

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

July 2008

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 Brokers License?

- Individual applicants must be at least 18 years of age. Complete the PIN3001 form and submit it to the Bureau of Insurance with the nonrefundable, nontransferable license application fee of \$50 made payable to Treasurer of Virginia, SCC/BOI. The fee must be paid by certified check, bank or teller's check, company or agency check, or money order. No personal checks will be accepted unless certified, and no cash will be accepted. You may obtain the form at <http://scc.virginia.gov/division/boi/webpages/boiformsapplications.htm>.
- **Virginia resident applicants** must attach a current Criminal History Record Report. 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.
- **Resident and Nonresident Applicants** that have been convicted of (or pled guilty or nolo contendere to) a violation of law, other than a minor traffic violation, must provide:
 - a) a written statement explaining the circumstances of each incident;
 - b) a certified copy of the charging document;
 - c) a certified copy of the official document, which demonstrates the resolution of the charges or any final judgment;
 - d) if applicable, a letter from the federal or state probation and parole office outlining your performance or satisfactory completion of your probationary period;
 - e) if applicable, a letter from your current or prospective employer if engaged in the business of insurance;

- f) your employment history since your conviction and a copy of any civil rights restoration; and
 - g) if a nonresident agent, a copy of the 1033 waiver from your home state.
- **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.

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.

- Complete the PIN4052 form and submit it to the Bureau of Insurance with the nonrefundable, nontransferable license application fee of \$50 made payable to Treasurer of Virginia, SCC/BOI. The fee must be paid by certified check, bank or teller's check, company check, agency check, or money order. No personal checks will be accepted unless certified, and no cash will be accepted. You may obtain the form at <http://scc.virginia.gov/division/boi/webpages/boiformsapplications.htm>.
- 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. A failure to obtain that certificate of authority may result in the Bureau of Insurance terminating the producer license.
- **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.

What are the license renewal requirements?

Regardless of the date of issue, the license must be renewed prior to June 30 of each calendar year. The Bureau will mail a renewal application form to the viatical settlement broker that must be returned to the Bureau on or before June 1 of each year. The license expires on June 30.

- Note: A Viatical Settlement Broker is not required to provide a criminal history report to renew his or her license.

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.

Any Viatical Settlement Broker who has moved their residence from this Commonwealth shall have their license(s) terminated by the Bureau of Insurance.

A Viatical Settlement Broker is required by law to notify the Bureau in writing within 30 calendar days of any change of residence or name.

Subsequent to the issuance of the license, an agent must 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.

An agent 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.

The above information is not intended to be all-inclusive. If you have any additional questions not addressed here, please send the Bureau of Insurance an email to bureauofinsurance@scc.virginia.gov.

The Mailing address is as follows:

**Bureau of Insurance
Agents Licensing Section
P.O. Box 1157
Richmond, VA 23218**

The Overnight address is:

**Bureau of Insurance
Agents Licensing Section
1300 E. Main Street
Richmond, VA 23219**