

[LIFE SETTLEMENT PROVIDER'S NAME]
[ADDRESS]
[ADDRESS]
[CITY, STATE, ZIP CODE]
[TELEPHONE]

REQUIRED DISCLOSURES TO POLICY OWNER

IMPORTANT

READ THIS DISCLOSURE DOCUMENT BEFORE SIGNING A LIFE SETTLEMENT CONTRACT.

You should carefully read the following information and seek financial, insurance, tax and other advice where appropriate.

1. You, the owner, or the insured may have possible alternatives to life settlement contracts, such as accelerated death benefits or policy loans offered by the issuer of the life insurance policy.
2. **A life settlement broker represents exclusively, you, the owner, and not the insurer, the life settlement provider or any other person, and owes a fiduciary duty to you, including a duty to act according to your instructions and in your best interest.**
3. Some or all of the proceeds of a life settlement contract may be taxable under federal and state law. You should seek advice from a professional tax advisor.
4. Proceeds from a life settlement contract could be subject to the claims of creditors.
5. Receipt of the proceeds from a life settlement contract may adversely affect the recipient's eligibility for public assistance or other government benefits or entitlements, and advice should be obtained from the appropriate agencies.
6. A change of ownership of a life insurance policy could limit the insured's ability to purchase future insurance on the insured's life because there is a limit to how much life insurance coverage insurers will issue on one life.
7. Entering into a life settlement contract may cause other rights or benefits, including conversion rights and waiver of premium benefits that may exist under the life insurance policy or certificate of a group policy, to be forfeited by the owner. You should seek assistance from a professional financial advisor.
8. The insured may be contacted by the life settlement provider or its authorized representative for the purpose of determining the insured's health status or to verify the insured's address. The contacts shall be limited to once every three months if the insured has a life expectancy of more than one year, and no more than once per month if the insured has a life expectancy of one year or less.
9. You, the owner, have the right to rescind (cancel) a life settlement contract from the time of execution of the contract until fifteen days after you receive the life settlement proceeds.
10. The life settlement provider or life settlement broker is required to provide you, the owner, during the solicitation process with a consumer information booklet in a form prescribed by the Superintendent of the New York State Department of Financial Services, or other similar material, as may be approved by the Superintendent.

Policy Owner's Initials _____

[LIFE SETTLEMENT PROVIDER'S NAME]
[ADDRESS]
[ADDRESS]
[CITY, STATE, ZIP CODE]
[TELEPHONE]

11. You, the owner, will be provided with the following information:
- the “gross offer or bid” that the life settlement provider shall pay pursuant to the life settlement contract;
 - the net amount to be paid to the owner pursuant to the life settlement contract;
 - the name of each life settlement broker, life settlement intermediary, insurance producer or insurance consultant that will be compensated by the life settlement provider, or any affiliate, parent corporation, or subsidiary of the life settlement provider pursuant to the life settlement contract; and
 - the amount of compensation that the life settlement provider, or any affiliate, parent corporation or subsidiary of the life settlement provider, shall provide to a life settlement broker, life settlement intermediary, insurance producer or insurance consultant, or any affiliate, parent corporation or subsidiary of such broker, intermediary, producer, or consultant pursuant to the life settlement contract.

“*Gross offer or bid*” means the total amount or value offered by the life settlement provider for the purchase of one or more life insurance policies, inclusive of commissions and fees.

12. The escrow agent or trustee must transfer the net proceeds under the life settlement contract to you, the owner, within three business days after the life settlement provider has received the insurer or group administrator’s acknowledgment that ownership of the life insurance policy or interest in the certificate has been transferred and the beneficiary has been designated in accordance with the terms of the life settlement contract.
13. The life settlement provider must provide you, the owner, with the name, business address, telephone number and e-mail address of the independent third-party escrow agent or trustee. You have the right to inspect or receive copies of the relevant escrow or trust agreements or documents.
14. The life settlement provider must provide you, the owner, with the date by which the funds will be available to you and the transmitter of the funds.
15. The life settlement provider must tell you, the owner, about any affiliations or contractual arrangements between it and the issuer of the life insurance policy to be settled.
16. The life settlement provider must tell you, the owner, about any affiliations or contractual arrangements with any other life settlement provider, life settlement broker, life settlement intermediary or party financing the transaction.
17. The life settlement provider must provide you, the owner, with the name, business address, telephone number and e-mail address of the life settlement provider.

**LIFE SETTLEMENT PROVIDER
COMPENSATION, ESCROW, AFFILIATION AND GROSS OFFER TO NET
PROCEEDS
DISCLOSURE**

[PROVIDER'S NAME]
[ADDRESS]
[ADDRESS]
[CITY, ST, ZIP]
[TELEPHONE]
[E-MAIL]

SELLER'S NAME _____
INSURED'S NAME _____
POLICY NUMBER _____

POLICY FACE AMOUNT \$ _____

**TOTAL GROSS OFFER FROM
LIFE SETTLEMENT PROVIDER
BEFORE DEDUCTING COMPENSATION/ADJUSTMENTS** \$ _____

**LESS COMPENSATION AND ANY OTHER ADJUSTMENTS PAID FROM THE
PROCEEDS**

<u>NAME</u>	<u>COMPENSATION/ADJUSTMENTS</u>
_____ Life Settlement Broker (if any paid by us per contract)	\$ _____
_____ Life Settlement Intermediary (if any paid by us per contract)	\$ _____
_____ Any Other Adjustment [List each individually]	\$ _____

TOTAL COMPENSATION/ADJUSTMENTS PAID \$ _____

NET AMOUNT TO BE PAID TO YOU \$ _____

Policy Owner's Initials _____

LIFE SETTLEMENT PROVIDER'S NAME]
[ADDRESS]
[ADDRESS]
[CITY, STATE, ZIP CODE]
[TELEPHONE]

ESCROW AGENT/TRUSTEE

[ESCROW AGENT'S/TRUSTEE'S NAME]
[ADDRESS]
[CITY, STATE, ZIP]
[TELEPHONE]
[E-MAIL]

STATE ANY AFFILIATIONS OR CONTRACTUAL ARRANGEMENTS BETWEEN THE LIFE SETTLEMENT PROVIDER AND THE ISSUER OF THE LIFE INSURANCE POLICY (If there are none, then write "None")

STATE ANY AFFILIATIONS OR CONTRACTUAL ARRANGEMENTS WITH ANY OTHER LIFE SETTLEMENT PROVIDER, LIFE SETTLEMENT BROKER, LIFE SETTLEMENT INTERMEDIARY OR PARTY FINANCING THE TRANSACTION (If there are none, then write "None")

LIFE SETTLEMENT PROVIDER'S NAME]
[ADDRESS]
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LIFE INSURANCE POLICY OWNER'S ACKNOWLEDGMENT: I have read and received a copy of the disclosure form entitled "Required Disclosures to Policy Owner", including the section entitled "Life Settlement Provider Compensation, Escrow, Affiliation and Gross Offer to Net Proceeds Disclosure", to which this acknowledgement is attached. Further, I have read and received the consumer information booklet entitled "Life Settlements – What You Should Know Before Selling Your Life Insurance Policy" or a similar booklet to keep for my records.

Owner

Life Settlement Provider

[Name of Life Settlement Provider]

Signature of Policy Owner

Dated

By: _____
Signature Dated

Printed Name of Policy Owner

Printed Name of Person Signing

Title of Person Signing

[If multiple owners, all owners must sign.]