

# Life Settlement Transaction (1 of 3)

**When a policy owner applies for a life settlement transaction, it is important that the following disclosures be made:**

- There are possible alternatives to the life settlement (i.e., accelerated benefits).
- The transaction may have tax implications and advice should be sought from a qualified tax advisor.
- The transaction may affect creditors' rights.
- There may be an effect on conversion rights and waiver of premium benefits.
- A life settlement transaction may limit ability to purchase future life insurance.
- Rescission rights exist.
- The date by which funds will be available must be disclosed.
- The owner will be required to disclose medical, financial, and personal information.
- The insured will be contacted periodically to determine health status.