

April 16, 2007

H 1489. PROTECT CONSUMERS/LIFE SETTLEMENT TRANSACTION. Filed 4/16/07. TO PROVIDE FOR THE PROTECTION OF CONSUMERS IN LIFE SETTLEMENT TRANSACTIONS.

Enacts new Part 6 of Article 58, GS Chapter 58, concerning life settlement transactions. Defines *life settlement contract*, *owner*, and *provider*. Prohibits a person from entering into a life settlement contract at any time before the application or issuance of an insurance policy that the settlement contract is based on, or within a five-year period beginning with the date that the insurance policy is issued unless the owner certifies to the provider that one or more of the listed conditions has been met within the five-year period. Allows the Commissioner of Insurance (commissioner) to adopt rules and excludes contracts exempted under rules adopted by the commissioner if it is determined that the protections provided are not needed. Also allows the commissioner to seek an injunction and apply for restraining orders against anyone violating the part and to issue a cease and desist order, and allows anyone harmed by a violation to bring a civil action. Anyone violating the part may be ordered to pay civil penalties and restitution in accordance with GS 58-2-70. Violations are an unfair trade practice. Adds *Life Settlements* to the title of Article 58 of GS Chapter 58. Effective October 1, 2007.

Intro. by Holliman.

GS 58

May 23, 2007

H 1489. PROTECT CONSUMERS/LIFE SETTLEMENT TRANSACTION. Filed 4/16/07. House committee substitute makes the following changes to 1st edition. Deletes all but the definitions section of proposed Part 6 of Article 58, GS Chapter 58, concerning life settlement transactions. Retains change to title of GS Chapter 58, Article 58.