

APPENDIX A---Post-Sale Viatical Disclosure Document

Read Immediately Upon Receipt

You have invested in a **viatical investment**. A **viatical investment** is an agreement for the purchase of an interest in the death benefit of a life insurance policy. The individual whose life insurance policy is being sold is called the **viator** or **insured**.

Right to Rescind or Cancel

1. [Set forth the terms and conditions of the viatical investor's right to rescind or cancel the viatical investment.]

What you purchased

2. You have invested \$ _____ and will receive \$ _____ upon the death of the **insured**.

The life expectancy of the **insured** in whose policy you are investing is _____

The **insured** has the following medical condition: _____

3. You have acquired:

- _____ % (percent) ownership of a life insurance policy with a \$ _____ death benefit
- the entire ownership of a life insurance policy with a \$ _____ death benefit
- _____ % (percent) of the death benefit of a life insurance policy with a \$ _____ death benefit
- the entire death benefit of a life insurance policy with a \$ _____ death benefit

The insurance policy

4. The life insurance policy was issued by:
Company: _____
Address: _____
Telephone Number: _____
5. The most recent A.M. Best rating for this insurance company is: _____

6. The policy number is: _____

7. The policy was issued on (date): _____

8. The policy is (check all that apply):

A term policy

The term of the policy is: _____

A group policy

Name of the Group: _____

Address: _____

Telephone Number: _____

Contestable

The policy is contestable until (date): _____

Ownership

9. **As a result of your purchase, you are:**

an owner and beneficiary of a life insurance policy

Other owners of the policy will be: (names and addresses of other investors)

a beneficiary **only** of a life insurance policy

The owner(s) of the policy will be: (names, addresses, and telephone numbers)

Other beneficiaries of the policy will be: (names and addresses of other investors)

Premiums

10. Premiums on the policy are:

- Paid up and no additional premium payments will ever be required.
- Required to be paid periodically.

Premiums are:

\$ _____ annually

Payments of \$ _____ are due to be paid:

- Monthly
- Quarterly
- Semi-annually
- Annually

11. Term of premium payments

- If premium payments are made as required, the policy will be fully paid up on (date) _____
- Premium payments must be made until the death of the viator.

12. Funding of premium payments (check all that apply):

- A portion of your investment has been set aside to pay premiums. This amount will fund the payment of premiums until (date) _____
- These funds have been placed in an escrow account:

Name of Escrow Agent: _____
Address _____

Telephone Number _____
Bank Name _____

You will be obligated to pay additional money to fund premium payments after (date) _____. Payments of \$ _____ will be due to be paid:

- Monthly
- Quarterly
- Semi-annually
- Annually

Before these additional payments are due, you will be notified of when and to whom to make your premium payments.

Use of your investment funds

13. Of the amount you are investing:

\$ _____ will be used to purchase the policy.

\$ _____ will be set aside to pay premiums on the policy.

\$ _____ will be used to pay a commission to the person(s) who sold you the policy.

\$ _____ will be used to pay administrative expenses and other transaction costs or payment to the viatical company.

Name of viatical issuer: _____
Address: _____
Telephone: _____