



**ARKANSAS INSURANCE DEPARTMENT
LEGAL DIVISION**

1200 West Third Street
Little Rock, AR 72201-1904
501-371-2820
FAX 501-371-2629

Bulletin 12-91

May 31, 1991

**FRATERNAL BENEFIT SOCIETY AGENTS:
EXAMINATIONS AND LICENSURE**

Arkansas Act 337 of 1991, effective March 4, 1991, amends Arkansas Code Ann. §23-74-609 to change licensure and examination provision for fraternal benefit society agents. The Act provides the following:

- 1) Fraternal agents holding a subsisting license on December 31, 1989 are *not* required to sit for any examination for maintaining or renewing the license this calendar year or any subsequent calendar years.
- 2) Any applicants for a new or renewal license submitting the application from January 1, 1990 to June 30, 1991 are *not* required to take and pass any examination for initial licensure or renewal licensure. Therefore, any agents who apply for new or renewal licensure during this period but who have not yet taken an examination will *not* need to do so.
- 3) On and after July 1, 1991, every applicant for a new or first time license as a fraternal agent will be required to complete all license requirements, including license examination, unless the applicant has previously completed life and/or disability exam requirements for another type of license.
- 4) Examinations and licenses are *not* required for salaried officers, employees or members of a licensed society who devote substantially all of his/her services to activities *other* than policy solicitations or sales, *and* who receive no commission or compensation for policy solicitations which are directly dependent upon the amount to policies sold.
- 5) Examinations and licenses are *not* required for soliciting agents or representatives of licensed societies devoting less than 50% of their time to policy solicitations or sales. However examination and licensure *would be required* of fraternal agents selling over \$50,000 in life insurance based on each preceding calendar year's volume; and examination and licensure *would be required* of fraternal agents selling insurance other than life on the persons of more than 25 individuals and who receive commissions or other compensation therefore.

Department will address other issues as to the effect of Act 337 of 1991 at a later time. Please direct your current inquiries to Margaret Bolin, Director, License Division of this Department, at (501) 371-1421.

Lee Douglass
INSURANCE COMMISSIONER