

**40-4904. Same; license; exemptions.** (a) No provision of this act shall be construed to require an insurer to obtain an insurance agent license. For the purposes of this section, the term "insurer" shall not include any officer, director, employee, subsidiary or affiliate of an insurer.

(b) The provisions of this act shall not apply to:

(1) Any officer, director or employee of an insurer or an insurance agent who does not receive any commission on any policy written or sold to insure any risk residing, located or to be performed in this state and:

(A) Such officer's, director's or employee's activities are executive, administrative, managerial, clerical, or any combination thereof, and not directly related to the sale, solicitation or negotiation of insurance;

(B) such officer's, director's or employee's assigned duty relates to underwriting, loss control, inspection or the processing, adjusting, investigating or settling of any claim on a contract of insurance; or

(C) such officer, director or employee:

(i) Acts as a special agent or agency supervisor assisting insurance agents;

(ii) limits such person's activities to providing technical advice and assistance to licensed insurance agents; and

(iii) does not sell, solicit or negotiate insurance.

(2) Any person who performs one or more of the services listed below but who receives no commission for the performance of such service:

(A) Secures and furnishes information for the purpose of group life insurance, group property and casualty insurance, group annuities, group or blanket accident and health insurance;

(B) secures and furnishes information for the purpose of enrolling individuals under such insurance plan; issuing certificates under such insurance plan or otherwise assisting in administering such insurance plan; or

(C) performs administrative services related to mass marketed property and casualty insurance where no commission is paid to such person for such service.

(3) Any employer or business entity, any officer, director, employee of such business entity, or the trustee of an employee trust plan, engaged in the administration or operation of a program of employee benefits for the employees of such employer or business entity, which involves the use of insurance issued by an insurer, so long as any person involved with such program of employee benefits is not compensated in any manner, directly or indirectly, by the company issuing the insurance contract.

(4) Any employee of an insurer, or any organization employed by an insurer, who does not participate individually in the sale, solicitation or negotiation of insurance that:

(A) Engages in the inspection, rating or classification of risks; or

(B) engages in the supervision of the training of insurance agents.

(5) Any person who does not sell, solicit or negotiate insurance that would insure any risk residing, located or to be performed in this state and who limits such person's activities in this state to advertising through any communication in any printed publication or any form of electronic mass media.

(6) Any person who is not a resident of this state who sells, solicits or negotiates a contract of insurance for commercial property and casualty risks to an insured having risks insured under that contract located in more than one state, whenever:

(A) Such person is licensed as an insurance agent to sell, solicit or negotiate such insurance in the state where the insured maintains such insured's principal place of business; and

(B) the contract of insurance insures risks located in that state.

(7) Any salaried full-time employee who:

(A) Advises such employee's employer regarding the insurance interests of such employer or such employer's subsidiaries or business affiliates; and

(B) does not sell or solicit insurance or receive a commission from the sale or solicitation of such insurance.

(8) Any person who arranges for the inclusion of insurance in a credit transaction under the applicable provisions of the uniform consumer credit code, K.S.A. 16a-1-101 et seq., and amendments thereto.

(9) Any bank or officer or employee thereof who collects and remits a premium by charging such premium against the account of a depositor on the order of such depositor.

(10) Any agent selling credit life, health and accident insurance issued exclusively in connection with a commercial loan.

(11) Any person who arranges for the inclusion of insurance in consumer credit transactions as defined in the uniform consumer credit code, K.S.A. 16a-1-101 et seq., and amendments thereto.

(12) Any person who arranges for the inclusion of insurance in any real estate mortgage transaction.

(13) Any full-time student who is enrolled in an accredited high school in this state while such student participates in an insurance project sponsored by a bona fide junior achievement program.

**History:** L. 2001, ch. 91, § 4; July 1.