

License Application for a Life Settlement Provider or Broker

The Life Settlement Provider's and Broker's application requires four (4) categories of information:

Section I	–	Application Form and Fee
Section II	–	Legal
Section III	–	Business Information
Section IV	–	Management

It is important to complete each section in the specified format without omitting any requested information. Include the checklists for each of the above sections, with all of the applicable checkboxes completed, upon submission of the application.

Your filing should be submitted in the following order:

1. Cover letter
2. Section I, Checklist–Application–Invoice
3. Section II, Checklist–Agent for Service of Process, Acknowledgement and Acceptance of Appointment as Agent for Service of Process and Consent to Jurisdiction (non residents only) – supporting documentation
4. Section III, Checklist–Business Information (providers and brokers)–Anti Fraud Plan (providers and brokers)–supporting documentation
5. Section IV, Checklist–Management Information Form–Biographical Affidavits, copies of all licenses and registrations, and FAST receipts from MORPHOTRUST USA (fingerprinting is only required for individuals who have not previously been fingerprinted for the Texas Department of Insurance)

Mail the completed application to:

MC: CO-AAL
Agent and Adjuster Licensing
Texas Department of Insurance
PO Box 12030
Austin TX 78711-2030

In order for a submission to be considered a complete application, all required information must be included in the filing. Filings that do not include all required information will be declined or returned.

License Application for a Life Settlement Provider or Broker

SECTION I – APPLICATION FORM AND FEE

INSTRUCTIONS

1. Application for License to Conduct Business as a Life Settlement Provider or Broker in the State of Texas

The application must be under oath and signed by the applicant. If the applicant is a corporation, a signature under oath by the company's President and Secretary must appear on this form.

A life settlement broker or life insurance agent who solely performs estimates of life expectancy is required to indicate that on the appropriate form: License Application for a Life Settlement Provider or Broker; Application for Renewal, Surrender, or Change of Information for a Life Settlement Provider or Broker; or Life Agent Notification to TDI to act as a Life Settlement Broker. By doing so, the broker or life insurance agent will act solely as a life expectancy estimator.

2. Application Fee

The application filing fee is \$100 for providers and \$50 for brokers. Attach your check to the [invoice included in this application](#) and mail it to:

MC: CO-AAL
Agent and Adjuster Licensing
Texas Department of Insurance
PO Box 12030
Austin TX 78711-2030

NOTICE TO APPLICANTS

REGISTERING AS SOLE PROPRIETORS

You must attest to one of the following:

If applying for a broker license:

No other individuals (including staff) will engage in the business of a life settlement broker under my license, as defined by Texas Insurance Code Ch. 1111A. The business of a life settlement broker includes:

- Offering or attempting to negotiate a life settlement contract between an owner and a provider; or
- Estimating life expectancies for a life settlement contract

I certify that the above is true:

(Signature)

If applying for a provider license:

No other individuals (including staff) will engage in the business of a life settlement provider under my license, as defined by Texas Insurance Code Ch. 1111A. The business of a life settlement provider includes:

- Entering or effectuating a life settlement contract with a policy owner (see Texas Insurance Code Ch. 1111A for exclusions)

I certify that the above is true:

(Signature)

If you are not a sole proprietor and the above does not apply to you, you must apply to be licensed as a corporation or a partnership, as appropriate. Additionally, you must submit biographical affidavits for all officers, directors, shareholders (10 percent or more), designated employees, as well as any other individual who will be acting as a broker or provider as defined by Texas Insurance Code Ch. 1111A.

License Application for a Life Settlement Provider or Broker

SECTION I – APPLICATION FORM AND FEE

CHECKLIST

Company Name:

1. Life Settlement provider or broker application fee paid
 - a. Copy of invoice included
 - b. Copy of check included
 - c. Invoice and check mailed to Texas Department of Insurance **Mail Code 9999**

2. Company completed application for license
 - a. Notification to act solely as a Life Expectancy Estimator (if applicable)
 - b. There are no omissions; where an item is not applicable, indicate “N/A”
 - c. Signed by President
 - d. Signed by Secretary (if applicable)
 - e. Notarized
 - f. Notice to Applicants Registering as Sole Proprietors (if applicable)

RETURN ALL COMPLETED CHECKLISTS WITH THE APPLICATION PACKAGE

License Application for a Life Settlement Provider or Broker

SECTION I – APPLICATION FORM

Date of Application: _____

Will the Applicant act solely as a Life Expectancy Estimator? YES ___ NO ___

TO THE COMMISSIONER OF THE TEXAS DEPARTMENT OF INSURANCE, AUSTIN, TEXAS:

The _____
(full name of company or association)

Federal Employer Identification Number: _____

(Provide physical address and mailing address)

_____ (physical address) _____ (city) _____ (state) _____ (ZIP code)

_____ (mailing address) _____ (city) _____ (state) _____ (ZIP code)

Telephone: _____ Fax: _____

Email Address: _____

Through its duly authorized officers, applies for a license authorizing the company or association to act as a life settlement provider or broker in the State of Texas, under its laws thereof, and affirm that all of the responses, information, exhibits, and documentary evidence submitted in support of this application are true and correct.

By: _____
Signature of Individual, Owner, President, or Partner

Attest: _____
Secretary (if applicable)

Sworn to and subscribed before me this _____ day of _____, 20_____.

Notary Public

(Notary Seal)

Section I – Application Form
Page 2

Name of attorney or principal filing this application:

Title: _____

Company: _____

Street Address: _____

City: _____ State: _____ ZIP code: _____

Telephone: _____ Fax: _____

Email Address: _____

INVOICE

LIFE SETTLEMENT PROVIDER or BROKER PAYMENT OF APPLICATION FEE

COMPANY NAME _____

FEDERAL EMPLOYER IDENTIFICATION NUMBER _____

MAILING ADDRESS _____

CITY _____ STATE _____ ZIP CODE _____

PHONE NUMBER _____

You must return this form with the fee payment.

PLEASE NOTE:

Send the entire packet, including the application, application fee (make check payable to the Texas Department of Insurance), and this invoice to:

MC: CO-AAL
 Agent and Adjuster Licensing
 Texas Department of Insurance
 PO Box 12030
 Austin, TX 78711-2030

FOR TDI USE ONLY

RECEIPT NUMBER	AMOUNT	CRE CODE
		93

License Application for a Life Settlement Provider or Broker

SECTION II – LEGAL

INSTRUCTIONS

1. Certificate of Status from State of Domicile

A certificate of status is a document issued by the applicant's state of domicile public records custodian for corporate records, generally the Secretary of State. The certificate documents that the company is duly organized and that all state taxes and fees have been paid. The certificate must show good standing, be sealed by the state, and be an original document dated within 30 days of application date.

2. Agent for Service of Process

If the applicant is not a resident of Texas, the Agent for Service of Process form must be completed and signed before a notary. **NO** signatures other than those of the individual, owner, president, or partner and the secretary will be accepted. The Agent for Service of Process must be an entity with a Texas address who has an established place of business in Texas and who can be easily located and served with notices, legal process, and papers.

If the applicant is not a resident of Texas and this form is not completed and included with your application for license, a license will not be issued.

3. Acknowledgement and Acceptance of Appointment as Agent for Service of Process

If the applicant is not a resident of Texas, this form must be completed and executed by the appointed entity and must be acknowledged before a notary.

If the applicant is not a resident of Texas and this form is not completed and included with your application for license, a license will not be issued.

4. Consent to Jurisdiction – Irrevocable Consent to Jurisdiction of the Commissioner of Insurance and Texas Courts

If the applicant is not a resident of Texas the Consent to Jurisdiction – Irrevocable Consent to Jurisdiction of the Commissioner of Insurance and Texas Courts form must be completed and signed before a notary.

If the applicant is not a resident of Texas and this form is not completed and included with your application for license, a license will not be issued.

5. Certificate of Status from the Office of the Texas Secretary of State

All foreign entities are required to secure, through the Office of the Texas Secretary of State, a charter to do business in Texas.

If you have questions concerning the filing with the Office of the Texas Secretary of State, please contact their office.

The Office of the Texas Secretary of State will mail a certificate of status to you. This **original certificate** must be forwarded to the Texas Department of Insurance, as part of your life settlement provider or broker application, as proof of your filing with the Office of the Texas Secretary of State as a foreign entity.

Important Note: The Office of the Texas Secretary of State will issue a charter to a company before the Texas Department of Insurance completes its processing of an application for a certificate of authority. This charter authorizes the company to engage in any type of business, **except** insurance.

*Your company **MAY NOT** engage in the business of a life settlement provider or broker in Texas until it has been issued a life settlement provider or broker license by the commissioner of the Texas Department of Insurance.*

6. Assumed Name Filing

If the applicant plans to utilize an assumed name, provide documentation of your compliance with the assumed name statutes of this state. Contact the Office of the Texas Secretary of State for assistance in complying with these requirements.

License Application for a Life Settlement Provider or Broker

SECTION II – LEGAL

CHECKLIST

Company Name: _____

1. Organizational Documents
 - a. Original certification by state of domicile
 - b. Other
2. [Agent for Service of Process](#) *(to be completed only if applicant is not a Texas resident)*
 - a. There are no omissions; where an item is not applicable, indicate “N/A”
 - b. Signed by Individual, Owner, President, or Partner
 - c. Signed by Secretary (if applicable)
 - d. Notarized
3. [Acknowledgement and Acceptance of Appointment as Agent for Service of Process](#) *(to be completed only if applicant is not a Texas resident)*
 - a. There are no omissions; where an item is not applicable, indicate “N/A”
 - b. Signed by Individual, Owner, President, or Partner
 - c. Notarized
4. [Consent to Jurisdiction](#) *(to be completed only if applicant is not a Texas resident)*
 - a. There are no omissions; where an item is not applicable, indicate “N/A”
 - b. Signed by Individual, Owner, President, or Partner
 - c. Signed by Secretary (if applicable)

- d. Notarized
- 5. Certificate of Status from Office of Texas Secretary of State
- 6. Assumed Name Filing

AGENT FOR SERVICE OF PROCESS
(To be completed only if applicant is NOT a Texas resident)

THE STATE OF _____ §
COUNTY OF _____ §

KNOW ALL BY THESE PRESENTS:

That _____ of
(company name)

_____ nominates and appoints
(domiciliary city and state)

_____ located at _____,
(name of appointee) (address)

_____, Texas, _____, the true and lawful AGENT of said applicant for the
(city) (ZIP code)

State of Texas, to acknowledge service of legal process issued by any court of the State of Texas for and on behalf of the applicant, or on whom service of process may be had, according to the laws of the State of Texas. In addition, this acknowledgment of service of process is valid and sufficient if served upon the applicant according to the laws of the State of Texas, or any other state.

Witness my hand this _____ day of _____, _____.

Signature of Individual, Owner, President, or Partner

Secretary (if applicable)

THE STATE OF _____ §

COUNTY OF _____ §

Before me, _____, on this day personally appeared
(printed name of notary)

_____, both known to
(printed names of persons signing appointment)

me to be the persons whose names are subscribed in this document, and acknowledged to me that they executed this document, in the capacities stated, and as the act and deed of

_____.
(company name)

Given under my hand and seal of office this _____ day of _____, _____.

(Notary Seal)

(notary public signature)

Notary Public, State of _____

My Commission Expires _____

ACKNOWLEDGMENT AND ACCEPTANCE OF APPOINTMENT AS AGENT FOR SERVICE OF PROCESS

(To be completed only if applicant is NOT a Texas resident)

THE STATE OF _____ §
COUNTY OF _____ § KNOW ALL BY THESE PRESENTS:
§

That _____ of
(name of Agent for Service)

_____ does acknowledge and accept the
(address)

appointment as true and lawful agent for _____,
(company name)

to acknowledge service of legal process issued for and on behalf of the provider or broker, or on whom service of process may be had, according to the laws of the State of Texas. In addition, this acknowledgment of service of process is valid and sufficient as if served upon the provider or broker according to the laws of the State of Texas or any other state.

Witness my hand this _____ day of _____, _____.

Signature of Authorized Representative

Printed Name

City, State, and ZIP code

IRREVOCABLE CONSENT TO JURISDICTION OF THE COMMISSIONER OF INSURANCE AND TEXAS COURTS

(to be completed only if applicant is NOT a Texas resident)

THE STATE OF _____ §
COUNTY OF _____ § KNOW ALL BY THESE PRESENTS:

That _____ of
(company name)

_____ is filing its application for
(domiciliary city and state)

a license to operate as a [check appropriate box(es)] ___ life settlement provider ___ life settlement broker, in the State of Texas, and its Appointment of Agent for Service of Process; that, upon issuance

by the commissioner of insurance of a license, _____
(company name)

consents to the jurisdiction of the commissioner of insurance and all Texas courts in relation to any transactions or other activity subject to regulation under Chapter 1111A, Texas Insurance Code, Title 28, Chapter 3, Subchapter R, Texas Administrative Code, and all other Texas statutes or regulations; and that such consent to the jurisdiction of the commissioner of insurance and the Texas courts is

and will remain irrevocable for as long as _____
(company name)

possesses a license from the commissioner of insurance or engages in the business of life settlements in or from the State of Texas.

Witness my hand this _____ day of _____, _____.

Signature of Individual, Owner, President, or Partner

Secretary's Signature (if applicable)

THE STATE OF _____ §

§

COUNTY OF _____ §

Before me, _____, on this day personally appeared
(printed name of notary)

_____, known to me to be the
(printed names of persons signing Consent to Jurisdiction)

Person(s) whose names are subscribed in this document, and acknowledged to me that they executed, in the capacities stated, and as the act and deed of

(company name)

Given under my hand and seal of office this the _____ day of _____, _____.

(Notary Seal)

(notary public signature)

Notary Public, State of _____

My Commission Expires _____

License Application for a Life Settlement Provider or Broker

SECTION III – BUSINESS INFORMATION

INSTRUCTIONS

Part A: Plan of Operation (Part A is to be completed by Providers only)

The department must have a clear understanding of the present and proposed operations of the applicant. Please provide a detailed narrative of the applicant's plan of operation, including but not limited to the following information:

- I. History
 - A. A brief history of the applicant since its formation;
 - B. A list of all states in which the applicant is licensed or registered as a life settlement provider or viatical settlement provider and the date(s) that such licensure or registration was obtained;
 - C. A list of all states in which the applicant is currently doing business, but in which a license or registration is not required;
 - D. A list and description of any pending lawsuits or judgments in which the applicant person has been named as defendant or co-defendant; and
 - E. Any other information the applicant would like to include.
- II. Management
 - A. Provide an organizational chart showing the relationship of all related entities if the applicant is a subsidiary of a parent or holding company;
 - B. Any other information the applicant would like to include.
- III. Marketing Plan
 - A. A detailed description of the applicant's marketing plan;
 - B. The applicant's projected volume of business in Texas and nationwide for the first three years after licensure; and
 - C. Any other information the applicant would like to include.

IV. Financial Information

Amount and type of funds i.e. individuals, banks, hedge funds, etc., to be used in fulfilling the payment of terms of life settlement contracts as projected in the marketing plan. If the applicant intends to utilize a “financial institution” as defined in Texas Insurance Code Section 550.002(2). Include the name, address, contact person, and a copy of any agreements between the applicant and such entity.

- A. Provide the name and address of any person used, or to be used, to provide independent third-party escrow services pursuant to a life settlement contract, together with a sample copy of the trust or escrow agreement used, or to be used, between the Texas licensed provider and the escrow agent.
- B. Identify any related provider trust, if applicable, and include a copy of the organizational documents for the trust as well as copies of all forms the trust will utilize in transacting business for which the applicant seeks licensure.
- C. If you have ever been subject to a bankruptcy proceeding, submit a statement summarizing the details of the indebtedness and arrangements for repayment, and/or type and location of bankruptcy.
- D. Provide proof of financial responsibility i.e. Errors and Omissions, Directors and Officers, Liability, etc.

Part B: Additional Information (Part B is to be completed by Providers and Brokers)

- I. Evidence that the applicant has a good business reputation, and a detailed description of the qualifications, experience, training, or education that qualifies the applicant to conduct the business of life settlements
- II. Location of Books and Records and Offices
Provide the address of the applicant’s home office where all records are maintained, all branches operating in and out of Texas, and the location of any single storage facility where books or records pertaining to the business of the captioned company applicant are or will be stored
- III. Anti Fraud Plan
Provide an anti fraud plan as required by Texas Insurance Code Section 1111A.022

License Application for a Life Settlement Provider or Broker

SECTION III – BUSINESS INFORMATION

CHECKLIST

Company Name: _____

Part A: Plan of Operation (to be submitted by Providers only)

1. History
 - a. Brief history of the applicant or company
 - b. List all states where applicant is licensed
 - c. List all states where applicant is currently doing business but in which a license or registration is not required
 - d. Documentation regarding litigation connected with viatical or life settlement business or other actions where applicant is or was a defendant within the past five years
 - e. Other information

2. Management
 - a. If the applicant is a subsidiary of a parent or holding company, provide an organizational chart showing the relationship of all related persons
 - b. Other information

3. Marketing Plan
 - a. A detailed description of the applicant's marketing plan
 - b. Three-year volume projection Texas and nationwide
 - c. Other information

4. Financial Information
 - a. Amount and type of funds to meet planned projections identified
 - b. Special purpose entity or financing entity identified

5. Name, address, and contact person identified

6. Copy of agreement between applicant and entity
 - a. Third-party escrow agent(s)/trustee(s) information
 - b. Copy of agreement between applicant and entity
 - c. Third-party escrow agent(s)/trustee(s) information
7. "Related provider trust" identified
8. Copy of organizational documents
9. If you have ever been subject to a bankruptcy proceeding, submit a statement summarizing the details of the indebtedness and arrangements for repayment, and type and location of bankruptcy
10. Provide proof of financial responsibility i.e. Errors and Omissions, Directors and Officers, Liability, etc.

Part B: Additional Information (to be submitted by both, Providers and Brokers)

1. Evidence that the applicant has a good business reputation, and a detailed description of the qualifications, experience, training, or education that qualifies the applicant to conduct the business of life settlements
2. Location of Books and Records and Offices
Provide the address of the applicant's home office where all records are maintained, all branches operating in and out of Texas, and the location of any single storage facility where books or records pertaining to the business of the captioned company applicant are, or will be stored
3. Anti-Fraud Plan
Provide an anti fraud plan as required by Texas Insurance Code Section 1111A.022

License Application for a Life Settlement Provider or Broker

SECTION IV – MANAGEMENT

INSTRUCTIONS

ANY NAMES REQUESTED IN THIS SECTION MUST INCLUDE COMPLETE FIRST, MIDDLE, AND LAST NAMES

1. List of All Officers, Directors, Shareholders, and Key Employees
 - A. List on the attached Management Information Form the names of each officer, director, and person having direct or indirect control of the organization, including officers and directors up through the ultimate parent corporation or holding company. Submit a separate Management Information Form for each of these companies.

Also include on the Management Information Form the names of each company or individual with an ownership interest of 10 percent or more. For each shareholder, include the percentage of shares owned. If 10 percent or more of the shares is owned by an entity other than a natural person, list the owners, officers, directors, and managing members of the entity on a separate Management Information Form.

- B. If the applicant is a subsidiary of a parent or holding company, provide an organizational chart showing the relationship of all related corporations or holding companies.
2. Biographical Affidavits as to All Company Officers, Directors, Shareholders, and Key Employees

Provide Biographical Affidavit for Life Settlement Providers or Brokers for each officer, director, shareholder, and key employee listed in Section IV–1 except for those companies in the organizational structure between the immediate parent and the ultimate parent. All questions must be answered.

The requirement for the affiant’s social security number as part of the Biographical Affidavit is mandatory. Refer to Public Law 93-579, Disclosure of Social Security Account Number. Note that the social security number and home address are included on a separate sheet that will be kept confidential to the extent permitted by law.

Limited collection of social security numbers is imperative for the Texas Department of Insurance. The duties of the Texas Department of Insurance in background investigation are extensive in order to ensure that the owners, management, officers, and directors of any insurer are competent and trustworthy, possess financial standing and business experience, and have not been found guilty of or pleaded guilty or nolo contendere to, any felony or crime punishable by imprisonment of one year.

3. Submit copies of all licenses and registrations held in all states, including Texas.
4. Fingerprinting Instructions (Fingerprinting is only required for those individuals who have not

previously been fingerprinted for Texas Department of Insurance.)

Electronic fingerprinting is available for Texas residents. It is fast and accurate; and in most cases, it will help avoid potential delays in the processing of your submission. The general process for obtaining Electronic Fingerprints is as follows:

- A. Schedule an appointment to be fingerprinted. MorphoTrust USA has 80+ Texas fingerprint locations. Schedule at <http://www.identogo.com> or call toll-free 1-888-467-2080 (8 am-5 pm CST)
 1. Internet based scheduling is the quickest and most convenient way to obtain a fingerprint appointment.
 - a. You may begin the process by simply clicking on the following link: [Identogo – appointment link for the Texas Department of Insurance \(11G6QF\)](#).
 - b. Click “Schedule an Appointment” and complete all required fields.
 2. If you prefer to schedule over the telephone, you must:
 - a. First, download the [Identogo Texas Fingerprint Service Code Form](#).
 - b. Then call 1-888-467-2080.
 - c. MorphoTrust USA / Identogo will then prompt you for the service code (11G6QF) located on the [Identogo Texas Fingerprint Service Code Form](#).
- B. Arrive at your scheduled appointment with your photo identification and fee.
- C. At the conclusion of your appointment, the MorphoTrust USA enrollment agent will provide you with an Identogo receipt stating that you were fingerprinted.
- D. Attach your fingerprint receipt to your application. You will be sending the receipt to us instead of sending a paper fingerprint card.

However, when electronic fingerprinting is not an option and fingerprint cards must be used, applicants and registrants should follow the steps below:

- A. Pre-enroll with MorphoTrust USA to submit fingerprint cards.
 1. Internet based pre-enrollment is the quickest and most efficient way to submit fingerprint cards.
 - a. You may begin the process by simply clicking on the following link: [Identogo – appointment link for the Texas Department of Insurance \(11G6QF\)](#).
 - b. Click “Schedule an Appointment”
 - c. On the next screen, click the “Pay for Ink Card Submission” button and complete all required fields on the following pages.
 - d. Complete payment screen.
 - e. Print the confirmation page, sign the waiver section and complete the contact information section.
 - f. Mail the confirmation page with your fingerprint cards. Mailing directions are below.
 2. If you prefer to pre-enroll over the telephone, you must:
 - a. First, download the [Identogo Texas Fingerprint Service Code Form](#).
 - b. Then call 1-888-467-2080.
 - c. MorphoTrust USA / Identogo will then prompt you for the service code (11G6QF) located on the [Identogo Texas Fingerprint Service Code Form](#).
 - d. Inform the MorphoTrust USA representative of your wish to pre-enroll for a “hard card submission”.
 - e. Once payment is completed, a confirmation page will be emailed to you.
 - f. Print the confirmation page, sign the waiver section and complete the contact information section.

- g. Mail the confirmation page with your fingerprint cards. Mailing directions are below.
- B. Obtain a copy of your fingerprints on an original FBI fingerprint card that includes the Texas Department of Insurance ORI TX920540Z. All requested information must be provided on the fingerprint card, and you and the official taking the fingerprints must sign the card. TDI strongly recommends all residents of Texas, utilize fingerprinting through approved vendors of DPS. Blank cards may be obtained from TDI by calling 512-676-6500 or email request to the Agent and Adjuster Licensing Office at License@tdi.texas.gov.
- C. Once you have obtained your fingerprint cards, follow the mailing instructions found on the MorphoTrust USA Pre-Enrollment confirmation page that you printed and signed.
- D. Wait for a receipt from MorphoTrust USA.
- E. Please place your receipt from MORPHOTRUST USA in this section.

License Application for a Life Settlement Provider or Broker
SECTION IV – MANAGEMENT

CHECKLIST

Company Name: _____

1. Management Information Form
 - a. All officers, directors, shareholders (10 percent or more), and key employees have been identified
 - b. Biographical Affidavit for Life Settlement Providers and Brokers
 - c. There are no omissions; where an item is not applicable, indicate “N/A”
 - d. Contains signature
 - e. Notarized
 - f. Full name given (including full middle name or indicate “NMN” if one does not exist)

2. Copies of all licenses and registrations held in all states, including Texas, for all officers, directors, shareholders (10 percent or more), and key employees

3. FAST receipt from MORPHOTRUST USA for all officers, directors, shareholders (10 percent or more), and key employees who have not been fingerprinted for this department

