



1507 Park Center Drive, Unit 1B
Orlando, FL 32835
888-335-4769 ♦ Fax: 321-400-1084
www.assetlifeselements.com

Policy Evaluation and Application Form

Personal Data

First Insured Name: _____ SS #: _____

Current Address: _____

City: _____ State: _____ Zip: _____ Date of Birth: _____

Second Insured Name: _____ SS #: _____

Current Address: _____

City: _____ State: _____ Zip: _____ Date of Birth: _____

Telephone Numbers: Day: _____ Evening: _____

Marital Status: _____ Male: _____ Female: _____ Dependent Children: Yes _____ No _____

Have you been or are you now a party to bankruptcy? Yes _____ No _____

If yes, please attach all discharge papers.

Medical History

Please give a brief description of your medical condition:

Name of Personal Physician: _____

Address: _____

City/State/Zip: _____

Telephone: _____ Fax: _____ Email: _____

Has the Insured used any tobacco or nicotine products within the last 5 years? Yes _____ No _____

If yes, please explain: _____

Please list the names and phone numbers of any additional Physicians and/or Specialist

Name	Phone
_____	_____
_____	_____
_____	_____

Policy Owner Information

Policy Owner(s): _____

Name(s) of Trustee(s): _____ SS or Tax ID#: _____

Current Address: _____

City: _____ State: _____ Zip: _____

Telephone Numbers: Day: _____ Evening: _____

Marital Status: _____ Male: _____ Female: _____ Dependent Children: Yes _____ No _____

Have you been or are you now a party to bankruptcy? Yes _____ No _____

If yes, please attach all discharge papers.

*****Please list any additional owners or Trustees on a separate sheet.**

Beneficiary Information

Name(s) of Beneficiary(ies): _____

Life Insurance Policy Information

Name of Insurance Company: _____

Policy Number: _____ Date of Issue: _____

Coverage/Face Amount: \$ _____ Amount of Premium: _____

Date the Last Premium was Paid: _____ Date Next Premium is Due: _____

Policy Owner Type: **Circle one:** A. Individual B. Trust C. Corporation

Policy Type: **Circle one:** A. Term B. Whole Life C. Universal Life D. Survivorship E. VUL F. Other

Loans: \$ _____ Current Surrender Value: \$ _____

Has this Policy ever lapsed? Yes _____ No _____

What is the Reason for the Sale of this Policy? _____

Fraud Notice

"Any person who knowingly presents false information in an application for insurance or for a viatical settlement contract may be guilty of a crime and may be subject to fines and confinement in prison."

Disclosure Notice and Advice to Policy Owner and Insured

1. Some or all of the proceeds of your life settlement may be taxable under federal income tax and/or state franchise and income tax laws. You should consult a professional tax advisor.
2. The sale of your insurance policy may affect your right to receive Medicaid or other government benefits or entitlements. Advice on such effects should be obtained from the appropriate government agencies.
3. Asset Life Settlements, LLC will only process your life insurance policy through licensed Providers/Purchasing Companies to the extent required by applicable law.
4. Asset Life Settlements, LLC will be compensated. The viatical settlement provider company, not the viator, will compensate Asset Life Settlements, LLC based on a formula in which our net amount equals the lesser of ten percent of the face amount of the life insurance policy or fifty percent of the client's net settlement but not to exceed ten percent of the face amount of the life insurance policy. For example: compensation for a \$100,000 policy could be: $8\% \times \$100,000$ (face value) = \$8,000. Compensation can include, but is not limited to bonuses, overrides, or other funds in addition to agent commissions.
5. There may be possible alternatives to selling your life insurance. This may include the option of an accelerated death benefit or policy loans offered by your life insurance company. You are advised to consult a financial advisor, certified public accountant, or an attorney regarding these potential alternatives.
6. The name, business address, and phone number of the entity that serves as independent third-party escrow agent that disburses your settlement proceeds is: [Furnished at your request]. You may, if you wish, inspect or receive a copy of the escrow agreement or documents for your settlement from the escrow agent.
7. Once you have received your proceeds from the sale of your life insurance policy, you will have thirty (30) days from the date of the contract or fifteen (15) days from receipt of the viatical settlement proceeds, whichever is less, in which to rescind the transaction. If the insured dies during the rescission period, the settlement contract shall be deemed rescinded, subject to repayment of all settlement proceeds. Funds will be sent to you within (3) business days after 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.
8. Your entering into a contract may cause other rights or benefits, including conversion rights and waiver of premium benefits that may exist under the policy, to be forfeited by the viator. Assistance should be sought from a financial advisor.
9. Settlement proceeds could be subject to the claims of creditors.
10. Asset Life Settlements, LLC nor its Principals are affiliated with any Provider/Purchasing Company which could potentially acquire your insurance policy.
11. The insured may be contacted by Asset Life Settlements, LLC or its authorized representative for the purpose of determining the insured's health status. This contact will be limited to no more frequently than once every (3) 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.

12. All medical, financial, or personal information solicited or obtained by Asset Life Settlements, LLC about the insured/policy owner, including the insured/policy owner’s identity or the identity of family members, a spouse, or significant other may be disclosed as necessary to effect the life/viatical settlement between you and the Provider. If the insured/policy owner is asked to provide this information, the insured/policy owner 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/policy owner may be asked to renew his or her permission to share information every two years.

13. All information provided by a viator or insured to a viatical settlement provider or viatical settlement broker will be shared with the insurer that issued the life insurance policy that is the subject of the viatical transaction.

Applicant’s Acknowledgement of Receipt of a Brochure on Viatical/Life Settlements

By my signature hereinafter affixed, I/we confirm and acknowledge that I/we acknowledge receipt of a brochure describing the process of viatical/life settlements.

Signatures

I/We understand that Asset Life Settlements, LLC, has a duty to find the most competitive offer available for my/our life insurance policy (ies). Therefore, I/we hereby grant to Asset Life Settlements, LLC, the exclusive right to broker my/our life insurance policy(ies) which may only be terminated upon thirty (30) days prior written notice. Prior to making the decision to sell the Policy, I/We have had the opportunity to discuss any questions about the transaction with other appropriate professionals such as my/our lawyer, accountant and tax advisor or have freely chosen not to do so.

I/We agree that all of the information provided in this application is material and represent and warrant that all of the information is true and correct to the best of my/our knowledge. I/We acknowledge that I/We have read and understand the contents of the DISCLOSURE NOTICE.

Signature of Insured 1	Printed Name of Insured 1	Date
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Signature of Insured 2	Printed Name of Insured 2	Date
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Signature Policy Owner—(if other than insured)	Printed Name of Policy Owner	Date
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Signature Policy Owner 2—(if applicable)	Printed Name of Policy Owner 2	Date
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Signature of Witness	Printed Name of Witness	Date
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Signature of Broker	Printed Name of Broker	Date
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Authorization for Disclosure of Protected Health Information (HIPAA Compliant)

I, the undersigned individual, authorize the disclosure of my protected health information (“PHI”) as defined under the applicable privacy regulations promulgated pursuant to the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”) as follows:

1. **Classes of Persons Authorized to Disclose My Protected Health Information:** I authorize each doctor, hospital, nurse, pharmacy, physician, physician practice group, laboratory and any other type of health care provider (each, an “Authorized HCP”) having any PHI about me to disclose any and all of my PHI as provided under this authorization. I acknowledge that all of my PHI in the possession or control of any authorized HCP is necessary for the purpose for which this authorization is given as described below. 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 (a) Asset Life Settlements, LLC, (b) any viatical settlement provider, (c) any person who may seek to purchase any life insurance policy insuring my life or other insurance product I own, (d) any financing entity of a viatical settlement provider, including, but not limited to, any of its underwriters, lenders, purchasers of securities and credit enhancers, (e) any life expectancy provider, (f) any life insurance company that has issued a life insurance policy insuring my life, and (g) any of the respective affiliates, agents, employees, representatives, advisors, successors and assigns of any of the persons or entities covered in the immediately foregoing clauses (a) through (f), inclusive (each, an “Authorized Recipient”).

3. **Description of Protected Health Information 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, including information relating to psychiatric or neuropsychiatric conditions, AIDS/HIV and/or drug or alcohol abuse/treatment. The purpose of this authorization and all disclosures of my PHI made under this authorization are for purposes of allowing the Authorized Recipient (a) 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 any Authorized Recipient and (b) 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, that any Authorized Recipient purchases.

4. **Expiration of Authorization:** This authorization shall remain valid until, and shall expire, two (2) years from the date hereof.

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: I understand that no authorized HCP or other covered entity may condition my treatment, payment, enrollment or eligibility for benefits on whether I sign 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 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.

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 retained a copy of this signed authorization for future reference.

INDIVIDUAL:

Signature of Insured	Printed Name of Insured	Date
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Signature of Witness	Printed Name of Witness	Date
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Authorization for Release of Policy Information

I hereby request and authorize _____ (Insert Name of Insurance Company), the issuer of life insurance policy number _____, owned by _____ (Insert Name of Policy Owner), and insuring the life of _____ (Insert Name of Insured), to release to Asset Life Settlements, LLC, and/or its agents, successors, assignees, and affiliates, and their authorized representatives, any and all information concerning the above policy (including any conversions thereof or replacements therefore). This includes, but is not limited to, a complete copy of all policies and policy forms, master policies and certificates for any group policies, all applications, policy illustrations, verification of coverage forms, annual or periodic statements, premium information, change of ownership forms, change of beneficiary forms, and collateral and/or absolute assignment forms, as well as all other information reflecting ownership and benefits payable under the policy, liens and assignments, premium waivers, and all provisions of the policy related to the foregoing.

This Authorization shall be effective and remain valid for twenty-four (24) months from the date of signature entered below. However, if any governing law or regulation limits this authorization to a shorter period of time, then this Release shall remain in force for the maximum period of time allowed by law.

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

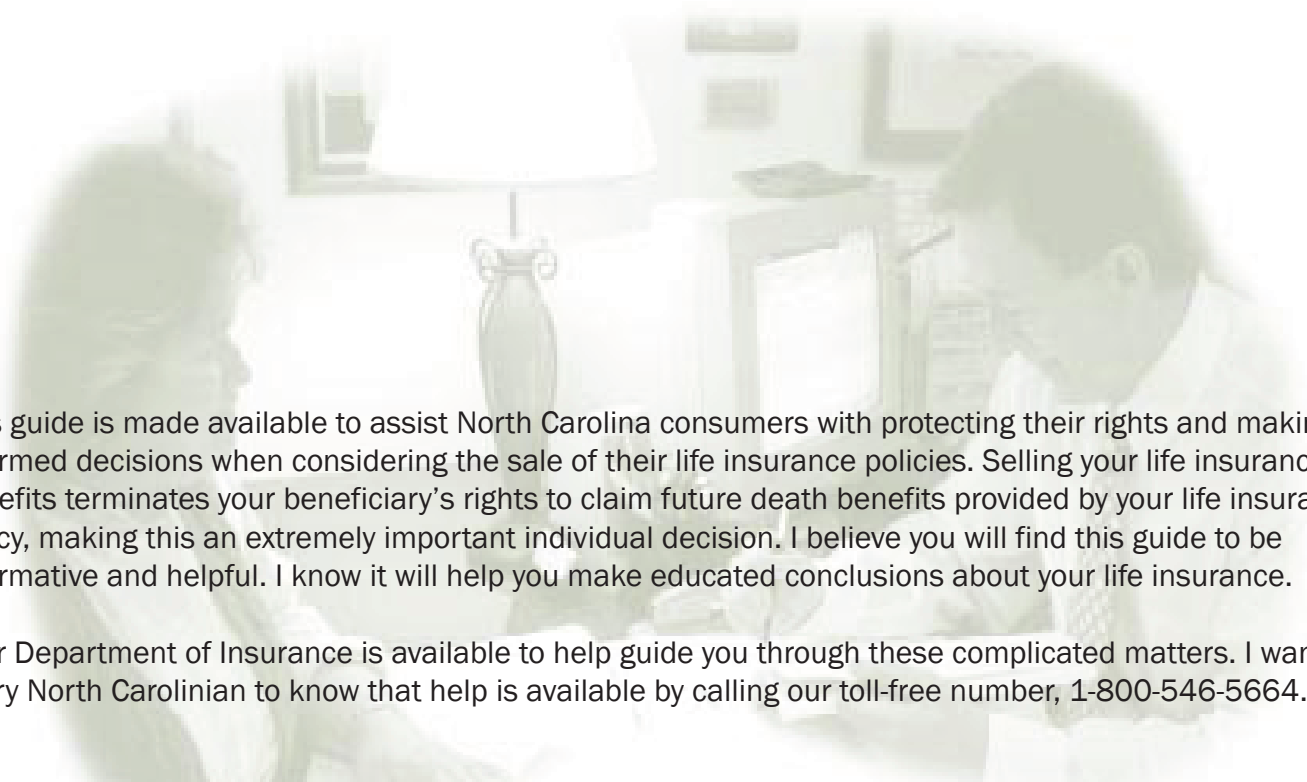
This Authorization may be signed in counterparts if required to complete execution. This Authorization is effective as to each Insured and each Policy Owner immediately upon witnessing of such individual's signature, and is not conditioned upon signature by other insureds or Policy Owners. It shall be sufficient that the signature on behalf of each party appear on one or more such counterparts. However, witnesses must sign the same sheet at the same time as signature of the person whose signature is being witnessed.

EXECUTED BY THE POLICY OWNER AS FOLLOWS:

Signature Policy Owner	Printed Name of Policy Owner	Date
Signature of Witness	Printed Name of Witness	Date
Signature Policy Owner 2	Printed Name of Policy Owner 2	Date
Signature of Witness	Printed Name of Witness	Date

A CONSUMER'S GUIDE TO **VIATICAL SETTLEMENTS**

from YOUR North Carolina Department of Insurance



This guide is made available to assist North Carolina consumers with protecting their rights and making informed decisions when considering the sale of their life insurance policies. Selling your life insurance benefits terminates your beneficiary's rights to claim future death benefits provided by your life insurance policy, making this an extremely important individual decision. I believe you will find this guide to be informative and helpful. I know it will help you make educated conclusions about your life insurance.

Your Department of Insurance is available to help guide you through these complicated matters. I want every North Carolinian to know that help is available by calling our toll-free number, 1-800-546-5664.

Wayne Goodwin

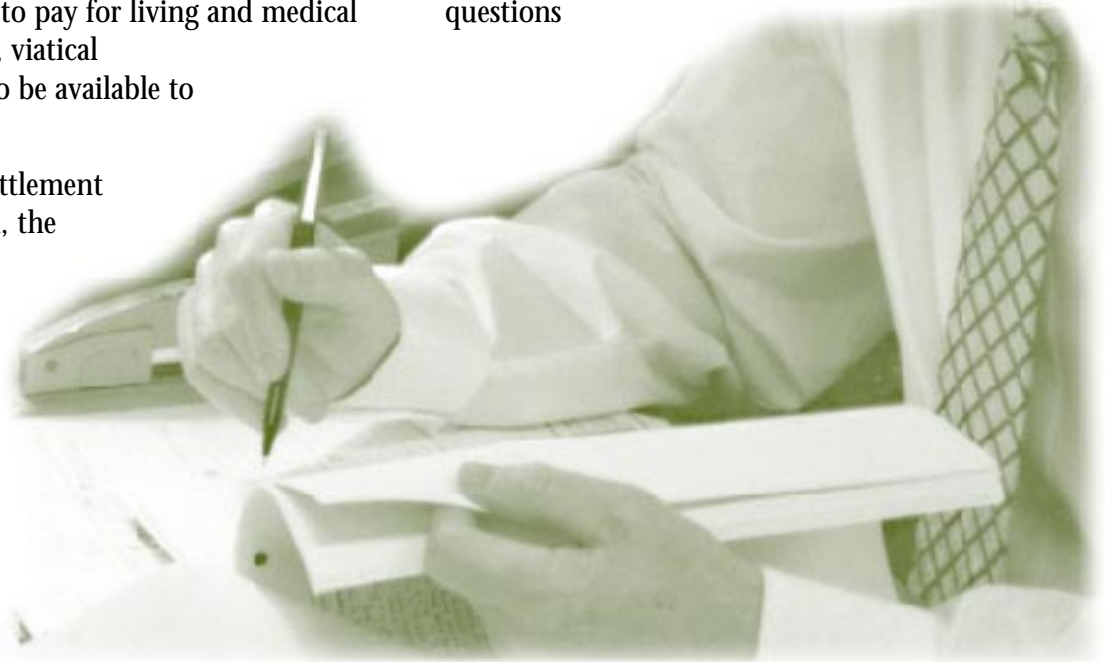
Wayne Goodwin,
Commissioner of Insurance

What is a Viatical Settlement?

A viatical settlement is a contractual agreement to provide a life insurance policyholder immediate cash in exchange for the sale and transfer of life insurance policy ownership rights. Generally, viatical settlements appeal to insureds that are terminally ill and need the cash settlement to pay for living and medical expenses. However, viatical settlements may also be available to healthy insureds.

Once the viatical settlement has been completed, the policyholder relinquishes ownership and control of the policy to the viatical provider, thus terminating the beneficiary's right to collect the death benefit when the insured dies.

anticipated and timely death of the insured person. Viatical settlement investments are considered a type of security. The sale of investments involving viatical transactions are regulated by the North Carolina Secretary of State's Office (Securities Division). If you have questions



From an investment perspective, a viatical settlement is somewhat a speculative transaction involving the

concerning investments in viatical settlements, that office can be reached at 919-733-3924.

Things to Consider Before Selling your Policy

- Your existing life insurance policy may have cash value or other non-forfeiture benefits that might be available to you.
- Selling (viaticating) your policy may create a taxable event resulting in tax consequences for you or your estate.
- Your future situation, circumstances and needs may change.
- You may deny your surviving family members desperately needed life insurance benefits by viaticating your insurance policy.
- Beware of unlicensed, unscrupulous and dishonest viatical settlement providers who might attempt to defraud you.
- If transaction funds and executed agreements are not properly escrowed, you may risk signing over the ownership of your policy without receiving any benefits.
- Life expectancy is an estimate of how long you may live. In actuality, you could live longer or die sooner, regardless of your current state of health. Accordingly, you should consider both scenarios and consider how you and/or your beneficiary might be affected by a viatical settlement.

Who are the Parties Involved?

Knowing the parties involved and understanding industry terminology typically used in this type of financial transaction may provide you with a better understanding of viatical settlements.

- A “viator” is the owner of an individual life insurance policy or a certificate holder under a group policy who enters or seeks to enter into a viatical settlement contract.
- The “insured” is the person on whose life an insurance policy is written. Usually, the insured is also the viator.
- The viatical settlement provider, or “viatical provider,” is a company or individual that purchases the policy from the policyholder. The viatical provider may sell beneficiary and ownership rights to investors.
- The viatical settlement broker, or “viatical broker,” is a person or firm who represents the policyholder and who offers or attempts to

negotiate a viatical settlement between a policyholder residing in North Carolina and a viatical settlement provider.

- An “escrow agent” acts as an independent intermediary and is responsible for seeing that both the viatical settlement provider and the policyholder fulfill their obligations under the viatical settlement agreement. Once the escrow agent receives the full amount of payment from the provider and executed documents from the policyholder transferring ownership, the transaction is finalized. The escrow agent cannot have any affiliation with the viatical broker or provider.

Viatical providers and viatical brokers must be licensed to conduct business in North Carolina. To verify if a provider is licensed, contact the North Carolina Department of Insurance (NCDI) Consumer Services Division toll-free at 1-800-546-5664. To verify if a broker is licensed, contact the NCDI Agent Services Division at (919) 733-7487.

How Does the Process Work?

The process begins when the policyholder (and/or viatical broker) negotiates a price for the life insurance policy with the viatical provider. The negotiated price is usually represented as a percentage of the policy’s death benefit.

The viatical provider then forwards settlement funds to the escrow agent and the policyholder forwards executed documents (transferring ownership of the policy to the viatical provider) to the escrow agent. When both parties have satisfied all their obligations, the transaction is complete (i.e. the policyholder receives settlement funds and the viatical settlement provider receives ownership and control of the policy).

Usually, life insurance policies covering individuals with grave illnesses and shorter life expectancies can be expected to produce much larger viatical



settlement offers than similar policies covering healthy individuals.

* Note: Once a policyholder receives settlement funds, he or she has a “10-day free-look period” in which to change his or her mind and cancel the settlement. The settlement funds must be returned to the viatical provider in order to cancel the viatical settlement under the free look provision.

Before considering a viatical settlement, a policyholder should check with his or her insurance company or agent to find out if the policy qualifies for an accelerated death benefit. Sometimes referred to as “living benefits,” this policy provision provides life insurance benefits to insureds diagnosed with a terminal illness.

Depending on the contract, other qualifying events may also trigger benefits, such as being permanently confined to a nursing home or requiring an organ transplant. Qualifying events can differ from contract to contract. The policy may limit the amount that can be paid and any amounts paid will generally reduce the death benefit payable to the beneficiary.

While some older policies may not grant an accelerated death benefit in the terms of the life insurance contract, many companies are making this option available to their policyholders. A policyholder can check with his or her insurance agent or company to find out if this option is available.

If you accept an accelerated benefit payment, you may become ineligible for Medicaid or other governmental benefits. Also, the benefits may be taxable. We suggest that you consult with your tax and/or legal advisors to determine whether or not this may be the case in your individual situation prior to entering into any financial agreement.

Viatical Settlement Tips

- Shop around. Don't be pressured into selling your policy for a lower value than you feel is appropriate.
- A viatical transaction may require you to disclose confidential personal information including medical records to various individuals involved in the transaction.
- Know who is involved in the transaction, and check them out thoroughly.
- Find out the name of the escrow agent used in the transaction and be sure you are confident that he/she will act as an impartial party in the transaction.
- Find out the name of the licensed viatical provider involved in the transaction if you negotiate through a viatical settlement broker.
- If there is an existing loan against your policy, you may have to pay it back before initiating a viatical settlement.
- Remember, if the viatical provider pays off a policy loan out of the settlement proceeds, you will have to pay the viatical provider that amount, PLUS the actual cash received if you cancel the viatical contract during the “10-day free look” period.
- If the policy is a whole life policy, make sure you consider all policy values including dividends, additional policy face value increases and accidental death, or other benefits, before signing and executing a viatical settlement agreement.
- Any funds received as part of a viatical settlement may be taxable and could change your current tax rate.
- Contact governmental agencies or charitable organizations that may provide benefits to you. Income from a viatical settlement may disqualify you from receiving Medicaid and/or other benefits.
- Obtaining a life insurance policy under false pretense, for any purpose, is illegal. Anyone engaged in such activities can face civil and criminal charges.

Required Disclosures

With each viatical settlement application, the provider or broker must provide the viator with the following disclosures no later than the time the viatical settlement application is signed by all parties. These disclosures must be provided in a separate document that is signed by the viator and the provider or broker.

- 1) There are possible alternatives to contracts including any accelerated death benefits or policy loans offered under the viator's policy.
- 2) Some or all of the proceeds of the viatical settlement may be taxable under federal and state tax code. Assistance should be sought from a professional tax advisor.
- 3) Proceeds of the viatical settlement could be subject to the claims of creditors.
- 4) Receipt of the proceeds of a viatical settlement may adversely affect the viator's eligibility for Medicaid or other government benefits or entitlements, and advice should be obtained from the appropriate government agencies.
- 5) The viator has the right to rescind a contract within 10 business days of receiving the viatical settlement proceeds. If the insured dies during the rescission period, the settlement contract is rescinded subject to repayment of all viatical settlement proceeds and any premiums, loans and loan interest to the provider or purchaser.
- 6) Funds will be sent to the viator within three business days after the 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.
- 7) Entering into a contract may cause other rights or benefits, including conversion

rights and waiver of premium benefits that may exist under the policy, to be forfeited by the viator. Assistance should be sought from a financial adviser.

- 8) Disclosure to a viator shall include distribution of a brochure describing the process of viatical settlements.
- 9) The disclosure document must include the following language: "All medical, financial or personal information solicited or obtained by a provider or 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 viatical settlement between the viator and the 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."
- 10) The insured may be contacted only by the provider, broker or its authorized representative for the purpose of determining the insured's health status. This contact is 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.

A provider must provide the viator with the following disclosures no later than the date the contract is signed by all parties. These disclosures must be conspicuously displayed in the contract or in a separate document signed by the viator and the provider or broker:

- 1) The affiliation, if any, between the provider and the issuer of the insurance policy to be viaticated including the name, address and telephone number of the provider.

- 2) A broker shall disclose to a prospective viator the amount and method of calculating the broker's compensation. The term "compensation" includes anything of value paid or given to a broker for the placement of a policy.
- 3) If an insurance policy to be viaticated has been issued as a joint policy or involves family riders or any coverage of a life other than the insured under the policy to be viaticated, the viator shall be informed of the possible loss of coverage on the other lives under the policy and shall be advised to consult with his or her insurance producer or the insurer issuing the policy for advice on the proposed viatical settlement.
- 4) The dollar amount of the current death benefit payable to the provider under the policy. If known, the provider shall also disclose the availability of any additional guaranteed insurance benefits, the dollar amount of any accidental death and dismemberment benefits under the policy and the provider's interest in those benefits.
- 5) The name, business address and telephone number of the independent third-party escrow agent and the fact that the viator or owner may inspect or receive copies of the relevant escrow or trust agreements or documents.

Glossary

Beneficiary – The person(s) designated to receive the death benefit from a life insurance policy upon the death of the insured. In a viatical settlement, one or more investors may receive this designation on an "irrevocable" basis (i.e. no one can change it without written permission from the beneficiary).

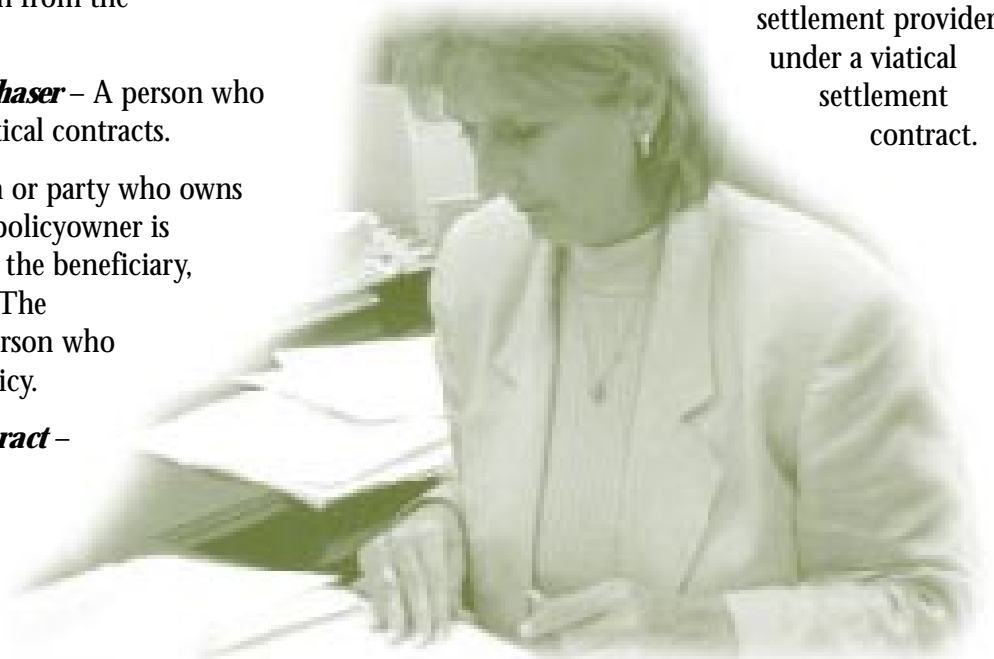
Viatical Settlement Purchaser – A person who invests in one or more viatical contracts.

Policyowner – The person or party who owns an insurance policy. The policyowner is usually the insured and/or the beneficiary, but can be someone else. The policyowner is the only person who can make changes to a policy.

Viatical Settlement Contract – A written agreement establishing the terms under which compensation or anything of value will be paid to the

policyowner in exchange for the policyowner's (viator's) assignment, transfer, and/or sale of all ownership rights in a life insurance policy.

Viaticated Policy – A policy that has been acquired by a viatical settlement provider under a viatical settlement contract.



How to Reach Us

IF YOU HAVE QUESTIONS...

The Consumer Services Division of the Department of Insurance is here to help.

800-546-5664	Toll free
919-807-6750	Outside of North Carolina
919-715-0319	TDD (Telephone Device for Deaf Callers)
919-733-0085	Fax

You can find additional information as well as a downloadable copy of our complaint form on the North Carolina Department of Insurance Web site at www.ncdoi.com.

North Carolina Department of Insurance
430 North Salisbury Street
1201 Mail Service Center
Raleigh, NC 27699-1201
www.ncdoi.com