

# Lombard International

## IOVA OVERVIEW



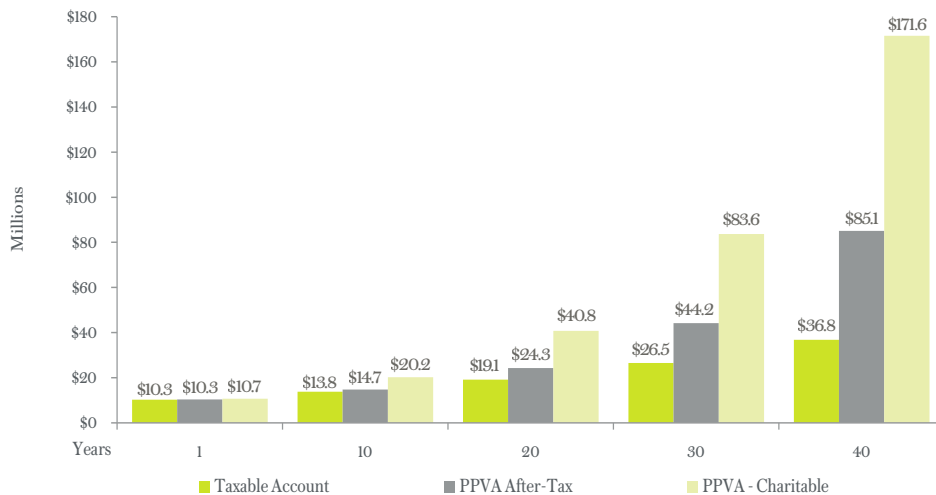
LOMBARD INTERNATIONAL IS A GLOBAL LEADER IN DEVELOPING SOLUTIONS, AT THE INTERSECTION OF INVESTMENT AND INSURANCE, THAT SEEK TO HELP FAMILY OFFICES, UHNW INDIVIDUALS, AND INSTITUTIONS MAKE INVESTMENTS TAX EFFICIENT.

Lombard International's Investment Only Variable Annuity offered through its Private Placement Variable Annuity is a key component in constructing financial portfolios for family offices and UHNW individuals. IOVA provides tax deferred compounding in a simple, low cost structure for the end client.

### Features & Considerations:

- Purely an uncapped deferral product
- No surrender charges
- No limits on amount or timing of contributions
- No underwriting
- Ability to select from a robust platform of investments options
- Elimination of K-Is from underlying investment issuers
- Distributed gains above basis are taxed at ordinary income for individual beneficiaries
- Passes tax free to family foundation or tax-exempt entity
- 10% Penalty on gains if withdrawn prior to 59<sup>1/2</sup> years old
- Ease of execution - timing can be <1 week
- Opportunities to exchange existing annuity or life product tax-free may be available

### IOVA Comparison

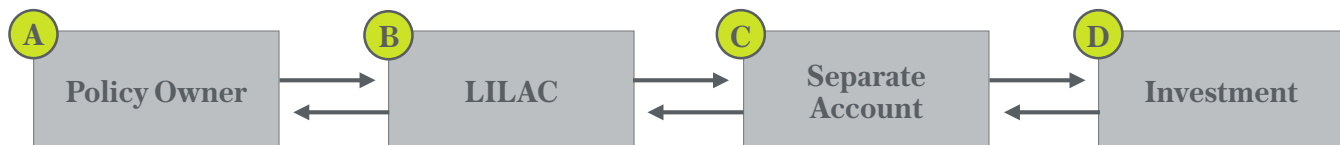


#### Assumptions:

- 1) PPVA policy assumes a single premium payment of \$10M, issued in SD for a 50 year old male living in NYC
- 2) Assumes growth rate of 8%
- 3) PPVA fees based on Option 2 pricing (please refer to Lombard International Pricing Sheet)
- 4) Blended tax rate assumes 75% of return subject to ordinary income tax rates and 25% subject to capital gains tax rates
- 5) Federal Income tax of 37%, Federal Capital gains tax of 20%, ACA taxes of 3.8%, NY state income tax of 8.82% & NY city tax of 3.9% (based on 2019 tax rates)
- 6) Assumes a 1.5% management fee that is not deductible for tax purposes

*\*For illustrative purposes only and should not be deemed as a representation of past or future investment returns*

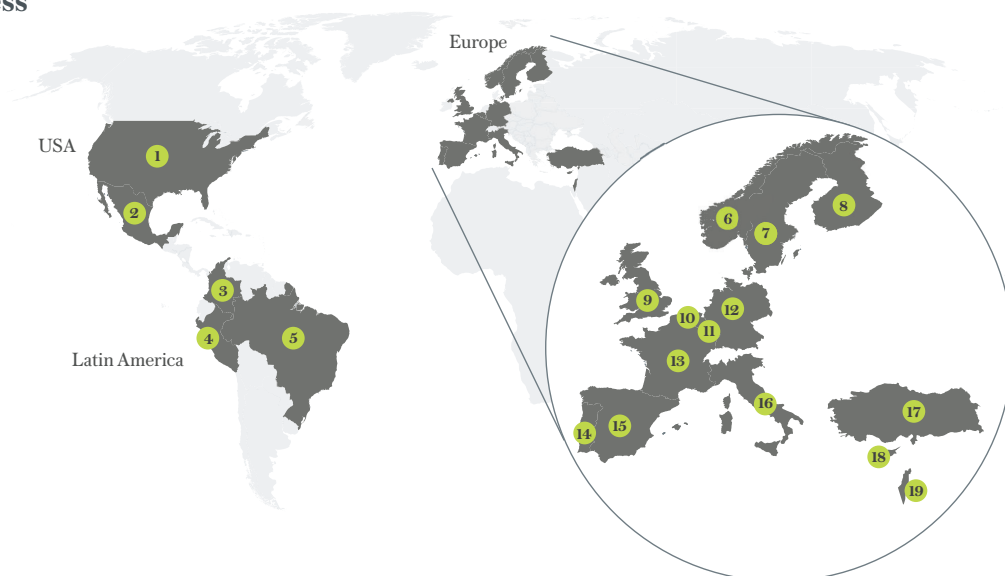
### Lombard International Structure



- Policy owner purchases contract with premium with desired investment amount.
- Lombard International is a Pennsylvania domiciled insurance company.
- Lombard International separate account makes investment with designated investment fund or manager. Value of the policy will fluctuate with value of investments.
- Investment fund or manager executes stated investment strategy.

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## Lombard's Global Business



### Markets for which we offer a wealth structuring solution

- |                 |                  |               |           |
|-----------------|------------------|---------------|-----------|
| 1 United States | 6 Norway         | 11 Luxembourg | 16 Italy  |
| 2 Mexico        | 7 Sweden         | 12 Germany    | 17 Turkey |
| 3 Colombia      | 8 Finland        | 13 France     | 18 Cyprus |
| 4 Peru          | 9 United Kingdom | 14 Portugal   | 19 Israel |
| 5 Brazil        | 10 Belgium       | 15 Spain      |           |

## Lombard Overview

Lombard International is a specialty insurance company owned by The Blackstone Group's Tactical Opportunities Fund. We seek to provide tax efficient investment solutions for family offices, ultra-high net worth and institutional clients. The firm, and its predecessor company, has been the leader in the private placement insurance space for over 25 years.

Our investment platform is robust and flexible to accommodate the needs of our clients – with over 250 investment vehicles and the ability to create completely customized solutions with virtually unlimited investment options.

## Key Facts

**51+ billion** in assets under administration\*

**500+** employees, including...

**60+** technical experts covering...

**20+** jurisdictions

**250+** alternative & traditional investment funds

**10+** portfolio management investment advisors

A **Blackstone** portfolio company

*\*as of June 30, 2019*

### Disclaimer

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