



How To Earn a Referral Fee Legally From Life Settlements

While Helping Your Clients With Their Priorities

CANADIAN
LIFE SETTLEMENTS



Key Questions To Be Answered In This Webinar

- Are they legal?
- How do you balance your clients' interests?
- How can you earn compensation legally?
- How to sign up for an “Opportunity Review”

Morris Adams CPA, CA

91 year Old's Fight to Take Care of His Wife



Paul Tyers, CPA, CA, CFP



- Life insurance agent, financial planner *, portfolio manager
- Advisory Board Member - Life Insurance Settlement Association (US)

*Winner of Planplus Global Financial Planning award 2017 and 2018

Actual Life Settlement Example

| Options | Keep Policy | Borrow on CSV | Cancel Policy | Life Settlement |
|--|-------------|--------------------------------|---------------|-----------------|
| Proceeds Now | \$0 | \$7k | \$10k | \$115k |
| Estate Benefit (Net of Premiums to LE) | \$345k | \$338k (less accrued interest) | \$0 | \$0 |

Actual Life Advance Example

| | Keep Policies | Borrow on CSV | Accelerated Benefit | Life Advance |
|--|---------------|---------------|-------------------------------------|--------------|
| Proceeds Now | \$0 | \$0 | \$25,000 (received - 4% interest) | \$1,185,000 |
| Estate Benefit (Net of Premiums + Advance) | \$1,999,750 | \$1,999,750 | \$1,975,000 (less accrued interest) | \$466,000 |

What Do Clients Expect From Their Advisors?

- Their interests to come first . . . formal fiduciaries or not
- To be informed and proactively recommending solutions



Legalities for Life Settlements/Advances

Clients

- All policies provide the right to change beneficiaries
- All policies provide the right to change ownership or collateralize



Advisors

- Only insurers or their Duly Authorized Agents can transact legally - otherwise trafficking



- Agents, professionals eligible to receive a referral fee (plus over-ride) which we prefer/don't insist be disclosed

Who, What, How and Compensation

Who Qualifies?

- All policy owners over age 70
- Policy owners under age 70 with terminal illness
- Above who would like to lower premium expense and/or access capital/income

How

- Agents tab canadianlifeselements.com
- Review your client base with CLS Business Development advisor
- Complete confidentiality of your referral

Policy Criteria

- > \$100,000 death benefit
- Permanent, UL, Convertible term
- May be a partial settlement/advance

Referral Fee

- 1% of the Death Benefit of a qualifying policy, payable after closing

* Up to 100% override can be earned as volume grows



Actual Life Settlement Example

| Options | Keep Policy | Borrow | Settlement |
|--------------------------------|-------------|------------------------------|------------|
| Proceeds Now | | | \$115k |
| Estate (Net of P...) | | \$5k (less accrued interest) | \$0 |

Compensation: \$5,000, Volume Over-ride: Up to \$5,000

Actual Life Advance Example

| | Keep Policies | Borrow | Life Advance |
|---|---------------|-------------------------------------|--------------|
| Proceeds Now | | | \$1,185,000 |
| Estate Benefit (Net of Premi | \$1,997,750 | \$1,975,000 (less accrued interest) | \$466,000 |

**Compensation:
Referral Fee: \$20,000, Volume Over-ride: Up to \$20,000**

Are There Untapped Opportunities in Your Book?

- Important alternatives for seniors
- Uncover client priorities and provide solutions
- Earn incremental income from established client base
- **Meet soon for an “Opportunity Review”**

