

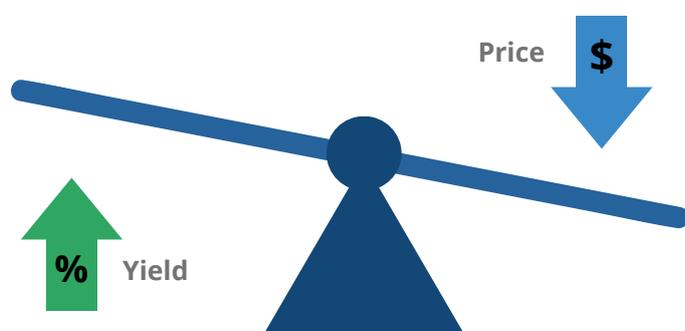
OVERVIEW OF SECONDARY MARKET INCOME STREAMS FROM DCF EXCHANGE

The secondary market for structured settlement payments offers purchasers fixed term payment streams from name brand insurance carriers like MetLife and Berkshire Hathaway. Purchasers of these payment streams buy at a lower price and higher yield, typically one to four percent higher than newly issued payment streams by the same carriers.

Terminology

Secondary market payment streams go by many names. Because they are backed by annuities issued by annuity companies, many call them "Secondary Market Annuities" or "In-Force Annuities." But to avoid any confusion with newly issued annuity contracts, we prefer the term "DCF Income Payments" as each income stream is a series of discounted cash flow (DCF) payments.

No matter the name, in a properly structured secondary market transaction, a new purchaser acquires the right to receive payments from some of the best insurance carriers in the world.



Why DCF Income Payments have a higher yield and lower cost:

Original payees sell future payments at a discount.

The discount means a lower price and higher yield for you.

Benefits of DCF Income Payments

In volatile markets and a low yield environment, conservative investors of all ages seek secure income and safe appreciation. DCF Income Payments offer:

- Fixed, period certain payments
- No market correlation
- No volatility
- Top quality credit

Payments for Any Purpose

Income Now

Income payments starting within a few months.

Income Later

Income payments starting 3-10 years in the future.

Lump Sums

A single payment made to the buyer in the future.

DCF Income Payments are perfect for baseline portfolio stability, supplemental income needs, living costs, and retirement expenses. Using multiple income streams, you can build your own personal pension with superior tax deferral and higher yield.

Here are a few examples:

INCOME NOW:

Retirees and new settlement recipients often need income starting right away, but market based investments are a risky way to generate regular income. Selling stocks when the the market is down to pay for monthly expenses is known as the 'sequence of returns' risk, or 'reverse dollar cost averaging'.

A well thought out financial plan using DCF Income Payments effectively mitigates this risk by using fixed income to cover essential monthly expenses.

Safe and secure fixed income takes the pressure off a portfolio of market-based investments and allows time to recover from volatile periods. Fixed and period certain payments from DCF Exchange are suitable for investors of any age as the payout amount is not based on lifespan.

Best of all, because these payments carry a higher yield, they simply cost less than comparable newly issued annuities.

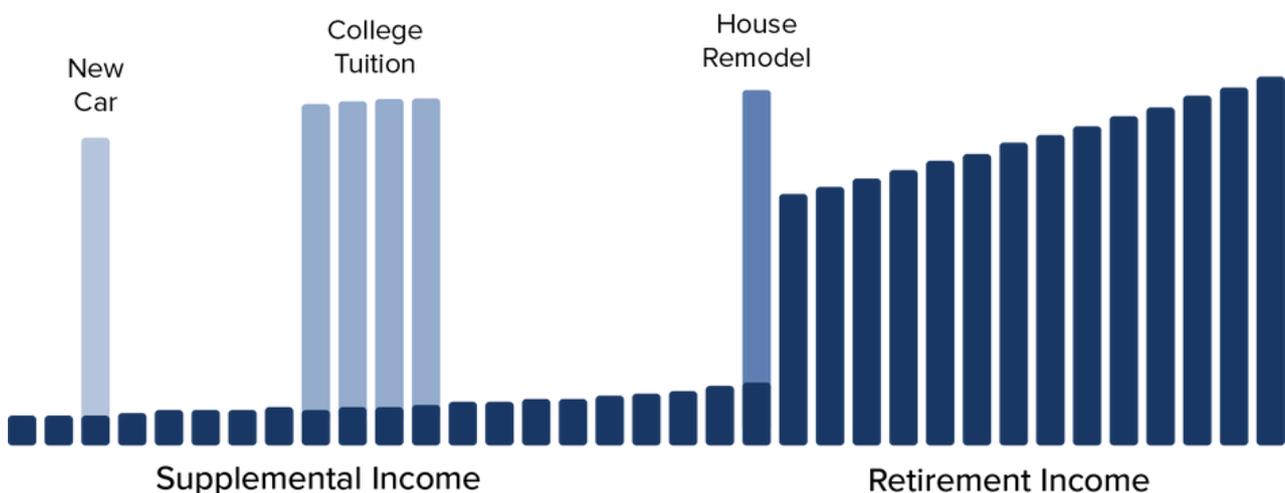
We find that investors using DCF Income Payments typically save 10-20% to create the same level of immediate income than investors using primary market annuities. This savings translates into more flexibility for other investments, or into purchasing more income for the same investment amount.

INCOME LATER:

Deferred income payments start 3 to 10 years in the future and defer, accrue, and compound until they start paying out. Deferred income streams are perfect for a bucket plan, or for target-date retirement plans and known future expenditures.

For example, a 55-year-old may know that Social Security and other income at retirement age will be insufficient for expenses, and wants to augment that income starting at age 65. A ten-year deferred start income stream offers certainty and a secure outcome few other investments offer.

Timing DCF Income Payments



LUMP SUMS:

Lump sums are often used as an alternative to CDs, for safe accumulation and for defined future capital needs such as college planning, inheritance, home purchase, or other capital events.

Current rates on single payment DCF lump sums offer yields ranging from 3% to 5% for varying lengths of term. These handily beat fixed annuities and CDs, and are used by safety conscious investors in non-qualified and IRAs portfolios. Lump sums may also be used in inheritance planning, endowments and planned giving scenarios.

Trusted Insurance Carriers



Allstate

John Hancock

MetLife



BERKSHIRE HATHAWAY INC.



First Owner



Settles lawsuit for income stream.
Sells stream for upfront cash.

Second Owner



Buys stream for investment.
Sells stream for upfront cash.

Final Owner



Buys stream for investment.
Receives scheduled cash flow.

Payment Stream Lifecycle

A structured settlement income stream is created to compensate someone for a personal injury. The payments are funded by annuities issued by highly rated life insurance companies.

Sometimes an income stream owner sells the stream for upfront cash. Every state has laws to ensure that selling is always in the owners' "best interest." DCF buys directly from owners and from other purchasers. Because the stream's payment schedule is not flexible, DCF can buy and sell it for a lower cost than a newly issued annuity. And, because DCF buys multiple streams, it can create custom payment schedules.

Timeline of Secondary Market Transactions

1

ORIGINAL SETTLEMENT

- Plaintiff receives a settlement and opts for future payments to settle.
- An annuity from an insurance company is acquired.
- Insurance company makes payments to Plaintiff.

2

SALE OF PAYMENTS

- After some time, Plaintiff / Annuitant decides to sell future payments.
- Plaintiff / Annuitant and factoring company enter in contract to sell.
- State regulated and IRS compliant process requires court and Insurance Company participation to approve transaction.

3

DCF ACQUISITION

- DCF becomes assignee of contract between factoring company and Plaintiff / Annuitant.
- DCF Exchange engages outside counsel for transaction review.
- After court approval, DCF acquires the payment stream.
- Insurance Carrier records updated to make payments to GoldStar Trust payment servicing lockbox.

4

DCF SALE

- Advisor and Purchaser select payments from DCF's In-Stock inventory.
- Purchaser transaction funds handled by GoldStar Trust escrow.
- GoldStar Trust records transfer of assigned payments to Purchaser.
- GoldStar receives payments from Insurance Company and sends payments on to Purchaser.

The Role of DCF Exchange

DCF Exchange manages the court process with its legal counsel and experienced trade professionals to ensure a complete transfer of all rights to the payments.

DCF Exchange engages in a rigorous third-party legal review of each transaction prior to its own acquisition, and uses an innovative business trust and payment servicing platform to offer purchasers confidentiality, transferability, and transactional certainty.

DCF Exchange is well capitalized and holds fully approved payment streams In-Stock for resale through its nationwide network of financial professionals.

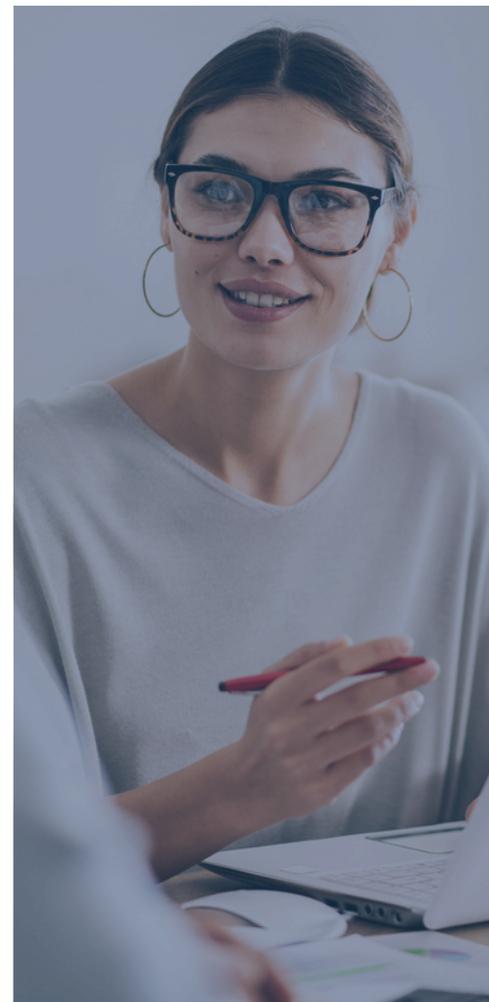
When complete, a properly structured transfer from DCF Exchange results in a new purchaser receiving fixed and secure payments from a top-rated annuity carrier.

GoldStar Trust: Payment Servicing & Administration

DCF purchasers benefit from a long-term relationship with GoldStar Trust Company. GoldStar performs account management, policy service, and payment servicing for DCF Income Payments in a secure bank and trust escrow environment.

GoldStar is the trust only branch of Happy State bank and one of the nation's leading Self-Directed IRA custodians with over twenty-five years of experience and \$4 billion in assets.

For purchasers of DCF Income Payments, GoldStar offers the security and stability of a fully regulated Bank and Trust escrow intermediary.



About DCF Exchange

DCF Exchange, LLC is the leading wholesale distributor for secondary market payment streams and makes proven, secure and approved payment streams available to a select group of financial professionals for their planning practices.

Founded by veterans of Wall Street interest rates markets and the secondary market industry, the DCF Exchange process ensures:

- Due diligence review by expert counsel.
- Payment servicing by an FDIC insured bank.
- Regulatory advice by former SEC counsel.
- Tax advice by a major accounting firm.

DCF incorporates extensive safeguards and reviews in its transaction process. For financial professionals and their clients, payment streams from DCF Exchange offer a secure fixed income alternative asset.

Questions?

We're here and ready to help.

[DCFExchange.com](https://www.DCFExchange.com)

 (877) 321-7927

DCF
EXCHANGE



Nathaniel M. Pulsifer is a market leader in fixed income from discounted structured settlement payments. He has used the asset class in hundreds of retirement portfolios through his planning practice. In addition, he is the Founder and President of The DCF Exchange, a wholesale trading company that acquires payment streams for distribution through financial advisors nationwide.