

**NAIC Overwhelmingly Adopts Model Regulation on Life Settlements  
*Coventry First Commends Pro-consumer Action***

*Fort Washington, PA - June 17, 2004* – Coventry First, the creator and leader of the secondary market for life insurance, today applauded the National Association of Insurance Commissioners for overwhelmingly approving a new Model Regulation which governs life settlements.

The last provision of the Model Regulation to be resolved – that licensed life insurance agents have the authority to negotiate life settlements on behalf of their clients – now becomes the basis for individual state regulatory and legislative action.

“We must be vigilant in making certain consumers have access to information about the secondary market for life insurance through licensed life insurance professionals,” said Alan H. Buerger, CEO of Coventry First. “We congratulate the NAIC on its commitment to consumers’ rights.”

The Model Regulation together with the previously adopted NAIC Model Act establishes a substantial framework for consumers to access the value of their life insurance policies in the secondary market. The NAIC framework requires all

entities be licensed and that consumers receive two sets of disclosures. All transactions contain privacy protections and have clear funding requirements and a rescission period.

The Model Regulation marks the culmination of a five-year effort on the part of the regulatory community and the private sector to standardize regulation regarding life settlements. Although it is an important step, there is even more to be done to assure consumer access and protection.

“We look forward to working with state regulators and legislators to enact strong protections for both policyowners and investors,” noted Buerger. “Coventry First is committed to a strong market that is pro-consumer and pro-competitive. Lawmakers should design regulations that encourage participation and investment in this secondary market.”

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About Coventry First

Coventry First ([www.coventryfirst.com](http://www.coventryfirst.com)) bridges insurance and capital markets to provide consumers with a new market-based source of nonforfeiture value. The company created the secondary market for life insurance and pioneered the resulting life settlement industry. Fueled by bold ideas, a deep understanding of



life insurance, and impeccable ethical standards, Coventry First continues to lead the market by opening new opportunities for consumers and the financial professionals who serve them. Based in Fort Washington, PA, Coventry First was named the 12th fastest-growing privately owned company in Inc. Magazine's 2003 ranking of the 500 fastest-growing private companies in the U.S.

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