

## **Seniors Have New Option to Cash-In on Life Insurance**

**By Jolene Fullerton, General Counsel  
First Secured Life**

Thanks to recently enacted laws,\* many senior citizens have access to a new source of cash—their life insurance policies. Just like your house, car, or stocks and bonds, life insurance policies can now be sold for cash.

"The fact that a life insurance policy could have a significant value while the insured is still living has proven to be a financial windfall for many seniors... especially for those making premium payments on policies no longer needed or wanted," said Keith Campbell.

According to Campbell, the most common reasons seniors cited for considering a life settlement are that they:

- Are thinking about letting their life insurance policy lapse
- Prefer to receive more money than the cash surrender value of a policy
- Have a change in beneficiary on their policy due to death or divorce
- Are considering bankruptcy and need to liquidate the life insurance policy
- Want to pay off their mortgage or settle hospital debts
- Can no longer afford the rising cost of long-term healthcare insurance
- Would like to spend the money on something else

Regardless of why a person may decide to sell their insurance policy, the money may be spent any way the person chooses.

Campbell said it's important to have a licensed broker assist in conducting a life settlement transaction; similar to hiring a realtor to sell your home. A broker is legally obligated to find the highest possible selling price for the policy owner.

"First Secured Life is uniquely qualified to help senior citizens cash in on the hidden value of their life insurance policy," he said, "rather than allowing the policy to expire worthless or surrendering it to the insurance company."

Since a life settlement transaction typically takes 30-45 days, Campbell cautioned seniors to continue to pay their premiums until it is determined whether their policy is eligible for a life settlement.