On August 9, 2011, SCOR SE, a global reinsurer with offices in more than 31 countries, acquired substantially all of the life reinsurance business, operations and staff of Transamerica Reinsurance, the life reinsurance division of the AEGON companies. The business of Transamerica Reinsurance will now be conducted through the SCOR Global Life companies, and Transamerica Reinsurance is no longer affiliated with the AEGON companies.

While articles, treaties and some historic materials may continue to bear the name Transamerica, AEGON is no longer producing new reinsurance business.

Archive Materials

Companies Recognize the Risks of Premium Financing
Reprinted from the October 2006 Messenger newsletter

by Ken Conners, Vice President and Chief Underwriting Officer

While valid reasons exist for premium financing programs, non-recourse schemes for future settlement with third-party investors blur this line. The following recommended practices are in place at several companies. Where applicable, these practices are subject to individual state approval.

- Be very attentive to beneficiary designations and purpose of insurance on cases age 70+ with high net worth.
- Verify the source of premium for the policy.
- If premium financing is involved, ask “why” and “by whom” the financing is being provided (i.e., traditional financial institution or investor group).
- Ensure that all lending institutions are domiciled in the U.S. or Canada.
- Utilize MIB’s Insurance Activity Index service to:
  -- Identify possible “shopping” of applications
  -- Check applicant’s insurance buying history – when the application is received and again prior to application approval to make sure there have been no additional applications submitted during the underwriting process
- Ask the applicant if the policy will be used to replace coverage that has been or will be sold as a life settlement or investor-owned transaction.
- Advise the field force and applicants that insurers consider “settled” policies as “in force” coverage, which, very possibly, would affect the applicant’s ability to purchase additional insurance.
- Inquire about any intent to sell the policy – to whom and when. Consider adding this question to the application wherever approved.
- Inquire if any individual or company offered to pay the applicant to purchase life insurance – by whom and when.
- If warranted, ask if the applicant has been offered “free insurance” – by whom and when.
- Be attentive to the application source, especially if coming from a newly contracted, unfamiliar broker or agent.
- Use strict underwriting standards. Deny any request to waive routine requirements, eliminating “business decisions/exceptions,” considering the institution of Table 1 (125 percent) rates for minor impairments and stringent enforcement of financial justification.
- Train home office administrative staff to recognize post-issue requests for policy changes that might result in non-recourse financing/settlement. (e.g., trust-to-trust changes).