

Simplified Settlements[®]

Executive Brief for Financial Advisors

For years, life settlements have been limited to larger policies. Not anymore. Simplified Settlements deliver new options to your clients with smaller face amount policies, helping you strengthen existing relationships and grow your core business. To learn more about this compelling opportunity, read on.

SMALL POLICIES. BIG OPPORTUNITY.

With Simplified Settlements, Coventry has once again transformed the secondary market for life insurance. Now, consumers with policies between \$100,000 and \$500,000 can access the market value of their life insurance.

Simplified Settlements offer policyowners the advantages of traditional life settlements and SWAPP[®] with one major difference – a streamlined underwriting process – which means transactions can close considerably faster. So instead of surrendering smaller policies that are no longer needed, advisors can help clients realize significantly more value – with a quicker turnaround.

Simplified Settlements present a tremendous opportunity for advisors to reach out to new and existing clients. By helping these individuals transform unneeded policies into valuable assets, advisors not only strengthen key relationships – they can grow their core business.

IDEAL CANDIDATES.

Insureds aged 65 to 90 with an unneeded policy of \$100,000 – \$500,000. (Select cases between \$500,000 and \$1 million may also qualify.)

SWIFT AND SIMPLE PROCESS.

Simplified Settlements offer a streamlined four-step process.

- A completed Simplified Settlement questionnaire, carrier illustrations and authorization are submitted to Coventry.
- Coventry evaluates the policy and determines if an offer can be made.
- Coventry relays the offer to the advisor.
- The offer must be accepted and closing documents must be returned to Coventry within 30 days of the offer being extended.

CASE STUDIES

INSURED Male age 81 **FACE AMOUNT** \$250,000
POLICY Universal Life **CASH VALUE** \$1,100

Coventry provided the policyowner with \$50,000.

The policyowner held a universal life policy for 19 years, but circumstances forced him to withdraw much of its value. As a result, the cash value was reduced to \$1,100. In addition, premiums had risen to \$8,000 annually, which he could not afford to pay. His advisor recommended a policy valuation. Coventry provided him with \$50,000 for the policy. And a Simplified Settlement allowed the transaction to be completed within 90 days.

INSURED Male age 70 **FACE AMOUNT** \$999,999
POLICY Term **CASH VALUE** \$0

Coventry provided the policyowner with \$21,000 for a policy that had no surrender value.

The policyowner, a financial advisor, had recently retired. He no longer needed the policy and considered letting it lapse, but being familiar with life settlements, decided to obtain a policy valuation. Coventry provided him with \$21,000 for a policy that had no surrender value. The proceeds helped to supplement his retirement income.

INSURED Male age 69 **FACE AMOUNT** \$300,000
POLICY Term **CASH VALUE** \$0

Coventry provided the policyowner with \$7,500 for a policy that had no surrender value.

The policy was originally purchased in 2007 by the policyowner for the benefit of his spouse. Finding he could no longer afford the premium payments, he approached his advisor for help. His advisor suggested a policy valuation as well as replacing the policy with a new term policy. Coventry provided the policyowner with \$7,500 for a policy that had no surrender value. He used the proceeds to fund the new policy.

ABOUT COVENTRY

Coventry created the secondary market for life insurance and established a new class of consumer-driven secondary market transactions. By uniquely bridging insurance and capital markets, we have opened a wealth of opportunities for policyowners and the financial professionals who serve them. Our efforts have delivered more than \$3 billion to policyowners.

As the market leader, Coventry continues to drive the industry forward. By expanding opportunities and setting new standards of excellence in everything we do, Coventry is making life insurance more flexible, more powerful and more valuable. And it will never be the same.

NEXT STEPS.

To learn more about Simplified Settlements and other new options available through the secondary market for life insurance, call 877-836-8300 or visit coventry.com.

This brochure is only intended for insurance and financial planning professionals, and is not for consumers or owners of individual life insurance policies. The case example details stated herein may be approximations and were reported to Coventry by the policyowner's representative and are being presented by Coventry without independent verification by the policyowner. ©2012 Coventry First LLC. All rights reserved. 10.12