

Administrative Code governing and applicable to that license, Respondent's license is valid until August 31, 2018.

4. Pursuant to Iowa Code §508E.3(1)(b)(2), to maintain a viatical settlement broker license, Respondent is required to provide proof to the Commissioner that Respondent is covered by an errors and omissions policy for an amount of not less than one hundred thousand dollars liability per occurrence and not less than one hundred thousand dollars total annual aggregate for all claims during the policy period.

5. Based on information supplied by the Respondent and/or Respondent's insurer to the Division, the Respondent's errors and omissions insurance coverage expired on June 30, 2017.

6. Representatives of the Division have made efforts to contact the Respondent to determine if the Respondent has maintained or renewed the required errors and omissions coverage, but the Respondent has failed and refused to respond to the Division's repeated inquiries regarding this matter. Accordingly, the Respondent is in violation of the licensure requirements by failing and refusing to provide the evidence of errors and omissions insurance coverage required by Iowa Code § 508E.3(1)(b)(2).

Policy Rationale

7. Under Iowa Code §§ 508E.16(4) and 17A.18A and Iowa Administrative Code § 191—48.10(5), the Commissioner may use emergency adjudicative action if a violation presents an immediate danger to the health, safety, or welfare of the public requiring immediate agency action.

8. The errors and omissions coverage required by Iowa Code § 508E.3(1)(b)(2) is an important element of the protection afforded consumers of the services offered by viatical settlement brokers. This insurance provides important protection to consumers who might be

affected in the event the insured viatical settlement broker commits an error or makes an omission that results in loss or harm to such a consumer. Such insurance policies provide a secure, stable source of funds from which injured parties can be compensated regardless of the ability of the viatical settlement producer to make a consumer whole for any loss that is sustained.

9. Because of the importance of the protection afforded consumers by the errors and omissions coverage required by Iowa Code § 508E.3(1)(b)(2), Respondent's failure to maintain such coverage while still acting as a viatical settlement broker represents an immediate danger to the public. This immediate danger is due and just cause for the issuance of this emergency cease and desist order.

Order

WHEREFORE, IT IS ORDERED pursuant to the powers granted the Commissioner of Insurance by Iowa Code §§ 508E.16(4) and 17A.18A and Iowa Administrative Code § 191—48.10(5):

(A) Immediately upon service of a copy of this order on the Respondent, the Respondent shall cease and desist from engaging in any and all activities that require a viatical settlement broker's license;

(B) Respondent shall immediately inform any and all viatical settlement providers with or for whom or which Respondent works of the issuance of this order and shall immediately provide any and all such viatical settlement providers with a copy of this Order;

(C) Respondent shall immediately provide to the Division information regarding the current status of any errors and omissions coverage maintained by the Respondent in an effort to comply with Iowa Code §508E.3(1)(b)(2);

(D) Respondent shall immediately acknowledge to the Division receipt of and compliance with the terms and conditions of this Order; and,

(E) This matter is set for final hearing on the merits on Wednesday, April 4, 2018, at 10:00 a.m.

SO ORDERED this 16th day of January, 2018.



DOUGLAS M. OMMEN
Iowa Insurance Commissioner

Copy to:

Robert Payne
6926 Larkwood Dr NE
Cedar Rapids, IA 52402
bpayne@compassfpine.com
Respondent

CERTIFICATE OF SERVICE

County of Polk)
)
State of Iowa)

The undersigned affiant certifies under penalty of perjury and pursuant to the laws of Iowa, on the 17th day of January, 2018, the foregoing order was delivered to the United States Postal Service, postage prepaid, for restricted certified mail, regular mail and email service to:

Robert Payne
6926 Larkwood Dr NE
Cedar Rapids, IA 52402
bpayne@compassfpinc.com
Respondent



Hilary Foster
Iowa Insurance Division