



ABACUS LIFE
OPTIONS FOR YOUR LIFE INSURANCE

Life Insurance is Personal Property

Life insurance is often a senior's largest asset, and one they can use to alleviate retirement challenges. However, most individuals do not maximize its true value. *A life insurance policy is considered personal property, and selling it for fair market value is a legitimate, safe, and viable choice to create more financial options for the future.*

At Abacus Life, we want to provide you with the information you deserve, so that you can decide if selling all, or a portion, of a policy is the right choice for you. We handle each case individually, and will walk you through the entire process. We explain the meaning behind every number, so you can make a well-informed decision regarding your financial future.

Our approach is to be honest, consistent, and transparent at every step, and to bring maximum value to all our clients.



Get in touch



800-561-4148



abaculifesettlements.com



2101 Park Center Drive
#170
Orlando, FL 32835

Real Value, Real Results

1. Since 2018, Abacus has paid over \$667 million to clients, and purchased almost \$2.9 billion in policy face value.
2. We have the largest market share in the industry, based on capital deployed.
3. Our reputation is confirmed by 18 years of no regulatory issues, and supported by a wealth of excellent customer testimonials.
4. We provide online tools to qualify life insurance policies, and offer a client-friendly onboarding process, consisting of a single-page application, HIPAA, and an insurance release.

Your Policy, Your Rights

Who wins when a policy lapses? The insurance company.

Every year, over a billion dollars is forfeited *back* to the insurance industry, whether by policies being lapsed, or canceled, by the client.⁽¹⁾ As a result, all of the premiums paid into a policy over time are lost forever. Your policy is *your* personal property, and may have earned substantial value over the years. A life settlement allows you to recover this value.

\$200B

worth of life insurance will either lapse, or be surrendered, each year, through 2027. Some of these policies could qualify for a life settlement, and be pocketed by the policy owner.⁽¹⁾

90%

of seniors would have considered a life insurance option if they knew it existed.⁽³⁾

83.7M

Americans will be of ideal life settlement age by 2050, resulting in more client interest in the settlement market than what the industry is currently seeing.⁽²⁾

1%

of Americans are aware of their policy has a market value.⁽³⁾

(1) McGonnell, Shane. "Why Life Settlements Are Becoming A Mainstream Financial Option" Forbes, 7 May 2020, www.forbes.com/sites/forbesfinancecouncil/2020/05/07/why-life-settlements-are-becoming-a-mainstream-financial-option/.

(2) United States Census Bureau

(3) Based on a study conducted by a 3rd party research firm, hired by Abacus

When to Consider Selling a Life Insurance Policy:

While there are a variety of reasons someone would consider selling all, or a portion, of their life insurance, some of the most common situations include:

1

FUNDING RETIREMENT

A recent report by the *World Economic Forum* found that the retirement savings gap for the average American has been at a steady increase. Men are living 8.3 years longer than they have the retirement dollars to fund, and women are living almost 11 years longer. Many individuals are forced to make difficult decisions in order to make up for the increasing gap in their retirement savings.

2

PREMIUMS ARE NO LONGER AFFORDABLE

Depending on the terms of a policy, changes in the insurance market, and poor policy performance, premiums can be driven higher. This often leads individuals to want to surrender their policy, let it lapse, or find a more financially beneficial option, like selling their policy.

3

FUNDS ARE NEEDED FOR A COSTLY OR UNEXPECTED EXPENSE

Faced with financial changes or hardships, many may need to liquidate their policy to be able to fund a large expense. Receiving a lump-sum payment can be essential to fund assisted living, cancer treatments, or medical bills.

4

LIFESTYLE CHANGES

A number of lifestyle or business changes are often the reason many individuals consider choosing a different policy option. This could include divorce, retirement, the absence of an estate tax burden, beneficiaries who no longer need the policy benefits, or when a family business is sold, and that policy is no longer necessary.

5

BUSINESS CHANGES

Premiums on another existing policy, investing in a business or new home, paying off a debt or tax liability, or purchasing an income generating annuity could prompt someone to want to get a life settlement.

Life Settlement Process

To determine the Fair Market Value of your client's policy, please follow the 5 simple steps below:

1

SCREENING

- Is the client over the age of 70, or younger with a critical illness?
- Does the client intend to surrender the policy or needs funds?

2

QUALIFYING

- Obtain an illustration to age 105
- Submit for pre-pricing
- Complete the medical questionnaire (*optional*)

3

EXPECTATIONS & APPLICATION

- Discuss pre-pricing with client
- Complete and submit the simplified intake form to Abacus

4

UNDERWRITING & VALUATION

- Abacus collects medical records and underwrites
- Formal offer is presented to the advisor

5

CONTRACTS & FUNDING

- Contracts are sent to the advisor for execution
- Escrow is approved and owner/beneficiary forms are submitted to the carrier
- Client is funded

Submit an in-force illustration and we will provide policy pricing at 5 impairment levels

Policy Pricing

Date: 3/4/2022

Policy Information

Carrier:
Policy Number: 123456
Face Amount: \$ 2,000,000
Death Benefit Type: Level

State of Ownership: FL
Premium End Age: 100
Coverage End Age: 100

Medical Information

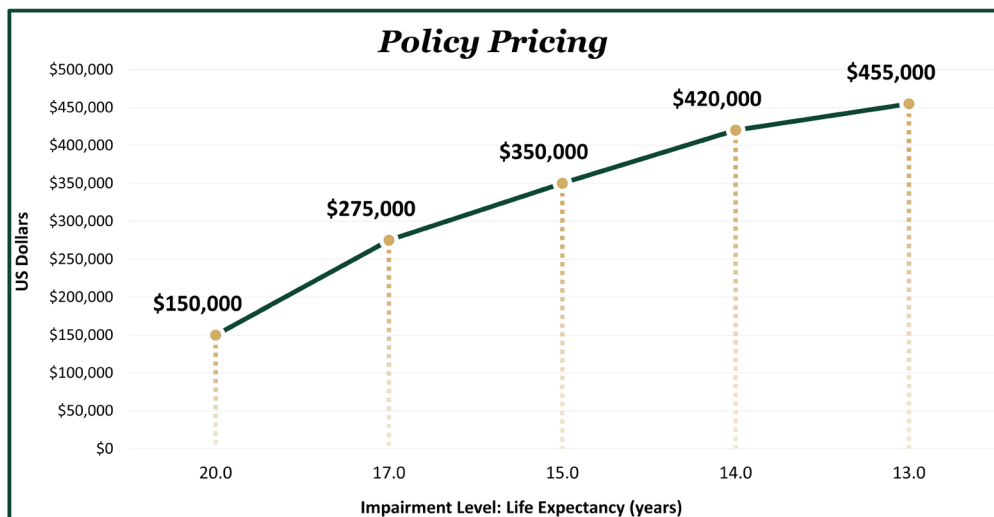
Insured 1: Doe, Jan
Gender: Female
Age on Value Date: 68.2

Insured 2:
Gender:
Age on Value Date:

Values as of 3/4/2022

Net Death Benefit: \$ 2,000,000
Account Value: \$ 115,000
Cash Surrender Value: \$ 115,000
Loan Amount: \$ 0

Impairment Level	Life Expectancy	Valuation
Standard (100%)	20.0	\$ 150,000
Slightly Impaired (150%)	17.0	\$ 275,000
Moderately Impaired (200%)	15.0	\$ 350,000
Highly Impaired (250%)	14.0	\$ 420,000
Extremely Impaired (300%)	13.0	\$ 455,000





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WHY USE US?

- 24-hour offers, with only an illustration and medical review, via our provider partner
- Streamlined contracting
- Superior offers
- Unsurpassed customer service
- No middlemen
- Policies are purchased ranging from \$50,000 to \$50 million
- E&O is provided for closed transactions

CONTACT US

Abacus Life

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LIFE INSURANCE AUDIT AND VALUATION SERVICES

Life insurance is an important part of an overall financial plan. Regular reviews can determine whether the policy is performing according to expectations and meeting financial objectives.

There are many factors to consider that may impact the performance and suitability of a life insurance policy. It is important to periodically review your client's life insurance, and determine that both the product, and the planning objectives are being met.

Some of the more common reasons to conduct regular life insurance policy reviews include:

- Policy funding adequacy
- Carrier rating
- Cost of insurance increases
- Policy maturity risks
- Replacement to better performing policy

Abacus Life, a leader in the secondary market, offers complimentary life insurance policy reviews for advisors and their clients. The Fair Market Value (FMV) is determined by using real-time impairment analysis to establish duration risk, while utilizing current discount rates. It is generated in *less than 24 hours*.

More importantly, there is *never* a cost to you or your client. The FMV provides advisors with an appraisal of your client's life insurance when encountering situations like:

- Business valuations
- Transferring a policy from one entity to another
- Exiting from a split-dollar arrangement
- M&A or bankruptcy transactions
- Business disputes that involves a buy/sell agreement

Case Studies

Retained Benefit Case Study

Terri, age 64 - Fredericksburg, VA

\$10 Million Policy • \$3 Million in Retained Benefit

Terri was suddenly faced with the unthinkable. First, she received a diagnosis of stage IV cancer. Shortly after, Terri's husband lost his job, after three decades of dedicated service. They needed options to face these devastating life changes, and they needed them quickly.

At the end of the day, by working with us to sell her life insurance policy, Terri and her husband were able to have the financial freedom to concentrate on her cancer treatment and spend more time with her family.

Traditional Case Study

Robert, age 60 - Forest, VA

\$500,000 Universal Life Policy • \$275,000 Offer

Robert called us with a binder full of research on his policy options. He had questions prepared, and a very clear goal on what he wanted to accomplish, financially, with his policy — he wanted to be out of debt.

Robert and his wife were now financially able to take their dream vacation of visiting a few U.S. national parks, with their advanced payment. They were also able to purchase a weekend cabin, and catch up on *all* of their debts and medical bills.

Hybrid Case Study

Violet, age 92 - Alameda, CA

\$750,000 Universal Life Policy • \$150,000 Offer • \$400,000 in Retained Benefit

After several unfortunate experiences with other companies, Violet was understandably skeptical if selling her life insurance policy was right for her...until she met Shane from Abacus Life.

"Abacus made everything extremely easy for me; it was genuinely a pleasure. I trusted him and genuinely felt like he cared for me," said Violet. "Everyone was so kind. I would not hesitate at all to recommend Abacus to all of my friends and family."

Historical Timeline

1911

U.S. SUPREME COURT RULING

Grigsby v. Russell, 222 U.S. 149, established life insurance policies as private property. This opened up the possibility for policies to be bought, sold, and traded, just like any other high-value asset. This laid the early groundwork for life settlement options.

1980s

VIATICAL OPTIONS & HEALTH CARE ASSISTANCE

Starting in the late 1980's, life insurance options were largely seen in the form of viatical options, which involves the sale of a policy by a person facing terminal illness. At that time and into the early 90's, most individuals who sold their policies were facing either cancer or HIV/Aids. However, by the mid 90's, the range for life insurance options had broadened, and were being considered by individuals facing nearly every type of illness.

2001

INVESTOR INTEREST

Increasing investor interest in life insurance options as an alternative investment continued to grow. By 2001, what was once a small industry, had started to attract the interest of major financial institutions.

2004

ABACUS IS FORMED

A group of financial and insurance professionals, who met in the mid 90's in New York's financial district, came together to form what is now Abacus Life. They wanted to ensure more individuals had access to life insurance options.

2009

FINANCIAL CRISIS

The industry was not immune to the financial crash of 2008. Major banks and financial institutions pulled back from any non-core investing, which caused the demand for the option to lessen for a time.

2010

FUNDING CONFIDENCE RETURNS

Funding confidence bounced back around 2010, which opened the door for many life insurance buyers to expand operations.

2015

DISCLOSURE REQUIREMENTS

U.S. states began enacting safeguards, including disclosure requirements, and improved regulations to ensure the safety and legitimacy of life insurance options.

2022

ABACUS EXPANDS

Abacus grows to 50+ home-office employees, is authorized to purchase policies in 49 states, and offers complete back-office support in areas of APS retrieval, life expectancy evaluation, pre-pricing, and producer licensing.

About Us

Abacus was first formed in New York's financial district in 2004, and is now headquartered in Orlando, Florida. We have been a leading buyer of life insurance policies in the U.S. for the last 18+ years. With over \$2.9 billion in policy face value purchased, we have helped thousands of clients maximize the value of their life insurance. We consistently rank as one of the top firms in total value of policies purchased annually, and our shareholders and officers have been leaders in the industry since its inception in the mid 90's.

Meet Our Team



Matthew Ganovsky
PARTNER

A leader in the industry for over 20 years, Matthew is considered one of the top experts in the areas of origination and pricing. He is a co-founder of Abacus Life, and oversees all broker relationships, working with some of the largest fund managers in the market.



Scott Kirby
PARTNER

Scott's extensive background in the industry makes him one of the nation's leading authorities in the market. He is a former board member of the Life Settlement Association of America, and regularly speaks to financial professionals and on panels to raise industry awareness.



Sean McNealy
PARTNER

With industry experience spanning over two decades, Sean is highly regarded as an expert in life insurance options. He manages the firm's capital market relationships, and has assisted in building some of the largest funding platforms in the industry.



Jay Jackson
PRESIDENT & CEO

A highly experienced alternative asset manager and capital raise expert, Jay joined Abacus Life in 2016 as President & CEO. He has more than a decades' worth of experience in the financial sector, including fund development, directing portfolios, and investor processes. Jay is an excellent leader, focused on maximizing value, service and awareness, as our company continues to grow.



Samantha Butcher
DIRECTOR OF OPERATIONS

A professional in the life insurance options industry for over 16 years, Samantha oversees operations at Abacus Life. She focuses on managing and growing broker relations, as well as ensuring high quality policy acquisitions from origination to contracting.

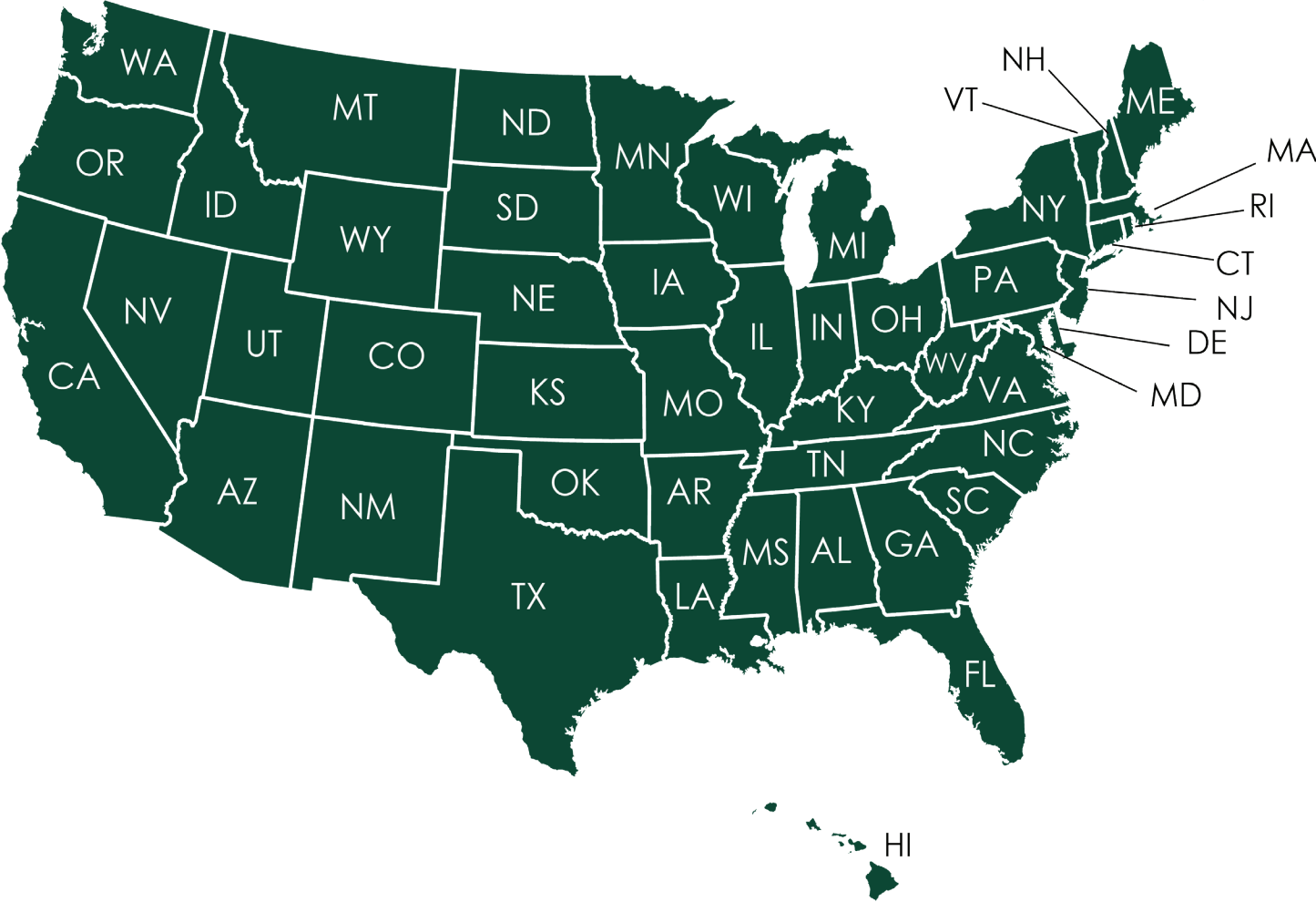


Shane McGonnell
VICE PRESIDENT

Shane brings more than 20 years of financial industry experience to his role at Abacus Life. He assists financial advisors and clients in a number of specialized areas, like estate planning and taxes, traditional premium financing, indexed annuities, and assisted living and elderly care financing.

Licensed States

Abacus Life is approved to conduct business in the following 49 green states:





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