

FREQUENTLY ASKED QUESTIONS (FAQS)

The following are some of the frequently asked questions that are received from agents. (The term “agent” as used in this document refers to agents and consultants.)

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Below are summary answers to these frequently asked questions, provided in the same order. ***Questions regarding the Virginia CE program should be directed to Pearson VUE and NOT to the Bureau or the Board.***

1. Why do agents have to meet these CE requirements?

Virginia CE was initially created in 1992 as the result of an initiative by Virginia insurance agents, agents’ associations, insurance companies and the Bureau to promote and enhance professionalism throughout the Virginia insurance industry. Under new laws being adopted in all states, and due to federal requirements resulting from enactment of the Gramm-Leach-Bliley Financial Modernization Act, all states now have insurance continuing education requirements.

2. What are the penalties for failing to meet the CE requirements?

THE PENALTIES ARE SERIOUS. IF YOU FAIL TO COMPLY, YOUR LICENSE WILL BE TERMINATED, AND YOU WILL HAVE TO WAIT 90 DAYS TO APPLY AGAIN, OR PAY A \$1,000 PENALTY. Resident agents must pass the appropriate pre-licensing examination and if you have not provided

the Bureau with a Criminal History Record Report within 12 months of when you file your application, you must provide one in order to become relicensed. The report must be obtained from the Virginia State Police and can be dated no more than 90 days prior to the application date.

3. Who must complete CE?

Generally, you must satisfy the Virginia CE requirements if you hold one or more of the following resident or nonresident license/qualification types:

- Life & Annuities
- Health
- Property & Casualty
- Personal Lines
- Life & Health Insurance Consultant (unless an applicant already holds both a Life & Annuities and a Health license)
- Property & Casualty Insurance Consultant (unless the applicant already holds a Property & Casualty license)
- Title Insurance

Other license types (or registrations) **not** subject to CE requirements in Virginia are:

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| • Limited Lines Life and Health | • Managing General Agent |
| • Limited Lines Property and Casualty | • Reinsurance Intermediary Broker |
| • Limited Lines Credit | • Reinsurance Intermediary Manager |
| • Temporary Life and Health | • Viatical Settlement Broker |
| • Temporary Life and Health (Debit only) | • Variable Life and Annuities* |
| • Temporary Property and Casualty | • Surplus Lines Broker* |
| • Motor Vehicle Rental Contract | • Title Settlement Agent* |

* See note on page 24.

4. Are consultants who are also licensed as agents required to earn CE credits?

The CE law applies to licensed insurance consultants as well as to licensed insurance agents. However, the law provides an exemption for an insurance consultant who is also licensed as an insurance agent.

- If you hold a Life & Annuities and a Health agent's qualification, as well as a Life & Health consultant's license, satisfying the CE requirements for the agent's qualifications will automatically satisfy the CE requirements for the consultant's license.
- If you hold a Property & Casualty agent's qualification AND a Property & Casualty consultant's license, satisfying the CE requirements for the agent's qualification will automatically satisfy the CE requirements for the consultant's license.
- If you only hold a consultant's license, you are responsible for meeting the CE requirements.

5. How do I comply with Virginia's CE requirements?

Course Completion

To comply with Virginia's CE requirements, you must pay the \$15 Continuance fee and complete the required number of credits of Virginia-approved courses no later than December 31, 2010.

Sixteen credits are required if you hold only one of the licenses subject to CE, or if you hold both the Life & Annuities and the Health licenses.

Twenty-four credits are required if you hold more than one license, with a minimum of eight credits of courses applicable to each license type held.

- If you hold an agent license and a related consultant license, you need only satisfy the requirements for one in order to be in compliance.
- **At least two credits in every biennium must be in courses approved in Virginia as satisfying the requirements for Insurance Law and Regulations.**
- No more than 75 percent of your required credits may come from courses sponsored or given by insurance agencies or insurance companies. This includes all insurance companies or agencies, not just companies or agencies with which you are associated.

Sponsors will submit rosters for completed courses. However, credits will not be not applied to your CE requirements until you have paid the \$15 Continuance fee.

Acceptable Forms of Payment

- The \$15 Continuance fee for resident and nonresident agents should be paid online at the Virginia insurance continuing education website at www.virginiainsurancece.com. Click on the Pay 2009-2010 \$15 Continuance Fee link. Visa, MasterCard or American Express credit/debit card authorizations are acceptable forms of payment.

6. What is the Continuance fee?

The Continuance fee remains at **\$15** and is **payable only once during the biennium**. You must pay the Continuance fee before credits will be applied to your CE requirements. The Continuance fee should be paid online at www.virginiainsurancece.com at the Pay 2009-2010 \$15 Continuance Fee link. It is highly recommended that you pay your Continuance fee early in the biennium so that your completed courses will be properly credited to you and you may view your credited courses online.

7. Why do agents pay a Continuance fee?

The statute creating the Virginia CE program states, in § 38.2-1873 of the Code of Virginia: *“The continuing insurance education program established by this article shall be self-supporting, and any costs incurred by the Commission, administrator, or the Board or its members, including legal fees and other legal expenses incurred during or as a result of the good faith execution of their duties, shall be borne by the continuing insurance education fees paid by agents, course sponsors, and course instructors.”*

The fees from agents as well as course and instructor fees cover the costs of the program, including processing course and instructor approvals, on-site course audits, processing submissions from resident and nonresident agents, maintaining websites and online CE services, providing phone service and responding to inquiries, and producing and distributing agent Handbooks and agent notifications.

8. Have the compliance requirements changed for the 2009-2010 biennium?

No. Compliance requirements are the same as the previous biennium. Each agent with a CE requirement must complete 16 CE credits if he or she holds a single license. If the agent holds two or more licenses, he or she must complete 24 CE credits with at least eight credits applicable to each license type. All agents must complete two credits in Insurance Law and Regulations. No more than 75% of your required course credits for the current biennium can come from company-sponsored or agency-sponsored courses.

9. Are there any changes in procedure for the 2009-2010 biennium?

The Board has eliminated the need to claim course credits. However, this change does not relieve you of the responsibility to comply with your Virginia CE requirements including payment of the \$15 Continuance fee.

The requirements for the number and type of credits are unchanged. All credits must be completed by December 31, 2010. (See CE Compliance Schedule on page ii for statutory deadlines.)

10. How will course completions be reported?

CE sponsors must submit rosters to Pearson VUE within 30 calendar days of course completion. You should allow that amount of time, then check your transcript online at www.virginiainsurancece.com. Click on Review 2009-2010 CE Transcript. Transcripts will display all your credit information and those credits earned towards compliance. If the roster has not been submitted, contact the sponsor. Transcripts will be updated as soon as a roster is posted. Remember, you must pay your Continuance fee before courses will be applied to your CE compliance requirements.

11. Will I receive a certificate of course completion?

Yes. Sponsors must provide you with a certificate of course completion within 15 calendar days of a course completion. It is recommended that you visit the website www.virginiainsurancece.com and click on Review 2009-2010 CE Transcript to verify the information in your online transcript.

12. Will I receive a confirmation once the CE sponsor posts the course roster?

No. Pearson VUE will not send you a Confirmation of Credits Notice. It is recommended that you visit the website www.virginiainsurancece.com and click on Review 2009-2010 CE Transcript to verify the information in your online transcript.

13. Do I have to submit certificates to Pearson VUE?

No. Do not submit certificates of course completion to Pearson VUE or Sircon. All approved providers of CE will submit course completion rosters to Pearson VUE through Sircon. Agents are advised to retain course completion certificates in the event that a discrepancy occurs. However, credits will not count toward compliance until you have paid your \$15 Continuance fee.

14. How can I find out how many credits I have accumulated and my compliance status?

You may access the **Virginia insurance continuing education website at www.virginiainsurancece.com** and click on Review 2009-2010 CE Transcript to get up-to-date transcript information. For the protection of your privacy, you will be required to enter your Virginia License Number (not your SSN) and your last name to access this information online.

15. Do I have a CE requirement if my license/qualification was issued during the 2009-2010 biennium?

If you were issued a license/qualification during 2009, that license is subject to CE.

If you were issued a license/qualification during the second 12 months of the biennium (2010), you are NOT required to take Virginia CE courses, and are AUTOMATICALLY EXEMPT for that license/qualification for this biennium. The CE law recognizes that agents should have at least one full year available to complete CE requirements. However, if you do take any CE courses, you must pay the \$15 Continuance fee within the deadlines specified on page 3 to have the courses applied to carry over for the 2011-2012 biennium.

16. If I hold one license, what is the effect of adding another license/qualification?

If you hold two licenses/qualifications, one of which is exempt from CE for the current biennium, you must complete the CE requirements for the license/qualification that is **not** exempt. You will need to complete 16 credits for this license/qualification, including two credits in Insurance Law and Regulations.

If your new license/qualification is also subject to CE requirements for this biennium and is not one of the licenses/qualifications toward which the courses you have already taken can be applied (such as P&C agent and P&C consultant), you **must** complete 24 CE credits for each biennium, with at least eight credits applicable to each license type (unless the two licenses are an agent's license and the corresponding insurance consultant's license) and two credits in Insurance Law and Regulations.

You may take courses for the license/qualification that is exempt for CE this biennium, but unless these credits are Insurance Law and Regulations (ILR) or Other General Insurance (OGI), they will not apply to the license/qualification for which CE is required.

17. Can I receive credits for courses taken, but not required for this biennium?

Yes, but you **MUST** pay the \$15 Continuance fee before the filing deadline for the current biennium in order to “carry over” these credits into the next biennium. The sponsor must also submit a roster for the course. **If you do not pay the \$15 Continuance fee in the current biennium and wait until the following biennium to pay the fee, you will not be able to use the credits.** Credits reported to Pearson VUE will be eligible to be carried over to the next biennium and to be applied to the CE requirements for that biennium according to the license(s) subject to CE requirements that you hold at that time. The Board and the Bureau strongly encourage agents to begin completing CE courses immediately after receiving a license. **Credits will not be awarded for courses completed before your license was issued.**

18. Can I duplicate courses?

No, agents are not allowed to receive or carry over credit for the same course in the same biennium, but in a future biennium agents may take the course again and receive credit. Also, agents cannot receive CE credit for a duplicate course taught in alternative formats (classroom course, on-line course, video or audio conference, web-conference based, etc.) if the curriculum is based on the same published materials; this rule applies to any variation of course types.

19. Can I receive partial credit for part of a CE class that I attended?

NO. There are no provisions for awarding partial credits. However, if a student misses no more than 15 percent of a course, credits may be given. No credits will be given if a student misses more than 15 percent of the course under any circumstances.

20. Can I earn credit for teaching an approved course?

Yes, provided you have been approved by Pearson VUE as an instructor. You may receive credit only once in each biennium for teaching or attending a particular course. You may **NOT** receive “double” credit for a course that you took and taught during a biennium, nor may you carry either the course you took or the course you taught over to the next biennium. The number of credits you will receive for teaching a course will be the same as a student’s; no additional credits will be given for course preparation time. The sponsor must include you on the roster for the course and give you a certificate of course completion.

21. What are “Carryover Credits”? Can excess credits be carried over to the next biennium? How do I have carryover credits applied to this biennium?

“Carryover Credits” are credits that you accumulate during this biennium even though you did not need them for compliance for the current biennium. Such “excess” credits can be carried over to the next biennium for credit, subject to a few very important requirements:

- Credits may only be carried over for ONE biennium. If you do not use them in the next biennium, they expire.
- Carryover credits are automatically posted to your record for the next biennium following the end of this biennium’s record correction period. However, they will not be activated toward your compliance requirements until you pay the \$15 Continuance fee. Once on the website at www.virginiainsurancece.com, click on the Pay 2009-2010 \$15 Continuance Fee link.
- You can only receive credit once for courses taken in any biennium. Duplicate courses taken during a biennium may **NOT** be used for CE credit within the same biennium, nor may the credits be carried over to the next biennium. However, it is possible for you to take the same course in the next biennium and get credit for it if you wish to complete the same course in a separate biennium.

22. How can I find out which courses are available to agents?

You can obtain a list of courses in several ways:

- Go to www.virginiainsurancece.com and click on the Sponsor and Course Listings link. Various approved course lists by type and number of credits can be requested and displayed.
- Private course providers may send you solicitations for their courses. Be sure these courses are approved for Virginia CE credit and that the courses you take are appropriate for the license type(s) you hold.
- Companies and agencies with which you are associated may offer courses. Remember, however, that no more than 75 percent of your total credit requirements may be obtained from company-sponsored or agency-sponsored courses. It does not matter whether the sponsor is YOUR agency or company.
- Local professional societies (such as CPCU, CLU, LUTC, NAIW) and agents' associations (such as NAIFA-VA, PIAV, NAHU-VA, IIAV, VLTA) often provide courses open both to members and nonmembers, and some maintain lists of local course offerings in addition to their own.

23. Why don't I receive a new license after every biennium when I comply with CE?

Unlike many other states, Virginia's licensing law provides for a perpetual license. Since there is no renewal of your license, your CE compliance cannot be tied to renewal. However, failure to meet your CE requirements will result in termination of your license(s).

24. Whom do I have to notify about changes in my address?

You must notify the Bureau of a residence address change within 30 calendar days. You may change your address online at <http://scc.virginia.gov/division/boi/webpages/boiproducer.htm>. Pearson VUE does not process changes of address on behalf of the Bureau.

25. How do I contact the Board directly?

The Board is comprised of individuals who perform their service on the Board on a voluntary basis. The Board has delegated the day-to-day operation of the CE program to its contracted administrator, Pearson VUE. *Therefore, all telephone calls regarding the CE program should be directed to Pearson VUE's toll-free number for Virginia CE, 877-234-6093, and all correspondence should be directed to the Board c/o Pearson VUE, VACE, P.O. Box 8588, Philadelphia, PA 19101-8588. You can email Pearson VUE at Virginiainsurancece@pearson.com.*

26. What must nonresident Virginia licensees do to comply with Virginia's CE law?

Nonresident Reciprocity

Virginia law is reciprocal with CE laws of all other states, and permits nonresident agents to comply with Virginia's CE requirements by complying with the CE requirements in their home state. Therefore, nonresident agents' only requirement is to pay the \$15 Continuance fee on or before February 28, 2011. The Continuance fee should be paid online at www.virginiainsurancece.com.

The payment will trigger Pearson VUE to verify your home state status through the NAIC's National Producer Data Base (PDB) lookup. DO NOT submit a hard copy Letter of Certification or PDB printout. You can check your compliance status online at the same web address as above under the Review 2009-2010 CE Transcript link.

Be sure to take action well in advance of the filing deadline to allow adequate processing and delivery time.

Complying with the CE requirements in your home state DOES NOT automatically exempt you from filing for your Virginia exemption. This exemption is NOT permanent, and must be applied for each biennium. **To comply with Virginia law, and to avoid losing your Virginia nonresident license, you must pay the \$15 Continuance fee each biennium.**