

Press Release

Source: Life Insurance Consumers Alliance

## LICA Applauds New Maryland Life Settlement Law; Assures Consumer Access to Market Value of Life Insurance

Friday September 24, 4:01 pm ET

WASHINGTON, Sept. 24 /PRNewswire/ -- On October 1, 2004, a new law takes effect to authorize and regulate life settlements in Maryland. The legislation, signed by Governor Robert L. Ehrlich, Jr. in May, assures life insurance consumers in Maryland the right to realize fair market value for unneeded or underperforming life insurance.

Sponsored by Senator Dolores G. Kelley, the settlement law amends the Maryland Insurance Code to make settlement transactions more secure and more accessible to Maryland consumers. A key provision recognizes the authority of licensed life insurance agents to aid and assist policyowners with life settlement transactions. To qualify, licensed life insurance producers in Maryland must have at least one year of experience and register with the Maryland Insurance Commissioner. In addition, the legislation contains numerous measures to prevent, detect and combat fraud.

"We congratulate Senator Kelley and Commissioner Redmer for their dedication to this issue and to their commitment to consumers' rights," said James J. Butera, Executive Director of the Life Insurance Consumers Alliance (LICA). "With this new law, life insurance consumers are assured of the right to be informed about life settlements and other secondary market transactions, to access the market, and to be protected throughout the process."

The secondary market for life insurance provides a marketplace where companies compete for qualifying life insurance policies. Life settlements are the transactions that enable policyowners with unneeded or underperforming life insurance to realize fair market value for their policies. On average, life settlements yield significantly more than the cash surrender value offered by the insurance company for the same policy.

### About LICA

The Life Insurance Consumers Alliance (LICA) is dedicated to ensuring that life insurance consumers possess the knowledge and information they need to maximize value in their policies. LICA advances its mission by educating and supporting consumers through professional support, direct consumer initiatives and publications. LICA encourages public policies that increase the value of life insurance for consumers. LICA membership, which is based in 17 states, Canada and Puerto Rico, consists of consumers, financial advisors, and financial services organizations.

#### CONTACT:

James Butera, Executive Director  
Life Insurance Consumers Alliance (LICA)  
202-742-4146  
[info@lifeinsuranceconsumers.org](mailto:info@lifeinsuranceconsumers.org)

Source: Life Insurance Consumers Alliance