



**HABERSHAM**  
FUNDING LLC

[www.YouCanSellYourLifeInsurance.com](http://www.YouCanSellYourLifeInsurance.com)  
Toll Free: (888) 874-2402

### A related product

You may have heard of a “life settlement” – a cousin of the viatical settlement – for seniors 70 or older who are not necessarily facing catastrophic health challenges. These are usually undertaken for the purposes of estate- or financial planning. Unlike viatical settlements, life settlements are not normally tax free.

You can learn more about Life Settlements and Reasonable Safeguards when considering any settlement on the next page.

## Potential financial relief: Sell your life insurance

### An option for people with serious illness

*Anyone who faces serious illness knows that* financial challenges often accompany health issues. The good news is an option called a viatical settlement, through which an existing life insurance policy can be sold for more than its cash surrender value but less than its net death benefit.

*A viatical settlement is the sale of an existing* life insurance policy for more than its cash surrender value but less than its net death benefit. You may be eligible for a viatical settlement if your life expectancy is 60 months or less.

Viatical settlements are regularly conducted in cases in which the insured person is fighting a serious or life-threatening illness.

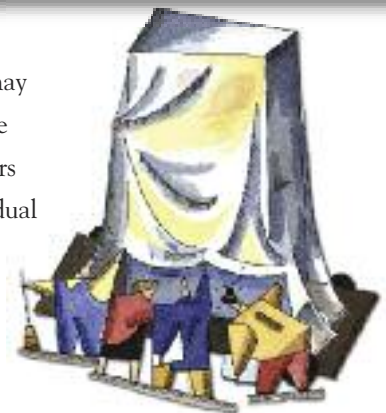
The proceeds of a viatical settlement can be used for anything, including direct healthcare expenses, alternative treatments, paying other bills, or simply to maintain quality of life.

If health issues have you looking for financial relief, a viatical settlement may be an option for you. Investigate the possibilities and, mostly, realize that viatical settlements are not for everyone and that not everyone qualifies.

*Whether you decide to pursue a settlement of your life policy or not, it's important for you to be educated about the process so you can make the best – the healthiest – decision for your individual circumstances.*

### Tax Considerations

Viatical settlements may be taxable; however, some viatical settlements may be excludable from income tax, at the Federal and/or State level. Consumers and their advisors should seek individual tax advice applicable to the specific transaction and to your specific circumstances.



## Reasonable safeguards

The settlement industry is increasingly highly regulated, and regulation is on a state-by-state basis. The very fact that the industry is highly regulated provides the comfort of knowing that the licensed entities involved in policy sales are governed.

Your settlement provider should be prepared not only to help you understand the transaction, but also to help your family and advisors understand viatical settlements and how they may fit your individual circumstances. Also consider:

- It is prudent to proceed with caution when making ANY major financial decision, especially one that deals with the disposal of benefits that may or may not be able to be replaced.
- Do you still need the life coverage you are considering selling? If so, a viatical settlement may not be for you.
- Receiving any lump sum of cash may affect other needs-based benefits you receive; keep this in mind when considering a viatical settlement or any other transaction that generates an influx of cash.



## More about Life Settlements

- Most types of individual life insurance policies (and many group policies) may qualify for a settlement as long as they are at least \$50,000 in face value and are at least two years old. These include virtually every policy type, including term, whole, universal, variable, group or joint survivorship.
- Policies may be owned individually, or through corporations, foundations, trusts, non-profit organizations or businesses.
- Once your policy is sold, you will no longer be responsible for paying premiums.
- You will be asked various questions about your medical status and you will be asked to sign a release allowing the potential buyer of your policy to obtain and review your medical records for analysis.
- The purchase price of a life policy is based on a number of variables including the health status and age of the insured, the face value and type of insurance, and the premium amount. The settlement you are offered depends on your individual circumstances.
- You are not required to pay an application fee for a viatical settlement. ***If you decide not to accept a settlement offer, you should owe nothing.***



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