

31A-36-114 Reporting of fraud and immunity.

- (1) A person engaged in the business of life settlements that knows or reasonably suspects that a violation of Section 31A-36-113 is being, has been, or will be committed shall provide to the commissioner the information required by, and in a manner prescribed by, the commissioner.
- (2) A person not engaged in the business of life settlements that knows or reasonably believes that a violation of Section 31A-36-113 is being, has been, or will be committed may furnish to the commissioner the information required by, and in a manner prescribed by, the commissioner.
- (3) Except as provided in Subsection (4), a person furnishing information of the kind described in this section is immune from liability and civil action if the information is furnished to or received from:
 - (a) the commissioner or the commissioner's employees, agents, or representatives;
 - (b) federal, state, or local law enforcement or regulatory officials or their employees, agents, or representatives;
 - (c) another person involved in the prevention or detection of violations of Section 31A-36-113 or that person's employees, agents, or representatives;
 - (d) the following organizations or their employees, agents, or representatives:
 - (i) the National Association of Insurance Commissioners;
 - (ii) the Financial Industry Regulatory Authority;
 - (iii) the North American Securities Administrators Association; or
 - (iv) another regulatory body overseeing life insurance, life settlements, securities, or investment fraud; or
 - (e) the insurer that issued the policy concerned in the information.
- (4) The immunity provided in Subsection (3) does not extend to a statement made with actual malice. In an action brought against a person for filing a report or furnishing other information concerning a violation of this section, the plaintiff shall plead specifically that the defendant acted with actual malice.
- (5) A person furnishing information as identified in Subsection (3) is entitled to an award of attorney fees and costs if:
 - (a) the person is the prevailing party in a civil cause of action for libel, slander, or another relevant tort arising out of activities in carrying out the provisions of this chapter; and
 - (b) the action did not have a reasonable basis in law or fact at the time it was initiated.
- (6) This section does not supplant or modify any other privilege or immunity at common law or under another statute.

Amended by Chapter 297, 2011 General Session