



STATE OF CONNECTICUT

INSURANCE DEPARTMENT

Bulletin L-21

July 31, 2014

To: All Risk Retention Groups and Risk Purchasing Groups Chartered or Authorized to Conduct Business in Connecticut.

Re: Licensing requirements applicable to persons soliciting or marketing insurance and for handling claims for Risk Retention Groups or Risk Purchasing Groups.

Pursuant to Connecticut General Statutes §38a-263, any person acting or offering to act as a producer for a risk retention group or purchasing group within the State of Connecticut must obtain an appropriate insurance license prior to commencing any such activity. The Insurance Department has updated the description of the requirements for persons seeking to market or solicit insurance and handle claims for Risk Retention Groups or Risk Purchasing Groups. Insurance licensing requirements are applicable to such persons in accordance with the chart stated below.

Pursuant to C.G.S. §§38a-263, 38a-769 persons described below shall obtain the appropriate license.

<u>Risk Retention Group Function</u>	<u>Performed by</u>	<u>Licensed Required</u>	<u>Authority Code</u>
1 sells insurance to new members	executive officers, travelling salaried employees or members of the group, who do not receive commissions or bonuses	none	N/A
2 sells insurance to new members	other than executive officers, travelling salaried employees or members of the group, who do not receive commissions or bonuses (e.g. administrator or sub-administrator)	producer (1)	casualty
3 markets out program to others who in turn sell to new members	managing general agent, administrator or sub-administrator	producer (1)	casualty
4 persons selling for a managing general agent		producer (1)	casualty

Risk Retention Group
Function

	<u>Performed by</u>	<u>Licensed Required</u>	<u>Authority Code</u>
5 (a) claim handling	executive officers, travelling salaried employees or members of the group, who do not receive commissions or bonuses	none	N/A
(b) claim handling	other than executive officers, travelling salaried employees or members of the group, who do not receive commissions or bonuses (e.g. administrators subadministrators or independent adjusters)	casualty adjuster	casualty

Purchasing Groups
Function

	<u>Performed by</u>	<u>Licensed Required</u>	<u>Authority Code</u>
1 purchases insurance from an insurance co. for its members	executive officers, travelling salaried employees or members of the group, who do not receive commissions or bonuses	none	N/A
2 sells insurance to new members	executive officers, travelling salaried employees or members of the group, who do not receive commissions or bonuses (e.g. administrator or sub-administrator)	none	N/A

Purchasing Groups

<u>Function</u>	<u>Performed by</u>	<u>Licensed Required</u>	<u>Authority Code</u>
3 sells insurance to new members	other than executive officers, travelling salaried employees or members of the group, who do not receive commissions or bonuses (e.g. administrator or subadministrators)	producer (1)	casualty
4 markets out program to others who in turn sell to new members	managing general agent, administrator or sub-administrator	producer (1)	casualty
5 persons selling for a managing general agent		producer (1)	casualty
6 (a) claim handling	executive officers, travelling salaried employees or members of the group, who do not receive commissions or bonuses	none	N/A
6 (b) claim handling	other than executive officers, travelling salaried employees or members of the group, who do not receive commissions or bonuses (e.g. administrators, subadministrators or independent adjusters)	casualty adjuster	casualty

If you have any questions on this bulletin, you may contact the Captive Insurance Division, John C. Thomson, at (860)279-3995 or john.thomson@ct.gov.



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