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**NCOIL GROUP COMPLETES EXHAUSTIVE REVIEW OF LIFE SETTLEMENTS
MODEL ACT—VOTE EXPECTED AT ANNUAL MEETING**

Seattle, Washington, July 24, 2007 — Following more than six hours of extensive discussion and debate at the July 18 through 22 National Conference of Insurance Legislators (NCOIL) Summer Meeting here, Subcommittee on Life Settlements members completed their review of controversial amendments to an NCOIL *Life Settlements Model Act*, and approved a new draft of the model law.

Subcommittee Chair Representative George Keiser (ND) said, “We made great progress on developing a model law that will address the growing problem of STOLI without burdening legitimate life settlement arrangements. Interested parties will have additional opportunities to comment on the new proposal, and legislators should come to the Annual Meeting ready for a final vote.”

During special sessions on Wednesday and Thursday, Subcommittee members reviewed proposed amendments related to, among other things, consumer disclosures, prohibited practices, licensing and reporting requirements, and a moratorium period for selling a life insurance policy. Regarding a moratorium period, legislators rejected proposals that called for a five-year ban, and instead strengthened language in the NCOIL model that prohibits a person, with certain exceptions, from selling a policy before two years after purchase.

Legislators also approved proposed amendments that would require a broker to make additional disclosures to a policyowner. Information provided to a consumer would have to include any contractual agreements that a broker may have with a provider, as well as a “full, complete and accurate description of all offers, counter-offers, acceptances and rejections relating to the proposed life settlement contract.”

To quell an ongoing debate between life insurance, life settlement, and institutional market representatives, Subcommittee members will soon convene an open conference call with securities and insurance regulators, as well as industry representatives, to discuss whether the purchase of a life settlement should be regulated by a life settlement model act. While life

settlement and institutional market representatives claim that the purchase of a life settlement is solely governed by securities law, life insurance representatives suggest that regulatory authority is shared between the two offices in certain states.

Interested parties participating in the Summer Meeting included the American Council of Life Insurers (ACLI); Association for Advanced Life Underwriting (AALU); Coventry, Institutional Life Markets Association (ILMA); Life Insurance Finance Association (LIFA); Life Insurance Settlement Association (LISA); Life Settlement Institute (LSI); National Association of Insurance and Financial Advisors (NAIFA).

The NCOIL model, originally adopted in 2000 and amended in 2004 to address a growing life settlements market, provides for the regulation the business of life settlements by requiring, among other things, provider and broker licensing, complex disclosures to a policy owner, and a two-year moratorium on selling a policy.

The NCOIL Annual Meeting will take place from November 15 through 18 at the Rio All-Suite Hotel & Casino in Las Vegas, Nevada.

NCOIL is an organization of state legislators whose primary focus is insurance legislation and regulation. Many legislators active in NCOIL either chair or are members of the committees responsible for insurance legislation in their respective state houses across the country. More information is available at www.ncoil.org.

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