

Life Settlement Overview for Advisors and Trustees

As a financial advisor or estate attorney, you revel in the opportunity to improve the financial futures of your clients. But you may not be aware of one of their high-value financial assets.

What is a Life Settlement?

70+-year-olds may be wasting payments toward unwanted, unneeded, or underperforming life-insurance that will run out too soon. But they can sell the policies, stop making payments, and get substantial payouts now.

And there's a completely safe way to do this that maximizes their returns.

At Life Settlements by GWE, we set up an auction with up to thirty licensed and state-approved funds competing for a chance to buy your client's policy. We'll bring them the highest bid:

- Refuse the offer and pay nothing.
- Accept the offer and receive a check.



We work on a transparent, contingency basis- half the industry standard. So we are incentivized to get you the best offer possible. Most of our customers sell their policies for over four times the cash value their insurers offer. That's often enough to fund a dream vacation or fund a grand kids college education.

New Era of Life Settlements

When circumstances change, a policy owner may not be able to, want to, or afford to maintain a life insurance policy. Until recently, a policy owner could only go to the insurance company that issued the policy and either cancel the coverage, surrender the coverage for the cash value of the policy, or apply for some other nonforfeiture benefit. Over the past several years, institutional life settlement companies have emerged and now give policy owners an attractive alternative to canceling a policy, reducing the policy, or surrendering the policy for its predetermined cash surrender value.

Tax Cuts and Jobs Act of 2017

The TCJA has increased the growth trend in life settlements industry given the increased estate tax exemptions. Additionally, the TCJA clarifies the previous tax Ruling 2009-13 and eliminates the requirement to remove cost of insurance (COI) from the cost basis of a policy sale thereby putting policy sale on a level playing field with policy surrender resulting in more favorable tax treatment for the client.

Clients that May be Eligible

- Over 70 years old OR experienced a major change in health status
- Term or Permanent life insurance forms
- At/ Over \$500,000 of coverage benefit
- Trust, Personal, or Business Owned



case study

client

76-year-old male
average health

policy

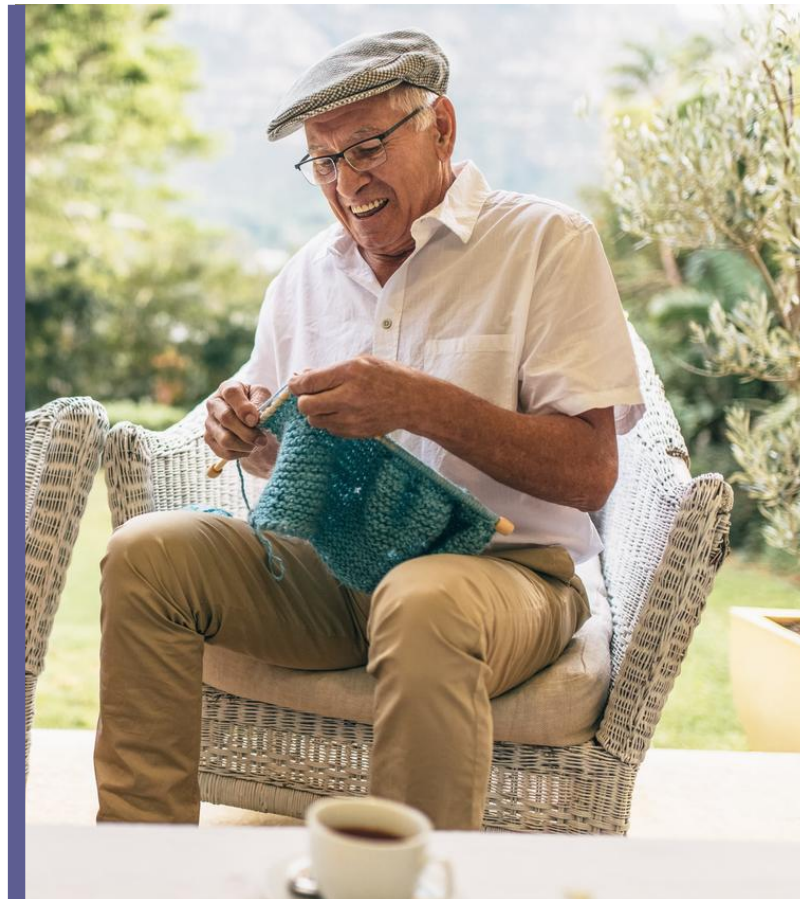
\$2,500,000 convertible term
expiring in 6 months
Trust-Owned
No cash surrender value

reason for settlement

No longer a need for the
insurance
Did not want to convert

outcome

\$150,000 cash settlement



Your client's life insurance policy is an asset they own and have every legal right to sell.