

The Insurance Studies Institute is a non-profit research think-tank focused on: a) researching and analyzing challenges and opportunities within the many paradigms of insurance based risk management; b) publishing research findings on industry relevant topics; c) educating industry stakeholders, public policy makers and consumers in insurance based risk management, and advancing related scholarship; and, d) promoting dialogue to foster industry advancements, fair public policy and greater risk protection for consumers.

Learn More
www.InsuranceStudies.org

Contact
Paul Siegert, President and CEO
031 Elk Crossing, Keystone, CO 80435
970-262-1047
PSiegert@InsuranceStudies.org

Should I Sell My Life Insurance Policy? A Consumers' Guide to Life Settlements (Comprehensive Guide + condensed brochure)

STATUS: Published, October, 2009

LEAD RESEARCHERS: ISI Staff

ISI OVERSIGHT: Paul Siegert, ISI President and CEO

PROJECT DESCRIPTION: Provide seniors with a thorough and non-biased explanation of life settlements including: the pros and cons; the complex process from start to finish; and the myriad of ramifications that need to be understood before engaging in a life settlement transaction.

SCOPE OF RESEARCH AND METHODOLOGY: ISI "consumer awareness" research conducted in the spring of 2009 revealed that until only recently media information available to seniors was limited and generally negative toward life settlements. Survey research conducted jointly by Golden Gateway Financial and ISI published May 26, 2009 found that 80% of Americans over age 62 own some level of life insurance but only half have some awareness that they might be able to sell their policies for cash in a life settlement transaction. Consensus information from stakeholders in the life insurance secondary market (LISM) confirms those findings plus other published research reports that 88% of all life insurance policies never pay death benefits, i.e., they are either allowed to lapse or are surrendered. Given the lack of reliable consumer information available regarding life settlements, ISI has set out to produce an easy-to-understand consumer guide. This reference document will help seniors navigate the decision making process when evaluating their life insurance needs, liquidity concerns, and financial plans in general. Industry terms will be defined, the life settlement process will be broken down step-by-step, and important considerations and ramifications will be addressed.

RESOURCES:

Insurance Industry Research: ISI Published Works; Golden Gateway Financial Services Life Settlement Industry Resources: LISA Website & Publications; LSI Life Settlement Institute; GWG Life; "Life Settlement Planning" Tools and Techniques by The National Underwriter Company.

TARGET RESULTS AND BENEFITS: The results of this project will be published in a consumer guide and made available to the LISM. The benefits will be consumer education. This guide may also serve as the basis for succinct information to be used by others looking at the LISM.

TIMELINE: Research and format the consumer guide and brochure from March, 2009 through September, 2009.

BUDGET: \$36,382 plus printing which will be determined by demand. ISI will charge nominal cost coverage fee for quantity orders of the guide.