

Comments from some experts on annuities and life insurance

➤ *Rothschild and Rubin – Journal of Asset Protection*

“Unlike man, all assets are not created equal – at least from an asset protection planning standpoint. . . . Instead, some assets are favored by statute so as to provide their owner a greater level of protection from the claims of the creditor than do other assets.”

➤ *Heimos – Tax Management Estates, Gifts and Trusts Journal*

“The popularity of offshore annuities as a pre-immigration income tax planning tool is well known, and coupling asset protection strength with tax deferral is an important objective of high net-worth, non-resident aliens planning for long-term U.S. residency.”

➤ *Heimos – International Life Insurance*

“. . . certain (insurance) products issued in certain jurisdictions under the right circumstances may be the strongest wealth protection instrument available.”

". . . it will be easier for onshore courts to intellectually and technically accept the facts of life of the interplay between a foreign jurisdiction’s insurance exemption and other impediments to creditor claims that apply to those contracts as well (such as non-recognition of that court’s orders and judgments).”

➤ *Giordani – The American Law Institute*

“Certain carriers in the offshore life insurance market offer 'private placement' or, more appropriately, 'customized' policies that are fully compliant with U.S. tax rules. With proper policy design, an investor can place wealth in a tax-free investment environment at a low cost, achieve protection against future creditor risk and local economic risk, gain financial privacy, and enjoy superior flexibility with regard to the policy’s underlying investments.”

➤ *Simmons – The American Law Institute*

“The great majority of life insurance carriers operate outside of the U.S. and as a result there are more product choices offshore than in the U.S. . . . Subject to applicable fraudulent conveyance statutes, foreign insurance policies may offer an element of asset protection not otherwise available in the U.S.”