



NICHE MARKETING, INC.
NICHE PLAN SPONSORS, INC.

Judi A. Carsrud
President

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*This is an example of one of three letters being mailed to Niche employers.
This letter is specific to those who have made no contributions and are
unlikely to have a disclosure requirement.*

Dear Employer:

Agent

Recently, the IRS and Treasury published "guidance" with respect to single employer welfare benefit plans. The Notices and Revenue Ruling which comprise the guidance are summarized in the enclosed Niche Announcement.

Certain employers with welfare benefit plans will need to file a Form 8886 with the Internal Revenue Service, advising the IRS of deductions taken to fund the welfare benefit plan. Whether or not an employer has a disclosure requirement (the filing of the Form 8886) is dependent upon the amount of deduction taken for the costs of certain benefits.

Employers who have not made any contributions, other than fees, (and therefore have not shown any deductions for funding of benefits), for any years in which the tax return is open for examination, are not likely to have a filing requirement.

Our records indicate that you did not make any contributions in the years 2004, 2005, 2006 or 2007 (other than for administrative fees). Please confirm from your own records whether or not you either made or deducted any contributions to your plan. It appears, therefore, that you would not have a disclosure requirement. ***However, we strongly urge you to share this information with your tax advisors.***

We cannot give tax, accounting or legal advice, and nothing contained in these communications should be construed as such. For your convenience, we have posted the IRS Notices, Forms and Instructions on our website at www.NichePlanSponsors.com.

If we can be of further assistance, please feel free to contact us.

Sincerely,



Judi A. Carsrud
President

Neither Niche nor its agents or employees provide tax or legal advice. Any comments included in this written communication are not intended or written to be used, and cannot be used by the taxpayer, for the purpose of avoiding any penalties that may be imposed on the taxpayer by any governmental taxing authority or agency.

