

Quantum Life Settlements
Request for Proposal: Public Relations
6/2/10

Assignment

Quantum Life Settlements is looking for a Public Relations firm to work in conjunction with its current marketing efforts. The firm should have significant experience in consumer-based public relations targeting the 65+ demographic. Responsibilities will include:

- Developing a comprehensive annual Public Relations plan, including social media tactics, designed to:
 - Drive awareness of Quantum Life Settlements in target appropriate media
 - Generate qualified leads

What is a Life Settlement?

Simply put, a life settlement is the sale of an active life insurance policy on the open market. Large financial institutions will purchase a client's life insurance policy for a large cash payment. The financial institution then assumes all premium payments and becomes the beneficiary of the policy.

The negotiated purchase price is based on the death benefit value of the policy, and the age, health and life expectancy of the client. Typically, funders will pay three-five times the cash surrender value of a policy to a qualified Life Settlement candidate.

Generally, all types of life insurance policies can be sold, including term.

Most life settlements occur through a broker, such as Quantum Life Settlements, who are able to shop policies to a variety of funding sources to obtain the highest possible cash offer for the policy owner.

Background

The Life Settlement market was developed to benefit those who can no longer afford their life insurance, no longer require life insurance or need less coverage than originally issued. Investment firms saw this as an opportunity to create a new portfolio of assets (the policies) with a predictable return on their investment.

In 2005 Bernstein Research estimated that since the industry's inception, roughly 13 Billion dollars of death benefits had been acquired and that it expected the size of the industry to grow tenfold over the next decade.

The growth of the industry is fueled by the staggering percentage of Life Insurance policies that lapse or are surrendered without a death benefit being collected by the

policy holder. According to the Life Insurance Settlement Association, 90% of life insurance policies either lapsed or were surrendered, meaning insurance companies only have to pay out the death benefit on 10% of the policies they write.

Reasons for Life Settlement

- Immediate need for cash
- Change in health status of the insured
- To finance new insurance coverage, long-term care, annuities
- To supplement a loss of income due to the depressed financial market
- Under-performing policy
- Change in beneficiary
- Retirement
- Term policy or conversion privilege about to expire
- Estate has been significantly reduced, eliminating the need for coverage
- A key-man policy or other business-owned insurance is no longer needed
- To fund a charitable donation

About Quantum Life Settlements

While many in the life settlement industry use a business to business approach to find leads (working with financial planners, CPA's, etc.), Quantum Life Settlements is one of the first Life Settlement brokers to market this opportunity directly to the consumer.

With industry experience that spans three decades, Quantum Life Settlements has built relationships with over forty funding sources, providing the ability to shop policies on the open market and drive competitive bids.

Once a candidate has expressed interest, Quantum Life Settlements will walk them through the Life Settlement process, including:

- Taking the application
- Reviewing the existing insurance and medical information
- Facilitating the life expectancy calculation
- Leveraging resources to shop the policy
- Finalizing all paperwork for an accepted offer

Quantum Life Settlements prides itself on the highest level of customer service. The process is completely transparent with a corporate focus on honesty and integrity. All prospects are contacted by the CEO to walk them through Life Settlement process or find alternative options if they are not qualified for a Life Settlement. Clients who are in the process receive weekly updates on the status of their Life Settlement to ensure they are involved and comfortable at every step.

Target Audience

Primary

- Men and women
- 74 years of age or older
- Life expectancy of 2-10 years
- Have a life insurance policy with a death benefit of \$250,000+
- Net Worth \$500,000+

Secondary

- Children with parents in the primary target audience

Geography

The primary focus is in geographic regions with a high population of affluent seniors including, but not limited to, Arizona, California, Connecticut, Florida, New York, North Carolina and Texas.

Current Marketing Efforts

Currently, Quantum Life Settlements is utilizing Direct Mail as its primary response mechanism. Quantum has dropped over 100,000 pieces of direct mail in the past 6 months and will continue to increase the quantity and frequency of direct mail over the course of the 2010.

Additionally, Quantum Life Settlements is running a paid search campaign based on appropriate key word sets.

Quantum is considering introducing print and television to the media mix in 3rd or 4th Quarter 2010.

Budget:

The annual Public Relations budget will be between \$36,000-48,000, depending on services rendered.

Response Format:

Within your response, submit the following information:

- 1) Agency Information
 - a. Name
 - b. Location
 - c. Number of years in business
 - d. Number of employees
 - e. Current client list (and length of relationship)
- 2) Present at least two case studies with results that demonstrate your ability to develop successful public relations plans targeting the senior market. If you do not have experience in the senior market, provide at least two case studies with results and explain why you feel they are relevant to Quantum Life Settlements.

- 3) Describe your process and how you would approach working with Quantum Life Settlements.
- 4) Who would be assigned to the Quantum Life Settlements account? Please provide bios and each individual's role on the account.
- 5) Outline the financial compensation structure you propose for this relationship? Please include hourly rates if appropriate.
- 6) What metrics would you establish to measure the relative success or failure of the public relations effort? What goals or milestones for impressions/leads/other do you feel are realistic based on the target audience and anticipated Public Relations budget previously stated?

Point of Contact:

All questions must be submitted via email by June 15, 2010 at 5pm:

Email: david.melnick@siquis.com

All questions submitted and associated responses will be posted on June 17, 2010 by 5:30pm at www.quantumlifeselements.com/PRRFP

All final proposals must be submitted by June 25, 2010 to David Melnick no later than 5:30pm in either PDF or Hardcopy format. If submitting Hardcopy, please include one (1) original and two (2) copies of your proposal.

Email: david.melnick@siquis.com

Hardcopy: David Melnick
Siquis Ltd.
1340 Smith Ave.
Ste 300
Baltimore, MD 21209

Timeline

6/4/10:	RFP posted
6/15/10:	Deadline to submit question
6/17/10:	All questions and associated replies will be posted at: quantumlifeselements.com/PRRFP
6/25/10:	Deadline for submissions
7/2/10:	Finalist announced
7/12/10 -7/16/10	Finalist meetings/presentations
7/23/10:	Selection of Public Relations Firm