

**RIDGE CAPITAL GROUP, LLC**

**STATEMENT OF POLICY CONCERNING  
STRANGER-OWNED LIFE INSURANCE (“STOLI”)  
INVESTOR-OWNED LIFE INSURANCE (“IOLI”)  
AND INVESTOR INITIATED LIFE INSURANCE (“IILI”)**

Ridge Capital Group, LLC (“Ridge Capital”) is firmly opposed to the financing of Investor Owned Life Insurance (IOLI), Investor Initiated Life Insurance (IILI) or Stranger Owned Life Insurance (STOLI). Therefore, it is Ridge Capital’s policy that all prospective Insureds financing a policy through a Ridge Capital Premium Finance Loan must:

- a) have a bona fide need for the insurance to be financed and is not financing the insurance policy with a view towards settling the policy;
- b) have decided to procure life insurance coverage on his or her own initiative and such decision is not based solely on the availability of the Ridge Capital Flexible Premium Finance Loan;
- c) have had sufficient time to thoroughly and carefully analyze, discuss, evaluate and receive advice with respect to the Ridge Capital Flexible Premium Finance Loan from professional advisors and anyone else of his or her choosing; and
- d) have had sufficient time to thoroughly and carefully explore, analyze, discuss, evaluate and receive advice from professional advisors and anyone else of his or her choosing with respect to other available financing arrangements for purchasing life insurance coverage on the Insured’s life, including without limitation, payment of the life insurance premiums from his or her own resources even if that requires having to liquidate or pledge as collateral his or her assets.

Ridge Capital will not finance policies where it determines that the Insured has not met all of the above conditions.

In addition, it is Ridge Capital’s policy that Insureds participating in a Ridge Capital Flexible Premium Finance Loan not receive any inducements or other financial consideration relating to their financing of an Insurance policy through Ridge Capital. Neither Ridge Capital nor its underlying lenders shall take any ownership interest in the financed policy other than a collateral interest in the policy by the lender so as to enforce its rights under the terms of the loan. No other persons or entities shall have an ownership interest in the financed policy unless such person or entity has a valid insurable interest in the Insured. It is also Ridge Capital’s policy that the Insured may not choose to relinquish their insurance policy in full satisfaction of the premium finance loan.

As a founding member of the Life Insurance Finance Association (“LIFA”), Ridge Capital shall at all times adhere to the current “Best Practices” guidelines set forth by LIFA, a copy of which is attached hereto.