

Executive Trifecta®

(for Key Non-Partner Executives of Partnerships)

Key Executive Coverage, Survivor Income Benefit, and Subsequent Transfer of Policy to Key Executive

"Trifecta" refers to a winning sequence of three, and Executive Trifecta delivers three, very powerful, sequential benefits:

- 1) Selected non-partner executives whose deaths would cause a serious financial loss for the Partnership are insured in favor of the Partnership thereby providing indemnification for such a loss.
- 2) During their participation, each insured executive is provided with Partnership-paid survivor income benefits should death occur while employed.
- 3) At the executive's retirement, disability, or involuntary severance from employment without cause, all as described in the Agreement between the parties, the life insurance policy is contractually transferred to the participating executive (as a deferred bonus) thereby creating a supplemental retirement asset. After the policy transfer, any payment of the life insurance death benefit is made directly to the executive's personal beneficiaries.

Part 1: Key Executive Coverage

Most firms would not consider operating without insuring against the loss of its property. The same logic should apply to its human capital -- a far more vital asset to the successful continuation of any business. Property can be rebuilt; not so with a human life.

In order to recognize the value of a key executive, a life insurance policy on the executive's life made payable to the Partnership is a prudent strategy. This coverage can provide needed cash to:

- a) Recover the costs of locating a replacement;
- b) Recover the loss of profits while training a replacement;
- c) Recover the permanent loss of profits if the executive is "irreplaceable";
- d) Assure creditors and suppliers that their loans and receivables are safe;
- e) Assure customers that the Partnership will continue its operations;

Features of this coverage for the Partnership are:

- a) Discriminatory participation as to the selection of participants;
- b) Income tax free policy death benefits;
- c) No regulatory approval required and negligible plan administration.

Part 2: Survivor Income Benefit

With Executive Trifecta, the Partnership contractually agrees to pay scheduled amounts of income to the survivors of a participating executive. This provides the executive with:

- a) A source of continuing family income;
- b) Relief from purchasing expensive personal life insurance.

Features of this coverage for the Partnership are:

- a) Discriminatory participation as to the selection of participants;
- b) Deductible benefit payments;
- c) No regulatory approval required and negligible plan administration.

Part 3: Policy Transfer

At the executive's retirement, disability, or involuntary severance from employment without cause, all as described in the Agreement between the parties, the Partnership transfers ownership of the policy to the participating executive who, in turn, names personal beneficiaries. This provides the executive with:

- a) Policy cash values for use as a supplemental retirement asset;
- b) Income tax free policy death benefits for personal beneficiaries.

Conclusion

Executive Trifecta facilitates a nurturing environment that rewards key executives while simultaneously providing indemnification for the Partnership in the event of the untimely death of a covered participant.

Be sure to consult with your own tax attorney and accountant before entering into this or any other arrangement involving tax, legal, and economic considerations.

Executive Trifecta Using Equity Indexed Universal Life

Illustration of Values of The Policy Used in the Plan

Values Page: 1
Date: 03/28/2008

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

Insured: Ted Coombs
Plan Sponsor: Baker, Simms, and Caldwell
Partnership

| | Male Age | Eq. Indexed UL Interest Rate | Initial Premium | Initial Death Benefit | |
|------|------------------------|---------------------------------|------------------------------|-----------------------------|-----------------------------|
| | 45 | 8.50% | 25,000 | 1,529,322 | |
| Year | (1) Premium Payment | (2) Pre-Tax Policy Cash Flow | (3) Year End Accum Value* | (4) Year End Cash Value* | (5) Policy Death Benefit |
| 1 | 25,000 | 0 | 23,148 | 1,737 | 1,529,322 |
| 2 | 25,000 | 0 | 48,241 | 5,420 | 1,529,322 |
| 3 | 25,000 | 0 | 75,337 | 29,764 | 1,529,322 |
| 4 | 25,000 | 0 | 104,601 | 59,027 | 1,529,322 |
| 5 | 25,000 | 0 | 136,213 | 90,639 | 1,529,322 |
| 6 | 25,000 | 0 | 170,395 | 127,100 | 1,529,322 |
| 7 | 25,000 | 0 | 207,290 | 166,730 | 1,529,322 |
| 8 | 25,000 | 0 | 247,152 | 209,781 | 1,529,322 |
| 9 | 25,000 | 0 | 290,229 | 256,505 | 1,529,322 |
| 10 | 25,000 | 0 | 336,808 | 307,185 | 1,529,322 |
| 11 | 25,000 | 0 | 387,227 | 362,162 | 1,529,322 |
| 12 | 25,000 | 0 | 441,856 | 421,804 | 1,529,322 |
| 13 | 25,000 | 0 | 501,089 | 486,506 | 1,529,322 |
| 14 | 25,000 | 0 | 565,406 | 556,746 | 1,529,322 |
| 15 | 25,000 | 0 | 635,340 | 635,340 | 1,529,322 |
| 16 | 25,000 | 0 | 711,475 | 711,475 | 1,529,322 |
| 17 | 25,000 | 0 | 794,519 | 794,519 | 1,529,322 |
| 18 | 25,000 | 0 | 885,267 | 885,267 | 1,529,322 |
| 19 | 25,000 | 0 | 984,629 | 984,629 | 1,529,322 |
| 20 | 25,000 | 0 | 1,093,671 | 1,093,671 | 1,529,322 |
| | 500,000 | 0 | | | |

20 Year Summary

Equity Indexed UL indexed universal life. In an actual presentation, this footnote will refer to an accompanying basic illustration from a specific life insurance company with important details, caveats, and guarantees.

| | |
|------------------------|-----------|
| Cum. Premium Payments | 500,000 |
| Cum. Pre-Tax Cash Flow | 0 |
| Accum Value | 1,093,671 |
| Death Benefit | 1,529,322 |

Executive Trifecta Using Equity Indexed Universal Life

Illustration of Values of The Policy Used in the Plan

Values Page: 2
Date: 03/28/2008

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

Insured: Ted Coombs
Plan Sponsor: Baker, Simms, and Caldwell
Partnership

| | Male Age 45 | Eq. Indexed UL Interest Rate 8.50% | Initial Premium 25,000 | Initial Death Benefit 1,529,322 | |
|----|---------------------------|--|------------------------------------|---------------------------------------|-----------------------------------|
| | (1) Premium Payment | (2) Pre-Tax Policy Cash Flow | (3) Year End Accum Value* | (4) Year End Cash Value* | (5) Policy Death Benefit |
| 21 | 0 | 443,785 | 701,932 | 701,932 | 1,085,512 |
| 22 | 0 | 61,000 | 692,433 | 692,433 | 1,020,852 |
| 23 | 0 | 61,000 | 682,486 | 682,486 | 952,312 |
| 24 | 0 | 61,000 | 672,276 | 672,276 | 879,660 |
| 25 | 0 | 61,000 | 662,777 | 662,777 | 814,079 |
| 26 | 0 | 61,000 | 652,012 | 652,012 | 804,488 |
| 27 | 0 | 61,000 | 640,137 | 640,137 | 781,988 |
| 28 | 0 | 61,000 | 627,141 | 627,141 | 755,828 |
| 29 | 0 | 61,000 | 613,045 | 613,045 | 725,816 |
| 30 | 0 | 61,000 | 597,913 | 597,913 | 691,779 |
| 31 | 0 | 61,000 | 581,867 | 581,867 | 653,573 |
| 32 | 0 | 61,000 | 563,833 | 563,833 | 640,428 |
| 33 | 0 | 61,000 | 543,557 | 543,557 | 625,276 |
| 34 | 0 | 61,000 | 520,746 | 520,746 | 607,830 |
| 35 | 0 | 61,000 | 495,071 | 495,071 | 587,766 |
| 36 | 0 | 61,000 | 466,158 | 466,158 | 564,717 |
| 37 | 0 | 61,000 | 433,579 | 433,579 | 538,257 |
| 38 | 0 | 61,000 | 396,852 | 396,852 | 507,906 |
| 39 | 0 | 61,000 | 355,427 | 355,427 | 473,116 |
| 40 | 0 | 61,000 | 308,681 | 308,681 | 433,261 |
| | 500,000 | 1,602,785 | | | |

40 Year Summary

Equity Indexed UL indexed universal life. In an actual presentation, this footnote will refer to an accompanying basic illustration from a specific life insurance company with important details, caveats, and guarantees.

| | |
|------------------------|-----------|
| Cum. Premium Payments | 500,000 |
| Cum. Pre-Tax Cash Flow | 1,602,785 |
| Accum Value | 308,681 |
| Death Benefit | 433,261 |

Executive Trifecta Using Equity Indexed Universal Life

Illustration of Values of The Policy Used in the Plan

Values Page: 3
Date: 03/28/2008

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

Insured: Ted Coombs
Plan Sponsor: Baker, Simms, and Caldwell
Partnership

| | Male Age | Eq. Indexed UL Interest Rate | Initial Premium | Initial Death Benefit | |
|------|-----------------|------------------------------|-----------------------|-----------------------|----------------------|
| | 45 | 8.50% | 25,000 | 1,529,322 | |
| | (1) | (2) | (3) | (4) | (5) |
| Year | Premium Payment | Pre-Tax Policy Cash Flow | Year End Accum Value* | Year End Cash Value* | Policy Death Benefit |
| 41 | 0 | 0 | 322,452 | 322,452 | 454,269 |
| 42 | 0 | 0 | 335,429 | 335,429 | 474,837 |
| 43 | 0 | 0 | 347,230 | 347,230 | 494,587 |
| 44 | 0 | 0 | 357,397 | 357,397 | 513,061 |
| 45 | 0 | 0 | 365,379 | 365,379 | 529,710 |
| 46 | 0 | 0 | 370,512 | 370,512 | 543,863 |
| 47 | 0 | 0 | 378,264 | 378,264 | 524,686 |
| 48 | 0 | 0 | 390,341 | 390,341 | 506,428 |
| 49 | 0 | 0 | 408,710 | 408,710 | 490,644 |
| 50 | 0 | 0 | 435,778 | 435,778 | 479,228 |

500,000

1,602,785

50 Year Summary

| | |
|------------------------|-----------|
| Cum. Premium Payments | 500,000 |
| Cum. Pre-Tax Cash Flow | 1,602,785 |
| Accum Value | 435,778 |
| Death Benefit | 479,228 |

Equity Indexed UL indexed universal life. In an actual presentation, this footnote will refer to an accompanying basic illustration from a specific life insurance company with important details, caveats, and guarantees.

Executive Trifecta

Details of the Tax Consequences

When the Policy is Transferred to the Non-Partner Executive

Tax Details Page: 1
Date: 03/28/2008

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

Insured: Ted Coombs
Plan Sponsor: Baker, Simms, and Caldwell
Partnership

| | | | | |
|------|--------------------------------|--------------------------|-------------|-------------|
| | Form of Transaction | Policy Transfer to | | |
| Male | (Key Executive Coverage with | Executive is Illustrated | Partners' | Executive's |
| Age | Deferred Transfer of Policy to | at Beginning of Year | Tax Bracket | Tax Bracket |
| 45 | Executive as Compensation) | 21 | 34.00% | 34.00% |

Transfer Details:

Year the transfer is illustrated: Beginning of year 21
 Accumulation value of policy when transferred: \$1,093,671
 Partnership's cumulative premiums prior to transfer: \$500,000
 Executive's cumulative premiums prior to transfer: \$0

Partners' Transfer Tax Consequences:

When the policy is transferred, Partners must recognize gain to the extent that the policy value exceeds the Partnership's premium payments; however, partners are entitled to a deduction equal to the amount the executive includes in income on the transfer -- which is generally approximated by the policy value without regard to any surrender charges (IRS Refv. Proc. 2005-25).

Therefore, for this case:

- Partners have a taxable gain of the difference between \$1,093,671 (accumulation value of policy) and \$500,000 (Partnership's cumulative premium share) which equals \$593,671 in taxable gain. $\$593,671 \times 34.00\%$ (assumed tax bracket of partners) = \$201,848 of income tax due.
- In addition, the partners have an income tax deduction of the difference between \$1,093,671 (policy accumulation value) and \$0 (Executive's cumulative premium share) which equals \$1,093,671 in taxable gain. $\$1,093,671 \times 34.00\%$ = \$371,848 of income tax savings.
- \$371,848 of income tax savings less \$201,848 of income tax due = \$170,000 of net income tax savings to the partners at transfer.

Executive's Transfer Tax Consequences:

The executive has taxable income to the extent of the policy's fair market value (IRC Section 83) which is generally approximated by the policy value without reduction for surrender charges (IRS Rev. Proc. 2005-25).

Therefore, for this case:

- The executive has a taxable income of \$1,093,671 (the policy accumulation value).
- $\$1,093,671 \times 34.00\%$ = \$371,848 of income tax due.
- The executive has basis in the policy of \$1,093,671 (the amount of taxable income).

Note: Any premium payments, increase in policy values, or policy activity (loans, withdrawals, etc.) in the year of transfer are presumed to occur after the transfer takes place.

Executive's Summary of Costs and Benefits

Executive Trifecta Using Equity Indexed Universal Life

Executive's Summary Page: 1
Date: 03/28/2008

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

Insured: Ted Coombs
Plan Sponsor: Baker, Simms, and Caldwell
Partnership

| | | | | |
|-----------|---|--|--------------------------------------|--|
| Male | Form of Transaction (Key Executive Coverage with Deferred Transfer of Policy To Executive) | Policy Transfer to Executive is Illustrated at Beginning of Year 21 | Executive's Tax Bracket 34.00% | Eq. Indexed UL Interest Rate 8.50% |
| Age 45 | | | | |

| Year | (1) Net Payment | (2) Retirement Income After Tax Policy Cash Flow | (3) Policy Accum Value* | (4) Policy Cash Value* | (5) Policy Death Benefit | (6) Total Survivor Income Benefit** |
|------|-----------------------|---|----------------------------------|---------------------------------|-----------------------------------|---|
| 1 | 0 | 0 | 0 | 0 | 0 | 1,000,000 |
| 2 | 0 | 0 | 0 | 0 | 0 | 1,000,000 |
| 3 | 0 | 0 | 0 | 0 | 0 | 1,000,000 |
| 4 | 0 | 0 | 0 | 0 | 0 | 1,000,000 |
| 5 | 0 | 0 | 0 | 0 | 0 | 1,000,000 |
| 6 | 0 | 0 | 0 | 0 | 0 | 1,000,000 |
| 7 | 0 | 0 | 0 | 0 | 0 | 1,000,000 |
| 8 | 0 | 0 | 0 | 0 | 0 | 1,000,000 |
| 9 | 0 | 0 | 0 | 0 | 0 | 1,000,000 |
| 10 | 0 | 0 | 0 | 0 | 0 | 1,000,000 |
| 11 | 0 | 0 | 0 | 0 | 0 | 1,000,000 |
| 12 | 0 | 0 | 0 | 0 | 0 | 1,000,000 |
| 13 | 0 | 0 | 0 | 0 | 0 | 1,000,000 |
| 14 | 0 | 0 | 0 | 0 | 0 | 1,000,000 |
| 15 | 0 | 0 | 0 | 0 | 0 | 1,000,000 |
| 16 | 0 | 0 | 0 | 0 | 0 | 1,000,000 |
| 17 | 0 | 0 | 0 | 0 | 0 | 1,000,000 |
| 18 | 0 | 0 | 0 | 0 | 0 | 1,000,000 |
| 19 | 0 | 0 | 0 | 0 | 0 | 1,000,000 |
| 20 | 0 | 0 | 0 | 0 | 0 | 1,000,000 |
| | 0 | 0 | | | | |

Equity Indexed UL indexed universal life. In an actual presentation, this footnote will refer to an accompanying basic illustration from a specific life insurance company with important details, caveats, and guarantees.

**Survivor Income Benefit is terminated at the beginning of year 21 when the policy is transferred to the executive.

Executive's Summary of Costs and Benefits

Executive Trifecta Using Equity Indexed Universal Life

Executive's Summary Page: 2
Date: 03/28/2008

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

Insured: Ted Coombs
Plan Sponsor: Baker, Simms, and Caldwell
Partnership

| | | | | |
|-----------|---|--|--------------------------------------|--|
| Male | Form of Transaction (Key Executive Coverage with Deferred Transfer of Policy To Executive) | Policy Transfer to Executive is Illustrated at Beginning of Year 21 | Executive's Tax Bracket 34.00% | Eq. Indexed UL Interest Rate 8.50% |
| Age 45 | | | | |

| Year | (1) Net Payment | (2) Retirement Income After Tax Policy Cash Flow | (3) Policy Accum Value* | (4) Policy Cash Value* | (5) Policy Death Benefit | (6) Total Survivor Income Benefit** |
|------|-----------------------|---|----------------------------------|---------------------------------|-----------------------------------|---|
| 21 | 0 | 71,937 | 701,932 | 701,932 | 1,085,512 | 0 |
| 22 | 0 | 61,000 | 692,433 | 692,433 | 1,020,852 | 0 |
| 23 | 0 | 61,000 | 682,486 | 682,486 | 952,312 | 0 |
| 24 | 0 | 61,000 | 672,276 | 672,276 | 879,660 | 0 |
| 25 | 0 | 61,000 | 662,777 | 662,777 | 814,079 | 0 |
| 26 | 0 | 61,000 | 652,012 | 652,012 | 804,488 | 0 |
| 27 | 0 | 61,000 | 640,137 | 640,137 | 781,988 | 0 |
| 28 | 0 | 61,000 | 627,141 | 627,141 | 755,828 | 0 |
| 29 | 0 | 61,000 | 613,045 | 613,045 | 725,816 | 0 |
| 30 | 0 | 61,000 | 597,913 | 597,913 | 691,779 | 0 |
| 31 | 0 | 61,000 | 581,867 | 581,867 | 653,573 | 0 |
| 32 | 0 | 61,000 | 563,833 | 563,833 | 640,428 | 0 |
| 33 | 0 | 61,000 | 543,557 | 543,557 | 625,276 | 0 |
| 34 | 0 | 61,000 | 520,746 | 520,746 | 607,830 | 0 |
| 35 | 0 | 61,000 | 495,071 | 495,071 | 587,766 | 0 |
| 36 | 0 | 61,000 | 466,158 | 466,158 | 564,717 | 0 |
| 37 | 0 | 61,000 | 433,579 | 433,579 | 538,257 | 0 |
| 38 | 0 | 61,000 | 396,852 | 396,852 | 507,906 | 0 |
| 39 | 0 | 61,000 | 355,427 | 355,427 | 473,116 | 0 |
| 40 | 0 | 61,000 | 308,681 | 308,681 | 433,261 | 0 |
| | 0 | 1,230,937 | | | | |

Equity Indexed UL indexed universal life. In an actual presentation, this footnote will refer to an accompanying basic illustration from a specific life insurance company with important details, caveats, and guarantees.

**Survivor Income Benefit is terminated at the beginning of year 21 when the policy is transferred to the executive.

Executive's Summary of Costs and Benefits

Executive Trifecta Using Equity Indexed Universal Life

Executive's Summary Page: 3
Date: 03/28/2008

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

Insured: Ted Coombs
Plan Sponsor: Baker, Simms, and Caldwell
Partnership

| | | | | |
|-------------------|---|--|--------------------------------------|--|
| Male Age 45 | Form of Transaction (Key Executive Coverage with Deferred Transfer of Policy To Executive) | Policy Transfer to Executive is Illustrated at Beginning of Year 21 | Executive's Tax Bracket 34.00% | Eq. Indexed UL Interest Rate 8.50% |
|-------------------|---|--|--------------------------------------|--|

| Year | (1) Net Payment | (2) Retirement Income After Tax Policy Cash Flow | (3) Policy Accum Value* | (4) Policy Cash Value* | (5) Policy Death Benefit | (6) Total Survivor Income Benefit** |
|------|-----------------------|---|----------------------------------|---------------------------------|-----------------------------------|---|
| 41 | 0 | 0 | 322,452 | 322,452 | 454,269 | 0 |
| 42 | 0 | 0 | 335,429 | 335,429 | 474,837 | 0 |
| 43 | 0 | 0 | 347,230 | 347,230 | 494,587 | 0 |
| 44 | 0 | 0 | 357,397 | 357,397 | 513,061 | 0 |
| 45 | 0 | 0 | 365,379 | 365,379 | 529,710 | 0 |
| 46 | 0 | 0 | 370,512 | 370,512 | 543,863 | 0 |
| 47 | 0 | 0 | 378,264 | 378,264 | 524,686 | 0 |
| 48 | 0 | 0 | 390,341 | 390,341 | 506,428 | 0 |
| 49 | 0 | 0 | 408,710 | 408,710 | 490,644 | 0 |
| 50 | 0 | 0 | 435,778 | 435,778 | 479,228 | 0 |

0 1,230,937

Equity Indexed UL indexed universal life. In an actual presentation, this footnote will refer to an accompanying basic illustration from a specific life insurance company with important details, caveats, and guarantees.

**Survivor Income Benefit is terminated at the beginning of year 21 when the policy is transferred to the executive.

Executive's Personal Report

Executive Trifecta Using Equity Indexed Universal Life

Executive's Personal Report Page: 1
Date: 03/28/2008

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

Insured: Ted Coombs
Plan Sponsor: Baker, Simms, and Caldwell
Partnership

| | | | | |
|------|------------------------------|--------------------------|-------------|----------------|
| Male | Form of Transaction | Policy Transfer to | Executive's | Eq. Indexed UL |
| Age | (Key Executive Coverage with | Executive is Illustrated | Tax Bracket | Interest Rate |
| 45 | Deferred Transfer of Policy | at Beginning of Year | 34.00% | 8.50% |
| | To Executive) | 21 | | |

| Year | Executive's Costs | | Executive's Values | | | |
|------|-----------------------|---|----------------------------------|---------------------------------|-----------------------------------|---|
| | (1) Net Payment | (2) Retirement Income After Tax Policy Cash Flow | (3) Policy Accum Value* | (4) Policy Cash Value* | (5) Policy Death Benefit | (6) Total Survivor Income Benefit** |
| 1 | 0 | 0 | 0 | 0 | 0 | 1,000,000 |
| 2 | 0 | 0 | 0 | 0 | 0 | 1,000,000 |
| 3 | 0 | 0 | 0 | 0 | 0 | 1,000,000 |
| 4 | 0 | 0 | 0 | 0 | 0 | 1,000,000 |
| 5 | 0 | 0 | 0 | 0 | 0 | 1,000,000 |
| 6 | 0 | 0 | 0 | 0 | 0 | 1,000,000 |
| 7 | 0 | 0 | 0 | 0 | 0 | 1,000,000 |
| 8 | 0 | 0 | 0 | 0 | 0 | 1,000,000 |
| 9 | 0 | 0 | 0 | 0 | 0 | 1,000,000 |
| 10 | 0 | 0 | 0 | 0 | 0 | 1,000,000 |
| 11 | 0 | 0 | 0 | 0 | 0 | 1,000,000 |
| 12 | 0 | 0 | 0 | 0 | 0 | 1,000,000 |
| 13 | 0 | 0 | 0 | 0 | 0 | 1,000,000 |
| 14 | 0 | 0 | 0 | 0 | 0 | 1,000,000 |
| 15 | 0 | 0 | 0 | 0 | 0 | 1,000,000 |
| 16 | 0 | 0 | 0 | 0 | 0 | 1,000,000 |
| 17 | 0 | 0 | 0 | 0 | 0 | 1,000,000 |
| 18 | 0 | 0 | 0 | 0 | 0 | 1,000,000 |
| 19 | 0 | 0 | 0 | 0 | 0 | 1,000,000 |
| 20 | 0 | 0 | 0 | 0 | 0 | 1,000,000 |
| | 0 | 0 | | | | |

Equity Indexed UL indexed universal life. In an actual presentation, this footnote will refer to an accompanying basic illustration from a specific life insurance company with important details, caveats, and guarantees.

**\$1,000,000 is the sum of 10 scheduled survivor income payments from the Partnership to the executive's beneficiaries.

**Survivor Income Benefit is terminated at the beginning of year 21 when the policy is transferred to the executive.

Executive's Personal Report

Executive Trifecta Using Equity Indexed Universal Life

Executive's Personal Report Page: 2
Date: 03/28/2008

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

Insured: Ted Coombs
Plan Sponsor: Baker, Simms, and Caldwell
Partnership

| | | | | |
|-------------------|---|--|--------------------------------------|--|
| Male Age 45 | Form of Transaction (Key Executive Coverage with Deferred Transfer of Policy To Executive) | Policy Transfer to Executive is Illustrated at Beginning of Year 21 | Executive's Tax Bracket 34.00% | Eq. Indexed UL Interest Rate 8.50% |
|-------------------|---|--|--------------------------------------|--|

| Year | Executive's Costs | | Executive's Values | | | |
|------|-----------------------|---|----------------------------------|---------------------------------|-----------------------------------|---|
| | (1) Net Payment | (2) Retirement Income After Tax Policy Cash Flow | (3) Policy Accum Value* | (4) Policy Cash Value* | (5) Policy Death Benefit | (6) Total Survivor Income Benefit** |
| 21 | 0 | 71,937 | 701,932 | 701,932 | 1,085,512 | 0 |
| 22 | 0 | 61,000 | 692,433 | 692,433 | 1,020,852 | 0 |
| 23 | 0 | 61,000 | 682,486 | 682,486 | 952,312 | 0 |
| 24 | 0 | 61,000 | 672,276 | 672,276 | 879,660 | 0 |
| 25 | 0 | 61,000 | 662,777 | 662,777 | 814,079 | 0 |
| 26 | 0 | 61,000 | 652,012 | 652,012 | 804,488 | 0 |
| 27 | 0 | 61,000 | 640,137 | 640,137 | 781,988 | 0 |
| 28 | 0 | 61,000 | 627,141 | 627,141 | 755,828 | 0 |
| 29 | 0 | 61,000 | 613,045 | 613,045 | 725,816 | 0 |
| 30 | 0 | 61,000 | 597,913 | 597,913 | 691,779 | 0 |
| 31 | 0 | 61,000 | 581,867 | 581,867 | 653,573 | 0 |
| 32 | 0 | 61,000 | 563,833 | 563,833 | 640,428 | 0 |
| 33 | 0 | 61,000 | 543,557 | 543,557 | 625,276 | 0 |
| 34 | 0 | 61,000 | 520,746 | 520,746 | 607,830 | 0 |
| 35 | 0 | 61,000 | 495,071 | 495,071 | 587,766 | 0 |
| 36 | 0 | 61,000 | 466,158 | 466,158 | 564,717 | 0 |
| 37 | 0 | 61,000 | 433,579 | 433,579 | 538,257 | 0 |
| 38 | 0 | 61,000 | 396,852 | 396,852 | 507,906 | 0 |
| 39 | 0 | 61,000 | 355,427 | 355,427 | 473,116 | 0 |
| 40 | 0 | 61,000 | 308,681 | 308,681 | 433,261 | 0 |
| | 0 | 1,230,937 | | | | |

Equity Indexed UL indexed universal life. In an actual presentation, this footnote will refer to an accompanying basic illustration from a specific life insurance company with important details, caveats, and guarantees.

**\$1,000,000 is the sum of 10 scheduled survivor income payments from the Partnership to the executive's beneficiaries.

**Survivor Income Benefit is terminated at the beginning of year 21 when the policy is transferred to the executive.

Executive's Personal Report

Executive Trifecta Using Equity Indexed Universal Life

Executive's Personal Report Page: 3
Date: 03/28/2008

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

Insured: Ted Coombs
Plan Sponsor: Baker, Simms, and Caldwell
Partnership

| | | | | |
|-------------------|---|--|--------------------------------------|--|
| Male Age 45 | Form of Transaction (Key Executive Coverage with Deferred Transfer of Policy To Executive) | Policy Transfer to Executive is Illustrated at Beginning of Year 21 | Executive's Tax Bracket 34.00% | Eq. Indexed UL Interest Rate 8.50% |
|-------------------|---|--|--------------------------------------|--|

| Year | Executive's Costs | Executive's Values | | | | |
|------|-----------------------|---|----------------------------------|---------------------------------|-----------------------------------|---|
| | (1) Net Payment | (2) Retirement Income After Tax Policy Cash Flow | (3) Policy Accum Value* | (4) Policy Cash Value* | (5) Policy Death Benefit | (6) Total Survivor Income Benefit** |
| 41 | 0 | 0 | 322,452 | 322,452 | 454,269 | 0 |
| 42 | 0 | 0 | 335,429 | 335,429 | 474,837 | 0 |
| 43 | 0 | 0 | 347,230 | 347,230 | 494,587 | 0 |
| 44 | 0 | 0 | 357,397 | 357,397 | 513,061 | 0 |
| 45 | 0 | 0 | 365,379 | 365,379 | 529,710 | 0 |
| 46 | 0 | 0 | 370,512 | 370,512 | 543,863 | 0 |
| 47 | 0 | 0 | 378,264 | 378,264 | 524,686 | 0 |
| 48 | 0 | 0 | 390,341 | 390,341 | 506,428 | 0 |
| 49 | 0 | 0 | 408,710 | 408,710 | 490,644 | 0 |
| 50 | 0 | 0 | 435,778 | 435,778 | 479,228 | 0 |

| | |
|---|-----------|
| 0 | 1,230,937 |
|---|-----------|

Equity Indexed UL indexed universal life. In an actual presentation, this footnote will refer to an accompanying basic illustration from a specific life insurance company with important details, caveats, and guarantees.

**\$1,000,000 is the sum of 10 scheduled survivor income payments from the Partnership to the executive's beneficiaries.

**Survivor Income Benefit is terminated at the beginning of year 21 when the policy is transferred to the executive.

Partnership's Summary of Costs and Benefits

Executive Trifecta Using Equity Indexed Universal Life

Partnership's Summary Page: 1
Date: 03/28/2008

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

Insured: Ted Coombs
Plan Sponsor: Baker, Simms, and Caldwell
Partnership

| Male Age 45 | Form of Transaction (Key Executive Coverage with Deferred Transfer of Policy To Executive) | | Policy Transfer to Executive is Illustrated at Beginning of Year 21 | | Partnership (Partner) Tax Bracket 34.00% | Eq. Indexed UL Interest Rate 8.50% | | |
|-------------|--|-------------------------|---|--------------------|--|---|---|-------------------------------------|
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
| Year | Net Payment | Cumulative Net Payments | Policy Accum Value* | Policy Cash Value* | Portion of Policy Death Benefit Allocated for Key Executive Coverage | Portion of Policy Death Benefit Allocated for Survivor Income Benefit** | Total Policy Death Benefit Required (5) + (6) | Total Policy Death Benefit Provided |
| 1 | 25,000 | 25,000 | 23,148 | 1,737 | 1,000,000 | 529,322 | 1,529,322 | 1,529,322 |
| 2 | 25,000 | 50,000 | 48,241 | 5,420 | 1,000,000 | 529,322 | 1,529,322 | 1,529,322 |
| 3 | 25,000 | 75,000 | 75,337 | 29,764 | 1,000,000 | 529,322 | 1,529,322 | 1,529,322 |
| 4 | 25,000 | 100,000 | 104,601 | 59,027 | 1,000,000 | 529,322 | 1,529,322 | 1,529,322 |
| 5 | 25,000 | 125,000 | 136,213 | 90,639 | 1,000,000 | 529,322 | 1,529,322 | 1,529,322 |
| 6 | 25,000 | 150,000 | 170,395 | 127,100 | 1,000,000 | 529,322 | 1,529,322 | 1,529,322 |
| 7 | 25,000 | 175,000 | 207,290 | 166,730 | 1,000,000 | 529,322 | 1,529,322 | 1,529,322 |
| 8 | 25,000 | 200,000 | 247,152 | 209,781 | 1,000,000 | 529,322 | 1,529,322 | 1,529,322 |
| 9 | 25,000 | 225,000 | 290,229 | 256,505 | 1,000,000 | 529,322 | 1,529,322 | 1,529,322 |
| 10 | 25,000 | 250,000 | 336,808 | 307,185 | 1,000,000 | 529,322 | 1,529,322 | 1,529,322 |
| 11 | 25,000 | 275,000 | 387,227 | 362,162 | 1,000,000 | 529,322 | 1,529,322 | 1,529,322 |
| 12 | 25,000 | 300,000 | 441,856 | 421,804 | 1,000,000 | 529,322 | 1,529,322 | 1,529,322 |
| 13 | 25,000 | 325,000 | 501,089 | 486,506 | 1,000,000 | 529,322 | 1,529,322 | 1,529,322 |
| 14 | 25,000 | 350,000 | 565,406 | 556,746 | 1,000,000 | 529,322 | 1,529,322 | 1,529,322 |
| 15 | 25,000 | 375,000 | 635,340 | 635,340 | 1,000,000 | 529,322 | 1,529,322 | 1,529,322 |
| 16 | 25,000 | 400,000 | 711,475 | 711,475 | 1,000,000 | 529,322 | 1,529,322 | 1,529,322 |
| 17 | 25,000 | 425,000 | 794,519 | 794,519 | 1,000,000 | 529,322 | 1,529,322 | 1,529,322 |
| 18 | 25,000 | 450,000 | 885,267 | 885,267 | 1,000,000 | 529,322 | 1,529,322 | 1,529,322 |
| 19 | 25,000 | 475,000 | 984,629 | 984,629 | 1,000,000 | 529,322 | 1,529,322 | 1,529,322 |
| 20 | 25,000 | 500,000 | 1,093,671 | 1,093,671 | 1,000,000 | 529,322 | 1,529,322 | 1,529,322 |
| | 500,000 | | | | | | | |

Equity Indexed UL indexed universal life. In an actual presentation, this footnote will refer to an accompanying basic illustration from a specific life insurance company with important details, caveats, and guarantees.

**Key Executive Coverage and Survivor Income Benefit are terminated at the beginning of year 21 when the policy is transferred to the executive.

Partnership's Summary of Costs and Benefits

Executive Trifecta Using Equity Indexed Universal Life

Partnership's Summary Page: 2
Date: 03/28/2008

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Partnership

| Male Age 45 | Form of Transaction (Key Executive Coverage with Deferred Transfer of Policy To Executive) | Policy Transfer to Executive is Illustrated at Beginning of Year 21 | Partnership (Partner) Tax Bracket 34.00% | Eq. Indexed UL Interest Rate 8.50% | | | | |
|-------------|--|---|--|------------------------------------|--|---|---|-------------------------------------|
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | |
| Year | Net Payment | Cumulative Net Payments | Policy Accum Value* | Policy Cash Value* | Portion of Policy Death Benefit Allocated for Key Executive Coverage | Portion of Policy Death Benefit Allocated for Survivor Income Benefit** | Total Policy Death Benefit Required (5) + (6) | Total Policy Death Benefit Provided |
| 21 | -170,000 | 330,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| 22 | 0 | 330,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| 23 | 0 | 330,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| 24 | 0 | 330,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| 25 | 0 | 330,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| 26 | 0 | 330,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| 27 | 0 | 330,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| 28 | 0 | 330,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| 29 | 0 | 330,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| 30 | 0 | 330,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| 31 | 0 | 330,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| 32 | 0 | 330,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| 33 | 0 | 330,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| 34 | 0 | 330,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| 35 | 0 | 330,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| 36 | 0 | 330,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| 37 | 0 | 330,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| 38 | 0 | 330,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| 39 | 0 | 330,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| 40 | 0 | 330,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 330,000 | | | | | | | |

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**Key Executive Coverage and Survivor Income Benefit are terminated at the beginning of year 21 when the policy is transferred to the executive.

Partnership's Summary of Costs and Benefits

Executive Trifecta Using Equity Indexed Universal Life

Partnership's Summary Page: 3
Date: 03/28/2008

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

Insured: Ted Coombs
Plan Sponsor: Baker, Simms, and Caldwell
Partnership

| Male Age 45 | Form of Transaction (Key Executive Coverage with Deferred Transfer of Policy To Executive) | Policy Transfer to Executive is Illustrated at Beginning of Year 21 | Partnership (Partner) Tax Bracket 34.00% | Eq. Indexed UL Interest Rate 8.50% | | | |
|-------------------|---|--|---|---|--|---|--|
| (1) | (2) | (3) | (4) | (5) Portion of Policy Death Benefit Allocated for Key Executive Coverage | (6) Portion of Policy Death Benefit Allocated for Survivor Income Benefit** | (7) Total Policy Death Benefit Required (5) + (6) | (8) Total Policy Death Benefit Provided |
| Year | Net Payment | Cumulative Net Payments | Policy Accum Value* | Policy Cash Value* | | | |
| 41 | 0 | 330,000 | 0 | 0 | 0 | 0 | 0 |
| 42 | 0 | 330,000 | 0 | 0 | 0 | 0 | 0 |
| 43 | 0 | 330,000 | 0 | 0 | 0 | 0 | 0 |
| 44 | 0 | 330,000 | 0 | 0 | 0 | 0 | 0 |
| 45 | 0 | 330,000 | 0 | 0 | 0 | 0 | 0 |
| 46 | 0 | 330,000 | 0 | 0 | 0 | 0 | 0 |
| 47 | 0 | 330,000 | 0 | 0 | 0 | 0 | 0 |
| 48 | 0 | 330,000 | 0 | 0 | 0 | 0 | 0 |
| 49 | 0 | 330,000 | 0 | 0 | 0 | 0 | 0 |
| 50 | 0 | 330,000 | 0 | 0 | 0 | 0 | 0 |

330,000

Equity Indexed UL indexed universal life. In an actual presentation, this footnote will refer to an accompanying basic illustration from a specific life insurance company with important details, caveats, and guarantees.

**Key Executive Coverage and Survivor Income Benefit are terminated at the beginning of year 21 when the policy is transferred to the executive.

Partnership's Analysis of Survivor Income Benefit

Executive Trifecta Using Equity Indexed Universal Life

Analysis Page: 1
Date: 03/28/2008

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

For the Beneficiaries of: Ted Coombs
Plan Sponsor: Baker, Simms, and Caldwell
Partnership

| | | | |
|---|----------------------------------|--|--|
| Partnership (Partner) Tax Bracket 34.00% | Assumed Use of Money 8.00% | Cost to Provide the Benefit* 529,322 | Total Survivor Benefit Scheduled 1,000,000 |
|---|----------------------------------|--|--|

| Year Following Executive's Death | Benefits and Costs | | Survivor Income Account Activity | | |
|---|--|--|--|--|---|
| | (1) Annual Benefit Payment to Executive's Survivors | (2) Annual After Tax Cost of Payment to Survivors | (3) Beginning of Year Balance in Survivor Benefit Account | (4) Balance in Account to Accrue (3) - (2) | (5) Year End After Tax Accrual of Account |
| 1 | 100,000 | 66,000 | 529,322 | 463,322 | 487,785 |
| 2 | 100,000 | 66,000 | 487,785 | 421,785 | 444,055 |
| 3 | 100,000 | 66,000 | 444,055 | 378,055 | 398,017 |
| 4 | 100,000 | 66,000 | 398,017 | 332,017 | 349,547 |
| 5 | 100,000 | 66,000 | 349,547 | 283,547 | 298,519 |
| 6 | 100,000 | 66,000 | 298,519 | 232,519 | 244,796 |
| 7 | 100,000 | 66,000 | 244,796 | 178,796 | 188,236 |
| 8 | 100,000 | 66,000 | 188,236 | 122,236 | 128,690 |
| 9 | 100,000 | 66,000 | 128,690 | 62,690 | 66,000 |
| 10 | 100,000 | 66,000 | 66,000 | 0 | 0 |
| | <u>1,000,000</u> | <u>660,000</u> | | | |

*See Column (3), year 1. (Funding source is a portion of the proceeds from the Key Executive coverage.)

This table shows the escrow calculations (columns 3, 4 and 5) necessary to produce the survivor benefit shown in column (1). Rounding may cause minor math inconsistencies. Calculation formulae are:

Column (2) = column (1) times (1-(tax bracket/100))

Column (4) = column (3) minus column (2)

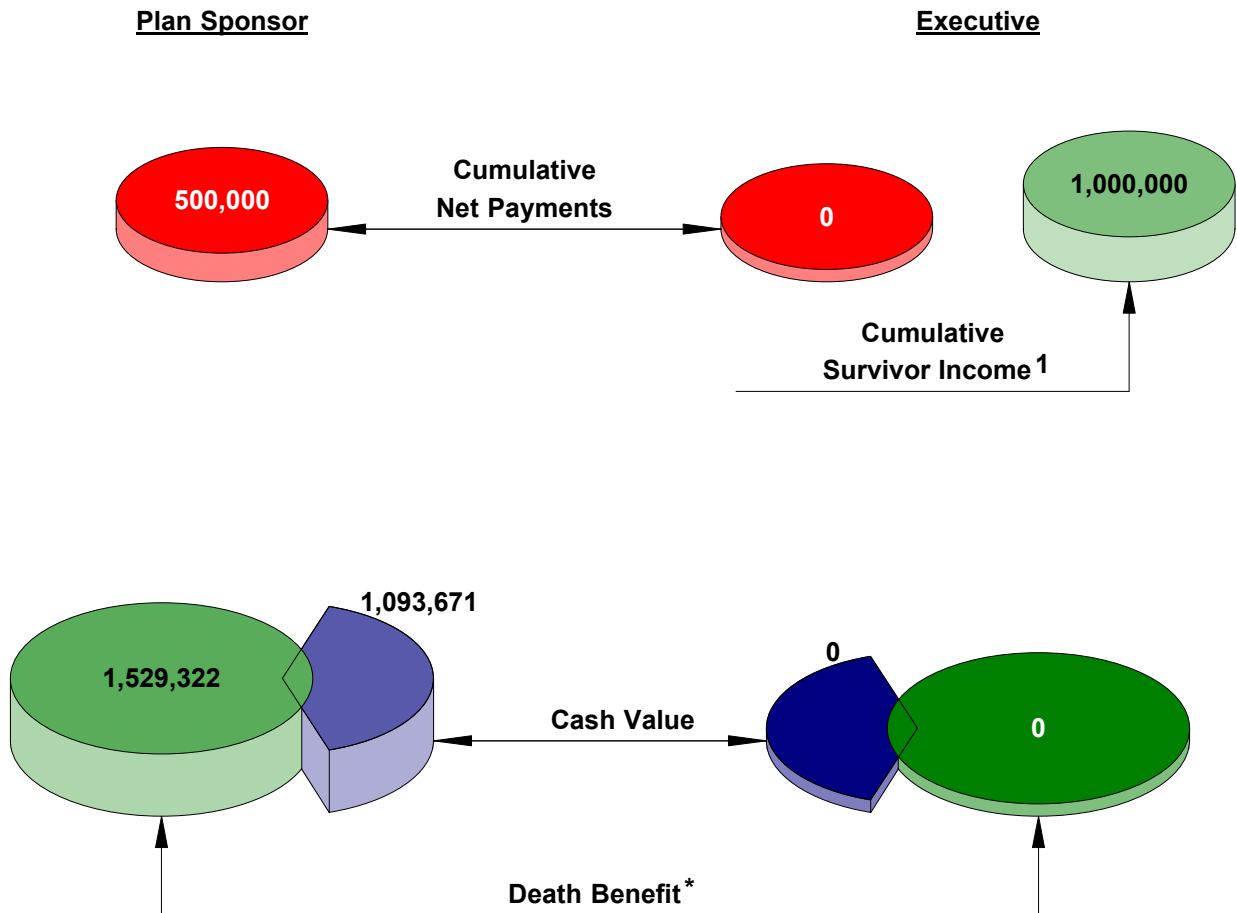
Column (5) = column (4) plus the after tax interest credit

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Partnership

20th Year Summary Analysis



(1) For Family Income

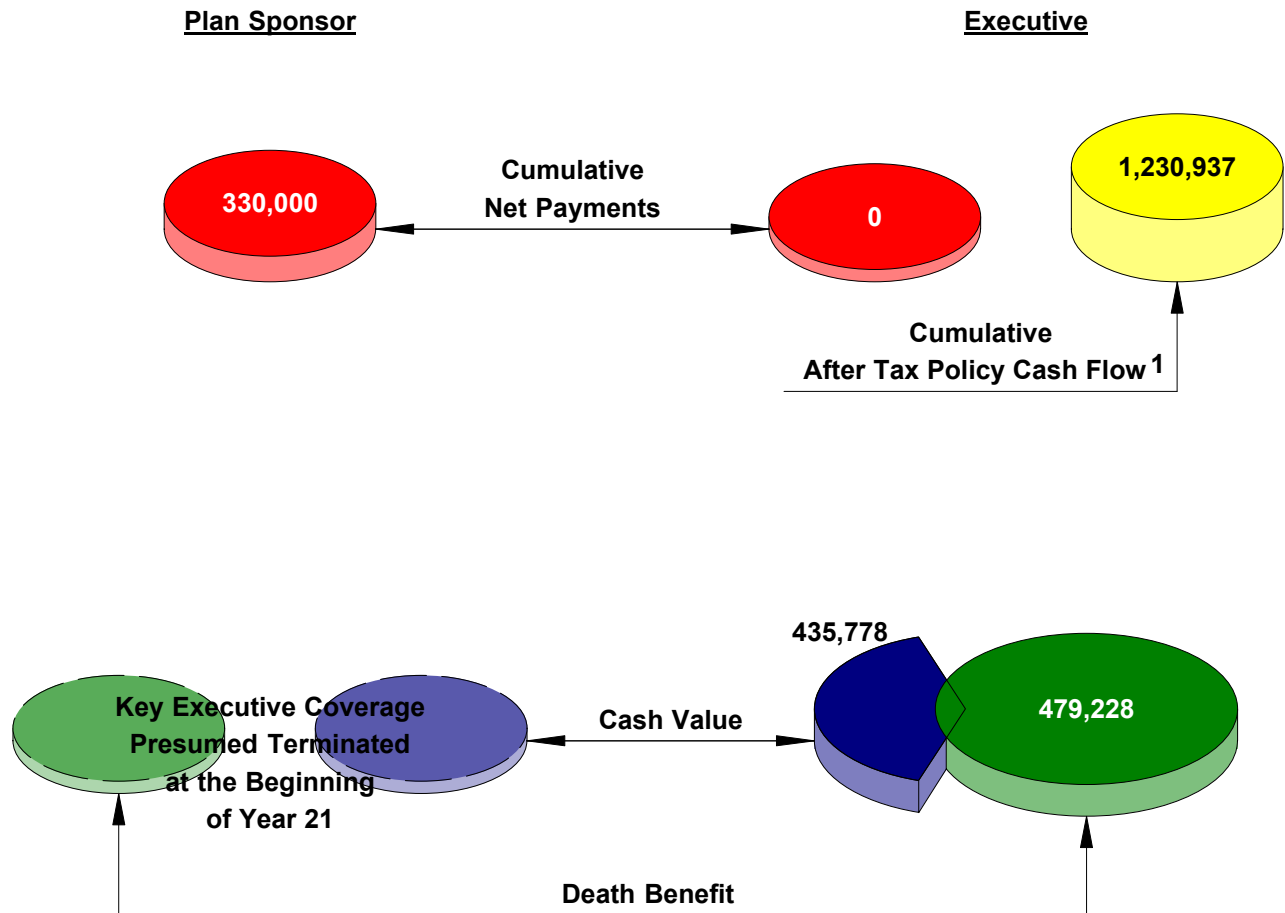
* Plan Sponsor's Death Benefit includes an amount allocated for funding the survivor income benefit for the executive's beneficiaries.

Executive Trifecta Using Equity Indexed Universal Life

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Partnership

50th Year Summary Analysis



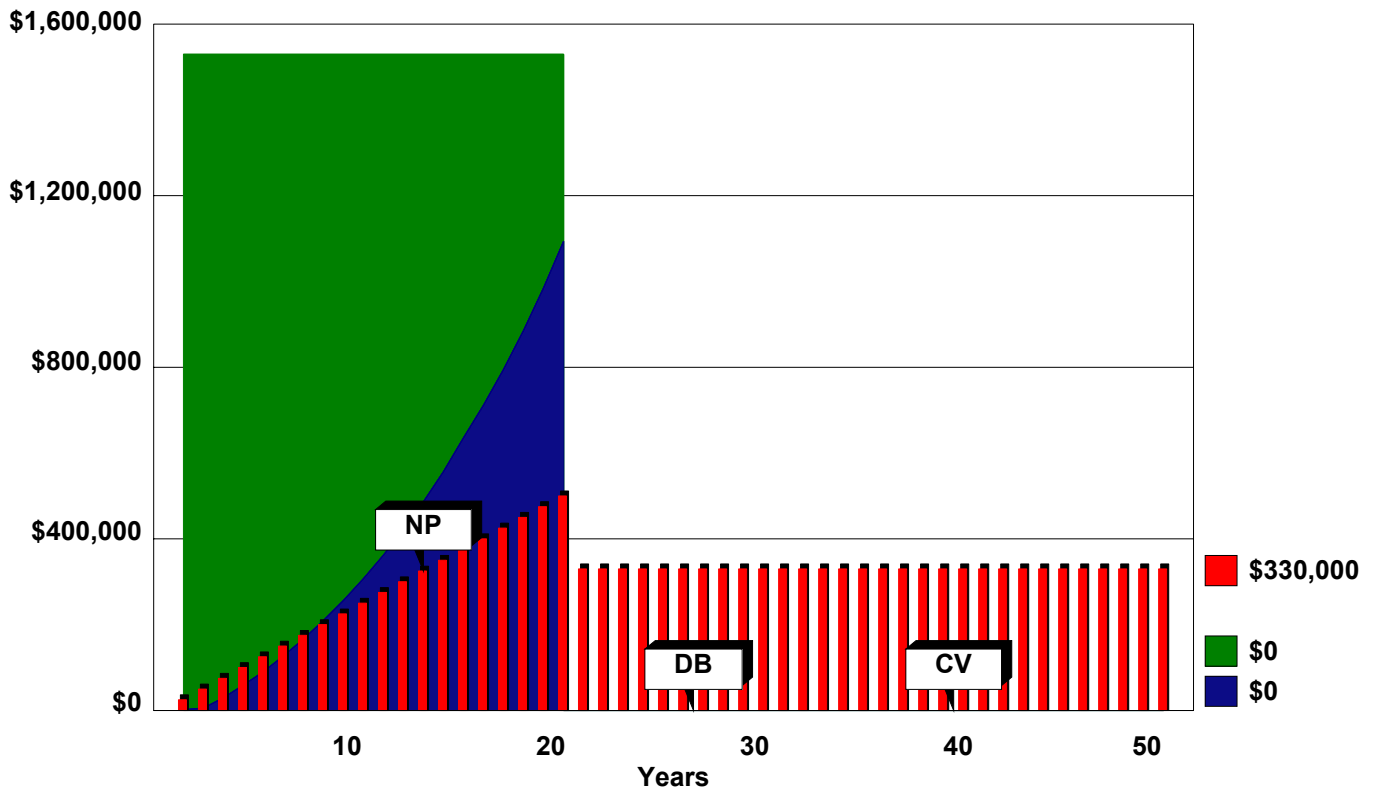
(1) For Retirement Income.

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Insured: Ted Coombs
Plan Sponsor: Baker, Simms, and Caldwell
Partnership

Partnership's 50 Year Graphic Analysis



- NP - Plan Sponsor's Cumulative Net Payments
- CV - Plan Sponsor's Cash Value
- DB - Plan Sponsor's Death Benefit*

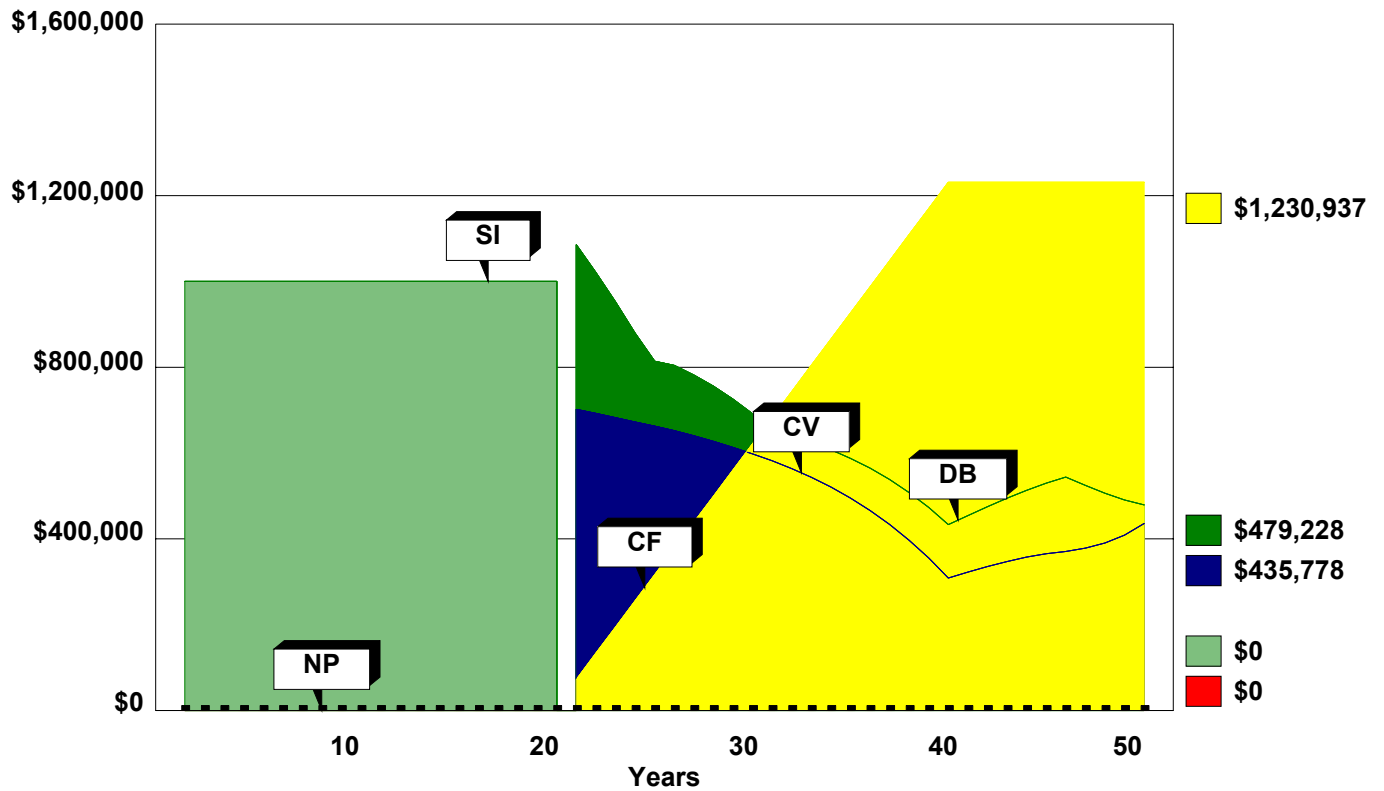
* Plan Sponsor's Death Benefit includes an amount allocated for funding the survivor income benefit for the executive's beneficiaries.

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Executive's 50 Year Graphic Analysis



- NP - Executive's Cumulative Net Payments
- SI - Executive's Total Survivor Income Benefit
- CF - Executive's Cumulative After Tax Policy Cash Flow¹
- CV - Executive's Cash Value
- DB - Executive's Death Benefit

(1) For Retirement Income.