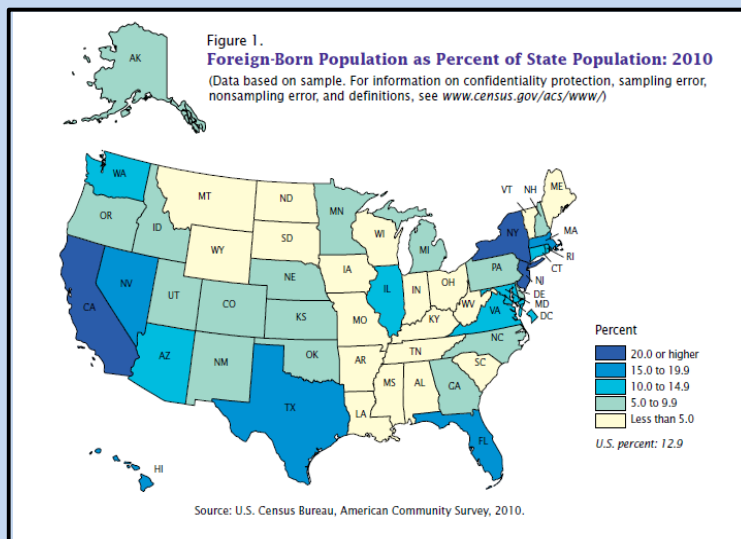


Your Client is Not a U.S. Citizen... What Should you be Asking?

Today, families are increasingly mobile on a worldwide scale. As a result, it is not uncommon for a U.S. citizen to be married to a noncitizen, or for two noncitizens to get married while living in the U.S. Many noncitizens take up permanent residency in the U.S. In fact, in many of the most populated areas of the U.S. foreign-born individuals make up a large percentage of the population. (See chart at right.)

In addition, foreign investors who do not reside in the U.S. continue to find value in purchasing U.S. property. The U.S. is an attractive haven for foreign investors because of the value of the dollar and the stability of the U.S. environment.

A different set of tax rules apply to both groups of individuals. These differences can result in substantial U.S. taxes. Simply stated, this is a large market that should not be overlooked. However, in addition to the usual medical and financial underwriting questions, there are several unique underwriting considerations that must be raised. Following are some of the questions you should pose to your noncitizen insured in an initial meeting. Each question is followed by a brief explanation as to why the question is important.



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- 1. Where do you reside? What country do you call home?**
Taxation differs depending on whether the insured is classified as a U.S. resident noncitizen or nonresident noncitizen. Note: all solicitation and communications including the distribution of marketing material must take place in the U.S.
- 2. What do you do for a living? What is your occupation?**
Some occupations are considered too dangerous to insure.
- 3. Do you travel to countries outside of your resident country? What countries do you spend the most time? (Information on frequency and duration is critical.)**
Individuals who travel to dangerous countries may not be insurable.
- 4. What is your U.S. contact? Do you have family that lives in the U.S.? Do you own property or an interest in a business located in the U.S.?**
A U.S. connection is required. Some carriers have liberal policies such as regular visits to the Mayo Clinic.
- 5. What type of visa do you have? Do you have a green card?**
The insured needs to be in the U.S. legally.

6. What is your net worth and how much of it is located in the U.S.?

Carriers differ on what they will take into consideration in calculating insurance need with some carriers looking at the insured's worldwide assets while others just consider the U.S. assets.

7. Will you be able to take a medical exam in the U.S. as well as complete and sign the application in the U.S.?

Application must be completed and signed in a place where the representative is licensed to do business. All carriers require insurance medical requirements be conducted in the U.S. However, carriers differ on whether the insured's existing medical records must be in English.

8. Will the premiums be paid from a U.S. financial account?

Carriers require the premium be paid in U.S. dollars. In addition, the death benefit will be paid in U.S. dollars.

9. Will the policy owner be able to accept delivery of the policy in the U.S.?

Policy delivery must be in the U.S., and most carriers require the delivery be to the policy owner. This means that most carriers limit policy ownership to a U.S. person or entity (trust or business). Some carriers permit delivery in the U.S. to an individual with a power of attorney in place of the policy owner. Where this is acceptable ownership outside the U.S. is permitted.

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