



ADMINISTRATIVE RULES OF MONTANA



6.6.8502 LICENSE REQUIREMENTS

- (1) To obtain a license as a viatical settlement provider, a person shall apply to the department by filling out an application for a license as a viatical settlement provider in a format prescribed by the commissioner and by supplying requested information. The application form must be accompanied by:
 - (a) a registration fee in the amount of \$1900;
 - (b) a copy of an executed bond as surety; or
 - (c) a copy of an errors and omissions policy in an amount commensurate with a provider's exposure.
- (2) Except as provided in (3) , to obtain an initial license as a viatical settlement broker, a person must:
 - (a) apply to the department by filling out an application for a license as a viatical settlement broker in a format prescribed by the commissioner and by supplying requested information;
 - (b) pay a fee pursuant to 33-2-708 , MCA;
 - (c) submit a copy of an executed bond as surety pursuant to (4) or submit a copy of an errors and omissions policy in an amount commensurate with a broker's exposure;
 - (d) complete 24 credit hours of department-approved education in the subjects of life insurance, viaticals, and ethics; and
 - (e) pass the viatical settlement broker's examination designated by the department.
- (3) A resident or nonresident insurance producer who is licensed as an insurance producer with a life insurance line of authority in this state or in the insurance producer's home state and who has been licensed for at least one year shall be considered to meet the licensing requirements of a viatical settlement broker and must be permitted to operate as a viatical settlement broker, provided that such producer must:
 - (a) provide written notice pursuant to 33-20-1303 (2) (b) (i) , MCA, to the department that the insurance producer is acting as a viatical settlement broker, specifically identifying the date on which the insurance producer began acting as a viatical settlement broker;
 - (b) pay a fee pursuant to 33-2-708 (1) (b) (viii) , MCA; and
 - (c) acknowledge in writing that the insurance producer will operate as a viatical settlement broker in accordance with Title 33, chapter 20, part 13, MCA, and the rules promulgated thereunder.

- (4) When required under (1) or (2) , a viatical settlement provider or a viatical settlement broker shall acquire and maintain a surety bond for violations of the insurance code. The bond must be in the amount of \$50,000 payable to the State of Montana. An applicant shall file a copy of the executed bond with the commissioner at the time of application.
- (5) Except as provided in (6) , a viatical settlement broker's license is subject to renewal by the licensee on or before the first anniversary of its issuance and on or before the expiration of a 24 month period for every biennium thereafter. A person renewing a viatical settlement broker's license under this rule must:
 - (a) pay a renewal fee pursuant to 33-2-708 (1) (b) (vi) , MCA;
 - (b) comply with the reporting requirements under Title 33, chapter 20, part 13, MCA, and the rules promulgated thereunder;
 - (c) satisfy the continuing education requirements for a viatical settlement broker pursuant to 33-20-1303 (5) , MCA; and
 - (d) file, in a format approved by the commissioner, certification as to the approved courses, lectures, seminars, and instructional programs successfully completed by that person pursuant to 33-20-1303 (5) , MCA, during the preceding biennium.
- (6) A viatical settlement broker's license obtained under (3) is subject to renewal at the time the licensee's resident or nonresident life insurance producer's license is renewed. A person renewing a viatical settlement broker's license under this rule must:
 - (a) indicate the person's intent to continue acting as a viatical settlement broker on the person's life insurance producer license renewal form;
 - (b) comply with the reporting requirements under Title 33, chapter 20, part 13, MCA, and the rules promulgated thereunder;
 - (c) satisfy the continuing education requirements for a viatical settlement broker pursuant to 33-20-1303 (5) , MCA; and
 - (d) file, in a format approved by the commissioner, certification as to the approved courses, lectures, seminars, and instructional programs successfully completed by that person pursuant to 33-20-1303 (5) , MCA, during the preceding biennium.
- (7) If a licensee fails to meet the applicable renewal requirements under (5) or (6) , the person's viatical settlement broker's license will lapse. To reinstate a lapsed viatical settlement broker's license, a person must satisfy the applicable renewal requirements under (5) or (6) and pay the lapsed license reinstatement fee prescribed in 33-2-708 (1) (b) (vi) , MCA.
- (8) The commissioner may ask and an applicant shall provide for such additional information as is necessary to determine whether an applicant complies with the requirements of 33-20-1301 , MCA.

Authorizing statute(s): 33-20-1315, MCA

Implementing statute(s): 33-20-1303 and 33-20-1315, MCA

History: NEW, 2000 MAR p. 3155, Eff. 11/10/00; AMD, 2005 MAR p. 2650, Eff. 12/23/05.