

## Article - Insurance

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§8–610.

(a) It is a violation of this subtitle for a viatical settlement broker or viatical settlement provider to:

(1) violate any provision of this subtitle or any regulation adopted under this subtitle;

(2) fail to register with the Commissioner in accordance with this subtitle before acting or representing itself as a viatical settlement broker or viatical settlement provider;

(3) fail to provide a viator with a disclosure statement in accordance with this subtitle;

(4) fail to allow a viator to rescind a viatical settlement contract up to at least 15 calendar days after the receipt of the viatical settlement proceeds by the viator; and

(5) fail to deliver to a viator the viatical settlement proceeds in accordance with this subtitle.

(b) It is a violation of this subtitle for a person to enter into a viatical settlement contract within a 2-year period commencing with the date of issuance of the insurance policy to be acquired under the viatical settlement contract unless:

(1) the viator certifies to the viatical settlement provider that within the 2-year period:

(i) the policy was issued on the viator's exercise of conversion rights arising out of a group or individual policy;

(ii) the total time covered under the conversion policy and the prior policy is at least 24 months;

(iii) the time covered under the group policy is calculated without regard to any change in insurance carriers; and

(iv) the coverage under the group policy has been continuous and under the same group sponsorship;

(2) the viator submits independent evidence to the viatical settlement provider that within the 2-year period the insured became terminally ill or chronically ill; or

(3) the viator submits independent evidence to the viatical settlement provider that within the 2-year period the viator or insured disposed of ownership interests in a closely held corporation.

(c) Any copies of certification or independent evidence required under subsection (b) of this section shall be:

(1) submitted to the insurer when the viatical settlement provider submits a request to the insurer for verification of coverage; and

(2) accompanied by a letter of attestation from the viatical settlement provider that the copies of certification or independent evidence required under subsection (b) of this section are true and correct copies of the documents received by the viatical settlement provider.

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