INSTRUCTIONS FOR VIATIONAL SETTLEMENT PROVIDER APPLICATION

The enclosed represents required forms to be completed by an applicant for a Viatical Settlement Provider’s license.

- Application Form
- Viatical Settlement Provider Attestation Regarding the use of a Licensed Viatical Settlement Broker
- Biographical Affidavit
- Indemnity Bond
- Appointment of Attorney to Accept Service of Process.
- Annual Reporting Forms that are filed in conjunction with Annual Statement

Complete the above forms and submit along with the $1,900.00 license fee.

Please note: A viatical settlement provider shall file with the commissioner samples of all forms the provider uses or plans to use to enter into Viatical settlements with viators and viator application forms, advertising, and other solicitation materials that will be used to market viatical settlements to viators or prospective viators in this state before using such materials. These materials are to be filed with the Rates and Forms Division of the Department of Insurance. Please contact the Rates and Forms Division for further information with regards to these required filings.
STATE OF MONTANA
Commissioner of Securities & Securities
840 Helena Avenue
Helena, Montana 59601
http://csimt.gov/

VIATICAL SETTLEMENT PROVIDER APPLICATION

NAME OF APPLICANT

__________________________________________________________

DBA (if applicable)

__________________________________________________________

HOME OFFICE ADDRESS

(Street or P.O. Box)

__________________________________________________________

(City)       (State)             (Zip)

MAILING ADDRESS

(Street or P.O. Box)

__________________________________________________________

(City)       (State)             (Zip)

Contact Person

__________________________________________________________

Phone Number (      )                                               Fax (     )

Email Address

__________________________________________________________

TYPE OF BUSINESS ORGANIZATION (check one)

___ Individual    ___ Partnership    ___ Association       ___ Corporation

Date Incorporated ____________________ State of Domicile________ FEIN Number __________

LIST NAMES AND ADDRESSES OF ALL MEMBERS, OR OFFICERS, OR OWNERS OF THE APPLICANT.

FULL NAME    TITLE  ADDRESS            %OWNERSHIP

__________________________________________________________

__________________________________________________________

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HAS ANY REGULATORY (LEGAL OR ADMINISTRATIVE) ACTION EVER BEEN TAKEN AGAINST THE
APPLICANT IN ANY OTHER STATE AT ANY TIME?

YES_____  NO_____  If yes, please explain.__________________________________________________________

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HAS THE APPLICANT EVER BEEN FINED IN ANY OTHER STATE?    YES_______  NO_______

If yes, please explain.__________________________________________________________

__________________________________________________________

The applicant is required to submit any changes from the above information to this office in a timely manner.
Herewith submitted are the following documents:

(  ) A biographical affidavit for each individual, member, officer or principal owner (ownership of 10% or more of the company) of applicant and each person to be authorized to act under the license. (One copy enclosed. Please make additional copies if needed.)

(  ) A copy of the partnership agreement, or articles of incorporation, or articles of association depending on your type of business organization.

(  ) A foreign corporation will have to provide a certificate of good standing from the Montana Secretary of State.

(  ) A Certificate of Authority from your domiciliary state, if available.

(  ) If applicable, authority from the appropriate regulatory official from your state of domicile to use a DBA.

(  ) Financial statements including a balance sheet and income statement for the most recent completed calendar or fiscal year. Audited financial statements are desired if available.

(  ) A detailed explanation of your business plans for Montana including the marketing of your services.

(  ) A copy of an executed indemnity bond in the amount of $50,000 payable to the State of Montana or a copy of an errors and omissions policy in an amount commensurate with the provider’s exposure.

(  ) A completed Service of Process form (VIATIONALPROVIDER.SP). See enclosure.

(  ) Registration fee of $1,900.00. Please make checks payable to “Commissioner of Insurance.”

(  ) Attestation of Securities Compliance Requirement

(  ) Samples of all forms the provider uses or plans to use to enter into viatical settlements with viators, and viator application forms.

(  ) Samples of all advertising and other solicitation materials the provider is using or plans to use in the state.

(  ) Samples of all information brochures.

(  ) Copy of the settlement contract subject to the provisions set forth in section 33-1-501, MCA.

DATED ________________________

(Name & Title of Officer)

State of ____________________

) ss.

County of ____________________

____________________________ (name) being duly sworn, deposes that he/she is the ____________________ (title of official capacity) of the above-named applicant and that the foregoing is a full, true, and correct statement of all the facts concerning this application. I understand that pursuant to Section 33-20-1307, MCA, any false statement contained in any document concerning this application may subject all licenses issued to me and this organization to suspension, or revocation, or other administrative action.

Signature

Subscribed and sworn to before me this _______ day of ____________, 20_.

_________ NOTARY PUBLIC for the state of ______________________

(SEAL)

Residing at ______________________

Commission expires ______________________
ATTESTATION INSTRUCTIONS

ATTESTATIONS SUBMITTED MUST BE ORIGINALS. COPIES ARE NOT ACCEPTABLE.

This report must be attested to by the following, based upon organizational structure of the viatical settlement provider:

1. If the viatical settlement provider is a corporation, the report must be attested by at least two principal officers of the viatical settlement provider;

2. If the viatical settlement provider is a partnership, the report must be attested by two partners; or

3. If the viatical settlement provider is not a corporation or a partnership, by the provider’s owner and manager.
Viatical Settlement Provider Attestation

Name of Viatical Settlement Provider

Type of Business Organization

Mailing Address: Street or PO Box

City State Zip

Phone # Fax # Web Site

As an individual responsible for conducting the affairs of the above named Viatical settlement provider applying to transact business in the State of Montana, I am familiar with the laws of Montana relating to Viatical settlement providers and do hereby state that pursuant to Section 33-20-1303, MCA, that the Viatical settlement provider will only utilize the services of a licensed Montana Viatical settlement broker.

_____________________________________ __________________________________________
(Typed Name)      (Typed Name)

_____________________________________ __________________________________________
(Signature)      (Date)  (Signature)      (Date)

_____________________________________ __________________________________________
(Title)       (Title)

Sworn to and subscribed before me Sworn to and subscribed before me

This day of ________________, 20_____ This day of ________________, 20_____

NOTARY PUBLIC for the state of NOTARY PUBLIC for the state of

Residing at Residing at

My commission expires My commission expires

(SEAL) (SEAL)
INSTRUCTIONS

ATTESTATIONS SUBMITTED MUST BE ORIGINALS. COPIES ARE NOT ACCEPTABLE.

This report must be attested to by the following, based upon organizational structure of the viatical settlement provider:

1. If the viatical settlement provider is a corporation, the report must be attested by at least two principal officers of the viatical settlement provider;

2. If the viatical settlement provider is a partnership, the report must be attested by two partners; or

3. If the viatical settlement provider is not a corporation or a partnership, by the provider’s owner and manager.
Viatical Settlement Provider Attestation
Securities Compliance Requirement

Name of Viatical Settlement Provider:
________________________________________________________________

Type of Business Organization:
________________________________________________________________

MAILING ADDRESS

Street or PO Box:
________________________________________________________________

City of: ______________________________ State: _____       Zip:__________

Phone #: _____________________ Fax #: ___________ Web Site: __________

As an individual responsible for conducting the affairs of the above named Viatical settlement provider applying to transact business in the State of Montana, I am familiar with the laws of Montana relating to securities regulation and do hereby state that the Viatical settlement provider will comply with Sections 30-10-103(22) and 30-10-301, MCA,

_____________________________________ __________________________
(Typed Name)      (Typed Name)

_____________________________________ __________________________
(Signature)    (Date)  (Signature)                                                     (Date)

_____________________________________ __________________________
(Title)       (Title)

Sworn to and subscribed before me  Sworn to and subscribed before me

This day of ________________, 20_____  This day of _________, 20_____

NOTARY PUBLIC for the state of_____________________                 NOTARY PUBLIC for the state of______________
Residing at______________________________________                  Residing at________________________________
My commission expires____________________________                   My commission expires______________________

(SEAL)                                                                                                (SEAL)
BIOGRAPHICAL AFFIDAVIT


SERVICE OF PROCESS


(VIATIONALPROVIDER.SP 2018)
INDEMNITY BOND
VIATICAL SETTLEMENT PROVIDER

BOND No. ________________________  AMOUNT ________________________

Know All Men By These Presents, that ________________________________, hereinafter called the Principal, and ________________________________, a corporation authorized to transact insurance business within the state of Montana, as Surety, are held and firmly bound unto the State of Montana, hereinafter called the Obligee in the sum of Fifty Thousand and No/100 Dollars ($50,000.00) for the payment whereof to the Obligee, the Principal and Surety hereby bind themselves, their successors and assigns, jointly and severally firmly by these presents.

The condition of this obligation is such that the above Principal has made application to the Obligee for a certificate of authority to engage in the business of Viatical Settlement Provider within the State of Montana and will function as such. The Principal shall, in accordance with the provisions of its Viatical Settlement Provider certificate of authority, comply with the applicable laws of the State of Montana and assure the faithful performance of its obligations to its viators. If the Principal is complying with the provisions of its license and is faithfully performing its obligations to viators, then this obligation shall be null and void; otherwise, this obligation remains in full force and effect.

Provided, however, that the liability of the Surety hereunder shall in no event exceed the penal sum of this bond as stated above, regardless of the number of years the bond shall continue in force; and it is expressly agreed that either the principal or surety may cancel this bond by giving thirty (30) days written notice to the other, provided however, that such cancellation shall not be effective so far as the Obligee is concerned until the expiration of thirty (30) days after written notice has been given to said Obligee by the Surety. Such notice shall be delivered to the Obligee at the Office of the Insurance Commissioner of the State of Montana.

SIGNED, SEALED AND DATED THIS _____ DAY OF ________________________, 20____.

ATTEST: ________________________________  (Name of Provider)

_______________________________  By: ________________________________

ATTEST: ________________________________  (Name of Surety)

_______________________________  By: ________________________________
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<th>States</th>
<th>Are you doing business in this state? (Y/N)</th>
<th>Total number of policies reviewed for consideration</th>
<th>Total number of policies where an offer was made</th>
<th>Total number of policies where an offer was not made</th>
<th>Total number of policies purchased</th>
<th>Aggregate total net death benefit</th>
<th>Aggregate amount paid to viators</th>
<th>Secondary market transactions</th>
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VSP 001  Initials of preparer: ___________
Viatical Settlement Provider Report [State] Insureds Only Instructions

**NOTE:** This form must be accompanied by Viatical Settlement Provider/Broker Certification Form.

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<td>1.</td>
<td>List the settlement number, case number or unique identifying number used to identify the specific viatical settlement transaction.</td>
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<td>2.</td>
<td>List the date the viatical settlement contract was purchased by the provider during the current calendar year, whether or not the insured is still alive at the end of the calendar year.</td>
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<td>3.</td>
<td>List the net amount (in dollars) being viaticated.</td>
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<td>4.</td>
<td>List the age (in years) of the person insured by the policy being viaticated, at the time of the viatical settlement contract.</td>
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<td>5.</td>
<td>List the life expectancy (in months) of the insured individual at the time of the viatical settlement contract.</td>
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<td>6.</td>
<td>List the net amount (in dollars) paid to the viator.</td>
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<td>7.</td>
<td>Identify whether the policy was an individual policy (I) or a group policy (G).</td>
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<td>8.</td>
<td>List the type of funding for the transaction: “F” for a licensed financial institution (policies collateralized), “P” for private (purchaser) funding, “I” for internal funding, “T” for trust, and “RPT” for related provider trust.</td>
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<td>9.</td>
<td>Indicate the purchase source of the policy. Use “B” for viatical settlement broker, “D” for direct from the viator, “I” for insurance agent/producer, “SM” for a secondary market or viatical settlement provider, “P” for private (purchaser) funding or “O” for other.</td>
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<td>10.</td>
<td>List the amount of commissions (in dollars) paid to viator source involved in the transaction whether that be a viatical settlement broker, an insurance producer or other licensed entity authorized to be viator source.</td>
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<td>11.</td>
<td>List the name of the source of the viatical settlement transaction. If it is a broker, producer or other licensee, name that person; if it is direct, from a relative, from the corporation of the insured or any other entity that could possibly reveal the insured, designate by writing “Direct,” “Relative,” “Corporation,” or other non-designating word.</td>
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VSP 002 Instructions  Initials of preparer: ______
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VSP 003  Completed by Viatical Settlement Providers  Initials of preparer: ______
NOTE: This form must be accompanied by the Viatical Settlement Provider/Broker Certification Form.

1. List the settlement number, case number, or unique identifying number used to identify the specific viatical settlement transaction.

2. List the date of the viatical settlement contract.

3. List the age of the insured at the time of the contract.

4. List the life expectancy (in months) of the insured individual at the time of the viatical settlement contract. For first to die policies, use the shortest life expectancy of the two lives. For second to die policies, use the longest life expectancy of the two lives.

5. List the “Net” amount paid to the viator.

6. Indicate the insured’s date of death. For first to die policies, use the date of the first insured’s death. For second to die policies, use the date of the last insured’s death.

7. List the total amount of premiums (in dollars) required to be paid to the insurer to maintain the policy from the date of viatication to the date of death.

8. List the total death benefit collected from the insurer.

9. List the number of months between the date of contract and the insured’s date of death.

10. List the number of months between the life expectancy of the insured at the time of contract and the insured’s date of death. This should be noted as a plus (+) figure if the insured died after the estimated life expectancy or a minus (-) if the insured died prior to the estimated life expectancy.

VSP 003 Instructions    Initials of preparer:______
Viatical Settlement Provider/Broker Certification Form

This section should be completed by viatical settlement providers.

Please check all forms submitted:

☐ Viatical Settlement Provider Reporting Form - All States and Territories (VSP 001)
☐ Viatical Settlement Provider Reporting Form - [State] Viators Only (VSP 002)
☐ Individual Mortality Report - [State] Insureds Only (VSP 003)

I hereby certify that the information contained in the reports indicated above is true and accurate. I acknowledge that providing false and misleading information in the reports, or failing to divulge a fact material thereto, is sufficient grounds for administrative action by the commissioner and potentially, applicable criminal penalties.

________________________________________
Signature of individual that prepared reports
Date:   ____/____/____

________________________________________
Print or type name

________________________________________
Signature of Authorized Representative
Date:   ____/____/____

________________________________________
Print or type name

This section should be completed by viatical settlement brokers.

Please check all forms submitted:

☐ Viatical Settlement Broker Reporting Form - [All States and Territories] (VSB 001)
☐ Viatical Settlement Provider Reporting Form - [State] Viators Only (VSB 002)

I hereby certify that the information contained in the reports indicated above is true and accurate. I acknowledge that providing false and misleading information in the reports, or failing to divulge a fact material thereto, is sufficient grounds for administrative action by the commissioner and potentially, applicable criminal penalties.

________________________________________
Signature of individual that prepared reports
Date:   ____/____/____

________________________________________
Print or type name

________________________________________
Signature of Authorized Representative
Date:   ____/____/____

________________________________________
Print or type name

VSPB 001