

LAW OFFICES OF
FRIEDMAN & DOWNEY
PROFESSIONAL CORPORATION

September 12, 2005

Mr. John P. Lundsten
President and CEO
COSS Development Corp.
13420 Reese Blvd., West
Huntersville, NC 28078

Re: Tapestry 2005

Dear John:

This letter is in response to your request for 1) our opinion as to the viability of the advanced sales concepts presented and 2) our review of the Overviews, Reports, and Presentations that are produced by the software to assess their compliance with applicable laws and regulations as well as industry standards and litigation risks.

Introductory Comments:

Tapestry is a supplemental proposal system that illustrates advanced sales concepts through Overviews, Reports and Presentations. The Overviews are written explanations, sometimes including graphics and diagrams, of the various concepts. The Reports are compilations of numbers from an insurer's ledger system, reconfigured into columns that are meaningful for the advanced planning concept involved. The reports do not calculate premium amounts. The Presentations are graphical interpretations of the numbers from a Report to explain the concept involved. The Reports, Presentations, and Overviews are meant for use with consumers.

We consider a concept to be "viable" if we believe it is generally recognized in the insurance planning community as legitimate for planning purposes. We consider whether the concept has debatable aspects, and whether we believe the pros and cons are sufficiently disclosed.

We have reviewed the overviews and presentations for accuracy and language. The overviews and presentations are considered accurate if we believe they are correct as generally used in the life insurance industry, and not misleading to the consumer. We have looked for language that is forbidden under advertising regulations, such as referring to

DOUGLAS I. FRIEDMAN*
HEATHER C. DOWNEY†

DAPHNE S. JACKSON
PAUL E. MEYER SA
AIMÉE A. DUGAS*

*ALSO LICENSED IN NEW YORK

†ALSO LICENSED IN COLORADO

*ALSO LICENSED IN TENNESSEE

*ALSO LICENSED IN LOUISIANA

2000-A SOUTHBRIDGE PARKWAY
SUITE 210
BIRMINGHAM, ALABAMA 35209
205-879-3033
FAX 205-879-3037
LIFEHEALTH@FDATTY.COM

Mr. John Lundsten
September 12, 2005
Page 2

premiums as investments. We also have verified the accuracy of all citations.

We have reviewed the reports to determine if they appear to illustrate the concept correctly. In doing so, we reviewed reports that we prepared ourselves as examples.

We have reviewed Tapestry for compliance with the Texas regulations for supplemental illustrations, and the NAIC model law as to supplemental illustrations. We have also reviewed Tapestry for compliance with NASD advertising guidelines.

At the end of our review, we requested that COSS make revisions to the software. These requests were intended to make the software acceptable for compliance purposes. Coss has represented to us that it has made all changes as requested by us. We have not reviewed the software as revised for conformity with the revisions we requested.

Scope of Opinion:

We have not "tested" the software to verify that it calculates correctly. COSS has represented that Tapestry calculations are arithmetic, using only numbers from the insurer's ledger and adding, subtracting, dividing or multiplying them. While we worked with the program and tried different variations of proposals to see whether the program would react as we expected, in the final analysis, we have assumed that the program calculates the numbers correctly. We did, however, review the column definitions to determine if they accurately reflected what the column was intended to show.

This review does not include the "Help" section nor the contents of the "E-Learning" materials.

We have not determined the names of the column headings that are "passed" from an insurer's basic illustration system to Tapestry. We are told by COSS that each customer chooses the names of these column headings.

We also have considered whether, in our opinion, the materials contain appropriate disclaimers. If, for example, we believe a concept does not have sufficient precedent, we recommended appropriate references in the disclaimer. Ultimately, of course, each insurer must decide whether to include a particular concept in its version of Tapestry.

Mr. John Lundsten
September 12, 2005
Page 3

We make no representation that the potential benefit of a concept, including any rates of return or tax deductions, will be achieved. In addition, any future tax legislation, IRS Rulings, or court cases could adversely affect our conclusions. We did not review the impact of the Final Regulations released August 26, 2005 (effective August 29, 2005) regarding the valuation of life insurance policies, as the regulations were finalized after the review was complete.

Our review is limited to the particular version and the concepts listed on the attachment to this letter. Any changes to the software subsequent to our review could affect our opinion.

Conclusion:

Subject to the above described comments and limitations, it is our belief that the Tapestry 2005 Reports, Presentations, and Overviews represent viable concepts and meet with applicable laws and regulations concerning the topics presented. Though we have not specifically reviewed all of the laws and regulations for every state, we believe that the materials generally are acceptable as presented for the purposes of state law. We also believe that the materials comply with NASD advertising guidelines, and the Texas regulations on supplemental illustrations, and the NAIC model law for supplemental illustrations. In addition to the foregoing rules, we recognize that an insurer may have its own additional requirements, of which we are not aware. The modules that were reviewed are listed on the attached Exhibit A.

Please note that no one other than you and your organization has the right to rely upon the opinions expressed in this letter, and all clients or prospective clients of your firm must be urged to seek the advice of their own counsel. Likewise, this opinion is not intended as, and may not be relied upon as, a legal opinion for any particular insurance customer. Only the customer's own tax and legal counsel can render such an opinion.

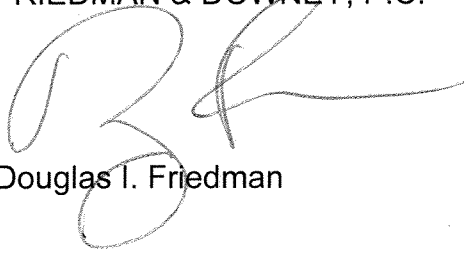
IRS Circular 230 Disclosure: To ensure compliance with requirements imposed by the U.S. Internal Revenue Service, we inform you that any tax advice contained in this communication (including any attachments) was not intended or written to be used, and cannot be used, by any taxpayer for the purpose of (1) avoiding tax-related penalties under the U.S. Internal Revenue Code or (2) promoting, marketing or recommending to another

Mr. John Lundsten
September 12, 2005
Page 4

party any tax-related matters addressed herein.

Very truly yours,

FRIEDMAN & DOWNEY, P.C.

A handwritten signature in black ink, appearing to be 'DF', written over the printed name of Douglas I. Friedman.

Douglas I. Friedman

Mr. John Lundsten
September 12, 2005
Page 5

EXHIBIT A

TAPESTRY OPINION LETTER:

Listing of Modules Reviewed, Tapestry 2005, Materials initially reviewed contained dates of May, 2005.

Modules Reviewed:

Policy Value Analysis Overviews
Policy Value Analysis
Cash Flow Report
Policy Value Analysis Report
Policy Value Analysis Presentations
On screen format

Executive Bonus Overview
Executive Bonus Er Report
Executive Bonus Ee Report
Executive Bonus DS Report
Executive Bonus Presentations
On screen format

Restricted Exec Bonus Overviews
Restricted Exec Bonus Er Report
Restricted Exec Bonus Ee Report
Restricted Exec Bonus DS Report
Restricted Exec Bonus Presentations
On screen format

Er-owned Split Dollar Overview
Er-owned Split Dollar Er Report
Er-owned Split Dollar Ee Report
Er-owned Split Dollar DS Report
Er-owned Split Dollar Presentations
On screen format

Ee-owned Split Dollar Ee Overview
Ee-owned Split Dollar Er Report
Ee-owned Split Dollar Ee Report

Mr. John Lundsten
September 12, 2005
Page 6

Ee-owned Split Dollar DS Report
Ee-owned Split Dollar Presentations
On screen format

Non-qualified DC Overview
Salary Continuation Er Report
Salary Continuation Ee Report
Salary Continuation DS Report
Salary Continuation Presentations
On screen format

Salary Reduction Er Report
Salary Reduction Ee Report
Salary Reduction DS Report
Salary Reduction Current vs Deferred
Salary Reduction Presentations
On screen format

Shared Contribution Er Report
Shared Contribution Ee Report
Shared Contribution DS Report
Shared Contribution Current vs Defered
Shared Contribution Presentations
On screen format

Dynamic Duo Overviews
Dynamic Duo Er SD Phase Report
Dynamic Duo Ee SD Phase Report
Dynamic Duo Er Retire Report
Dynamic Duo Ee Retire Report
Dynamic Duo Presentations
On screen format

Private Split Dollar - Single Life Overview
Private Split Dollar - Single Life Report
Private Split Dollar - Single Life Presentations
On screen format

Private Split Dollar - Survivorship Overview
Private Split Dollar - Survivorship Report

Mr. John Lundsten
September 12, 2005
Page 7

Private Split Dollar - Survivorship Presentations

On screen format
Business Valuation Overview
Business Valuation Report
Business Valuation Presentations
On screen format

Buy-Sell Overview
Buy-Sell Funding Analysis Report
Buy-Sell Methods Report
Buy-Sell Surrender Analysis Report
Buy-Sell Presentations
On screen format

Key Person Overview
Key Person Report
Key Person Presentations
On screen format

Estate Liquidity Overview
Estate Liquidity Funding Analysis Report
Estate Liquidity Methods Report
Estate Liquidity Surrender Analysis Report
Estate Liquidity Alternatives Report
Estate Liquidity Presentations
On screen format

Premium Funding Overview
Premium Funding Report
Premium Funding Presentations
On screen format

Term vs Perm Overview
Term vs Perm Living Values Report
Term vs Perm Death Benefit Report
Term vs Perm Detailed Summary Report
Term vs Perm Presentations
On screen format

Pension Max Overviews

Mr. John Lundsten
September 12, 2005
Page 8

Pension Max Outlay vs Equity Report
Pension Max Survivor Income Report

Pension Max Option Comparison Report
Pension Max Presentations
On screen format

Life Comparison Overview
Life Comparison Base Report
Life Comparison withh IRR Report
Life Comparison Presentations
On screen format

Mortgage Assurance Overviews
Mortgage Assurance Payment Analysis Report
Mortgage Assurance Insurance Analysis Report
Mortgage Assurance Presentations
On screen format

Basic Charitable Giving Overview
Basic Charitable Giving Donor's Report
Basic Charitable Giving Charity's Report
Basic Charitable Giving Presentations
On screen format

Basic Premium Financing Overview
Basic Premium Financing Report
Basic Premium Financing Presentations
On screen format

Combined COSS Marketing Library