



**NEW IDEAS TO SOLVE YOUR CLIENTS'
MULTI-MILLION DOLLAR TRANSFER TAX
AND LIFE INSURANCE PROBLEMS**

NEWPORT
FINANCIAL GROUP, INC.

For Advisor Use Only



THE BEST TAX AND LIFE INSURANCE SOLUTIONS - THAT YOU HAVEN'T SEEN BEFORE

Very wealthy clients often need transfer tax solutions that go beyond those that work well for smaller estates. For example, while life insurance inside an ILIT can be a great tool for a \$5 million estate tax liability, rarely will an illiquid client with a \$100 million liability be excited about funding premium (and gift taxes) for a policy of that magnitude.

Because Newport Financial Group specializes in the wealthy marketplace (usually \$20 million net worth and up), most of the problems we see are both complex and unique - and all of them are large.

“IDEA MERCHANTS” FOR TAX SOLUTIONS THAT ARE BOTH LEGAL AND POWERFUL

To find answers, the firm’s principals are in constant communication with the nation’s leading thinkers in our field—often speaking with dozens of the nation’s top tax attorneys, accountants and “money people” in any given week.

As a result, Newport Financial Group is consistently among the first to hear about all kinds of new tax and insurance ideas, the majority of which are not suitable for our clients (or yours) because they are either poorly conceived or highly risky.

Fortunately, however, Newport Financial Group hears about outstanding new ideas that are both conservative and powerful - even though they are not yet well known. While many of our ideas include insurance as a component, some involve no insurance at all.

SPECIALIZED EXPERTISE AND “CONNECTIONS” ALLOW NEWPORT FINANCIAL GROUP TO NEGOTIATE FAR BETTER TERMS FOR MULTI-MILLION DOLLAR INSURANCE POLICIES

Out of more than 1,500 insurance carriers in America, only a relative handful have the expertise to write multi-million dollar policies. From these, Newport Financial Group works with only those that have the highest ratings - typically the top 90th percentile and above.

Newport Financial Group enjoys an excellent reputation with the “Top 20” carriers, and in many cases our Medical Director and CEO have personal relationships with carrier CEOs and Chief Underwriters alike.

While carriers use objective criteria when evaluating an applicant’s health, the reality is the human relationships can often yield far better underwriting results - and therefore better pricing than normally could be expected.



PREMIUM FINANCING CAN EASE THE BURDEN OF LARGE PREMIUMS—EVEN FOR ILLIQUID ESTATES

Multi-million dollar death benefits often require large premiums. To help, Newport Financial Group works with a variety of lenders who can provide funds to pay them. Of course, interest payments require a much lower cash outlay than premiums, but in some cases, even these lesser interest payments can be accrued and paid back from the death benefit. Depending on the client's situation, he or she may be able to buy very large policies with minimum cash outlay and collateral.

NOVEL TAX IDEAS THAT CAN “TURBO CHARGE” INSURANCE RETURNS

If you like, Newport Financial Group can share with you some of the tax ideas we have seen which have the potential to boost insurance returns from the usual 5-7 percent to an equivalent return of up to 40 percent or more - all using ultra-conservative products. If a particular idea sounds “right” for a specific client, Newport Financial Group can ease your due diligence process by putting you in touch with national law firms that have used similar approaches in the past.

ABOUT NEWPORT FINANCIAL GROUP, INC.

Today, Newport Financial Group has evolved into a very “high-end” estate tax mitigation firm. Most of our people come from financial and/or business backgrounds. We do not practice law, accounting or money management. Rather, we work with client advisors to solve large tax and insurance problems.

Newport Financial Group brings sophisticated tax mitigation strategies to the table, and works closely with leading law firms to ensure that these ideas are legally and ethically sound. Once you agree that a solution might make sense for your client, we work with you to research and implement a custom-designed plan that can save them millions—and keep you in control.

While much of our work is referred to us, Newport Financial Group obtains clients from many different sources, and whenever possible, we refer back to qualified people with whom we have working relationships.

ANSWERS TO FREQUENTLY ASKED QUESTIONS ABOUT NEWPORT FINANCIAL GROUP, INC.

How long has Newport Financial Group been in existence?

Newport Financial Group's principals have over 40-years of combined experience in the tax and life insurance industry.

What is the background of Newport Financial Group's key people?

Newport Financial Group's team members possess a broad range of professional experience in financial planning, insurance, investment consulting and business.

Do you have attorneys, accountants, or money managers on staff?

By design, Newport Financial Group does not employ practicing attorneys or accountants because our goal is to partner with professional advisors, not compete with them. To that end, we do work closely with attorneys and CPAs from all over the country to develop and implement transfer tax mitigation strategies. Furthermore, Newport Financial Group does not manage money.

Geographically speaking, where does Newport Financial Group work?

Our principals work with clients all over Northern America. However, because we are a highly specialized firm and serve an exclusive audience, we find that the majority of our clients come from California and New York.

What kind of clients match Newport Financial Group's profile?

The typical Newport Financial Group client possesses the following traits:

- Net worth of \$20 million or more
- Age 55 or over
- Cares a great deal about their family
- Has a significant tax burden and does not want to lose family wealth to the IRS

Where do you get your clients?

Newport Financial Group's clients are referred by attorneys, CPA's, and financial consultants from around the country. We receive many of our referrals from industry leaders, including some of the most highly respected professionals in Trusts & Estates practice. We also receive referrals from satisfied clients.

How does Newport Financial Group get paid?

At Newport Financial Group, we earn revenue through several methods. When a client hires us to develop and implement a comprehensive estate plan, we earn an engagement fee. If we are brought in to spearhead a specific strategy, we typically earn a flat fee. And when insurance is part of a client's plan, we earn commission on the policy. Ultimately, the client, and not the advisor pays any and all fees.

Are Newport Financial Group's ideas practical?

Our strategies are extremely practical because they are not just intellectually stimulating theories, they are tested and have been done successfully before.

Are your strategies legal and ethical?

Every strategy that Newport Financial Group represents is both ethical and legal. In fact, we use the same tools that are widely available to everyone else in the industry. The difference is that we synthesize them in a way that produces a more effective result. We liken the process to that of a world-class chef who starts with the same basic ingredients as an average cook, but uses his specialized training and expertise to produce a superior dish.

For more information please call 949-515-1501 or refer to our website at www.newportfg.com



ANSWERS TO FREQUENTLY ASKED QUESTIONS ABOUT NEWPORT FINANCIAL GROUP, INC.

How can I be assured that you won't embarrass me or "steal" my client?

Our goal is not only to protect advisor relationships with clients but to enhance them. To that end, we have developed specific systems that keep the advisor 100 percent in control of the client relationship. We're in the business of building long-term client and advisor relationships, so we do everything possible to ensure that our excellent reputation remains intact.

How is Newport Financial Group different or better than competing firms?

There are only a handful of firms in the country that legitimately serve \$20 million plus niche. But among those, we find that clients and advisors choose to work with us for several reasons. First, unlike firms that "run" with a single idea, we bring many different strategies to the table. Second, clients and advisors feel comfortable working with us because we take a more collaborative, a "kinder and gentler" approach than other firms in the industry.

I am an attorney (or accountant) that specializes in Trusts and Estates. How can you bring me ideas I haven't seen before?

Even the most prominent attorneys and CPAs know that no person or firm has all the answers. In fact, the highly respected advisors we work with are too busy doing the work to be able to tap into every new and innovative idea that comes along. Because Newport Financial Group works exclusively in the "super wealthy" arena, we continually meet with high profile advisors and acquire the very latest and best ideas. We have become "idea merchants" of proprietary and semi-proprietary tax mitigation strategies that are highly effective for these kinds of clients. As a result, when we first enter into discussions with an advisor, we can almost always bring new ideas to the table that you haven't seen before.

How can I learn more about your specific strategies and due diligence on Newport Financial Group?

We invite you to test the merit of our ideas without risk or obligation. Simply provide us with an anonymous fact pattern about one of your clients. All we need is the client's net worth, age, objectives, family and marital status, approximate asset mix, your estimation of the client's health and any other relevant issues. We'll provide a detailed solution for your evaluation.

I am very interested in working with Newport Financial Group, and am at the stage where I'd like to speak with another advisor who has worked with you. How can I do that?

Many of the respected advisors that we work with have agreed to serve as references, and can make themselves available to speak with you. Ask us and we will put you in touch with some of them.

If I wish to work with Newport financial Group, will I be asked to sign a non-disclosure agreement?

We do not require any of the professional advisors we work with to sign a non-disclosure agreement. At Newport Financial Group, all of our collaborations and referral relationships are built on a strong foundation of mutual respect and trust.





CHALLENGE NEWPORT FINANCIAL GROUP WITH YOUR CLIENT'S BIG TAX OR INSURANCE PROBLEM

Would one of the newest ideas “out there” solve your client’s tax problem? It is easy to find out.

If you are looking for alternative solutions, Newport Financial Group invites you to discuss your case with us — on an anonymous, no obligation basis.

After reviewing the fact pattern, Newport Financial Group will provide one or two ideas for you to consider. If you think an idea might fit the client, then you can get authorization from the client to do due diligence to satisfy yourself (and the client) that the idea really does work.

Newport Financial Group will not require you to sign any non-disclosure agreement (NDAs). The only thing we ask is that if the idea we present is truly novel and you agree it works, that we would be involved in any subsequent implementation of it.

Call **949-515-1501** to get started.

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