

WEST VIRGINIA INFORMATIONAL LETTER

No. 18

May, 1983

AGENT APPOINTMENTS AND TERMINATIONS

TO: ALL INSURERS LICENSED TO TRANSCT BUSINESS IN THE STATE OF
WEST VIRGINIA

Effective immediately insurers are requested to implement notification, in writing, to agents after an appointment or termination effecting such agents license has been submitted to and approved by this office. Written notice should be made within fifteen (15) working days after approval has been received from this office.

Insurers are not required to send verification to this office that notice has been given to agents, however, documentation in your records is suggested should this office at any time request proof of same.

An increasing number of inquiries from agents concerning the status of their licenses has prompted this request to all insurers.

Notification to agents of approved appointments is imperative in order to ensure agents compliance with the West Virginia Insurance Code, specifically, 33-12-19(a) which states:

“No agent shall accept any risk, place any insurance or issue any policy except with an insurer licensed in this state and for which insurer such agent has been appointed and licensed.”

Section 2:06 of the Administrative Regulations of the Insurance Commissioner, Series 11(1966), Licensing and Conduct of Agents, Brokers and Solicitors requires an agent to reexamine if such agent has had no company appointment for a period of one year. Apprising the agent of a terminated appointment should increase the agents awareness of the status of his or her license.

In connection with termination of agent appointments, any termination for cause should be reported to this office in writing with documentation to substantiate the company's position.

RICHARD G. SHAW
INSURANCE COMMISSIONER