




**Private Client  
Existing Life Insurance Portfolio**

<u>Insured</u>	<u>Carrier</u>	<u>Policy #</u>	<u>Owner</u>	<u>Beneficiary</u>	<u>Policy Type</u>	<u>Policy Date</u>	<u>Annual Premium</u>	<u>Account Value</u>	<u>Surrender Value</u>	<u>Insurance Benefit</u>
Private Client	 EQUITABLE	1234567	Private Client Family Trust	Private Client Family Trust	Yearly Renewable Term	12/22/2005	1,740	-	-	1,500,000
Private Client	 EQUITABLE	2345678	Private Client	Spouse	Variable Universal Life	12/28/1998	-	41,512	41,512	400,000
Private Client	 TRANSAMERICA	3456789	Private Client	Spouse	Variable Universal Life	12/3/1986	-	73,566	41,549	116,081
<b>Total</b>							<u>1,740</u>	<u>115,078</u>	<u>83,061</u>	<u>2,016,081</u>

**Notes**

1. Policy values as of February 13, 2020.
2. Axa VUL policy includes a \$200,000 term rider which drops off at age 80.
3. Transamerica VUL policy has a loan balance of \$32,017; a lapse would trigger taxable income of \$61,083 to the policy owner.
4. Transamerica VUL policy matures at age 100 and cash values are paid out even if the insured is still living at that time.

**Private Client**  
**Existing Life Insurance Portfolio**  
Favorable Environment

		<b>Term</b>		<b>Permanent</b>						<b>Total</b>			
		<u>Equitable Term</u>		<u>Equitable Variable Universal Life</u>			<u>Transamerica Variable Universal Life</u>						
<u>Year</u>	<u>Age</u>	<u>Annual Outlay</u>	<u>Insurance Benefit</u>	<u>Annual Outlay</u>	<u>Cash Surrender Value</u>	<u>Net Insurance Benefit</u>	<u>Annual Outlay</u>	<u>Cash Surrender Value</u>	<u>Net Insurance Benefit</u>	<u>Annual Outlay</u>	<u>Cash Surrender Value</u>	<u>Net Insurance Benefit</u>	
1	2020	54	1,830	1,500,000	-	42,514	400,000	-	40,280	116,081	1,830	82,794	2,016,081
2	2021	55	1,965	1,500,000	-	43,651	400,000	-	41,866	116,830	1,965	85,517	2,016,830
3	2022	56	2,130	1,500,000	-	44,804	400,000	-	43,473	117,535	2,130	88,277	2,017,535
4	2023	57	2,325	1,500,000	-	45,981	400,000	-	45,094	118,192	2,325	91,075	2,018,192
5	2024	58	2,550	1,500,000	-	47,140	400,000	-	46,739	118,812	2,550	93,879	2,018,812
6	2025	59	2,760	1,500,000	-	48,275	400,000	-	48,408	119,393	2,760	96,683	2,019,393
7	2026	60	3,030	1,500,000	-	49,365	400,000	-	50,034	119,815	3,030	99,399	2,019,815
8	2027	61	3,330	1,500,000	-	50,352	400,000	-	51,702	120,235	3,330	102,054	2,020,235
9	2028	62	3,645	1,500,000	-	51,174	400,000	-	53,404	120,643	3,645	104,578	2,020,643
10	2029	63	3,930	1,500,000	-	52,169	400,000	-	55,100	120,990	3,930	107,269	2,020,990
11	2030	64	-	-	-	52,244	400,000	-	56,789	121,281	-	109,033	521,281
12	2031	65	-	-	-	51,964	400,000	-	58,414	121,441	-	110,378	521,441
13	2032	66	-	-	-	51,230	400,000	-	59,993	121,511	-	111,223	521,511
14	2033	67	-	-	-	49,949	400,000	-	61,519	121,477	-	111,468	521,477
15	2034	68	-	-	-	48,014	400,000	-	62,959	121,294	-	110,973	521,294
16	2035	69	-	-	-	45,293	400,000	-	64,383	121,063	-	109,676	521,063
17	2036	70	-	-	-	41,661	400,000	-	65,741	120,711	-	107,402	520,711
18	2037	71	-	-	-	36,955	400,000	-	67,068	120,301	-	104,023	520,301
19	2038	72	-	-	-	30,899	400,000	-	68,332	110,806	-	99,231	510,806
20	2039	73	-	-	-	23,320	400,000	-	69,523	119,236	-	92,843	519,236
21	2040	74	-	-	-	13,926	400,000	-	70,638	118,618	-	84,564	518,618
22	2041	75	-	-	-	2,244	400,000	-	71,651	117,936	-	73,895	517,936
23	2042	76	-	-	-	-	-	-	72,548	117,179	-	72,548	117,179
24	2043	77	-	-	-	-	-	-	73,340	116,359	-	73,340	116,359
25	2044	78	-	-	-	-	-	-	73,932	115,345	-	73,932	115,345
26	2045	79	-	-	-	-	-	-	74,322	114,117	-	74,322	114,117
27	2046	80	-	-	-	-	-	-	74,523	112,688	-	74,523	112,688
28	2047	81	-	-	-	-	-	-	74,562	111,088	-	74,562	111,088
29	2048	82	-	-	-	-	-	-	74,349	109,229	-	74,349	109,229
30	2049	83	-	-	-	-	-	-	73,905	107,164	-	73,905	107,164

**Private Client**  
**Existing Life Insurance Portfolio**  
Favorable Environment

			Term			Permanent						Total		
			Equitable Term		Equitable Variable Universal Life			Transamerica Variable Universal Life						
Year	Age		Annual Outlay	Insurance Benefit	Annual Outlay	Cash Surrender Value	Net Insurance Benefit	Annual Outlay	Cash Surrender Value	Net Insurance Benefit	Annual Outlay	Cash Surrender Value	Net Insurance Benefit	
31	2050	84	-	-	-	-	-	-	73,255	104,959	-	73,255	104,959	
32	2051	85	-	-	-	-	-	-	72,393	102,959	-	72,393	102,959	
33	2052	86	-	-	-	-	-	-	71,318	102,625	-	71,318	102,625	
34	2053	87	-	-	-	-	-	-	70,039	100,164	-	70,039	100,164	
LE 35	2054	88	-	-	-	-	-	-	68,554	97,577	-	68,554	97,577	
36	2055	89	-	-	-	-	-	-	66,821	94,843	-	66,821	94,843	
37	2056	90	-	-	-	-	-	-	64,762	91,893	-	64,762	91,893	
38	2057	91	-	-	-	-	-	-	62,416	88,608	-	62,416	88,608	
39	2058	92	-	-	-	-	-	-	59,812	84,986	-	59,812	84,986	
40	2059	93	-	-	-	-	-	-	56,997	81,009	-	56,997	81,009	
41	2060	94	-	-	-	-	-	-	54,102	76,657	-	54,102	76,657	
42	2061	95	-	-	-	-	-	-	51,218	71,972	-	51,218	71,972	
43	2062	96	-	-	-	-	-	-	48,462	66,986	-	48,462	66,986	
44	2063	97	-	-	-	-	-	-	45,757	61,808	-	45,757	61,808	
45	2064	98	-	-	-	-	-	-	43,156	56,591	-	43,156	56,591	

**Notes**

1. Projections for existing VUL policies assume an 8.00% gross return and deductions for current mortality expenses.
2. The actuarial life expectancy of a 53 year-old male in good health is 35 years (using 2015 VBT mortality tables).

**Private Client**  
**Existing Life Insurance Portfolio**  
 Unfavorable Environment

		Term		Permanent						Total			
		Equitable Term		Equitable Variable Universal Life			Transamerica Variable Universal Life						
Year	Age	Annual Outlay	Insurance Benefit	Annual Outlay	Cash Surrender Value	Net Insurance Benefit	Annual Outlay	Cash Surrender Value	Net Insurance Benefit	Annual Outlay	Cash Surrender Value	Net Insurance Benefit	
1	2020	54	14,250	1,500,000	-	38,993	400,000	-	37,816	111,079	14,250	76,809	2,011,079
2	2021	55	15,150	1,500,000	-	35,717	400,000	-	36,299	105,823	15,150	72,016	2,005,823
3	2022	56	16,500	1,500,000	-	32,236	400,000	-	34,753	100,743	16,500	66,989	2,000,743
4	2023	57	17,850	1,500,000	-	28,504	400,000	-	33,179	95,827	17,850	61,683	1,995,827
5	2024	58	19,380	1,500,000	-	24,467	400,000	-	31,585	91,076	19,380	56,052	1,991,076
6	2025	59	21,000	1,500,000	-	20,092	400,000	-	29,972	86,478	21,000	50,064	1,986,478
7	2026	60	23,160	1,500,000	-	15,326	400,000	-	28,296	81,941	23,160	43,622	1,981,941
8	2027	61	26,085	1,500,000	-	10,114	400,000	-	26,616	77,563	26,085	36,730	1,977,563
9	2028	62	29,370	1,500,000	-	4,392	400,000	-	24,930	73,334	29,370	29,322	1,973,334
10	2029	63	32,925	1,500,000	-	-	-	-	23,208	69,207	32,925	23,208	1,569,207
11	2030	64	-	-	-	-	-	-	21,453	65,178	-	21,453	65,178
12	2031	65	-	-	-	-	-	-	19,631	61,191	-	19,631	61,191
13	2032	66	-	-	-	-	-	-	17,758	57,273	-	17,758	57,273
14	2033	67	-	-	-	-	-	-	15,834	53,408	-	15,834	53,408
15	2034	68	-	-	-	-	-	-	13,843	49,565	-	13,843	49,565
16	2035	69	-	-	-	-	-	-	11,834	45,804	-	11,834	45,804
17	2036	70	-	-	-	-	-	-	9,776	42,073	-	9,776	42,073
18	2037	71	-	-	-	-	-	-	7,693	38,402	-	7,693	38,402
19	2038	72	-	-	-	-	-	-	5,567	34,771	-	5,567	34,771
20	2039	73	-	-	-	-	-	-	3,394	31,177	-	3,394	31,177
21	2040	74	-	-	-	-	-	-	1,175	28,632	-	1,175	28,632
22	2041	75	-	-	-	-	-	(18,325)	-	-	(18,325)	-	-
23	2042	76	-	-	-	-	-	-	-	-	-	-	-
24	2043	77	-	-	-	-	-	-	-	-	-	-	-
25	2044	78	-	-	-	-	-	-	-	-	-	-	-
26	2045	79	-	-	-	-	-	-	-	-	-	-	-
27	2046	80	-	-	-	-	-	-	-	-	-	-	-
28	2047	81	-	-	-	-	-	-	-	-	-	-	-
29	2048	82	-	-	-	-	-	-	-	-	-	-	-
30	2049	83	-	-	-	-	-	-	-	-	-	-	-

**Private Client**  
**Existing Life Insurance Portfolio**  
 Unfavorable Environment

			Term		Permanent						Total		
			Equitable Term		Equitable Variable Universal Life			Transamerica Variable Universal Life					
Year	Age		Annual Outlay	Insurance Benefit	Annual Outlay	Cash Surrender Value	Net Insurance Benefit	Annual Outlay	Cash Surrender Value	Net Insurance Benefit	Annual Outlay	Cash Surrender Value	Net Insurance Benefit
31	2050	84	-	-	-	-	-	-	-	-	-	-	-
32	2051	85	-	-	-	-	-	-	-	-	-	-	-
33	2052	86	-	-	-	-	-	-	-	-	-	-	-
34	2053	87	-	-	-	-	-	-	-	-	-	-	-
LE 35	2054	88	-	-	-	-	-	-	-	-	-	-	-
36	2055	89	-	-	-	-	-	-	-	-	-	-	-
37	2056	90	-	-	-	-	-	-	-	-	-	-	-
38	2057	91	-	-	-	-	-	-	-	-	-	-	-
39	2058	92	-	-	-	-	-	-	-	-	-	-	-
40	2059	93	-	-	-	-	-	-	-	-	-	-	-
41	2060	94	-	-	-	-	-	-	-	-	-	-	-
42	2061	95	-	-	-	-	-	-	-	-	-	-	-
43	2062	96	-	-	-	-	-	-	-	-	-	-	-
44	2063	97	-	-	-	-	-	-	-	-	-	-	-
45	2064	98	-	-	-	-	-	-	-	-	-	-	-

**Notes**

1. Projections for existing VUL policies assume an 0.00% gross return and deductions for maximum mortality expenses.
2. Projections assume Michael Bergman pays 30.00% income tax on a taxable gain of \$61,300 when the Transamerica VUL policy lapses.
3. The actuarial life expectancy of a 53 year-old male in good health is 35 years (using 2015 VBT mortality tables).

**Private Client**  
**New Life Insurance Portfolio**  
Favorable Environment

		<b>Term</b>		<b>Permanent</b>			<b>Total</b>			
		<u>New Principal Term</u>		<u>Tax-Free Roll-Up Into -----&gt; New Penn Mutual Fixed Whole Life</u>						
<u>Year</u>	<u>Age</u>	<u>Annual Outlay</u>	<u>Insurance Benefit</u>	<u>Annual Outlay</u>	<u>Cash Surrender Value</u>	<u>Net Insurance Benefit</u>	<u>Annual Outlay</u>	<u>Cash Surrender Value</u>	<u>Net Insurance Benefit</u>	
1	2020	54	1,765	1,500,000	-	73,833	335,820	1,765	73,833	1,835,820
2	2021	55	1,765	1,500,000	-	76,557	269,440	1,765	76,557	1,769,440
3	2022	56	1,765	1,500,000	-	80,249	270,212	1,765	80,249	1,770,212
4	2023	57	1,765	1,500,000	-	84,336	271,369	1,765	84,336	1,771,369
5	2024	58	1,765	1,500,000	-	88,812	272,993	1,765	88,812	1,772,993
6	2025	59	1,765	1,500,000	-	93,690	235,770	1,765	93,690	1,735,770
7	2026	60	1,765	1,500,000	-	98,845	240,793	1,765	98,845	1,740,793
8	2027	61	1,765	1,500,000	-	104,281	245,978	1,765	104,281	1,745,978
9	2028	62	1,765	1,500,000	-	109,994	251,302	1,765	109,994	1,751,302
10	2029	63	1,765	1,500,000	-	116,018	256,794	1,765	116,018	1,756,794
11	2030	64	-	-	-	122,405	262,537	-	122,405	262,537
12	2031	65	-	-	-	129,165	268,577	-	129,165	268,577
13	2032	66	-	-	-	136,306	274,901	-	136,306	274,901
14	2033	67	-	-	-	143,823	281,474	-	143,823	281,474
15	2034	68	-	-	-	151,744	288,284	-	151,744	288,284
16	2035	69	-	-	-	160,100	295,354	-	160,100	295,354
17	2036	70	-	-	-	168,877	302,673	-	168,877	302,673
18	2037	71	-	-	-	178,077	310,217	-	178,077	310,217
19	2038	72	-	-	-	187,722	318,006	-	187,722	318,006
20	2039	73	-	-	-	197,798	326,052	-	197,798	326,052
21	2040	74	-	-	-	208,312	334,362	-	208,312	334,362
22	2041	75	-	-	-	219,261	342,942	-	219,261	342,942
23	2042	76	-	-	-	230,832	351,976	-	230,832	351,976
24	2043	77	-	-	-	242,896	361,417	-	242,896	361,417
25	2044	78	-	-	-	255,471	371,188	-	255,471	371,188
26	2045	79	-	-	-	268,574	381,298	-	268,574	381,298
27	2046	80	-	-	-	282,206	391,755	-	282,206	391,755
28	2047	81	-	-	-	296,372	402,576	-	296,372	402,576
29	2048	82	-	-	-	311,064	413,785	-	311,064	413,785
30	2049	83	-	-	-	326,291	425,394	-	326,291	425,394

**Private Client**  
**New Life Insurance Portfolio**  
Favorable Environment

			Term		Permanent			Total		
			New Principal Term		<u>Tax-Free Roll-Up Into -----&gt;</u> <u>New Penn Mutual Fixed Whole Life</u>					
Year	Age		Annual Outlay	Insurance Benefit	Annual Outlay	Cash Surrender Value	Net Insurance Benefit	Annual Outlay	Cash Surrender Value	Net Insurance Benefit
31	2050	84	-	-	-	342,048	437,440	-	342,048	437,440
32	2051	85	-	-	-	358,326	449,946	-	358,326	449,946
33	2052	86	-	-	-	375,174	463,023	-	375,174	463,023
34	2053	87	-	-	-	392,473	476,630	-	392,473	476,630
LE 35	2054	88	-	-	-	410,178	490,779	-	410,178	490,779
36	2055	89	-	-	-	428,243	505,505	-	428,243	505,505
37	2056	90	-	-	-	446,643	520,826	-	446,643	520,826
38	2057	91	-	-	-	465,351	536,753	-	465,351	536,753
39	2058	92	-	-	-	484,393	553,307	-	484,393	553,307
40	2059	93	-	-	-	503,795	570,486	-	503,795	570,486
41	2060	94	-	-	-	523,595	588,275	-	523,595	588,275
42	2061	95	-	-	-	543,888	606,636	-	543,888	606,636
43	2062	96	-	-	-	564,847	625,488	-	564,847	625,488
44	2063	97	-	-	-	586,357	644,914	-	586,357	644,914
45	2064	98	-	-	-	608,413	664,931	-	608,413	664,931

**Notes**

- Projections for new coverage assume Private Client does not smoke and can qualify medically for "preferred" risk rates.
- Projections for new Whole Life policy assume a 6.10% dividend-crediting rate and deductions for current mortality expenses.
- Projections for new Whole Life policy assume existing cash values of \$115,000 (\$83,000 net of loan) are transferred tax-free under IRC Section 1035 into the new policy as a single premium.  
In policy year 2, the loan is then paid off internally from cash value via a tax-free withdrawal.
- The actuarial life expectancy of a 53 year-old male in good health is 35 years (using 2015 VBT mortality tables).

**Private Client**  
**New Life Insurance Portfolio**  
 Unfavorable Environment

		<b>Term</b>		<b>Permanent</b>			<b>Total</b>			
		<u>New Principal Term</u>		<u>Tax-Free Roll-Up Into -----&gt; New Penn Mutual Fixed Whole Life</u>						
<u>Year</u>	<u>Age</u>	<u>Annual Outlay</u>	<u>Insurance Benefit</u>	<u>Annual Outlay</u>	<u>Cash Surrender Value</u>	<u>Net Insurance Benefit</u>	<u>Annual Outlay</u>	<u>Cash Surrender Value</u>	<u>Net Insurance Benefit</u>	
1	2020	54	1,765	1,500,000	-	72,247	334,235	1,765	72,247	1,834,235
2	2021	55	1,765	1,500,000	-	73,447	263,208	1,765	73,447	1,763,208
3	2022	56	1,765	1,500,000	-	75,453	259,595	1,765	75,453	1,759,595
4	2023	57	1,765	1,500,000	-	77,594	256,100	1,765	77,594	1,756,100
5	2024	58	1,765	1,500,000	-	79,911	252,717	1,765	79,911	1,752,717
6	2025	59	1,765	1,500,000	-	82,575	210,417	1,765	82,575	1,710,417
7	2026	60	1,765	1,500,000	-	85,310	210,417	1,765	85,310	1,710,417
8	2027	61	1,765	1,500,000	-	88,123	210,417	1,765	88,123	1,710,417
9	2028	62	1,765	1,500,000	-	91,004	210,417	1,765	91,004	1,710,417
10	2029	63	1,765	1,500,000	-	93,945	210,417	1,765	93,945	1,710,417
11	2030	64	-	-	-	96,946	210,417	-	96,946	210,417
12	2031	65	-	-	-	100,002	210,417	-	100,002	210,417
13	2032	66	-	-	-	103,114	210,417	-	103,114	210,417
14	2033	67	-	-	-	106,285	210,417	-	106,285	210,417
15	2034	68	-	-	-	109,515	210,417	-	109,515	210,417
16	2035	69	-	-	-	112,803	210,417	-	112,803	210,417
17	2036	70	-	-	-	116,147	210,417	-	116,147	210,417
18	2037	71	-	-	-	119,537	210,417	-	119,537	210,417
19	2038	72	-	-	-	122,962	210,417	-	122,962	210,417
20	2039	73	-	-	-	126,408	210,417	-	126,408	210,417
21	2040	74	-	-	-	129,862	210,417	-	129,862	210,417
22	2041	75	-	-	-	133,314	210,417	-	133,314	210,417
23	2042	76	-	-	-	136,760	210,417	-	136,760	210,417
24	2043	77	-	-	-	140,198	210,417	-	140,198	210,417
25	2044	78	-	-	-	143,626	210,417	-	143,626	210,417
26	2045	79	-	-	-	147,043	210,417	-	147,043	210,417
27	2046	80	-	-	-	150,439	210,417	-	150,439	210,417
28	2047	81	-	-	-	153,801	210,417	-	153,801	210,417
29	2048	82	-	-	-	157,110	210,417	-	157,110	210,417
30	2049	83	-	-	-	160,361	210,417	-	160,361	210,417



**Private Client**  
**New Life Insurance Portfolio**  
 Unfavorable Environment

			Term		Permanent			Total		
			New Principal Term		Tax-Free Roll-Up Into -----> New Penn Mutual Fixed Whole Life					
Year	Age		Annual Outlay	Insurance Benefit	Annual Outlay	Cash Surrender Value	Net Insurance Benefit	Annual Outlay	Cash Surrender Value	Net Insurance Benefit
31	2050	84	-	-	-	163,535	210,417	-	163,535	210,417
32	2051	85	-	-	-	166,613	210,417	-	166,613	210,417
33	2052	86	-	-	-	169,569	210,417	-	169,569	210,417
34	2053	87	-	-	-	172,380	210,417	-	172,380	210,417
LE 35	2054	88	-	-	-	175,016	210,417	-	175,016	210,417
36	2055	89	-	-	-	177,451	210,417	-	177,451	210,417
37	2056	90	-	-	-	179,678	210,417	-	179,678	210,417
38	2057	91	-	-	-	181,693	210,417	-	181,693	210,417
39	2058	92	-	-	-	183,510	210,417	-	183,510	210,417
40	2059	93	-	-	-	185,152	210,417	-	185,152	210,417
41	2060	94	-	-	-	186,646	210,417	-	186,646	210,417
42	2061	95	-	-	-	188,049	210,417	-	188,049	210,417
43	2062	96	-	-	-	189,451	210,417	-	189,451	210,417
44	2063	97	-	-	-	190,777	210,417	-	190,777	210,417
45	2064	98	-	-	-	192,028	210,417	-	192,028	210,417

**Notes**

1. Projections for new coverage assume Private Client does not smoke and can qualify medically for "preferred" risk rates.
2. Projections for new Whole Life policy assume no dividends are paid and deductions for maximum mortality expenses.
3. Projections for new Whole Life policy assume existing cash values of \$115,000 (\$83,000 net of loan) are transferred tax-free under IRC Section 1035 into the new policy as a single premium.  
 In policy year 2, the loan is then paid off internally from cash value via a tax-free withdrawal.
4. The actuarial life expectancy of a 53 year-old male in good health is 35 years (using 2015 VBT mortality tables).