

OVERVIEW OF BANK OWNED LIFE INSURANCE (BOLI)

Experience and Exclusive Focus

- Mullin Barends Sanford's roots date to the 1950s. We have more than five decades of experience in the highly specialized field of institutional insurance funding solutions. For banks we provide the following services:
 - » BOLI Financing Design
 - » BOLI Administration
 - » BOLI Audits

Dynamic Design Model™

- Mullin Barends Sanford's proprietary plan due diligence process ensures no steps are missed in creating the right plan design for a client's unique circumstances.

Scale and Depth

- 259 associates focused on delivering state-of-the-art consulting and administrative services to our clients with backgrounds in benefits, finance, law, accounting, taxes, insurance and investments:
 - » Offices in Los Angeles, Chicago, Dallas, Irvine, New York, and Orlando
 - » Plan service center in Los Angeles
 - » Administering 817 plans with more than \$25.4 billion in assets and representing over 73,200+ executives (as of 03/31/14)

Access to Proprietary BOLI Financing Vehicles

- Through our affiliate M Financial, Mullin Barends Sanford has access to several carriers' proprietary products:
 - » Access to 30+ carriers
 - » General and separate account
 - » Proprietary and non-proprietary products

Ownership Structure, Capital Structure and Plan to Honor Long-Term Commitments

- Mullin Barends Sanford is a Prudential Financial company. Prudential is one of the largest financial services companies in the United States, known for its financial strength and 135 years of experience in the life insurance and retirement benefits business. The firm in no way compromises Mullin Barends Sanford's client-centered objectivity or influences our recommendations at any time.
- Since the company's inception, Mullin Barends Sanford and its members have been building retained earnings on a regular basis to ensure the continual delivery of services to clients. Unlike many of our competitors, we do not depend on new business to support our commitments to existing clients.

Significant Experience in Washington Legislative Scene

- Mullin Barends Sanford maintains an active presence in Washington D.C., through various industry associations and on its own, enabling us to provide current and accurate information to our clients on issues that might affect their plans.

MULLIN BARENS SANFORD SERVICES OVERVIEW

Pre-Purchase Analysis

Mullin Barens Sanford will prepare a report documenting the decision-making process and identifying the due diligence performed prior to execution of the purchase. This will include the evaluation of transaction/operational, credit, interest rate, liquidity, reputation, compliance/legal and price risks.

Annual Plan Review

A Sample BOLI Policy Statement will be drafted and provided to the bank as a means of documenting the ongoing risk management process and annual analysis and review. Mullin Barens Sanford will complete an annual policy review to assist the bank in its efforts to meet the needs of ongoing due diligence for documentation, compliance and audit purposes.

Implementation of the BOLI Portfolio

Mullin Barens Sanford provides full assistance throughout the various phases of establishing the bank's BOLI portfolio to ensure a successful implementation, including:

- Employee communication and consent form
- Guaranteed Issue negotiation with the carriers
- Coordination of all paperwork
- Wire instructions
- Estimated accounting entries

Ongoing Services

We strive to provide the best ongoing client service in the marketplace. Typical annual services that our clients receive include:

- Reporting annual cash value and providing policy statements
- Monitoring carrier performance:
 - » Mullin Barens Sanford continually monitors the ratings and financial stability of BOLI carriers based on size, strength of ratings, product performance, crediting rates and commitment to the BOLI marketplace.
- Material event notification
- Revaluations:
 - » Summaries of performance to date and long-term financial projections (cash flow and accounting) for the insurance policies.

Audits

Mullin Barens Sanford will audit existing BOLI portfolios.