

Set



Something for MORE



Too much insurance, not enough cash?
Life settlements could be the key to tapping
an overlooked resource.

Give Rob Haynie, managing director of the Ft. Lauderdale, Fla.-based Life Settlement Alliance, five minutes and he's likely to deliver an earful about how life settlement has a bad rap. Haynie is on a mission to clarify misconceptions that he claims unfairly stigmatize this increasingly popular transaction. "The biggest challenge we have as an industry is to properly educate everybody in the financial services industry about the true nature of life settlement," he says.

STORY DAVID PORT
ILLUSTRATIONS MATT MORROW



A few minutes is all Haynie needs to explain that life settlement is not the same as viatical settlement. Done with the proper balance of monitoring, due diligence, privacy protection and disclosure, life settlement becomes a viable financial tool for seniors 65 and older who want to generate cash. It's also another tool that advisors can use to give their senior clients financial flexibility while bolstering their own bottom lines.

An Eleven-Digit Market

More life insurance policyholders and their advisors are putting their faith in brokers like Haynie, whose company specializes in matching life insurance contract sellers with institutional and noninstitutional buyers. In 1999, life settlement funding sources acquired \$1 billion worth of insurance. That total doubled to \$2 billion in 2002 and some experts predict it could reach \$15 billion by 2007.

"There are enormous amounts of capital coming into this industry, and we're seeing an influx of very sophisticated wealth managers who have relationships with high-net-worth seniors," says Suzanne Moe, of What Matters For Life brokerage in St. Paul, Minn. "This is the year that the life settlement industry is going to explode."

Moe started in the life settlement (then viatical settlement) business 12 years ago on the funding side

(purchasing life insurance policies) before starting her own life settlement brokerage. Having spent time as both a life settlement funder and broker, she's keenly aware of market dynamics.

While several years ago there was only a handful of institution investors active as life settlement funders, now there are at least a dozen, led by Coventry First, Living Benefits and The Lifeline Program. Likewise, more mid-

In 1999, life settlement funding sources acquired \$1 billion in insurance. That total doubled to \$2 billion in 2002.

dlemen are emerging to broker deals between sellers and funders. On the seller side, more wealth managers and advisors are presenting life settlement to their senior clients as a workable option for raising cash.

Given the profusion of interest, the \$15 billion estimate for 2007 might be conservative, according to Mike Coben, senior vice president of account services at Coventry First in Fort Washington, Pa. His company projects that the secondary market for life insurance policies and related products, such as variable annuity contracts, will approach \$45 billion by 2007. Since entering the secondary market in Nov. 2001, his company has purchased policies representing \$2 billion in death benefits,

paying \$200 million above the cumulative cash value of those policies.

The Advisor Angle

A growing number of wealth managers and advisors who cater to high-net-worth senior clients are drawn to life settlement for the benefits it gives those clients. Less than two years ago, Alan W. Pratt, president of Family Wealth Advisors, an estate planning firm in Bellevue, Wash., didn't know that a secondary market for life insurance policies existed; now he professes wholehearted belief in the life settlement process. "If there's a client with a need for less insurance, there are more options out there than just cashing in the policy or letting it lapse," he explains. "We can sell a policy, get a

nice bundle of cash for it and maybe buy a new policy that we can supercharge with the cash generated by the settlement. It's a true win-win situation."



Pratt says he's averaging about one life settlement transaction per month, mostly to allow clients to extract value from their irrevocable life insurance trusts (ILITs). He uncovers the need for life settlement during his annual review of insurance assets within those ILIT accounts. In one recent case, a life settlement landed his client 200 percent of cash surrender value. That cash was used to purchase a new life insurance policy with a premium that's less than one-quarter of the cost of the old policy — \$19,000 annually compared to \$80,000.

Life settlement can be a winner for the advisor as well. Pratt is among a growing number of senior-oriented professionals whose practices are benefiting from offering life settlement. Insurance portfolio review represents roughly 35 percent of his business, and life settlement, he says, accounts for a sizeable portion of that 35 percent.

As the middlemen in a burgeoning market, life settlement brokers are finding prosperity as well. Haynie says his firm's brokerage fees usually range from 2 to 6 percent of the death benefit on a sold policy.

As Rob Johnson, senior account executive at Advanced Settlements, LLC in Orlando, Fla. notes, advisors who offer life settlement also boost the breadth and profitability of their prac-

tice. Not only can advisors and agents earn residual income on policies sold in the secondary market and life settlement commissions and referral fees from brokers and/or funders, but they can also gain income by putting clients into new financial instruments using cash raised via the life settlement. If the policy being sold is a convertible term product, the agent can also earn a fee on the conversion.

Market Fortification

Life settlement is gaining credibility as more reputable companies enter the broker and funder segments of the market. According to Coben, the more institutional capital that enters the market, the better, since institutional funding assures privacy and confidentiality are preserved in the life settlement process. Institutional funders typically buy policies and then blindly lump them into groups, affording protection to the people attached to those policies.

Life settlement is also gaining legitimacy from new state policies that open the door to greater activity in the secondary market. According to the Viatical and Life Settlement Association of America, the list of states that continue to impede or prohibit life settlement is dwindling. States including Utah, Montana, Maine, Arkansas, Louisiana, Connecticut, New York and Virginia have recently adopted (or considered adopting) laws that bring structure and supervision to life settlement transactions.

Essential Knowledge

For the senior advisor new to the life settlement market, the first step is to become educated about client applications, the settlement process, and the players involved in the market, says Pratt.

The secondary market provides the



policy owner with price information. The value of a policy is directly linked to the life expectancy and health of the insured: The greater the likelihood of collecting a policy's death benefit, the more attractive the policy is to buyers.

There are two options for finding a buyer: go directly to a funding source or have a broker shop around for buyers. With the latter option, the broker presents the policy to various funding sources in search of the best offer. Medical history questionnaires for the insured and information about the policy are submitted to potential buyers either directly or via the broker, who then proposes an offer (or multiple offers). If the offer is higher than the policy's surrender value, the seller has a reason to proceed with the sale rather than settle for the insurance carrier's surrender price.

If the goal is to shop the policy for the highest bidder, using a life settlement broker may be a better route than approaching a buyer directly, since the broker will likely have access to a range of different funding sources.

But selecting a broker from among the increasingly crowded field of middlemen requires due diligence, cautions Pratt. "I have built high-trust relationships with folks and the last thing I want is to get in bed with some slime-ball," he says. "I suggest proceeding



slowly and asking a whole lot of questions.” Pratt also recommends working with brokers who use institutional funders exclusively.

Once the settlement process closes, the funding source assumes ownership of the policy and rights to the policy's death benefit when the insured dies. That's usually fine with the insured, who walks away with cash. According to Coben, a settlement can yield up to five times the cash value of the policy.

The Client Comes First

Appropriateness and use of proceeds are important considerations for advisors. In short, a life settlement is appropriate if the policyholder is considering letting a policy lapse, if the policyholder's circumstances have changed (e.g., when the insured outlives the beneficiary), or if the premiums are too expensive. On the other hand, a life settlement may be unsuitable if the policyholder is in poor health, has a very short life expectancy, or owns a policy whose value in the secondary market doesn't exceed its surrender value.

Coben contends that advisors have a fiduciary responsibility to inform clients if the policy's value exceeds the insurance

More than 20 percent of policyholders over age 65 have policies whose value would exceed cash surrender value.

company's offer. That fiduciary duty is alluded to, if not explicitly stated, in the National Association of Securities Dealers (NASD) Conduct Rule 2310 and interpretation of the rule regarding suitability.

A 2002 study by economists at the University of Pennsylvania's Wharton School indicates that more than 20 percent of insurance policyholders over age 65 (typically the age at which life settlement becomes a viable option) have policies whose value would exceed cash surrender value. The same study estimates that in 2003, seniors will take home \$336 million from life settlements; \$242 million more than the cash value they would have received by surrendering their policies.

According to Coben, a typical policy sold in the secondary market carries a face value of \$1 million. The majority of

policies sold in the secondary market are universal life contracts, though term policies also attract buyers, particularly if they are convertible.

Grasping the Concept

Selling life insurance in the secondary market exposes the inherent tension between calculating the policy's value and the policy-

holder's mortality. “When dealing with clients, life settlement is a subject best approached delicately but frankly,” says Pratt. “What it comes down to is appraising an asset. Many people haven't thought of life insurance in quite that way before. It takes a while for the concept to sink in because it can be difficult to imagine someone you have never met or talked to — usually an institutional investor — having a contract on your life. But once clients realize that this is part of a much broader portfolio management process and that it has tangible benefits, it begins to make sense.”

According to Johnson, the popularity of life settlement is spreading rapidly in the senior advisor community. “Agents and advisors are telling one another what it can do for clients, and what it can do for their own business.”

Life Settlement Funders

Allsettled Group, Inc.	(800) 632-0127	www.allsettled.com
States where licensed to conduct business	AL, AZ, CO, DE, DC, GA, HI, ID, IL, IN, KS, ME, MD, MA, MI, MN, MO, NH, NJ, NM, NY, OR, RI, SC, SD, VT, WA, WV, WI, WY	
Types of policies purchased	All policies	
Minimum age of insured	62	
Life expectancy range	2 to 16 years	
Policy size minimum	\$50,000	
Policy size maximum	Unlimited — no maximum amount	
Minimum carrier rating	B+	
How long policy must be in force	18 months	
Individual investor dollars?	No	
Policy information provided to investors	N/A	
Institutional dollars? / Type of institutional dollars	Yes / Institutional Investment Co.	
Can policies be resold?	Yes	
Can policies be resold to individual investors?	No	
Who will be the owner and beneficiary of the policy?	Funding company	

Life Settlement Funders

ALI Funding, Inc.	(800) 876-2991	www.aligrp.com
States where licensed to conduct business	Licensed in all states	
Types of policies purchased	All types	
Minimum age of insured	No minimum	
Life expectancy range	10 to 15 years	
Policy size minimum	\$25,000	
Policy size maximum	Average max. is \$20M, but certain portfolios can buy larger sizes.	
Minimum carrier rating	Average minimum B+, but rating can be waived for certain portfolios.	
How long policy must be in force	Beyond contestability period (generally 2 years)	
Individual investor dollars?	No	
Policy information provided to investors	N/A	
Institutional dollars? / Type of institutional dollars	Yes / Bank, bond, pension, insurance company	
Can policies be resold?	Yes	
Can policies be resold to individual investors?	No	
Who will be the owner and beneficiary of the policy?	ALI Funding, Inc.	
The Ardang Group., Ltd.	(800) 699-3522	www.ardangroup.com
States where licensed to conduct business	MN, NY, TX	
Types of policies purchased	Considers all policies	
Minimum age of insured	65	
Life expectancy range	6 months to 10 years	
Policy size minimum	\$100,000	
Policy size maximum	No maximum	
Minimum carrier rating	A	
How long policy must be in force	More than 2 years	
Individual investor dollars?	Yes	
Policy information provided to investors	No personal or confidential information is provided.	
Institutional dollars? / Type of institutional dollars	Yes / Bank, insurance company, corporate entities	
Can policies be resold?	Yes	
Can policies be resold to individual investors?	Yes	
Who will be the owner and beneficiary of the policy?	Trust	
Assured Solutions International, LLC	(800) 213-0328	www.ASItoday.com
States where licensed to conduct business	CA, CT, DC, DE, FL, HI, ID, IL, IN, LA, MN, MT, NV, NH, NJ, NM, NY, OK, RI, SC, TX, WI, WY	
Types of policies purchased	Universal life, term life, whole life, or variable life	
Minimum age of insured	18	
Life expectancy range	Up to 10 years	
Policy size minimum	\$100,000	
Policy size maximum	\$10 million	
Minimum carrier rating	Information not provided	
How long policy must be in force	2 years minimum	
Individual investor dollars?	Yes	
Policy information provided to investors	FV, Policy #, ins. co., med. eval. w/o insured's name. Insured's name replaced with ID#; change of ownership and beneficiary paperwork w/o names	
Institutional dollars? / Type of institutional dollars	Yes / All	
Can policies be resold?	No	
Can policies be resold to individual investors?	No	
Who will be the owner and beneficiary of the policy?	Owner: Independent Law Firm (AV Rated by Martin Dale Hubble); Beneficiary: Individual/Institutional Investor	
Coventry First	(877) 836-8300	www.coventryfirst.com
States where licensed to conduct business	Licensed in all states	
Types of policies purchased	All policy types	
Minimum age of insured	65	
Life expectancy range	15 years	
Policy size minimum	\$250,000	
Policy size maximum	No maximum	
Minimum carrier rating	No minimum carrier rating	
How long policy must be in force	2 years	
Individual investor dollars?	No	
Policy information provided to investors	N/A	
Institutional dollars? / Type of institutional dollars	Yes / Insurance company	
Can policies be resold?	No	
Can policies be resold to individual investors?	No	
Who will be the owner and beneficiary of the policy?	Policies are held in trust	

Life Settlement Funders

Legacy Benefits Corp.	(800) 875-1000	www.legacybenefits.com
<p>States where licensed to conduct business</p> <p>Types of policies purchased</p> <p>Minimum age of insured</p> <p>Life expectancy range</p> <p>Policy size minimum</p> <p>Policy size maximum</p> <p>Minimum carrier rating</p> <p>How long policy must be in force</p> <p>Individual investor dollars?</p> <p>Policy information provided to investors</p> <p>Institutional dollars? / Type of institutional dollars</p> <p>Can policies be resold?</p> <p>Can policies be resold to individual investors?</p> <p>Who will be the owner and beneficiary of the policy?</p>	<p>AL, AZ, AR, CA, CO, CT, DE, DC, GA, HI, ID, IL, IN, KS, MD, MA, MI, MN, MS, MO, NV, NH, NJ, NM, NY, NC, ND, OH, OR, PA, RI, SC, SD, TX, VT, VA, WA, WV, WI, WY</p> <p>Universal, term, whole life, variable universal, variable whole life, survivorship life</p> <p>Age of majority</p> <p>0 to 12 ½ years</p> <p>\$100,000</p> <p>No maximum</p> <p>A-</p> <p>2 years or otherwise incontestable (conversions)</p> <p>No</p> <p>N/A</p> <p>Investment bank, private bank</p> <p>No</p> <p>No</p> <p>Trust</p>	
Life Equity	(330) 342-7772	www.lifeequity.net
<p>States where licensed to conduct business</p> <p>Types of policies purchased</p> <p>Minimum age of insured</p> <p>Life expectancy range</p> <p>Policy size minimum</p> <p>Policy size maximum</p> <p>Minimum carrier rating</p> <p>How long policy must be in force</p> <p>Individual investor dollars?</p> <p>Policy information provided to investors</p> <p>Institutional dollars? / Type of institutional dollars</p> <p>Can policies be resold?</p> <p>Can policies be resold to individual investors?</p> <p>Who will be the owner and beneficiary of the policy?</p>	<p>AL, AZ, CA, CO, DE, DC, FL, GA, HI, ID, IL, IN, IA, KS, KY, MD, MA, MI, MN, MS, MO, NE, NV, NH, NJ, NM, NY, NC, OH, OK, OR, PA, RI, SC, SD, TN, TX, VT, WA, WV, WI, WY</p> <p>Universal, variable universal, term, whole life, variable whole life</p> <p>65</p> <p>24 to 144 months</p> <p>\$250,000</p> <p>No maximum</p> <p>S&P A-</p> <p>2 years</p> <p>No</p> <p>N/A</p> <p>Yes / Information not provided</p> <p>Yes</p> <p>No</p> <p>Trust</p>	
The Lifeline Program	(800) 252-5282	www.thelifeline.com
<p>States where licensed to conduct business</p> <p>Types of policies purchased</p> <p>Minimum age of insured</p> <p>Life expectancy range</p> <p>Policy size minimum</p> <p>Policy size maximum</p> <p>Minimum carrier rating</p> <p>How long policy must be in force</p> <p>Individual investor dollars?</p> <p>Policy information provided to investors</p> <p>Institutional dollars? / Type of institutional dollars</p> <p>Can policies be resold?</p> <p>Can policies be resold to individual investors?</p> <p>Who will be the owner and beneficiary of the policy?</p>	<p>AL, AZ, CA, CO, CT, DE, DC, FL, GA, HI, ID, IL, IN, LA, ME, MD, MA, MI, MN, MO, MT, NE, NH, NJ, NM, NY, NC, ND, OR, RI, SC, SD, TX, VT, WA, WV, WI, WY</p> <p>Universal, term, whole, variable, group (if convertible to single life)</p> <p>70</p> <p>6 to 60 months</p> <p>\$50,000</p> <p>\$10 million</p> <p>A-</p> <p>2 years</p> <p>Yes</p> <p>Information not provided</p> <p>Yes / Information not provided</p> <p>No</p> <p>No</p> <p>Information not provided</p>	
Living Benefits Financial Services	(877) 210-8787	www.livingbenefitsllc.com
<p>States where licensed to conduct business</p> <p>Types of policies purchased</p> <p>Minimum age of insured</p> <p>Life expectancy range</p> <p>Policy size minimum</p> <p>Policy size maximum</p> <p>Minimum carrier rating</p> <p>How long policy must be in force</p> <p>Individual investor dollars?</p> <p>Policy information provided to investors</p> <p>Institutional dollars? / Type of institutional dollars</p> <p>Can policies be resold?</p> <p>Can policies be resold to individual investors?</p> <p>Who will be the owner and beneficiary of the policy?</p>	<p>AL, AZ, AR, CA, CO, CT, DE, DC, FL, GA, HI, ID, IL, IN, LA, MA, MI, MN, MO, NH, NJ, NM, NY, SD, TX, WA, WV, WI, WY</p> <p>All policy types</p> <p>65</p> <p>Less than 12 years</p> <p>\$250,000</p> <p>\$20 million</p> <p>A-</p> <p>Minimum of 2 years</p> <p>No</p> <p>N/A</p> <p>Yes / Bank</p> <p>Yes</p> <p>No</p> <p>Bank trust</p>	

Life Settlement Brokers

1st Life Settlements (800) 667-0305 www.1stlifefinancial.com	
States where licensed to broker life settlements and/or viaticals	AL, AZ, CA, CO, DE, DC, FL, GA, HI, ID, IL, IN, IA, KS, MD, MA, MI, MN, MS, OR, PA, RI, SC, SD, TN, TX, UT, VT, VA, WA, WV, WI, WY
How many companies do you broker to?	Up to 20
Primary funder	N/A
Do you broker to companies that use individual capital?	Yes
Do you broker to companies that use institutional capital?	Yes
Advanced Settlements, LLC (800) 561-4148 www.advancedsettlements.net	
States where licensed to broker life settlements and/or viaticals	AL, AK, AZ, AR, CA, CO, CT, DE, DC, FL, GA, HI, ID, IL, IN, IA, KS, LA, MD, MA, MI, MN, MS, MO, NE, NV, NH, NJ, NM, NY, NC, ND, OH, OK, OR, PA, RI, SC, SD, TN, TX, UT, VT, VA, WA, WV, WI, WY
How many companies do you broker to?	20+
Primary funder	Not for disclosure
Do you broker to companies that use individual capital?	No
Do you broker to companies that use institutional capital?	Yes
Affirmative Lifestyles, Inc. (800) 876-2991 www.aligrp.com	
States where licensed to broker life settlements and/or viaticals	Licensed in all states
How many companies do you broker to?	All licensed companies
Primary funder	ALI Funding, Inc.
Do you broker to companies that use individual capital?	Yes, if licensed and offering highest settlement.
Do you broker to companies that use institutional capital?	Yes, if licensed and offering highest settlement.
ALIR Co. (888) 599-1112 www.e-alir.com	
States where licensed to broker life settlements and/or viaticals	AR, CT, DE, FL, IA, KY, LA, ME, MN, NV, NJ, NY, NC, OH, OK, OR, PA, TN, TX, VA, WA, WI
How many companies do you broker to?	Greater than 10 companies
Primary funder	Non-U.S. fund
Do you broker to companies that use individual capital?	Yes
Do you broker to companies that use institutional capital?	Yes
Allsettled Group, Inc. (800) 632-0127 www.allsettled.com	
States where licensed to broker life settlements and/or viaticals	AL, AZ, CA, CO, DE, DC, FL, GA, HI, ID, IL, IN, IA, ME, MD, MA, MI, MN, MO, NH, NJ, NM, NY, OR, PA, RI, SC, SD, TX, VT, WA, WV, WI, WY
How many companies do you broker to?	15 to 20
Primary funder	Institutional Investment Co.
Do you broker to companies that use individual capital?	No
Do you broker to companies that use institutional capital?	Yes
Assignable Life Assets (800) 422-1314 www.lifesettlementbroker.com	
States where licensed to broker life settlements and/or viaticals	AL, AK, AZ, AR, CA, CO, CT, DE, DC, FL, GA, HI, ID, IL, KS, LA, MD, MA, MI, MN, MS, MO, NV, NH, NJ, NM, NY, NC, OH, OR, RI, SC, SD, TX, VT, VA, WA, WV, WI, WY
How many companies do you broker to?	22
Primary funder	No primary funder
Do you broker to companies that use individual capital?	Yes
Do you broker to companies that use institutional capital?	Yes
Assured Solutions International, LLC (800) 213-0328 www.ASItoday.com	
States where licensed to broker life settlements and/or viaticals	CA, CT, DE, DC, FL, HI, ID, IL, IN, LA, MN, MT, NV, NH, NJ, NM, NY, OK, RI, SC, TX, WI, WY
How many companies do you broker to?	All but those in ME, ND, OK, UT
Primary funder	MBC
Do you broker to companies that use individual capital?	Yes
Do you broker to companies that use institutional capital?	Yes
Davis Life Brokerage (800) 747-5612 www.DavisLife.com	
States where licensed to broker life settlements and/or viaticals	Licensed in all states
How many companies do you broker to?	8+
Primary funder	Coventry First
Do you broker to companies that use individual capital?	Yes
Do you broker to companies that use institutional capital?	Yes
Dunhill Marketing & Insurance Services, Inc. (619) 578-7800 www.dunhillinsurance.com	
States where licensed to broker life settlements and/or viaticals	Licensed in all states
How many companies do you broker to?	12
Primary funder	Information not provided
Do you broker to companies that use individual capital?	No
Do you broker to companies that use institutional capital?	Yes

Life Settlement Brokers

ELA Settlement Services, LLC. (800) 388-0103 www.elasettlementservices.com	
States where licensed to broker life settlements and/or viaticals How many companies do you broker to? Primary funder Do you broker to companies that use individual capital? Do you broker to companies that use institutional capital?	AL, AK, AZ, AR, CA, CO, CT, DE, DC, FL, GA, HI, ID, IL, IN, IA, KS, KY, LA, MD, MA, MI, MN, MS, MO, NE, NV, NH, NJ, NM, NY, NC, OH, OK, OR, PA, RI, SC, SD, TN, TX, UT, VT, VA, WA, WV, WI, WY 13 We shop all providers for the best offer. No Yes
Estate Trust, Inc. (800) 456-5100 N/A	
States where licensed to broker life settlements and/or viaticals How many companies do you broker to? Primary funder Do you broker to companies that use individual capital? Do you broker to companies that use institutional capital?	AL, AZ, CA, CO, DE, DC, FL, GA, HI, IL, IN, MD, MA, MI, MN, MS, MO, MT, NV, NJ, NM, NC, ND, OH, OR, PA, SC, SD, TN, TX, UT, VA, WA, WV, WI, WY 16 Institutional funders only No Yes
Fiedler Financial (800) 905-0114 www.FiedlerFinancial.com	
States where licensed to broker life settlements and/or viaticals How many companies do you broker to? Primary funder Do you broker to companies that use individual capital? Do you broker to companies that use institutional capital?	CA, CT, FL, NJ, NC, OR, TN, TX, VA, WA, WI All legitimate companies with proper credentials and cash in the bank. The highest paying funder varies by case. Given the wide variety of cases seen, a variety of funders must be available at all times. Yes Yes
Gateway Financial Distributors, Inc. (866) 588-2927 www.GatewayDistributors.com	
States where licensed to broker life settlements and/or viaticals How many companies do you broker to? Primary funder Do you broker to companies that use individual capital? Do you broker to companies that use institutional capital?	AL, AZ, AR, CA, CO, CT, DE, DC, FL, GA, HI, ID, IL, IN, IA, KS, LA, ME, MD, MA, MI, MN, MS, MO, MT, NE, NV, NH, NJ, NM, NY, NC, ND, OH, OK, OR, PA, RI, SC, SD, TN, TX, UT, VT, VA, WA, WV, WI, WY 8 Do not have one primary funder No Yes
Innovative Settlement Solutions (800) 905-0114 www.InnovativeSettlements.com	
States where licensed to broker life settlements and/or viaticals How many companies do you broker to? Primary funder Do you broker to companies that use individual capital? Do you broker to companies that use institutional capital?	CA, CT, FL, NJ, NC, OR, TN, TX, VA, WA, WI All viable, legitimate companies We are independent; no one funder is best for every case. Yes Yes
Life Asset Group (800) 481-3481 www.lifeasset.com	
States where licensed to broker life settlements and/or viaticals How many companies do you broker to? Primary funder Do you broker to companies that use individual capital? Do you broker to companies that use institutional capital?	AL, AZ, CA, CO, CT, DE, DC, FL, GA, HI, ID, IL, IN, MD, MI, MS, MO, NH, NJ, NM, NY, NC, OH, OR, RI, SC, SD, VT, WA, WV, WY Over 30, depending on the state and licensing requirements We have a fiduciary duty to represent the highest bid No Yes
Life Insurance Buyers, Inc. (800) 936-5508 www.lifeinsurancebuyers.com	
States where licensed to broker life settlements and/or viaticals How many companies do you broker to? Primary funder Do you broker to companies that use individual capital? Do you broker to companies that use institutional capital?	AL, AZ, AR, CA, CO, CT, DE, DC, FL, GA, HI, ID, IL, IN, IA, KS, LA, ME, MD, MA, MI, MN, MS, MO, MT, NE, NV, NH, NJ, NM, NY, NC, ND, OH, OK, OR, PA, RI, SC, SD, TN, TX, UT, VT, VA, WA, WV, WI, WY All institutional funders Information not provided No Yes
Life Settlement Advisory Group, LLC (877) 540-2437 www.lisaginc.com	
States where licensed to broker life settlements and/or viaticals How many companies do you broker to? Primary funder Do you broker to companies that use individual capital? Do you broker to companies that use institutional capital?	AZ, CA, CT, FL, GA, MI, NV, NY, NC, OH, OR, PA, TN, TX, WA 10 Coventry First No Yes
The Life Settlement Alliance, Inc. (800) 871-9440 www.lisalliance.com	
States where licensed to broker life settlements and/or viaticals How many companies do you broker to? Primary funder Do you broker to companies that use individual capital? Do you broker to companies that use institutional capital?	AK, AR, CT, DE, FL, IN, IA, KS, LA, ME, MA, MN, MS, NE, NV, NJ, NM, NC, ND, OH, OR, PA, TN, TX, UT, VT, VA, WA, WI All that are properly licensed and financed The highest bidder on each policy Yes Yes

Life Settlement Brokers

LifeStyle Insurance Services, Inc. (800) 493-2056 www.lifestyleinsurance.com		
States where licensed to broker life settlements and/or viaticals	FL, NE, PA, TN	
How many companies do you broker to?	12 to 20	
Primary funder	Information not provided	
Do you broker to companies that use individual capital?	Yes	
Do you broker to companies that use institutional capital?	Yes	
MVP Financial Services, Inc. (888) 774-4687 www.mvp4me.com		
States where licensed to broker life settlements and/or viaticals	CA, CO, CT, IL, IN, IA, KS, KY, MI, MN, MT, ND, SD, TX, WI, WY	
How many companies do you broker to?	5	
Primary funder	Coventry First	
Do you broker to companies that use individual capital?	No	
Do you broker to companies that use institutional capital?	Yes	
Northeast Insurance Brokers (908) 709-1550 N/A		
States where licensed to broker life settlements and/or viaticals	CA, CT, DE, FL, MD, MA, NJ, NY, NC, OH, PA, VA	
How many companies do you broker to?	20	
Primary funder	Coventry First	
Do you broker to companies that use individual capital?	Yes	
Do you broker to companies that use institutional capital?	Yes	
Settlement Benefits Association (888) 287-1437 www.SettlementBenefits.com/SMA		
States where licensed to broker life settlements and/or viaticals	Offer brokers settlements in all states	
How many companies do you broker to?	Every company that is licensed	
Primary funder	The one with the highest offer	
Do you broker to companies that use individual capital?	Yes	
Do you broker to companies that use institutional capital?	Yes	
Stonewood Financial, LLC (888) 690-1807 www.stonewoodfinancial.com		
States where licensed to broker life settlements and/or viaticals	AL, AZ, AR, CA, CO, CT, DE, DC, FL, GA, HI, ID, IL, IN, KY, LA, MD, MA, MI, MN, MS, MO, NE, NH, NJ, NM, NY, OH, OK, OR, RI, SC, SD, TN, UT, VT, WA, WV, WI	
How many companies do you broker to?	Information not provided	
Primary funder	Information not provided	
Do you broker to companies that use individual capital?	No	
Do you broker to companies that use institutional capital?	Yes	
Washington Life Settlements (888) 777-5432 www.washingtonlife.org		
States where licensed to broker life settlements and/or viaticals	Licensed in all states	
How many companies do you broker to?	20 to 25	
Primary funder	Institutional banks	
Do you broker to companies that use individual capital?	No	
Do you broker to companies that use institutional capital?	Yes	
Welcome Funds, Inc. (877) 227-4484 www.welcomefunds.com		
States where licensed to broker life settlements and/or viaticals	AL, AZ, AR, CA, CO, CT, DE, DC, FL, GA, HI, ID, IL, KS, LA, MD, MA, MI, MN, MS, MO, NV, NH, NJ, NM, NY, NC, OH, OK, OR, RI, SC, SD, TN, TX, VT, VA, WA, WV, WI, WY	
How many companies do you broker to?	Every qualified funding source	
Primary funder	No primary funder	
Do you broker to companies that use individual capital?	No	
Do you broker to companies that use institutional capital?	Yes	
Western Asset Preservation & Insurance Services, Inc. (800) 445-9005 www.wesi.gpg.com		
States where licensed to broker life settlements and/or viaticals	AZ, CA, NV, NM, OK, TX	
How many companies do you broker to?	Less than 10	
Primary funder	N/A	
Do you broker to companies that use individual capital?	No	
Do you broker to companies that use institutional capital?	Yes	
What Matters For Life (952) 653-9000 www.whatmattersforlife.com		
States where licensed to broker life settlements and/or viaticals	AL, AZ, AR, CA, CO, DE, DC, FL, GA, HI, ID, IL, IN, LA, MD, MA, MI, MN, MO, NH, NJ, NM, NY, OR, RI, SC, SD, WA, WV, WI, WY	
How many companies do you broker to?	12	
Primary funder	No primary funder	
Do you broker to companies that use individual capital?	No	
Do you broker to companies that use institutional capital?	Yes	