

An Equity Split Dollar Plan Using Variable Universal Life (VUL)

Illustration of Values of The Policy Used in the Plan

Values Page: 1
Date: 04/01/2000

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

For: Frank Contini
Contini Brothers, Inc.

	Male Age 43	VUL Interest Rate 10.00%	Initial Payment 100,000	Initial Death Benefit 2,500,000	
Year	(1) Net Payment	(2) Pre-Tax Policy Cash Flow	(3) Year End Accum Value*	(4) Year End Cash Value*	(5) Death Benefit
1	100,000	0	102,283	71,033	2,500,000
2	100,000	0	213,739	151,239	2,500,000
3	100,000	0	334,685	267,685	2,500,000
4	100,000	0	465,803	398,803	2,500,000
5	100,000	0	608,019	541,019	2,500,000
6	0	0	653,489	589,839	2,500,000
7	0	0	702,478	642,848	2,500,000
8	0	0	755,302	700,362	2,500,000
9	0	0	812,183	762,603	2,500,000
10	0	0	873,486	829,936	2,500,000
11	0	0	939,576	902,726	2,500,000
12	0	0	1,010,869	981,389	2,500,000
13	0	0	1,087,855	1,066,415	2,500,000
14	0	0	1,171,067	1,158,337	2,500,000
15	0	0	1,261,081	1,261,081	2,500,000
16	0	0	1,358,587	1,358,587	2,500,000
17	0	0	1,464,355	1,464,355	2,500,000
18	0	0	1,579,232	1,579,232	2,500,000
19	0	0	1,704,231	1,704,231	2,500,000
20	0	0	1,840,499	1,840,499	2,500,000
	500,000	0			

*This is an example of an InsMark "supplemental" illustration for variable universal life insurance. In a real presentation, this footnote will refer to an accompanying "basic" illustration from a specific life insurance company and a prospectus.

An Equity Split Dollar Plan Using Variable Universal Life (VUL)

Illustration of Values of The Policy Used in the Plan

Values Page: 2
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For: Frank Contini
Contini Brothers, Inc.

	Male Age 43	VUL Interest Rate 10.00%	Initial Payment 100,000	Initial Death Benefit 2,500,000	
Year	(1) Net Payment	(2) Pre-Tax Policy Cash Flow	(3) Year End Accum Value*	(4) Year End Cash Value*	(5) Death Benefit
21	0	0	1,989,345	1,989,345	2,500,000
22	0	0	2,152,085	2,152,085	2,625,544
23	0	0	2,328,173	2,328,173	2,793,808
24	0	0	2,518,371	2,518,371	2,996,862
25	0	0	2,723,794	2,723,794	3,214,077
26	0	0	2,945,662	2,945,662	3,446,424
27	0	0	3,185,279	3,185,278	3,694,923
28	0	0	3,444,078	3,444,077	3,960,689
29	0	0	3,724,585	3,724,585	4,208,781
30	0	0	4,028,944	4,028,944	4,472,128
31	0	0	4,359,607	4,359,607	4,751,972
32	0	0	4,719,389	4,719,389	5,049,747
33	0	0	5,111,556	5,111,556	5,367,134
34	0	0	5,535,378	5,535,378	5,812,147
35	0	0	5,993,231	5,993,231	6,292,892
36	0	0	6,487,632	6,487,631	6,812,013
37	0	0	7,021,249	7,021,249	7,372,311
38	0	0	7,596,897	7,596,897	7,976,742
39	0	0	8,217,522	8,217,522	8,628,398
40	0	0	8,886,220	8,886,220	9,330,531
	500,000	0			

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Summary of Costs and Benefits

An Equity Split Dollar Plan Using Variable Universal Life (VUL)

Summary Page: 1
Date: 04/01/2000

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

For: Frank Contini
Contini Brothers, Inc.

Year	Male Age 43	Form of Transaction (Coll. Assign.)	Employer's Tax Bracket 34.00%	Executive's Tax Bracket 35.00%	VUL Interest Rate 10.00%		
	Employer			Executive			
	(1) Net Payment	(2) Share of Cash Value*	(3) Share of Death Benefit	(4) Net Payment	(5) Share of Accum Value*	(6) Share of Cash Value*	(7) Share of Death Benefit
1	101,194	71,033	100,000	0	2,283	0	2,400,000
2	101,226	151,239	200,000	0	13,739	0	2,300,000
3	101,267	267,685	300,000	0	34,685	0	2,200,000
4	101,269	398,803	400,000	0	65,803	0	2,100,000
5	101,279	500,000	500,000	0	108,019	41,019	2,000,000
6	1,343	500,000	500,000	0	153,489	89,839	2,000,000
7	1,429	500,000	500,000	0	202,478	142,848	2,000,000
8	1,514	500,000	500,000	0	255,302	200,362	2,000,000
9	1,614	500,000	500,000	0	312,183	262,603	2,000,000
10	1,734	500,000	500,000	0	373,486	329,936	2,000,000
11	1,876	500,000	500,000	0	439,576	402,726	2,000,000
12	2,040	500,000	500,000	0	510,869	481,389	2,000,000
13	2,225	500,000	500,000	0	587,855	566,415	2,000,000
14	2,431	500,000	500,000	0	671,067	658,337	2,000,000
15	2,658	500,000	500,000	0	761,081	761,081	2,000,000
16	2,907	500,000	500,000	0	858,587	858,587	2,000,000
17	3,198	500,000	500,000	0	964,355	964,355	2,000,000
18	3,526	500,000	500,000	0	1,079,232	1,079,232	2,000,000
19	3,895	500,000	500,000	0	1,204,231	1,204,231	2,000,000
20	4,314	500,000	500,000	0	1,340,499	1,340,499	2,000,000
	542,939			0			

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This illustration assumes valid IRC Sec. 83(b) elections are utilized that insulate policy values from taxation.

Summary of Costs and Benefits

An Equity Split Dollar Plan Using Variable Universal Life (VUL)

Summary Page: 2
Date: 04/01/2000

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

For: Frank Contini
Contini Brothers, Inc.

	Male Age 43	Form of Transaction (Coll. Assign.)	Employer's Tax Bracket 34.00%	Executive's Tax Bracket 35.00%	VUL Interest Rate 10.00%		
	Employer			Executive			
Year	(1) Net Payment	(2) Share of Cash Value*	(3) Share of Death Benefit	(4) Net Payment	(5) Share of Accum Value*	(6) Share of Cash Value*	(7) Share of Death Benefit
21	4,691	500,000	500,000	0	1,489,345	1,489,345	2,000,000
22	5,386	500,000	500,000	0	1,652,085	1,652,085	2,125,544
23	6,269	500,000	500,000	0	1,828,173	1,828,173	2,293,808
24	7,391	500,000	500,000	0	2,018,371	2,018,371	2,496,862
25	8,661	500,000	500,000	0	2,223,794	2,223,794	2,714,077
26	10,115	500,000	500,000	0	2,445,662	2,445,662	2,946,424
27	11,774	500,000	500,000	0	2,685,279	2,685,278	3,194,923
28	13,713	500,000	500,000	0	2,944,078	2,944,077	3,460,689
29	19,072	500,000	500,000	0	3,224,585	3,224,585	3,708,781
30	25,960	500,000	500,000	0	3,528,944	3,528,944	3,972,128
31	34,634	500,000	500,000	0	3,859,607	3,859,607	4,251,972
32	45,386	500,000	500,000	0	4,219,389	4,219,389	4,549,747
33	58,654	500,000	500,000	0	4,611,556	4,611,556	4,867,134
34	75,590	500,000	500,000	0	5,035,378	5,035,378	5,312,147
35	96,944	500,000	500,000	0	5,493,231	5,493,231	5,792,892
36	123,757	500,000	500,000	0	5,987,632	5,987,631	6,312,013
37	157,138	500,000	500,000	0	6,521,249	6,521,249	6,872,311
38	198,274	500,000	500,000	0	7,096,897	7,096,897	7,476,742
39	236,181	500,000	500,000	0	7,717,522	7,717,522	8,128,398
40	280,715	500,000	500,000	0	8,386,220	8,386,220	8,830,531
	1,963,244			0			

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This illustration assumes valid IRC Sec. 83(b) elections are utilized that insulate policy values from taxation.

Employer's Analysis

An Equity Split Dollar Plan Using Variable Universal Life (VUL)

Employer's Page: 1
Date: 04/01/2000

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

For: Frank Contini
Contini Brothers, Inc.

Male Age 43 Form of Transaction (Coll. Assign.) Employer's Tax Bracket 34.00% VUL Interest Rate 10.00%

Year	Employer's Costs					Employer's Values	
	(1) Split Dollar Net Premium Share	(2) Cum. Split Dollar Net Premium Share	(3) Bonus to Executive	(4) After Tax Cost of Bonus	(5) Net Payment (1)+(4)	(6) Employer's Share of Cash Value*	(7) Employer's Share of Death Benefit
1	100,000	100,000	1,809	1,194	101,194	71,033	100,000
2	100,000	200,000	1,858	1,226	101,226	151,239	200,000
3	100,000	300,000	1,919	1,267	101,267	267,685	300,000
4	100,000	400,000	1,922	1,269	101,269	398,803	400,000
5	100,000	500,000	1,938	1,279	101,279	500,000	500,000
6	0	500,000	2,035	1,343	1,343	500,000	500,000
7	0	500,000	2,165	1,429	1,429	500,000	500,000
8	0	500,000	2,294	1,514	1,514	500,000	500,000
9	0	500,000	2,445	1,614	1,614	500,000	500,000
10	0	500,000	2,628	1,734	1,734	500,000	500,000
11	0	500,000	2,843	1,876	1,876	500,000	500,000
12	0	500,000	3,091	2,040	2,040	500,000	500,000
13	0	500,000	3,371	2,225	2,225	500,000	500,000
14	0	500,000	3,683	2,431	2,431	500,000	500,000
15	0	500,000	4,028	2,658	2,658	500,000	500,000
16	0	500,000	4,405	2,907	2,907	500,000	500,000
17	0	500,000	4,846	3,198	3,198	500,000	500,000
18	0	500,000	5,342	3,526	3,526	500,000	500,000
19	0	500,000	5,902	3,895	3,895	500,000	500,000
20	0	500,000	6,537	4,314	4,314	500,000	500,000
	500,000		65,061	42,939	542,939		

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Columns (6) and (7) can never exceed column (2) because the employer's recovery of policy values is limited to the amount in column (2) for that year. Remaining policy values belong to the executive.

Employer's Analysis

An Equity Split Dollar Plan Using Variable Universal Life (VUL)

Employer's Page: 2
Date: 04/01/2000

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

For: Frank Contini
Contini Brothers, Inc.

Male Form of Employer's VUL
Age Transaction Tax Bracket Interest Rate
43 (Coll. Assign.) 34.00% 10.00%

Year	Employer's Costs					Employer's Values	
	(1) Split Dollar Net Premium Share	(2) Cum. Split Dollar Net Premium Share	(3) Bonus to Executive	(4) After Tax Cost of Bonus	(5) Net Payment (1)+(4)	(6) Employer's Share of Cash Value*	(7) Employer's Share of Death Benefit
21	0	500,000	7,108	4,691	4,691	500,000	500,000
22	0	500,000	8,160	5,386	5,386	500,000	500,000
23	0	500,000	9,498	6,269	6,269	500,000	500,000
24	0	500,000	11,199	7,391	7,391	500,000	500,000
25	0	500,000	13,123	8,661	8,661	500,000	500,000
26	0	500,000	15,326	10,115	10,115	500,000	500,000
27	0	500,000	17,840	11,774	11,774	500,000	500,000
28	0	500,000	20,778	13,713	13,713	500,000	500,000
29	0	500,000	28,897	19,072	19,072	500,000	500,000
30	0	500,000	39,333	25,960	25,960	500,000	500,000
31	0	500,000	52,476	34,634	34,634	500,000	500,000
32	0	500,000	68,767	45,386	45,386	500,000	500,000
33	0	500,000	88,870	58,654	58,654	500,000	500,000
34	0	500,000	114,530	75,590	75,590	500,000	500,000
35	0	500,000	146,885	96,944	96,944	500,000	500,000
36	0	500,000	187,511	123,757	123,757	500,000	500,000
37	0	500,000	238,088	157,138	157,138	500,000	500,000
38	0	500,000	300,415	198,274	198,274	500,000	500,000
39	0	500,000	357,850	236,181	236,181	500,000	500,000
40	0	500,000	425,326	280,715	280,715	500,000	500,000
	500,000		2,217,041	1,463,244	1,963,244		

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Columns (6) and (7) can never exceed column (2) because the employer's recovery of policy values is limited to the amount in column (2) for that year. Remaining policy values belong to the executive.

Executive's Cost Analysis

An Equity Split Dollar Plan Using Variable Universal Life (VUL)

Executive's Cost Detail Page: 1
Date: 04/01/2000

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

For: Frank Contini
Contini Brothers, Inc.

Male	Form of	Executive's	VUL
Age	Transaction	Tax Bracket	Interest Rate
43	(Coll. Assign.)	35.00%	10.00%

Executive's Costs						
Year	(1) Executive's Scheduled Premium Share	(2) Additional Taxable Value of Benefit*	(3) Bonus Income Received	(4) Taxable Income (2)+(3)	(5) Income Tax Due on Col (4)	(6) Executive's Net Payment (1)-(3)+(5)
1	0	3,360	1,809	5,169	1,809	0
2	0	3,450	1,858	5,308	1,858	0
3	0	3,564	1,919	5,483	1,919	0
4	0	3,570	1,922	5,492	1,922	0
5	0	3,600	1,938	5,538	1,938	0
6	0	3,780	2,035	5,815	2,035	0
7	0	4,020	2,165	6,185	2,165	0
8	0	4,260	2,294	6,554	2,294	0
9	0	4,540	2,445	6,985	2,445	0
10	0	4,880	2,628	7,508	2,628	0
11	0	5,280	2,843	8,123	2,843	0
12	0	5,740	3,091	8,831	3,091	0
13	0	6,260	3,371	9,631	3,371	0
14	0	6,840	3,683	10,523	3,683	0
15	0	7,480	4,028	11,508	4,028	0
16	0	8,180	4,405	12,585	4,405	0
17	0	9,000	4,846	13,846	4,846	0
18	0	9,920	5,342	15,262	5,342	0
19	0	10,960	5,902	16,862	5,902	0
20	0	12,140	6,537	18,677	6,537	0
	0	120,824	65,061	185,885	65,061	0

*Assuming column (1) offsets the economic benefit.

This is an example of an InsMark "supplemental" illustration for variable universal life insurance. In a real presentation, this footnote will refer to an accompanying "basic" illustration from a specific life insurance company and a prospectus.

Column (2) is the imputed economic benefit in compliance with IRS Notice 2002-8. (Lowest eligible ART rates utilized.)

Executive's Cost Analysis

An Equity Split Dollar Plan Using Variable Universal Life (VUL)

Executive's Cost Detail Page: 2
Date: 04/01/2000

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For: Frank Contini
Contini Brothers, Inc.

Male	Form of	Executive's	VUL
Age	Transaction	Tax Bracket	Interest Rate
43	(Coll. Assign.)	35.00%	10.00%

Executive's Costs						
Year	(1) Executive's Scheduled Premium Share	(2) Additional Taxable Value of Benefit*	(3) Bonus Income Received	(4) Taxable Income (2)+(3)	(5) Income Tax Due on Col (4)	(6) Executive's Net Payment (1)-(3)+(5)
21	0	13,200	7,108	20,308	7,108	0
22	0	15,155	8,160	23,315	8,160	0
23	0	17,639	9,498	27,137	9,498	0
24	0	20,799	11,199	31,998	11,199	0
25	0	24,372	13,123	37,495	13,123	0
26	0	28,462	15,326	43,788	15,326	0
27	0	33,131	17,840	50,971	17,840	0
28	0	38,587	20,778	59,365	20,778	0
29	0	53,666	28,897	82,563	28,897	0
30	0	73,047	39,333	112,380	39,333	0
31	0	97,455	52,476	149,931	52,476	0
32	0	127,711	68,767	196,478	68,767	0
33	0	165,045	88,870	253,915	88,870	0
34	0	212,698	114,530	327,228	114,530	0
35	0	272,787	146,885	419,672	146,885	0
36	0	348,234	187,511	535,745	187,511	0
37	0	442,164	238,088	680,252	238,088	0
38	0	557,914	300,415	858,329	300,415	0
39	0	664,578	357,850	1,022,428	357,850	0
40	0	789,891	425,326	1,215,217	425,326	0
	0	4,117,359	2,217,041	6,334,400	2,217,041	0

*Assuming column (1) offsets the economic benefit.

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Column (2) is the imputed economic benefit in compliance with IRS Notice 2002-8. (Lowest eligible ART rates utilized.)