

**LICENSING AND RENEWAL
PROCEDURES FOR
VIATICAL
SETTLEMENT BROKERS**

November 2011

Who needs to be licensed as a Viatical Settlement Broker?

"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. "Viatical Settlement Broker" does not include an attorney, accountant or financial planner who is not paid by the viatical settlement provider or viatical settlement purchaser and who is retained to represent the viator. Persons offering life settlements must be licensed as a Viatical Settlement Broker.

No person shall act as a viatical settlement broker, or solicit a viatical settlement contract or life settlement contract while acting as a viatical settlement broker, on or after January 1, 1998, without first obtaining a license from the Bureau of Insurance.

References: Chapter 71, Rules Governing Viatical Settlement Providers and Viatical Settlement Brokers at <http://leg1.state.va.us/000/reg/TOC14005.HTM#C0071>.

Virginia Code § 38.2-1865.1 through 38.2-1865.6 at <http://leg1.state.va.us/cgi-bin/legp504.exe?000+cod+TOC3802000001800000000000>.

How does an individual apply for a Viatical Settlement Broker License?

- Individual applicants must be at least 18 years of age.
- Apply online at <http://scc.virginia.gov/boi/online.aspx>.
- **Virginia resident applicants** must fax a current Criminal History Record Report to 804-371-9290. A criminal history record report must be obtained from the Virginia State Police. You may contact them at 804-674-2000 or you may download the form (SP-167) from its website, <http://www.vsp.state.va.us/>. If you fail to provide a current (no more than 90 days old) criminal history record report, the Bureau will REFUSE to issue a license to you.
- **Letters of Certification** are no longer required for the issuance of a nonresident individual license provided that the applicant's state of residence is a participant of the NAIC's Producer Data Base (PDB). If the state of residence does not participate in the PDB, a letter of certification is required. Nonresident licenses will be verified via an electronic verification process through the PDB prior to the issuance of the license.
- The Bureau of Insurance no longer mails licenses. Please review Administrative Letter 2010-02 online at <http://scc.virginia.gov/boi/adminlets/allagents.aspx> for information on verifying the license has been issued and printing the license online.

Licensing of Domestic and Foreign Partnerships, Corporations or Limited Liability Companies as a Viatical Settlement Broker

A business entity acting as a Viatical Settlement Broker is required to obtain a Viatical Settlement Broker's license.

- Apply online at <http://scc.virginia.gov/boi/online.aspx>. Foreign business entities must apply through NIPR.
- A business entity is not required to first obtain a certificate of authority, including a certificate of registration, certificate of organization, certificate of limited partnership, or charter, from the Commission prior to being eligible to obtain a license as an insurance agent, consultant, surplus lines broker, or viatical settlement broker. **However, the business entity must still obtain the necessary certificate of authority within 90 days of licensure. Failure to obtain that certificate of authority may result in the Bureau of Insurance terminating the producer license.** Contact the Clerk's Office at 804-371-9733 for details or visit its website at www.scc.virginia.gov/clk.
- **Letters of Certification** are no longer required for the issuance of a nonresident license provided that the applicant's state of domicile/incorporation is a participant of the NAIC's Producer Data Base (PDB). If the state of domicile/incorporation does not participate in the PDB, a letter of certification is required. Nonresident licenses will be verified via an electronic verification process through the PDB prior to the issuance of the license.
- The business entity must have designated a licensed Viatical Settlement Broker as the individual responsible for the business entity's compliance with the insurance laws, rules and regulations of Virginia. The DRLP must be licensed and his/her information must have been reported to the PDB prior to applying for a business entity license. A licensed agency may maintain its firm associations online at <http://scc.virginia.gov/boi/online.aspx>.
- The Bureau of Insurance no longer mails licenses. Please review Administrative Letter 2010-02 online at <http://scc.virginia.gov/boi/adminlets/allagents.aspx> for information on verifying the license has been issued and printing the license online.

What are the license renewal requirements?

The license will be in effect for up to one year depending upon when it is issued and must be renewed prior to June 30 of each calendar year. Regardless of when the license was issued in the calendar year it must be renewed prior to June 30 of that calendar year or the license will be administratively terminated for failure to renew. The Bureau will mail a renewal notification to the Viatical Settlement Broker in April. Renewals must be submitted to the Bureau on or before **June 1** and can be submitted online at <http://www.scc.virginia.gov/boi/online.aspx>. A criminal history record report is **not** required during the renewal period.

Additional Information

A Viatical Settlement Broker shall not, without the written agreement of the viator obtained before performing any services in connection with a viatical or life settlement, seek or obtain any compensation from the viator.

MISCELLANEOUS

I. Address Changes

Every licensed producer is required by law to notify the Bureau within 30 calendar days of any change of residence. You should change your address online at <http://scc.virginia.gov/boi/online.aspx>. DO NOT USE A COMPANY OR ANY BUSINESS ADDRESS (INCLUDING PO BOX) AS THE INDIVIDUAL PRODUCER'S RESIDENCE OR MAILING ADDRESS.

Any licensed agent or viatical settlement broker who has moved his/her residence from this Commonwealth shall have all licenses terminated by the Commission.

II. Name Changes

Every licensed producer is required by law to notify the Bureau in writing within 30 calendar days of any change of name. These changes can be made by downloading and properly completing the Bureau's Service Request Form (5001) at <http://scc.virginia.gov/boi/pro/formapp.aspx>.

A copy of the marriage certificate, divorce decree, or court order is required. Please include your Virginia License Number or National Producer Number (NPN) with your request. You must sign the request. The Bureau will send you a duplicate license when we have processed your name change.

III. Certifications

Based upon the national initiative for uniformity of state insurance regulation, most states do not require certification letters as a producer's license status may be verified on the NAIC's Producer Data Base (PDB), or on the Bureau's website at <http://scc.virginia.gov/boi/ConsumerInquiry/ProducerSearch.aspx>. Nevertheless, a certification letter may be obtained online at www.sircon.com/virginia and printed from this site.

IV. Clearance Letters

Clearance letters must be requested by the viatical settlement broker, and submitted to the Bureau of Insurance on the Service Request (5001) Form. The request must include their Virginia License Number or National Producer Number (NPN), their new residence address, and the state the VSB is moving to. The viatical settlement broker must sign the request. All licenses and appointments will be

terminated when the clearance is processed. The form may be downloaded from <http://scc.virginia.gov/boi/pro/formapp.aspx>.

V. Felony Conviction

An agent (resident or nonresident) is required by law to report to the Bureau of Insurance within 30 calendar days the facts and circumstances regarding a conviction of or pleading guilty or nolo contendere to any felony offense.

VI. Administrative Actions

An agent (resident or nonresident) is required by law to report to the Bureau of Insurance within 30 calendar days the final disposition, to include a copy of the order, consent to order, and/or other relevant legal documents, of any administrative action taken against him in another jurisdiction or by another governmental agency. Report administrative actions to the Bureau electronically via NIPR's Attachment Warehouse – Reporting of Actions at <https://pdb.nipr.com/docMgmt/main.html>.

The above information is not intended to be all-inclusive. If you have any questions or problems not addressed here, please contact the Bureau at bureauofinsurance@scc.virginia.gov or visit our website shown below.

**Bureau of Insurance
Agents Licensing Section
P. O. Box 1157
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804-371-9631
804-371-9290 (Fax)
bureauofinsurance@scc.virginia.gov
www.scc.virginia.gov/boi**