



OFFICE OF INSURANCE REGULATION

DAVID ALTMAIER
COMMISSIONER

IN THE MATTER OF:

CASE NO.: 285219-21-CO

Application for the Issuance of a
License as a Viatical Settlement Provider to
FAIRMARKET LIFE SETTLEMENTS CORP

CONSENT ORDER

THIS CAUSE came on for consideration upon the filing of an application with the FLORIDA OFFICE OF INSURANCE REGULATION ("OFFICE") by FAIRMARKET LIFE SETTLEMENTS CORP ("APPLICANT") to operate as a viatical settlement provider in this state pursuant to the provisions of Part X of Chapter 626, Florida Statutes ("Application"). Following a complete review of the entire record, and upon consideration thereof, and being otherwise fully advised in the premises, the OFFICE hereby finds as follows:

1. The OFFICE has jurisdiction over the subject matter and the parties herein.
2. Subject to the present and continuing satisfaction of the requirements set forth for such licensure in the Florida Insurance Code, APPLICANT has met all of the conditions precedent to the granting to it of a License to operate as a viatical settlement provider in Florida
3. APPLICANT is a Delaware-domiciled corporation that was established in 2004, and whose current ownership is as described in the Application.
4. If the OFFICE determines that any individual for whom APPLICANT is required to submit background information as part of this Application is unacceptable under the Florida Insurance Code, APPLICANT shall remove or cause the removal of said person within 30 days of

notice from the OFFICE and replace them with a person or persons acceptable to the OFFICE, or shall undertake such other corrective action as directed by the OFFICE. Failure to act would constitute an immediate serious danger to the public and the OFFICE may take administrative action as it deems appropriate upon the License of APPLICANT without further proceedings, pursuant to Sections 120.569(2)(n) and 120.60(6), Florida Statutes.

5. The OFFICE conducted a viatical settlement provider pre-licensure examination of APPLICANT covering the period October 2007 through September 30, 2020, with limited updates to December 2020. During this examination the OFFICE uncovered evidence that, while under prior ownership and management, APPLICANT has violated Section 626.9912(1), Florida Statutes, by soliciting viatical settlement contracts with Florida viators, and has entered into at least one viatical settlement contract with a Florida resident without first having obtained a license from the OFFICE. The OFFICE has determined that the referenced violations were not willful.

6. APPLICANT acknowledges and agrees that any future violations of the provisions of Part X, Chapter 626, Florida Statutes, will be considered willful and subject to action by the OFFICE pursuant to the Florida Insurance Code, and Chapter 120, Florida Statutes. APPLICANT further agrees to the following terms and conditions:

- a. Within 30 days after the execution of this Consent Order, APPLICANT shall pay to the OFFICE a fine totaling \$10,000 United States Dollars as penalty for the violations of Section 626.9912(1), Florida Statutes, discussed in paragraph 5 above. APPLICANT shall send payment for the fine pursuant to the directions on the invoice attached hereto as Exhibit A.
- b. APPLICANT affirms that Ken Klein is no longer affiliated with APPLICANT and shall not be affiliated with APPLICANT in any capacity going forward.

c. APPLICANT agrees not to enter into any viatical settlement contract without having a captive investor in place prior to purchase.

7. APPLICANT acknowledges that an onsite examination, pursuant to Section 626.9922, Florida Statutes, shall be conducted by the OFFICE within 2 years after execution of this Consent Order and will include a review of all records necessary to determine compliance with the Florida Viatical Settlement Act. The examination may be conducted earlier if deemed necessary by the OFFICE. The OFFICE may contract with a third party to perform such examination on its behalf. APPLICANT agrees that it shall pay all expenses regardless of the entity performing the examination or investigation. Pursuant to Section 626.9922, Florida Statutes, APPLICANT shall provide full and complete access to all of APPLICANT's records, books, files, advertising and solicitation materials, or other information deemed relevant by the OFFICE or its contracted third-party examiners for purposes of an exam.

8. The OFFICE has relied upon the representations in the Plan of Operation and supporting documents that APPLICANT has submitted with its Application. Written approval must be secured from the OFFICE prior to any material deviation from said Plan of Operation.

9. APPLICANT affirms that all information, explanations, representations, statements, and documents provided to the OFFICE in connection with this Application, including all attachments and supplements thereto, are true and correct and fully describe all transactions, agreements, ownership structures, understandings, and control with regard to the licensure of APPLICANT. APPLICANT further agrees and affirms that said information, explanations, representations, statements, and documents, including all attachments and supplements thereto, are material to the issuance of this Consent Order and have been relied upon by the OFFICE in its determination to enter into this Consent Order.

10. Any deadlines, reporting requirements, other provisions, or requirements set forth in this Consent Order may be altered or terminated by written approval of the OFFICE. Such written approval must be requested in writing prior to any proposed deviation from the terms of this Consent Order.

11. APPLICANT expressly waives a hearing in this matter, the making of findings of fact and conclusions of law by the OFFICE, and all further and other proceedings herein to which it may be entitled by law or rules of the OFFICE. APPLICANT hereby knowingly and voluntarily waives all rights to challenge or to contest this Consent Order in any forum available to it, now or in the future, including the right to any administrative proceeding, state or federal court action, or any appeal.

12. APPLICANT affirms that all requirements set forth herein are material to the issuance of this Consent Order.

13. APPLICANT agrees that, upon execution of this Consent Order, failure to adhere to one or more of the terms and conditions contained herein may result, without further proceedings, in the OFFICE suspending, revoking, or taking other administrative action as it deems appropriate upon APPLICANT's License in this state in accordance with Sections 120.569(2)(n) and 120.60(6), Florida Statutes.

14. Each party to this action shall bear its own costs and fees.

15. The parties agree that this Consent Order shall be deemed to be executed when the OFFICE has signed and docketed a copy of this Consent Order bearing the signature of the authorized representative of APPLICANT.

WHEREFORE, pursuant to the terms and conditions set forth above, the Application for the issuance of a License to operate as a Viatical Settlement Provider in Florida to FAIRMARKET LIFE SETTLEMENTS CORP, pursuant to Part X of Chapter 626, Florida Statutes, is APPROVED.

FURTHER, all terms and conditions contained herein are hereby ORDERED.

DONE and ORDERED this 16 day of September, 2021.



David Altmaier

David Altmaier, Commissioner
Office of Insurance Regulation

By execution hereof, FAIRMARKET LIFE SETTLEMENTS CORP consents to entry of this Consent Order, agrees without reservation to all of the above terms and conditions, and shall be bound by all provisions herein. The undersigned represents that they have the authority to bind FAIRMARKET LIFE SETTLEMENTS CORP to the terms and conditions of this Consent Order.

FAIRMARKET LIFE SETTLEMENTS CORP

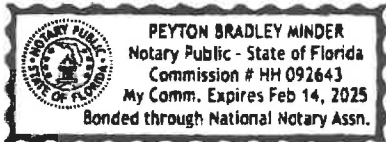
By: [Signature]
Print Name: Clay Winfield
Title: President
Date: 9/16/2021

[Corporate Seal]

STATE OF Florida
COUNTY OF Collier

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this 16th day of September 2021, by Clay Winfield

As President for Fairmarket Life Settlements Corp.
(type of authority; e.g., officer, trustee, attorney in fact) (company name)



[Signature]
(Signature of the Notary)
Peyton Minder
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known X OR Produced Identification _____
Type of Identification Produced _____
My Commission Expires: 2/14/2025

COPIES FURNISHED TO:

DAVID YON, ATTORNEY
Radey Law Firm
301 South Bronough Street, Suite 200
Tallahassee, FL 32301
Email: david@radeylaw.com

CLAY O. WINFIELD, CHIEF EXECUTIVE OFFICER, PRESIDENT
Fairmarket Life Settlements Corp
10001 Tamiami Trail North, Suite 205
Naples, FL 34108
Email: clay@wbdcinc.com

CAROLYN MORGAN, DIRECTOR
Life & Health Financial Oversight
Florida Office of Insurance Regulation
200 East Gaines Street
Tallahassee, FL 32399

JAMAAL MADDOX, FINANCIAL CONTROL ANALYST
Florida Office of Insurance Regulation
Life & Health Financial Oversight
200 East Gaines Street
Tallahassee, FL 32399
Email: jamaal.maddox@flor.com

JENNIFER A. MILAM, ASSISTANT GENERAL COUNSEL
Florida Office of Insurance Regulation
200 East Gaines Street
Tallahassee, FL 32399
Telephone: (850) 413- 4281
Email: jennifer.milam@flor.com

EXHIBIT A



OFFICE OF INSURANCE REGULATION

DAVID ALTMAIER
COMMISSIONER

INVOICE

FAIRMARKET LIFE SETTLEMENTS CORP.

INVOICE DATE: August 26, 2021

INVOICE #: OIR 21-025106

Administrative Fine

Description	Units	Rate	Price
0112: ADMINISTRATIVE FINE - L&H SOLVENCY Administrative Fine; Michael Kliner	1.00	\$10,000.00	\$10,000.00

TOTAL FINES: \$10,000.00

PAYMENT DUE UPON RECEIPT: \$10,000.00

To ensure that your payment is received and properly credited, please make your check payable to the Florida Department of Financial Services and return this invoice with your payment to:

FLORIDA DEPARTMENT OF FINANCIAL SERVICES
REVENUE PROCESSING SECTION
P.O. BOX 6100
TALLAHASSEE, FL 32314-6100