

**THE KENTUCKY LIFE SETTLEMENT DISCLOSURE FORM
NOTICE REGARDING LIFE SETTLEMENT CONTRACTS**

NOTE: SELLING YOUR LIFE INSURANCE POLICY could be a good decision or a bad one. Make sure you understand the facts. It is important that you read the following information.

- 1) Always check to see if there are possible alternatives to selling your policy. For example, check your insurance policy to see if you have an accelerated death benefit rider.
- 2) The life settlement proceeds may be subject to the claims of creditors.
- 3) Some or all of the proceeds of the life settlement may be taxable, and that assistance should be sought from a professional tax advisor.
- 4) Receipt of life settlement proceeds may affect your eligibility for Medicaid or other government benefits.
- 5) Your life insurance policy may have additional benefits such as coverage for long-term care, and may even be additional family members insured. Review your policy and be sure you are aware of all the benefits included before you decide to sell the policy and risk the loss of the additional benefits.
- 6) You have the option to cancel the life settlement contract **before the earlier of** ~~within~~ 30 days after the contract is signed by all parties, or ~~within~~ 15 days after you receive the proceeds.
- 7) You will receive the proceeds from the life settlement within 3 days after the change of ownership and beneficiary has been completed.
- 8) The insured may be contacted once every 3 months to verify the insured's health status and address.
- 9) The insured's private information may be provided to someone who buys the policy or provides the funds for the purchase.
- 10) Selling the life insurance policy of an insured may limit the amount of life insurance the insured will be able to purchase in the future.