



# Wealth Management Case Summaries

## Life Settlement Frees Up \$1.06 million in Cash for Real Estate Investments



**T**his case involved an 82 year old female who owned several policies totaling \$4.8 million. She no longer wanted to pay premiums for the insurance and was going to accept the cash surrender value of \$242,983. Her intent was to use the policies' cash value for real estate investments.

Her advisor recommended a life settlement for each policy, and she agreed. The advisor contacted us, and we pursued multiple offers on the secondary market for each policy. The client ultimately accepted an aggregate settlement of \$1,060,000 -- or more than four times the cash surrender value. The amount of capital now available for real estate investments was substantially maximized by opting for a life settlement on each policy.

## Large Community Foundation Receives \$1.395 Million Life Settlement for Donated Policy At Risk of Lapsing

**T**his case involved one of the nation's largest community foundations to which a donor had gifted a \$4 million second-to-die survivorship life insurance policy. When the husband passed away, his spouse was unable to maintain the premiums and the foundation considered surrendering the policy for \$474,000.

However, the family's insurance agent suggested a life settlement as "the most appealing solution available to all parties." Our offer to the client -- \$1.395 million -- was nearly three times the cash surrender value, and allowed us to maximize the donor's charitable legacy.



## Attorney Trustee Opts for Life Settlement to Stabilize Cash in Client's Trust



**T**his case involved a 75 year old male, owner of a \$3 million life insurance policy with a cash surrender value of \$116,912. The trustee of the policy was an attorney who had a relationship with the insurance agent who had originally sold the policy to the client. The agent and the attorney worked together to review the policy's performance and discovered a problem. Since the insured had lost interest in maintaining the policy and no longer wished to make gifts to the trust for premium payments, the cash surrender value was rapidly depleting as premiums were being deducted from the cash value. As trustee for the policy, the attorney decided to "stop the bleeding" and conducted an estate planning review to determine whether the policy should be surrendered or whether a life settlement would be more advantageous to the client's estate. We provided the trustee and the insured with an offer for \$328,000 -- nearly three times the cash surrender value. They accepted and the proceeds were used to maximize the cash in the trust.

This is a situation where the client's attorney and insurance agent came together to maximize the value of the insured's estate ... and we were glad to be part of the solution.