

SERFF Tracking Number: HBFD-127310573 State: Arkansas
Filing Company: Habersham Funding, LLC State Tracking Number: 49235
Company Tracking Number: 07062011
TOI: LS01 Life Settlements Sub-TOI: LS01.000 Life Settlements
Product Name: Life Settlement Provider Forms
Project Name/Number: /

Filing at a Glance

Company: Habersham Funding, LLC

Product Name: Life Settlement Provider Forms SERFF Tr Num: HBFD-127310573 State: Arkansas

TOI: LS01 Life Settlements SERFF Status: Closed-Approved- State Tr Num: 49235
Closed

Sub-TOI: LS01.000 Life Settlements

Co Tr Num: 07062011

State Status: Approved-Closed

Filing Type: Form

Reviewer(s): Linda Bird

Authors: Catherine Dodge, Adam
Hicks, Jonathan Jarrell

Disposition Date: 07/11/2011

Date Submitted: 07/06/2011

Disposition Status: Approved-
Closed

Implementation Date Requested: On Approval

Implementation Date:

State Filing Description:

General Information

Project Name:

Status of Filing in Domicile:

Project Number:

Date Approved in Domicile:

Requested Filing Mode:

Domicile Status Comments:

Explanation for Combination/Other:

Market Type:

Submission Type: New Submission

Overall Rate Impact:

Filing Status Changed: 07/11/2011

State Status Changed: 07/11/2011

Deemer Date:

Created By: Jonathan Jarrell

Submitted By: Jonathan Jarrell

Corresponding Filing Tracking Number:

Filing Description:

July 6, 2011

VIA SERFF

Arkansas Insurance Department

Life and Health Division

Attn: Linda Bird, Compliance Officer

Re: Habersham Funding, LLC - Life Settlement Provider Form Filing

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Ms. Bird:

Pursuant to Ark. Code Ann. § 23-81-805(a) & (c), Habersham Funding, LLC ("Habersham") submits for review and approval the following life settlement forms for use in Arkansas:

- Habersham's Life Insurance Policy Purchase and Sale Agreement, AR-LIPPSA 7/11, completed in John Doe format, which includes as exhibits the Arkansas disclosures (Exhibit C) and escrow agreement (Exhibit L);
- Habersham's application for a life settlement, AR-APP 7/11; and
- Habersham's verification of coverage form, AR-VOC 7/11.

Please note that the Life Insurance Policy Purchase and Sale Agreement, along with its attachments, and the life settlement application, replace forms previously filed with the Division of Insurance. The new forms have been updated and revised to more closely track the requirements of Arkansas law.

Please also note that form AR-LIPPSA 7/11, as filed, is the template on which Habersham would purchase a policy where the insured and the owner are different natural persons. As you know, life insurance policies may be owned by individuals who may also be the insured, by trusts or by corporations. For insured-owned, trust-owned and corporate-owned policies, there will be non-substantive revisions to pronouns and verb tense to reflect the form of ownership.

Please feel free to contact me at (404) 233-8275 or via e-mail at notify@habershamfunding.com if you have any questions or require any additional information.

Kind Regards,
Jonathan Jarrell
Associate General Counsel

Company and Contact

Filing Contact Information

Jonathan Jarrell, Assistant General Counsel notify@habershamfunding.com
3495 Piedmont RD NE, STE 910 404-233-8275 [Phone]
Building 11, Piedmont Center
Atlanta, GA 30305

Filing Company Information

Habersham Funding, LLC CoCode: 902165 State of Domicile: Georgia
3495 Piedmont RD NE, STE 910 Group Code: Company Type: Life/Viatical
Settlement Provider

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved-Closed	Linda Bird	07/11/2011	07/11/2011

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Disposition Date: 07/11/2011

Implementation Date:

Status: Approved-Closed

Comment:

Rate data does NOT apply to filing.

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Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Consent to Release Medical Records		Yes
Supporting Document	Escrow Agreement		Yes
Supporting Document	Physician Statement		Yes
Supporting Document	Power of Attorney		Yes
Form	Life Insurance Policy Purchase and Sale Agreement		Yes
Form	Application Package		Yes
Form	Policy Verification		Yes

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Form Schedule

Lead Form Number: AR-LIPPSA 7/11

Schedule Item Status	Form Number	Form Type	Form Name	Action	Action Specific Data	Readability	Attachment
	AR-LIPPSA 7/11	Policy/Cont ract/Fraternal Certificate	Life Insurance Policy Purchase and Sale Agreement	Initial			AR-LIPPSA 7.11 - to file.pdf
	AR-APP 7/11	Application/ Enrollment Form	Application Package	Initial			AR-APP 7.11 - to file.pdf
	AR-VOC 7/11	Other	Policy Verification	Initial			AR-VOC 7.11 - to file.pdf

LIFE INSURANCE POLICY PURCHASE AND SALE AGREEMENT

This Life Insurance Policy Purchase and Sale Agreement (this "Agreement") is made and entered into as of January 1, 2011 (the "Effective Date") by and among Habersham Funding, LLC, a Georgia limited liability company, and its successors, assigns and/or designees (collectively, the "Purchaser"), located at 3495 Piedmont Road NE, Suite 910, Building 11, Piedmont Center, Atlanta, Georgia 30305, John Doe (the "Owner"), [who or which] is located at 123 Main Street Anytown, Anystate 12345 and is the owner of the Policy (as defined below), and James Doe who is insured under the Policy (the "Insured").

WITNESSETH

WHEREAS, Owner is the owner of all rights, title, and interest in and to the following life insurance policy (the "Policy"):

- a. Policy Number: 123456789
- b. Insurer: ABC Insurance Company (including the original issuer of the Policy, if different than the current insurer, or any subsequent successor or assign of the issuer, collectively referred to herein as the "Insurer").
- c. Death Benefit: \$500,000
- d. Insured: James Doe

WHEREAS, Purchaser is a licensed life settlement provider in the business of purchasing in-force life insurance policies;

WHEREAS, Owner wishes to sell to Purchaser and Purchaser wishes to purchase from Owner all rights, title, and interest in and to the Policy in accordance with the terms and conditions of this Agreement;

WHEREAS, Insured wishes to assist Owner in the facilitation of the sale of the Policy; and

WHEREAS, contemporaneously with the execution of this Agreement, Purchaser, Owner and the Escrow Agent (as defined below) are entering into the Escrow Agreement (as defined below).

NOW, THEREFORE, in consideration of the mutual covenants, representations and warranties contained in this Agreement, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Purchaser, Owner and Insured (sometimes referred to in this Agreement individually as a "Party" and collectively as the "Parties") hereby agree as follows:

1. **SALE; CHANGE OF BENEFICIARY; PAYMENT TO OWNER; CLOSING CONDITIONS AND DESIGNATION OF ESCROW AGENT.**

- 1.1 Sale of Policy. In exchange for Owner irrevocably transferring, assigning and selling all rights, title, and interest in and to ownership and benefits of the Policy to Purchaser, as

provided herein, and changing the beneficiary designation of the Policy to Purchaser, Purchaser shall pay to Owner the Net Purchase Price set forth in Section 1.2.

- 1.2 Calculation of Net Purchase Price. Subject to Section 1.3 hereof, and the satisfaction of all terms, conditions and obligations contained herein, Purchaser shall pay to Owner, and Owner shall accept from Purchaser as full payment for the Policy, the gross purchase price of \$150,000 (the "Purchase Price") **less** the amount of all outstanding loans, liens, unpaid premiums, Policy premiums advanced by Purchaser, and any other encumbrances of any nature on the Policy or its proceeds (the "Net Purchase Price"), as set forth on Exhibit A hereto.
- 1.3 Adjustments to Purchase Price.
- 1.3.1 Liens and Liabilities. If Purchaser discovers the existence of any lien, loan or encumbrance of any nature on the Policy (a "Policy Liability") prior to payment of the Net Purchase Price, the Purchase Price to be paid to Owner shall be reduced by the amount of the Policy Liability.
- 1.3.2 Unpaid Premiums. The parties acknowledge that the Purchase Price has been negotiated based on the premiums listed in the policy information provided by Owner (the "Premium Schedule")¹. If Owner fails to pay any of the premiums as indicated on the Premium Schedule as they come due, or fails to pay the portion of the premium that corresponds to the number of months that Owner is the owner of the Policy in the policy year in which the Policy is sold (the "Unpaid Premium"), then the Purchase Price shall be reduced by the amount of the Unpaid Premium. For example, if Owner sells the Policy at the end of March, and the policy year began January 1, Owner must have actually paid (as opposed to drawing on the cash value of the Policy) to Insurer an amount equal to three months of premiums per the Premium Schedule.
- 1.3.3 Estimated Net Purchase Price. The Net Purchase Price set forth on Exhibit A is based on information provided by Owner, Insurer and other sources, and is subject to confirmation. The Purchase Price may also be adjusted based on any information obtained by Purchaser that varies from that contained on Exhibit A.
- 1.4 Transfer of any Additional Policy Benefits and/or Riders. If the Policy contains a benefit for double or additional indemnity for accidental death or any supplemental benefits and/or riders, or if such benefits may be added to the Policy, Owner hereby assigns, transfers and sells to Purchaser all rights, title, and interest in and to such additional benefits and/or optional riders, and Purchaser shall receive all benefits that accrue from same. Purchaser shall, in its sole discretion, continue payment of the premium on such supplemental benefits and/or riders; and Purchaser shall be entitled to and receive any and all additional benefits that accrue from any such supplemental benefits and/or riders.

¹ For policies other than term insurance, then the Premium Schedule and cash value information shall be based on an in-force illustration which shall be known as the "Pricing Illustration". If the policy is a term policy, the Premium Schedule shall be the schedule of premiums listed in the issued policy.

- 1.5 Closing Conditions. It is a condition precedent to the closing of the transactions contemplated in this Agreement, and the payment of the Net Purchase Price to Owner pursuant to Section 1.7, that all of the following conditions, as well as all other obligations or conditions of Owner set forth in this Agreement, are satisfied:
- 1.5.1 Schedule I Documents. Purchaser must receive complete and executed originals of all documents listed on Schedule I attached hereto.
 - 1.5.2 Satisfaction of Escrow Agreement. All conditions contained in the Escrow Agreement shall have been met.
 - 1.5.3 Payment of Premiums. Owner must pay all scheduled premiums listed on the Premium Schedule. The policy must be current as of the date the Net Purchase Price is received by Owner and shall not be in arrears or in any “grace period” for non-payment of premiums. Purchase Price may be adjusted pursuant to 1.3.2 of this agreement for failure to pay premiums due.
 - 1.5.4 Accuracy of Representations. All representations and warranties contained in Section 2 shall be true and correct at the time the Net Purchase Price is received by Owner.
 - 1.5.5 Change of Ownership of Policy. Purchaser must receive documentation evidencing, to its sole satisfaction, the change of ownership and beneficiary of the policy to Purchaser.
 - 1.5.6 Additional Owner Closing Conditions. Owner and Insured must satisfy the additional closing conditions, if any, contained on Exhibit H attached hereto.
 - 1.5.7 Other Conditions. Satisfaction of all other conditions that Purchaser deems necessary or appropriate to complete the transactions contemplated herein.
- 1.6 Designation of Escrow Agent. The Parties acknowledge the designation of S. Crow Company, a limited liability company, telephone number 555-888-8888 (the “Escrow Agent”), an organization providing independent escrow services for the transaction contemplated by this Agreement as the Escrow Agent. A copy of the Escrow Agreement between Purchaser, Owner and Escrow Agent is attached hereto as Exhibit L and is hereby incorporated into this Agreement.
- 1.7 Payment of Net Purchase Price. Within three (3) Business Days of the Escrow Agent’s receipt, from the Purchaser, of acknowledgement of transfer of ownership and beneficiary under the Policy and the satisfaction of any other closing conditions contained in this Agreement or the Escrow Agreement, payment of the Net Purchase Price will be made to the Owner.

2. OWNER’S AND INSURED’S REPRESENTATIONS AND WARRANTIES, COVENANTS, ACKNOWLEDGMENTS AND WAIVERS

Owner, and where indicated, Insured, hereby represent and warrant, covenant, acknowledge and waive to Purchaser as follows:

- 2.1 Fair Consideration. Owner acknowledges and agrees that the Purchase Price as set forth in Section 1.2 and Exhibit A is fair and reasonable consideration for the Policy, and that Owner has a complete understanding that pursuant to the sale of the Policy under the terms of this Agreement, Owner is relinquishing, selling, assigning and transferring all rights, title, interest in and to, and benefits of, the Policy.
- 2.2 Purchase Price Less Than Death Benefit. Owner understands that the amount payable to Owner's beneficiary(ies) upon the death of Insured, without the sale of the Policy pursuant to this Agreement, would be five hundred thousand (\$500,000) and that the Purchase Price for the sale of the Policy pursuant to this Agreement is one hundred fifty thousand (\$150,000), and that the difference between the Purchase Price and the death benefit of the Policy is therefore three hundred fifty thousand (\$350,000). The Owner is selling and transferring all rights to any additional guaranteed insurability benefits, all accidental death and dismemberment benefits, and any other applicable riders and benefits to the Purchaser.
- 2.3 Ownership. Owner is the sole owner of the Policy, has and is conveying good and marketable title to the Policy to Purchaser, free and clear of any and all liens, pledges, collateral assignments, charges, divorce-related decrees, or encumbrances of any nature whatsoever, except those encumbrances made in favor of Insurer which Owner has disclosed in writing to Purchaser in Owner's Disclosure of Liens Form, attached hereto as Exhibit G.
- 2.4 Policy Contestability Period. The Policy is beyond the contestability and suicide periods set forth in the Policy contract.
- 2.5 Purchase Prohibition Period. Under Arkansas law, a policy cannot be sold or purchased within two (2) years of issuance ("Purchase Prohibition Period") unless Owner has certified to Purchaser on Exhibit Q that policy qualifies for an exception to this Purchase Prohibition Period under Arkansas law.
- 2.6 Solvency. Owner is solvent and has no outstanding liens, suits, claims, garnishments, divorce-related decrees, bankruptcies or court actions which could render Owner insolvent or bankrupt; no bankruptcy or insolvency proceedings are pending or contemplated by or against Owner.
- 2.7 No False Statements. Owner and Insured each represent that no fact, statement, document, covenant, acknowledgment, representation or warranty presented or made by Owner or Insured, contained in any application for the Policy or Purchaser's Settlement Application, or otherwise made or caused to be delivered to Insurer or Purchaser, contains (in the past or present) or will contain any untrue statement of fact, or omits (in the past or present) or will omit any fact necessary to make all statements, documents, covenants, warranties, acknowledgments and representations true, and complete, and not misleading.
- 2.8 Duty to Report False/Fraudulent Information. Owner and Insured each represent that Owner and Insured understand that the presentation of false or fraudulent information to

Insurer that issued the Policy or to Purchaser is a crime and may subject Owner and/or Insured to fines, confinement in prison and/or civil action. Purchaser will report all suspected fraudulent activity that it discovers related to the Policy or this Agreement.

- 2.9 Waiver of Claims. Owner and Insured each acknowledge that Purchaser will report any and all suspected fraudulent activities in connection with the application, sale or purchase of a life insurance policy, and Owner and Insured each hereby irrevocably and completely waive all claims Owner or Insured may have against Purchaser arising from Purchaser's disclosure of any suspected fraudulent activity to any law enforcement, regulatory or insurance company officials, whether or not it is ultimately determined that any such fraud was committed.
- 2.10 No Intent to Sell; Good Faith. Owner and Insured each represent that the Policy was not purchased from Insurer with the intention of selling it, whether to Purchaser or another; and that the sale hereunder is made in good faith for valid and legitimate reasons, without intent to hinder, delay or defraud Owner's or Insured's present or future creditors.
- 2.11 Policy Legally Issued; Bona Fide Interest. Owner and Insured each represent that the Policy was legally issued, and Owner and Insured each further represent that a bona fide insurable interest existed between the original owner of the Policy and Insured at the time the Policy was issued.
- 2.12 Competency and Consent. Owner and Insured are competent to enter into this Agreement and have voluntarily entered into this Agreement as an act of free will and with full capacity to understand the terms and conditions contained herein. Further, Owner and Insured consent to the terms and conditions of this Agreement.
- 2.13 Complete Understanding. Owner and Insured each have received and, prior to signing, read a complete copy of this Agreement, including all exhibits and schedules and any documents incorporated by reference herein. Prior to signing this Agreement, each of Owner and Insured has been advised of the advantages and disadvantages of a sale of the Policy by their own independently retained advisors, and each of Owner and Insured has a full and complete understanding of: (i) this Agreement; and (ii) the benefits of the Policy that Owner is selling and transferring to Purchaser pursuant to the terms of this Agreement.
- 2.14 No Defaults; Paid Up. The Policy is in full force and effect with no defaults, lapses in coverage or any other condition which could impact the validity of the Policy; the Policy is fully paid through the date hereof, and is not and will not be, at any time during the execution of the transactions contemplated by this Agreement, in any payment default or grace period for payment.
- 2.15 Duly Authorized. Owner and Insured each have the power and authority to sign all documents required to consummate the transactions contemplated by this Agreement, and all such documents executed and delivered by them have been duly authorized, executed and delivered and are legal, valid and binding obligations of Owner and Insured and their heirs, estate, administrators, successors and assigns.

- 2.16 Professional Advice and Counsel. Owner and Insured, prior to signing this Agreement, have each been advised to or have had the opportunity to consult with and obtain advice and assistance from legal, financial and tax professionals, and to be represented by counsel in the negotiation and execution of this Agreement. Prior to signing this Agreement, each of Owner and Insured has reviewed, or had the opportunity to review, this Agreement with independent financial and legal counsel of their own choosing, and Owner and Insured have not relied on Purchaser, Purchaser's counsel, employees, agents or representatives for any review or interpretation of the terms of this Agreement or the Policy. Purchaser has not provided Owner with any advice regarding the income, estate, gift or other tax effects of this Agreement, but has advised Owner that there may be adverse tax and financial consequences to selling the Policy and that Owner should consult with Owner's own tax counsel regarding such effects.
- 2.17 No Suits or Proceedings. Owner and Insured each represent that there are no actions, suits or proceedings pending or threatened against or affecting Owner, Insured or the Policy or involving the validity or enforceability of the Policy or this Agreement, and no event has occurred that will violate, be in conflict with, or result in the breach of or constitute a default under the Policy or this Agreement.
- 2.18 No Notice. Owner and Insured each represent that Owner or Insured have not received any notice from Insurer of any violation of any term of the Policy, any notice of investigation, cancellation, or termination of the Policy, or any notice from any governmental or regulatory agency regarding any ordinance, regulation, law or statute pertaining to the Policy or the sale thereof under this Agreement or otherwise.
- 2.19 Loss of Coverage. In addition to the loss of coverage on Insured, Owner and Insured each acknowledge that if the Policy is a joint policy, or contains riders or other provisions insuring the lives of a spouse, dependents or anyone other than Insured, there will be a loss of coverage on those additional insureds, and Owner or Insured should contact Insurer or their insurance agent to determine if the coverage may be converted in order to avoid losing coverage.
- 2.20 No Cancellation or Violation. This Agreement will not cause a violation, or a right of termination, acceleration, cancellation or similar right, under any contract, promise, or agreement by which Owner or Owner's assets are bound or may be affected.

[CHOOSE ONE]

- 2.21 [No Life-Threatening Illness. Owner and Insured each represent that Insured does **not** have any catastrophic, life-threatening, chronic or terminal illness or condition.

Terminal or Chronic Illness. Owner and Insured each represent that the Insured suffers from a terminal or chronic illness or condition, and that this terminal or chronic illness or condition was first diagnosed **after** the Policy was issued.]

- 2.22 Accelerated Benefits. If the Policy contains an accelerated benefits provision allowing benefits to be paid in an amount which is equal to or exceeds the amount available under this Agreement, Owner represents that Owner either a) chose not to apply for benefits

under that provision, OR, b) if Owner chose to seek accelerated benefits, Insurer has refused, in writing, to provide such accelerated benefits, or did not respond to Owner's request for payment of accelerated benefits within a period of time acceptable to Owner.

- 2.23 Cooperation. Owner and Insured each covenant to Purchaser that each shall take such action as may be necessary, including executing all such documents or instruments as may be required by Purchaser or Insurer, to complete the transfer of ownership and change of designation of the beneficiary of the Policy to Purchaser. Owner and Insured also covenant that each shall cooperate in any way requested by Purchaser to assist Purchaser in keeping the Policy in force; and each shall execute any releases or authorizations or undertake any such further acts as may be necessary to permit Purchaser to obtain current medical or health information about Insured until Purchaser has received payment in full of the death benefit provided under the Policy, and shall offer any assistance requested in connection with obtaining a certified copy of the Insured's death certificate. Additionally, I hereby authorize Purchaser to acquire, at its sole expense, an annuity on my life. I will cooperate in its effort to obtain any such annuity.
- 2.24 Change in Information. Owner and Insured each covenant to inform Purchaser of any change in personal information of Insured, including home address, home telephone number, employment status, and attending physician information within ten (10) days of becoming aware of such information. Owner and Insured acknowledge that failure to do so will constitute a material breach of this Agreement, allowing Purchaser to pursue all rights and remedies hereunder, including requiring Owner to repurchase the Policy as set forth in Section 3.2 herein.
- 2.25 Insured's Confirmation of Information; Designation of Insured's Designee and Alternate Contacts. Prior to closing, Owner and Insured each acknowledge and agree that Purchaser may from time to time and at its own discretion, contact Owner, Insured, Insured's Designee, if any, contact persons listed on Exhibit M, or Insurer for confirmation of any information necessary to further the transactions contemplated in this Agreement. After closing, contact with the Insured will be limited to once every three (3) months if the Insured has a life expectancy of more than one (1) year, and to no more than once per month if the Insured has a life expectancy of one (1) year or less. Insured acknowledges that the limitations set forth in this section only apply to contacts with the Insured to determine the Insured's health status or verify contact information. Unless Insured designates a contact under this section, Insured agrees that Purchaser may contact Insured. If Insured desires, Insured may designate any individual of legal age, who is in regular contact with Insured and is familiar with the Insured's medical status and this Agreement, to act as the Insured's primary designee ("Insured's Designee"). If so designated, contact for inquiries about Insured's health or medical status, contact information, or otherwise will be directed to Insured's Designee, in lieu of contact with the Insured, so long as the Insured's Designee can be reached. Insured may change Insured's Designee by delivering written notice of such change to Purchaser. If Insured wishes to designate immediately Insured's Designee, Insured shall provide the name, address, telephone number, email address, and relationship to Insured of Insured's Designee below:

Name: _____

Address: _____

Telephone: _____

Email: _____

Relationship: _____

Insured shall, on Exhibit M, designate no fewer than three additional individuals to serve as alternative contact persons for Insured in the event that Insured's Designee cannot be reached in a timely manner. If Purchaser is unable to contact Insured's Designee or alternative contact persons after reasonable diligence, or if the Insured's Designee or alternative contact persons are unable or unwilling to provide all information about the Insured that is requested by Purchaser, Purchaser may contact Insured directly. Insured authorizes Purchaser to use any legal means to locate the Insured, including but not limited to: locating and contacting any individual, whether named as the Insured's Designee or alternative contact person or not, who may have information about the Insured; sharing any information necessary to gain the individual's cooperation, such as any information about the Insured and the details of this Agreement, including the financial aspects of the Agreement, up to and including providing a copy of the Agreement; and requesting information about the Insured from those individuals. Owner and Insured each agree and acknowledge that Purchaser may contact Insured's Designee and alternative contact persons without prior notice to Insured and that contacts with the Insured, Insured's Designee, or alternative contact persons may be made by phone, email, regular mail or any other method used by Purchaser.

- 2.26 No Benefit; Further Assignment or Sale. Owner and Insured each acknowledge that upon consummation of the transactions contemplated in this Agreement, Owner and/or Insured will not have any right to any benefit whatsoever under the Policy, and that the current beneficiaries of the Policy shall receive no portion of the death benefit upon death of Insured, and, further, agree that this Agreement or the Policy (or any rights thereunder) may be assigned, sold, or transferred by Purchaser without the prior knowledge or consent of Owner or Insured.
- 2.27 Valid Sale. Owner agrees that this Agreement constitutes a valid sale, transfer and assignment of the Policy and is not a loan or other financing transaction or intended to be regarded as a loan or other financing transaction. If a court ever finds that the sale of the Policy was ineffective or that this Agreement created a loan, and not a purchase and sale, then this Agreement will serve as a security agreement under the Uniform Commercial Code or similar law of the state in which Owner resides. For such purpose alone, Owner hereby grants to Purchaser a first priority perfected security interest in a lien on the Policy.
- 2.28 Compensation and Obligations for Owner's Broker or Representative. The Owner and Insured acknowledge that the Purchaser does not set or determine compensation for any life settlement broker or other Owner's representative involved in this transaction, and that such compensation is determined in the sole discretion of the life settlement broker or

other Owner's representative. The Owner and Insured understand that the life settlement broker or other Owner's representative is not affiliated with or an agent of the Purchaser in this transaction. Under the law of Arkansas, a life settlement broker has statutorily defined duties to the Owner, and Owner and Insured acknowledge that they have been advised of this fact and, further, Purchaser in no way represents the interests of either the Owner or Insured.

- 2.29 Address and State of Residency. The address of the Owner as set forth in the preamble of this Agreement and elsewhere, is the true and correct address of the Owner, and accurately reflects the true and correct state of residency of the Owner.
- 2.30 Claims Related to Violations of Insurable Interest. Owner and Insured, for himself or herself and on behalf of all beneficiaries, heirs, assigns, and the estate or the executor or administrator of the estate of either, hereby waive any actions or claims any of the aforementioned parties may have, now or in the future, to recover any benefits paid to the Purchaser pursuant to the Policy, if it is ever determined that the Policy may have been issued in violation of laws related to requirement of insurable interest.
- 2.31 Life Expectancy Reports Prior to Policy Issuance. Owner and Insured each represent that a life expectancy report on the life of the Insured was not sought or procured prior to application or issuance of the Policy.

3. **TERMINATION; BREACH; RETURN OF PURCHASE PRICE**

- 3.1 Termination by Purchaser. Purchaser may, in its sole discretion, immediately terminate this Agreement, rendering any and all obligations hereunder null and void if: (i) Owner or Insured breach any representation or warranty or fail to perform any covenant contained in Section 2 of this Agreement; (ii) Purchaser learns of any inaccurate, false or otherwise incorrect information provided by Owner or Insured to Purchaser or Insurer; (iii) Purchaser determines that the Policy does not meet Purchaser's underwriting requirements or financial parameters; (iv) Owner fails to satisfy any closing condition set forth in Section 1.5 within a period of time acceptable to Purchaser; or (v) Owner breaches or commits a default under the Escrow Agreement, attached hereto as Exhibit L.
- 3.2 Material Breach; Return of Net Purchase Price.
- 3.2.1 Material Breach. The breach of any representation contained in this Agreement, failure to perform a covenant made in this Agreement, or failure to perform any action required in this Agreement, if committed by Owner or Insured, which such breach or failure has a material adverse effect on Purchaser shall be a "Material Breach."
- 3.2.2 Notice of Breach. Upon learning of the existence of a Material Breach, Purchaser shall, within five (5) business days (any day that is not a Saturday, Sunday, or legal holiday, a "Business Day"), give Owner written notice that Owner is in breach of the Agreement, and that, unless remedied within five (5) Business Days, Purchaser will require repurchase of the Policy by Owner pursuant to Section 3.2.3.

3.2.3 **Obligation to Repurchase.** If the Material Breach is not remedied by the end of the 5th Business Day after Owner's receipt of such notice from Purchaser, then Purchaser shall have the right to serve Owner with notice that Owner must repurchase the Policy at the full Net Purchase Price, plus all amounts paid by or on behalf of Purchaser in connection with or as a consequence of this Agreement, including but not limited to, premiums, loans, or loan interest (the "Repurchase Notice"). Upon receipt of the Repurchase Notice, Owner must, within three (3) Business Days, send in immediately available funds to Purchaser, a sum equal to the Net Purchase Price, plus all amounts paid by or on behalf of Purchaser in connection with or as a consequence of this Agreement, including but not limited to, premiums, loans, or loan interest.

4. **OWNER'S RESCISSION RIGHTS**

4.1 Owner may rescind this Agreement on or before fifteen (15) calendar days after the Agreement is executed by all parties (the "Rescission Period"). Such rescission right may only be exercised by, within the Rescission Period, the Owner: (i) providing Purchaser with written notice of election to rescind at the following address: Habersham Funding, LLC located at 3495 Piedmont Rd, Ste 910, Building 11, Piedmont Center, Atlanta, Georgia 30305, and (ii) making an unconditional refund to Purchaser, in immediately available funds, of the full Net Purchase Price plus all amounts paid by or on behalf of Purchaser in connection with or as a consequence of this Agreement, including but not limited to, premiums, loans, or loan interest (the "Rescission Payment"). **SUCH RESCISSION PAYMENT MUST BE RECEIVED BY PURCHASER ON OR BEFORE THE LAST DAY OF THE RESCISSION PERIOD.**

4.2 If Insured dies during the Rescission Period, this Agreement shall be deemed to have been rescinded by Owner, subject to repayment of the Rescission Payment by Owner or Owner's estate to Purchaser within fifteen (15) calendar days of Insured's death. If the Rescission Payment is not received by Purchaser within fifteen (15) calendar days after Insured's death, Owner is deemed to have waived his or her right to rescind this Agreement, and Purchaser shall be entitled to retain the full amount of the death benefit.

5. **INDEMNIFICATION; SURVIVAL**

5.1 **Indemnification.** Owner and Insured each hereby indemnify Purchaser and its officers, directors, managers, partners, members, employees and agents, and any assignees, designees or successors of same (the "Indemnified Parties") against and agree to hold the Indemnified Parties harmless from any and all damages, losses, liabilities and expenses (including, without limitation, reasonable expenses of investigation and reasonable attorneys' fees and expenses in connection with any action, suit or proceeding), incurred or suffered by the Indemnified Parties arising out of, resulting from, or related to: (i) any misrepresentation or breach of any representation or warranty made by Owner or Insured pursuant to this Agreement or any document executed in connection with the transactions contemplated by this Agreement; (ii) any breach of a covenant or agreement made or to be performed by Owner or Insured pursuant to this Agreement, (iii) any breach or violation of any applicable federal or state law by Owner or Insured in connection with the Policy or this Agreement, (iv) any rescission or cancellation of the Policy by Insurer or its successors

for any reason other than one caused solely by the act or failure to act of any Indemnified Party, other than any act by an Indemnified Party resulting from any misrepresentation or fraud committed by Owner or Insured, and (v) any and all challenges to the Policy or this Agreement.

- 5.2 Survival. Owner's and Insured's obligation to indemnify Habersham Funding, LLC and its officers, directors, managers, partners, members and employees, shall survive any assignment, sale or other transfer of this Agreement or the Policy.

6. MISCELLANEOUS

- 6.1 Incorporation of Documents. The Habersham Settlement Application made by the Owner (the "Settlement Application") is hereby incorporated into and made a part of this Agreement.
- 6.2 Entire Agreement. This Agreement, and all exhibits, schedules and appendices hereto, together with the Settlement Application and Policy, constitute the entire understanding and agreement between the Parties, and supersede any and all prior or contemporaneous representations, understandings and agreements between the Parties with respect to the subject matter of this Agreement.
- 6.3 Amendments/Modifications Binding; No Beneficiaries. All amendments to or modifications of this Agreement shall be binding upon the Parties, despite any lack of separate or additional consideration therefore, so long as such amendments or modifications shall be in writing and signed by a corporate officer of Purchaser and a duly authorized representative of Owner. The Parties acknowledge and agree that, except as otherwise provided in Section 4.2 of this Agreement, there are no third party beneficiaries of any promises, obligations or representations made herein.
- 6.4 Severability. If any provision of this Agreement is found invalid or unenforceable pursuant to judicial decree or decision, the remainder of this Agreement shall remain valid and enforceable according to its terms.
- 6.5 Binding Effect. This Agreement is irrevocably binding upon Owner and Insured, and their estate, administrators, heirs and any beneficiaries, both past and current, of the Policy. Owner, on Owner's behalf and for Owner's heirs, estate, administrators, successors and assigns, irrevocably warrants and agrees to defend title to the Policy to Purchaser, its successors and assigns, forever against any and every person claiming an interest in or rights to the Policy.
- 6.6 Future Compliance. Owner and Insured each consent and agree to sign, execute, acknowledge, deliver, record and/or file any and all future documentation and provide and supply additional information that is requested by Purchaser, Insurer or their successor(s) in regards to the Policy and provide Policy information without right or ability to claim further consideration, including but not limited to obtaining the death certificate of the Insured, all of which shall be done in a timely manner.
- 6.7 Right to Assign. Owner and Insured consent that Purchaser shall have the right to assign or otherwise transfer this Agreement or the Policy, including all rights, benefits and

obligations hereunder and all of Owner's and Insured's confidential personal, medical and financial information related hereto, in its sole and absolute discretion. Such assignment or transfer may be to a person unknown to Owner or Insured and without Owner's or Insured's further consent or knowledge. Neither Owner nor Insured shall have any right to assign this Agreement or any rights, obligations or duties of Owner or Insured hereunder. Any attempt by Owner or Insured to assign or transfer this Agreement, voluntarily or involuntarily shall be null and void without the prior written consent of Purchaser.

- 6.8 Governing Law. The laws of the State of Arkansas shall govern the interpretation of and any disputes that arise under this Agreement.
- 6.9 Arbitration and Enforcement Costs. Except for a claim limited solely to seeking non-monetary or equitable relief, the Parties agree that all disputes arising out of or in connection with this Agreement shall be submitted to arbitration in Fulton County, Georgia and shall be resolved and adjudicated according to the Commercial Rules of the American Arbitration Association. The decision rendered in said arbitration shall be binding and may be confirmed, modified, denied or vacated in any court having jurisdiction. The substantially prevailing party shall recover from the substantially non-prevailing party its reasonable expenses, costs and reasonable attorney's fees, whether action is brought or not. As used herein, expenses, costs and attorney's fees also include arbitrator fees, arbitration costs, court costs, attorneys' and accountants' fees and any cost associated with an appellate proceeding. Expenses incurred in enforcing this Section 6.9 shall be covered by this Section 6.9. For this purpose, the arbitrator or court is requested by the Parties to award actual costs and attorneys' and accountants' fees incurred by the substantially prevailing party, it being the intention of the Parties that the substantially prevailing party is completely reimbursed by all such costs and fees. You should be aware and understand that you may be giving up certain rights to have your dispute settled in and by a court of law, unless the law in your state provides for judicial review of arbitration proceedings.
- 6.10 Acceptance of Purchase Offer. This Agreement has been executed first by Purchaser as an offer to purchase the Policy from Owner, which offer shall be open for acceptance by Owner for ten (10) calendar days from the Effective Date. The offer shall be accepted by Owner as of the date the Owner signs this Agreement ("Date of Execution"). This Agreement shall be deemed executed by all parties as of the Date of Execution. Purchaser, at its sole discretion, may allow the Owner to accept this offer after the expiration of the initial 10 day acceptance period. Time is of the essence in this Agreement.
- 6.11 Headings. The headings and subheadings contained in this Agreement are for convenience of reference only, and are not to be considered part of this Agreement and will not limit or otherwise affect in any way the meaning or interpretation of this Agreement.
- 6.12 Disclaimer of Special Damages. In no event shall Purchaser, its owners, officers, directors and/or employees be liable for any special or speculative damages whatsoever, as a result of Owner's sale of the Policy, including, but not limited to, any special, indirect, punitive, consequential or incidental damages, or for any loss of profits, capital, revenue or use, whether brought in contract, tort or otherwise. This disclaimer is intended to apply to Purchaser, its officers, directors, owners, members, Purchaser's vendors, affiliates and/or any other entity from which Purchaser obtains information and services.

- 6.13 Waiver. Any Parties' failure to insist in any one or more instances upon strict performance by another Party of any of the terms of this Agreement shall not be construed as a waiver of any continuing or subsequent failure to perform or a delay in performance of any term hereof.
- 6.14 Counterparts and Facsimile. This Agreement may be signed in one or more counterparts, each of which is deemed an original, but all of which together will constitute one and the same instrument. A facsimile copy of this executed Agreement shall be deemed valid as if it were the original.
- 6.15 No Construction Against Drafter. Owner has been or has had the opportunity to be represented by counsel throughout the negotiation and signing of this Agreement and all ancillary documents to this Agreement and, therefore, while this Agreement is effective or after its termination, Owner shall not claim or assert that any provision of this Agreement or ancillary documents should be construed against the drafter of this Agreement and ancillary documents.
- 6.16 Release of Patient Identifying Information. The Insured's Authorization to Release Medical and Personal Information attached hereto as Exhibit I shall be a general consent for the release of medical records and patient identifying information, which shall remain in effect for any subsequent transaction involving the Policy.
- 6.17 Survival. All provisions contained in Section 2, 3, 4, 5 and 6 of this Agreement shall survive the sale of the Policy, or any subsequent assignment or transfer of this Agreement.
- 6.18 Notices. Any and all notices, requests, consents, notifications, and other communications given to any Party to this Agreement shall be given in writing and will be, as elected by the party giving said notice, hand-delivered by messenger or courier service, telecopied, electronically communicated, or sent via registered or certified mail, return receipt requested, postage prepaid, to the below address or to any other address as the Party may designate by notice complying with the terms of this Section 6.19. Except as set forth in Section 4.1 or 4.2, each notice is deemed delivered on the date delivered if by personal delivery, on the date of transmission with confirmation if by email, telex, facsimile, or other telegraphic method, and on the date upon which the return receipt is signed or delivery refused or the notice is designated by the postal authorities as not deliverable, as the case may be, if mailed.

To Purchaser:
 Habersham Funding, LLC
 3495 Piedmont Rd
 Bldg 11, Ste 910
 Atlanta, GA 30305
 Attn. M. Bryan Freeman, Managing Member
 Telephone: 404-233-8275
 Facsimile: 404-233-9394

To Owner:
 John Doe
 123 Main Street
 Anytown, Anystate 12345
 Telephone:(555) 555-5555
 Email:

With a copy to:

John G. Parker, Esq.
 Paul, Hastings, Janofsky & Walker

600 Peachtree Street, NE, Suite 2400
Atlanta, GA 30308
Telephone: 404-815-2400
Facsimile: 404-815-2424

[SIGNATURES CONTINUED NEXT PAGE]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Date of Execution.

<p><u>NOTARY</u> (please sign below)</p> <p>State of _____ County of _____</p> <p>Subscribed and affirmed to before me this _____ day of _____, 20__.</p> <p>X _____ Notary Public Signature</p> <p>My commission expires: _____</p> <p>(NOTARIAL SEAL)</p>	<p><u>HABERSHAM FUNDING, LLC</u></p> <p>By: _____ M. Bryan Freeman, President</p> <p>Date: _____</p>
<p><u>NOTARY</u> (please sign below)</p> <p>State of _____ County of _____</p> <p>Subscribed and affirmed to before me this _____ day of _____, 20__.</p> <p>X _____ Notary Public Signature</p> <p>My commission expires: _____</p> <p>(NOTARIAL SEAL)</p>	<p><u>OWNER:</u></p> <p>By: _____ John Doe</p> <p>Date of Execution: _____</p>
<p><u>NOTARY</u> (please sign below)</p> <p>State of _____ County of _____</p> <p>Subscribed and affirmed to before me this _____ day of _____, 20__.</p> <p>X _____ Notary Public Signature</p> <p>My commission expires: _____</p> <p>(NOTARIAL SEAL)</p>	<p><u>INSURED:</u></p> <p>By: _____ James Doe</p> <p>Date: _____</p>

SCHEDULE I

1. Duly executed and, if required, notarized or witnessed copies of any and all of the following documents required by Insurer that issued the Policy or its successor(s) to irrevocably transfer all rights, title, and interest in and to the Policy to Purchaser, as provided in the Life Insurance Policy Purchase and Sale Agreement, and to absolutely assign all present and future rights in the Policy to Purchaser: (i) a form of Transfer of Ownership; (ii) a Change of Beneficiary form and (iii) any and all other similar document(s) that may be required by Insurer.
2. Life Insurance Policy Purchase and Sale Agreement, duly executed by Owner and Insured and notarized by a qualified notary.
3. A complete (including all amendments, applications, policy changes, riders, etc.) original or certified duplicate insurance policy #123456789 from ABC Insurance Company. If policy is a conversion policy, Purchaser will also require a complete (including all amendments, applications, policy changes, riders, etc.) original or certified duplicate of the original insurance policy converted from.
4. A copy of Owner's and Insured's government-issued identification cards (in the requested form and must include a photo).
5. Verification of the Owner's Social Security number (Tax Identification Number) by Social Security Card, W-2, or Tax Return.
6. An executed Form W-9.
7. A correct and current verification of coverage from the insurance company that issued the Policy.
8. Settlement Statement and Payment Request Form, duly executed by Owner, attached hereto as Exhibit A.
9. **[Will be deleted if inapplicable]** Consent of Owner's Spouse, if applicable, duly executed by Owner's spouse and notarized by a qualified notary, attached hereto as Exhibit B.
10. Disclosure Notice to Owner and Insured, duly executed by Owner and Insured and notarized by a qualified notary, attached hereto as Exhibit C, thereby acknowledging and evidencing receipt thereof.
11. Authorization for the Release of Information – Insurance Release, duly executed by Owner and notarized by a qualified notary, attached hereto as Exhibit D.
12. Irrevocable Special Power of Attorney, duly executed by Owner and notarized by a qualified notary, attached hereto as Exhibit E.
13. Consent to Change of Beneficiary and Release and Waiver of Beneficiary Rights by the current Beneficiary or Beneficiaries, duly executed by the appropriate Parties and notarized by a qualified notary, which is/are attached hereto as Exhibit F.
14. Disclosure of Liens Form, duly executed by Owner, attached hereto as Exhibit G.
15. Additional Owner or Insured Closing Conditions, attached hereto as Exhibit H.

16. Insured's Authorization to Release Medical and Personal Information, duly executed by Insured and notarized by a qualified notary, attached hereto as Exhibit I.
17. Insured's Authorization to Release Medical Information (HIPPA Complaint), duly executed by Insured and notarized by a qualified notary, attached hereto as Exhibit J.
18. **[Will be deleted if inapplicable]** Affidavit and Indemnity Agreement, duly executed by the appropriate Parties and notarized by a qualified notary, attached hereto as Exhibit K.
19. Escrow Agreement, duly executed by the appropriate Parties, attached hereto as Exhibit L.
20. Completed Contact Information Form, attached hereto as Exhibit M.
21. Owner Consent to Settlement Contract, duly executed by Owner and notarized by a qualified notary, attached hereto as Exhibit N.
22. Irrevocable Special Power of Attorney, duly executed by Insured and notarized by a qualified notary, attached hereto as Exhibit O.
23. **[Will be deleted if inapplicable]** If the Owner is the Insured, Attending Physician's Letter of Mental Competency, duly executed and witnessed, attached hereto as Exhibit P.
24. **[Will be deleted if inapplicable]** Arkansas Owner's Certification, duly executed by Owner and notarized by a qualified notary, attached hereto as Exhibit Q.
25. **[Will be deleted if inapplicable]** Owners Retention of Partial Interest in Policy Death Benefit, duly executed by Owner and notarized by a qualified notary, attached hereto as Exhibit R.
26. Completed Habersham Settlement Application duly signed by Owner and Insured and notarized by a qualified notary.

EXHIBIT A

SETTLEMENT STATEMENT AND PAYMENT REQUEST FORM

		Estimated	
For Policy #: 123456789			
Insurer: ABC Insurance Company			
Gross Purchase Price (the "Purchase Price")	\$	150,000	
Loans against the Policy Plus any Accrued Interest to Closing Date	\$()	
Premiums Advanced by Purchaser	\$()	
Liens or any other encumbrances on Policy	\$()	
Net Purchase Price (the "Net Purchase Price"):	\$	150,000	

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.

Please indicate below how you would like the Net Purchase Price disbursed (check one box).

Check:

Payee Name: _____

Payee Address: _____

Payee Phone Number: _____

Wire funds directly to bank account:

Name of account _____

Account # _____

Bank Name _____

Bank Address _____

Bank Routing Number: _____

Bank Phone Number: _____

Payee Phone Number: _____

John Doe, Owner

Date

EXHIBIT B

CONSENT OF OWNER'S SPOUSE

The undersigned spouse of John Doe who, pursuant to that Life Insurance Policy Purchase and Sale Agreement dated January 1, 2011 (the "Agreement"), has sold and transferred to Habersham Funding, LLC and its successors, assigns and/or designees (collectively the "Purchaser") the ownership of a life insurance policy insuring the life of James Doe (the "Insured") issued by ABC Insurance Company (the "Insurer") and bearing policy number 123456789 (the "Policy"), and changed the beneficiary designation under the Policy to Purchaser, acknowledges on his/her own behalf as follows:

(a) I have read the Agreement and I fully and completely understand its contents.

(b) I am aware that, under the Agreement, Purchaser shall purchase all of my spouse's interest in the Policy, including my community interest (if any) in the same.

(c) I hereby consent to any such sale, approve of the provisions of the Agreement, and agree that my spouse's interests and my interest in them are subject to the provisions of the Agreement, and that I will take no action at any time to hinder the operation of the Agreement on such interests or my interest in them.

I UNDERSTAND THAT 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.

<p><u>NOTARY</u> (please sign below)</p> <p>State of _____ County of _____</p> <p>Subscribed and affirmed to before me this _____ day of _____, 20__.</p> <p>X _____ Notary Public Signature</p> <p>My commission expires: _____</p> <p>(NOTARIAL SEAL)</p>	<p><u>OWNER'S SPOUSE</u></p> <p>By: _____ Jane Doe</p> <p>Date: _____</p>
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EXHIBIT C
ARKANSAS DISCLOSURE FORM
READ CAREFULLY BEFORE SIGNING

You should carefully read the following points before you sign this Agreement and seek additional advice where appropriate.

1. There are possible alternatives to the process of selling a Policy, which you may prefer. Some alternatives, where applicable, are (a) borrowing against the cash value of the Policy, (b) surrendering the Policy for its cash value, (c) accelerated death benefits that may be available under your Policy, and (d) withdrawing some of the cash value and reducing the death benefit of the Policy to lower future premiums. You may obtain information on these alternatives directly from Insurer that issued your Policy and you should seek advice from an insurance producer or other professional before exercising any alternatives.
2. Some or all of the proceeds from the sale of your Policy may be taxable under federal income tax and state franchise and income tax laws. **You should obtain advice on these matters from your legal, financial and professional tax advisors.**
3. The sale proceeds may be subject to claims by creditors, personal representatives, trustees in bankruptcy and receivers in state and federal courts. **You should obtain advice on these matters from your legal and financial advisors.**
4. Receipt of the sale proceeds may adversely affect your eligibility for Medicaid, Supplemental Social Security Income, food stamps, public assistance and any other means-based government programs, benefits or entitlement and may result in an interruption of such public assistance benefits. Receipt of sale proceeds may reduce the Owner's risk of becoming impoverished and becoming dependent on public assistance or other government benefits or entitlements. **You should obtain advice on these matters from appropriate government agencies and from your legal and financial advisors.**
5. You may rescind this Agreement on or before fifteen (15) calendar days after the Agreement is executed by all parties (the "Rescission Period"). In order to rescind you must, within the Rescission Period: (a) provide written notice to the Purchaser of your decision to rescind; and (b) return to Purchaser the full amount of the Net Purchase Price plus all amounts paid by or on behalf of Purchaser in connection with or as a consequence of this Agreement, including but not limited to, premiums, loans, or loan interest (the "Rescission Payment"). If the Insured dies during the Rescission Period, the Agreement shall be deemed to have been rescinded, subject to repayment by the Owner or the Owner's estate, within fifteen (15) calendar days of the Insured's death, of the Rescission Payment.
6. The Net Purchase Price will be sent to the Owner within three (3) business days after the Escrow Agent's receipt, from the Purchaser, of acknowledgement of transfer of ownership and beneficiary under the Policy and the satisfaction of any other closing conditions contained in the Agreement or the Escrow.
7. Entering into this Agreement may prevent the Owner from qualifying for new life insurance coverage in the future and may cause other rights or benefits, including conversion rights and waiver of premium benefits that may exist under the Policy, to be forfeited by you. **You should obtain advice on these matters from a financial advisor or another independent, qualified professional with experience in these matters.**
8. The Commissioner of Insurance requires delivery of a brochure prescribed by the Commissioner describing the process of life settlements. Owner and Insured acknowledge that they have each received

the Commissioner-prescribed brochure describing the process of life settlements.

9. 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.
10. Following the execution of this Agreement, the Insured may be contacted by the Purchaser for the purpose of determining the Insured's health status or to verify the insured's address. Such contact will be limited to once every three (3) months if the Insured has a life expectancy of more than one (1) year and to no more than once per month if the Insured has a life expectancy of one (1) year or less. Unless Insured designates a contact under the Agreement, Insured agrees that Purchaser may contact Insured as described in this paragraph. If Insured desires, Insured may designate any individual of legal age, who is in regular contact with Insured as a contact for inquiries about Insured's health or medical status ("Insured's Designee"). Insured shall provide the name, address, telephone number and relationship of Insured's Designee, and may change Insured's Designee by delivering written notice of such change to Purchaser. **Owner and Insured each agree and acknowledge that contacts with the Insured may be made by phone, email, fax, mail or any other method used by Purchaser.**
11. There is no affiliation between the Purchaser and the Insurer.
12. The Purchaser is Habersham Funding, LLC, a licensed life settlement provider located at 3495 Piedmont Rd, Ste 910, Building 11, Piedmont Center, Atlanta, Georgia, 30305. Tel: 404-233-8275.
13. In addition to the loss of coverage on Insured, Owner and Insured each acknowledge that if the Policy is a joint policy, or contains family riders or other provisions insuring the lives of a spouse, dependents or anyone other than Insured, there will be a loss of coverage on those additional insureds, and **Owner or Insured should consult with Insurer or their insurance producer for advice on the proposed life settlement.**
14. Owner understands that the amount payable to Owner's beneficiary(ies) upon the death of Insured, without the sale of the Policy pursuant to this Agreement, would be five hundred thousand (\$500,000) and that the Purchase Price for the sale of the Policy pursuant to this Agreement is one hundred fifty thousand (\$150,000), and that the difference between the Purchase Price and the death benefit of the Policy is therefore three hundred fifty thousand (\$350,000). [If known] additional guaranteed benefits are_____. The Owner is selling and transferring all rights to any additional guaranteed insurability benefits, all accidental death and dismemberment benefits, and any other applicable riders and benefits to the Purchaser.
15. The Parties acknowledge the designation of S. Crow Company, a [organization type], located at [address], telephone number 555-888-8888 (the "Escrow Agent"), an organization providing escrow services for the transaction contemplated by the Agreement as the Escrow Agent. A copy of the Escrow Agreement between Purchaser, Owner and Escrow Agent is attached to the Agreement as Exhibit L, and is available for the Owner's inspection and receipt.
16. The Purchaser (identified below) may assign or otherwise transfer its interests in the Policy or the Agreement to a third party after purchase from you.
17. Your Policy provides financial protection to your beneficiaries. If you sell your Policy to us, your beneficiaries will no longer have that protection. Before you sell your policy, you should consider whether that protection is needed. 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. Other financial options may be available to you. **Consult your financial advisor or insurance company for more information.**

18. **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.**

[IF NO BROKER IS INVOLVED - #19 & 20 WILL BE DELETED]

19. A life settlement broker represents exclusively the Owner, and not the insurer or the Purchaser 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. The Purchaser does not set or determine compensation for any life settlement broker involved in this transaction, and such compensation is determined in the sole discretion of the broker. The broker is not affiliated with or an agent of the Purchaser in this transaction. Under the law of the state of Arkansas, the broker has statutorily defined duties to the owner of an insurance policy, and Owner and Insured acknowledge that they have been advised of this fact. **If you have questions about the compensation received by the life settlement broker in this transaction, you should contact your agent or the broker.**
20. The Purchaser's gross settlement offer is \$_____. The Owner is receiving the Net Purchase Price of \$_____. The life settlement broker or other Owner representative is receiving \$_____ as compensation. This compensation is equal to _____% of the gross settlement offer.

[SIGNATURES CONTINUED NEXT PAGE]

I/We acknowledge that I/we have read and understand the contents of this disclosure.

<p><u>NOTARY</u> (please sign below)</p> <p>State of _____ County of _____</p> <p>Subscribed and affirmed to before me this ____ day of _____, 20__.</p> <p>X _____ Notary Public Signature</p> <p>My commission expires: _____</p> <p>(NOTARIAL SEAL)</p>	<p><u>INSURED</u></p> <p>By: _____ James Doe</p> <p>Date: _____</p>
<p><u>NOTARY</u> (please sign below)</p> <p>State of _____ County of _____</p> <p>Subscribed and affirmed to before me this ____ day of _____, 20__.</p> <p>X _____ Notary Public Signature</p> <p>My commission expires: _____</p> <p>(NOTARIAL SEAL)</p>	<p><u>OWNER</u></p> <p>By: _____ John Doe</p> <p>Date: _____</p>
<p><u>NOTARY</u> (please sign below)</p> <p>State of _____ County of _____</p> <p>Subscribed and affirmed to before me this ____ day of _____, 20__.</p> <p>X _____ Notary Public Signature</p> <p>My commission expires: _____</p> <p>(NOTARIAL SEAL)</p>	<p><u>HABERSHAM FUNDING, LLC</u></p> <p>By: _____ M. Bryan Freeman, President</p> <p>Date: _____</p>

EXHIBIT D

**AUTHORIZATION FOR THE RELEASE OF INFORMATION
INSURANCE RELEASE**

I hereby authorize ABC Insurance Company, the issuer of Policy Number and/or Certificate Number 123456789 insuring the life of James Doe (the "Policy") and/or its agents and any other entity or person that has information related thereto, to release to HABERSHAM FUNDING, LLC, or any of its authorized representatives, and/or its successors, assignees, and designees, a copy of the policy, applications, forms, riders, amendments or any other documents, data or information related thereto, of the Policy. I respectfully request that you reply immediately to any and all written, telephonic or other request for information or documents required by HABERSHAM FUNDING, LLC, or its authorized representatives, and/or its successors, assignees, and designees, pertaining to the above-referenced policy.

I agree that this Release is irrevocable and shall remain valid and in force for a period up to twenty-five (25) years unless a shorter time is required by law. I agree and intend that this Release shall be valid for unlimited requests, without limit or need for further authorization or release forms to be completed by me or the grantee. I agree and intend that this Release shall grant the broadest authorization allowed by law to request and receive information about me and my Policy. My death or future mental condition shall not terminate this Release. I agree that a photocopy or facsimile of this Release is as valid as an original. I understand that this Release will be used to gather information about the above-reference Policy to conduct and complete the evaluation, transfer, assignment, sale and/or resale of the above-referenced Policy.

<p><u>NOTARY</u> (please sign below)</p> <p>State of _____ County of _____</p> <p>Subscribed and affirmed to before me this _____ day of _____, 20__.</p> <p>X _____ Notary Public Signature</p> <p>My commission expires: _____</p> <p>(NOTARIAL SEAL)</p>	<p><u>OWNER</u></p> <p>By: _____ John Doe</p> <p>Date: _____</p>
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EXHIBIT E

IRREVOCABLE SPECIAL POWER OF ATTORNEY

The State of Arkansas)
County of _____)

KNOW ALL MEN BY THESE PRESENTS,

That I, Owner: John Doe, of Anycounty County, Anystate, do hereby make, constitute and appoint Habersham Funding, LLC, 3495 Piedmont Road NE, Suite 910, Building 11, Piedmont Center, Atlanta, Georgia 30305 and/or its successors, assigns or designees my true and lawful attorney-in-fact for me and in my name, place and stead, and on my behalf on the following matters:

To execute, deliver, endorse and acknowledge any document or instrument, and request and receive any information concerning or pertaining to the ownership, sale or transfer of that certain life insurance policy number 123456789, insured by ABC Insurance Company, insuring the life of James Doe (the "Policy") and all claims, benefits, privileges and rights thereon or therewith and to do any or all actions which I myself might do in connection with the purchase, sale, transfer and assignment of the Policy. Specifically, my attorney-in-fact is hereby empowered to own, take possession of, transfer, surrender, demand, sue for, make claim on, request and receive information about, file for benefits from and compromise the Policy in any way it sees fit.

This special power of attorney not only includes assignments of the above Policy, but also includes any replacement, substitution, or conversion of the existing coverage under the above Policy with that issued by another insurance company providing insurance to me, either individually or pursuant to a plan or any amended or successor plan provided by my employer.

I grant to said attorney-in-fact power and authority to do, take, and perform all and every act and thing whatsoever requisite, proper, or necessary to be done in the exercise of any of the rights and powers herein granted, as fully to all intents and purposes as I might or could do if personally present, with full power of substitution or revocation, hereby ratifying and confirming all that said attorney-in-fact, or its substitute or substitutes shall lawfully do or cause to be done by virtue of this special power of attorney and the rights and powers herein granted. The enumeration of the foregoing specific items, rights, acts or powers is not intended to, nor does it, limit or restrict and is not to be construed or interpreted as limiting or restricting the general powers herein granted to said attorney-in-fact to take any action concerning the Policy.

I hereby declare that no person, firm or corporation dealing with my attorney-in-fact will be required to inquire into the expediency, propriety, validity or necessity of any act done by my attorney-in-fact, nor will they be responsible for the proper payment or application of funds paid by them to, or received by them from my attorney-in-fact, and they may rely upon the delivery, transfer, assignment or other instrument or act of my attorney-in-fact, as having been properly authorized in all particulars.

[SIGNATURES ON NEXT PAGE]

I hereby declare that this special power of attorney is durable and shall not be affected by my subsequent disability, incapacity, or death.

<p><u>NOTARY</u> (please sign below)</p> <p>State of _____ County of _____</p> <p>Subscribed and affirmed to before me this _____ day of _____, 20____, by John Doe, satisfactorily proved or known to me personally.</p> <p>X _____ Notary Public Signature</p> <p>My commission expires: _____</p> <p>(NOTARIAL SEAL)</p>	<p><u>OWNER</u></p> <p>By: _____ John Doe</p> <p>Date: _____</p>
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<p><u>WITNESS</u></p> <p>By: _____ Jim Doe</p> <p>Date: _____</p>
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EXHIBIT F

**CONSENT TO CHANGE OF BENEFICIARY AND
RELEASE AND WAIVER OF BENEFICIARY RIGHTS**

The undersigned is a current beneficiary under Policy Number 123456789 (“Policy”), issued by ABC Insurance Company (“Insurer”), insuring the life of James Doe (“Insured”).

The undersigned understands that as a beneficiary (or possible beneficiary) of the Policy, the undersigned would be entitled to benefits under the Policy if Insured died while the undersigned was a current beneficiary. The undersigned understands that Owner is selling, assigning and transferring all rights and title to the Policy of which the undersigned is a current beneficiary. The undersigned understands that the beneficiary of the Policy will be changed and therefore, the undersigned will not receive any proceeds or benefits of the Policy.

In consideration of the benefits to Owner, the undersigned hereby consents to the sale, assignment and transfer of the Policy to HABERSHAM FUNDING, LLC or its successors, assignees and/or designees and the change of beneficiary of the Policy so as to have HABERSHAM FUNDING, LLC, or its assignees and/or designees named as beneficiary thereof. The undersigned hereby waives, releases, and forever discharges any and all claims of rights, actions, damages, demands, and causes of action of whatever kind and character arising out of the sale and assignment of the Policy to HABERSHAM FUNDING, LLC, or its successors, assigns and/or designees, and the change of beneficiary of said life insurance policy, including all rights to receive any proceeds from said policy.

The undersigned further agrees, upon request, to execute any additional or further releases and documents, including, but not limited to, any forms provided by Insurer, which may be necessary or desirable in order to more fully vest all rights, title, and interest in and to the Policy to HABERSHAM FUNDING, LLC, or its successors, assignees and/or designees.

This Release and Waiver of Beneficiary Rights shall be binding on the heirs, estate and administrators of the undersigned beneficiary.

<p><u>NOTARY</u> (please sign below)</p> <p>State of _____ County of _____</p> <p>Subscribed and affirmed to before me this _____ day of _____, 20__.</p> <p>X _____ Notary Public Signature</p> <p>My commission expires: _____</p> <p>(NOTARIAL SEAL)</p>	<p><u>BENEFICIARY</u></p> <p>By: _____ Jesse Doe</p> <p>Date: _____</p>
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EXHIBIT G

DISCLOSURE OF LIENS FORM

Identified on the schedule below are any and all debt or other obligations which could potentially create a lien or encumbrance on or against policy number 123456789 , insured by ABC Insurance Company , insuring the life of James Doe (the “Policy”)

	Description	Lienholder	Amount
1.	Unpaid Premium		\$
2.	Loan(s) Against Policy		\$
3.	Loan(s) Against Policy		\$
4.	Collateral Assignments		\$
5.	Other Encumbrances		\$
6.	Other Encumbrances		\$

[Please attach additional sheet, if necessary]

If no liens are listed above, I hereby represent that there are no debt or other obligations which could create any lien or encumbrance on or against the Policy or proceeds thereof.

I UNDERSTAND THAT 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.

By: _____
John Doe

Date: _____

EXHIBIT H

ADDITIONAL OWNER AND INSURED CLOSING CONDITIONS

1. Additional Owner Closing Conditions

Applicable closing conditions listed here.

2. Additional Insured Closing Conditions

Applicable closing conditions listed here.

EXHIBIT I

INSURED'S AUTHORIZATION TO RELEASE MEDICAL AND PERSONAL INFORMATION

I, the undersigned, hereby authorize any physician, medical practitioner, hospital or medical related facility, insurance company, the Medical Information Bureau, life expectancy estimating company, ABC Insurance Company, or other institution or person(s) having any records, charts, X-rays, laboratory work or similar information regarding my health, including, but not limited to, information relating to AIDS, ARC, HIV, heart disease, cancer, alcohol and/or drug abuse, mental illness, communicable diseases and any life threatening or terminal conditions, or certified death certificate containing my cause of death, to release such information to HABERSHAM FUNDING, LLC, their authorized representatives and/or their successors, assignees and designees, and only if the Policy (as defined below) was issued less than two years from the date of application for a life settlement contract, ABC Insurance Company. I hereby consent and agree to the release of any and all medical records, which may be requested by HABERSHAM FUNDING, LLC, their authorized representatives and/or their successors, assignees and designees or the Insurer that are required to complete the evaluation, transfer, sale and/or resale of life insurance policy # 123456789, insured by ABC Insurance Company ("Policy"). I further authorize HABERSHAM FUNDING, LLC or its successors, assignees and designees, to provide subject Policy(ies) along with my medical, financial and/or other personal information, to the organization(s) of its choice, in an effort to facilitate a settlement transaction and/or find a purchaser for such Policy(ies), and to any individual it deems necessary to locate me should my whereabouts become unknown to it. I understand that information obtained may be used to evaluate the Policy for possible sale to HABERSHAM FUNDING, LLC or its successors, assignees and designees, and over the course of time to re-evaluate my life expectancy. I understand that this information will be used to establish my life expectancy now and in the future. I agree that this authorization is valid for the maximum extent allowed by law from the date hereof, and that a photocopy or facsimile of it is as valid as the original. I acknowledge and agree that this Authorization to Release Medical Information may be used to monitor my on-going health status.

This is durable document meant to survive regardless of my future mental condition and is meant to remain in force following my death. This authorization may be revoked by me at any time except with respect to actions taken in reliance upon it.

<p><u>NOTARY</u> (please sign below)</p> <p>State of _____ County of _____</p> <p>Subscribed and affirmed to before me this _____ day of _____, 20__.</p> <p>X _____ Notary Public Signature</p> <p>My commission expires: _____</p> <p>(NOTARIAL SEAL)</p>	<p><u>INSURED</u></p> <p>By: _____ James Doe</p> <p>Date: _____</p>
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EXHIBIT J

INSURED'S AUTHORIZATION TO RELEASE MEDICAL INFORMATION (HIPAA COMPLIANT)

The undersigned insured(s) (hereafter referred to as "I"), authorize the disclosure of my protected health information (PHI) as follows:

1. Classes of persons authorized to disclose my protected health information: I authorize each physician, doctor, physician practice group, nurse, hospital, and any other health care provider (each, an "Authorized Discloser") to disclose any and all of my PHI as provided under this authorization. I authorize each Authorized Discloser to rely upon a photostatic or facsimile copy or other reproduction of this authorization.
2. Person authorized to receive my protected health information: I authorize my PHI to be disclosed by each Authorized Discloser under this authorization to Habersham Funding, LLC, and its employees, representatives, designees, agents, successors or assigns, and to any other entity which is allowed, required, or compelled by law to receive such PHI to complete a life settlement transaction or in order to sell a life settlement contract (collectively, the "Authorized Recipient"). I understand that my PHI may be secured by a third party provider and may be electronically transmitted to the Authorized Recipient, including transmission via web posting to a secure web site.
3. Description of protected health information authorized for disclosure and the purpose for such disclosure: This authorization shall apply to any and all of my health and medical records information, including HIV and AIDS-related information, drug and alcohol-related patient records and mental health-related records, whether or not personally identifiable or protected under any federal or state confidentiality or privacy laws or regulations. This authorization and all disclosures of my PHI made under this authorization are for the purposes of allowing the Authorized Recipient (1) to evaluate or cause an evaluation to be prepared of my life expectancy based upon my health and medical status and condition in connection with the possible purchase by the Authorized Recipient (and/or its funding entities) of any and all life insurance policies under which my life is insured and (2) to verify, track and monitor my health medical status and condition in connection with any and all life insurance policies under which my life is insured that the Authorized Recipient purchases.
4. Further Disclosure: Some of the PHI has been disclosed to an Authorized Recipient from records protected by federal confidentiality rules or from confidential records protected by state law. These laws generally prohibit the further disclosure of drug-related or HIV-related information without specific written consent. I acknowledge these laws and expressly authorize each Authorized Recipient of my information to further disclose the information to the extent such further disclosure is necessary in order to carry out the purposes of the original disclosure.
5. Expiration of authorization: This authorization shall remain valid until, and shall expire on, the date of my death, or for the maximum extent allowed by law from the date thereof.

Initial _____ Date _____
(Continued, please see next page)

6. Right to revoke authorization: I acknowledge and understand that I may revoke this authorization any time with respect to any Authorized Discloser by notifying such Authorized Discloser of my revocation of this authorization in writing and delivering my revocation by mail or personal delivery at such address designated by such Authorized Discloser; provide, that any revocation of this authorization shall not apply to the extent that (a) the Authorized Discloser has taken action in reliance upon this authorization prior to receiving notice of my revocation or (b), if this authorization was obtained as a condition of obtaining insurance coverage, other law provides an insurer with the right to contest a claim under an insurance policy.

I understand that this authorization is not a consent or an authorization requested by a health care provider, health care clearinghouse or health plan covered by the privacy regulations promulgated pursuant to the Health Insurance Portability and Accountability Act of 1996 (the "HIPAA Privacy Regulations"). I further understand that, as a result of this authorization, my PHI disclosed by any Authorized Discloser to the Authorized Recipient may be redisclosed by the Authorized Recipient and my PHI that is disclosed to the Authorized Recipient may no longer be protected by the HIPAA Privacy Regulations.

I certify that I am executing and delivering this authorization freely and unilaterally as of the date written below. I further certify that this authorization is written in plain language and that I have retained a copy of this signed authorization for future reference.

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.

<p><u>NOTARY</u> (please sign below)</p> <p>State of _____ County of _____</p> <p>Subscribed and affirmed to before me this ____ day of _____, 20__.</p> <p>X _____ Notary Public Signature</p> <p>My commission expires: _____</p> <p>(NOTARIAL SEAL)</p>	<p><u>INSURED</u></p> <p>By: _____ James Doe</p> <p>Date: _____</p>
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EXHIBIT K

AFFIDAVIT AND INDEMNITY AGREEMENT

State of New Jersey)
) ss.
County of _____)

Policy Number: 123456789 Insured: James Doe

The undersigned, of lawful age, being first duly sworn, on oath, deposes and says:

That my name is _____.

That I am the only duly designated Trustee of _____ as evidenced by a written Trust Agreement dated _____, which Trust is in full force and effect and has not been revoked or terminated.

That in my capacity as Trustee, I am making a separate written request to exercise a right, receive a benefit or sell the policy(ies) accorded to me by a life insurance policy(ies) issued by _____ or a predecessor life insurance company.

That in my capacity as Trustee, I am authorized to exercise the right, receive the benefit or sell the policy(ies) aforesaid, and Habersham Funding, LLC or its agents, successors, assigns or designees, upon acting in conformance with my request, shall have satisfied and be fully discharged of its obligation to the Trust.

That the representations and undertakings herein set forth by me are intended to be relied upon by Habersham Funding, LLC or its agents, successors, assigns or designees and to induce it to act on my request.

In consideration of these premises, I hereby agree to indemnify and save Habersham Funding, LLC or its agents, successors, assigns or designees harmless from any and all liability, loss damage, expense, causes of action, suits, claims, judgments, including attorney fees, resulting from or based upon actions taken by Habersham Funding, LLC or its agents, successor, assigns or designees at my request.

<p><u>NOTARY</u> (please sign below)</p> <p>State of _____ County of _____ Subscribed and affirmed to before me this _____ day of _____, 20__.</p> <p>X _____ Notary Public Signature</p> <p>My commission expires: _____</p> <p>(NOTARIAL SEAL)</p>	<p><u>TRUSTEE</u></p> <p>By: _____ Signature of trustee</p> <p>Date: _____</p>
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EXHIBIT L

ESCROW AGREEMENT

This Escrow Agreement (“Escrow”) is made and entered into January 1, 2011, by and among John Doe (“Owner”), Habersham Funding, LLC, a Georgia limited liability company, its assignees and/or designees (“Purchaser”), and S. Crow Company (“Escrow Agent”). All of the above are hereinafter referred to as the “Parties.”

RECITALS

WHEREAS, the Owner and the Purchaser have entered into that certain Life Insurance Policy Purchase and Sale Agreement (the “Agreement”) dated the January 1, 2011, pursuant to which Owner has agreed to sell to the Purchaser, and the Purchaser has agreed to purchase from the Owner, that certain policy number 123456789 issued by ABC Insurance Company (the “Insurer”), insuring the life of James Doe (the “Policy”) and all of Owner’s rights, title, and interest thereto; and

WHEREAS, the Owner and Purchaser have executed all documents and instruments required by the Agreement (the Closing Documents”) which are necessary to sell the Policy and transfer ownership thereof and the beneficiaries thereunder; and

WHEREAS, Owner and Purchaser wish to establish an escrow with an independent escrow agent pursuant to which the funds due from the Purchaser to the Owner for the sale of the Policy shall be escrowed and, if all conditions are met, distributed to the Owner.

NOW, THEREFORE, for and in consideration of the promises and mutual obligation contained herein and for other goods and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Capitalized Terms. All capitalized terms used in this Escrow, but not defined herein, shall have the meanings ascribed to such terms in the Agreement.
2. Appointment of Escrow Agent. The Owner and the Purchaser hereby appoint the Escrow Agent to serve as the Escrow Agent for the Escrow and the transaction contemplated thereby. The Escrow Agent hereby accepts such appointment and agrees to perform the escrow services and duties set forth in this Escrow.
3. Delivery of Documents and Funds. Within three (3) Business Days of the Escrow Agent’s receipt from Owner of all Closing Documents, Purchaser shall then cause funds to be delivered to the Escrow Agent in the amount of the Net Purchase Price. The Escrow Agent shall hold the funds representing the Net Purchase Price in accordance with the terms of this Escrow.
4. Release of Documents. Upon receipt of the Net Purchase Price from the Purchaser, the Escrow Agent shall release to Purchaser all Closing Documents necessary to complete the transfer of ownership of the Policy then in the Escrow Agent’s possession.
5. Delivery of Net Purchase Price. Within three (3) Business Days of the Escrow Agent’s receipt, from the Purchaser, of acknowledgement of transfer of ownership and beneficiary under the Policy and the satisfaction of any other closing conditions contained in the Agreement, the Escrow Agent shall transfer

the Net Purchase Price to the Owner. The Net Purchase Price shall be deemed received by the Owner as of the date that the Escrow Agent either releases funds for wire transfer to the Owner or places a check for delivery to the Owner via United States Postal Service or another nationally recognized delivery service.

6. Escrow Unwinding Procedure. If Purchaser sends the Owner-executed change forms to the Escrow Agent with instructions for the Escrow Agent to return the forms to the Owner, the Escrow Agent shall, within three (3) Business Days 1) send the change forms to the Owner pursuant to the provided instructions and 2) send funds to the Purchaser or the Purchaser's designee pursuant to instructions provided by the Purchaser.
7. Escrow Agent's Rights and Duties. With respect to the Escrow Agent's duties and rights as Escrow Agent, it is agreed as follows.
 - 7.1 The Escrow Agent undertakes to perform only such duties as are expressly set forth herein.
 - 7.2 In performing its duties hereunder, Escrow Agent shall not incur liability to Purchaser or to the Owner for any damages, losses or expenses which either party may sustain or incur, unless the same is a direct result of the gross negligence or intentional misconduct of Escrow Agent. Escrow Agent shall be protected in any action taken or omitted in good faith with respect to the duties and responsibilities of Escrow Agent hereunder, including with respect to any duties waived pursuant to Section 19. Escrow Agent shall be entitled to rely on any document(s), which Escrow Agent reasonably believes satisfy the terms and conditions of this Escrow. Purchaser and the Owner each hereby agree to indemnify and hold harmless Escrow Agent for all losses, claims, damages, liabilities and expenses which it may sustain or incur hereunder, including, without limitation, reasonable attorneys fees, which may be imposed upon Escrow Agent or incurred by Escrow Agent in connection with the performance of its duties hereunder or the waiver thereof, pursuant to Section 19, by the waiving Party. The Owner understands that Escrow Agent, is not representing either party in this transaction, is not rendering any legal advice or services to either party, and has no responsibility with regard to this transaction other than to comply with the terms of this Escrow.
 - 7.3 The Escrow Agent may act in reliance upon any writing or instrument or signature, including fax or email (including any attachments thereto), which it in good faith believes to be genuine, may assume the validity and accuracy of any statement or assertion contained in such writing or instrument, and may assume that any person purporting to give any writing, notice, advice, or instructions in connection with the provisions hereof has been duly authorized to do so. The Escrow Agent shall not be liable in any manner for the sufficiency or correctness as to form, manner, and execution, or validity of any instrument deposited pursuant to this Escrow, nor as to the identity, authority, or right or any person executing the same.
8. Disputes. If a dispute arises between Owner and Purchaser concerning the interpretation of this Escrow, or about the rights and obligations or the propriety of any action contemplated by the Escrow Agent hereunder, the Escrow Agent may, at its sole discretion, file an action for interpleader in any court of competent jurisdiction to resolve such dispute. The Escrow Agent shall be indemnified for all costs, including reasonable attorneys' fees and costs, in connection with any interpleader action and shall be fully protected in suspending all or part of its activities under the Escrow until a final judgment or settlement in the interpleader action is received.

9. Notices. Any and all notices, requests, consents, notifications, and other communications given to any Party to this Escrow shall be given in writing and will be, as elected by the Party giving said notice, hand-delivered by messenger or courier service, telecopied, electronically communicated, or sent via registered or certified mail, return receipt requested, postage prepaid, to the below address or to any other address as a Party may designate by notice complying with the terms of this Section 9. Each communication given pursuant to this Section 9 is deemed delivered on the date delivered if by personal delivery, on the date of transmission with confirmation if by email, telex, facsimile, or other telegraphic method, and on the date upon which the return receipt is signed or delivery refused or the notice is designated by the postal authorities as not deliverable, as the case may be, if mailed.

To Escrow Agent: S. Crow Company
2222 Main Street
Anycity, Anystate 22222
555-888-8888

To Purchaser: Habersham Funding, LLC
3495 Piedmont Rd, Ste 910
Building 11, Piedmont Center,
Atlanta, GA 30305

To Owner: John Doe
123 Main Street
Anytown, Anystate 12345
(555) 555-5555

10. Binding Effect. The rights created by this Escrow and the benefit of the obligations created hereby shall be binding upon the heirs, estate, administrators, successors, and assigns of the Parties.
11. Termination. This Escrow shall terminate and the Escrow Agent shall be discharged of all responsibilities hereunder at such time as the Escrow Agent shall have fulfilled its duties described herein, upon entry of a final judgment in the interpleader action provided for in paragraph 8 above, or, if for any reason, the Agreement should terminate or otherwise cease to be effective, this Escrow shall automatically terminate without further action by any party hereto.
12. Attorneys' Fees. If this Escrow is made the subject of litigation, the prevailing party shall be entitled to reasonable attorneys' fees and costs from the other party
13. Resignation, Removal and Replacement of Escrow Agent. The Escrow Agent may resign or be removed by Purchaser and be discharged from performing any future duties hereunder, and a successor Escrow Agent may be appointed by Purchaser hereunder. The Escrow Agent shall provide Owner with prompt written notice of such resignation or removal, and Purchaser shall provide Escrow Agent with prompt written notice of the appointment of each successor Escrow Agent. No resignation or removal of the Escrow Agent shall become effective until the appointment of a successor Escrow Agent hereunder and the acceptance by such successor of the duties of the Escrow Agent hereunder. Notwithstanding the foregoing, if no replacement Escrow Agent is appointed in accordance with this Section 13 within thirty (30) days after the Escrow Agent gives written notice to Purchaser of its resignation, the Escrow Agent's resignation as Escrow Agent under this Escrow will become effective on the date on which the Escrow has expired or been terminated in accordance with this Escrow.

14. Entire Agreement; Third Party Beneficiaries. This Escrow, and all exhibits, schedules and appendices hereto, if any, constitute the entire understanding and agreement of the Owner with the Purchaser and the Escrow Agent, and supersedes any and all prior or contemporaneous representations, understandings and agreements of the Owner with the Purchaser and the Escrow Agent with respect to the subject matter of this Escrow; and the Parties agree that there are no third party beneficiaries of any promises, obligations or representations made herein.
15. Assignment. This Escrow Agreement shall not be assignable.
16. Amendments/Modifications Binding. All amendments to or modifications of this Escrow shall be binding upon the Parties, despite any lack of separate or additional consideration therefore, so long as such amendments or modifications shall be in writing and signed by an executive officer of Purchaser and a duly authorized representative of Owner and Escrow Agent.
17. Severability. If any provision of this Escrow is found invalid or unenforceable pursuant to judicial decree or decision, the remainder of this Escrow shall remain valid and enforceable according to its terms.
18. Governing Law. The laws of the State of Georgia shall govern the interpretation of and any disputes that arise under this Agreement.
19. Waiver. Either Party's failure to insist in any one or more instances upon strict performance by the other Party of any of the terms of this Escrow shall not be construed as a waiver of any continuing or subsequent failure to perform or a delay in performance of any term hereof. Either Party may waive duties of the Escrow Agent that inure to the benefit of that Party by delivering written notice of waiver to the Escrow Agent at any time.
20. Counterparts and Facsimile. This Escrow may be signed in one or more counterparts, each of which is deemed an original, but all of which together will constitute one and the same instrument. A copy of this executed Escrow shall be deemed valid as if it were the original.
21. Headings. The section headings of this Escrow are for convenience only and shall not limit or otherwise affect any of the terms hereof.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the parties have signed and delivered this Escrow Agreement the day and year above written.

Owner:

By: _____
John Doe

Purchaser:

Habersham Funding, LLC
3495 Piedmont Rd, Ste 910
Building 11, Piedmont Center,
Atlanta, GA 30305
(404) 233-8275

By: _____
M. Bryan Freeman, President

Escrow Agent:

S. Crow Company

By: _____
Name & Title

EXHIBIT M

CONTACT INFORMATION FORM

(THREE DESIGNEES ARE REQUIRED)

1. Name: _____

Address: _____

Phone: (____) _____

Email: _____

Relationship: _____

2. Name: _____

Address: _____

Phone: (____) _____

Email: _____

Relationship: _____

3. Name: _____

Address: _____

Phone: (____) _____

Email: _____

Relationship: _____

EXHIBIT N

OWNER CONSENT TO SETTLEMENT CONTRACT

I, John Doe, (the "Owner") pursuant to the Life Insurance Policy Purchase and Sale Agreement dated January 1, 2011 (the "Agreement"), hereby consent to the sale and transfer of a life insurance policy insuring the life of James Doe (the "Insured") issued by ABC Insurance Company (the "Insurer") and bearing policy number 123456789 (the "Policy"), and make the following representations and or acknowledgements:

The Owner(s) has/have:

1. consented to the Agreement that accompanies this statement,
2. carefully read and fully and completely understand the Agreement,
3. carefully read the Policy that is the subject of the Agreement and fully and completely understand the benefits that are available under the Policy,
4. entered the Agreement freely and voluntarily,
5. acknowledged receipt of the disclosures required by Ark. Code Ann. § 23-81-809(a) in Exhibit C, and,

[INCLUDE THIS PROVISION BELOW IF APPLICABLE]

6. acknowledged that the Insured currently suffers from a terminal or chronic illness that was diagnosed after Policy issuance.

<p><u>NOTARY</u> (please sign below)</p> <p>State of _____ County of _____</p> <p>Subscribed and affirmed to before me this _____ day of _____, 20__.</p> <p>X _____ Notary Public Signature</p> <p>My commission expires: _____</p> <p>(NOTARIAL SEAL)</p>	<p><u>OWNER</u></p> <p>By: _____ John Doe</p> <p>Date: _____</p>
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EXHIBIT O

IRREVOCABLE SPECIAL POWER OF ATTORNEY

The State of Anystate)
County of Anycounty)

KNOW ALL MEN BY THESE PRESENTS,

That, in contemplation of and to fulfill my contractual duties created in Section 2.23 of the Life Insurance Policy Purchase And Sale Agreement dated January 1, 2011, between Habersham Funding, LLC, 3495 Piedmont Road NE, Suite 910, Building 11, Piedmont Center, Atlanta, Georgia 30305 and John Doe, I, Insured: James Doe, of Anycounty County, Anystate, do hereby make, constitute and appoint Habersham Funding, LLC, 3495 Piedmont Road NE, Suite 910, Building 11, Piedmont Center, Atlanta, Georgia 30305 and its successors (collectively "Habersham") my true and lawful attorney-in-fact for me and in my name, place and stead, and on my behalf only on the following matters:

For all purposes of federal or state law related to privacy of medical records, including, but not limited to, the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), to have the same access to my health information, as defined by HIPAA, and medical records that I have and to use the contents of my health information and medical records and disclose the contents of my health information and medical records to others for any legal purpose. Specifically, my attorney-in-fact is hereby empowered to execute, deliver, endorse and acknowledge any document or instrument necessary to obtain my health information and medical records, including, but not limited to releases satisfying the requirements of HIPAA and any forms required by a health care provider, as defined by HIPAA, or other custodian of medical records, and to request and receive any and all of my health information and medical records, whether now existing or created in the future. Specifically, my attorney-in-fact is hereby empowered to own, take possession of, transfer, demand, sue for, and request and receive information about my health information and medical records in any way it sees fit.

I grant to said attorney-in-fact power and authority to do, take, and perform all and every act and thing whatsoever requisite, proper, or necessary to be done in the exercise of any of the rights and powers herein granted, as fully to all intents and purposes as I might or could do if personally present, with full power of substitution or revocation, hereby ratifying and confirming all that said attorney-in-fact, or its substitute or substitutes shall lawfully do or cause to be done by virtue of this special power of attorney and the rights and powers herein granted. The enumeration of the foregoing specific items, rights, acts or powers is not intended to, nor does it, limit or restrict and is not to be construed or interpreted as limiting or restricting the powers herein granted to said attorney-in-fact to take any action concerning my health information and medical records.

I hereby declare that no person, firm or corporation dealing with my attorney-in-fact will be required to inquire into the expediency, propriety, validity or necessity of any act done by my attorney-in-fact, nor will they be responsible for the proper payment or application of funds paid by them to, or received by them from my attorney-in-fact, and they may rely upon the delivery, transfer, assignment or other instrument or act of my attorney-in-fact, as having been properly authorized in all particulars.

I hereby declare that this special power of attorney is not assignable by my attorney-in-fact. However, this special power of attorney may pass to a successor of my attorney-in-fact by reason of acquisition, merger, consolidation, or other legal succession, through which the successor becomes invested with the rights and assumes the burdens of my attorney-in-fact.

I hereby declare that this special power of attorney is durable and shall not be affected by my subsequent disability or incapacity and will not terminate at any time prior to my death.

<p><u>NOTARY</u> (please sign below)</p> <p>State of _____ County of _____</p> <p>Subscribed and affirmed to before me this _____ day of _____, 20__, by James Doe, satisfactorily proved or known to me personally.</p> <p>X _____ Notary Public Signature</p> <p>My commission expires: _____</p> <p>(NOTARIAL SEAL)</p>	<p><u>INSURED</u></p> <p>By: _____ James Doe</p> <p>Date: _____</p>
---	--

<p><u>WITNESS</u></p> <p>By: _____ Jim Doe</p> <p>Date: _____</p>
--

[IF APPLICABLE THIS EXHIBIT WILL BE INCLUDED; IF NOT APPLICABLE, IT WILL BE REPLACED WITH A BLANK SLIP PAGE AND REMOVED FROM SCHEDULE I]

EXHIBIT P

**ATTENDING PHYSICIAN'S
LETTER OF MENTAL COMPETENCY**

Patient's Name: _____

Date of Birth: _____

This is to verify that I, _____
(please print the physician's name here)

am the duly licensed attending physician for the above referenced person, herein referred to as the "patient", and to the best of my knowledge this patient is of sound and disposing mind and memory and is capable of making rational financial decisions. Additionally, to the best of my knowledge, the patient is not acting under undue duress, constraint, menace, fraud, or undue influence of any person or company whatsoever.

I further declare that I am not related to the insured by either blood or marriage, and have exerted no influence in regard to any issues, which fall outside the limits of my duties as attending physician. I, therefore, do not and cannot endorse any non-medical decisions made by the patient and absolve myself from any legal or moral responsibility relating to any and all such decisions.

Signed: _____ Date _____
(please have physician sign here)

Witness: _____
(please have witness sign here)

NOTE: For verification purposes, and in addition to the physician's signature on this form, **please stamp below with your office's stamp**. If you do not have a stamp (showing the physician's name, practice name, address or some combination thereof), please let us know. Thank you.

(Office stamp)

EXHIBIT Q

ARKANSAS OWNER'S CERTIFICATION

Each of the undersigned refers to the ABC Insurance Company policy no. 123456789 (the "Policy") insuring the life of James Doe (the "Insured") and owned by John Doe (the "Owner"), who is a resident of the State of Arkansas.

This Arkansas Life Settlements Act Certificate ("Certificate") will be incorporated by reference into that certain Life Insurance Policy Purchase and Sale Agreement ("Agreement") which would be entered into in connection with a purchase of the Policy by Habersham Funding, LLC (together with its successors, assigns and nominees hereinafter referred to as the "Life Settlement Provider").

The Policy issue date is less than two (2) years from the date hereof. It is a violation of the Arkansas Life Settlements Act (as in effect on the date hereof, the "Act") for any person to enter into a life settlement contract within a two-year period commencing with the date of issuance of the insurance policy ("Purchase Prohibition Period") unless the Owner certifies to the Life Settlement Provider that one or more of the following conditions have been met within the Purchase Prohibition Period.

1. The Policy was issued upon the Owner's exercise of conversion rights arising out of a group or individual life insurance policy, provided the total of the time covered under the conversion policy plus the time covered under the prior policy is at least twenty-four (24) months. The time covered under a group policy must be calculated without regard to any change in insurance carriers, provided the coverage has been continuous and under the same group sponsorship.
2. The Owner submits independent evidence to the Life Settlement Provider that one or more of the following conditions have been met within the Purchase Prohibition Period:
 - The Owner or Insured was terminally or chronically ill; or
 - The Owner or Insured disposed of his or her ownership interests in a closely held corporation, pursuant to the terms of a buyout or other similar agreement in effect at the time the insurance policy was initially issued; or
 - The Owner's spouse died; or
 - The Owner divorced his or her spouse; or
 - The Owner retired from full-time employment; or
 - The Owner became physically or mentally disabled and a physician determined that the disability prevents the Owner from maintaining full-time employment; or
 - A final order, judgment, or decree has been entered by a court of competent jurisdiction, on the application of a creditor of the Owner, adjudicating the Owner bankrupt or insolvent, or approving a petition seeking reorganization of the Owner or appointing a receiver, trustee, or liquidator to all or a

substantial part of the Owner's assets.

The Owner understands that the Life Settlement Provider is required to submit to the insurer copies of this affidavit and the attached independent evidence referenced above when the Life Settlement Provider submits a request to the insurer for verification of coverage, and that the copies shall be accompanied by a letter of attestation from the Life Settlement Provider that the copies are true and correct copies of the documents received by the Life Settlement Provider.

By its signature below, the Owner certifies to the Life Settlement Provider that the Owner may lawfully sell the Policy to the Life Settlement Provider under the provisions of the Act because at least one of the numbered conditions stated above has been fully satisfied.

The Owner has had the opportunity to review the Act with their respective attorneys and/or advisors and the Owner has a complete understanding of the Act's prohibitions and the implications of providing this Certificate to the Life Settlement Provider. The Owner (or the individual(s) signing this Certificate on behalf of the Owner) is signing this Certificate freely and voluntarily and is of sound mind and not subject to any constraint or undue influence, and has never been the subject of any mental health or mental competency proceeding or other proceeding or hearing with respect to which such person's competency is or was an issue.

The Owner understands that the Life Settlement Provider is relying on the certifications made herein, and the Owner agrees that in connection with the Agreement to be entered into with the Life Settlement Provider, the Owner agrees to indemnify, defend and hold the Life Settlement Provider harmless of, from and against any and all loss, damage, claim, demand, liability, obligations, penalties, actions, judgments, suits, cost, expenses, or disbursements of any kind whatsoever (including reasonable attorney's fees and expenses), incurred by the Life Settlement Provider as a result of any certification made by the Owner herein or in any attachment hereto being challenged on any grounds or found to be false or misleading.

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.

IN WITNESS WHEREOF, I have executed this Certificate on the date notarized below.

<p><u>NOTARY</u> (please sign below)</p> <p>State of _____ County of _____</p> <p>Subscribed and affirmed to before me this _____ day of _____, 20__.</p> <p>X _____ Notary Public Signature</p> <p>My commission expires: _____</p> <p>(NOTARIAL SEAL)</p>	<p><u>OWNER</u></p> <p>By: _____ John Doe</p> <p>Date: _____</p>
--	---

[IF APPLICABLE THIS EXHIBIT WILL BE INCLUDED; IF NOT APPLICABLE, IT WILL BE REPLACED WITH A BLANK SLIP PAGE AND REMOVED FROM SCHEDULE I]

EXHIBIT R

**OWNERS RETENTION OF PARTIAL INTEREST IN
POLICY DEATH BENEFIT**

WHEREAS, the Owner and the Purchaser have entered into that certain Life Insurance Policy Purchase and Sale Agreement (the "Agreement") dated the January 1, 2011, pursuant to which Owner has agreed to sell to the Purchaser, and the Purchaser has agreed to purchase from the Owner, that certain policy number 123456789 issued by ABC Insurance Company (the "Insurer"), insuring the life of James Doe (the "Policy") and all of Owner's rights, title, and interest thereto; and

WHEREAS, the Owner and Purchaser have agreed that the Net Purchase Price has been established in the Agreement as \$150,000, and

WHEREAS, the Owner desires to accept assignment of a portion of the death benefit in lieu of receipt of the Net Purchase Price, and

WHEREAS, the Owner understands, acknowledges, and agrees that while the portion of death benefit assigned to the Owner [IF APPLICABLE "plus additional cash received by the Owner"] may not equal the Net Purchase Price, the Owner has received payment in full under the terms of the Agreement, and

NOW, THEREFORE, for and in consideration of the promises and mutual obligation contained herein and for other goods and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and notwithstanding any provision to the contrary in the Agreement, the parties hereto agree as follows:

1. **Obligation to pay future Policy premiums.** The Purchaser and the Owner each hereby agree that, pursuant to the Agreement, the Purchaser shall accept full responsibility for any and all future obligations under the Policy including, the payment in full when due of any and all premium payments required to be made in connection with the Policy through the date of maturity. The Owner shall have no further obligations associated with the policy.
2. **Designation of Owner Beneficiary(ies).**

[ONE OF THE ALTERNATE PARAGRAPHS WILL BE INCLUDED AS APPLICABLE]

- a. [ALTERNATE PARAGRAPH #1] The Owner hereby agrees that, in lieu of accepting an amount equal to the Net Purchase Price, the Owner shall retain the sole right under the Policy to designate certain Irrevocable Beneficiaries on the policy ("Owner's Irrevocable Beneficiary(ies)") to receive a portion of the aggregate proceeds of the Policy death benefit in the amount of \$150,000 ("Owner's Retained Death Benefit Interest"). Owner's Irrevocable Beneficiary shall be designated on the records of the Insurer to receive, directly from the Insurer, death benefits in an amount equal to Owner's Retained Death Benefit Interest.
- a. [ALTERNATE PARAGRAPH #2] The Owner hereby agrees that, in lieu of accepting an amount equal to the Net Purchase Price, the Owner shall retain the sole right under this Agreement to designate certain Beneficiaries under this Agreement ("Owner's Irrevocable

Beneficiary(ies)”) to receive from Purchaser a portion of the aggregate proceeds of the Policy death benefit in an amount dependent upon the maturity year of the Policy measured from the Date of Execution of the Agreement, in accordance Chart 1 below (“Owner’s Retained Death Benefit Interest”). Owner’s Irrevocable Beneficiary shall be recorded with the Purchaser to receive, from the Purchaser after it has received payment from the insurance company, amounts in accordance with Owner’s Retained Death Benefit Interest in Chart 1 below.

Chart 1

Maturity Year	Owner’s Retained Death Benefit Interest
1	\$150,000
2	\$125,000
3 and after	\$100,000

a. [ALTERNATE PARAGRAPH #3] The Owner hereby agrees that, in lieu of accepting an amount equal to the total Net Purchase Price in cash, the Owner shall receive \$10,000 dollars in cash (the “Cash Payment”) and shall retain the sole right under the Policy to designate certain Irrevocable Beneficiaries on the policy (“Owner’s Irrevocable Beneficiary(ies)”) to receive a portion of the aggregate proceeds of the Policy death benefit in the amount of \$140,000 (“Owner’s Retained Death Benefit Interest”). Owner’s Irrevocable Beneficiary shall be designated on the records of the Insurer to receive, directly from the Insurer, death benefits in an amount equal to Owner’s Retained Death Benefit Interest. Owner’s Cash Payment shall be paid pursuant to the instructions on Exhibit A.

a. [ALTERNATE PARAGRAPH #4] The Owner hereby agrees that, in lieu of accepting an amount equal to the total Net Purchase Price in cash, the Owner shall receive \$10,000 dollars in cash (the “Cash Payment”) and shall retain the sole right under this Agreement to designate certain Beneficiaries under this Agreement (“Owner’s Irrevocable Beneficiary(ies)”) to receive from Purchaser a portion of the aggregate proceeds of the Policy death benefit in an amount dependent upon the maturity year of the Policy measured from the Date of Execution of the Agreement, in accordance Chart 1 below (“Owner’s Retained Death Benefit Interest”). Owner’s Irrevocable Beneficiary shall be recorded with the Purchaser to receive, from the Purchaser after it has received payment from the insurance company, amounts in accordance with Owner’s Retained Death Benefit Interest in Chart 1 below. Owner’s Cash Payment shall be paid pursuant to the instructions on Exhibit A.

Chart 1

Maturity Year	Owner’s Retained Death Benefit Interest
1	\$140,000
2	\$125,000
3 and after	\$100,000

b. Owner hereby designates the following individual(s) or entity(ies) to be the initial Owner Irrevocable Beneficiary(ies):

Primary Beneficiary(ies): _____
 (if more than one, please designate percentages)

Name: _____
Address _____
Telephone _____
Relationship _____

Secondary Beneficiary(ies): _____
(if more than one, please designate percentages)

Name: _____
Address _____
Telephone _____
Relationship _____

- c. **[To be deleted if inapplicable]** Owner hereby agrees to execute any documents required by the Insurer to effectuate the designation of the Owner's Irrevocable Beneficiaries.
3. **[To be deleted if inapplicable] Purchaser's Transmittal of Proof from Insurer.** The Purchaser shall forward to the Owner a copy of the acknowledgment that the Owner's Irrevocable Beneficiaries have been recorded by the Insurer promptly upon Purchaser's receipt of any such acknowledgment from the Insurer.
4. **Assignment of Rights to the Policy.** Notwithstanding anything to the contrary in this Exhibit R, all rights associated with the Policy (other than the Owner's Retained Death Benefit Interest, if applicable) shall be assigned to Purchaser in accordance with the terms of the Agreement.
5. **Purchaser's obligation in the event of Policy lapse.** The Purchaser and the Owner each hereby further agree that notwithstanding anything to the contrary in this Exhibit R or in the Agreement, the Purchaser may, at any time and in its sole discretion, discontinue making the premium payments due under the Policy and allow such Policy to lapse (the "Lapsed Policy"). In such event, the Purchaser shall, within 30 days following the date on which the Lapsed Policy lapses, return to the Owner's Irrevocable Beneficiaries an amount equal to the amount of Owner's Retained Death Benefit Interest that would have actually been paid to the Owner's Irrevocable Beneficiaries under the Lapsed Policy if Insured had died on the date the Policy lapsed. Such payment under this Section 5 shall discharge all of the Purchaser's duties and obligations with respect to such Lapsed Policy under the Agreement as modified by this Exhibit R.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the parties have signed and delivered this **OWNERS RETENTION OF PARTIAL INTEREST IN POLICY DEATH BENEFIT** and acknowledge its incorporation in to the Agreement.

<p><u>NOTARY</u> (please sign below)</p> <p>State of _____ County of _____</p> <p>Subscribed and affirmed to before me this _____ day of _____, 20__.</p> <p>X _____ Notary Public Signature</p> <p>My commission expires: _____</p> <p>(NOTARIAL SEAL)</p>	<p><u>HABERSHAM FUNDING, LLC</u></p> <p>By: _____ M. Bryan Freeman, President</p> <p>Date: _____</p>
<p><u>NOTARY</u> (please sign below)</p> <p>State of _____ County of _____</p> <p>Subscribed and affirmed to before me this _____ day of _____, 20__.</p> <p>X _____ Notary Public Signature</p> <p>My commission expires: _____</p> <p>(NOTARIAL SEAL)</p>	<p><u>OWNER:</u></p> <p>By: _____ John Doe</p> <p>Date: _____</p>



APPLICATION PACKAGE

*A few simple forms help us gather the information
we need to assist you*

- **Document Checklist** – this helps ensure we have all the information we need to serve you to the best of our abilities. We will not be able to proceed with your file until we have all of the listed items in hand and thoroughly completed.
- **Application** –if you have more than one life insurance policy, please complete the areas on the application for additional policies, or if you have more than one medical provider from whom we’ll need to collect information, please provide complete information for each physician or other information source. *Please note that both the insured and the owner of the policy must complete separate sections of the application (unless the insured and the owner of the policy are the same person).*
- **Representations, acknowledgements and warranties** –be sure to read thoroughly and sign the application, including this section.
- **Disclosure Notice** – information that is important to know if you are considering a viatical or life settlement.
- **Authorization to Release Medical Information** – we need your “okay” to access your medical records and other pertinent information about your current and ongoing health status.
- **Authorization for Disclosure of Protected Health Information** – In keeping with the Health Insurance Portability and Accountability Act of 1996 (“HIPAA Privacy Regulations”), we need your HIPAA-compliant approval on this additional form (also used to access your medical records and other pertinent information).
- **Authorization to Release Life Insurance Policy Information** – again, your permission is required to gather information about your life insurance policy(ies).

DOCUMENT CHECKLIST

To ensure that we can process your case quickly and provide you with the most complete feedback possible, please include all of the requested information and materials. Please check off the documents requested as you gather them and sign below when you have assembled a complete package. Call us toll-free at 1-888-874-2402 if you have any questions.

- Application Questionnaire (Pages 5-12)

(Please note that there are two questionnaires – one for insured and one for owner.)

- Representations, acknowledgements and warranties (Page 13-15)
_____ **signed by insured** _____ **signed by owner** (if different from insured)

- Disclosure Notice (Pages 16-19)
_____ **signed by insured** _____ **signed by owner** (if different from insured)

- Medical Release (Page 20)
_____ **signed by insured** _____ **notarized**

- HIPAA Disclosure (Pages 21-22)
_____ **signed by insured** _____ **notarized**

- Life Insurance Policy Information Releases (there are two of these) (Pages 24-25)
_____ **signed by owner** _____ **notarized**

- A copy of Owner's and Insured's driver's licenses or government-issued identification cards.

- Photocopy of your Social Security card (or additional photo ID.)

(If the policy OWNER and the INSURED are different, we need copies of identification for BOTH persons.)

- Copy of your individual insurance policy (*including the policy **application***)
- If on Disability Waiver of Premium, a copy of approval letter from the insurance company *

IF APPLICABLE:

- Copy of your bankruptcy discharge papers (**if** you have gone through a bankruptcy within the past 10 years)
- Copy of your divorce decree and any documentation of settlement and/or custody arrangements (**if** you have ever gone through a divorce)

Initial _____ **Date** _____

Continued, please see next page.



DOCUMENT CHECKLIST, Continued

If you have Group Life Insurance through your Employer or Membership Association:

- A copy of your employee/member handbook/certificate explaining your group life benefits *
- A copy of your group life insurance employee/member enrollment application *
- A copy of your personal insurance certificate indicating the face amount of your coverage *
- If on Disability Waiver of Premium, a copy of approval letter from the insurance company *
- A copy of your latest pay statement indicating premiums withheld, if you pay premiums on your employer-sponsored insurance *

*If you do not have one or more of these items, please call us to discuss alternatives.

If the owner or beneficiary is a trust, we need:

- A copy of the trust document(s) and the Tax ID #. The Tax ID # is _____.
- The trustee(s) to sign the Life Insurance Policy Information Release form(s).

If owner or beneficiary is a corporation, we need:

- Complete name and address of corporation.
- Corporate resolution showing current authorized officers.
- Two corporate officers to sign the Life Insurance Policy Information Release form(s).

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.

I certify that I have provided all of the above documents as indicated by my mark and that they are included within this packet I am returning to Habersham Funding LLC.

Signed _____ Date _____

APPLICATION QUESTIONNAIRE

The following questions pertain to the INSURED only

1. Full Legal Name of INSURED: _____
2. Please list any aliases or nicknames: _____
3. DOB: ___/___/___ Male Female Height _____ Weight _____
4. Social Security # _____
5. Driver's License # & State: _____

Please provide a photocopy of your license.

6. Street Address: _____
 City: _____ State: _____ Zip: _____

7. Please provide contact telephone numbers for the INSURED and indicate if we may leave a message:

(Please circle at least one)

Hm: _____ (yes/no)

e-mail: _____ Wk: _____ (yes/no)

Other #/cell _____ (yes/no) Fax: _____ (yes/no)

8. Have you ever been or are you now a party to a:

Bankruptcy? Yes ___ No ___	Civil suit? Yes ___ No ___	Divorce decree? Yes ___ No ___
Judgments? Yes ___ No ___	Tax lien? Yes ___ No ___	Creditor liens? Yes ___ No ___

9. EMPLOYMENT INFORMATION for INSURED

- a. Are you currently working? Yes ___ No ___ Are you retired? Yes ___ No ___
- b. What is/was your occupation? _____
- c. Are you receiving disability benefits? Yes ___ No ___ What kind? _____
- d. Are you receiving any of the following public assistance benefits? (*circle which applies*): 1. Supplemental Social Security Income (SSI) 2. Medicaid 3. Food Stamps

APPLICATION QUESTIONNAIRE (INSURED, Continued)

INSURANCE INFORMATION

10. 1st Policy (Policy that you are selling):

- a. Insurance Company Name: _____
- b. Policy #: _____ Face Amount: _____ Effective Date: _____
- c. Beneficiary(ies): _____
- e. Premiums: \$ _____ per _____ (month, quarter, year, etc.)
- f. Date last premium payment by you: _____ (mo/yr) Amount of last payment: _____
- g. Policy Type (*circle one*): **Individual** **Group** **Group Conversion**

11. If the 1st policy is a group policy, please complete the following:

- a. Employer Name: _____
- b. Address & Phone: _____
- c. Benefits Manager (for your employer): _____
- d. May we contact this person in order to gather information about your policy?
Yes ___ No ___

ADDITIONAL POLICIES on the life of the INSURED selling this policy:

12. 2nd Policy:

- a. Insurance Company Name: _____
- b. Policy #: _____ Face Amount: _____ Effective Date: _____
- c. Beneficiary(ies): _____
- e. Premiums: \$ _____ per _____ (month, quarter, year, etc.)
- f. Date last premium payment by you: _____ (mo/yr) Amount of last payment: _____
- g. Policy Type (*circle one*): **Individual** **Group** **Group Conversion**

13. 3rd Policy:

- a. Insurance Company Name: _____
- b. Policy #: _____ Face Amount: _____ Effective Date: _____
- c. Beneficiary(ies): _____
- e. Premiums: \$ _____ per _____ (month, quarter, year, etc.)
- f. Date last premium payment by you: _____ (mo/yr) Amount of last payment: _____
- g. Policy Type (*circle one*): **Individual** **Group** **Group Conversion**



APPLICATION QUESTIONNAIRE (INSURED, Continued)

14. Has an application for insurance on the insured's life/health ever been declined, rated or modified in any way (including this policy)? Yes ___ No ___ If yes, please describe the circumstances: _____

15. What is the total face value of life insurance on your life that is NOT being offered for sale here (please remember to include group benefits if any)? _____

INSURED'S HEALTH INFORMATION

16. Please provide a brief description of insured's health condition (*even if considered well/healthy*): _____

17. What is the primary medical condition? _____

18. When was the primary medical condition first diagnosed? _____

19. What are the secondary medical conditions or health concerns? _____

20. When were these diagnosed? _____

21. **Current/Primary Physician:** _____

Address & Phone: _____

22. **Second Physician:** _____

Address & Phone: _____

23. **Third Physician:** _____

Address & Phone: _____

24. Has the insured used any type of tobacco products within the last 24 months (e.g. smoked cigarettes, cigars or pipes, used chewing tobacco)? If so, please describe: _____

APPLICATION QUESTIONNAIRE (INSURED, Continued)

25. Has the insured used (now or ever before) alcoholic beverages? Yes ___ No ___

a. If yes, please answer: Frequency: Daily ___ Weekly ___ Monthly ___

b. Average amount consumed each time insured drinks:

1-2 drinks 2-4 drinks 5 or more drinks

26. Has the insured ever undergone alcohol or other substance abuse treatment? If yes, please describe: _____

27. FAMILY HEALTH HISTORY for INSURED

	Age if living?	Deceased?	If deceased, please list cause and age at time of death:
Father	_____	Yes ___ No ___	_____
Mother	_____	Yes ___ No ___	_____
Brother	_____	Yes ___ No ___	_____
Sister	_____	Yes ___ No ___	_____

Please use a separate sheet of paper to list additional siblings.

28. Please INITIAL all that apply for the INSURED:

- _____ I have never been married.
- _____ I am married. My spouse's name is _____.
- _____ I am divorced. Attached is a complete copy of the dissolution of marriage, including any or all property and/or settlement orders.
- _____ I am widowed.
- _____ I have no children.
- _____ I have minor children. (# under age 18 _____)
- _____ One or more of my minor children are my legal dependents.
- _____ I have no minor children. All of my children are of legal age.



APPLICATION QUESTIONNAIRE, INDIVIDUAL OWNER

29. This section applies to the Life Insurance Policy OWNER if Owner is a natural person AND the Owner and the Insured are not the same person.

- () please check this box if the owner is different than the insured.
() please check this box if the owner and insured are the same person and skip to page 13.
() please check this box if the owner is not a natural person (ie – a trust, corporation, etc.) and skip this section and go to page 11.

30. Full Legal Name of Owner: _____

31. DOB: ____/____/____ Male [] Female []

32. Social Security #: _____

33. Driver's License # & State: _____

Please provide a photocopy

34. Street Address: _____

35. City: _____ State: _____ Zip: _____

36. Please provide contact telephone numbers for the OWNER and indicate if we may leave a message:

(Please circle at least one)

Hm: _____(yes/no)

e-mail: _____ Wk: _____(yes/no)

Other #/cell: _____(yes/no) Fax: _____(yes/no)

37. Have you ever been or are you now a party to a:

Table with 6 columns: Bankruptcy?, Civil suit?, Divorce decree?, Judgments?, Tax lien?, Creditor liens?. Each cell contains 'Yes ___ No ___'.



APPLICATION QUESTIONNAIRE (INDIVIDUAL OWNER, Continued)

38. EMPLOYMENT INFORMATION for OWNER

- a. Are you currently working? Yes ___ No ___ Are you retired? Yes ___ No ___
- b. What is/was your occupation? _____
- c. Are you receiving disability benefits? Yes ___ No ___ What kind? _____
- d. Are you receiving any of the following public assistance benefits? (*circle which applies*): 1. Supplemental Social Security Income (SSI) 2. Medicaid 3. Food Stamps

39. Please INITIAL all that apply to the OWNER:

- _____ I have never been married.
- _____ I am married. My spouse's name is _____.
- _____ I am divorced. Attached is a complete copy of the dissolution of marriage, including any or all property and/or settlement orders.
- _____ I am widowed.
- _____ I have no children.
- _____ I have minor children. (# under age 18 ____)
- _____ One or more of my minor children are my legal dependents.
- _____ I have no minor children. All of my children are of legal age.



APPLICATION QUESTIONNAIRE (TRUST/CORP OWNER)

COMPLETE THIS SECTION WHERE OWNER IS A TRUST or CORPORATION

40. Full Legal Name of Owner (trust name or corporate name) : _____

41. TAX ID # for entity: _____

42. Has the Entity ever been or are you now a party to a:

Bankruptcy? Yes ___ No ___	Civil suit? Yes ___ No ___	Creditor liens? Yes ___ No ___
Judgments? Yes ___ No ___	Tax lien? Yes ___ No ___	

43. Please check one of the following:

a. () Owner is a **TRUST**, please provide information for ALL Trustees (if more than two, please attach additional sheet)

b. () Owner is a **CORPORATION**, please provide information for two Corporate Officers.

44. a. Trustee/Corporate Officer #1 Name: _____

b. DOB: ___/___/___ Male Female

c. Driver's License # & State (if individual): _____

Please provide a photocopy

d. Street Address: _____

e. City: _____ State: _____ Zip: _____

45. Please provide contact telephone numbers for the TRUSTEE/CORPORATE OFFICER and indicate if we may leave a message:

(Please circle at least one)

Hm: _____(yes/no)

e-mail: _____(yes/no)

Other #/cell: _____(yes/no) Fax: _____(yes/no)



APPLICATION QUESTIONNAIRE (TRUST/CORP OWNER, Continued)

- 46. a. Trustee/Corporate Officer #2 Name: _____
- b. DOB: ____/____/____ Male Female
- c. Driver's License # & State (if individual): _____
Please provide a photocopy
- d. Street Address: _____
- e. City: _____ State: _____ Zip: _____

47. Please provide contact telephone numbers for the TRUSTEE/CORPORATE OFFICER and indicate if we may leave a message:

(Please circle at least one)

- | | | |
|------------------------------|------|----------------|
| e-mail: | Hm: | _____ (yes/no) |
| _____ | Wk: | _____ (yes/no) |
| Other #/cell: _____ (yes/no) | Fax: | _____ (yes/no) |

REPRESENTATIONS, ACKNOWLEDGEMENTS, WARRANTIES and CONSENT

Insured and Owner hereby represent, warrant, acknowledge and agree that: all the information contained herein or otherwise provided to Habersham Funding LLC is true, correct, complete, not misleading and can be relied upon; insured and owner will immediately notify Habersham Funding of changes in any of the information contained herein or provided elsewhere to Habersham Funding; Habersham Funding is authorized, but not obligated, to provide subject policy(ies) along with insured and/or owner's medical, financial and/or other personal information, to the organization(s) of its choice, in an effort to facilitate a settlement transaction and/or find a purchaser for such policy(ies); Habersham Funding purchases policies for its own account and for the accounts of other parties. Habersham Funding disclaims any duties, fiduciary or otherwise, to Applicant; no principal/agent relationship is created hereby.

Further, insured and owner hereby represent, warrant, acknowledge and agree that: the subject life insurance policy(ies) was legally obtained, and to the best of insured's and owner's knowledge, all of the information contained in the insurance application(s) for the subject life insurance policy(ies) is true, correct, complete and not misleading. **If insured or owner knowingly present false or fraudulent information in an insurance, viatical or life settlement application, then the insured and/or owner are guilty of a crime and may be subject to fines and confinement in prison; insured and owner understand that in some states, Habersham Funding is required by law to report suspected insurance, viatical or life settlement fraud; insured and owner understand, acknowledge and agree that, Habersham Funding will report all suspected insurance, viatical or life settlement fraud it discovers related to the subject life insurance policy(ies).**

By the submission of this application to Habersham Funding, insured and owner hereby knowingly waive any and all claims they may have against Habersham Funding arising from Habersham Funding or any person to whom Habersham Funding presents said application reporting insured and owner for suspected insurance, viatical or life settlement fraud and agree to hold Habersham Funding harmless for any such report to law enforcement, regulatory or insurance company officials for suspected insurance, viatical or life settlement fraud whether or not it is ultimately determined that any such fraud was committed.

As insured and owner, I have signed the accompanying medical and policy information releases, and I will authorize any person or entity to release any information or documents required to verify my submissions or otherwise to complete any settlement transaction. Further, I am age eighteen or above and am mentally competent.

[SIGNATURES CONTINUED NEXT PAGE]



REPRESENTATIONS, ACKNOWLEDGEMENTS AND WARRANTIES

Continued

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.

I acknowledge that I have read and understand the contents of the Representations, Acknowledgements and Warranties.

Signature of insured

Signature of policy owner, if other than insured

Printed name of insured

Printed name of owner

Date signed by insured

Date signed by owner

Must Be Notarized

Must Be Notarized

State of _____

State of _____

County of _____

County of _____

Subscribed, sworn to and acknowledged before me this _____ day of _____, 20__.

Subscribed, sworn to and acknowledged before me this _____ day of _____, 20__.

Signature of Notary Public

Signature of Notary Public

Printed name of Notary Public

Printed name of Notary Public

My Commission Expires

My Commission Expires

[SIGNATURES CONTINUED NEXT PAGE]



REPRESENTATIONS, ACKNOWLEDGEMENTS AND WARRANTIES

continued

I acknowledge that I have read and understand the contents of the Representations, Acknowledgements and Warranties.

Signature of **spouse of owner**, *if the owner or spouse resides in a community property state (AZ, CA, ID, LA, NM, NV, PR, TX, WA and WI)*

Printed name of spouse of owner

Must Be Notarized

State of _____

County of _____

Subscribed, sworn to and acknowledged before me
this _____ day of _____, 20__.

Signature of Notary Public

Printed name of Notary Public

My Commission Expires


HABERSHAM
FUNDING LLC
ARKANSAS DISCLOSURE FORM

READ CAREFULLY BEFORE SIGNING

You should carefully read the following points before you sign this Agreement and seek additional advice where appropriate.

1. There are possible alternatives to the process of selling a Policy, which you may prefer. Some alternatives, where applicable, are (a) borrowing against the cash value of the Policy, (b) surrendering the Policy for its cash value, (c) accelerated death benefits that may be available under your Policy, and (d) withdrawing some of the cash value and reducing the death benefit of the Policy to lower future premiums. You may obtain information on these alternatives directly from Insurer that issued your Policy and you should seek advice from an insurance producer or other professional before exercising any alternatives.
2. Some or all of the proceeds from the sale of your Policy may be taxable under federal income tax and state franchise and income tax laws. **You should obtain advice on these matters from your legal, financial and professional tax advisors.**
3. The sale proceeds may be subject to claims by creditors, personal representatives, trustees in bankruptcy and receivers in state and federal courts. **You should obtain advice on these matters from your legal and financial advisors.**
4. Receipt of the sale proceeds may adversely affect your eligibility for Medicaid, Supplemental Social Security Income, food stamps, public assistance and any other means-based government programs, benefits or entitlement and may result in an interruption of such public assistance benefits. Receipt of sale proceeds may reduce the Owner's risk of becoming impoverished and becoming dependent on public assistance or other government benefits or entitlements. **You should obtain advice on these matters from appropriate government agencies and from your legal and financial advisors.**
5. You may rescind this Agreement on or before fifteen (15) calendar days after the Agreement is executed by all parties (the "Rescission Period"). In order to rescind you must, within the Rescission Period: (a) provide written notice to the Purchaser of your decision to rescind; and (b) return to Purchaser the full amount of the Net Purchase Price plus all amounts paid by or on behalf of Purchaser in connection with or as a consequence of this Agreement, including but not limited to, premiums, loans, or loan interest (the "Rescission Payment"). If the Insured dies during the Rescission Period, the Agreement shall be deemed to have been rescinded, subject to repayment by the Owner or the Owner's estate, within fifteen (15) calendar days of the Insured's death, of the Rescission Payment.
6. The Net Purchase Price will be sent to the Owner within three (3) business days after the Escrow Agent's receipt, from the Purchaser, of acknowledgement of transfer of ownership and beneficiary under the Policy and the satisfaction of any other closing conditions contained in the Agreement or the Escrow.
7. Entering into this Agreement may prevent the Owner from qualifying for new life insurance coverage in the future and may cause other rights or benefits, including conversion rights and waiver of premium benefits that may exist under the Policy, to be forfeited by you. **You should obtain advice on these matters from a financial advisor or another independent, qualified professional with experience in these matters.**

8. The Commissioner of Insurance requires delivery of a brochure prescribed by the Commissioner describing the process of life settlements. Owner and Insured acknowledge that they have each received the Commissioner-prescribed brochure describing the process of life settlements.
9. 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.
10. Following the execution of this Agreement, the Insured may be contacted by the Purchaser for the purpose of determining the Insured's health status or to verify the insured's address. Such contact will be limited to once every three (3) months if the Insured has a life expectancy of more than one (1) year and to no more than once per month if the Insured has a life expectancy of one (1) year or less. Unless Insured designates a contact under the Agreement, Insured agrees that Purchaser may contact Insured as described in this paragraph. If Insured desires, Insured may designate any individual of legal age, who is in regular contact with Insured as a contact for inquiries about Insured's health or medical status ("Insured's Designee"). Insured shall provide the name, address, telephone number and relationship of Insured's Designee, and may change Insured's Designee by delivering written notice of such change to Purchaser. **Owner and Insured each agree and acknowledge that contacts with the Insured may be made by phone, email, fax, mail or any other method used by Purchaser.**
11. There is no affiliation between the Purchaser and the Insurer.
12. The Purchaser is Habersham Funding, LLC, a licensed life settlement provider located at 3495 Piedmont Rd, Ste 910, Building 11, Piedmont Center, Atlanta, Georgia, 30305. Tel: 404-233-8275.
13. In addition to the loss of coverage on Insured, Owner and Insured each acknowledge that if the Policy is a joint policy, or contains family riders or other provisions insuring the lives of a spouse, dependents or anyone other than Insured, there will be a loss of coverage on those additional insureds, and **Owner or Insured should consult with Insurer or their insurance producer for advice on the proposed life settlement.**
14. The Purchaser (identified below) may assign or otherwise transfer its interests in the Policy or the Agreement to a third party after purchase from you.
15. Your Policy provides financial protection to your beneficiaries. If you sell your Policy to us, your beneficiaries will no longer have that protection. Before you sell your policy, you should consider whether that protection is needed. 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. Other financial options may be available to you. **Consult your financial advisor or insurance company for more information.**
16. **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.**

[IF NO BROKER IS INVOLVED - #17 WILL BE DELETED]

17. A life settlement broker represents exclusively the Owner, and not the insurer or the Purchaser 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. The Purchaser does not set or determine compensation for any life settlement broker involved in this transaction, and such compensation is determined in the sole discretion of the broker. The broker is not affiliated with or an agent of the Purchaser in this transaction. Under the law of the state of Arkansas, the broker has statutorily defined duties to the owner of an insurance policy, and Owner and Insured acknowledge that they have been advised of this fact. **If you have questions about the compensation received by the life settlement broker in this transaction, you should contact your agent or the broker.**

[SIGNATURES CONTINUED NEXT PAGE]

I/We acknowledge that I/we have read and understand the contents of this disclosure.

<p><u>NOTARY</u> (please sign below)</p> <p>State of _____ County of _____</p> <p>Subscribed and affirmed to before me this _____ day of _____, 20__.</p> <p>X _____ Notary Public Signature</p> <p>My commission expires: _____</p> <p>(NOTARIAL SEAL)</p>	<p><u>INSURED</u></p> <p>By: _____ James Doe</p> <p>Date: _____</p>
<p><u>NOTARY</u> (please sign below)</p> <p>State of _____ County of _____</p> <p>Subscribed and affirmed to before me this _____ day of _____, 20__.</p> <p>X _____ Notary Public Signature</p> <p>My commission expires: _____</p> <p>(NOTARIAL SEAL)</p>	<p><u>OWNER</u></p> <p>By: _____ John Doe</p> <p>Date: _____</p>
<p><u>NOTARY</u> (please sign below)</p> <p>State of _____ County of _____</p> <p>Subscribed and affirmed to before me this _____ day of _____, 20__.</p> <p>X _____ Notary Public Signature</p> <p>My commission expires: _____</p> <p>(NOTARIAL SEAL)</p>	<p><u>HABERSHAM FUNDING, LLC</u></p> <p>By: _____ M. Bryan Freeman, President</p> <p>Date: _____</p>



AUTHORIZATION TO RELEASE MEDICAL INFORMATION

I hereby authorize and request any physician, medical practitioner, medical facility, insurance company, medical information service, life expectancy estimating service or other institution or person having any records, charts, X-rays, laboratory work or other medical information in their possession or control to release such information to Habersham Funding LLC, its authorized personnel and its agents.

This request and release expressly includes all medical information, even information of a sensitive and confidential nature and **specifically including, but not limited to, records that may indicate the presence of mental illness, and any communicable disease or venereal disease, including but not limited to, hepatitis, syphilis, gonorrhea, the human immunodeficiency virus (HIV), and Acquired Immune Deficiency Syndrome (AIDS).**

Please treat any and all inquiries and requests made by Habersham Funding LLC, and its agents **as if made by me directly**. I agree that this authorization is valid for two years or for the maximum extent allowed by law from the date thereof, and that a photocopy or facsimile is as valid as an original. This release will be used to gather medical information to complete the evaluation, transfer, sale and/or resale of my life insurance policy; this release also may be used to gather medical information to track my on-going health status.

Signature of **insured**

Printed name of insured

Date signed by insured

Must Be Notarized

State of _____

County of _____

Subscribed, sworn to and acknowledged before me

this _____ day of _____, 20__.

Signature of Notary Public

Printed name of Notary Public

My Commission Expires

AUTHORIZATION FOR DISCLOSURE OF
PROTECTED HEALTH INFORMATION
(HIPAA Compliant)

The undersigned insured(s) (hereafter referred to as "I"), authorize the disclosure of my protected health information (PHI) as follows:

1. Classes of persons authorized to disclose my protected health information: I authorize each physician, doctor, physician practice group, nurse, hospital, and any other health care provider (each, an "Authorized Discloser") to disclose any and all of my PHI as provided under this authorization. I authorize each Authorized Discloser to rely upon a photo static or facsimile copy or other reproduction of this authorization.
2. Person authorized to receive my protected health information: I authorize my PHI to be disclosed by each Authorized Discloser under this authorization to Habersham Funding, LLC (Habersham Funding), [including its officers, employees, agents, independent contractors and authorized representatives (including but not limited to financing entities and life expectancy evaluation companies)] and to any other entity which requires or is compelled by law to receive such PHI to complete a life settlement transaction or in order to sell a life settlement contract (collectively, the "Authorized Recipient"). I understand that my PHI may be secured by a third-party provider and may be electronically transmitted to the Authorized Recipient, including transmission via web posting to a secure web site.
3. Description of protected health information authorized for disclosure and the purpose for such disclosure: This authorization shall apply to any and all of my health and medical records information, whether or not personally identifiable or protected under any federal or state confidentiality or privacy laws or regulations. This authorization and all disclosures of my PHI made under this authorization are for the purposes of allowing the Authorized Recipient (1) to evaluate or cause an evaluation to be prepared of my life expectancy based upon my health and medical status and condition in connection with the possible purchase by the Authorized Recipient (and/or its funding entities) of any and all life insurance policies under which my life is insured and (2) to verify, track and monitor my health medical status and condition in connection with any and all life insurance policies under which my life is insured that the Authorized Recipient purchases.
4. Further Disclosure: Some of the PHI has been disclosed to you from records protected by federal confidentiality rules or from confidential records protected by state law. These laws generally prohibit the further disclosure of drug-related or HIV-related information without specific written consent. I acknowledge these laws and expressly authorize each Authorized Recipient of my information to further disclose the information to the extent such further disclosure is necessary in order to carry out the purposes of the original disclosure.
5. Expiration of authorization: This authorization shall remain valid until, and shall expire on, the date of my death, or for the maximum extent allowed by law from the date thereof.

Insured's Initials _____ Date _____

Continued, please see next page.



AUTHORIZATION OF RELEASE OF PHI
continued

- 6. Right to revoke authorization: I acknowledge and understand that I may revoke this authorization any time with respect to any Authorized Discloser by notifying such Authorized Discloser of my revocation of this authorization in writing and delivering my revocation by mail or personal delivery at such address designated by such Authorized Discloser; provided, that any revocation of this authorization shall not apply to the extent that (a) the Authorized Discloser has taken action in reliance upon this authorization prior to receiving notice of my revocation or if this authorization was obtained or (b), if this authorization was obtained as a condition of obtaining insurance coverage, other law provides an insurer with the right to contest a claim under an insurance policy.

I understand that this authorization is not a consent or an authorization requested by a health care provider, health care clearinghouse or health plan covered by the privacy regulations promulgated pursuant to the Health Insurance Portability and Accountability Act of 1996 (the "HIPAA Privacy Regulations"). I further understand that, as a result of this authorization, my PHI disclosed by any Authorized Discloser to the Authorized Recipient may be redisclosed by the Authorized Recipient and my PHI that is disclosed to the Authorized Recipient may no longer be protected by the HIPAA Privacy Regulations.

I certify that I am executing and delivering this authorization freely and unilaterally as of the date written below. I further certify that this authorization is written in plain language and that I have retained a copy of this signed authorization for future reference.

Any person who knowingly presents false information in a life settlement application, contract or agreement is guilty of a crime and may be subject to fines and confinement in prison.

Signature of insured

Printed name of insured

Must Be Notarized

State of

County of

Subscribed, sworn to and acknowledged before me this day of, 20.

Signature of Notary Public

Printed name of Notary Public

My Commission Expires

A NOTE ABOUT YOUR AUTHORIZATION(S) TO RELEASE LIFE INSURANCE POLICY INFORMATION

- Policy OWNER must **sign and have notarized** both attached copies of the Authorization to Release Life Insurance Policy Information.



AUTHORIZATION TO RELEASE
LIFE INSURANCE POLICY INFORMATION

I hereby authorize ABC Insurance Company, the issuer of Policy Number and/or Certificate number 123456789 owned by John Doe and insuring the life of James Doe, to release to Habersham Funding LLC, a copy of the application(s), policy, forms, riders or amendments of my policy. Further, I respectfully request and authorize that you send Habersham Funding LLC, any information they need pertaining to my policy, employment or health, including information that you would normally restrict to sending me, my physician, or the policy owner/insured.

Please treat any and all inquiries and requests made by Habersham Funding LLC, and its agents as if made by me directly. I agree that this authorization is valid for two years or for the maximum extent allowed by law from the date thereof, and that a photocopy or facsimile is as valid as an original. This release will be used to gather policy information to complete the evaluation, transfer, sale and/or resale of the policy.

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.

Signature of policy owner

Printed name of owner

Date signed by owner

Must Be Notarized

State of

County of

Subscribed, sworn to and acknowledged before me this day of, 20.

Signature of Notary Public

Printed name of Notary Public

My Commission Expires

THIS FORM MUST BE COMPLETED IN DUPLICATE.



**AUTHORIZATION TO RELEASE
LIFE INSURANCE POLICY INFORMATION**

I hereby authorize ABC Insurance Company, the issuer of Policy Number and/or Certificate number 123456789 owned by John Doe and insuring the life of James Doe, to release to Habersham Funding LLC, a copy of the application(s), policy, forms, riders or amendments of my policy. Further, I respectfully request and authorize that you send Habersham Funding LLC, any information they need pertaining to my policy, employment or health, including information that you would normally restrict to sending me, my physician, or the policy owner/insured.

Please treat any and all inquiries and requests made by Habersham Funding LLC, and its agents **as if made by me directly**. I agree that this authorization is valid for two years or for the maximum extent allowed by law from the date thereof, and that a photocopy or facsimile is as valid as an original. This release will be used to gather policy information to complete the evaluation, transfer, sale and/or resale of the policy.

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.

Signature of policy **owner**

Printed name of owner

Date signed by owner

Must Be Notarized

State of _____

County of _____

Subscribed, sworn to and acknowledged before me
this _____ day of _____, 20__.

Signature of Notary Public

Printed name of Notary Public

My Commission Expires

THIS FORM MUST BE COMPLETED IN DUPLICATE.

POLICY VERIFICATION

This approved verification of coverage form is submitted pursuant to Ark. Code Ann. § 23-81-811(b). The form must be fully and accurately completed and returned via facsimile (404-233-9394) to Habersham Funding, LLC (“Habersham”) no later than thirty (30) days from receipt. Returning this form to anyone other than Habersham does not satisfy the insurer’s obligations under Ark. Code Ann. § 23-81-811(b).

Insured's Name: _____

Insurance Co. Name: _____

Policy Number: _____ Policy Owner's Name: _____

Issue Date: _____ Paid To Date: _____ Maturity Date: _____ Type of Policy: _____

1. Is this policy in effect at the date of this inquiry? Yes___ No___

2. Policy face amount: \$ _____ (death benefit BEFORE deducting loans and interest)

3. Outstanding loans and interest: \$ _____ (If none, indicate zero)

4. Policy **NET** death benefit: \$ _____ (face amount minus loans and interest)

5. Is the policy beyond the contestability period? Yes___ No___

6. Is the policy beyond the suicide exclusionary period? Yes___ No___

7. Is there any decreasing death benefit? Yes___ No___

8. Does the policy offer accelerated benefits in case of terminal illness? Yes___ No___

If 'yes', what are the benefits? _____

9. Does the policy allow for a transfer of ownership? Yes___ No___

10. Does the policy allow for a collateral assignment of benefits? Yes___ No___

If 'yes', is the policy currently collaterally assigned? Yes___ No___

11. Does the policy allow for an irrevocable beneficiary? Yes___ No___

If 'yes', has one been designated? Yes___ No___

12. Does the policy have an option to obtain additional insurance without medical evidence?
Yes___ No___

If 'yes', what are the dates for obtaining additional insurance? _____

13. Is there a waiver of premium rider? Yes___ No___

14. Are the premiums being waived at this time? Yes___ No___

15. Does the policy have an Accidental Death & Dismemberment benefit? Yes___ No___

If 'yes', what is the amount of the benefit? _____

16. How much are the premiums? Annually \$ _____ Monthly \$ _____

17. Is there any cash accumulation? Yes ___ No ___

If 'yes', how much is the accumulation amount? _____

18. What is the current surrender value? _____

19. Has the policy **ever** lapsed? Yes ___ No ___

If 'yes', please provide date of lapse and date and conditions of reinstatement:

20. Are there **any** limitations or exclusions relating to the Insured's cause of death which would cause a claim not to be paid?

Yes ___ No ___

If 'yes', what are they? _____

21. Primary Beneficiary(ies): _____

22. Contingent Beneficiary(ies): _____

23. Irrevocable Beneficiary(ies): _____

24. At this time, the insurer may investigate the validity of the insurance contract referenced above. The insurer must indicate whether it intends to investigate the validity of the insurance contract. **Failure to investigate at this time constitutes a waiver of the insurer's ability to investigate or challenge the validity of the insurance contract in the future.** Does the insurer intend to pursue an investigation regarding the validity of the insurance contract?

Yes ___ No ___

If 'yes', insurer must provide any and all information and documents that the insurer relies on in determining to investigate the validity of the insurance contract (attach narrative and supporting documents to response). **Failure to provide such information and documents to Habersham constitutes of waiver as to the use of such documents in a challenge to the validity of the insurance contract in the future.**

Signature

Title

Date

Printed Name

Telephone Number

Insurance Company

FAX Number

IMPORTANT: Please enclose two (2 each) Change Of Ownership/Assignment and Change Of Beneficiary forms when returning this verification of coverage. Also, please include the street address and the department where ownership or beneficiary changes need to be sent. Thank you.

Street Address

Contact Name or Department where
Ownership/Assignment and Beneficiary
forms would be sent.

City, State and Zip Code

SERFF Tracking Number: HBFD-127310573 State: Arkansas
 Filing Company: Habersham Funding, LLC State Tracking Number: 49235
 Company Tracking Number: 07062011
 TOI: LS01 Life Settlements Sub-TOI: LS01.000 Life Settlements
 Product Name: Life Settlement Provider Forms
 Project Name/Number: /

Supporting Document Schedules

Item Status: **Status**
Date:

Satisfied - Item: Consent to Release Medical Records

Comments:

Attachment:

AR-LIPPSA 7.11 Exh. J - Insured's Authorization to Release Medical Information (HIPAA Compliant).pdf

Item Status: **Status**
Date:

Satisfied - Item: Escrow Agreement

Comments:

Attachment:

AR-LIPPSA 7.11 Exh. L - Escrow Agreement.pdf

Item Status: **Status**
Date:

Satisfied - Item: Physician Statement

Comments:

Attachment:

AR-LIPPSA 7.11 Exh. P - Attending Physician's Letter of Mental Competency.pdf

Item Status: **Status**
Date:

Satisfied - Item: Power of Attorney

Comments:

Attachments:

AR-LIPPSA 7.11 Exh. E - Owner Power of Attorney.pdf

AR-LIPPSA 7.11 Exh. O - Insured Power of Attorney.pdf

EXHIBIT J

INSURED'S AUTHORIZATION TO RELEASE MEDICAL INFORMATION (HIPAA COMPLIANT)

The undersigned insured(s) (hereafter referred to as "I"), authorize the disclosure of my protected health information (PHI) as follows:

1. Classes of persons authorized to disclose my protected health information: I authorize each physician, doctor, physician practice group, nurse, hospital, and any other health care provider (each, an "Authorized Discloser") to disclose any and all of my PHI as provided under this authorization. I authorize each Authorized Discloser to rely upon a photostatic or facsimile copy or other reproduction of this authorization.
2. Person authorized to receive my protected health information: I authorize my PHI to be disclosed by each Authorized Discloser under this authorization to Habersham Funding, LLC, and its employees, representatives, designees, agents, successors or assigns, and to any other entity which is allowed, required, or compelled by law to receive such PHI to complete a life settlement transaction or in order to sell a life settlement contract (collectively, the "Authorized Recipient"). I understand that my PHI may be secured by a third party provider and may be electronically transmitted to the Authorized Recipient, including transmission via web posting to a secure web site.
3. Description of protected health information authorized for disclosure and the purpose for such disclosure: This authorization shall apply to any and all of my health and medical records information, including HIV and AIDS-related information, drug and alcohol-related patient records and mental health-related records, whether or not personally identifiable or protected under any federal or state confidentiality or privacy laws or regulations. This authorization and all disclosures of my PHI made under this authorization are for the purposes of allowing the Authorized Recipient (1) to evaluate or cause an evaluation to be prepared of my life expectancy based upon my health and medical status and condition in connection with the possible purchase by the Authorized Recipient (and/or its funding entities) of any and all life insurance policies under which my life is insured and (2) to verify, track and monitor my health medical status and condition in connection with any and all life insurance policies under which my life is insured that the Authorized Recipient purchases.
4. Further Disclosure: Some of the PHI has been disclosed to an Authorized Recipient from records protected by federal confidentiality rules or from confidential records protected by state law. These laws generally prohibit the further disclosure of drug-related or HIV-related information without specific written consent. I acknowledge these laws and expressly authorize each Authorized Recipient of my information to further disclose the information to the extent such further disclosure is necessary in order to carry out the purposes of the original disclosure.
5. Expiration of authorization: This authorization shall remain valid until, and shall expire on, the date of my death, or for the maximum extent allowed by law from the date thereof.

Initial _____ Date _____
(Continued, please see next page)

6. Right to revoke authorization: I acknowledge and understand that I may revoke this authorization any time with respect to any Authorized Discloser by notifying such Authorized Discloser of my revocation of this authorization in writing and delivering my revocation by mail or personal delivery at such address designated by such Authorized Discloser; provide, that any revocation of this authorization shall not apply to the extent that (a) the Authorized Discloser has taken action in reliance upon this authorization prior to receiving notice of my revocation or (b), if this authorization was obtained as a condition of obtaining insurance coverage, other law provides an insurer with the right to contest a claim under an insurance policy.

I understand that this authorization is not a consent or an authorization requested by a health care provider, health care clearinghouse or health plan covered by the privacy regulations promulgated pursuant to the Health Insurance Portability and Accountability Act of 1996 (the "HIPAA Privacy Regulations"). I further understand that, as a result of this authorization, my PHI disclosed by any Authorized Discloser to the Authorized Recipient may be redisclosed by the Authorized Recipient and my PHI that is disclosed to the Authorized Recipient may no longer be protected by the HIPAA Privacy Regulations.

I certify that I am executing and delivering this authorization freely and unilaterally as of the date written below. I further certify that this authorization is written in plain language and that I have retained a copy of this signed authorization for future reference.

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.

<p><u>NOTARY</u> (please sign below)</p> <p>State of _____ County of _____</p> <p>Subscribed and affirmed to before me this ____ day of _____, 20__.</p> <p>X _____ Notary Public Signature</p> <p>My commission expires: _____</p> <p>(NOTARIAL SEAL)</p>	<p><u>INSURED</u></p> <p>By: _____ James Doe</p> <p>Date: _____</p>
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EXHIBIT L

ESCROW AGREEMENT

This Escrow Agreement (“Escrow”) is made and entered into January 1, 2011, by and among John Doe (“Owner”), Habersham Funding, LLC, a Georgia limited liability company, its assignees and/or designees (“Purchaser”), and S. Crow Company (“Escrow Agent”). All of the above are hereinafter referred to as the “Parties.”

RECITALS

WHEREAS, the Owner and the Purchaser have entered into that certain Life Insurance Policy Purchase and Sale Agreement (the “Agreement”) dated the January 1, 2011, pursuant to which Owner has agreed to sell to the Purchaser, and the Purchaser has agreed to purchase from the Owner, that certain policy number 123456789 issued by ABC Insurance Company (the “Insurer”), insuring the life of James Doe (the “Policy”) and all of Owner’s rights, title, and interest thereto; and

WHEREAS, the Owner and Purchaser have executed all documents and instruments required by the Agreement (the Closing Documents”) which are necessary to sell the Policy and transfer ownership thereof and the beneficiaries thereunder; and

WHEREAS, Owner and Purchaser wish to establish an escrow with an independent escrow agent pursuant to which the funds due from the Purchaser to the Owner for the sale of the Policy shall be escrowed and, if all conditions are met, distributed to the Owner.

NOW, THEREFORE, for and in consideration of the promises and mutual obligation contained herein and for other goods and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Capitalized Terms. All capitalized terms used in this Escrow, but not defined herein, shall have the meanings ascribed to such terms in the Agreement.
2. Appointment of Escrow Agent. The Owner and the Purchaser hereby appoint the Escrow Agent to serve as the Escrow Agent for the Escrow and the transaction contemplated thereby. The Escrow Agent hereby accepts such appointment and agrees to perform the escrow services and duties set forth in this Escrow.
3. Delivery of Documents and Funds. Within three (3) Business Days of the Escrow Agent’s receipt from Owner of all Closing Documents, Purchaser shall then cause funds to be delivered to the Escrow Agent in the amount of the Net Purchase Price. The Escrow Agent shall hold the funds representing the Net Purchase Price in accordance with the terms of this Escrow.
4. Release of Documents. Upon receipt of the Net Purchase Price from the Purchaser, the Escrow Agent shall release to Purchaser all Closing Documents necessary to complete the transfer of ownership of the Policy then in the Escrow Agent’s possession.
5. Delivery of Net Purchase Price. Within three (3) Business Days of the Escrow Agent’s receipt, from the Purchaser, of acknowledgement of transfer of ownership and beneficiary under the Policy and the satisfaction of any other closing conditions contained in the Agreement, the Escrow Agent shall transfer

the Net Purchase Price to the Owner. The Net Purchase Price shall be deemed received by the Owner as of the date that the Escrow Agent either releases funds for wire transfer to the Owner or places a check for delivery to the Owner via United States Postal Service or another nationally recognized delivery service.

6. Escrow Unwinding Procedure. If Purchaser sends the Owner-executed change forms to the Escrow Agent with instructions for the Escrow Agent to return the forms to the Owner, the Escrow Agent shall, within three (3) Business Days 1) send the change forms to the Owner pursuant to the provided instructions and 2) send funds to the Purchaser or the Purchaser's designee pursuant to instructions provided by the Purchaser.
7. Escrow Agent's Rights and Duties. With respect to the Escrow Agent's duties and rights as Escrow Agent, it is agreed as follows.
 - 7.1 The Escrow Agent undertakes to perform only such duties as are expressly set forth herein.
 - 7.2 In performing its duties hereunder, Escrow Agent shall not incur liability to Purchaser or to the Owner for any damages, losses or expenses which either party may sustain or incur, unless the same is a direct result of the gross negligence or intentional misconduct of Escrow Agent. Escrow Agent shall be protected in any action taken or omitted in good faith with respect to the duties and responsibilities of Escrow Agent hereunder, including with respect to any duties waived pursuant to Section 19. Escrow Agent shall be entitled to rely on any document(s), which Escrow Agent reasonably believes satisfy the terms and conditions of this Escrow. Purchaser and the Owner each hereby agree to indemnify and hold harmless Escrow Agent for all losses, claims, damages, liabilities and expenses which it may sustain or incur hereunder, including, without limitation, reasonable attorneys fees, which may be imposed upon Escrow Agent or incurred by Escrow Agent in connection with the performance of its duties hereunder or the waiver thereof, pursuant to Section 19, by the waiving Party. The Owner understands that Escrow Agent, is not representing either party in this transaction, is not rendering any legal advice or services to either party, and has no responsibility with regard to this transaction other than to comply with the terms of this Escrow.
 - 7.3 The Escrow Agent may act in reliance upon any writing or instrument or signature, including fax or email (including any attachments thereto), which it in good faith believes to be genuine, may assume the validity and accuracy of any statement or assertion contained in such writing or instrument, and may assume that any person purporting to give any writing, notice, advice, or instructions in connection with the provisions hereof has been duly authorized to do so. The Escrow Agent shall not be liable in any manner for the sufficiency or correctness as to form, manner, and execution, or validity of any instrument deposited pursuant to this Escrow, nor as to the identity, authority, or right or any person executing the same.
8. Disputes. If a dispute arises between Owner and Purchaser concerning the interpretation of this Escrow, or about the rights and obligations or the propriety of any action contemplated by the Escrow Agent hereunder, the Escrow Agent may, at its sole discretion, file an action for interpleader in any court of competent jurisdiction to resolve such dispute. The Escrow Agent shall be indemnified for all costs, including reasonable attorneys' fees and costs, in connection with any interpleader action and shall be fully protected in suspending all or part of its activities under the Escrow until a final judgment or settlement in the interpleader action is received.

9. Notices. Any and all notices, requests, consents, notifications, and other communications given to any Party to this Escrow shall be given in writing and will be, as elected by the Party giving said notice, hand-delivered by messenger or courier service, telecopied, electronically communicated, or sent via registered or certified mail, return receipt requested, postage prepaid, to the below address or to any other address as a Party may designate by notice complying with the terms of this Section 9. Each communication given pursuant to this Section 9 is deemed delivered on the date delivered if by personal delivery, on the date of transmission with confirmation if by email, telex, facsimile, or other telegraphic method, and on the date upon which the return receipt is signed or delivery refused or the notice is designated by the postal authorities as not deliverable, as the case may be, if mailed.

To Escrow Agent: S. Crow Company
2222 Main Street
Anycity, Anystate 22222
555-888-8888

To Purchaser: Habersham Funding, LLC
3495 Piedmont Rd, Ste 910
Building 11, Piedmont Center,
Atlanta, GA 30305

To Owner: John Doe
123 Main Street
Anytown, Anystate 12345
(555) 555-5555

10. Binding Effect. The rights created by this Escrow and the benefit of the obligations created hereby shall be binding upon the heirs, estate, administrators, successors, and assigns of the Parties.
11. Termination. This Escrow shall terminate and the Escrow Agent shall be discharged of all responsibilities hereunder at such time as the Escrow Agent shall have fulfilled its duties described herein, upon entry of a final judgment in the interpleader action provided for in paragraph 8 above, or, if for any reason, the Agreement should terminate or otherwise cease to be effective, this Escrow shall automatically terminate without further action by any party hereto.
12. Attorneys' Fees. If this Escrow is made the subject of litigation, the prevailing party shall be entitled to reasonable attorneys' fees and costs from the other party
13. Resignation, Removal and Replacement of Escrow Agent. The Escrow Agent may resign or be removed by Purchaser and be discharged from performing any future duties hereunder, and a successor Escrow Agent may be appointed by Purchaser hereunder. The Escrow Agent shall provide Owner with prompt written notice of such resignation or removal, and Purchaser shall provide Escrow Agent with prompt written notice of the appointment of each successor Escrow Agent. No resignation or removal of the Escrow Agent shall become effective until the appointment of a successor Escrow Agent hereunder and the acceptance by such successor of the duties of the Escrow Agent hereunder. Notwithstanding the foregoing, if no replacement Escrow Agent is appointed in accordance with this Section 13 within thirty (30) days after the Escrow Agent gives written notice to Purchaser of its resignation, the Escrow Agent's resignation as Escrow Agent under this Escrow will become effective on the date on which the Escrow has expired or been terminated in accordance with this Escrow.

14. Entire Agreement; Third Party Beneficiaries. This Escrow, and all exhibits, schedules and appendices hereto, if any, constitute the entire understanding and agreement of the Owner with the Purchaser and the Escrow Agent, and supersedes any and all prior or contemporaneous representations, understandings and agreements of the Owner with the Purchaser and the Escrow Agent with respect to the subject matter of this Escrow; and the Parties agree that there are no third party beneficiaries of any promises, obligations or representations made herein.
15. Assignment. This Escrow Agreement shall not be assignable.
16. Amendments/Modifications Binding. All amendments to or modifications of this Escrow shall be binding upon the Parties, despite any lack of separate or additional consideration therefore, so long as such amendments or modifications shall be in writing and signed by an executive officer of Purchaser and a duly authorized representative of Owner and Escrow Agent.
17. Severability. If any provision of this Escrow is found invalid or unenforceable pursuant to judicial decree or decision, the remainder of this Escrow shall remain valid and enforceable according to its terms.
18. Governing Law. The laws of the State of Georgia shall govern the interpretation of and any disputes that arise under this Agreement.
19. Waiver. Either Party's failure to insist in any one or more instances upon strict performance by the other Party of any of the terms of this Escrow shall not be construed as a waiver of any continuing or subsequent failure to perform or a delay in performance of any term hereof. Either Party may waive duties of the Escrow Agent that inure to the benefit of that Party by delivering written notice of waiver to the Escrow Agent at any time.
20. Counterparts and Facsimile. This Escrow may be signed in one or more counterparts, each of which is deemed an original, but all of which together will constitute one and the same instrument. A copy of this executed Escrow shall be deemed valid as if it were the original.
21. Headings. The section headings of this Escrow are for convenience only and shall not limit or otherwise affect any of the terms hereof.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the parties have signed and delivered this Escrow Agreement the day and year above written.

Owner:

By: _____
John Doe

Purchaser:

Habersham Funding, LLC
3495 Piedmont Rd, Ste 910
Building 11, Piedmont Center,
Atlanta, GA 30305
(404) 233-8275

By: _____
M. Bryan Freeman, President

Escrow Agent:

S. Crow Company

By: _____
Name & Title

[IF APPLICABLE THIS EXHIBIT WILL BE INCLUDED; IF NOT APPLICABLE, IT WILL BE REPLACED WITH A BLANK SLIP PAGE AND REMOVED FROM SCHEDULE I]

EXHIBIT P

**ATTENDING PHYSICIAN'S
LETTER OF MENTAL COMPETENCY**

Patient's Name: _____

Date of Birth: _____

This is to verify that I, _____
(please print the physician's name here)

am the duly licensed attending physician for the above referenced person, herein referred to as the "patient", and to the best of my knowledge this patient is of sound and disposing mind and memory and is capable of making rational financial decisions. Additionally, to the best of my knowledge, the patient is not acting under undue duress, constraint, menace, fraud, or undue influence of any person or company whatsoever.

I further declare that I am not related to the insured by either blood or marriage, and have exerted no influence in regard to any issues, which fall outside the limits of my duties as attending physician. I, therefore, do not and cannot endorse any non-medical decisions made by the patient and absolve myself from any legal or moral responsibility relating to any and all such decisions.

Signed: _____ Date _____
(please have physician sign here)

Witness: _____
(please have witness sign here)

NOTE: For verification purposes, and in addition to the physician's signature on this form, **please stamp below with your office's stamp**. If you do not have a stamp (showing the physician's name, practice name, address or some combination thereof), please let us know. Thank you.

(Office stamp)

EXHIBIT E

IRREVOCABLE SPECIAL POWER OF ATTORNEY

The State of Arkansas)
County of _____)

KNOW ALL MEN BY THESE PRESENTS,

That I, Owner: John Doe, of Anycounty County, Anystate, do hereby make, constitute and appoint Habersham Funding, LLC, 3495 Piedmont Road NE, Suite 910, Building 11, Piedmont Center, Atlanta, Georgia 30305 and/or its successors, assigns or designees my true and lawful attorney-in-fact for me and in my name, place and stead, and on my behalf on the following matters:

To execute, deliver, endorse and acknowledge any document or instrument, and request and receive any information concerning or pertaining to the ownership, sale or transfer of that certain life insurance policy number 123456789, insured by ABC Insurance Company, insuring the life of James Doe (the "Policy") and all claims, benefits, privileges and rights thereon or therewith and to do any or all actions which I myself might do in connection with the purchase, sale, transfer and assignment of the Policy. Specifically, my attorney-in-fact is hereby empowered to own, take possession of, transfer, surrender, demand, sue for, make claim on, request and receive information about, file for benefits from and compromise the Policy in any way it sees fit.

This special power of attorney not only includes assignments of the above Policy, but also includes any replacement, substitution, or conversion of the existing coverage under the above Policy with that issued by another insurance company providing insurance to me, either individually or pursuant to a plan or any amended or successor plan provided by my employer.

I grant to said attorney-in-fact power and authority to do, take, and perform all and every act and thing whatsoever requisite, proper, or necessary to be done in the exercise of any of the rights and powers herein granted, as fully to all intents and purposes as I might or could do if personally present, with full power of substitution or revocation, hereby ratifying and confirming all that said attorney-in-fact, or its substitute or substitutes shall lawfully do or cause to be done by virtue of this special power of attorney and the rights and powers herein granted. The enumeration of the foregoing specific items, rights, acts or powers is not intended to, nor does it, limit or restrict and is not to be construed or interpreted as limiting or restricting the general powers herein granted to said attorney-in-fact to take any action concerning the Policy.

I hereby declare that no person, firm or corporation dealing with my attorney-in-fact will be required to inquire into the expediency, propriety, validity or necessity of any act done by my attorney-in-fact, nor will they be responsible for the proper payment or application of funds paid by them to, or received by them from my attorney-in-fact, and they may rely upon the delivery, transfer, assignment or other instrument or act of my attorney-in-fact, as having been properly authorized in all particulars.

[SIGNATURES ON NEXT PAGE]

I hereby declare that this special power of attorney is durable and shall not be affected by my subsequent disability, incapacity, or death.

<p><u>NOTARY</u> (please sign below)</p> <p>State of _____ County of _____</p> <p>Subscribed and affirmed to before me this _____ day of _____, 20____, by John Doe, satisfactorily proved or known to me personally.</p> <p>X _____ Notary Public Signature</p> <p>My commission expires: _____</p> <p>(NOTARIAL SEAL)</p>	<p><u>OWNER</u></p> <p>By: _____ John Doe</p> <p>Date: _____</p>
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<p><u>WITNESS</u></p> <p>By: _____ Jim Doe</p> <p>Date: _____</p>
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EXHIBIT O

IRREVOCABLE SPECIAL POWER OF ATTORNEY

The State of Anystate)
County of Anycounty)

KNOW ALL MEN BY THESE PRESENTS,

That, in contemplation of and to fulfill my contractual duties created in Section 2.23 of the Life Insurance Policy Purchase And Sale Agreement dated January 1, 2011, between Habersham Funding, LLC, 3495 Piedmont Road NE, Suite 910, Building 11, Piedmont Center, Atlanta, Georgia 30305 and John Doe, I, Insured: James Doe, of Anycounty County, Anystate, do hereby make, constitute and appoint Habersham Funding, LLC, 3495 Piedmont Road NE, Suite 910, Building 11, Piedmont Center, Atlanta, Georgia 30305 and its successors (collectively "Habersham") my true and lawful attorney-in-fact for me and in my name, place and stead, and on my behalf only on the following matters:

For all purposes of federal or state law related to privacy of medical records, including, but not limited to, the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), to have the same access to my health information, as defined by HIPAA, and medical records that I have and to use the contents of my health information and medical records and disclose the contents of my health information and medical records to others for any legal purpose. Specifically, my attorney-in-fact is hereby empowered to execute, deliver, endorse and acknowledge any document or instrument necessary to obtain my health information and medical records, including, but not limited to releases satisfying the requirements of HIPAA and any forms required by a health care provider, as defined by HIPAA, or other custodian of medical records, and to request and receive any and all of my health information and medical records, whether now existing or created in the future. Specifically, my attorney-in-fact is hereby empowered to own, take possession of, transfer, demand, sue for, and request and receive information about my health information and medical records in any way it sees fit.

I grant to said attorney-in-fact power and authority to do, take, and perform all and every act and thing whatsoever requisite, proper, or necessary to be done in the exercise of any of the rights and powers herein granted, as fully to all intents and purposes as I might or could do if personally present, with full power of substitution or revocation, hereby ratifying and confirming all that said attorney-in-fact, or its substitute or substitutes shall lawfully do or cause to be done by virtue of this special power of attorney and the rights and powers herein granted. The enumeration of the foregoing specific items, rights, acts or powers is not intended to, nor does it, limit or restrict and is not to be construed or interpreted as limiting or restricting the powers herein granted to said attorney-in-fact to take any action concerning my health information and medical records.

I hereby declare that no person, firm or corporation dealing with my attorney-in-fact will be required to inquire into the expediency, propriety, validity or necessity of any act done by my attorney-in-fact, nor will they be responsible for the proper payment or application of funds paid by them to, or received by them from my attorney-in-fact, and they may rely upon the delivery, transfer, assignment or other instrument or act of my attorney-in-fact, as having been properly authorized in all particulars.

I hereby declare that this special power of attorney is not assignable by my attorney-in-fact. However, this special power of attorney may pass to a successor of my attorney-in-fact by reason of acquisition, merger, consolidation, or other legal succession, through which the successor becomes invested with the rights and assumes the burdens of my attorney-in-fact.

I hereby declare that this special power of attorney is durable and shall not be affected by my subsequent disability or incapacity and will not terminate at any time prior to my death.

<p><u>NOTARY</u> (please sign below)</p> <p>State of _____ County of _____</p> <p>Subscribed and affirmed to before me this _____ day of _____, 20__, by James Doe, satisfactorily proved or known to me personally.</p> <p>X _____ Notary Public Signature</p> <p>My commission expires: _____</p> <p>(NOTARIAL SEAL)</p>	<p><u>INSURED</u></p> <p>By: _____ James Doe</p> <p>Date: _____</p>
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<p><u>WITNESS</u></p> <p>By: _____ Jim Doe</p> <p>Date: _____</p>
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