

COMPLETE SUCCESSION RISK ANALYSIS WORKSHEET

Apportionment of Premiums

Insurance Company Pays Total Sum Insured to Trustee (Policy Owner) →					Trustee Pays↓	
	PURPOSE	AMOUNT OF EACH COMPONENT			NOTES	RECIPIENTS
		Year 1	Year 3	Year 5		
ASSETS +	Pre-agreed Sale Price of Equity	\$400,000	\$500,000	\$700,000	<ul style="list-style-type: none"> All Owners pay Proportionate share of total of all Lives Insured's Sale Price Premiums 	Vendors
	CGT on Pre-agreed Sale Price	\$100,000	\$125,000	\$175,000	<ul style="list-style-type: none"> Life Insured's Owners pay Proportionate share of own Life Insured's Premium 	Vendors
	Stamp Duty, Legal & Accounting Fees	\$32,000	\$37,000	\$55,000	<ul style="list-style-type: none"> Business Non-Deductible 	Business
LIABILITIES +	Bank Debt, Lease & Other Liabilities	\$200,000	\$100,000	Nil	<ul style="list-style-type: none"> Business Non-Deductible 	Creditor
	Loan Account	\$100,000	\$100,000	\$100,000	<ul style="list-style-type: none"> Business Non-Deductible 	Creditor
	Key Person (Income)	\$100,000	\$100,000	\$100,000	<ul style="list-style-type: none"> Business Deductible 	Business
	Key Person (Capital)	\$167,000	\$167,000	\$167,000	<ul style="list-style-type: none"> Business Non-Deductible 	Continuing Proprietors
PERSONAL =	Personal Loans (Home Loan, Equity Loan, Other Liabilities)	\$101,000	\$91,000	\$81,000	<ul style="list-style-type: none"> Life Insured pays own premium 	Insured Person (Debts)
	Living Expenses (See Personal Needs Analysis Worksheet)	\$600,000	\$580,000	\$422,000	<ul style="list-style-type: none"> Life Insured pays own premium 	Insured Person (Living Expenses)
	Self-Managed Super Fund Needs	NIL	N/A	N/A	<ul style="list-style-type: none"> Super Fund pays own premium 	Self-Managed Super Fund
	Future Sale Price Provision	N/A	N/A	N/A	<ul style="list-style-type: none"> Life Insured pays own premium 	Trustee
TOTAL		\$1,800,000	\$1,800,000	\$1,800,000	<ul style="list-style-type: none"> Determined line by line as above 	