

Split Dollar Plan Checklist

Economic Benefit Design

Use this checklist when gathering information alongside the client to help the case go through underwriting efficiently. Complete a separate checklist for each person entering into a split dollar arrangement. **Note:** North American Company does not currently accept Loan Regime Split Dollar cases at this time.

Questionnaire

Insured Name: _____

Salary: \$ _____

Title/Position: _____

Planned retirement age: _____

Age: _____

Death benefit amount: _____

Agreement details

Premiums paid by

- Business _____ %
 Insured _____ %

Agreement termination (select all that apply)

- Years of employment _____
 Retirement @ age _____
 Termination of employment
 Other _____

How were the premium and death benefit amounts determined?

Next Steps

When ready to proceed, include the following with the completed life insurance application:

1. A completed Split Dollar – Economic Benefit Certification form
2. A copy of the Notice and Consent Form in compliance with IRS 101(j)
3. Optional – Including this checklist and a cover letter can also aid the underwriting process.

Under an economic split-dollar arrangement, your client enters into an agreement with their employer. North American Company is not a party to this agreement and North American Company's only obligation is to administer the policy it issues consistent with the policy's terms and conditions.

Under an economic split dollar arrangement, the value of the life insurance afforded the employee is taxable to the employee. The employer should provide the employee with tax reporting based on requirements specified in the tax code. The parties to the economic split-dollar arrangement should seek their own independent legal and tax advice as to whether and how to enter into an economic split-dollar arrangement based on the employer's and employee's unique circumstances.

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