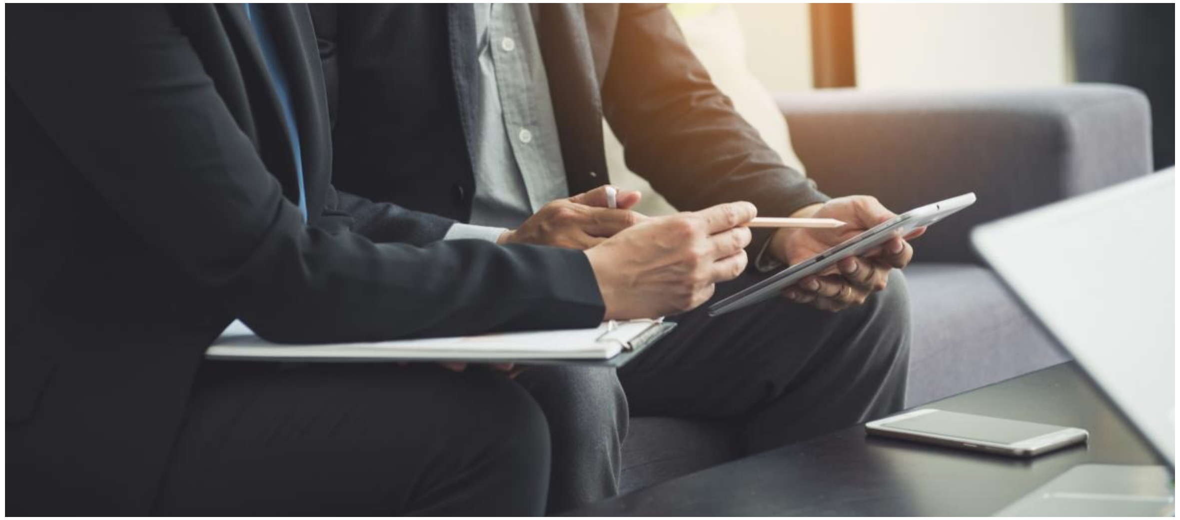

OAKMONT GROUP
YOUR PREFERRED FUTURE AWAITS.
WE STAND READY TO HELP.

MISSION



We assist families, businesses and their advisors maximize the efficiency and effectiveness of succession and wealth transfer plans through the implementation of custom designed life insurance solutions.

Oakmont Group exists to help our clients maximize the impact an enjoyment of their wealth now and for generations to come. Understanding our clients and their Preferred Future™ allows us to provide the level of advice they deserve.

Oakmont Highlights

- 40+ years singularly focused on life insurance in the wealth transfer process for high-net-worth families and closely held businesses
- Over 15% of the Forbes 400 families working with Oakmont
- Served as board member for a major US Life Insurance company
- Created the product the industry refers to as Guaranteed Universal Life
- Founding shareholders and board member of the fastest growing start up in the Life Insurance industry
- Operated as the back office for 3 world-wide accounting firms, providing customized life insurance solutions for their clients pre and post liquidity events
- Currently work with clients and advisors in all 50 states, giving us broad insights into planning strategies we apply to each client's unique situation.
- Actively service many high-profile entertainers that have accumulated 100+ Grammy, 20+ Golden Globes, 10+ Oscars, 30+ Emmy's and 10+ SAG wins. As well as professional athletes that have accomplished MVP and All-Star awards and wins in the World Series, World Cup, NBA Championships, Olympics and Super Bowl.

Who We Serve

- Trust Companies
- Wealthy Individuals and Families
- Family Offices (SFO & MFO)
- Businesses and Their Stakeholders
- Private Equity Firms and their portfolio companies
- Registered Investment Advisors (RIA's)
- P&C Firms
- Private Banks

Integrity	Impact
Balance	Creativity

OUR METHODOLOGY...

Oakmont Group strives to understand every family's **Preferred Future™**. This is the intersection of the family's lifetime goals and financial goals.

We ensure we have **Advisor Alignment.** This prevents us from conducting siloed planning

Oakmont Group ensures we take a **Fact-specific** approach to planning. This avoids life insurance that is misused, misaligned, mis-designed and not personalized.

Term vs Permanent

Term

- Carries hard expiration date
- Best used when need for insurance is temporary
- Some products offer ability to convert to a permanent product without further underwriting
- Premiums are inflexible
- No internal cash value

Permanent

- No expiration date
- Cash value
- Can be used for estate creation or preservation
- Holds value on secondary market
- Premiums can be flexible

Permanent Insurance | Product Spectrum

Illustration Assumptions

Client: Female – Age 65 | Health Rating: Preferred Non-Tobacco | Death Benefit: $5,000,000

Most-Structured — Risk / Control / Flexibility Spectrum — *Less-Structured*

	Guaranteed Universal Life	Whole Life	Universal Life	Index Universal Life	Variable Universal Life
Carrier	Nationwide	MassMutual	PennMutual	John Hancock	Prudential
Annual Outlay	$95,000	$132,600	$87,000	$87,000	$87,000
Assumed Interest Rate / Current Dividend Rate	1%	6% (Current Dividend Rate)	3.75%	4.95%	6% Net
CV Year 10	$0	$1,058,951	$582,868	$393,850	$749,588
CV Year 20	$0	$2,570,621	$847,384	$1,131,991	$1,683,610
Guaranteed to Age	100	100	91	91	87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Sample Designs

Policy Valuation

Situation

- Multi Generational business sold to PE firm
- RIA manages part of family money
- Need to differentiate from competitive RIA
- Life insurance policies owned inside LLC
- DB $100mm
- Cash Value $10mm
- Gifting policies to trusts using unified credits
- Value of polices based on "ITR" confirmed by big 4 CPA firm $20mm

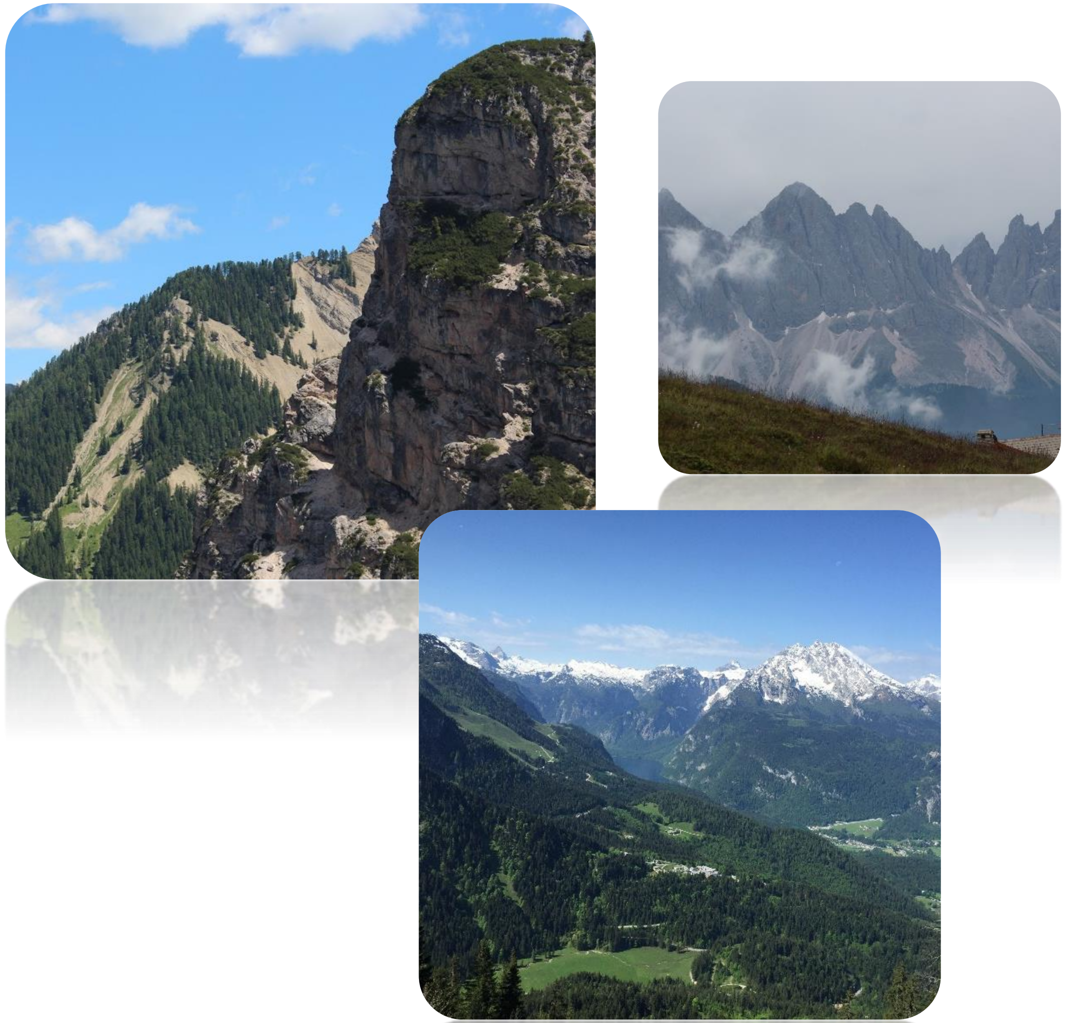
Solution

- Oakmont Group conducted a competitive FMV study
- Based on market offers Min value before planning = $10mm
- After planning value = $5mm
- Realized saving of $15mm from ITR value to FMV
- Using additional Unified Credit to gift appreciating assets

Persona: Young Ultra-affluent Couple

Mr. (age 50) and Mrs. (age 50) Client

<u>Wait and See</u>, Skip to age 84



- Foreign national family
- Family-owned business
- Instituted intra-family sale to defective trust to capture future growth outside of estate which curtails the growth of the taxable estate
- Designed policy for minimum outlay until note for intra-family sale was paid off

Persona: Young Ultra-affluent Couple

Mr. (age 50) and Mrs. (age 50) Client

Wait and See, Skip to age 84

		Prudential		
Year	*Age*	Annual Outlay	Cash Surrender Value	Death Benefit
1-3	50-52	$310,817	$0	$40,000,000
4-34	53-83	$0	-	$40,000,000
35-50	84-100	$1,492,862	-	$40,000,000

All policies assume good health and are subject to complete medical and financial underwriting. Cash values are not guaranteed. See full illustrations for details.

Enterprise Security Planning Skip Design

Situation

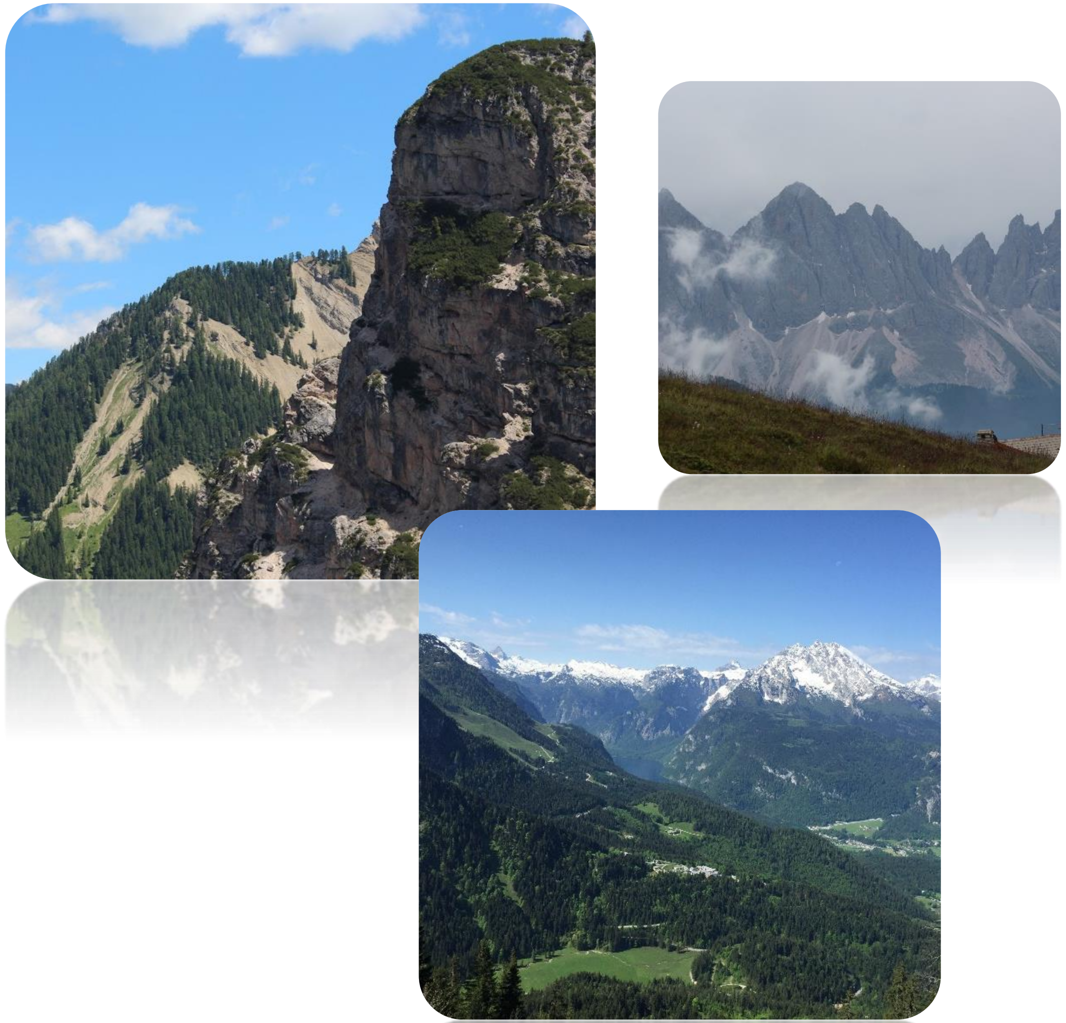
- Referral from Trust company
- 54-year-old husband 53-year-old wife
- Substantial business to be sold in 5 – 10 years
- Efficient transition of assets to children main concern
- $60mm Tax Exposure
- Wanted 30-year Term to cover the tax exposure ($289k annual premium)

Solution

- Implemented $60mm of SIUL
- $576,000 for 3 years
- No Further premium until year 34
- Coverage could be continued if needed
- Total cost was a fraction of term coverage ($8.6mm term vs. $1.73mm SIUL for 30 years)

Persona: Large Real Estate Portfolio

Mr. (age 71) and Mrs. (age 67) Client



- Active real estate investor
- Multiple life insurance policies
- Actively managed investment portfolio
- Generation Skipping Trust, family funded
- Patriarch no longer insurable

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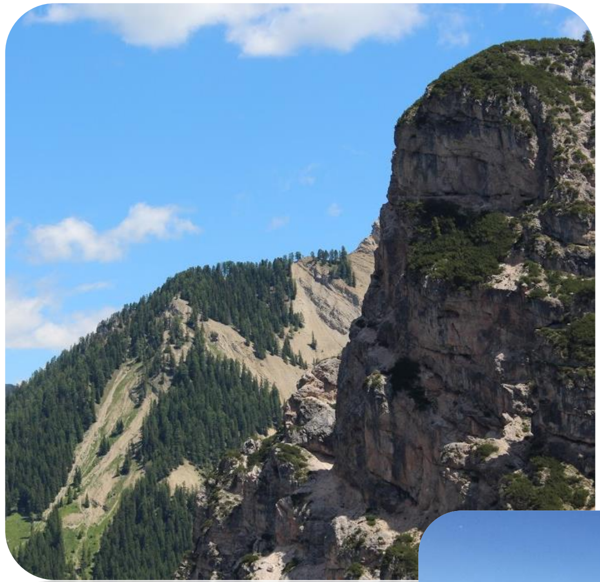
Persona: Large Real Estate Portfolio

Mr. (age 71) and Mrs. (age 67) Client

Carrier	Insured	Issue Date	Accumulation Value	Surrender Value	Surrender Charges	Face Amount	Annual Planned Premium	Estimated Premium to carry for 1 year	Premium Due Date	Last Paid Premium	Premium Paid Date	Policy Type	Owner	Beneficiary
AIG	Matriarch	3/5/16	$59,545.79	$8,545.79	$51,000.00	$1,500,000	$67,500.00	$67,500.00	3/5/2024	$25,000.00	1/31/2023	UL	Family Legacy Trust	* Owner Trust
JH	Patriarch & Matriarch	6/28/07	$55,192.45	$0.00	$182,319.38	$9,000,000	$85,344.00	$117,434.00	6/28/2023	$10,667.89	6/29/2015	SUL	* All 4 kids' Trusts	* Owner Trusts
JH	Patriarch & Matriarch	6/28/07	$55,172.74	$0.00	$182,319.38	$9,000,000	$85,344.00	$117,434.00	6/28/2023	$10,667.89	6/29/2015	SUL	* All 4 kids' Trusts	* Owner Trusts
JH	Patriarch & Matriarch	6/28/07	$55,192.45	$0.00	$182,319.38	$9,000,000	$85,344.00	$117,434.00	6/28/2023	$10,667.89	6/29/2015	SUL	* All 4 kids' Trusts	* Owner Trusts
JH	Patriarch & Matriarch	6/28/07	$55,182.59	$0.00	$182,319.38	$9,000,000	$85,344.00	$117,434.00	628/2023	$10,667.89	6/29/2015	SUL	* All 4 kids' Trusts	* Owner Trusts
Trans	Patriarch & Matriarch	1/11/07	$203,473.95	$194,353.95	$9,120.00	$3,000,000	$26,456.00	$0.00	1/11/2034	$26,456.00	1/12/2015	SUL	* All 4 kids' Trusts	* Owner Trusts
Trans	Patriarch & Matriarch	1/11/07	$165,247.54	$158,362.54	$6,885.00	$2,250,000	$20,150.00	$0.00	1/11/2035	$20,150.00	1/12/2015	SUL	* All 4 kids' Trusts	* Owner Trusts
VOYA	Patriarch	4/28/91	$26,647.36	$26,647.36	$0.00	$500,000	$8,000.00	$11,000.00	4/28/2023	$4,000.00	4/27/2015	UL	* All 4 kids' Trusts	* Owner Trusts
VOYA	Patriarch	1/18/91	$38,251.48	$38,251.48	$0.00	$1,000,000	$11,815.00	$47,000.00	1/18/2024	$44,000.00	1/25/2023	UL	Family Legacy Trust	* Owner Trust
VOYA	Patriarch	3/28/91	$335,849.35	$335,849.35	$0.00	$600,000	$12,750.00	$0.00	3/28/2045	$12,750.00	3/18/2015	UL	Family Legacy Trust	* Owner Trust
VOYA	Patriarch	3/28/91	$184,068.60	184,068.60	$0.00	$750,000	$10,750.00	$0.00	4/28/2029	$10,750.00	3/18/2015	UL	Family Legacy Trust	* Owner Trust
Pru	Matriarch	4/15/16	$297,810.56	$5,394.86	$292,415.70	$14,500,000	$150,000.00	$800.00	4/15/2023	$125,000.00	4/7/2022	UL	* All 4 kids' Trusts	* Owner Trusts
			$1,531,635		**Death Benefit:**	**$60,100,000**								

Persona: Long-time Client, Business Owner

Mr. (age 62) and Mrs. (age 61) Client
Premium Finance to Maximize IRR



- Utilized premium finance for single life policies
- Large closely held business
- 2nd to Die planning & insurance
- Divorce
- Split options considered
- More efficient with new single-life policies
- Mr. & Mrs. each had large liquid portfolios

Persona: Long-time Client, Business Owner

Mr. (age 62) and Mrs. (age 61) Client
Liquidated 30% interest in business

Financed Policy Loan Analysis

Insured Name		Financed Life Insurance Carrier:	Lincoln and Pacific Life
Insured Age:	61	Financed Life Insurance Policy:	IUL
Insured Gender/Class:	Male | Standard Non Smoker	Financed Policy Illustrated Rate:	5.67% | Alternate Policy Loans
		Assumed Lending Rate Structure:	One Month LIBOR + 150 bps Spread

	Projected Loans, Out-of-Pocket Payments and Cash Flow								Cash Value and Collateral (at 95% Advance Rate)				Values at Death		
(1) Year	(2) Annual Insurance Outlay	(3) Annual Loan Amount	(4) Loan Interest Rate	(5) Loan Interest Due	(6) Other Expenses	(7) Annual Net Payments	(8) Loan Interest Accrued	(9) Total Outstanding Loan	(10) Loan to Value Ratio	(11) Premium Deposit Fund	(12) Cash Surrender Value	(13) Net Collateral via Policy	(14) Death Benefit	(15) Death Benefit Net of Loan	(16) Return on Investment (Col. 7&15)
1	1,157,759	1,157,759	1.68%	19,450	0	19,450	0	1,157,759	375.5%	0	308,323	-864,852	16,368,071	15,210,312	78100.7%
2	1,157,759	1,157,759	1.75%	40,522	0	40,522	0	2,315,518	187.5%	0	1,235,060	-1,142,211	16,756,809	14,441,291	2522.7%
3	1,157,759	1,157,759	1.84%	63,908	0	50,000	13,908	3,487,185	157.1%	0	2,219,772	-1,378,402	17,403,105	13,915,920	721.2%
4	1,157,759	1,157,759	2.03%	94,292	0	50,000	44,292	4,689,237	143.5%	0	3,267,101	-1,585,491	18,422,097	13,732,860	358.0%
5	1,157,759	1,157,759	2.11%	123,372	0	50,000	73,372	5,920,367	135.1%	0	4,380,766	-1,758,639	19,507,425	13,587,058	222.8%
6	1,157,759	1,157,759	2.25%	159,258	0	50,000	109,258	7,187,384	127.7%	0	5,626,948	-1,841,783	20,662,522	13,475,138	156.4%
7	1,157,759	1,157,759	2.32%	193,607	0	50,000	143,607	8,488,750	122.1%	0	6,954,314	-1,882,152	21,896,855	13,408,105	118.1%
8	0	0	2.37%	201,183	0	50,000	151,183	8,639,934	118.6%	0	7,283,554	-1,720,558	22,026,524	13,386,590	93.8%
9	0	0	2.42%	209,086	0	50,000	159,086	8,799,020	115.2%	0	7,638,923	-1,542,043	22,179,276	13,380,256	77.0%
10	0	0	2.45%	215,576	0	50,000	165,576	8,964,596	112.1%	0	7,998,679	-1,365,851	22,333,434	13,368,838	64.9%
11	0	0	2.45%	219,633	0	50,000	169,633	9,134,229	109.5%	0	8,345,317	-1,206,178	22,333,434	13,199,205	55.6%
12	0	0	2.47%	225,615	0	50,000	175,615	9,309,844	105.2%	0	8,846,519	-905,651	22,333,434	13,023,590	48.3%
13	0	0	2.47%	229,953	0	50,000	179,953	9,489,797	101.2%	0	9,372,777	-585,659	22,333,434	12,843,637	42.5%
14	0	0	2.47%	234,398	0	50,000	184,398	9,674,195	97.5%	0	9,926,030	-244,467	22,333,434	12,659,239	37.7%
15	0	0	2.47%	238,953	0	50,000	188,953	9,863,148	93.9%	0	10,508,546	126,285	22,333,434	12,470,286	33.8%
16	0	0	2.47%	243,620	0	50,000	193,620	10,056,768	90.4%	0	11,126,050	539,978	22,333,434	12,276,666	30.5%
17	0	0	2.47%	248,402	0	50,000	198,402	10,255,170	87.1%	0	11,773,705	978,789	22,333,434	12,078,264	27.7%
18	0	0	2.47%	253,303	0	50,000	203,303	10,458,473	84.0%	0	12,454,632	1,445,713	22,333,434	11,874,961	25.3%
19	0	0	2.47%	258,324	0	50,000	208,324	10,666,797	81.0%	0	13,173,714	1,945,507	22,333,434	11,666,637	23.2%
20	0	0	2.47%	263,470	0	50,000	213,470	10,880,267	78.1%	0	13,935,689	2,482,776	22,333,434	11,453,167	21.3%
21	0	0	2.47%	268,743	0	50,000	218,743	11,099,009	75.3%	0	14,737,381	3,054,214	22,333,434	11,234,425	19.7%
22	0	0	2.47%	274,146	0	50,000	224,146	11,323,155	72.7%	0	15,579,746	3,660,635	22,333,434	11,010,279	18.2%
23	0	0	2.47%	279,682	0	50,000	229,682	11,552,837	70.2%	0	16,466,438	4,305,557	22,333,434	10,780,597	16.9%
24	0	0	2.47%	285,355	0	50,000	235,355	11,788,192	67.8%	0	17,398,063	4,989,440	22,839,562	11,051,370	16.0%
25	0	0	2.47%	291,168	0	50,000	241,168	12,029,360	65.5%	0	18,361,750	5,699,266	23,480,678	11,451,318	15.3%
26	0	0	2.47%	297,125	0	50,000	247,125	12,276,486	63.4%	0	19,367,014	6,444,397	24,179,965	11,903,479	14.6%
27	0	0	2.47%	303,229	0	50,000	253,229	12,529,715	61.4%	0	20,421,963	7,232,789	25,090,417	12,560,702	14.1%
28	0	0	2.47%	309,484	0	50,000	259,484	12,789,199	59.4%	0	21,532,382	8,070,067	26,106,868	13,317,669	13.7%
29	0	0	2.47%	315,893	0	50,000	265,893	13,055,092	57.5%	0	22,692,971	8,950,769	27,061,130	14,006,038	13.3%
30	0	0	2.47%	322,461	0	50,000	272,461	13,327,553	55.8%	0	23,885,934	9,856,931	28,245,789	14,918,236	13.0%
31	0	0	2.47%	329,191	0	50,000	279,191	13,606,743	54.2%	0	25,113,521	10,790,634	29,353,544	15,746,801	12.6%
32	0	0	2.47%	336,087	0	50,000	286,087	13,892,830	52.6%	0	26,394,269	11,770,237	30,421,657	16,528,827	12.3%
33	0	0	2.47%	343,153	0	50,000	293,153	14,185,983	51.2%	0	27,711,712	12,779,098	31,663,689	17,477,706	12.0%
34	0	0	2.47%	350,394	0	50,000	300,394	14,486,376	49.8%	0	29,074,093	13,825,276	32,930,229	18,443,853	11.7%
35	0	0	2.47%	357,813	0	50,000	307,813	14,794,190	48.5%	0	30,485,840	14,913,008	34,224,990	19,430,800	11.5%

Persona: Young, Ultra-successful Business Owner

Mr. (age 40) and Mrs. (age 35) Client
Wait and See and Funded SLATs



- Primary legacy plan accomplished with 2nd to Die
- Complimentary Pacific Life overfunded policies used to fund SLATs to make estate “whole” if one spouse passes away early
- Each individual policy expected to produce enough cash to fund 2nd to Die when premiums return in ~40 years
- Legacy protection is in-place allowing family to aggressively grow businesses

Persona: Young, Ultra-successful Business Owner

Mr. (age 40) and Mrs. (age 35) Client

Wait and See and Funded SLATs

	Prudential	Pacific Life	Pacific Life
	Mr. and Mrs. Client SIUL	Mr. Client Premium Finance	Mrs. Client Premium Finance
Year	**Annual Outlay**		
1	$157,000	$9,772	$8,397
2	$157,000	$20,687	$17,776
3	$157,000	$32,744	$28,138
4	$0	$45,945	$39,481
5	$0	$60,288	$51,806
6	$0	$75,775	$65,114
7	$0	$92,404	$79,404
8	$0	$110,176	$94,676
9	$0	$114,748	$98,604
10-15	$0	$119,320	$102,533
16-44	$0	$0	$0
45-60	$726,000	$0	$0
Year	**Net Cash Surrender Value**		
1	$0	($192,777)	($158,110)
10	$181,562	($53,401)	$68,444
20	$500,640	$1,677,392	$1,730,222
30	$697,502	$3,490,568	$3,365,674
40	$592,894	$8,104,377	$6,830,687
50	$3,148,420	$14,125,011	$11,012,274
55	$5,578,342	$16,734,225	$13,098,767
60	$6,412,169	$19,672,947	$15,219,803
Year	**Net Death Benefit**		
1	$20,000,000	$4,945,310	$4,363,377
10	$20,000,000	$5,513,919	$5,579,629
20	$20,000,000	$9,606,676	$6,094,791
30	$20,000,000	$7,700,253	$8,644,235
40	$20,000,000	$13,394,367	$13,128,412
50	$20,000,000	$19,822,894	$17,702,622
55	$20,000,000	$22,472,684	$19,722,622
60	$20,000,000	$24,341,776	$15,219,803

All policies assume good health and are subject to complete medical and financial underwriting. Cash values are not guaranteed.
See full illustrations for details.
LE = Joint Life Expectancy

WHEN DOES LIFE INSURANCE MAKE SENSE?

WEALTH PRESERVATION & TRANSFER:

For wealthy families or up and coming entrepreneurs, Oakmont Group helps design life insurance to preserve a family's legacy or enhance their gifts to charity.

ENTERPRISE SECURITY PLANNING™:

Ensures that the golden goose… the business… is protected regardless of external circumstances created by the untimely loss of a shareholder or key employee.

Oakmont Group Services

Policy Review

- Ensuring existing policies have no hidden problems that could jeopardize the Long-term stability of their program. Additionally, analyzing policies for design inefficiencies.

Policy Design

- Every client is unique and their situation and goals deserve a plan designed specifically for them.

Custom Underwriting

- Ultra-affluent clients cannot take risks with underwriting. There is typically only one chance to get this right. Once their information is out, the insurance companies are limited

Insurance as an Asset Class

- More and more wealthy families are Looking to custom designed Life insurance policies as a non-correlated asset class to help build, protect and diversify their investment portfolio.

Life Settlements

- Needs often change over time. Life settlements can provide a way to re-coop investments in life insurance in lieu of surrendering the policy

OAKMONT GROUP

Enterprise Security Planning™

Buy-sell Planning

- Companies are typically the largest asset for an individual. It is imperative to ensure the business is protected from all angles. This ensures that the family of the individual as well as the business itself benefit from the legacy created by the owner

Key-man Insurance

- Often business have an individual with outsized value to the company. Its important to ask what the person is worth in terms of dollars and cents to the company and how much it may cost to hire a replacement

Employee Retention

- Sometimes referred toas golden handcuffs using 162 bonus, deferred compensation or split-dollar can be a creative way to keep key employees at a company by providing a unique asset with a vesting schedule

When Should We Call Oakmont Group?

A Quick Guide to High-Impact Conversations for Family Offices & Trust Companies

Simple client questions off the top:
- **What is the purpose of the existing insurance?**
- **Who owns your life insurance?**
- **When is the last time your life insurance portfolio was rebalanced?**

Liquidity Mismatch
Large illiquid assets paired with a known or potential need for cash:
- Estate tax exposure - "How will taxes actually get paid?"
- Concentrated stock positions
- Private business interests
- Legacy Assets (family ranch, vacation homes, etc)
- "Where does the liquidity come from?"

Pending Transaction
A major liquidity event on the horizon. Often the highest-impact moment for planning:
- Sale of a business
- Recapitalization
- Other significant liquidity events

Estate Plan
Complexity or Change: new or evolving structures that may rest on outdated assumptions:
- Creation of new trusts
- Restructuring existing plans
- Generational planning shifts

Existing Life Insurance Needs Review
Policies that haven't been reviewed regularly can drift from original goals:
- Misalignment with client's Preferred Future
- Insurance portfolio has not been analyzed or rebalanced in the last five years
- Dividend scale changes or policy is under performing
- Policies about to be cancelled… take a second look to re-capture value
- "Is this policy still the best structure?"

Family Governance or Legacy Conversations
When the family is clarifying what their wealth is meant to accomplish. Structure should follow purpose:
- Enterprise security conversations
- Advanced planning strategies

We look forward to partnering with you:
www.oakmontgroup.com

College Station | Denver | Houston | Nashville

Ross Ferrin
Phone: 303-638-1326
Email: rferrin@oakmontgroup.com
6261 Chimney Rock Trail
Morrison, CO 80465

Oakmont Group has become a firm valued for their expertise in integrating life insurance into wealth transfer and Enterprise Security Planning™ with a brand that has been built around understanding client goals, collaboration with other advisors and fact-specific planning. Oakmont Group's commitment to making a difference for those they serve has played a key role in shaping its reputation over 40 years as a recognized leader in the insurance industry.

www.oakmontgroup.com