

LINDA LINGLE
GOVERNOR

JAMES R. AIONA, JR.
LT. GOVERNOR



RONALD BOYER
DIRECTOR

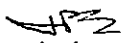
J. P. SCHMIDT
INSURANCE COMMISSIONER

STATE OF HAWAII
INSURANCE DIVISION
DEPARTMENT OF COMMERCE & CONSUMER AFFAIRS
P. O. BOX 3614
HONOLULU, HAWAII 96811-3614
335 MERCHANT STREET, ROOM 213
HONOLULU, HAWAII 96813
PHONE NO: (808) 586-2790
FAX NO: (808) 586-2808
www.hawaii.gov/dcca/ins

June 17, 2010

MEMORANDUM IC-2010-2LIC/I

TO: All Life Settlement Contract Providers and Life Settlement Brokers

FROM: J.P. Schmidt 
Insurance Commissioner

RE: Repeal of Act 177 (2008)

The 2008 Legislature passed Act 177, Session Laws of Hawaii 2008 (House Bill No. 94, H.D. 1, S.D. 2, C.D. 1) ("Act 177"), governing life settlement transactions. Act 177 automatically sunsets on June 16, 2010.

A. LIFE SETTLEMENT LICENSES

Based on the above, the Hawaii Insurance Division has inactivated the licenses of life settlement contract providers and life settlement brokers effective June 17, 2010.

Life settlement brokers may request the inactivation of their insurance producer license by submitting a Voluntary Surrender of Insurance License (Form VS), which can be downloaded from the Insurance Division website at <http://hawaii.gov/dcca/ins/producers/forms>.

To request a refund of the unused portions of your renewal or service fees for your life settlement or producer licenses, please notify this office in writing and specify the name and address of the payee of the refund check.

Please be advised that the Legislature doubled insurance licensing fees effective July 1, 2010 through June 30, 2014, pursuant to Act 59, Session Laws of Hawaii 2010 (House Bill No. 1985, S.D. 1, C.D. 1) ("Act 59"). Therefore, the increased licensing fee will apply for reactivation of insurance licenses beginning July 1, 2010. The complete text of Act 59 may be viewed at [http://www.capitol.hawaii.gov/session2010/bills/GM522 .pdf](http://www.capitol.hawaii.gov/session2010/bills/GM522.pdf).

Please contact the Hawaii Insurance Division, Licensing Branch by telephone at (808) 586-2788 or by e-mail to InsLic@dcca.hawaii.gov if you have any questions.

B. APPLICATION OF OTHER HAWAII LAWS

Please be aware that other Hawaii laws outside of Act 177 still apply to life settlement transactions. These laws include, where applicable, HRS chapter 431, article 9 (Licensing of Adjusters), and HRS chapter 431, article 13 (Unfair Methods of Competition and Unfair and Deceptive Acts and Practices in the Business of Insurance).

Your attention to these articles as well as other governing statutes in the Insurance Code is appreciated.

Please contact the Hawaii Insurance Division, Compliance and Enforcement Branch by telephone at (808) 586-2790 or by e-mail to Insurance@dcca.hawaii.gov if you have any questions.