

# Client Profile

## Premium Financing



CLIENT PROFILE	
<b>Age:</b>	55 and older
<b>Wealth:</b>	Estate of \$5 million or more
<b>Concern:</b>	Estate Planning program in place, but does not want to liquidate assets or pay gift tax to pay premium on life insurance policy.

### PROBLEM

Over the past ten years, the size of the client's estate has grown. He/she needs to purchase more insurance for estate tax protection, but does not have enough (or does not want to use) liquid assets to pay the annual premium.

### SOLUTION

Enter into a premium financing arrangement with a third-party lender.

### WHY PREMIUM FINANCING?

Setting up a premium financing plan enables the borrower to leverage savings and investments by using the life insurance policy as collateral.

### PREMIUM FINANCING

Premium financing can be used in the estate and business planning marketplace where there is a need for life insurance yet the funds to pay the premiums can be better used elsewhere. Clients can borrow funds from a third-party lender to pay for their life insurance premiums, thereby reducing their potential out-of-pocket expenses as well as their potential gift tax costs!

**For more information on premium financing, please contact your local John Hancock Representative or call the Advanced Markets Group at 888-266-7498, option 3.**

1. There are risks involved in this program which are not of the scope of this piece. Please consult your financial advisor for more information.

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