



DISCLOSURE TO VIATICAL SETTLEMENT APPLICANT

With each application for a viatical settlement, a viatical settlement provider or viatical settlement broker shall provide the viator with at least the following disclosures by the date of application for a viatical settlement contract.

You should carefully read the following points and seek financial, insurance, tax and other advice where appropriate.

The owner of the life insurance policy, the viator, should be aware of the following:

1. That there are possible alternatives to viatical settlement contracts for persons who have a catastrophic or life-threatening illness including, but not limited to, accelerated benefits offered by the issuer of a life insurance policy.
2. That proceeds of the viatical settlement could be taxable, and assistance should be sought from a personal tax advisor.
3. That viatical settlement proceeds could be subject to the claims of creditors.
4. That receipt of viatical settlement proceeds could adversely affect the recipient's eligibility for Medicaid or other government benefits or entitlements and advice should be obtained from the appropriate agencies.
5. That all viatical settlement contracts entered into in Florida must contain an unconditional rescission provision which allows the viator to rescind the contract within 15 days after the viator receives the viatical settlement proceeds, conditioned on the return of such proceeds.
6. The viatical settlement provider company, not the viator, may compensate LIS based on a formula that is a percentage of the face value of the life insurance policy. For example, compensation for a \$100,000 policy could be: $8\% \times \$100,000$ (face value) = \$8,000.00.
7. The viator has the right to obtain the name, business address, and telephone number of the independent third-party escrow agent and the viator may inspect or receive copies of the relevant escrow agreement.
8. That the viator has the right to know, upon request, the identity of any person who will receive or has received a commission or other form of compensation from the viatical settlement provider with respect to their viatical settlement and the amount and terms of such compensation.

Signature page to follow

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VIATOR'S ACKNOWLEDGMENT: I have read and fully understand this disclosure form. I have received a copy of this disclosure to keep for my records.

LIFE INSURANCE POLICY OWNER/VIATOR

Signature: _____

Printed Name: _____

Date: _____

LIFE INSURANCE POLICY OWNER/VIATOR

Signature: _____

Printed Name: _____

Date: _____

VIATICAL SETTLEMENT BROKER

Signature: _____

Printed Name: _____

Date: _____

This signature page may be duplicated if there are more than two (2) viators.



VIATICAL SETTLEMENT BROKER AUTHORIZATION & SERVICES AGREEMENT

As one of the major firms in the settlement industry brokering life policies, Life Insurance Settlements, Inc. and its staff of experienced and trained professionals continually strive to set the standards nationwide in the areas of corporate responsibility, professionalism, adherence to compliance and regulatory issues, and the highest ethical treatment of clients and business associates. We represent the best interests of our clients and maximize the sales value of their policy(ies) in the secondary market. As your designated viatical settlement broker, Life Insurance Settlements, Inc. incurs the necessary, required and related costs to facilitate your viatical settlement transaction while providing the following services including but not limited to:

- Evaluation Form assessment.
- Medical underwriting and insurance verifications.
- Obtaining and forwarding independent third-party life expectancy reports.
- Submission to multiple authorized and /or registered viatical settlement providers.
- Best execution negotiation to maximize fair market value of viatical settlement.
- Closing services including contract review and assistance with contingency requirements of viatical settlement providers.

In consideration of the services provided and related costs incurred as described above, I/We authorize Life Insurance Settlements, Inc. to act as my/our broker and to evaluate, underwrite, solicit, generate and secure offers beginning on the date of execution of the Agreement and continuing for 365 days, or one calendar year, whatever is longer after the final offer is obtained/acquired regarding and/or related to the purchase of the following life insurance policy(ies) for the insured(s) _____:

Policy number _____ Issued by _____

Policy number _____ Issued by _____

By signing this authorization and agreement, I/we am/are aware:

1. Committing for the period of time described above to Life Insurance Settlements, Inc. and to no other individual or entity, including but not limited to any broker, producer and financial advisor, to evaluate, underwrite, solicit, generate and secure conditional and appropriate offers, as determined by Life Insurance Settlements, Inc. pursuant to its typical business model, methods and practices, for the sale of my/our life insurance policy(ies) as state above.
2. Recognizing the proprietary nature of such appropriate, conditional offers as evaluated, underwritten, solicited, generated and secured by Life Insurance Settlements, Inc. for the period as described above and pursuant to this Broker Authorization & services Agreement.

In all respects in connection with the transaction, the broker, Life Insurance Settlements, Inc. will act exclusively on behalf of the viator and the insured, and owes duties to the viator and the Insured, and has not acted on behalf of, and owes no duties to, the viatical settlement provider or its successors or permitted assigns.

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The Broker, Life Insurance Settlements, Inc. will use its best efforts, on behalf of the viator, to obtain the most favorable terms and conditions for the viator in respect of the sale of the policy, including, without limitation, the best price for the policy. Life Insurance Settlements, Inc. issues no guarantee that the life insurance policy will be sold, and is under no obligation to purchase the policy or to ultimately find a viatical settlement provider for the policy(ies) and is not responsible for any breach committed by a viatical settlement provider, if such viatical settlement provider is identified.

I/We understand that Life Insurance Settlements, Inc. has a duty to find the most competitive offer available for my/our life insurance policy(ies). Therefore, I/we hereby grant to Life Insurance Settlements, Inc. the exclusive right to broker my/our life insurance policy(ies) which may only be terminated upon thirty (30) days prior written notice. Prior to making the decision to sell the policy, I/We have had the opportunity to discuss any questions about the transaction with other appropriate professionals such as my/our lawyer, accountant and tax advisor.

The undersigned acknowledges they have read and accept receipt of a copy of this Broker Authorization & Services Agreement.

LIFE INSURANCE POLICY OWNER/VIATOR

Signature: _____

Printed Name: _____

Date: _____

INSURED (if other than the viator)

Signature: _____

Printed Name: _____

Date: _____

LIFE INSURANCE POLICY OWNER/VIATOR

Signature: _____

Printed Name: _____

Date: _____

INSURED (if other than the viator)

Signature: _____

Printed Name: _____

Date: _____

VIATICAL SETTLEMENT BROKER

Signature: _____

Printed Name: _____

Title: _____

Date: _____