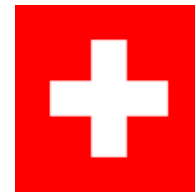




PRIVATE WEALTH SOLUTIONS

— from our family to yours

Private Placement Life Insurance (PPLI)
&
Variable Universal Life (VUL)



2000

In business since
Year 2000

1

Leading PPLI/VUL broker

14

Physical presence in
13 countries

36

Licensed in 36
countries

45

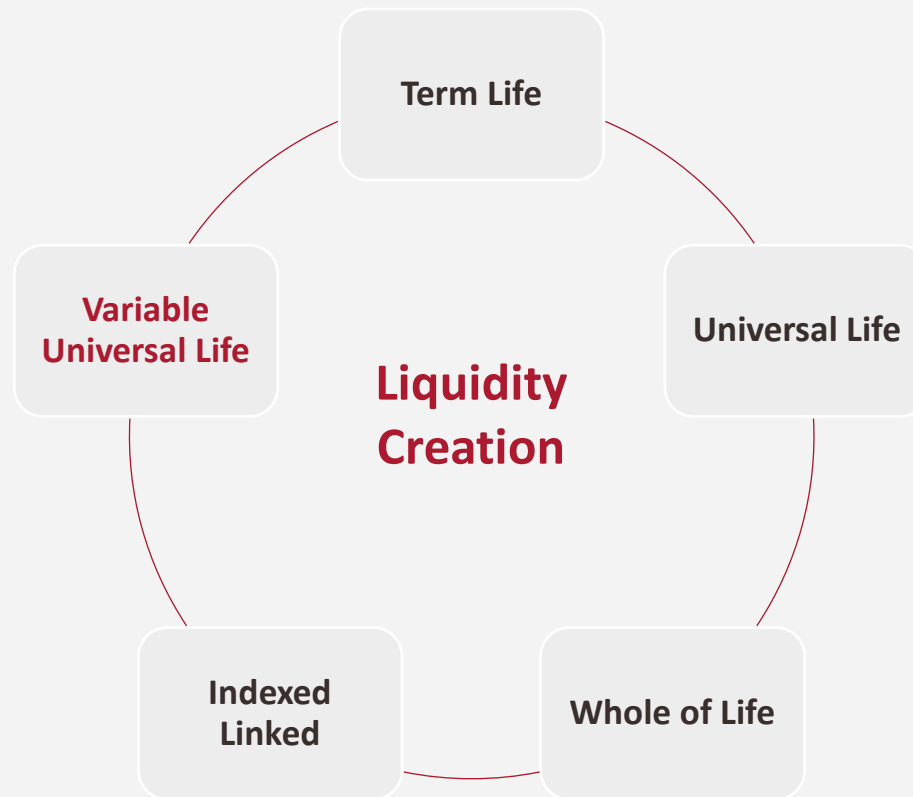
Tax compliant solutions
for 45 countries

48

Cooperation with 48
insurers in 15
jurisdictions

Traditional Insurance
High Death Benefit Life Insurance

- Despite PPLI, 1291 is also able to offer a wide range of traditional insurance products.
- Life protection policies to create liquidity.

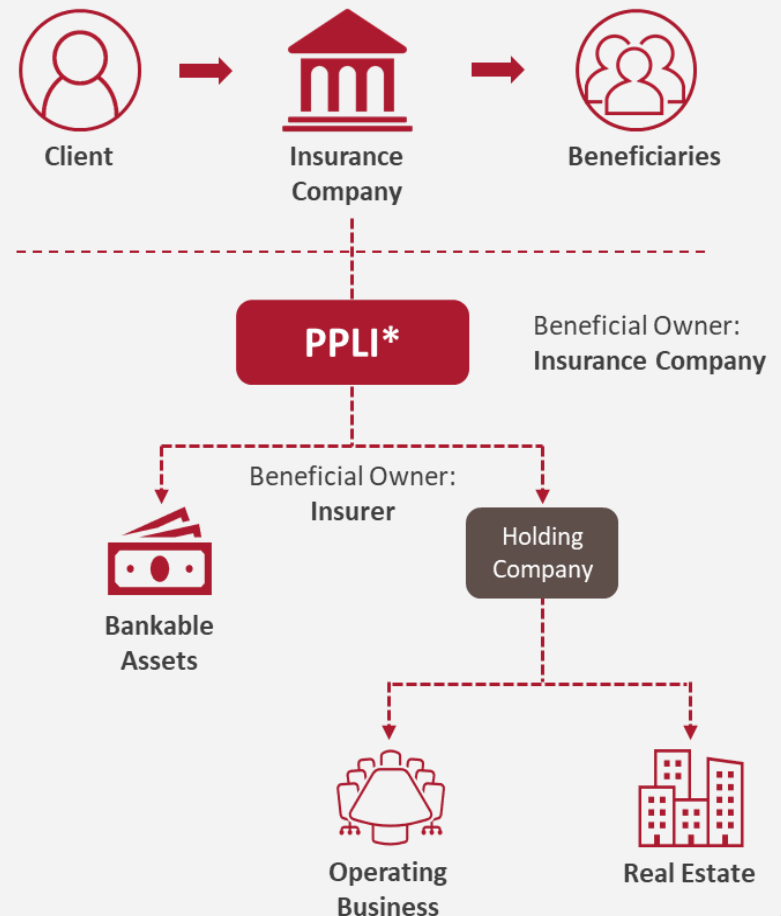


Private Placement Life Insurance (PPLI)

Flexible Asset Holding Structure similar to a Trust that is recognized Globally in both Civil Law and Common Law countries

Key Facts:

Legal & Beneficial Ownership	Insurance Company
Policyholder	Natural or Legal Person
Insured Person	One or several persons at the same time possible
Type of Assets	See illustration
Investment	Self-Managed, Bank or AM
Custodian Bank	Client's choice
Succession	In case of death of the Insured Person: transfer of cash and/or assets within 30 days to the designated beneficiary
Potential Tax Benefits*	<ul style="list-style-type: none"> • Tax-free growth • No CFC issues • Tax-free distributions upon death (depending on residence of beneficiary) • Withholding Tax Reduction



Our PATEC Principles

The five needs all families have in common



P

Privacy protection through a compliant structure

A

Asset protection by law*

T

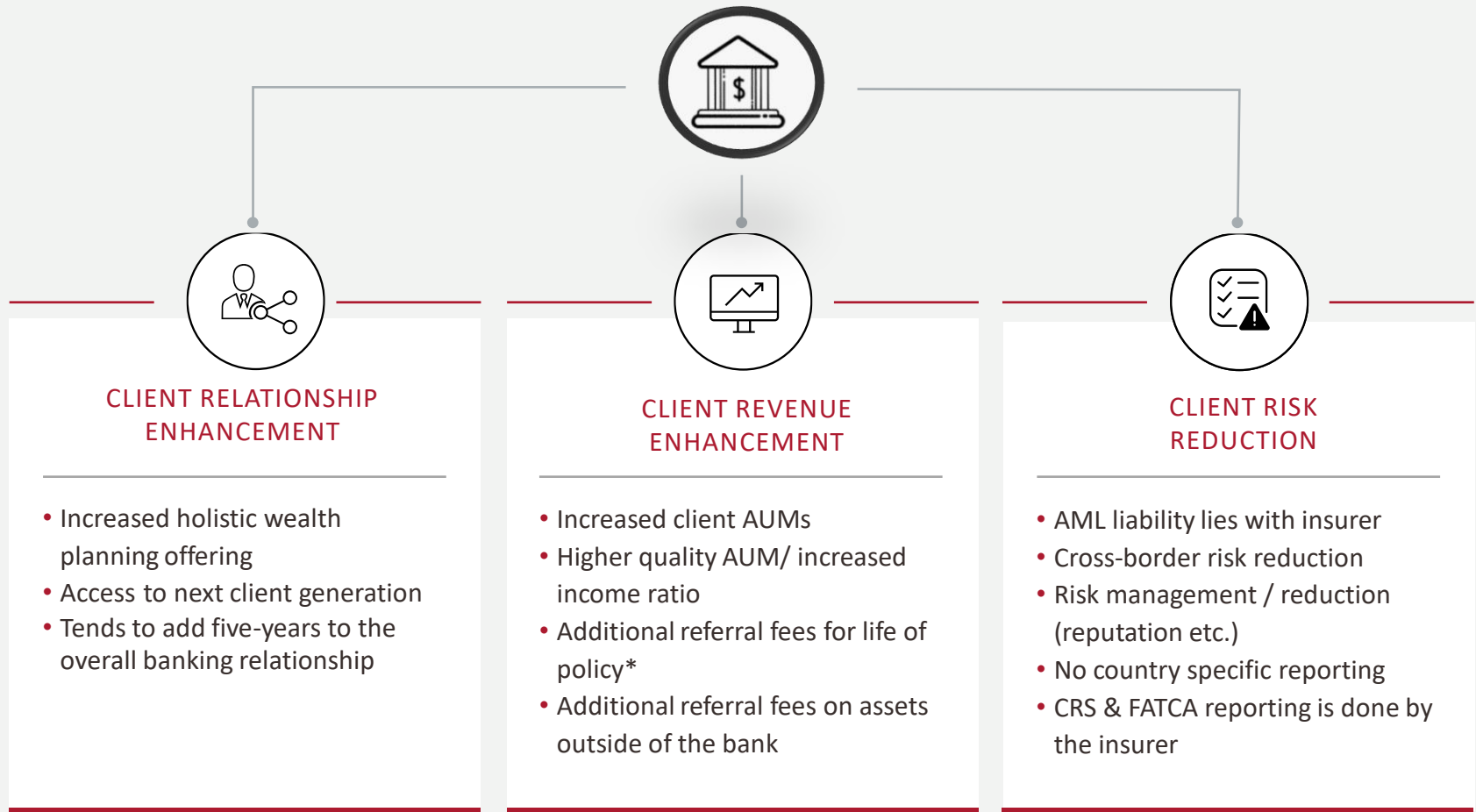
Tax Savings: higher net returns and simplified reporting

E

Estate planning: separate from ordinary estate

C

Cash: ensure sufficient liquidity to take care of family, business, taxes.

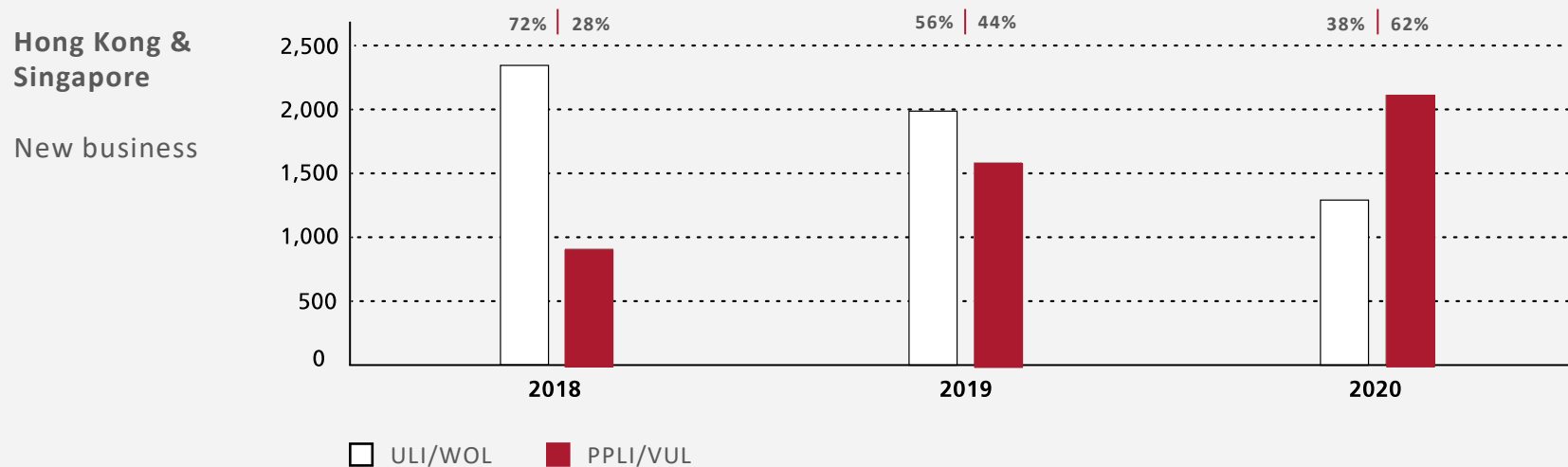


**Even if client decides to leave the bank*

PPLI / VUL
Key Benefits for Clients

	Company (BVI, Cayman, SG, HK)	Trust	Fund (SG VCC, Cayman SPC)	PPLI
P Privacy Protection	Transparent	Yes	Tendency to look through	Yes
A Asset Protection	None	Usually 5-7 years	None	Possible
T Tax Savings	Possible / be aware of CFC rules	Possible	Often deferral	Possible
E Estate Planning	None	Yes	None	Yes
C Additional Cash (death benefit)	None	None	None	Possible

Act now to capture market share



Source: Market report NMG Group, January 2021

Variable Universal Life (VUL)

*Very efficient way to provide **Significant Life Cover***

Key Facts:

AUM Retention

Generates Investment Fee

Upsize Fee Income VUL

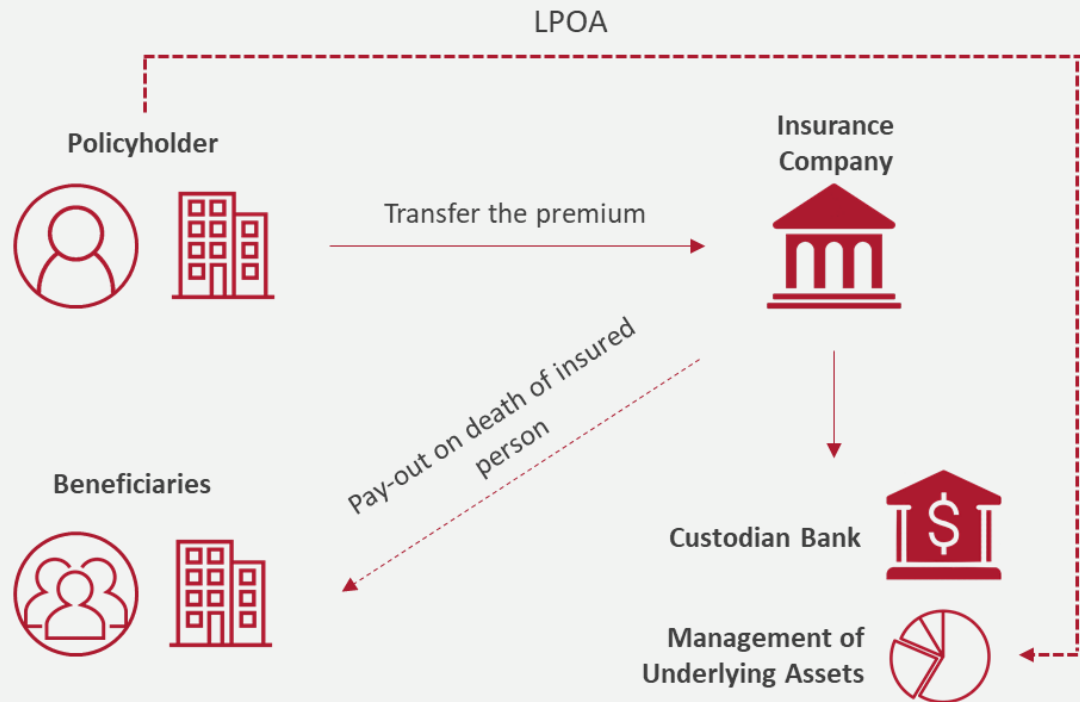
Financing not Required

No Loans to Repay

Nomination of Beneficiaries

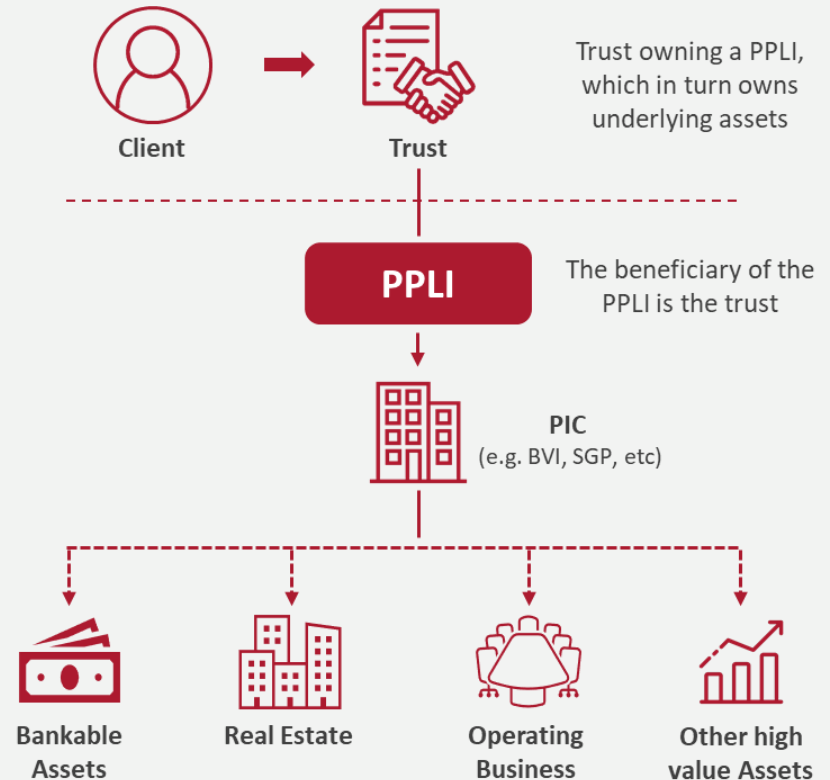
Retains Investment Control

Define Your Own Crediting Rate



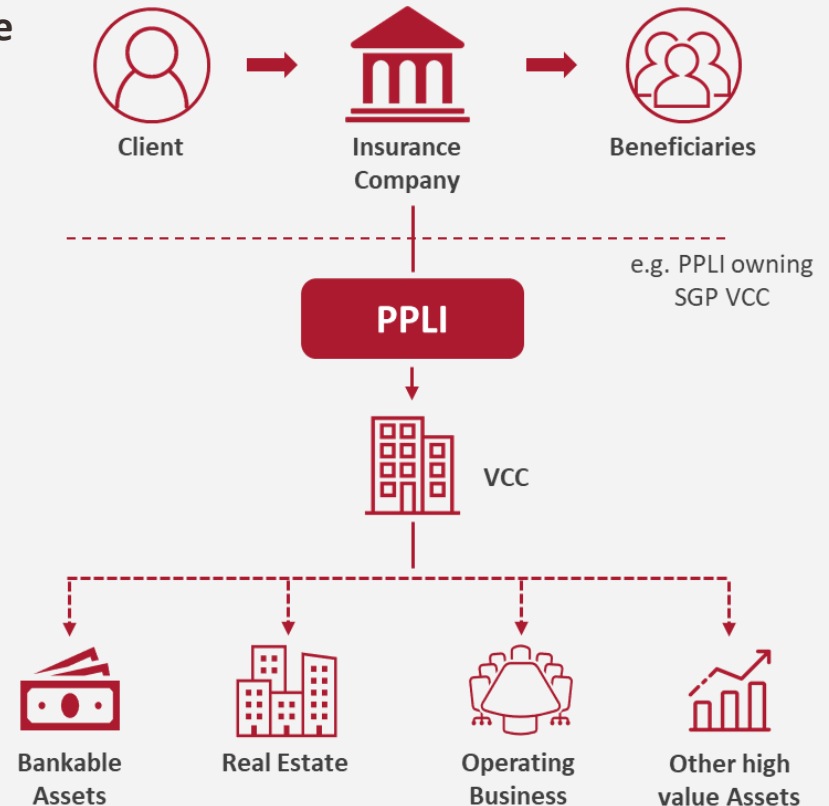
Often a combination of various structures is the most powerful structure.

1. A trust can own a PPLI. The beneficiary of the PPLI can be a Trust or natural person
2. A PPLI can own a PIC that invests in Private Equity



Often a combination of various structures is the most powerful structure.

1. A trust owning a PPLI. The beneficiary of the PPLI can be a trust or a natural person
2. A PPLI can own shares of a VCC. The VCC can invest in Operating Co, Real Estate, Bankable Assets, and other assets of the family



- While China has Trust Laws, the usage of Trusts is mainly for Collective investment purposes. Family trust application is very limited due to legal, regulatory and tax constraints;
- China has community property rules. Clients may make wills but there are statutory succession rules that apply if they don't, under a limited forced heirship regime;
- Controlled Foreign Corporation rule and General Anti-Tax Avoidance rules are included in the 2018 IIT Reform, which came into force January 2019;
- China Individual Income Tax is 20%-45% on worldwide investment income and capital gains for anyone who is "domiciled" ("hu kou"- house hold registration) in China;
- PPLI can shelter overseas income and gains;
- AEOI with Hong Kong and Singapore began in 2018.

- CRS – Taiwan has concluded individual bilateral agreements and is progressively negotiating more;
- Many Taiwanese have traditionally used offshore companies (Cayman, BVI) to hold their offshore wealth. There was no Controlled Foreign Corporation legislation in place and thus if dividends were paid, there was no tax liability;
- Many Taiwanese use nominees to hold their assets, arrangements will need to be reviewed in view of the new conditions.
- CFC legislation has been drafted in 2017 and we are waiting for the implementation date to be announced – not later than August 2022.
- With CFC and CRS the worldwide wealth of Taiwanese will be exposed to AMT and Inheritance Tax;
- The shares of these offshore companies can be placed in PPLI to provide legitimate tax deferral and simplified reporting.

Regional Specific Challenges - Indonesia

Trust and Companies Regarded as Transparent <Look Through> Entities

- Many Indonesian resident clients held assets overseas in trusts and offshore companies;
- Indonesians pay Income Tax (IIT) of 30% on offshore assets;
- Indonesia introduced Controlled Foreign Corporation (CFC) rules in 2017;
- Offshore companies (BVI, Cayman) and Trusts are ignored for tax purposes there is a look through to the physical person owning the asset;
- PPLI policies give legitimate tax deferral;
- Placing asset in the PPLI policy gives you the added opportunity to ask the client if they wish to add higher life cover.

- Inheritance tax and Gift tax were introduced in 2016;
- Thailand will introduce CRS in 2022 and begin exchanging information in 2023;
- Worldwide IHT will be an issue;
- Insurance proceeds fall out of IHT;
- PPLI policies give legitimate tax deferral;
- Asset Protection and Privacy are becoming increasingly important to Thais;
- Placing asset in the PPLI policy gives you the added opportunity to ask the client if they wish to add higher life cover.

- Malaysians are concerned about Privacy and Asset Protection. PPLI are able to alleviate both of these concerns;
- As a result of capital controls, Malaysians are often seeking ways of obtain life cover without sending large amounts of money off shore;
- Onshore assets can be placed in an offshore PPLI. Life cover can be obtained, resulting in death benefits falling onto offshore trusts for the next generation.

Pre-Immigration Planning: Australia, UK, US, EU

Ideal planning tool for Pre-Immigration

- Australia – Assets placed in a PPLI are tax free after 10 years
- UK – Tax deferral, no need to sperate clean capital and dirty capital
- US – Ideal for pre-immigration planning
- EU – Pre-immigration planning for France, Spain, Germany, Austria, Portugal

Specific Challenges – US Beneficiaries

1st generation Asian – 2nd generation US

- Improved structure by combining the Foreign Grantor Trust (FGT) with a PPLI
- Solves the Undistributed Net Income (UNI), Distributed Net Income (DNI) rule, Throwback rule issues

Specific Challenges – Crypto and Digital Assets

Privacy, Asset Protection, and Tax Optimization

- Ability to use PPLI to take Crypto and Digital Assets
- Giving privacy and asset protection back to the client

- Insurance is a solid and well-rounded wealth planning tool, either stand-alone or in combination with other structures.
- It allows the client's assets to grow tax-preferred, achieve higher net gains within a structure that allows legal asset protection.
- It also allows clients to achieve streamlined estate and succession planning.
- It is however, most important that these solutions are setup correctly with the right insurer, in first class jurisdictions with the help of highly competent advisers.
- PPLI can be used in combination with high death benefit life insurance policies which provide liquidity to take care of family, business needs and eventual taxes.

Thank you for your attention.



PRIVATE WEALTH SOLUTIONS

— from our family to yours



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