

# Executive Trifecta

For: Town and Country Auto Group, Inc.



Presented By: \_\_\_\_\_

[Licensed user's name appears here]

# **Executive Trifecta**

## **Table of Contents**

**Plan Sponsor's Composite Analysis: Pages 1 - 5**

**Individual Reports for:**

**Tony Jamison:**

**Pages 6 - 24**

# **Executive Trifecta**

**Plan Sponsor's Composite Analysis  
of  
Executive Trifecta  
for  
Town and Country Auto Group**

# Executive Trifecta for Town and Country Auto Group

Presented By: [Licensed user's name appears here]

Plan Sponsor: Town and Country Auto Group

## Plan Sponsor's Composite Analysis of Costs and Policy Values

Number of Participants: 1  
S Corporation

Plan Year	(1) Plan Sponsor's Net Payment	(2) Plan Sponsor's Cumulative Net Payments	(3) Plan Sponsor's Policy Accum Value*	(4) Plan Sponsor's Policy Cash Value*	(5) Portion of Policy Death Benefit Allocated for Key Executive Coverage	(6) Portion of Policy Death Benefit Allocated for Survivor Income Benefit	(7) Plan Sponsor's Total Policy Death Benefit Required (5) + (6)	(8) Total Policy Death Benefit Provided
1	100,000	100,000	86,132	0	2,500,000	1,753,806	4,253,806	4,253,806
2	100,000	200,000	178,454	72,145	2,500,000	1,753,806	4,253,806	4,253,806
3	100,000	300,000	277,360	172,379	2,500,000	1,753,806	4,253,806	4,253,806
4	100,000	400,000	383,304	279,649	2,500,000	1,753,806	4,253,806	4,253,806
5	100,000	500,000	496,818	394,533	2,500,000	1,753,806	4,253,806	4,253,806
6	100,000	600,000	618,522	517,649	2,500,000	1,753,806	4,253,806	4,253,806
7	100,000	700,000	749,089	668,416	2,500,000	1,753,806	4,253,806	4,253,806
8	0	700,000	788,562	728,047	2,500,000	1,753,806	4,253,806	4,253,806
9	0	700,000	831,211	790,896	2,500,000	1,753,806	4,253,806	4,253,806
10	0	700,000	877,189	857,031	2,500,000	1,753,806	4,253,806	4,253,806
11	-69,474	630,526	0	0	0	0	0	0
12	0	630,526	0	0	0	0	0	0
13	0	630,526	0	0	0	0	0	0
14	0	630,526	0	0	0	0	0	0
15	0	630,526	0	0	0	0	0	0
16	0	630,526	0	0	0	0	0	0
17	0	630,526	0	0	0	0	0	0
18	0	630,526	0	0	0	0	0	0
19	0	630,526	0	0	0	0	0	0
20	0	630,526	0	0	0	0	0	0
21	0	630,526	0	0	0	0	0	0
22	0	630,526	0	0	0	0	0	0
23	0	630,526	0	0	0	0	0	0
24	0	630,526	0	0	0	0	0	0
25	0	630,526	0	0	0	0	0	0
26	0	630,526	0	0	0	0	0	0
27	0	630,526	0	0	0	0	0	0
28	0	630,526	0	0	0	0	0	0
29	0	630,526	0	0	0	0	0	0
30	0	630,526	0	0	0	0	0	0
	630,526							

List of Plan Participants:  
Tony Jamison

\*This Composite page includes non-guaranteed life insurance values. Actual results are likely to vary. This page is not valid unless accompanied by a life insurance basic illustration for each participant in the Composite that details non-guaranteed and guaranteed elements.

# Executive Trifecta for Town and Country Auto Group

Presented By: [Licensed user's name appears here]

Plan Sponsor: Town and Country Auto Group

Number of Participants: 1  
S Corporation

## Plan Sponsor's Composite Analysis of Costs and Policy Values

Plan Year	(1) Plan Sponsor's Net Payment	(2) Plan Sponsor's Cumulative Net Payments	(3) Plan Sponsor's Policy Accum Value*	(4) Plan Sponsor's Policy Cash Value*	(5) Portion of Policy Death Benefit Allocated for Key Executive Coverage	(6) Portion of Policy Death Benefit Allocated for Survivor Income Benefit	(7) Plan Sponsor's Total Policy Death Benefit Required (5) + (6)	(8) Total Policy Death Benefit Provided
31	0	630,526	0	0	0	0	0	0
32	0	630,526	0	0	0	0	0	0
33	0	630,526	0	0	0	0	0	0
34	0	630,526	0	0	0	0	0	0
35	0	630,526	0	0	0	0	0	0
36	0	630,526	0	0	0	0	0	0
37	0	630,526	0	0	0	0	0	0
38	0	630,526	0	0	0	0	0	0
39	0	630,526	0	0	0	0	0	0
40	0	630,526	0	0	0	0	0	0
41	0	630,526	0	0	0	0	0	0
42	0	630,526	0	0	0	0	0	0
43	0	630,526	0	0	0	0	0	0
44	0	630,526	0	0	0	0	0	0
45	0	630,526	0	0	0	0	0	0
46	0	630,526	0	0	0	0	0	0
47	0	630,526	0	0	0	0	0	0
48	0	630,526	0	0	0	0	0	0
49	0	630,526	0	0	0	0	0	0
50	0	630,526	0	0	0	0	0	0
51	0	630,526	0	0	0	0	0	0
52	0	630,526	0	0	0	0	0	0
53	0	630,526	0	0	0	0	0	0
54	0	630,526	0	0	0	0	0	0
55	0	630,526	0	0	0	0	0	0
56	0	630,526	0	0	0	0	0	0
57	0	630,526	0	0	0	0	0	0
58	0	630,526	0	0	0	0	0	0
59	0	630,526	0	0	0	0	0	0
60	0	630,526	0	0	0	0	0	0
	630,526							

List of Plan Participants:  
Tony Jamison

\*This Composite page includes non-guaranteed life insurance values. Actual results are likely to vary. This page is not valid unless accompanied by a life insurance basic illustration for each participant in the Composite that details non-guaranteed and guaranteed elements.

# Executive Trifecta for Town and Country Auto Group

Presented By: [Licensed user's name appears here]

Plan Sponsor: Town and Country Auto Group

## Plan Sponsor's Composite Analysis of the Survivor Income Benefits

Number of Participants: 1  
S Corporation

Name of Covered Plan Participants	(1) Initial Amount of Annual Survivor Income Benefit	(2) Years of Survivor Income Benefit	(3) Total Survivor Income Benefit (1) x (2)	(4) Plan Sponsor's Cost to Provide Survivor Income Benefit**
Tony Jamison	300,000	10	3,439,164*	1,753,806
			3,439,164	1,753,806

\*An asterisk indicates the Survivor Income Benefit is indexed.

\*\*For details, see each plan participant's individual report named S Corporation's Analysis of Survivor Income Benefit.

# Executive Trifecta for Town and Country Auto Group

Presented By: [Licensed user's name appears here]

Plan Sponsor: Town and Country Auto Group

## Plan Sponsor's Composite Analysis of Benefits\*

Number of Participants: 1  
S Corporation

Name of Covered Plan Participants	(1) Age of Plan Participants	(2) Year of Policy Transferred to Plan Participants	(3) Plan Participant's Out-of-Pocket Cost for Acquiring the Policy	(4) Plan Participant's Policy Cash Value in Year of Transfer	(5) Plan Participant's Death Benefit in Year of Transfer	(6) Plan Participant's Cumulative Retirement Income After Tax Policy Loans Illustrated	(7) Plan Participant's Policy Cash Value in the Final Year Illustrated	(8) Plan Participant's Death Benefit in the Final Year Illustrated
Tony Jamison	40	11	140,350	943,925	4,253,806	9,100,000	2,442,131	2,442,131

\*This Composite page includes non-guaranteed life insurance values. Actual results are likely to vary. This page is not valid unless accompanied by a life insurance basic illustration for each participant in the Composite that details non-guaranteed and guaranteed elements.

# **Executive Trifecta**

## **Individual Reports for Tony Jamison**



## Key Executive Coverage, Survivor Income Benefit, and Subsequent Transfer of Policy to Key Executive

"Trifecta" refers to a winning sequence of three, and Executive Trifecta delivers three, very powerful, sequential benefits:

- 1) Selected non-shareholder executives whose deaths would cause a serious financial loss for the Corporation are insured in favor of the Corporation thereby providing indemnification for such a loss.
- 2) During their participation, each insured executive is provided with corporate-paid survivor income benefits should death occur while employed.
- 3) At the executive's retirement, disability, or involuntary severance from employment without cause, all as described in the Agreement between the parties, the life insurance policy is contractually transferred to the participating executive (as a deferred bonus) thereby creating a supplemental retirement asset. After the policy transfer, any payment of the life insurance death benefit is made directly to the executive's personal beneficiaries.

### Part 1: Key Executive Coverage

Most firms would not consider operating without insuring against the loss of its property. The same logic should apply to its human capital -- a far more vital asset to the successful continuation of any business. Property can be rebuilt; not so with a human life.

In order to recognize the value of a key executive, a life insurance policy on the executive's life made payable to the Corporation is a prudent strategy. This coverage can provide needed cash to:

- a) Recover the costs of locating a replacement;

- b) Recover the loss of profits while training a replacement;
- c) Recover the permanent loss of profits if the executive is "irreplaceable";
- d) Assure creditors and suppliers that their loans and receivables are safe;
- e) Assure customers that the Corporation will continue its operations.

Features of this coverage for the Corporation are:

- a) Discriminatory participation as to the selection of participants;
- b) Income tax free policy death benefits;
- c) No regulatory approval required and ERISA compliance\* is nominal.

### Part 2: Survivor Income Benefit

With Executive Trifecta, the Corporation contractually agrees to pay scheduled amounts of income to the survivors of a participating executive. This provides the executive with:

- a) A source of continuing family income;
- b) Relief from purchasing expensive personal life insurance.

Features of this coverage for the Corporation are:

- a) Discriminatory participation as to the selection of participants;
- b) Deductible benefit payments;
- c) No regulatory approval required and ERISA compliance\* is nominal.

\*Some employers do not have the resources or expertise to administer a non-qualified plan such as Executive Trifecta. These employers may want to consider using a third-party administrator (TPA) to administer the plan to ensure that applicable ERISA requirements are implemented and monitored.

## Preface (continued)

Plan Sponsor: Town and Country Auto Group  
S Corporation

### Part 3: Policy Transfer

At the executive's retirement, disability, or involuntary severance from employment without cause, all as described in the Agreement between the parties, the Corporation transfers ownership of the policy to the participating executive who, in turn, names personal beneficiaries. This provides the executive with:

- a) Policy cash values for use as a supplemental retirement asset;
- b) Income tax free policy death benefits for personal beneficiaries.

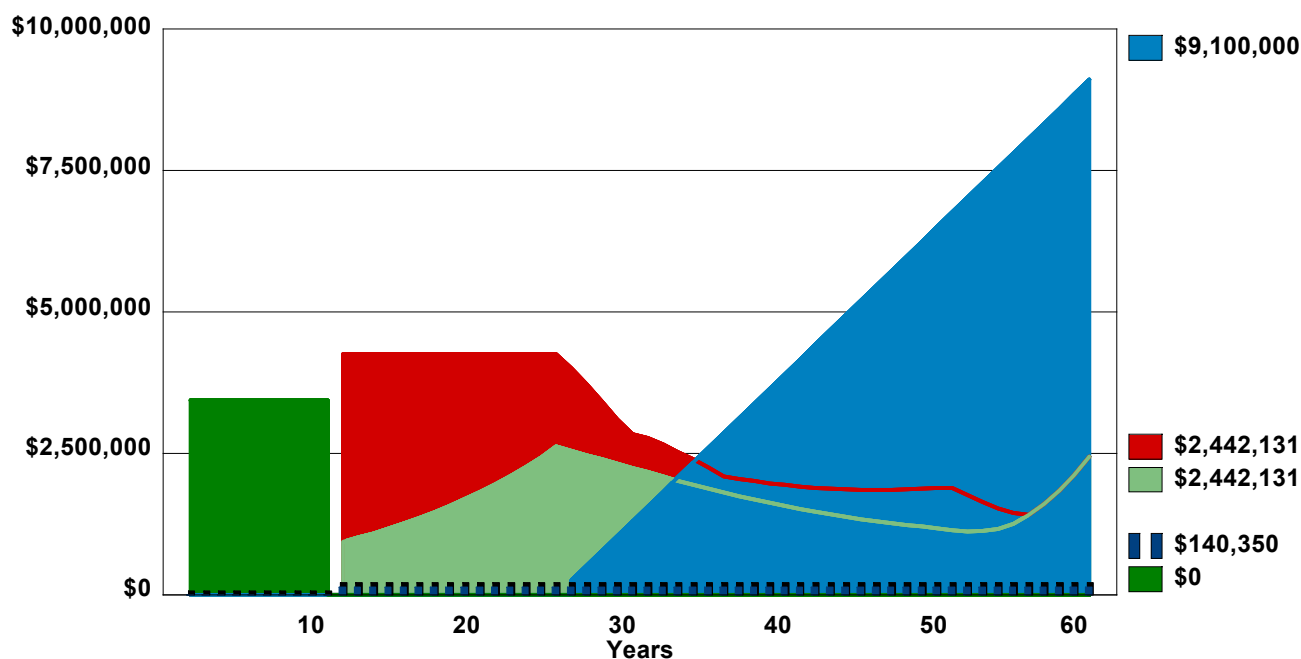
### Conclusion

Executive Trifecta facilitates a nurturing environment that rewards key executives while simultaneously providing indemnification for the Corporation in the event of the untimely death of a covered participant.

Be sure to consult with your own tax attorney and accountant before entering into this or any other arrangement involving tax, legal, and economic considerations.

### Specimen Documentation

Specimen documents for Executive Trifecta are available in InsMark's Cloud-Based Documents On A Disk.



	At Year 60
Executive's Cumulative Net Payments	\$140,350
Executive's Total Survivor Income Benefit	\$0
Executive's Cumulative Policy Loans	\$9,100,000
Executive's Cash Value	\$2,442,131
Executive's Death Benefit	\$2,442,131

This graphic assumes the non-guaranteed values shown continue in all years. This is not likely, and actual results may be more or less favorable.

# Executive Trifecta® Using Indexed Universal Life

Presented By: [Licensed user's name appears here]

Insured: Tony Jamison

## Illustration of Policy Values Funding the Plan

Plan Sponsor: Town and Country Auto Group S Corporation

		Indexed UL Interest Rate 7.00%	Initial Premium 100,000	Initial Death Benefit 4,279,718			
Year	Male Age	(1) Premium Payment	(2) Net Policy Loan Proceeds	(3) Year End Accum Value*	(4) Year End Cash Value*	(5) Policy Death Benefit	
1	40	100,000	0	86,132	0	4,253,806	
2	41	100,000	0	178,454	72,145	4,253,806	
3	42	100,000	0	277,360	172,379	4,253,806	
4	43	100,000	0	383,304	279,649	4,253,806	
5	44	100,000	0	496,818	394,533	4,253,806	
6	45	100,000	0	618,522	517,649	4,253,806	
7	46	100,000	0	749,089	668,416	4,253,806	
8	47	0	0	788,562	728,047	4,253,806	
9	48	0	0	831,211	790,896	4,253,806	
10	49	0	0	877,189	857,031	4,253,806	
11	50	0	0	943,925	943,925	4,253,806	
12	51	0	0	1,015,651	1,015,651	4,253,806	
13	52	0	0	1,092,754	1,092,754	4,253,806	
14	53	0	0	1,175,653	1,175,653	4,253,806	
15	54	0	0	1,264,801	1,264,801	4,253,806	
16	55	0	0	1,360,566	1,360,566	4,253,806	
17	56	0	0	1,463,525	1,463,525	4,253,806	
18	57	0	0	1,574,164	1,574,164	4,253,806	
19	58	0	0	1,693,145	1,693,145	4,253,806	
20	59	0	0	1,821,173	1,821,173	4,253,806	
21	60	0	0	1,958,949	1,958,949	4,253,806	
22	61	0	0	2,107,237	2,107,237	4,253,806	
23	62	0	0	2,266,824	2,266,824	4,253,806	
24	63	0	0	2,438,630	2,438,630	4,253,806	
25	64	0	0	2,623,683	2,623,683	4,253,806	
26	65	0	260,000	2,820,465	2,547,961	4,007,214	
27	66	0	260,000	3,030,015	2,471,381	3,721,084	
28	67	0	260,000	3,253,527	2,394,457	3,420,648	
29	68	0	260,000	3,492,258	2,317,730	3,105,190	
30	69	0	260,000	3,747,615	2,241,856	2,841,475	
		700,000	1,300,000				

### 30 Year Summary

Cum. Premium Payments	700,000
Cum. Policy Loan Proceeds	1,300,000
Accum Value	2,241,856
Death Benefit	2,841,475

\*This illustration assumes the nonguaranteed values shown continue in all years. This is not likely, and actual results may be more or less favorable. This illustration is not valid unless accompanied by a basic illustration from the issuing life insurance company.

# Executive Trifecta® Using Indexed Universal Life

Presented By: [Licensed user's name appears here]

Insured: Tony Jamison

## Illustration of Policy Values Funding the Plan

Plan Sponsor: Town and Country Auto Group S Corporation

Indexed UL Interest Rate 7.00%  
Initial Premium 100,000  
Initial Death Benefit 4,279,718

Year	Male Age	(1) Premium Payment	(2) Net Policy Loan Proceeds	(3) Year End Accum Value*	(4) Year End Cash Value*	(5) Policy Death Benefit
31	70	0	260,000	4,021,202	2,167,651	2,770,832
32	71	0	260,000	4,312,437	2,093,704	2,654,321
33	72	0	260,000	4,622,731	2,020,557	2,529,057
34	73	0	260,000	4,953,615	1,948,828	2,394,653
35	74	0	260,000	5,306,825	1,879,294	2,250,772
36	75	0	260,000	5,684,324	1,812,912	2,097,128
37	76	0	260,000	6,085,937	1,748,450	2,052,747
38	77	0	260,000	6,513,160	1,686,294	2,011,952
39	78	0	260,000	6,967,558	1,626,845	1,975,223
40	79	0	260,000	7,450,774	1,570,520	1,943,059
41	80	0	260,000	7,964,483	1,517,712	1,915,937
42	81	0	260,000	8,509,866	1,468,253	1,893,746
43	82	0	260,000	9,088,503	1,422,305	1,876,730
44	83	0	260,000	9,701,962	1,379,950	1,865,048
45	84	0	260,000	10,351,612	1,340,994	1,858,575
46	85	0	260,000	11,038,426	1,304,773	1,856,694
47	86	0	260,000	11,764,154	1,271,314	1,859,522
48	87	0	260,000	12,529,744	1,239,757	1,866,245
49	88	0	260,000	13,335,754	1,208,764	1,875,551
50	89	0	260,000	14,182,521	1,176,676	1,885,802
51	90	0	260,000	15,069,773	1,141,132	1,894,620
52	91	0	260,000	16,019,567	1,121,990	1,762,772
53	92	0	260,000	17,042,371	1,127,410	1,638,681
54	93	0	260,000	18,151,772	1,168,558	1,531,594
55	94	0	260,000	19,364,885	1,260,007	1,453,656
56	95	0	260,000	20,701,915	1,419,288	1,419,288
57	96	0	260,000	22,132,353	1,613,091	1,613,091
58	97	0	260,000	23,663,010	1,845,280	1,845,280
59	98	0	260,000	25,301,205	2,120,085	2,120,085
60	99	0	260,000	27,054,813	2,442,131	2,442,131
		700,000	9,100,000			

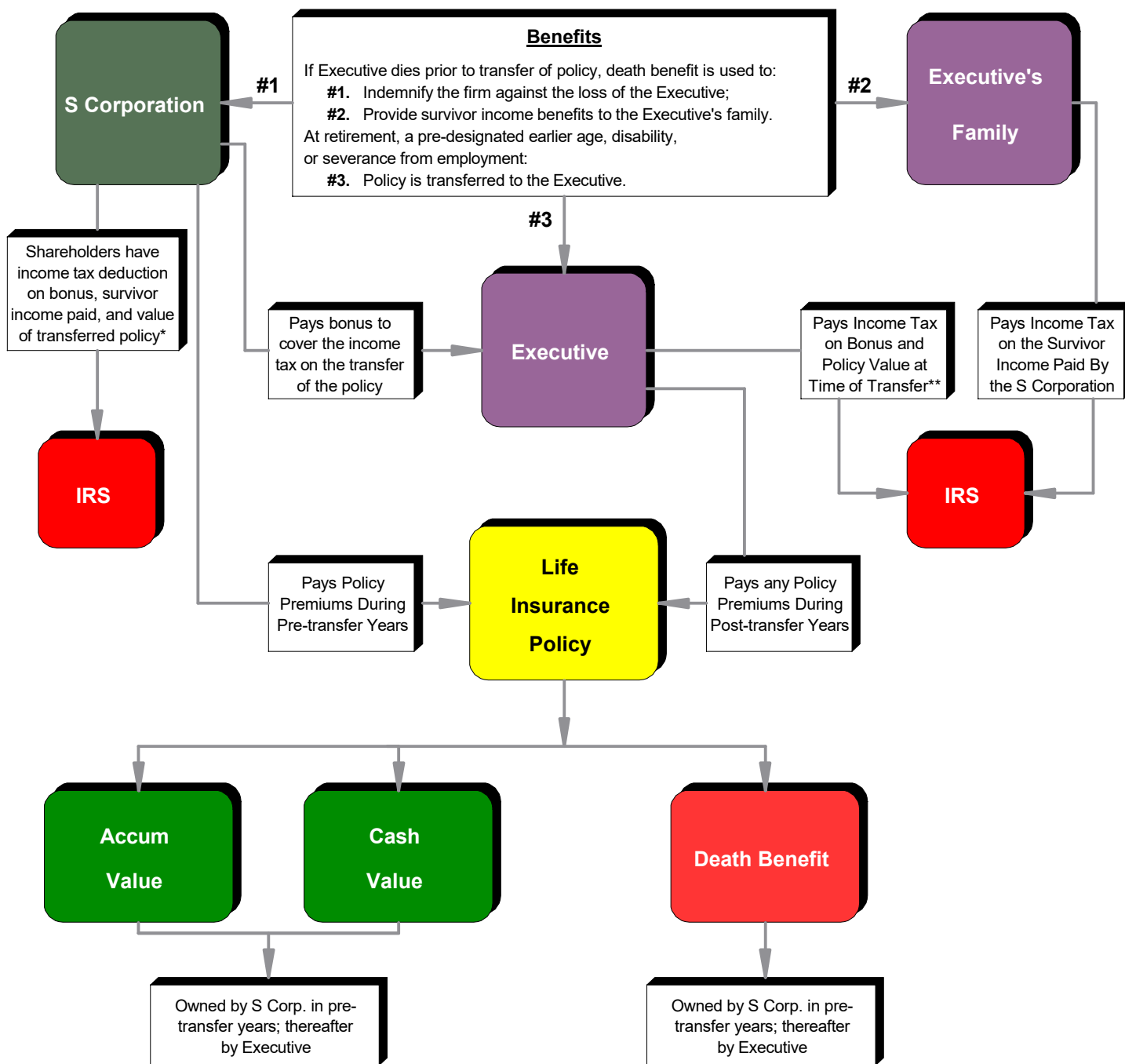
### 60 Year Summary

Cum. Premium Payments	700,000
Cum. Policy Loan Proceeds	9,100,000
Accum Value	2,442,131
Death Benefit	2,442,131

\*This illustration assumes the nonguaranteed values shown continue in all years. This is not likely, and actual results may be more or less favorable. This illustration is not valid unless accompanied by a basic illustration from the issuing life insurance company.

## Who Pays What - Who Receives What

Plan Sponsor: Town and Country Auto Group  
S Corporation



\*When the policy is transferred, S Corporation shareholders must recognize gain to the extent that the policy value exceeds the S Corporation's premium payments; however, shareholders are entitled to a deduction equal to the amount the executive includes in income on the transfer - which is generally approximated by the policy value without regard to any surrender charges (IRS Rev. Proc. 2005-25).

\*\*The executive has taxable income to the extent of the policy's fair market value (IRC Section 83) which is generally approximated by the policy value without reduction for surrender charges (IRS Rev. Proc. 2005-25).

Plan Sponsor: Town and Country Auto Group  
S Corporation

## Details of the Tax Consequences

### When the Policy is Transferred to the Non-Shareholder Executive

Form of Transaction (Key Executive Coverage with Deferred Transfer of Policy to Executive as Compensation)	Policy Transfer to Executive is Illustrated at Beginning of Year 11	S Corporation (Shareholder) Tax Bracket 40.00%	Executive's Tax Bracket 40.00%
---	--	---	--------------------------------------

#### Transfer Details:

Year the transfer is illustrated: Beginning of year 11  
 Accumulation value of policy when transferred: \$877,189  
 S Corporation's cumulative premiums prior to transfer: \$700,000  
 Executive's cumulative premiums prior to transfer: \$0

#### S Corporation (Shareholder) Transfer Tax Consequences:

When the policy is transferred, Shareholders must recognize gain to the extent that the policy value exceeds the S Corporation's premium payments; however, Shareholders are entitled to a deduction equal to the amount the executive includes in income on the transfer -- which is generally approximated by the policy value without regard to any surrender charges (IRS Refv. Proc. 2005-25).

Therefore, for this case:

1. Shareholders have a taxable gain of the difference between \$877,189 (accumulation value of policy) and \$700,000 (S Corporation's cumulative premium share) which equals \$177,189 in taxable gain.  $\$177,189 \times 40.00\%$  (assumed tax bracket of shareholders) = \$70,876 of income tax due.
2. In addition, the shareholders have an income tax deduction of the difference between \$877,189 (policy accumulation value) and \$0 (Executive's cumulative premium share) which equals \$877,189 in taxable gain.  $\$877,189 \times 40.00\% = \$350,876$  of income tax savings.
3.  $\$350,876$  of income tax savings less  $\$70,876$  of income tax due =  $\$280,000$  of net income tax savings to the shareholders at transfer.

#### Executive's Transfer Tax Consequences:

The executive has taxable income to the extent of the policy's fair market value (IRC Section 83) which is generally approximated by the policy's accumulation value without reduction for surrender charges (IRS Rev. Proc. 2005-25).

Therefore, for this case:

1. The executive has a taxable income of \$877,189 (the policy accumulation value).
2.  $\$877,189 \times 40.00\% = \$350,876$  of income tax due.
3. The executive has basis in the policy of \$877,189 (the amount of taxable income).

Note: Any premium payments, increase in policy values, or policy activity (loans, withdrawals, etc.) in the year of transfer are presumed to occur after the transfer takes place.

# Executive Trifecta<sup>®</sup> Using Indexed Universal Life

Presented By: [Licensed user's name appears here]

Insured: Tony Jamison

## Benefit Summary

Plan Sponsor: Town and Country Auto Group  
S Corporation

Indexed UL Interest Rate 7.00%	Initial Death Benefit 4,279,718	<u>Policy Owner</u> Business Until Transferred to Executive in Year 11	<u>Policy Premiums Prior to Transfer</u> Paid by Business \$100,000 for 1st 7 Yrs	Paid by Executive \$0
--------------------------------------	---------------------------------------	--	---	--------------------------

<b>Benefits for Tony Jamison</b>	<b>See Report Entitled</b>
Survivor income benefits paid by the business to the Executive's family if death occurs prior to transfer of the policy: \$300,000 for 10 years (indexed).	Analysis of Survivor Income Benefit
Policy illustrated transferred to the Executive at the beginning of year 11.	Executive's Summary of Costs and Benefits
Executive's out-of-pocket cost for tax on the transfer in year 11: \$140,350	Executive's Cost Analysis
Executive's illustrated cash value at end of year 11: \$943,925	Executive's Summary of Costs and Benefits
Executive's illustrated annual retirement cash flow* for 35 years: \$260,000	Executive's Summary of Costs and Benefits
Executive's illustrated death benefit for family at end of year 11: \$4,253,806	Executive's Summary of Costs and Benefits

\*Cash flow is received **income tax free** according to current tax rules assuming it involves withdrawals to basis and/or loans. Withdrawals that exceed cost basis are taxed.

<b>Benefits for Town and Country Auto Group</b>	<b>See Report Entitled</b>
Cash value of life insurance policy owned by the business just prior to transfer of the policy: \$857,031	Plan Sponsor's Summary of Costs and Benefits
Lowest illustrated life insurance death benefit to indemnify the business for loss of the Executive's services prior to the transfer of the policy: \$4,253,806	Plan Sponsor's Summary of Costs and Benefits
Illustrated tax savings for the business upon transfer of the policy: \$280,000	Details of the Tax Consequences
Providing the benefits for the Executive helps retain a valuable participant in the continuing success of the business.	
Should the Executive fail to complete the terms of the agreement associated with the plan, the transfer of the policy is forfeited, and all policy values remain an asset of the business.	

This illustration assumes the nonguaranteed values shown continue in all years. This is not likely, and actual results may be more or less favorable. This illustration is not valid unless accompanied by a basic illustration from the issuing life insurance company.

# Executive Trifecta® Using Indexed Universal Life

Presented By: [Licensed user's name appears here]

Insured: Tony Jamison

## Executive's Summary of Costs and Benefits

Plan Sponsor: Town and Country Auto Group S Corporation

Form of Transaction (Key Executive Coverage with Deferred Transfer of Policy To Executive)      Policy Transfer to Executive is Illustrated at Beginning of Year 11      Executive's Tax Bracket 40.00%      Indexed UL Interest Rate 7.00%

Year	Male Age	(1) Net Payment	(2) Retirement Income Net Policy Loan Proceeds	(3) Policy Accum Value*	(4) Policy Cash Value*	(5) Policy Death Benefit	(6) Total Survivor Income Benefit**
1	40	0	0	0	0	0	3,439,164
2	41	0	0	0	0	0	3,439,164
3	42	0	0	0	0	0	3,439,164
4	43	0	0	0	0	0	3,439,164
5	44	0	0	0	0	0	3,439,164
6	45	0	0	0	0	0	3,439,164
7	46	0	0	0	0	0	3,439,164
8	47	0	0	0	0	0	3,439,164
9	48	0	0	0	0	0	3,439,164
10	49	0	0	0	0	0	3,439,164
11	50	140,350	0	943,925	943,925	4,253,806	0
12	51	0	0	1,015,651	1,015,651	4,253,806	0
13	52	0	0	1,092,754	1,092,754	4,253,806	0
14	53	0	0	1,175,653	1,175,653	4,253,806	0
15	54	0	0	1,264,801	1,264,801	4,253,806	0
16	55	0	0	1,360,566	1,360,566	4,253,806	0
17	56	0	0	1,463,525	1,463,525	4,253,806	0
18	57	0	0	1,574,164	1,574,164	4,253,806	0
19	58	0	0	1,693,145	1,693,145	4,253,806	0
20	59	0	0	1,821,173	1,821,173	4,253,806	0
21	60	0	0	1,958,949	1,958,949	4,253,806	0
22	61	0	0	2,107,237	2,107,237	4,253,806	0
23	62	0	0	2,266,824	2,266,824	4,253,806	0
24	63	0	0	2,438,630	2,438,630	4,253,806	0
25	64	0	0	2,623,683	2,623,683	4,253,806	0
26	65	0	260,000	2,820,465	2,547,961	4,007,214	0
27	66	0	260,000	3,030,015	2,471,381	3,721,084	0
28	67	0	260,000	3,253,527	2,394,457	3,420,648	0
29	68	0	260,000	3,492,258	2,317,730	3,105,190	0
30	69	0	260,000	3,747,615	2,241,856	2,841,475	0
		140,350	1,300,000				

See page 17 for explanation of \$140,350 cost to the executive.

\*This illustration assumes the nonguaranteed values shown continue in all years. This is not likely, and actual results may be more or less favorable. This illustration is not valid unless accompanied by a basic illustration from the issuing life insurance company.

\*\*Survivor Income Benefit is terminated at the beginning of year 11 when the policy is transferred to the executive.



# Executive Trifecta® Using Indexed Universal Life

Presented By: [Licensed user's name appears here]

Insured: Tony Jamison

## Executive's Summary of Costs and Benefits

Plan Sponsor: Town and Country Auto Group  
S Corporation

Form of Transaction (Key Executive Coverage with Deferred Transfer of Policy To Executive)      Policy Transfer to Executive is Illustrated at Beginning of Year 11      Executive's Tax Bracket 40.00%      Indexed UL Interest Rate 7.00%

Year	Male Age	(1) Net Payment	(2) Retirement Income Net Policy Loan Proceeds	(3) Policy Accum Value*	(4) Policy Cash Value*	(5) Policy Death Benefit	(6) Total Survivor Income Benefit**
31	70	0	260,000	4,021,202	2,167,651	2,770,832	0
32	71	0	260,000	4,312,437	2,093,704	2,654,321	0
33	72	0	260,000	4,622,731	2,020,557	2,529,057	0
34	73	0	260,000	4,953,615	1,948,828	2,394,653	0
35	74	0	260,000	5,306,825	1,879,294	2,250,772	0
36	75	0	260,000	5,684,324	1,812,912	2,097,128	0
37	76	0	260,000	6,085,937	1,748,450	2,052,747	0
38	77	0	260,000	6,513,160	1,686,294	2,011,952	0
39	78	0	260,000	6,967,558	1,626,845	1,975,223	0
40	79	0	260,000	7,450,774	1,570,520	1,943,059	0
41	80	0	260,000	7,964,483	1,517,712	1,915,937	0
42	81	0	260,000	8,509,866	1,468,253	1,893,746	0
43	82	0	260,000	9,088,503	1,422,305	1,876,730	0
44	83	0	260,000	9,701,962	1,379,950	1,865,048	0
45	84	0	260,000	10,351,612	1,340,994	1,858,575	0
46	85	0	260,000	11,038,426	1,304,773	1,856,694	0
47	86	0	260,000	11,764,154	1,271,314	1,859,522	0
48	87	0	260,000	12,529,744	1,239,757	1,866,245	0
49	88	0	260,000	13,335,754	1,208,764	1,875,551	0
50	89	0	260,000	14,182,521	1,176,676	1,885,802	0
51	90	0	260,000	15,069,773	1,141,132	1,894,620	0
52	91	0	260,000	16,019,567	1,121,990	1,762,772	0
53	92	0	260,000	17,042,371	1,127,410	1,638,681	0
54	93	0	260,000	18,151,772	1,168,558	1,531,594	0
55	94	0	260,000	19,364,885	1,260,007	1,453,656	0
56	95	0	260,000	20,701,915	1,419,288	1,419,288	0
57	96	0	260,000	22,132,353	1,613,091	1,613,091	0
58	97	0	260,000	23,663,010	1,845,280	1,845,280	0
59	98	0	260,000	25,301,205	2,120,085	2,120,085	0
60	99	0	260,000	27,054,813	2,442,131	2,442,131	0
		140,350	9,100,000				

\*This illustration assumes the nonguaranteed values shown continue in all years. This is not likely, and actual results may be more or less favorable. This illustration is not valid unless accompanied by a basic illustration from the issuing life insurance company.

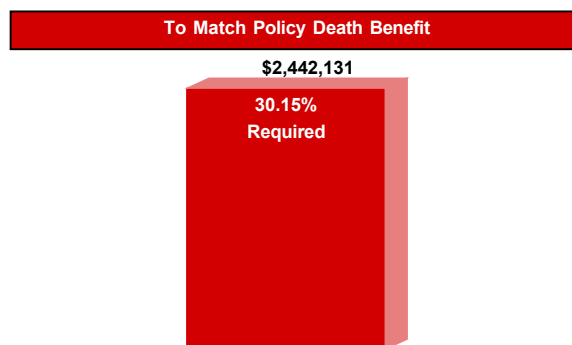
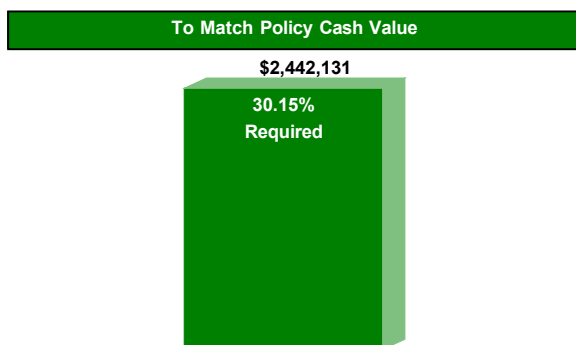
\*\*Survivor Income Benefit is terminated at the beginning of year 11 when the policy is transferred to the executive.

## Matching Values

Form of Transaction (Key Executive Coverage with Deferred Transfer of Policy To Executive)	Executive's Tax Bracket 40.00%	Indexed UL Interest Rate 7.00%
---	--------------------------------------	--------------------------------------

**Gross Interest Rate Required on  
a Hypothetical Taxable Investment Equal to the Executive's Cumulative Net Payments of \$140,350  
to Match the Executive's Values of the Indexed Universal Life Policy Values over 60 Years**

	Hypothetical Taxable Alternative
To match Policy Cash Value of: \$2,442,131	30.15%
To match Policy Death Benefit of: \$2,442,131	30.15%



### Income Tax Considerations

1. Hypothetical Taxable Investment: Interest is taxed as earned.
2. Indexed Universal Life:
  - a. Death Benefit including available cash value component is income tax free.
  - b. Loans are income tax free as long as the policy is kept in force.
  - c. Withdrawals and other non-loan policy cash flow up to cost basis (not in violation of IRC Section 7702) are income tax free as a return of premium.
  - d. Cash values shown assume most favorable combination of b and/or c.

This illustration assumes the nonguaranteed values shown continue in all years. This is not likely, and actual results may be more or less favorable. This illustration is not valid unless accompanied by a basic illustration from the issuing life insurance company.

# Executive Trifecta® Using Indexed Universal Life

Presented By: [Licensed user's name appears here]

Insured: Tony Jamison

## Executive's Cost Analysis

Plan Sponsor: Town and Country Auto Group  
S Corporation

Form of Transaction (Key Executive Coverage with Deferred Transfer of Policy To Executive)      Policy Transfer to Executive is Illustrated at Beginning of Year 11      Executive's Tax Bracket 40.00%      Indexed UL Interest Rate 7.00%

Year	Male Age	(1) Premium Payment	(2) Bonus Income Received	(3) Income from Transfer*	(4) Taxable Income (2) + (3)	(5) Income Tax Due on Col (4)	(6) Net Payment (1)-(2)+(5)
1	40	0	0	0	0	0	0
2	41	0	0	0	0	0	0
3	42	0	0	0	0	0	0
4	43	0	0	0	0	0	0
5	44	0	0	0	0	0	0
6	45	0	0	0	0	0	0
7	46	0	0	0	0	0	0
8	47	0	0	0	0	0	0
9	48	0	0	0	0	0	0
10	49	0	0	0	0	0	0
11	50	0	350,876	877,189	1,228,065	491,226	140,350
12	51	0	0	0	0	0	0
13	52	0	0	0	0	0	0
14	53	0	0	0	0	0	0
15	54	0	0	0	0	0	0
16	55	0	0	0	0	0	0
17	56	0	0	0	0	0	0
18	57	0	0	0	0	0	0
19	58	0	0	0	0	0	0
20	59	0	0	0	0	0	0
21	60	0	0	0	0	0	0
22	61	0	0	0	0	0	0
23	62	0	0	0	0	0	0
24	63	0	0	0	0	0	0
25	64	0	0	0	0	0	0
26	65	0	0	0	0	0	0
27	66	0	0	0	0	0	0
28	67	0	0	0	0	0	0
29	68	0	0	0	0	0	0
30	69	0	0	0	0	0	0
		0	350,876	877,189	1,228,065	491,226	140,350

\*The key executive coverage and the survivor income benefit are presumed terminated at the beginning of year 11 via a transfer of the policy to the executive. The transfer produces taxable income to the executive equal to the accumulation value transferred without regard to surrender charges. (See the report entitled "Details of the Tax Consequences When the Policy is Transferred to the Executive".)

This illustration assumes the nonguaranteed values shown continue in all years. This is not likely, and actual results may be more or less favorable. This illustration is not valid unless accompanied by a basic illustration from the issuing life insurance company.

# Executive Trifecta® Using Indexed Universal Life

Presented By: [Licensed user's name appears here]

Insured: Tony Jamison

## Executive's Cost Analysis

Plan Sponsor: Town and Country Auto Group  
S Corporation

Form of Transaction (Key Executive Coverage with Deferred Transfer of Policy To Executive)      Policy Transfer to Executive is Illustrated at Beginning of Year 11      Executive's Tax Bracket 40.00%      Indexed UL Interest Rate 7.00%

Year	Male Age	(1) Premium Payment	(2) Bonus Income Received	(3) Income from Transfer*	(4) Taxable Income (2) + (3)	(5) Income Tax Due on Col (4)	(6) Net Payment (1)-(2)+(5)
31	70	0	0	0	0	0	0
32	71	0	0	0	0	0	0
33	72	0	0	0	0	0	0
34	73	0	0	0	0	0	0
35	74	0	0	0	0	0	0
36	75	0	0	0	0	0	0
37	76	0	0	0	0	0	0
38	77	0	0	0	0	0	0
39	78	0	0	0	0	0	0
40	79	0	0	0	0	0	0
41	80	0	0	0	0	0	0
42	81	0	0	0	0	0	0
43	82	0	0	0	0	0	0
44	83	0	0	0	0	0	0
45	84	0	0	0	0	0	0
46	85	0	0	0	0	0	0
47	86	0	0	0	0	0	0
48	87	0	0	0	0	0	0
49	88	0	0	0	0	0	0
50	89	0	0	0	0	0	0
51	90	0	0	0	0	0	0
52	91	0	0	0	0	0	0
53	92	0	0	0	0	0	0
54	93	0	0	0	0	0	0
55	94	0	0	0	0	0	0
56	95	0	0	0	0	0	0
57	96	0	0	0	0	0	0
58	97	0	0	0	0	0	0
59	98	0	0	0	0	0	0
60	99	0	0	0	0	0	0
		0	350,876	877,189	1,228,065	491,226	140,350

\*The key executive coverage and the survivor income benefit are presumed terminated at the beginning of year 11 via a transfer of the policy to the executive. The transfer produces taxable income to the executive equal to the accumulation value transferred without regard to surrender charges. (See the report entitled "Details of the Tax Consequences When the Policy is Transferred to the Executive".)

This illustration assumes the nonguaranteed values shown continue in all years. This is not likely, and actual results may be more or less favorable. This illustration is not valid unless accompanied by a basic illustration from the issuing life insurance company.

# Executive Trifecta® Using Indexed Universal Life

Presented By: [Licensed user's name appears here]

For the Beneficiaries of: Tony Jamison

## Plan Sponsor's Analysis of Survivor Income Benefit

Plan Sponsor: Town and Country Auto Group S Corporation

Plan Sponsor's Tax Bracket 40.00%      Assumed Use of Money 6.00%      Cost to Provide the Benefit\* 1,753,806      Total Survivor Benefit Scheduled 3,439,164      Cost of Living Adjustment 3.00%

Year Following Executive's Death	Benefits and Costs		Survivor Income Account Activity		
	(1) Annual Benefit Payment to Executive's Survivors	(2) Annual After Tax Cost of Payment to Survivors	(3) Beginning of Year Balance in Survivor Benefit Account	(4) Balance in Account to Accrue (3) - (2)	(5) Year End After Tax Accrual of Account
1	300,000	180,000	1,753,806	1,573,806	1,630,463
2	309,000	185,400	1,630,463	1,445,063	1,497,085
3	318,270	190,962	1,497,085	1,306,123	1,353,144
4	327,818	196,691	1,353,144	1,156,453	1,198,085
5	337,653	202,592	1,198,085	995,494	1,031,331
6	347,782	208,669	1,031,331	822,662	852,278
7	358,216	214,929	852,278	637,348	660,293
8	368,962	221,377	660,293	438,916	454,717
9	380,031	228,019	454,717	226,698	234,859
10	391,432	234,859	234,859	0	0
	<b>3,439,164</b>	<b>2,063,498</b>			

\*See Column (3), year 1. (Funding source is a portion of the proceeds from the Key Executive coverage.)

This table shows the escrow calculations (columns 3, 4 and 5) necessary to produce the survivor benefit shown in column (1). Rounding may cause minor math inconsistencies. Calculation formulae are:

- Column (2) = column (1) times (1-(tax bracket/100))
- Column (4) = column (3) minus column (2)
- Column (5) = column (4) plus the after tax interest credit

# Executive Trifecta® Using Indexed Universal Life

Presented By: [Licensed user's name appears here]

Insured: Tony Jamison

## Plan Sponsor's Summary of Costs and Benefits

Plan Sponsor: Town and Country Auto Group S Corporation

Form of Transaction (Key Executive Coverage with Deferred Transfer of Policy To Executive)      Policy Transfer to Executive is Illustrated at Beginning of Year 11      Plan Sponsor's Tax Bracket 40.00%      Indexed UL Interest Rate 7.00%

Year	Male Age	(1) Net Payment	(2) Cumulative Net Payments	(3) Policy Accum Value*	(4) Policy Cash Value*	(5) Portion of Policy Death Benefit Allocated for Key Executive Coverage	(6) Portion of Policy Death Benefit Allocated for Survivor Income Benefit**	(7) Total Policy Death Benefit Required (5) + (6)	(8) Total Policy Death Benefit Provided
1	40	100,000	100,000	86,132	0	2,500,000	1,753,806	4,253,806	4,253,806
2	41	100,000	200,000	178,454	72,145	2,500,000	1,753,806	4,253,806	4,253,806
3	42	100,000	300,000	277,360	172,379	2,500,000	1,753,806	4,253,806	4,253,806
4	43	100,000	400,000	383,304	279,649	2,500,000	1,753,806	4,253,806	4,253,806
5	44	100,000	500,000	496,818	394,533	2,500,000	1,753,806	4,253,806	4,253,806
6	45	100,000	600,000	618,522	517,649	2,500,000	1,753,806	4,253,806	4,253,806
7	46	100,000	700,000	749,089	668,416	2,500,000	1,753,806	4,253,806	4,253,806
8	47	0	700,000	788,562	728,047	2,500,000	1,753,806	4,253,806	4,253,806
9	48	0	700,000	831,211	790,896	2,500,000	1,753,806	4,253,806	4,253,806
10	49	0	700,000	877,189	857,031	2,500,000	1,753,806	4,253,806	4,253,806
11	50	-69,474	630,526	0	0	0	0	0	0
12	51	0	630,526	0	0	0	0	0	0
13	52	0	630,526	0	0	0	0	0	0
14	53	0	630,526	0	0	0	0	0	0
15	54	0	630,526	0	0	0	0	0	0
16	55	0	630,526	0	0	0	0	0	0
17	56	0	630,526	0	0	0	0	0	0
18	57	0	630,526	0	0	0	0	0	0
19	58	0	630,526	0	0	0	0	0	0
20	59	0	630,526	0	0	0	0	0	0
21	60	0	630,526	0	0	0	0	0	0
22	61	0	630,526	0	0	0	0	0	0
23	62	0	630,526	0	0	0	0	0	0
24	63	0	630,526	0	0	0	0	0	0
25	64	0	630,526	0	0	0	0	0	0
26	65	0	630,526	0	0	0	0	0	0
27	66	0	630,526	0	0	0	0	0	0
28	67	0	630,526	0	0	0	0	0	0
29	68	0	630,526	0	0	0	0	0	0
30	69	0	630,526	0	0	0	0	0	0
		630,526							

See Page 22 for explanation of Plan Sponsor's cost of \$ -69,474.

\*This illustration assumes the nonguaranteed values shown continue in all years. This is not likely, and actual results may be more or less favorable. This illustration is not valid unless accompanied by a basic illustration from the issuing life insurance company.

\*\*Key Executive Coverage and Survivor Income Benefit are terminated at the beginning of year 11 when the policy is transferred to the executive.

# Executive Trifecta® Using Indexed Universal Life

Presented By: [Licensed user's name appears here]

Insured: Tony Jamison

## Plan Sponsor's Summary of Costs and Benefits

Plan Sponsor: Town and Country Auto Group S Corporation

		Form of Transaction (Key Executive Coverage with Deferred Transfer of Policy To Executive)	Policy Transfer to Executive is Illustrated at Beginning of Year 11	Plan Sponsor's Tax Bracket 40.00%	Indexed UL Interest Rate 7.00%				
Year	Male Age	(1) Net Payment	(2) Cumulative Net Payments	(3) Policy Accum Value*	(4) Policy Cash Value*	(5) Portion of Policy Death Benefit Allocated for Key Executive Coverage	(6) Portion of Policy Death Benefit Allocated for Survivor Income Benefit**	(7) Total Policy Death Benefit Required (5) + (6)	(8) Total Policy Death Benefit Provided
31	70	0	630,526	0	0	0	0	0	0
32	71	0	630,526	0	0	0	0	0	0
33	72	0	630,526	0	0	0	0	0	0
34	73	0	630,526	0	0	0	0	0	0
35	74	0	630,526	0	0	0	0	0	0
36	75	0	630,526	0	0	0	0	0	0
37	76	0	630,526	0	0	0	0	0	0
38	77	0	630,526	0	0	0	0	0	0
39	78	0	630,526	0	0	0	0	0	0
40	79	0	630,526	0	0	0	0	0	0
41	80	0	630,526	0	0	0	0	0	0
42	81	0	630,526	0	0	0	0	0	0
43	82	0	630,526	0	0	0	0	0	0
44	83	0	630,526	0	0	0	0	0	0
45	84	0	630,526	0	0	0	0	0	0
46	85	0	630,526	0	0	0	0	0	0
47	86	0	630,526	0	0	0	0	0	0
48	87	0	630,526	0	0	0	0	0	0
49	88	0	630,526	0	0	0	0	0	0
50	89	0	630,526	0	0	0	0	0	0
51	90	0	630,526	0	0	0	0	0	0
52	91	0	630,526	0	0	0	0	0	0
53	92	0	630,526	0	0	0	0	0	0
54	93	0	630,526	0	0	0	0	0	0
55	94	0	630,526	0	0	0	0	0	0
56	95	0	630,526	0	0	0	0	0	0
57	96	0	630,526	0	0	0	0	0	0
58	97	0	630,526	0	0	0	0	0	0
59	98	0	630,526	0	0	0	0	0	0
60	99	0	630,526	0	0	0	0	0	0
		<b>630,526</b>							

\*This illustration assumes the nonguaranteed values shown continue in all years. This is not likely, and actual results may be more or less favorable. This illustration is not valid unless accompanied by a basic illustration from the issuing life insurance company.

\*\*Key Executive Coverage and Survivor Income Benefit are terminated at the beginning of year 11 when the policy is transferred to the executive.

# Executive Trifecta® Using Indexed Universal Life

Presented By: [Licensed user's name appears here]

Insured: Tony Jamison

## Plan Sponsor's Cost Analysis

Plan Sponsor: Town and Country Auto Group S Corporation

		Form of Transaction (Key Executive Coverage with Deferred Transfer of Policy To Executive)	Policy Transfer to Executive is Illustrated at Beginning of Year 11	Plan Sponsor's Tax Bracket 40.00%	Indexed UL Interest Rate 7.00%			
Year	Male Age	(1) Premium Payment	(2) Cumulative Premium Payment	(3) Bonus to Executive	(4) After Tax Cost of Bonus	(5) Income Tax Savings from Transfer*	(6) Net Payment (1)+(4)-(5)	(7) Cumulative Net Payments
1	40	100,000	100,000	0	0	0	100,000	100,000
2	41	100,000	200,000	0	0	0	100,000	200,000
3	42	100,000	300,000	0	0	0	100,000	300,000
4	43	100,000	400,000	0	0	0	100,000	400,000
5	44	100,000	500,000	0	0	0	100,000	500,000
6	45	100,000	600,000	0	0	0	100,000	600,000
7	46	100,000	700,000	0	0	0	100,000	700,000
8	47	0	700,000	0	0	0	0	700,000
9	48	0	700,000	0	0	0	0	700,000
10	49	0	700,000	0	0	0	0	700,000
11	50	0	0	350,876	210,526	280,000	-69,474	630,526
12	51	0	0	0	0	0	0	630,526
13	52	0	0	0	0	0	0	630,526
14	53	0	0	0	0	0	0	630,526
15	54	0	0	0	0	0	0	630,526
16	55	0	0	0	0	0	0	630,526
17	56	0	0	0	0	0	0	630,526
18	57	0	0	0	0	0	0	630,526
19	58	0	0	0	0	0	0	630,526
20	59	0	0	0	0	0	0	630,526
21	60	0	0	0	0	0	0	630,526
22	61	0	0	0	0	0	0	630,526
23	62	0	0	0	0	0	0	630,526
24	63	0	0	0	0	0	0	630,526
25	64	0	0	0	0	0	0	630,526
26	65	0	0	0	0	0	0	630,526
27	66	0	0	0	0	0	0	630,526
28	67	0	0	0	0	0	0	630,526
29	68	0	0	0	0	0	0	630,526
30	69	0	0	0	0	0	0	630,526
		700,000		350,876	210,526		630,526	

\*The key executive coverage and the survivor income benefit are presumed terminated at the beginning of year 11 via a transfer of the policy to the executive. The transfer produces: 1) taxable income to the Employer to the extent its accumulation value (without regard to surrender charges) exceeds its cost basis and 2) an income tax deduction equal to the amount the executive includes in income. (See the report entitled "Details of the Tax Consequences When the Policy is Transferred to the Executive".)

This illustration assumes the nonguaranteed values shown continue in all years. This is not likely, and actual results may be more or less favorable. This illustration is not valid unless accompanied by a basic illustration from the issuing life insurance company.



# Executive Trifecta® Using Indexed Universal Life

Presented By: [Licensed user's name appears here]

Insured: Tony Jamison

## Plan Sponsor's Cost Analysis

Plan Sponsor: Town and Country Auto Group  
S Corporation

		Form of Transaction (Key Executive Coverage with Deferred Transfer of Policy To Executive)	Policy Transfer to Executive is Illustrated at Beginning of Year 11	Plan Sponsor's Tax Bracket 40.00%	Indexed UL Interest Rate 7.00%				
Year	Male Age	(1) Premium Payment	(2) Cumulative Premium Payment	(3) Bonus to Executive	(4) After Tax Cost of Bonus	(5) Income Tax Savings from Transfer*	(6) Net Payment (1)+(4)-(5)	(7) Cumulative Net Payments	
31	70	0	0	0	0	0	0	630,526	
32	71	0	0	0	0	0	0	630,526	
33	72	0	0	0	0	0	0	630,526	
34	73	0	0	0	0	0	0	630,526	
35	74	0	0	0	0	0	0	630,526	
36	75	0	0	0	0	0	0	630,526	
37	76	0	0	0	0	0	0	630,526	
38	77	0	0	0	0	0	0	630,526	
39	78	0	0	0	0	0	0	630,526	
40	79	0	0	0	0	0	0	630,526	
41	80	0	0	0	0	0	0	630,526	
42	81	0	0	0	0	0	0	630,526	
43	82	0	0	0	0	0	0	630,526	
44	83	0	0	0	0	0	0	630,526	
45	84	0	0	0	0	0	0	630,526	
46	85	0	0	0	0	0	0	630,526	
47	86	0	0	0	0	0	0	630,526	
48	87	0	0	0	0	0	0	630,526	
49	88	0	0	0	0	0	0	630,526	
50	89	0	0	0	0	0	0	630,526	
51	90	0	0	0	0	0	0	630,526	
52	91	0	0	0	0	0	0	630,526	
53	92	0	0	0	0	0	0	630,526	
54	93	0	0	0	0	0	0	630,526	
55	94	0	0	0	0	0	0	630,526	
56	95	0	0	0	0	0	0	630,526	
57	96	0	0	0	0	0	0	630,526	
58	97	0	0	0	0	0	0	630,526	
59	98	0	0	0	0	0	0	630,526	
60	99	0	0	0	0	0	0	630,526	
		700,000		350,876	210,526		630,526		

\*The key executive coverage and the survivor income benefit are presumed terminated at the beginning of year 11 via a transfer of the policy to the executive. The transfer produces: 1) taxable income to the Employer to the extent its accumulation value (without regard to surrender charges) exceeds its cost basis and 2) an income tax deduction equal to the amount the executive includes in income. (See the report entitled "Details of the Tax Consequences When the Policy is Transferred to the Executive".)

This illustration assumes the nonguaranteed values shown continue in all years. This is not likely, and actual results may be more or less favorable. This illustration is not valid unless accompanied by a basic illustration from the issuing life insurance company.

# Executive Trifecta® Using Indexed Universal Life

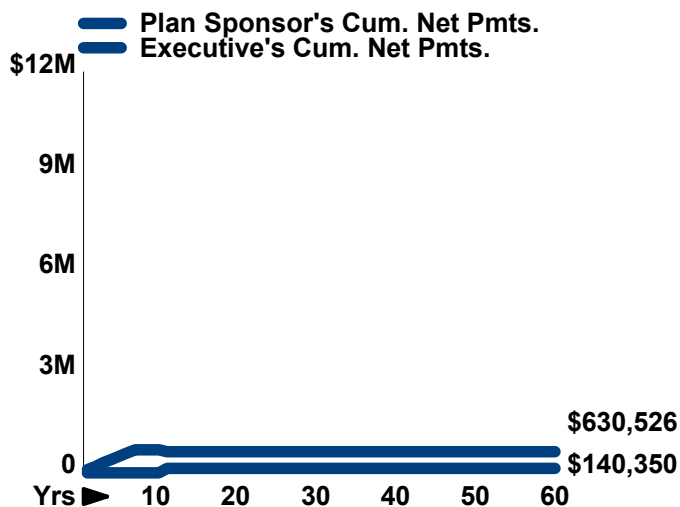
Presented By: [Licensed user's name appears here]

Insured: Tony Jamison

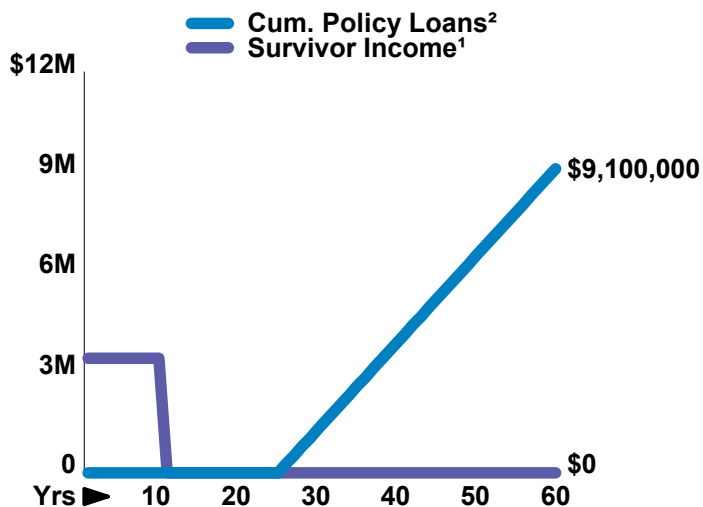
## 60 Year Analysis

Plan Sponsor: Town and Country Auto Group  
S Corporation

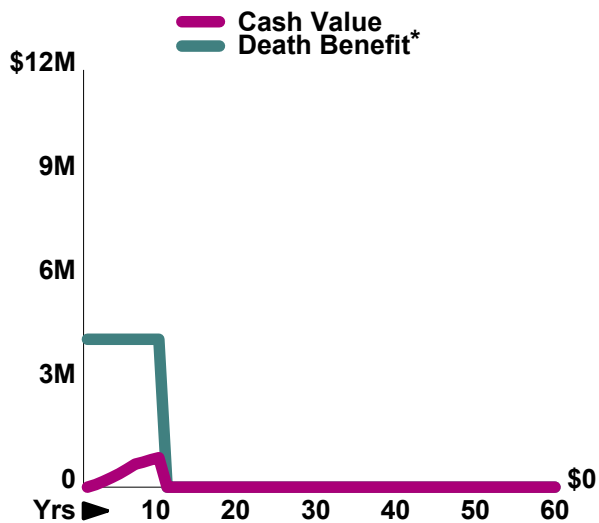
### Net Payments



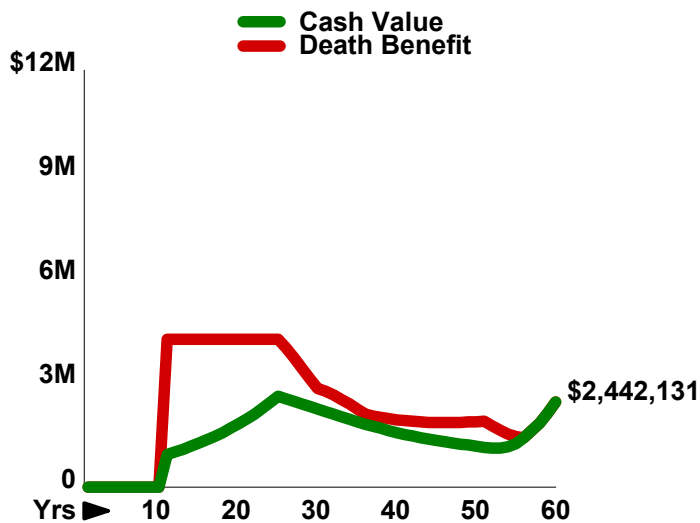
### Survivor Income and Cash Flow



### Plan Sponsor's Values



### Executive's Values



<sup>1</sup> For Family Income.

<sup>2</sup> For Retirement Income.

\* Plan Sponsor's Death Benefit includes an amount allocated for funding the survivor income benefit for the executive's beneficiaries.

Note: The after tax effects of bonuses are included in the cumulative net payments of both the employer and the executive.