

## Why Hundreds of Insurance Carriers Hold ICOLI

Hundreds of insurance carriers hold insurance company owned life insurance (ICOLI) as part of their investment strategy. **Why?**

The answer is simple. ICOLI has the equity return potential of stock, with the tax characteristics of tax-free bonds (tax-deferred gain is converted to tax-free yield if held to maturity), and efficient risk-based capital charges, 0% to 5%.

Because of this, allocating a portion of investable monies to ICOLI is now commonplace amongst insurance companies.

Each ICOLI strategy is unique to the yield goals, investment strategy, and risk appetite of each purchasing carrier. ICOLI investment strategies range from S&P 500 strategies to private equity.

There are several hundred investment strategies available within ICOLI. Investments within ICOLI undergo the providing carrier's investment due diligence process. The result is that fund managers are scrutinized and must be selected to appear on their ICOLI platforms.

Unlike general account ICOLI, separate account ICOLI is not subject to the claims of the bankruptcy creditors of the issuing carrier.

**Why carriers purchase ICOLI through MBS?** We know the marketplace. We make objective ICOLI carrier recommendations and guide our clients based on the principles of competitive ICOLI pricing and long-term pricing fidelity, ICOLI carrier strength and ratings, ICOLI carrier experience in and dedication to the ICOLI marketplace, ICOLI investments offered and their respective investment selection process, and more.

**We are here to help you navigate your potential ICOLI investment.**

### Who is MBS?

MBS is a highly specialized corporate insurance consulting firm with over 40 of the Fortune 500 companies as our clients. We are trusted with more than \$13 billion dollars of our clients' corporate investments. We have over \$2.7 billion dollars of insurance company investments in this strategy. Importantly, we do not replace your current investment advisors.

**Would you like to explore how ICOLI can affect your company's portfolio returns? Please reach out.**

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### **Disclaimer**

Variable Universal Life insurance combines the protection and tax advantages of life insurance with the investment potential of a comprehensive selection of variable investment options. The insurance component provides death benefit coverage and the variable component gives you the flexibility to potentially increase the policy's cash value.

The materials are designed to convey accurate and authoritative information concerning the subject matter covered. However, they are provided with the understanding that Mullin Barends Sanford Financial does not engage in the practice of law, or give tax, legal or accounting advice. For advice in these areas, please consult your appropriate advisors.

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