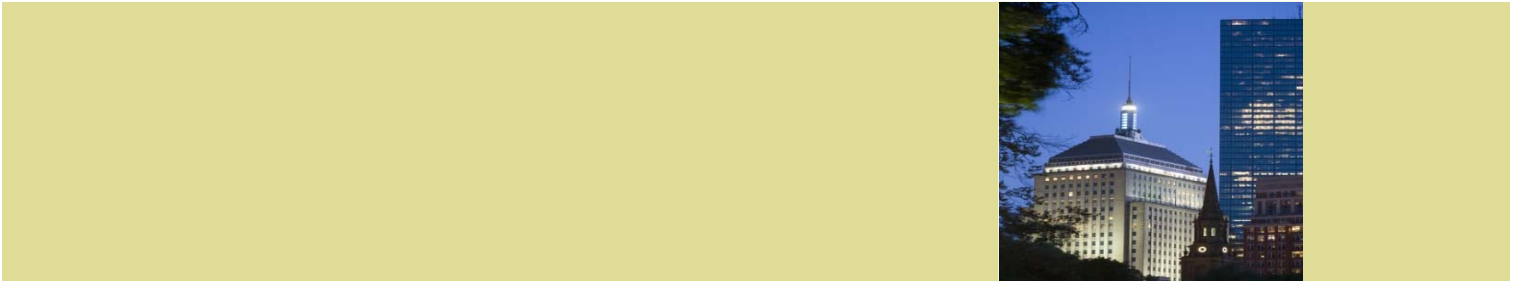


Key Person Insurance

Protecting Your Business From The Loss Of Key Employees



Prepared For:

The Company

Presented By:

Advanced Markets
John Hancock
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*John Hancock Life Insurance Company (U.S.A.), Boston, MA 02210 and securities offered through John Hancock Distributors LLC through other broker/dealers that have a selling agreement with **John Hancock Distributors LLC**, 197 Clarendon Street, Boston, MA 02116*

Key Person Insurance

Key Person Insurance is a planning tool designed to assist you in exploring potential business planning options through the use of life insurance and investing. However, this presentation is not intended as your business plan nor is it a specific recommendation for your business plan. This presentation is for demonstrative purposes only. This analysis does not constitute a recommendation of a particular option over any other planning alternative. Other alternatives may be more appropriate or suitable for your particular situation and should be discussed with your legal, tax, and accounting advisors prior to your making any gifting or purchase decisions.

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Figures used in this program illustrate various benefit/retirement planning concepts, which are based upon both assumptions and data provided by you, the client. Your furnishing of accurate data will help enhance the value of this analysis. However, all assumed growth rates for assets are based upon information provided and assumed by you and are not a guarantee of the future performance of the life insurance policy. Please review the assumptions page for accuracy of information.

This supplemental illustration assumes that the currently illustrated non-guaranteed elements will continue for all years shown. This is not likely to occur and actual results may be more or less favorable than those shown. The actual consequences of a particular planning alternative will depend on many variables, some of which may not be accounted for or fully described in this presentation. Unless otherwise indicated, the income tax, estate tax, and generation-skipping transfer (GST) tax implications of other specific transactions are not reflected in the analysis.

Before you make any investment, business, or tax planning decisions (or change title to any assets or change beneficiary designations), your legal and tax advisors should be consulted to determine (1) the suitability of a particular planning alternative for you, and (2) the precise legal, tax, investment, and accounting consequences of that alternative.

This material does not constitute tax, legal, investment or accounting advice and is not intended for use by a taxpayer for the purposes of avoiding any IRS penalty. Comments on taxation are based on tax law current as of the time we produced the material.

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Variable life insurance has annual fees and expenses associated with it in addition to life insurance related charges including surrender charges and investment management fees. Variable life insurance is unsuitable as a short term savings vehicle. The primary purpose of Variable life insurance is to provide lifetime protection against economic loss due to the death of the insured person. Please have your clients consult with their professional advisors to find out which type of life insurance is more suitable.

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KEY PERSON INSURANCE

THE PROBLEM

You may be concerned about protecting your business from the death of a key employee whose knowledge and contribution to the company are invaluable. The loss of a key person may result in not only a loss in sales but also a potential loss of important contacts and goodwill. Your company's credit position may also be compromised.

THE SOLUTION

You can protect your business from the loss of a key person by implementing a key-person insurance plan in which your company purchases and owns a life insurance policy on the life of a key employee. The life insurance policy will provide the company the liquidity needed to keep the business running in the event of the key employee's premature death. The plan provides the cash needed to hire a qualified replacement and/or to purchase the additional human capital or assets necessary to keep the business operating. The plan may also help to replace lost profits as a result of the death.

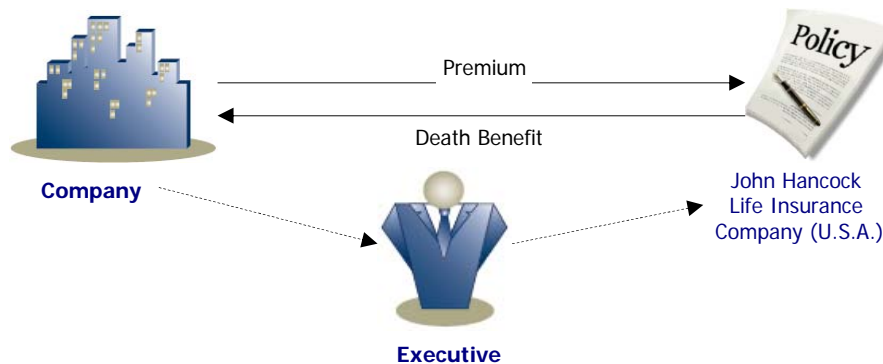
HOW IT WORKS

You will need to consider who the key employees in your company are and what skills they have that make them invaluable to the company.

There are many factors to consider when determining the amount of life insurance coverage. While a good rule of thumb is to purchase five to ten times the employee's annual compensation, you need to also consider the actual cost of replacing the employee in the current market as well as the employee's contribution to company profits. In addition, you will need to take into account the employee's knowledge, skills and relationships that are hard to replace.

Your company can then purchase and own a permanent life insurance policy on the life of a key person. The company is named as the beneficiary of the policy and will pay the premium. The death benefit, when paid, may be used to replace lost profits, recruit and/or retain qualified replacements, or protect the company's credit. The employee does not have any interest in the policy, nor does his family receive any benefits from the policy when death occurs.

The life insurance policy is a valuable asset on the corporate balance sheet. The company may take policy loans and withdrawals from the policy's potential cash value accumulation to cover unexpected corporate expenses¹. The policy cash values may also be used by the company to provide the executive supplemental retirement income in the event that death does not occur during the working years. Alternatively, the policy can be transferred to the employee at retirement. In this case the company would make a tax-deductible transfer to the employee while the employee would pay ordinary income taxes on the value of the policy.



¹ Loans and withdrawals may reduce the death benefit and will reduce the cash surrender value. The cash values available for loans and withdrawals may be more or less than the original amount invested. Loans and withdrawals may cause the policy to lapse. A lapse or surrender of a policy while loans are outstanding may cause recognition of taxable income. Loans and withdrawals from a life insurance policy that is classified as a Modified Endowment Contract (MEC) may be subject to tax at the time the loan or withdrawal is made. A federal tax penalty of 10% may also apply if the loan or withdrawal is taken prior to age 59½.

KEY PERSON INSURANCE

BENEFITS

A key-person insurance plan funded with a permanent life insurance policy:

- Provides the cash necessary to keep the business operating smoothly
- Assures creditors that the company continues to succeed
- Assures customers that the company is stable and running as usual
- Covers the expense of finding and training a replacement
- Provides the company with a valuable asset on the company's balance sheet that can be used for unexpected corporate expenses
- Can be transferred to the employee or used by the company to supplement the key person's retirement income

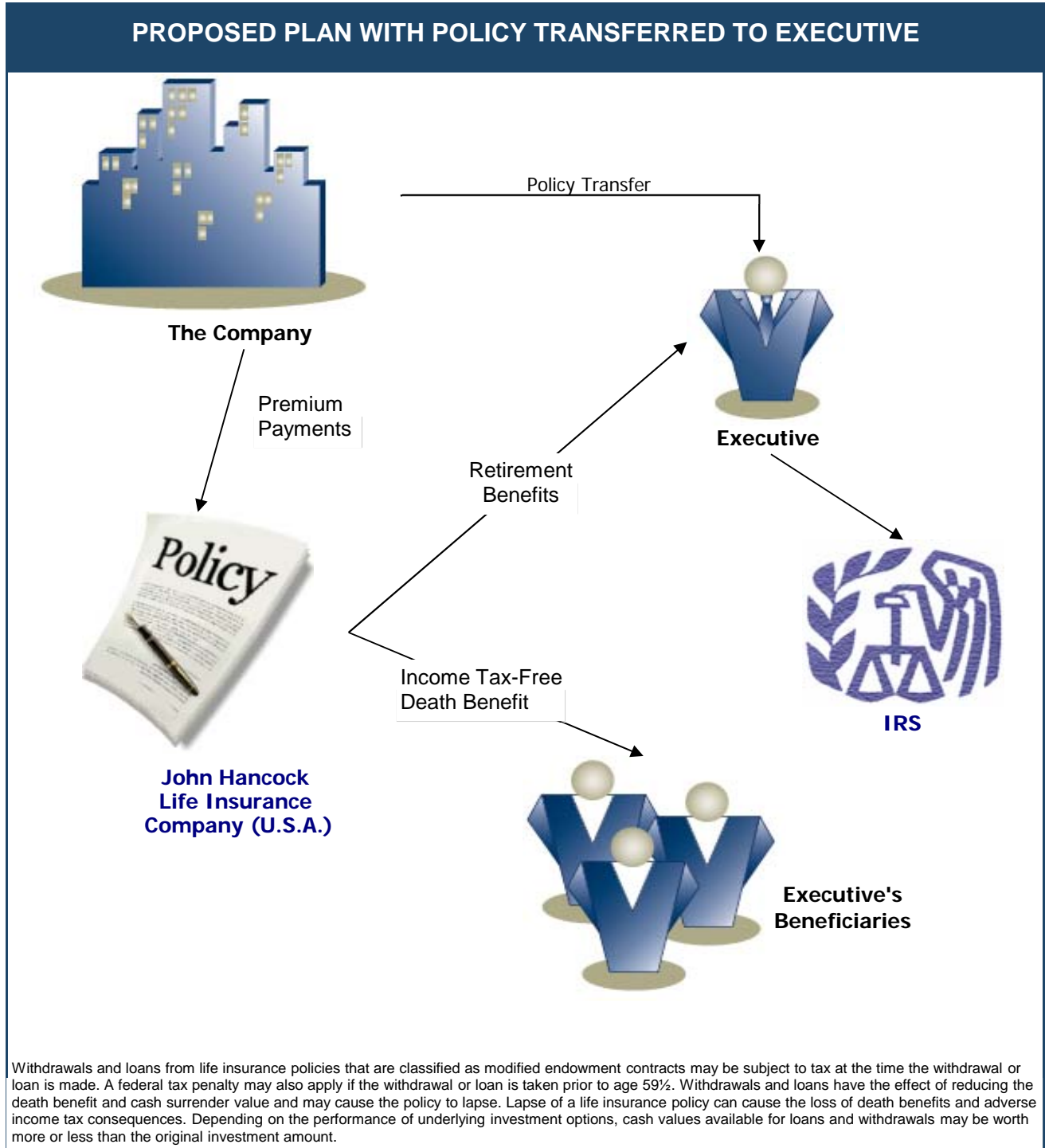
CONSIDERATIONS

- The premiums paid are not tax-deductible by your company.
- If the policy provides the employee with supplemental retirement income, the payments will be taxable to the retired employee
- The purchase of life insurance has costs and risks associated with it, including the cost of insurance. Purchasing variable life insurance also involves investing in underlying investment accounts that correspond to a client's investment objectives and level of risk tolerance. The types of risks associated with investing in these accounts include potential market, portfolio, inflation and international risk. The primary purpose of variable life insurance is to provide lifetime protection against economic loss due to the death of the insured person. Variable life insurance products are long term contracts and are sold by prospectus. For more information, please refer to the product prospectus.
- If you are considering creating a policy with a long-term care rider where the owner is not the insured, there may be adverse consequences - both tax and contractual in nature. You should review the particulars of your intended ownership arrangement with your legal and tax counsels in light of the income, gift, and estate tax provisions of the Internal Revenue Code. Note that the LTC rider can only be considered on a keyman policy if the insured is also an owner.

PLANNING OPTIONS

The following flowcharts and ledger pages illustrate the plan mechanics, and the costs and benefits of the key person plan.

KEY PERSON INSURANCE



KEY PERSON INSURANCE PLAN FOR MARY PEARSON

(Policy is Transferred in year 29 & Employer will Bonus the Taxes)

John Hancock's Accumulation VUL 14 V with Initial Death Benefit of \$505,172 & Initial Premium of \$3,877

CORPORATION

EXECUTIVE

Yr	Att. Age	CORPORATION									EXECUTIVE						
		Annual Premium	Policy Distribution	Policy Net Cash Surrender Value	Policy Death Benefit	Tax Savings	After Tax Cash Flow	Increase in Net CSV / Comp. Expense	Annual Impact on Earnings	Cumulative Impact on Earnings	Transfer from Employer (Including Taxes) ¹	Tax Due	Annual Premium	Policy Distribution	Net After Tax Outlay	Policy Net Cash Surrender Value	Policy Death Benefit
1	38	2,801	0	0	500,000	0	(2,801)	0	(2,801)	(2,801)	0	0	0	0	0	0	0
2	39	2,801	0	0	500,000	0	(2,801)	0	(2,801)	(5,602)	0	0	0	0	0	0	0
3	40	2,801	0	0	500,000	0	(2,801)	0	(2,801)	(8,403)	0	0	0	0	0	0	0
4	41	2,801	0	0	500,000	0	(2,801)	0	(2,801)	(11,204)	0	0	0	0	0	0	0
5	42	2,801	0	1,721	500,000	0	(2,801)	1,721	(1,081)	(12,285)	0	0	0	0	0	0	0
6	43	2,801	0	3,990	500,000	0	(2,801)	2,269	(532)	(12,816)	0	0	0	0	0	0	0
7	44	2,801	0	6,890	500,000	0	(2,801)	2,900	99	(12,717)	0	0	0	0	0	0	0
8	45	2,801	0	10,003	500,000	0	(2,801)	3,114	313	(12,405)	0	0	0	0	0	0	0
9	46	2,801	0	13,436	500,000	0	(2,801)	3,432	631	(11,773)	0	0	0	0	0	0	0
10	47	2,801	0	18,863	500,000	0	(2,801)	5,428	2,627	(9,147)	0	0	0	0	0	0	0
11	48	2,801	0	22,292	500,000	0	(2,801)	3,428	627	(8,520)	0	0	0	0	0	0	0
12	49	2,801	0	25,902	500,000	0	(2,801)	3,610	809	(7,710)	0	0	0	0	0	0	0
13	50	2,801	0	29,703	500,000	0	(2,801)	3,801	1,000	(6,710)	0	0	0	0	0	0	0
14	51	2,801	0	33,691	500,000	0	(2,801)	3,988	1,187	(5,523)	0	0	0	0	0	0	0
15	52	2,801	0	37,889	500,000	0	(2,801)	4,198	1,397	(4,126)	0	0	0	0	0	0	0
16	53	2,801	0	42,309	500,000	0	(2,801)	4,420	1,619	(2,507)	0	0	0	0	0	0	0
17	54	2,801	0	46,958	500,000	0	(2,801)	4,649	1,848	(659)	0	0	0	0	0	0	0
18	55	2,801	0	51,846	500,000	0	(2,801)	4,888	2,087	1,428	0	0	0	0	0	0	0
19	56	2,801	0	56,982	500,000	0	(2,801)	5,136	2,335	3,763	0	0	0	0	0	0	0
20	57	2,801	0	62,379	500,000	0	(2,801)	5,397	2,596	6,359	0	0	0	0	0	0	0
21	58	2,801	0	68,049	500,000	0	(2,801)	5,670	2,869	9,228	0	0	0	0	0	0	0
22	59	2,801	0	74,003	500,000	0	(2,801)	5,954	3,153	12,381	0	0	0	0	0	0	0
23	60	2,801	0	80,257	500,000	0	(2,801)	6,254	3,453	15,834	0	0	0	0	0	0	0
24	61	2,801	0	86,828	500,000	0	(2,801)	6,571	3,770	19,604	0	0	0	0	0	0	0
25	62	2,801	0	93,731	500,000	0	(2,801)	6,904	4,103	23,706	0	0	0	0	0	0	0
Totals:		70,025	0			0	(70,025)			23,706	0	0	0	0	0	0	0

For: Mary Pearson, Female Age 37, Preferred NonSmoker

ER Tax Rates: 20.00% from 1 to Lifetime
EE Tax Rates: 35.00%

See attached Glossary of Ledger Terms

¹ For illustrative purposes only, the tax value of the transfer is based on the greater of Premiums Paid or Policy Value. The actual income tax safe harbor value of the transfer, generally the greater of ITR or PERC, should be established under Rev. Proc 2005-25; consult your tax advisor.



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KEY PERSON INSURANCE PLAN FOR MARY PEARSON

(Policy is Transferred in year 29 & Employer will Bonus the Taxes)

John Hancock's Accumulation VUL 14 V with Initial Death Benefit of \$505,172 & Initial Premium of \$3,877

CORPORATION

EXECUTIVE

Yr	Att. Age	Annual Premium	Policy Distribution	Policy Net Cash Surrender Value	Policy Death Benefit	Tax Savings	After Tax Cash Flow	Increase in Net CSV / Comp. Expense	Annual Impact on Earnings	Cumulative Impact on Earnings	Transfer from Employer (Including Taxes) ¹	Tax Due	Annual Premium	Policy Distribution	Net After Tax Outlay	Policy Net Cash Surrender Value	Policy Death Benefit
26	63	2,801	0	100,986	500,000	0	(2,801)	7,255	4,454	28,160	0	0	0	0	0	0	0
27	64	2,801	0	108,609	500,000	0	(2,801)	7,623	4,822	32,982	0	0	0	0	0	0	0
28	65	2,801	0	116,619	500,000	0	(2,801)	8,010	5,209	38,191	0	0	0	0	0	0	0
29	66	0	0	0	0	33,320	0	(166,599)	(133,279)	(95,088)	166,599	49,980	0	0	0	122,098	500,000
30	67	0	0	0	0	0	0	0	0	0	0	0	0	0	0	127,795	500,000
31	68	0	0	0	0	0	0	0	0	0	0	0	0	0	0	133,663	500,000
32	69	0	0	0	0	0	0	0	0	0	0	0	0	0	0	139,757	500,000
33	70	0	0	0	0	0	0	0	0	0	0	0	0	0	0	146,083	500,000
34	71	0	0	0	0	0	0	0	0	0	0	0	0	0	0	152,639	500,000
35	72	0	0	0	0	0	0	0	0	0	0	0	0	0	0	159,421	500,000
36	73	0	0	0	0	0	0	0	0	0	0	0	0	0	0	166,421	500,000
37	74	0	0	0	0	0	0	0	0	0	0	0	0	0	0	173,624	500,000
38	75	0	0	0	0	0	0	0	0	0	0	0	0	0	0	181,009	500,000
39	76	0	0	0	0	0	0	0	0	0	0	0	0	0	0	188,556	500,000
40	77	0	0	0	0	0	0	0	0	0	0	0	0	0	0	196,224	500,000
41	78	0	0	0	0	0	0	0	0	0	0	0	0	0	0	203,979	500,000
42	79	0	0	0	0	0	0	0	0	0	0	0	0	0	0	211,784	500,000
43	80	0	0	0	0	0	0	0	0	0	0	0	0	0	0	219,602	500,000
44	81	0	0	0	0	0	0	0	0	0	0	0	0	0	0	227,401	500,000
45	82	0	0	0	0	0	0	0	0	0	0	0	0	0	0	235,145	500,000
46	83	0	0	0	0	0	0	0	0	0	0	0	0	0	0	242,800	500,000
47	84	0	0	0	0	0	0	0	0	0	0	0	0	0	0	250,328	500,000
48	85	0	0	0	0	0	0	0	0	0	0	0	0	0	0	257,688	500,000
49	86	0	0	0	0	0	0	0	0	0	0	0	0	0	0	264,836	500,000
50	87	0	0	0	0	0	0	0	0	0	0	0	0	0	0	271,730	500,000
Totals:		78,428	0			33,320	(78,428)			(95,088)	166,599	49,980	0	0	0		

For: Mary Pearson, Female Age 37, Preferred NonSmoker

ER Tax Rates: 20.00% from 1 to Lifetime
EE Tax Rates: 35.00%

See attached Glossary of Ledger Terms

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KEY PERSON INSURANCE PLAN FOR RAY WALSH

(Policy is Transferred in year 27 & Employer will Bonus the Taxes)

John Hancock's Accumulation VUL 14 V with Initial Death Benefit of \$506,753 & Initial Premium of \$5,064

CORPORATION

EXECUTIVE

Yr	Att. Age	Annual Premium	Policy Distribution	Policy Net Cash Surrender Value	Policy Death Benefit	Tax Savings	After Tax Cash Flow	Increase in Net CSV / Comp. Expense	Annual Impact on Earnings	Cumulative Impact on Earnings	Transfer from Employer (Including Taxes) ¹	Tax Due	Annual Premium	Policy Distribution	Net After Tax Outlay	Policy Net Cash Surrender Value	Policy Death Benefit
1	40	3,526	0	0	500,000	0	(3,526)	0	(3,526)	(3,526)	0	0	0	0	0	0	0
2	41	3,526	0	0	500,000	0	(3,526)	0	(3,526)	(7,052)	0	0	0	0	0	0	0
3	42	3,526	0	0	500,000	0	(3,526)	0	(3,526)	(10,578)	0	0	0	0	0	0	0
4	43	3,526	0	0	500,000	0	(3,526)	0	(3,526)	(14,104)	0	0	0	0	0	0	0
5	44	3,526	0	1,936	500,000	0	(3,526)	1,936	(1,590)	(15,694)	0	0	0	0	0	0	0
6	45	3,526	0	4,892	500,000	0	(3,526)	2,957	(569)	(16,264)	0	0	0	0	0	0	0
7	46	3,526	0	8,696	500,000	0	(3,526)	3,804	278	(15,986)	0	0	0	0	0	0	0
8	47	3,526	0	12,794	500,000	0	(3,526)	4,098	572	(15,414)	0	0	0	0	0	0	0
9	48	3,526	0	17,317	500,000	0	(3,526)	4,524	998	(14,417)	0	0	0	0	0	0	0
10	49	3,526	0	24,486	500,000	0	(3,526)	7,168	3,642	(10,774)	0	0	0	0	0	0	0
11	50	3,526	0	28,954	500,000	0	(3,526)	4,469	943	(9,832)	0	0	0	0	0	0	0
12	51	3,526	0	33,650	500,000	0	(3,526)	4,696	1,170	(8,662)	0	0	0	0	0	0	0
13	52	3,526	0	38,575	500,000	0	(3,526)	4,925	1,399	(7,263)	0	0	0	0	0	0	0
14	53	3,526	0	43,740	500,000	0	(3,526)	5,165	1,639	(5,624)	0	0	0	0	0	0	0
15	54	3,526	0	49,161	500,000	0	(3,526)	5,421	1,895	(3,729)	0	0	0	0	0	0	0
16	55	3,526	0	54,838	500,000	0	(3,526)	5,677	2,151	(1,578)	0	0	0	0	0	0	0
17	56	3,526	0	60,797	500,000	0	(3,526)	5,959	2,433	855	0	0	0	0	0	0	0
18	57	3,526	0	67,050	500,000	0	(3,526)	6,253	2,727	3,582	0	0	0	0	0	0	0
19	58	3,526	0	73,610	500,000	0	(3,526)	6,560	3,034	6,616	0	0	0	0	0	0	0
20	59	3,526	0	80,487	500,000	0	(3,526)	6,877	3,351	9,967	0	0	0	0	0	0	0
21	60	3,526	0	87,693	500,000	0	(3,526)	7,206	3,680	13,647	0	0	0	0	0	0	0
22	61	3,526	0	95,238	500,000	0	(3,526)	7,545	4,019	17,666	0	0	0	0	0	0	0
23	62	3,526	0	103,135	500,000	0	(3,526)	7,897	4,371	22,037	0	0	0	0	0	0	0
24	63	3,526	0	111,401	500,000	0	(3,526)	8,266	4,740	26,777	0	0	0	0	0	0	0
25	64	3,526	0	120,058	500,000	0	(3,526)	8,657	5,131	31,908	0	0	0	0	0	0	0
Totals:		88,150	0			0	(88,150)		31,908		0	0	0	0	0		

For: Ray Walsh, Male Age 39, Preferred NonSmoker

ER Tax Rates: 20.00% from 1 to Lifetime
EE Tax Rates: 35.00%

See attached Glossary of Ledger Terms

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KEY PERSON INSURANCE PLAN FOR RAY WALSH

(Policy is Transferred in year 27 & Employer will Bonus the Taxes)

John Hancock's Accumulation VUL 14 V with Initial Death Benefit of \$506,753 & Initial Premium of \$5,064

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EXECUTIVE

Yr	Att. Age	CORPORATION									EXECUTIVE						
		Annual Premium	Policy Distribution	Policy Net Cash Surrender Value	Policy Death Benefit	Tax Savings	After Tax Cash Flow	Increase in Net CSV / Comp. Expense	Annual Impact on Earnings	Cumulative Impact on Earnings	Transfer from Employer (Including Taxes) ¹	Tax Due	Annual Premium	Policy Distribution	Net After Tax Outlay	Policy Net Cash Surrender Value	Policy Death Benefit
26	65	3,526	0	129,126	500,000	0	(3,526)	9,068	5,542	37,450	0	0	0	0	0	0	0
27	66	0	0	0	0	39,731	0	(198,655)	(158,924)	(121,474)	198,655	69,529	0	0	0	134,918	500,000
28	67	0	0	0	0	0	0	0	0	0	0	0	0	0	0	140,886	500,000
29	68	0	0	0	0	0	0	0	0	0	0	0	0	0	0	147,027	500,000
30	69	0	0	0	0	0	0	0	0	0	0	0	0	0	0	153,338	500,000
31	70	0	0	0	0	0	0	0	0	0	0	0	0	0	0	159,721	500,000
32	71	0	0	0	0	0	0	0	0	0	0	0	0	0	0	166,257	500,000
33	72	0	0	0	0	0	0	0	0	0	0	0	0	0	0	172,942	500,000
34	73	0	0	0	0	0	0	0	0	0	0	0	0	0	0	179,777	500,000
35	74	0	0	0	0	0	0	0	0	0	0	0	0	0	0	186,756	500,000
36	75	0	0	0	0	0	0	0	0	0	0	0	0	0	0	193,869	500,000
37	76	0	0	0	0	0	0	0	0	0	0	0	0	0	0	201,107	500,000
38	77	0	0	0	0	0	0	0	0	0	0	0	0	0	0	208,443	500,000
39	78	0	0	0	0	0	0	0	0	0	0	0	0	0	0	215,857	500,000
40	79	0	0	0	0	0	0	0	0	0	0	0	0	0	0	223,332	500,000
41	80	0	0	0	0	0	0	0	0	0	0	0	0	0	0	230,851	500,000
42	81	0	0	0	0	0	0	0	0	0	0	0	0	0	0	238,400	500,000
43	82	0	0	0	0	0	0	0	0	0	0	0	0	0	0	245,956	500,000
44	83	0	0	0	0	0	0	0	0	0	0	0	0	0	0	253,496	500,000
45	84	0	0	0	0	0	0	0	0	0	0	0	0	0	0	260,984	500,000
46	85	0	0	0	0	0	0	0	0	0	0	0	0	0	0	268,356	500,000
47	86	0	0	0	0	0	0	0	0	0	0	0	0	0	0	275,532	500,000
48	87	0	0	0	0	0	0	0	0	0	0	0	0	0	0	282,446	500,000
49	88	0	0	0	0	0	0	0	0	0	0	0	0	0	0	289,023	500,000
50	89	0	0	0	0	0	0	0	0	0	0	0	0	0	0	295,174	500,000
Totals:		91,676	0			39,731	(91,676)		(121,474)		198,655	69,529	0	0	0		

For: Ray Walsh, Male Age 39, Preferred NonSmoker

ER Tax Rates: 20.00% from 1 to Lifetime
EE Tax Rates: 35.00%

See attached Glossary of Ledger Terms

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COMPOSITE KEY PERSON INSURANCE PLAN FOR 2 EXECUTIVES

CORPORATION

EXECUTIVE

Yr	CORPORATION										EXECUTIVE						
	Annual Premium	Policy Distribution	Policy Net Cash Surrender Value	Policy Death Benefit	Tax Savings	After Tax Cash Flow	Increase in Net CSV / Comp. Expense	Annual Impact on Earnings	Cumulative Impact on Earnings	Transfer from Employer (Including Taxes) ¹	Tax Due	Annual Premium	Policy Distribution	Net After Tax Outlay	Policy Net Cash Surrender Value	Policy Death Benefit	
1	6,327	0	0	1,000,000	0	(6,327)	0	(6,327)	(6,327)	0	0	0	0	0	0	0	
2	6,327	0	0	1,000,000	0	(6,327)	0	(6,327)	(12,654)	0	0	0	0	0	0	0	
3	6,327	0	0	1,000,000	0	(6,327)	0	(6,327)	(18,981)	0	0	0	0	0	0	0	
4	6,327	0	0	1,000,000	0	(6,327)	0	(6,327)	(25,308)	0	0	0	0	0	0	0	
5	6,327	0	3,656	1,000,000	0	(6,327)	3,656	(2,671)	(27,979)	0	0	0	0	0	0	0	
6	6,327	0	8,882	1,000,000	0	(6,327)	5,226	(1,101)	(29,080)	0	0	0	0	0	0	0	
7	6,327	0	15,586	1,000,000	0	(6,327)	6,704	377	(28,703)	0	0	0	0	0	0	0	
8	6,327	0	22,797	1,000,000	0	(6,327)	7,211	884	(27,819)	0	0	0	0	0	0	0	
9	6,327	0	30,753	1,000,000	0	(6,327)	7,956	1,629	(26,190)	0	0	0	0	0	0	0	
10	6,327	0	43,349	1,000,000	0	(6,327)	12,596	6,269	(19,921)	0	0	0	0	0	0	0	
11	6,327	0	51,246	1,000,000	0	(6,327)	7,897	1,570	(18,351)	0	0	0	0	0	0	0	
12	6,327	0	59,552	1,000,000	0	(6,327)	8,306	1,979	(16,372)	0	0	0	0	0	0	0	
13	6,327	0	68,278	1,000,000	0	(6,327)	8,726	2,399	(13,973)	0	0	0	0	0	0	0	
14	6,327	0	77,431	1,000,000	0	(6,327)	9,153	2,826	(11,147)	0	0	0	0	0	0	0	
15	6,327	0	87,050	1,000,000	0	(6,327)	9,619	3,292	(7,855)	0	0	0	0	0	0	0	
16	6,327	0	97,147	1,000,000	0	(6,327)	10,097	3,770	(4,085)	0	0	0	0	0	0	0	
17	6,327	0	107,755	1,000,000	0	(6,327)	10,608	4,281	196	0	0	0	0	0	0	0	
18	6,327	0	118,896	1,000,000	0	(6,327)	11,141	4,814	5,010	0	0	0	0	0	0	0	
19	6,327	0	130,591	1,000,000	0	(6,327)	11,696	5,369	10,378	0	0	0	0	0	0	0	
20	6,327	0	142,866	1,000,000	0	(6,327)	12,275	5,948	16,326	0	0	0	0	0	0	0	
21	6,327	0	155,743	1,000,000	0	(6,327)	12,876	6,549	22,876	0	0	0	0	0	0	0	
22	6,327	0	169,241	1,000,000	0	(6,327)	13,499	7,172	30,047	0	0	0	0	0	0	0	
23	6,327	0	183,392	1,000,000	0	(6,327)	14,151	7,824	37,871	0	0	0	0	0	0	0	
24	6,327	0	198,229	1,000,000	0	(6,327)	14,837	8,510	46,381	0	0	0	0	0	0	0	
25	6,327	0	213,790	1,000,000	0	(6,327)	15,561	9,234	55,615	0	0	0	0	0	0	0	
Totals:	158,175	0			0	(158,175)		55,615		0	0	0	0	0			

ER Tax Rates: 20.00% from 1 to Lifetime

See attached Glossary of Ledger Terms

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COMPOSITE KEY PERSON INSURANCE PLAN FOR 2 EXECUTIVES

Yr	CORPORATION										EXECUTIVE					
	Annual Premium	Policy Distribution	Policy Net Cash Surrender Value	Policy Death Benefit	Tax Savings	After Tax Cash Flow	Increase in Net CSV / Comp. Expense	Annual Impact on Earnings	Cumulative Impact on Earnings	Transfer from Employer (Including Taxes) ¹	Tax Due	Annual Premium	Policy Distribution	Net After Tax Outlay	Policy Net Cash Surrender Value	Policy Death Benefit
26	6,327	0	230,112	1,000,000	0	(6,327)	16,322	9,995	65,610	0	0	0	0	0	0	0
27	2,801	0	108,609	500,000	39,731	(2,801)	(191,032)	(154,102)	(88,492)	198,655	69,529	0	0	0	134,918	500,000
28	2,801	0	116,619	500,000	0	(2,801)	8,010	5,209	38,191	0	0	0	0	0	140,886	500,000
29	0	0	0	0	33,320	0	(166,599)	(133,279)	(95,088)	166,599	49,980	0	0	0	269,125	1,000,000
30	0	0	0	0	0	0	0	0	0	0	0	0	0	0	281,133	1,000,000
31	0	0	0	0	0	0	0	0	0	0	0	0	0	0	293,384	1,000,000
32	0	0	0	0	0	0	0	0	0	0	0	0	0	0	306,015	1,000,000
33	0	0	0	0	0	0	0	0	0	0	0	0	0	0	319,025	1,000,000
34	0	0	0	0	0	0	0	0	0	0	0	0	0	0	332,416	1,000,000
35	0	0	0	0	0	0	0	0	0	0	0	0	0	0	346,176	1,000,000
36	0	0	0	0	0	0	0	0	0	0	0	0	0	0	360,290	1,000,000
37	0	0	0	0	0	0	0	0	0	0	0	0	0	0	374,731	1,000,000
38	0	0	0	0	0	0	0	0	0	0	0	0	0	0	389,452	1,000,000
39	0	0	0	0	0	0	0	0	0	0	0	0	0	0	404,413	1,000,000
40	0	0	0	0	0	0	0	0	0	0	0	0	0	0	419,556	1,000,000
41	0	0	0	0	0	0	0	0	0	0	0	0	0	0	434,830	1,000,000
42	0	0	0	0	0	0	0	0	0	0	0	0	0	0	450,183	1,000,000
43	0	0	0	0	0	0	0	0	0	0	0	0	0	0	465,558	1,000,000
44	0	0	0	0	0	0	0	0	0	0	0	0	0	0	480,897	1,000,000
45	0	0	0	0	0	0	0	0	0	0	0	0	0	0	496,129	1,000,000
46	0	0	0	0	0	0	0	0	0	0	0	0	0	0	511,156	1,000,000
47	0	0	0	0	0	0	0	0	0	0	0	0	0	0	525,859	1,000,000
48	0	0	0	0	0	0	0	0	0	0	0	0	0	0	540,134	1,000,000
49	0	0	0	0	0	0	0	0	0	0	0	0	0	0	553,859	1,000,000
50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	566,904	1,000,000
Totals:	170,104	0			73,051	(170,104)		(216,562)		365,254	119,509	0	0	0		

ER Tax Rates: 20.00% from 1 to Lifetime

See attached Glossary of Ledger Terms

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ASSUMPTIONS

	Value	Explanation
PLAN INFORMATION		
Company Name	The Company	Names of the heirs
Client's Tax Bracket	20.00%	Corporations Tax Rate
PRESENTER INFORMATION		
Presenter's Name	Advanced Markets	Name of presenter
Agency Name	John Hancock	
Address	197 Clarendon St.	
City State, ZIP	Boston, MA 02116	
Telephone	888-266-7498, Option #3	
Fax	617-572-6595	
E-Mail Address	AdvancedMarkets@Jhancock.com	
RESULTS		
Focus Year (for Non-Transfer Policies)*	27	Focus year

KEY PERSON LIFE INSURANCE - CENSUS

PARTICIPANT INFORMATION

Participant	1	2		
Mode	Active	Active		
Name	Mary Pearson	Ray Walsh		
Age	37	39		
Sex	Female	Male		
Risk Class	Preferred NonSmoker	Preferred NonSmoker		
Salary	\$200,000 (4.00% Growth)	\$200,000 (0.00% Growth)		
Incentive Comp	\$0 (0.00% Growth)	\$0 (0.00% Growth)		
Retirement Age	65	65		
Life Expectancy	45	44		
State	Pennsylvania	Pennsylvania		
Income Tax	35.00%	35.00%		
##	#N/A	#N/A		

POLICY TRANSFER

Will Corporation Transfer	Yes	Yes		
Transfer Amount	\$116,619	\$129,126		
Employer Pay's EE Tax:	Yes	Yes		

LIFE INSURANCE

Policy Name	Accumulation VUL 14 V	Accumulation VUL 14 V		
Type	Single Life	Single Life		
Initial Death Benefit	\$505,172	\$506,753		
Annualized Premium	\$3,877	\$5,064		
Premium Years	28	26		
Withdrawals/Loans				
Start Year				
End Year				
Policy Rate	6.50% Gross	6.50% Gross		
1035 Exchange Amount	\$0	\$0		
##	#N/A	#N/A		

GLOSSARY OF LEDGER TERMS - CORPORATION & EXECUTIVE

Tax Savings – This column illustrates the tax deduction available to the corporation if and when the policy is transferred to the executive at some point in the future.

Net Cash Flow – This column illustrates the cash flow required by the corporation to fund the policy and takes into account any distributions assumed to be received from the policy by the corporation.

Increase in Net CSV / Comp. Expense – This column illustrates the annual increase in net cash surrender value of the policy. In addition, in the year of transfer the value represents the total amount being transferred to the executive as a form of compensation, which may also include the taxes (double bonus).

Annual Impact on Earnings – This column illustrates the cash flow required to fund the policy annually, net of the annual increase in the policy's cash surrender value.

Cumulative Impact on Earnings – This column illustrates the cumulative cash flow required to fund the policy annually, net of the total cash surrender value of the policy.

Loans and Withdrawals – This column shows up in the typical scenario in which the corporation does not transfer the policy to the key person at some point in the future. This column illustrates the distributions taken annually from the policy by the corporation.

Policy Distribution – This column will be visible when it is assumed that the corporation transfers the policy to the key person at some point in the future. It reflects the distributions assumed to be made from the policy by the key executive, if and when the policy is transferred to the key person.