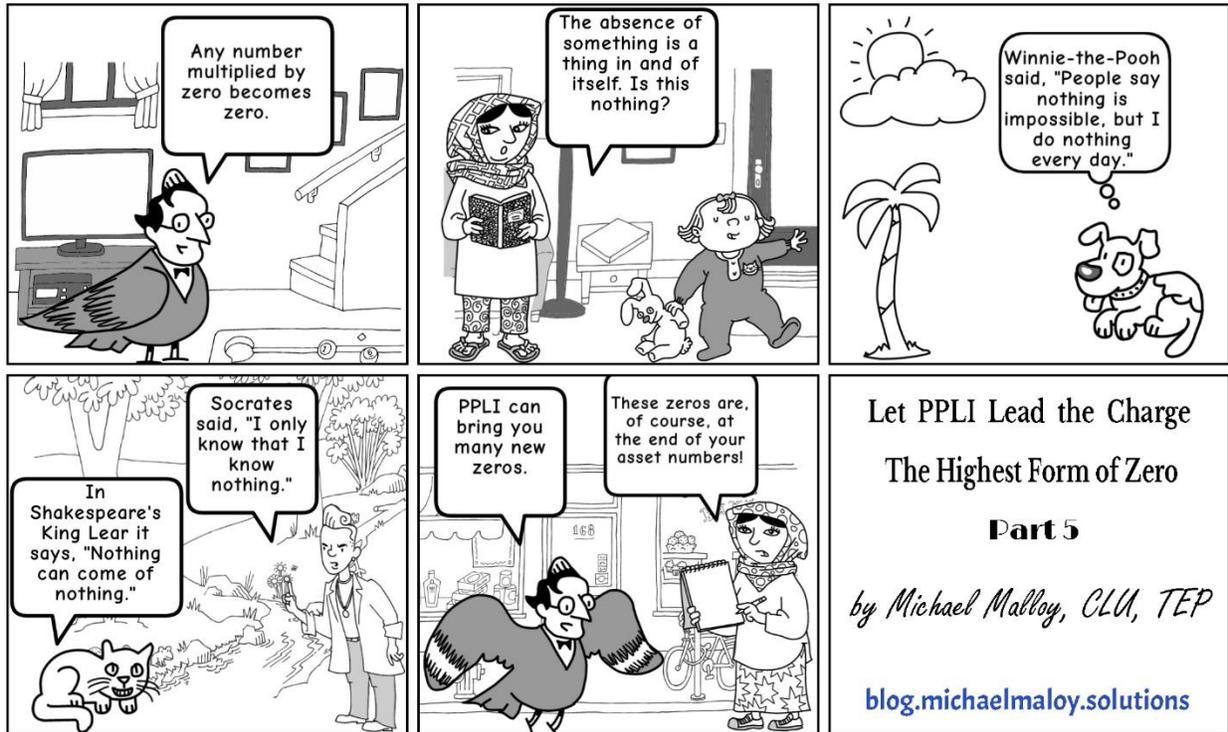


Let PPLI Lead the Charge



The Highest Form of Zero

Part 5

Our next few articles will comprise an in-depth look at the five main components of our PPLI Concept Map: *Professor PPLI Defines Nothing*. We also offer you the fifth part of, "She Was Good For Nothing," by Hans Christian Andersen. This charming fairy tale supports our theme of nothing.

The potential of Private Placement Life Insurance (PPLI) as an asset structuring tool for wealthy families has barely been explored. Particularly in a U.S. context, one sees PPLI's unique traits expressed in numbers, mainly through the compounding of the tax-free growth of its cash value over time. Yes, this is most true and correct, but this is only the beginning of the story.

Just as "the cloud" has taken our data storage to a new level, this article will endeavor to raise your awareness of the myriad possibilities of PPLI for structuring the worldwide assets of wealthy families. This is expressed excellently in the [Senior Consultant, The Voice of the Investment Management Consultant](#).

“Private Placement Life Insurance (PPLI) is much more than an insurance policy. PPLI represents one of the most powerful vehicles available to the high net worth investor in the marketplace today.

PPLI enhances both wealth creation and wealth preservation. Wealth creation is the result of the tax-free growth of the assets in the insurance contract. Wealth preservation is a result of the death benefit paid from the insurance contract.”

Here are a few examples where [*Advanced Financial Solutions*](#) was able to assist [*wealthy international families*](#).

PPLI Solution A, by Advanced Financial Solutions Inc.

A Chinese client, who is a U.S. green card holder residing in Hong Kong, had pre-IPO stock valued at \$10M. Upon going public, it was estimated that the stock will be worth many times this valuation. Through the use of careful planning, we were able to place the stock into a properly structured PPLI policy before the stock went public, thus saving the client \$45M in U.S. capital gains tax. He was able to diversify his holdings inside the policy tax-free, and pass his estate tax-free to his heirs. The client accessed the funds inside the policy through low-cost policy loans.

PPLI Solution B

A Chinese family came to us for succession planning for offshore companies owned by the family. They wished to pass these offshore companies located in various parts of the world to their son, who is a green card holder residing in the U.S. Besides transferring the companies at the death of the wealth owner via a properly structured PPLI policy, the son wished to take the profits from the companies and invest them in real estate projects outside the U.S. We created a PPLI structure for the family that accomplished all of these aims. The PPLI structure also gave them tax-deferral on all the future revenue from the companies.

PPLI Solution C

An Israeli client who resides in Italy has a company where all the revenue is generated in Italy. He is also a U.S. green card holder, but spends very little time in the U.S. He had a Nevada company that did the processing of his customers' orders which came from customers worldwide. The client wished to restructure to

lessen his U.S. tax burden which we accomplished for him using a [953\(d\) offshore PPLI policy](#).

PPLI Solution D

A young entrepreneur with worldwide holdings in sports, natural resources, gaming, and content management wishes us to check his compliance with FATCA and CRS. He is a U.S. green card holder as well as a UK resident, and citizen of an African country. He had created a dozen companies with excellent potential. We brought him into compliance with tax authorities worldwide with a PPLI structure. We gave his revenues a boost, because in the PPLI structure all the profits become tax-deferred. We protected his family with the low-cost death benefit of the PPLI policy.

We conclude our theme of Nothing by defining it with a Dutch concept, *niksen* from Olga Mecking in the *New York Times* article, [“The Case for Doing Nothing, Stop being so busy, and just do nothing. Trust us.”](#)

“Running from place to place and laboring over long to-do lists have increasingly become ways to communicate status: I’m so busy because I’m just so important, the thinking goes.

Perhaps it’s time to stop all this busyness. Being busy — if we even are busy — is rarely the status indicator we’ve come to believe it is. Nonetheless, the impact is real, and instances of burnout, anxiety disorders and stress-related diseases are on the rise, not to mention millennial burnout.

There’s a way out of that madness, and it’s not more mindfulness, exercise or a healthy diet (though these things are all still important). What we’re talking about is ... doing nothing. Or, as the Dutch call it, *niksen*.

What is *niksen*?

It’s difficult to define what doing *nothing* is, because we are always doing *something*, even when we’re asleep.

Doreen Dodgen-Magee, a psychologist who studies boredom and wrote the book “Devised! Balancing Life and Technology in a Digital World,” likens *niksen* to a car whose engine is running but isn’t going anywhere.

“The way I think about boredom is coming to a moment with no plan other than just to be,” she said.

Sandi Mann, a psychologist at the University of Central Lancashire in Britain, added that *niksen* can be “when we’re not doing the things we should be doing. Because perhaps we don’t want to, we’re not motivated. Instead, we’re not doing very much.”

More practically, the idea of *niksen* is to take conscious, considered time and energy to do activities like gazing out of a window or sitting motionless. The less-enlightened might call such activities “lazy” or “wasteful.” Again: nonsense.”

Part 5 of [“She Was Good For Nothing”](#) by Hans Christian Andersen:

"It was just then that my darling boy, who lies sleeping there, was born. Then his father had a long and severe illness, and for nine months I even had to dress and undress him every day. We kept on going backward. We had to borrow more and more; one by one all our possessions were sold; and at last Erik died. Since then I have worked and slaved for the boy's sake, have gone out scrubbing floors and washing linen, done coarse work or fine, whatever I could get. But I was not to be better off; it is the Lord's will! He will take me away and find better provisions for my child." Then she fell asleep.

In the morning she seemed better and decided she was strong enough to return to her work. But the moment she felt the cold water a shivering seized her; she grasped about convulsively with her hands, took one step forward, and fell. Her head lay on the dry bank, but her feet were in the water of the river; her wooden shoes, in each of which there was a handful of straw, were carried away by the current.

And here she was found by Maren, when she came to bring her some coffee.

A message had come to her lodging that the Mayor wanted to see her, for he had something to say to her. It was too late. A doctor was summoned; the poor washerwoman was dead.

"She has drunk herself to death," said the Mayor.

The letter that had brought the Mayor the news of his brother's death also gave a summary of his will, and among other bequests he had left six hundred dollars to

the glovemaker's widow, who had formerly served his parents! The money was to be paid at discretion in large or small sums to her and her child.

"There was some nonsense about love between my brother and her," said the Mayor. "It's just as well she's out of the way. Now it will all come to the boy, and I'll place him with some honest people who will make him a good workman." And on these words our Lord laid his blessings.

And the Mayor sent for the boy, promised to take care of him, and told him it was a lucky thing his mother was dead; she was good for nothing.

They carried her to the churchyard, to a pauper's grave. Maren planted a little rose tree on her grave, while the boy stood beside her.

"My darling mother," he said as the tears started from his eyes. "Is it true that she was good for nothing?"

"No, it is not true!" said the old woman, looking up to heaven. "I have known it for many years and especially since the night before she died. I tell you she was a good and fine woman, and our Lord in heaven will say so, too, so let the world say: 'She was good for nothing!' "

We wish to take you to the highest level of [Expanded Worldwide Planning](#) through careful research of your unique family situation. Please let us begin the process by [contacting our office today](#) for a *gratis* initial consultation to find out if our advanced PPLI structuring methods align with your financial goals.

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