



RELIANT
Life Shares

Institutional Profitability Brought to the Individual Investor™

Regulatory Merger in Sacramento

In 2012, Governor Jerry Brown introduced a broad plan to improve governmental efficiencies in California. Pursuant to his plan, the California Department of Corporations, which formerly regulated fractional life settlements, has merged with the Department of Financial Institutions to become the Department of Business Oversight. Although the names have changed, the core functions of each department will remain the same.

The Department of Business Oversight protects consumers by licensing and regulating a variety of businesses in the financial sector. The Department administers and enforces the Corporate Securities Law of 1968, which prohibits the offer or sale of securities unless the sale has been “qualified” or an exemption from qualification exists.

Although life settlements are considered securities in California, an exemption from qualification exists under Senate Bill 1837, which amends the Corporate Securities Law of 1968. Specifically, licensed life agents in California can lawfully engage in transactions involving viatical or life settlement contracts, and are exempt from broker-dealer licensing requirements for these securities.

Reliant and its in-house compliance attorney have always taken a proactive approach with respect to regulation. We will continue to work closely with the Department of Business Oversight and other regulatory bodies for the protection of our business, our agents, and our investors.