

LIFESTYLE INCOME STRATEGIES
PROVIDING INCOME STRATEGIES FOR YOUR LIFESTYLE

THE Y20 STRATEGY

PROGRAM OVERVIEW

A premium finance life insurance program which is designed for a high net worth individual. This program is designed with two strategic purposes which can be combined or utilized separately. (1) The insurance can be used for Estate Planning and to build a family legacy. (2) The insurance can be used to fund charitable donations during the lifetime of the insured and upon the death of the insured.

Y20 STRATEGY ATTRIBUTES

**A Unique Life Insurance Strategy Combined with
Low Cost Bank Loans Which Fund 100% of All Premium Payments**

- Little to No Out-Of-Pocket Cost
- No Loan Principle or Interest Payment During Insured's Lifetime
- Loan Interest Accrues Over the Life of the Policy
- 100% Premium Paid = 100% of Client Cash Surrender Value and Guaranteed for the First 7 Years
- Death Benefit Grows at the Same Rate as the Cash Value: Starting Higher and Earning More

Create a Tax-Free Benefit to Your Estate and/or Your Charity AND an Annual Income Payment to Charity EACH YEAR During Your Lifetime

Upon Death the Bank Loan and Interest is Repaid

Provides Liquidity to Pay Estate Taxes & Leave a Legacy to Heirs/Charity

Y20 STRATEGY CONSIDERATIONS

- Policy Cash Value is Used as Collateral to Secure the Loan
- During Early Years – The Gap Between Loan Balance and Cash Value is Secured by Additional Collateral Set Aside by the Company
- Additional Collateral Can Consist of: Cash, Cash Equivalents, or Letter of Credit
- Policy Owned by Irrevocable Life Insurance Trust (ILIT) Domiciled in State of Issue

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ESTATE PLANNING DESIGN

The Purpose of This Design is to Offer the Insured the Ability to Create a Multi-Million Dollar Tax-Free Death Benefit Outside of the Estate

Age Range	Ages 20 to 70+ Ages over 70 Require Life Insurance Carrier Approval
Face Amounts	Varies from \$10,000,000 to \$100,000,000+ Depending on Insurance Carrier and Funding Strategy. Net Worth Must Equal Face Amount. Premiums: Single, Double, or More
Financial Requirements	Minimum Net Worth: \$10,000,000
Medical Underwriting	Required For Insured
Policy Status	Policy or Policies Will Be Classified as a MEC (Modified Endowment Contract)
Collateral Requirement	Ages Exceeding 70 Will Often Require Collateral For A Longer Period of Time (Case by Case Design)
Death Benefit	High Death Benefit Legacy Paid to Beneficiaries Outside the Estate

CHARITABLE DESIGN

The Purpose of This Design is to Offer the Insured the Ability to Create a Multi-Million Dollar Tax-Free Death Benefit Outside of the Estate and Provide and Annual Donation Income to Charity – Starting the First Year

Age Range	Ages 20 to 70+ Ages over 70 Require Life Insurance Carrier Approval
Face Amounts	Varies from \$10,000,000 to \$100,000,000+ Depending on Insurance Carrier and Funding Strategy. Net Worth Must Equal Face Amount. Premiums: Single, Double, or More
Financial Requirements	Minimum Net Worth: \$10,000,000
Medical Underwriting	Required For Insured
Policy Status	Policy or Policies Will Be Classified as a MEC (Modified Endowment Contract)
Collateral Requirement	Ages Exceeding 70 Will Often Require Collateral For A Longer Period of Time (Case by Case Design)
Living & Death Benefit	Annual Donation to Charity Starting Year 1. Max 50% of Death Benefit Paid to Charity. 50% Paid to Beneficiaries.

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