



November 7, 1997

**ADMINISTRATIVE LETTER 1997 - 13**

**TO: All Life Insurance Companies Licensed in Virginia and All Other Parties With An Interest In The Licensing Of Viatical Settlement Providers And Viatical Settlement Brokers**

**RE: Instructions for Applying for Viatical Settlement Provider and Viatical Settlement Broker Licenses**

The 1997 Virginia General Assembly enacted **Chapter 57 of Title 38.2 of the Code of Virginia** (Viatical Settlements Act), which, among other things, authorized the State Corporation Commission to adopt regulations to implement the requirements of the new law. On September 16, 1997, the Commission issued an Order Adopting Regulation, pursuant to which the Commission adopted **14 VAC 5-71-10 et seq. -Rules Governing Viatical Settlement Providers and Viatical Settlement Brokers.** The effective date of 14 VAC 5-71-10 et seq. was October 15, 1997. Both the statute and the regulation require those engaging in the business of viatical settlements in Virginia to obtain appropriate license authority from and to have their viatical settlement contracts and certain disclosure forms approved by the Bureau of Insurance on or before January 1, 1998. The purpose of this administrative letter is to provide interested parties with information and forms for seeking such licensure, as well as information regarding submission of forms.

The following definitions may prove useful to the reader in reviewing this administrative letter:

**DEFINITIONS**

***Viatical settlement broker*** means any person who, for another and for a fee, commission or other valuable consideration, offers or advertises the availability of viatical settlements, introduces viators to viatical settlement providers, or offers or attempts to negotiate viatical settlements between a viator and one or more viatical settlement providers; however, viatical settlement broker does not include an attorney,

accountant or financial planner who is not paid by the viatical settlement provider and who is retained to represent the viator.

**Viatical settlement contract** means a written agreement between a viatical settlement provider and a person who owns a life insurance policy or who owns or is covered under a group policy insuring the life of a person who has a catastrophic or life-threatening illness or condition; under the terms of the agreement, the viatical settlement provider will pay compensation or other valuable consideration, which is less than the expected death benefit of the insurance policy or certificate, in return for the viator's assignment, transfer, sale,, devise or bequest of the death benefit or ownership of the insurance policy or certificate to the viatical settlement provider. Viatical settlement contracts do not include accelerated death benefit provisions contained in life insurance policies, whether issued with the original policy or as a rider, according to the regulations Rules Governing Accelerated Benefits Provisions (14 VAC 5-70-10 et seq.) promulgated by the Commission.

**Viatical settlement provider** means a person that conducts the business of viatical settlements directly or indirectly as agent or attorney-in-fact for one or more persons entering into or attempting to enter into a viatical settlement contract. Viatical settlement provider does not include:

- (i) any bank, savings bank, savings institution, credit union or other licensed lending institution which takes an assignment of a life insurance policy as collateral for a loan,
- (ii) the issuer of a life insurance policy which makes a policy loan on a policy that it has issued, permits surrender of the policy or pays other policy benefits, including accelerated benefits according to regulations promulgated by the Commission; or
- (iii) any individual who enters into only one agreement in a calendar year for the transfer of the death benefit or ownership of the insurance policy or certificate for any value less than the expected death benefit.

### **LICENSE REQUIREMENTS FOR VIATICAL SETTLEMENT PROVIDERS**

- 1 . The following persons (individuals, partnerships or corporations) are required to be licensed as a VIATICAL SETTLEMENT PROVIDER:
  - a) A person who acts as a viatical settlement provider in Virginia and maintains an office in Virginia either directly or as a member or employee of a firm or association, or an officer, director or employee of a corporation; or
  - b) A person who acts as a viatical settlement provider in Virginia without maintaining an office in Virginia.
2. A license issued to a viatical settlement provider will, unless otherwise suspended, revoked, or terminated, remain in effect until the second June 30

following its date of issue, at which date it will expire unless previously renewed in a timely manner.

3. Initial and renewal applications must be submitted in a form acceptable to the Commission.
4. A renewal application and a renewal fee of \$500 must be submitted by April 1 of the year in which the license will expire. The renewal application will specify the information that will be required in order for the license renewal to be approved.

### **LICENSE REQUIREMENTS FOR VIATICAL SETTLEMENT BROKERS**

1. The following persons (individuals, partnerships or corporations) are required to be licensed as a VIATICAL SETTLEMENT BROKER:
  - a) A person who acts as a viatical settlement broker in Virginia and maintains an office in Virginia; or
  - b) A person who acts as a viatical settlement broker in Virginia without maintaining an office in Virginia.
2. A license issued to a viatical settlement broker will, unless otherwise suspended, revoked, or terminated, remain in effect until August 1 next following its date of issue, at which date it will expire unless previously renewed in a timely manner.
3. The following items must be submitted to the Bureau as part of the initial application:
  - a) A \$50 nonrefundable application fee; and
  - b) A completed application form PIN 250A, attached.

The Bureau will process each broker's application within five (5) business days of its receipt. However, should additional information be required, the Bureau will return the broker's application along with a license application return form outlining the reason(s) for rejecting the application.

4. A renewal application and a renewal fee of \$50 must be submitted by July 31 in order for the license to be renewed effective August 1. The renewal application will specify the information that will be required in order for the license renewal to be approved.

## **REPORTING REQUIREMENTS**

1. Viatical settlement providers will be required to file with the Bureau by March 1 of each calendar year an annual statement in a form prescribed by the Bureau. The annual statement shall contain the information required pursuant to 14 VAC 5-71-70 A. The form in which the annual statement is to be submitted will be provided to all licensed viatical settlement providers in December of the reporting year. The Bureau is permitted to modify the data requirements of the annual statement form on an annual basis or as needed. Notice of any such modifications shall be provided to all persons described in the Purpose, Section 14 VAC 5-71 -10, in the form of an administrative letter.
  
2. Viatical settlement brokers will be required to file with the Bureau by March 1 of each calendar year an annual statement in a form prescribed by the Bureau. The annual statement shall contain the information required pursuant to 14 VAC 5-71-70 B. The form in which the annual statement is to be submitted will be provided to all licensed viatical settlement brokers in December of the reporting year. The Bureau is permitted to modify the data requirements of the annual statement form on an annual basis or as needed. Notice of any such modifications shall be provided to all persons described in the Purpose Section 14 VAC 5-71 -10, in the form of an administrative letter.

## **APPROVAL OF CONTRACTS AND DISCLOSURE FORMS**

1. Viatical settlement contract forms must be filed with and approved by the Bureau pursuant to § 38.2-5704 A. The Bureau shall notify the viatical settlement provider within thirty (30) days of receipt of the viatical settlement contract form of its approval or disapproval. The Bureau at its discretion may extend this period up to an additional thirty (30) days. Any form received but neither approved nor disapproved by the Bureau shall be deemed approved at the expiration of the thirty (30) days if the period is not extended, or at the expiration of the extended period, if applicable. However, no such form shall be deemed approved until the Bureau has been provided with no less than 10 days' written notice of the filer's intent to use the form, together with a copy of the form and the original transmittal letter thereof.

Viatical settlement providers should follow the guidelines prescribed in 14 VAC 5-100-10 et seq. when preparing submissions for approval.

2. Viatical settlement providers wishing to utilize disclosure forms the wording of which differs substantially from that contained in 14 VAC 5-71-30 G may not utilize such forms until they have been filed with and approved by the Bureau.

Viatical settlement provider and viatical settlement broker applications are attached. Questions regarding the contents of this letter and submission of completed applications with required attachments should be directed to:

Raquel C. Pino-Moreno  
Insurance Analyst  
State Corporation Commission  
Bureau of Insurance -- Life and Health Division  
Post Office Box 1157  
Richmond, Virginia 23218

Telephone: (804) 371-9859  
Telefax: (804) 371-9944

Sincerely,

Alfred W. Gross  
Commissioner of Insurance

Attachments



STATE CORPORATION COMMISSION  
BUREAU OF INSURANCE

**RE: Requirements for Viatical Settlement Provider Companies Seeking to Do Business in Virginia**

To do business in Virginia, a viatical settlement provider company must obtain a license from the Bureau of Insurance. To be considered for a license, a viatical settlement provider must submit a completed Viatical Settlement Provider Application form and required Biographical Affidavits to the Financial Regulation Division.

If you have a change in name, address, etc., you are required to file an Information Supplement.

All items listed in this letter are attached.



STATE CORPORATION COMMISSION  
BUREAU OF INSURANCE

**APPLICATION FOR INITIAL LICENSE AS A VIATICAL SETTLEMENT PROVIDER**  
(Please read these instructions completely before filing an application)

**Section 1. Initial Review Documents and Disclosure**

In its initial application, an applicant for a license as a viatical settlement provider must submit or disclose the following:

1 Non-refundable Application Fee of \$500.00

2. Name of Applicant \_\_\_\_\_

Street Address of Applicant \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

4. Mailing Address \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

5. Organizational Structure

\_\_\_ Individual      \_\_\_ Corporation      \_\_\_ Trust      \_\_\_ Sole Proprietor  
\_\_\_ Partnership      \_\_\_ Other

6. City and State of Incorporation (if appl.) \_\_\_\_\_ City \_\_\_\_\_ State

7. Federal Employer Identification number \_\_\_\_\_ or  
Social Security Number \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_

8. Contact Person \_\_\_\_\_

9. Phone Number (\_\_\_\_) \_\_\_\_\_ - \_\_\_\_\_

10. Toll Free Number (800) \_\_\_\_\_ - \_\_\_\_\_

11. Fax Number (\_\_\_\_) \_\_\_\_\_ - \_\_\_\_\_

12. Resident Status

\_\_\_\_ Resident of Virginia    \_\_\_\_ Non-Resident of Virginia    \_\_\_\_ Alien  
(Outside of U.S.A.)

13. Designated **Resident Agent** for Service  
of Process and Address \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

If the applicant is not a resident of Virginia, the applicant shall designate the clerk of the Commission as agent for service of process and must furnish the clerk of the Commission with the name and address of a **resident** of this Commonwealth upon whom notices or orders of the Commission or process affecting such nonresident viatical settlement provider may be served. This should be done only after the applicant has been tentatively approved and is directed to proceed under **Section 11** of these instructions. The applicant shall promptly notify the clerk of the Commission in writing of every change in its designated **resident** agent for service of process, and such change shall not become effective until acknowledged by the Commission.

14. Submit a copy of an executed surety bond in the amount of \$100,000.

15. Submit a plan of operation for Virginia. Include in the plan a description of how the applicant advertises and markets its viatical settlement business in general. More particularly, detail how the applicant contacts and communicates with individual clients/viators. Submit a copy of all advertising or solicitation materials that the applicant uses or plans to use to attract potential viators, or to otherwise market, promote or publicize its business or services. Explain how marketing



representatives and other individuals who have direct contact with clients/viators are recruited, trained and compensated.

16. Escrow Account

List the name and address of the qualified financial institution(s) where the applicant has established an escrow account pursuant to § 38.2-5705 C of the Code of Virginia. Describe in detail what steps the applicant has taken to ensure immediate access to viator funds.

Name	Address	Account #
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

17. Medical Information

Explain applicant's procedures for keeping all medical information confidential. Attach and describe applicant's form letters, form medical releases, or other formatted written material used for this purpose.

18. Type of Business

Disclose the other types of businesses (e.g., viatical settlements contracts, financial investments, etc.), if any, that applicant transacts and the geographical locations where it engages in a particular type of business. If the applicant is a member of a holding company system, please provide an organizational chart which depicts the affiliate relationships among the members.

19. Provide a listing of all states in which an application for a viatical settlement provider license is currently pending.

20. Provide a list of all states in which the applicant is currently licensed or registered as a viatical settlement provider.

21. Provide a list of all the states for which a viatical settlement provider application has been refused or denied.

22. Biographical Information

Key Personnel

Identify all applicant's stockholders, partners, officers and designated employees and provide the job title and general responsibilities (where applicable) of each person.

Identity	Job Title/ Responsibilities	Name/Address	Soc. Sec. #
_____	_____	_____	_____
	_____	_____	
	_____	_____	
	_____	_____	
	_____	_____	

For each of the above named individuals a Biographical Affidavit must be submitted.

23. Ownership Interest

Identify any person who has a beneficial interest or ownership of more than 10% of the applicant or the applicant's stock. Specify the corresponding percentage of ownership for each person identified.

Identity	Percentage	Name/Address	Soc. Sec.# or FEIN
_____	_____	_____	_____
	_____	_____	
	_____	_____	
	_____	_____	
	_____	_____	
_____	_____	_____	_____
	_____	_____	
	_____	_____	
	_____	_____	
	_____	_____	
_____	_____	_____	_____
	_____	_____	
	_____	_____	
	_____	_____	
	_____	_____	

24. Certification:

I certify that the proposed provider, and all members, officers, and designated employees who are conducting the business of the viatical settlement provider.

1. Have not made any material misrepresentation in this application including any and all attachments.
2. Have not been found guilty of fraudulent or dishonest practices.
3. Have not been subject to a final administrative action or have otherwise been shown to be untrustworthy or incompetent to act as a viatical settlement provider.
4. Have not demonstrated a pattern of unreasonable payments to viators.
5. Have not been convicted of a felony or any misdemeanor involving moral turpitude.
6. Are engaging in the business of viatical settlements lawfully in all states.
7. Have not violated any provisions of Chapter 57 (§ 38.2-5700 et seq.) of Title 38.2 of the Code of Virginia or other applicable provisions of Title 38.2.

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Signature of the Officer or  
Director of the Provider

Full Legal Name of the Provider  
(Type or Print)

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Title

Date

It is the intent of the Bureau to process all applications in a timely manner. When necessary, the Bureau will contact the applicant regarding the need for any additional information in order to continue and complete the review process. Failure by the applicant to respond adequately to requests for such additional information within a reasonable timeframe, or failure to demonstrate compliance with the licensing standards prescribed by law, will be grounds for denial of the application, *subject to the applicant's right to demand a hearing before the Commission* (§ 38.2-5701 H of the Code of Virginia).

*Non-resident* applicants who meet Virginia's licensing standards will be directed to proceed under **Section 11** below. The Bureau will issue a license to *resident* applicants once it determines from the material submitted in **Section I** that the applicant meets these licensing standards. **Section 11** does not apply to *resident* applicants, who are expected to record their existence under applicable Virginia law prior to filing an initial application.

### **Section 11. Tentative Approval (Non-Resident Applicants Only)**

For non-resident or alien applicants who are organized as corporations, limited liability companies, or partnership : If the Bureau concludes that the applicant is a qualified candidate for licensure pursuant to Chapter 57 (§ 38.2-5700 et seq.) of Title 38.2 of the Code of Virginia and 14 VAC 5-71-30, it will issue a letter of **tentative approval** directing the applicant to complete the remaining requirements for licensure. The applicant must make appropriate filings with the Clerk of the State Corporation Commission to record properly its existence in accordance with the Code of Virginia. For filing instructions and forms, the applicant should contact the Clerk's Office as follows:

Clerk of the State Corporation Commission  
P. O. Box 1197  
Richmond, VA 23218  
(804) 371-9672

For non-resident applicants which are not organized as corporations, limited liability companies or partnerships: the applicant must record its existence to the extent required by appropriate governing statutes of Virginia, and provide evidence to the Bureau that such existence has been properly registered.

The Bureau will issue a license to the non-resident applicant once the Bureau determines that the applicant has completed the requirements under **Section 11**.

### **Section III Miscellaneous**

A viatical settlement provider licensed under Chapter 57 of Title 38.2 of the Code of Virginia may not solicit business in Virginia until its viatical settlement contracts and disclosure forms are approved for use in Virginia. Upon receiving a license, a provider should request filing instructions from and submit its contracts and forms for approval to the following:

Jacqueline K. Cunningham, Supervisor  
State Corporation Commission  
Bureau of Insurance - Life and Health Division  
P. O. 1157  
Richmond, VA 23218

**NOTARIAL ACKNOWLEDGMENT REQUIRED OF ALL APPLICANTS**

STATE OF \_\_\_\_\_ COUNTY OR CITY OF \_\_\_\_\_

\_\_\_\_\_ being duly sworn according to law, deposes and says that the answers to the questions and the declarations contained in this application are true and correct.

\_\_\_\_\_  
Signature of Applicant

SUBSCRIBED AND SWORN TO BEFORE ME THIS  
DAY OF \_\_\_\_\_ 19\_\_\_\_\_.

MY COMMISSION EXPIRES \_\_\_\_\_ DAY OF \_\_\_\_\_, \_\_\_\_\_

\_\_\_\_\_  
Signature of Notary

COMMONWEALTH OF VIRGINIA  
STATE CORPORATION COMMISSION  
BUREAU OF INSURANCE

**BIOGRAPHICAL AFFIDAVIT**  
(Print or Type)

Full Name and Address of company (Do Not Use Group Names).

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In connection with the above-named company, I herewith make representations and supply information about myself as hereinafter set forth. (Attach addendum or separate sheet if space hereon is insufficient to answer any question fully). **IF ANSWER IS "NO" OR "NONE", SO STATE.**

1. Affiant's Full Name (Initials Not Acceptable).

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2. a. Have you ever had your name changed? \_\_\_\_\_ If yes, give the reason for the change.

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b. Other names used at any time \_\_\_\_\_

3. Affiant's Social Security Number \_\_\_\_\_

4. Date and Place of Birth \_\_\_\_\_

5. Affiant's Business Address \_\_\_\_\_

Business Telephone \_\_\_\_\_

6. List your residences for the last ten (10) years starting with your current address:

DATE	ADDRESS	CITY AND STATE
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7. Education: Dates, Names, Locations and Degrees

College \_\_\_\_\_

Graduate Studies \_\_\_\_\_

Other \_\_\_\_\_

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8. List memberships in Professional Societies and Associations.

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9. Present or Proposed Position(s) with the Applicant Company.

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10. List complete employment record (begin with current employment, include jobs, positions, directorates or officerships for the past twenty (20) years, using the following format):

DATES	EMPLOYER AND ADDRESS	TITLE

11. (Circle one) Present employer may be contacted: Yes No  
(Circle One) Former employer may be contacted: Yes No

12. a. Have you ever been in a position which required a fidelity bond? Yes \_\_\_ No \_\_\_. If any claims were made on the bond, give details.

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b. Have you ever been denied an individual or position schedule fidelity bond, or had a bond cancelled or revoked? \_\_\_\_\_ If yes, give details.

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13. List any professional, occupational, and vocational licenses issued by any public or governmental licensing agency or regulatory authority which you presently hold or have held in the past (Include date license issued, issuer of license, date terminated, reason for termination.)

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14. During the last ten (10) years, have you ever been refused a professional, occupational, or vocational license by any public or governmental licensing agency or regulatory authority, or has any such license held by you ever been suspended or revoked? \_\_\_\_\_If yes, give details.

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15. List any business in which you control directly or indirectly or own legally or beneficially 10% or more of the outstanding stock (in voting power) or its equivalent.

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If any of the stock is pledged or hypothecated in any way, give details.

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16. Will you or members of your immediate family subscribe to or own, beneficially or of record, shares of stock of the applicant insurance company or its affiliates? \_\_\_\_\_ if any of the shares of stock are pledged or hypothecated in any way, give details.

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17. Have you ever been adjudged a bankrupt?

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18. a. Have you ever been convicted or had a sentence imposed or suspended or had pronouncement of a sentence suspended or been pardoned for conviction of or pleaded guilty or nolo contendere to an information or indictment charging any felony, or charging a misdemeanor involving embezzlement, theft, larceny, or mail fraud, or charging a violation of any corporate securities statute or any insurance law, or have you been the subject of any disciplinary proceedings of any federal or state regulatory agency? \_\_\_\_\_  
If yes, give details.

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b. Has any company been so charged, allegedly as a result of any action or conduct on your part? \_\_\_\_\_  
If yes, give details.

\_\_\_\_\_  
\_\_\_\_\_

19. Have you ever been an officer, director, trustee, investment committee member, key employee, or controlling stockholder of any insurer which, while you occupied any such position or capacity with respect to it, become insolvent or was placed under supervision or in receivership, rehabilitation, liquidation or conservatorship?

\_\_\_\_\_

20. Has the certificate of authority or license to do business of any insurance company of which you were an officer or director or key management person ever been suspended or revoked while you occupied such position? \_\_\_\_\_ If Yes, give details.

\_\_\_\_\_

Date and signed this \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_\_  
at \_\_\_\_\_

I hereby certify under penalty of perjury that I am acting on my own behalf and that the foregoing statements are true and correct to the best of my knowledge and belief.

\_\_\_\_\_  
(Signature of Affiant)

State of \_\_\_\_\_  
County of \_\_\_\_\_

Personally appeared before me the above named \_\_\_\_\_ personally known to me, who, being duly sworn, deposes and says that he/she executed the above instrument and that the statements and answers contained therein are true and correct to the best of his/her knowledge and belief.

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_\_.

(SEAL)

\_\_\_\_\_  
Notary Public

My Commission  
Expires: \_\_\_\_\_

SCC631/830  
(09/96)

**APPLICATION FOR RESERVATION OR FOR  
RENEWAL OF RESERVATION OF CORPORATE NAME**

The undersigned applies, pursuant to the provisions of Section 13.1-633 1 or Section I-830 of the Code of Virginia, for (MARK APPROPRIATE BOX):

[ ] **reservation** of the following corporate name for a period of 120 days

[ ] **renewal** of the reservation of -the following corporate name for an additional period of 120 days

**CORPORATE NAME:** \_\_\_\_\_  
\_\_\_\_\_

*NOTE: If this name reservation is for a stock corporation (Va. Code Section 13.-631), then the name should include a corporate designation as follows: "Corporation, " "Incorporated, "Company " or "Limited" OR the abbreviation "Corp., " "Inc., " "Co. " or "Ltd."*

Signature of applicant: \_\_\_\_\_

Printed name of applicant: \_\_\_\_\_

Printed address: \_\_\_\_\_

Phone number of applicant: \_\_\_\_\_

**INSTRUCTIONS**

SEND THIS APPLICATION ALONG WITH THE FILING FEE OF \$10.00 TO THE CLERK OF THE STATE CORPORATION COMMISSION, P. O. BOX 1197, RICHIMOND, VA 23218-1197. (Street address: 1300 East Main Street, Richmond, VA 23219). MAKE CHECK PAYABLE TO STATE CORPORATION COMMISSION.  
(804) 371-9733.

**FOR SCC USE:**

DCN \_\_\_\_\_ EXP. \_\_\_\_\_ R \_\_\_\_\_

SCC759/921  
(09196)

APPLICATION FOR A CERTIFICATE OF AUTHORITY  
TO TRANSACT BUSINESS IN VIRGINIA

Name of the corporation (include any "for use in Virginia" name):

\_\_\_\_\_

State or country of incorporation \_\_\_\_\_

Date of incorporation \_\_\_\_\_ Period of duration \_\_\_\_\_

Street address of the corporation's principal office:

\_\_\_\_\_  
(Number and street) (City or town) (State) (ZIP code)

Address of the **VIRGINIA** registered office of the corporation:

\_\_\_\_\_  
(Number and street) (City or town) VA (ZIP code)

The corporation's registered office in Virginia is located in the [ ] City or [ ] County of

Name of, the **VIRGINIA** registered agent: \_\_\_\_\_

The registered agent is (mark appropriate box(es)):

- (1) An individual who is a resident of Virginia **and**
  - [ ] an officer of the corporation
  - [ ] a director of the corporation
  - [ ] a member of the Virginia State Bar **OR**
- (2) A professional corporation or professional limited liability company of attorneys registered under § 54.1-3902, Code of Va.

OFFICERS

NAME AND TITLE

BUSTNESS ADDRESS

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

DIRECTORS

NAME

BUSINESS ADDRESS

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

STOCK

NO. OF SHARES AUTHORIZED

CLASS AND SERIES

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

The undersigned executes this application in the name of the corporation and declares the facts stated herein to be true:

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Printed name and corporate title)

\_\_\_\_\_  
(Date)

**See instructions on the reverse**

## INSTRUCTIONS

### **When completing the application, the information should be typewritten.**

1. **Name:** The name of the corporation must be stated exactly as it appears in its charter without alteration or abbreviation.

A stock corporation name must contain the word "corporation," "incorporated," "company" or "limited"; or the abbreviation "corp.," "inc.," "co." or "ltd." If the name of the corporation does not satisfy this requirement, it must add one of the above to its name for use in Virginia. (A nonstock corporation name need not meet this requirement.)

If the corporation's real name is not available, it must adopt a designated name for use in Virginia. State the "for use in Virginia" name in the first line of the application, along with the corporation's real name. See Va. Code Sections 13.1-762, 924.

2. **Period of duration:** Unless the corporation's charter states a limited corporate life, the period of duration is "perpetual. "

3. **Registered office and registered agent:** Provide the complete post office address (which must include a street address, if any, or a rural route and box number in rural areas) of the corporation's registered office in Virginia. The registered office address in Virginia is the business office address of the registered agent.

Provide the name of the city or county where the registered office is physically located. (Cities and counties in Virginia are separate local jurisdictions.)

Provide the name of the **Virginia** registered agent. The qualifications of the registered agent are set forth on the front of this form - no other person or entity may serve as the registered agent. See Sections 13.1-759, 763; 13.1-921, 925.

4. **Officers:** Include names, titles and complete business addresses of all officers of the corporation.

5. **Directors:** Include names and business addresses of all directors. The trustees of a nonstock corporation, by whatever name they are called, are to be listed as directors. If directors are not required by the state or country of incorporation, then a statement to that effect must be made in the space provided for director information.

6. **Shares:** List the total number of shares (not number of dollars) the corporation is authorized to issue, as stated in the corporation's charter (the number in the charter must match the number on the application). Itemize by class and, if any, series within each class. A nonstock corporation would write NONE in that section of the application. See Section 13.1-759.

7. **Signature:** The application must be executed in the name of the corporation by its chairman or any vice-chairman of the board of directors, the president or any other of its officers authorized to act on behalf of the corporation. See Sections 13.1-604, 13.1404.

8. The application must be delivered to the Clerk of the Commission with a copy of the corporation's charter (articles of incorporation and all amendments thereto), authenticated on a recent date by the official having custody of corporate records in the state or country of incorporation. See Sections 13.1-759; 13.1-921.

**SEND THE APPLICATION AND THE AUTHENTICATED COPY OF THE CORPORATION'S CHARTER, ALONG WITH THE FEES SPECIFIED BELOW, TO THE CLERK OF THE STATE CORPORATION COMMISSION, P. O. BOX 1197, RICHMOND VA 23218-1197. (Street address: 1300 East Main Street, Richmond, VA 23219) (804) 371-9733.**

Entrance fee: 1,000,000 or fewer authorized shares - \$50 for each 25,000 shares or fraction thereof; more than one million shares - \$2,500. Filing fee: \$25. SEND BOTH FEES IN THE SAME CHECK, MADE PAYABLE TO STATE CORPORATION COMMISSION. Nonstock corporation: \$75 total (\$50 entrance fee plus \$25 filing fee). See Sections 13.10-615.1, 616; 13.1-815.1, 816.

**Note: If the corporation is a professional corporation, on an attachment, list the names and addresses of all stockholders of the corporation that will be performing the professional service in Virginia and state whether or not the stockholder is duly licensed to perform the professional service in Virginia.**

STATE CORPORATION COMMISSION, BUREAU OF INSURANCE  
BOX 1157, RICHMOND, VIRGINIA 23218  
(804) 371-9631

APPLICATION FOR INDIVIDUAL  
VIATICAL SETTLEMENT BROKER LICENSE - \$50.00

The fee is paid on an annual basis, and the license must be renewed prior to August 1 of each calendar year. A license issued at any time prior to August 1, 1998, will expire on July 31, 1999. After August 1, 1998, no matter when during the year that your license is issued, it expires on July 31.

Official forms may not be duplicated except on the same color paper as the original forms issued by the Bureau of Insurance. **Payment must be by certified check, bank or teller's check, or money order made payable to the State Corporation Commission. No Personal checks or cash will be accepted.** Each application must be accompanied by a separate check or money order. The annual fee is not refundable.

Social Security Number		First Name Middle Name (initial or None) Last Name	
Physical Street Address (Resident/Home)		Business Name	
P.O. Box (if applicable)		Business Address	
City State Zip		City State Zip	
Home Phone Number	Birth Date	Business Phone Number	
Assumed or Fictitious Name ( <i>If viatical settlement broker is transacting business under a name other than his/her own</i> )			

**PART 1 - NOTARIAL ACKNOWLEDGMENT REQUIRED OF ALL APPLICANTS**

STATE OF \_\_\_\_\_ COUNTY OR CITY OF \_\_\_\_\_

\_\_\_\_\_ being duly sworn according to law, deposes and says that the answers to the questions and the declarations contained on both sides of this application are true and correct.

\_\_\_\_\_  
Signature of Applicant

SUBSCRIBED AND SWORN TO BEFORE ME THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 19\_\_\_\_\_.

MY COMMISSION EXPIRES \_\_\_\_\_ DAY OF \_\_\_\_\_, \_\_\_\_\_.

OFFICE USE ONLY  
RIRS CHECK

Date      Initial

\_\_\_\_\_  
Signature of Notary

**PLEASE COMPLETE EVERY BLANK ON BOTH SIDES. IF NOT APPLICABLE, MARK "NA."**

## PART 2

1. Has this or any other insurance department ever refused to allow you the authority to act as an insurance agent, insurance consultant, or viatical settlement broker, or suspended or revoked or requested a voluntary surrender of your authority?  
 Yes  No  
*If so, and you have not previously filed this information with this Bureau, attach a sheet with a complete explanation.*
2. Have you ever been subject to a final administrative action or have been shown to be untrustworthy or incompetent to act as a viatical[ settlement broker?  
 Yes  No  
*If so, and you have not previously filed this information with this Bureau, attach a sheet with a complete explanation.*
3. Have you ever been charged with a misdemeanor or felony, or convicted of any misdemeanor or felony, or convicted of a violation of law, other than minor traffic violations.?  
 Yes  No  
*If so, and you have not previously riled this information with this Bureau, attach a certified and authenticated copy of the court order regarding any convictions arising from the trial proceedings, along with a letter explaining the circumstances surrounding the offense and a **current (no more than 90 days old) copy of the criminal history record from the State Police in your state of residence** verifying the type of charge -misdemeanor or felony.*

## PART 3 - TO BE COMPLETED BY NON-RESIDENTS ONLY

1. In accordance with § 38.2-5702 of the Code of Virginia, do you hereby appoint the Clerk of the Commission the agent for the service of process in any action or proceeding arising in this Commonwealth out of or in connection with the exercise of this license?  
 Yes  No

## PART 4 - IMPORTANT NOTICE

Section 38.2-5703 of the Code of Virginia, requires each viatical settlement broker to report to the Commission, in writing, any change in his/her residence or business address or name within 30 days of the change.

By applying for this license, you are agreeing that personal information relevant to your status as a licensed viatical settlement broker in Virginia, including but not limited to your name, residence address, social security number (subject to state or federal limitations), date of birth, license and appointment status, and investigation or disciplinary action summary data may be reported to the National Association of Insurance Commissioners and to other state insurance regulatory authorities or other interested parties.

THIS APPLICATION FORM IS USED WHEN APPLYING FOR THE ORIGINAL VIATICAL SETTLEMENT BROKER LICENSE AND THE RENEWAL OF THE VIATICAL SETTLEMENT BROKER LICENSE.

**PLEASE COMPLETE EVERY BLANK ON BOTH SIDES. IF NOT APPLICABLE, MARK "NA".**

STATE CORPORATION COMMISSION  
BUREAU OF INSURANCE  
P.O. BOX 1157  
RICHMOND, VIRGINIA 23218

APPLICATION FOR AGENCY  
VIATICAL SETTLEMENT BROKER LICENSE - \$50.00

The fee is paid on an annual basis, and the license must be renewed prior to August 1 of each calendar year. A license issued at any time prior to August 1, 1998, will expire on July 31, 1999. After August 1, 1998, no matter when during the year that your license is issued, it expires on **July 31**.

This form is to be completed by a partnership (duly recorded in local courts), a corporation (duly chartered in its state of domicile), a limited liability company (duly organized in its state of domicile), or a limited partnership (duly certified in its state of domicile). A sole proprietorship is not required to be licensed as an agency. **Submit a money order, bank or tellers check, certified check, or insurance company check payable to the State Corporation Commission. No personal checks, or cash will be accepted.** Each application must be accompanied by a **separate** check or money order. The fee is not refundable. Official forms may not be duplicated except on the same color paper as the original forms issued by the Bureau of Insurance.

FEIN	Agency Name	
<b>Street Address</b>		
P.O. Box (if applicable)		
City	State	Zip Code
Telephone Number		
Agency Trade Name (If different from agency name)		

State of Incorporation	Charter Number	Incorporation Date (Month, Day, Year)
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OR

State of Organization	ID Number	Organization Date (Month, Day, Year)
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OR

State Where Partnership Formed	Recordation Date (Month, Day, Year)
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<b>OFFICE USE ONLY</b>	
<b>RIRS CHECK</b>	
Date	Initial

PLEASE COMPLETE EVERY BLANK ON BOTH SIDES, IF NOT APPLICABLE, MARK "NA"



PART I - ALL APPLICANTS

1. Do you understand that if the agency is a partnership, each active partner and each employee who will solicit, negotiate, procure, or effect insurance in the name of the firm, must obtain and hold a license of the same type or if the agency is a corporation, each officer, director, and employee who will solicit, negotiate, procure, or effect insurance in the name of the corporation must obtain and hold a license of the same type?  
 Yes    No
  
2. Has this or any other insurance department ever refused to allow the agency the authority to transact the business of insurance or suspended or revoked or requested a voluntary surrender of its authority?  
 Yes    No    "NA"  
*If so, and this information has not previously been filed with this Bureau, attach a sheet and give full particulars.*
  
3. Has the agency ever been subject to a final administrative action or has been shown to be untrustworthy or incompetent to act as a viatical settlement broker?  
 Yes    No    "NA"  
*If so, and this information has not previously been filed with this Bureau, attach a sheet and give full particulars.*

PART 2 - RESIDENTS ONLY

1. Virginia domiciled corporations, limited liability companies, or limited partnerships **must** attach a copy of the portion of the *Charter, Articles of Incorporation or Articles of Organization*, indicating that the corporation, limited liability company, or limited partnership is authorized to act as an insurance agent or agency in the Commonwealth of Virginia. A partnership must attach a copy of the filing with the Clerk of the Commission.

PART 3 - NON-RESIDENTS ONLY

1. In accordance with §38.2-5702 of the Code of Virginia, do you hereby appoint the Clerk of the Commission the agent for the service of process in any action or proceeding arising in this Commonwealth out of or in connection with the exercise of this license?  
 Yes    No
  
2. Pursuant to §38.2-1836 of the Code of Virginia, attach a current certification, (no more than 90 days old), from your home state certifying that the applicant is licensed or otherwise authorized in that state or province to solicit, negotiate, procure, or effect the classes of insurance for which the license is being sought in this Commonwealth.  
 In addition, a "certificate of authority" issued by the Clerk of the Commission must be attached.

OR

For those states that do not license corporations, partnerships, or limited liability company, but which permit such entities to engage in the insurance business, certification that the entity is so permitted will be sufficient. In addition, a corporate applicant agency must submit a copy of the portion of its charter indicating that the corporation is authorized to do the business of insurance in its state of incorporation; a limited liability company applicant agency must submit a copy of the portion of its articles of organization indicating that the limited liability company is authorized to do the business of insurance in its state of organization; and a partnership applicant agency must submit a copy of its recordation (filing) with the Clerk of the Court in the appropriate jurisdiction. A 'certificate of authority' issued by the Clerk of the Commission must be attached.

PART 4 - CERTIFICATION

THE UNDERSIGNED, ON BEHALF OF THE APPLICANT, HEREBY CERTIFIES THAT THE INFORMATION PROVIDED ON BOTH SIDES OF THIS APPLICATION IS TRUE AND CORRECT.

<b>Signature</b>	Title
Name (Printed)	Date

Sections 38.2-1822 and 38.2-5703 of the Code of Virginia require each viatical settlement broker to report to the Commission, in writing, any change in its address or name within 30 days of the change, and to immediately notify the Commission upon adoption of an assumed or fictitious name (trade name).

PLEASE COMPLETE EVERY BLANK ON BOTH SIDES, IF NOT APPLICABLE, MARK -NA.-