



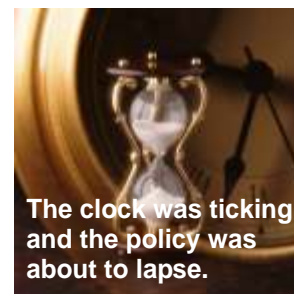
## West Coast Community Foundation Receives \$1.395 Million Life Settlement



**T**his case involved on the nation's largest community foundations to which a donor had gifted a \$4 million second-to-die life insurance policy. When the insured passed away, the spouse was unable to maintain the premiums and the foundation considered surrendering the policy for \$474,000. The family's insurance agent, who was knowledgeable about life settlements and how the product could be applied in the non-profit sector, suggested a life settlement. The agent explained the process to the planned giving staff, and the decision was made to contact Advanced Settlements to request that we shop the policy on the secondary life insurance market. We were successful in obtaining an offer for \$1.395 million, which was nearly three times the cash surrender value. This allowed the charity to maximize the donor's charitable legacy.

## Ohio Charity Salvages Donated Policy: Receives a \$48,000 Cash Settlement

**T**his case involved an 82 year old male who had donated a \$400,000 policy to his local community foundation in Ohio. The donor had been making annual premium payments on the policy as his annual gift, but decided at one point that he could not longer afford the \$30,000 per year payments. Since the charity could not afford those payments either, they decided to let the policy lapse, since it had "0" cash surrender value.. However, while the policy was in a "lapse pending" status, an insurance agent working with Advanced Settlements joined the board of directors and learned about the policy. He recommended that the charity make a minimum monthly premium payment to keep the policy in force while the life settlement transaction was being underwritten. It was a wise decision. The charity received \$48,000 from us – for a policy that was otherwise worthless!



## New Jersey Charity Chooses Life Settlement Over Cash Surrender Value

**T**his case handled by Advanced Settlements, Inc. involved a community charity that owned a \$400,000 variable universal life insurance policy gifted 12 years ago by a senior donor. When premiums on the policy reappeared, the organization was not in the position to make premium payments. They had the choice to either accept the cash surrender value of \$54,656, or pursue a life settlement. They decided to exercise a life settlement and we were able to more than double the cash surrender value for a life settlement in the amount of \$124,000.



## University Foundations Are Considering Life Settlements



**W**e have seen a substantial interest from university foundations in exploring the use of life settlements for donated policies. In one case that is currently in underwriting, the donor of the policy simply decided that it would be preferable to see the proceeds of the policy benefit the university while he/she is still living. Still other university foundations are considering it a burden to perform annual policy reviews, and would rather maximize the current asset value of the policy and apply it toward various programs.