

Conestoga International, LLC
Checklist for Participation (Non-Qualified Funds)

Independent Contractor Name: _____

Independent Contractor Number: _____

Participant Name: _____

Documents included:

- _____ Verification of Accredited Investor Status
- _____ Acknowledgment of receipt of Private Placement Memorandum
- _____ Life Insurance Policy Funding/Trust Participation Agreement
- _____ Exhibit "A" to Life Insurance Policy Funding/Trust Participation Agreement
- _____ IRS Form W-9 Request for Taxpayer Identification Number

Documents to obtain from Participant:

- _____ Enlarged Copy (minimum 150%) of Participant's Driver's License or other government-issued photo ID (verify current address; obtain written explanation if current address is different than as shown on ID)
 - _____ If Participant is a trust or another entity, obtain copy of organizational documents
 - _____ Make all checks payable to **Provident Trust Group, LLC Escrow Account** for the benefit of Conestoga Settlement Trust
- Write Participant's name in memo section

Mail all completed paperwork to:

Provident Trust Group, LLC
8880 W. Sunset, Suite 250
Las Vegas, NV 89148

PLEASE MAKE SURE THAT ALL APPLICABLE BLANKS ARE COMPLETED AND SIGNATURES ARE PROVIDED IN THE APPROPRIATE SPACES

CONESTOGA INTERNATIONAL, LLC

Verification of Accredited Investor Status

In order to be able to acquire a beneficial interest in a fixed percentage participation in the proceeds of life insurance policies through the Conestoga Settlement Trust, the proposed participant must qualify as an “accredited investor” as that term is defined below.

ACCREDITED INVESTOR: An individual or an entity is considered an *accredited investor* for purposes of a possible participation in the Conestoga Settlement Trust, if such individual or entity meets at least one of the following qualifications:

- (1) I am a natural person whose individual net worth (or joint net worth with my spouse), including investments and all property and other assets, but excluding my primary residence, exceeds One Million Dollars (\$1,000,000);
- (2) My individual annual income exceeded Two Hundred Thousand Dollars (\$200,000) in each of the two most recent years and I expect my income to exceed Two Hundred Thousand Dollars (\$200,000) in the current year;
- (3) My joint annual income with my spouse exceeded Three Hundred Thousand Dollars (\$300,000) in each of the two most recent years and I expect my joint income with my spouse to exceed Three Hundred Thousand Dollars (\$300,000) in the current year;
- (4) The participant in the Conestoga Settlement Trust is a legal entity, and all of such entity’s equity owners meet at least one of the net worth or annual income tests listed in (1)-(3) above;
- (5) The participant in the Conestoga Settlement Trust is a trust which formed for a purpose other than that of participating in life settlements, which has total assets in excess of Five Million Dollars (\$5,000,000), and the investment decisions of which are directed by a person who has such knowledge and experience in financial and business matters that he or she is capable of evaluating the merits and risks of the proposed participation;
- (6) The participant in the Conestoga Settlement Trust is a revocable trust created by an investor for his or her own benefits, who meets at least one of the net worth or annual income tests listed in (1)-(3) above;
- (7) The participant in the Conestoga Settlement Trust is a legal entity with total assets in excess of Five Million Dollars (\$5,000,000) which was formed for a purpose other than that of participating in life settlements, and which is a corporation, partnership, limited liability company, business trust, or a tax-

exempt organization as described in Section 501 (c)(3) of the Internal Revenue Code of 1986, as amended; or

- (8) The participant is an “accredited investor” as such term is defined in Securities and Exchange Commission Rule 501 under Regulation D for one or more of the reasons listed above, which I decline to specify due to issues of financial privacy.

I represent and warrant that I have read the above definitions of “accredited investor,” that I, as a proposed beneficiary of and participant in the Conestoga Settlement Trust, am an “accredited investor” as such term is defined above, and that my affirmation herein may be relied upon by Conestoga International, LLC and the Conestoga Settlement Trust.

Signature: X_____

Date: X_____

Printed Name: X_____

At: City: X_____ State: X_____

The Spouse’s signature is required if the participant and his or her spouse are jointly qualifying as an “accredited investor” and community funds are being used for the participation in the Conestoga Settlement Trust.

By joining in this Verification through my signature below, I make the same representations and warranties that appear above.

Spouse’s Signature: X_____

Date: X_____

Printed Name: X_____

At: City: X_____ State: X_____

CONESTOGA INTERNATIONAL, LLC
644 Ave. Fernandez Juncos, Suite 301
San Juan, Puerto Rico 00907
(787) 919-7302

Acknowledgement of receipt of Private Placement Memorandum

I (or we), the undersigned, hereby confirm that I (we) have received a copy of the Private Placement Memorandum and have read the disclosures contained therein. I (we) understand the risks involved in acquiring a beneficial interest in a life settlement contract. In making a decision to participate in a life settlement contract, I (we) have not relied on any rate of return or on any estimate of life expectancy. I (we) fully understand that I (we) will not receive any payment until after the death of the life settlor. I (we) also understand that the sole source for payment of our percentage in a life settlement contract is the proceeds from the life insurance company which issued the policy in which I (we) acquired a beneficial interest. I (we) further understand that I (we) may be required to pay additional funds as premiums required to keep the life insurance policy in force.

X SIGNED, this _____ day of _____, 20_____, in the City of _____,
State of _____.

Participant:

Joint Participant (if any)

X _____
Signature

X _____
Signature

X _____
Typed or printed name of Participant

X _____
Typed or printed name of Joint Participant

Conestoga independent contractor

Signature

Typed or printed name of Conestoga independent contractor

CONESTOGA INTERNATIONAL, LLC

CONESTOGA SETTLEMENT TRUST

LIFE INSURANCE POLICY FUNDING/TRUST PARTICIPATION AGREEMENT

This Life Insurance Policy Funding/Trust Participation Agreement (the “Agreement”) is hereby made this _____ day of _____, 20____ (the “Effective Date”) by and among Conestoga International, LLC, a Puerto Rico limited liability company (hereinafter referred to as “Conestoga”), whose principal address is 644 Ave. Fernandez Juncos, Suite 301, San Juan, Puerto Rico 00907, the Conestoga Settlement Trust, a trust organized and existing under the laws of the state of Delaware, by and through Conestoga Trust Services, LLC, Trustee, with principal offices at 901 S. MoPac Expressway, Barton Oaks Plaza V, Suite 230, Austin, Texas 78746 (hereinafter referred to as the “Conestoga Trust”), and _____, (insert the name or names of the participant(s) and indicate whether the participant(s) is/are an individual legal entity, or trust) (hereinafter referred to as “Participant”).

R E C I T A L S

WHEREAS, Conestoga is engaged in making available to independent contractors the right to refer clients who desire to acquire beneficial interests in percentages of the death benefits payable under life insurance policies to Conestoga; and

WHEREAS, Participant desires to participate in a trust, the purpose of which is to hold certain ownership interests in one or more life insurance policies resulting from life settlement transactions; and

WHEREAS, Participant has reviewed and acknowledges the receipt of all disclosure materials concerning the proposed participation in the trust for the acquisition of certain beneficial interests in one or more of such life insurance policies;

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties hereto agree as follows:

SECTION I

PARTICIPATION IN TRUST

1.01 The Participant hereby agrees to participate in the Conestoga Trust, created by an Agreement and Declaration of Trust, the purpose of which is to acquire and hold ownership

interests in certain life insurance policies acquired through life settlement transactions (hereinafter referred to as the “life settlement policies”), for the benefit of participants who desire to acquire beneficial interests in such life settlement policies. The Participant’s percentage beneficial interest(s) in the particular life settlement policy(ies) is (are) as described in Exhibit “A” to this Agreement. The Participant agrees that the Conestoga Trust will own certain life insurance policies resulting from previously-closed life settlement transactions, and that, upon the closing of the transaction contemplated hereby, the Participant will become a beneficiary of the Conestoga Trust, and will thereby hold a beneficial interest in a certain percentage of the proceeds of certain life insurance policies as chosen by the Participant. The Participant agrees to be bound by the provisions of the Conestoga Trust as it is now in effect or as amended in the future.

1.02 The Participant agrees to furnish any information required in the administration of the Conestoga Trust to the Trustee, upon request.

1.03 If this Agreement is not accepted by the Trustee, any monies paid by or on account of the undersigned Participant shall be refunded and no evidence of participation in the Conestoga Trust shall be issued or available.

1.04 The undersigned understands that the Trust document for the Conestoga Trust provides, among other things, that the purposes of the Conestoga Trust are: (1) to hold ownership interests in certain life insurance policies for the benefit of Participant; (2) to hold funds paid by Participant for acquisition of beneficial interests in the life insurance policies; (3) to pay premiums which may be due to the insurance companies issuing the life insurance policies; (4) to submit claims for death benefits upon the deaths of the insureds under the life insurance policies; (5) to receive payment of the death benefits payable by the life insurance companies; and (6) to distribute the death benefits received among the beneficiaries of the Conestoga Trust who hold a beneficial interest in the particular life insurance policies.

1.05 It is understood and agreed that the undersigned Participant’s beneficial interest in any life insurance policy shall terminate when the undersigned fails to make a payment due on the premium of such life insurance policy, and fails to redeem the Participant’s beneficial interest within the redemption period as provided in this Agreement. It is further understood and agreed that the Participant’s participation in the Conestoga Trust may be affected by the undersigned’s failure to qualify as an eligible beneficiary by reason of any State or Federal law, or by the Participant’s failure to comply with the terms and conditions of this Agreement, or any other terms and conditions of the transactions contemplated hereby.

1.06 In order to fund the acquisition in the beneficial interest in the life settlement policies identified herein, the Participant agrees to deposit the sums identified in Exhibit “A” herein to the escrow agent designated by Conestoga. Such deposit may be made by a bank check made payable to, or wire transfer to, the designated escrow agent.

1.07 The participation in the Conestoga Trust, whereby the Conestoga Trust shall acquire certain ownership interests in the life settlement policies listed on Exhibit "A" herein for my benefit, shall occur at the Closing as specified herein.

1.08 The Participant's acquisition of a beneficial interest in the proceeds of life settlement policies as described herein is subject to the actual transfer of the ownership of such life settlement policies to the Conestoga Trust by the insurance companies which had issued such life settlement policies. In some cases, the life settlement policies may be withdrawn and/or otherwise become unavailable prior to the actual transfer of ownership from the insurance companies to the Conestoga Trust. In other cases, a policy may become fully-subscribed before the Participant's funds are placed in the policy. In either such circumstance, Participant authorizes Conestoga to distribute the portion of Participant's funds that was allocated to the now-unavailable policy among the other policies chosen by Participant, on a pro-rata basis.

1.09 If any life settlement policy in which the Participant has acquired a beneficial interest matures earlier than expected (i.e. the insured person has died earlier than expected), and as a result, there are funds designated for the payment of premiums remaining on deposit with the escrow agent, such funds shall remain on deposit in escrow for the benefit of the Participant. Any such funds remaining in escrow shall be maintained for the payment of premiums due on other life settlement policies in which the Participant has acquired a beneficial interest. At the time when all of the life settlement policies in which the Participant has had a beneficial interest mature, if the Participant still has funds in escrow and the Participant does not desire to acquire any beneficial interests in any other life settlement policies, the escrow agent shall refund any such funds held on deposit to the Participant (or to the Participant's estate).

1.10 The undersigned Participant understands and agrees that: (1) the participation in the Conestoga Trust is subject to written approval of this Agreement; (2) No liability is created or assumed by the Conestoga Trust until this Agreement and all other applications have been approved in writing; and (3) if for any reason the Participant's participation in the Conestoga Trust is not approved in writing the sole obligation of the Conestoga Trust will be, and the sole remedy to which the Participant shall be entitled, is a refund of any monies paid.

SECTION II

CONESTOGA'S DUTIES AND OBLIGATIONS

2.01 In conjunction with the transactions contemplated under this Agreement, Conestoga shall perform the following services:

- (a) Conestoga shall review and approve applicants who desire to become participants in the Conestoga Trust;
- (b) Conestoga shall identify and designate an escrow agent to receive payments for participation in the Conestoga Trust

- (c) Conestoga shall provide appropriate instructions to the designated escrow agent to deposit the Participant's funds into an escrow account for the Participant's participation in the Conestoga Trust
- (d) Conestoga shall prepare and maintain the documents and information concerning the Participant's participation in the Conestoga Trust
- (e) For participants who will participate in the Conestoga Trust utilizing funds from a self-directed individual retirement account, Conestoga shall solicit and screen qualified custodians who will hold all evidence of the participants' participation.

SECTION III

COSTS FOR PARTICIPATION

3.01 The fees chargeable by Conestoga, the designated escrow agent, and any representatives in conjunction with the transactions contemplated hereunder shall be payable from the deposit sum to be made by the Participant as detailed in Paragraph 1.02 herein. Such fees shall be earned at the closing of the transaction contemplated hereunder. After payment of the deposit sum, the Participant shall not be responsible for any additional fees. In some cases, the Participant may be responsible for payment of additional premiums, as detailed in Paragraph 3.02 below.

3.02 The Participant hereby acknowledges and agrees that this transaction involves the acquisition of a beneficial interest in a trust (the Conestoga Trust), which acquires ownership interests in life insurance policies on the lives of unrelated individuals (the life settlement policies). Upon the closing of the transaction described herein, the Participant becomes a beneficiary of the Conestoga Trust. A claim may be filed on such life insurance policies only when the insured persons die. The life expectancies of the insureds have been estimated by averaging assessments of life expectancies by medical professionals with life expectancies published by the Social Security Administration. It is possible that the insureds may live longer than the estimated life expectancy periods; in such cases, additional premiums may be required to be paid to the life insurance companies which had issued the life insurance policies, in order to keep the policies in force. In those cases in which additional premiums are required, the Participant will be required to pay additional amounts of funds in order to keep such life insurance policies in force. Should the Participant fail or refuse to make any such additional payments that are required to keep any such life insurance policy in force, Conestoga may make such payments and will replace the Participant as a beneficiary of the Conestoga Trust for such policy. In such case, Participant shall have a period of thirty (30) days to redeem Participant's position as a beneficiary in the Conestoga Trust. If Participant fails to redeem such position, then Conestoga may assign such position to another participant, and Participant will lose all rights to participate as a beneficiary in the Conestoga Trust, for that specific life insurance policy.

SECTION IV

GENERAL PROVISIONS

4.01 The rights, privileges, duties and obligations of the parties under this Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without reference to conflicts of law principles.

4.02 This Agreement is performable in New Castle County, Delaware.

4.03 This Agreement and the terms and conditions hereof may only be amended in writing, signed by both parties and attached hereto.

4.04 Except as expressly provided herein, the rights and remedies herein provided shall be cumulative and not exclusive of any other rights or remedies provided by law or otherwise. Failure of a party to detect, protest, or remedy any breach of this Agreement shall not constitute a waiver or impairment of any such term or condition, or the right of such party at any time to avail itself of such remedies as it may have for any breach or breaches of such term or condition. A waiver may only occur pursuant to the express written permission of the party, an authorized officer of the party, or an authorized representative of the party against whom the waiver is asserted.

4.05 In the event any term, condition, or provision of this Agreement is declared or found by a court of competent jurisdiction to be illegal, unenforceable, or void, the parties shall endeavor in good faith to agree to amendments that will preserve, as far as possible, the intentions expressed in this Agreement. If the Parties fail to agree on such amendments, such invalid term, condition, or provision shall be severed from the remaining terms, conditions, and provisions, which shall continue to be valid and enforceable to the fullest extent permitted by law.

4.06 Except as otherwise provided herein, neither this Agreement nor any rights granted hereunder may be assigned or otherwise transferred by any party, in whole or in part, whether voluntarily or by operation of law. Subject to the foregoing, this Agreement will be binding upon and inure to the benefit of the parties and their respective successors and assigns.

4.07 Any notice required or permitted under this Agreement or required by law must be in writing and must be (a) delivered in person, (ii) sent by registered or certified mail, postage prepaid, return receipt requested, or (iii) sent by facsimile or other electronic means, and addressed as follows:

Notice to Conestoga:

Conestoga International, LLC
c/o Michael C. McDermott, Manager
644 Ave. Fernandez Juncos, Suite 301
San Juan, Puerto Rico 00907

Notice to Participant:(address)

Notice to Joint Participant:(address)

e-mail: _____

e-mail: _____

Either party may amend its address for purpose of notice under this Agreement by providing written notice to the other party in accordance with this paragraph. Notices will be deemed to have been given at the time of actual receipt by the other party.

4.08 This Agreement and all attachments, exhibits, and addendums hereto sets forth the entire agreement and understanding between the parties, and cancels, revokes and rescinds all previous negotiations, agreements, commitments and representations, whether oral or in writing, with respect to the subject matter described herein, and neither party shall be bound by any term, clause, provision, or condition except as expressly provided for in this Agreement or as duly set forth in writing as a subsequent amendment to this Agreement, signed by the parties or duly-authorized officers or representatives of each party.

4.09 The Participant agrees and acknowledges that the nature of Participant’s participation in the Conestoga Trust is for an indefinite period. This transaction does not constitute the acquisition of a liquid asset. The Participant cannot close the transaction contemplated by this Agreement and then cash in or sell his/her beneficial interest in the Conestoga Trust. Upon closing of the transaction contemplated by this Agreement, the Participant will not be paid until the insured under the life settlement policy dies and a claim is made against and paid on such life settlement policy. Should the Participant die before the death of the insured on any life settlement policy(ies), the death benefit payable under any such life settlement policy(ies) shall be paid to the Participant’s estate. The Participant is advised to discuss with his/her financial advisor any consequences to his/her estate, and any desired estate planning documents.

4.10 The Participant agrees and acknowledges that neither any representative or agent who has solicited the Participant’s participation in the Conestoga Trust nor Conestoga nor the escrow agent has guaranteed any specific rate of return on investment, nor any specific date by which any such proceeds will be paid.

4.11 The Participant agrees not to reveal any identifying information about any insured under a life settlement policy which the Participant may learn under this Agreement, except as necessary to enforce the terms and conditions of this Agreement. The Participant further agrees and acknowledges that the Participant may not contact any insured to

determine such insured's health status, and that any unauthorized contact with an insured is a violation of law.

Executed on this _____ day of _____, 20____, in the City of _____,
State of _____.

Participant:

Joint Participant (if any)

X

Signature

X

Signature

X

Printed Name

X

Printed Name

Conestoga International, LLC

By: _____
Michael C. McDermott, Manager

Accepted:
Conestoga Settlement Trust
Conestoga Trust Services, LLC, Trustee

By: _____
Hector De Leon, Legal Representative

EXHIBIT "A" TO

LIFE INSURANCE POLICY FUNDING/TRUST PARTICIPATION AGREEMENT

IDENTIFICATION OF INSURANCE POLICY(ies)

PARTICIPANT AGREES AND ACKNOWLEDGES THAT BY ENTERING INTO THIS AGREEMENT, PARTICIPANT IS ACQUIRING A BENEFICIAL INTEREST IN THE PROCEEDS OF CERTAIN LIFE INSURANCE POLICY OR POLICIES INSURING THE LIFE OR LIVES OF OTHERS, AS LISTED ON THE ATTACHED POLICY FUNDING INFORMATION SHEET(S). SUCH LIFE INSURANCE POLICIES HAVE BEEN ACQUIRED AS A RESULT OF PREVIOUSLY-CLOSED LIFE SETTLEMENT TRANSACTIONS WITH THE ORIGINAL INSURED PERSONS UNDER SUCH POLICIES.

PARTICIPANT FURTHER AGREES AND ACKNOWLEDGES THAT PARTICIPANT'S ACQUISITION OF THE BENEFICIAL INTEREST IN THE PROCEEDS OF CERTAIN LIFE INSURANCE POLICIES WILL NOT OCCUR UNTIL THE OWNERSHIP OF SUCH POLICIES IS TRANSFERRED BY THE INSURANCE COMPANY OR COMPANIES WHICH ISSUED SUCH POLICIES TO THE CONESTOGA SETTLEMENT TRUST, AND HAS OR HAVE ACKNOWLEDGED SUCH TRANSFER IN WRITING TO THE CONESTOGA SETTLEMENT TRUST. IN SOME CASES, SUCH LIFE INSURANCE POLICIES MAY BE WITHDRAWN AND/OR OTHERWISE BECOME UNAVAILABLE PRIOR TO THE ACTUAL TRANSFER OF OWNERSHIP TO THE CONESTOGA SETTLEMENT TRUST. IN OTHER CASES, A POLICY MAY BECOME FULLY-SUBSCRIBED BEFORE THE PARTICIPANT'S FUNDS ARE PLACED IN THE POLICY. IN EITHER SUCH CIRCUMSTANCE, PARTICIPANT AUTHORIZES CONESTOGA INTERNATIONAL, LLC TO DISTRIBUTE THE PORTION OF PARTICIPANT'S FUNDS THAT WAS ALLOCATED TO THE NOW-UNAVAILABLE POLICY AMONG THE OTHER POLICIES CHOSEN BY PARTICIPANT, ON A PRO-RATA BASIS. PARTICIPANT SHALL BE NOTIFIED OF ANY SUCH DISTRIBUTION OF PARTICIPANT'S FUNDS.

SEE ATTACHED POLICY FUNDING SELECTION SHEET(S)

THE REMAINDER OF THIS PAGE IS BLANK

X Executed on this _____ day of _____, 20____, in the City of _____,
State of _____.

Participant:

Joint Participant (if any):

X _____
Signature

X _____
Signature

X _____
Printed Name

X _____
Printed Name

Conestoga International, LLC

By: _____
Michael C. McDermott, Manager

Accepted:
Conestoga Settlement Trust
Conestoga Trust Services, LLC, Trustee

By: _____
Hector De Leon, Legal Representative