

# Non Resident Life Insurance Opportunities

We serve both individual and business clients with our team of professionals and offer qualified global clients the ability to secure life insurance coverage.

## Global Client Profile

- Reside outside the US for more than 6 months of the year
- Ages 25-75 years
- Net Worth \$20M+
- Travel to the US periodically, possibly own real estate in the US
- Have a connection with the United States through business, family, investments
- Focused on securing Legacy Planning & Family Harmony, Stabilizing Wealth Transfer, Tax Planning, Business Continuation
- Not political figures, government officials, military, aviation risks

## Product Purposes for Global Clients Seeking US Life Insurance

	Non-US Home Country Life Insurance Products	United States Life Insurance Products
Cost Effectiveness	Higher pricing	Lower pricing based off US mortality experience
Capacity/Amount of Life Insurance That Can Be Secured	Generally, under \$5M	\$100M+
Product Innovation	Basic life insurance with death benefit	Traditional flexible and fixed premium or Indexed Products with S&P 500 market-linked performance
Tax	May be subject to home country tax	Income estate tax-free death benefit AND income tax-free access to cash value, if structured properly
Stable Currency	Potential exposure to sizable inflation annually	Products are payable in US dollars and dampen the impact of inflation
Financial strength and sovereign stability	Potential volatility	Highly desirable

## Funding Options

- Cash in US bank or US brokerage account
- US investment income
- **Premium Financing from a US Lender, Fund At Reduced Loan Interest Amount**
  - Leverage US assets to borrow the premium annually for a period of years and collateralize the loan with the life insurance policy cash value and additional liquid collateral, including cash or securities.

***Integration with Estate Planning Concepts  
Top 5: Identifying Solutions For Client Issues***

	<b>Issue</b>	<b>Solution</b>
1	Payment of estate or death taxes: Non-resident aliens owning assets in the US at the time of their death may be subject to a 40% estate tax (first \$60,000 exempt). Individuals may also be subject to significant home country taxes ranging from 3-35%.	Life insurance on the owner's life would create the needed liquidity to pay the estate tax in the most efficient manner. Existing assets would not have to be liquidated and may remain in the family.
2	Income Protection: Creating liquidity and income for family, including future generations and being assured that a defined amount of liquid, stable currency will exist.	For a flexible or fixed premium relative to the death benefit, life insurance can provide a defined amount of money (death benefit) at an unknown time in the future – the death of the insured.
3	Multigenerational Wealth Transfer with Illiquid Assets: When illiquid property interests become divided across children, grandchildren, great grandchildren, family disagreement often occurs, particularly when a business or illiquid property is involved.	Peaceful family planning is achieved when liquidity is created upon the death of Generation 1 and there are flexible options for the remaining family. High net worth families use life insurance to create tax-free capital for each generation, providing smooth transition of assets. Those not interested in inheriting a family business interest could instead benefit from tax free proceeds of life insurance on Generation 1.
4	Income Tax Management: Individuals who have significant investment income in a home country or elsewhere seek ways to reduce or defer taxation while still positioning capital in assets that have the potential for market-linked performance.	Life insurance provides clients with tax efficiency both during lifetime and at death. Income tax-free death benefit, tax-deferred growth on cash value, and income tax-free access to cash value.
5	Business Succession: If two or more individuals own a successful business and the owners do not have the liquidity for a buy out if a co-owner dies. Creating exit strategies is important and often not part of the planning.	Life insurance on each of the owners is an economically efficient method to manage this risk and may provide alternative lifetime buy out options through policy cash value.