



Settlement Funding LLC

Dear Customer:

I've enclosed an **application for you to complete and sign**. I'll need to get a **copy of your policy** and an in force illustration of cost thru age 100 with \$1 left in cash value (assume 4% market return over time). I'll request the illustration from your insurance company and medical records for the insured as soon as this application is returned. Please return this information by email: Ray@AtAge60.com, fax (703) 319-0922 or mail to address below.

Sincerely,

Ray A. Towles
Life Settlement Agent



Settlement Funding LLC

APPLICATION FOR LIFE INSURANCE SETTLEMENT

POLICY OWNER

NAME OF POLICY OWNER(S)

NAME OF SIGNING OFFICER (IF CORPORATE OWNED)

OFFICER TITLE

NAME OF TRUST(S) (IF TRUST OWNED)

DATE OF TRUST

TIN OR SSN

ADDRESS

EMAIL

TELEPHONE NUMBER

CITY

STATE

ZIP

If individually owned, has policy owner ever been? (Check all that apply)

Married Divorced Legally Separated Widowed Bankrupt

If more than one policy is being submitted, please attach an additional page including policy owner(s) and life insurance policy information as requested above.

LIFE INSURANCE POLICY INFORMATION

INSURANCE COMPANY

POLICY NUMBER

ISSUE DATE

FACE AMOUNT

TOTAL POLICY LOAN

CASH SURRENDER VALUE

ANNUAL PREMIUM PAYMENT

NEXT PREMIUM DUE

LAST PREMIUM PAID DATE

AMOUNT PAID

CUSTOMER SERVICE PHONE NUMBER

PREMIUM MODE:

Annual Semi-Annual Quarterly Monthly

TYPE OF POLICY:

Term UL SUL WL SWL VUL SVUL Other

Individual Group Converted Group

REASON FOR SALE:

Settlement Funding LLC
1714 Tyvale Court Vienna, VA 22182
Telephone: (703) 928-6000 Fax: (703) 319-0922

PERSONAL INFORMATION-FIRST INSURED

INSURED NAME: _____ DATE OF BIRTH _____ SOCIAL SECURITY NUMBER _____

CURRENT HOME ADDRESS _____

CITY _____ STATE _____ ZIP CODE _____

TELEPHONE NUMBER _____ NAME OF SPOUSE _____

MARITAL STATUS:
___ Married ___ Divorced ___ Legally Separated ___ Widowed

INSURED'S DRIVERS LICENSE NUMBER & STATE _____ GENDER: MALE/FEMALE _____ PLACE OF BIRTH _____

PERSONAL INFORMATION- SECOND INSURED

INSURED NAME: _____ DATE OF BIRTH _____ SOCIAL SECURITY NUMBER _____

CURRENT HOME ADDRESS _____

CITY _____ STATE _____ ZIP CODE _____

TELEPHONE NUMBER _____ NAME OF SPOUSE _____

MARITAL STATUS:
___ Married ___ Divorced ___ Legally Separated ___ Widowed

INSURED'S DRIVERS LICENSE NUMBER & STATE _____ GENDER: MALE/FEMALE _____ PLACE OF BIRTH _____

BENEFICIARY INFORMATION - ATTACH ADDITIONAL PAGE IF NECESSARY

NAME: _____ DATE OF BIRTH _____ SOCIAL SECURITY NUMBER OR TIN _____

ADDRESS _____

CITY _____ STATE _____ ZIP CODE _____

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MEDICAL INFORMATION - FIRST INSURED

Please provide a brief description of your medical condition and the reason you are considering a Life Settlement:

MEDICAL INFORMATION - SECOND INSURED

Please provide a brief description of your medical condition and the reason you are considering a Life Settlement:

First Insured

| | | |
|------------------------------|-----------|--------------------------|
| NAME OF PRIMARY PHYSICIAN | | TELEPHONE WITH AREA CODE |
| ADDRESS | | |
| CITY | STATE | ZIP |
| NAME OF SPECIALIST PHYSICIAN | SPECIALTY | TELEPHONE WITH AREA CODE |
| ADDRESS | | |
| CITY | STATE | ZIP |

Second Insured

| | | |
|------------------------------|-----------|--------------------------|
| NAME OF PRIMARY PHYSICIAN | | TELEPHONE WITH AREA CODE |
| ADDRESS | | |
| CITY | STATE | ZIP |
| NAME OF SPECIALIST PHYSICIAN | SPECIALTY | TELEPHONE WITH AREA CODE |
| ADDRESS | | |
| CITY | STATE | ZIP |

If there are any other physicians who have treated you in the last five years, please attach an additional page including full name of physician(s), specialty, address and telephone number with area code.

ADDITIONAL PHYSICIAN PAGE

NAME OF SPECIALIST PHYSICIAN SPECIALTY TELEPHONE WITH AREA CODE

ADDRESS

CITY STATE ZIP

NAME OF SPECIALIST PHYSICIAN SPECIALTY TELEPHONE WITH AREA CODE

ADDRESS

CITY STATE ZIP

NAME OF SPECIALIST PHYSICIAN SPECIALTY TELEPHONE WITH AREA CODE

ADDRESS

CITY STATE ZIP

NAME OF SPECIALIST PHYSICIAN SPECIALTY TELEPHONE WITH AREA CODE

ADDRESS

CITY STATE ZIP

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PERSONAL ACKNOWLEDGEMENT

I represent and warrant the information contained in this application is correct and accurate and you may rely thereon and that I will immediately notify Settlement Funding LLC of any changes in the information. I further give my consent to Settlement Funding LLC and its agents to release this application and all information gathered while processing it as necessary for the sole purpose of soliciting the sale of my life insurance policy. I acknowledge that I am submitting this application to Settlement Funding LLC to broker the sale of my life insurance policy and that Settlement Funding LLC, is under no obligation to purchase my policy. I acknowledge I may be contacted by Settlement Funding LLC regarding information contained in this application.

I understand that some or all of the proceeds from a Life Insurance Settlement may be taxable and that I am encouraged to consult with an attorney or tax advisor concerning this transaction. I also acknowledge that neither Settlement Funding LLC, nor any of its representatives have made any representations or provided any advice concerning the possible tax consequences or treatment of the proceeds of this transaction.

I acknowledge that any person who knowingly presents false information in an application for insurance or life settlement contract is guilty of a crime and may be subject to fines and confinement in prison.

PRINT NAME OF POLICY OWNER(S)

SIGNATURE OF OWNER(S)

DATE

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**AUTHORIZATION FOR DISCLOSURE OF POLICY INFORMATION AND
PROTECTED HEALTH INFORMATION (HIPAA COMPLIANT)**

Patient's (Insured) Name: _____

Date of Birth: _____ Social Security Number _____

I, the undersigned, hereby authorize the disclosure of my protected health information as follows:

1. **Classes of Persons Authorized to Disclose My Protected Health Information:** I authorize any physician, medical practitioner, physician practice group, hospital or medical related facility, health care provider or other institution or person(s) having any medical records, charts, X-rays, laboratory work or similar information regarding my health ("Authorized Disclosure"), to release and disclose such information ("Protected Health Information") as provided in this authorization. I authorize each Authorized Disclosure to rely upon a photographic or facsimile copy or other reproduction of this document.
2. **Persons Authorized to Receive My Protected Health Information** I authorize my Protected Health Information to be released and disclosed by each Authorized Discloser under this authorization **Settlement Funding LLC** any of its principals, employees, agents or other authorized representatives and/or their successors, assigns, designees and affiliated entities (collectively, the "Authorized Recipient").
3. **Description of Protected Health Information Authorized for Disclosure and the Purpose for such Disclosure:** authorization shall apply to any and all of my health and medical records and information, whether or not personally identifiable or protected under any federal or state confidentiality or privacy laws or regulations, including, but not limited to, the following:

Physician's/nurse's notes;
Examination summaries;
Reports and Orders;
Medication and Prescription Drug records;
Radiology, pathology and other laboratory or test reports; and
Other information/documentation included in a medical file.

This information and all disclosures of my Protected Health Information made pursuant to this authorization are for the purposes of allowing the Authorized Recipient (1) to evaluate or cause an evaluation to be prepared of my life expectancy based upon my health and medical status and condition in connection with the possible sale of any and all life insurance policies under which my life is insured and (2) to verify, track and monitor my health and medical status and condition in connection with any and all life insurance policies under which any life is insured that are sold.

4. **Expiration of Authorization:** This Authorization shall remain valid until and shall expire on, 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 Disclosure by notifying such Authorized Discloser or my revocation of this authorization in writing and delivering my revocation by mail or personal delivery at such address designated by such Authorized Discloser; provided that any revocation of this authorization shall not apply to the extent that the Authorized Discloser has taken action in reliance upon this authorization prior to receiving notice of my revocation or if this authorization was obtained.

I acknowledge and 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 "HIPPA Privacy Regulations"). I further understand that, as a result of this authorization, my Protected Health Information disclosed by any Authorized Discloser to the Authorized Recipient may be redisclosed by the Authorized Recipient and that my Protected Health Information that is disclosed to the Authorized Recipient may no longer be protected by the HIPPA Privacy Regulations.

I certify that I am executing and delivering this authorization freely, voluntarily and unilaterally as of the date written below. I further certify that I understand this authorization written in plain language and that I have retained a copy of this signed authorization for future reference.

Signature of Patient (Insured)

Date

Printed Name of Patient (Insured)

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AUTHORIZATION FOR RELEASE OF INSURANCE POLICY INFORMATION
(Signed by the Policy Owner/Applicant)

I hereby authorize my insurance company to release directly to Settlement Funding LLC and/or its authorized representatives with any information and forms in connection with my policy (including, but not limited to, verification of coverage, any illustrations or any conversions, thereof). As per my specific instructions, as the Policy Owner, please fax the requested information to Settlement Funding LLC directly and forward a copy to me.

I agree that a photographic copy or facsimile of this Authorization shall be valid as the original.

I agree that this authorization shall remain valid for three years, absent any of provision of any applicable state statute or regulation to the contrary, in which event it shall remain valid for the maximum period permitted, there under.

PRINT NAME OF POLICY OWNER(S)

ADDRESS

SOCIAL SECURITY NUMBER OR TAX ID NUMBER

CITY

STATE

ZIP

SIGNATURE OF POLICY OWNER

DATE

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Settlement Funding LLC

This application is for: a viatical settlement a life settlement
(Please check only one.)

Life Settlements enable people who no longer want or need their life insurance – and *who do not have a catastrophic or life-threatening illness or condition* – to receive an advance cash payment for their policy. Life expectancy is usually more than 24 months.

Viatical Settlements provide that same option to people who do have a catastrophic or life-threatening illness or condition. Life expectancy is usually less than 24 months.

DISCLOSURE NOTICE: A NOTICE TO APPLICANTS

We at Settlement Funding LLC, a life settlement company, do hereby advise you that:

1. There are possible alternatives to a life settlement contract including, but not limited to, accelerated death benefits, loans secured by the policy, and surrender of the policy for cash value offered by the issuer of the policy for which you may be eligible. The terms and conditions of such benefits may vary with each individual insurance carrier and/or policy. We recommend that you obtain information from your insurance company or your advisors regarding the options available to you.
2. Some or all of the proceeds of your settlement may be taxable under federal income tax and/or state franchise and income tax laws. Assistance should be sought from a professional tax advisor. We make no representation and give no advice concerning the possible tax consequences or treatment of the proceeds of this transaction.
3. Some or all of your life settlement proceeds may adversely affect your eligibility for social security income, public assistance and public medical services including Medicaid or other government benefits or entitlements. Advice on such effects should be obtained from the appropriate government agencies.
4. The proceeds of a life settlement could be subject to the claims of creditors, personal representatives, trustees in bankruptcy and receivers in state or federal court.
5. If your policy contains a provision for double or additional indemnity for accidental death, or contains riders or other provisions insuring the lives of a spouse, dependents, or others, there may be a loss of coverage. We urge you to contact the issuer of your life insurance policy for information on these provisions.
6. Entering into a life settlement will have an effect on payment of premiums and disposition of proceeds, cash values and dividends and may cause other rights or benefits, including conversion rights and waiver or premium benefits that may exist under the policy forfeited by you.
7. All medical, financial, or personal information solicited or obtained by Settlement Funding LLC about the insured, including the insured's identity or the identity of family members, a spouse or significant other may be disclosed as necessary to effect the life settlement between you and Settlement Funding LLC. If the insured is asked to provide this information, the insured will be asked to consent to the disclosure. The information may be presented to someone who buys the policy or provides funds for the purchase. The insured may be asked to renew his or her permission to share information every two years.

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8. One consequence of selling your insurance policy will be the loss of the death benefit payable to the current beneficiary(ies).
9. Settlement Funding LLC will be compensated. The settlement provider company, *not the insured*, will compensate Settlement Funding LLC based on a formula that is a percentage of the face value of the life insurance policy. For example: compensation for a \$100,000 policy could be: 6% x \$100,000 (face value) = \$6,000. Compensation can include, but is not limited to, bonuses, overrides or other funds in addition to agent commissions.
10. You have the right to rescind your settlement before the earlier of thirty (30) calendar days after the date upon which the settlement contract is executed by all parties or fifteen (15) calendar days after the receipt of the settlement proceeds. If exercised, rescission is effective only if both notice of the rescission is given and repayment of all proceeds and any premiums, loans and loan interest to the settlement provider is made within the rescission period. If the insured dies during the rescission period, the settlement contract shall be deemed rescinded, subject to repayment of all settlement proceeds and any premiums, loans and loan interest to the settlement provider. Funds will be sent to you within three (3) business days after the settlement provider has received the insurer or group administrator's acknowledgement that ownership of the policy or interest in the certificate has been transferred and the beneficiary has been designated pursuant to the settlement contract.
11. The insured may be contacted by the settlement provider or its authorized representative for the purpose of determining the insured's health status. This 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.

 PRINT NAME OF POLICY OWNER(S)

 ADDRESS

 SOCIAL SECURITY NUMBER OR TAX ID NUMBER

 CITY

 STATE

 ZIP

x

 SIGNATURE OF POLICY OWNER(S)

 DATE

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**STATE OF MARYLAND
REQUEST FOR VERIFICATION OF COVERAGE
FOR LIFE INSURANCE POLICIES**

SUBMITTED TO: _____ **NAIC#** _____
NAME OF INSURANCE COMPANY

POLICY NUMBER: _____

SUBMITTED FROM: _____
NAME OF VIATICAL SETTLEMENT BROKER/PROVIDER

ADDRESS: _____

TELEPHONE NUMBER: _____

CONTACT: _____ **TITLE:** _____

IF INFORMATION IS CORRECT, INSURER REPRESENTATIVE MAY PLACE A CHECKMARK IN THE BOX. OTHERWISE PROVIDE CORRECTED INFORMATION THROUGHOUT THIS FORM. AN ASTERISK INDICATES INFORMATION THE VIATICAL SETTLEMENT PROVIDER/BROKER MUST PROVIDE.

POLICY OWNER'S AND INSURED'S INFORMATION

| | This column to be completed by Viatical Settlement Broker/Provider | This column to be used by the Insurance Company |
|--|--|--|
| Owner's name: | * | |
| Address: | * | |
| City, state, ZIP code: | * | |
| Tax ID or Social Security number: | * | |
| Insured's name: | * | |
| Insured's date of birth: | * | |
| Second insured's name (if applicable): | * | |
| Second insured's date of birth (if applicable): | * | |

I hereby consent by my signature below to release of information requested by this form by the insurance company to the viatical settlement broker/provider.

Signature of policy owner

Date signed

IS THE POLICY IN FORCE? _____ YES _____ NO

IF NO, SIGN, AND DATE ON PAGE 4 AND RETURN TO THE VIATICAL SETTLEMENT BROKER OR PROVIDER THAT SUBMITTED THE VERIFICATION OF COVERAGE.

POLICY TYPE, RIDERS AND OPTIONS

*

TERM WHOLE LIFE UNIVERSAL LIFE VARIABLE LIFE

If a question is not applicable to the type of policy, write N/A in the column.

| | This column to be completed by Viatical Settlement Broker/provider | This column to be used by Insurance Company |
|--|--|--|
| What is the original issue date | * | |
| What is the maturity date of policy? | | |
| What is the State of issue | * | |
| Does the policy have an irrevocable beneficiary | * | |
| Is the policy currently assigned? | * | |
| Was the policy ever converted or reinstated? | | |
| Is the policy in the contestability period | * | |
| Is the policy in the suicide period? | * | |
| Please list all riders and indicate if any are in the contestable or suicide period. | * | |
| | | |
| | | |
| | | |
| | | |

POLICY VALUES

| | This column to be completed by Viatical Settlement Broker/provider | This column to be used by Insurance Company |
|---|--|--|
| Policy values as of: | | |
| Current face amount of polic | * | |
| Amount of accumulated dividends | | |
| Current face amount of riders | | |
| Amount of any outstanding loans | * | |
| Amount of outstanding interest on policy loans | | |
| Current net death benefi | * | |
| Current account valu | * | |
| Current cash surrender valu | * | |
| Is the policy participating | * | |
| If yes, what is the current dividend option? | | |

PREMIUM INFORMATION

| | This column to be completed by Viatical Settlement Broker/provider | This column to be used by Insurance Company |
|---|--|--|
| Current payment mod | * | |
| Current modal premi | * | |
| Date last premium pai | * | |
| Date next premium du | * | |
| Current monthly cost of insurance as of: | | |
| Date of last cost insurance deduction | | |

TO BE COMPLETED BY VIATICAL SETTLEMENT BROKER/PROVIDER

The information submitted for verification by the viatical settlement broker/provider is correct and accurate to the best of my knowledge and has been obtained through the policy owner and/or insured.

Signature

Printed Name

TO BE COMPLETED BY INSURANCE COMPANY

The information provided by verification by the insurance company is correct and accurate to the best of my knowledge as of _____ (date).

Insurance company: _____ **ME**

Printed name: _____ **T**

Telephone number: _____ **bb**

Signature: _____

Please provide information about where the forms listed below should be submitted for processing.

Name: _____ Title: _____

Company Name: _____

Mailing Address: _____

City, State, ZIP: _____

Overnight Address: _____

City, State, ZIP: _____

Telephone number: _____ **bb**

FORMS REQUEST

Please provide the forms checked below:

- Absolute Assignment/Change of Ownership/Viatical Assignment
- Change of Beneficiary
- Release of Irrevocable Beneficiary (if applicable)
- Waiver of Premium Claim Form
- Disability Waiver of Premium Approval Letter
- Release of Assignment
- Change of Death Benefit Option Form (if UL)
- Allocation Change form (if Variable)
- Annual Report
- Current In Force Illustration

Selling Your Policy

If you decide to sell your life insurance policy, you should be aware that Maryland law requires your viatical settlement broker to take certain steps in every transaction. The broker should:

1. Give you a written description of the services that are required on your behalf by state law
 2. Disclose all offers, counter-offers, acceptances and rejections relating to the sale of your policy within 72 hours of their receipt
 3. Explain in writing within 72 hours before a viatical settlement contract is signed by all parties, the amount of the broker's compensation and how it is calculated; and
 4. Make other disclosures regarding your legal rights in a viatical settlement.
- If you believe your viatical settlement broker did not make a required disclosure or did not perform a legally required service, you may file a complaint with the Maryland Insurance Administration against the broker. For information on filing a complaint, you may call or write the Insurance Administration or visit our website: www.mdinsurance.state.md.us

Buying a Life Insurance Policy

If you are considering buying a life insurance policy as an investment, contact the Securities Division of the Maryland Office of the Attorney General (888-743-0023), for more information.

Persons with disabilities may request this document in an alternative format.

VIATICAL SETTLEMENTS

A GUIDE TO SELLING YOUR LIFE INSURANCE POLICY



MARYLAND
INSURANCE
ADMINISTRATION

525 St. Paul Place
Baltimore, MD 21202
410-468-2000
800-492-6116
800-735-2258 TTY

www.mdinsurance.state.md.us

Martin O'Malley
Governor

Anthony G. Brown
Lt. Governor

Ralph S. Tyler
Commissioner



MARYLAND
INSURANCE
ADMINISTRATION

Understanding Viatical Settlements

The Maryland Insurance Administration and the National Association of Insurance Commissioners want you to have the facts before you sell your life insurance policy. This brochure provides some of that information, but it is only a starting point. Consult your own professional financial advisor, attorney, or accountant to help you understand your rights in the transaction, possible consequences and alternative solutions that may better serve your personal situation.

What is a Viatical Settlement?

A viatical settlement is a written agreement for the sale of a life insurance policy to a third party. The owner or certificate holder of the life insurance policy (the *viator*) sells the policy for an immediate cash benefit.

At one time, most viatical settlements were for people with a life-threatening illness. Now, individuals who are not facing a health crisis may sell their life insurance policies to obtain cash.

A *viatical settlement broker* is the person or company that, for a fee, commission or other consideration, arranges the sale of your life insurance policy.

In Maryland, a viatical settlement broker represents only the viator and has a duty to act in the viator's best interest. Viatical settlement brokers must be both licensed to sell life insurance in Maryland and specifically registered with the Maryland Insurance Commissioner to conduct viatical settlements.

The *viatical settlement provider* is the buyer and becomes the new owner of the life insurance policy, pays future premiums, and collects the death benefit when the insured dies. Viatical settlement providers must be registered with the State Insurance Commissioner.

Consider Your Options

If you're selling your policy to obtain cash to pay expenses, check all of your options. You may find a way to receive more cash from your life insurance policy.

1. Ask your insurance agent or company if you have any cash value in your life insurance policy. You may be able to use some of the cash value to meet your immediate needs and keep your policy in force for your beneficiaries. You may also be able to use the cash value as security for a loan from a financial institution.
2. Find out whether your life insurance policy has an *accelerated death benefit*. An accelerated death benefit typically pays some of the policy's death benefit before the insured dies. It may be a way for you to get cash from a policy without selling it to a third party.

Consumer Tips

- Comparison shop. Get quotes from several potential buyers to make sure you have a competitive offer.
- Find out the tax implications. Not all proceeds from the sale of your life insurance policy are tax-free.
- It's important to know that any of your creditors could make a claim against your cash settlement.
- Find out whether you will lose eligibility for public assistance benefits such as food stamps or Medicaid if you receive a cash settlement.
- The buyer of your policy may periodically ask you about your health status. The buyer is required to give you a privacy notice outlining who will get this personal information. Be sure to read it.

- Check all application forms for accuracy, especially your medical history. All questions must be answered truthfully and completely.

- Make sure the viatical settlement provider agrees to put your settlement proceeds into an independent escrow account to protect your funds during the transfer.
- Remember that, by law, you have the right to change your mind and rescind the transaction within 15 days of receiving the cash payment.

The Maryland Insurance Administration maintains a list of viatical settlement providers and brokers who are registered to do business in the State. The list can be found on the Administration's website: www.mdinsurance.state.md.

Questions to Ask

- Do I still need life insurance protection?
- If I sell my policy, who decides the amount of the settlement offer and how is it calculated?
- Is this an employer or other group policy? If so, do I need permission to sell it?
- If I sell my policy, who will be the legal owner?
- Do I need the advice of a tax or estate planning advisor before I decide to sell my policy?
- Who will have private information about me, my family or my health status?
- After I sell my policy, can it be resold by the buyer?