

508E.3 License requirements.

1. *a.* A person shall not operate as a viatical settlement provider or viatical settlement broker without first obtaining a license from the commissioner of the state of residence of the viator.

b. An insurer that issued a policy being viaticated shall not be responsible for any act or omission of a viatical settlement broker or viatical settlement provider arising out of or in connection with the viatical settlement transaction, unless the insurer receives compensation for the placement of a viatical settlement contract from the viatical settlement provider or viatical settlement broker in connection with the viatical settlement contract.

c. A person licensed as an attorney, certified public accountant, or financial planner accredited by a nationally recognized accreditation agency who is retained to represent a viator, whose compensation is not paid directly or indirectly by the viatical settlement provider, may negotiate a viatical settlement contract on behalf of the viator without having to obtain a license as a viatical settlement broker.

2. An application for a viatical settlement provider or viatical settlement broker license shall be made to the commissioner by the applicant on a form prescribed by the commissioner, and the application shall be accompanied by a fee of not more than one hundred dollars as provided by rules adopted by the commissioner.

3. A viatical settlement provider or viatical settlement broker license term shall be three years and the license may be renewed upon payment of a renewal fee of not more than one hundred dollars as provided by rules adopted by the commissioner. A failure to pay the fee by the renewal date shall result in expiration of the license.

4. An applicant shall provide information on forms required by the commissioner and shall meet all requirements pursuant to [section 522B.5A](#) if required by the commissioner. The commissioner shall have the authority to require an applicant to fully disclose the identity of all stockholders, partners, officers, members, and employees. The commissioner may, in the commissioner's discretion, refuse to issue a license to such applicant if not satisfied that any officer, employee, stockholder, partner, member, or employee who may materially influence the applicant's conduct meets the standards of [this chapter](#).

5. Upon filing of an application and the payment of the license fee, the commissioner shall investigate each applicant and issue a license if the commissioner finds that the applicant complies with all of the following:

a. If a viatical settlement provider, has provided a detailed plan of operation.

b. Is competent and trustworthy and intends to act in good faith in the capacity involved by the license applied for.

c. Has a good business reputation and has had experience, training, or education so as to be qualified in the business for which the license is applied for.

d. If a viatical settlement provider or viatical settlement broker, has provided an antifraud plan pursuant to [section 508E.15, subsection 7](#).

6. The commissioner shall not issue a license to a nonresident applicant unless a written designation of an agent for service of process is filed and maintained with the commissioner or the applicant has filed with the commissioner the applicant's written irrevocable consent that any action against the applicant may be commenced against the applicant by service of process on the commissioner. If an applicant files such consent, service of process made on the commissioner as the agent for service of process shall be made as provided in [section 505.30](#).

7. A viatical settlement provider or viatical settlement broker shall provide to the commissioner new or revised information about officers, ten-percent-or-more stockholders, partners, directors, members, or designated employees within thirty days of the change.

8. An individual licensed as a viatical settlement broker shall complete on a triennial basis running concurrent with the license term twenty credits of training related to viatical settlements and viatical settlement transactions, as required by the commissioner. Any person failing to meet the requirements of [this subsection](#) shall be subject to the penalties imposed by the commissioner.

9. Fees collected pursuant to [this section](#) shall be deposited as provided in [section 505.7](#), [2000 Acts, ch 1147, §37](#); [2008 Acts, ch 1155, §3](#); [2009 Acts, ch 145, §6, 7](#); [2009 Acts, ch 181, §69](#); [2018 Acts, ch 1018, §4](#); [2020 Acts, ch 1016, §5](#)

Referred to in [§508E.2](#), [508E.7](#), [508E.10](#), [508E.18](#)
Section amended