

**COMMONWEALTH OF PENNSYLVANIA
INSURANCE DEPARTMENT**



**QUALIFICATION REQUIREMENTS
FOR VIATICAL SETTLEMENT PROVIDERS**

QUALIFICATION REQUIREMENTS FOR VIATICAL SETTLEMENT PROVIDERS

The Commonwealth of Pennsylvania appreciates your interest in doing business here. In order to act as a viatical settlement provider, you must first obtain a license. This packet will explain the procedures to be followed and the documentation to be filed to obtain a Viatical Settlement Provider License.

CONTENTS

I.	General Application Procedures	Page 2
II.	Specific Requirements	Page 2-4

Attachments:

- Application Form – Corporations/Partnerships
- Application Form - Individuals

Please refer to the following for guidance:

- Act 107 of 2002, enacted July 4, 2002 (“the Viatical Settlements Act”) (40 P.S. §§626.1 – 626.17)

I. GENERAL APPLICATION PROCEDURES

You may find the following general comments helpful as you proceed through the application process. At any time during the process, please do not hesitate to contact the Company Licensing Division at (717) 787-2735, or email ra-in-companylicense@pa.gov, should you have a question.

- 1) To expedite the process, we recommend that you assign one member of your staff as the designated point of contact for all correspondence and/or telephone inquiries.
- 2) After receiving your application, the Department assigns a Licensing Specialist to process your submission. Please use this person as your primary point of contact with the Department.
- 3) Your timely response to any concerns or questions raised during the review of your materials is appreciated. Departmental inquiries that remain unanswered for over 90 days may result in the application being considered inactive.

II. SPECIFIC REQUIREMENTS

As established by Section 3(a) of the Viatical Settlements Act, the following persons are required to be licensed as a viatical settlement provider:

A person, other than a viator, that enters into or effectuates a viatical settlement contract. The term does not include:

1. a bank, bank and trust, savings bank, savings and loan association, credit union or other licensed lending institution that takes an assignment of a life insurance policy as

collateral for a loan;

2. the issuer of a life insurance policy providing accelerated benefits pursuant to the contract;
3. an authorized or eligible insurer that provides stop loss coverage to a viatical settlement provider, purchaser, financing entity, special purpose entity or related provider trust;
4. a natural person who enters into or effectuates no more than one agreement in a calendar year for the transfer of life insurance policies for any value less than the expected death benefit;
5. a financing entity;
6. a special purpose entity;
7. a related provider trust;
8. a viatical settlement purchaser; or
9. an accredited investor, qualified institutional buyer or qualified purchaser, as defined by respectively in 17 CFR Section 230.501 (relating to definitions and terms used in Regulation D), 17 CFR Section 230.144A (relating to private resale of securities to institutions), section 18(b)(3) of the Securities Act of 1933 (48 Stat. 74, 15 U.S.C. Section 77c et seq.) and who purchases a viaticated policy from a viatical settlement provider.

Any viatical settlement provider license issued to a firm or association will authorize all members of such firm or association and any designated employees to act as viatical settlement provider under the license and all such persons shall be named in the application and any supplements thereto. Any viatical settlement provider license issued to a corporation shall authorize all of the officers, and any designated employees and directors thereof, to act as viatical settlement providers on behalf of that corporation, and all such persons shall be named in the application and any supplements thereto.

Nonresident viatical settlement providers should review Section (3)(d)(2) of the Viatical Settlement Act to determine licensure requirements.

In accordance with the Viatical Settlements Act, a person shall not use a viatical settlement contract or provide to a viator a disclosure statement form in this Commonwealth unless the contract or form is filed with and approved by the Department. Questions concerning contract or form approval should be directed to Tracy Bixler, Life & Health Insurance Policy Examiner Supervisor, tbixler@pa.gov. Contracts and forms should NOT be filed as part of the viatical settlement provider's license application. Contract and form filings should be made AFTER LICENSURE via SERFF or in hardcopy form mailed to: Pennsylvania Insurance Department, Bureau of Life, Accident & Health Insurance, 1311 Strawberry Square, Harrisburg, PA 17120.

Licenses issued to a viatical settlement provider will expire and may be renewed on the anniversary month of the initial date of licensure. Notice of the requirements for renewal will be mailed by the Department to the last known address of the licensee. Note that failure to timely renew the license renders the licensed entity subject to penalty as provided by Section 12 of the Viatical Settlements Act.

All viatical settlement providers and representatives subject to the provisions of the Viatical Settlements Act should review the law in its entirety to become familiar with all requirements. The Department may verify compliance through the performance of financial and/or market conduct examinations.