

# Loan-Based Private Split Dollar (with Premium Reserve Account)

For: Tom and Donna Anthony



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

[Licensed user's name appears here]

## Preface

Borrower and Policy Owner: Anthony Family Trust  
Insured: Tom Anthony/Donna Anthony

This arrangement involves a promissory note between a Lender -- usually a parent or grandparent -- and an irrevocable trust formed on behalf of children or grandchildren.

**Promissory Note:** The one-time loan associated with the arrangement is evidenced by a promissory note between the Lender and the trust, and the life insurance policy is assigned as collateral security for the loan. The loan is a term loan, i.e., it is due at the end of a specific period of years; however, the promissory note calls for the acceleration of repayment should the insured die prior to the date of scheduled loan repayment.

**Loan Interest:** The interest rate for the loan must bear interest equal to or greater than the Applicable Federal Rate ("AFR") established under IRC Sections 7872(f)(2)(A) and 1274(d) at the inception of the loan.

If no interest or an inadequate rate of interest is charged on a loan, the IRS recharacterizes the loan into an "arms-length" transaction and imputes an interest rate that is deemed to have been received by the Lender and paid by the trust. The rate is published monthly and is determined by the length of the loan transaction, i.e., either the short-term rate (3 years or less), the mid-term rate (over 3 years but not over 9 years), or the long-term rate (over 9 years).

So long as the loan interest rate is equal to or exceeds the Applicable Federal Rate, no interest is imputed by the IRS on the transaction.

The accompanying calculations assume the trust is a so-called "intentionally defective" grantor trust, and additional gifts to the trust are usually scheduled to offset any loan interest due by the trust. The Lender is assumed to be the grantor of the trust and, due to grantor trust rules, there is no income tax due by the Lender on such loan interest received, i.e., the Lender and the trust are a single income tax entity. (IRC Section 671 and 675, IRS Reg. 1.671-2(c) and Rev. Rul. 85-13.) Thus, if gifts for loan interest are made, they are returned as non-taxable loan interest.

### **Applicable Federal Rates for April 2017**

Long-term loans (over 9 years): 2.82%

Mid-term loans (over 3 years; not over 9): 2.12%

Short-term loans (3 years or less): 1.11%

### **Annual Gift Exclusions and Lifetime Gift Exemptions:**

The loaned funds should not apply against the Lender's (and his/her spouse's) lifetime gift exemption or annual gift exclusions; therefore, significantly greater amounts than usual can typically be allocated to the trust without incurring gift or estate taxes.

**Taxation At Death:** The life insurance payable to the trust should be free of all estate transfer taxes as the presence of the loan to the trust should not contaminate the estate tax free nature of the life insurance death benefit (PLR 9809032). The promissory note is repayable by the trust at the end of the term of years specified in the promissory note or at the death of the Lender, whichever occurs first, and repayment proceeds triggered by the death of the Lender will be subject to estate settlement costs in the estate of the Lender. If there is any accrued loan interest included in the repayment proceeds, there should be no income tax consequences to the Lender's estate on the loan interest component since, as indicated above, the Lender and the trust are a single income tax entity.

**Premium Reserve Account:** Although the loan to the trust involves a one-time transfer of funds from the Lender to the trust, the life insurance policy in the accompanying material bears multiple scheduled premiums due to the more favorable taxation of policies not funded with a single premium. The loaned funds in excess of the dollars needed to pay the policy's initial premium are reserved by the trustee in a Premium Reserve Account ("PRA") and used to pay the stream of multiple premiums required for the most favorable taxation of policy values. Taxable interest on the PRA from an outside source

# Loan-Based Private Split Dollar

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

Lender and Trust Grantor: Tom Anthony

## Preface (continued)

Borrower and Policy Owner: Anthony Family Trust  
Insured: Tom Anthony/Donna Anthony

is taxable to the Lender (grantor trust rules do not apply to such interest). Due to this, a tax exempt account is often the preferred vehicle for the PRA.

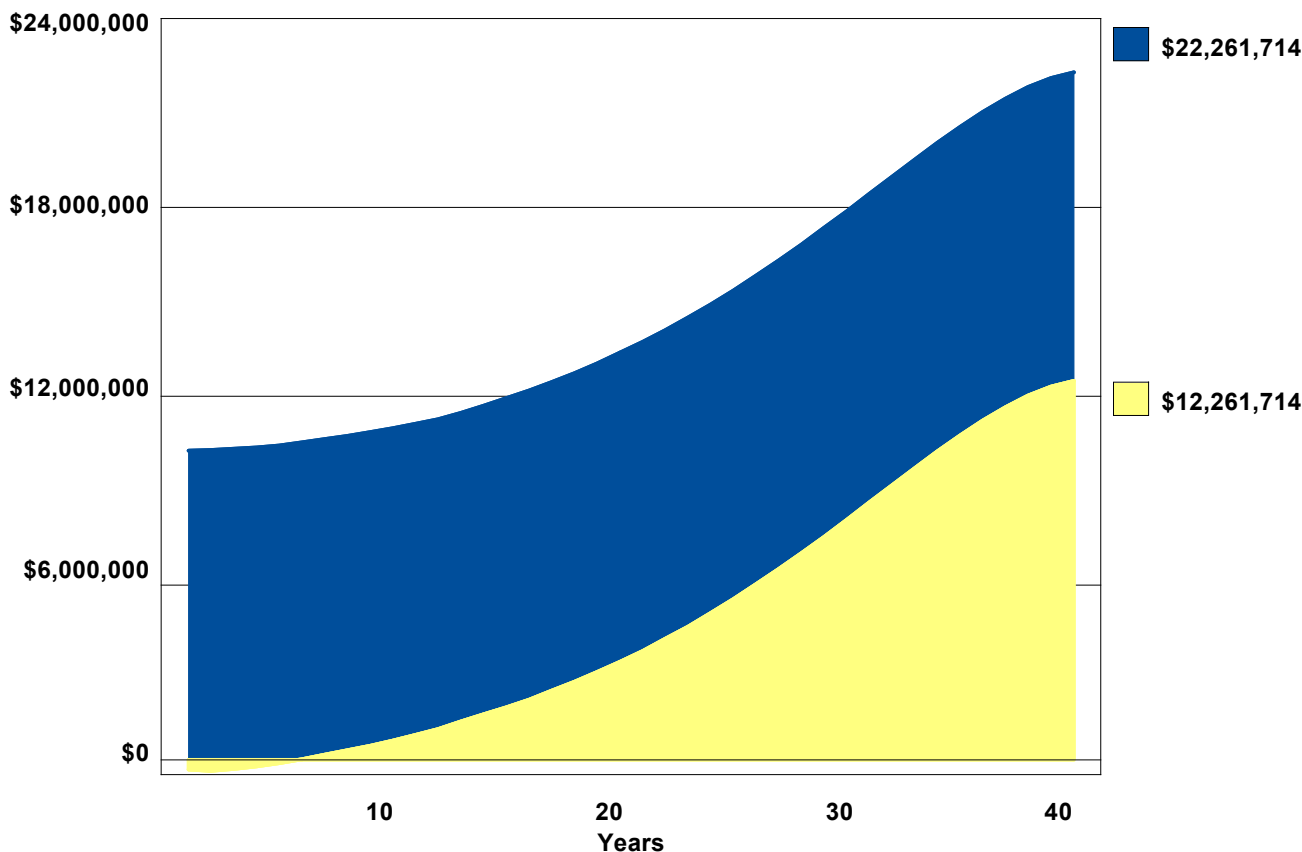
**Policy Loans:** The trustee can borrow cash values for loan repayment or loan interest payments only for amounts that are in excess of those cash values that collateralize the promissory notes.

### Important Notes

A rise in the AFR at the renewal of a demand, short-term or mid-term loan may result in an

unattractive loan interest rate. With a financial arrangement of many years, a long-term loan produces more stable interest rates that can be renegotiated down should the AFR decline, but are capped at rates that are known as each loan is made. Due to this you may want to establish your plan using a long-term loan.

You should consult with your legal and tax advisers before entering into this or any other arrangement involving tax, legal, and economic considerations.



**At Year 40**  
Trust's Cash Value Less Cum. Loan Due Lender \$12,261,714  
Trust's Estate Tax Free Death Benefit Less Cum. Loan Due Lender \$22,261,714

Note: Cash Value and Death Benefit includes Trust's Premium Reserve Account in years 1-5.

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.

# Loan-Based Private Split Dollar Using Indexed Survivor UL

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

Lender and Trust Grantor: Tom Anthony

## Illustration of Policy Values Funding the Plan

Borrower and Policy Owner: Anthony Family Trust

Insureds: Tom Anthony/Donna Anthony

Indexed Survivor UL  
Interest Rate  
7.00%

Initial  
Premium  
360,000

Initial Policy  
Death Benefit  
10,000,000

Year	M/F Ages	(1) Policy Premium	(2) Pre-Tax Policy Cash Flow	(3) Year End Accum Value*	(4) Year End Cash Value*	(5) Death Benefit
1	55/50	360,000	0	326,263	0	10,326,263
2	56/51	360,000	0	675,258	283,658	10,675,258
3	57/52	360,000	0	1,048,661	692,661	11,048,661
4	58/53	360,000	0	1,448,160	1,127,760	11,448,160
5	59/54	360,000	0	1,875,577	1,590,777	11,875,577
6	60/55	0	0	1,970,755	1,721,555	11,970,755
7	61/56	0	0	2,072,513	1,858,913	12,072,513
8	62/57	0	0	2,181,290	2,003,290	12,181,290
9	63/58	0	0	2,297,566	2,155,166	12,297,566
10	64/59	0	0	2,421,826	2,315,026	12,421,826
11	65/60	0	0	2,569,600	2,498,400	12,569,600
12	66/61	0	0	2,728,358	2,692,758	12,728,358
13	67/62	0	0	2,934,576	2,934,576	12,934,576
14	68/63	0	0	3,156,075	3,156,075	13,156,075
15	69/64	0	0	3,393,932	3,393,932	13,393,932
16	70/65	0	0	3,649,240	3,649,240	13,649,240
17	71/66	0	0	3,923,049	3,923,049	13,923,049
18	72/67	0	0	4,216,466	4,216,466	14,216,466
19	73/68	0	0	4,530,553	4,530,553	14,530,553
20	74/69	0	0	4,866,330	4,866,330	14,866,330
21	75/70	0	0	5,224,617	5,224,617	15,224,617
22	76/71	0	0	5,605,991	5,605,991	15,605,991
23	77/72	0	0	6,010,887	6,010,887	16,010,887
24	78/73	0	0	6,439,306	6,439,306	16,439,306
25	79/74	0	0	6,890,753	6,890,753	16,890,753
26	80/75	0	0	7,364,882	7,364,882	17,364,882
27	81/76	0	0	7,861,015	7,861,015	17,861,015
28	82/77	0	0	8,377,807	8,377,807	18,377,807
29	83/78	0	0	8,912,629	8,912,629	18,912,629
30	84/79	0	0	9,461,845	9,461,845	19,461,845
		1,800,000	0			

\*This is an InsMark supplemental illustration for indexed survivor universal life. In an actual presentation, this footnote refers to an accompanying basic illustration from a specific life insurance company with important details, caveats, and guarantees.

# Loan-Based Private Split Dollar Using Indexed Survivor UL

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

Lender and Trust Grantor: Tom Anthony

## Illustration of Policy Values Funding the Plan

Borrower and Policy Owner: Anthony Family Trust

Insureds: Tom Anthony/Donna Anthony

		Indexed Survivor UL Interest Rate 7.00%	Initial Premium 360,000	Initial Policy Death Benefit 10,000,000			
Year	M/F Ages	(1) Policy Premium	(2) Pre-Tax Policy Cash Flow	(3) Year End Accum Value*	(4) Year End Cash Value*	(5) Death Benefit	
31	85/80	0	0	10,019,513	10,019,513	20,019,513	
32	86/81	0	0	10,580,488	10,580,488	20,580,488	
33	87/82	0	0	11,137,306	11,137,306	21,137,306	
34	88/83	0	0	11,679,591	11,679,591	21,679,591	
35	89/84	0	0	12,197,709	12,197,709	22,197,709	
36	90/85	0	0	12,678,542	12,678,542	22,678,542	
37	91/86	0	0	13,110,457	13,110,457	23,110,457	
38	92/87	0	0	13,478,812	13,478,812	23,478,812	
39	93/88	0	0	13,767,522	13,767,522	23,767,522	
40	94/89	0	0	13,959,869	13,959,869	23,959,869	

1,800,000

0

\*This is an InsMark supplemental illustration for indexed survivor universal life. In an actual presentation, this footnote refers to an accompanying basic illustration from a specific life insurance company with important details, caveats, and guarantees.

# Loan-Based Private Split Dollar Funded With Indexed Survivor UL

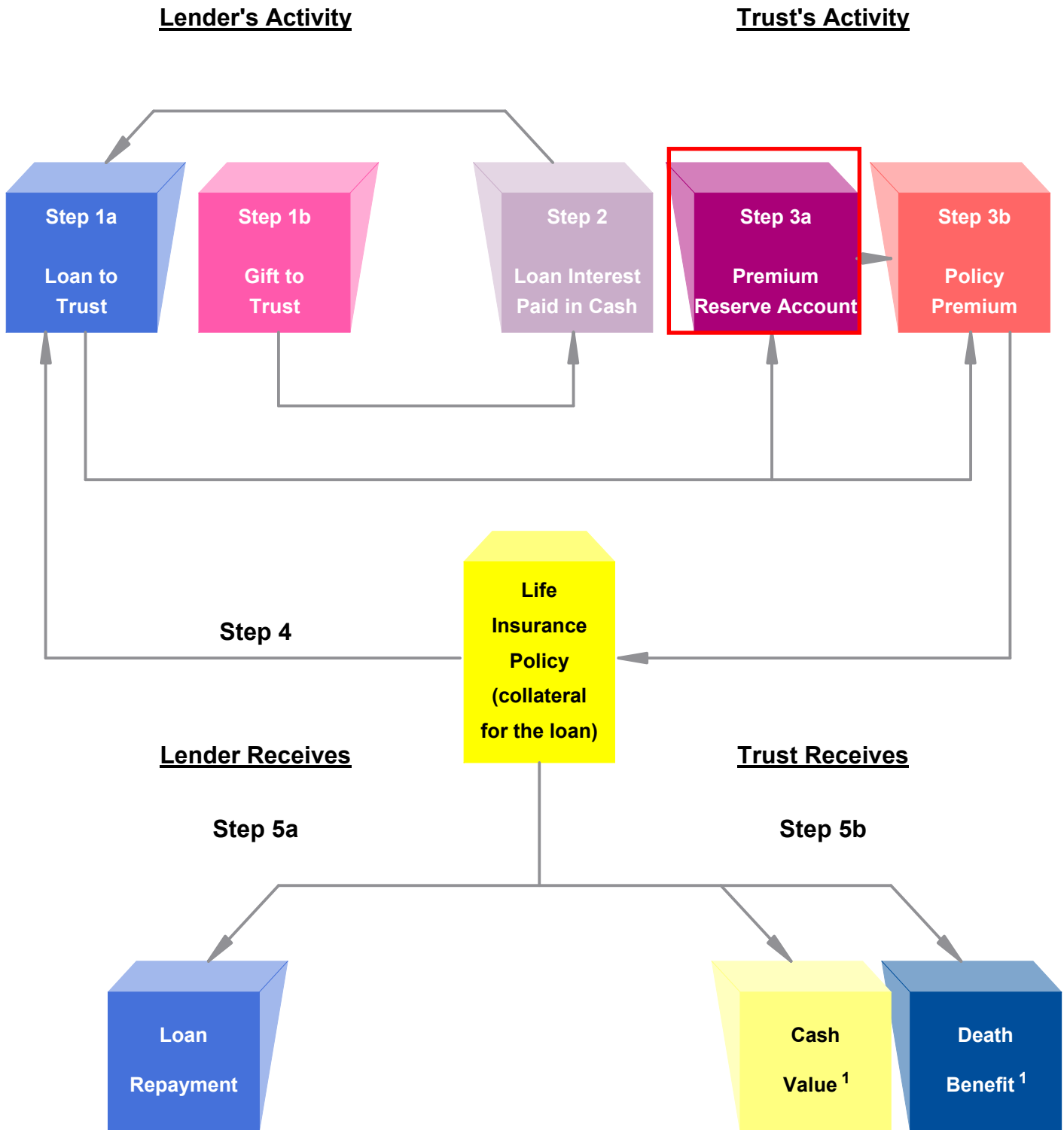
Presented By: [Licensed user's name appears here]

Lender and Trust Grantor: Tom Anthony

## Flow Chart

Borrower and Policy Owner: Anthony Family Trust

Insureds: Tom Anthony/Donna Anthony



<sup>1</sup> Trust's Cash Value and Death Benefit include the Premium Reserve Account and are net of any loan due Lender.

# Loan-Based Private Split Dollar Funded With Indexed Survivor UL

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

Lender and Trust Grantor: Tom Anthony

## Summary

Borrower and Policy Owner: Anthony Family Trust  
Insureds: Tom Anthony/Donna Anthony

Indexed Survivor UL  
Interest Rate  
7.00%

Initial Policy  
Death Benefit  
10,000,000

Assumed Long-Term AFR  
for All Years Illustrated  
2.82%

Promissory Note  
Interest Rate  
2.82%

		Gift and Loan Summary				Trust's Values			
Year	M/F Ages	(1) Gift to Trust for Premium	(2) Loan to Trust for Premium	(3) Year End Balance of Loan	(4) Year End Premium Reserve Account*	(5) Year End Policy Accum Value**	(6) Year End Policy Cash Value**	(7) Year End Policy Cash Value**† Net of Loan	(8) Year End Policy Death Benefit† Net of Loan
1	55/50	0	1,698,155	1,698,155	1,378,300	326,263	0	-319,855	10,006,408
2	56/51	0	0	1,698,155	1,048,849	675,258	283,658	-365,648	10,025,952
3	57/52	0	0	1,698,155	709,514	1,048,661	692,661	-295,980	10,060,020
4	58/53	0	0	1,698,155	360,000	1,448,160	1,127,760	-210,395	10,110,005
5	59/54	0	0	1,698,155	0	1,875,577	1,590,777	-107,378	10,177,422
6	60/55	0	0	1,698,155	0	1,970,755	1,721,555	23,400	10,272,600
7	61/56	0	0	1,698,155	0	2,072,513	1,858,913	160,758	10,374,358
8	62/57	0	0	1,698,155	0	2,181,290	2,003,290	305,135	10,483,135
9	63/58	0	0	1,698,155	0	2,297,566	2,155,166	457,011	10,599,411
10	64/59	0	0	1,698,155	0	2,421,826	2,315,026	616,871	10,723,671
11	65/60	0	0	1,698,155	0	2,569,600	2,498,400	800,245	10,871,445
12	66/61	0	0	1,698,155	0	2,728,358	2,692,758	994,603	11,030,203
13	67/62	0	0	1,698,155	0	2,934,576	2,934,576	1,236,421	11,236,421
14	68/63	0	0	1,698,155	0	3,156,075	3,156,075	1,457,920	11,457,920
15	69/64	0	0	1,698,155	0	3,393,932	3,393,932	1,695,777	11,695,777
16	70/65	0	0	1,698,155	0	3,649,240	3,649,240	1,951,085	11,951,085
17	71/66	0	0	1,698,155	0	3,923,049	3,923,049	2,224,894	12,224,894
18	72/67	0	0	1,698,155	0	4,216,466	4,216,466	2,518,311	12,518,311
19	73/68	0	0	1,698,155	0	4,530,553	4,530,553	2,832,398	12,832,398
20	74/69	0	0	1,698,155	0	4,866,330	4,866,330	3,168,175	13,168,175
21	75/70	0	0	1,698,155	0	5,224,617	5,224,617	3,526,462	13,526,462
22	76/71	0	0	1,698,155	0	5,605,991	5,605,991	3,907,836	13,907,836
23	77/72	0	0	1,698,155	0	6,010,887	6,010,887	4,312,732	14,312,732
24	78/73	0	0	1,698,155	0	6,439,306	6,439,306	4,741,151	14,741,151
25	79/74	0	0	1,698,155	0	6,890,753	6,890,753	5,192,598	15,192,598
26	80/75	0	0	1,698,155	0	7,364,882	7,364,882	5,666,727	15,666,727
27	81/76	0	0	1,698,155	0	7,861,015	7,861,015	6,162,860	16,162,860
28	82/77	0	0	1,698,155	0	8,377,807	8,377,807	6,679,652	16,679,652
29	83/78	0	0	1,698,155	0	8,912,629	8,912,629	7,214,474	17,214,474
30	84/79	0	0	1,698,155	0	9,461,845	9,461,845	7,763,690	17,763,690
		0	1,698,155						

### 30 Year Analysis

	Living Values ††	Death Benefit
Indexed Survivor UL:	9,461,845	19,461,845
Loan Repayment Due:	1,698,155	1,698,155
Value to Policy Owner:	7,763,690	17,763,690

††Cash value less loans due Lender.

\*See Premium Reserve Account Analysis.

†Includes the year end Premium Reserve Account.

\*\*This is an InsMark supplemental illustration for indexed survivor universal life. In an actual presentation, this footnote refers to an accompanying basic illustration from a specific life insurance company with important details, caveats, and guarantees.

# Loan-Based Private Split Dollar Funded With Indexed Survivor UL

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

Lender and Trust Grantor: Tom Anthony

## Summary

Borrower and Policy Owner: Anthony Family Trust

Insureds: Tom Anthony/Donna Anthony

Indexed Survivor UL  
Interest Rate  
7.00%

Initial Policy  
Death Benefit  
10,000,000

Assumed Long-Term AFR  
for All Years Illustrated  
2.82%

Promissory Note  
Interest Rate  
2.82%

		Gift and Loan Summary				Trust's Values			
Year	M/F Ages	(1) Gift to Trust for Premium	(2) Loan to Trust for Premium	(3) Year End Balance of Loan	(4) Year End Premium Reserve Account*	(5) Year End Policy Accum Value**	(6) Year End Policy Cash Value**	(7) Year End Policy Cash Value**† Net of Loan	(8) Year End Policy Death Benefit† Net of Loan
31	85/80	0	0	1,698,155	0	10,019,513	10,019,513	8,321,358	18,321,358
32	86/81	0	0	1,698,155	0	10,580,488	10,580,488	8,882,333	18,882,333
33	87/82	0	0	1,698,155	0	11,137,306	11,137,306	9,439,151	19,439,151
34	88/83	0	0	1,698,155	0	11,679,591	11,679,591	9,981,436	19,981,436
35	89/84	0	0	1,698,155	0	12,197,709	12,197,709	10,499,554	20,499,554
36	90/85	0	0	1,698,155	0	12,678,542	12,678,542	10,980,387	20,980,387
37	91/86	0	0	1,698,155	0	13,110,457	13,110,457	11,412,302	21,412,302
38	92/87	0	0	1,698,155	0	13,478,812	13,478,812	11,780,657	21,780,657
39	93/88	0	0	1,698,155	0	13,767,522	13,767,522	12,069,367	22,069,367
40	94/89	0	0	1,698,155	0	13,959,869	13,959,869	12,261,714	22,261,714

0      1,698,155

### 40 Year Analysis

	Living Values ††	Death Benefit
Indexed Survivor UL:	13,959,869	23,959,869
Loan Repayment Due:	1,698,155	1,698,155
Value to Policy Owner:	12,261,714	22,261,714

††Cash value less loans due Lender.

\*See Premium Reserve Account Analysis.

†Includes the year end Premium Reserve Account.

\*\*This is an InsMark supplemental illustration for indexed survivor universal life. In an actual presentation, this footnote refers to an accompanying basic illustration from a specific life insurance company with important details, caveats, and guarantees.



# Loan-Based Private Split Dollar Funded With Indexed Survivor UL

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

Lender and Trust Grantor: Tom Anthony

## Premium Reserve Account (PRA) Analysis Using a Tax Exempt Account

Borrower and Policy Owner: Anthony Family Trust  
Insureds: Tom Anthony/Donna Anthony

PRA's Assumed  
Tax Exempt Yield  
3.00%

		<b>Funding the Life Insurance Policy</b>			
<u>Year</u>	<u>M/F Ages</u>	<b>(1) Trust's Allocation to the Premium Reserve Account</b>	<b>(2) Life Insurance Premium Due</b>	<b>(3) Withdrawal from the Premium Reserve Account for Premium</b>	<b>(4) Year End Balance in Premium Reserve Acc't Incl. Interest*</b>
1	55/50	1,698,155	360,000	360,000	1,378,300
2	56/51	0	360,000	360,000	1,048,849
3	57/52	0	360,000	360,000	709,514
4	58/53	0	360,000	360,000	360,000
5	59/54	0	360,000	360,000	0

1,698,155      1,800,000      1,800,000

\*Column (4) is the source of the values in Column (4) on the page entitled Summary of the Plan.

# Loan-Based Private Split Dollar Funded With Indexed Survivor UL

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

Lender and Trust Grantor: Tom Anthony

## Promissory Note Analysis

Borrower and Policy Owner: Anthony Family Trust  
Insureds: Tom Anthony/Donna Anthony

		Assumed Long-Term AFR for All Years Illustrated 2.82%	Promissory Note Interest Rate 2.82%		
Year	M/F Ages	(1) Loan from Lender to Trust for Premium*	(2) Loan Interest Due Lender from Trust	(3) Gift to Trust to Apply on Loan Interest Due Lender	(4) Year End Balance of Loan
1	55/50	1,698,155	47,888	47,888	1,698,155
2	56/51	0	47,888	47,888	1,698,155
3	57/52	0	47,888	47,888	1,698,155
4	58/53	0	47,888	47,888	1,698,155
5	59/54	0	47,888	47,888	1,698,155
6	60/55	0	47,888	47,888	1,698,155
7	61/56	0	47,888	47,888	1,698,155
8	62/57	0	47,888	47,888	1,698,155
9	63/58	0	47,888	47,888	1,698,155
10	64/59	0	47,888	47,888	1,698,155
11	65/60	0	47,888	47,888	1,698,155
12	66/61	0	47,888	47,888	1,698,155
13	67/62	0	47,888	47,888	1,698,155
14	68/63	0	47,888	47,888	1,698,155
15	69/64	0	47,888	47,888	1,698,155
16	70/65	0	47,888	47,888	1,698,155
17	71/66	0	47,888	47,888	1,698,155
18	72/67	0	47,888	47,888	1,698,155
19	73/68	0	47,888	47,888	1,698,155
20	74/69	0	47,888	47,888	1,698,155
21	75/70	0	47,888	47,888	1,698,155
22	76/71	0	47,888	47,888	1,698,155
23	77/72	0	47,888	47,888	1,698,155
24	78/73	0	47,888	47,888	1,698,155
25	79/74	0	47,888	47,888	1,698,155
26	80/75	0	47,888	47,888	1,698,155
27	81/76	0	47,888	47,888	1,698,155
28	82/77	0	47,888	47,888	1,698,155
29	83/78	0	47,888	47,888	1,698,155
30	84/79	0	47,888	47,888	1,698,155
		1,698,155	1,436,640	1,436,640	

\*The promissory note between the parties is presumed to be secured by a collateral assignment of the policy and the premium reserve account.

The promissory note associated with this plan is due in 40 years or at the prior death of the insureds.

See the accompanying supplemental report entitled "Loan-Based Private Split Dollar (Preface)" for remarks regarding loan interest rates used in this illustration.

# Loan-Based Private Split Dollar Funded With Indexed Survivor UL

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

Lender and Trust Grantor: Tom Anthony

## Promissory Note Analysis

Borrower and Policy Owner: Anthony Family Trust

Insureds: Tom Anthony/Donna Anthony

		Assumed Long-Term AFR for All Years Illustrated 2.82%	Promissory Note Interest Rate 2.82%		
Year	M/F Ages	(1) Loan from Lender to Trust for Premium*	(2) Loan Interest Due Lender from Trust	(3) Gift to Trust to Apply on Loan Interest Due Lender	(4) Year End Balance of Loan
31	85/80	0	47,888	47,888	1,698,155
32	86/81	0	47,888	47,888	1,698,155
33	87/82	0	47,888	47,888	1,698,155
34	88/83	0	47,888	47,888	1,698,155
35	89/84	0	47,888	47,888	1,698,155
36	90/85	0	47,888	47,888	1,698,155
37	91/86	0	47,888	47,888	1,698,155
38	92/87	0	47,888	47,888	1,698,155
39	93/88	0	47,888	47,888	1,698,155
40	94/89	0	47,888	47,888	1,698,155
		<b>1,698,155</b>	<b>1,915,520</b>	<b>1,915,520</b>	

\*The promissory note between the parties is presumed to be secured by a collateral assignment of the policy and the premium reserve account.

The promissory note associated with this plan is due in 40 years or at the prior death of the insureds.

See the accompanying supplemental report entitled "Loan-Based Private Split Dollar (Preface)" for remarks regarding loan interest rates used in this illustration.

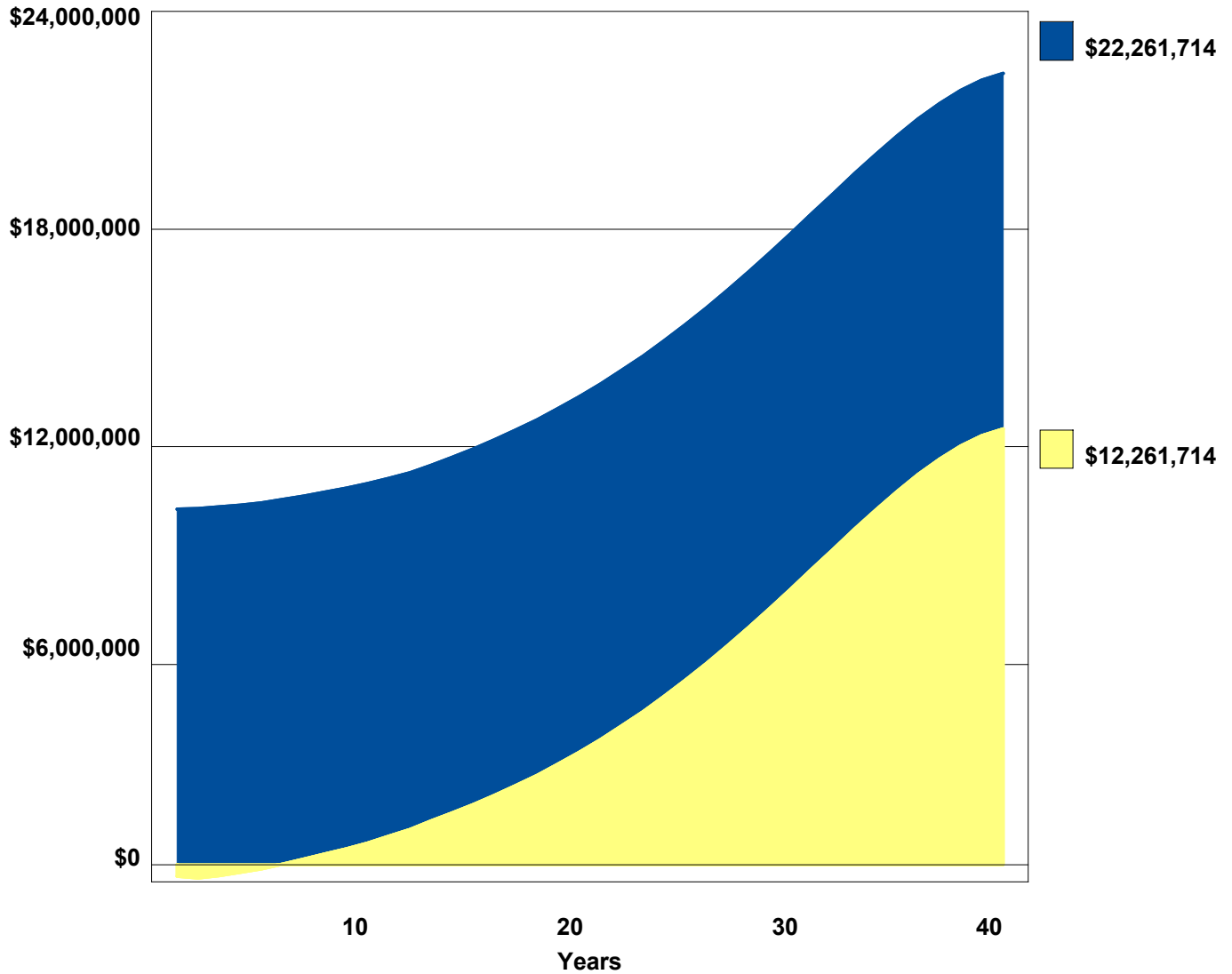
# Loan-Based Private Split Dollar Funded With Indexed Survivor UL

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

Lender and Trust Grantor: Tom Anthony

## Trust's 40 Year Analysis

Borrower and Policy Owner: Anthony Family Trust  
Insureds: Tom Anthony/Donna Anthony



At Year 40

Trust's Cash Value Less Cum. Loan Due Lender	\$12,261,714
Trust's Estate Tax Free Death Benefit Less Cum. Loan Due Lender	\$22,261,714

Note: Cash Value and Death Benefit includes Trust's Premium Reserve Account in years 1-5.

# Loan-Based Private Split Dollar Funded With Indexed Survivor UL

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

Lender and Trust Grantor: Tom Anthony

## Gift Analysis

Borrower and Policy Owner: Anthony Family Trust

Insureds: Tom Anthony/Donna Anthony

		Annual Gift Exclusions 6		Beginning Lifetime Gift Exemption 10,980,000				
Year	M/F Ages	(1) Lifetime Gift Exemption*	(2) Annual Gift Exclusion Indexed @ 3.00%	(3) Maximum Tax Free Gifts Available (1) + (2)	(4) Gift to Trust for Premium	(5) Gift to Trust for Loan Interest	(6) Total Gift to Trust (4) + (5)	(7) Remaining Tax Free Gifts Available (3) - (6)
1	55/50	10,980,000	84,000	11,064,000	0	47,888	47,888	11,016,112
2	56/51	11,320,000	90,000	11,410,000	0	47,888	47,888	11,362,112
3	57/52	11,660,000	90,000	11,750,000	0	47,888	47,888	11,702,112
4	58/53	12,000,000	96,000	12,096,000	0	47,888	47,888	12,048,112
5	59/54	12,360,000	96,000	12,456,000	0	47,888	47,888	12,408,112
6	60/55	12,740,000	102,000	12,842,000	0	47,888	47,888	12,794,112
7	61/56	13,120,000	102,000	13,222,000	0	47,888	47,888	13,174,112
8	62/57	13,520,000	108,000	13,628,000	0	47,888	47,888	13,580,112
9	63/58	13,920,000	108,000	14,028,000	0	47,888	47,888	13,980,112
10	64/59	14,340,000	114,000	14,454,000	0	47,888	47,888	14,406,112
11	65/60	14,760,000	120,000	14,880,000	0	47,888	47,888	14,832,112
12	66/61	15,220,000	120,000	15,340,000	0	47,888	47,888	15,292,112
13	67/62	15,660,000	126,000	15,786,000	0	47,888	47,888	15,738,112
14	68/63	16,140,000	132,000	16,272,000	0	47,888	47,888	16,224,112
15	69/64	16,620,000	132,000	16,752,000	0	47,888	47,888	16,704,112
16	70/65	17,120,000	138,000	17,258,000	0	47,888	47,888	17,210,112
17	71/66	17,640,000	144,000	17,784,000	0	47,888	47,888	17,736,112
18	72/67	18,160,000	144,000	18,304,000	0	47,888	47,888	18,256,112
19	73/68	18,700,000	150,000	18,850,000	0	47,888	47,888	18,802,112
20	74/69	19,260,000	156,000	19,416,000	0	47,888	47,888	19,368,112
21	75/70	19,840,000	162,000	20,002,000	0	47,888	47,888	19,954,112
22	76/71	20,440,000	162,000	20,602,000	0	47,888	47,888	20,554,112
23	77/72	21,060,000	168,000	21,228,000	0	47,888	47,888	21,180,112
24	78/73	21,680,000	174,000	21,854,000	0	47,888	47,888	21,806,112
25	79/74	22,340,000	180,000	22,520,000	0	47,888	47,888	22,472,112
26	80/75	23,000,000	186,000	23,186,000	0	47,888	47,888	23,138,112
27	81/76	23,700,000	192,000	23,892,000	0	47,888	47,888	23,844,112
28	82/77	24,420,000	198,000	24,618,000	0	47,888	47,888	24,570,112
29	83/78	25,140,000	204,000	25,344,000	0	47,888	47,888	25,296,112
30	84/79	25,900,000	210,000	26,110,000	0	47,888	47,888	26,062,112
			4,188,000		0	1,436,640	1,436,640	

\*Client's Unified Credit Equivalent is indexed for inflation at 3.00%.

Values in Column (3) are based on client input assumptions.

# Loan-Based Private Split Dollar Funded With Indexed Survivor UL

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

Lender and Trust Grantor: Tom Anthony

## Gift Analysis

Borrower and Policy Owner: Anthony Family Trust

Insureds: Tom Anthony/Donna Anthony

		Annual Gift Exclusions 6		Beginning Lifetime Gift Exemption 10,980,000				
Year	M/F Ages	(1) Lifetime Gift Exemption*	(2) Annual Gift Exclusion Indexed @ 3.00%	(3) Maximum Tax Free Gifts Available (1) + (2)	(4) Gift to Trust for Premium	(5) Gift to Trust for Loan Interest	(6) Total Gift to Trust (4) + (5)	(7) Remaining Tax Free Gifts Available (3) - (6)
31	85/80	26,680,000	216,000	26,896,000	0	47,888	47,888	26,848,112
32	86/81	27,480,000	222,000	27,702,000	0	47,888	47,888	27,654,112
33	87/82	28,300,000	228,000	28,528,000	0	47,888	47,888	28,480,112
34	88/83	29,140,000	234,000	29,374,000	0	47,888	47,888	29,326,112
35	89/84	30,020,000	240,000	30,260,000	0	47,888	47,888	30,212,112
36	90/85	30,920,000	252,000	31,172,000	0	47,888	47,888	31,124,112
37	91/86	31,840,000	258,000	32,098,000	0	47,888	47,888	32,050,112
38	92/87	32,800,000	264,000	33,064,000	0	47,888	47,888	33,016,112
39	93/88	33,780,000	276,000	34,056,000	0	47,888	47,888	34,008,112
40	94/89	34,800,000	282,000	35,082,000	0	47,888	47,888	35,034,112
			<b>6,660,000</b>		<b>0</b>	<b>1,915,520</b>	<b>1,915,520</b>	

\*Client's Unified Credit Equivalent is indexed for inflation at 3.00%.

Values in Column (3) are based on client input assumptions.