

IN THE CIRCUIT COURT OF THE 15TH
JUDICIAL CIRCUIT, IN AND FOR PALM
BEACH COUNTY, FLORIDA.

S.T.P. ENTERPRISES, INC.,
DAVID B. SIMON,

Plaintiffs,

Case No. 50 2004A002166XXXXMB
Request for Jury Trial

v.

ELIOT I. BERNSTEIN

Pro Se Defendant.

DOROTHY H. WILKEN
CLERK OF CIRCUIT COURT
CIRCUIT CIVIL DIVISION

MAR 18 2004

COPY / ORIGINAL
RECEIVED FOR FILING

DEFENDANTS ^{EIB} TO COUNTERCLAIM FOR BREACH OF
CONTRACT, TORTUOUS INTERFERENCE IN BUSINESS RELATIONSHIPS,
DEFAMATION, CIVIL CONSPIRACY, INJUNCTIVE RELIEF & SPECIFIC
PERFORMANCE

COME NOW the Counter Plaintiff, Eliot I. Bernstein hereinafter referred to as
("BERNSTEIN"), and hereby sues Counter Defendants, S.T.P. ENTERPRISES,
INC., hereinafter ("STP") and DAVID B. SIMON, hereinafter "D. SIMON" and all
collectively "COUNTER DEFENDANTS", and alleges as follows:

GENERAL ALLEGATIONS COMMON TO ALL COUNTS

1. This is an action in equity for specific performance, and at law for damages in a sum greater than Fifteen Thousand Dollars (\$15,000.00), exclusive of interest, taxable costs, and attorneys' fees.
2. That BERNSTEIN moves the Court to include a counterclaim in this matter, which by its nature appears to be a compulsory counterclaim to the extent that

IN THE CIRCUIT COURT OF THE 15TH
JUDICIAL CIRCUIT, IN AND FOR PALM
BEACH COUNTY, FLORIDA.

S.T.P. ENTERPRISES, INC.,
DAVID B. SIMON,

Case No. 50 2004A002166XXXXMB

Plaintiffs,

v.

ELIOT I. BERNSTEIN

Pro Se Defendant.

_____ /

**DEFENDANTS MOTION TO COUNTERCLAIM FOR BREACH OF
CONTRACT, TORTUOUS INTERFERENCE IN BUSINESS RELATIONSHIPS,
DEFAMATION, CIVIL CONSPIRACY, INJUNCTIVE RELIEF & SPECIFIC
PERFORMANCE**

COME NOW the Counter Plaintiff, Eliot I. Bernstein hereinafter referred to as (“BERNSTEIN”), and hereby sues Counter Defendants, S.T.P. ENTERPRISES, INC., hereinafter (“STP”) and DAVID B. SIMON, hereinafter “D. SIMON” and all collectively “COUNTER DEFENDANTS”, and alleges as follows:

GENERAL ALLEGATIONS COMMON TO ALL COUNTS

1. This is an action in equity for specific performance, and at law for damages in a sum greater than Fifteen Thousand Dollars (\$15,000.00), exclusive of interest, taxable costs, and attorneys’ fees.
2. That BERNSTEIN moves the Court to include a counterclaim in this matter, which by its nature appears to be a compulsory counterclaim to the extent that

the issues arise out of the same nexus of events as, justice requires that the counterclaim be tried at the same time as the complaint so that all pending issues between the parties may be adjudicated in this action.

- 3. Counter Plaintiff Eliot I. Bernstein, BERNSTEIN, is a resident of Palm Beach County, Florida and is sui juris.**
- 4. Counter Defendant, David B. Simon (hereinafter D. SIMON), is a resident of Illinois and is sui juris.**
- 5. Counter Defendant, S.T.P. Enterprises, Inc. (hereinafter “STP”) is an Illinois corporation.**
- 6. PAMELA BETH SIMON, (hereinafter “P. SIMON”) was at all times relevant hereto a sui juris resident of the State of Illinois and is an owner of STP.**
- 7. SIMON LEON BERNSTEIN, (hereinafter “S. BERNSTEIN”) was at all times relevant hereto a sui juris resident of the State of Florida and is an owner of STP and on information and belief was the Chairman of the Board and Chief Executive Officer of STP during much of the relevant times.**
- 8. ALEC B. ABBOTT, (hereinafter “ABBOTT”) was at all times relevant hereto a sui juris resident of the State of California.**
- 9. AMERICAN NATIONAL LIFE INSURANCE COMPANY, (hereinafter “ANICO”) on information and belief is a life insurance company doing business in Galveston, Texas.**
- 10. That although BERNSTEIN was not an employee or shareholder of STP directly, BERNSTEIN has indirect entitlement on a certain Arbitrage Life Payment System (“ALPS”) that is the main revenue driver for STP and a**

product he helped build and grow from its infancy with STP. BERNSTEIN is entitled to lifetime and beyond monies, as contracted for and thoroughly discussed in

- 11. That EXHIBIT “A” – BERNSTEIN DEMAND LETTER FOR DAMAGES AND SPECIFIC PERFORMANCE (“Demand Letter”) as exhibited further in;**
- 12. That EXHIBIT “B” – AGENT CONTRACT and further defined under;**
- 13. That EXHIBIT “C” – AGENT FEES (“Agent Fees”) and all to be paid in perpetuity as shown in;**
- 14. That EXHIBIT “D” – PERPETUAL FEES (“Perpetual Fees”)**
- 15. That EXHIBITS “A””B””C” and “D” above all serve as part of the binding contract between STP and BERNSTEIN and serve to become together as the (“Agent Contract”) the binding agreement between STP & BERNSTEIN**
- 16. That Agent Contract was not merely a contract for the payment of commissions it instead became the document, which would serve as BERNSTEIN’s shareholdings in the profit of the ALPS program, the main revenue driver for STP a company formed by his father.**
- 17. That therefore, the standard STP agent agreement was used as a template to draft out the special consideration clauses for BERNSTEIN with lifetime royalties from the ALPS program.**
- 18. That BERNSTEIN was the largest producer for the ALPS program for the years 1986-1998. BERNSTEIN royalties are considered to be revenues derived from his (“Book of Business”) as defined below:**

- 19. That BERNSTEIN client (“Client(s)”) – Any Client that resulted from BERNSTEIN work or efforts or that BERNSTEIN encumbered costs to obtain for his company S.B. Lexington, Insurance Agency, S.W. Inc., (“SBLSW”) or himself individually. Any Client referrals. Any resale to any Client.**
- 20. That BERNSTEIN paid for all Client expenses for sales and marketing and no reimbursements were ever obtained from STP. Expenses on Clients resulted in a cost to BERNSTEIN of approximately two million dollars (\$2,000,000.00) to obtain clients with a total premium of approximately one hundred seventy five million dollars (\$175,000,000.00). The cost for sales and marketing to these Clients to STP was zero (\$0.00).**
- 21. That no matter when a Client is sold BERNSTEIN was to be the receiver of all fees as defined in the EXHIBIT “C” – AGENT FEES under the Agent Contract in perpetuity.**
- 22. That STP performed under the Agent Contract terms from 1986-1997.**
- 23. That BERNSTEIN agent (“Agent(s)”) – Any Agent that resulted from BERNSTEIN recruiting efforts. Any Agent referrals or Agent sub-agents and any/all of their clients. All Agent clients becoming the Clients of BERNSTEIN, not the clients of STP, as defined in the Agent Contract. BERNSTEIN was the largest recruiter of agents for the ALPS program.**
- 24. That all costs for recruiting Agent were paid for by BERNSTEIN, all Agent expenses were paid by BERNSTEIN for sales and marketing costs and no reimbursements were ever obtained from STP. Expenses on recruiting a nationwide Agent field force resulted in a cost to BERNSTEIN of approximately**

three hundred thousand dollars (\$300,000.00). The cost for STP was zero (\$0.00).

- 25. That no matter the time any Agent was recruited by BERNSTEIN or the time when Agent sold Clients, BERNSTEIN was to be the receiver of all fees in perpetuity from any Agent ALPS business, as thoroughly discussed in the Agent Contract. BERNSTEIN was then to pay out his Agents through his company or individually.**
- 26. That BERNSTEIN made deals separate deals with each Agent for splitting commissions between BERNSTEIN and Agent.**
- 27. That STP performed under the Agent Contract terms from 1986-1997. STP paid BERNSTEIN who then paid the Agent, except in instances whereby written or oral instructions were given to STP to pay the split separately according to the terms expressly stated in the Agent Contract.**
- 28. That BERNSTEIN ALPS client (“ALPS Client(s)”) – Any client, at any time in perpetuity as defined in the Agent Contract, that purchases the ALPS program from any of BERNSTEIN Clients or Agents, and in addition, any client of any other STP agent or of STP’s that purchases ALPS whereby commission or fees would be generated.**
- 29. That the ALPS Clients are the basis for the one-quarter-percentage point (¼%) of the total commissionable premium due BERNSTEIN as defined in the Agent Contract hereinafter the (“Override”). This is paid to no other STP employees or agents and was to provide BERNSTEIN lifetime royalty on the entire STP ALPS book of business. Even when BERNSTEIN sold no policies for any**

periodic funding of the ALPS program, if others sold the product, whether BERNSTEIN Client or not BERNSTEIN received Override.

30. That BERNSTEIN Life Insurance Company (“Life Company”) is any insurance carrier engaged in the sale of the ALPS program that is a direct result of sales and marketing efforts of BERNSTEIN and/or because of any Agent or Client of BERNSTEIN.

31. That at the time the Agent Contract was designed STP had a life insurance company Lincoln Benefit Life (“LBL”) and therefore no terms were contracted for BERNSTEIN in this regard.

32. That in 1998 STP lost their life insurance company to sell the ALPS program, whereby Simon L. Bernstein then Chairman of the Board and CEO of STP (“S. BERNSTEIN”) and PLAINTIFFS agreed that if BERNSTEIN used his sales and marketing efforts to get a carrier that this would be paid as an additional fee, in addition to the Agent Fees.

33. That BERNSTEIN had an oral agreement with Plaintiffs to pay one-percentage point (1%) of all commissionable dollars sold by any Life Company that resulted from BERNSTEIN marketing or sales efforts hereinafter termed the Life Company Override (“LCO”).

34. That agent spent considerable monies in the sales and marketing to life insurance carriers for the ALPS program. Costs for marketing were approximately one hundred twenty five thousand dollars (\$125,000.00) of which STP reimbursed BERNSTEIN zero dollars (\$0.00).

- 35. That BERNSTEIN ALPS Finance Company (“Lender”) – Any Lender engaged in the sale of the ALPS program that is a direct result of sales and marketing efforts of BERNSTEIN and/or as a result of any Agent or Client.**
- 36. That BERNSTEIN had an oral agreement with PLAINTIFFS to pay one-percentage point (1%) of all commissionable dollars on any Lender that resulted from BERNSTEIN’s efforts, hereinafter the Finance Company Override (“FCO”).**
- 37. That all fees as stipulated for in the Agent Contract generated on BERNSTEIN Book of Business are for BERNSTEIN for his lifetime and his family beyond, to be paid infinitely to BERNSTEIN as stated in the EXHIBIT “B” - AGENT CONTRACT.**
- 38. That BERNSTEIN states that D. SIMON was the attorney who drafted with BERNSTEIN attorney the Agent Contract and D. SIMON was in charge of making contract modifications and adding them as that were agreed to. BERNSTEIN further states that as indicated in Agent Contract that the terms of the Agent Contract were agreed to in writing and that D. SIMON maintained he would make all agreed to changes, as amendments to the signed agent agreement he maintained to have in his possession in his letters. Plaintiff also acted on all terms of the Agent Contract and all modified terms for the years 1996-1998, prior from 1986-1996 D. SIMON had paid based on a verbal agreement and family trust.**
- 39. That BERNSTEIN founded SBLSW incorporated in the state of California of 1986, with S. BERNSTEIN and BERNSTEIN as founding shareholders to share**

in the revenue from the ALPS program and other joint business with other S. BERNSTEIN companies. S. BERNSTEIN was a thirty percent (30%) owner of SBLSW.

- 40. That S. BERNSTEIN also shared an interest with D. SIMON and his wife, Pamela Simon (“P. Simon”) in another Company of his STP that BERNSTEIN does not own stock in, as D. SIMON and his spouse P. Simon own no interest in SBLSW.**
- 41. That both SBLSW and STP founded the ALPS program together and therefore both had stakes in its success for their respective companies and both received separate commissions and fees from the sale of the program, maintaining company autonomy. They shared the revenues of all ALPS clients together for Override and BERNSTEIN had his own Clients and Agents making up his Book of Business that he funded expenses for and STP had their own clients and agents, their book of business which they funded expenses for. On the commission split each received commissions for their own Clients and Agents and on the Override they shared in the pool of all STP ALPS business.**
- 42. That S. BERNSTEIN had set these companies up in this manner as early as 1986 and SBLW and BERNSTEIN was paid according to the agreed on terms of the Agent Contract from the years 1986-1997. S. BERNSTEIN intended that while STP enjoyed their percentage of the ALPS program, that SBLSW and BERNSTEIN would also share in the growth and prosperity of the ALPS product.**

- 43. That per the attached Agent Contract, the agent fees as defined therein are not limited to any life companies and are to be paid regardless of Life Insurance Company.**
- 44. That regardless of when the Client is sold or re-sold on the BERNSTEIN Book of Business if the Clients and or Agents are considered BERNSTEIN's, all Agent Contract fees, Overrides and Life Company Overrides are to be paid when collected, overrides include all ALPS sales on their entire book of business.**
- 45. That regardless of when the Client or any STP client is sold, if the Life Insurance Company was signed on as the direct result of BERNSTEIN's sales and marketing efforts, all Life Company Override are to be paid when collected by STP on all ALPS sales.**
- 46. That regardless of BERNSTEIN insurance industry license status, as defined in the Agent Contract all agent fees and Life Company Override are to be paid when collected.**
- 47. That the Agent Contract was designed with the possibility of BERNSTEIN pursuing other business ventures simultaneously or completely separate and whereby all Agent Fees and Life Company Override were to be paid in his absence from the industry. The Agent Contract states that when the agents license expires the agent will be precluded from soliciting new clients or soliciting the ALPS program but goes on to define the Agent Fees that continue Perpetual Fees after the Agent Contract expires.**

- 48. That BERNSTEIN had left the insurance industry prior and had let his license lapse and all Agent Fees and Override were paid, similarly STP has paid commissions to BERNSTEIN since the time they state they have not.**
- 49. That these lifetime commitments resulted from all the efforts and costs encumbered by BERNSTEIN in his building the ALPS program, and were given to BERNSTEIN as his stockholding of the family business that he founded and grew. BERNSTEIN supplied STP with their leading sources of Lenders with banks such as; First Interstate Bank, ABN AMRO and Citicorp, whereby STP received hundreds of millions of dollars of funding.**
- 50. That all business sold from 1998 to 2004 stemming from any/all BERNSTEIN Book of Business resulting in Agent Fees, Overrides and/or Life Company Override is deemed due and payable immediately with a fair interest rate.**
- 51. That BERNSTEIN denies that compensation was paid in full under the Agent Contract and claims that contractually STP continues to owe monies due for Agent Fees as described in the Agent Contract and Life Company Overrides that remain unpaid over the years 1998-2004. Amounts due and payable to BERNSTEIN currently are partially discussed in the attached Demand Letter**
- 52. That STP has their clients and agents, separate and apart from BERNSTEIN. BERNSTEIN does not share in the sales commissions on any STP client, nor does BERNSTEIN share in the sales costs for these clients.**
- 53. That BERNSTEIN denies that he left the insurance business in 1997. In fact, STP had lost a life insurance carrier, Lincoln Benefit Life in 1997 and STP had agreed to have BERNSTEIN devote his time and energy to secure a carrier for**

the benefit of STP of which STP Chairman & President S. BERNSTEIN had promised a Life Company Override and D. SIMON and P. Simon agreed to pay such, on all premiums financed with any carrier that resulted from BERNSTEIN and his spouse Candice Bernstein's efforts.

54. Upon information and belief it has come to the attention of BERNSTEIN that carrier American National Life Insurance Company ("ANICO") has been selected by STP, which is a direct result of the efforts of BERNSTEIN in the year of 1998 as the letters indicate when STP claims BERNSTEIN had left the insurance industry. All Life Company Override is therefore due and payable on business sold with ANICO from 1998 until present and all future sales are due upon collection by STP. Please see the attached (EXHIBIT "E" – AMERICAN NATIONAL LIFE INSURANCE COMPANY LETTERS). Based on new information taken from the STP website regarding the Life Insurance Company ANICO of which sales with STP is estimated at \$300,000,000.00 a Life Company Override is due and payable to BERNSTEIN which equates to approximately \$3,000,000.00 which was not included in the amounts owed discussed in Agent Contract.

55. That BERNSTEIN worked in both the insurance industry and combined that with different pursuits of developing advanced computer imaging and video inventions discovered in 1998. BERNSTEIN in no way would have let any licenses lapse other than the fact that STP had sent letters stating that they were doing no business and owed BERNSTEIN no money. EXHIBIT "F" – 2000 11 13 SIMON LETTER

- 56. That BERNSTEIN is currently licensed in the State of Florida, yet Agent Contract calls for commissions and renewals to be paid regardless of the agent license status, SBLSW company status or any State law of California relating to commissions. Agent would not have lapsed a license if he were aware that several million dollars was due him, but due to a pattern of deceit by PLAINTIFFS with BERNSTEIN and BERNSTEIN Agents and Clients. BERNSTEIN remained unaware until recently of monies owed to him when he reinstated his insurance license and began contacting Agents and Clients.**
- 57. That at no time did PLAINTIFFS notify BERNSTEIN from 1998-2004 that commissions had been earned on BERNSTEIN Book of Business and that a license needed to be re-instated for payment of fees under the Agent Contract. Not one letter, not one email or any form of notice. Instead, PLAINTIFFS repeatedly denied doing business with BERNSTEIN Book of Business to avoid making any payments to BERNSTEIN and further made side agreements with BERNSTEIN Agents and Clients to exclude BERNSTEIN from his monies.**
- 58. On information and belief, all other Life Companies pay renewals and resale commissions despite the status of an agent license on agent's Book of Business and if an agents license lapses he is merely precluded from soliciting new business, yet receives commission renewals sometimes for up to 20 years. BERNSTEIN maintains that re-writes on old Clients and Agents is merely a form of renewal.**
- 59. That BERNSTEIN maintains that for new sales of the ALPS program PLAINTIFFS were aware that BERNSTEIN had contracted a licensed agent Isa**

Welsch (“Welsch”) to make sales and BERNSTEIN would split these new commissions with Welsch under an agreement Welsch had with BERNSTEIN. PLAINTIFFS after having paid according to the Agent Contract for times when BERNSTEIN was working in other ventures and further paid Welsch and BERNSTEIN their agreed to split of fees for their separate agreement. PLAINTIFFS at some point in time began paying Welsch directly and paid BERNSTEIN nothing.

60. That BERNSTEIN claims that Override and Life Company Override are fees generated by STP and paid to BERNSTEIN, not commission paid to BERNSTEIN by a carrier for new sales and therefore there is no excuse for not paying these other than to abscond with BERNSTEIN monies.
61. That STP has paid commissions on various occasions to BERNSTEIN earned in years after they claim BERNSTEIN had no license, when the agents license was expired, BERNSTEIN is unclear if STP is admitting that these commissions were paid illegally by their agency.
62. That the Perpetual Fees section of the Agent Contract clearly states that monies shall be paid even after the termination of the contract, even if the termination of the agreement results from a lapse of the agent license.
63. That BERNSTEIN has never solicited new business while not licensed in any state. The Agent Contract calls for fees on Agent Fees and Override to be paid to BERNSTEIN and are contractually binding no matter the state of the agent license. A lapsed license under the Agent Contract simply forfeits agents’ rights to sell ALPS, not to preclude the Agent Fees that continue after the Agent

Contract expires. Renewals and re-writes on BERNSTEIN Book of Business with other carriers are not considered new solicitations and are paid to agents for periods up to 20 years. In fact renewals and re-writes are paid to agents long after they retire from the insurance business altogether.

- 64. That BERNSTEIN denies any claims of false claims to monies owed him and submit the Agent Contract as proof that monies are owed, in addition BERNSTEIN refers to the Demand Letter and asks what exactly in the letter is false?**
- 65. That BERNSTEIN claims that all relevant parties to the ALPS transaction (Life Insurance Companies, Clients, Agents, Lenders, State and/or Federal Insurance Regulatory Agencies) be notified of the actions outlined in the Demand Letter and that a failure to notify would be a breach of BERNSTEIN fiduciary responsibilities to the affected parties, as the actions could cause catastrophic damages to the life insurance in force for the carrier and lead to client policy lapses, which can have severe impact on the clients life insurance policy and the insurance carrier.**
- 66. That BERNSTEIN is unclear why Plaintiff is suing Iviewit Technologies, Inc. (“Iviewit”) and was acting on his own behalf when drafting and sending the letters pertaining to STP. BERNSTEIN merely used stationary from his other Company while drafting such letters and as his wife sent them out via email, she used BERNSTEIN standard letter form which is on Iviewit Technologies, Inc. stationary while typing and sending them. BERNSTEIN made all statements on his own behalf and signed the letter with no Iviewit title. BERNSTEIN will**

notify all parties, at the request of the PLAINTIFF of the error in stationary.

PLAINTIFFS know that Iviewit has nothing to do with STP and BERNSTEIN issues and further attempts at pursuing IVIEWIT will be considered forms of harassment and frivolous lawsuits.

- 67. That BERNSTEIN states that all claims contained in all letters are true and correct to the best of his knowledge.**
- 68. That BERNSTEIN contends that any/all statements in any letters sent are true.**
- 69. On information and belief and after several conversations regarding licensing with S. BERNSTEIN, S. BERNSTEIN has said that if monies were due from STP as claimed to BERNSTEIN that they would be paid regardless and stated that STP was paying him on the ALPS program book of business and that he did not have an in force license for several years and still does not. Again, BERNSTEIN asks if on the one hand it is not OK to pay Agent Fees to BERNSTEIN because PLAINTIFFS now claim that it is against the law to pay, yet on the other hand knowingly paying S. BERNSTEIN his share of the commissions and overrides of the ALPS program while he is not licensed agent in any state.**
- 70. That All business sold from 1998 to 2004 stemming from any/all BERNSTEIN Book of Business resulting in Agent Fees, Override and/or LCO is deemed due and payable immediately with a fair interest rate.**
- 71. That BERNSTEIN denies that compensation was paid in full under the Agent Contract and claims that the contract has prevailing terms after it expires which none have been satisfied and claims that contractually STP continues to owe**

monies due for Agent Fees as described in the Agent Contract and LCO that remain unpaid over the years 1998-2004.

- 72. That BERNSTEIN claims that Override and Life Company Override are fees generated by STP and paid to BERNSTEIN, not commission paid to BERNSTEIN by a carrier for new sales and therefore there is no excuse for not paying these other than to abscond with BERNSTEIN monies.**
- 73. That BERNSTEIN claims that Plaintiff knows that Iviewit Technologies, Inc. is not a party to these actions and has instituted a lawsuit against Iviewit Technologies, Inc. as a form of harassment.**
- 74. That BERNSTEIN claims D. SIMON, P. SIMON, STP and ABBOTT are all involved in fraud and impropriety and claims that STP, D. SIMON & P. SIMON are committing fraud by lying and character assassination of BERNSTEIN, in order to steal off with millions of dollars owed BERNSTEIN.**
- 75. That BERNSTEIN makes an assertion of entitlement to Agent Fees as described in the EXHIBIT "ABCD" - AGENT CONTRACT and/or any overrides due.**
- 76. That further, due to the extreme lack of business etiquette practiced by STP, D. SIMON & P. SIMON of not returning messages for months, after repeated emails and calls were ignored over a several month period regarding payment of monies owed BERNSTEIN, BERNSTEIN began to get ready to notify all parties to the transaction that could be affected by knowing of such bad etiquette which could materially affect their polices or businesses. The rude and often annoying practice of not returning calls or responding to numerous emails led**

BERNSTEIN to write Demand Letter and subsequent letters drafted to carriers, agents, banks, insurance carriers and sub-agents.

77. That Agent Fees and Overrides were continuously paid since 1986 through 1997.

In 1992 BERNSTEIN pursued additional employment with Rock-It-Cargo, USA Inc. (“RICLAX”) to help his longtime client and 20 year friend David Bernstein, also a large client for STP that BERNSTEIN brought RICLAX as a Client, and help RICLAX market a new division of David Bernstein’s companies. STP continued to send all Override and all Agent Fees on BERNSTEIN Book of Business while he left the business and was not licensed.

78. That all commissions and other compensation entitled to BERNSTEIN that remain collected by STP and are due and owing to BERNSTEIN are wrongfully asserted to the detriment of BERNSTEIN.

79. That as a direct, proximate, and foreseeable result of the wrongful communications of defamatory statements by STP AND D. SIMON against BERNSTEIN, BERNSTEIN has suffered damages, including impairment of his business reputation, loss of wages, pain and hardships on his family and friends, disruption of his businesses, loss of income, and costs incurred in clearing his good names, including reasonable attorneys’ fees and other expenses incurred in defending this frivolous and harassing lawsuit.

80. That as a direct, proximate, and foreseeable result of the wrongful communications of these defamatory statements by STP, D. SIMON and P. SIMON against BERNSTEIN, BERNSTEIN has suffered damages, including impairment of his business reputation, disruption of his businesses, loss of

income, and costs incurred in clearing his good names, including reasonable attorneys' fees and other expenses incurred in defending this lawsuit.

- 81. That BERNSTEIN claims that D. SIMON is disseminating false and/or derogatory statements to BERNSTEIN Book of Business and other business contacts.**
- 82. That BERNSTEIN founded SB Lexington Insurance Agency Inc. ("SBL") while attending college at the University of Wisconsin, Madison.**
- 83. That BERNSTEIN moved agency and several employees and agents to California where he began with S. BERNSTEIN an agency SBLSW to collect commissions on sales of products sold through S. BERNSTEIN and his affiliate companies, STP being one of them.**
- 84. That BERNSTEIN was asked by S. BERNSTEIN to begin working and formulating proposals for a new idea for the sales of life insurance to become known as ALPS.**
- 85. That BERNSTEIN produced the first viable ALPS program with his computer programmers whom worked and lived with BERNSTEIN and other agents who did not live with BERNSTEIN and then effectively marketed and sold most of the original ALPS Clients of the program.**
- 86. That BERNSTEIN and his employees and agents then created the back office computer programs for STP, that on information and belief, remain in effect to this day to run the unique underwriting and administrative aspects of the ALPS program. This expense was encumbered solely by BERNSTEIN including**

employees' countless day and night hours programming and all costs including living cost for BERNSTEIN and the employees who lived with him.

87. That BERNSTEIN relationship with Clients and Agents is the exclusive right of BERNSTEIN for new sales or replacements to Clients. To illustrate, each time an ALPS book of business is transferred to another life insurance company BERNSTEIN has always made renewals and Agent Fees and BERNSTEIN had always been paid accordingly until 1998 on this subsequent sales to Clients. These sums are due and payable and have been collected by STP BERNSTEIN demands payments for all of these sum for all years.

88. That BERNSTEIN commissions on his Book of Business sold through his Agents, or Clients is due and owing BERNSTEIN immediately.

89. That BERNSTEIN sold first contracts of ALPS and was instrumental in securing through his Clients and Agents bank financing for STP (including but not limited to ABN Amro, Citibank, First Interstate Bank) and Life Companies (Integrated Resources and American National).

90. That STP, D. SIMON and P. SIMON current attempts at claiming to others that the BERNSTEIN Book of Business is not the property of BERNSTEIN is false and in violation to the terms of Agent Contract and violates most ethical conduct regarding an insurance agents clients and book of business.

91. That in 1996 BERNSTEIN was advised by S. BERNSTEIN, on information and belief the then Chairman of the Board & CEO of STP, to put all the terms of the commission agreement and overrides with STP into writing. S. BERNSTEIN felt that there should be a written agreement between BERNSTEIN and STP

since BERNSTEIN had no involvement or shares in STP and therefore no control of such commissions other than under a written agreement if STP were sold or bought out. This was S. BERNSTEIN giving his son BERNSTEIN compensation in the ALPS program that acted as his stock in the product he developed and marketed through his own agency with his own agents and clients.

92. That all BERNSTEIN clients and agents were affiliated with STP only as a provider for policies through BERNSTEIN and his insurance agents through BERNSTEIN company SBLSW or BERNSTEIN directly.
93. That as the special lifetime renewals described in the Agent Fees section in the Agent Contract are compensation on all business sold of the product it was equal consideration to stock that BERNSTEIN was not granted in STP, which P. SIMON and D. SIMON (due to marriage to BERNSTEIN sister) has inherited all of STP. BERNSTEIN agreed that P. SIMON and D. SIMON could have the stock in STP, as long as BERNSTEIN, whom had his own insurance agency was receiving the lifetime overrides and all Agent Fees as agreed to in the Agent Contract on BERNSTEIN "Book of Business".
94. That further, all commissions and fees on BERNSTEIN "Book of Business" and any sales generated in the future resulting from Clients and Agents are payable for the years 1998-2004 and all terms of the Agent Contract should immediately begin to again be performed upon and BERNSTEIN asks that performance on the Agent Contract again begin immediately so as to prevent further damage to BERNSTEIN.

- 95. That other than nominal changes in percentages and other minor items agreed to in the Agent Contract, the terms of the Agent Contract including the modifications had been in place for years and STP had performed on all terms of the Agent Contract with all clauses adhered to, note that many of the Agent Fees are nowhere contracted within the standard agent agreement of STP for other agents.**
- 96. That on the advice of Simon Bernstein, Richard Rosman, Esq. “Rosman” was hired to amend the Agent Contract with STP and to set the terms of the verbal and implied contracts into a legal and binding written contract Agent Contract between BERNSTEIN and STP, in which D. SIMON self-appointed himself with attaching the agreed upon amendments and riders to the STP standard contract D. SIMON purports in his letters in the Agent Contract to maintain. After agreeing to the terms with Rosman performance by STP began on all clauses.**
- 97. That STP was to have paid for the services of Rosman contracted for this work, which remains unpaid by them as of this date and has caused the loss of a relationship. Rosman was a longtime client friend of BERNSTEIN whom had graduated Harvard Law and Business School (CPA) and was a lead source of referrals for STP, having introduced BERNSTEIN to many of his largest ALPS customers.**
- 98. That Rosman drafted terms with S. BERNSTEIN then Chairman and President of STP and Rosman sends them to STP legal staff, which at all times was D. SIMON as illustrated in the Agent Contract.**

99. That D. SIMON returned the terms to Rosman, S. BERNSTEIN and E.

Bernstein stating that a new contract did not have to be drawn and signed, and he agreed to all of the terms in writing and he stated in writing that he maintained a signed agent agreement with BERNSTEIN and that all terms agreed to D. SIMON would amend to the signed contract he maintained to maintain as binding and valid.

100. That D. Simon then sent a series of modifications and changes to Rosman confirming and agreeing to the terms and Rosman sent series of correspondences reaching final agreement of all terms.

101. That BERNSTEIN demands that STP procure such signed contract that they maintain to have in their records. As one can see D. SIMON in Exhibit “B” letters states that he is transmitting the binding signed STP standard agent agreement to Rosman and instead sends an un-signed document, while stating in the letter that such attached signed document was valid and that there was no need to spend more money drafting a new agreement and that he would make the amendments agreed to in writing as illustrated in EXHIBIT “A”

102. That if no signed STP standard agent contract, with authentic signature of BERNSTEIN is not procured than BERNSTEIN states that D. SIMON stated that he had a signed agent agreement to mislead one to think that he had such signed agreement and that such Tomfoolery would lead him to one day make the claims to BERNSTEIN Clients, Agents, friends and family of what he now claims, not having a signed agreement with BERNSTEIN. This is another

attempt to mislead others that he has no commitments and make separate deals with BERNSTEIN Book of Business, yet his comments are all in writing.

103. That on information and belief, Rosman had an uneasy feeling about an unsigned document so he reiterated at every draft that signatures were not required on the agreed amendments. BERNSTEIN claimed to Rosman that he was being paranoid and that D. SIMON would not do anything unethical as BERNSTEIN loved and cared about D. SIMON. Due to this matter before the Court BERNSTEIN now demands to see both the signed STP standard agent contract and the attached agreed to amendments. If no such documents can be procured BERNSTEIN asks the Court to consider both parts to be in full compliance as if a signed STP standard agent agreement were signed, whether or not such signed agreements now exist. As D. SIMON states he maintained these items there should be no problem putting them forth as his letter references the “signed” agreement yet contains an unsigned copy. It is imperative to note that the Agent Contract submitted hereto with all agreed to amendments was performed upon in all clauses up to 1998, as if signed.

104. That further, Rosman contacted S. BERNSTEIN and as illustrated confirms almost one year later with S. BERNSTEIN that indeed the Agent Contract was signed. As CEO and COB of STP S. BERNSTEIN had confirmed to ROSMAN that they had signed the Agent Contract as illustrated in the September 9, 1997 letter between ROSMAN and S. BERNSTEIN and copied to D. SIMON and P. SIMON. D. SIMON claims to not have knowledge of such Agent Contract which based on all the correspondences and his agreement on all the terms in those

correspondences seems highly unlikely. In fact, no letters or correspondences were sent in refutation of the September 9, 1997 letter and there certainly has been enough time passed to have refuted the claims of the letters or denied existence of an Agent Contract.

105. That in addition to the STP standard agent agreement terms, the additional terms agreed to were all repeatedly performed on over and above the STP standard agent agreement and as such all Agent Fees collected by STP are due and payable.

106. That BERNSTEIN maintains that after the terms were agreed to, D. SIMON and STP performed on all contracted for modifications regarding Agent Fees and all other provisions of the Agent Contract and then when STP lost their insurance carrier Lincoln Benefit Life they ceased payments to Defendant as there were no Agent Fees or Override to be paid since there was no life company.

107. That when production renewed of the ALPS program, with a new carrier procured by BERNSTEIN and his wife Candice Bernstein efforts months earlier, STP, ABBOTT, P. SIMON and D. SIMON failed to notify BERNSTEIN that sales to his Book of Business were being made, and in fact, STP, P. SIMON and D. SIMON began a deliberate series of steps to conspire with Agents to usurp BERNSTEIN of his monies.

108. That BERNSTEIN became absolved in his technologies and trusted that when D. SIMON repeated that no business was being conducted with BERNSTEIN Clients, Agents, etc. Bernstein trusted him as a brother and P.

SIMON as a sister to be forthright and further it is conditioned in the Agent Contract that BERNSTEIN was to be notified of any sales. Rosman's paranoia seems not so paranoid anymore and goes to show what they teach you at Harvard Law.

109. That STP, S. BERNSTEIN, D. SIMON and P. SIMON asked BERNSTEIN and his now wife, Candice Bernstein, to begin marketing to all life insurance companies to try and obtain a new carrier when they lost the life company. BERNSTEIN then set up marketing materials and websites for this purpose as well as meeting and phone costs, all on BERNSTEIN's dime. BERNSTEIN engaged the services of two part time graphics artists and web-developers, Jude Rosario and Zakirul Shirajee, whom began setting up electronic marketing for the CEO's and Chairman's of the Board "COB" of the leading life insurance companies. BERNSTEIN's wife worked similarly on the promises of PLAINTIFFS to get a carrier in hopes of getting an additional one percentage point (1%) on all carrier premium funded, she did this with no compensation from STP. STP and Simon Bernstein, agreed to compensation if the efforts led to a life insurance company doing business with STP. BERNSTEIN submits evidence that ANICO is a direct result of efforts of BERNSTEIN in EXHIBIT "E" – CARRIER LETTERS AND HISTORIES, this exhibit also shows BERNSTEIN working on behalf of STP in years that D. SIMON claims BERNSTEIN had left the industry.

- 110. That after making introductions to carrier ANICO, BERNSTEIN and his web developers (Rosario and Shirajee) discovered technologies now the subject of eight Patent Pendings.**
- 111. That after discovery of the technologies with help and financing from on S. BERNSTEIN the then Chairman of the Board and President of STP, who asked BERNSTEIN leave the insurance business to run and manage the Iviewit Companies and that all Agent Fees would again be paid on all sales as soon as STP had a life insurance company. Further, that all commissions would be paid on BERNSTEIN on his Book of Business and that all terms of Agent Contract would be honored at such time that cases were sold in his absence.**
- 112. That S. BERNSTEIN has a founding 30% shareholdings in Iviewit Technologies, Inc. the company his son-in-law D. SIMON now sues in this matter, and S. BERNSTEIN was the past Chairman of the Board of Iviewit Technologies, Inc at all times relevant to this matter for the periods of 1998-2001. The scruples or lack thereof of D. SIMON suing his father-in-law who has spoon fed him stock in STP, a company he started with his children STP, is bone chilling. More chilling is that D. SIMON is attempting to abscond with BERNSTEIN consideration for his efforts for almost 20 years since the inception of the ALP product. STP is trying to steal off with BERSTEIN's rights to his fair and equitable share of profits in ALPS program.**
- 113. That BERNSTEIN inquired as to commissions owed over the years 1998-2004 multiple times on the ¼ pt override and his Agents and Clients commissions and STP responded that no business was being done with**

BERNSTEIN Book of Business and no commissions were owed as illustrated in EXHIBIT “F” - 2000 11 13 SIMON LETTER. These were outright lies that have caused damages to BERNSTEIN.

- 114. That BERNSTEIN recently reinstated his insurance license in the State of Florida in order to again help his father in marketing a new product.**
- 115. That BERNSTEIN then began calling Clients and Agents he worked with in the past to market the new product, not at all related in anyway to STP.**
- 116. That BERNSTEIN began submitting Clients and Agents to his father’s company, Life Insurance Concepts, for a new product C-PAS and at his father’s request cases for new STP Arbitrage Cases.**
- 117. That D. SIMON then rejected BERNSTEIN ALPS business stating to others that BERNSTEIN was no longer allowed to sell insurance for STP or sell the ALPS product. That this caused embarrassment to BERNSTEIN as D. SIMON gave several agents defamatory reasons for not wishing to take BERNSTEIN business, including new business on old clients of BERNSTEIN wishing to purchase additional ALPS insurance as well as other non-ALPS business.**
- 118. That D. SIMON began stating to others that all BERNSTEIN Clients and Agents were the property of STP and that BERNSTEIN had no rights to his Clients or Agents and that they had now become the property of STP in flagrant disregard for the Agent Contract.**
- 119. That further D. SIMON asserted to others that he had no contract or commitments to pay BERNSTEIN any monies.**

120. That on information and belief, D. SIMON further contacted Guy Iantoni “Iantoni”, another brother-in-law selling both ALPS for STP and C-PAS for S. BERNSTEIN and that D. SIMON told Iantoni that Agent ABBOTT was an STP agent and not a BERNSTEIN Agent and moreover that if Iantoni pursued “ABBOTT” on C-Pas or any other product that STP would not allow him to sell ALPS. This would put Iantoni in catastrophic ruins and therefore Iantoni is forced to stay away from doing business with BERNSTEIN Clients and Agents.

121. That Iantoni called BERNSTEIN and informed him that he could not work on certain Agents and Clients of BERNSTEIN and in fact stated that D. SIMON had stated ABBOTT was an STP Agent and BERNSTEIN was lying. These threats upon Iantoni steeped in falsity forced Iantoni to not contact ABBOTT and other Clients and Agents of BERNSTEIN and has damaged BERNSTEIN. Again, this hurt BERNSTEIN who was stunned at why D. SIMON would do this when he puts up such a loving front personally to him, again the Court may see a pattern of deception and threats that D. SIMON uses to cause BERNSTEIN embarrassment in attempt to abscond with BERNSTEIN’s contracted for monies.

122. That ABBOTT is an agent that was referred by Michele M. Mulrooney, Esq. (“Mulrooney”) of Hirsch Jackoway Tyerman Wertheimer Austen Mandelbaum & Morris (“HJTWAMM”) to BERNSTEIN to set up a deal whereby her friend ABBOTT and her friend BERNSTEIN could work together. Further, so that ABBOTT who was in a rut at the time, could make money selling BERNSTEIN family ALPS product. Mulrooney is also a leading US Estate Planner for

esteemed entertainers and is a ten year friend of BERNSTEIN in addition to one of the largest referral sources of BERNSTEIN. BERNSTEIN paid all expenses in marketing and selling Mulrooney and her clients and friends for many years.

123. That Mulrooney was referred by Rosman whom also worked with HJTWAMM and has been a close personal friend of BERNSTEIN in addition to one of the largest purchasers and referral sources for ALPS business for almost twenty years. At least Fifty to One-Hundred Million Dollars (\$50,000,000.00-100,000,000.00) of life sales stems from these two referrals of BERNSTEIN and whom BERNSTEIN spent considerable monies to obtain and maintain relationships with for years and are thus clearly delineated under the Agent Contract as BERNSTEIN property that STP was to market only with approval from BERNSTEIN and payment to BERNSTEIN of all monies heretofore discussed.

124. That STP paid monies due according to the Agent Contract for many years in compliance with the Agent Contract even at times when BERNSTEIN was not licensed as a life agent and the STP contract expired.

125. That STP paid either BERNSTEIN directly for his Agents or received written instructions from BERNSTEIN for how to split checks with Agents. BERNSTEIN splits with his Agents ABBOTT, Welsch and others was well known by STP and paid accordingly to BERNSTEIN for many years.

126. That on information and belief, it has come to BERNSTEIN's attention that ABBOTT and his referrals have become the largest producers for STP and have

usurped paying BERNSTEIN and honoring their agreement to BERNSTEIN as further described in the Demand Letter.

127. That further, it has come to BERNSTEIN's knowledge that unbeknownst to BERNSTEIN STP has re-written BERNSTEIN Clients, Agents, and STP Clients and BERNSTEIN's entire Book of Business, and has paid BERNSTEIN Agents in secrecy with intent to defraud BERNSTEIN and did not pay BERNSTEIN any of the renewal monies.

128. That BERNSTEIN found out in or about October 22, 2001 that COUNTER DEFENDANTS contacted Commonwealth Insurance earlier and without BERNSTEIN knowledge had the address for renewal checks to BERNSTEIN on cases changed to STP's address and furthermore that although the checks were made out to Eliot I. Bernstein had been cashed by STP. Candice Bernstein, "C. Bernstein" called the carrier direct for this information since STP denied there were commissions due or payable that she could determine. STP denied cashing BERNSTEIN checks and stated they could not tell whose commissions were whose on Commonwealth cases. C. Bernstein finally had to work with S. BERNSTEIN to get the information directly from the carrier and found that STP had cashed the checks and that detailed statements had been provided to STP. Further it was confirmed that STP had changed the address. BERNSTEIN chose not to press charges for check fraud.

129. That STP paid in an overnight mail, a check for all, on information and belief, 28 checks that had been cashed in BERNSTEIN's sole name from

Commonwealth Life, commission checks that STP had cashed wrongly and had prior never notified BERNSTEIN of his monies due.

130. That these Commonwealth cases have a history in which in 1996 S. BERNSTEIN had to contact Commonwealth Life and sign letters for them to honor a seventy percent (70%) split to BERNSTEIN and a thirty percent (30%) split to STP. In this instance, it was because STP would not honor BERNSTEIN and STP verbal agreement and S. BERNSTEIN and BERNSTEIN had to contact senior management to rectify. The problem then was that STP was not paying BERNSTEIN his portions of renewals and pocketing commissions that did not result from the ALPS program and were due and payable to BERNSTEIN who was the listed agent on the cases. In 1996, the carrier made special concessions to have the checks cut separately so that STP would not receive BERNSTEIN monies.

131. That these 1996 issues with Commonwealth Life led to S. BERNSTEIN wanting to draft all terms of our prior oral agreements into a written contract and this is clearly delineated as the reason for making a contract, so as to avoid further confusion as stated in the Agent Contract letters of 1996.

132. That BERNSTEIN claims that there are other agents who no longer work with STP due to similar problems with the payment of their commissions;

a. Joseph A. Fischman “Fischman” – A long time family friend and one of the initial producer of ALPS clients. Fishman was one of the leading producers at the time. This has caused harm to BERNSTEIN’s relationship with Fischman.

- b. James F. Armstrong “Armstrong” – A childhood friend of the family since grade school with P. SIMON and BERNSTEIN, which has caused harm to BERNSTEIN’s relationship with Armstrong.**
 - c. Sal Gorge “Gorge” – A childhood friend of S. BERNSTEIN who on information and belief will no longer do business with S. BERNSTEIN company STP because of problems with P. SIMON and D. SIMON hijacking commissions from him. Gorge was the leading producer at the time.**
 - d. John E. Cookman Jr. “Cookman” – A leading producer of ALPS and responsible for making many introductions to lenders who financed large tranches of the ALPS financing with major New York lenders. Cookman was promised a fee for securing funding and once STP had established the relationship they usurped “Cookman” of his fee and he ceased business with STP, also causing great harm to BERNSTEIN’s relationship with “Cookman” who was the leading producer at the time.**
- 133. That BERNSTEIN claims on information and belief, that a pattern of agent abuse continues with STP whenever an agent develops a large Book of Business and STP wants to distance themselves from having to pay renewals or if they perceive that a re-write of the Book of Business is imminent and therefore offend the agent so much so that they refuse to ever conduct business with them. When they call for renewals their calls go unanswered for months on end, resulting in them giving up and walking away. This leaves agents commissions being paid to STP and never paid to agents as the renewals come in.**

- 134. That on information and belief, BERNSTEIN claims that there are other monies from other carriers in which similarly monies and accountings for non-ALPS policies in which BERNSTEIN is listed as the agent have not been paid to BERNSTEIN.**
- 135. That COUNTER DEFENDANTS did not sent a single letter, email or notice that Agent Fees, Override, or LCO were due and that there were any problems with paying BERNSTEIN his consideration for the sales. Never did COUNTER DEFENDANTS contact BERNSTEIN that monies were inuring which were due and that there was any problem such as a technical license issue, which would have taken a simple fix if it truly precluded payment. What is more telling is that D. SIMON tries to hang his hat on this weak argument in attempt to out legalese his own blood from royalties due in the family business he helped build, BERNSTEIN's family who has done nothing but good things for D. SIMON. BERNSTEIN and D. SIMON and P. SIMON have been together on numerous occasions and trips over the years and D. SIMON and P. SIMON have denied doing any business with BERNSTEIN Book of Business wherein Agent Fees had been paid to them.**
- 136. That BERNSTEIN was both delighted to see at the website of STP that a carrier that BERNSTEIN and his C. BERNSTEIN had initiated contact with, ANICO, and that ANICO had initiated doing business with STP. BERNSTEIN was horrified to see that on information and belief, according to the STP website, \$300,000,000.00 had been sold over the period of 1998-2004 with ANICO and that no money for Agent Fees and LCO had been paid to**

BERNSTEIN. BERNSTEIN claims that the LCO is due and payable for all premiums sold with the ANICO.

- 137. That BERNSTEIN cites STP unwillingness to discuss any settlement options in lieu of a lawsuit, after the Demand Letter was sent to them is to prevent the truth from being told and rectifying the matters and the subsequent loss of BERNSTEIN Book of Business.**
- 138. That BERNSTEIN demands accounting for the years (1997-2004) for all STP business.**
- 139. That BERNSTEIN demands accounting for all business done for periods (1997-2004) on all BERNSTEIN Clients, Agents, STP Clients and Life Insurance Companies secured through BERNSTEIN efforts with all commission statements and breakdown according to the terms of the Agent Contract.**
- 140. That BERNSTEIN demands full compliance with all terms under the Agent Contract for the periods 1997 to 2004.**
- 141. That BERNSTEIN asks the court for specific performance on the Agent Contract to enforce full compliance with all terms under the Agent Contract so as to prevent further damage to BERNSTEIN.**
- 142. That BERNSTEIN acknowledges that his STP agent agreement is no longer in force and further at STP's bequest and that BERNSTEIN is barred from selling the ALPS product to future prospects. Although BERNSTEIN contends that even when the contract is terminated or expires it has survivor clauses referred to in the Perpetual Fee exhibit. What BERNSTEIN cannot understand is how D. STP, SIMON and P. SIMON do not want their largest single producer**

for 15 years, whom secured STP life companies, lenders, client after client, agent after agent, friend after friend, and STP has profited from them quite handsomely in the process but BERNSTEIN still asks why they would not want BERNSTEIN to sell ALPS after all the years of work together building the ALPS program? BERNSTEIN then answers with what appears the only reason for not wanting to do business with BERNSTEIN and his family, their very own blood, the reason had to be they had done something terribly wrong and were afraid of getting caught. Now, after being caught, they stand afraid of being exposed to BERNSTEIN friends, family and Clients.

143. That this lawsuit is an attempt to steal off with BERNSTEIN Book of Business for no compensation to BERNSTEIN and in violation of all monies due and payable for all past, present and future Agent Fees, Override, LCO, Clients and Agents which is highly unethical in any industry and in complete disregard of their contractual agreement. It is imperative to note that an agents Book of Business is his livelihood and why it is industry practice to pay renewals to agents and renewals on their cases. BERNSTEIN's Book of Business represents twenty years of Client friends who hardly know STP and its Officers and Directors.

144. That when S. BERNSTEIN found out about BERNSTEIN Client and Agents being written he stated that he would try to work something out with me while he contacted STP to assess what was going on but that he was retired from STP and did not know what he could do. After several months, S. BERNSTEIN stated that he would pay BERNSTEIN directly a monthly stipend that would be

deducted from any monies collected from STP. S. BERNSTEIN arranged for a meeting with his attorney, Stephen Greenwald, Esq. to discuss put these amounts into contract today, March 16, 2004. S. BERNSTEIN and his spouse Shirley Bernstein told BERNSTEIN to send the Demand Letter and send a copy to ABBOTT whom they found to be repulsive for having worked with STP to usurp monies from BERNSTEIN.

145. That as a direct and proximate result of the actions of the COUNTER DEFENDANTS, BERNSTEIN has been damaged in a sum estimated to be greater than \$5,000,000.00 on monies owed and collected by STP without including a fair interest rate and without having a full accounting as called for in the Agent Contract.

146. All conditions precedent to the bringing of this action have occurred or have been waived or excused.

COUNT I
BREACH OF CONTRACT

147. That this is an action for breach of contract within the jurisdiction of this court.

148. That BERNSTEIN re-alleges and hereby incorporates that allegations of Paragraphs 1 through ? as if fully set forth herein.

149. That BERNSTEIN alleges breach of contract and points to the Agent Contract for a review of the contract and provisions that have been breached and all monies owed resulting from all breaches. The breaches of the Agent

Contract are as follows under the agreed terms from the November 12th 1996 letter in the Agent Contract;

a. 1-Term

- i. That BERNSTEIN has not been paid monies owed after the term as defined in this section of the letter amendment/rider . All monies collected by STP after the Term are considered due and owing and BERNSTEIN asks the Court for immediate damages for these amounts as determined after a full accounting has been preformed for the following items.**

b. 2 – Arbitrage Fee’s

- i. That BERNSTEIN has not been paid monies owed after the term as defined in this section.**

c. 3 – Client Arbitrage Fee’s

- i. That BERNSTEIN has not been paid monies owed after the term as defined in this section.**

d. 4 – Client Insurance Fee’s

- i. That BERNSTEIN has not been paid monies owed after the term as defined in this section.**

e. 5 – No Selling to Agents Clients During Term

- i. That BERNSTEIN claims COUNTER DEFENDANTS have usurped the Agent Contract to deny monies due to BERNSTEIN.**

f. 6 – Sub-agents

i. That BERNSTEIN claims COUNTER DEFENDANTS have usurped the Agent to deny monies due to BERNSTEIN.

g. 7 – Information

i. That BERNSTEIN claims COUNTER DEFENDANTS have usurped the Agent Contract to deny accounting and auditing that was due BERNSTEIN in an attempt to hide information and in fact disseminated contrary letters and statements to others to lead BERNSTEIN to think that no money was due.

h. 8 – Audit

i. That BERNSTEIN claims COUNTER DEFENDANTS have usurped the Agent Contract to deny accounting and auditing that was due BERNSTEIN in an attempt to hide information and in fact disseminated contrary letters and statements to others to lead BERNSTEIN to think that no money was due. BERNSTEIN demands immediate auditing for all years 1997-2004 at COUNTER DEFENDANTS expense, so that BERNSTEIN may determine the exact amount of monies owed him.

150. That these breaches in the Agent Contract have had profound impact financially and emotionally for BERNSTEIN whom has been living on unemployment and welfare with his family for over a year since BERNSTEIN patent pendings have taken longer (and more money than can be imagined from BERNSTEIN personally), than expected to be approved for reasons beyond BERNSTEIN's control.

151. That for two years while D. SIMON and P. SIMON knew of the financial difficulties BERNSTEIN and his family were suffering D. SIMON and P. SIMON said not one word about money that was owed, money they were living it up on for years on while they knew of BERNSTEIN standing in food lines for stamps struggling to get his patents and they lived up to not one single facet of the deal they had with their own blood and for this there may not, nor may there ever be remedy.

152. That BERNSTEIN alleges that payments of Agent Fees for several policies resold to Agent Clients as new contracts were paid according to Agent Contract, yet at each of these occasions it was not until BERNSTEIN found out through clients or agents that monies had circumvented BERNSTEIN that STP finally honored the payments to avoid the embarrassment.

153. That BERNSTEIN alleges that STP had paid commission on Donna Dietz when she converted from a VEBA group policy to an individual policy. All commission on the new newly issued policy were paid to STP, completely circumventing BERNSTEIN who had no state insurance license at this time. After STP first attempted to abscond by not notifying BERNSTEIN where he was notified by the Andrew Dietz that a large policy was being purchased by him through STP. When BERNSTEIN called STP regarding this, STP denied any sales were being made to anybody and again BERNSTEIN had to work with the insurance company to have STP pay the commissions owed.

154. That STP paid commissions on Commonwealth policies to BERNSTEIN on VEBA policies sold to Air Apparent and Anderson Howard Electric including

commissions on new sales and renewals according to the Agent Contract, on two of BERNSTEIN's largest clients and similarly STP 's biggest customers. Again, did D. SIMON make these payments illegally as his suit would lead one to believe? Again these payments were only paid after agent was made aware by the life company that STP had transferred commissions owed to BERNSTEIN to themselves.

155. That BERNSTEIN hired Isa Welsch spouse of BERNSTEIN's twenty year friend Mitchell Welsch, to manage BERNSTEIN Book of Business during any times that BERNSTEIN was working in other pursuits in addition to his insurance sales. BERNSTEIN made an agreement with Welsch and all commissions were to be paid to BERNSTEIN by STP for new sales and BERNSTEIN was to split with Welsch. BERNSTEIN claims that STP was fully knowledgeable about this arrangement and had paid in accordance with the terms of the Agent Contract many times on these deals while BERNSTEIN was working at other pursuits, this constitutes a deliberate breach of contract done with intent to deprive BERNSTEIN of monies owed.

156. That BERNSTEIN claims that STP knowingly created a new agreement with Welsch and ABBOTT, that usurped BERNSTEIN of his Agent Fees agreed to under the binding Agent Contract and further assured Welsch that BERNSTEIN was aware of the fact that he was not being paid and OK with it. These statements were materially false and led to lose of income for BERNSTEIN. This is why Welsch has not been added to this suit, when confronted he told the truth.

157. That BERNSTEIN claims a breach of contract in any/all creating of new Agent deals with BERNSTEIN Book of Business by STP.
158. That BERNSTEIN claims breach of contract involving all Agent Fees and other monies claimed, as described herein and additionally claims breach of an implied contract in regard to Life Company Override.
159. That as a direct and proximate result of the actions of the COUNTER DEFENDANTS, BERNSTEIN has been damaged in a sum estimated to be greater than \$10,000,000.00, based on the Agent Contract breaches.

WHEREFORE, BERNSTEIN prays for judgment for damages for breach of contract in regards to past amounts owed and specific performance on the Agent Contract immediately and going forward so as to prevent further harm to BERNSTEIN and his family, against COUNTER DEFENDANTS together with reasonable attorneys fees, court costs, interest, and such other and further relief as this court deems just and equitable.

COUNT II
TORTUOUS INTERFERENCE IN BUSINESS RELATIONSHIPS

160. This is an action for tortuous interference in business relationships within the jurisdiction of this court.
161. That BERNSTEIN re-alleges and hereby incorporates that allegations of Paragraphs 1 through 106 as if fully set forth herein.
162. That STP, D. SIMON and ABBOTT have interfered with BERNSTEIN Agents by working around BERNSTEIN directly with his Agents and Clients so

as to not pay monies owed to BERNSTEIN and claim BERNSTEIN Book of Business as their own.

163. That BERNSTEIN claims that D. SIMON has interfered with BERNSTEIN family members in an insidious way and purposefully harmful way in his ability to conduct business with other family members in non-related products by promulgating false information and threatening to exclude others from selling ALPS if they work with BERNSTEIN. These other family members have refused to work on certain Agents and Clients of BERNSTEIN even if the product sale has nothing to do with STP or ALPS because of these threats by D. SIMON.

164. That as a direct and proximate result of the actions of the COUNTER DEFENDANTS, BERNSTEIN has been damaged in a sum estimated to be greater than ten million dollars \$10,000,000.00, based on the interferences with his Book of Business and his ability to conduct business with others.

WHEREFORE, BERNSTEIN prays for judgment for damages for tortuous interference in business relationships against COUNTER DEFENDANTS together with reasonable attorneys fees, court costs, interest, and such other and further relief as this court deems just and equitable.

COUNT III
DEFAMATION

165. This is an action for Defamation within the jurisdiction of this Court.

166. That BERNSTEIN re-alleges and hereby incorporates that allegations of Paragraphs 1 through 106? as if fully set forth herein.
167. That BERNSTEIN claims that D. SIMON has made defaming comments to BERNSTEIN Agents, Clients, friends, family and others that have caused material harm to BERNSTEIN and loss of income and Agents and Clients.
168. That BERNSTEIN pleads the court to have COUNTER DEFENDANTS immediately cease and desist all contact for any reason with BERNSTEIN Agents and Clients, until this court case has been adjudicated.
169. That as a direct and proximate result of the actions of the COUNTER DEFENDANTS BERNSTEIN has been damaged in his reputation as D. SIMON continues to make false and misleading statements to others to try and cause them not to work with BERNSTEIN. D. SIMON has caused irreparable harm to BERNSTEIN's good name with family, friends and BERNSTEIN Book of Business.

WHEREFORE, Counter Plaintiff demands judgment for damages for defamation against "Counter Defendant" together with reasonable attorneys fees, court costs, interest, and such other and further relief as this court deems just and equitable.

COUNT IV
CIVIL CONSPIRACY

170. This is an action for Civil Conspiracy within the jurisdiction of this Court.

- 171. That BERNSTEIN re-alleges and hereby incorporates that allegations of Paragraphs 1 through ? as if fully set forth herein.**
- 172. That upon information and belief D. SIMON, P. SIMON, STP, ABBOTT & Welsch (Welsch did not knowingly participate) conspired to deprive BERNSTEIN of monies owed as discussed herein.**
- 173. That money was paid to BERNSTEIN Agents without BERNSTEIN knowledge or approval usurping Agent Contract and the deal BERNSTEIN had made with ABBOTT and Welsch.**
- 174. That ABBOTT and his referred Agents and Clients have become one of the largest producers of ALPS and therefore motive is obvious for both parties to exclude BERNSTEIN from his consideration.**
- 175. As a direct and proximate result of the actions of the COUNTER DEFENDANTS, BERNSTEIN has been damaged in a sum estimated to be greater than ten million dollars (\$10,000,000.00).**

WHEREFORE, Counter Plaintiff demands judgment for damages for civil conspiracy against Counter Defendant together with reasonable attorneys fees, court costs, interest, and such other and further relief as this court deems just and equitable. That this conspiracy has caused BERNSTEIN tremendous harm and so much loss of income as to leave him virtually penniless and for this reason BERNSTEIN prays for immediate action by the Court in evaluating the claims herein.

COUNT V
INJUNCTIVE RELIEF

176. This is an action for Injunctive relief within the jurisdiction of this Court.
177. That this conspiracy has caused BERNSTEIN tremendous harm and so much loss of income as to leave him virtually penniless and for this reason
BERNSTEIN
178. That this conspiracy has caused BERNSTEIN tremendous harm and so much loss of income as to leave him virtually penniless and for this reason
BERNSTEIN
179. That this conspiracy has caused BERNSTEIN tremendous harm and so much loss of income as to leave him virtually penniless and for this reason
BERNSTEIN
180. That this conspiracy has caused BERNSTEIN tremendous harm and so much loss of income as to leave him virtually penniless and for this reason
BERNSTEIN
181. That this conspiracy has caused BERNSTEIN tremendous harm and so much loss of income as to leave him virtually penniless and for this reason
BERNSTEIN
182. That BERNSTEIN re-alleges the matters set forth in paragraphs 1 through ?
above.
183. That this conspiracy has caused BERNSTEIN tremendous harm and so much loss of income as to leave him virtually penniless and for this reason
BERNSTEIN

184. That the deliberate falsehoods which PLAINTIFFS have spoken to others regarding BERNSTEIN's Book of Business becoming PLAINTIFFS, that others are not allowed to work with BERNSTEIN's Book of Business or else they would also be banned from selling ALPS, that they were not allowed to contact BERNSTEIN Clients or Agents and the falsehoods they have spread regarding having no commitment to BERNSTEIN for the Agent Contract fees to further usurp BERNSTEIN of his monies, have already posed irreparable harm and loss of income, for which there would be no adequate remedy at law.

185. That the continued contact with BERNSTEIN Clients poses tremendous problems for BERNSTEIN to earn a living as COUNTER DEFENDANTS have continuously sought to prevent BERNSTEIN from conducting business and making sales to his Book of Business, even when the business is not related to STP in any way.

WHEREFORE, Counter Defendant prays for temporary and permanent injunctive relief prohibiting PLAINTIFFS from contacting in anyway other than the maintenance of the insurance contracts and only with written consent of BERNSTEIN for any of the hundreds of BERNSTEIN Clients and Agents, and from making any further threats to others regarding working with BERNSTEIN, coupled with adequate civil contempt sanctions to insure compliance, and for such other and further relief as the Court may deem appropriate.

EXHIBIT "A"
**DEFENDANT DEMAND LETTER FOR DAMAGES AND SPECIFIC
PERFORMANCE**



IVIEWIT HOLDINGS, INC.

Eliot I. Bernstein
Founder
Direct Dial: 561.364.4240

VIA -EMAIL & FASCIMILE

Tuesday, February 03, 2004

David B. & Pamela Beth Bernstein Simon
S.T.P. Enterprises, Inc.
303 East WackerDrive
Suite 210
Chicago, Il 60601

Re: **1. BREACH OF CONTRACT;**
2. DEMAND FOR OUTSTANDING COMMISSIONS AND OVERRIDES OVED AND NOT PAID IN AN AMOUNT APPROXIMATED TO BE \$2,625,000 TO ELIOT I. BERNSTEIN;
3. IMMEDIATE SPECIFIC PERFORMANCE AS TO ALL REMAINING CONTRACT TERMS STILL IN FORCE DURING SAID TERM AND THOSE TERMS THAT CONTINUE AD INFINITUM AND;
4. CEASE & DESIST IN TORTUOS INTERFERENCE WITH BUSINESS CONTACTS

After review of our written contract modifications dated [November 12th 1996 \(Exhibit 1\)](#) ("11/12/96") to the signed agent agreement you claim to maintain, which was the culmination of the agreed upon contract modifications between Eliot I. Bernstein (Agent) and STP Enterprises, Inc. (STP), I find that you are in breach of said terms. Further, based on recent information it has come to my attention that you are with malice and intent to defraud me of the contract terms, breaching many of the stipulated terms. Therefore, I have prepared a summary of all breaches of this contract for your review and demand immediate payments and other performance specific to the entire contract to cure them. It is noted that such purported signed agent agreement and the agreed modifications made by David to the [October 1st 1996 \(Exhibit 2\)](#) ("10/1/96") proposed terms and further re-written after our negotiations and David's "point-by-point" acceptance in his [October 22nd 1996 \(Exhibit 3\)](#) ("10/22/96 Simon/Rosman") letter are binding. David then sent to Rosman as acceptance of all terms other than David's stated point-by-point changes, which later are incorporated as agreed into the "11/12/96" modified contract terms. *When combined* the "11/22/96" modifications and the signed



David B. & Pamela Beth Bernstein Simon
S.T.P. Enterprises, Inc.
Tuesday, February 03, 2004
Page 2 of 31

agent agreement that David purports to maintain in his [October 22nd 1996 \(Exhibit 4\)](#) (“10/22/96 D. Simon/E.Bernstein”) letter, together make up the entire signed and binding contract, hereafter termed “contract”. Please note this “contract” is a finalized signed copy including amendments and riders agreed to by both parties, to be further incorporated by you, into that signed agent contract you maintain you have. After agreeing to the terms stated in the “11/12/96” contract modifications you began further performing in accordance with ALL of the terms contained therein. For several years after, STP abided by its contractual obligations under the modified “contract”. Recently though it has come to my attention that STP has in fact breached said agreement through deceptive practices designed to work around our binding agreement.

The “contract” has the following essential elements under which STP is obligated to perform on **whether or not** the signed Agent agreement you claim in your “10/22/96 D. Simon/E. Bernstein” letter is valid or rescinded.

In lieu of STP breaches of said “contract”, I hereby demand the following for the years 1998, 1999, 2000, 2001, 2002 & 2003 as stipulated under the binding “contract” terms agreed to in the “11/12/96” modifications:

- 1) All amounts due under the agreement in the “11/12/96” agreed to modifications under clauses 2, 3 & 4, resulting from “Arbitrage Fees,” “Client Arbitrage Fees” and “Client Insurance Fees” defined as **ad-infinitum** with or without an existing agent contract with STP, as stipulated in the “contract” including **AFTER** any such term of agent contract with STP is exhausted or cancelled.
- 2) Payment of all commissions owed directly to me for further payment to Sub-Agents and any/all of their sub-agents, initially recruited or referred by me as stipulated in Paragraph 3.
- 3) An Audit of such commissions and clients as agreed in section 3, including a list of sub-agents and sub-agents clients or further sub-agents clients and my personal clients that have been resold or have had new sales made on my behalf to them.
- 4) Payment of all amounts owed under all sections, not just those that continue ad infinitum until proof of said SIGNED agent agreement maintained by you and cancellation of such “contract” is verified.

Further we demand that you:

- 5) Cease and Desist of all contact with my sub-agents, including Alec Abbott and any others and from any further interaction and sales with existing clients of mine where Eliot Bernstein is the respectable original agent of record and/or sub-agent clients are listed as agent of record. Unless such breaches as outlined herein are



David B. & Pamela Beth Bernstein Simon
S.T.P. Enterprises, Inc.
Tuesday, February 03, 2004
Page 3 of 31

cured and monies deemed owed are paid to me within five business days of receipt of this demand.

- 6) Cease and desist all tortuous interference and slander with my agents, clients and business associates permanently.

Since it has recently been brought to my attention that you are still conducting business under this "contract", i.e.; (i) rewriting my existing clients (ii) rolling over existing policies into new policies with new carriers (iii) selling new policies to my clients (iv) selling through my sub-agents and conducting new business with my sub-agents. Please make payment immediately for any policies placed in the periods under the terms set forth in the "11/12/96" contract modifications agreed to and forward all commissions owed from 1998 when you last paid me when I left to found Iviewit, as outlined herein. Wherein I stopped requesting payments for Fees, as David & Pam Simon and Simon Bernstein have repeatedly stated to me since then that no business was being conducted with my clients or agents and hardly any Arbitrage was being sold. This seems contrary to the facts I have recently become aware of such your continued business with clients and sub-agents in utter disregard to the stated terms of the "contract". As all fees and expenditures for recruiting sub-agents and referrals were solely my responsibility to pay out and not reimbursed one iota by STP, they are in fact a direct investment of Eliot Bernstein not STP. Accordingly, STP acted in good faith with the terms of the "contract" and paid all overrides, all agent and sub-agent commissions directly to me for the years of 1996, 1997 & 1998 (subject to further audit) and splits in commission with my agents were approved by me, in accordance with the "contract". These terms were continuously enforced by your performance under them, until you claimed that you were not selling my clients or utilizing my sub-agents.

Again, since this business was being conducted without my knowledge and without compensation to me as it has come to my attention that you directly worked with sub-agents to divert my commissions telling my sub-agents that you had no binding obligations to me, this is in direct breach of said "contract" and may have other legal ramifications. Under said agreement, STP is obligated to pay all of these monies to me, whether or not STP circumvented me and paid agents directly, forgetting to send me **any** of the monies, is your problem to resolve with the parties.

Well, as I have recently got back into the selling of insurance and started to contact my old friends and clients regarding insurance I was stunned to find out a few things. First is the fact that I found the Welsch's my 25 year friends, my sub-agents as described in our "contract", told me that you had stated not to worry about leaving me off applications and that since you had no commitments to me that they should not worry about you not paying me what they knew was owed to me. This is pathetic. Sad thing is I got sorely



David B. & Pamela Beth Bernstein Simon
S.T.P. Enterprises, Inc.
Tuesday, February 03, 2004
Page 4 of 31

mad at Mitch for this, when I now look back on our “contract” and see that David is the one to blame as he was to pay me and then I was to pay Mitch & Isa, or I was to approve the split for STP to send out checks accordingly. When I chastised Mitch about this, he told me that David repeatedly assured him that it was OK and that I was OK with it.

Now, it also happened that I was beginning to market C-PAS recently with Si and I was getting Guy, our brother-in-law, into several of my clients and sub-agents, when he called me very disturbed the other day, calling me basically a liar. He said that I did not tell him that Alec Abbott of whom I had told him to call regarding C-PAS, was not my agent but STP’s agent. He said that Alec had called David about Guy’s email and David had called Guy furious, basically threatening him that if he called any STP agents or dealt with me and my clients that he would be banned from selling Arbitrage. These slanderous lies must cease immediately.

To get things straight, Alec Abbott is my agent; he was referred by Michele Mulrooney a longtime client and friend. She also became one of my leading client referral sources. Alec Abbott and his wife both purchased Arbitrage policies from me and later made a sub-agent deal with me. STP having approved said relationship, performed on these agreements by paying either me directly or paying according to my stated splits for him and me. For several years as stipulated in the amended signed agent agreement, STP paid. Then you tell me no sub-agents are being used and lie to me, your statements to Guy about Alec show that you now believe these lies to be true and have now claimed my clients and sub-agents as yours in violation of our agreed “contract” terms. Now as if to add insult to injury, you further tell Ted and Guy that any of MY clients that I send them for Arbitrage cannot be sold by me through them. Well this really is sick; you now maintain that these clients are yours for the stealing and that if they are resold it will be through you without payment to me, against the previously cited “contract” clauses and more importantly in violation of every form of ethics, be it business, family or friend.

Now I will turn to a discussion of the “contract” and the terms that remain whether we have an agent agreement in force or not. These terms prove the worthlessness of your recent claims to my clients, sub-agents and friends, all of whom will be timely notified of your breaches and the damages (damages that may in fact end up hurting them if you try to collect what you owe me from what you paid them) that you have no continued obligations to me.

I quote David first from the attached “10/22/96 D.Simon/E.Bernstein” letter, David’s very words in regards to the changes being incorporated into my then existing contract. From that letter, upon the receipt, review and revisions to the “10/1/96” modifications to my contract that were sent by Richard Rosman to David you responded:



David B. & Pamela Beth Bernstein Simon
S.T.P. Enterprises, Inc.
Tuesday, February 03, 2004
Page 5 of 31

As you are aware, STP currently has a contract with you. As you are also aware you have been singled out for special treatment in several areas such as providing you compensation above and beyond any other agent, advances, collateral concessions, etc. Until such time as STP and you agree on a new contract the existing contract shall continue to define the terms of our relationship. I will review your proposed changes and discuss them with your attorney, Richard Rosman. Modifications we can agree on will be incorporated into our existing contract as a rider or amendment.

Note that you state clearly at this point to me **“STP currently has a contract with you...Modification we can agree in will be incorporated into our existing contract as a rider or amendment.”** Not only do we agree to the modified terms, you perform under them for several years. Therefore, when we agreed that the terms would be negotiated and added, by you, to an already signed agent agreement you possessed at the time, we all agreed that it would not be necessary to draft another contract to sign. Based on your words that once agreed you would modify or attach the changes we made to my already existing contract. Had you not made this promise at the time we would have had another agreement drafted and signed, as was originally intended.

Then on 10/22/96 you wrote to Richard Rosman the following acceptance letter to our terms of the “10/1/96” modifications, with changes made by you. I again quote David from his letter to my attorney and client R. Rosman:

Dear Richard:

In response to your proposed agreement dated October 1, 1996 by and between Eliot Bernstein/S.B. Lexington, S.W. (Eliot/SW) and S.T.P. Enterprises, Inc. (STP) I have the following point by point responses:

Your changes then led Richard to draft those then agreed upon terms into a new amendment and rider that was sent to you in the “11/12/96” revised final modifications based upon your changes. At this point, we had agreed to all of these terms and we trusted you to modify the already signed agent agreement as you claimed you would do. Further, after our offer and your acceptance of those terms, you further write in your [December 19th 1996 \(Exhibit 5\)](#) (“12/19/96”) letter the following affirmation of all the terms made in the “11/12/96” modifications, whereby you write to clarify items directly contained within such agreed to terms:



David B. & Pamela Beth Bernstein Simon
S.T.P. Enterprises, Inc.
Tuesday, February 03, 2004
Page 6 of 31

December 19, 1996

Richard Roeman
LeWinter & Roeman
16285 Ventura Blvd.
Suite #30
Encino, Ca 91436

Dear Richard:

In response to your fax of December 16, 1996: item (c): (although I think we mean the same thing), .5% is on the superfunded premium. The other agents receiving .25% is incorrect, the full commission is paid through items (a) through (c), this includes sub-agents and Elicot's commission together, there is no other additional compensation.

Very truly yours,

A handwritten signature in black ink, appearing to read "DBS", written over a light-colored background.

David B. Simon
General Counsel

This further exemplifies that all prior terms had been agreed on as stated in the "11/12/96" modifications and only one item needed even clarification at that time. From that point forward up until 1999, you paid and acted in accordance with said modifications to my "contract" and all the agreed terms in the modifications. Since David assumed responsibility in writing for making those agreed to modifications a part of the presumed signed agent agreement he maintained, no other contract or signatures was ever necessary.

Your statement that I do not have a current signed agent contract with STP is therefore partially true perhaps, if you have properly cancelled my purported signed agent contract and no longer choose to do future business with me as my brother Ted and brother-in-law Guy have recently informed me. For shame that you tell them I am banned from selling Arbitrage, while you remain two faced to me as if we are friends. Yet, on my clients and sub-agents from the past, you owe me no matter when or what you have sold to them since that purported signed agent contract ended. Whether or not my purported signed



David B. & Pamela Beth Bernstein Simon
S.T.P. Enterprises, Inc.
Tuesday, February 03, 2004
Page 7 of 31

agent contract with STP has expired, lapsed, been shredded or whatever does not alter the “contracts” **post** “contract” terms contained in the agreed to modifications. They stipulate that even **after the Term** of the Agent Agreement you have binding obligations to me indefinitely; canceling the agent contract does not excuse you from many of the post “contract” items. What is sad, is that even if a contract never existed, we had agreed to things like the lifetime ¼% on all premium and that no matter when, if my clients or sub-agents sold policies, they would inure benefit to me and my family. To try to renege and lie your way out of these obligations is shameful. This is a slap in the face to common business etiquette and sound agency policy, as you would never want your agents to feel that you are trying to steal their clients and monies by circumventing their agreements.

Further, we are family members that built a business STP together from nothing, founded on dad's Arbitrage idea and we began building it together while Pam and I were still in college. David came in later through marriage to our family business. Certainly, Si had intended his family business to profit his blood family and certainly special considerations were given to both Pam and I in this regard for our services, as you note in your letters. These clauses in my contract were equal to my stock in the Arbitrage product, since you had received stock in STP and I had none. This was my small slice of what could be viewed as a substitute for stock, as Si, David and Pam all agreed. David, for you to even think that Si did not intend these clauses as lifetime obligations is wrong, as he helped me design with Rosman the modifications that stipulate the indefinite terms and he was overseeing the modifications to the signed agent contract you claimed to already have. Perhaps David, it is because we are not talking directly about your family business that me nor any other family member of mine benefits from. Unlike our family business STP, started before you married Pam, which has done you and your family members employed at the company very well. David, maybe stealing and lying and going behind my back with my friends is somehow OK as I am not a blood relative of yours and this somehow allows you to deny your obligations to me as OK or concoct some legal horseshit 10 years later to try and weasel out, claiming no obligations to me. However, Pam, as my sister, should forever be shamed by this and the pain and suffering it is causing my family. You guys had agreed and paid these obligations for years and now you think you can try to claim you owe me nothing and steal from me what I earned and further ignore my requests in your most unprofessional non-responses to my prior requests for a peaceful resolution? This rude and unprofessional conduct will be met with in every way possible, as I now know that you have worked around me and lied about not doing business with my clients and agents.

Now to be clear, since you both seem to have memory loss, I will refresh you and every other recipient of this letter, on the points of our agreement. Once the Term of the agent



David B. & Pamela Beth Bernstein Simon
S.T.P. Enterprises, Inc.
Tuesday, February 03, 2004
Page 8 of 31

or the agent agreement with STP is over, STP still has many obligations owed to AGENT (me) that continue **indefinitely** as described in the accepted terms as follows:

After the end of the Term, Agent will no longer sell insurance as STP's agent, **but shall continue to receive all fees** due to Agent hereunder for "Arbitrage Fees" and "Client Arbitrage Fees" and "Client Insurance Fees" (as defined below).

After the end of the Term, Agent will no longer sell insurance as STP's agent, but shall continue to receive all fees due to Agent hereunder for "Arbitrage Fees," "Client Arbitrage Fees" and "Client Insurance Fees" (as defined below).

This clause cements that **after** the said Term or the end of the "contract" I shall continue to receive fees due on certain items **indefinitely**. Also, note that the Terms of the modifications are further validated by your prior performance under them up until point that you decided to arbitrarily fully cease to honor them years later. Although nothing ever allows this unilateral withdrawal under the terms that continue after any agreement with STP ceases. Also, interesting to note is that **prior** to drafting the "contract" you had been paying me these amounts as agreed to orally by Simon Bernstein, David & Pam Simon, and prior to these letters, I trusted you and you paid.

It was Si who stated that since the Terms were to be my stock in the Arbitrage product and was for a lifetime, that those terms should be written. He then had me engage Rosman so that just in the event of future conditions unforeseen, that I would have our deal in writing. I never thought the unforeseen condition would be that family members that appear to act as if they love my family and me would be trying to circumvent paying me and having people believe that I am owed nothing.

Note, that at the end of term as described in the "11/12/96" modifications and prior drafts, even in the event that the "contract" ceases, fees continue to be paid to Agent indefinitely. Therefore, I demand immediate performance on all items that remain in force "**after the term**" of any signed agent agreement. Further, I demand full consideration of all terms up to such point as that agreement ceased. I ask that you provide for the proper cancellation documents which I do not have and will need to see from your records what date you are claiming you properly cancelled the signed agent "contract" you maintain to possess in your "10/22/96 D.Simon/E.Bernstein" letter of which you then attach a blank unsigned Agent Agreement. This attachment to your letter is inserted as validation of your claim that we had a signed "contract" at such time (Exhibit 6) – Agent Agreement (not signed?) If such signed agent agreement is not



David B. & Pamela Beth Bernstein Simon
S.T.P. Enterprises, Inc.
Tuesday, February 03, 2004
Page 9 of 31

received within 5 business days as you represent in your letter, it will be assumed that all terms of the "11/12/96" modifications are still fully in force and binding, until such said signed agent agreement is procured from your files. Further, in this regard, please forward any proper cancellation documents, including a signed copy of the "contract" you refer to as cancelled, as you now claim to have cancelled such signed "contract" to 3rd parties in designing new contracts with them around me. Up to any said point of termination and without proof of such cancellation, all terms under both the purported signed agent agreement and the modifications will be considered in full force. Therefore, and any/all obligations and amounts owed through such termination date as stated in the "contract", are also demanded immediately with reasonable interest.

I will go through here a point by point of the **POST** "contract" terms and what they represent to me as owed, as if the "contract" has been properly cancelled. These are approximated due to your failure to provide accountings to me and further lying about business not being sold to my clients and through my sub-agents over the years. Until a full audit is conducted as to STP's sales as agreed upon in the "contract", we will not have the exact numbers and so we demand all estimates of amounts contained herein as a minimum of incurred damages to date.

I turn now to a point by point discussion on the three fees that continue after the end of any "contract" with STP the "Arbitrage Fees" and "Client Arbitrage Fees" and "Client Insurance Fees" (as defined below).

The first of these Fees that I shall continue to receive after the term is defined in our signed agent "contract" and agreed modifications as:

1. **Arbitrage Fees.** Agent shall receive a fee (the "Arbitrage Fees") of .25% of all premiums (including 12th year renewals for Lincoln Benefit arbitrages) paid for all arbitrage insurance policies sold by STP during the Term (a "Fee Arbitrage Policy") (including the 12th year renewals for Lincoln Benefit arbitrages), irrespective of when such premiums are paid. For this purpose, **any policy sold at any time** to any existing policyholder to replace a Fee Arbitrage Policy shall be considered a Fee Arbitrage policy



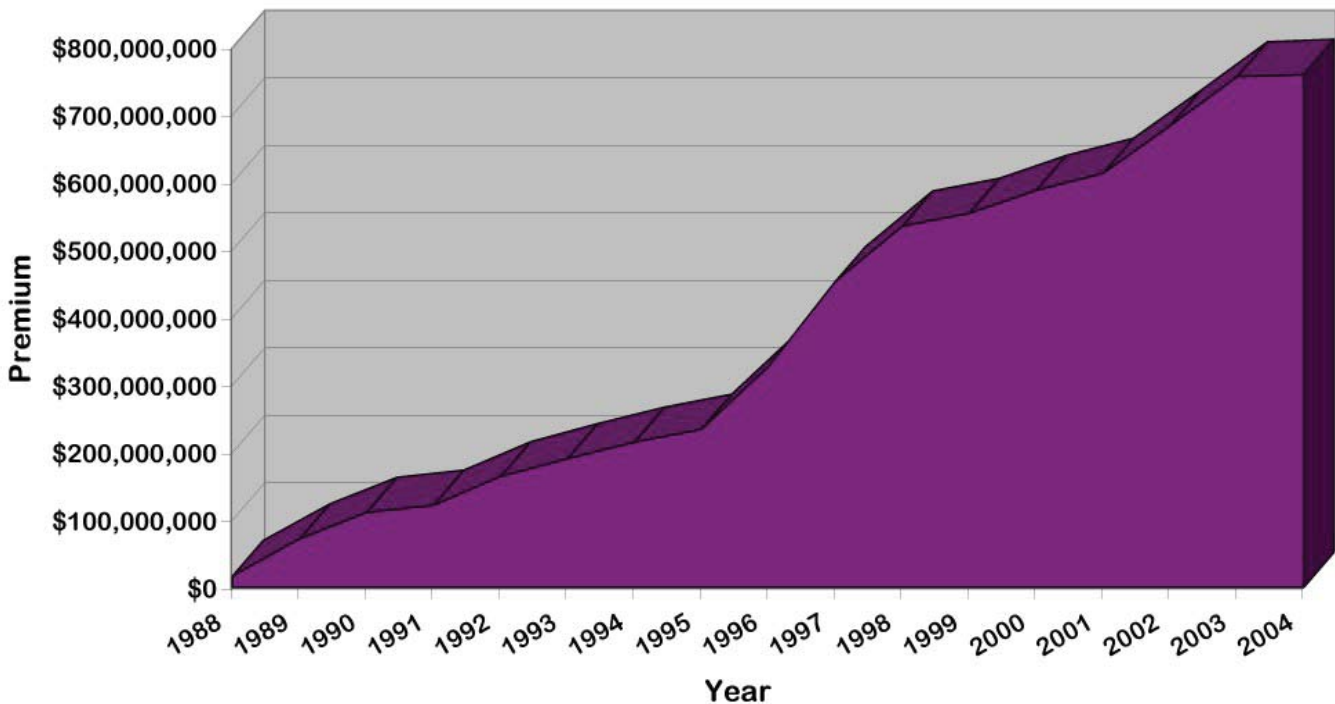
David B. & Pamela Beth Bernstein Simon
S.T.P. Enterprises, Inc.
Tuesday, February 03, 2004
Page 10 of 31

After the end of the Term, Agent will no longer sell insurance as STP's agent, but shall continue to receive all fees due to Agent hereunder for "Arbitrage Fees," "Client Arbitrage Fees" and "Client Insurance Fees" (as defined below).

2. Arbitrage Fees. Agent shall receive a fee (the "Arbitrage Fees") of .25% of all premiums (including 12th year renewals for Lincoln Benefit arbitrages) paid for all arbitrage insurance policies sold by STP during the Term (a "Fee Arbitrage Policy") (including 12th year renewals for Lincoln Benefit arbitrages), irrespective of when such premiums are paid. For this purpose, any policy sold at any time to any existing policyholder to replace a Fee Arbitrage Policy shall be considered a Fee Arbitrage Policy.

This states that .25% of ALL premiums sold by STP. By any agent, during the Term and after as the superceding clause states, have to be paid to me. I know that the last Arbitrage commission and override I received was somewhere in 1998. From your website we can make estimate of these premiums and therefore calculate the following:

Total Cumulative Premium Funded





David B. & Pamela Beth Bernstein Simon
S.T.P. Enterprises, Inc.
Tuesday, February 03, 2004
Page 11 of 31

Therefore, from 1998 where we had sold \$450,000,000.00 to 2003 where it is now \$750,000,000.00 we find a \$300,000,000.00 dollar growth. ¼percentage pt. of that is owed which equals

\$750,000.00

owed immediately as already collected by you and we demand immediate payment on this amount. So up to some point where the Agent Term and agent agreement may have ended and then after the Term ends, due to the lifetime clauses, you clearly owe me these monies. Of course, since this was to be consideration similar to stock for my work building the Arbitrage & STP, we had always agreed to this lifetime annuity as Si called it in the profits of the Arbitrage product and further it was paid accordingly as agreed under the “contract”, until such point that you have forgotten these agreed post “contract” terms. Of course, a full accounting will provide a more accurate picture of the amount at which time we can discuss a reasonable interest owed.

The second fee that continues after the term, is defined as:

2. Client Arbitrage Fees. Agent shall also receive a fee (the “Client Arbitrage Fee”) of 1.5% (1% if there is no collateral) of all premiums paid for all arbitrage insurance sold by STP to any of Agent’s Clients, provided however, that if it is my client and no other Sub-agent is involved, the Client Arbitrage Fee is 1.25%. There will be no Client Arbitrage Fee paid on Lincoln Benefit for any “super-funded dollars” (though the normal Client Arbitrage Fee applies to the regular premium), unless STP obtains fees on such amounts, in which event Agent will receive a percentage to be negotiated, or if the parties do not agree on a percentage, then .5% of the premiums. With respect to Federal Home Life, Agent’s Client Arbitrage Fee shall be 1.5% on the regular premium and .5% on the “super-funded dollars.” **For purposes hereby “Agent’s Clients” shall mean any person who (a) first purchases insurance from STP through Agent or any agent recruited by Agent to sell insurance for STP (collectively “Sub-agents” and individually a “Sub-agent”) or (b) is referred to STP by an Agent’s Client (whether or not such insurance is sold by Agent or any Sub-Agent) irrespective of when the policy is sold (including after the Term).** Currently, the persons listed on Exhibit “A” are Agent’s Clients and the persons listed on Exhibit “B” are Sub-Agents (though



David B. & Pamela Beth Bernstein Simon
S.T.P. Enterprises, Inc.
Tuesday, February 03, 2004
Page 12 of 31

there may be Agent Clients or Sub-Agents not listed thereon). STP shall maintain the list of Sub-Agents and Agent's Clients and send Agent a copy once each calendar quarter. Agent is not responsible if the collateral given by an Agent Client is inadequate since STP makes all decisions on collateral. All contracts entered into with any Agent's Client shall contain Agent's or Sub-Agent's name as the Agent.

3. Client Arbitrage Fees. Agent shall also receive a fee (the "Client Arbitrage Fee") of 1.5% (1% if there is no collateral) of all premiums paid for all arbitrage insurance sold by STP to any of Agent's Clients; provided, however, that if it is my client and no other Sub-agent is involved, the Client Arbitrage Fee is 1.25%. There will be no Client Arbitrage Fee paid on Lincoln Benefit for any "super-funded dollars" (though

the normal Client Arbitrage Fee applies to the regular premium), unless STP obtains fees on such amounts, in which event Agent will receive a percentage to be negotiated, or if the parties do not agree on a percentage, then .5% of the premiums. With respect to Federal Home Life, Agent's Client Arbitrage Fee shall be 1.5% on the regular premium and .5% on the "super-funded dollars." For purposes hereby "Agent's Clients" shall mean any person who (a) first purchases insurance from STP through Agent or any agent recruited by Agent to sell insurance for STP (collectively "Sub-agents" and individually a "Sub-agent") or (b) is referred to STP by an Agent's Client (whether or not such insurance is sold by Agent or any Sub-Agent) irrespective of when the policy is sold (including after the Term). Currently, the persons listed on Exhibit "A" are Agent's Clients and the persons listed on Exhibit "B" are Sub-agents (though there may be Agent Clients or Sub-agents not listed thereon). STP shall maintain the list of Sub-agents and Agent's Clients and send Agent a copy once each calendar quarter. Agent is not responsible if the collateral given by an Agent Client is inadequate since STP makes all decisions on collateral. All contracts entered into with any Agent's Client shall contain Agent's or Sub-agent's name as agent.

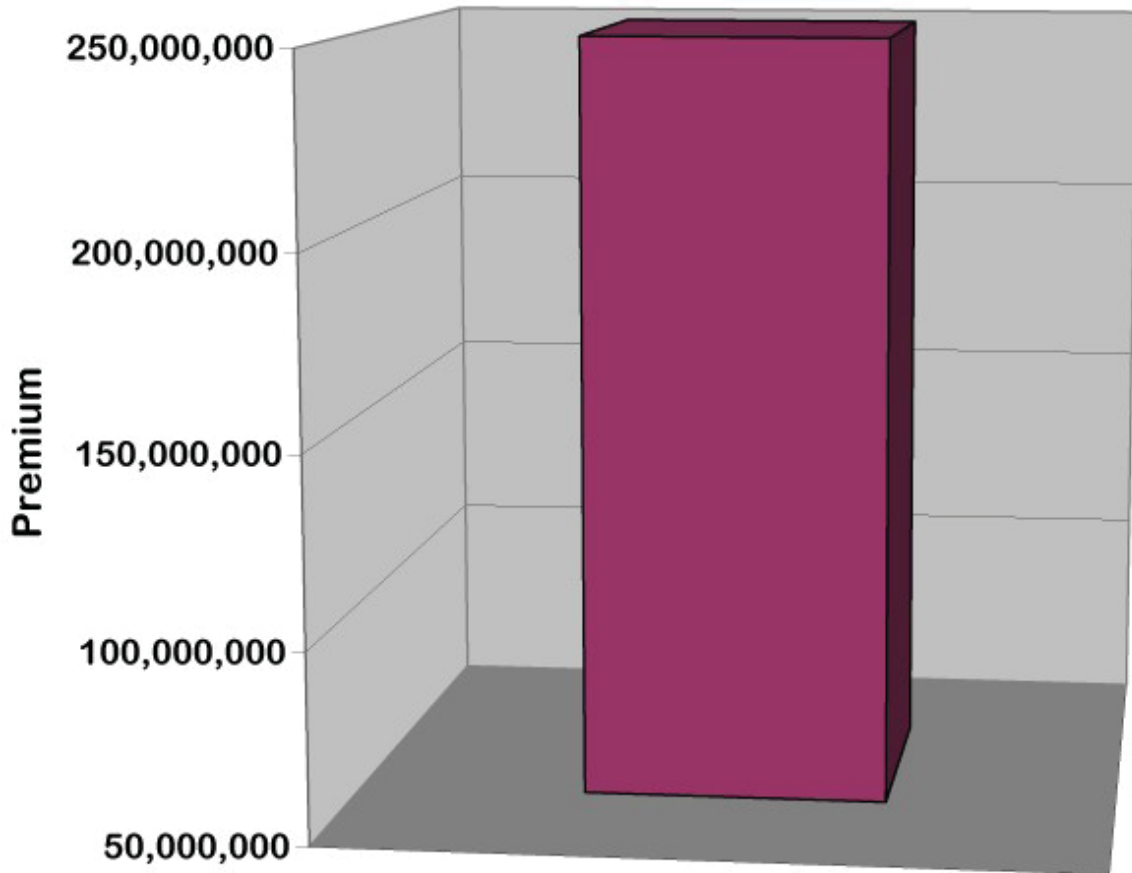
This clause states that AFTER the term and further "irrespective of when the policy is sold (including after the Term)" that you owe me 1.5% on my agents cases and 1.25% on any clients of mine. This clause defines my agents and sub-agents clearly as anyone selling insurance that was referred by my subs or me. It continues that on these agents and my own clients that AFTER the term you will continue to pay such amounts directly to me and not my sub-agents as further stated in the terms.



David B. & Pamela Beth Bernstein Simon
S.T.P. Enterprises, Inc.
Tuesday, February 03, 2004
Page 13 of 31

Again from your website we can calculate the following amounts and estimate.

ANICO Premium Funded To Date



This shows \$250,000,000 and after calling some of my clients I have found that you have rolled many of them into this carrier without sending me a dime of the called for 1.25% on my clients and 1.5% on my agents cases. Well this is serious, as I recently have received a brochure from your offices showing several of my agents at your 2003 trip. More particularly Alec Abbott whom it has come to my attention recently is one of your top producers. Further, I am not sure when you began working with my agents and clients in violation of our deal and began these unethical business practices. I am certain by seeing Alec Abbott listed as one of your top producers in your 2003 Arbitrage bash in



David B. & Pamela Beth Bernstein Simon
S.T.P. Enterprises, Inc.
Tuesday, February 03, 2004
Page 14 of 31

Jamaica (see photo), that your statements of not selling to my clients or agents and sidestepping our agreement are false.



For estimation purposes, we can safely assume that if you did roll my clients and sub-agents clients into this new carrier than a whole lot of that premium has commissions owed and outstanding under the terms existing after any cancellation of our agent “contract” by STP. See the attached [\(Exhibit 6\) Partial Client Case List](#) so that it may help you determine and refresh your memory on who are my clients and agents, also we attached to signed agent “contract” exhibits of agents and clients at that time in 1996. Does Alec have any subs that would also be considered to be mine under the post “contract” terms that I am also unaware of?

I will assume until further accounting by STP, that half of that 250 Million would be attributable to my personal clients and my agents clients based on the size of my prior sales, which amounts to a bit over \$100,000,000 of premium sold by STP. Therefore, from the \$125,000,000 of rollovers estimated with ANICO and any new business from my clients and sub-agents clients, you owe me 1.5% of said amount which equals and additional

\$1,875,000

and is due and payable immediately and we therefore demand payment of said amount. Truthfully, although not contractually in the 1996 letter, we later agreed to pay 2% of the total client premium but I will leave this to honor for now.

Michele Mulrooney (my client), who was introduced by Richard Rosman (my client and referrer of large blocks of business that STP profited handsomely on) introduced me to



David B. & Pamela Beth Bernstein Simon
S.T.P. Enterprises, Inc.
Tuesday, February 03, 2004
Page 15 of 31

Alec and I then in turn referred him to you as a sub-agent. Further commissions had been paid as stipulated under the modifications of my signed amended agent agreement for years after according to the "contract". It would be hard for you to claim Alec as STP's agent and say that you met him without knowing him through me, especially since you split his very own policy according to the agreement I had worked with him and further all commissions were paid in accordance to the modified "contract". Further, since our "contract" was structured so that the money flowed directly to me and then whatever deals I cut with my agents I was to pay directly out of the 1.5% I hope you have not been paying Alec as if you can't recover the monies from him you will have to pay two commissions. Does Michele know that you have worked around me to pay Alec directly and screw my family? She introduced Alec and me so that two of her friends could make money together, nothing to do with you.

Sadly, you told me you were not selling my clients or agents and there were no Arbitrage or other Fees due at various times after I stopped working with STP and founded Iviewit. Si repeatedly stated that he was unaware of any selling to my clients through my agents, and that if you were selling to my clients or agents you would pay me as agreed. After the term, I believe you are entitled to sell to my clients as long as you pay me as stipulated in the "contracts" post "contract" terms. I think we put that in, in the event that I did leave STP for other pursuits such as Rock-It Cargo or Iviewit so you would not miss the opportunities of new sales or rolling them over to new policies so that we could all profit from these sales. I mean come on, I spent 15 years recruiting these agents and selling these clients and paid all the expenses out of my own pocket with no reimbursements from you, I own these rightfully and contractually, and the language is clear.

6. Sub-Agents. Unless otherwise agreed in writing by Agent, all amounts owed by STP to Agent's Sub-Agents shall be paid to Agent who will pay the Sub-Agent.

~~6. Sub-agents. Unless otherwise agreed in writing by Agent, all amounts owed by STP to Agent's Sub-agents shall be paid to Agent who will pay the Sub-agent.~~

Well this new news of Alec being a top producer for years illustrates that you have gone around the agreement and me and paid Alec and others directly by making separate deals with them that excluded me. This is strictly prohibited under our agreement and I



David B. & Pamela Beth Bernstein Simon
S.T.P. Enterprises, Inc.
Tuesday, February 03, 2004
Page 16 of 31

demand that this immediately cease and desist and return to the over-riding agreement. As stated, these monies would be paid directly to me and I would pay my sub-agents.

Please cease and desist direct contact with all of my clients and sub-agents immediately in regards to selling additional policies of any sort or replacement policies behind my back without compensation to me and until such time that all commissions owed as stated hereunder and any that I am still unaware of are paid in full. Clearly, this is unethical and against all the intent of the agreement and further caused me embarrassment with my agents and clients.

Finally, the third item Fees are owed under, after the term of any signed agent agreement may have ceased states:

4. **Client Insurance Fees.** With respect to non-arbitrage insurance products sold by STP to any Agent Client, Agent will receive a fee (the "Client Insurance Fees") equal to 70% of the total commissions including agent overrides, bonuses and rewards, **irrespective of when the insurance product is sold (including after the Term).** All such fees shall be paid directly to Agent by carrier, not through STP

4. Client Insurance Fees. With respect to non-arbitrage insurance products sold by STP to any Agent Client, Agent will receive a fee (the "Client Insurance Fees") equal to 70% of the total commissions including agent overrides, bonuses and rewards, irrespective of when the insurance product is sold (including after the Term). All such fees shall be paid directly to Agent by the carrier, not through STP.

Well I will await an answer to the amount that these "contracts" represent from further audit but it will remain noted here that you owe me the agreed split on any cases, and as specifically referenced "(including after the term)." We had found that you were in violation on this clause in 2001, when Pam was found contacting Commonwealth for Brett Howard's and Air-Apparent VEBA commissions and told them to divert these non-arbitrage commission case payments from me to her, that the carrier had been paying me directly as stipulated in the terms for years. Pam first denied the claim and after the carrier sent us verification that several checks were sent to STP, made out in my name that were further deposited by STP, and not paid to me for years. Pam agreed it was owed under are binding term of this clause and sent a check for the missing \$7,421.64 that had accrued, this is certainly after you claim that our agent "contract" expired.

Again, and by NO notification from your offices as contracted for, instead by a client contacting me who was stunned by your trying to get him to skirt having me paid as



David B. & Pamela Beth Bernstein Simon
S.T.P. Enterprises, Inc.
Tuesday, February 03, 2004
Page 17 of 31

agent of record, you attempted and had placed a new policy of non-arbitrage on Donna Dietz as she rolled out of her VEBA policy into a new policy. Again, after being humiliated in front of a client who I said that it was impossible that you would try such a thing and defended you, I then called your offices and confronted you on this most unethical breach of our "contract". At first, you denied again that you were selling my clients new policies. When I then confronted you with the client name and my knowledge into your deceptive attempt to circumvent me, revealed by the client, you finally again agreed that under the binding terms that continued after the "contract" ceased and cited above, that you owed me. You first claimed at that point that we had no signed agreement and thus you did not owe. I again had to remind you of the terms contained in the post "contract" clauses that go on ad infinitum. You then agreed and finally paid stated amount last year. I never did get a carrier commission statement as promised for Donna's policy as agreed to assess if the full amounts have been paid.

Therefore, I demand an audit be conducted perhaps a bit more detailed than what is called for in the "contract" due to the deceit and lies about transacting business with my clients and agents, to determine the exact amount owed to me. In the interim, I anticipate a check for the monies estimated on good faith and information taken today from your website.

7. **Information.** On or before the 15th day of each month, STP will provide Agent with a complete list of (a) all arbitrage policies sold, including the name of the client (where or not an Agent's Client), premium, face amount, agent/agency, and if the arbitrage was referred by any pre-existing agent/agency or client, (b) all insurance products sold to any Agent Client, and (c) all amounts received (or deemed received) by STP on any arbitrage policy or other insurance policy on which STP owes

I have not received accounting in years so I demand full accounting of information concerning each point above for: 1998, 1999, 2000, 2001, 2002, and 2003. Other items may be requested in areas where deceit has prior occurred. I am sure if you have nothing to hide, it should be no problem for you to produce such statements. They will have to show no fundings whereby overrides are due me, that no clients of mine were sold or re-written in those years, no sub-agent activity of mine in those years and no other non-arbitrage policies sold to any of my clients or through any of my subs. In the face of mounds of evidence already herein submitted and witnesses that have expressed accounts of the deceit and other damages caused upon me by your re-writing their contracts without including me and circumventing our "contract", seems impossible. If I do not receive such accounting timely, I will notify our carriers and banks to get such listing whether it is through litigation in which they too become entangled in this mess.



David B. & Pamela Beth Bernstein Simon
S.T.P. Enterprises, Inc.
Tuesday, February 03, 2004
Page 18 of 31

If current books are not turned over, I will conclude that the estimated monies contained herein as a minimum of damages are accepted as incurred to date; until such time that, a full audit is to determine the exact amount.

The mere fact that I even have to write a letter to this effect again, demanding performance, is a shame as it reflects horribly on your characters and your mistreatment of your own family. Further, to have to show that we have a legal and binding agreement instead of an agreement based on trust as a family is pathetic. The deal and the "contract" whether it ceases has provisions you know you both accepted and morally I am sure there must be an accounting error and the check is in the mail. If not, the stain it will leave on your business ethics, to screw and not honor a deal in writing with family, will forever forward be noted to everyone involved and further pursued under all legal remedies. I will forward this and each and every letter hereafter to all the following:

The STP clients will be notified for the following reasons:

- a. To advise them of the risk this liability poses to the sound operation of your business.
- b. To advise them as to the risk this may then pose to their policies if you cease operations.
- c. To advise them of the true agreement so that they may know to notify me of any other sales that you are failing to notify me of or any rollovers of their policies and that you are attempting to stiff me, their friend.
- d. To find out what policies you have replaced and with whom.

The STP carriers will be notified for the following reasons:

- a. To advise them of the risk this liability poses to the sound operation of your business.
- b. To advise them as to the risk this may then pose to the policyholders if you cease operations due to such liability, I am assuming this is an unaccounted for major liability and since you have been made aware through this demand for performance, I think it is essential for them to be aware.
- c. To seek any remuneration from them in instances where our agreement states that the monies should be paid from them to me and all other monies owed on my clients that they might have paid you between 1999-2004.
- d. I will notify them of all my clients' names and all my sub-agents names so that they may be aware of the magnitude of the claims against you by matching my clients and my agents with their internal records.



David B. & Pamela Beth Bernstein Simon
S.T.P. Enterprises, Inc.
Tuesday, February 03, 2004
Page 19 of 31

- e. To notify them of your unethical violation of your “contracts” with your leading producer and relative, so that they may re-evaluate the nature of your business practices and the risks it may pose to them under litigation.

The sub-agents will be notified for the following reasons:

- a. That they may be made aware that in certain instances you have lied to them while structuring new deals that excluded me, and so they may be wary that they are next in line for such treatment.
- b. That they may prepare for any ensuing litigation that may force them to pay back commissions, as they were fully aware of my deals before you and the seedy way in which you advised them I assume to work around me.
- c. That they may further cease and desist in assisting this subversion of monies with you.
- d. That they may send me accounting of their own volition as you have lied about not doing business with them.
- e. That if they choose to continue business with you they may insist based on their honor to our prior commitments.
- f. So they may assess their potential personal liabilities in this matter.
- g. Any agent that is not forthcoming on these issues will be deemed to have been in full knowledge of the intended outcome of cutting me out. They to will be then implicated in any litigations resulting for the full damages due me as well.

The banks will be notified for the following reasons:

- f. To advise them of the risk this liability poses to the sound operation of your business.
- g. To advise them as to the risk this may then pose to the policyholders and their loans if you cease operations due to such liability. I am assuming this is an unaccounted for major liability and since you have been made aware through this demand for performance, I think it is essential for them to be aware of their potential liabilities.
- h. I will notify them of all my clients’ names and all my sub-agents names so that they may be aware of the magnitude of the claims against you and match that to your existing business with them.
- i. To notify them of your unethical violation of your “contracts” with your leading producer and relative, so that they may re-evaluate the nature of your business practices and the risks it may pose to them under litigation.

Everyone we personally know will be notified for the following reasons.



David B. & Pamela Beth Bernstein Simon
S.T.P. Enterprises, Inc.
Tuesday, February 03, 2004
Page 20 of 31

- a. To quell any statements that you are making about my integrity.
- b. To further clarify to everyone whose clients and agents these really are.
- c. To stop any further threats to my business associates who are working to try and help me get back into the business, like Ted and Guy
- d. So that they can act as witnesses to our deal and the lifetime terms
- e. So that any relevant information they might have to contradict your lies can be gathered.

You may have forgotten me over the years but I have not forgotten the debt you owe my family, I just choose to wait considering it an annuity to me at some point, a point either after Si passed away or was bought out, so as to avoid disputes that would hurt Si with his heart conditions and the likes. With him now bought out, I urge you now to consider the battle you are in for, starting with any further denials or non-payment. I will continue to circulate this letter and others I have drafted to State Insurance Commissioners and the likes until such time that all monies are paid and settled between us. I hope this letter has served as a shot across the bow to make an amicable settlement before further dissemination of the facts comes to life.

No response will be considered offensive and as stated will only fuel the fire.

As always, with best regards,

A handwritten signature in black ink, appearing to read "EIB", written in a cursive style.

Eliot I Bernstein

EIB/cmb



David B. & Pamela Beth Bernstein Simon
S.T.P. Enterprises, Inc.
Tuesday, February 03, 2004
Page 21 of 31

(Exhibit 1)
November 12, 1996 Revised and Agreed to “contract” Modifications

Received Event (Event Succeeded)

Date: 11/12/96 Duration: 3 min 56 sec
Type: Fax Status: Completed
ECM: Off Keywords:
Resolution: Standard Retries: 0
Company: Fax Number:
Pages: 3 Pages Sent: 3
Remote CSID: 8187849824 Speed: 4800 bps
Subject: Time: 9:44 AM
Sender: 8187849824

SENT BY:LEWINTER & ROSMAN ;11-12-96 ;10:38AM ; 8187849824+ SBL:# 1

November 12, 1996

Ms. Pamela B. Simon, President
STP Enterprises, Inc.
600 West Jackson Boulevard
Suite 800
Chicago, IL 60661

Dear Pam:

In order to avoid future disagreements concerning our agreement, this letter will outline the principal terms of the agreement between STP Enterprises ("STP") and me ("Agent").

1. Term. Agent has been an insurance agent for STP selling insurance products for STP for twelve (12) years and will continue as an agent until:

1.1 Agent's written resignation;

1.2 Agent's failure to maintain an insurance license unless Agent re-obtains a license within sixty (60) days; or

1.3 Agent's breach of the contract and failure to cure such breach within thirty (30) days after written notice to Agent from STP specifying the breach (or such longer period as may be required to cure, provided Agent commences the cure within thirty (30) days and diligently pursues same to completion). This period during which Agent has been or will be an agent for STP is referred to as the "Term."

After the end of the Term, Agent will no longer sell insurance as STP's agent, but shall continue to receive all fees due to Agent hereunder for "Arbitrage Fees," "Client Arbitrage Fees" and "Client Insurance Fees" (as defined below).

2. Arbitrage Fees. Agent shall receive a fee (the "Arbitrage Fees") of .25% of all premiums (including 12th year renewals for Lincoln Benefit arbitrages) paid for all arbitrage insurance policies sold by STP during the Term (a "Fee Arbitrage Policy") (including 12th year renewals for Lincoln Benefit arbitrages), irrespective of when such premiums are paid. For this purpose, any policy sold at any time to any existing policyholder to replace a Fee Arbitrage Policy shall be considered a Fee Arbitrage Policy.

3. Client Arbitrage Fees. Agent shall also receive a fee (the "Client Arbitrage Fee") of 1.5% (1% if there is no collateral) of all premiums paid for all arbitrage insurance sold by STP to any of Agent's Clients; provided, however, that if it is my client and no other Sub-agent is involved, the Client Arbitrage Fee is 1.25%. There will be no Client Arbitrage Fee paid on Lincoln Benefit for any "super-funded dollars" (though

Received Event (Event Succeeded)

Date:	11/12/96	Duration:	3 min 56 sec
Type:	Fax	Status:	Completed
ECM:	Off	Keywords:	
Resolution:	Standard	Retries:	0
Company:		Fax Number:	
Pages:	3	Pages Sent:	3
Remote CSID:	8187849824	Speed:	4800 bps
Subject:		Time:	9:44 AM
Sender:	8187849824		

SENT BY:LEWINTER & ROSMAN

:11-12-96 :10:39AM :

8187849824+

SBL:# 2

Ms. Pamela B. Simon
STP Enterprises, Inc.
November 12, 1996
Page 2

the normal Client Arbitrage Fee applies to the regular premium), unless STP obtains fees on such amounts, in which event Agent will receive a percentage to be negotiated, or if the parties do not agree on a percentage, then .5% of the premiums. With respect to Federal Home Life, Agent's Client Arbitrage Fee shall be 1.5% on the regular premium and .5% on the "super-funded dollars." For purposes hereby "Agent's Clients" shall mean any person who (a) first purchases insurance from STP through Agent or any agent recruited by Agent to sell insurance for STP (collectively "Sub-agents" and individually a "Sub-agent") or (b) is referred to STP by an Agent's Client (whether or not such insurance is sold by Agent or any Sub-Agent) irrespective of when the policy is sold (including after the Term). Currently, the persons listed on Exhibit "A" are Agent's Clients and the persons listed on Exhibit "B" are Sub-agents (though there may be Agent Clients or Sub-agents not listed thereon). STP shall maintain the list of Sub-agents and Agent's Clients and send Agent a copy once each calendar quarter. Agent is not responsible if the collateral given by an Agent Client is inadequate since STP makes all decisions on collateral. All contracts entered into with any Agent's Client shall contain Agent's or Sub-agent's name as agent.

4. Client Insurance Fees. With respect to non-arbitrage insurance products sold by STP to any Agent Client, Agent will receive a fee (the "Client Insurance Fees") equal to 70% of the total commissions including agent overrides, bonuses and rewards, irrespective of when the insurance product is sold (including after the Term). All such fees shall be paid directly to Agent by the carrier, not through STP.

5. No Selling to Agent's Clients During Term. During the Term, STP will not attempt or allow any of its other agents to sell to any Agent Client any product, except through Agent or the Sub-agent who first sold an insurance product to the Agent Client for STP.

6. Sub-agents. Unless otherwise agreed in writing by Agent, all amounts owed by STP to Agent's Sub-agents shall be paid to Agent who will pay the Sub-agent.

7. Information. On or before the 15th day of each month, STP will provide Agent with a complete list of (a) all arbitrage policies sold, including the name of the client (where or not an Agent's Client), premium, face amount, agent/agency, and if the arbitrage was referred by any pre-existing agent/agency or client, (b) all insurance products sold to any Agent Client, and (c) all amounts received (or deemed received) by STP on any arbitrage policy or other insurance policy on which STP owes

Received Event (Event Succeeded)

Date: 11/12/96 Duration: 3 min 56 sec
Type: Fax Status: Completed
ECM: Off Keywords:
Resolution: Standard Retries: 0
Company: Fax Number:
Pages: 3 Pages Sent: 3
Remote CSID: 8187849824 Speed: 4800 bps
Subject: Time: 9:44 AM
Sender: 8187849824

SENT BY: LEWINTER & ROSMAN

;11-12-96 ;10:40AM ;

8187849824-

SBL:# 3

Ms. Pamela B. Simon
STP Enterprises, Inc.
November 12, 1996
Page 3

Agent any Arbitrage Fee, Client Arbitrage Fee or Client Insurance Fee (collectively the "Fees") during the prior month and a complete printout of the calculation of all amounts due Agent and each Sub-agent, together with all Fees due hereunder to Agent or any Sub-agent with respect to such arbitrage policies, other insurance products and receipts.

8. Audit. Agent will have the right to audit STP's records twice annually, at Agent's expense at STP's offices during normal business hours. If such audit determines that Agent has been underpaid by more than 2%, STP will reimburse Agent for the cost of the audit.

9. Disputes. All disputes shall be determined by Si Bernstein (who is hereby released from all obligations to either party with respect to such determination). If Si Bernstein is unable or unwilling to make such decisions, all disputes shall be resolved by arbitration [who, where?].

10. Should either party hereto institute any action or proceeding (including arbitration) to enforce any provision hereof or for damages, the prevailing party shall be entitled to receive from the losing party reasonable attorneys' fees for the services rendered the prevailing party in such action or proceeding.

Please acknowledge that this correctly sets forth our agreement by signing the enclosed copy of this letter. We will negotiate and put the remainder of the terms in writing, but the terms contained in this letter will be enforceable whether or not we ever do so.

Very truly yours,

Eliot Bernstein

Agreed:

STP Enterprises, Inc.

By: Pamela B. Simon, President

1:RDR\2071B



David B. & Pamela Beth Bernstein Simon
S.T.P. Enterprises, Inc.
Tuesday, February 03, 2004
Page 22 of 31

(Exhibit 2)
October 1st 1996 letter

October 1, 1996

Ms. Pamela B. Simon, President
STP Enterprises, Inc.
600 West Jackson Boulevard
Suite 800
Chicago, IL 60661

Dear Pam:

In order to avoid future disagreements concerning our agreement, this letter will outline the principal terms of the agreement between STP Enterprises ("STP") and me ("Agent").

1. Term. Agent has been an insurance agent for STP selling insurance products for STP for twelve (12) years and will continue as an agent until:

1.1 Agent's written resignation;

1.2 Agent's failure to maintain an insurance license unless Agent re-obtains a license within sixty (60) days; or

1.3 Agent's breach of the contract and failure to cure such breach within thirty (30) days after written notice to Agent from STP specifying the breach (or such longer period as may be required to cure, provided Agent commences the cure within thirty (30) days and diligently pursues same to completion). This period during which Agent has been or will be an agent for STP is referred to as the "Term."

After the end of the Term, Agent will no longer sell insurance as STP's agent, but shall continue to receive all fees due to Agent hereunder for "Arbitrage Fees," "Client Arbitrage Fees" and "Client Insurance Fees" (as defined below).

2. Arbitrage Fees. Agent shall receive a fee (the "Arbitrage Fees") of .25% of all premiums (including 12th year renewals for Lincoln Benefit arbitrages) paid for all arbitrage insurance policies sold by STP during the Term (a "Fee Arbitrage Policy") (including 12th year renewals for Lincoln Benefit arbitrages), irrespective of when such premiums are paid. For this purpose, any policy sold at any time to any existing policyholder to replace a Fee Arbitrage Policy shall be considered a Fee Arbitrage Policy.

3. Client Arbitrage Fees. Agent shall also receive a fee (the "Client Arbitrage Fee") of 1.5% (1% if there is no collateral) of all premiums paid for all arbitrage insurance sold by STP to any of Agent's Clients; provided, however, that if it is my client and no other Sub-agent is involved, the Client Arbitrage Fee is 1.25%. There will be no Client Arbitrage Fee paid on Lincoln Benefit for any "super-funded dollars" (though

Ms. Pamela B. Simon
STP Enterprises, Inc.
October 1, 1996
Page 2

the normal Client Arbitrage Fee applies to the regular premium), unless STP obtains fees on such amounts, in which event Agent will receive a percentage to be negotiated, or if the parties do not agree on a percentage, then .5% of the premiums. With respect to Federal Home Life, Agent's Client Arbitrage Fee shall be 1.5% on the regular premium and .5% on the "super-funded dollars." For purposes hereby "Agent's Clients" shall mean any person who (a) first purchases insurance from STP through Agent or any agent recruited by Agent to sell insurance for STP (collectively "Sub-agents" and individually a "Sub-agent") or (b) is referred to STP by an Agent's Client (whether or not such insurance is sold by Agent or any Sub-Agent) irrespective of when the policy is sold (including after the Term). Currently, the persons listed on Exhibit "A" are Agent's Clients and the persons listed on Exhibit "B" are Sub-agents (though there may be Agent Clients or Sub-agents not listed thereon). STP shall maintain the list of Sub-agents and Agent's Clients and send Agent a copy once each calendar quarter. Agent is not responsible if the collateral given by an Agent Client is inadequate since STP makes all decisions on collateral. All contracts entered into with any Agent's Client shall contain Agent's or Sub-agent's name as agent.

4. Client Insurance Fees. With respect to non-arbitrage insurance products sold by STP to any Agent Client, Agent will receive a fee (the "Client Insurance Fees") equal to 70% of the total commissions including agent overrides, bonuses and rewards, irrespective of when the insurance product is sold (including after the Term). All such fees shall be paid directly to Agent by the carrier, not through STP.

5. No Selling to Agent's Clients During Term. During the Term, STP will not attempt or allow any of its other agents to sell to any Agent Client any product, except through Agent or the Sub-agent who first sold an insurance product to the Agent Client for STP.

6. Sub-agents. Unless otherwise agreed in writing by Agent, all amounts owed by STP to Agent's Sub-agents shall be paid to Agent who will pay the Sub-agent.

7. Information. On or before the 15th day of each month, STP will provide Agent with a complete list of (a) all arbitrage policies sold, including the name of the client (where or not an Agent's Client), premium, face amount, agent/agency, and if the arbitrage was referred by any pre-existing agent/agency or client, (b) all insurance products sold to any Agent Client, and (c) all amounts received (or deemed received) by STP on any arbitrage policy or other insurance policy on which STP owes

Ms. Pamela B. Simon
STP Enterprises, Inc.
October 1, 1996
Page 3

Agent any Arbitrage Fee, Client Arbitrage Fee or Client Insurance Fee (collectively the "Fees") during the prior month and a complete printout of the calculation of all amounts due Agent and each Sub-agent, together with all Fees due hereunder to Agent or any Sub-agent with respect to such arbitrage policies, other insurance products and receipts.

8. Audit. Agent will have the right to audit STP's records twice annually, at Agent's expense at STP's offices during normal business hours. If such audit determines that Agent has been underpaid by more than 2%, STP will reimburse Agent for the cost of the audit.

9. Disputes. All disputes shall be determined by Si Bernstein (who is hereby released from all obligations to either party with respect to such determination). If Si Bernstein is unable or unwilling to make such decisions, all disputes shall be resolved by arbitration [who, where?].

10. Should either party hereto institute any action or proceeding (including arbitration) to enforce any provision hereof or for damages, the prevailing party shall be entitled to receive from the losing party reasonable attorneys' fees for the services rendered the prevailing party in such action or proceeding.

Please acknowledge that this correctly sets forth our agreement by signing the enclosed copy of this letter. We will negotiate and put the remainder of the terms in writing, but the terms contained in this letter will be enforceable whether or not we ever do so.

Very truly yours,

Eliot Bernstein

Agreed:

STP Enterprises, Inc.

By: _____
Pamela B. Simon, President



David B. & Pamela Beth Bernstein Simon
S.T.P. Enterprises, Inc.
Tuesday, February 03, 2004
Page 23 of 31

(Exhibit 3)
October 22nd 1996 Letter of Accepted Terms

S. T. P. ENTERPRISES, INC.

THREE ILLINOIS CENTER
303 EAST WACKER DRIVE, SUITE 210
CHICAGO, IL 60601-5210
(312) 819-7474
(312) 819-0773 FAX
E-Mail: office@stpcorp.com

October 22, 1996

Richard Rosman
LeWinter & Rosman
16255 Ventura Blvd.
Suite 600
Encino, Ca 91436

Dear Richard:

In response to your proposed agreement dated October 1, 1996 by and between Eliot Bernstein/S.B. Lexington, S.W. (Eliot/SW) and S.T.P. Enterprises, Inc. (STP) I have the following point by point responses:

1. Pursuant to the parties existing contracts, the terms of the contract are as attached. *on LBL true, FHL .5*
2. Arbitrage Fees. Eliot/SW receives a 25 basis point override on all initial Arbitrage single premiums (defined as guideline single premium plus \$10). There is no 25 basis point fee for superfunded premium (superfunded premium is that premium in excess of the guideline single premium plus \$10). Further there is no 25 basis point override on any 12th year renewals. The renewal in the 12th year is a commission, not a premium. Further there are no commissions or 25 basis point override on any reallocated premium (reallocated premium is a premium deposited in an Arbitrated policy after the initial funding date).

*For FHL
S on excess ?*

2

3. Client Arbitrage Fees. The current compensation is 1.5% of initial Arbitrage single premium for all new agent collateralized funded Arbitrage policies. This percentage applies to new agents contracted after January 1, 1995. 1.25% of initial Arbitrage single premium for all other collateralized funded Arbitrage policies placed by Agent or any pre 1995 contracted sub-agent and 1% for all non-collateralized cases. Once again there are no commissions for superfunded premium or reallocated premium. There is, however, an opportunity to share the 12th year persistency bonus as outlined in the attached Lincoln Benefit Life supplement. As of the date of this letter, we do not have a Federal Home Life commission supplement prepared. However, should STP and Federal Home Life execute an agreement its anticipated by STP that the commission structure shall be no less than the amount currently paid under Lincoln Benefit Life.

3A,
5&6. STP will agree to pay Eliot/SW all sub-agent commissions and Eliot/SW can pay his sub-agents so long as Eliot/SW indemnifies and holds STP harmless from any and all claims of such sub-agents. Eliot/SW would have to assume liability for all money paid to Eliot/SW including amounts for sub-agents in case of chargeback, rescission or refund. Further, should any sub-agent complain of slow or improper payment, STP must maintain the right to arbitrate any such dispute, put forth any remedy STP deems proper in its sole and absolute discretion and if necessary pay that sub-agent directly on any future business. *STP will agree not to sell to any Agent Client. *Any Sub-Agent Client STP agrees to the same restriction unless that sub-agent is indebted to STP and STP has terminated the Sub-Agent's contract, STP has no problem agreeing to a list of Agent Clients for exhibit A or a list of clients for exhibit B. *STP will not commit to updating this list quarterly, but will maintain it in its regular course of business and will update it as STP deems necessary. Lastly, I am not sure what is meant by "agent is not responsible for collateral decisions"; the only response I have is that if the case is not collateralized as contractually agreed, the compensation will be that of a non-collateralized issued case. Please keep in mind collateral is a piece of property, in our case a readily ascertainable liquid instrument that is to secure the obligation to pay the early termination fee contained in section 9(a) of the Policyholder Agreement. It is not a note reaffirming that obligation.

*Get audit
for each
-including*

*are Not
sure problem
has been
accepted*

4. * We agree to the percentage, we do not agree to include rewards or trips if any, just cash compensation. Further as far as policies sold after the term of the contract, we would agree to continue such payments only after the term of the contract provided Eliot/SW continues to service the existing client in the interest of maintaining the persistency of business with STP.

Part of signing!

7. Information. *Where is sheet this attached?* STP provides post-funding accounting for Eliot/SW in the form attached hereto. Eliot/SW is an independent contractor and not entitled the information you requested, as it pertains to clients that are not his or those of his sub-agents. Much of the information requested in number 7 is currently provided to Eliot/SW for his clients and those of his sub-agents and we will continue to do so in the manner that we are currently operating. As to non-arbitrage products sold to any agent client, STP will agree to provide timely accounting (within 30 days) of all commissions received *Especially Payment* by STP for any products sold to any Agent Client.

8. STP will not agree to an outside audit.

9. STP does not agree to appoint Simon Bernstein as arbitrator. *NO* STP through its shareholders and board of directors have elected Pamela B. Simon as president and should anyone need to act as arbitrator regarding the ongoing business of STP it would be Pamela B. Simon.

Further, as a general note, I have included a copy of our Arbitrage Agent Appointment Agreement as those terms are currently controlling our relationship. Any new agreement would have to incorporate these terms. It was not our intention to enter into a new agreement with Eliot/SW however, if the relationship can be advanced by doing so, STP would agree to modify its current contract to incorporate any point not already covered that we reach an agreement on. Eliot/SW is obviously a very important relationship for STP as well as a family member and one needn't do more than revisit our past agreements to realize the many accommodations that STP has made in the name of bettering this relationship.

We hope to continue to advance both our opportunities and hope to work with Eliot/SW for many years to come.

Very truly yours,



David B. Simon
General Counsel



David B. & Pamela Beth Bernstein Simon
S.T.P. Enterprises, Inc.
Tuesday, February 03, 2004
Page 24 of 31

(Exhibit 4)
October 22nd 1996 D. Simon to E. Bernstein letter

S. T. P. ENTERPRISES, INC.

THREE ILLINOIS CENTER
303 EAST WACKER DRIVE, SUITE 210
CHICAGO, IL 60601-5210
(312) 819-7474
(312) 819-0773 FAX
E-Mail: office@stpcorp.com

October 22, 1996

Eliot Bernstein
S.B. Lexington, S.W.
2512 Ocean Blvd. #3
Corona Del Mar, CA 92625

Dear Eliot:

I am in receipt of your proposed contract dated October 1, 1996 and unfortunately S.T.P. Enterprises, Inc (STP) can not agree to some of the terms contained therein.

As you are aware, STP currently has a contract with you. As you are also aware you have been singled out for special treatment in several areas such as providing you compensation above and beyond any other agent, advances, collateral concessions, etc. Until such time as STP and you agree on a new contract the existing contract shall continue to define the terms of our relationship. I will review your proposed changes and discuss them with your attorney, Richard Rosman. Modifications we can agree on will be incorporated into our existing contract as a rider or amendment.

STP appreciates your business and hopes to continue and grow the relationship in the future.

Very truly yours,



David B. Simon
General Counsel

cc: Richard Rosman
Simon Bernstein



David B. & Pamela Beth Bernstein Simon
S.T.P. Enterprises, Inc.
Tuesday, February 03, 2004
Page 25 of 31

(Exhibit 5)
December 19th 1996

Event (Event Succeeded)

Type:	12/19/96	Duration:	1 min 14 sec
ECM:	Fax	Status:	Completed
Resolution:	Off	Keywords:	
Company:	Standard	Retries:	0
Pages:	2	Fax Number:	
Remote CSID:	8187849824	Pages Sent:	2
Subject:		Speed:	9600 bps
Sender:	8187849824	Time:	8:52 AM

SENT BY: LEWINTER & ROSMAN ; 12-19-96 ; 9:44AM ; 8187849824+ SBL:# 2

12/19/96 THU 10:32 FAX 1 312 819 0773 S.T.P.

002

S. T. P. ENTERPRISES, INC.

THREE ILLINOIS CENTER
303 EAST WACKER DRIVE, SUITE 210
CHICAGO, IL 60601-5210
(312) 819-7474
(312) 819-0773 FAX
E-Mail: office@stpcorp.com

December 19, 1996

Richard Rosman
LeWinter & Rosman
16255 Ventura Blvd.
Suite 600
Encino, Ca 91436

Dear Richard:

In response to your fax of December 16, 1996: item (c): (although I think we mean the same thing), .5% is on the superfunded premium. The other agents receiving .25% is incorrect, the full commission is paid through items (a) through (c), this includes sub-agents and Eliot's commission together, there is no other additional compensation.

Very truly yours,



David B. Simon
General Counsel



David B. & Pamela Beth Bernstein Simon
S.T.P. Enterprises, Inc.
Tuesday, February 03, 2004
Page 26 of 31

(Exhibit 6)
Agent Agreement Unsigned as Attached to "12/22/96 Simon/Rosman" Letter

ARBITRAGE AGENT APPOINTMENT AGREEMENT

STP Enterprises, Inc., an Illinois corporation, (hereinafter "STP") hereby appoints _____ (hereinafter "AGENT") as an agent for Arbitrage Life. As an Arbitrage agent of STP, you are an independent contractor and nothing hereinafter shall be interpreted to create an employer/employee relationship. You are subject to the following terms and conditions:

RESPONSIBILITIES

Your responsibilities to STP are:

1. To solicit clients for the Arbitrage Life Insurance product.
2. To have all documents properly executed and completed by any proposed insured.
3. To assist STP in obtaining requirements necessary to issue policies.
4. To maintain in force all Arbitrage policies.
5. To comply with all applicable state and federal laws.
6. To comply with STP's rules, regulations and procedures and to act in the best interest of STP.

COMMISSIONS WHILE UNDER CONTRACT

1. Commissions, as shown on the accompanying commission schedule, are earned by you as commissionable premiums on policies written by you, and are earned by STP.
2. The commission schedule may be modified by STP upon written notice. Such modifications become a permanent part of this contract.
3. Commission credited to you for premiums collected will be reversed and debited to your account if such commissions are subsequently refunded by STP.
4. AGENT agrees to repay 100% of commissions paid to AGENT for any policy that lapses during the first eighteen (18) months after its effective date. For purposes of this paragraph, "lapse" means whenever the carrier is no longer on the risk for the policy, except when a death claim is paid on the policy. Repayment of commissions will be made to STP immediately. AGENT personally guarantees any payment arising out of this paragraph 4.

TERMS OF THE CONTRACT

The term of this contract shall be for an indefinite period. It may be terminated immediately by the occurrence of any of the following events:

1. Your written resignation.
2. The failure to renew or the suspension or revocation of your insurance license.
3. The failure to comply with all the terms and conditions contained in this contract.
4. Your violation of the laws, rules or regulations of any state or federal agency.

At the time of your termination, you shall return to STP's home office all lists of policyholders, all supplies, policy cards, rate books, STP property and any other materials used in connection with your association with STP.

Notwithstanding the foregoing, either party hereto may terminate this contract with or without cause by giving the other party 90 days written notice thereof, such notice being effective upon deposit by certified mail in the United States Postal System. Any pending business submitted to STP before notice of termination will be processed by STP, but STP reserves the right to reject any applications submitted after the notice of termination is given.

STP CONFIDENTIAL INFORMATION AND MATERIAL

AGENT recognizes and acknowledges that STP has developed unique material, legal documentation and other printed matter for the solicitation of sale of the Arbitrage Life concept which are valuable, special and unique assets of STP. AGENT agrees not to directly or indirectly during or after the term of this Agreement and for a period of three years thereafter to convey, disclose or use in any manner other than in accordance with this contract such sales material, legal documents and other printed matter. AGENT further agrees not to disseminate without STP's prior written authorization any such material to any other agent or agencies. In the event of a breach or threatened breach by the AGENT of the provision of this paragraph, STP shall be entitled to an injunction restraining the AGENT from using such material, legal documentation and other printed matter, either in whole or in part and Agent agrees to pay \$100,000.00, not as liquidated damages but as a portion of the cost of STP's research and development costs.

The AGENT agrees that a breach of the preceding paragraph of this Agreement will result in irreparable harm to you for which there may be no adequate remedy at law and that you may apply for and obtain an injunction prohibiting further or continued breach of this Agreement and, also, you may recover any damages, legal expenses, attorney fees and costs to which you may be entitled.

LIMITATIONS AND RESTRICTIONS

Although this contract is intended to promote your general welfare as an independent contractor, STP places the following limitations and restrictions upon your action:

1. You have no authority to bind STP or its subsidiaries by any promise or agreement. You may not accept a promissory note, incur a debt or other obligation on behalf of STP.
2. You have no authority to waive any of STP's rights or requirements or any provisions of policies issued by any STP insurance carrier.
3. You are responsible for the payment of all expenses in connection with the solicitation of the products and in the operation of your agency, unless otherwise agreed.
4. Unless provided through STP you are not to use names, logos, trademarks, or other advertising of STP until authorized in writing by an officer of STP.
5. No assignment of commissions or other payments due, or to become due through this contract, shall be binding on STP.
6. Any loss or damage incurred by you while representing STP shall be your responsibility.

GENERAL CONDITIONS

The failure of STP to enforce any part of this Agreement shall not constitute a waiver by STP to its right to do so, nor shall it be deemed to be an act of ratification or consent.

This Agreement shall take effect when executed by STP at its home office and shall supersede any prior contract agreement or understanding between you and STP.

This contract shall be construed pursuant to the laws of the State of Illinois.

Dated this ____ day of _____, 19__.

STP ENTERPRISES, INC.

By: _____
Pamela B. Simon, President

Witness

AGENT

By: _____

Date

Witness

COMMISSION SCHEDULE

<u>PRODUCT</u>	<u>1ST YEAR</u>	<u>RENEWAL</u>	<u>SERVICE FEE</u>
Arbitrage Life	.5%-1.0% of first year single premium	0	0

ELIOT BERNSTEIN CLIENT SOLD CASES

TOTAL DEATH BENEFIT SOLD \$400,449,019.00

**USE AS
ESTIMATE OF
ROLLOVER
COMMISSIONS**

TOTAL PREMIUM SOLD \$172,902,434.35 OWED * 1.5%

**ROLLOVER COMMISSION ESTIMATE \$172,902,434 *
%1.5 = \$2,593,536.51**

POLICY NUMBER	STATUS	AGENT	CARRIER	FACE AMOUNT	PREMIUM
MISSING	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$1,000,000.00	\$346,311.00
9207196	SOLD	ELIOT BERNSTEIN	OHIO	\$1,000,000.00	\$398,992.00
1602194	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$2,000,000.00	\$719,541.00
	SOLD	ELIOT BERNSTEIN	Lincoln Benefit Life	\$1,000,000.00	\$180,664.00
U0203644	SOLD	ELIOT BERNSTEIN	Lincoln Benefit	\$1,000,000.00	\$180,664.00
1587244	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$500,000.00	\$104,911.00
9208271	SOLD	ELIOT BERNSTEIN	OHIO	\$1,000,000.00	\$146,106.00
6014242	SOLD	ELIOT BERNSTEIN	COMMONWEALTH	\$750,000.00	\$994,351.00
1702412	SOLD	ELIOT BERNSTEIN	LIFE INVESTORS	\$500,000.00	\$153,501.00
76001127	SOLD	ELIOT BERNSTEIN	TRANSAMERICA	\$500,000.00	\$199,245.00
FUNDED	SOLD	ELIOT BERNSTEIN	Lincoln Benefit Life	\$750,000.00	\$77,987.00
U0201080	SOLD	ELIOT BERNSTEIN	Lincoln Benefit	\$1,000,000.00	\$102,480.00
1578358	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$1,500,000.00	\$200,806.00
1578349	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$2,000,000.00	\$1,038,931.00
6008248	SOLD	ELIOT BERNSTEIN	COMMONWEALTH	\$500,000.00	\$721,846.00
1578783	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$2,000,000.00	\$439,961.00
1587054	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$2,000,000.00	\$439,961.00
1593917	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$5,000,000.00	\$1,099,901.00
FUNDED	SOLD	ELIOT BERNSTEIN	Lincoln Benefit Life	\$1,000,000.00	\$347,278.00
U0215357	SOLD	ELIOT BERNSTEIN	Lincoln Benefit Life	\$1,500,000.00	\$405,529.00
FUNDED	SOLD	ELIOT BERNSTEIN	Lincoln Benefit Life		\$1,871,904.00
FUNDED	SOLD	ELIOT BERNSTEIN	Lincoln Benefit Life		
9208247	SOLD	ELIOT BERNSTEIN	OHIO	\$500,000.00	\$109,524.00
9208017	SOLD	ELIOT BERNSTEIN	OHIO	\$1,000,000.00	\$512,146.00
9207922	SOLD	ELIOT BERNSTEIN	OHIO	\$1,000,000.00	\$402,719.00
D55054F	SOLD	ELIOT BERNSTEIN	COMMONWEALTH	\$300,000.00	\$626,473.00
9208249	SOLD	ELIOT BERNSTEIN	OHIO	\$1,000,000.00	\$152,911.00
U0200557	SOLD	ELIOT BERNSTEIN	Lincoln Benefit	\$1,000,000.00	\$319,891.00
1583484	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$2,000,000.00	\$775,181.00
1599678	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$3,000,000.00	\$960,811.00
1600312	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$3,000,000.00	\$960,811.00
U0200265	SOLD	ELIOT BERNSTEIN	Lincoln Benefit	\$1,000,000.00	\$130,544.00
U0204768	SOLD	ELIOT BERNSTEIN	Lincoln Benefit	\$1,000,000.00	\$97,899.00
1599670	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$2,000,000.00	\$500,301.00
76000929	SOLD	ELIOT BERNSTEIN	TRANSAMERICA	\$1,000,000.00	\$276,090.00
76000930	SOLD	ELIOT BERNSTEIN	TRANSAMERICA	\$1,000,000.00	\$276,090.00
76001081	SOLD	ELIOT BERNSTEIN	TRANSAMERICA	\$500,000.00	\$138,045.00
1580627	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$1,000,000.00	\$283,581.00
1580628	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$600,000.00	\$170,149.00
1578333	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$800,000.00	\$226,865.00
1580629	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$400,000.00	\$113,433.00
1584179	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$1,000,000.00	\$387,591.00
1580631	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$100,000.00	\$28,359.00
6014241	SOLD	ELIOT BERNSTEIN	COMMONWEALTH	\$500,000.00	\$721,846.00
76000914	SOLD	ELIOT BERNSTEIN	TRANSAMERICA	\$750,000.00	\$198,263.00
1585488	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$500,000.00	\$346,311.00
1591707	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$2,000,000.00	\$1,787,601.00
U0199925	SOLD	ELIOT BERNSTEIN	Lincoln Benefit	\$1,100,000.00	\$238,333.00
9207921	SOLD	ELIOT BERNSTEIN	OHIO	\$1,000,000.00	\$306,758.00
6007562	SOLD	ELIOT BERNSTEIN	COMMONWEALTH	\$250,000.00	\$649,657.00
6014243	SOLD	ELIOT BERNSTEIN	COMMONWEALTH	\$250,000.00	\$649,657.00
76001027	SOLD	ELIOT BERNSTEIN	TRANSAMERICA	\$1,000,000.00	\$202,260.00
1623367	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$1,000,000.00	\$160,891.00
1676534	SOLD	ELIOT BERNSTEIN	LIFE INVESTORS	\$1,000,000.00	\$175,001.00
76001126	SOLD	ELIOT BERNSTEIN	TRANSAMERICA	\$1,000,000.00	\$146,600.00
1702770	SOLD	ELIOT BERNSTEIN	LIFE INVESTORS	\$1,000,000.00	\$191,001.00
1580630	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$200,000.00	\$56,717.00

POLICY NUMBER	STATUS	AGENT	CARRIER	FACE AMOUNT	PREMIUM
1618189	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$1,000,000.00	\$307,701.00
9208420	SOLD	ELIOT BERNSTEIN	OHIO	\$1,000,000.00	\$434,494.00
9208616	SOLD	ELIOT BERNSTEIN	OHIO	\$1,000,000.00	\$167,467.00
9208352	SOLD	ELIOT BERNSTEIN	OHIO	\$1,000,000.00	\$282,484.00
1591704	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$1,000,000.00	\$192,841.00
1591705	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$1,000,000.00	\$210,591.00
1583486	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$1,000,000.00	\$272,061.00
6011235	SOLD	ELIOT BERNSTEIN	COMMONWEALTH	\$1,000,000.00	\$827,447.00
9208199	SOLD	ELIOT BERNSTEIN	OHIO	\$1,000,000.00	\$259,786.00
6008251	SOLD	ELIOT BERNSTEIN	COMMONWEALTH	\$500,000.00	\$457,416.00
D55078F	SOLD	ELIOT BERNSTEIN	COMMONWEALTH	\$350,000.00	\$263,495.00
1676497	SOLD	ELIOT BERNSTEIN	LIFE INVESTORS	\$1,000,000.00	\$350,001.00
1690113	SOLD	ELIOT BERNSTEIN	LIFE INVESTORS	\$1,000,000.00	\$350,001.00
1620732	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$2,000,000.00	\$459,381.00
76001029	SOLD	ELIOT BERNSTEIN	TRANSAMERICA	\$1,000,000.00	\$146,600.00
U0205253	SOLD	ELIOT BERNSTEIN	Lincoln Benefit	\$1,000,000.00	\$307,809.00
198458	SOLD	ELIOT BERNSTEIN	UNITED LIFE	\$1,500,000.00	\$1,339,135.00
9207214	SOLD	ELIOT BERNSTEIN	OHIO	\$500,000.00	\$265,263.00
198457	SOLD	ELIOT BERNSTEIN	UNITED LIFE	\$700,000.00	\$77,202.00
1578953	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$2,000,000.00	\$775,181.00
	SOLD	ELIOT BERNSTEIN	Lincoln Benefit Life	\$1,000,000.00	\$130,554.00
FUNDED	SOLD	ELIOT BERNSTEIN	Lincoln Benefit Life	\$500,000.00	\$101,011.00
	SOLD	ELIOT BERNSTEIN	Lincoln Benefit	\$1,000,000.00	\$172,541.00
FUNDED	SOLD	ELIOT BERNSTEIN	Lincoln Benefit Life	\$500,000.00	\$68,837.00
U0205139	SOLD	ELIOT BERNSTEIN	Lincoln Benefit	\$500,000.00	\$65,726.00
U0205291	SOLD	ELIOT BERNSTEIN	Lincoln Benefit	\$500,000.00	\$47,248.00
U0236104	SOLD	ELIOT BERNSTEIN	Lincoln Benefit Life	\$300,000.00	\$118,098.00
1579148	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$500,000.00	\$311,346.00
1619112	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$2,000,000.00	\$544,121.00
1623366	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$1,000,000.00	\$146,771.00
U0200264	SOLD	ELIOT BERNSTEIN	Lincoln Benefit	\$1,000,000.00	\$124,610.00
9208349	SOLD	ELIOT BERNSTEIN	OHIO	\$1,000,000.00	\$332,558.00
1584978	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$500,000.00	\$231,666.00
1691606	SOLD	ELIOT BERNSTEIN	LIFE INVESTORS	\$1,000,000.00	\$1,475,001.00
1691618	SOLD	ELIOT BERNSTEIN	LIFE INVESTORS	\$1,500,000.00	\$231,000.00
1578784	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$1,000,000.00	\$462,341.00
76001056	SOLD	ELIOT BERNSTEIN	TRANSAMERICA	\$1,500,000.00	\$667,455.00
1578785	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$1,000,000.00	\$625,006.00
76001055	SOLD	ELIOT BERNSTEIN	TRANSAMERICA	\$1,500,000.00	\$949,786.00
1578786	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$1,000,000.00	\$373,531.00
76001057	SOLD	ELIOT BERNSTEIN	TRANSAMERICA	\$1,500,000.00	\$553,140.00
1578787	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$1,000,000.00	\$1,433,791.00
76001009	SOLD	ELIOT BERNSTEIN	TRANSAMERICA	\$2,000,000.00	\$423,200.00
76001152	SOLD	ELIOT BERNSTEIN	TRANSAMERICA	\$1,000,000.00	\$460,770.00
1696673	SOLD	ELIOT BERNSTEIN	LIFE INVESTORS	\$2,000,000.00	\$382,001.00
1677563	SOLD	ELIOT BERNSTEIN	LIFE INVESTORS	\$1,000,000.00	\$161,001.00
1679586	SOLD	ELIOT BERNSTEIN	LIFE INVESTORS	\$500,000.00	\$80,501.00
76001125	SOLD	ELIOT BERNSTEIN	TRANSAMERICA	\$1,000,000.00	\$140,000.00
9208460	SOLD	ELIOT BERNSTEIN	OHIO	\$500,000.00	\$265,273.00
U0200261	SOLD	ELIOT BERNSTEIN	Lincoln Benefit	\$1,000,000.00	\$184,361.00
U0205676	SOLD	ELIOT BERNSTEIN	Lincoln Benefit	\$1,000,000.00	\$562,997.00
U0205292	SOLD	ELIOT BERNSTEIN	Lincoln Benefit	\$1,000,000.00	\$520,281.00
U0205293	SOLD	ELIOT BERNSTEIN	Lincoln Benefit	\$1,000,000.00	\$606,927.00
U02052294	SOLD	ELIOT BERNSTEIN	Lincoln Benefit	\$1,000,000.00	\$423,014.00
	SOLD	ELIOT BERNSTEIN	Lincoln Benefit Life	\$1,000,000.00	\$164,753.00
U0203966	SOLD	ELIOT BERNSTEIN	Lincoln Benefit	\$1,000,000.00	\$164,753.00
U0205254	SOLD	ELIOT BERNSTEIN	Lincoln Benefit	\$1,000,000.00	\$260,108.00
1620727	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$1,000,000.00	\$462,341.00
1579146	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$1,000,000.00	\$320,271.00
1601243	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$1,000,000.00	\$283,581.00
9208493	SOLD	ELIOT BERNSTEIN	OHIO	\$1,000,000.00	\$154,352.00
1696153	SOLD	ELIOT BERNSTEIN	LIFE INVESTORS	\$2,000,000.00	\$1,572,001.00
1620896	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$1,500,000.00	\$191,806.00
1676433	SOLD	ELIOT BERNSTEIN	LIFE INVESTORS	\$1,500,000.00	\$211,501.00
1688515	SOLD	ELIOT BERNSTEIN	LIFE INVESTORS	\$500,000.00	\$70,501.00
1706486	SOLD	ELIOT BERNSTEIN	LIFE INVESTORS	\$3,000,000.00	\$423,001.00
6008240	SOLD	ELIOT BERNSTEIN	COMMONWEALTH	\$743,583.00	\$231,520.00
76001225	SOLD	ELIOT BERNSTEIN	TRANSAMERICA	\$1,500,000.00	\$174,390.00
198318	SOLD	ELIOT BERNSTEIN	UNITED LIFE	\$665,000.00	\$109,726.00
198376	SOLD	ELIOT BERNSTEIN	UNITED LIFE	\$1,000,000.00	\$158,381.00
6008241	SOLD	ELIOT BERNSTEIN	COMMONWEALTH	\$400,000.00	\$109,570.00
6012056	SOLD	ELIOT BERNSTEIN	COMMONWEALTH	\$400,000.00	\$497,621.00
6008242	SOLD	ELIOT BERNSTEIN	COMMONWEALTH	\$500,000.00	\$156,356.00
9208467	SOLD	ELIOT BERNSTEIN	OHIO	\$250,000.00	\$80,025.00
1578357	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$1,000,000.00	\$239,741.00

POLICY NUMBER	STATUS	AGENT	CARRIER	FACE AMOUNT	PREMIUM
1688511	SOLD	ELIOT BERNSTEIN	LIFE INVESTORS	\$500,000.00	\$64,501.00
	SOLD	ELIOT BERNSTEIN	Lincoln Benefit	\$500,000.00	\$188,935.00
U0200369	SOLD	ELIOT BERNSTEIN	Lincoln Benefit	\$2,000,000.00	\$272,643.00
1599674	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$2,000,000.00	\$479,481.00
6011238	SOLD	ELIOT BERNSTEIN	COMMONWEALTH	\$1,000,000.00	\$787,487.00
FUNDED	SOLD	ELIOT BERNSTEIN	Lincoln Benefit Life	\$5,000,000.00	\$1,131,740.00
1578350	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$1,000,000.00	\$192,791.00
PAID	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$1,000,000.00	\$359,771.00
1595425	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$1,000,000.00	\$359,771.00
1602212	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$2,000,000.00	\$336,821.00
9207188	SOLD	ELIOT BERNSTEIN	OHIO	\$500,000.00	\$168,415.00
1690292	SOLD	ELIOT BERNSTEIN	LIFE INVESTORS	\$1,000,000.00	\$147,001.00
1600711	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$1,500,000.00	\$210,256.00
U0236106	SOLD	ELIOT BERNSTEIN	Lincoln Benefit Life	\$1,000,000.00	\$348,356.00
U0236107	SOLD	ELIOT BERNSTEIN	Lincoln Benefit Life	\$1,000,000.00	\$334,482.00
U0236105	SOLD	ELIOT BERNSTEIN	Lincoln Benefit Life	\$1,000,000.00	\$219,488.00
U0224685	SOLD	ELIOT BERNSTEIN	Lincoln Benefit Life	\$400,000.00	\$145,084.00
U0224683	SOLD	ELIOT BERNSTEIN	Lincoln Benefit Life	\$300,000.00	\$136,852.00
U0234255	SOLD	ELIOT BERNSTEIN	Lincoln Benefit Life	\$1,000,000.00	\$237,056.00
U0237141	SOLD	ELIOT BERNSTEIN	Lincoln Benefit Life	\$1,000,000.00	\$237,056.00
U0233779	SOLD	ELIOT BERNSTEIN	Lincoln Benefit Life	\$500,000.00	\$175,062.00
U0234385	SOLD	ELIOT BERNSTEIN	Lincoln Benefit Life	\$500,000.00	\$56,640.00
U0235665	SOLD	ELIOT BERNSTEIN	Lincoln Benefit Life	\$1,000,000.00	\$239,040.00
U0235664	SOLD	ELIOT BERNSTEIN	Lincoln Benefit Life	\$1,500,000.00	\$442,165.00
U0234254	SOLD	ELIOT BERNSTEIN	Lincoln Benefit Life	\$1,000,000.00	\$438,828.00
1600717	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$2,000,000.00	\$567,161.00
6011240	SOLD	ELIOT BERNSTEIN	COMMONWEALTH	\$1,000,000.00	\$1,105,240.00
1596332	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$1,500,000.00	\$499,726.00
1595427	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$1,000,000.00	\$184,821.00
MISSING	SOLD	ELIOT BERNSTEIN	UPI	\$600,000.00	\$182,988.00
MISSING	SOLD	ELIOT BERNSTEIN	UPI	\$3,500,000.00	\$1,067,430.00
76001031	SOLD	ELIOT BERNSTEIN	TRANSAMERICA	\$2,500,000.00	\$751,900.00
FUNDED	SOLD	ELIOT BERNSTEIN	Lincoln Benefit Life	\$1,000,000.00	\$157,285.00
FUNDED	SOLD	ELIOT BERNSTEIN	Lincoln Benefit Life	\$1,000,000.00	\$71,634.00
U0215619	SOLD	ELIOT BERNSTEIN	Lincoln Benefit Life	\$1,500,000.00	\$239,040.00
FUNDED	SOLD	ELIOT BERNSTEIN	Lincoln Benefit Life	\$1,000,000.00	\$377,216.00
U0214564	SOLD	ELIOT BERNSTEIN	Lincoln Benefit Life	\$1,500,000.00	\$565,497.00
FUNDED	SOLD	ELIOT BERNSTEIN	Lincoln Benefit Life	\$1,000,000.00	\$68,608.00
1599662	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$4,000,000.00	\$1,332,601.00
1591709	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$5,000,000.00	\$1,665,751.00
76000924	SOLD	ELIOT BERNSTEIN	TRANSAMERICA	\$1,000,000.00	\$168,440.00
1585810	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$1,000,000.00	\$629,598.00
76000998	SOLD	ELIOT BERNSTEIN	TRANSAMERICA	\$500,000.00	\$55,475.00
1578955	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$1,000,000.00	\$359,771.00
U0207344	SOLD	ELIOT BERNSTEIN	Lincoln Benefit	\$1,000,000.00	\$374,610.00
FUNDED	SOLD	ELIOT BERNSTEIN	Lincoln Benefit Life	\$2,000,000.00	\$328,632.00
FUNDED	SOLD	ELIOT BERNSTEIN	Lincoln Benefit Life	\$1,000,000.00	\$141,253.00
6012056	SOLD	ELIOT BERNSTEIN	COMMONWEALTH	\$600,000.00	\$745,469.00
U0205256	SOLD	ELIOT BERNSTEIN	Lincoln Benefit	\$1,500,000.00	\$549,389.00
1583485	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$1,000,000.00	\$283,581.00
1692451	SOLD	ELIOT BERNSTEIN	LIFE INVESTORS	\$2,000,000.00	\$472,001.00
9208598	SOLD	ELIOT BERNSTEIN	OHIO	\$1,000,000.00	\$228,552.00
9208335	SOLD	ELIOT BERNSTEIN	OHIO	\$500,000.00	\$186,965.00
76000916	SOLD	ELIOT BERNSTEIN	TRANSAMERICA	\$1,000,000.00	\$242,020.00
9208496	SOLD	ELIOT BERNSTEIN	OHIO	\$500,000.00	\$224,451.00
D55031F	SOLD	ELIOT BERNSTEIN	COMMONWEALTH	\$500,000.00	\$553,548.00
	SOLD	ELIOT BERNSTEIN	Lincoln Benefit Life	\$1,500,000.00	\$549,389.00
76001076	SOLD	ELIOT BERNSTEIN	TRANSAMERICA	\$1,300,000.00	\$933,731.00
1619795	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$2,000,000.00	\$459,381.00
9208198	SOLD	ELIOT BERNSTEIN	OHIO	\$500,000.00	\$63,899.00
9208196	SOLD	ELIOT BERNSTEIN	OHIO	\$500,000.00	\$200,647.00
9208197	SOLD	ELIOT BERNSTEIN	OHIO	\$1,000,000.00	\$417,713.00
9208244	SOLD	ELIOT BERNSTEIN	OHIO	\$300,000.00	\$36,760.00
1602191	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$2,000,000.00	\$500,301.00
FUNDED	SOLD	ELIOT BERNSTEIN	Lincoln Benefit Life	\$500,000.00	\$129,309.00
U0215105	SOLD	ELIOT BERNSTEIN	Lincoln Benefit Life	\$500,000.00	\$211,810.00
198294	SOLD	ELIOT BERNSTEIN	UNITED LIFE	\$480,000.00	\$90,101.00
198292	SOLD	ELIOT BERNSTEIN	UNITED LIFE	\$480,000.00	\$71,621.00
PAID	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$500,000.00	\$179,886.00
D55030F	SOLD	ELIOT BERNSTEIN	COMMONWEALTH	\$350,000.00	\$571,593.00
D55062F	SOLD	ELIOT BERNSTEIN	COMMONWEALTH	\$287,968.00	\$128,538.00
9207189	SOLD	ELIOT BERNSTEIN	OHIO	\$500,000.00	\$236,527.00
U0201086	SOLD	ELIOT BERNSTEIN	Lincoln Benefit	\$2,000,000.00	\$288,694.00
1578341	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$1,000,000.00	\$401,981.00
1618656	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$1,000,000.00	\$320,271.00

POLICY NUMBER	STATUS	AGENT	CARRIER	FACE AMOUNT	PREMIUM
6008243	SOLD	ELIOT BERNSTEIN	COMMONWEALTH	\$300,000.00	\$657,306.00
1620900	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$500,000.00	\$66,936.00
9208243	SOLD	ELIOT BERNSTEIN	OHIO	\$300,000.00	\$46,018.00
1676294	SOLD	ELIOT BERNSTEIN	LIFE INVESTORS	\$500,000.00	\$99,501.00
6008245	SOLD	ELIOT BERNSTEIN	COMMONWEALTH	\$500,000.00	\$553,548.00
76001154	SOLD	ELIOT BERNSTEIN	TRANSAMERICA	\$1,000,000.00	\$110,400.00
9207190	SOLD	ELIOT BERNSTEIN	OHIO	\$500,000.00	\$290,588.00
U0205252	SOLD	ELIOT BERNSTEIN	Lincoln Benefit	\$500,000.00	\$122,210.00
9208495	SOLD	ELIOT BERNSTEIN	OHIO	\$1,000,000.00	\$238,613.00
76000996	SOLD	ELIOT BERNSTEIN	TRANSAMERICA	\$500,000.00	\$222,485.00
76000954	SOLD	ELIOT BERNSTEIN	TRANSAMERICA	\$1,000,000.00	\$383,480.00
76001054	SOLD	ELIOT BERNSTEIN	TRANSAMERICA	\$1,000,000.00	\$308,760.00
76001048	SOLD	ELIOT BERNSTEIN	TRANSAMERICA	\$1,000,000.00	\$354,410.00
1596336	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$1,000,000.00	\$210,591.00
1599667	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$2,000,000.00	\$750,451.00
1601239	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$2,000,000.00	\$421,181.00
1596334	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$1,000,000.00	\$272,061.00
	SOLD	ELIOT BERNSTEIN		\$250,000.00	\$134,607.00
FUNDED	SOLD	ELIOT BERNSTEIN	Lincoln Benefit Life	\$1,000,000.00	\$454,835.00
1599037	SOLD	ELIOT BERNSTEIN	BANKERS UNITED	\$2,000,000.00	\$403,061.00
1681342	SOLD	ELIOT BERNSTEIN	LIFE INVESTORS	\$500,000.00	\$62,501.00
1693028	SOLD	ELIOT BERNSTEIN	LIFE INVESTORS	\$500,000.00	\$81,000.00
1676529	SOLD	ELIOT BERNSTEIN	LIFE INVESTORS	\$500,000.00	\$673,876.00
76000956	SOLD	ELIOT BERNSTEIN	TRANSAMERICA	\$1,000,000.00	\$576,350.00
					\$85,987,595.00
5101512	SOLD	ELIOT BERNSTEIN	FIDELITY UNION	\$20,000.00	\$20,000.00
GRP#C15702	SOLD	ELIOT BERNSTEIN	INTER-AMERICAN	\$500,000.00	
	SOLD	ELIOT BERNSTEIN	FIDELITY UNION	\$4,443,000.00	\$82,946.76
GRP#C15703	SOLD	ELIOT BERNSTEIN	INTER-AMERICAN	\$330,000.00	
GRP#C15711	SOLD	ELIOT BERNSTEIN	INTER-AMERICAN	\$1,000,000.00	
GRP#C15703	SOLD	ELIOT BERNSTEIN	INTER-AMERICAN	\$450,000.00	
GRP#C15703	SOLD	ELIOT BERNSTEIN	INTER-AMERICAN	\$781,000.00	
GRP#C15703	SOLD	ELIOT BERNSTEIN	INTER-AMERICAN	\$371,000.00	
GRP#C15703	SOLD	ELIOT BERNSTEIN	INTER-AMERICAN	\$233,000.00	
GRP#C15703	SOLD	ELIOT BERNSTEIN	INTER-AMERICAN	\$850,000.00	
GRP#C15710	SOLD	ELIOT BERNSTEIN	INTER-AMERICAN	\$174,000.00	
GRP#C15711	SOLD	ELIOT BERNSTEIN	INTER-AMERICAN	\$1,134,000.00	
	SOLD	ELIOT BERNSTEIN	INTER-AMERICAN	\$3,394,000.00	\$6,980.00
GRP#C15703	SOLD	ELIOT BERNSTEIN	INTER-AMERICAN	\$329,000.00	
GRP#C15710	SOLD	ELIOT BERNSTEIN	INTER-AMERICAN	\$300,000.00	
GRP#C15703	SOLD	ELIOT BERNSTEIN	INTER-AMERICAN	\$561,000.00	
GRP#C15703	SOLD	ELIOT BERNSTEIN	INTER-AMERICAN	\$400,000.00	
GRP#C15710	SOLD	ELIOT BERNSTEIN	INTER-AMERICAN	\$320,000.00	
	SOLD	ELIOT BERNSTEIN	INTER-AMERICAN	\$14,025,000.00	\$41,335.99
GRP#C15703	SOLD	ELIOT BERNSTEIN	INTER-AMERICAN	\$648,000.00	
GRP#C15703	SOLD	ELIOT BERNSTEIN	INTER-AMERICAN	\$870,000.00	
GRP#C15710	SOLD	ELIOT BERNSTEIN	INTER-AMERICAN	\$170,000.00	
GRP#C15703	SOLD	ELIOT BERNSTEIN	INTER-AMERICAN	\$250,000.00	
GRP#C15710	SOLD	ELIOT BERNSTEIN	INTER-AMERICAN	\$452,000.00	
GRP#C15703	SOLD	ELIOT BERNSTEIN	INTER-AMERICAN	\$310,000.00	
GRP#C15703	SOLD	ELIOT BERNSTEIN	INTER-AMERICAN	\$565,000.00	
GRP#C15703	SOLD	ELIOT BERNSTEIN	INTER-AMERICAN	\$272,000.00	
GRP#C15703	SOLD	ELIOT BERNSTEIN	INTER-AMERICAN	\$297,000.00	
GRP#C15703	SOLD	ELIOT BERNSTEIN	INTER-AMERICAN	\$331,000.00	
GRP#C15710	SOLD	ELIOT BERNSTEIN	INTER-AMERICAN	\$361,000.00	
GRP#C15710	SOLD	ELIOT BERNSTEIN	INTER-AMERICAN	\$410,000.00	
2760198	SOLD	ELIOT BERNSTEIN	FIDELITY UNION	\$250,000.00	
GRP#C15710	SOLD	ELIOT BERNSTEIN	INTER-AMERICAN	\$254,000.00	
GRP#C15710	SOLD	ELIOT BERNSTEIN	INTER-AMERICAN	\$333,000.00	
GRP#C15703	SOLD	ELIOT BERNSTEIN	INTER-AMERICAN	\$1,100,000.00	
GRP#C15703	SOLD	ELIOT BERNSTEIN	INTER-AMERICAN	\$463,000.00	
6016534	SOLD	ELIOT BERNSTEIN	COMMONWEALTH	\$325,000.00	\$2,815.00
2776242	SOLD	ELIOT BERNSTEIN	FIDELITY UNION	\$52,000.00	
2776252	SOLD	ELIOT BERNSTEIN	FIDELITY UNION	\$1,300,000.00	
2775322	SOLD	ELIOT BERNSTEIN	FIDELITY UNION	\$39,000.00	
6016535	SOLD	ELIOT BERNSTEIN	COMMONWEALTH	\$325,000.00	\$2,574.00
GRP#C15703	SOLD	ELIOT BERNSTEIN	INTER-AMERICAN	\$490,000.00	
6016533	SOLD	ELIOT BERNSTEIN	COMMONWEALTH	\$325,000.00	\$5,652.00
1992470	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$250,000.00	\$276.53
1997724	SOLD	ELIOT BERNSTEIN	GENERAL	\$200,000.00	\$2,000.00
U0215107	SOLD	ELIOT BERNSTEIN	Lincoln Benefit Life	\$150,000.00	\$1,200.00
1A22192200	SOLD	ELIOT BERNSTEIN	PACIFIC MUTUAL	\$200,000.00	\$7,097.50

POLICY NUMBER	STATUS	AGENT	CARRIER	FACE AMOUNT	PREMIUM
1999181	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$225,000.00	\$1,675.00
1998786	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$750,000.00	\$4,325.00
MISSING	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$250,000.00	\$3,600.00
1995337	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$250,000.00	\$750.00
UL40001347	SOLD	ELIOT BERNSTEIN	COLONIAL PENN	\$500,000.00	\$2,411.00
1999844	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$500,000.00	\$2,900.00
1992520	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$61,000.00	\$1,560.00
1996157	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$500,000.00	\$4,900.00
	SOLD	ELIOT BERNSTEIN	Lincoln Benefit	\$250,000.00	\$2,408.00
1997069	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$300,000.00	\$5,500.00
2001393	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$350,000.00	\$3,100.00
1998047	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$1,000,000.00	\$30,000.00
2000812	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$250,000.00	\$1,400.00
1992504	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$250,000.00	\$1,500.00
1055484	SOLD	ELIOT BERNSTEIN	CAPITOL BANKERS	\$50,000.00	\$622.00
1991625	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$100,000.00	\$800.00
UL40001348	SOLD	ELIOT BERNSTEIN	COLONIAL PENN	\$500,000.00	\$9,575.00
1998032	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$1,000,000.00	\$5,000.00
1998514	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$1,000,000.00	\$6,300.00
1995334	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$250,000.00	\$1,100.00
1997723	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$270,000.00	\$2,300.00
1995901	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$175,000.00	\$694.00
1992804	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$100,000.00	\$500.00
1992803	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$200,000.00	\$850.00
1991633	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$1,000,000.00	\$11,976.00
1994507	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$100,000.00	\$1,000.00
2001761	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$500,000.00	\$3,600.00
2001762	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$250,000.00	\$1,200.00
2002040	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$300,000.00	\$1,600.00
8867500	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$250,000.00	\$1,802.00
1991631	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$500,000.00	\$9,100.00
1991630	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$500,000.00	\$1,660.00
1A22209920	SOLD	ELIOT BERNSTEIN	PACIFIC MUTUAL	\$1,000,000.00	\$4,747.90
1997070	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$300,000.00	\$4,250.00
1995340	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$250,000.00	\$1,300.00
1997342	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$180,000.00	\$2,500.00
2000806	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$500,000.00	\$2,700.00
UL40001349	SOLD	ELIOT BERNSTEIN	COLONIAL PENN	\$500,000.00	\$10,167.00
UL400705	SOLD	ELIOT BERNSTEIN	COLONIAL PENN	\$500,000.00	\$2,193.00
UL40001350	SOLD	ELIOT BERNSTEIN	COLONIAL PENN	\$500,000.00	\$7,013.00
1992193	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$100,000.00	\$1,820.00

POLICY NUMBER	STATUS	AGENT	CARRIER	FACE AMOUNT	PREMIUM
1993390	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$2,000,000.00	\$13,000.00
1998044	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$225,000.00	\$500.00
1992528	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$400,000.00	\$2,500.00
1993394	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$100,000.00	\$864.00
1992503	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$500,000.00	\$2,250.00
1996892	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$500,000.00	\$4,500.00
1991626	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$100,000.00	\$950.00
1055128	SOLD	ELIOT BERNSTEIN	CAPITOL BANKERS	\$50,000.00	\$701.50
067577	SOLD	ELIOT BERNSTEIN	FIRST PENN PACIFIC	\$70,000.00	\$1,600.14
2000109	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$1,500,000.00	\$6,000.00
1992156	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$50,000.00	\$1,440.00
1993375	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$500,000.00	\$3,785.54
1998043	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$120,000.00	\$500.00
1993933	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$200,000.00	\$850.00
1997336	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$350,000.00	\$1,300.00
1998042	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$275,000.00	\$500.00
1997334	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$1,000,000.00	\$6,000.00
UL40001371	SOLD	ELIOT BERNSTEIN		\$1,000,000.00	\$9,100.00
1050480	SOLD	ELIOT BERNSTEIN	CAPITOL BANKERS		\$282.00
	SOLD	ELIOT BERNSTEIN	CAPITOL BANKERS	\$50,000.00	\$222.50
2001177	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$1,000,000.00	\$4,800.00
1054570	SOLD	ELIOT BERNSTEIN	CAPITOL BANKERS	\$75,000.00	\$461.00
1996857	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$35,208.00	\$0.00
1996926	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$250,000.00	\$2,600.00
1993533	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$24,319.00	\$732.00
2002011	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$700,000.00	\$2,100.00
1992855	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$200,000.00	\$2,844.00
2002012	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$200,000.00	\$1,600.00
1999385	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$100,000.00	\$750.00
1997335	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$300,000.00	\$1,700.00
1995331	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$250,000.00	\$900.00
1993932	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$100,000.00	\$1,800.00
1995336	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$250,000.00	\$1,500.00
1999102	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$300,000.00	\$4,000.00
1993377	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$500,000.00	\$773.87
2002553	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$1,000,000.00	\$16,666.00
1993909	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$1,000,000.00	\$5,500.00
1993376	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$500,000.00	\$2,800.00
1995332	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$250,000.00	\$1,200.00
2004304	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$1,000,000.00	\$25,000.00

POLICY NUMBER	STATUS	AGENT	CARRIER	FACE AMOUNT	PREMIUM
1999458	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$600,000.00	\$3,000.00
UL40001346	SOLD	ELIOT BERNSTEIN	COLONIAL PENN	\$500,000.00	\$8,709.00
1996137	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$75,000.00	\$215.04
2001628	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$1,000,000.00	\$4,600.00
1992537	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$3,548,333.00	\$7,436.00
1992536	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$2,681,921.00	\$8,407.00
2000108	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$500,000.00	\$3,200.00
1993931	SOLD	ELIOT BERNSTEIN	CONNECTICUT GENERAL	\$1,000,000.00	\$3,800.00
UL40001362	SOLD	ELIOT BERNSTEIN	COLONIAL PENN	\$100,000.00	\$263.00
2872527	SOLD	ELIOT BERNSTEIN	FIDELITY UNION	\$72,000.00	\$1,773.00
2874238	SOLD	ELIOT BERNSTEIN	FIDELITY UNION	\$1,000,000.00	\$4,430.00
2850068	SOLD	ELIOT BERNSTEIN	FIDELITY UNION	\$50,000.00	\$2,475.00
2861604	SOLD	ELIOT BERNSTEIN	FIDELITY UNION	\$500,000.00	\$2,015.00
2861667	SOLD	ELIOT BERNSTEIN	FIDELITY UNION	\$500,000.00	\$3,080.00
2867912	SOLD	ELIOT BERNSTEIN	FIDELITY UNION	\$233,000.00	\$2,411.00
2837727	SOLD	ELIOT BERNSTEIN	FIDELITY UNION	\$250,000.00	\$2,535.00
2862576	SOLD	ELIOT BERNSTEIN	FIDELITY UNION	\$200,000.00	\$8,718.00
2874270	SOLD	ELIOT BERNSTEIN	FIDELITY UNION	\$1,000,000.00	\$4,850.00
SOLD	SOLD	ELIOT BERNSTEIN	FIDELITY UNION	\$3,743,584.00	\$18,853.00
2867911	SOLD	ELIOT BERNSTEIN	FIDELITY UNION	\$233,000.00	\$3,106.00
2974766	SOLD	ELIOT BERNSTEIN	FIDELITY UNION	\$3,996,452.00	\$4,765.81
2848820	SOLD	ELIOT BERNSTEIN	FIDELITY UNION	\$1,000,000.00	\$8,890.00
2843671	SOLD	ELIOT BERNSTEIN	FIDELITY UNION	\$50,000.00	\$300.00
U0202363	SOLD	ELIOT BERNSTEIN	Lincoln Benefit	\$500,000.00	\$3,040.00
2848787	SOLD	ELIOT BERNSTEIN	FIDELITY UNION	\$1,000,000.00	\$16,050.00
2848788	SOLD	ELIOT BERNSTEIN	FIDELITY UNION	\$4,500,000.00	\$72,015.00
2846195	SOLD	ELIOT BERNSTEIN	FIDELITY UNION	\$500,000.00	\$2,555.00
U0202522	SOLD	ELIOT BERNSTEIN	Lincoln Benefit	\$1,000,000.00	\$5,830.00
U0202676	SOLD	ELIOT BERNSTEIN	Lincoln Benefit	\$2,500,000.00	\$14,200.00
2863231	SOLD	ELIOT BERNSTEIN	FIDELITY UNION	\$287,968.00	\$2,222.64
SOLD	SOLD	ELIOT BERNSTEIN	FIDELITY UNION	\$287,968.00	\$2,223.00
2846208	SOLD	ELIOT BERNSTEIN	FIDELITY UNION	\$300,000.00	\$1,443.00
MISSING	SOLD	ELIOT BERNSTEIN	JACKSON NATIONAL	\$100,000.00	\$241.00
12823000	SOLD	ELIOT BERNSTEIN	JACKSON NATIONAL	\$250,000.00	\$243.00
002963375	SOLD	ELIOT BERNSTEIN	FIDELITY UNION	\$300,000.00	\$323.00
1728984	SOLD	ELIOT BERNSTEIN	FIRST COLONY	\$75,000.00	\$2,813.00
2970675	SOLD	ELIOT BERNSTEIN	FIDELITY UNION	\$1,500,000.00	\$4,875.00
MISSING	SOLD	ELIOT BERNSTEIN	FIDELITY UNION	\$300,000.00	\$338.00
1127128	SOLD	ELIOT BERNSTEIN	JACKSON NATIONAL	\$100,000.00	\$276.00
12823020	SOLD	ELIOT BERNSTEIN	JACKSON NATIONAL	\$250,000.00	\$1,080.00
MISSING	SOLD	ELIOT BERNSTEIN	JACKSON NATIONAL	\$147,059.00	\$200.00
12764260	SOLD	ELIOT BERNSTEIN	JACKSON NATIONAL	\$250,000.00	\$327.50
MISSING	SOLD	ELIOT BERNSTEIN	JACKSON NATIONAL	\$100,000.00	\$160.00
MISSING	SOLD	ELIOT BERNSTEIN	FIDELITY UNION	\$100,000.00	\$424.00
2966310	SOLD	ELIOT BERNSTEIN	FIDELITY UNION	\$100,000.00	\$459.00
1736932	SOLD	ELIOT BERNSTEIN	FIRST COLONY	\$250,000.00	\$733.00
20L0168964	SOLD	ELIOT BERNSTEIN	PACIFIC STANDARD	\$500,000.00	\$1,405.00
12097320	SOLD	ELIOT BERNSTEIN	JACKSON NATIONAL	\$250,000.00	\$500.00
LW00025053	SOLD	ELIOT BERNSTEIN	NORTH AMERICAN	\$150,000.00	\$282.00
MISSING	SOLD	ELIOT BERNSTEIN	FIRST COLONY LIFE	\$4,000,000.00	\$7,260.00
2968231	SOLD	ELIOT BERNSTEIN	FIDELITY UNION	\$100,000.00	\$138.00
12600950	SOLD	ELIOT BERNSTEIN	JACKSON NATIONAL	\$100,000.00	\$191.00
14179020	SOLD	ELIOT BERNSTEIN	JACKSON NATIONAL	\$200,000.00	\$327.00
	SOLD	ELIOT BERNSTEIN	Lincoln Benefit	\$100,000.00	\$442.00
MISSING	SOLD	ELIOT BERNSTEIN	EXECUTIVE LIFE	\$1,000,000.00	\$1,020.00
FK2038739	SOLD	ELIOT BERNSTEIN	FEDERAL KEMPER	\$500,000.00	\$2,145.00
			CONNECTICUT NATIONAL		
2H1061001	SOLD	ELIOT BERNSTEIN	NATIONAL	\$500,000.00	\$2,265.00
13660990	SOLD	ELIOT BERNSTEIN	JACKSON NATIONAL	\$114,656.00	\$200.00
FK2001096	SOLD	ELIOT BERNSTEIN	FEDERAL KEMPER	\$250,000.00	\$425.00
12612710	SOLD	ELIOT BERNSTEIN	JACKSON NATIONAL	\$250,000.00	\$348.00
FK2020868	SOLD	ELIOT BERNSTEIN	FEDERAL KEMPER	\$500,000.00	\$1,480.00
13474270	SOLD	ELIOT BERNSTEIN	JACKSON NATIONAL	\$250,000.00	\$1,242.50
15879960	SOLD	ELIOT BERNSTEIN	JACKSON NATIONAL	\$500,000.00	\$560.00
2965566	SOLD	ELIOT BERNSTEIN	FIDELITY UNION	\$500,000.00	\$500.00
2974623	SOLD	ELIOT BERNSTEIN	FIDELITY UNION	\$600,000.00	\$1,862.00
12729550	SOLD	ELIOT BERNSTEIN	JACKSON NATIONAL	\$500,000.00	\$2,495.00

POLICY NUMBER	STATUS	AGENT	CARRIER	FACE AMOUNT	PREMIUM
16778710	SOLD	ELIOT BERNSTEIN	JACKSON NATIONAL	\$100,000.00	\$94.00
16778700	SOLD	ELIOT BERNSTEIN	JACKSON NATIONAL	\$100,000.00	\$151.00
FK1894518	SOLD	ELIOT BERNSTEIN	FEDERAL KEMPER	\$100,000.00	\$1,052.00
17013650	SOLD	ELIOT BERNSTEIN	JACKSON NATIONAL	\$1,000,000.00	\$1,805.00
	SOLD	ELIOT BERNSTEIN	Lincoln Benefit Life	\$1,000,000.00	\$975.00
2971295	SOLD	ELIOT BERNSTEIN	FIDELITY UNION	\$825,000.00	\$800.75
1477260	SOLD	ELIOT BERNSTEIN	FIRST COLONY	\$500,000.00	\$695.00
13960330	SOLD	ELIOT BERNSTEIN	JACKSON NATIONAL	\$500,000.00	\$4,170.00
1153936	SOLD	ELIOT BERNSTEIN	JACKSON NATIONAL	\$100,000.00	\$468.00
20L0178378	SOLD	ELIOT BERNSTEIN	PACIFIC STANDARD	\$500,000.00	\$405.00
20L0178379	SOLD	ELIOT BERNSTEIN	PACIFIC STANDARD	\$1,500,000.00	\$3,490.00
14316190	SOLD	ELIOT BERNSTEIN	JACKSON NATIONAL	\$250,000.00	\$395.00
17013630	SOLD	ELIOT BERNSTEIN	JACKSON NATIONAL	\$1,000,000.00	\$3,535.00
12767280	SOLD	ELIOT BERNSTEIN	JACKSON NATIONAL	\$250,000.00	\$825.38
2971740	SOLD	ELIOT BERNSTEIN	FIDELITY UNION	\$250,000.00	\$330.00
0013777330	SOLD	ELIOT BERNSTEIN	JNL	\$500,000.00	\$1,115.00
			JACKSON NATONAL		
11852960	SOLD	ELIOT BERNSTEIN	LIFE	\$100,000.00	\$234.00
2969278	SOLD	ELIOT BERNSTEIN	FIDELITY UNION	\$3,000,000.00	\$5,930.00
MISSING	SOLD	ELIOT BERNSTEIN	JACKSON NATIONAL	\$100,000.00	\$239.00
2963466	SOLD	ELIOT BERNSTEIN	FIDELITY UNION	\$500,000.00	\$2,310.00
FK1885030	SOLD	ELIOT BERNSTEIN	FEDERAL KEMPER	\$500,000.00	\$680.00
1456522	SOLD	ELIOT BERNSTEIN	JACKSON NATIONAL	\$1,000,000.00	\$2,205.00
16814370	SOLD	ELIOT BERNSTEIN	JACKSON NATIONAL	\$100,000.00	\$699.00
13700720	SOLD	ELIOT BERNSTEIN	JNL	\$500,000.00	\$2,095.00
11124950	SOLD	ELIOT BERNSTEIN	JACKSON NATIONAL	\$500,000.00	\$605.00
2972305	SOLD	ELIOT BERNSTEIN	FIDELITY UNION	\$100,000.00	\$155.00
13012670	SOLD	ELIOT BERNSTEIN	JACKSON NATIONAL	\$250,000.00	\$370.00
2965572	SOLD	ELIOT BERNSTEIN	FIDELITY UNION	\$500,000.00	\$550.00
MISSING	SOLD	ELIOT BERNSTEIN	JACKSON NATIONAL	\$101,000.00	\$200.00
			CONNECTICUT		
2002552	SOLD	ELIOT BERNSTEIN	GENERAL	\$1,000,000.00	\$4,640.00
0015128280	SOLD	ELIOT BERNSTEIN	JACKSON NATIONAL	\$110,000.00	\$595.00
FK1871254	SOLD	ELIOT BERNSTEIN	FEDERAL KEMPER	\$250,000.00	\$322.50
2760131	SOLD	ELIOT BERNSTEIN	FIDELITY UNION	\$2,000,000.00	\$17,268.00
2760127	SOLD	ELIOT BERNSTEIN	FIDELITY UNION	\$2,500,000.00	\$35,398.00
	SOLD	ELIOT BERNSTEIN	FIDELITY UNION	\$600,000.00	\$9,072.00
C51998249L	SOLD	ELIOT BERNSTEIN	EXECUTIVE LIFE	\$500,000.00	\$17,600.00
2790719	SOLD	ELIOT BERNSTEIN	FIDELITY UNION	\$500,000.00	\$1,188.00
MISSING	SOLD	ELIOT BERNSTEIN	TRANSAMERICA		
	SOLD	ELIOT BERNSTEIN	FIDELITY UNION	\$250,000.00	\$2,725.00
2760129	SOLD	ELIOT BERNSTEIN	FIDELITY UNION	\$2,000,000.00	\$17,268.00
2824882	SOLD	ELIOT BERNSTEIN	FIDELITY UNION	\$500,000.00	\$9,390.00
2773524	SOLD	ELIOT BERNSTEIN	FIDELITY UNION	\$25,000.00	\$311.00
2781689	SOLD	ELIOT BERNSTEIN	FIDELITY UNION	\$850,000.00	\$2,551.00
MISSING	SOLD	ELIOT BERNSTEIN	FIDELITY UNION	\$100,000.00	\$665.00
2773533	SOLD	ELIOT BERNSTEIN	FIDELITY UNION	\$25,000.00	\$244.00
2765996	SOLD	ELIOT BERNSTEIN	FIDELITY UNION	\$2,250,000.00	\$31,830.00
2817321	SOLD	ELIOT BERNSTEIN	FIDELITY UNION	\$42,000.00	\$1,688.00
2834238	SOLD	ELIOT BERNSTEIN	FIDELITY UNION	\$162,000.00	\$1,695.00
2834277	SOLD	ELIOT BERNSTEIN	FIDELITY UNION	\$117,000.00	\$768.00
2834243	SOLD	ELIOT BERNSTEIN	FIDELITY UNION	\$97,000.00	\$608.00

TOTAL BENEFIT \$400,449,019.00

TOTAL PREMIUM \$172,902,434.35

USE AS ESTIMATE
OF ROLLOVER
COMMISSIONS
OWED

\$172,902,434 * %1.5

=

\$2,593,536.51

EXHIBIT "B"
AGENT CONTRACT

October 1, 1996

Ms. Pamela B. Simon, President
STP Enterprises, Inc.
600 West Jackson Boulevard
Suite 800
Chicago, IL 60661

Dear Pam:

In order to avoid future disagreements concerning our agreement, this letter will outline the principal terms of the agreement between STP Enterprises ("STP") and me ("Agent").

1. Term. Agent has been an insurance agent for STP selling insurance products for STP for twelve (12) years and will continue as an agent until:

1.1 Agent's written resignation;

1.2 Agent's failure to maintain an insurance license unless Agent re-obtains a license within sixty (60) days; or

1.3 Agent's breach of the contract and failure to cure such breach within thirty (30) days after written notice to Agent from STP specifying the breach (or such longer period as may be required to cure, provided Agent commences the cure within thirty (30) days and diligently pursues same to completion). This period during which Agent has been or will be an agent for STP is referred to as the "Term."

After the end of the Term, Agent will no longer sell insurance as STP's agent, but shall continue to receive all fees due to Agent hereunder for "Arbitrage Fees," "Client Arbitrage Fees" and "Client Insurance Fees" (as defined below).

2. Arbitrage Fees. Agent shall receive a fee (the "Arbitrage Fees") of .25% of all premiums (including 12th year renewals for Lincoln Benefit arbitrages) paid for all arbitrage insurance policies sold by STP during the Term (a "Fee Arbitrage Policy") (including 12th year renewals for Lincoln Benefit arbitrages), irrespective of when such premiums are paid. For this purpose, any policy sold at any time to any existing policyholder to replace a Fee Arbitrage Policy shall be considered a Fee Arbitrage Policy.

3. Client Arbitrage Fees. Agent shall also receive a fee (the "Client Arbitrage Fee") of 1.5% (1% if there is no collateral) of all premiums paid for all arbitrage insurance sold by STP to any of Agent's Clients; provided, however, that if it is my client and no other Sub-agent is involved, the Client Arbitrage Fee is 1.25%. There will be no Client Arbitrage Fee paid on Lincoln Benefit for any "super-funded dollars" (though

Ms. Pamela B. Simon
STP Enterprises, Inc.
October 1, 1996
Page 2

the normal Client Arbitrage Fee applies to the regular premium), unless STP obtains fees on such amounts, in which event Agent will receive a percentage to be negotiated, or if the parties do not agree on a percentage, then .5% of the premiums. With respect to Federal Home Life, Agent's Client Arbitrage Fee shall be 1.5% on the regular premium and .5% on the "super-funded dollars." For purposes hereby "Agent's Clients" shall mean any person who (a) first purchases insurance from STP through Agent or any agent recruited by Agent to sell insurance for STP (collectively "Sub-agents" and individually a "Sub-agent") or (b) is referred to STP by an Agent's Client (whether or not such insurance is sold by Agent or any Sub-Agent) irrespective of when the policy is sold (including after the Term). Currently, the persons listed on Exhibit "A" are Agent's Clients and the persons listed on Exhibit "B" are Sub-agents (though there may be Agent Clients or Sub-agents not listed thereon). STP shall maintain the list of Sub-agents and Agent's Clients and send Agent a copy once each calendar quarter. Agent is not responsible if the collateral given by an Agent Client is inadequate since STP makes all decisions on collateral. All contracts entered into with any Agent's Client shall contain Agent's or Sub-agent's name as agent.

4. Client Insurance Fees. With respect to non-arbitrage insurance products sold by STP to any Agent Client, Agent will receive a fee (the "Client Insurance Fees") equal to 70% of the total commissions including agent overrides, bonuses and rewards, irrespective of when the insurance product is sold (including after the Term). All such fees shall be paid directly to Agent by the carrier, not through STP.

5. No Selling to Agent's Clients During Term. During the Term, STP will not attempt or allow any of its other agents to sell to any Agent Client any product, except through Agent or the Sub-agent who first sold an insurance product to the Agent Client for STP.

6. Sub-agents. Unless otherwise agreed in writing by Agent, all amounts owed by STP to Agent's Sub-agents shall be paid to Agent who will pay the Sub-agent.

7. Information. On or before the 15th day of each month, STP will provide Agent with a complete list of (a) all arbitrage policies sold, including the name of the client (where or not an Agent's Client), premium, face amount, agent/agency, and if the arbitrage was referred by any pre-existing agent/agency or client, (b) all insurance products sold to any Agent Client, and (c) all amounts received (or deemed received) by STP on any arbitrage policy or other insurance policy on which STP owes

Ms. Pamela B. Simon
STP Enterprises, Inc.
October 1, 1996
Page 3

Agent any Arbitrage Fee, Client Arbitrage Fee or Client Insurance Fee (collectively the "Fees") during the prior month and a complete printout of the calculation of all amounts due Agent and each Sub-agent, together with all Fees due hereunder to Agent or any Sub-agent with respect to such arbitrage policies, other insurance products and receipts.

8. Audit. Agent will have the right to audit STP's records twice annually, at Agent's expense at STP's offices during normal business hours. If such audit determines that Agent has been underpaid by more than 2%, STP will reimburse Agent for the cost of the audit.

9. Disputes. All disputes shall be determined by Si Bernstein (who is hereby released from all obligations to either party with respect to such determination). If Si Bernstein is unable or unwilling to make such decisions, all disputes shall be resolved by arbitration [who, where?].

10. Should either party hereto institute any action or proceeding (including arbitration) to enforce any provision hereof or for damages, the prevailing party shall be entitled to receive from the losing party reasonable attorneys' fees for the services rendered the prevailing party in such action or proceeding.

Please acknowledge that this correctly sets forth our agreement by signing the enclosed copy of this letter. We will negotiate and put the remainder of the terms in writing, but the terms contained in this letter will be enforceable whether or not we ever do so.

Very truly yours,

Eliot Bernstein

Agreed:

STP Enterprises, Inc.

By: _____
Pamela B. Simon, President

1:RDR\20718

Event (Event Succeeded)

12/19/96
Type: Fax
ECM: Off
Resolution: Standard
Company:
Pages: 2
Remote CSID: 8187849824
Subject:
Sender: 8187849824

Duration: 1 min 14 sec
Status: Completed
Keywords:
Retries: 0
Fax Number:
Pages Sent: 2
Speed: 9600 bps
Time: 8:52 AM

SENT BY: LEWINTER & ROSMAN ; 12-19-96 ; 8:44AM ; 8187849824 ; SBL:# 2

12/19/96 THU 10:32 FAX 1 312 819 0773 S.T.P.

002

S. T. P. ENTERPRISES, INC.

THREE ILLINOIS CENTER
303 EAST WACKER DRIVE, SUITE 210
CHICAGO, IL 60601-5210
(312) 819-7474
(312) 819-0773 FAX
E-Mail: office@stpcorp.com

December 19, 1996

Richard Rosman
LeWinter & Rosman
16255 Ventura Blvd.
Suite 600
Encino, Ca 91436

Dear Richard:

In response to your fax of December 16, 1996: item (c): (although I think we mean the same thing), .5% is on the superfunded premium. The other agents receiving .25% is incorrect, the full commission is paid through items (a) through (c), this includes sub-agents and Eliot's commission together, there is no other additional compensation.

Very truly yours,



David B. Simon
General Counsel

Received Event (Event Succeeded)

Date:	11/12/96	Duration:	3 min 56 sec
Type:	Fax	Status:	Completed
ECM:	Off	Keywords:	
Resolution:	Standard	Retries:	0
Company:		Fax Number:	
Pages:	3	Pages Sent:	3
Remote CSID:	8187849824	Speed:	4800 bps
Subject:		Time:	9:44 AM
Sender:	8187849824		

SENT BY:LEWINTER & ROSMAN ;11-12-96 10:38AM ; 8187849824+ SSL:# 1

November 12, 1996

Ms. Pamela B. Simon, President
STP Enterprises, Inc.
600 West Jackson Boulevard
Suite 800
Chicago, IL 60661

Dear Pam:

In order to avoid future disagreements concerning our agreement, this letter will outline the principal terms of the agreement between STP Enterprises ("STP") and me ("Agent").

1. Term. Agent has been an insurance agent for STP selling insurance products for STP for twelve (12) years and will continue as an agent until:

1.1 Agent's written resignation;

1.2 Agent's failure to maintain an insurance license unless Agent re-obtains a license within sixty (60) days; or

1.3 Agent's breach of the contract and failure to cure such breach within thirty (30) days after written notice to Agent from STP specifying the breach (or such longer period as may be required to cure, provided Agent commences the cure within thirty (30) days and diligently pursues same to completion). This period during which Agent has been or will be an agent for STP is referred to as the "Term."

After the end of the Term, Agent will no longer sell insurance as STP's agent, but shall continue to receive all fees due to Agent hereunder for "Arbitrage Fees," "Client Arbitrage Fees" and "Client Insurance Fees" (as defined below).

2. Arbitrage Fees. Agent shall receive a fee (the "Arbitrage Fees") of .25% of all premiums (including 12th year renewals for Lincoln Benefit arbitrages) paid for all arbitrage insurance policies sold by STP during the Term (a "Fee Arbitrage Policy") (including 12th year renewals for Lincoln Benefit arbitrages), irrespective of when such premiums are paid. For this purpose, any policy sold at any time to any existing policyholder to replace a Fee Arbitrage Policy shall be considered a Fee Arbitrage Policy.

3. Client Arbitrage Fees. Agent shall also receive a fee (the "Client Arbitrage Fee") of 1.5% (1% if there is no collateral) of all premiums paid for all arbitrage insurance sold by STP to any of Agent's Clients; provided, however, that if it is my client and no other Sub-agent is involved, the Client Arbitrage Fee is 1.25%. There will be no Client Arbitrage Fee paid on Lincoln Benefit for any "super-funded dollars" (though

Received Event (Event Succeeded)

Date:	11/12/96	Duration:	3 min 56 sec
Type:	Fax	Status:	Completed
ECM:	Off	Keywords:	
Resolution:	Standard	Retries:	0
Company:		Fax Number:	
Pages:	3	Pages Sent:	3
Remote CSID:	8187849824	Speed:	4800 bps
Subject:		Time:	9:44 AM
Sender:	8187849824		

SENT BY:LEWINTER & ROSMAN ;11-12-96 ;10:39AM ; 8187849824+ SBL:# 2

Ms. Pamela B. Simon
STP Enterprises, Inc.
November 12, 1996
Page 2

the normal Client Arbitrage Fee applies to the regular premium), unless STP obtains fees on such amounts, in which event Agent will receive a percentage to be negotiated, or if the parties do not agree on a percentage, then .5% of the premiums. With respect to Federal Home Life, Agent's Client Arbitrage Fee shall be 1.5% on the regular premium and .5% on the "super-funded dollars." For purposes hereby "Agent's Clients" shall mean any person who (a) first purchases insurance from STP through Agent or any agent recruited by Agent to sell insurance for STP (collectively "Sub-agents" and individually a "Sub-agent") or (b) is referred to STP by an Agent's Client (whether or not such insurance is sold by Agent or any Sub-Agent) irrespective of when the policy is sold (including after the Term). Currently, the persons listed on Exhibit "A" are Agent's Clients and the persons listed on Exhibit "B" are Sub-agents (though there may be Agent Clients or Sub-agents not listed thereon). STP shall maintain the list of Sub-agents and Agent's Clients and send Agent a copy once each calendar quarter. Agent is not responsible if the collateral given by an Agent Client is inadequate since STP makes all decisions on collateral. All contracts entered into with any Agent's Client shall contain Agent's or Sub-agent's name as agent.

4. Client Insurance Fees. With respect to non-arbitrage insurance products sold by STP to any Agent Client, Agent will receive a fee (the "Client Insurance Fees") equal to 70% of the total commissions including agent overrides, bonuses and rewards, irrespective of when the insurance product is sold (including after the Term). All such fees shall be paid directly to Agent by the carrier, not through STP.

5. No Selling to Agent's Clients During Term. During the Term, STP will not attempt or allow any of its other agents to sell to any Agent Client any product, except through Agent or the Sub-agent who first sold an insurance product to the Agent Client for STP.

6. Sub-agents. Unless otherwise agreed in writing by Agent, all amounts owed by STP to Agent's Sub-agents shall be paid to Agent who will pay the Sub-agent.

7. Information. On or before the 15th day of each month, STP will provide Agent with a complete list of (a) all arbitrage policies sold, including the name of the client (where or not an Agent's Client), premium, face amount, agent/agency, and if the arbitrage was referred by any pre-existing agent/agency or client, (b) all insurance products sold to any Agent Client, and (c) all amounts received (or deemed received) by STP on any arbitrage policy or other insurance policy on which STP owes

Received Event (Event Succeeded)

Date: 11/12/96 Duration: 3 min 56 sec
Type: Fax Status: Completed
ECM: Off Keywords:
Resolution: Standard Retries: 0
Company: Fax Number:
Pages: 3 Pages Sent: 3
Remote CSID: 8187849824 Speed: 4800 bps
Subject: Time: 9:44 AM
Sender: 8187849824

SENT BY:LEWINTER & ROSMAN ;11-12-96 ;10:40AM ; 8187849824- SBL:# 3

Ms. Pamela B. Simon
STP Enterprises, Inc.
November 12, 1996
Page 3

Agent any Arbitrage Fee, Client Arbitrage Fee or Client Insurance Fee (collectively the "Fees") during the prior month and a complete printout of the calculation of all amounts due Agent and each Sub-agent, together with all Fees due hereunder to Agent or any Sub-agent with respect to such arbitrage policies, other insurance products and receipts.

8. Audit. Agent will have the right to audit STP's records twice annually, at Agent's expense at STP's offices during normal business hours. If such audit determines that Agent has been underpaid by more than 2%, STP will reimburse Agent for the cost of the audit.

9. Disputes. All disputes shall be determined by Si Bernstein (who is hereby released from all obligations to either party with respect to such determination). If Si Bernstein is unable or unwilling to make such decisions, all disputes shall be resolved by arbitration [who, where?].

10. Should either party hereto institute any action or proceeding (including arbitration) to enforce any provision hereof or for damages, the prevailing party shall be entitled to receive from the losing party reasonable attorneys' fees for the services rendered the prevailing party in such action or proceeding.

Please acknowledge that this correctly sets forth our agreement by signing the enclosed copy of this letter. We will negotiate and put the remainder of the terms in writing, but the terms contained in this letter will be enforceable whether or not we ever do so.

Very truly yours,

Eliot Bernstein

Agreed:
STP Enterprises, Inc.

By: Pamela B. Simon, President

1:RDR\20718

S. T. P. ENTERPRISES, INC.

THREE ILLINOIS CENTER
303 EAST WACKER DRIVE, SUITE 210
CHICAGO, IL 60601-5210
(312) 819-7474
(312) 819-0773 FAX
E-Mail: office@stpcorp.com

October 22, 1996

Eliot Bernstein
S.B. Lexington, S.W.
2512 Ocean Blvd. #3
Corona Del Mar, CA 92625

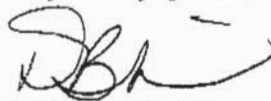
Dear Eliot:

I am in receipt of your proposed contract dated October 1, 1996 and unfortunately S.T.P. Enterprises, Inc (STP) can not agree to some of the terms contained therein.

As you are aware, STP currently has a contract with you. As you are also aware you have been singled out for special treatment in several areas such as providing you compensation above and beyond any other agent, advances, collateral concessions, etc. Until such time as STP and you agree on a new contract the existing contract shall continue to define the terms of our relationship. I will review your proposed changes and discuss them with your attorney, Richard Rosman. Modifications we can agree on will be incorporated into our existing contract as a rider or amendment.

STP appreciates your business and hopes to continue and grow the relationship in the future.

Very truly yours,



David B. Simon
General Counsel

cc: Richard Rosman
Simon Bernstein

S. T. P. ENTERPRISES, INC.

THREE ILLINOIS CENTER
303 EAST WACKER DRIVE, SUITE 210
CHICAGO, IL 60601-5210
(312) 819-7474
(312) 819-0773 FAX
E-Mail: office@stpcorp.com

October 22, 1996

Richard Rosman
LeWinter & Rosman
16255 Ventura Blvd.
Suite 600
Encino, Ca 91436

Dear Richard:

In response to your proposed agreement dated October 1, 1996 by and between Eliot Bernstein/S.B. Lexington, S.W. (Eliot/SW) and S.T.P. Enterprises, Inc. (STP) I have the following point by point responses:

1. Pursuant to the parties existing contracts, the terms of the contract are as attached. *on LBL true, FHL .6*
2. Arbitrage Fees. Eliot/SW receives a 25 basis point override on all initial Arbitrage single premiums (defined as guideline single premium plus \$10). There is no 25 basis point fee for superfunded premium (superfunded premium is that premium in excess of the guideline single premium plus \$10). Further there is no 25 basis point override on any 12th year renewals. The renewal in the 12th year is a commission, not a premium. Further there are no commissions or 25 basis point override on any reallocated premium (reallocated premium is a premium deposited in an Arbitrated policy after the initial funding date).

*For FAL
son excess ?*

2

3. Client Arbitrage Fees. The current compensation is 1.5% of initial Arbitrage single premium for all new agent collateralized funded Arbitrage policies. This percentage applies to new agents contracted after January 1, 1995. 1.25% of initial Arbitrage single premium for all other collateralized funded Arbitrage policies placed by Agent or any pre 1995 contracted sub-agent and 1% for all non-collateralized cases. Once again there are no commissions for superfunded premium or reallocated premium. There is, however, an opportunity to share the 12th year persistency bonus as outlined in the attached Lincoln Benefit Life supplement. As of the date of this letter, we do not have a Federal Home Life commission supplement prepared. However, should STP and Federal Home Life execute an agreement its anticipated by STP that the commission structure shall be no less than the amount currently paid under Lincoln Benefit Life.

3A,

5&6. STP will agree to pay Eliot/SW all sub-agent commissions and Eliot/SW can pay his sub-agents so long as Eliot/SW indemnifies and holds STP harmless from any and all claims of such sub-agents. Eliot/SW would have to assume liability for all money paid to Eliot/SW including amounts for sub-agents in case of chargeback, rescission or refund. Further, should any sub-agent complain of slow or improper payment, STP must maintain the right to arbitrate any such dispute, put forth any remedy STP deems proper in its sole and absolute discretion and if necessary pay that sub-agent directly on any future business. *STP will agree not to sell to any Agent Client. *Any Sub-Agent Client STP agrees to the same restriction unless that sub-agent is indebted to STP and STP has terminated the Sub-Agent's contract, STP has no problem agreeing to a list of Agent Clients for exhibit A or a list of clients for exhibit B. *STP will not commit to updating this list quarterly, but will maintain it in its regular course of business and will update it as STP deems necessary. Lastly, I am not sure what is meant by "agent is not responsible for collateral decisions"; the only response I have is that if the case is not collateralized as contractually agreed, the compensation will be that of a non-collateralized issued case. Please keep in mind collateral is a piece of property, in our case a readily ascertainable liquid instrument that is to secure the obligation to pay the early termination fee contained in section 9(a) of the Policyholder Agreement. It is not a note reaffirming that obligation.

*Get audit
for each
anching*

*are not
problems
collat
has been
accepted*

4. * We agree to the percentage, we do not agree to include rewards or trips if any, just cash compensation. Further as far as policies sold after the term of the contract, we would agree to continue such payments only after the term of the contract provided Eliot/SW continues to service the existing client in the interest of maintaining the persistency of business with STP.

Part of signing!

** Where is sheet this attached?*

7. Information. STP provides post-funding accounting for Eliot/SW in the form attached hereto. Eliot/SW is an independent contractor and not entitled the information you requested, as it pertains to clients that are not his or those of his sub-agents. Much of the information requested in number 7 is currently provided to Eliot/SW for his clients and those of his sub-agents and we will continue to do so in the manner that we are currently operating. As to non-arbitrage products sold to any agent client, STP will agree to provide timely accounting (within 30 days) of all commissions received by STP for any products sold to any Agent Client.

NO

Estimate Payment


8. STP will not agree to an outside audit.

9. STP does not agree to appoint Simon Bernstein as arbitrator. STP through its shareholders and board of directors have elected Pamela B. Simon as president and should anyone need to act as arbitrator regarding the ongoing business of STP it would be Pamela B. Simon.

NO

Further, as a general note, I have included a copy of our Arbitrage Agent Appointment Agreement as those terms are currently controlling our relationship. Any new agreement would have to incorporate these terms. It was not our intention to enter into a new agreement with Eliot/SW however, if the relationship can be advanced by doing so, STP would agree to modify its current contract to incorporate any point not already covered that we reach an agreement on. Eliot/SW is obviously a very important relationship for STP as well as a family member and one needn't do more than revisit our past agreements to realize the many accommodations that STP has made in the name of bettering this relationship.

We hope to continue to advance both our opportunities and hope to work with Eliot/SW for many years to come.

Very truly yours,

 David B. Simon
 General Counsel

ARBITRAGE AGENT APPOINTMENT AGREEMENT

STP Enterprises, Inc., an Illinois corporation, (hereinafter "STP") hereby appoints _____ (hereinafter "AGENT") as an agent for Arbitrage Life. As an Arbitrage agent of STP, you are an independent contractor and nothing hereinafter shall be interpreted to create an employer/employee relationship. You are subject to the following terms and conditions:

RESPONSIBILITIES

Your responsibilities to STP are:

1. To solicit clients for the Arbitrage Life Insurance product.
2. To have all documents properly executed and completed by any proposed insured.
3. To assist STP in obtaining requirements necessary to issue policies.
4. To maintain in force all Arbitrage policies.
5. To comply with all applicable state and federal laws.
6. To comply with STP's rules, regulations and procedures and to act in the best interest of STP.

COMMISSIONS WHILE UNDER CONTRACT

1. Commissions, as shown on the accompanying commission schedule, are earned by you as commissionable premiums on policies written by you, and are earned by STP.
2. The commission schedule may be modified by STP upon written notice. Such modifications become a permanent part of this contract.
3. Commission credited to you for premiums collected will be reversed and debited to your account if such commissions are subsequently refunded by STP.
4. AGENT agrees to repay 100% of commissions paid to AGENT for any policy that lapses during the first eighteen (18) months after its effective date. For purposes of this paragraph, "lapse" means whenever the carrier is no longer on the risk for the policy, except when a death claim is paid on the policy. Repayment of commissions will be made to STP immediately. AGENT personally guarantees any payment arising out of this paragraph 4.

TERMS OF THE CONTRACT

The term of this contract shall be for an indefinite period. It may be terminated immediately by the occurrence of any of the following events:

1. Your written resignation.
2. The failure to renew or the suspension or revocation of your insurance license.
3. The failure to comply with all the terms and conditions contained in this contract.
4. Your violation of the laws, rules or regulations of any state or federal agency.

At the time of your termination, you shall return to STP's home office all lists of policyholders, all supplies, policy cards, rate books, STP property and any other materials used in connection with your association with STP.

Notwithstanding the foregoing, either party hereto may terminate this contract with or without cause by giving the other party 90 days written notice thereof, such notice being effective upon deposit by certified mail in the United States Postal System. Any pending business submitted to STP before notice of termination will be processed by STP, but STP reserves the right to reject any applications submitted after the notice of termination is given.

STP CONFIDENTIAL INFORMATION AND MATERIAL

AGENT recognizes and acknowledges that STP has developed unique material, legal documentation and other printed matter for the solicitation of sale of the Arbitrage Life concept which are valuable, special and unique assets of STP. AGENT agrees not to directly or indirectly during or after the term of this Agreement and for a period of three years thereafter to convey, disclose or use in any manner other than in accordance with this contract such sales material, legal documents and other printed matter. AGENT further agrees not to disseminate without STP's prior written authorization any such material to any other agent or agencies. In the event of a breach or threatened breach by the AGENT of the provision of this paragraph, STP shall be entitled to an injunction restraining the AGENT from using such material, legal documentation and other printed matter, either in whole or in part and Agent agrees to pay \$100,000.00, not as liquidated damages but as a portion of the cost of STP's research and development costs.

The AGENT agrees that a breach of the preceding paragraph of this Agreement will result in irreparable harm to you for which there may be no adequate remedy at law and that you may apply for and obtain an injunction prohibiting further or continued breach of this Agreement and, also, you may recover any damages, legal expenses, attorney fees and costs to which you may be entitled.

LIMITATIONS AND RESTRICTIONS

Although this contract is intended to promote your general welfare as an independent contractor, STP places the following limitations and restrictions upon your action:

1. You have no authority to bind STP or its subsidiaries by any promise or agreement. You may not accept a promissory note, incur a debt or other obligation on behalf of STP.
2. You have no authority to waive any of STP's rights or requirements or any provisions of policies issued by any STP insurance carrier.
3. You are responsible for the payment of all expenses in connection with the solicitation of the products and in the operation of your agency, unless otherwise agreed.
4. Unless provided through STP you are not to use names, logos, trademarks, or other advertising of STP until authorized in writing by an officer of STP.
5. No assignment of commissions or other payments due, or to become due through this contract, shall be binding on STP.
6. Any loss or damage incurred by you while representing STP shall be your responsibility.

GENERAL CONDITIONS

The failure of STP to enforce any part of this Agreement shall not constitute a waiver by STP to its right to do so, nor shall it be deemed to be an act of ratification or consent.

This Agreement shall take effect when executed by STP at its home office and shall supersede any prior contract agreement or understanding between you and STP.

This contract shall be construed pursuant to the laws of the State of Illinois.

Dated this ____ day of _____, 19__.

STP ENTERPRISES, INC.

By: _____
Pamela B. Simon, President

Witness

AGENT

By: _____

Date

Witness

COMMISSION SCHEDULE

<u>PRODUCT</u>	<u>1ST YEAR</u>	<u>RENEWAL</u>	<u>SERVICE FEE</u>
Arbitrage Life	.5%-1.0% of first year single premium	0	0

October 1, 1996

Ms. Pamela B. Simon, President
STP Enterprises, Inc.
600 West Jackson Boulevard
Suite 800
Chicago, IL 60661

Dear Pam:

In order to avoid future disagreements concerning our agreement, this letter will outline the principal terms of the agreement between STP Enterprises ("STP") and me ("Agent").

1. Term. Agent has been an insurance agent for STP selling insurance products for STP for twelve (12) years and will continue as an agent until:

1.1 Agent's written resignation;

1.2 Agent's failure to maintain an insurance license unless Agent re-obtains a license within sixty (60) days; or

1.3 Agent's breach of the contract and failure to cure such breach within thirty (30) days after written notice to Agent from STP specifying the breach (or such longer period as may be required to cure, provided Agent commences the cure within thirty (30) days and diligently pursues same to completion). This period during which Agent has been or will be an agent for STP is referred to as the "Term."

After the end of the Term, Agent will no longer sell insurance as STP's agent, but shall continue to receive all fees due to Agent hereunder for "Arbitrage Fees," "Client Arbitrage Fees" and "Client Insurance Fees" (as defined below).

2. Arbitrage Fees. Agent shall receive a fee (the "Arbitrage Fees") of .25% of all premiums (including 12th year renewals for Lincoln Benefit arbitrages) paid for all arbitrage insurance policies sold by STP during the Term (a "Fee Arbitrage Policy") (including 12th year renewals for Lincoln Benefit arbitrages), irrespective of when such premiums are paid. For this purpose, any policy sold at any time to any existing policyholder to replace a Fee Arbitrage Policy shall be considered a Fee Arbitrage Policy.

3. Client Arbitrage Fees. Agent shall also receive a fee (the "Client Arbitrage Fee") of 1.5% (1% if there is no collateral) of all premiums paid for all arbitrage insurance sold by STP to any of Agent's Clients; provided, however, that if it is my client and no other Sub-agent is involved, the Client Arbitrage Fee is 1.25%. There will be no Client Arbitrage Fee paid on Lincoln Benefit for any "super-funded dollars" (though

Ms. Pamela B. Simon
STP Enterprises, Inc.
October 1, 1996
Page 2

the normal Client Arbitrage Fee applies to the regular premium), unless STP obtains fees on such amounts, in which event Agent will receive a percentage to be negotiated, or if the parties do not agree on a percentage, then .5% of the premiums. With respect to Federal Home Life, Agent's Client Arbitrage Fee shall be 1.5% on the regular premium and .5% on the "super-funded dollars." For purposes hereby "Agent's Clients" shall mean any person who (a) first purchases insurance from STP through Agent or any agent recruited by Agent to sell insurance for STP (collectively "Sub-agents" and individually a "Sub-agent") or (b) is referred to STP by an Agent's Client (whether or not such insurance is sold by Agent or any Sub-Agent) irrespective of when the policy is sold (including after the Term). Currently, the persons listed on Exhibit "A" are Agent's Clients and the persons listed on Exhibit "B" are Sub-agents (though there may be Agent Clients or Sub-agents not listed thereon). STP shall maintain the list of Sub-agents and Agent's Clients and send Agent a copy once each calendar quarter. Agent is not responsible if the collateral given by an Agent Client is inadequate since STP makes all decisions on collateral. All contracts entered into with any Agent's Client shall contain Agent's or Sub-agent's name as agent.

4. Client Insurance Fees. With respect to non-arbitrage insurance products sold by STP to any Agent Client, Agent will receive a fee (the "Client Insurance Fees") equal to 70% of the total commissions including agent overrides, bonuses and rewards, irrespective of when the insurance product is sold (including after the Term). All such fees shall be paid directly to Agent by the carrier, not through STP.

5. No Selling to Agent's Clients During Term. During the Term, STP will not attempt or allow any of its other agents to sell to any Agent Client any product, except through Agent or the Sub-agent who first sold an insurance product to the Agent Client for STP.

6. Sub-agents. Unless otherwise agreed in writing by Agent, all amounts owed by STP to Agent's Sub-agents shall be paid to Agent who will pay the Sub-agent.

7. Information. On or before the 15th day of each month, STP will provide Agent with a complete list of (a) all arbitrage policies sold, including the name of the client (where or not an Agent's Client), premium, face amount, agent/agency, and if the arbitrage was referred by any pre-existing agent/agency or client, (b) all insurance products sold to any Agent Client, and (c) all amounts received (or deemed received) by STP on any arbitrage policy or other insurance policy on which STP owes

Ms. Pamela B. Simon
STP Enterprises, Inc.
October 1, 1996
Page 3

Agent any Arbitrage Fee, Client Arbitrage Fee or Client Insurance Fee (collectively the "Fees") during the prior month and a complete printout of the calculation of all amounts due Agent and each Sub-agent, together with all Fees due hereunder to Agent or any Sub-agent with respect to such arbitrage policies, other insurance products and receipts.

8. Audit. Agent will have the right to audit STP's records twice annually, at Agent's expense at STP's offices during normal business hours. If such audit determines that Agent has been underpaid by more than 2%, STP will reimburse Agent for the cost of the audit.

9. Disputes. All disputes shall be determined by Si Bernstein (who is hereby released from all obligations to either party with respect to such determination). If Si Bernstein is unable or unwilling to make such decisions, all disputes shall be resolved by arbitration [who, where?].

10. Should either party hereto institute any action or proceeding (including arbitration) to enforce any provision hereof or for damages, the prevailing party shall be entitled to receive from the losing party reasonable attorneys' fees for the services rendered the prevailing party in such action or proceeding.

Please acknowledge that this correctly sets forth our agreement by signing the enclosed copy of this letter. We will negotiate and put the remainder of the terms in writing, but the terms contained in this letter will be enforceable whether or not we ever do so.

Very truly yours,

Eliot Bernstein

Agreed:

STP Enterprises, Inc.

By: _____
Pamela B. Simon, President

1:RDR\20718

S. T. P. ENTERPRISES, INC.

THREE ILLINOIS CENTER
303 EAST WACKER DRIVE, SUITE 210
CHICAGO, IL 60601-5210
(312) 819-7474
(312) 819-0773 FAX
E-Mail: office@stpcorp.com

October 22, 1996

Richard Rosman
LeWinter & Rosman
16255 Ventura Blvd.
Suite 600
Encino, Ca 91436

Dear Richard:

In response to your proposed agreement dated October 1, 1996 by and between Eliot Bernstein/S.B. Lexington, S.W. (Eliot/SW) and S.T.P. Enterprises, Inc. (STP) I have the following point by point responses:

1. Pursuant to the parties existing contracts, the terms of the contract are as attached. *on LBL true, FHL .6*
2. Arbitrage Fees. Eliot/SW receives a 25 basis point override on all initial Arbitrage single premiums (defined as guideline single premium plus \$10). There is no 25 basis point fee for superfunded premium (superfunded premium is that premium in excess of the guideline single premium plus \$10). Further there is no 25 basis point override on any 12th year renewals. The renewal in the 12th year is a commission, not a premium. Further there are no commissions or 25 basis point override on any reallocated premium (reallocated premium is a premium deposited in an Arbitrated policy after the initial funding date).

*For FAL
son excess ?*

3. Client Arbitrage Fees. The current compensation is 1.5% of initial Arbitrage single premium for all new agent collateralized funded Arbitrage policies. This percentage applies to new agents contracted after January 1, 1995. 1.25% of initial Arbitrage single premium for all other collateralized funded Arbitrage policies placed by Agent or any pre 1995 contracted sub-agent and 1% for all non-collateralized cases. Once again there are no commissions for superfunded premium or reallocated premium. There is, however, an opportunity to share the 12th year persistency bonus as outlined in the attached Lincoln Benefit Life supplement. As of the date of this letter, we do not have a Federal Home Life commission supplement prepared. However, should STP and Federal Home Life execute an agreement its anticipated by STP that the commission structure shall be no less than the amount currently paid under Lincoln Benefit Life.

3A, 5&6. STP will agree to pay Eliot/SW all sub-agent commissions and Eliot/SW can pay his sub-agents so long as Eliot/SW indemnifies and holds STP harmless from any and all claims of such sub-agents. Eliot/SW would have to assume liability for all money paid to Eliot/SW including amounts for sub-agents in case of chargeback, rescission or refund. Further, should any sub-agent complain of slow or improper payment, STP must maintain the right to arbitrate any such dispute, put forth any remedy STP deems proper in its sole and absolute discretion and if necessary pay that sub-agent directly on any future business. *STP will agree not to sell to any Agent Client. *Any Sub-Agent Client STP agrees to the same restriction unless that sub-agent is indebted to STP and STP has terminated the Sub-Agent's contract, STP has no problem agreeing to a list of Agent Clients for exhibit A or a list of clients for exhibit B. *STP will not commit to updating this list quarterly, but will maintain it in its regular course of business and will update it as STP deems necessary. Lastly, I am not sure what is meant by "agent is not responsible for collateral decisions"; the only response I have is that if the case is not collateralized as contractually agreed, the compensation will be that of a non-collateralized issued case. Please keep in mind collateral is a piece of property, in our case a readily ascertainable liquid instrument that is to secure the obligation to pay the early termination fee contained in section 9(a) of the Policyholder Agreement. It is not a note reaffirming that obligation.

Get audit for each funding

are not are problem with collat has been accepted

4. * We agree to the percentage, we do not agree to include rewards or trips if any, just cash compensation. Further as far as policies sold after the term of the contract, we would agree to continue such payments only after the term of the contract provided Eliot/SW continues to service the existing client in the interest of maintaining the persistency of business with STP.

Part of signing!

** Where is sheet this attached?*

7. Information. STP provides post-funding accounting for Eliot/SW in the form attached hereto. Eliot/SW is an independent contractor and not entitled the information you requested, as it pertains to clients that are not his or those of his sub-agents. Much of the information requested in number 7 is currently provided to Eliot/SW for his clients and those of his sub-agents and we will continue to do so in the manner that we are currently operating. As to non-arbitrage products sold to any agent client, STP will agree to provide timely accounting (within 30 days) of all commissions received by STP for any products sold to any Agent Client.

NO

Estimate Payment


8. STP will not agree to an outside audit.

9. STP does not agree to appoint Simon Bernstein as arbitrator. STP through its shareholders and board of directors have elected Pamela B. Simon as president and should anyone need to act as arbitrator regarding the ongoing business of STP it would be Pamela B. Simon.

NO

Further, as a general note, I have included a copy of our Arbitrage Agent Appointment Agreement as those terms are currently controlling our relationship. Any new agreement would have to incorporate these terms. It was not our intention to enter into a new agreement with Eliot/SW however, if the relationship can be advanced by doing so, STP would agree to modify its current contract to incorporate any point not already covered that we reach an agreement on. Eliot/SW is obviously a very important relationship for STP as well as a family member and one needn't do more than revisit our past agreements to realize the many accommodations that STP has made in the name of bettering this relationship.

We hope to continue to advance both our opportunities and hope to work with Eliot/SW for many years to come.

Very truly yours,

 David B. Simon
 General Counsel

Received Event (Event Succeeded)

Date:	11/12/96	Duration:	3 min 56 sec
Type:	Fax	Status:	Completed
ECM:	Off	Keywords:	
Resolution:	Standard	Retries:	0
Company:		Fax Number:	
Pages:	3	Pages Sent:	3
Remote CSID:	8187849824	Speed:	4800 bps
Subject:		Time:	9:44 AM
Sender:	8187849824		

SENT BY:LEWINTER & ROSMAN :11-12-96 :10:38AM : 8187849824+ SSL:# 1

November 12, 1996

Ms. Pamela B. Simon, President
STP Enterprises, Inc.
600 West Jackson Boulevard
Suite 800
Chicago, IL 60661

Dear Pam:

In order to avoid future disagreements concerning our agreement, this letter will outline the principal terms of the agreement between STP Enterprises ("STP") and me ("Agent").

1. Term. Agent has been an insurance agent for STP selling insurance products for STP for twelve (12) years and will continue as an agent until:

1.1 Agent's written resignation;

1.2 Agent's failure to maintain an insurance license unless Agent re-obtains a license within sixty (60) days; or

1.3 Agent's breach of the contract and failure to cure such breach within thirty (30) days after written notice to Agent from STP specifying the breach (or such longer period as may be required to cure, provided Agent commences the cure within thirty (30) days and diligently pursues same to completion). This period during which Agent has been or will be an agent for STP is referred to as the "Term."

After the end of the Term, Agent will no longer sell insurance as STP's agent, but shall continue to receive all fees due to Agent hereunder for "Arbitrage Fees," "Client Arbitrage Fees" and "Client Insurance Fees" (as defined below).

2. Arbitrage Fees. Agent shall receive a fee (the "Arbitrage Fees") of .25% of all premiums (including 12th year renewals for Lincoln Benefit arbitrages) paid for all arbitrage insurance policies sold by STP during the Term (a "Fee Arbitrage Policy") (including 12th year renewals for Lincoln Benefit arbitrages), irrespective of when such premiums are paid. For this purpose, any policy sold at any time to any existing policyholder to replace a Fee Arbitrage Policy shall be considered a Fee Arbitrage Policy.

3. Client Arbitrage Fees. Agent shall also receive a fee (the "Client Arbitrage Fee") of 1.5% (1% if there is no collateral) of all premiums paid for all arbitrage insurance sold by STP to any of Agent's Clients; provided, however, that if it is my client and no other Sub-agent is involved, the Client Arbitrage Fee is 1.25%. There will be no Client Arbitrage Fee paid on Lincoln Benefit for any "super-funded dollars" (though

Received Event (Event Succeeded)

Date:	11/12/96	Duration:	3 min 56 sec
Type:	Fax	Status:	Completed
ECM:	Off	Keywords:	
Resolution:	Standard	Retries:	0
Company:		Fax Number:	
Pages:	3	Pages Sent:	3
Remote CSID:	8187849824	Speed:	4800 bps
Subject:		Time:	9:44 AM
Sender:	8187849824		

SENT BY:LEWINTER & ROSMAN ;11-12-96 ;10:39AM ; 8187849824+ SBL:# 2

Ms. Pamela B. Simon
STP Enterprises, Inc.
November 12, 1996
Page 2

the normal Client Arbitrage Fee applies to the regular premium), unless STP obtains fees on such amounts, in which event Agent will receive a percentage to be negotiated, or if the parties do not agree on a percentage, then .5% of the premiums. With respect to Federal Home Life, Agent's Client Arbitrage Fee shall be 1.5% on the regular premium and .5% on the "super-funded dollars." For purposes hereby "Agent's Clients" shall mean any person who (a) first purchases insurance from STP through Agent or any agent recruited by Agent to sell insurance for STP (collectively "Sub-agents" and individually a "Sub-agent") or (b) is referred to STP by an Agent's Client (whether or not such insurance is sold by Agent or any Sub-Agent) irrespective of when the policy is sold (including after the Term). Currently, the persons listed on Exhibit "A" are Agent's Clients and the persons listed on Exhibit "B" are Sub-agents (though there may be Agent Clients or Sub-agents not listed thereon). STP shall maintain the list of Sub-agents and Agent's Clients and send Agent a copy once each calendar quarter. Agent is not responsible if the collateral given by an Agent Client is inadequate since STP makes all decisions on collateral. All contracts entered into with any Agent's Client shall contain Agent's or Sub-agent's name as agent.

4. Client Insurance Fees. With respect to non-arbitrage insurance products sold by STP to any Agent Client, Agent will receive a fee (the "Client Insurance Fees") equal to 70% of the total commissions including agent overrides, bonuses and rewards, irrespective of when the insurance product is sold (including after the Term). All such fees shall be paid directly to Agent by the carrier, not through STP.

5. No Selling to Agent's Clients During Term. During the Term, STP will not attempt or allow any of its other agents to sell to any Agent Client any product, except through Agent or the Sub-agent who first sold an insurance product to the Agent Client for STP.

6. Sub-agents. Unless otherwise agreed in writing by Agent, all amounts owed by STP to Agent's Sub-agents shall be paid to Agent who will pay the Sub-agent.

7. Information. On or before the 15th day of each month, STP will provide Agent with a complete list of (a) all arbitrage policies sold, including the name of the client (where or not an Agent's Client), premium, face amount, agent/agency, and if the arbitrage was referred by any pre-existing agent/agency or client, (b) all insurance products sold to any Agent Client, and (c) all amounts received (or deemed received) by STP on any arbitrage policy or other insurance policy on which STP owes

Received Event (Event Succeeded)

Date:	11/12/96	Duration:	3 min 56 sec
Type:	Fax	Status:	Completed
ECM:	Off	Keywords:	
Resolution:	Standard	Retries:	0
Company:		Fax Number:	
Pages:	3	Pages Sent:	3
Remote CSID:	8187849824	Speed:	4800 bps
Subject:		Time:	9:44 AM
Sender:	8187849824		

SENT BY:LEWINTER & ROSMAN ;11-12-96 ;10:40AM ; 8187849824- SBL:# 3

Ms. Pamela B. Simon
STP Enterprises, Inc.
November 12, 1996
Page 3

Agent any Arbitrage Fee, Client Arbitrage Fee or Client Insurance Fee (collectively the "Fees") during the prior month and a complete printout of the calculation of all amounts due Agent and each Sub-agent, together with all Fees due hereunder to Agent or any Sub-agent with respect to such arbitrage policies, other insurance products and receipts.

8. Audit. Agent will have the right to audit STP's records twice annually, at Agent's expense at STP's offices during normal business hours. If such audit determines that Agent has been underpaid by more than 2%, STP will reimburse Agent for the cost of the audit.

9. Disputes. All disputes shall be determined by Si Bernstein (who is hereby released from all obligations to either party with respect to such determination). If Si Bernstein is unable or unwilling to make such decisions, all disputes shall be resolved by arbitration [who, where?].

10. Should either party hereto institute any action or proceeding (including arbitration) to enforce any provision hereof or for damages, the prevailing party shall be entitled to receive from the losing party reasonable attorneys' fees for the services rendered the prevailing party in such action or proceeding.

Please acknowledge that this correctly sets forth our agreement by signing the enclosed copy of this letter. We will negotiate and put the remainder of the terms in writing, but the terms contained in this letter will be enforceable whether or not we ever do so.

Very truly yours,

Eliot Bernstein

Agreed:
STP Enterprises, Inc.

By: Pamela B. Simon, President

1:RDR\20718

Received Event (Event Succeeded)

Date:	12/16/96	Duration:	1 min 31 sec
Type:	Fax	Status:	Completed
ECM:	Off	Keywords:	
Resolution:	Standard	Retries:	0
Company:		Fax Number:	
Pages:	3	Pages Sent:	3
Remote CSID:	8187849824	Speed:	9600 bps
Subject:		Time:	10:46 AM
Sender:	8187849824		

SENT BY: LEWINTER & ROSMAN : 12-16-96 : 11:39AM : 8187849824- SBL: # 1

LeWINTER & ROSMAN

Telephone:	A Professional Corporation 16255 Ventura Boulevard, Suite 600 Encino, California 91436-2302	Telecopier:
(818) 784-7848		(818) 784-5096
(310) 551-2606		(818) 784-9824

FACSIMILE TRANSMITTAL SHEET

FOR IMMEDIATE DELIVERY

Telecopier No.: (714) 673-0453

To: ELIOT BERNSTEIN
From: RICHARD D. ROSMAN, ESQ.
Subject: CONFIDENTIAL
Date: December 16, 1996

File No.:

Number of Pages Being Sent (including this cover page): 3

NOTE: If you do not receive all the pages indicated above, or if you have any problems concerning this telecopy, please call the undersigned Operator immediately at the above telephone number. Thank you.

Comments/Remarks:

Time Sent: 10:45 a.m.

Operator: Carla Gardner

Confirmation copy of this fax will be sent.

Received Event (Event Succeeded)

Date:	12/16/96	Duration:	1 min 31 sec
Type:	Fax	Status:	Completed
ECM:	Off	Keywords:	
Resolution:	Standard	Retries:	0
Company:		Fax Number:	
Pages:	3	Pages Sent:	3
Remote CSID:	8187849824	Speed:	9600 bps
Subject:		Time:	10:46 AM
Sender:	8187849824		

SENT BY: LEWINTER & ROSMAN 12-16-96 11:39AM 8187849824 SGL# 2

RICHARD D. ROSMAN
ANTHONY A. LEWINTER

LAW OFFICES OF
LEWINTER & ROSMAN
A PROFESSIONAL CORPORATION
1688 VENTURA BOULEVARD
SUITE 800
ENCINO, CALIFORNIA 91436-2302
(818) 784-7848 (310) 851-2808

TELECOPIER NUMBERS:
(818) 784-8088
(818) 784-8284
OUR FILE NUMBER

December 16, 1996

Via Fax

Mr. David Simon
STP Enterprises, Inc.
303 East Wacker Drive, #210
Chicago, IL 60601

Dear David:

Enclosed is a commission sheet for FHL. Please confirm that these are the correct calculations. The calculations are based on the following formula:

- (a) 1.5% on single premium;
- (b) .25% override on single premium; and
- (c) .5% on the excess premium.

The other agents also receive .25% on the single premium.

Please also send me a statement of the remaining single premium funded and the commission owed on those amounts.

Yours very truly,



Richard D. Rosman

RDR:cg/1:4120
Enclosure
cc: Eliot Bernstein

12/16/96 10:44

Received Event (Event Succeeded)

Date: 12/15/96 Duration: 0 min 56 sec
 Type: Fax Status: Completed
 ECM: Off Keywords:
 Resolution: Standard Retries: 0
 Company: Fax Number:
 Pages: 1 Pages Sent: 1
 Remote CSID: 4074511667 Speed: 9600 bps
 Subject: Time: 12:31 PM
 Sender: 4074511667

01/14/1991 02:15 4074511667
 From Eric I. Bernstein To: SLB

SLB
 Date: 12/13/96 Time: 8:28:12 AM

PAGE 01
 Page 2 of 2

Handwritten: 2000

FBI 12/10/96 COMMISSION REPORT

13-Dec-96

LAST NAME	FIRST NAME	PREMIUM	EXCESS PREMIUM	COMMISSION	COMMISSION	FEE	AGENT	SH
Alexio	James	\$479,086.00	\$520,944.00	\$7,188.00	\$2,604.00	\$1,197.00	\$0.00	\$10,986.00
Rice	Paul	\$108,276.00	\$216,551.00	\$1,624.00	\$1,082.00	\$270.00	\$1,082.76	\$1,893.24
Harcum	George	\$270,608.00	\$569,318.00	\$4,029.12	\$2,846.59	\$676.52	\$676.52	\$6,905.71
Stuart	John	\$366,798.00	\$712,887.00	\$5,201.00	\$3,564.00	\$916.00	\$0.00	\$9,981.00
Thomas	London	\$36,498.00	\$76,481.00	\$547.00	\$382.00	\$91.00	\$364.98	\$655.02
TOTALS		\$1,261,286.00	\$2,582,096.00	\$18,916.12	\$10,478.59	\$3,150.52	\$2,124.26	\$30,420.97

Handwritten: I don't know who's on who
 I'll look up Paul
 Call Stuart 1111
 DAD

Received Event (Event Succeeded)

Date: 12/16/96
 Type: Fax
 ECM: Off
 Resolution: Standard
 Company: Standard
 Pages: 3
 Remote CSID: 8187849824
 Subject: 8187849824
 Sender: 8187849824

Duration: 1 min 31 sec
 Status: Completed
 Keywords:
 Retries: 0
 Fax Number: 0
 Pages Sent: 3
 Speed: 9600 bps
 Time: 10:46 AM

SENT BY: LEWINTER & HOSMAN : 12-16-96 : 11:08AM : 8187849824- SBL:# 3

FHL 12/10/96 FUNDING COMMISSION REPORT

12-Dec-96

LAST NAME	FIRST NAME	POSITION	EXCESS PREMIUM	COMMISSION	COMMISSION ON EXCESS	OT/PAYBL	AGENT 1	SBL
Alleton	James		\$479,056.00	\$7,185.00	\$2,604.00	\$1,197.00	\$0.00	\$10,986.00
Blitz	Paul		\$108,276.00	\$1,624.00	\$1,082.00	\$270.00	\$1,082.76	\$1,893.24
Hayman	George		\$270,608.00	\$4,059.12	\$2,846.59	\$676.52	\$676.52	\$6,905.71
Stuart	John		\$366,798.00	\$5,501.00	\$3,564.00	\$916.00	\$0.00	\$9,981.00
Thomas	Lyndon		\$56,498.00	\$847.00	\$382.00	\$91.00	\$364.98	\$655.02
TOTALS			\$1,261,236.00	\$18,916.12	\$10,478.59	\$3,190.52	\$2,124.26	\$30,428.97

Event (Event Succeeded)

12/19/96
Type: Fax
ECM: Off
Resolution: Standard
Company:
Pages: 2
Remote CSID: 8187849824
Subject:
Sender: 8187849824

Duration: 1 min 14 sec
Status: Completed
Keywords:
Retries: 0
Fax Number:
Pages Sent: 2
Speed: 9600 bps
Time: 8:52 AM

SENT BY: LEWINTER & ROSMAN ; 12-19-96 ; 8:44AM ; 8187849824 ; SBL:# 2

12/19/96 THU 10:32 FAX 1 312 819 0773 S.T.P.

002

S. T. P. ENTERPRISES, INC.

THREE ILLINOIS CENTER
303 EAST WACKER DRIVE, SUITE 210
CHICAGO, IL 60601-5210
(312) 819-7474
(312) 819-0773 FAX
E-Mail: office@stpcorp.com

December 19, 1996

Richard Rosman
LeWinter & Rosman
16255 Ventura Blvd.
Suite 600
Encino, Ca 91436

Dear Richard:

In response to your fax of December 16, 1996: item (c): (although I think we mean the same thing), .5% is on the superfunded premium. The other agents receiving .25% is incorrect, the full commission is paid through items (a) through (c), this includes sub-agents and Eliot's commission together, there is no other additional compensation.

Very truly yours,



David B. Simon
General Counsel

EXHIBIT "C"
AGENT FEES

After the end of the Term, Agent will no longer sell insurance as STP's agent, but shall continue to receive all fees due to Agent hereunder for "Arbitrage Fees," "Client Arbitrage Fees" and "Client Insurance Fees" (as defined below).

2. Arbitrage Fees. Agent shall receive a fee (the "Arbitrage Fees") of .25% of all premiums (including 12th year renewals for Lincoln Benefit arbitrages) paid for all arbitrage insurance policies sold by STP during the Term (a "Fee Arbitrage Policy") (including 12th year renewals for Lincoln Benefit arbitrages), irrespective of when such premiums are paid. For this purpose, any policy sold at any time to any existing policyholder to replace a Fee Arbitrage Policy shall be considered a Fee Arbitrage Policy.

3. Client Arbitrage Fees. Agent shall also receive a fee (the "Client Arbitrage Fee") of 1.5% (1% if there is no collateral) of all premiums paid for all arbitrage insurance sold by STP to any of Agent's Clients; provided, however, that if it is my client and no other Sub-agent is involved, the Client Arbitrage Fee is 1.25%. There will be no Client Arbitrage Fee paid on Lincoln Benefit for any "super-funded dollars" (though

Ms. Pamela B. Simon
STP Enterprises, Inc.
November 12, 1996
Page 2

the normal Client Arbitrage Fee applies to the regular premium), unless STP obtains fees on such amounts, in which event Agent will receive a percentage to be negotiated, or if the parties do not agree on a percentage, then .5% of the premiums. With respect to Federal Home Life, Agent's Client Arbitrage Fee shall be 1.5% on the regular premium and .5% on the "super-funded dollars." For purposes hereby "Agent's Clients" shall mean any person who (a) first purchases insurance from STP through Agent or any agent recruited by Agent to sell insurance for STP (collectively "Sub-agents" and individually a "Sub-agent") or (b) is referred to STP by an Agent's Client (whether or not such insurance is sold by Agent or any Sub-Agent) irrespective of when the policy is sold (including after the Term). Currently, the persons listed on Exhibit "A" are Agent's Clients and the persons listed on Exhibit "B" are Sub-agents (though there may be Agent Clients or Sub-agents not listed thereon). STP shall maintain the list of Sub-agents and Agent's Clients and send Agent a copy once each calendar quarter. Agent is not responsible if the collateral given by an Agent Client is inadequate since STP makes all decisions on collateral. All contracts entered into with any Agent's Client shall contain Agent's or Sub-agent's name as agent.

4. Client Insurance Fees. With respect to non-arbitrage insurance products sold by STP to any Agent Client, Agent will receive a fee (the "Client Insurance Fees") equal to 70% of the total commissions including agent overrides, bonuses and rewards, irrespective of when the insurance product is sold (including after the Term). All such fees shall be paid directly to Agent by the carrier, not through STP.

5. No Selling to Agent's Clients During Term. During the Term, STP will not attempt or allow any of its other agents to sell to any Agent Client any product, except through Agent or the Sub-agent who first sold an insurance product to the Agent Client for STP.

6. Sub-agents. Unless otherwise agreed in writing by Agent, all amounts owed by STP to Agent's Sub-agents shall be paid to Agent who will pay the Sub-agent.

EXHIBIT "D"
PERPETUAL FEES

After the end of the Term, Agent will no longer sell insurance as STP's agent, but shall continue to receive all fees due to Agent hereunder for "Arbitrage Fees," "Client Arbitrage Fees" and "Client Insurance Fees" (as defined below).

EXHIBIT “E”
AMERICAN NATIONAL LIFE INSURANCE COMPANY LETTERS

S. T. P. ENTERPRISES, INC.

THREE ILLINOIS CENTER
303 EAST WACKER DRIVE, SUITE 210
CHICAGO, IL 60601-5210
(312) 819-7474
(312) 819-0773 FAX
E-Mail: office@stpcorp.com

October 14, 1998

James Pozzi
Executive Vice President of Independent Marketing
c/o Gayle Adams
American National Life Insurance
One Moody Plaza
9th Floor – Independent Marketing
Galveston, TX 77550

Dear Mr. Pozzi:

Per the request of Mr. Richard Ferdinandtsen I am forwarding you information pertaining to the Arbitrage Life Insurance Plan. I look forward to speaking with you regarding the program. I will call you next to discuss. If you have any questions or need any information in the interim, you can reach me at 312-819-7474 until Friday, October 16th and after that 561-477-9096. Thank you very much for your time, effort and consideration.

With warmest regards,


Simon L. Bernstein

S. T. P. ENTERPRISES, INC.

THREE ILLINOIS CENTER
303 EAST WACKER DRIVE, SUITE 210
CHICAGO, IL 60601-5210
(312) 819-7474
(312) 819-0773 FAX
E-Mail: office@stpcorp.com

November 12, 1998

Mr. John K. Roberts, Jr. FSA
President & Chief Executive Officer
Pan-American Life Insurance Company
601 Poydras Street
New Orleans, LA 70130

Dear Mr. Roberts:

Per a telephone meeting with Candice Stomp and Diane Evans, I am forwarding the enclosed informational kit pertaining to the Arbitrage Life Insurance Plan. I will call you next week to arrange a mutually convenient time to discuss the program details.

If you have any questions or need any information in the interim, you can reach me at 561-477-9096. Thank you very much for your time, effort and consideration.

With warmest regards,

Simon L. Bernstein

SLB/cww

Enclosures

*11/19
Rep-ask to update*

*11/17
Chambers
re: id!*

*11/8
Jed
C.*

Cherie Wayne

From: Debbie Marsh
Sent: Thursday, November 12, 1998 8:58 AM
To: Cherie Wayne
Subject: FW: Task Status Report: John K. Roberts, Jr. FSA - UPS KIT
Importance: High

-----Original Message-----

From: ALPS (E-mail) [mailto:alps@netline.net]
Sent: Thursday, November 12, 1998 8:36 AM
To: Simon L. Bernstein (E-mail); Debbie Marsh (E-mail)
Subject: Task Status Report: John K. Roberts, Jr. FSA - UPS KIT
Importance: High

-----Original Task-----

Subject: John K. Roberts, Jr. FSA - UPS KIT
Priority: High

Start date: Tue 11/10/1998
Due date: Thu 11/12/1998

Status: Waiting on someone else
% Complete: 0%

Total work: 0 hours
Actual work: 0 hours

Contacts: John K. Roberts Jr. FSA

Requested by: Eliot Bernstein

DEB, SEND A FULL KIT, COVER LETTER TO BE ADDRESSED TO SEC=Diane Evans WITH ANOTHER LETTER IN KIT TO ROBERTS. SAY TO DIANE, PER OUR CONVERSATION ENCLOSED IS A COMPLETE ARB KIT, I WILL CALL YOU NEXT WEEK TO FIND A CONVENIENT TIME FOR MR BERNSTEIN & ROBERTS TO DISCUSS DETAILS, SEND THIS FROM CANDICE. LETTER TO ROBERTS SEND FROM SI.

SEND COPY TO SI & I FOR APPROVAL PRIOR TO SENDING KIT.

John K. Roberts, Jr. FSA
President & Chief Executive Officer
Pan-American Life Insurance Company
601 Poydras Street
New Orleans, Louisiana 70130
(504) 566-1300

S. T. P. ENTERPRISES, INC.

THREE ILLINOIS CENTER
303 EAST WACKER DRIVE, SUITE 210
CHICAGO, IL 60601-5210
(312) 819-7474
(312) 819-0773 FAX
E-Mail: office@stpcorp.com

October 15, 1998

Mr. Gerald N. Gaston
Vice-Chairman President & Chief Executive Officer
AMERICAN BANKERS INSURANCE GROUP, INC.
C/o Ann Kasay
11222 Quail Roost Drive
Miami, FL 33157-6596

Dear Miss Kasay:

Per your request, I am forwarding the enclosed informational kit pertaining to the Arbitrage Life Insurance Plan for Mr. Gaston. I will call you next week to discuss the program details.

If you have any questions or need any information in the interim, you can reach me at 800-519-0234. Thank you very much for your time, effort and consideration.

Sincerely,

Simon L. Bernstein

SLB/cww

Enclosures

S. T. P. ENTERPRISES, INC.

THREE ILLINOIS CENTER
303 EAST WACKER DRIVE, SUITE 210
CHICAGO, IL 60601-5210
(312) 819-7474
(312) 819-0773 FAX
E-Mail: office@stpcorp.com

November 12, 1998

Mr. R. Steve Briggs
Executive Vice President
Protective Life Insurance Company
2801 Highway 280 South
Birmingham, AL 35223

Dear Mr. Briggs:

Per a request from Joanne at John's office, I am forwarding the enclosed informational kit pertaining to the Arbitrage Life Insurance Plan. I will call you next week to arrange a mutually convenient time to discuss the program details.

If you have any questions or need any information in the interim, you can reach me at 561-477-9096. Thank you very much for your time, effort and consideration.

With warmest regards,

Simon L. Bernstein

SLB/cww

Enclosures

S. T. P. ENTERPRISES, INC.

THREE ILLINOIS CENTER
303 EAST WACKER DRIVE, SUITE 210
CHICAGO, IL 60601-5210
(312) 819-7474
(312) 819-0773 FAX
E-Mail: office@stpcorp.com

October 30, 1998

Mr. Thomas H. Macleay
President & Chief Operating Officer
NATIONAL LIFE INSURANCE COMPANY
One National Life Drive
Montpelier, VT 05604

Dear Mr. Macleay

Per your request, I am forwarding the enclosed informational kit pertaining to the Arbitrage Life Insurance Plan. I apologize for the fact that we didn't talk directly, but I will call you next week to arrange a mutually convenient time to discuss the program details.

If you have any questions or need any information in the interim, you can reach me at 561-477-9096. Thank you very much for your time, effort and consideration.

With warmest regards,



Simon L. Bernstein

SLB/cww

Enclosures

S. T. P. ENTERPRISES, INC.

THREE ILLINOIS CENTER
303 EAST WACKER DRIVE, SUITE 210
CHICAGO, IL 60601-5210
(312) 819-7474
(312) 819-0773 FAX
E-Mail: office@stpcorp.com

October 30, 1998

Mr. Gabriel L. Shaheen
Attn: Gayla
President & Chief Executive Officer
LINCOLN NATIONAL LIFE INSURANCE COMPANY
200 East Berry Street
Fort Wayne, IN 46802-2706

Dear Gayla:

Per the request of Larry Rowland's office, I am forwarding the enclosed informational kit pertaining to the Arbitrage Life Insurance Plan. I will call you in the near future to arrange a mutually convenient time to discuss the program details.

If you have any questions or need any information in the interim, you can reach me at 561-477-9096. Thank you very much for your time, effort and consideration.

With warmest regards,


Simon U. Bernstein

SLB/cww

Enclosures

S. T. P. ENTERPRISES, INC.

THREE ILLINOIS CENTER
303 EAST WACKER DRIVE, SUITE 210
CHICAGO, IL 60601-5210
(312) 819-7474
(312) 819-0773 FAX
E-Mail: office@stpcorp.com

November 12, 1998

Diane Evans
Pan-American Life Insurance Company
601 Poydras Street
New Orleans, LA 70130

Dear Diane:

Per your discussion with Candice Stomp, I am forwarding the enclosed informational kit pertaining to the Arbitrage Life Insurance Plan. I will call you next week to arrange a mutually convenient time to discuss the program details.

If you have any questions or need any information in the interim, you can reach me at 561-477-9096. Thank you very much for your time, effort and consideration.

With warmest regards,

Simon L. Bernstein

SLB/cww

Enclosures

S. T. P. ENTERPRISES, INC.

THREE ILLINOIS CENTER
303 EAST WACKER DRIVE, SUITE 210
CHICAGO, IL 60601-5210
(312) 819-7474
(312) 819-0773 FAX
E-Mail: office@stpcorp.com

November 12, 1998

Mr. R. Steve Briggs, CLU, ChFC
Executive Vice President
Protective Life Insurance Company
2801 Highway 280 South
Birmingham, AL 35233

Dear Mr. Briggs:

Per the request of Joanne at John John's office, I am forwarding the enclosed informational kit pertaining to the Arbitrage Life Insurance Plan. I will call you next week to arrange a mutually convenient time to discuss the program details.

If you have any questions or need any information in the interim, you can reach me at 561-477-9096. Thank you very much for your time, effort and consideration.

With warmest regards,

Simon L. Bernstein

SLB/cww

Enclosures

cww. S. Bernstein's. CC-COM

S. T. P. ENTERPRISES, INC.

THREE ILLINOIS CENTER
303 EAST WACKER DRIVE, SUITE 210
CHICAGO, IL 60601-5210
(312) 819-7474
(312) 819-0773 FAX
E-Mail: office@stpcorp.com

November 12, 1998

Mr. John K. Roberts, Jr. FSA
President & Chief Executive Officer
Pan-American Life Insurance Company
601 Poydras Street
New Orleans, LA 70130

Dear Mr. Roberts:

Per a discussion between Candace Stomp and Diane Evans, I am forwarding the enclosed informational kit pertaining to the Arbitrage Life Insurance Plan. I will call you next week to arrange a mutually convenient time to discuss the program details.

If you have any questions or need any information in the interim, you can reach me at 561-477-9096. Thank you very much for your time, effort and consideration.

With warmest regards,

Simon L. Bernstein

SLB/cww

Enclosures

S. T. P. ENTERPRISES, INC.

THREE ILLINOIS CENTER
303 EAST WACKER DRIVE, SUITE 210
CHICAGO, IL 60601-5210
(312) 819-7474
(312) 819-0773 FAX
E-Mail: office@stpcorp.com

November 12, 1998

Mr. R. Steve Briggs, CLU, ChFC
Executive Vice President
Protective Life Insurance Company
2801 Highway 280 South
Birmingham, AL 35233

Dear Mr. Briggs:

Per the request of Joanne at John John's office, I am forwarding the enclosed informational kit pertaining to the Arbitrage Life Insurance Plan. I will call you next week to arrange a mutually convenient time to discuss the program details.

If you have any questions or need any information in the interim, you can reach me at 561-477-9096. Thank you very much for your time, effort and consideration.

With warmest regards,



Simon L. Bernstein

SLB/cww

Enclosures

11/19 Wacker for update
11/17 Chum-reed
11/18 yes

Cherie Wayne

From: Debbie Marsh
Sent: Thursday, November 12, 1998 8:58 AM
To: Cherie Wayne
Subject: FW: Task Status Report: R. Steve Briggs, CLU, ChFC - kit to be sent

-----Original Message-----

From: ALPS (E-mail) [mailto:alps@netline.net]
Sent: Thursday, November 12, 1998 8:30 AM
To: Simon L. Bernstein (E-mail); Debbie Marsh (E-mail)
Subject: Task Status Report: R. Steve Briggs, CLU, ChFC - kit to be sent

-----Original Task-----

Subject: R. Steve Briggs, CLU, ChFC - kit to be sent
Priority: Normal

Start date: Thu 11/12/1998
Due date: Thu 11/12/1998

Status: Waiting on someone else
% Complete: 0%

Total work: 0 hours
Actual work: 0 hours

Contacts: CLU ChFC R. Steve Briggs

Requested by: Eliot Bernstein

deb, please send full UPS kit with letter stating that Joanne at John Johns office referred us to him and that we look forward to scheduling a time next week to discuss the plan. Have the letter come from Si. SEND COPY FOR APPROVAL TO SI & I PRIOR TO SENDING KIT.

THANKS
EB

R. Steve Briggs, CLU, ChFC
Executive Vice President
Protective Life Insurance Company
2801 Highway 280 South
Birmingham, Alabama 35223
+1 (800) 866-9933

S. T. P. ENTERPRISES, INC.

THREE ILLINOIS CENTER
303 EAST WACKER DRIVE, SUITE 210
CHICAGO, IL 60601-5210
(312) 819-7474
(312) 819-0773 FAX
E-Mail: office@stpcorp.com

November 16, 1998

Mr. Robert McCourt
Senior Director of Marketing & Creative Services
American International Group
70 Pine Street
New York, NY 10270

Dear Mr. McCourt:

Per the request of Marianne Oliveri, I am forwarding the enclosed informational kit pertaining to the Arbitrage Life Insurance Plan. I will call you next week to arrange a mutually convenient time to discuss the program details.

If you have any questions or need any information in the interim, you can reach me at 561-477-9096. Thank you very much for your time, effort and consideration.

With warmest regards,


Simon L. Bernstein

SLB/cww *cc*

Enclosures

11/17
Change rec'd?

11/18 *yet*

11/18
Debr
ask si
status

Cherie Wayne

From: Debbie Marsh
Sent: Monday, November 16, 1998 9:24 AM
To: Cherie Wayne
Subject: FW: Robert McCourt - Senior Director of Marketing and Creative Services

Importance: High

-----Original Message-----

From: Eliot Bernstein [mailto:alps@netline.net]
Sent: Monday, November 16, 1998 8:41 AM
To: robert.mccourt@aig.com
Subject: Robert McCourt - Senior Director of Marketing and Creative Services
Importance: High

deb, please send full carrier kit with new letter si & scoot did for Met to Robert McCourt, say per marianne oliveri, enclosed is information pertaining to the arbitrage life product. I will be calling you to schedule time to further discuss the program.

Robert McCourt
Senior Director of Marketing and Creative Services
American International Group
70 Pine Street
New York, NY 10270
(212) 770-3152

S. T. P. ENTERPRISES, INC.

THREE ILLINOIS CENTER
303 EAST WACKER DRIVE, SUITE 210
CHICAGO, IL 60601-5210
(312) 819-7474
(312) 819-0773 FAX
E-Mail: office@stpcorp.com

November 12, 1998

Mr. John K. Roberts, Jr. FSA
President & Chief Executive Officer
Pan-American Life Insurance Company
601 Poydras Street
New Orleans, LA 70130

Dear Mr. Roberts:

Per a telephone meeting with Candice Stomp and Diane Evans, I am forwarding the enclosed informational kit pertaining to the Arbitrage Life Insurance Plan. I will call you next week to arrange a mutually convenient time to discuss the program details.

If you have any questions or need any information in the interim, you can reach me at 561-477-9096. Thank you very much for your time, effort and consideration.

With warmest regards,

Simon L. Bernstein

SLB/cww

Enclosures

EXHIBIT "F"
2000 11 13 SIMON LETTER

S. T. P. ENTERPRISES, INC.

THREE ILLINOIS CENTER
303 EAST WACKER DRIVE, SUITE 210
CHICAGO, IL 60601-5210
(312) 819-7474
(312) 819-0773 FAX
E-Mail: office@stpcorp.com

November 13, 2000

Eliot Bernstien
500 S.E. Mizner
Apt. 102
Boca Raton, FL 33432

Dear Eliot:

Scott Pruett has forwarded your fax to me for response. There is no commission due you or S.B. Lexington, SW. All contracts you or S.B. Lexington, SW held with STP were previously terminated and our records show that at the time of termination you had quite a large debit balance due STP. There are no agents that you receive an override on. There is no quarter point that you are entitled to receive and you are currently not licensed or contracted with STP. We expect your check for Candice's policy ASAP. According to Scott, you had agreed to pay it on October 15th and we have carried it for an additional 30 days.

I am happy to hear that IVIEWIT is having such great success. Should you have any additional questions, please do not hesitate to contact me directly.

Give my love to Josh and Jake.

Very truly yours,



David B. Simon
General Counsel

EXHIBIT "G"
SIMON BERNSTEIN LETTER AND LIFE COMPANY LETTER

CJA AND ASSOCIATES, INC.
233 N. Michigan Ave. / Suite 2204 / Chicago, Illinois 60601

(312) 565-4392
Fax (312) 565-4398
Outside IL (800) 621-3154

January 15, 1996

Mr. Simon Bernstein
STP Enterprises, Inc.
600 West Jackson Blvd.
Suite 800
Chicago, IL 60661

RE: Rock-It Cargo U.S.A., Inc. / Case #D10970
Air Apparent, Inc. / Case #D11093
Air Apparent, Inc. / Case #D11092

Dear Si:

Eliot advised us that you would like Commonwealth to set up special commission splits for the above referenced cases. The splits are as follows:

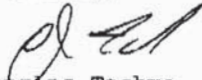
Eliot Bernstein / 0712-0006 = 70%
STP Enterprises, Inc. / 0712-0000 = 30%

Please note that these splits are based on the total compensation paid at the Regional General Agency level. All compensation including first year and renewal amounts will be split as requested.

If you are in agreement with the above split, please sign and date this form where indicated below and return it to us for processing. Upon receipt of the executed copy Commonwealth will begin splitting all compenstaion for these cases based on this agreement.

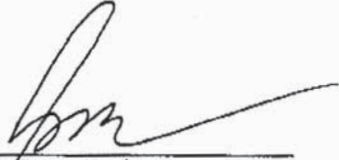
If you should have any questions, feel free to contact us.

Sincerely,

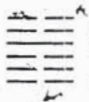


Douglas Tashma
Director of Marketing Administration

**SIGN
HERE**


Simon Bernstein
STP Enterprises, Inc.

X 1/21/96
Date



CJA AND ASSOCIATES, INC.
 233 N. Michigan Ave. / Suite 2204 / Chicago, Illinois 60601

(312) 565-4392
 Fax (312) 565-4398
 Outside IL. (800) 621-3154

Eliot

January 15, 1996

Mr. Simon Bernstein
 STP Enterprises, Inc.
 600 West Jackson Blvd.
 Suite 800
 Chicago, IL 60661

RE: Anderson Howard Electric
 Case #D11481 & D11078

Dear Si:

This letter is intended to provide you with an accounting of commissions paid by Commonwealth Life over the past several months for the above referenced cases. You previously requested that the total commissions paid for these cases be split as follows:

Eliot Bernstein / 0712-0006 = 70%
 STP Enterprises / 0712-0000 = 30%

It appears as though Commonwealth did accomodate your request for a special commission split for the Continuous Group coverage under Case #D11481 but the MG5 coverage under D11078 was not split as requested for an unknown reason. Therefore, we are providing you with copies of commission statements which have activity for these cases so you can settle these splits internally for the MG5 coverage that has already been commissioned. Please note that we have again instructed Commonwealth to properly split the MG5 case as well for all future commission payments.

Although the CGroup coverage was commissioned as requested, the following is an accounting for your records. Please note that these commissions are based on new coverage for three participants (Brian Elliott, Charles Howard & Thomas Howard) effective 6/01/95. Copies of the applicable statements are enclosed.

<u>Payee</u>	<u>Commission</u>	<u>Period</u>	<u>Date of Payment</u>
Eliot	\$ 7,938.21	06/01/95-10/01/95	Insto Check - 9/12/95
STP	3,402.10	06/01/95-10/01/95	9/15/95 Comm. Cycle
Eliot	7,938.21	10/01/95-02/01/96	Insto check - 10/20/95
Eliot	1,984.54	02/01/96-03/01/96	11/30/95 Comm. Cycle
STP	4,252.61	10/01/95-03/01/96	11/30/95 Comm. Cycle

Mr. Simon Bernstein
January 15, 1996
Page 2

The MG5 case shows commission activity during three cycles in the past several months. Please note that one of these cycles reflects a commission debit. This debit is due to premium reversals on previously paid and commissioned policies requiring administrative changes. Please note that all policies reflecting a debit would have been commissioned in a previous commission cycle and many of these debits are also restored in future commission cycles as well. It will be at your discretion to determine how you wish to handle the commission splits for the MG5 coverage.

It appears as though all participants currently issued on the case are paid to 1/01/96. However, please note that many of the participants eligible for additions and/or increases as of 6/01/95 are still pending in Underwriting. There are currently six participants (Gary McGraw, Melanie Pickens, William Sampson, Shad Arnold, Thomas Ash & Shirley Jones) that have already been approved and they will be released for issue immediately.

<u>Payee</u>	<u>Commission</u>	<u>Period</u>	<u>Date of Payment</u>
STP	\$ -446.66	Varies	10/15/95 Comm. Cycle
STP	289.20	Varies	11/15/95 Comm. Cycle
STP	893.50	07/01/95-01/01/96	12/15/95 Comm. Cycle

We hope these records help in your efforts to determine the appropriate commission splits between STP Enterprises and Eliot Bernstein. If you should have any questions or require further assistance, feel free to contact us.

Sincerely,


Douglas Tashma
Director of Marketing Administration

cc: Pam Simon
Eliot Bernstein

I HEREBY CERTIFY that a true and correct copy of the foregoing has been provided by U.S. Mail and Facsimile transmission this ____ day of _____, 2004 to: Robert Jennings, Esq., JENNINGS & VALANCY, P.A., 311 S.E. 13th Street Ft. Lauderdale, FL 33316.

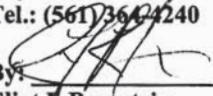
Respectfully submitted this __ day of March, 2004.

**Attorney for Counter Plaintiff
Eliot I. Bernstein, Pro Se
10158 Stonehenge Circle, Suite 801
Boynton Beach, Fla. 33437
Tel.: (561) 364-4240**

**By: _____
Eliot I. Bernstein
Pro Se**

Respectfully submitted this ^{EH} 2 day of March, 2004.

Attorney for Counter Plaintiff
Elliot I. Bernstein, Pro Se
10158 Stonehenge Circle, Suite 801
Boynton Beach, Fla. 33437
Tel.: (561) 364-4240

By: 

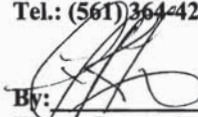
Elliot I. Bernstein
Pro Se

I HEREBY CERTIFY that a true and correct copy of the foregoing has been provided by U.S. Mail and Facsimile transmission this 18th day of March, 2004 to: Robert Jennings, Esq., JENNINGS & VALANCY, P.A., 311 S.E. 13th Street Ft. Lauderdale, FL 33316.

Respectfully submitted this 18th day of March, 2004.

Attorney for Counter Plaintiff
Eliot I. Bernstein, Pro Se
10158 Stonehenge Circle, Suite 801
Boynton Beach, Fla. 33437

Tel.: (561) 364-4240

By: 
Eliot I. Bernstein
Pro Se