Wisconsin Office of the COMMISSIONER OF INSURANCE

Application For Initial And Renewal Life Settlement Provider License

Ref: Section 632.69 (2), Wis. Stat.

INSTRUCTIONS:

Initial Application: This application together with the $750 nonrefundable fee is required for original licensure. Application, including all applicable attachments and fee amount on a check made payable to "Office of the Commissioner of Insurance," should be mailed to Office of the Commissioner of Insurance, P.O. Box 7873, Madison, WI 53707-7873, or for overnight delivery services, use 101 East Wilson Street, Madison, WI 53703. Incomplete information may result in denial of application. Questions may be referred to the company licensing specialists at ocicompanylicensing@wisconsin.gov.

Renewal Application: This application together with the $250 nonrefundable fee is required for subsequent annual renewals. Licenses expire June 30 annually and may be renewed by July 1 upon payment of the renewal fee and submission of renewal application. Failure to pay the fee by the renewal date will result in the automatic revocation of the license. **The Office of the Commissioner of Insurance does not send billings for renewal.** Renewal fee may be paid using OPT*ins*, (preferred method) which also allows for the application materials to be submitted as attachments. Information regarding the use of OPT*ins* can be found here.

Alternately, this application, including all applicable attachments and fee amount on a check made payable to "Office of the Commissioner of Insurance," can be mailed to Office of the Commissioner of Insurance, P.O. Box 7873, Madison, WI 53707-7873 or for overnight delivery services, use 101 East Wilson Street, Madison, WI 53703. Incomplete information may result in denial of renewal application. Questions may be referred to the company licensing specialists at ocicompanylicensing@wisconsin.gov.

NOTE: Under s. 632.69 (2), Wis. Stat., no person may act as a provider for an owner, without holding a license from the commissioner. A provider may not use any person to perform the functions of a broker unless the person holds a current, valid license as a broker. The commissioner will not issue any license to any nonresident applicant, unless a written designation of an agent for service of process is filed and maintained with the commissioner.

SECTION I
PLEASE COMPLETE THE BLANKS AND CHECK THE APPROPRIATE BOXES BELOW

1. Check one: ☐ Original Application ($750.00 enclosed) ☐ Annual Renewal ($250.00 enclosed)

2. Name/Mailing Address of the Principal Office of the Life Settlement Provider (applicant):

Name _____

Mailing Address _____

City _____ State _____ Zip _____ Phone _____

3. Fictitious Name:

Does the life settlement provider intend to use a fictitious (DBA) name? Yes No
If yes, please list such name(s).

_____

Has the life settlement provider now or has it ever used any name other than shown? Yes No
If yes, please provide list of name, dates, and reason(s) used. (Attach additional sheets, if necessary.)

P.O. Box 7873 | Madison, WI 53707-7873
p: 608-266-3585 | 1-800-236-8517 | f: 608-264-6237
ocifinancial@wisconsin.gov | oci.wi.gov

4. Applicant's Organizational Type (check one): ___ Individual SSN* _____

FEIN # _____ ___ Corporation: Date of Incorporation: ___/___/____
State of Incorporation:** _____
(Attach a copy of the Certificate of Incorporation)

___ Partnership (Identify all partners in Section II, attach partnership agreement)

___ Other (attach a description of legal status)

* The commissioner may not issue or renew a license unless the applicant provides his or her social security number (SSN) or its federal employer identification number (FEIN) or, if the applicant does not have a SSN, a statement made or subscribed under oath or affirmation that the applicant does not have a SSN. An applicant who is providing a statement that he or she does not have a SSN, shall provide that statement along with the application for a license on a form prescribed by the Department of Children and Families. The commissioner may disclose the SSN or FEIN of an applicant or licensee to the Department of Revenue for the purpose of requesting certifications under s. 73.0301, Wis. Stat.

** For entities organized under laws of another state attach a certificate of good standing from the state of domicile.

5. Applicant's Contact Person: Name _____

Email Address _____ Phone _____

6. Identify any escrow agent or trustee who will be managing the proceeds prior to release to seller (attach additional pages as needed):

Name of Escrow Agent/Trustee _____

Mailing Address _____

City/State/Zip _____

Escrow Agent/Trustee's Contact Person _____

Email _____ Phone _____

7. Training Requirement (only applies to individual applicants):

Under s. 632.69 (3), Wis. Stat., applicants must demonstrate evidence of satisfactory training for licensees who engage in the business of life settlements in this state through one of the following (check the appropriate response and attach appropriate documentation):

_____ Original applicant has completed initial training course of not less than 8 hours. If checked, please attach certification of completion of required training with this application.

_____ Applicant for annual renewal has/will complete(d) training of not less than 4 hours every 24 months after the initial training. Attach documentation of any completed training.

8. Attach a proposed business plan for operations in Wisconsin including the following:

I. Projected volume of Wisconsin life settlement purchases for the next 12 months.

II. Projected volume of nationwide life settlement purchases for the next 12 months.

III. Previous 12 months' volume of nationwide life settlement purchases.

IV. Previous 12 months' volume of Wisconsin life settlement purchases.

V. Explain how the applicant advertises and markets itself and how brokers will be used and compensated.

VI. Explain the arrangement the applicant has with a trustee or escrow agent to manage the proceeds. Attach trust or escrow agreements.

VII. Explain the source of funding to be used to finance initial life settlement payments.

a. If offers to purchase or invest in life policies will be made in Wisconsin, indicate if registered as a security under ch. 551, Wis. Stat., or basis for exemption from such filing.

b. If offers to purchase or invest in life policies will be made to investors, indicate the percentage of funds that will be used to purchase policies, and percentage to be used for administration, commissions, and other fees.

c. Explain how the applicant will advertise or solicit to raise funds and how agents involved in raising funds will be recruited, compensated, trained, and licensed.

VIII. Current CPA Audited financial statements of the applicant.

IX. Sample copies of the life settlement contracts, informational brochures, and solicitation materials applicant plans to use in Wisconsin to solicit policies for purchase or investment in such policies.

X. Explain the relevant training, experience, or education of all individuals who will be conducting the applicant's affairs.

XI. Provide a copy of the provider’s anti-fraud initiative under s. 632.69(15), Wis. Stat., to reasonably detect, prosecute, and prevent violations of s. 632.69, Wis. Stat., including identification of fraud investigators and a description of the procedures that the provider will use for detecting and investigating possible fraud and violations of s. 632.69, Wis. Stat.

SECTION II
BIOGRAPHICAL INFORMATION

INSTRUCTIONS: Answer each question below for all individuals who will be conducting the affairs of the life settlement provider and all officers, directors, partners, and all stockholders (except stockholders owning fewer than 10 percent of the shares of an applicant whose shares are publicly traded).

Provide biographical affidavits for all individuals described above. (Complete NAIC Biographical Affidavit – Form 11 for each individual.)

Answer Y for "yes" and N for "no" to the questions identified below. If you answer "yes" to any of the questions, attach a detailed explanation on a separate sheet including dates, locations, disposition, etc. (attaching supporting documentation, as appropriate). If a Biographical Affidavit provided with application already addresses such a response, please identify the individual.

a. Has this person been fined, reprimanded, or been the subject of a consent decree or administrative action by any state or federal agency or self-regulatory body involving the business of insurance, real estate, securities, commodities, loan brokering, or financial institutions?

b. Has this person been subject to a civil court judgment involving the business of insurance, real estate, securities, commodities, loan brokering, or financial institutions? This includes consent decrees, injunctions, temporary restraining orders, and private lawsuits.

c. Has this person been convicted of a misdemeanor involving the business of insurance, real estate, securities, commodities, loan brokering, or financial institutions, or any felony?

d. Are there any actions now pending which could result in a Yes answer to a, b, or c?

Name and Title or Position	Home Address	SS#	Answers a.	b.	c.	d.

(Attach additional pages as necessary)

SECTION III
FINANCIAL RESPONSIBILITY

Under s. 632.69 (2)(g)4a, Wis. Stat., applicants must demonstrate evidence of financial responsibility through one of the following (check the appropriate box and attach appropriate documentation):

☐ A $250,000 deposit of cash, certificates as deposit or securities with the Wisconsin Department of Administration, State Controllers Office. Include documentation of deposit being held.

☐ A surety bond of $250,000 in the form prescribed in Appendix I of this form. Include the original surety bond with the application unless already on file with Office of the Commissioner of Insurance from an earlier application.

☐ Proof of a $250,000 deposit or $250,000 surety bond with the state regulator in another state where the applicant is licensed as a life settlement provider. Provide copies of documentation.

SECTION IV
SERVICE OF PROCESS

Nonresident applicants must meet one of the following (check the appropriate box):

☐ Applicant has a completed Designation of an Agent for Service of Process with the Wisconsin Office of Commissioner of Insurance. https://ociobforms.wi.gov/PortalWeb/registeredagent.htm

☐ Not applicable because the applicant is a Wisconsin resident individual.

SECTION V
APPLICANT'S CERTIFICATION

(To be completed by Chief Executive Officer or Chief Financial Officer or equivalent)

I have read and knowingly made the foregoing statements and representations and certify that each statement and representation is true to the best of my knowledge. I understand that any misrepresentation, false statement, or fraud in connection with this application may be cause for revocation or suspension of a license issued or may be cause for denial of application in addition to any other actions or penalties or both.

I intend to act in good faith as a life settlement provider and to comply with all applicable Wisconsin laws and with all applicable rules and orders of the Wisconsin Commissioner of Insurance. I agree to be subject to the jurisdiction of the Commissioner of Insurance and the Wisconsin courts on any matter related to my life settlement provider activities in Wisconsin.

Further, I certify under penalty of perjury that the applicant is not delinquent in court ordered payments of child or family support, maintenance, birth expenses, medical expenses, or other expenses related to the support of a child or former spouse, and the applicant has not failed to comply with a subpoena or warrant issued by the Department of Children and Families or a county child support agency under s. 59.53 (5), Wis. Stat.

I also certify under penalty of perjury that the applicant is not liable to the Department of Revenue for delinquent taxes.

Signature of Applicant	Title
Name (Please Print)	Date

APPENDIX I
(Sample)

Bond No. _____

STATE OF WISCONSIN
OFFICE OF THE COMMISSIONER OF INSURANCE
LIFE SETTLEMENT PROVIDER BOND

I/we_____ of the City of_____,
(name of life settlement provider)
County of_____, State of_____, life settlement provider, as principal, and_____ an insurer authorized to transact surety business
(name of surety)
in Wisconsin, as surety, are held and firmly bound to the Wisconsin Commissioner of Insurance in the sum of $250,000 for the payment of which I/we bind myself/ourselves, and my/our heirs, executors, administrators, successors, and assignees, jointly and severally. This bond is payable to Wisconsin Commissioner of Insurance on behalf of any person in Wisconsin who sustains damages as the result of erroneous acts, failure to act, conviction of fraud, or conviction of unfair practice by the provider, but in no event shall the surety's aggregate obligation exceed $250,000.

The principal is now, or is applying to become, licensed under s. 632.69, Wis. Stat., as life settlement provider and is obligated as a licensee to faithfully perform the responsibilities specified under s. 632.69, Wis. Stat.

If the principal, while this bond is in force and effect, makes a full accounting and due payment to the persons entitled to the funds coming into its possession as an incident to life settlement provider activities, and complies with all the provisions of s. 632.69, Wis. Stat., and any applicable administrative rules promulgated by the Wisconsin Commissioner of Insurance, then the obligation of the surety shall be null and void; otherwise the surety's obligation remains in full force and effect.

This bond is effective _____ and is continuous. It may be terminated by the surety, upon giving
(insert date)
sixty (60) days' advance written notice of its intention to terminate to the Commissioner of Insurance, Madison, Wisconsin.

Dated at_____,_____, this____day of_____, 20___.
(city) *(state)*

_____ _____
Surety (Signature of Principal) - Social Security Number

_____
Signature of Company Officer

_____
Signature of Attorney-in-Fact