

304.15-718 Requirements governing execution of life settlement contracts.

The life settlement provider shall instruct the owner to send the executed documents required to effect the change in ownership, assignment, or change in beneficiary directly to the independent escrow agent. Within three (3) business days after the date the escrow agent receives the document, or from the date the life settlement provider receives the documents, if the owner erroneously sends the documents directly to the provider, the life settlement provider shall pay the proceeds due to the owner to an escrow or trust account maintained in a state or federally chartered financial institution whose deposits are insured by the Federal Deposit Insurance Corporation (FDIC). Upon payment of the settlement proceeds into the escrow account, the escrow agent shall deliver the original change in ownership, assignment, or change in beneficiary forms to the life settlement provider or related provider trust. Upon the escrow agent's receipt of the acknowledgment of the properly completed transfer of ownership, assignment, or designation of beneficiary from the insurance company, the escrow agent shall pay the settlement proceeds to the owner.

Effective: July 15, 2008

History: Amended 2008 Ky. Acts ch. 32, sec. 22, effective July 15, 2008. -- Amended 2005 Ky. Acts ch. 58, sec. 13, effective June 20, 2005. -- Created 2000 Ky. Acts ch. 472, sec. 7, effective July 14, 2000.