



Life & Health Division
Arizona Department of Insurance
 2910 North 44th Street, Suite 210
 Phoenix, AZ 85018-7269

**LIFE SETTLEMENT PROVIDER
 FORM P-LSC: CONTRACT CHECKLIST**

Name of Life Settlement Provider			
Officer/Member Name	Title	E-mail Address	Phone Number

This checklist must be submitted with your filing in compliance with ARS § 20-3203. This list includes the relevant statutory cites. Review of the entire statute or rule may be necessary. Complete each item to confirm that diligent consideration has been given to each and is certified by the signature on the certificate of compliance form. Any line left blank will cause this filing to be considered incomplete and will be subject to rejection. Not including required information or policy provisions will result in disapproval of the filing. This filing must be filed through the System for Electronic Rate and Form Filing ("SERFF"), accessible from <http://www.serff.org>.

The requirements for life settlements are under ARS § 20- 3201 through 20-3215 and ARS § 20-2106, which are accessible from the Internet at <http://www.azleg.gov/ArizonaRevisedStatutes.asp?Title=20>.

TOI (type of insurance) code: LSO1 Life Settlement

Item	Reference	Review Requirements	Description of review standards requirements	Form #, Page #, Paragraph #	Acknowledge
1	ARS § 20-3203(C)	Filing settlement contract	A person may not use a life settlement contract form in this state unless the form is first filed with and approved by the director.		
2	ARS § 20-3203(C)	Filing of disclosure statement	A person may not provide to an owner a disclosure statement form in this state unless the form is first filed with and approved by the director. If the director-pre-approved form P-LSDO is used to meet this requirement, the provider or broker does not need to file it with the Department before using.		<input type="checkbox"/> yes if using director-pre-approved disclosure form P-LSDO

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3	ARS § 20-3204(C)	Broker disclosures to owner and provider	Disclosures in subsections (C)(1)-(5) shall be clearly displayed in the life settlement contract or in a separate signed document. If the director-pre-approved form P-LSBD is used to meet this requirement, the broker does not need to file it with the Department before using.		<input type="checkbox"/> yes if using director-pre-approved disclosure form P-LSBD
4	ARS § 20-3211 (A)(1)	Owner-insured physician statement	If the owner is the terminally ill insured, a written statement from a licensed attending physician that the owner is of sound mind and under no constraint or undue influence to enter into a settlement contract.		<input type="checkbox"/> acknowledge provider receipt requirement
5	ARS § 20-3211 (A)(2) (A.R.S. § 20-2106)	Insured's consent to release of medical records	A document in which the terminally ill insured consents to the release of the insured's medical records to a provider, settlement broker or insurance producer and, if the policy was issued less than two years from the date of application for a settlement contract, to the insurance company that issued the policy. NOTE: The form must meet the requirements listed in ARS § 20-2106.		<input type="checkbox"/> acknowledge provider receipt requirement
6	ARS § 20-3211(C)	Owner written consent to settlement contract	Before or at the time of execution of the settlement contract, the provider shall obtain a witnessed document in which the owner consents to the settlement contract, represents that the owner has a full and complete understanding of the settlement contract and a full and complete understanding of the benefits of the policy, acknowledges that the owner is entering into the settlement contract freely and voluntarily and, for persons with a chronic illness or terminal illness or condition, acknowledges that the insured has a chronic illness or a terminal illness or condition and that the chronic illness or the terminal illness or condition was diagnosed after the policy was issued.		

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7	ARS § 20-3211(G)	Written notice to insurer of settlement contract	Within twenty days after an owner executes the life settlement contract, the provider shall give written notice to the insurer that issued the insurance policy that the policy is subject to a life settlement contract. The notice shall be accompanied by the documents required by section 20-3204, subsection C.		<input type="checkbox"/> Provider acknowledges this requirement
8	ARS § 20-3211(H) (A.R.S. § 20-2106)	Medical record confidentiality	All medical information solicited or obtained by any licensee is subject to any applicable law relating to confidentiality of medical information.		<input type="checkbox"/> Provider acknowledges this requirement
9	ARS § 20-3211(I)	Owner right to rescind	All life settlement contracts entered into in this state shall provide that the owner may rescind the contract on or before fifteen days after the date it is executed by all parties and the owner has received all required disclosures.		
10	ARS § 20-3211(J)	Provider payment of proceeds to escrow account	Within three business days after the provider receives from the owner documents to effect the transfer of the insurance policy, the provider shall pay the proceeds of the settlement to an escrow or trust account managed by a trustee or escrow agent in a state or federally chartered financial institution pending acknowledgment of the transfer by the issuer of the policy.		
11	ARS § 20-3211(K)	Failure to tender proceeds	Failure to tender the life settlement contract proceeds to the owner by the date disclosed to the owner renders the contract voidable by the owner for lack of consideration until the time the proceeds are tendered to and accepted by the owner. The failure to give written notice of the right of rescission tolls the right of rescission until thirty days after the written notice of the right of rescission has been given.		

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12	ARS § 20-3211(L)	Computation of fees paid	Any fee paid by a provider, party, individual or owner to a broker in exchange for services provided to the owner pertaining to a life settlement contract shall be computed as a percentage of the offer obtained and not the face value of the policy. This section does not prohibit a broker from reducing the broker's fee below this percentage if the broker so chooses.		
13	ARS § 20-3211(M)	Broker disclosure of value paid/given	The broker shall disclose to the owner anything of value paid or given to a broker that relates to a life settlement contract.		
14	ARS § 20-3211(V)	Fraud statement	The location of the statement, "Any person who knowingly presents false information in an application for insurance or for a life settlement contract may be subject to criminal or civil liability."		

CERTIFICATION

I, _____, certify to the best of my knowledge and belief that this checklist and each form involved with this filing

- conforms to all the applicable requirements presented in this checklist; and,
- contains no provision previously disapproved or required to be corrected or revised by the Arizona Department of Insurance; and,
- does not exceed the provider's powers, the authority granted by its state of domicile, or the authority granted by its Arizona certificate of authority.

► Signature of Officer: _____

Date: _____