

508E.3 Viatical settlement contract limitations.

1. *a.* Subject to paragraph "*b*", a viatical settlement contract shall not be entered into until after the contestable period of the life insurance policy or certificate has expired.
 - b.* If a viatical settlement contract is entered into during the contestable period of the life insurance policy or certificate, a rebuttable presumption arises that it was the intent of the person entering into such contract with a viatical settlement provider to enter into such contract at the time the life insurance policy or certificate was originally purchased. If such person fails to rebut the presumption, the viatical settlement contract is void.
2. A viatical settlement contract shall only be entered into with an individual who owns a life insurance policy or certificate which covers the life of an individual who is either terminally ill or chronically ill, or as otherwise provided pursuant to rules adopted by the commissioner.

2000 Acts, ch 1147, §37