

PRESS ADVISORY

Contact: Ashley Glacel

April 28, 2009

Phone: (202) 224-

5364

KOHL TO CALL FOR BETTER REGULATION AT HEARING ON LIFE SETTLEMENT MARKET

Committee Investigation Reveals Lack of Consumer Protections, Federal Oversight of Exploding Industry

WASHINGTON – On Wednesday, April 29, U.S. Senate Special Committee on Aging Chairman Herb Kohl (D-WI) will hold a hearing on the burgeoning life settlement market, an industry that has doubled in value since 2006 to a worth of \$12 billion, and which analysts expect will exceed \$160 billion within a few decades. A life settlement is a financial arrangement in which a person sells their life insurance policy to investors, who continue to pay the policy premiums and collect the payout upon the seller's death. A Committee investigation has uncovered unintended consequences for consumers, sales and marketing abuses, and insurance fraud, all of which are exacerbated by the high commissions earned by life settlement brokers. Further, these transferred life insurance policies are now being bundled and used as investment vehicles by some of the largest investment companies in the nation. Despite this, neither the Internal Revenue Service nor the U.S. Securities and Exchange Commission have issued relevant regulations to govern the industry.

WHAT: Senate Special Committee on Aging Hearing
Betting on Death in the Life Settlements Market – What's At Stake For Seniors?

WHEN: Wednesday, April 29, 2009 at 2 p.m.

WHERE: 106 Dirksen Senate Office Building

WHO: Panel I

Stephan Leimberg, CEO, Leimberg Information Services, Inc.,
Havertown, PA.

Mary Beth Senkewicz, Deputy Commissioner, Life and Health
Insurance, Florida Office of Insurance Regulation, Tallahassee, FL.

Michael McRaith, Director, Division of Insurance, Illinois Department of
Financial and Professional Regulation, Chicago, IL.

Fred Joseph, Commissioner, Division of Securities, Colorado Department
of Regulatory

Agencies, on behalf of North American Securities Administrators
Association (NASAA), Denver, CO.

Panel II

James Avery, Jr., President, Individual Life for Prudential Financial, on
behalf of

American Council of Life Insurers (ACLI), Newark, NJ.

Scott Peden, President, Life Partners, Inc., Waco, TX.

INVITED - Alan Buerger, Chief Executive Officer, Coventry, Fort
Washington, PA.

#

The hearing will be webcast from the committee webpage: www.aging.senate.gov

Ashley Glacel

Press Secretary

Special Committee on Aging