Life Strategies

PROTECTING THE WEALTH YOU'VE CREATED

Life Strategies gives individuals a way to finance life insurance premiums typically used to cover future estate taxes, by pledging collateral instead of paying premiums. This estate planning strategy allows you to keep control & grow your assets, and potentially leave more for future generations. Life Strategies allows families more options and flexibility for succession planning.

LIFE STRATEGIES IS DESIGNED FOR SUCCESSION PLANNING, BUY-SELL AGREEMENT, AND KEY MAN APPLICATIONS.

LIFE STRATEGIES IS ONE OF THE MOST WELL-DESIGNED AND COMPREHENSIVE SOLUTIONS ON THE MARKET FOR HIGH NET WORTH FAMILIES.

WHAT IS LIFE STRATEGIES?

Estate taxes can have a devastating effect on the wealth created and built over an individual's lifetime. Unfortunately, most successful people are so focused on creating wealth that they have little time left to focus on wealth presevation. Without proper preparation, estate taxes frequently necessitate the forced sale of family assets and businesses at substantially discounted prices, and could have a devastating effect on the amount that is ultimately passed onto beneficiaries.

Life Strategies grants wealthy families the ability to leverage a life insurance policy that provides the liquidity needed for estate taxes. This minimizes the out of pocket expense normally incurred when paying annual premiums. Pledging collateral in lieu of paying premiums and interest offers families many benefits: maintaining control of their assets, minimizing opportunity costs associated with payments, and minimizing gift taxes.

In summary, Life Strategies is designed to preserve liquidity and save you substantially more money compared to paying for premiums out of pocket. Additionally, this strategy grants you the flexibility to plan for estate taxes while maintaining control of your assets and cash flow.

HOW LIFE STRATEGIES WORKS

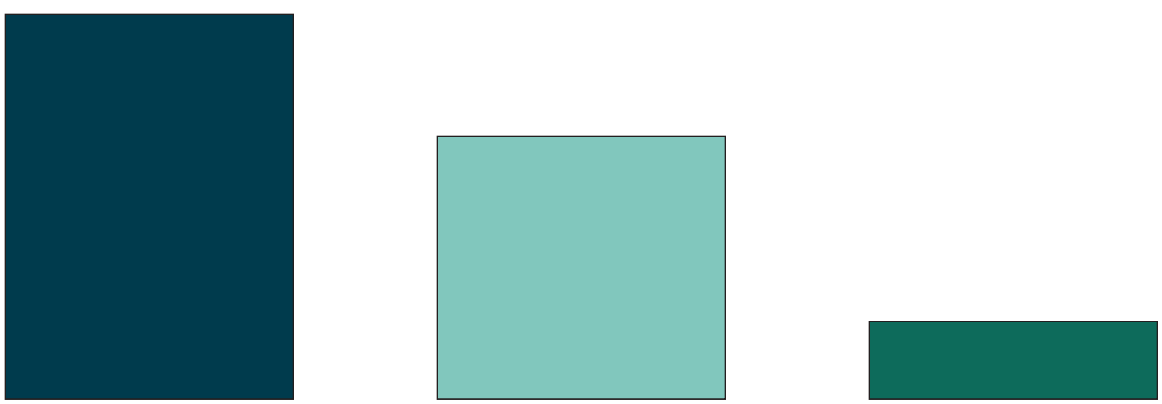
LIFE STRATEGIES IS OPTIMIZED TO PRESERVE CASH FLOW, KEEPING YOUR ASSETS IN PLACE AND CONTINUING TO GROW

Life Strategies uses existing available techniques to provide you with necessary insurance benefits while limiting your financial liability. The first step is to establish a trust or other bankruptcy- remote entity (LLC, FLP, etc.). Next, the trust borrows money from the lender and secures the loan with the cash value of a life insurance policy. Additional collateral may be necessary to secure the loan, but the trust acts to limit your liability. You have the flexibility of providing collateral in the form of cash, bonds, securities, and other liquid assets[1]. In order to further reduce out of pocket costs, NIW can arrange for all related expenses including interest to be rolled into the loan if appropriate.

Over approximately 15-20 years, your policy will grow and accumulate cash value. Depending on the performance of your policy, the loan is repaid from the policy cash values, and you will have the comfort of your life insurance policy. When you pass away, the policy will cover your estate taxes and your heirs will be able to receive their inheritence without needing to sell valuable assets[2].

If you are interested in recieving more information about using Life Strategies for estate planning, key man, buy/sell, or succession planning please contact your NIW licensed agent.

COST OPTIONS FOR SOLVING YOUR ESTATE TAX LIABILITY



Option 1: Pay Taxes Through Liquidation

Option 2: Purchase Life Insurance

Option 3: Pledge Collateral for Life Strategies Loan

Shown Above

Due to your large estate, you have three options regarding estate taxes: pay the taxes through liquidation, purchase life insurance, or pledge collateral for the Life Strategies loan.

1 Other forms of collateral are considered on a case by case basis.

2 Policy performance, policy loans, and withdrawals reduce the policy's cash value and death benefit and are not guaranteed.

Participant Eligibility

- Net worth greater than $10 million
- Typically below the age of 70
- In good health
- Insurance needed to cover estate tax, key man, buy/sell, or succession planning
- Ability to pledge collateral

NIW Companies - Innovators in Wealth Management and Protection Strategies.

Since 2000, NIW has been developing innovative solutions to help high net-worth individuals successfully manage their financial future. NIW adds value by bringing substantial knowledge and expertise when designing solutions that deliver optimal insurance protections and effective retirement planning strategies.

Our team is obsessed with generating the best possible outcomes and delivering service that has earned the confidence and loyalty of our clients and their advisors.

Contact NIW today for details concerning how Enhanced Split Dollar can benefit your organization.

NIW is independent of any insurance company that would provide the insurance policy for this strategy

NIW

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