

RESIDENT PRODUCER

REQUIREMENTS AND PROCEDURE FOR OBTAINING A LICENSE AND GENERAL INFORMATION

QUALIFICATIONS

1. Applicant shall be at least 18 years of age.
2. Applicant shall be competent, trustworthy, and financially responsible and have a good personal and business reputation.
3. Applicant shall maintain his or her principal place of residence in Nebraska.
4. Applicant shall comply with the pre-licensing education requirements. Refer to page 3 for pre-licensing education requirements.
5. Applicant shall pass a written examination to determine competence to act as a licensed producer in those lines of insurance for which such applicant desires to become licensed.

LICENSE FEES

Initial License Fee	\$ 20.00
Two-Year Renewal Fee	40.00
Late Re-issuance Fee (within 30 days after expiration).....	120.00
Reinstatement fee (after 30 days and up to 12 months)...	100.00
Pre-Licensing Education Fee	10.00
Continuing Education Fee (One fee for all CE due).....	5.00
Amended License.....	5.00

LATE RE-ISSUE

Any license being renewed after the expiration date and before the last day of the following month, that individual may have their license renewed for a fee of \$120.00.

REINSTATEMENT

Any license being reinstated after 30 days and up to 12 months from the expiration of the license, that individual may reinstate such license by completing the application and submitting it to this Department with a \$100.00 reinstatement fee.

APPLICATION FOR LICENSE

The [NAIC Uniform Application for Individual Insurance Producer's License](#) or the [Application for Insurance Producer's License \(Form DOI-9001\)](#), and the appropriate fee is submitted to the Department after the applicant has complied with the pre-licensing education requirements and passed the appropriate qualifying examinations. Both sides of the application must be completed in its entirety and signed.

An individual shall not act as or hold himself or herself out to be a producer unless such individual is duly licensed in this state. A producer shall not make application for, solicit applications for or procure any policies for any kind of insurance for which such producer is not licensed and appointed by the insurance company.

DURATION OF LICENSE

Initial individual licenses are issued to expire the last day of the month in the licensee's birth month in the first year after issuance in which licensee's age is divisible by two.

Therefore, individuals born in even numbered years renew their license on their birthday in the even numbered years and individuals born in odd numbered years renew their license on their birthday in the odd numbered years.

RENEWAL INSTRUCTIONS

Renewal instructions will be mailed to the licensee's business address approximately 90 days prior to the expiration of the license.

PRODUCER'S APPOINTMENT

The producer's appointment shall be valid upon execution if the appointment is mailed to the Department within ten days of execution, and if the person holds a valid producer's license in the line or lines for which the insurer is requesting the appointment.

If the appointment of a licensed producer by an insurance company is terminated, the insurer shall give written notice of the termination and the effective date of such termination to the Director within five working days of the termination and to such producer when reasonably possible. The Director may require the insurer to demonstrate that he or she has made a reasonable effort to give such notice to the licensed producer.

LINES OF INSURANCE

A producer may become licensed to write one or more of the following lines of insurance:

- | | |
|-----------------------------------|--------------------------------------|
| (1) Casualty | (10) Domestic Assessment Association |
| (2) Property | (11) Miscellaneous |
| (3) Property and Casualty | (a) Automobile Mechanical Breakdown |
| (4) Personal lines | (b) Prepaid Legal |
| (5) Life Insurance and Annuities | (c) Motor Club |
| (6) Variable Contracts (NO EXAM) | (d) Prepaid Dental |
| (7) Sickness, Accident and Health | (e) Health Maintenance Organization |
| (8) Title | (f) Credit Insurance (NO EXAM) |
| (9) Crop/Hail | |

NOTE: There are no pre-licensing requirements for lines 6 and 11(a-f), and no insurance examination is required for lines 6 and 11(f) above.

PRE-LICENSING EDUCATION REQUIREMENTS

Individuals seeking a license must comply with the following pre-licensing education requirements prior to taking the qualifying examinations:

<u>Property and Casualty</u> 40 hours (34 - property and casualty, 6 - ethics)	<u>Property</u> 20 hours (14 – property, 6 – ethics)	<u>Casualty</u> 20 hours (14 – casualty, 6 – ethics)
<u>Combined Life and Annuities, and Sickness, Accident and Health</u> 40 hours (17 - life and annuities, 17 - sickness, accident and health, which includes 6 hours of Medicare Supplement and Long-Term Care, AND 6 - ethics)	<u>Life and Annuities</u> 20 hours (14 – life and annuities, 6 – ethics)	<u>Sickness, Accident and Health</u> 20 hours (14 - accident and health, which includes 6 hours in Medicare Supplement and Long-Term Care, AND 6 - ethics)
<u>Crop</u> 6 hours (3 - crop-hail, 3 - ethics)	<u>Title</u> 12 hours (6 - Title, 6 – ethics)	<u>Assessment Association</u> 12 hours (6 - assessment, 6 - ethics)
<u>Personal Lines</u> 20 hours (14 - property and casualty, 6 - ethics)		

The pre-licensing education requirements do not apply to:

- Chartered Property and Casualty Underwriter
- Registered Health Underwriter
- Certified Financial Planner
- Chartered Financial Consultant
- Chartered Life Underwriter
- Certified Employee Benefit Specialist
- Accredited Insurance Advisor
- Master's Degree in Insurance

Persons completing the pre-licensing education requirements have up to one year from the date of completion to take the written producer's examination.

A list of approved courses to comply with the pre-licensing education requirements is available on the Department website, or available from the Department upon request.

EXAMINATION PROCEDURE

Information regarding the insurance examination procedure is available on the Department website, or available from the Department upon request.

TWO YEAR CONTINUING EDUCATION REQUIREMENTS

Information regarding compliance with the two-year continuing education requirements is available on the Department website, or available from the Department upon request.

VARIABLE CONTRACTS - (Variable Annuities and Variable Life)

To qualify for a variable contracts license, the applicant must hold a life license or apply concurrently for a life and annuities and variable contract license and submit a copy of his or her examination score indicating that he or she has passed the NASD Series 6 and 63 or 7 and 66 examinations.

Acceptable Evidence - A copy of the licensee's Central Registration Depository Form (CRD).

AGENCY LICENSE

Agency definition - Insurance agency shall mean partnership, unincorporated association, or corporation transacting or doing business with the public or insurance companies as an insurance producer.

No person shall act as or hold himself, herself, or itself out to be an insurance agency until such person has procured a license in this state. No license shall be granted to an insurance agency unless the agency designates a licensed producer who shall have full responsibility for the conduct of all business transactions of the insurance agency within the state relative to insurance. Such designated producer shall be either an officer or a member of the agency and shall have either (1) more than a nominal financial interest in the agency or (2) be an active participant in the management of the agency. Any individual associated with a licensed agency who solicits insurance shall be a licensed producer.

No agency shall pay any commission to anyone other than a licensed producer and no licensed producer shall assign any commissions to any unlicensed agency.

Sole Proprietorships - are not required to obtain an insurance agency license unless (1) the sole proprietorship falls within the agency definition or (2) the sole proprietorship holds itself, himself or herself out to be an insurance agency.

To obtain an insurance agency license, the NAIC Uniform Application for Business Entity Insurance License/Registration must be completed and submitted to the Department of Insurance together with the appropriate license fee.

AMENDED LICENSE - FORM #DOI-9110

To add or delete lines of insurance to an existing producer's license, the applicant must submit [Form #DOI-9110](#).

If a new license is requested, a check in the amount of \$5.00 must be remitted with the form.

When adding variable contracts to an existing license a copy of the licensee's Central Registration Depository Form (CRD) must be submitted with the FORM #DOI-9110.

CHANGE OF ADDRESS

Every person licensed under the Insurance Producers Licensing Act shall notify the Department within thirty days of any change in such person's residential or business address.

Any person failing to provide such notification shall be subject to a fine by the Director of not more than five hundred dollars per violation, suspension of the person's license until the change of address is reported to the Department, or both.

You may either change your home or business address online at www.licenseregistry.com or you may submit [Form #DOI-9110](#) to the department.

COMPENSATION

Unless otherwise authorized by law, an insurer or producer shall not pay any commission, brokerage, or other valuable consideration to any person for services rendered in this state as a producer unless such person has been appointed by the insurer, or held at the time such services were rendered a valid license for the line of insurance as required by the laws of this state for rendering such services. Any person licensed under the Insurance Producers Licensing Act may pay or assign any commissions or direct that any commissions be paid to a licensed insurance agency with which such person is associated. This section shall not prevent the payment or receipt of renewal or deferred commissions to or by any person entitled to such renewals or any valid collateral assignment of commissions by a licensed producer to satisfy a debt obligation.

FIDUCIARY CAPACITY

Every person acting as an insurance producer or agency in this state shall be responsible in a fiduciary capacity for all funds received or collected as an insurance producer or agency. Nothing in this section shall be construed to require any person to maintain a separate bank deposit if the funds of each principal are clearly ascertainable from the books of accounts and records of that person.

RECORDS MAINTENANCE

Every person licensed as an insurance producer or insurance agency shall keep at his, her, or its place of business the usual and customary records pertaining to transactions under his, her, or its license. All records shall be kept available and open to the inspection of the Director or his or her representatives at any time during business hours. Records shall be maintained for three years following the completion of any insurance transaction.

IDENTIFICATION OF PRODUCER ON POLICIES

All policies and applications, the solicitation of which involves an insurance producer or insurance agency, shall identify the name of each such producer and agency. If the application is attached to the policy upon issuance, the required identification may be contained in either the application or the policy.

Reasonable accommodations for disabled persons available upon request. Phone 471-2201. TDD users phone 1-800-833-7352 for relay to (402) 471-2201.

STATE OF NEBRASKA
DEPARTMENT OF INSURANCE
941 O STREET, SUITE 400
TERMINAL BUILDING
LINCOLN, NE 68508-3639

e-mail: licensing@doi.state.ne.us
LICENSING (402) 471-4913
SWITCHBOARD (402) 471-2201
FAX (402) 471-6559