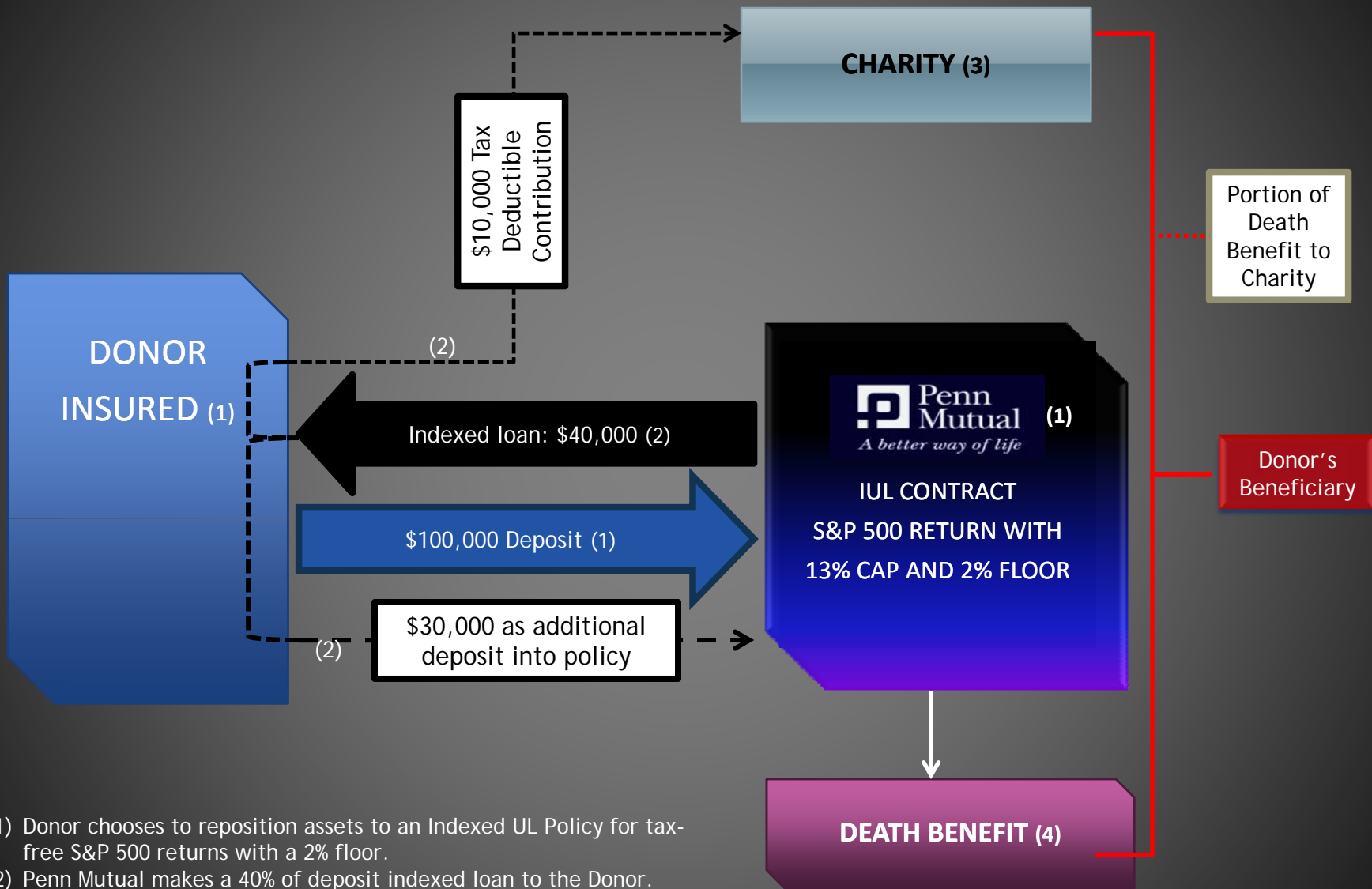


CASH FLOW DIAGRAM (Charitable Operation Funding Program)



- (1) Donor chooses to reposition assets to an Indexed UL Policy for tax-free S&P 500 returns with a 2% floor.
- (2) Penn Mutual makes a 40% of deposit indexed loan to the Donor.
- (3) Donor makes a charitable donation of \$10,000 of indexed loan and re-deposits the remaining \$30,000 back into the Indexed UL policy.
- (4) Donor can choose for a portion of his death benefit paid to charity.