

SERFF Tracking Number: LSMI-126809796 State: Arkansas  
Filing Company: Crump Life Insurance Services, Inc State Tracking Number: 46761  
Company Tracking Number: BKR RPT-001  
TOI: VS01 Viatical Settlements Sub-TOI: VS01.000 Viatical Settlements  
Product Name: Life Settlement  
Project Name/Number: Disclosures/2010

## Filing at a Glance

Company: Crump Life Insurance Services, Inc

Product Name: Life Settlement

TOI: VS01 Viatical Settlements

Sub-TOI: VS01.000 Viatical Settlements

Filing Type: Form

SERFF Tr Num: LSMI-126809796 State: Arkansas

SERFF Status: Closed-Approved-Closed  
State Tr Num: 46761

Co Tr Num: BKR RPT-001

Author: Joy Dawe

Date Submitted: 09/10/2010

State Status: Approved-Closed

Reviewer(s): Linda Bird

Disposition Date: 09/15/2010

Disposition Status: Approved-Closed

Implementation Date:

Implementation Date Requested: On Approval

State Filing Description:

## General Information

Project Name: Disclosures

Project Number: 2010

Requested Filing Mode:

Explanation for Combination/Other:

Submission Type: New Submission

Overall Rate Impact:

Filing Status Changed: 09/15/2010

Status of Filing in Domicile: Pending

Date Approved in Domicile:

Domicile Status Comments:

Market Type: Individual

Group Market Size:

Group Market Type:

Explanation for Other Group Market Type:

State Status Changed: 09/15/2010

Created By: Joy Dawe

Corresponding Filing Tracking Number:

Deemer Date:

Submitted By: Joy Dawe

Filing Description:

Broker compensation disclosure and required state disclosures being filed for approval.

## Company and Contact

### Filing Contact Information

Joy Dawe, Compliance Director

25101 Chagrin Blvd

Suite 110

Cleveland, OH 44122

joy.dawe@crump.com

888-383-0632 [Phone]

888-515-4322 [FAX]

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**Filing Company Information**

Crump Life Insurance Services, Inc	CoCode:	State of Domicile: Pennsylvania
25101 Chagrin Blvd, Suite 110	Group Code:	Company Type:
Cleveland, OH 44122	Group Name:	State ID Number: 247963
(888) 383-0625 ext. [Phone]	FEIN Number: 23-2232460	

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**Filing Fees**

Fee Required?      No  
 Retaliatory?      No  
 Fee Explanation:  
 Per Company:      No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Crump Life Insurance Services, Inc	\$0.00	09/10/2010	

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## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Approved-Closed	Linda Bird	09/15/2010	09/15/2010

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## Disposition

Disposition Date: 09/15/2010

Implementation Date:

Status: Approved-Closed

Comment:

Rate data does NOT apply to filing.

*SERFF Tracking Number:*      *LSMI-126809796*                      *State:*                      *Arkansas*  
*Filing Company:*              *Crump Life Insurance Services, Inc*              *State Tracking Number:*      *46761*  
*Company Tracking Number:*      *BKR RPT-001*  
*TOI:*                      *VS01 Viatical Settlements*                      *Sub-TOI:*                      *VS01.000 Viatical Settlements*  
*Product Name:*              *Life Settlement*  
*Project Name/Number:*      *Disclosures/2010*

<b>Schedule</b>	<b>Schedule Item</b>	<b>Schedule Item Status</b>	<b>Public Access</b>
<b>Supporting Document</b>	Consent to Release Medical Records		Yes
<b>Supporting Document</b>	Escrow Agreement		No
<b>Supporting Document</b>	Physician Statement		No
<b>Supporting Document</b>	Power of Attorney		No
<b>Form</b>	Broker Report		Yes
<b>Form</b>	Disclosure Statement		Yes

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## Form Schedule

### Lead Form Number: BKR RPT-001

Schedule Item Status	Form Number	Form Type	Form Name	Action	Action Specific Data	Readability	Attachment
	BKR RPT-001	Other	Broker Report	Initial		34.000	BKR RPT-001.pdf Bid History - Sample.pdf
	AR Disc-001	Other	Disclosure Statement	Initial		33.900	AR Disc-001.pdf



## Life Settlement Broker Report

Insured: John Doe

[Name of Producer: J. Smith]

Owner: John Doe

Carrier: Generic Life

Policy #: 60067722

Death Benefit: \$4,000,000

Buyer: XYZ

Gross Settlement Offer: \$460,000

Less Cash Surrender Value: \$42,169

Value Created: \$417,831

**Offer and Compensation Summary:**

		[As % of <u>Value Created</u> ]	[As % of <u>Gross Settlement Offer</u> ]
Gross Settlement Offer	\$460,000		
[Crump Secondary Markets']Fee	(\$55,200)	13%	12%
Producer's Elected Fee	(\$25,070)	6%	5%
Net to Owner	<b><u>\$379,730</u></b>		

This offer is contingent upon satisfaction of the Buyer's underwriting requirements. A complete description of all offers, counter-offers, acceptances and declinations relating to the policy or policies offered for settlement is attached to and made a part of this Report (**see the [Bid History Report] attached**).

[Crump Secondary Markets'] fee is calculated as a percentage of the **[Value Created] [Gross Settlement Offer]**. [Producers may contract with Crump and may receive credit and/or other compensation for this transaction toward company sales programs or for other lines of insurance business.] There is no ownership affiliation between [Crump Secondary Markets] and any approved Buyer, solicited by [Crump], making an offer in connection with your life settlement. [Crump Secondary Markets] may be a party to a contract with the Buyer which governs the submission of policies for settlement; however, we do not accept any fee or other compensation from the Buyer or any third party except as described in this Report.

Accepted and Agreed to By:

Signature of Viator /Owner	Printed Name	Date
Signature of Additional Viator/Owner (as required)	Printed Name	Date

AR, GA, IA, MN, NE, NH, NY, ND, RI, TN, VT, WA, WV

## Life Settlement Bid History Report

### Seller & Policy Information

Policy Owner: Test  
 Policy #: 1561654  
 Carrier: First Colony  
 Face Amount: \$2,500,000

### Producer Information \*

Name: Agent, John Q.  
 Address: P.O. BOX 2453  
 HARRISBURG PA 17105-2453  
 Phone: (717) 512-1515

Provider/Buyer	Gross Offers		Notes
	Amount	Offer Date	
Maple Life	\$900,000	12/11/2009	
Legacy Benefits, LLC	\$850,000	12/11/2009	
Legacy Benefits, LLC	\$777,777	12/12/2009	
Maple Life	\$552,035	12/11/2009	
Credit Suisse	\$275,000	12/15/2009	
Credit Suisse	\$250,000	12/15/2009	
Legacy Benefits, LLC	\$152,015	12/11/2009	
Maple Life	\$123,654	12/11/2009	
Legacy Benefits, LLC	\$55,555	12/11/2009	
Maple Life	\$54,654	12/11/2009	
Maple Life	\$500	12/11/2009	
Peachtree Financial Solutions	Declined	03/29/2010	

\*Offers for this policy were solicited by Crump Life Insurance Services (CLIS), a fully registered and licensed Life Settlement broker. CLIS has a contractual relationship with this Producer and may have a contractual relationship with any or all of the Providers/Buyers identified in this report.



## DISCLOSURE STATEMENT

**[Crump Life Insurance Services, Inc.] wants you to have these facts for consideration before you sell your life insurance policy:**

1. That possible alternatives to life settlement contracts exist, including without limitation accelerated benefits offered by the issuer of the life insurance policy;
2. Some or all of the proceeds of a life settlement contract may be taxable and that assistance should be sought from a professional tax advisor;
3. Proceeds from a life settlement contract could be subject to the claims of creditors;
4. Receipt of proceeds from a life settlement contract may adversely affect the recipient's eligibility for public assistance or other government benefits or entitlements and advice should be obtained from the appropriate agencies;
5. The owner has a right to terminate a life settlement contract within fifteen (15) days of the date it is executed by all parties and the owner has received this Disclosure Statement. Rescission, if exercised by the owner, is effective only if both notice of the rescission is given and the owner repays all proceeds and any premiums, loans, and loan interest paid on account of the provider within the rescission period. If the insured dies during the rescission period, the contract shall be deemed to have been rescinded subject to repayment by the owner or the owner's estate of all proceeds and any premiums, loans, and loan interest to the provider;
6. Proceeds will be sent to the owner within three (3) business days after the provider has received the insurer or group administrator's acknowledgement that ownership of the policy or interest in the certificate has been transferred and the beneficiary has been designated in accordance with the terms of the life settlement contract;
7. Entering into a life settlement contract may cause other rights or benefits, including conversion rights and waiver of premium benefits that may exist under the policy or certificate of a group policy to be forfeited by the owner, and that assistance should be sought from a professional financial advisor;
8. The amount and method of calculating the compensation paid or to be paid to the broker or any other person acting for the owner in connection with the transaction, wherein the term "compensation" includes anything of value paid or given;
9. The Insurance Commissioner shall require delivery of a buyer's guide or a similar consumer advisory package in the form prescribed by the commissioner to owners during the solicitation process;
10. All medical, financial, or personal information solicited or obtained by a provider or broker about an insured, including the insured's identity or the identity of family members, a spouse or a significant other may be disclosed as necessary to effect the life settlement contract between the owner and provider. If you are asked to provide this information, you will be asked to consent to the disclosure. The information may be provided to someone who buys the policy or provides funds for the purchase. You may be asked to renew your permission to share information every two years;
11. The commissioner shall require providers and brokers to print separate signed fraud warnings on their applications and on their life settlement contracts as follows:  
"Any person who knowingly presents false information in an application for insurance or life settlement contract is guilty of a crime and may be subject to fines and confinement in prison.";



12. The insured may be contacted by either the provider or broker or its authorized representative for the purpose of determining the insured's health status or to verify the insured's address. This contact is limited to one (1) time every three (3) months if the insured has a life expectancy of more than one (1) year and no more than one (1) time per month if the insured has a life expectancy of one (1) year or less;
13. That a broker represents exclusively the owner and not the insurer or the provider or any other person and owes a fiduciary duty to the owner, including a duty to act according to the owner's instructions and in the best interest of the owner;
14. A change of ownership could in the future limit the insured's ability to purchase future insurance on the insured's life because there is a limit to how much coverage insurers will issue on one life; and
15. The provider shall inform the owner of:
  - a. The affiliation, if any, between the provider and the issuer of the insurance policy to be settled;
  - b. The date by which the funds will be available to the owner and the transmitter of the funds;
  - c. The name, address, and telephone number of the provider; and
  - d. The name, business address, and telephone number of the independent third-party escrow agent, and the fact that the owner may inspect or receive copies of the relevant escrow or trust agreements or documents.

I (We) acknowledge that I (we) have received and read this Disclosure Statement.

_____ Signature of Viator	_____ Printed Name	_____ Date
_____ Signature of Additional Viator (as required)	_____ Printed Name	_____ Date
_____ Signature of Producer	_____ Printed Name	_____ Date

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## Supporting Document Schedules

	Item Status:	Status Date:
<b>Satisfied - Item:</b>	Consent to Release Medical Records	
<b>Comments:</b>	A copy of our HIPAA authorization is attached which allows Crump, the settlement broker, to obtain medical records.	
<b>Attachment:</b>	HIPAA Authorization.pdf	

# PROTECTED HEALTH INFORMATION AUTHORIZATION

This Authorization is HIPAA compliant.

Insured: \_\_\_\_\_

Insured: \_\_\_\_\_

Date of Birth: \_\_\_\_\_ Social Security #: \_\_\_\_\_

## Purpose:

The purpose of this Authorization is to permit Crump Life Insurance Services, Inc. [or whatever entity is listed in the authorization] and its affiliates to obtain nonpublic personal information about me, the Insured named above, for the purposes of (1) to determine my eligibility for and obtaining insurance products and services from one or more insurers or institutions; (2) to monitor, track or verify my health or medical status and condition in connection with any life insurance policy under which my life is insured, including any conversions thereof or replacements therefore; and (3) to develop and use indices that do not personally identify individuals related to actual and anticipated longevity, mortality, life expectancies and/or similar measures.

## Information to be released:

The term "Information" as used in this Authorization refers to the information to be released pursuant to this Authorization including but not limited to any personal health information, records or data concerning my past, present or future mental, physical or behavioral health or condition ("Information"), to the extent permitted by law.

Specifically, Information includes all information, records or data relating to my: physical or mental history or condition; medical treatment, diagnosis, or prognosis, including medications prescribed to me; other insurance coverage(s); hazardous activities; general character and general reputation; finances; occupation; avocation, including any hazardous hobbies; driving records; aviation activities and other personal traits. The term "Information" does not include psychotherapy notes. I understand that this Information may include results from blood, saliva, urine and other tests.

I further understand that this Information may, if applicable, include information regarding diagnosis, prognosis and treatment of: alcohol or drug abuse (including records protected under federal law, 42 CFR Part 2); serious communicable disease or infection, including sexually transmitted diseases; HIV infection, including medical test results.

## Authorization:

I authorize any physician or other medical practitioner, any hospital, clinic, or other health-related facility, any medical testing laboratory, any insurer, any state motor vehicle department, my past or current employer(s), the Social Security Administration, and any other organization, institution or person (an "Authorized HCP") that has Information about me to disclose any and all Information to Crump Life Insurance Services, Inc., and any other persons and entities who may seek to purchase any life insurance Policy insuring my life, and their respective agents and representatives. I also authorize my Producer, named below, to receive Information to assist in the purpose of this Authorization the extent permitted by law.

I understand that Information disclosed to Crump Life Insurance Services, Inc. may have been subject to state and federal privacy laws and regulations. Once Information is disclosed to Crump Life Insurance Services, Inc., it may no longer be subject to those laws and regulations.

I understand that no Authorized HCP or covered entity may condition my treatment, payment, enrollment or eligibility for benefits on whether I sign this Authorization. A photocopy of this Authorization shall be as valid as the original. I will receive a copy of this Authorization.

## Right to Revoke Authorization:

This Authorization shall be effective for two (2) years after the date signed below. I acknowledge and understand that I may revoke this Authorization any time with respect to any Authorized HCP by notifying such Authorized HCP in writing of my revocation of this Authorization and delivering my revocation by mail or personal delivery at such address designated to me by such Authorized HCP, provided that, any revocation of this Authorization shall not apply to the extent that the Authorized HCP has taken action in reliance upon this Authorization prior receiving written notice of my revocation.

\_\_\_\_\_  
Primary Insured's Signature (or that of Authorized Representative)

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Name of Insured

\_\_\_\_\_  
Secondary Insured's Signature (or that of Authorized Representative)

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Name of Second Insured

\_\_\_\_\_  
If signed by Authorized Representative of Insured or Second Insured, describe authority.