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PRIVATE WEALTH SOLUTIONS

– from our family to yours

The Importance Of An Effective Wealth Protection Plan

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Why you should listen

For professionals

1. Strengthen & lengthen client relationship
2. Increase your AUMs
3. Improve quality of AUMs (advisory to discretionary)
4. Reduce your professional risk & exposure

For individuals

- Protect your wealth!

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Wealthy Family Needs

The five wealth protection needs all families have in common

P	**Privacy protection** through a compliant structure
A	**Asset protection** by law
T	**Tax Savings** higher net returns and simplified reporting
E	**Estate planning** separate from ordinary estate
C	**Cash** ensure sufficient liquidity at death

Need for a compliant holding structure!

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Most Common Structures - Comparison

Traditional Holding Structures are limited to what they are designed for

	Company	Trust / Foundation	Fund	Ideal Holding Structure
Privacy Protection	---	Irrevocable / discretionary (no control)	Tendency to look through	+
Asset Protection	---	+	---	+
Tax Benefits	Possible / note CFC rules	---	+	+
Estate Planning	---	+	---	+
Cash / Liquidity	---	---	n/a	+

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Private Placement Life Insurance (PPL)

The ideal Wealth Protection Plan

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Definition of PPLI

A PPLI is an investment linked insurance policy with:

- Cash value
- Insurance component
- Separate segregated account
- Individualized strategy

PPLI comes as:

PPLI, VUL, PPA etc.

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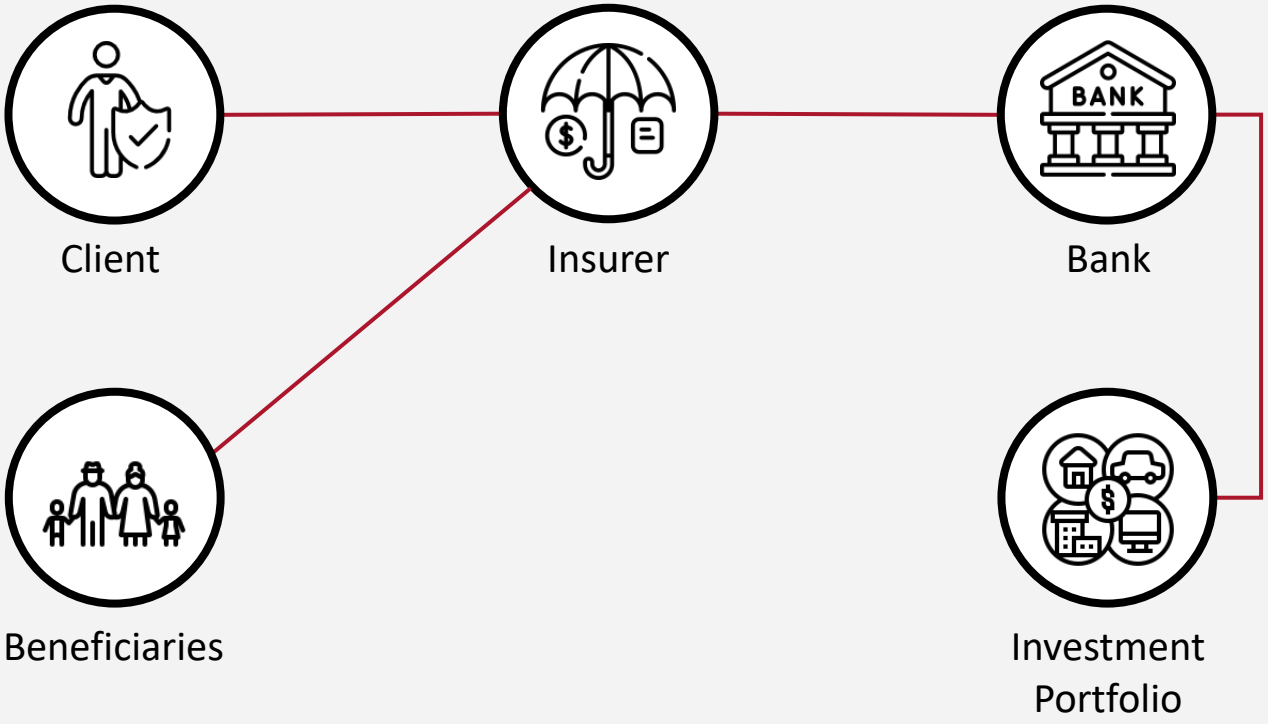
The Perfect Holding Structure

PPLI covers PATEC



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Why Tax Preferred Growth is so important

How VUL/PPLI helps increase net returns

	Direct Investment	Invest PPLI
Investment	USD 10.000.000	USD 10.000.000
Return	6.0%	6.0%
Tax	30.0%	N.A
Turn Over tax	0.2%	N.A.
Banking fees	1.0%	1.0%
Insurance Cost	N.A.	0.5%
Net, after tax	3.0% p.a	4.5% p.a
After 10 years	USD 13.439.164	15.529.694
		+ 2.090.530

60%+

HIGHER RETURN

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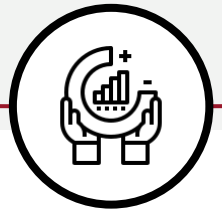
Tax Optimization

How PPLI helps increase net returns

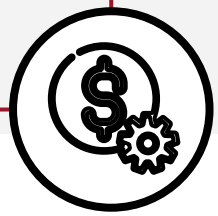
HIGHER NET RETURNS

- Tax preferred growth
- Optimization wealth tax
- Reduced/ no withholding tax
- VAT optimization on banking/asset management fees
- Protection COVID tax



ESTATE TAX OPTIMIZATION

- Often no or reduced estate tax
- No US estate tax (US situs assets)
- Additional liquidity to pay estate tax



REPORTING REDUCTION

- For banks/ asset managers: no country specific tax reporting
- For clients: Often NO or reduced reporting

Multi jurisdictional planning possible

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A powerful combination

- PPLI is the most rounded wealth planning tool available
- Often, a combination with other or existing holding structures can make a lot of sense:

A PPLI can be owned by, or own a PIC*

A trust can own a PPLI or be the beneficiary of a PPLI

A PPLI can own a fund that invests in Private Equity

**PIC: Private Investment Company*

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Combining a Trust/Foundation with a PPLI

Client Benefits

Trust/ foundation	PPLI
Succession: • Long term family protection and succession planning	**Privacy:** • Disconnecting client from underlying assets **Tax:** • No «look through»: Tax preferred growth • Reclaim of withholding tax • No or simplified reporting, no Swiss bank stamp duty and turnover tax **Returns:** • Higher net returns

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Benefits for professionals

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PPLI / VUL also with additional **BANKING** benefits

	PPLI Private Placement LI	VUL Variable Universal Life
Individual, discretionary investment portfolio	✓	✓
Client Share of Wallet consolidation	✓	✓
Client Relationship stickiness and Next Generation access	✓	✓
Decreased Regulatory Risk • *No country specific reporting* • *No Cross-border risk liabilities*	✓	✓
Discretionary AM Role and Management fees	✓	✓
Additional Credit Revenues via leverage	✓	✓
Potential Referrer Revenues (Life policy)	✓	✓

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When ULI/IUL/WoL – When VUL/PPLI?

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- Protect Wealth (portfolio, businesses, real estate: PPLI – VUL)
- Nest egg - Liquidity at death – ULI / IUL/ WoL/ VUL

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Summary

- Insurance helps clients protect their wealth
- Professionals to increase their returns long term and reduce their risk

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The Group in Numbers

«36»

Licensed in 36 countries

«50»

Tax compliant solutions for 50 countries

«51»

Cooperation with 51 insurers in 15 countries

«2000»

Incorporated in Switzerland since 2000

«14»

Physical presence in 14 locations

«80»

Skilled experts in tax, legal & wealth planning

«1291 Group»

Leading international **PPLI / VUL** advisor

Thank you for your attention

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Marc-Andre Sola
Senior Executive Officer (SEO)

Email: sola@1291group.com
Mobile: +971 58 586 76 27
1291 GROUP DIFC Limited
UAE: Office 1102D, Burj Daman, Dubai, UAE
P.O. Box: 506519, Phone: +971 4 554 7135
www.1291group.com