

## Frequently Asked Questions

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**Q: What is the cost to implement the Structured Sale?**

A: There is no installation cost, nor are there any ongoing costs, fees, or expenses charged that will dilute the installment income. Also, there is no cost to the Buyer.

**Q: What is the rate of return and will it fluctuate in the future?**

A: At the close of escrow, an annuity is purchased for the specific purpose of securing the agreed to installment payments. Once purchased, all annuity values, including the internal rate of return, become fixed and cannot be changed.

**Q: Does the annuity continue to earn interest once it is purchased?**

A: No, however the internal rate of return at the time of purchase is used in determining how much income can be paid for the requested payout duration. Depending on the Seller's tax situation and the payout selected, the gain of the annuity may offset a large portion, and in some cases, all of the taxes paid!

**Q: What paperwork is necessary and is it time consuming?**

A: There are only two easy to complete short-form documents which need to be completed prior to the close of escrow.

**Q: Why an Assignment Company?**

A: As the substituted obligor for the Buyer, the Assignment Company becomes the owner of the annuity contract and responsible for the designated schedule of installment payments. By doing so, the Buyer is relieved of the financial burden and the Seller has financial security independent of the Buyer. The Assignment Company is a third party company whose sole purpose is to accept the ownership of structured annuity contracts. It does not engage in any other risk. The Assignment Company purchases the annuity from a well known, A+ rated life insurer.

In addition to an annuity contract, the life insurance company issues an irrevocable corporate promise to pay letter, backing all assigned installment income payments.

**Q: When does title to the property being sold transfer to the Buyer?**

A: Once the required documents are executed, title will transfer to the Buyer at the close of escrow.

**Q: When and how is the money transferred to the Life Insurance Company?**

A: The required funds are WIRED directly to the designated Assignment Company of the life insurer. Security of the funds and the avoidance of any constructive receipt by the Seller is imperative. The Buyer's bank or Escrow Company arranges for the wire transfer to be made at the time of closing. Once the Assignment Company records and processes the transaction, usually within about three business days, it then wires the funds to the life insurer for the purchase of the annuity that will fund the assigned income payments.