

The background of the entire page is a collage of US dollar bills, including \$100 and \$50 bills, with various denominations and serial numbers visible. The bills are layered and slightly blurred, creating a sense of depth and wealth.

Insured Wealth Restoration

The Better Alternative



The mould of a man's fortune
is in his own hands.

Aristotle

Who will reap the rewards of your life's hard work?

In this world, there are leaders and followers. If you are reading this, chances are you are a leader. You are one of the elite few who has the drive to make real wealth. But, that is not enough. Now, how do you pass it on to your family in the most efficient way?

Successful wealth accumulation does not always equate to successful wealth transfer.

What will stop your family from receiving the wealth you have worked so hard to accumulate?

Will it be the markets?

Today, equity markets are affected by outside forces – forces beyond the markets' control.



"With credit markets still locked up and investors getting worried about the big banks, Wall Street marked a grim milestone in late November (2008) when stock markets tumbled to their lowest levels in a decade. In all, the slide from the height of the stock markets had wiped out more than \$8 trillion in wealth." - The New York Times, September 2009

What is your comfort level of loss?

Clients who want to transfer their wealth to their families may feel uneasy about committing dollars to the market now. For many years, investment, it takes a higher rate of return to recover from where you started. market drop – has not been reassuring. Are you

Should you be risking your money in the market?

Investors are upbeat about their chances of recouping losses from the recession and are looking at new options to build their retirement savings. A survey by Prudential, Newark, N.J., found that, in the wake of the stock market turmoil:

- » About 75% of all respondents said a product with guarantees for lifetime income, protection of principal and opportunities to lock in market gains would be important or nice to have in their portfolio.
- » Two-thirds would likely seek a solution that offered guaranteed income.

Prudential's survey, conducted on line, polled 1,001 Americans age 45 to 75 with \$100,000 or more in retirement savings.

There is a better alternative... Insured Wealth Restoration

Insured Wealth Restoration Basic Premise

What is the Basic Premise of the Insured Wealth Restoration Plan?

- » Cashless transaction
- » Financing of premiums for life insurance purchase as part of effective and efficient estate plan
- » Avoids need to liquidate shares to effect insurance purchase
- » Potentially avoids capital gains taxes associated with immediate sale
- » Provides downside protection to market volatility and growth potential to investments, while guaranteeing financial benefit to heirs

Program Benefits of Insured Wealth Restoration

How does Insured Wealth Restoration benefit you and the ones you love?

- » Limited downside risk
- » Potential deferral of capital gains taxes
- » Publicly traded stock is the only collateral for loan
- » Retention of upside potential
- » Maximize wealth transfer in estate tax efficient trust
- » Ability to fix interest rate for up to 10 years

Insured Wealth Restoration Program Flexibility

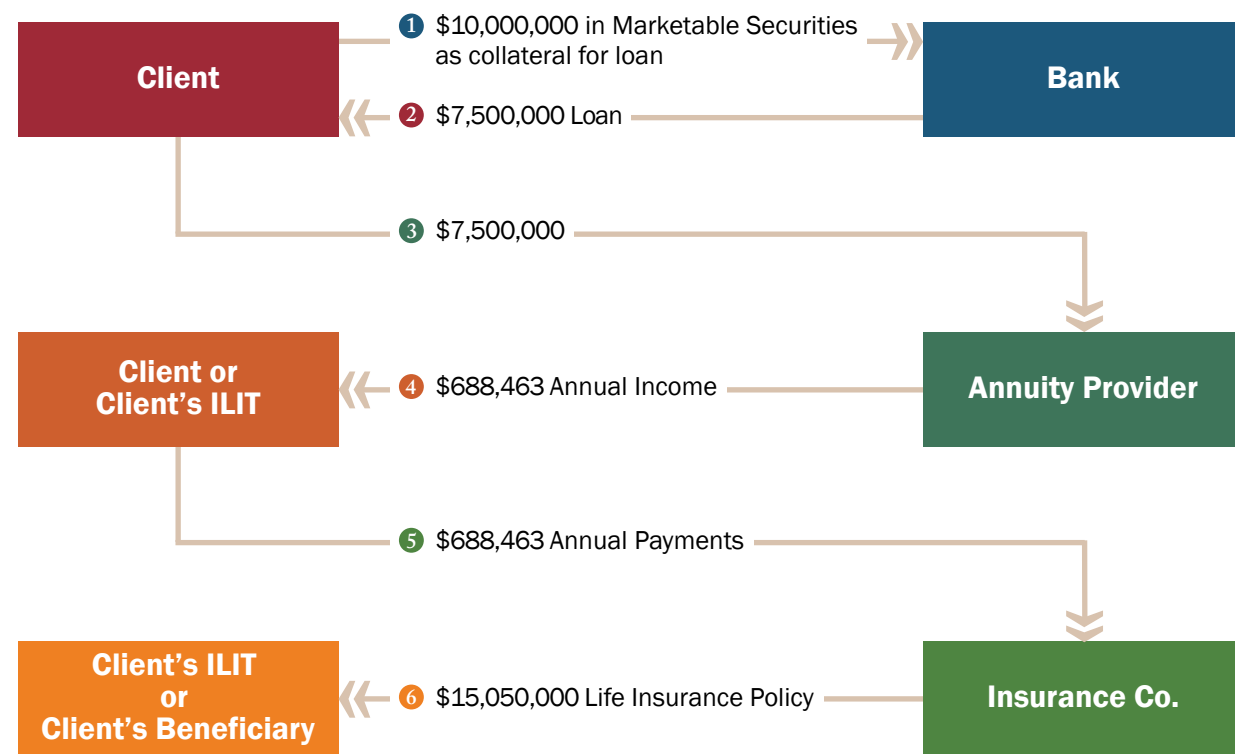
What if the market declines?

- » The Borrower keeps the principal. (Loan Proceeds)
- » The Borrower's personal credit is not affected.
- » There is no negative effect on the Borrower's other financial assets.
- » If the Borrower unwinds the loan it may trigger losses or gains for the Borrower.
- » Borrower has the right to unwind transaction at maturity of the arrangement, or when the value of the securities pledged drop below a predetermined default trigger.

What if the market advances?

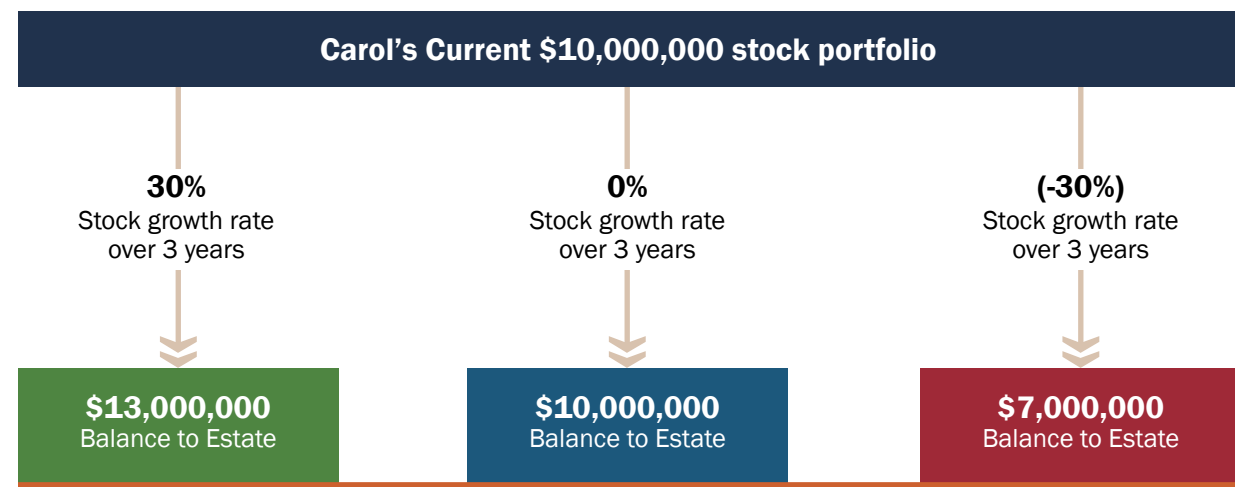
- » The Borrower can pay back the borrowed amount.
- » At maturity the Borrower can take back the ownership of the identical shares at their increased value.
- » If the loan is paid back there will be NO Capital Gains Tax triggered.
- » The Borrower has the option to extend the relationship, if so desired.

Insured Wealth Restoration Basic Transaction

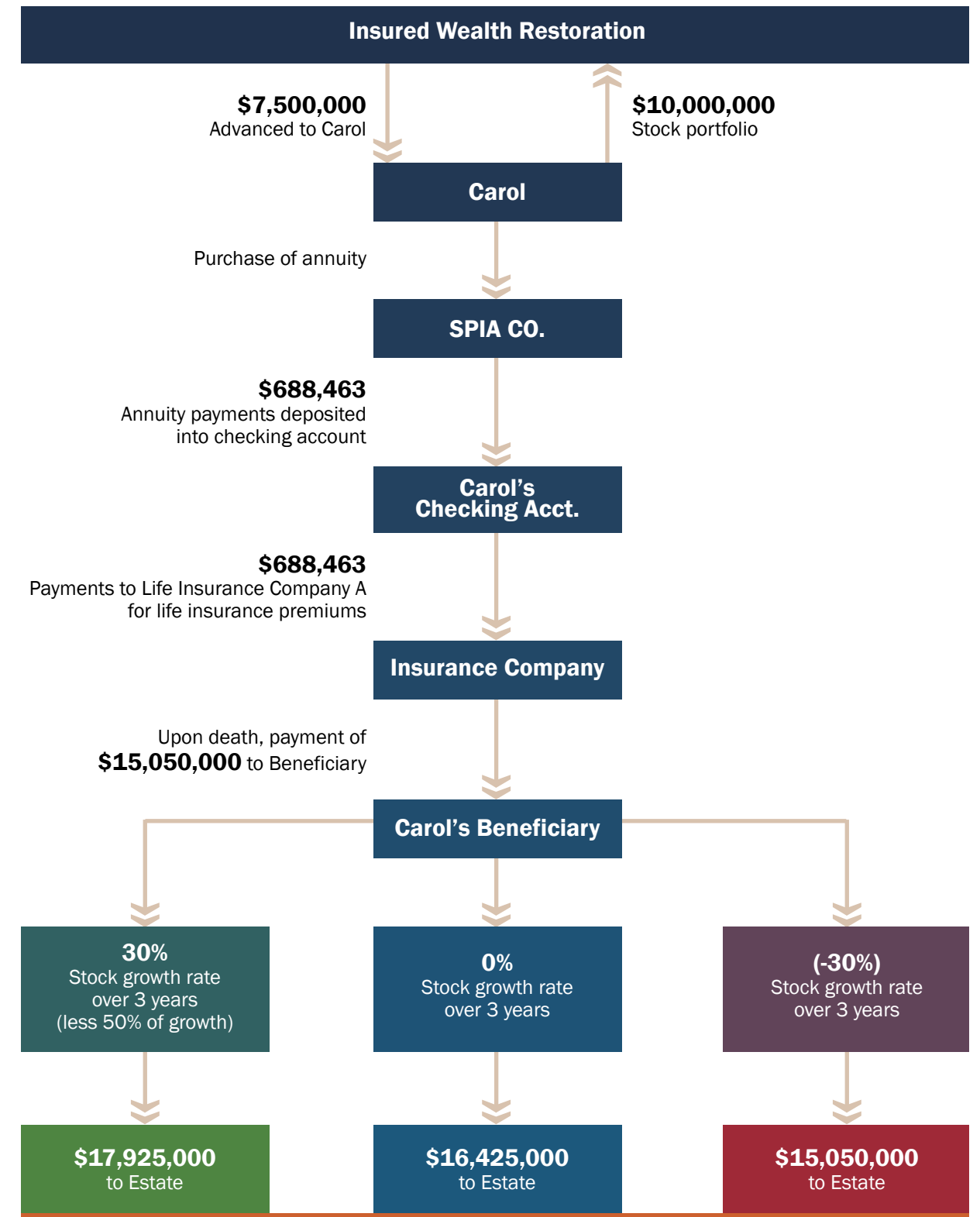


Insured Wealth Restoration Case Study

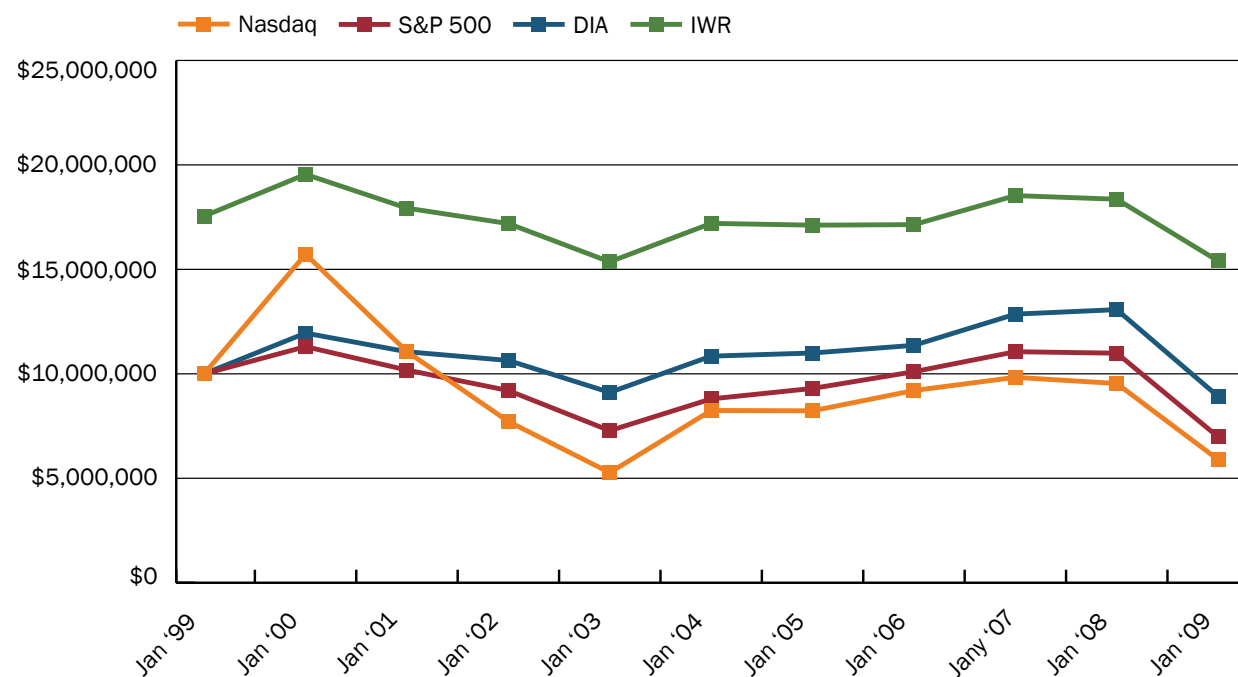
Carol, age 77, currently has a net worth of \$40 million with \$10 million in her stock portfolio. She would like more certainty in the value of her portfolio as it is primarily intended for her grandchildren. She feels the **Insured Wealth Restoration** program will offer more security for the future.



The Better Alternative



Performance History NASDAQ vs S&P 500 vs DIA vs IWR



Conclusions

- » Life Insurance provides peace of mind knowing that the legacy to heirs has been maximized.
- » Financing avoids immediate need to sell shares and incur capital gains taxes to fund insurance purchase.
- » **Insured Wealth Restoration** provides downside protection against major market decline.
- » **Insured Wealth Restoration** uses a portion of potential upside to pay for downside protection.
- » The stock pledged is the only collateral for the loan.
- » Convenient facility to achieve *cashless life insurance* purchase as valuable estate planning vehicle.



Frequently Asked Questions

How long is the loan term?

- » The loan is typically a three to five year loan term.

What is the interest rate?

- » The interest rate will be an attractive 30 day LIBOR based index, with a client option to fix the rate at any time.

How and when can I end the transaction?

- » Transaction can be terminated by client at any time without penalty.

Can I retain my own financial advisor?

- » You are free to choose your advisors.

What roles does the bank play?

- » Bank will lend the money and will be the custodian of the stocks pledged as the collateral for the loan.

Is there any recourse in this loan above my stock?

- » Stock is only collateral pledged.

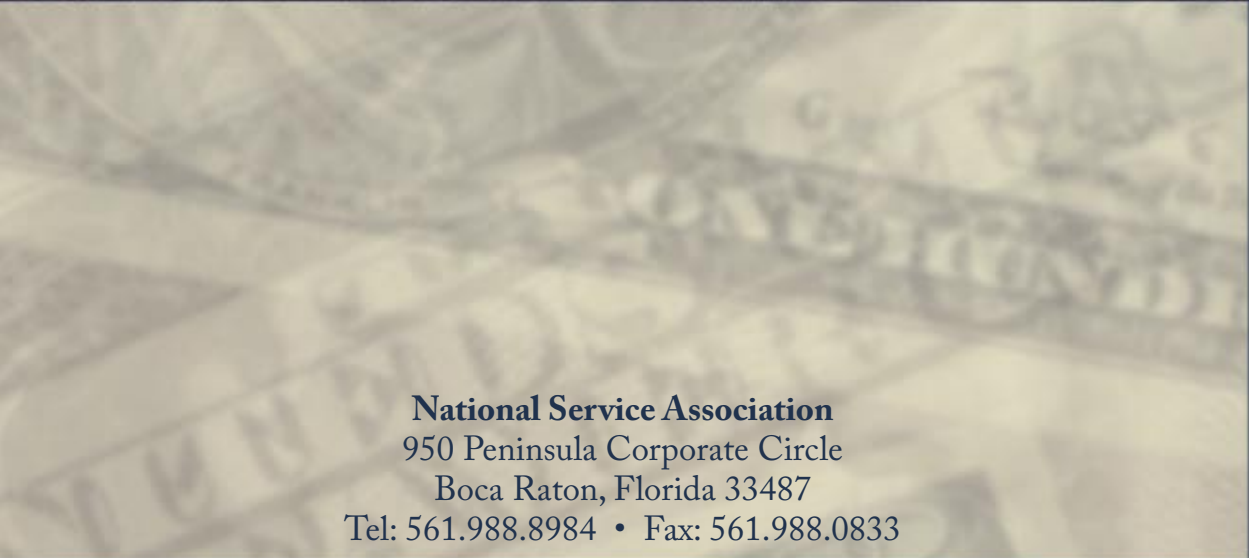
Should I put all of my stocks into the Insured Wealth Restoration plan?

- » This is between you and your financial advisor.

What happens to dividends that are paid on the stocks pledged as collateral for loans?

- » Shareholder of record (the borrower) will be entitled to receive all dividends declared.





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