

Viatical Settlement Broker Licensing

A person or entity must submit the following to obtain a license to act as a viatical settlement broker in this state:

- A fully completed Viatical Settlement Broker Application (VSB-2);
- The application fee \$50 for a viatical settlement broker
- If resident, applicant must show proof of exam
- Samples of all information brochures to be provided to prospective viators.
- Evidence of a minimum equity of not less than \$250,000 in cash or cash equivalents reflected in the applicant's audited financial statements or through a surety bond executed and issued by an insurer authorized to issue bond in this state in the amount of \$250,000: *Provided*, That the Commissioner may permit an applicant for a broker's license to demonstrate evidence of financial responsibility through a policy of insurance covering legal liability resulting from erroneous acts or failure to act in their capacity as a viatical settlement broker and inuring to the benefit of any aggrieved party as the result of any single occurrence in the sum of not less than \$100,000 and \$300,000 in the aggregate for all occurrences within one year;

An antifraud plan, shall be submitted to the commissioner and shall include, but not be limited to (W. Va. Code §33-13C-14(g)):

- Viatical settlement contracts and applications for viatical settlements, regardless of the form of transmission shall contain the following statement or a substantially similar statement:
"Any person who knowingly presents false information in an application for insurance or viatical settlement contract is guilty of a crime and may be subject to fines and confinement in prison."
- A description of the procedures for detecting and investigating possible fraudulent viatical settlement acts and procedures for resolving material inconsistencies between medical records and insurance applications;
- A description of the procedures for reporting possible fraudulent viatical settlement acts to the commissioner;
- A description of the plan for antifraud education and training of underwriters and other personnel; and
- A description or chart outlining the organization arrangement of the antifraud personnel who are responsible for the investigation and reporting of possible fraudulent viatical settlement acts and investigating unresolved material inconsistencies between medical records and insurance applications.

Viatical Settlement Business Entity Licensing

- The application fee \$200 for a viatical settlement entity license
- A fully completed Viatical Settlement Broker Application (VSB-2);
- If a legal entity, National Association of Insurance Commissioners' UCAA biographical affidavit for each individual, member, officer or principal owner (ownership of ten percent or more of the company) of applicant;
- If a legal entity, a certificate of good standing from state of domicile
- Samples of all information brochures to be provided to prospective viators.
- Evidence of a minimum equity of not less than \$250,000 in cash or cash equivalents reflected in the applicant's audited financial statements or through a surety bond executed and issued by an insurer authorized to issue bond in this state in the amount of \$250,000: *Provided*, That the Commissioner may permit an applicant for a broker's license to demonstrate evidence of financial responsibility through a policy of insurance covering legal liability resulting from erroneous acts or failure to act in their capacity as a viatical settlement broker and inuring to the benefit of any aggrieved party as the result of any single occurrence in the sum of not less than \$100,000 and \$300,000 in the aggregate for all occurrences within one year;

An antifraud plan, shall be submitted to the commissioner and shall include, but not be limited to (W. Va. Code §33-13C-14(g)):

- Viatical settlement contracts and applications for viatical settlements, regardless of the form of transmission shall contain the following statement or a substantially similar statement:
"Any person who knowingly presents false information in an application for insurance or viatical settlement contract is guilty of a crime and may be subject to fines and confinement in prison."
- A description of the procedures for detecting and investigating possible fraudulent viatical settlement acts and procedures for resolving material inconsistencies between medical records and insurance applications;
- A description of the procedures for reporting possible fraudulent viatical settlement acts to the commissioner;
- A description of the plan for antifraud education and training of underwriters and other personnel; and
- A description or chart outlining the organization arrangement of the antifraud personnel who are responsible for the investigation and reporting of possible fraudulent viatical settlement acts and investigating unresolved material inconsistencies between medical records and insurance applications.