

January 24, 2001

PROPOSED AMENDMENTS TO SENATE BILL NO. 2150

Page 1, line 2, replace "and" with "to amend and reenact subdivision a of subsection 16 of section 10-04-02 of the North Dakota Century Code, relating to viatical settlement contracts;"

Page 1, after line 4, insert:

"SECTION 1. AMENDMENT. Subdivision a of subsection 16 of section 10-04-02 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

- a. The assignment, transfer, sale, devise, or bequest of a death benefit, life insurance policy, or certificate of insurance by the viator to the viatical settlement provider pursuant to chapter ~~26.1-33.4~~ 26.1-33.2;"

Page 1, underscore lines 7 through 24

Page 2, underscore lines 1 through 29

Page 3, underscore lines 1 through 31

Page 4, underscore lines 1 through 30

Page 5, underscore lines 1 through 31

Page 6, underscore lines 1 through 29

Page 7, underscore lines 1 through 31

Page 8, underscore lines 1 through 29

Page 9, underscore lines 1 through 22

Page 9, line 23, underscore "1. Each", replace "licensee" with "viatical settlement provider", and underscore "shall file with the commissioner on or before March first of each year"

Page 9, underscore lines 24 through 31

Page 10, underscore lines 1 through 11

Page 10, line 12, underscore "viatical settlement broker, insurance company, insurance producer," and remove the third "insurance"

Page 10, line 13, remove "broker," and underscore "information bureau, rating agency, or company, or any other person with"

Page 10, underscore lines 14 through 31

Page 11, underscore lines 1 through 6

Page 11, line 7, underscore "2. a. Names and individual identification data for all viators are" and remove "not subject to"

Page 11, line 8, remove "section 44-04-18 and are private and" and underscore "confidential information and may not be"

Page 11, underscore lines 9 through 28

Page 11, line 29, underscore "e. The viator has the right to rescind a viatical settlement contract", after "contract" insert "within thirty days from the date of the contract or fifteen calendar days after receipt of the viatical settlement proceeds by the viator, whichever is earlier,", and underscore "as provided in"

Page 11, underscore lines 30 and 31

Page 12, underscore lines 1 through 31

Page 13, underscore lines 1 through 30

Page 14, underscore lines 1 through 31

Page 15, underscore lines 1 through 3

Page 15, line 4, underscore "proceeds", after "proceeds" insert ", and any premiums, loans, and loan interest that have been paid by the viatical settlement provider", and underscore the period

Page 15, underscore lines 5 through 31

Page 16, underscore lines 1 through 5

Page 16, after line 5, insert:

- "7. Every viatical settlement licensee shall establish and at all times maintain a system of control over the content, form, and method of dissemination of all advertisements of its contracts, products, and services. All advertisements are the responsibility of the viatical settlement licensee, as well as the individual who created or presented the advertisement. Advertisements must be truthful and not misleading in fact or by implication."

Page 16, underscore lines 6 through 9

Page 16, line 10, underscore "1. The policy was issued upon the", replace "owner's" with "viator's", and underscore "exercise of conversion rights arising out of"

Page 16, line 11, underscore "a group", after "group" insert "or individual", underscore "policy", and replace the semicolon with ", if the total of the time covered under the conversion policy plus the time covered under the prior policy is at least twenty-four months. The time covered under a group policy must be calculated without regard to any change in insurance carriers, if the coverage has been continuous and under the same group sponsorship."

Page 16, line 13, underscore "26 U.S.C. 501(c)(3)" and replace the semicolon with an underscored period

Page 16, underscore line 14

Page 16, line 15, underscore "liability company, or partnership" and replace the semicolon with an underscored period

Page 16, underscore lines 16 through 30

Page 17, underscore lines 1 through 5

Page 17, line 6, underscore "or insured's assets;" and after the semicolon insert "or"

Page 17, underscore lines 7 and 8

Page 17, line 9, underscore "reasonable ability to pay the policy premium" and replace "; or" with an underscored period

Page 17, line 10, replace "(9)" with "b." and underscore "The independent evidence must be submitted to the insurer when the"

Page 17, underscore lines 11 through 21

Page 17, remove lines 22 through 27

Page 17, underscore lines 28 through 31

Page 18, underscore lines 1 through 30

Page 18, line 31, underscore "settlement acts are", remove "private and", underscore "confidential", and remove "and are not subject to section 6 of"

Page 19, line 1, remove "article XI of the Constitution of North Dakota or section 44-04-18" and underscore "and are not"

Page 19, underscore lines 2 through 18

Page 19, line 19, underscore "f. Antifraud plans submitted to the commissioner are", remove "privileged and", and underscore "confidential"

Page 19, line 20, remove "and are not subject to section 44-04-18" and underscore "and are not subject to discovery or"

Page 19, underscore lines 21 through 31

Renumber accordingly