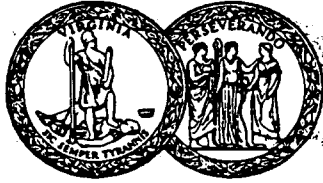


COMMONWEALTH OF VIRGINIA



JAMES W. NEWMAN, JR.
COMMISSIONER OF INSURANCE

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STATE CORPORATION COMMISSION BUREAU OF INSURANCE

April 4, 1979

1979-8

TO: The President of the Insurer Addressed

RE: Temporary Licenses for Life Agents

Section 38.1-301.4 of the Code of Virginia permits life insurance companies, under certain conditions, to have their agents obtain temporary licenses. According to the Bureau's records, your company has this privilege.

Chapter 513 (House Bill 1406), which is a complete revision of the Virginia Agents' Licensing Law, was passed by the 1979 Virginia General Assembly and signed by the Governor. It will take effect on July 1, 1979. I will send you a copy of the new law in a few weeks. I urge you to study it because there are many changes in it relating to agents and agents' licensing.

The new law permits temporary licensing of life insurance agents who will actually be servicing an industrial insurance debit or in case of death, disability, or sale of business. Therefore, many life insurance companies who have obtained temporary licenses for their agents in the past will no longer be able to do so.

Since January 1, 1979, each applicant to take the life insurance examination and each temporary licensee has been advised that effective July 1, 1979 the Virginia life insurance examination will be based on material contained in the Virginia Examination Reference Manual published by The Merritt Company. This material will be available from the Virginia Life Underwriters Association, Post Office Box 8388, Richmond, Virginia 23226 after May 1, 1979 for a fee of \$13.50 plus \$1.50 mailing charge.

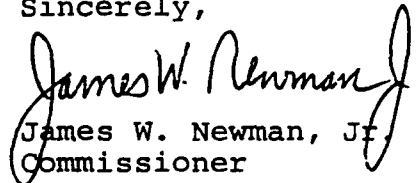
Because on and after July 1, 1979, (1) the examination will be based on study materials other than those used by most life insurance companies for the ten-week course for their agents with temporary licenses, (2) a person who fails the life insurance examination will have to wait a month to retake the examination, and (3) many companies

will not be able to obtain temporary licenses for their agents, I recommend that you give serious consideration to discontinuing at this time the use of temporary licenses for your agents. This will help the Bureau make an orderly conversion to the new examination procedure and should reduce to a minimum the number of problems for agents who have obtained a temporary license under the present law.

I want to remind you that your company must continue to comply with approved training procedures for your existing temporary licensees.

Please let me know if you have any questions regarding any aspect of this letter.

Sincerely,


James W. Newman, Jr.
Commissioner

JWNjr:dj