

Preface

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.

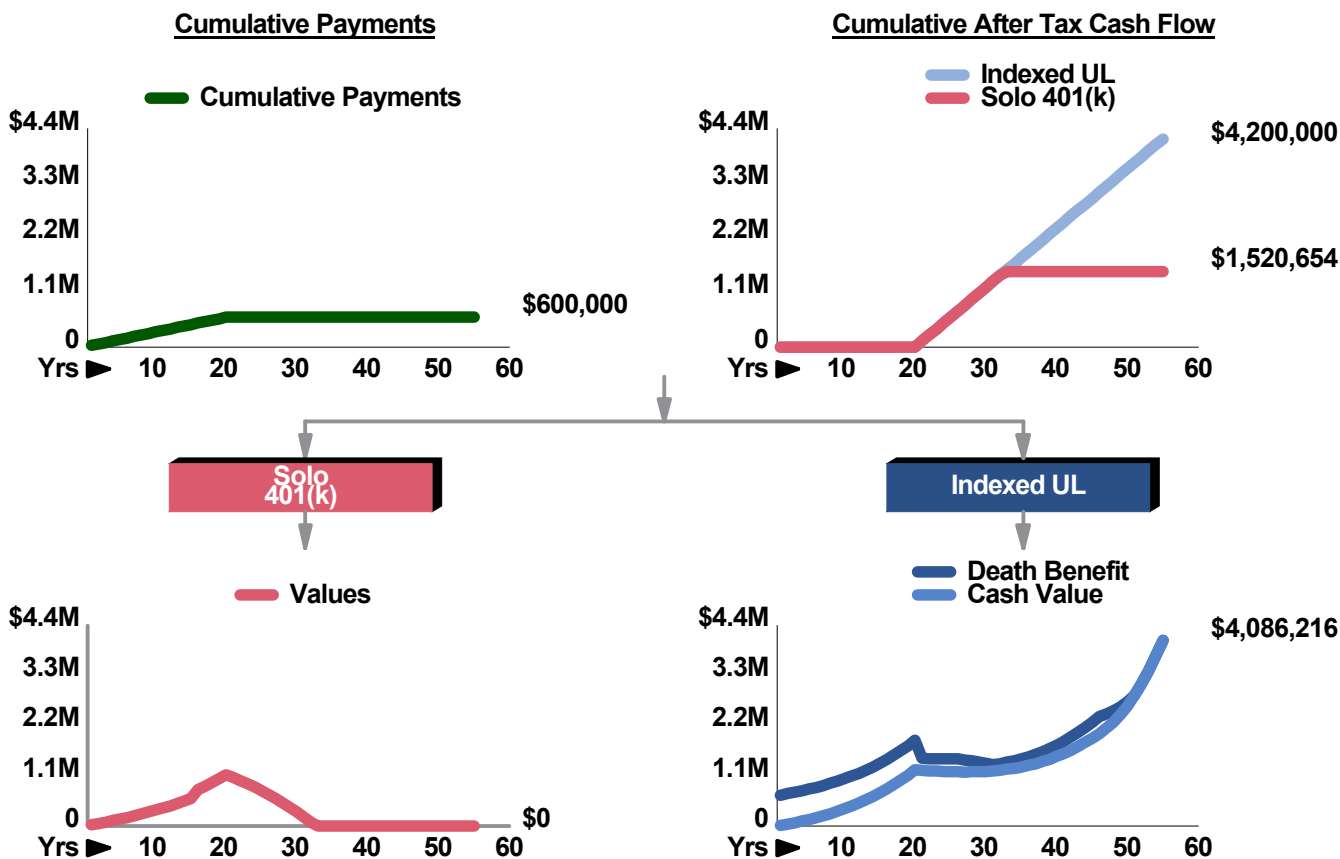
To help you make an informed decision about acquiring the policy, the accompanying presentation shows financial data regarding life insurance compared to a Solo 401(k).

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. Tax free access to cash values via policy loans;
5. Income tax free death benefits;
6. Probate free death benefits;
7. Privacy of all transactions;
8. 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 graphic assumes the non-guaranteed values shown continue in all years. This is not likely, and actual results may be more or less favorable.

Solo 401(k) vs. Indexed Universal Life

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

Insured: Harvey Pierce, MD

Comparison of Values

Solo 401(k) Yield 7.00% Income Tax Rate 40.00% Indexed UL Interest Rate 6.85% Initial Payment 30,000 Initial Death Benefit 650,000

Yr	Male Age	Solo 401(k)					Indexed Universal Life					
		(1) Tax Deductible Deposits to the Solo 401(k)	(2) After Tax Equivalent of Solo 401(k) Deposit*	(3) After Tax Withdrawal from the Solo 401(k)**	(4) Year End Value of Solo 401(k)	(5) Year End Value of Solo 401(k) if Distributed	(6) After Tax Death Benefit of Solo 401(k)	(7) Policy Premium	(8) After Tax Policy Loan Proceeds	(9) Year End Accum Value***	(10) Year End Cash Value***	(11) Death Benefit
1	45	50,000	30,000	0	52,831	26,416	31,699	30,000	0	27,302	8,407	677,302
2	46	50,000	30,000	0	108,654	54,327	65,192	30,000	0	56,510	37,881	706,510
3	47	50,000	30,000	0	167,638	83,819	100,583	30,000	0	87,699	69,350	737,699
4	48	50,000	30,000	0	229,962	114,981	137,977	30,000	0	121,147	103,090	771,147
5	49	50,000	30,000	0	295,815	147,908	177,489	30,000	0	157,109	139,351	807,109
6	50	50,000	30,000	0	365,397	182,699	219,238	30,000	0	195,834	178,382	845,834
7	51	50,000	30,000	0	438,919	219,460	263,351	30,000	0	237,567	220,426	887,567
8	52	50,000	30,000	0	516,604	258,302	309,962	30,000	0	282,543	268,263	932,543
9	53	50,000	30,000	0	598,688	299,344	359,213	30,000	0	330,995	319,568	980,995
10	54	50,000	30,000	0	685,420	342,710	411,252	30,000	0	384,485	375,918	1,034,485
11	55	50,000	30,000	0	777,063	388,532	466,238	30,000	0	442,118	436,404	1,092,118
12	56	50,000	30,000	0	873,895	436,948	524,337	30,000	0	504,214	501,361	1,154,214
13	57	50,000	30,000	0	976,211	488,106	585,727	30,000	0	572,624	572,624	1,222,624
14	58	50,000	30,000	0	1,084,320	542,160	650,592	30,000	0	646,398	646,398	1,296,398
15	59	50,000	30,000	0	1,198,550	599,275	719,130	30,000	0	725,992	725,992	1,375,992
16	60	50,000	30,000	0	1,319,250	791,550	791,550	30,000	0	811,743	811,743	1,461,743
17	61	50,000	30,000	0	1,446,784	868,070	868,070	30,000	0	904,196	904,196	1,554,196
18	62	50,000	30,000	0	1,581,540	948,924	948,924	30,000	0	1,003,941	1,003,941	1,653,941
19	63	50,000	30,000	0	1,723,926	1,034,356	1,034,356	30,000	0	1,111,601	1,111,601	1,761,601
20	64	50,000	30,000	0	1,874,375	1,124,625	1,124,625	30,000	0	1,227,803	1,227,803	1,877,803
21	65	0	0	120,000	1,769,186	1,061,512	1,061,512	0	120,000	1,322,830	1,217,830	1,482,396
22	66	0	0	120,000	1,658,041	994,825	994,825	0	120,000	1,424,062	1,208,812	1,479,384
23	67	0	0	120,000	1,540,603	924,362	924,362	0	120,000	1,531,917	1,200,905	1,476,650
24	68	0	0	120,000	1,416,514	849,908	849,908	0	120,000	1,646,826	1,194,263	1,474,223
25	69	0	0	120,000	1,285,399	771,239	771,239	0	120,000	1,769,248	1,189,057	1,472,137
26	70	0	0	120,000	1,146,860	688,116	688,116	0	120,000	1,899,700	1,185,499	1,470,454
27	71	0	0	120,000	1,000,476	600,286	600,286	0	120,000	2,038,968	1,184,057	1,449,123
28	72	0	0	120,000	845,803	507,482	507,482	0	120,000	2,187,741	1,185,085	1,425,736
29	73	0	0	120,000	682,371	409,423	409,423	0	120,000	2,346,789	1,189,000	1,400,211
30	74	0	0	120,000	509,685	305,811	305,811	0	120,000	2,516,966	1,196,287	1,372,474
		1,000,000	600,000	1,200,000				600,000	1,200,000			

Note: Solo 401(k) values do not reflect market rate adjustments, if any. Solo 401(k) is assessed: Tax on withdrawals. Entries in Column (3) are after tax.

Management fees reflected in column (5): 1.25%

*Equal to Column (7)

**Solo 401(k) withdrawal has been grossed up to account for the income tax required to produce the after tax number shown in Column (3).

***This illustration assumes the nonguaranteed values continue in all years. This is not likely, and actual results may be more or less favorable. This illustration is not valid unless accompanied by a basic illustration from the issuing life insurance company.

30 Year Summary

	Solo 401(k)	Indexed UL
After Tax Payments	600,000	600,000
After Tax Cash Flow	1,200,000	1,200,000
Living Values	305,811	1,196,287
Death Benefit	305,811	1,372,474

Solo 401(k) vs. Indexed Universal Life

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

Insured: Harvey Pierce, MD

Comparison of Values

Solo 401(k) Yield 7.00% Income Tax Rate 40.00% Indexed UL Interest Rate 6.85% Initial Payment 30,000 Initial Death Benefit 650,000

		Solo 401(k)						Indexed Universal Life				
Yr	Male Age	(1) Tax Deductible Deposits to the Solo 401(k)	(2) After Tax Equivalent of Solo 401(k) Deposit*	(3) After Tax Withdrawal from the Solo 401(k)**	(4) Year End Value of Solo 401(k)	(5) Year End Value of Solo 401(k) if Distributed	(6) After Tax Death Benefit of Solo 401(k)	(7) Policy Premium	(8) After Tax Policy Loan Proceeds	(9) Year End Accum Value***	(10) Year End Cash Value***	(11) Death Benefit
31	75	0	0	120,000	327,221	196,333	196,333	0	120,000	2,699,233	1,207,520	1,342,482
32	76	0	0	120,000	134,424	80,654	80,654	0	120,000	2,893,742	1,222,444	1,367,131
33	77	0	0	80,654	0	0	0	0	120,000	3,101,313	1,241,449	1,396,515
34	78	0	0	0	0	0	0	0	120,000	3,322,804	1,264,948	1,431,088
35	79	0	0	0	0	0	0	0	120,000	3,559,141	1,293,392	1,471,349
36	80	0	0	0	0	0	0	0	120,000	3,811,240	1,327,204	1,517,766
37	81	0	0	0	0	0	0	0	120,000	4,079,940	1,366,702	1,570,699
38	82	0	0	0	0	0	0	0	120,000	4,366,226	1,412,326	1,630,637
39	83	0	0	0	0	0	0	0	120,000	4,671,090	1,464,495	1,698,049
40	84	0	0	0	0	0	0	0	120,000	4,995,494	1,523,569	1,773,344
41	85	0	0	0	0	0	0	0	120,000	5,340,336	1,589,814	1,856,831
42	86	0	0	0	0	0	0	0	120,000	5,706,559	1,663,512	1,948,840
43	87	0	0	0	0	0	0	0	120,000	6,094,938	1,744,738	2,049,485
44	88	0	0	0	0	0	0	0	120,000	6,505,939	1,833,229	2,158,526
45	89	0	0	0	0	0	0	0	120,000	6,940,034	1,928,689	2,275,690
46	90	0	0	0	0	0	0	0	120,000	7,397,407	2,030,494	2,400,365
47	91	0	0	0	0	0	0	0	120,000	7,887,311	2,147,053	2,462,545
48	92	0	0	0	0	0	0	0	120,000	8,414,658	2,282,387	2,534,827
49	93	0	0	0	0	0	0	0	120,000	8,985,955	2,442,070	2,621,790
50	94	0	0	0	0	0	0	0	120,000	9,609,431	2,633,352	2,729,446
51	95	0	0	0	0	0	0	0	120,000	10,294,946	2,865,063	2,865,063
52	96	0	0	0	0	0	0	0	120,000	11,029,925	3,123,548	3,123,548
53	97	0	0	0	0	0	0	0	120,000	11,818,046	3,411,350	3,411,350
54	98	0	0	0	0	0	0	0	120,000	12,663,268	3,731,237	3,731,237
55	99	0	0	0	0	0	0	0	120,000	13,569,849	4,086,216	4,086,216

1,000,000 600,000 1,520,654

600,000 4,200,000

Note: Solo 401(k) values do not reflect market rate adjustments, if any. Solo 401(k) is assessed: Tax on withdrawals. Entries in Column (3) are after tax.

Management fees reflected in column (5): 1.25%

*Equal to Column (7)

**Solo 401(k) withdrawal has been grossed up to account for the income tax required to produce the after tax number shown in Column (3).

***This illustration assumes the nonguaranteed values continue in all years. This is not likely, and actual results may be more or less favorable. This illustration is not valid unless accompanied by a basic illustration from the issuing life insurance company.

55 Year Summary

	Solo 401(k)	Indexed UL
After Tax Payments	600,000	600,000
After Tax Cash Flow	1,520,654	4,200,000
Living Values	0	4,086,216
Death Benefit	0	4,086,216

Solo 401(k) vs. Indexed Universal Life

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

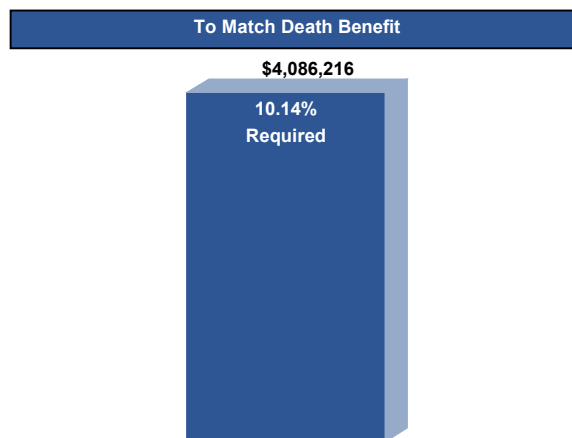
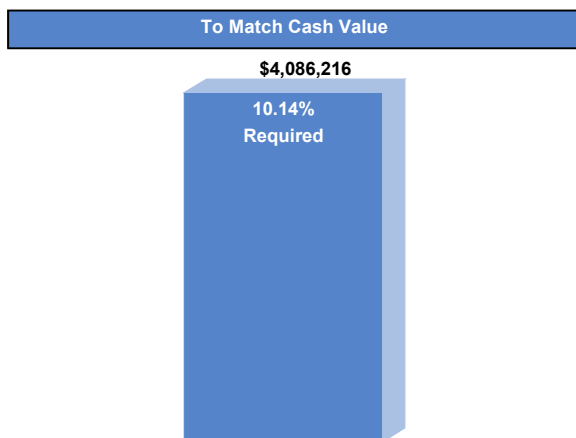
Insured: Harvey Pierce, MD

Matching Values at Age 99 (Year 55)

Male	Solo 401(k)	Income	Indexed UL	Initial	Initial
Age	Yield	Tax Rate	Interest Rate	Payment	Death Benefit
45	7.00%	40.00%	6.85%	30,000	650,000

Gross Interest Rate Required on Solo 401(k) to Match Indexed Universal Life Policy Values over 55 Years.

	Gross Interest Rate Required
To match Cash Value of: \$4,086,216	10.14%
To match Death Benefit of: \$4,086,216	10.14%



Income Tax Considerations

1. Solo 401(k): Interest is tax deferred.
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(A)) are income tax free as a return of premium.
 - d. Cash values shown assume most favorable combination of b and/or c.

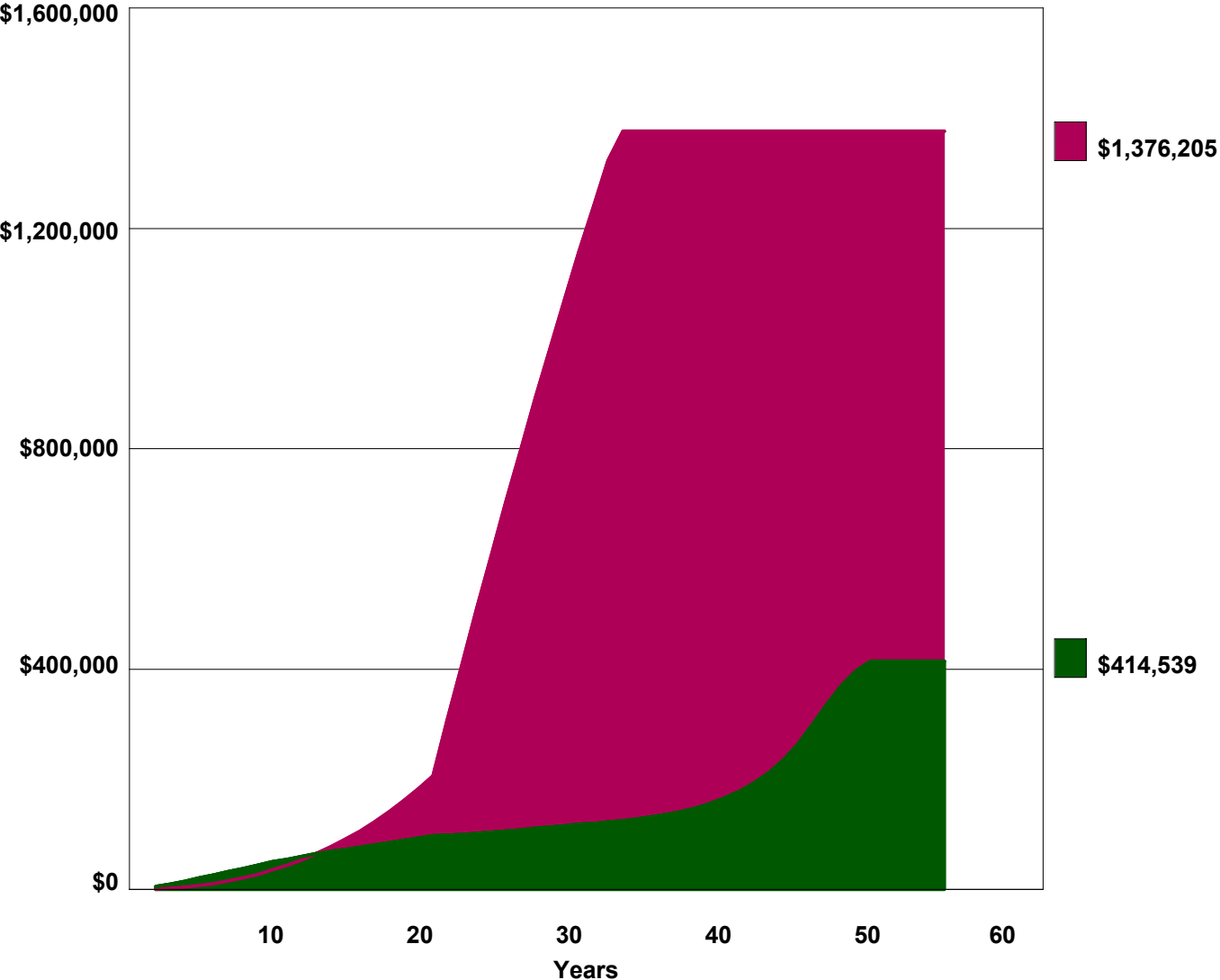
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Solo 401(k) vs. Indexed Universal Life

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

Insured: Harvey Pierce, MD

55 Year Analysis of Cumulative Plan Costs



At Year 55

Indexed UL Costs* \$414,539
Solo 401(k) Costs* \$1,376,205

*The Comparison of Plan Costs graphic above compares the management fees and/or taxes of the investment alternative to the mortality charges, policy expenses and income taxes (if applicable) associated with the life insurance policy.

Solo 401(k) vs. Indexed Universal Life

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

Insured: Harvey Pierce, MD

Comparison of Plan Costs

		Solo 401(k) Yield 7.00%	Income Tax Rate 40.00%	Indexed UL Interest Rate 6.85%	Initial Death Benefit 650,000			
		Solo 401(k)				Indexed Universal Life*		
Year	Male Age	(1) Policy Premium	(2) Mgmt Fee	(3) Taxes	(4) Solo 401(k) Total Annual Costs	(5) Solo 401(k) Cumulative Total Costs	(6) Policy Total Annual Costs	(7) Policy Cumulative Total Costs
1	45	30,000	669	0	669	669	4,785	4,785
2	46	30,000	1,375	0	1,375	2,044	5,036	9,821
3	47	30,000	2,122	0	2,122	4,166	5,358	15,179
4	48	30,000	2,911	0	2,911	7,077	5,565	20,744
5	49	30,000	3,744	0	3,744	10,821	5,700	26,444
6	50	30,000	4,625	0	4,625	15,446	5,785	32,229
7	51	30,000	5,556	0	5,556	21,002	5,849	38,078
8	52	30,000	6,539	0	6,539	27,541	5,914	43,992
9	53	30,000	7,578	0	7,578	35,119	6,003	49,995
10	54	30,000	8,676	0	8,676	43,795	4,900	54,895
11	55	30,000	9,836	0	9,836	53,631	4,999	59,894
12	56	30,000	11,062	0	11,062	64,693	5,103	64,997
13	57	30,000	12,357	0	12,357	77,050	3,775	68,772
14	58	30,000	13,726	0	13,726	90,776	3,836	72,608
15	59	30,000	15,172	0	15,172	105,948	3,868	76,476
16	60	30,000	16,699	0	16,699	122,647	4,020	80,496
17	61	30,000	18,314	0	18,314	140,961	4,119	84,615
18	62	30,000	20,019	0	20,019	160,980	4,161	88,776
19	63	30,000	21,822	0	21,822	182,802	4,161	92,937
20	64	30,000	23,726	0	23,726	206,528	4,161	97,098
21	65	0	22,395	80,000	102,395	308,923	1,259	98,357
22	66	0	20,988	80,000	100,988	409,911	1,444	99,801
23	67	0	19,501	80,000	99,501	509,412	1,647	101,448
24	68	0	17,931	80,000	97,931	607,343	1,884	103,332
25	69	0	16,271	80,000	96,271	703,614	2,156	105,488
26	70	0	14,517	80,000	94,517	798,131	2,441	107,929
27	71	0	12,664	80,000	92,664	890,795	2,516	110,445
28	72	0	10,706	80,000	90,706	981,501	2,533	112,978
29	73	0	8,638	80,000	88,638	1,070,139	2,460	115,438
30	74	0	6,452	80,000	86,452	1,156,591	2,275	117,713
		600,000	356,591	800,000	1,156,591		117,713	

30 Year Summary

	Cumulative Plan Costs	After Tax Cash Flow	Living Value	Death Benefit
Solo 401(k)	1,156,591	1,200,000	305,811	305,811
Indexed UL	117,713	1,200,000	1,196,287	1,372,474

*This illustration assumes the nonguaranteed values continue in all years. This is not likely, and actual results may be more or less favorable. This illustration is not valid unless accompanied by a basic illustration from the issuing life insurance company.

Solo 401(k) vs. Indexed Universal Life

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

Insured: Harvey Pierce, MD

Comparison of Plan Costs

		Solo 401(k) Yield 7.00%	Income Tax Rate 40.00%	Indexed UL Interest Rate 6.85%	Initial Death Benefit 650,000			
		Solo 401(k)				Indexed Universal Life*		
Year	Male Age	(1) Policy Premium	(2) Mgmt Fee	(3) Taxes	(4) Solo 401(k) Total Annual Costs	(5) Solo 401(k) Cumulative Total Costs	(6) Policy Total Annual Costs	(7) Policy Cumulative Total Costs
31	75	0	4,142	80,000	84,142	1,240,733	1,932	119,645
32	76	0	1,702	80,000	81,702	1,322,435	2,279	121,924
33	77	0	0	53,770	53,770	1,376,205	2,683	124,607
34	78	0	0	0	0	1,376,205	3,163	127,770
35	79	0	0	0	0	1,376,205	3,718	131,488
36	80	0	0	0	0	1,376,205	4,419	135,907
37	81	0	0	0	0	1,376,205	5,407	141,314
38	82	0	0	0	0	1,376,205	6,601	147,915
39	83	0	0	0	0	1,376,205	8,061	155,976
40	84	0	0	0	0	1,376,205	9,887	165,863
41	85	0	0	0	0	1,376,205	12,208	178,071
42	86	0	0	0	0	1,376,205	15,040	193,111
43	87	0	0	0	0	1,376,205	18,612	211,723
44	88	0	0	0	0	1,376,205	23,269	234,992
45	89	0	0	0	0	1,376,205	29,035	264,027
46	90	0	0	0	0	1,376,205	36,213	300,240
47	91	0	0	0	0	1,376,205	36,115	336,355
48	92	0	0	0	0	1,376,205	33,597	369,952
49	93	0	0	0	0	1,376,205	27,495	397,447
50	94	0	0	0	0	1,376,205	16,642	414,089
51	95	0	0	0	0	1,376,205	90	414,179
52	96	0	0	0	0	1,376,205	90	414,269
53	97	0	0	0	0	1,376,205	90	414,359
54	98	0	0	0	0	1,376,205	90	414,449
55	99	0	0	0	0	1,376,205	90	414,539
		600,000	362,435	1,013,770	1,376,205		414,539	

55 Year Summary

	Cumulative Plan Costs	After Tax Cash Flow	Living Value	Death Benefit
Solo 401(k)	1,376,205	1,520,654	0	0
Indexed UL	414,539	4,200,000	4,086,216	4,086,216

*This illustration assumes the nonguaranteed values continue in all years. This is not likely, and actual results may be more or less favorable. This illustration is not valid unless accompanied by a basic illustration from the issuing life insurance company.

Taxation of Cash Flow

With tax deductible retirement plans, withdrawals (partial surrenders) are taxable. Due to this, cash flow illustrated from the tax deductible retirement plan in this presentation is the after tax result of withdrawals of a higher amount.

With cash value life insurance policies, withdrawals (also known as partial surrenders) are income-tax free up to cost basis and taxable thereafter. Policy loans are income-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.

Cash Flow Analysis In Year 21

Below is an analysis of tax calculations on cash flow in the first year that cash flow from the Solo 401(k) and Indexed Universal Life is illustrated.

Solo 401(k)

\$200,000 total withdrawal @ 40.00% tax which nets \$120,000

Indexed Universal Life

There are no tax calculations required for the life insurance policy since policy loans are not taxable

On the solo 401(k), withdrawal(s) made prior to age 59½ are assessed an additional 10.00% tax. On the life insurance policy, withdrawals up to cost basis (not in violation of IRC Section 7702) are income tax free.