

## NEW YORK CHECKLIST

Please use this checklist to insure you have enclosed all the documents necessary to process your application efficiently.

- \_\_\_\_\_ Completed *Personal and Insurance Information Form*
- \_\_\_\_\_ Completed, signed and witnessed *Authorization to Release Policy Information*
- \_\_\_\_\_ Signed *Authorization for Disclosure of Protected Health Information*
- \_\_\_\_\_ Photocopy of the *Life Insurance Policy*
- \_\_\_\_\_ Photocopy of the *Insured's Driver's License*
- \_\_\_\_\_ Read and sign all *Disclosure Statement and Forms Attached*
- \_\_\_\_\_ Photocopy of *Medical Records* for past five years.\*
- \_\_\_\_\_ Photocopy of *Divorce Decree* (if applicable)\*
- \_\_\_\_\_ Photocopy of *Discharge from Bankruptcy* (if applicable).\*
- \_\_\_\_\_ *Statement* from Insurance Company reflecting the policy's cash value, loan value and premium payment structure.\*

FAX OR MAIL ALL COPIES AND DOCUMENTS TO:

Stephen M. Watson  
Viatical Settlement Professionals, Inc.  
2 West Runswick Drive  
Richmond, Virginia 23238

•  
Tel: 804-564-9469  
Fax: 804-482-2728  
Email: [admin@vspi.com](mailto:admin@vspi.com)

\*These items are optional at this time, but if included the response time will improve.

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WARNING: Any person who knowingly presents false information in an application for a viatical settlement contract may be guilty of a crime and may be subject to fines and imprisonment.

## CONFIDENTIAL PERSONAL AND INSURANCE INFORMATION

After receiving the following pages of information, we will be able to evaluate the opportunity to present you with an offer to purchase your life insurance policy. Please complete the following forms and sign as indicated.

### 1. Personal Data:

Name of Insured: \_\_\_\_\_  
Social Security #: \_\_\_\_\_  
Current Address: \_\_\_\_\_  
City/State/Zip: \_\_\_\_\_  
County: \_\_\_\_\_  
Telephone Number(s): Daytime ( ) \_\_\_\_\_ Evening ( ) \_\_\_\_\_  
Date of Birth: \_\_\_\_\_ Marital Status: \_\_\_\_\_ Sex: ( ) Male ( ) Female  
Dependent Children: ( ) Yes ( ) No

#### If policy owner is different than above:

Name of policy owner: \_\_\_\_\_  
Tax Identification No./Social Security #: \_\_\_\_\_  
Current Address: \_\_\_\_\_  
City/State/Zip: \_\_\_\_\_  
Telephone Number(s): Daytime ( ) \_\_\_\_\_ Evening ( ) \_\_\_\_\_

### 2. Life Insurance Policy Information:

Please enclose a copy of the policy or please complete the following:

Name of Insurance Company: \_\_\_\_\_  
Policy Number: \_\_\_\_\_  
Date Policy was Issued: \_\_\_\_\_ Coverage/Face Amount: \$ \_\_\_\_\_  
Amount of Premium: \$ \_\_\_\_\_ How frequently is premium paid? \_\_\_\_\_  
Loans? \$ \_\_\_\_\_ Current Surrender Value: \$ \_\_\_\_\_  
Type of Policy:  Term  Whole Life  Universal Life  Other \_\_\_\_\_  
Is this a group or individual policy?  Individual  Group  Converted Group  
Are there supplemental benefits such as accidental death or indemnity provisions in the policy?  
FORM 1 – LIFE Yes  No

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**If group policy, please provide the following information:**

Name of Organization Providing Coverage: \_\_\_\_\_

Name of Benefits Manager or Third Party Administrator: \_\_\_\_\_

Phone Number: (    ) \_\_\_\_\_ May we contact the person named above? \_\_ Yes \_\_ No

**3. Medical History**

Please give a brief description of your medical condition: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Name of Physician seen for this medical condition:**

Name of Physician: \_\_\_\_\_

Address: \_\_\_\_\_ Telephone: (    ) \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

**Who is your primary or family physician? (if different than above)**

Name of Physician: \_\_\_\_\_

Address: \_\_\_\_\_ Telephone: (    ) \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

**If there are any other physicians that have treated you in the last three years, you may attach an additional page including their full name, address, and telephone.**



VIATICAL SETTLEMENT PROFESSIONALS, INC.

2 W. RUNSWICK DRIVE, RICHMOND, VA 23238 • PH: 804-564-9469 • FAX: 804-482-2728 [www.vspi.com](http://www.vspi.com)

Signed: \_\_\_\_\_ Date: \_\_\_\_\_

AUTHORIZATION TO RELEASE POLICY INFORMATION

I, \_\_\_\_\_ hereby authorize \_\_\_\_\_  
(Name of Policy Owner) (Name of Insurance Company)

the issuer of insurance policy number \_\_\_\_\_ insuring the life/lives of:  
(Policy Number)

\_\_\_\_\_ to release any and all  
(Name of Insured(s))

information directly to Viatical Settlement Professionals, Inc. and/or its successors, assigns, and authorized representatives. The information may include, but is not limited to, the following information and documents:

- Copy of the policy, including the application therefor.
- Any and all forms promulgated with respect to the Policy and rights of the insured and/or owner, including forms relating to the beneficiary, absolute or collateral assignment, change of ownership, premium payments, loans, withdrawals, payment provisions and/or conversion.
- In-force illustrations of the policy including projections of values into the future.
- All other requested information related to my life insurance Policy.

A photographic copy or facsimile of this Authorization shall be valid as the original. This Authorization shall remain valid for the life time of the undersigned (or the last to survive of the undersigned if more than one signatory), absent any provision of any applicable state statute or regulation to the contrary, in which event it shall remain valid for the maximum period permitted thereunder.

\_\_\_\_\_  
Signature of Policy Owner

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Witness

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Printed Name

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**AUTHORIZATION FOR DISCLOSURE OF PROTECTED HEALTH INFORMATION**

The undersigned insured(s) (hereafter referred to as “I”, “me” or “my”), authorize the disclosure of my Protected Health Information (“PHI”) as defined under the privacy regulations promulgated pursuant to the Health Insurance Portability and Accountability Act of 1996 as follows:

1. Classes of Persons Authorized to Disclose My Protected Health Information: I authorize each doctor, hospital, nurse, pharmacy, physician, physician practice group, and any other type of health care provider (each, an “HCP”) having any PHI about me to disclose any and all of my PHI as provided under this authorization. I authorize each Authorized HCP to rely upon a photostatic or facsimile copy or other reproduction of this authorization.

2. Classes of Persons Authorized to Receive My Protected Health Information: I authorize each Authorized HCP to disclose my PHI under this authorization to Viatical Settlement Professionals, Inc., American Viatical Services, Inc., 21<sup>st</sup> Holdings, LLC d/b/a 21<sup>st</sup> Services, Fasano Associates, Inc., and ParaMeds, Inc., including any of their funding sources, affiliates, agents, subsidiaries, corporate parents, independent contractors, authorized representatives, service providers and the officers, directors, and employees of each (each an “Authorized Recipient”). I understand that my PHI may be secured by a third-party provider and may be electronically transmitted to an Authorized Recipient, including transmission via web posting to a secure website.

3. Description of Protected Health Information Authorized for Disclosure and Purpose of Disclosure: This authorization shall apply to any and all of my health and medical data, information, and records, whether or not personally or individually identifiable or protected under any federal or state confidentiality or privacy laws or regulations. This authorization and all disclosures of my PHI made under this authorization are for the purposes of allowing the Authorized Recipient (1) to analyze, assess, evaluate or underwrite my health or medical condition, or life expectancy, in connection with the possible sale of any life insurance policy, or certificate of life insurance, under which my life is insured to the Authorized

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Recipient and (2) to monitor, track or verify my health or medical status and condition in connection with any life insurance policy under which my life is insured.

4. Expiration of Authorization: This authorization shall remain valid until one (1) year after the date of my death.

5. Right to Revoke Authorization: I acknowledge and understand that I may revoke this authorization any time with respect to any Authorized HCP by notifying such Authorized HCP in writing of my revocation of this authorization and delivering my revocation by mail or personal delivery at such address designated to me by such Authorized HCP; provided, that, any revocation of this authorization shall not apply to the extent that the Authorized HCP has taken action in reliance upon this authorization prior to receiving written notice of my revocation.

6. Inability to Condition Treatment, Payment, Enrollment, or Eligibility for Benefits on Provision of Authorization: No HCP or other covered entity may condition my treatment, payment, enrollment or eligibility for benefits on whether I sign this authorization.

7. Release of Policy Information: I hereby authorize my insurance company to furnish an Authorized Recipient with any information or forms in connection with any life insurance policy under which my life is insured (including any conversions or replacements thereof).

I specifically authorize and request my insurance company and each authorized HCP to rely upon a photostatic or facsimile copy or other reproduction of this authorization.

I understand that this authorization is not a consent or an authorization requested by a health care provider, health care clearinghouse or health plan covered by the privacy regulations promulgated pursuant to the Health Insurance Portability and Accountability Act of 1996 (the "HIPAA Privacy Regulations"). I further understand that, as a result of this authorization, there is the potential for my PHI that is disclosed by any Authorized HCP to an Authorized Recipient to be subject

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# VSPI

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to redisclosure by the Authorized Recipient and my PHI that is disclosed to such Authorized Recipient may no longer be protected by the HIPAA Privacy Regulations.

This authorization may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which counterparts, taken together, shall constitute but one and the same instrument. I certify that I am executing and delivering this authorization freely and unilaterally as of the date written below and that all information contained in this authorization is true and correct. I further certify that this authorization is written in plain language and that I have received and retained a copy of this signed authorization for future reference.

The Seller and Insured (“You”) acknowledge and understand that each Authorized Recipient is relying on the truth and accuracy of the information You have provided herein and You certify that the signatures affixed on the documents are genuine, original, and that neither the information nor the signatures have been altered, manipulated or tampered with in any fashion.

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Name of Insured	Signature	Date
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Name of Witness	Signature	Date
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Name of Second Insured (if applicable)	Signature	Date
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Name of Witness of Second Insured (if applicable)	Signature	Date
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## NEW YORK

### INFORMATIONAL AND DISCLOSURE STATEMENT

#### SELLING YOUR LIFE INSURANCE POLICY

Today it is possible for you to sell your life insurance policy to someone else (a life settlement provider) for an immediate cash payment. This financial arrangement, known as a life settlement, (sometimes called a viatical settlement) is best suited for people who are living with an immediate life-threatening illness and facing tough financial choices or in other situations where a life settlement provider will pay compensation or value less than the expected death benefit of the insurance policy or certificate.

It may not always be in your best interest to sell your life insurance policy. Before you take action, you want to be sure you understand:

- a. What future benefits you may lose.
- b. What other options may be available.

Selling your life insurance policy is a complex financial arrangement. This guide will help you make an informed decision.

We recommend that you:

1. Evaluate your needs
2. Check all your options
3. Understand how the process works
4. Know your rights
5. Check with your state insurance department

#### STEP 1 EVALUATE YOUR NEEDS

Before you sell your policy and give up valuable insurance protection, think about whether your need for life insurance has changed since you bought the policy. If it hasn't, selling your policy may not be the right choice. If you sell your policy now, your beneficiaries will not be paid a benefit at your death.

If you sell your policy now, remember premiums go up a lot as you grow older. You may not want to pay the higher cost to replace your coverage later.

Form LS-1

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## STEP 2 CHECK ALL YOUR OPTIONS

You may be able to get the cash you need now without selling your policy. Persons with catastrophic or life-threatening illnesses or conditions may have alternatives to viatical settlements, including accelerated benefits offered by the issuer of the policy, loans secured by the policy and surrender of the policy for cash value.

### POLICY CASH VALUES

Contact your current life insurance agent or company to see if you have any cash value in your policy. Ask if you can:

1. Borrow from the cash value and still keep the insurance in force.
2. Cancel the policy for its current cash value.
3. Use the cash value as collateral to get a loan from a financial institution.

Your insurance company must tell you about your options if you ask.

### ACCELERATED DEATH BENEFITS

Find out if your policy has an “accelerated death benefit.” It may be your best option.

Many life insurance policies do have an accelerated death benefit. With that benefit, policyholders who are terminally ill, affected with certain diseases or permanently confined in a nursing home can access fifty per cent or more of a policy’s death benefit while still living. An accelerated death benefit could pay you a large part of your policy’s death benefit and you could keep your policy.

A very important feature of the accelerated benefit is that when the policyholder dies, the beneficiaries get the remaining death benefit. This means that eventually one hundred per cent of the policy benefits will be paid out either to the insured or the beneficiary.

### OTHER CONSIDERATIONS

Think about what it will mean if you do sell your policy. Check out the tax implications. Not all proceeds from a viatical settlement are tax-free. A viator may incur tax consequences from entering into a viatical settlement. Persons interested in entering into a viatical settlement should consult their tax advisor. Find out if creditors could claim any of the money you would get from a viatical settlement. The proceeds of a viatical settlement payable to the viator may not be exempt from the viator’s creditors, personal representatives, trustees in bankruptcy and receivers in state or federal court. Persons interested in entering into a viatical settlement should consult an

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attorney or financial advisor regarding these potential consequences. Find out if you will lose any public assistance benefits such as Medicaid or other government benefits if you accept a cash settlement for your life policy. A viatical settlement may affect a viator's ability to receive supplemental social security income, public assistance and public medical services. Persons interested in entering into a viatical settlement should consult an attorney, financial advisor or social services agency regarding these potential consequences.

Entering into a viatical settlement contract may cause other rights or benefits, including conversion rights and waiver of premium benefits that may exist under the policy or certificate, to be forfeited. Assistance should be sought from a financial adviser.

Where a policy that is the subject of a viatical settlement contains a provision for double or additional indemnity for accidental death, or contains riders or other provisions insuring the lives of spouses, family members or anyone else other than the person with the catastrophic or life-threatening illness, the viatical settlement contract will affect those provisions or riders and may cause spouses, family members or others to lose the additional benefits afforded by those provisions or riders.

## COMPARISON SHOP

To learn the market value of your policy, it is a good idea to contact three to five viatical settlement providers. Or you could use a viatical settlement broker who would contact several viatical settlement providers for you. Your financial advisor can help you decide whether to work with a viatical settlement provider or through a viatical settlement broker.

## SUMMARY

Everyone's financial situation is different. A viatical settlement may or may not be the best approach for you. Check it out for yourself. We recommend that you ask an advisor who is qualified to review your finances to help you review your options.

## STEP 3 HOW THE PROCESS WORKS

If you decide to sell your life insurance policy to a viatical settlement provider, you will enter into a viatical settlement agreement with the provider. You, the seller, agree to accept a cash payment for your policy. The amount will be less than the face amount the policy would pay upon your death. (For example, you might agree to accept a \$75,000 cash payment for a \$100,000 policy.)

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The viatical settlement provider buying your policy:

1. Becomes the new owner of your policy.
2. Names the beneficiary
3. Collects the full death benefit when you die
4. Begins paying premiums on the policy, and
5. May sell your policy again.

There are four basic phases required to complete a viatical transaction.

## PHASE 1 QUALIFYING TO SELL YOUR POLICY (UNDERWRITING)

The viatical settlement provider will need information about you before making an offer. Usually it will take some preliminary information about you before making an offer. Usually it will take some preliminary information from you over the phone and send you this paperwork to sign:

1. A medical release form so the viatical settlement provider can get and review your medical records.
2. An authorization form to contact your insurance company to confirm benefit, premium and ownership of your policy.

To avoid delays, it is important that you give complete and accurate information about your medical history. If you apply with more than one viatical settlement provider, each will contact your doctor for medical records and your insurance company for policy information.

## PHASE 2 CALCULATING THE OFFER

The viatical settlement provider uses the information it gets in the underwriting phase to make an offer. To develop an offer, a viatical settlement provider takes into account various factors including:

1. Estimated life expectancy and medical condition of the insured. Generally the shorter the life expectancy of the insured, the more the viatical settlement provider will offer for the policy.
2. The amount of life insurance coverage.
3. Loans or advances, if any, previously taken against the policy.
4. Amount of premiums necessary to keep the life insurance policy in force.
5. The rating of the issuing insurance company.
6. Prevailing interest rates.
7. State laws, if any, that require a minimum payment.

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## PHASE 3 CLOSING THE AGREEMENT

If you accept the offer, a closing package is forwarded to you, the seller, for approval and signature. Closing documents typically include an offer letter, a viatical settlement contract, and the forms the insurance company needs to transfer ownership of the policy to the viatical settlement provider.

The closing documents are then returned to the viatical settlement provider for its signature.

The viatical settlement provider will put the cash payment owed to you in escrow, if required, and send the signed insurance forms to the insurance company to record the change.

## PHASE 4 RECEIVING THE PAYMENT

Once the insurance company notifies the viatical settlement provider that the changes on the life insurance policy have been recorded, the payment is released to you, the seller, usually the next business day.

In many states, you may have the right to change your mind about the settlement after you receive the money, provided you return all the money.

## CONSUMER INFORMATION BOOKLET

### **Understanding Life Settlements —Selling Your Life Insurance Policy**

#### **What is a Life Settlement?**

A life settlement is the sale of a life insurance policy to a third party called a life settlement provider. The owner of the life insurance policy sells the policy for an immediate cash benefit.

The life settlement provider becomes the new owner of the life insurance policy, pays future premiums and collects the death benefit when the insured dies.

The New York State Insurance Department wants you to have the facts before you sell your life insurance policy. This booklet provides some of that information, but it is only a starting point. Consult your own professional financial advisor, attorney, or accountant to help you decide if this is the most suitable arrangement for you.

#### **Consider Your Options**

If you are planning to sell your policy to get cash to pay expenses, there may be other options available under your policy that may allow you to keep your policy in force for your beneficiaries.

Ask your insurance agent or company if you have any cash value in your life insurance policy. Generally, life insurance policies allow you to take a policy loan up to the amount of the cash value. You may also be able to take out some of the cash value to meet your immediate needs. You should seek the advice of your insurance agent or other professionals before using the cash value of your policy.

**Find out if your policy allows you to reduce the amount of the death benefit in order to lower the amount of premium you are required to pay. If you are planning to sell your policy because the premiums have gotten too high, this may provide a way to maintain some of the death benefit in force.**

**Find out if your policy has an accelerated death benefit. If the insured under the policy is terminally or chronically ill, you may be able to accelerate some or all of the death benefit while the insured is still alive.**

## OTHER IMPORTANT INFORMATION

- Comparison shop. Get quotes from several life settlement providers to make sure you have a competitive offer.
- If you use a life settlement broker, the broker represents exclusively you and has the duty to act in your best interests and according to your instructions.
- If you use a life settlement broker, he or she is required to disclose the amount of compensation to be paid to him or her by no later than the date the life settlement contract is signed.
- Find out the tax implications. Not all proceeds received from the sale of your life insurance policy are tax-free.
- It is important to know that the proceeds you receive from a life settlement may be accessible to your creditors.
- Find out if you will lose any public assistance benefits, such as supplemental social security benefits, food stamps or Medicaid, or other governmental benefits or entitlements if you receive proceeds from a life settlement transaction.
- The life settlement provider or its authorized representative may contact the insured for the purpose of determining hi/her health status. The insured may not be contacted more often than 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.

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- The insured's medical, financial or other personal information may be disclosed to certain other parties if the insured has provided written consent for these disclosures.
- After a life settlement provider buys your policy, the provider may resell the policy to other parties.
- You have the right to change your mind about the life settlement transaction AFTER you receive the proceeds of the life settlement. You have the right to rescind (cancel) the life settlement contract from the time the contract is signed until fifteen days after you receive the proceeds.
- If you are asked to or you plan to buy a new life insurance policy with a primary purpose of selling it for cash to a third party, then this may be a stranger-originated life insurance (STOLI) transaction that is prohibited by the New York Insurance Law.

## **Questions to Ask Your Professional Financial Advisor, Insurance Agent Employer or other Professional Advisor**

- If I sell my policy do I still need life insurance protection?
- If I sell my policy, will the insured under the policy be able to buy additional life insurance on his/her own life?
- If I have a group life insurance certificate under an employer or other group life insurance policy, does the policy permit me to sell it?

If you have questions about selling a life insurance policy, life settlements generally or a life settlement provider, life settlement broker, or life settlement intermediary, then you may contact the New York State Insurance Department. Visit the Department's website at <http://www.ins.state.ny.us>

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## NEW YORK MANDATED OWNER DISCLOSURES

**IMPORTANT- READ THIS DISCLOSURE FORM AND THE ENCLOSED CONSUMER INFORMATION BOOKLET BEFORE SIGNING THIS APPLICATION.**

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

1. There are possible alternatives to life settlement contracts, including any accelerated death benefits or policy loans offered by the issuer of the policy.
2. Some or all of the proceeds of a life settlement may be taxable under federal and state law, and assistance should be sought from a professional tax advisor.
3. Proceeds from a life settlement could be subject to the claims of creditors.
4. 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.
5. You, the owner(s) have the right to rescind (cancel) a life settlement contract from the time of execution of the contract until fifteen (15) days after receipt of the life settlement proceeds by the owner.
6. Proceeds will be sent to you within three (3) business days after the life settlement provider has received the insurer or group administrator's acknowledgment that ownership of the 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.
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 policy or certificate of a group policy to be forfeited by the Owner. Assistance should be sought from a professional financial advisor.
8. You, the owner(s) will be provided with 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; 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. For the purposes of this paragraph "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.

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9. The life settlement provider must provide you the date by which the funds will be available to the owner and the transmitter of the funds.
10. The life settlement provider or life settlement broker is required to provide you, the owner(s), during the solicitation process with a consumer information booklet in a form prescribed by the superintendent, or other similar material, subject to the approval of the superintendent.
11. The insured may be contacted by either the life settlement provider or the life settlement broker, or any authorized representative thereof, for the purpose of determining the insured's health status or to verify the insured's address, and that the contact shall be limited to once every three (3) months if the insured has a life expectancy of more than one (1) year, and no more than once per month if the insured has a life expectancy of one (1) year or less.
12. You, the owner(s), will be provided with any affiliations or contractual arrangements between the life settlement provider and the issuer of the policy to be settled.
13. You, the owner(s), will be provided with any affiliations or contractual arrangements with any other life settlement provider, life settlement broker, life settlement intermediary or party financing the transaction.
14. A life settlement broker represents exclusively, you, the owner(s), and not the insurer or the life settlement provider, and owes a fiduciary duty to you, including a duty to act according to the owner's instructions and in the best interest of the owner.
15. You, the owner(s), will be provided with the name, business address, telephone number and e-mail address of the independent, third party escrow agent and you have the right to inspect or receive copies of the relevant escrow or trust agreements or documents.
16. You, the owner(s), are informed as owner of the policy that a change of ownership could in the future limit the insured's ability to purchase future insurance on the insured's life because there is a limit to how much coverage insurers will issue on one life.
17. You, the owner(s), will be provided with the name, business address, telephone number and e-mail address of the life settlement provider.



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LIFE INSURANCE POLICY OWNER’S ACKNOWLEDGEMENT: I have read and fully understand the Owner Disclosure form to which this acknowledgement is attached, and the attached Life Settlement Commission & Affiliation Sheet, Attachment A. A copy of these required written disclosures have been received and read by me. Further, I/We have received the NAIC Guide entitled “Selling Your Life Insurance Policy: Understanding Life Settlements” or a similar brochure to keep for my records.

Policy Owner 1

\_\_\_\_\_  
Printed Name    Signature    Date

Policy Owner 2 (If Applicable)

\_\_\_\_\_  
Printed Name    Signature    Date

Life Settlement Broker or Provider

\_\_\_\_\_  
Printed Name    Signature    Date

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

_____ Provider's Name	_____ Seller's Name
_____ Address	_____ Insured's Name
_____ City, State, Zip	_____ Policy Number
_____ Telephone - Email	

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>
_____ <u>Life Settlement Broker( if any paid by us per contract)</u>	\$ _____
_____ <u>Life Settlement Intermediary (if any paid by us per contract)</u>	\$ _____
_____ <u>Any Other Adjustment ( List each individually)</u>	\$ _____
<u>TOTAL COMPENSATION / ADJUSTMENTS PAID</u>	\$ _____
<u>NET AMOUNT PAID TO YOU</u>	\$ _____

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

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")

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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

\_\_\_\_\_  
ADDRESS

\_\_\_\_\_  
CITY, STATE, ZIP CODE

\_\_\_\_\_  
TELEPHONE

## LIFE INSURANCE POLICY OWNER'S ACKNOWLEDGEMENT

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, Affiliations and Gross Offer to Net Proceeds Disclosure" to which this acknowledgement is attached. Further, I have read and received the consumer 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

\_\_\_\_\_  
Signature of Policy Owner

\_\_\_\_\_  
Name of Life Settlement Provider

\_\_\_\_\_  
Dated

By: \_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name of Policy Owner

\_\_\_\_\_  
Dated

\_\_\_\_\_  
(If multiple owners, all owners must sign)

\_\_\_\_\_  
Printed Name of Person Signing

\_\_\_\_\_  
Title of Person Signing

*"Bringing Benefits to Life..."*

## NEW YORK MANDATED INSURED DISCLOSURES

**IMPORTANT- READ THIS DISCLOSURE FORM AND THE ENCLOSED CONSUMER INFORMATION BOOKLET BEFORE SIGNING THIS DOCUMENT.**

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

You, the insured, may be contacted by either the life settlement provider or the life settlement broker, or any authorized representative thereof, for the purpose of determining your health status or to verify your address, and the contact is limited to once every three (3) months if you have a life expectancy of more than one (1) year, and no more than once per month if you have a life expectancy of one (1) year or less.

A change of ownership could in the future limit your ability to purchase future insurance on your life because there is a limit to how much coverage insurers will issue on one life.

All medical, financial or personal information solicited or obtained by a life settlement provider or life settlement broker about you, the insured, including your identity or the identity of your family members, your spouse or a significant other may be disclosed as necessary to effect the life settlement contract between the Owner and provider. If you are asked to provide this information, you will be asked to consent to the disclosure. The information may be provided to someone who buys the policy or provides funds for the purchase. You may be asked to renew your permission to share information every two years.

**LIFE INSURANCE POLICY OWNER’S AND INSURED’S ACKNOWLEDGMENT: I/We have read and fully understand the Insured disclosures and acknowledge with my signatures below. A copy of these required written disclosures have been received by me, the Insured. Further, I/We have received a consumer information booklet in a form prescribed by the Superintendent, or other similar material, subject to the approval of the Superintendent.**

### Insured

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

### Life Settlement Broker or Provider

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

*“Bringing Benefits to Life...”*

## FEDERAL TAX LAWS

Two groups of people may receive benefits from a viatical settlement without owing federal income tax:

1. Persons who have been diagnosed with a terminal illness and with a life expectancy of 24 months or less, and
2. Certain chronically ill individuals.

If you qualify for this federal tax-free treatment, you also must use a viatical settlement provider that is licensed in the state where you live, or, in states where licensing is not required, that complies with the standards of the National Association of Insurance Commissioner's Viatical Settlements Model Act.

When interpreting tax laws it is best to check with your financial advisor. Viatical Settlement Professionals, Inc. is not giving tax advice and recommends that a tax advisor be consulted on such issues. The undersigned understands that Viatical Settlement Professionals, Inc. is a broker, and that the function of a broker is solely to secure a buyer for the life insurance policy and there are no representations or warranties about the financial status of the buyer, the legal status of the buyer or any subsequent purchaser, or of any tax consequences of the transaction.

It is understood that the Broker herein has a duty to find the best offer available for the insurance policy(ies) herein. Therefore, it is hereby granted to the Broker herein the exclusive right to broker the policy(ies) herein which right may only be terminated upon sixty (60) days prior written notice.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

Viatical Settlement Professionals, Inc.  
New York Life Settlement Broker  
2 West Runswick Drive  
Richmond, VA 23238  
Toll Free: 888-321-9057  
E-Mail: [info@vspi.com](mailto:info@vspi.com)

*"Bringing Benefits to Life..."*

# VIATICAL SETTLEMENT PROFESSIONALS, INC.

## LIFE SETTLEMENT BROKER

2 W. RUNSWICK DRIVE, RICHMOND, VA 23238 • PH: 804-564-9469 • FAX: 804-482-2728

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### AUTHORIZATION TO RELEASE INFORMATION

The undersigned is the owner of, or named insured under, one or more life insurance policies identified below. In order to effect a life settlement contract between the owner and a life settlement provider, or to effectuate the sale or transfer of a life settlement contract or a settled policy, or interest therein, the undersigned each hereby consent to the release of information to the authorized recipients specified herein.

Information Authorized to be Released: Any information (1) concerning or related to the identity of the owner of, or the named insured under, the life insurance policies identified below, (2) that there is a reasonable basis to believe could be used to identify the insured or owner, and (3) concerning or related to the owner's or insured's financial or medical information may be released to the authorized recipients (as defined below).

Such information may include (but is not limited to): the name, address, telephone numbers, social security number, tax records, medical records, credit information and other non-public personal information of or related to the insured or the owner, or representative thereof; and the related insurance policy number(s).

Authorized Recipients of Information: Information authorized to be released hereunder may be released to (1) any life settlement broker, (2) any life settlement provider (a "life settlement provider"), (3) any person who may seek to purchase from such life settlement provider any life insurance policy insuring the below identified insured's life or other insurance product owned by the below identified owner, (4) any financing entity of a life settlement provider, including, but not limited to, any of its underwriters, lenders, purchasers of securities and credit enhancers, (5) any service provider, including, but not limited to, any life expectancy underwriter, escrow agent or post-purchase policy servicer, (6) any life insurance or annuity company that has issued a life insurance policy insuring the below identified insured's life, and (7) any of the respective affiliates, directors, officers, employees, agents, representatives, independent contractors, accountants, actuaries, attorneys and other representatives and advisors, and successors and assigns of any of the persons or entities covered in the immediately foregoing clauses (1) through (6), inclusive (each, an "authorized recipient"). Each authorized recipient in receipt of information authorized to be released by this authorization may share any such information with any other authorized recipient as if such other authorized recipient had received such information directly from the undersigned.

Form LS-2

*"Bringing Benefits to Life..."*



# VIATICAL SETTLEMENT PROFESSIONALS, INC.

## LIFE SETTLEMENT BROKER

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2 W. RUNSWICK DRIVE, RICHMOND, VA 23238 • PH: 804-564-9469 • FAX: 804-482-2728

The undersigned each certify that this authorization has been made freely, voluntarily and without coercion and that the information shown below is accurate and complete to the best of the undersigned's knowledge. The undersigned understands that any revocation of this authorization will not apply to information that has already been released in response to this authorization. Redislosure of the undersigned's information by those receiving the above authorized information may be accomplished without the undersigned's further written authorization and may no longer be protected.

The undersigned releases any authorized recipient from any and all liability for actual or alleged damages to the undersigned as a result of good faith compliance with this authorization. This authorization is valid for the duration of the life insurance policy(-ies) specified below, provided that this authorization shall be of no force or further effect if a life settlement contract is not effected. The undersigned each acknowledge receipt of a copy of this authorization. A copy of this authorization may be accepted as an original. This authorization may be sent via facsimile transmission.

*"Bringing Benefits to Life..."*

# VIATICAL SETTLEMENT PROFESSIONALS, INC.

## LIFE SETTLEMENT BROKER

2 W. RUNSWICK DRIVE, RICHMOND, VA 23238 • PH: 804-564-9469 • FAX: 804-482-2728

### Life Insurance Policy Information

\_\_\_\_\_  
Insurance Company

\_\_\_\_\_  
Policy Number

\_\_\_\_\_  
Insurance Company

\_\_\_\_\_  
Policy Number

\_\_\_\_\_  
Insurance Company

\_\_\_\_\_  
Policy Number

### Policy Owner Information

\_\_\_\_\_  
Policy Owner Name

\_\_\_\_\_  
Signer's Printed Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title (if applicable)

\_\_\_\_\_  
Date

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
City

\_\_\_\_\_  
State

\_\_\_\_\_  
ZIP Code

\_\_\_\_\_  
Witness Name

\_\_\_\_\_  
Witness Signature

\_\_\_\_\_  
Date

### Insured Information

\_\_\_\_\_  
Insured Name

\_\_\_\_\_  
Insured Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
City

\_\_\_\_\_  
State

\_\_\_\_\_  
ZIP Code

\_\_\_\_\_  
Witness Name

\_\_\_\_\_  
Witness Signature

\_\_\_\_\_  
Date

*"Bringing Benefits to Life..."*

**VIATICAL SETTLEMENT PROFESSIONALS, INC.**  
**LIFE SETTLEMENT BROKER**

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2 W. RUNSWICK DRIVE, RICHMOND, VA 23238 • PH: 804-564-9469 • FAX: 804-482-2728

**Section 7811(c) of the New York law provides as follows:**

**The life settlement broker shall provide the owner with a separate written document conspicuously displaying the information and disclosures required by this subsection. The separate document shall be signed by the owner and life settlement broker, no later than the date the life settlement contract is signed by all parties. At a minimum the document shall state:**

- **The name, business address, telephone number and e-mail address of the life settlement broker;**
- **A full, complete and accurate description of all the offers, counter-offers, acceptances and rejections relating to the proposed life settlement contract;**
- **Any affiliations or contractual arrangements with any life settlement provider, other life settlement broker, life settlement intermediary or any financing entity;**
- **The gross amount to be paid pursuant to the life settlement contract, the net amount of the proceeds to be paid to the owner pursuant to the life settlement contract, the amount of compensation to be paid to the life settlement broker pursuant to the life settlement contract, and the name of such life settlement broker. For purposes of this paragraph, “gross amount to be paid” means the total amount of value to be paid by the life settlement provider for the purchase of one or more life insurance policies, inclusive of commissions and fees; and**
- **A complete reconciliation of the gross offer or bid by the life settlement provider to the net amount of proceeds or value to be received by the owner, provided that for the purpose of this section, “gross offer or bid” shall mean 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.**

**Form LS-3**

*“Bringing Benefits to Life...”*

**VIATICAL SETTLEMENT PROFESSIONALS, INC.**  
**LIFE SETTLEMENT BROKER**

2 W. RUNSWICK DRIVE, RICHMOND, VA 23238 • PH: 804-564-9469 • FAX: 804-482-2728

**SUMMARY PRICING REPORT**

**LIFE SETTLEMENT BROKER'S NAME**  
**ADDRESS**  
**ADDRESS**  
**CITY STATE ZIP CODE**  
**PHONE NUMBER EMAIL**

**SELLERS NAME**  
**ADDRESS**  
**CITY STATE ZIP CODE**  
**PHONE NUMBER EMAIL**

INSURED'S NAME: \_\_\_\_\_

POLICY NUMBER: \_\_\_\_\_

POLICY FACE AMOUNT: \_\_\_\_\_

CASH SURRENDER VALUE: \_\_\_\_\_

**LIFE SETTLEMENT OFFERS, COUNTEROFFERS,  
ACCEPTANCES & REJECTIONS**

<b>PROVIDER'S</b>	<b>NAME</b>	<b>NAME</b>	<b>NAME</b>	<b>NAME</b>	<b>NAME</b>
<i><b>GROSS OFFER</b></i>	\$	\$	\$	\$	\$
<i><b>COUNTEROFFERS</b></i>					
<i><b>COUNTEROFFERS</b></i>					
<i><b>ACCEPTANCES</b></i>					
<i><b>REJECTIONS</b></i>					

**VIATICAL SETTLEMENT PROFESSIONALS, INC.**  
**LIFE SETTLEMENT BROKER**

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2 W. RUNSWICK DRIVE, RICHMOND, VA 23238 • PH: 804-564-9469 • FAX: 804-482-2728

**ACKNOWLEDGEMENT AND SIGNATURE PAGE**

**LIFE INSURANCE POLICY OWNER'S ACKNOWLEDGMENT: I have received and fully understand the attached New York Life Settlement Broker Commission & Affiliation Sheet and the Summary Pricing Report.**

**Policy Owner 1**

\_\_\_\_\_  
Printed Name    Signature    Date

**Policy Owner 2 (if applicable)**

\_\_\_\_\_  
Printed Name    Signature    Date

(IF THERE ARE MULTIPLE OWNERS ALL MUST SIGN)

**[Name of Life Settlement Broker]**

\_\_\_\_\_  
Printed Name    Signature    Date

**VIATICAL SETTLEMENT PROFESSIONALS, INC.**  
**LIFE SETTLEMENT BROKER**

2 W. RUNSWICK DRIVE, RICHMOND, VA 23238 • PH: 804-564-9469 • FAX: 804-482-2728

**NEW YORK LIFE SETTLEMENT BROKER  
COMMISSION & AFFILIATION DISCLOSURE SHEET**

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

SELLER'S NAME: \_\_\_\_\_  
SELLER'S NAME: \_\_\_\_\_  
INSURED'S NAME: \_\_\_\_\_  
POLICY NUMBER: \_\_\_\_\_

**POLICY FACE AMOUNT**                      \$ \_\_\_\_\_

**TOTAL GROSS OFFER FROM LIFE SETTLEMENT  
PROVIDER BEFORE COMMISSION(S) & FEE(S)**    \$ \_\_\_\_\_

**LESS COMMISSION(S) & FEE(S) PAID** (FROM THE PROCEEDS)  
From the Life Settlement Provider pursuant to the Life Settlement Contract

NAME	AMOUNT PAID
_____	\$ _____
Life Settlement Broker (if any paid by Life Settlement Provider per contract)	

**TOTAL COMMISSION(S) PAID:**    \$ \_\_\_\_\_

\_\_\_\_\_    \$ \_\_\_\_\_

**TOTAL FEE(S) PAID:**    \$ \_\_\_\_\_

**TOTAL NET AMOUNT TO BE PAID TO YOU:**  
\$ \_\_\_\_\_  
**Less any Commission(s) and Fee(s)**  
\_\_\_\_\_

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**VIATICAL SETTLEMENT PROFESSIONALS, INC.**  
**LIFE SETTLEMENT BROKER**

2 W. RUNSWICK DRIVE, RICHMOND, VA 23238 • PH: 804-564-9469 • FAX: 804-482-2728

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**STATE ANY AFFILIATIONS OR CONTRACTUAL ARRANGEMENTS WITH ANY LIFE SETTLEMENT PROVIDER, OTHER LIFE SETTLEMENT BROKER(S), ANY LIFE SETTLEMENT INTERMEDIARY OR ANY FINANCING ENTITY INVOLVED IN THIS TRANSACTION.**

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**The seller acknowledges receipt of this document.**

Seller's Printed Name	Seller's Signature	Date
Seller's Printed Name	Seller's Signature	Date
Life Settlement Broker	Authorized Signature	Date

Viatical Settlement Professionals, Inc.  
New York Life Settlement Broker  
2 West Runswick Drive  
Richmond, VA 23238  
Toll Free: 888-321-9057  
E-mail - [info@vspi.com](mailto:info@vspi.com)

*“Bringing Benefits to Life...”*

**VIATICAL SETTLEMENT PROFESSIONALS, INC.**  
**LIFE SETTLEMENT BROKER**

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2 W. RUNSWICK DRIVE, RICHMOND, VA 23238 • PH: 804-564-9469 • FAX: 804-482-2728

**DISCLOSURE STATEMENT**

Section 7811(b) of New York law provides as follows:

The life settlement provider or life settlement broker shall provide to the insured in a separate written document conspicuously displaying the information and disclosures required by their subsection. The separate document shall be signed by the insured no later than the date the life settlement contract is signed by all parties. The document shall:

- 1) state that the insured may be contacted by either the life settlement provider or life settlement broker or any authorized representative thereof, for the purpose of determining the insured's health status or to verify the insured's address, and that the contact 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;
- 2) state that a change of ownership could in the future limit the insured's ability to purchase additional insurance on the insured's life because there is a limit to how much coverage will issue on one life; and
- 3) contain the following language, or such other language required by the superintendent by regulation: "All medical, financial or personal information solicited or obtained by a life settlement provider or life settlement broker about an insured, including the insured's identity or the identity of family members, a spouse or a significant other may be disclosed as necessary to effect the life settlement contract between the owner and provider. If you are asked to provide this information, you will be asked to consent to the disclosure. The information may be provided to someone who buys the policy or provides funds for the purchase. You may be asked to renew your permission to share information every two years".

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Signature of Insured

---

Date

Form LS-4

*"Bringing Benefits to Life..."*