



## RETIRED EXECUTIVE SETTLES VARIABLE POLICY FOR 30% OF FACE VALUE

### THE SITUATION

Glenn Snyder\*, an 83-year-old retired executive of a Fortune 1000 company, had accumulated a sizable net worth, but over the years, it had diminished in size. Glenn had a \$3.75 million variable policy, but he was no longer able to afford to continue the policy over his life expectancy of 4- 6 years. Because the policy had a cash surrender value of \$124,000 with a loan balance of \$258,000, Glenn had planned on lapsing the policy.

### WHAT A DIFFERENCE A YEAR CAN MAKE

ValMark attempted to sell Glenn's policy a year ago and did not receive any offers. After a second attempt a year later, and after 13 rounds in auction, ValMark negotiated a gross offer of **\$1,125,000 – 30%** of the face amount.

### SUMMARY

POLICY TYPE	VARIABLE
DEATH BENEFIT	\$3,750,000
LOAN BALANCE	\$258,000
CASH SURRENDER VALUE	\$124,000
LIFE EXPECTANCY	4-6 YEARS

**LIFE SETTLEMENT OFFER \$1,125,000 (30% OF FACE AMOUNT)**

### THE TAKEAWAY

Providers have more institutional money available to bid on policies than they have had in the last several years. Now is the perfect time to begin working on new Life Settlement cases.

\*Client name has been changed to protect confidentiality. | Each client's experience varies, and there is no guarantee that a life settlement will generate an offer greater than the current cash surrender value. In such cases, the client can always surrender their policy to the carrier if the coverage is no longer needed. This material is intended for informational purposes only and should not be construed as legal or tax advice or investment recommendations. Consult a qualified attorney, tax advisor, investment professional or insurance agent about the issues discussed herein. Securities offered through ValMark Securities, Inc. Member FINRA/SIPC.

