

Controlled Executive Bonus Plan

For: Tony Callahan



Presented By: _____

[Licensed user's name appears here]

Controlled Executive Bonus Plan Using Indexed Universal Life

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

Insured: Tony Callahan

Preface

Employer: Ryder Corporation
Limited Liability Co

Of all the strategies available for an employer to provide unique benefits for selected executives, a bonus used to pay the premium for an executive-owned cash value life insurance policy is highly rewarding yet very simple to implement and administer.

There are two categories of this benefit plan:

Plans with Unrestricted Access

This executive owns the policy and has no restriction on access to plan values.

Plans with Deferred Access

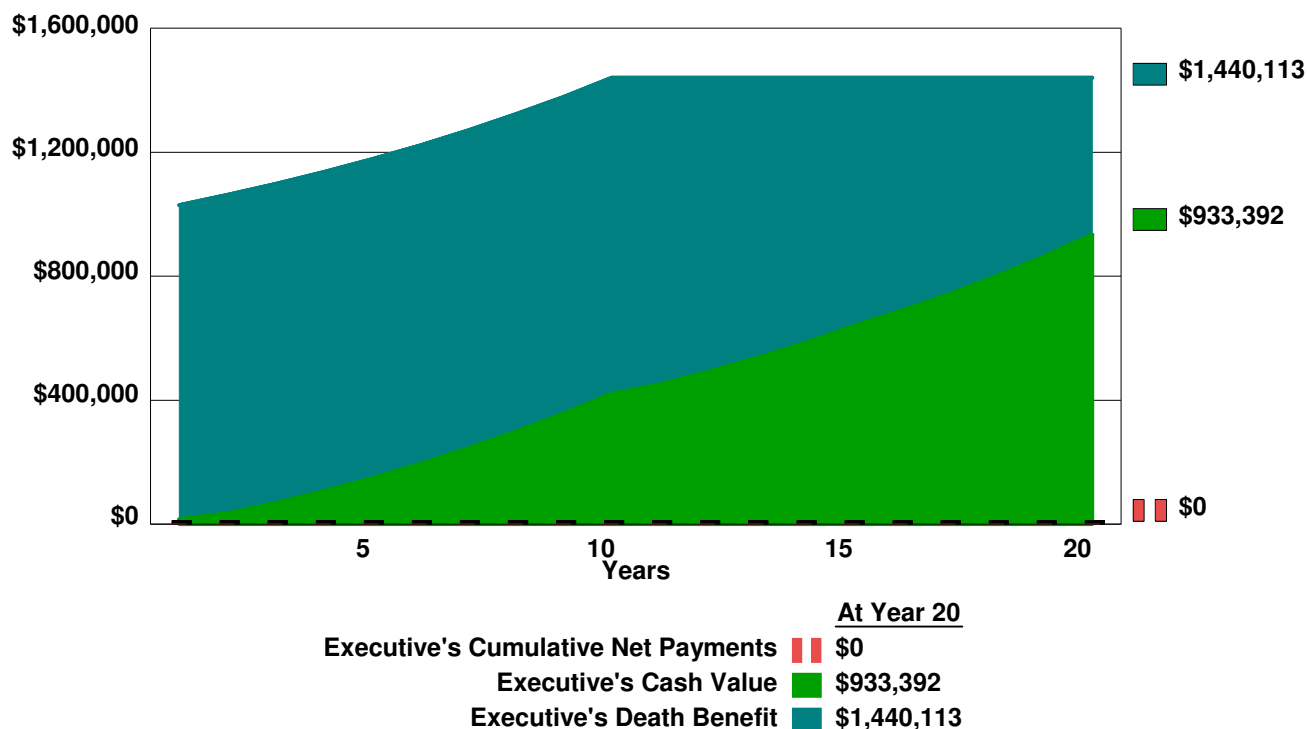
This plan includes an "endorsement of ownership rights" in which the executive agrees to make no loans or withdrawals on the policy without the employer's consent or until a specific date or event occurs -- such as retirement.

These plans have the following features:

1. Employer can pick and choose which executives to include;
2. No regulatory approval required;

3. Employer can deduct its funding costs;
4. Executive has tax free access to cash values through policy loans (the Deferred Access variation limits this feature);
5. Income tax free death benefits for the executive's family;
6. Any size business can establish a plan;
7. Types of business entities:
C corporations and tax exempt organizations: The plan is suitable for any executive.
S corporations, LLCs, and Partnerships: The plan is suitable for any non-owner executive.

This compensation plan has a considerable amount of financial leverage that is particularly evident in the accompanying presentation.



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.

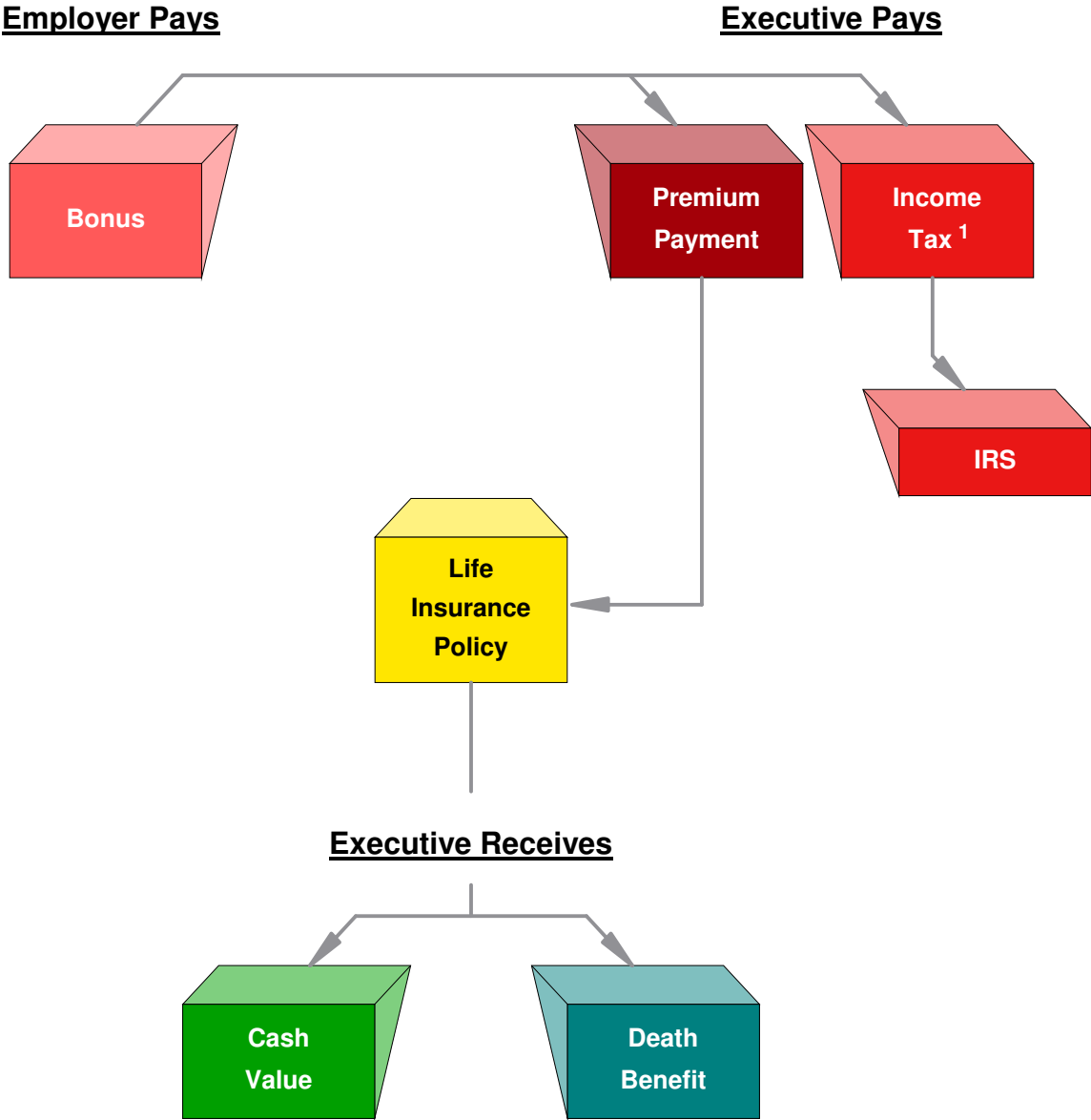
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Flow Chart

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¹ Due on the bonus received.

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Summary of Costs and Benefits

Employer: Ryder Corporation
Limited Liability Co

Employer's Tax Bracket 34.00% Executive's Tax Bracket 35.00% Indexed UL Interest Rate 8.50% Initial Payment 30,000 Initial Death Benefit 1,000,000

Year	Male Age	Employer's Costs		Executive's Costs				Executive's Values		
		(1) Bonus to the Executive	(2) Cost of the Bonus (Net Payment)	(3) Policy Premium	(4) Bonus from Employer	(5) Income Tax on Column (4)	(6) Executive's Net Payment	(7) Year End Accum Value*	(8) Year End Cash Value*	(9) Death Benefit
1	45	46,154	30,462	30,000	46,154	16,154	0	29,887	15,887	1,029,887
2	46	46,154	30,462	30,000	46,154	16,154	0	62,393	34,393	1,062,393
3	47	46,154	30,462	30,000	46,154	16,154	0	97,601	67,801	1,097,601
4	48	46,154	30,462	30,000	46,154	16,154	0	135,726	105,926	1,135,726
5	49	46,154	30,462	30,000	46,154	16,154	0	177,008	147,208	1,177,008
6	50	46,154	30,462	30,000	46,154	16,154	0	221,717	193,407	1,221,717
7	51	46,154	30,462	30,000	46,154	16,154	0	270,075	243,553	1,270,075
8	52	46,154	30,462	30,000	46,154	16,154	0	322,385	297,949	1,322,385
9	53	46,154	30,462	30,000	46,154	16,154	0	378,953	356,901	1,378,953
10	54	46,154	30,462	30,000	46,154	16,154	0	440,113	420,743	1,440,113
11	55	0	0	0	0	0	0	473,630	450,027	1,440,113
12	56	0	0	0	0	0	0	509,818	490,936	1,440,113
13	57	0	0	0	0	0	0	548,911	535,178	1,440,113
14	58	0	0	0	0	0	0	591,199	583,045	1,440,113
15	59	0	0	0	0	0	0	637,008	637,008	1,440,113
16	60	0	0	0	0	0	0	686,679	686,678	1,440,113
17	61	0	0	0	0	0	0	740,641	740,640	1,440,113
18	62	0	0	0	0	0	0	799,371	799,371	1,440,113
19	63	0	0	0	0	0	0	863,410	863,410	1,440,113
20	64	0	0	0	0	0	0	933,392	933,392	1,440,113
		461,540	304,620	300,000	461,540	161,540	0			

20 Year Summary

*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 proposal from Sample Life.

Employer's Cumulative Net Payments	461,540
Executive's Cumulative Net Payments	0
Cash Value	933,392
Executive's Death Benefit	1,440,113

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A Look at Year 20

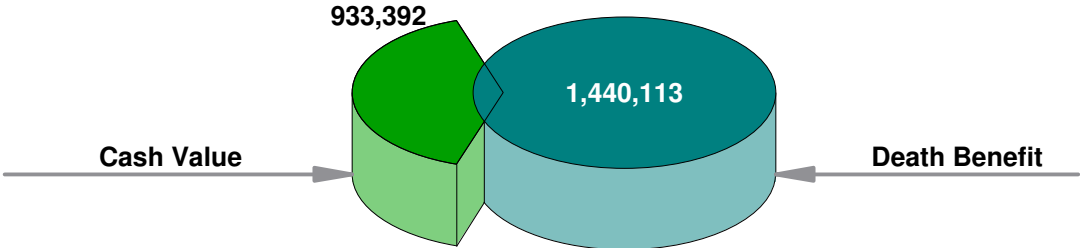
Employer: Ryder Corporation
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Employer's Costs

Executive's Costs



Executive's Values



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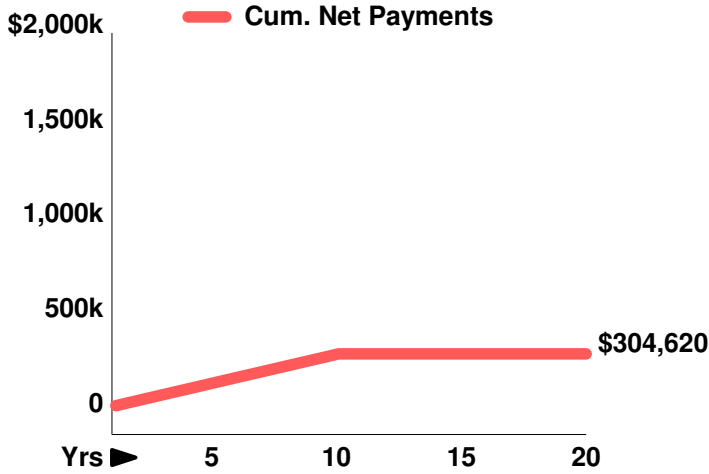
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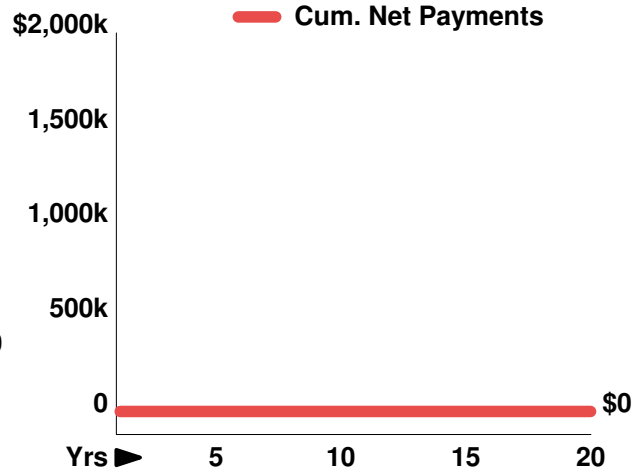
20 Year Analysis

Employer: Ryder Corporation
Limited Liability Co

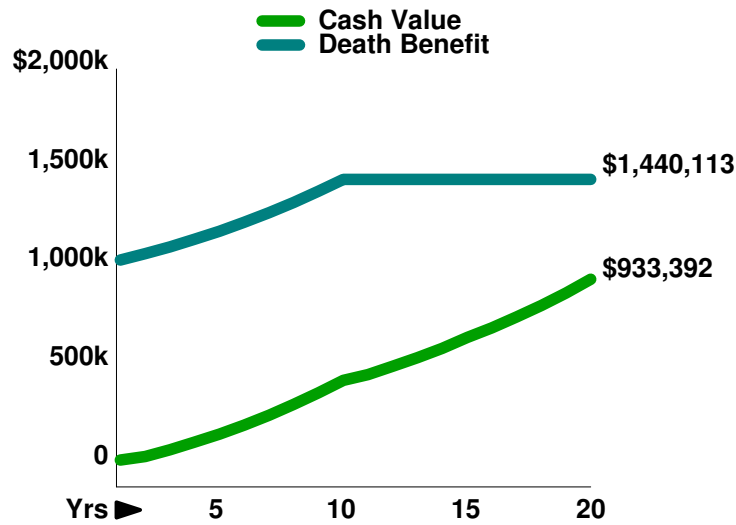
Employer's Costs



Executive's Costs



Executive's Values



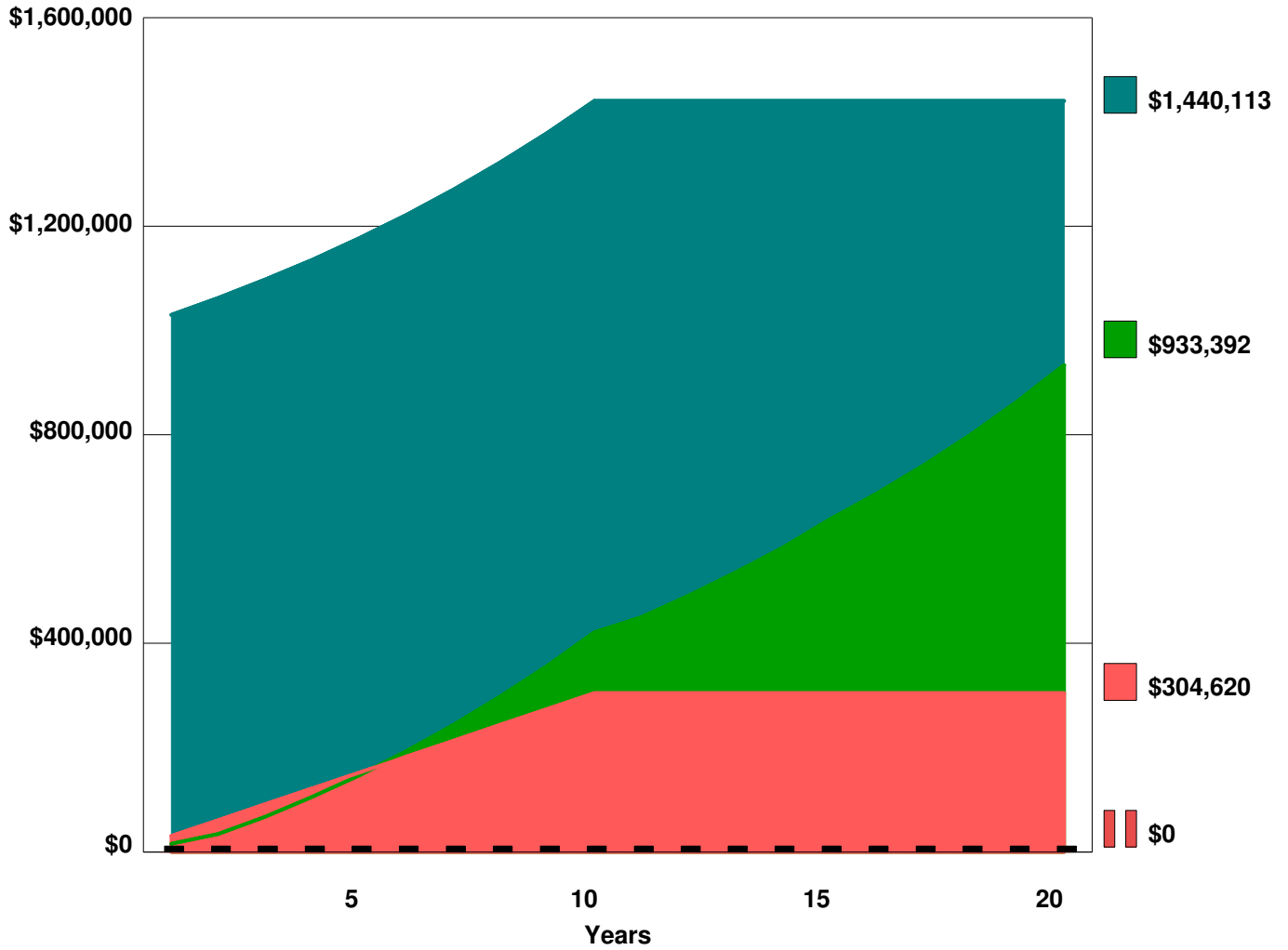
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Consolidated 20 Year Analysis

Employer: Ryder Corporation
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	<u>At Year 20</u>
Executive's Cumulative Net Payments	\$0
Employer's Cumulative Net Payments	\$304,620
Executive's Cash Value	\$933,392
Executive's Death Benefit	\$1,440,113