

Section 162 ROP Plan (Male with Standard Health)

Business Values					Employee Values				
Yr	Age	Deductible Premium	30% Tax Deduction	Net After Tax Cost	Taxable Income	Tax Due at 30%	Cash Growth	Cash Account	Net DB To Exec
1	50	\$12,690	\$3,807	\$8,883	\$12,690	\$3,807	\$0	\$0	\$1,000,000
2	51	\$12,690	\$3,807	\$8,883	\$12,690	\$3,807	\$0	\$0	\$1,000,000
3	52	\$12,690	\$3,807	\$8,883	\$12,690	\$3,807	\$0	\$0	\$1,000,000
4	53	\$12,690	\$3,807	\$8,883	\$12,690	\$3,807	\$0	\$0	\$1,000,000
5	54	\$12,690	\$3,807	\$8,883	\$12,690	\$3,807	\$1,990	\$1,990	\$1,000,000
6	55	\$12,690	\$3,807	\$8,883	\$12,690	\$3,807	\$2,580	\$4,570	\$1,000,000
7	56	\$12,690	\$3,807	\$8,883	\$12,690	\$3,807	\$6,090	\$10,660	\$1,000,000
8	57	\$12,690	\$3,807	\$8,883	\$12,690	\$3,807	\$7,620	\$18,280	\$1,000,000
9	58	\$12,690	\$3,807	\$8,883	\$12,690	\$3,807	\$8,960	\$27,240	\$1,000,000
10	59	\$12,690	\$3,807	\$8,883	\$12,690	\$3,807	\$10,830	\$38,070	\$1,000,000
11	60	\$12,690	\$3,807	\$8,883	\$12,690	\$3,807	\$25,390	\$63,460	\$1,000,000
12	61	\$12,690	\$3,807	\$8,883	\$12,690	\$3,807	\$29,970	\$93,430	\$1,000,000
13	62	\$12,690	\$3,807	\$8,883	\$12,690	\$3,807	\$30,710	\$124,140	\$1,000,000
14	63	\$12,690	\$3,807	\$8,883	\$12,690	\$3,807	\$31,440	\$155,580	\$1,000,000
15	64	\$12,690	\$3,807	\$8,883	\$12,690	\$3,807	\$34,770	\$190,350	\$1,000,000
Totals		\$190,350	\$57,105	\$133,245	\$190,350	\$57,105			

Options end of year 15:

- 1) Collect \$190,350 as a full refund of premiums paid
- 2) Reduce the policy to paid-up insurance in the amount of \$424,948
- 3) Convert to a permanent policy of the same or a reduced face value

** All premiums and values are guaranteed by a major insurance carrier.