

BANK OWED LIFE INSURANCE (BOLI) SERVICES OVERVIEW

Pre-Purchase Analysis

The Pre-Purchase analysis for a BOLI transaction is a critical report documenting the BOLI decision-making process and identifying the due diligence performed prior to execution of the purchase. This material will include the evaluation of the BOLI transaction, operational, credit, interest rate, liquidity, reputation, compliance, legal and pricing risks.

Implementation of the BOLI Portfolio

Our comprehensive consulting service throughout the various phases of establishing a BOLI portfolio:

- BOLI product evaluation
- Employee communication and consent
- Guaranteed Issue negotiation with the carriers
- Coordination of BOLI policy paperwork
- BOLI compliance with regulatory guidelines

Annual Plan Review

Mullin Barens Sanford will complete an annual BOLI policy review to assist the bank in its efforts to meet the needs of ongoing due diligence for documentation, compliance and audit purposes.

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:
 - » We 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 BOLI policies

Audits

Mullin Barens Sanford will perform audits of existing BOLI portfolios to evaluate overall cost and structure effectiveness over time.