	457,611	3,100,000
16	8,010	0	864,581	8,010	0	68,805	526,416	3,100,000
17	8,010	0	927,530	8,010	0	73,746	600,162	3,100,000
18	8,010	0	994,278	8,010	0	79,025	679,187	3,100,000
19	8,010	0	1,065,061	8,010	0	84,693	763,880	3,100,000
20	8,010	0	1,140,130	8,010	0	90,762	854,642	3,100,000
	419,180	0		419,180	0			

*See the accompanying reports entitled "Details of the Equity Account" and "Details of Portfolio Turnover" for year-by-year equity calculation and turnover details.

Management fees reflected in column (3): 0.75%

**This is an InsMark supplemental illustration for indexed universal life. In an actual presentation, this footnote refers to an accompanying basic illustration from a specific life insurance company with important details, caveats, and guarantees.

20 Year Summary

	Equity Account	Indexed UL
After Tax Payments	419,180	419,180
After Tax Cash Flow	0	0
Living Values	1,140,130	854,642
Death Benefit	1,140,130	3,100,000

Executive's Share of a Leveraged Deferred Compensation Plan vs. An Equity Account

Comparison Page: 2

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

For: Elizabeth Rand, MD

Date: [Current date appears here]

Female	Equity Account	Equity Account	Dividend	Income	Composite Capital	Portfolio	Indexed UL
Age	Growth	Dividend	Tax Rate	Tax Rate	Gains Tax Rate*	Turnover	Interest Rate
40	7.50%	1.00%	25.00%	45.00%	30.00%	10.00%	7.50%

Year	Equity Account*			Indexed Universal Life				
	(1) Annual Deposit to the Account	(2) After Tax Cash Flow from the Account	(3) Year End Account Value	(4) Net Payment	(5) After Tax Policy Loan Proceeds	(6) Surrender Value Increase**	(7) Year End Surrender Value**	(8) Death Benefit
21	225,000	120,000	1,314,757	225,000	120,000	470,887	1,325,529	3,473,640
22	0	120,000	1,259,897	0	120,000	-28,894	1,296,635	3,340,583
23	0	120,000	1,200,463	0	120,000	-28,566	1,268,069	3,200,474
24	0	120,000	1,136,336	0	120,000	-28,095	1,239,974	3,052,939
25	0	120,000	1,067,369	0	120,000	-27,421	1,212,553	2,897,585
26	0	120,000	993,383	0	120,000	-26,496	1,186,057	2,733,997
27	0	120,000	914,172	0	120,000	-25,159	1,160,898	2,561,739
28	0	120,000	829,503	0	120,000	-23,438	1,137,460	2,380,351
29	0	120,000	739,115	0	120,000	-21,256	1,116,204	2,189,349
30	0	120,000	642,720	0	120,000	-18,503	1,097,701	1,988,225
31	0	120,000	540,004	0	120,000	-15,042	1,082,659	1,776,441
32	0	120,000	430,623	0	120,000	-10,720	1,071,939	1,553,432
33	0	120,000	314,205	0	120,000	-5,371	1,066,568	1,434,845
34	0	120,000	190,351	0	120,000	712	1,067,280	1,390,915
35	0	120,000	58,629	0	120,000	6,399	1,073,679	1,344,070
36	0	52,013	0	0	120,000	13,012	1,086,691	1,294,187
37	0	0	0	0	120,000	19,538	1,106,229	1,329,137
38	0	0	0	0	120,000	26,775	1,133,004	1,372,452
39	0	0	0	0	120,000	34,777	1,167,781	1,424,974
40	0	0	0	0	120,000	43,608	1,211,389	1,487,617
	644,180	1,852,013		644,180	2,400,000			

*See the accompanying reports entitled "Details of the Equity Account" and "Details of Portfolio Turnover" for year-by-year equity calculation and turnover details.

40 Year Summary

Management fees reflected in column (3): 0.75%

**This is an InsMark supplemental illustration for indexed universal life. In an actual presentation, this footnote refers to an accompanying basic illustration from a specific life insurance company with important details, caveats, and guarantees.

	Equity Account	Indexed UL
After Tax Payments	644,180	644,180
After Tax Cash Flow	1,852,013	2,400,000
Living Values	0	1,211,389
Death Benefit	0	1,487,617

Executive's Share of a Leveraged Deferred Compensation Plan vs. An Equity Account

Comparison Page: 3

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

For: Elizabeth Rand, MD

Date: [Current date appears here]

Female	Equity	Equity	Dividend	Income	Composite Capital	Portfolio	Indexed UL
Age	Account	Account	Tax Rate	Tax Rate	Gains Tax Rate*	Turnover	Interest Rate
40	7.50%	1.00%	25.00%	45.00%	30.00%	10.00%	7.50%

Year	Equity Account*			Indexed Universal Life				
	(1) Annual Deposit to the Account	(2) After Tax Cash Flow from the Account	(3) Year End Account Value	(4) Net Payment	(5) After Tax Policy Loan Proceeds	(6) Surrender Value Increase**	(7) Year End Surrender Value**	(8) Death Benefit
41	0	0	0	0	120,000	53,278	1,264,667	1,561,307
42	0	0	0	0	120,000	63,811	1,328,478	1,646,997
43	0	0	0	0	120,000	75,294	1,403,772	1,745,735
44	0	0	0	0	120,000	87,784	1,491,556	1,858,629
45	0	0	0	0	120,000	101,304	1,592,860	1,986,819
46	0	0	0	0	120,000	115,875	1,708,735	2,131,465
47	0	0	0	0	120,000	131,543	1,840,278	2,293,780
48	0	0	0	0	120,000	148,283	1,988,561	2,474,953
49	0	0	0	0	120,000	166,044	2,154,605	2,676,127
50	0	0	0	0	120,000	184,775	2,339,380	2,898,389
51	0	0	0	0	120,000	204,496	2,543,876	3,142,857
52	0	0	0	0	120,000	234,712	2,778,588	3,292,219
53	0	0	0	0	120,000	270,377	3,048,965	3,462,089
54	0	0	0	0	120,000	312,721	3,361,686	3,657,249
55	0	0	0	0	120,000	362,838	3,724,524	3,883,249
56	0	0	0	0	120,000	420,140	4,144,664	4,144,664
57	0	0	0	0	120,000	468,594	4,613,258	4,613,258
58	0	0	0	0	120,000	521,581	5,134,839	5,134,839
59	0	0	0	0	120,000	579,488	5,714,327	5,714,327
60	0	0	0	0	120,000	642,733	6,357,060	6,357,060
	644,180	1,852,013		644,180	4,800,000			

*See the accompanying reports entitled "Details of the Equity Account" and "Details of Portfolio Turnover" for year-by-year equity calculation and turnover details.

60 Year Summary

Management fees reflected in column (3): 0.75%

**This is an InsMark supplemental illustration for indexed universal life. In an actual presentation, this footnote refers to an accompanying basic illustration from a specific life insurance company with important details, caveats, and guarantees.

	Equity Account	Indexed UL
After Tax Payments	644,180	644,180
After Tax Cash Flow	1,852,013	4,800,000
Living Values	0	6,357,060
Death Benefit	0	6,357,060

Executive's Share of a Leveraged Deferred Compensation Plan vs. An Equity Account

MV Page: 1
Date: [Current date appears here]

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

For: Elizabeth Rand, MD

Female	Equity	Equity	Dividend	Income	Composite Capital	Portfolio	Indexed UL
Age	Account	Account	Tax Rate	Tax Rate	Gains Tax Rate*	Turnover	Interest Rate
40	Growth	Dividend	25.00%	45.00%	30.00%	10.00%	7.50%
	7.50%	1.00%					

Matching Values

Growth Required on an Equity Account in Addition to the Dividend Illustrated to Match Indexed Universal Life Policy Values over 60 Years.

		<u>Growth Required*</u>
To Match Surrender Value of:	\$6,357,060	10.23%
To match Death Benefit of:	\$6,357,060	10.23%

Income Tax Considerations

1. Equity Account: Capital gains tax calculations are taxed based on a ratio of asset value to remaining cost basis in any given year.
2. Indexed Universal Life:
 - a. Death Benefit including available cash value component is income tax free.
 - b. Loans are income tax free as long as the policy is kept in force.
 - c. Withdrawals and other non-loan policy cash flow up to cost basis (not in violation of IRC Section 7702) are income tax free as a return of premium.
 - d. Cash values shown assume most favorable combination of b and/or c.

This is an InsMark supplemental illustration for indexed universal life. In an actual presentation, this footnote refers to an accompanying basic illustration from a specific life insurance company with important details, caveats, and guarantees.

*Plus 1.00% dividend.

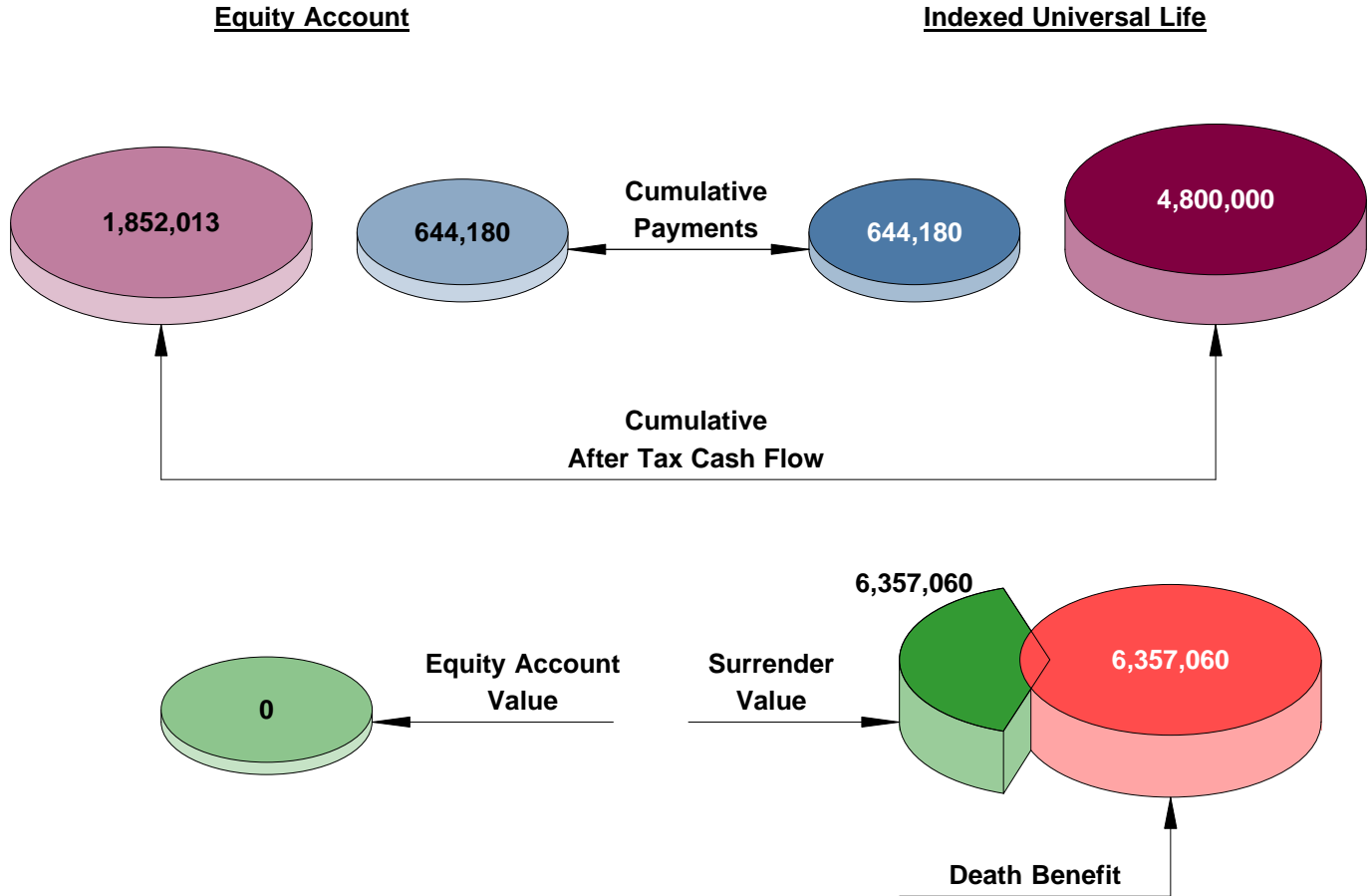
Executive's Share of a Leveraged Deferred Compensation Plan vs. An Equity Account

Date: [Current date appears here]

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

For: Elizabeth Rand, MD

60th Year Summary Analysis



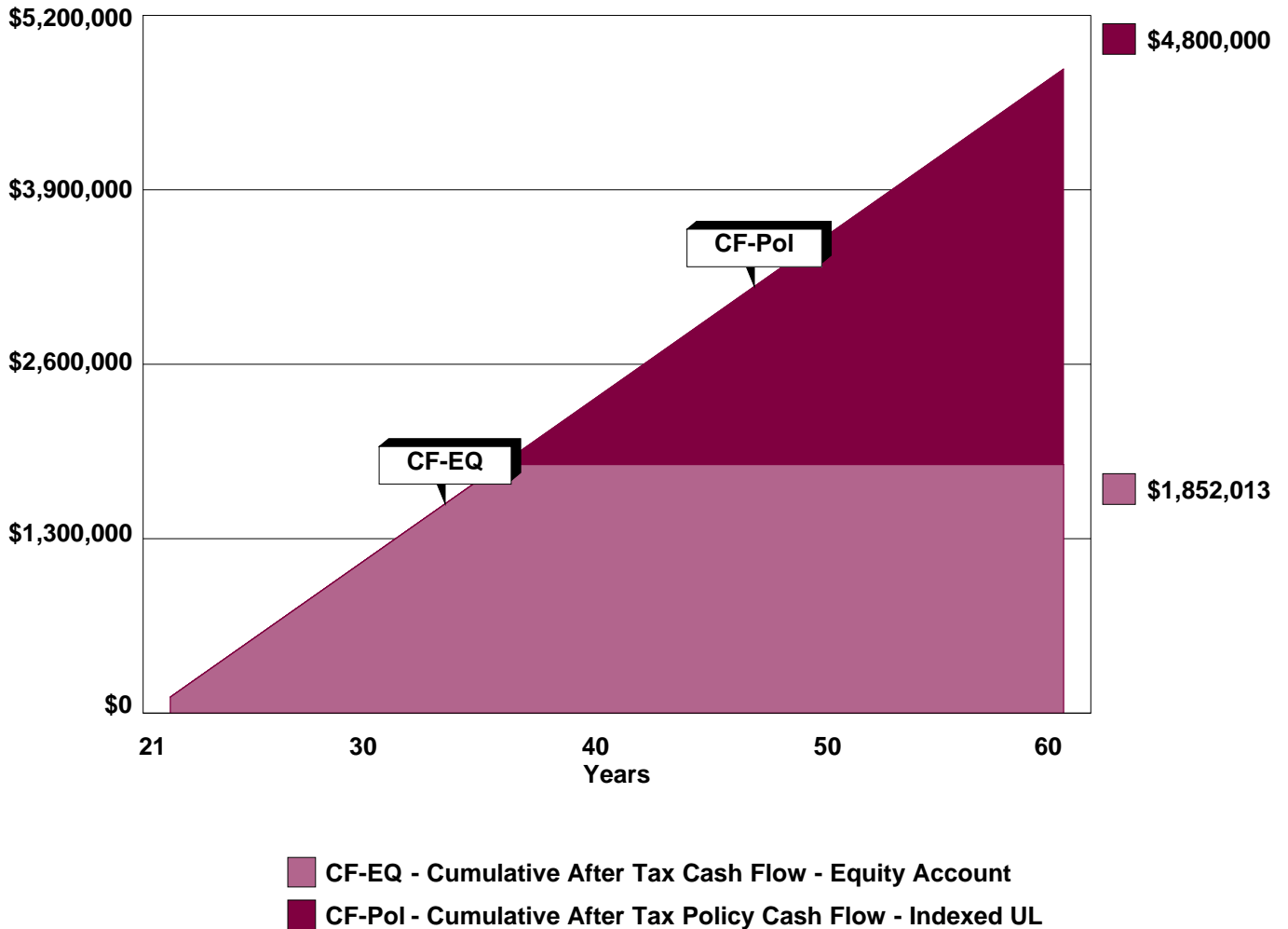
Executive's Share of a Leveraged Deferred Compensation Plan vs. An Equity Account

Date: [Current date appears here]

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

For: Elizabeth Rand, MD

Cash Flow Comparison Years 21 - 60



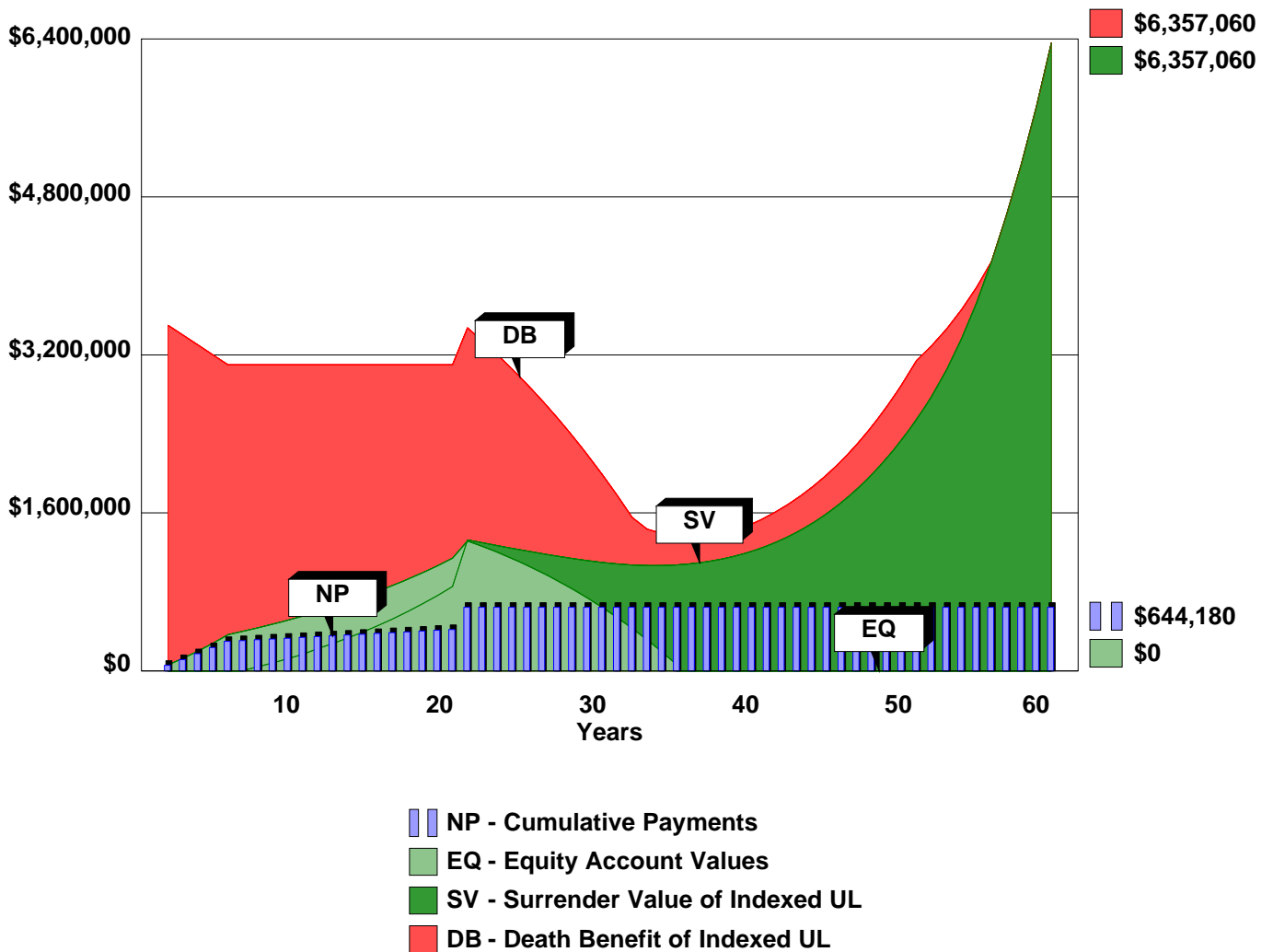
Executive's Share of a Leveraged Deferred Compensation Plan vs. An Equity Account

Date: [Current date appears here]

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

For: Elizabeth Rand, MD

60 Year Graphic Analysis



Details of the Equity Account

Equity Details Page: 1

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

For: Elizabeth Rand, MD

Date: [Current date appears here]

	Equity Account Growth 7.50%	Equity Account Dividend 1.00%	Dividend Tax Rate 25.00%	Income Tax Rate 45.00%	Composite Capital Gains Tax Rate* 30.00%	Turnover Assumption 10.00%				
Year	(1) Beginning of Year Account Value	(2) Annual Deposit	(3) Sale of Equities	(4) Capital Growth	(5) After Tax Reinvested Dividends	(6) Year End Value of Account Before Turnover	(7) Year End Value of Account After Turnover**	(8) After Tax Dividend Cash Flow	(9) After Tax Cash Flow from Equity Sales	(10) Combined After Tax Cash Flow
1	0	56,602	0	4,245	425	61,272	60,686	0	0	0
2	60,686	58,204	0	8,917	892	128,699	127,369	0	0	0
3	127,369	59,806	0	14,038	1,404	202,617	200,379	0	0	0
4	200,379	61,408	0	19,634	1,963	283,384	280,072	0	0	0
5	280,072	63,010	0	25,731	2,573	371,386	366,830	0	0	0
6	366,830	8,010	0	28,113	2,811	405,764	400,373	0	0	0
7	400,373	8,010	0	30,629	3,063	442,075	435,824	0	0	0
8	435,824	8,010	0	33,288	3,329	480,451	473,313	0	0	0
9	473,313	8,010	0	36,099	3,610	521,032	512,974	0	0	0
10	512,974	8,010	0	39,074	3,907	563,965	554,953	0	0	0
11	554,953	8,010	0	42,222	4,222	609,407	599,400	0	0	0
12	599,400	8,010	0	45,556	4,556	657,522	646,476	0	0	0
13	646,476	8,010	0	49,086	4,909	708,481	696,348	0	0	0
14	696,348	8,010	0	52,827	5,283	762,468	749,196	0	0	0
15	749,196	8,010	0	56,790	5,679	819,675	805,207	0	0	0
16	805,207	8,010	0	60,991	6,099	880,307	864,581	0	0	0
17	864,581	8,010	0	65,444	6,544	944,579	927,530	0	0	0
18	927,530	8,010	0	70,166	7,017	1,012,723	994,278	0	0	0
19	994,278	8,010	0	75,172	7,517	1,084,977	1,065,061	0	0	0
20	1,065,061	8,010	0	80,480	8,048	1,161,599	1,140,130	0	0	0
		419,180	0	838,502	83,851			0	0	0

*The composite capital gains tax rate includes 25.00% short-term gains subject to ordinary income tax and 75.00% long-term gains subject to capital gains tax. The individual tax rates used to create the composite tax rate are:

Capital Gains Tax: 25.00%

Income Tax: 45.00%

**Column (7) is reduced by a 0.75% management fee.

(To review turnover calculations, see the Details of Portfolio Turnover report.)

Capital gains tax calculations are based upon a ratio of asset value to remaining cost basis in any given year.

Details of the Equity Account

Equity Details Page: 2
Date: [Current date appears here]

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

For: Elizabeth Rand, MD

	Equity Account Growth 7.50%	Equity Account Dividend 1.00%	Dividend Tax Rate 25.00%	Income Tax Rate 45.00%	Composite Capital Gains Tax Rate* 30.00%	Turnover Assumption 10.00%				
Year	(1) Beginning of Year Account Value	(2) Annual Deposit	(3) Sale of Equities	(4) Capital Growth	(5) After Tax Reinvested Dividends	(6) Year End Value of Account Before Turnover	(7) Year End Value of Account After Turnover**	(8) After Tax Dividend Cash Flow	(9) After Tax Cash Flow from Equity Sales	(10) Combined After Tax Cash Flow
21	1,140,130	225,000	120,663	93,335	0	1,337,802	1,314,757	9,334	110,666	120,000
22	1,314,757	0	121,698	89,479	0	1,282,538	1,259,897	8,948	111,052	120,000
23	1,259,897	0	122,693	85,290	0	1,222,494	1,200,463	8,529	111,471	120,000
24	1,200,463	0	123,659	80,760	0	1,157,564	1,136,336	8,076	111,924	120,000
25	1,136,336	0	124,605	75,880	0	1,087,611	1,067,369	7,588	112,412	120,000
26	1,067,369	0	125,541	70,637	0	1,012,465	993,383	7,064	112,936	120,000
27	993,383	0	126,475	65,018	0	931,926	914,172	6,502	113,498	120,000
28	914,172	0	127,415	59,007	0	845,764	829,503	5,901	114,099	120,000
29	829,503	0	128,368	52,585	0	753,720	739,115	5,258	114,742	120,000
30	739,115	0	129,340	45,733	0	655,508	642,720	4,573	115,427	120,000
31	642,720	0	130,337	38,429	0	550,812	540,004	3,843	116,157	120,000
32	540,004	0	131,366	30,648	0	439,286	430,623	3,065	116,935	120,000
33	430,623	0	132,433	22,364	0	320,554	314,205	2,236	117,764	120,000
34	314,205	0	133,543	13,550	0	194,212	190,351	1,355	118,645	120,000
35	190,351	0	134,703	4,174	0	59,822	58,629	417	119,583	120,000
36	58,629	0	58,629	0	0	0	0	0	52,013	52,013
37	0	0	0	0	0	0	0	0	0	0
38	0	0	0	0	0	0	0	0	0	0
39	0	0	0	0	0	0	0	0	0	0
40	0	0	0	0	0	0	0	0	0	0
		644,180	1,971,468	1,665,391	83,851			82,689	1,769,324	1,852,013

*The composite capital gains tax rate includes 25.00% short-term gains subject to ordinary income tax and 75.00% long-term gains subject to capital gains tax. The individual tax rates used to create the composite tax rate are:
Capital Gains Tax: 25.00%
Income Tax: 45.00%

**Column (7) is reduced by a 0.75% management fee.
(To review turnover calculations, see the Details of Portfolio Turnover report.)

Capital gains tax calculations are based upon a ratio of asset value to remaining cost basis in any given year.

Details of the Equity Account

Equity Details Page: 3
Date: [Current date appears here]

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

For: Elizabeth Rand, MD

	Equity Account Growth 7.50%	Equity Account Dividend 1.00%	Dividend Tax Rate 25.00%	Income Tax Rate 45.00%	Composite Capital Gains Tax Rate* 30.00%	Turnover Assumption 10.00%						
Year	(1) Beginning of Year Account Value	(2) Annual Deposit	(3) Sale of Equities	(4) Capital Growth	(5) After Tax Reinvested Dividends	(6) Year End Value of Account Before Turnover	(7) Year End Value of Account After Turnover**	(8) After Tax Dividend Cash Flow	(9) After Tax Cash Flow from Equity Sales	(10) Combined After Tax Cash Flow		
41	0	0	0	0	0	0	0	0	0	0	0	0
42	0	0	0	0	0	0	0	0	0	0	0	0
43	0	0	0	0	0	0	0	0	0	0	0	0
44	0	0	0	0	0	0	0	0	0	0	0	0
45	0	0	0	0	0	0	0	0	0	0	0	0
46	0	0	0	0	0	0	0	0	0	0	0	0
47	0	0	0	0	0	0	0	0	0	0	0	0
48	0	0	0	0	0	0	0	0	0	0	0	0
49	0	0	0	0	0	0	0	0	0	0	0	0
50	0	0	0	0	0	0	0	0	0	0	0	0
51	0	0	0	0	0	0	0	0	0	0	0	0
52	0	0	0	0	0	0	0	0	0	0	0	0
53	0	0	0	0	0	0	0	0	0	0	0	0
54	0	0	0	0	0	0	0	0	0	0	0	0
55	0	0	0	0	0	0	0	0	0	0	0	0
56	0	0	0	0	0	0	0	0	0	0	0	0
57	0	0	0	0	0	0	0	0	0	0	0	0
58	0	0	0	0	0	0	0	0	0	0	0	0
59	0	0	0	0	0	0	0	0	0	0	0	0
60	0	0	0	0	0	0	0	0	0	0	0	0
		644,180	1,971,468	1,665,391	83,851			82,689	1,769,324	1,852,013		

*The composite capital gains tax rate includes 25.00% short-term gains subject to ordinary income tax and 75.00% long-term gains subject to capital gains tax. The individual tax rates used to create the composite tax rate are:
Capital Gains Tax: 25.00%
Income Tax: 45.00%

**Column (7) is reduced by a 0.75% management fee.
(To review turnover calculations, see the Details of Portfolio Turnover report.)

Capital gains tax calculations are based upon a ratio of asset value to remaining cost basis in any given year.

Details of Portfolio Turnover

Equity Account Details

Portfolio Turnover Page: 1
Date: [Current date appears here]

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

For: Elizabeth Rand, MD

	Equity Account Growth 7.50%	Equity Account Dividend 1.00%	Dividend Tax Rate 25.00%	Income Tax Rate 45.00%	Composite Capital Gains Tax Rate* 30.00%	Turnover Assumption 10.00%					
Year	(1) Beginning of Year Cost Basis	(2) Annual Deposit to the Account	(3) Sale of Equities to Fund Cash Flow	(4) Capital Growth	(5) After Tax Reinvested Dividends	(6) Account Value Before Turnover	(7) Adjusted Cost Basis	(8) Sale of Equities Caused by Turnover	(9) Cost Basis Used by Turnover	(10) After Tax Reinvested Turnover	(11) Year End Value of Account After Turnover**
1	0	56,602	0	4,245	425	61,272	57,027	6,127	5,703	6,000	60,686
2	57,324	58,204	0	8,917	892	128,699	116,420	12,870	11,642	12,502	127,369
3	117,280	59,806	0	14,038	1,404	202,617	178,490	20,262	17,849	19,538	200,379
4	180,179	61,408	0	19,634	1,963	283,384	243,550	28,338	24,355	27,143	280,072
5	246,338	63,010	0	25,731	2,573	371,386	311,921	37,139	31,192	35,355	366,830
6	316,084	8,010	0	28,113	2,811	405,764	326,904	40,576	32,690	38,211	400,373
7	332,425	8,010	0	30,629	3,063	442,075	343,498	44,208	34,350	41,250	435,824
8	350,398	8,010	0	33,288	3,329	480,451	361,737	48,045	36,174	44,484	473,313
9	370,047	8,010	0	36,099	3,610	521,032	381,667	52,103	38,167	47,922	512,974
10	391,423	8,010	0	39,074	3,907	563,965	403,339	56,397	40,334	51,578	554,953
11	414,583	8,010	0	42,222	4,222	609,407	426,815	60,941	42,682	55,463	599,400
12	439,597	8,010	0	45,556	4,556	657,522	452,163	65,752	45,216	59,591	646,476
13	466,538	8,010	0	49,086	4,909	708,481	479,457	70,848	47,946	63,977	696,348
14	495,489	8,010	0	52,827	5,283	762,468	508,782	76,247	50,878	68,636	749,196
15	526,540	8,010	0	56,790	5,679	819,675	540,229	81,968	54,023	73,584	805,207
16	559,790	8,010	0	60,991	6,099	880,307	573,899	88,031	57,390	78,838	864,581
17	595,348	8,010	0	65,444	6,544	944,579	609,901	94,458	60,990	84,418	927,530
18	633,329	8,010	0	70,166	7,017	1,012,723	648,356	101,272	64,836	90,341	994,278
19	673,862	8,010	0	75,172	7,517	1,084,977	689,389	108,498	68,939	96,630	1,065,061
20	717,080	8,010	0	80,480	8,048	1,161,599	733,138	116,160	73,314	103,306	1,140,130
		419,180									

*The composite capital gains tax rate includes 25.00% short-term gains subject to ordinary income tax and 75.00% long-term gains subject to capital gains tax. The individual tax rates used to create the composite tax rate are:

Capital Gains Tax: 25.00%

**Composite Tax is based by a 0.75% management fee.

Capital gains tax calculations are based upon a ratio of asset value to remaining cost basis in any given year.

Details of Portfolio Turnover

Equity Account Details

Portfolio Turnover Page: 2
Date: [Current date appears here]

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

For: Elizabeth Rand, MD

	Equity Account Growth 7.50%	Equity Account Dividend 1.00%	Dividend Tax Rate 25.00%	Income Tax Rate 45.00%	Composite Capital Gains Tax Rate* 30.00%	Turnover Assumption 10.00%					
Year	(1) Beginning of Year Cost Basis	(2) Annual Deposit to the Account	(3) Sale of Equities to Fund Cash Flow	(4) Capital Growth	(5) After Tax Reinvested Dividends	(6) Account Value Before Turnover	(7) Adjusted Cost Basis	(8) Sale of Equities Caused by Turnover	(9) Cost Basis Used by Turnover	(10) After Tax Reinvested Turnover	(11) Year End Value of Account After Turnover**
21	763,130	225,000	120,663	93,335	0	1,337,802	900,790	133,780	90,079	120,670	1,314,757
22	931,381	0	121,698	89,479	0	1,282,538	845,169	128,254	84,517	115,133	1,259,897
23	875,785	0	122,693	85,290	0	1,222,494	790,498	122,249	79,050	109,290	1,200,463
24	820,738	0	123,659	80,760	0	1,157,564	736,194	115,756	73,619	103,115	1,136,336
25	765,690	0	124,605	75,880	0	1,087,611	681,728	108,761	68,173	96,585	1,067,369
26	710,140	0	125,541	70,637	0	1,012,465	626,615	101,247	62,662	89,671	993,383
27	653,625	0	126,475	65,018	0	931,926	570,407	93,193	57,041	82,347	914,172
28	595,713	0	127,415	59,007	0	845,764	512,684	84,576	51,268	74,584	829,503
29	536,000	0	128,368	52,585	0	753,720	453,052	75,372	45,305	66,352	739,115
30	474,099	0	129,340	45,733	0	655,508	391,135	65,551	39,114	57,620	642,720
31	409,641	0	130,337	38,429	0	550,812	326,570	55,081	32,657	48,354	540,004
32	342,267	0	131,366	30,648	0	439,286	259,004	43,929	25,900	38,520	430,623
33	271,624	0	132,433	22,364	0	320,554	188,090	32,055	18,809	28,081	314,205
34	197,362	0	133,543	13,550	0	194,212	113,480	19,421	11,348	16,999	190,351
35	119,131	0	134,703	4,174	0	59,822	34,827	5,982	3,483	5,232	58,629
36	36,577	0	58,629	0	0	0	0	0	0	0	0
37	0	0	0	0	0	0	0	0	0	0	0
38	0	0	0	0	0	0	0	0	0	0	0
39	0	0	0	0	0	0	0	0	0	0	0
40	0	0	0	0	0	0	0	0	0	0	0
		644,180									

*The composite capital gains tax rate includes 25.00% short-term gains subject to ordinary income tax and 75.00% long-term gains subject to capital gains tax. The individual tax rates used to create the composite tax rate are:

Capital Gains Tax: 25.00%

**Composite Tax is based by a 0.75% management fee.

Capital gains tax calculations are based upon a ratio of asset value to remaining cost basis in any given year.

Details of Portfolio Turnover

Equity Account Details

Portfolio Turnover Page: 3
Date: [Current date appears here]

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

For: Elizabeth Rand, MD

	Equity Account Growth 7.50%	Equity Account Dividend 1.00%	Dividend Tax Rate 25.00%	Income Tax Rate 45.00%	Composite Capital Gains Tax Rate* 30.00%	Turnover Assumption 10.00%					
Year	(1) Beginning of Year Cost Basis	(2) Annual Deposit to the Account	(3) Sale of Equities to Fund Cash Flow	(4) Capital Growth	(5) After Tax Reinvested Dividends	(6) Account Value Before Turnover	(7) Adjusted Cost Basis	(8) Sale of Equities Caused by Turnover	(9) Cost Basis Used by Turnover	(10) After Tax Reinvested Turnover	(11) Year End Value of Account After Turnover**
41	0	0	0	0	0	0	0	0	0	0	0
42	0	0	0	0	0	0	0	0	0	0	0
43	0	0	0	0	0	0	0	0	0	0	0
44	0	0	0	0	0	0	0	0	0	0	0
45	0	0	0	0	0	0	0	0	0	0	0
46	0	0	0	0	0	0	0	0	0	0	0
47	0	0	0	0	0	0	0	0	0	0	0
48	0	0	0	0	0	0	0	0	0	0	0
49	0	0	0	0	0	0	0	0	0	0	0
50	0	0	0	0	0	0	0	0	0	0	0
51	0	0	0	0	0	0	0	0	0	0	0
52	0	0	0	0	0	0	0	0	0	0	0
53	0	0	0	0	0	0	0	0	0	0	0
54	0	0	0	0	0	0	0	0	0	0	0
55	0	0	0	0	0	0	0	0	0	0	0
56	0	0	0	0	0	0	0	0	0	0	0
57	0	0	0	0	0	0	0	0	0	0	0
58	0	0	0	0	0	0	0	0	0	0	0
59	0	0	0	0	0	0	0	0	0	0	0
60	0	0	0	0	0	0	0	0	0	0	0
	644,180										

*The composite capital gains tax rate includes 25.00% short-term gains subject to ordinary income tax and 75.00% long-term gains subject to capital gains tax. The individual tax rates used to create the composite tax rate are:

Capital Gains Tax: 25.00%

**Column (1) is based by a 0.75% management fee.

Capital gains tax calculations are based upon a ratio of asset value to remaining cost basis in any given year.

Executive's Share of a Leveraged Deferred Compensation Plan
vs.
An Equity Account

Taxation of Cash Flow

With equity accounts, dividends are taxed and the after tax balance either reinvested or used for scheduled cash flow. Capital gains tax calculations are based upon a ratio of asset value to remaining cost basis in any given year.

With cash value life insurance policies, withdrawals (also known as partial surrenders) are tax free up to cost basis and taxable thereafter. Policy loans are tax free so long as the policy stays in force until death. The source of the cash flow from the life insurance policy in this presentation is policy loans.

Note: Policy loans reduce policy 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 a professional tax adviser if you have any questions about this issue.

Supplemental Report

Date: [Current date appears here]

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

IRS Circular 230 Disclosure

This statement is required by IRS regulations (31 CFR Part 10, §10.35): Circular 230 disclaimer:

In order to comply with requirements imposed by the IRS which may apply to the accompanying documents (including any attachments, enclosures, or referred material) as distributed or as re-circulated, please be advised that the material contained herein is not intended or written to be used, and it cannot be used, by anyone for the purposes of avoiding any penalty that may be imposed by the Internal Revenue Service under the Internal Revenue Code. In the event that the accompanying material (including any attachments, enclosures, or referred material) is also considered to be a "marketed opinion" within the meaning of the IRS guidance, then, as required by the IRS, please be further advised that the material is written to support the promotions or marketing of the transactions or matters addressed, and based on the particular circumstances, you should seek advice from an independent tax advisor.

Important Note

The information in the accompanying material is for educational purposes only. In all cases, the approval of a client's legal and tax advisers must be secured regarding the implementation or modification of any planning technique as well as the applicability and consequences of new cases, rulings, or legislation upon existing or impending plans.