

DEPARTMENT OF INSURANCE

ADMINISTRATION & LICENSING SERVICES BRANCH
PRODUCER LICENSING BUREAU
320 CAPITOL MALL
SACRAMENTO, CA 95814
(800) 967-9331 OR (916) 322-3555
www.insurance.ca.gov

**NOTICE**

TO: All Life Insurers, Life Agents, Viatical Settlement Brokers, and other Interested Parties

DATE: July 29, 2010

SUBJECT: New California Life Settlement Law – Emergency Regulations

Background

Previously, the California Department of Insurance (CDI) notified all Life Insurers, Life Agents, Viatical Settlement Brokers and other interested parties that emergency regulations needed to implement the licensing provisions of Senate Bill (SB) 98 (Calderon, Chapter 393, Statutes of 2009) Life insurance: contract and viatical settlements were pending submission to the California Office of Administrative Law (OAL).

Individuals and business entities who were eligible to broker life settlements under SB 98, in that they had been licensed in California as a life agent for at least one year, were allowed to continue to do so until such time as the emergency regulations were approved by OAL.

Emergency Regulations Effective July 29, 2010

OAL approved these emergency regulations and they are now in effect as of July 29, 2010. Consequently, per the provisions contained in Section 10113.2(b)(D) of the California Insurance Code, beginning on July 29, 2010, licensed life agents may broker life settlements provided that they have been licensed as a life agent for at least one year and that they notify CDI within ten days from the first day of operating as a life settlement broker. This requirement applies to both individuals and agencies.

Specific instructions and the required forms needed for individuals and agencies to notify CDI that they are brokering life settlements is available on CDI's website at the following link: <http://www.insurance.ca.gov/0200-industry/0050-renew-license/0200-requirements/life-settlements/index.cfm> The website includes information related to the new life settlement law such as step-by-step notification procedures for life agents, procedures specific to current viatical settlement brokers and forms filing requirements.

If you have any questions regarding this Notice, please e-mail the Producer Licensing Bureau at <https://interactive.web.insurance.ca.gov/pli/servlet/InformationRequest> or call the Producer Licensing Bureau at (800) 967-9331 or (916) 322-3555. Please be sure to include your name, telephone number, license number and e-mail address in all correspondence with the CDI.