

Press Release: Insurance Studies Institute Releases Life Settlement Senior Survey Data

Keystone, Colorado (April 27, 2010) - The Insurance Studies Institute (ISI) releases results of its third senior survey undertaken to learn the role life insurance plays in senior lives, specifically regarding the option to sell life insurance policies.

Of 218 seniors surveyed nation-wide, 73% indicate that life insurance was originally purchased to provide for beneficiaries, but that needs have changed over time, and the other 27% purchased policies for other reasons. Fifty-one (51%) percent were not familiar with the option to sell unwanted or unneeded policies, known as a life settlement. This corresponds to data obtained in previous ISI surveys. Of the 40% who have lapsed or surrendered a policy, 61% would still rather lapse or surrender the policy after reading a simple definition of a life settlement. Christopher Kampa, Director of Research at the ISI spoke directly with several survey respondents to hone in on the reason for this hesitancy towards settlements: *“Survey respondents are curious about the life settlement option, but lack understanding about having an investor own a life insurance policy on their life.”* However, 69% of the respondents did not express concern with an investor owning a policy on their life.

According to another ISI sponsored research study conducted by the Carlson School of Management at the University of Minnesota, seniors have a low awareness and familiarity with life settlements, which has led to negative perceptions.

Paul Siegert, ISI President and CEO, contends that, *“Consumers want to make educated and informed decisions, but the unknown aspects of selling a life insurance policy coupled with a lack of objective resources for information prevents many seniors from considering this option.”*

About ISI: *Keystone, Colorado is home to the Insurance Studies Institute, a rapidly expanding insurance “think tank” incorporated in 2007. By facilitating and promoting innovative research, ISI seeks to create knowledge, share information and enhance understandings of insurance paradigms affecting socio-economics in a free market economy. Visit ISI’s website to learn more about our work: www.insurancestudies.org. To discuss this survey in-depth, contact Christopher Kampa: ckampa@insurancestudies.org*