

Licensing and Appointment Requirements Affecting Override Commission Payments

Many states have passed the Producer Licensing Model Act (PLMA), or a version of the original Act. The PLMA modified and streamlined rules pertaining to agent licensing and appointments and in some forms, allows for individuals and corporations to receive commissions on business without obtaining a non-resident license and/or appointment. In certain states, ING Companies will permit payment of commissions to individuals or corporations **not directly involved in the sale, solicitation or negotiation of the insurance contract.**

The individual or corporation must be properly contracted with the appropriate ING Company.

The individual or corporation must hold a license and appointment in their resident state.

This only applies to fixed life and annuity business, not variable life and annuity business.

This only applies to override commissions on non-resident business.

States that currently allow payment of non-resident override commissions without a license/appointment:

Alabama	Alaska	Arizona	Arkansas	California
Colorado	Connecticut	Delaware	D.C.	Hawaii
Idaho	Illinois	Indiana	Iowa	Kansas
Louisiana	Maine	Maryland	Michigan	Minnesota
Mississippi	Missouri	Nebraska	Nevada	New Hampshire
New Jersey	New York	North Dakota	Ohio	Oklahoma
Oregon	Rhode Island	South Carolina	South Dakota	Tennessee
Vermont	Wyoming			

For the above states, ING will permit payment of commissions to individuals or corporations, not directly involved in the sale, solicitation, or negotiation of insurance, who are not insurance licensed or company appointed in that state. If an agent participates in the sale in any way, they must obtain the necessary state license and appointment with the company.

There are 14 states that still require non-resident licensing and appointment in order to receive commissions on business sold in those states, even if the individual or corporation was not directly involved in the sale, solicitation or negotiation of business.

Florida	Georgia	Kentucky	Massachusetts	Montana
New Mexico	North Carolina	Pennsylvania	Texas	Utah
Virginia	Washington	Wisconsin	West Virginia	

Anyone receiving compensation in the fourteen states noted above must be appropriately insurance licensed and appointed at the time of solicitation and commission payment in order to receive their compensation