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**NCOIL SCHEDULES INTERIM MEETING TO DISCUSS  
CONTROVERSIAL LIFE SETTLEMENTS ISSUES**

**Troy, New York, March 30, 2007** — Representative Michael Ripley (IN), Chair of the National Conference of Insurance Legislators (NCOIL) Life Insurance & Financial Planning Committee, has scheduled an interim meeting of an NCOIL Subcommittee on Life Settlements on Saturday, April 21, at the Hyatt Regency Crystal City at Reagan National Airport outside Washington, D.C. During the meeting, which is scheduled from 10:00 a.m. to 4:00 p.m. and will be open to the public, legislators will consider amending an NCOIL *Life Settlements Model Act*.

Rep. Ripley said, “Legislators sense the urgency of addressing stranger-originated life insurance (STOLI) schemes. The practice of manufacturing a life insurance policy to create a security interest damages the integrity of the product, and needs to be stopped. Hopefully, the interim meeting will lead to a product suitable for consideration by the full Committee in July.”

Subcommittee Chair Rep. George Keiser (ND) will preside over the discussion, in which members will review and discuss interested party mark-up proposals to the NCOIL model act. Representatives of the life insurance, life settlement, and premium finance industries submitted amendments prior to the recent NCOIL Spring Meeting that addressed issues related to STOLI, insurable interest, fraud, trusts, and disclosure.

Rep. Keiser said, “The amendment proposals are very complicated and highly contentious. Legislators will face some tough choices as we debate what should be considered a life settlement contract, how to address premium financing, and whether a two- or five-year moratorium on policy settlements is appropriate, among other things. The challenge will be to curtail the inappropriate use of the life product without hindering legitimate business practices.”

The NCOIL model, originally adopted in 2000, was amended in 2004 to address a growing life settlements market. It would regulate the business of life settlements by requiring, among other things, provider and broker licensing, complex disclosures to the policyowner, and a two-year moratorium on settling a policy.

At the NCOIL Spring Meeting, legislators voted to reauthorize and expand the Subcommittee, which was appointed following the 2006 Annual Meeting, and to hold a special meeting of the Subcommittee before the NCOIL Summer Meeting.

Members also passed a *Resolution Regarding Enforcement of Existing State Insurable Interest Laws, Stranger-Originated Life Insurance (STOLI), and Related NAIC Action* that encourages states to enforce existing state laws as a means to combat STOLI, and requests that the National Association of Insurance Commissioners (NAIC) delay final consideration of its *Viatical Settlements Model Act*.

The NCOIL Spring Meeting was held from March 1 through 4 in Savannah, Georgia. The Summer Meeting will take place from July 19 through 22 at the Sheraton Seattle Hotel & Towers in Seattle, Washington.

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](http://www.ncoil.org).

For further details, please contact the NCOIL National Office at 518-687-0178, or at [mhumphreys@ncoil.org](mailto:mhumphreys@ncoil.org).

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