

The Basics of Life Settlements



Your Life Insurance Policy is an Asset

A life insurance policy is more than just a safety net; it's a valuable asset. However, unlike a home or investment account, where the value is clear and accessible, the worth of a life insurance policy often remains hidden. A life settlement allows policy owners to tap into that hidden value instead of surrendering their policy for little to no return.

With a life settlement, you can sell your existing life insurance policy to a third party for more than its cash surrender value but less than its net death benefit. The policy owner transfers ownership in exchange for an immediate cash benefit or, in some cases, a reduced interest in the death benefit for the policy's beneficiaries.

Reasons to Consider Selling Your Policy

- Premiums have become unaffordable.
- Funds are needed to cover medical expenses or other financial obligations.
- You want to reinvest the equity you have built to pursue a better opportunity.
- Your life or business circumstances have changed.

6.5X

more than the policy's cash surrender value is what a life settlement can provide, allowing policy holders to maximize the value of their existing life insurance.¹

Gaining Financial Flexibility with a Life Settlement

A life settlement can provide financial flexibility when you need it most. If you are considering selling your policy, it is important to explore your options and understand how a life settlement may benefit you.

¹Conning, Inc., *Life Settlements: Continued Growth, Positive Outlook*.