

# Restricted Employee Bonus

## Standard Universal Life Supplemental Illustration

### A Flexible Premium Adjustable Life Insurance Policy



The illustrated values are not guaranteed. They assume that scales for interest and cost of insurance rates will continue unchanged by the Company for all years shown. This is not likely to occur because interest and cost of insurance rates are subject to change by the Company based on various factors such as claims, investment experience, persistency, expenses, taxes, and the overall economic environment. Actual results may be more or less favorable than those shown. Please review the corresponding basic illustration for guaranteed values and other important information, and the notes following this supplemental illustration. Values shown may not appear exact due to rounding.

e-World Financial and its representatives do not give legal or tax advice. This marketing concept is provided for informational purposes only and should not be construed as legal or tax advice. Customers and other interested parties must consult with and rely on their own independent advisors regarding their particular situation and the concepts presented here. Neither the insurer nor your agent may give you legal or tax advice.

This supplemental illustration is not complete without all numbered pages and the underlying basic illustration.



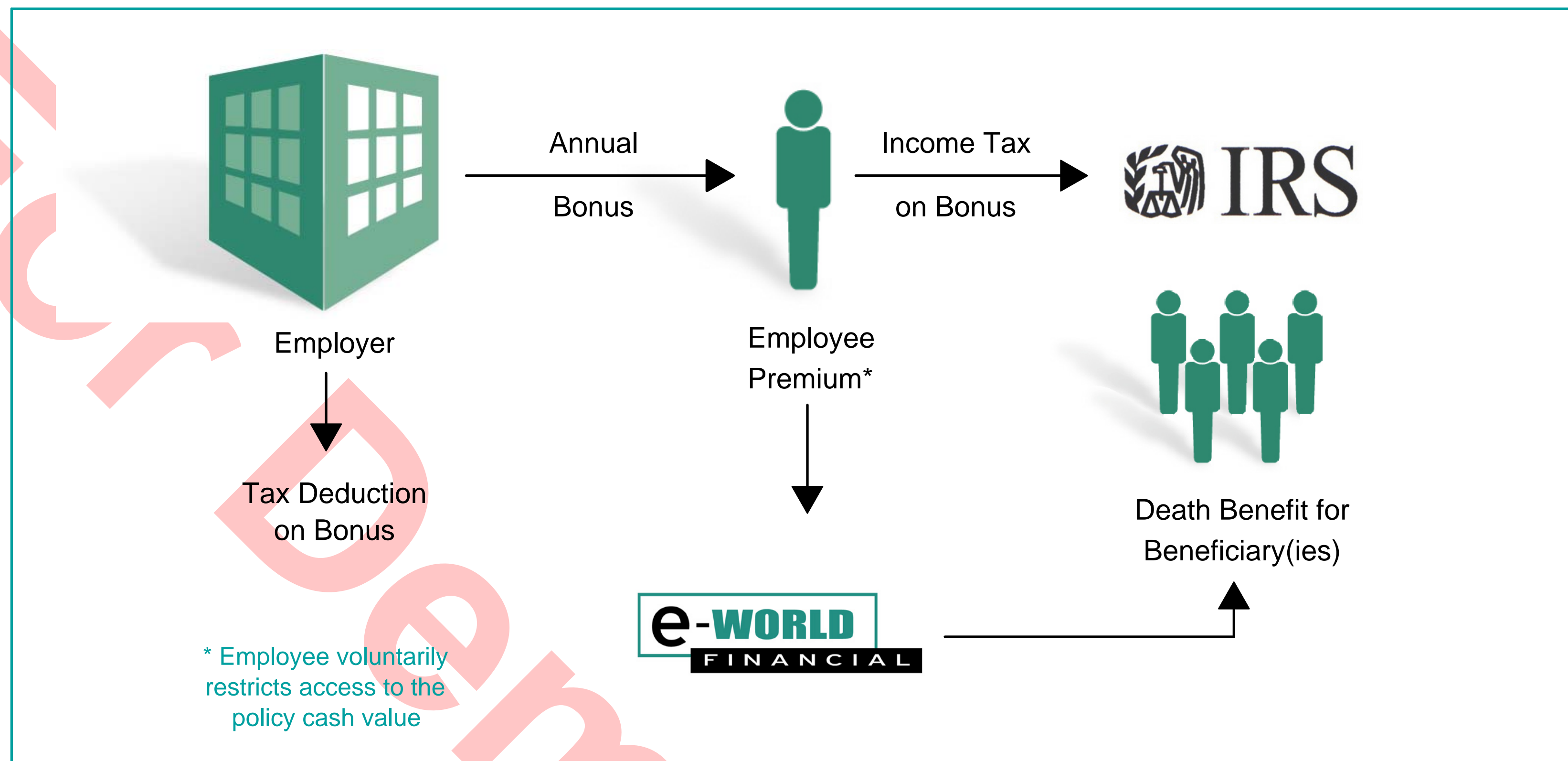
Presented to: Universal Life

Presented by: Dennis Smith

## Restricted Employee Bonus

For: Universal Life

### How It Works



The executive bonus allows an employer to provide life insurance to selected key employees using tax-deductible business dollars.

The employee's control over the policy is voluntarily restricted, such as access to the policy's cash value, as well as the ability to pledge as collateral. The employer's consent may be required for a period of years, or until a specified event such as termination or retirement.

### Benefit Summary

COSS Development	Universal Life
<ul style="list-style-type: none"> <li>• Bonus payments may be tax-deductible, subject to "reasonable compensation" rules.*</li> <li>• May freely select participants</li> <li>• No IRS approval necessary</li> <li>• Helps to attract, recruit and retain valuable employees</li> </ul>	<ul style="list-style-type: none"> <li>• Complete ownership and control of life insurance and policy cash value.</li> <li>• May name beneficiaries</li> <li>• Protection provided for a variety of needs, e.g. family income, estate planning</li> <li>• Frees up personal funds that would otherwise be spent on personal life insurance</li> </ul>

\*Total compensation must be "reasonable" and the employer may not retain any ownership rights or beneficial interest in the life insurance policy.

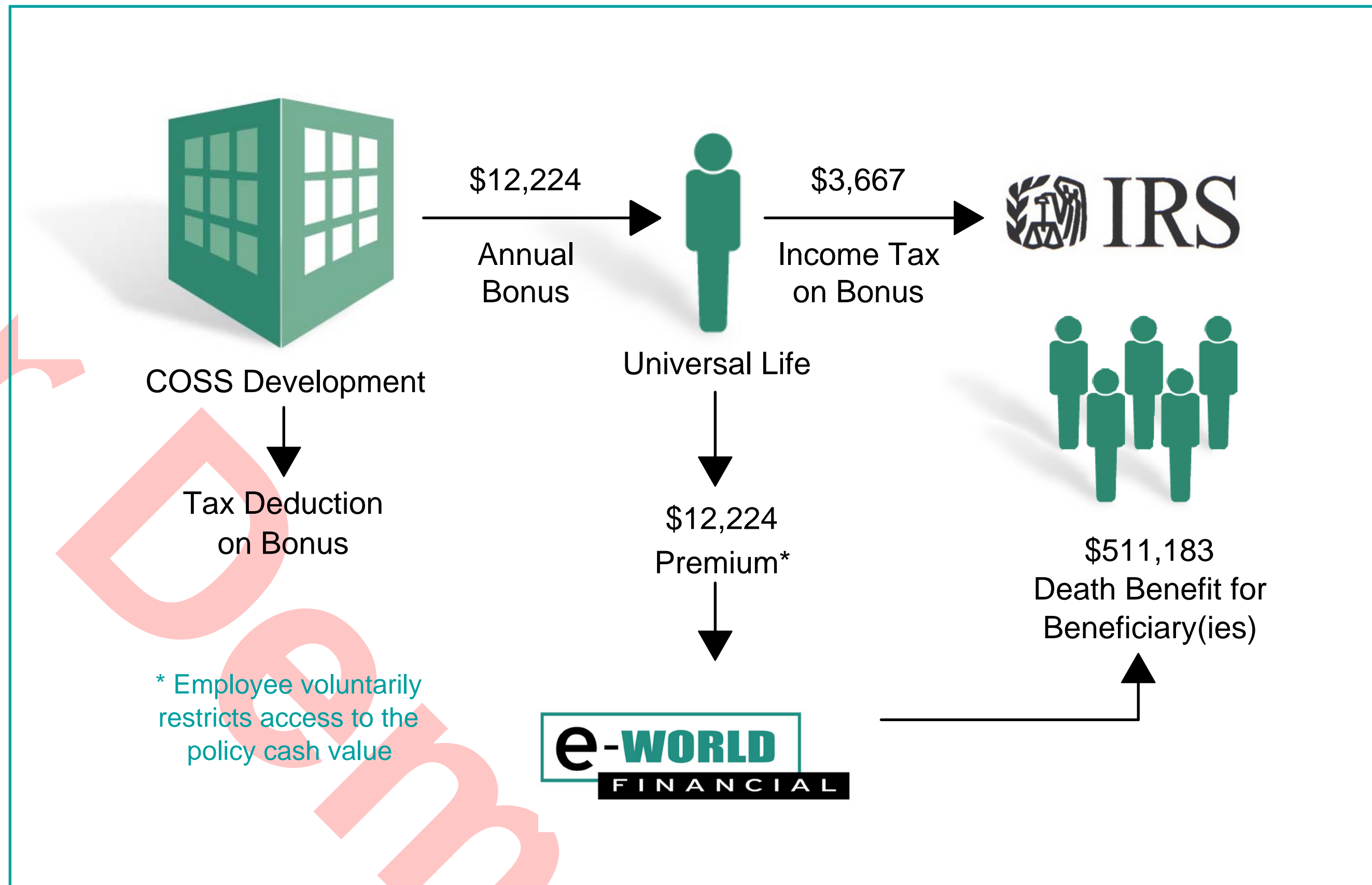
Restricted employee bonus arrangements may vary depending on the needs of the parties. For example, whether a tax deduction may be taken by the employer depends in general upon the nature and extent of the restrictions placed on the employee's access to policy benefits. You should always consult with and rely on your own tax and legal advisors about this issue, and about the other concepts presented in these materials. Neither the insurer nor your agent may give you legal or tax advice.

Please refer to the important notes on the last page of this section. This supplemental illustration is not valid without all numbered pages and the numeric analysis and definitions in the summary reports.

# Restricted Employee Bonus

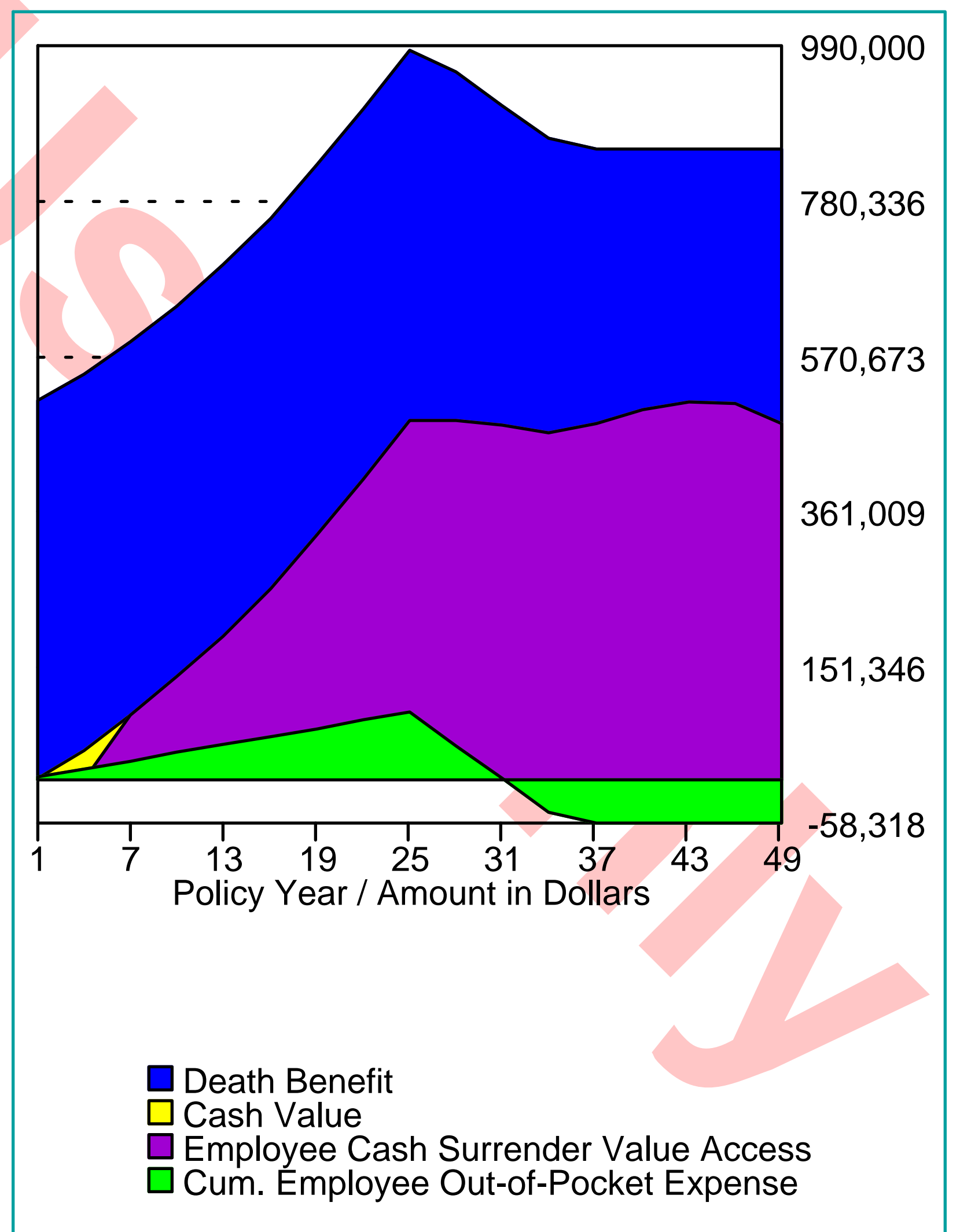
For: Universal Life

## Example of Year 1



## Example of Subsequent Years

Year	Estimated Employee Out-of-Pocket Cumulative Expense	Employee Cash Sur. Value Access	Cash Value	Death Benefit
1	\$ 3,667	\$ 0	\$ 1,783	\$ 511,183
2	7,335	0	13,485	522,885
3	11,002	0	25,732	535,132
4	14,669	0	40,116	547,949
5	18,336	0	55,094	561,361
6	22,004	70,385	70,385	575,398
7	25,671	86,327	86,327	590,087
8	29,338	102,952	102,952	605,459
9	33,005	120,293	120,293	621,546
10	36,673	138,382	138,382	638,382
15	55,009	235,057	235,057	735,057
20	73,346	356,402	356,402	856,402
25	91,682	484,467	484,467	984,467
30	16,682	481,220	481,220	924,691
35	-58,318	462,690	462,690	849,691
40	-58,318	499,419	499,419	849,691
45	-58,318	510,690	510,690	849,691
50	-58,318	463,712	463,712	849,691



The purpose of this chart is to show how the Standard Universal Life policy works in conjunction with the Restricted Employee Bonus concept. This supplemental illustration should not be used to project or predict future performance.

Please refer to the important notes on the last page of this section. This supplemental illustration is not valid without all numbered pages and the numeric analysis and definitions in the summary reports. The figures are based on Current rate: 4.65%.

## Restricted Employee Bonus

For: Universal Life

### Important Notes

This presentation is not valid unless accompanied by both the Employer and Employee Summary Reports.

Total compensation must be "reasonable" and the employer may not retain ownership rights or beneficial interest in the life insurance policy.

Policy loans and withdrawals will reduce cash value and death benefit. Policy loans are subject to interest charges. If your policy is a modified endowment contract, loans and withdrawals may be subject to taxes and penalties.

Important: Restricted employee bonus arrangements may vary depending on the needs of the particular parties. For example, whether a tax deduction may be taken by the employer depends in general upon the nature and extent of the restrictions placed upon the employee's access to policy benefits.



The illustrated values are not guaranteed. They assume that scales for interest and cost of insurance rates will continue unchanged by the Company for all years shown. This is not likely to occur because interest and cost of insurance rates are subject to change by the Company based on various factors such as claims, investment experience, persistency, expenses, taxes, and the overall economic environment. Actual results may be more or less favorable than those shown. Please review the corresponding basic illustration for guaranteed values and other important information, and the notes following this supplemental illustration. Values shown may not appear exact due to rounding.

e-World Financial and its representatives do not give legal or tax advice. This marketing concept is provided for informational purposes only and should not be construed as legal or tax advice. Customers and other interested parties must consult with and rely on their own independent advisors regarding their particular situation and the concepts presented here. Neither the insurer nor your agent may give you legal or tax advice.

This supplemental illustration is not complete without all numbered pages and the underlying basic illustration.