§ 7803. License requirements for life settlement providers. (a) No person shall engage in the business of life settlements as a life settlement provider in this state without having authority to do so by virtue of a life settlement provider license issued and in force pursuant to this article.

(b)(1) The superintendent may issue a life settlement provider license to any person who is deemed by the superintendent to be trustworthy and competent to act as a life settlement provider and who is otherwise qualified as required in this article and who has complied with the prerequisites prescribed in this article.

(2) Every license issued pursuant to this section shall expire on June thirtieth of odd-numbered years.

(c)(1) Application for a life settlement provider license shall be made to the superintendent by the applicant on a form prescribed by the superintendent, and the application shall be accompanied by a fee in an amount to be established by the superintendent.

(2) The applicant for a life settlement provider license shall:

(A) fully disclose the identity of all stockholders (except stockholders owning fewer than ten percent of the voting shares of a life settlement provider whose shares are publicly traded), partners, officers, members, directors and persons with a controlling interest. For purposes of this section, "controlling interest" means a person who directly or indirectly, has the power to cause to be directed the management, control or activities of such licensee;

(B) provide a detailed plan of operation;

(C) provide, if a legal entity, a certificate of good standing from the state of its domicile;

(D) provide an anti-fraud plan that meets the requirements of article four of this chapter;

(E) demonstrate financial accountability as evidenced by a bond or other method for financial accountability as determined by the superintendent pursuant to regulation; and

(F) provide any other information required by the superintendent.

(d) The superintendent may require an applicant for such license to submit a set of fingerprints. Such fingerprints shall be submitted to the division of criminal justice services for a state criminal history record check, as defined in subdivision one of section three thousand

thirty-five of the education law, and may be submitted to the federal bureau of investigation for a national criminal history record check. All such criminal history records sent to the superintendent pursuant to this paragraph shall be confidential pursuant to the applicable federal and state laws, rules and regulations, and shall not be published or in any way disclosed to persons other than the superintendent, unless otherwise authorized by law. The superintendent shall provide such applicant with a copy of his or her criminal history record, if any, together with a copy of article twenty-three-A of the correction law, and inform such applicant of his or her right to seek correction of any incorrect information contained in such record pursuant to regulations and procedures established by the division of criminal justice services. All determinations to grant or deny clearance for licensure pursuant to this section shall be in accordance with subdivision sixteen of section two hundred ninety-six of the executive law and article twenty-three-A of the correction law. When the superintendent denies an application, written notice of such determination shall be given to the prospective applicant who shall be afforded notice and the right to be heard and offer proof in opposition to such determination.

(e)(1) As part of the application, the applicant shall submit a power of attorney designating the superintendent as agent for the purpose of receiving service of legal documents or process.

(2) The power of attorney shall include the name and address of the officer, agent, or other person to whom such legal documents or process shall be forwarded by the superintendent or his or her deputy on behalf of such life settlement provider.

(3) Service of legal documents or process upon a life settlement provider pursuant to this subsection shall be made by serving the superintendent, any deputy superintendent or any salaried employee of the department whom the superintendent designates for such purpose with two copies thereof and the payment of a fee of forty dollars. The superintendent shall forward a copy of such legal documents or process by registered or certified mail to the life settlement provider at the address given in its written certificate of registration, and shall keep a record of all legal documents or process so served. Service of legal documents or process so made shall be deemed made within the territorial jurisdiction of any court in this state.

(f) The superintendent, in the exercise of the superintendent's discretion, may refuse to issue a life settlement provider license in the name of any person if not satisfied that any officer, employee, stockholder, partner, director, member, agent, or responsible person thereof, who may materially influence the applicant's conduct, meets the standards of this article.

(g) Every license issued pursuant to this section may be renewed for the ensuing period of twenty-four months upon the filing of an application in conformity with this section.

(h)(1) Before the renewal of any life settlement provider license shall be issued, an application for renewal of the license shall be made to the superintendent by the applicant on a form prescribed by the superintendent and containing such information as the superintendent may prescribe. The application shall be accompanied by a fee in an amount to be established by the superintendent.

(2) If an application for a renewal license shall have been filed with the superintendent before the expiration of the license, then the license sought to be renewed shall continue in full force and effect either until the issuance by the superintendent of the renewal license applied for or until five days after the superintendent shall have refused to issue such renewal license and shall have given notice of such refusal to the applicant. Before refusing to renew any such license, the superintendent shall notify the applicant of the superintendent's intention to do so and shall give such applicant a hearing.

(3) An application for the renewal of a license shall be filed with the superintendent not less than sixty days prior to the date the license expires or the applicant may be subject to a further fee for late filing, as prescribed by the superintendent.

(i) A life settlement provider licensee shall provide to the superintendent new or revised information about stockholders (except stockholders owning fewer than ten percent of the voting shares of a life settlement provider whose shares are publicly traded), partners, officers, members, directors, designated employees or persons with a controlling interest within thirty days of the change.

(j) Every individual applicant for a license under this section shall be eighteen years of age or older at the time of the issuance of such

license.