



Vermont . . .

**Department of Banking, Insurance, Securities
and Health Care Administration**

**Vermont Department of Banking, Insurance, Securities
& Health Care Administration**

Insurance Division Bulletin No. 157

Limited Lines Producer Licenses

This Bulletin is intended to clarify Department policy and practices with respect to the issuance of limited lines producer licenses, and is issued by the Commissioner pursuant to the authority conferred on her by law, including 8 V.S.A. sections 15 and 10, and 8 V.S.A. chapter 131. Pursuant to Title 8 V.S.A. section 4813h(d), the Commissioner may allow a person licensed as a limited lines producer in his or her home state to receive a nonresident limited lines producer license granting the same scope of authority as granted under the license issued by the individual's home state.

It is the Department's policy and practice to issue the following limited lines producer licenses to resident and non-resident applicants:

1. Credit Insurance Limited Lines Producer License

As used in this Bulletin, "credit insurance" means credit life, credit disability, credit property, credit unemployment, involuntary unemployment, mortgage life, mortgage disability, guaranteed automobile protection (gap) insurance, which are hereby designated as forms of limited line credit insurance for purposes of this Bulletin, and any other form of insurance offered to a consumer in connection with an extension of credit to such consumer that is limited to partially or wholly extinguishing such credit obligation and which the Commissioner designates as a form of limited line credit insurance for purposes of this regulation. The term "credit insurance" shall not include Private Mortgage Insurance.

2. Crop Insurance Limited Lines Producer License

As used in this Bulletin, "crop insurance" is insurance providing protection against damage to crops from unfavorable weather conditions, fire or lightning, flood, hail, insect infestation, disease or other yield-reducing conditions or perils provided by the private insurance market, or that is subsidized by the Federal Crop Insurance Corporation, including Multi-Peril Crop Insurance.

3. Rental Car Insurance Limited Lines Producer License

As used in this Bulletin, "rental car insurance" means insurance offered, sold or solicited in connection with and incidental to the rental of rental cars, whether at the rental office or by pre-selection of coverage in master, corporate, group or individual

agreements that: (i) is not transferable; (ii) applies only to the rental car that is the subject of the rental agreement; and (iii) is limited to the following kinds of insurance:

(a) Personal accident insurance for renters and other rental car occupants, for accidental death or dismemberment, and for medical expenses resulting from an accident that occurs during the rental period;

(b) Liability insurance, which must include uninsured or underinsured motorist coverage that provides protection to the renters and to other authorized drivers of a rental car during the rental period;

(c) Personal effects insurance that provides coverage to renters and other vehicle occupants for the loss of, or damage to, personal effects in the rental car for liability arising from the operation of the rental car during the rental period;

(d) Roadside assistance and emergency sickness protection insurance; and

(e) Such other travel or vehicle related coverage that a rental car company may offer in connection with, and incidental to, the rental of a rental car as may be approved by the Commissioner.

4. Surety Limited Lines Producer License

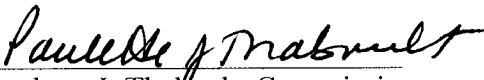
As used in this bulletin, “surety” means insurance or a bond that covers obligations to pay the debts of, or answer for the default of another, including faithlessness in a position of public or private trust. For purposes limited lines licensing, the term “surety” does not include bail bonds.

5. Travel Accident/Travel Baggage Insurance Limited Lines Producer License

As used in this Bulletin, “travel accident/travel baggage insurance” means insurance coverage for trip cancellation, trip interruption, baggage, life, sickness and accident, disability, and personal effects when limited to a specific trip and sold in connection with transportation provided by a common carrier.

For more information about limited lines producer licensing please visit the Department’s Website at www.bischca.state.vt.us.

Dated this 22 day of January, 2010.


Paulette J. Thabault, Commissioner