

Example of A Life Settlement

SITUATION THEN

A policy owner purchased the policy at age 70 for the benefit of her children who were in their 40's.

SITUATION NOW

Owner is now age 88 and needs more income. The children are in their 60's, with sufficient financial resources

POLICY INFORMATION

Death Benefit: \$500K Yearly Premiums: \$23,870 Current Cash Surrender Value: \$10K

	CURRENT OPTIONS FOR THE CONSUMER			WHAT LIFE SETTLEMENTS PROVIDE
	Keep Policy	Borrow on CSV	Cancel Policy	Life Settlement
Proceeds Now	\$0	\$7k	\$10k	\$115k
Estimated Premiums left to Life Expectancy	\$155k (Owner Paid)	\$155k (Owner Paid)	\$0	\$155k (CLS Paid)
Estate Benefit (Net of Premiums Paid)	\$345k	\$338k	\$0	\$0

Example of A Life Advance

SITUATION THEN

Ontario business owner took out a policy as security for his spouse and young family.

SITUATION NOW

Diagnosed with a terminal illness (life expectancy 1 year) Seeking capital to enjoy family time now; while maintaining some estate value for spouse

POLICY INFORMATION

Death Benefit: \$2,000,000 Premiums: \$250/yr Current Cash Surrender Value: \$0

	CURRENT OPTIONS FOR THE CONSUMER			WHAT A LIFE LOAN PROVIDES
	Keep Policies	Borrow on CSV	Accelerated Death Benefit (From the Insurance Company)	Life Loan
Proceeds Now	\$0	\$0	\$25,000	\$1,185,000
Estimated Premiums left to Life Expectancy	\$250	\$250	\$0	\$250 (Paid by LILLO)
Estate Benefit (Net of Premiums + Advance)	\$1,999,750	\$1,999,750	\$1,975,000	\$466,000