

Did you know a life insurance policy can pay for the costs of Retirement and Long-Term Care?

After years of making premium payments, the owner of a life insurance policy can use their policy while still alive to help cover retirement and long-term care costs.

- ✓ The majority of people don't realize that their policy can provide a number of benefits while they are alive, and too often abandon the policy as seniors—unfortunately after making premium payments for years!
- ✓ There's approximately \$4.5B of life settlement transactions completed in the United States every year.

Would you abandon your home without selling it after years of making mortgage payments? Of course not, and no one should abandon a life insurance policy after years of making premium payments either.

- ✓ 10,000 baby boomers are now turning 75 every day, and 70% of people over the age of 65 will need some form of long-term care in their lifetime.
- ✓ 88% of life insurance policies are in danger of either being lapsed or surrendered.

Don't lapse or surrender a life insurance policy without reviewing its life settlement value first!

What are some of the options that a policy owner could consider with a life settlement?

- ✓ A life insurance policy can be settled for a lump-sum cash payment that the policy owner can use without any restrictions to address their financial needs.
- ✓ A life insurance policy can be settled to fund a Long-Term Care Benefit Account set up to make monthly payments towards any form of senior living and long-term care services the owner wants.
- ✓ A life settlement can be used to fund an annuity to create a guaranteed income stream for life.
- ✓ A policy owner can keep a portion of their death benefit without paying anymore premiums for the rest of their life through a retained death benefit settlement.

What is the Life Settlement Evaluation Process?

1

Information:

Submit policy owner information and policy details.

2

Analysis:

Policy owner information is reviewed for age, gender, state of residence, and health conditions.

3

Results:

Life Settlement providers present a policy valuation analysis detailing what the owner could expect to receive as a percentage of the death benefit as a purchase price for their policy.

FAST FACTS

- ✓ There are no costs or obligations to explore a life settlement—the typical time it takes to complete a life settlement is 90 days.
- ✓ The range for a life settlement payout can be a low of 10% to as high as 50% or more of the death benefit. The industry average payout is 20%–25%.
- ✓ A life settlement provides higher value the older and sicker a person is—if someone is too young or healthy they will not qualify for a life settlement.
- ✓ Any form of life insurance with a minimum death benefit of \$100,000 can qualify for a life settlement including: Term Life, Universal Life, Whole Life, and Variable Life policies.
- ✓ Life settlements can be a financial vehicle for people needing long-term care or diagnosed with terminal conditions. The amount received from a life settlement can be tax advantaged based on health conditions and for what has been paid into the policy in premiums.
- ✓ Life insurance policies are legally recognized as assets, and the owner of a policy has the same personal property ownership rights to sell their policy as they do with a home.