

Viatical Settlement Provider Application

“Viatical Settlement Provider” means a person, other than a viator or insured, that enters into a viatical settlement contract, including a person that

- (A) obtains financing for the purchase, acquisition, transfer, or other assignment of one or more viatical settlement contracts, viaticated policies, or interests in viatical settlement contracts or viaticated policies; or
- (B) sells, assigns, transfers, pledges, hypothecates, or disposes of one or more viatical settlement contracts, viaticated policies, or interests in viatical settlement contracts or viaticated policies.

In addition to the requirements set forth in the Insurance Code, the issuance of the license is subject to the requirements of AS 25.27.244 and AS 14.43.148.

Applications not completed within four months from the dated filed will be considered withdrawn and a new application and application fees will be required pursuant to AS 21.27.020(g).

IF YOU WISH TO WITHDRAW YOUR APPLICATION AT ANYTIME DURING THE APPLICATION PROCESS, PLEASE CONTACT THIS DIVISION.

If all filing requirements to obtain your registration are not met within four (4) months of receipt of your application forms, your application filing is considered withdrawn and new forms and fees are required (AS 21.27.040(f))

FORM FILING REQUIREMENTS FOR VIACICAL SETTLEMENT PROVIDERS

ALL APPLICANTS: The applicant(s) must hold a valid Alaska license for life and variable authority.

- Application Form 08-239.
- Bond Form 08-217.
- Application Fee. (Please make check payable to the Division of Insurance.)
- NASD Individual Control Registration Depository Number.
- All basic organizational documents of the Provider, including articles of incorporation, articles of association, partnership agreement, trade name certificate, trust agreement, shareholder agreement and other applicable documents and all endorsements to the required documents.
- Bylaws, rules, regulations, partnership or member agreement and similar documents regulating the internal affairs of the administrator.
- A detailed plan of operation which must be a narrative overview of the provider's business and must include: 1. a chart showing the relationship of the provider to any parent, affiliate, or subsidiary corporation. 2. detailed description of the providers marketing techniques, including a description of training programs for those individuals who will have direct contact with viators. 3. a schedule listing the names of the qualified financial institutions with which the provider has escrow trust agreements, including the balance on each account and copies of all escrow and trust agreements. 4. detailed description of the steps through which the viator will have access to funds, including the entity that will make funds available.
- All documents necessary to verify statements contained in or in connection with the application.
- Copy of the domiciliary Certificate of Authority or license certified by the domiciliary official. (To be supplied only if viatical settlement providers are required to be licensed in the state of domicile.)
- Anti-Fraud Plan that includes reference that the provider shall develop and implement antifraud initiatives to detect, prosecute, and prevent a fraudulent act involving a viatical settlement transaction, and that the provider will obtain services of a fraud investigator through employment or by contract, and that the plan will include a description of the plan for antifraud education and training of personnel.

Definitions:

Compliance Officer: means a licensee that is responsible for the firm's compliance with the insurance statutes and regulations of this state.

Individual: means a person required to be licensed under AS 21.27.010.

Individual in the Firm: means a natural person required to be licensed under AS 21.27.010 who is employed by a firm.

Transaction: means, with respect to viatical settlement contracts,

- (A) solicitation and inducement;
- (B) preliminary negotiations;
- (C) effectuation of a viatical settlement contract;
- (D) transaction of matters subsequent to the effectuation of the viatical settlement contract and arising out of it;

Viatical settlement broker:

(A) means a person that, on behalf of a viator or insured and for a fee, commission, or other valuable consideration, offers or attempts to negotiate viatical settlement contracts between a viator or insured and one or more viatical settlement providers;

(B) does not include a person acting as an attorney or accountant retained to represent a viator or insured and compensated by or at the direction of the viator or insured;

Viatical settlement contract:

(A) means a written agreement between a viator or insured and a viatical settlement provider for the sale, assignment, transfer, devise, or bequest to the viatical settlement provider by the viator or insured of all or a portion of the death benefit or ownership of a life insurance policy for consideration that is less than the expected death benefit of the life insurance policy;

(B) includes a contract for a loan or other financial transaction secured primarily by an individual or group life insurance policy;

(C) does not include

(i) a loan by a life insurance company under the terms of a life insurance contract;

(ii) a loan secured by the cash value of a policy;

(iii) the assignment of a life insurance policy as collateral for a loan to a bank, saving bank, savings and loan association, credit union, or other licensed lending institution;

(iv) the exercise by the viator or insured of an accelerated benefits provision under the terms of the life insurance contract; or

(v) the sale, assignment, transfer, devise, or bequest of a life insurance policy for less than the expected death benefit by a viator or insured to a friend or family member if the friend or family member does not enter into more than one agreement in a calendar year;

Viatical settlement provider: means a person, other than a viator or insured, that enters into a viatical settlement contract, including a person that

(A) obtains financing for the purchase, acquisition, transfer, or other assignment of one or more viatical settlement contracts, viaticated policies, or interests in viatical settlement contracts or viaticated policies; or

(B) sells, assigns, transfers, pledges, hypothecates, or disposes of one or more viatical settlement contracts, viaticated policies, or interests in viatical settlement contracts or viaticated policies.

Viatical settlement representative:

(A) means a person that is an authorized agent of a viatical settlement provider or broker and that acts or aids in any manner in the transaction of a viatical settlement contract;

(B) does not include

(i) a person acting as an attorney or an accountant, or a person exercising a power of attorney granted by a viator or insured; or

(ii) a person retained to represent a viator or insured and compensated by or at the direction of the viator or insured;

Viaticated policy: means a life insurance policy that has been acquired by a viatical settlement provider under a viatical settlement contract;

Viator: means the owner of a life insurance policy insuring the life of an individual who enters or seeks to enter into a viatical settlement contract.

Once licensed by the State of Alaska, you are required to notify the division by certified mail within 30 days of any of the following occurrences:

- Change in the plan of operation or financial information filed with its application
- Change in compliance officer
- Change in place of business
- Change in name as reflected on license
- Suspension revocation, or disciplinary of an insurance license by another state or jurisdiction
- Change in residence
- Change in telephone number
- Change in mailing address
- Conviction of a misdemeanor, felony, or disciplinary action by another state or jurisdiction

	Registration Fees (Individual or Firm)	
	Resident	Nonresident
Application fees are nonrefundable (3 AAC 31.010(a))	\$300	\$900

LICENSE RENEWALS

- A firm license will be effective for two years from original date of license issuance.
- An individual license will expire on the person's birth date, odd/even year of birth. After the first renewal, licenses will expire biennially.
- A renewal notice will be mailed at least 30 days prior to the expiration date of the license.
- Action by another state or jurisdiction or criminal prosecution.

STATE OF ALASKA
DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT
DIVISION OF INSURANCE
333 WILLOUGHBY AVENUE, 9TH FLOOR
P.O. BOX 110805, JUNEAU, ALASKA 99811-0805
(907) 465-2515
FAX NUMBER: (907) 465-2816
Website: www.commerce.state.ak.us/insurance

Division use only
Batch # _____ \$ _____

VIATICAL SETTLEMENT PROVIDER APPLICATION

If a firm is conducting Alaska business at more than one location, including the primary and secondary locations, each additional firm location must register using form 08-242.

1. Firm Name		2. Incorporation/Formation Date (month) ____ (day) ____ (year) ____		3. FEIN	
4. Check the legal business type, license class(es) and line(s) of authority for which you are applying.					
Legal Business Type	C – Corporation	P – Partnership	S – Sole Proprietorship	LLC – Limited Liability Corporation	LLP – Limited Liability Partnership
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. State of Domicile			6. Country of Domicile		
7. DBA/Trade Name (if applicable) Alaska Statute (AS) 21.27.010(d) states “a licensee may not use a fictitious or alias unless the licensee’s legal name and fictitious or alias are on the license.” If using a fictitious or alias name, indicate below. List any assumed, fictitious, alias, or trade names under which you are doing business or intend to do business. _____					
8. If applicable, NASD Firm Central Registration Depository (CRD) Number			9. Is the business entity affiliated with a financial institution/bank? Yes <input type="checkbox"/> No <input type="checkbox"/>		
10. Business Physical Address		11. City	12. State	13. Zip or Foreign Country	
14. Telephone Number	15. Fax Number	16. Business Web Site Address		17. Business E-mail Address	
18. Mailing Address		19. P.O. Box	20. City		21. State
				22. Zip or Foreign Country	

Designated/Responsible Licensee (Compliance Officer)

23. Identify the Designated/Responsible Licensee (must submit individual application)	
Name _____	SSN _____ Alaska License No. _____ <input type="checkbox"/> Application Attached

Owners, Partners, Officers, Directors

24. Identify all owners, partners, officers, directors, or members or managers of a limited liability company or partnership of the business entity:		
Name _____	Title _____	SSN _____
Name _____	Title _____	SSN _____
Name _____	Title _____	SSN _____
Name _____	Title _____	SSN _____
Name _____	Title _____	SSN _____
Name _____	Title _____	SSN _____
Name _____	Title _____	SSN _____

SECTION 2

1. Social Security Number		2. If applicable, NASD Individual Central Registration Depository (CRD) Number		3. Are you affiliated with a financial institution/bank? Yes <input type="checkbox"/> No <input type="checkbox"/>	
4. Last Name JR./SR. etc.		5. First Name		6. Middle Name	7. Date of Birth month ____ day ____ year ____
8. DBA Trade Name/Fictitious Name - AS 21.27.010(d) prohibits the use of a fictitious (Doing Business As or Trade Name) unless it is reflected on your license. a) List any assumed, fictitious, maiden or trade names which you have used in the past to do business, are currently doing business, or intend to do business. b) List any trade names under which you are currently doing business or intend to do business. DBA/Fictitious Name: _____					
9. Residence/Home Address (Physical Street)		10. P.O. Box	11. City	12. State	13. Zip or Foreign Country
14. Home Phone Number		15. Gender (circle one) Male Female		16. Are you a Citizen of the United States (check one) Yes <input type="checkbox"/> No <input type="checkbox"/> (If No, of which country are you a citizen?) (If No, you must supply proof of eligibility to work in the U.S.) _____ Country	
17. Business Name					
18. Business Address (Physical Street)		19. P.O. Box	20. City	21. State	22. Zip or Foreign Country
23. Business Phone Number	24. Business Fax Number		25. Business E-mail Address		26. Business Web Site Address
27. Business Mailing Address		28. P.O. Box	29. City	30. State	31. Zip or Foreign Country

Agency or Business Entity Affiliations

32. All individuals who transact Alaska business on behalf of a firm must be licensed in affiliation with the firm. You must list your insurance agency affiliations. Is this firm Alaska licensed? (Check our website above).

No If no, obtain and complete required firm license application forms.

Yes If yes, is the location of the firm where you physically transact business, registered? If no, attach a firm secondary registration form and fee to this application.

Fein # _____ Name of Agency _____

Fein # _____ Name of Agency _____

Employment History

33. Account for all time for the past five years. Give all employment experience starting with your current employer working back five full years. Include full and part-time work, self-employment, military service, unemployment and full-time education, accounting for the filling five years time **without gaps**. Attach a separate piece of paper, if necessary.

	From		To		Position Held
	Month	Year	Month	Year	
Name					
City	State				
Name					
City	State				
Name					
City	State				
Name					
City	State				

34. 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: _____

b. Have you ever been denied an individual or position schedule fidelity bond, or had a bond cancelled or revoked?
 Yes No
If yes, give details: _____

35. During the last ten (10) years, have you ever been refused a professional, occupational, or vocational license by a governmental licensing agency or regulatory authority, or has any such license held by you ever been suspended or revoked? Yes No
- If yes, give details: _____
36. List any insurers, reinsurer, agents, brokers, or reinsurance intermediaries in which you are a partner or control directly or indirectly or own legally or beneficially 10 percent or more of the outstanding stock (in voting power).
- If any of the stock is pledged or hypothecated in any way, give details: _____
37. Have you ever been an officer, director, trustee, investment committee member, key employee, or controlling stockholder of any insurance related organization which, while you occupied any such position or capacity with respect to it, became insolvent or was placed under supervision or in receivership, rehabilitation, liquidation or conservatorship? Yes No
- If yes, give details: _____

Background Information

38. Please read the following very carefully and answer every question:
1. Has the business or any owner, partner, officer, or director or members or managers of a limited liability company ever been convicted of, or is the firm or any owner, partner, officer, or director currently charged with committing a crime, whether or not adjudication was withheld? Yes No
- "Crime" includes a misdemeanor, felony, or a military offense. You may exclude misdemeanor traffic citations and juvenile offenses.
 "Convicted" includes, but is not limited to, having been found guilty by verdict of a judge or jury, having entered a plea of guilty or nolo contendere, or having been given probation, a suspended sentence or a fine.
- If you answer yes, you must attach to this application:**
- a) a written statement explaining the circumstances of each incident,
 - b) a copy of the charging document, and
 - c) a copy of the official document which demonstrates the resolution of the charges or any final judgment.
2. Has the firm or any owner, partner, officer, or director or managers or members of a limited liability company ever been involved in an administrative proceeding regarding any professional or occupational license? Yes No
- "Involved" means having a license censured, suspended, revoked, canceled, terminated; or, being assessed a fine, a cease and desist order, a prohibition order, a compliance order, placed on probation or surrendering a license to resolve an administrative action. "Involved" also means being named as a party to an administrative or arbitration proceeding that is related to a professional or occupational license. "Involved" also means having a license application denied or the act of withdrawing an application to avoid a denial. You may EXCLUDE terminations due solely to noncompliance with continuing education requirements or failure to pay a renewal fee.
- If you answer yes, you must attach to this application:**
- a) a written statement identifying the type of license and explaining the circumstances of each incident,
 - b) a copy of the Notice of Hearing or other document that states the charges and allegations, and
 - c) a copy of the official document which demonstrates the resolution of the charges or any final judgment.
3. Has any demand been made or judgment rendered against the firm or any owner, partner, officer, or director for overdue monies by an insurer, insured or producer, or have you ever been subject to a bankruptcy proceeding? Only include individual bankruptcies that involve funds held on behalf of others. Yes No
- If you answer yes, submit a statement summarizing the details of the indebtedness and arrangements for repayment.**
4. Has the firm or any owner, partner, or director ever been notified by any jurisdiction to which you are applying of any delinquent tax obligation that is not the subject of a repayment agreement? Yes No
- If you answer yes, identify the jurisdiction(s):** _____
5. Is the firm or any owner, partner, officer, or director a party to, or has one ever been found liable in any lawsuit or arbitration proceeding involving allegations of fraud, misappropriation or conversion of funds, misrepresentation or breach of fiduciary duty? Yes No
- If you answer yes, you must attach to this application:**
- a) a written statement summarizing the details of each incident,
 - b) a copy of the Petition, Complaint, or other document that commenced the lawsuit or arbitration, and
 - c) a copy of the official document which demonstrates the resolution of the charges or any final judgment.
6. Has the firm or any owner, partner, officer, or director or members or managers of a limited liability company ever had an insurance agency contract or any other business relationship with an insurance company terminated for any alleged misconduct? Yes No
- If you answer yes, you must attach to this application:**
- a) a written statement summarizing the details of each incident and explaining why you feel this incident should not prevent you from receiving an insurance license, and
 - b) copies of all relevant documents.

Certification

39. The undersigned hereby certifies, under penalty of perjury, that:

1. All of the information submitted in this application and attachments is true and complete and I am aware that submitting false information or omitting pertinent or material information in connection with this application is grounds for license or registration revocation and may subject me and the business entity to civil or criminal penalties.
2. Where required by law, the business entity hereby designates the Director of Insurance, or an appropriate representative for which this application is made to be its agent for service of process regarding all insurance matters and agree that service upon the Alaska Director of Insurance is of the same legal force and validity as personal service upon the business entity.
3. The firm grants permission to the Director of Insurance for which this application is made to verify any information supplied with any federal, state or local government agency, current or former employer or insurance company.
4. Every owner, partner, officer, or director of the business entity either a) does not have a current child-support obligation, or b) has a child-support obligation and is currently in compliance with that obligation or c) has identified the child support obligation arrearage on this application.
5. I authorize the State of Alaska to give any information it may have concerning me to any federal, state or municipal agency, or any other organization and I release the State of Alaska and any person acting on their behalf from any and all liability of whatever nature by reason of furnishing such information.
6. I acknowledge that I am familiar with the Alaska insurance laws and regulations.
7. No representatives acting on behalf of this firm have been convicted of any felony involving dishonesty or breach of trust (18 USC 1033).
8. Nonresidents Only: Original Letter of Certification from the resident's home state dated within 90 days of issuance (copies of your resident license/registration are not acceptable).
9. As part of the resident licensing process pursuant to applicable state law, resident applicant acknowledges that the submission of his or her fingerprint record will be submitted to a secured centralized repository maintained by the National Association of Insurance Commissioners ("NAIC") as authorized by the state insurance department pursuant to a memorandum of understanding between participating state insurance departments and the NAIC. The resident applicant acknowledges the fingerprint record will be stored at the NAIC and transmitted to law enforcement agencies for the purpose of determining applicant's qualification for licensure.

Signature

Type or Printed Name

Month/Day/Year

Division Use Only

SECTION 3 – OFFICIAL LIST OF MANAGEMENT AND OWNERS

Below give the name, social security number, resident address, position, and percent of ownership of all persons responsible for the conduct of affairs of the applicant. This list should include all officers, all directors, all partners (in the case of a partnership), all trustees, all executive committee members and every person owning, directly or indirectly, 5 percent or more of the applicant and any other person who exercises control or influence over the affairs of the applicant. THIS LIST MUST INCLUDE THE NAMES OF ALL PERSONS AS VIATICAL SETTLEMENT PROVIDERS. You may reproduce this form as needed.

1	NAME:	S.S.#:		
	MAILING:	CITY:	STATE:	ZIP:
	POSITION:	OWNERSHIP %:		
2	NAME:	S.S.#:		
	MAILING:	CITY:	STATE:	ZIP:
	POSITION:	OWNERSHIP %:		
3	NAME:	S.S.#:		
	MAILING:	CITY:	STATE:	ZIP:
	POSITION:	OWNERSHIP %:		
4	NAME:	S.S.#:		
	MAILING:	CITY:	STATE:	ZIP:
	POSITION:	OWNERSHIP %:		
5	NAME:	S.S.#:		
	MAILING:	CITY:	STATE:	ZIP:
	POSITION:	OWNERSHIP %:		
6	NAME:	S.S.#:		
	MAILING:	CITY:	STATE:	ZIP:
	POSITION:	OWNERSHIP %:		
7	NAME:	S.S.#:		
	MAILING:	CITY:	STATE:	ZIP:
	POSITION:	OWNERSHIP %:		
8	NAME:	S.S.#:		
	MAILING:	CITY:	STATE:	ZIP:
	POSITION:	OWNERSHIP %:		

SECTION 4 – GENERAL INFORMATION

Below give the name, social security number, resident address, position, and percent of ownership of all persons responsible for the conduct of affairs of the applicant. This list should include all officers, all directors, all partners (in the case of a partnership), all trustees, all executive committee members and every person owning, directly or indirectly, 5 percent or more of the applicant and any other person who exercises control or influence over the affairs of the applicant. THIS LIST MUST INCLUDE THE NAMES OF ALL PERSONS AS VIATICAL SETTLEMENT PROVIDERS. You may reproduce this form as needed.

If the applicant is an alien company, furnish the name, address, and telephone number of its American legal counsel.

A

Name _____
Address _____
Telephone Number: _____

B

Give the name and address of the Agent for Service of Process appointed by the applicant.

Name _____
Address _____
Telephone Number: _____

C

Give the name, address, and telephone number of the contact person or division to whom questions regarding contract and application forms should be directed.

Name _____
Address _____
Telephone Number: _____

D

Give the name, address, and telephone number of the contact person or division to whom questions regarding consumer complaints should be directed. If available, provide a toll-free telephone number.

Name _____
Address _____
Telephone Number: _____

SECTION 5 – OTHER REQUIREMENTS

A

MARKETING TECHNIQUES

Describe how the applicant advertises and markets its business in general. More particularly, detail how individual clients/viators are contacted and communicated with. Explain how marketing representatives and other individual who have direct contact with clients/viators are recruited, trained, and compensated.

B

VIATICAL SETTLEMENT CONTRACT FORMS

Submit a copy of all applicants' viatical settlement contract forms that the applicant uses or plans to use to enter into viatical settlements with viators in Alaska.

C

VIATICAL SETTLEMENT INFORMATIONAL MATERIALS

Submit a copy of all applicants' informational materials that the applicant uses or plans to deliver to the prospective viators.

D

VIATICAL SETTLEMENT ADVERTISING OR SOLICITATION

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.

E

DISCLOSURE FORMS

Submit a copy of the disclosure form the applicant uses or plans to use to enter into viatical settlements with viators in Alaska.