

40-5004. Same; suspension, revocation, refusal to issue or renew license; grounds; hearing; powers of commissioner. (a) The commissioner may refuse to issue, suspend, revoke or refuse to renew the license of a viatical settlement provider or viatical settlement broker in the event that investigation by the commissioner discloses that:

- (1) There was any material misrepresentation in the application for the license;
 - (2) the licensee or any officer, partner, member or key management personnel has been convicted of fraudulent or dishonest practices, is subject to a final administrative action in this state or another state or is otherwise shown to be untrustworthy or incompetent;
 - (3) the viatical settlement provider demonstrates a pattern of unreasonable payments to viators;
 - (4) the licensee or any officer, partner, member or key management personnel has been found guilty of, or has pleaded guilty or nolo contendere to, any felony, or to a misdemeanor involving fraud or moral turpitude, regardless of whether a judgment of conviction has been entered by the court;
 - (5) the viatical settlement provider has entered into any viatical settlement contract that has not been approved pursuant to this act;
 - (6) the viatical settlement provider has failed to honor contractual obligations set out in a viatical settlement contract;
 - (7) the licensee no longer meets the requirements for initial licensure;
 - (8) the viatical settlement provider has assigned, transferred or pledged a viaticated policy to a person other than a viatical settlement provider licensed in this state, viatical settlement purchaser, an accredited investor or qualified institutional buyer as defined respectively in regulation D, rule 501 or rule 144A of the federal securities act of 1933, as in effect on the effective date of this act, financing entity, special purpose entity or related provider trust; or
 - (9) the licensee or any officer, partner, member or key management personnel has violated any provision of this act.
- (b) If the commissioner denies a license application or suspends, revokes or refuses to renew the license of a viatical settlement provider or viatical settlement broker, the commissioner shall conduct a hearing in accordance with the Kansas administrative procedure act.

History: L. 2002, ch. 158, § 4; May 23.