

LIFE SETTLEMENT TRANSACTION DISCLOSURE STATEMENT
[_____], 20[____]

THIS LIFE SETTLEMENT TRANSACTION DISCLOSURE STATEMENT CONTAINS IMPORTANT INFORMATION CONCERNING THE SALE OF YOUR LIFE INSURANCE POLICY, INCLUDING THE TOTAL COMMISSION TO BE PAID TO YOUR BROKER. BEFORE EXECUTING THIS DOCUMENT OR THE AGREEMENT FOR THE SALE OF YOUR POLICY, PLEASE REVIEW ALL INFORMATION THAT IS PRESENTED TO YOU CAREFULLY TO ENSURE THAT YOU, AS SELLER, UNDERSTAND AND AGREE WITH THIS INFORMATION.

AS THE PURCHASER OF YOUR LIFE INSURANCE POLICY, **[INSERT NAME OF PROVIDER]** ("PROVIDER") WILL PAY YOUR BROKER A COMMISSION, WHICH YOUR BROKER MAY SHARE WITH OTHER PARTIES. QUESTIONS REGARDING ANY COMMISSION PAID AND ANY SHARING ARRANGEMENTS BETWEEN BROKERS SHOULD BE DIRECTED TO YOUR BROKER. YOUR BROKER REPRESENTS YOU ALONE IN THIS TRANSACTION AND IS NOT AN AGENT OF OR AFFILIATED WITH THE PROVIDER.

[PLEASE NOTE THAT SOME OF THE ENTRIES BELOW ARE ESTIMATES. YOU WILL BE PROVIDED WITH A FINAL, DEFINITIVE DISCLOSURE STATEMENT AT CLOSING DETAILING THE CALCULATION OF THE NET PURCHASE PRICE PAYABLE]¹

1.	Name of Seller of Policy:	
2.	Name of each Insured under Policy:	
3.	Name of Insurance Carrier:	
4.	Policy Number:	
5.	Name of each of your Brokers and/or Agents:	
6.	Policy Face Amount (sometimes referred to as the "death benefit"):	\$ _____
7.	Account Value (as set forth in a verification of coverage form, dated __ ____, from the insurance carrier)	\$ _____
8.	Policy Cash Surrender Value (as set forth in a verification of coverage form, dated __ ____, from the insurance carrier):	\$ _____
9.	Loan Amount on Policy (if any)	
10.	Gross Purchase Price for the Policy (Broker /Agent Fee plus Seller's Net Proceeds):	\$ _____

¹ Remove in final, definitive disclosure statement delivered at closing

_____ Seller's Initials

<p>11. Total amount (if any) to be paid directly to your insurance carrier and/or creditors on the closing date in order to pay-off any outstanding loan balance, including accrued interest:</p> <p>USE ONLY IF LOANS LISTED ON ITEM 9 ABOVE ARE BEING PAID OFF DIRECTLY BY THE PURCHASER AT THE CLOSING AND THE SELLER HAS AGREED AND INSTRUCTED THE PURCHASER TO DO SO.</p>	<p>\$ _____</p>
<p>12. Broker/Agent Fee (total amount of compensation being paid to your brokers and/or agents, (including anything of value paid or given in connection with the sale of your policy, from the Gross Purchase Price):</p>	<p>\$ _____</p> <p>NOTE: Your Broker may share this commission with other parties.</p>
<p>13. Diminution in Account Value at time of closing (calculated by taking Item 7 above and subtracting the Account Value at the time of Closing):</p> <p>USE ONLY IF THE ACCOUNT VALUE IS LOWER AT TIME OF CLOSING, OTHERWISE STATE \$0.</p>	<p>\$ _____</p>
<p>14.a Premium Reimbursement Amount (the amount of premiums you paid to the insurance carrier for which Purchaser has agreed to reimburse you):</p>	<p>\$ _____</p>
<p>14. b. Premium Reduction Amount (premiums paid by the Purchaser which relate to a period of time when you still owned the life insurance policy)</p>	<p>\$ _____</p>
<p>15. Net Purchase Price payable to you at closing:</p>	<p>\$ _____ (includes premium reimbursement, if any, agreed to be paid by the Purchaser).</p> <p>NOTE: This amount is calculated by starting with line 10, subtracting lines 11, 12 and 13 and adding line 14a (or subtracting line 14b).</p>
<p>16. See <u>Annex A</u> attached hereto for additional disclosures.</p>	

_____ Seller's Initials

This Life Settlement Transaction Disclosure Statement is acknowledged and agreed to as of the date first set forth above.

SELLER

By: _____

Print Name: _____

Title: _____ (if applicable)

Subscribed and Sworn to before
me this [__] day of [_____],
20[__]:

Notary Public Seal

ADDITIONAL SELLER:^[1]

By: _____

Print Name: _____

Title: _____ (if applicable)

Subscribed and Sworn to before
me this [__] day of [_____],
20[__]:

Notary Public Seal

USAGE NOTES:

1. This Life Settlement Transaction Disclosure Statement has not been approved for use in any jurisdiction. Please check with your state's insurance department before using this form.
2. Certain states may require the life settlement broker to acknowledge and sign this Life Settlement Transaction Disclosure Statement.
3. You should consult your counsel before using this Life Settlement Transaction Disclosure Statement in order to ensure that it complies with applicable law and regulations.

^[1] Each seller must execute this Life Settlement Transaction Disclosure Statement.

ANNEX A

ADDITIONAL DISCLOSURES

[Drafting Note: Additional disclosures, including any disclosures required by the state in which your life settlement transaction is taking place, should be inserted in the space provided immediately below.]