Leveraged Deferred Compensation Funded With Indexed Universal Life

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

Ryder Manufacturing Co., Inc.

Insured: Arthur Lee

Employer

Who Pays What - Who Receives What Flow Chart

Employer: Ryder Manufacturing Co., Inc.

Arthur Lee

Compensation reduction equal to the policy's premiums Extends loans for premiums Corporation Executive May include an amount in overall compensation to account for loan interest due Pays loan interest ¹ Pays Pays income tax policy on any additional premiums compensation Life IRS Insurance Policy Ryder Manufacturing Co., Inc. Receives **Arthur Lee Receives Death Benefit** Cash Value Death Benefit **Cash Value** Policy (equal to cumulative (equal to cumulative (less loans due (less loans due Loans² loans due) loans due) Corporation)

¹ If the loan interest paid on each loan is equal to or greater than the Applicable Federal Rate established under IRC Sections 7872(f)(2)(A) and 1274(d), then no additional loan interest will be imputed to the Executive.

²For loan repayment and retirement income.

Date: 09/01/2015