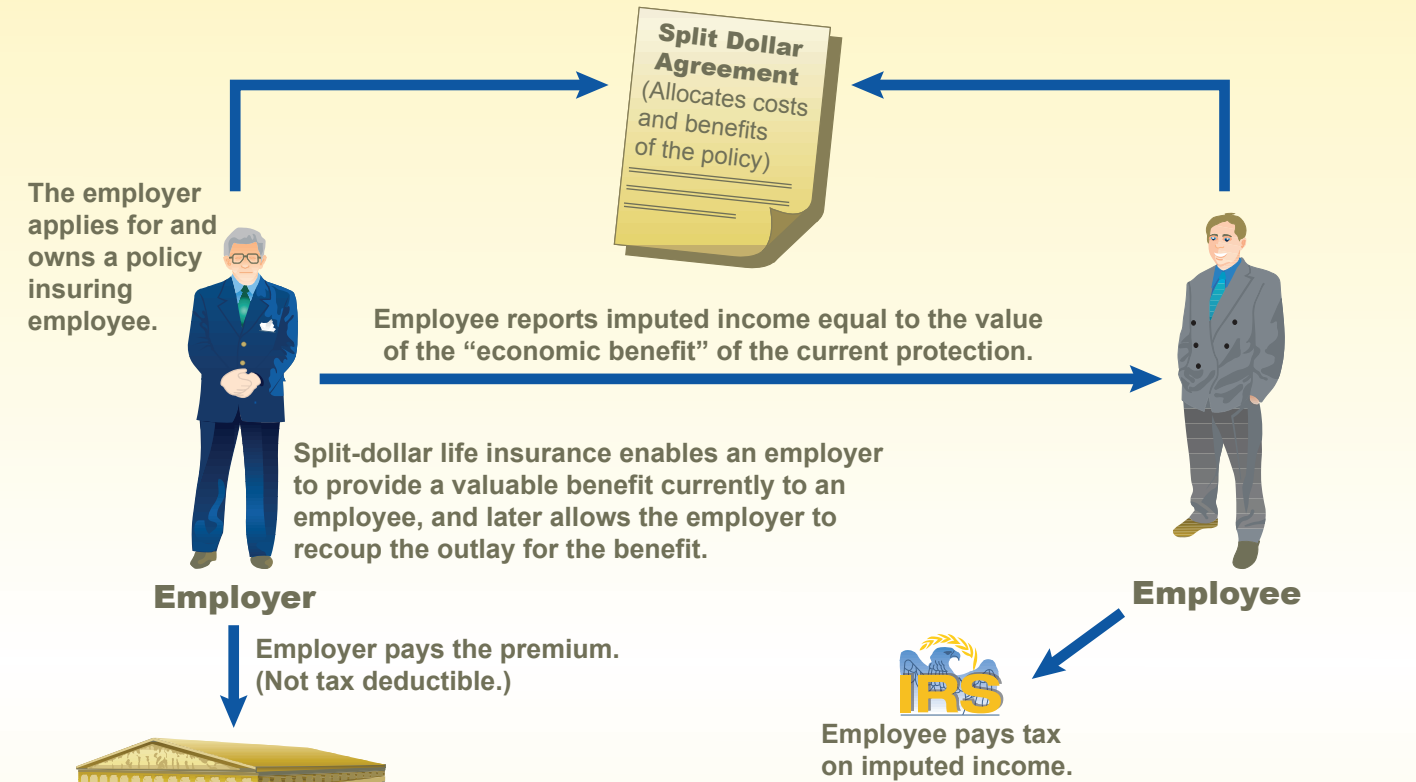


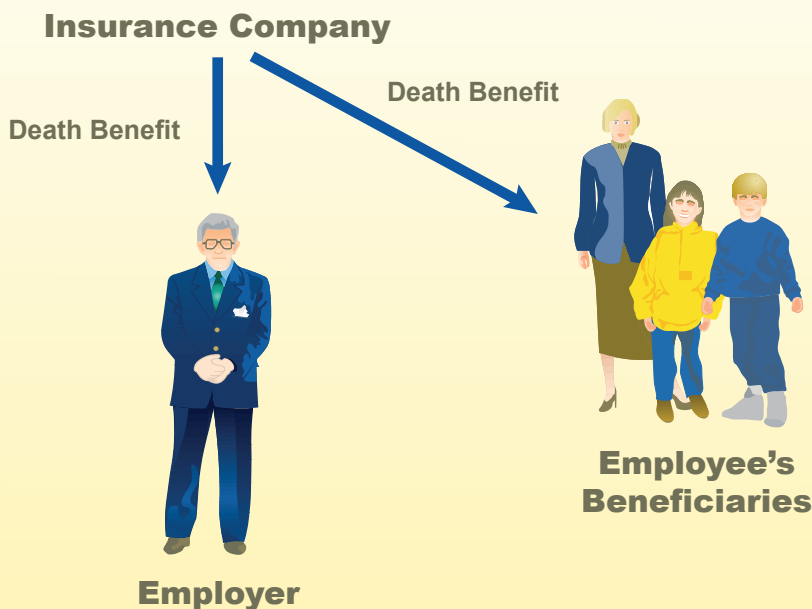
Split Dollar—Economic Benefit Regime— Employer Pay All

A "split-dollar" arrangement is any plan of permanent life insurance under which the right to benefits and the obligation to pay policy premiums is split between two individuals or entities, commonly an employer and employee. One of them needs life insurance protection and the other has a reason to help the first buy it.

During employee's lifetime:



After employee's death:



The Death Benefit split depends on the specific provisions of the split dollar agreement between the employer and employee.

The employer typically receives the greater of the cash values or cumulative premiums paid.

Through policy endorsement, the employee's beneficiaries receive the balance of the death benefit.