

**191—48.7(508E) Reporting requirements.** Pursuant to Iowa Code section 508E.6, on or before March 1 of each year, the secretary and either the president or the vice president of each viatical settlement provider licensed in this state shall submit, under oath, an annual statement report for the immediately preceding calendar year.

**48.7(1) Transaction information.** The annual statement report shall contain the following transaction information for all viatical settlement transactions in which the viator is a resident of this state:

- a. The following information pursuant to Iowa Code section 508E.6:
  - (1) Total number of transactions;
  - (2) Aggregate face amount of all policies; and
  - (3) Total proceeds of policies settled;
- b. For viatical settlements contracted during the reporting period:
  - (1) Date of viatical settlement contract;
  - (2) Viator's state of residence at the time of the contract;
  - (3) Mean life expectancy, in months, of the insured at time of contract;
  - (4) Face amount of policy viaticated;
  - (5) Net death benefit viaticated;
  - (6) Estimated total premiums to keep policy in force for mean life expectancy;
  - (7) Net amount paid to viator;
  - (8) Source of policy (B-Broker; D-Direct Purchase; SM-Secondary Market);
  - (9) Type of coverage (I-Individual; G-Group);
  - (10) Within the contestable or suicide period, or both, at the time of viatical settlement (yes or no);
  - (11) If the insured is diagnosed as terminally or chronically ill, the general disease classification applicable to such insured; and
  - (12) Type of funding (I-Institutional; P-Private).
- c. For viatical settlements in which death of the insured has occurred during the reporting period:
  - (1) Date of viatical settlement contract;
  - (2) Viator's state of residence at the time of the contract;
  - (3) Mean life expectancy, in months, of the insured at time of contract;
  - (4) Net death benefit collected;
  - (5) Total premiums paid to maintain the policy (WP-Waiver of Premium; NA-Not Applicable);
  - (6) Net amount paid to viator;
  - (7) If the insured was diagnosed as terminally or chronically ill, the general disease classification applicable to such insured;
  - (8) Date of death of insured;
  - (9) Amount of time, in months, between date of contract and date of death of insured;
  - (10) Difference between the number of months that passed between the date of contract and the date of death of insured and the mean life expectancy in months as determined by the reporting company;
- d. Name and address of each viatical settlement broker through whom the reporting company purchased a policy from a viator who resided in this state at the time of contract;
- e. Name of the insurance companies whose policies have been settled;
- f. Number of policies reviewed and rejected; and
- g. Number of policies purchased from persons other than a viator (on the secondary market) as a percentage of total policies purchased.

**48.7(2) Additional required information.** The annual statement report shall also contain the following documentation and statements:

- a. That the viatical settlement provider has at all times maintained books and records in compliance with generally accepted accounting principles;
- b. That the viatical settlement provider has obtained and furnished to the commissioner either:
  - (1) A copy of the current year's audited financial statement; or
  - (2) At the commissioner's discretion, a copy of the current year's consolidated annual audited financial statement with a financial guarantee from the provider's ultimate controlling person; and

*c.* That the viatical settlement provider has maintained fidelity bonds on each officer and director in the amount of \$100,000.

*d.* Transaction information as identified in subrule 48.7(1) for all states.

**48.7(3) Form.** The annual statement report shall be submitted in a format prescribed by the commissioner.

**48.7(4) Late fee.** A viatical settlement provider that fails to timely file the annual statement report pursuant to this rule shall pay a late fee of \$100.

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