



Office of the Lieutenant Governor

Division of Banking and Insurance

Virgin Islands

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BULLETIN 2013-01

TO: ALL AGENTS OR BROKERS SPONSORING APPRENTICE AGENTS OR SOLICITORS

RE: APPRENTICE AGENTS OR SOLICITORS

It has come to the Division's attention that a number of insurance agents are allowing their apprentice agents and apprentice solicitors to solicit and directly transact insurance with persons in the public, without any involvement by the licensed agent, other than the signing of the policy. Sections 758 and 768 of Title 22, Virgin Islands Code provides as a requirement to qualify for an agent or solicitor license an applicant must among other requirements successfully pass an insurance examination and if for an agent license, be appointed by one or more authorized insurer.

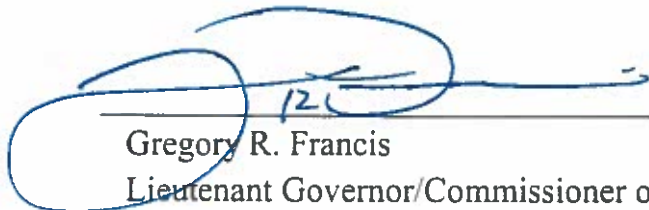
Section 751 of Title 22, Virgin Islands Code defines an agent as "any person appointed by an insurer to solicit applications for insurance on its behalf ..." In addition, it defines a solicitor as "an individual authorized by an agent or broker to solicit applications for insurance as a representative of such agent or broker..." The word apprentice by its common definition means a person who works for another in order to learn a trade. The intent of Section 788 of Title 22, Virgin Islands Code is that the apprentice agent or apprentice solicitor would be shadowing the licensed agent or broker in order to learn about the insurance industry prior to being required to pass the insurance examination and obtain an insurance agent or solicitor license. As such, an apprentice agent or apprentice solicitor should not be performing solicitation or insurance

transactions on their own outside of the supervision of the licensed agent or broker. Any solicitation or transaction must be performed by a licensed agent and broker with the appropriate license.

Accordingly, any licensee found to be transacting insurance business outside of the supervision of the agent or broker will be held in violation of the law and all applicable penalties and enforcement actions will be brought against the licensee. Please also note the agent or broker responsible for the supervision of the apprentice agent or apprentice solicitor will be responsible for all actions and promises of their apprentice and will be subject to all applicable penalties and enforcement actions for their failure to adequately supervise these individuals.

Dated this 22ND day of July 2013 at St. Croix, U.S. Virgin Islands





Gregory R. Francis
Lieutenant Governor/Commissioner of Insurance