

WEST VIRGINIA INFORMATIONAL LETTER NO. 85
December 1992

**TO: ALL INSURANCE COMPANIES LICENSED TO TRANSACT INSURANCE
BUSINESS IN WEST VIRGINIA AND OTHER INTERESTED PARTIES**

**RE: LICENSING REQUIREMENTS FOR AGENTS SELLING CREDIT
LIFE/CREDIT ACCIDENT AND SICKNESS INSURANCE**

This informational letter is intended to clarify recent confusion surrounding the licensing and appointment requirements for individuals selling credit life and credit accident and sickness insurance in automobile dealerships, financial institutions or any other business where these products are offered.

Informational Letter No. 51, issued on May 1, 1988, stipulated that only one individual in each company or institution would be required to be licensed and appointed and that this individual would supervise the activities of other personnel who solicit, negotiate and procure credit insurance offered through that company or institution.

In 1991, the West Virginia Legislature passed Senate Bill 143 which added Section 5A to Chapter 33, Article 6 of the West Virginia Code. This law requires that an application taken on any life or accident and sickness product must be completed in the presence of the proposed insured by a licensed and appointed agent.

The mandates of Senate Bill 143 supersede the authority of Informational Letter 51. Consequently, effective immediately, all individuals, who engage in the above noted activities, must be licensed and as pointed before transacting any credit life and credit accident and sickness insurance business.

The sections of Informational Letter No. 51 dealing with licensure and appointment requirements remain intact. Those individuals who engage solely in credit life and credit accident and sickness insurance are only required to obtain a limited lines license. Due to the limited nature of this license, these individuals are not required to adhere to the current prelicensing education and licensing examinations or continuing education requirements. However, they must satisfy all other provisions of the West Virginia Code.

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Individuals holding an agents license for Life and Accident and Sickness are not required to obtain the limited lines license since such powers include credit life and credit accident and sickness insurance.

Insurance companies underwriting credit life and credit accident and sickness insurance are responsible for appointing the individuals who are applying for the limited lines license or who are licensed as Life, Accident and Sickness agents.

This Informational Letter should be distributed immediately to all individuals and offices within your organization who may be responsible for submitting agent licensing requests to this Department.

Inquiries regarding this letter should be directed to Agents Licensing & Education, 2019 Washington Street, East, P.O. Box 50541, Charleston, WV 25305-0541.

HANLEY C. CLARK
Insurance Commissioner