

508E.4 License revocation and denial.

1. The commissioner may refuse to issue, suspend, revoke, or refuse to renew the license of a viatical settlement provider or viatical settlement broker if the commissioner finds that any of the following applies:

- a. There was any material misrepresentation in the application for the license.
- b. The licensee or any officer, partner, member, or key management personnel has been convicted of fraudulent or dishonest practices, is subject to a final administrative action, or is otherwise shown to be untrustworthy or incompetent.
- c. The viatical settlement provider demonstrates a pattern of unreasonable payments to viators.
- d. The licensee or any officer, partner, member, or key management personnel has been found guilty of, or has pleaded guilty or nolo contendere to, any felony, or to a misdemeanor involving fraud or moral turpitude, regardless of whether a judgment of conviction has been entered by the court.
- e. The viatical settlement provider has entered into any viatical settlement contract form that has not been approved pursuant to [this chapter](#).
- f. The viatical settlement provider has failed to honor contractual obligations set out in a viatical settlement contract.
- g. The licensee no longer meets the requirements for initial licensure.
- h. The viatical settlement provider has assigned, transferred, or pledged a viaticated policy to a person other than a viatical settlement provider licensed in this state, viatical settlement purchaser, an accredited investor, or qualified institutional buyer as defined respectively in [17 C.F.R. §230.501\(a\)](#) or [17 C.F.R. §230.144A](#) as promulgated by the United States securities and exchange commission under the federal Securities Act of 1933, as amended, 15 U.S.C. §77a et seq., a financing entity, special purpose entity, or related provider trust.
- i. The licensee or any officer, partner, member, or key management personnel has violated any provision of [this chapter](#).

2. The commissioner may suspend, revoke, or refuse to renew the license of a viatical settlement broker or a life insurance producer operating as a viatical settlement broker pursuant to [this chapter](#) if the commissioner finds that the viatical settlement broker or life insurance producer has violated the provisions of [this chapter](#) or has otherwise engaged in bad faith conduct with one or more viators.

3. If the commissioner denies a license application or suspends, revokes, or refuses to renew the license of a viatical settlement provider or viatical settlement broker, or suspends, revokes, or refuses to renew a license of a life insurance producer operating as a viatical settlement broker pursuant to [this chapter](#), the commissioner shall conduct a hearing in accordance with [chapter 17A](#).

[2000 Acts, ch 1147, §38](#); [2008 Acts, ch 1155, §4](#)