ARE YOU A CANDIDATE FOR A LIFE SETTLEMENT?

To determine if a life settlement may be the best potential course of action for your policy, there are several general criteria that we will help you examine at the outset.

- Individuals age 70 and older
- Life expectancy of 14 years or less
- Decline in health from original policy issue
- Life insurance policies with a net death benefit of $250,000 or more (no maximum)
- Policy type: Universal Life, Guaranteed Universal Life, Survivorship Universal Life, Variable Universal Life and Convertible Term (Sometimes Whole Life)
- Owner can be an Individual, Trust, or Corporation
- Premium should be 5% of the Death Benefit (or less) and Cash Surrender Value should be 15% of Death Benefit (or less)

VALMARK LIFE SETTLEMENTS

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LIFE SETTLEMENT DISCLOSURE

- In a life settlement agreement, the current life insurance policy owner transfers the ownership and beneficiary designations to a third party, who receives the death proceeds at the passing of the insured. As a result, this buyer has a financial interest in the seller's death.
- A policy owner should consider the continued need for coverage, and, if the policy owner plans to replace the existing policy with another policy, the policy owner should consider the availability, adequacy and cost of comparable coverage.
- Policy owners considering the need for cash should consider other less costly alternatives to a life settlement.
- When an individual decides to sell their policy, he or she must provide complete access to his or her medical history, and other personal information, that may affect his or her life expectancy. This information is requested during the initial application for a life settlement.
- After the completion of the sale, there may be an ongoing obligation to disclose similar and additional information to the buyer or servicing agent at a later date.
- A life settlement may affect the insured's ability to obtain insurance in the future and the seller's eligibility for certain public assistance programs, such as Medicaid, and there may be tax consequences.
- Individuals should discuss the taxation of the proceeds received with their tax advisor.
- A life settlement transaction may require an extended period of time to complete. Due to complexity of the transaction, fees and costs incurred with the life settlement transaction may be substantially higher than other securities.
- Once the policy is transferred, the policy owner has no control over subsequent transfers.
- Valmark and its registered representatives act as brokers on the transaction and may receive a fee from the purchaser.
- Valmark Securities supervises all life settlements like a security transaction.
- Securities offered through Valmark Securities, Inc. Member FINRA/SIPC. Investment advisory services offered through Valmark Advisers, Inc., a SEC Registered Investment Advisor. 130 Springside Drive, Akron, Ohio 44333. (800) 765-5201.