

**SOUTH CAROLINA
CONTINUING EDUCATION
FREQUENTLY ASKED QUESTIONS**

QUESTIONS

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WHO MUST COMPLY WITH CE REQUIREMENTS

1. Who is required to meet the continuing education requirements?

All licensed resident producers in South Carolina who are not exempt must complete 24 hours of continuing insurance education including 3 hours of ethics and pay the CE recordkeeping fee. Nonresident producers must pay the recordkeeping fee.

However those individuals who have a resident CE and License renewal requirement for 2011 need to complete 12 hours of continuing education hours. Three of these hours must be in Ethics. The remaining nine hours may be taken in any line of authority. Upon completing your 2011 requirements you will then need to fulfill the 24 hours of continuing education including 3 hours of ethics for your 2013 period. Extensions will **not** be granted.

2. Who is exempt from meeting the CE requirements?

An insurance producer licensed for limited lines is exempt from the provisions of Section 38-43-106.

**CREDIT REQUIREMENTS, CARRYOVER CREDITS AND
APPROVED COURSE INFORMATION**

3. How many credit hours must I earn to meet the requirements?

A total of 24 hours is required by the end of your compliance period. Of those 24 credit hours, at least three hours must be from courses categorized as Ethics.

However those individuals who have a resident CE requirement for 2011 need to complete 12 hours of continuing education hours. Three of these hours must be in

Ethics. The remaining nine hours may be taken in any line of authority. Upon completing your 2011 requirements you will then need to fulfill the 24 hours of continuing education including 3 hours of ethics for your 2013 period. Extensions will **not** be granted.

4. What if I hold both a life, health and accident and a property and casualty license?

If you hold a property and casualty license and a life, accident and health license you must complete at least eight of the twenty-four required hours in courses related to each of these lines of authority, plus three hours of Ethics. If you earn more than three Ethics credits, they will be applied towards your 24 hours credit total requirement.

5. What if I received a reduction in CE hours by December 31, 2009?

Producers that received a reduction in hours will only have to complete 15 hours of CE biennially. Three hours must be in Ethics. Producers with reduced compliance and hold multi-lines must complete 6 hours in Property & Casualty, 6 hours in Life, Accident and Health and 3 hours of Ethics. Producers that add additional lines of authority or allow their licenses to become inactive will lose their reduction in hours.

6. Can I repeat a CE course within the biennial period?

If you successfully complete an approved course, you may not repeat the course and receive certification within two years of its original completion date.

7. Can I carry over credits to the next biennium?

Producers who accumulate credits in excess of the continuing education requirements for a biennium may apply a maximum of 18 credits to the next compliance period.

8. How will I know which courses will qualify for continuing education credit hours?

You may access a list of approved courses on Prometric's Web site: www.prometric.com. On advertisements, look for courses which have been approved for South Carolina continuing insurance education credit. If you have any doubt, call Prometric at 1-800.490.6551. You may also request a listing of all approved courses and sponsors by calling Prometric at that number.

9. Can I receive CE credit for maintaining an insurance designation?

Yes. Credit hours earned to maintain the following designations may be used toward the 24 hour credit requirement: Chartered Life Underwriter (CLU), Fellow, Life Management Institute (FLMI), Certified Financial Planner (CFP), Life Underwriter Training Council Fellow (LUTCF), Registered Health Underwriter (RHU), Registered Employee Benefit Consultant (REBC), or Chartered Financial Consultant (CHFC) for a life, accident, and health license, or Chartered Property and Casualty Underwriter (CPCU) or Certified Insurance Counselor (CIC) for a property and casualty license. Many courses for maintenance of a designation are already approved for CE credit. Verify with the sponsor whether the course is approved for South Carolina CE credit. If so, you will

receive credits in the normal manner. If not, send evidence of course completion to Prometric with a cover letter to claim the credits.

NONRESIDENT REQUIREMENTS

10. How do nonresident licensed producers comply with CE requirements?

Nonresident producers are not required to send an original home state letter of certification, PDB printout or other hard copy documentation showing proof of good standing in their home state. Home state status verification will be done by Prometric using the NAIC Producer Database (PDB) once the required CE reporting fee is paid.

FEES

11. What is the CE reporting fee?

The annual fee is \$7.50 per year. Resident and nonresident producers subject to the CE requirement must pay the CE reporting fee in EACH year of the compliance period. The fee must be paid by the last day of your birth month. Producers cannot be compliant if the fee is not paid even if other requirements have been met.

12. How can I pay the fee?

Prometric will send a fee notice to your address of record 90 days prior to the end of your compliance period. You may pay your reporting fees on Prometric's web site: www.prometric.com.

You may also pay by check, American Express, Visa or MasterCard. Make checks payable and mail to: Prometric, ATTN: SC CE Fees, 1260 Energy Lane, St. Paul, MN 55108.

13. What happens if I fail to pay my fee by the last day of my birth month?

Your license will lapse. If the fee is paid late, in addition to payment of the fee a \$50 late penalty fee must be paid to the South Carolina Department of Insurance. You cannot be compliant unless the fee is paid. See FAQ 26 for details about consequences of non-compliance.

FILING AND COMPLIANCE DEADLINE

14. What is the date by which I must complete 24 hours of South Carolina CE?

On June 2, 2009, the Governor signed into law Act No.69. This new law requires all licensed producers except limited lines producers and exempt producers to complete continuing education (CE) requirements biennially by the end of their birth month. Producers born in an odd numbered year must comply biennially by the end of their birth month every odd numbered year. Producers born in an even numbered year must comply by the end of their birth month every even numbered year. Producers must also renew their license by the end of their birth month in an odd or even numbered year. No one is exempt from renewal requirements except limited lines producers with travel baggage only.

EXEMPTIONS, EXTENSIONS AND HARDSHIP EXTENSIONS

15. How can I be exempt from CE requirements?

South Carolina law allowing these exemptions has been repealed effective January 1, 2010. No new exemption requests will be honored. Producers that were granted an exemption prior to January 1, 2010 will remain exempt. However, exempt producers that add a new line of authority or allow their license to become inactive will lose their exemption status and will be required to comply with all CE requirements.

16. Can I receive an extension beyond my compliance deadline?

No, South Carolina law allowing extensions has been repealed effective May 2, 2010.

17. What if I get critically ill or cannot work or take courses?

Hardship waiver requests may only be granted for good cause and must be made in writing prior to the end of your compliance period. The CE recordkeeping fee must still be paid to Prometric by your compliance period deadline. The request for a hardship waiver must be received prior to the end of the producer's individual compliance period.

REPORTING CREDIT HOURS AND COMPLIANCE

18. How will credit hours be counted and reported?

The course sponsor must give you a certificate of course completion. They must also provide this information to Prometric, the CE Administrator, electronically or on an approved roster.

19. Am I required to provide my Social Security number to CE providers or to Prometric?

No. Prometric's system only accepts your South Carolina license number. You must provide your license number.

20. How will I demonstrate that I have completed the CE requirements to the CE Administrator?

Producers can verify their credits and compliance status at Prometric's web site: www.prometric.com or by calling Prometric's toll-free number at 1-800.490.6551.

21. How will I know if I have not complied with my CE requirement?

Approximately 90 days before your compliance deadline Prometric will mail a warning notice to the address of record for each resident and nonresident producer who is not yet compliant. Producers should contact Prometric to find out if they have complied with CE.

22. How will my company know that I have completed the required CE hours?

On or about June 1, 2011, Prometric will furnish each insurer a report of the continuing education status of all of its producers. In addition, insurers can go do a search of SC's database to determine which producers have lapsed for their company.

REQUIREMENTS FOR NEWLY LICENSED PRODUCERS

23. What are the requirements for a newly licensed resident producer?

A total of 24 hours is required by the end of your compliance period. Of those 24 credit hours, at least three hours must be from courses categorized as Ethics. In addition, an annual fee of \$7.50 is required. Resident producers subject to the CE requirement must pay the CE reporting fee in EACH year of the compliance period. The fee must be paid by the last day of your birth month. Producers cannot be compliant if the fee is not paid even if other requirements have been met.

Extensions will **not** be granted.

24. What are the requirements for a newly licensed nonresident producer?

It depends on the date the producer is licensed. Producers newly licensed in 2010 are not required to complete CE until 2012 or 2013, depending on their birth month and birth year. Effective January 1, 2012 nonresidents will no longer be required to pay a CE fee.

ADDING A NEW LINE OF AUTHORITY

25. Will I receive credit for adding a new line of authority during the compliance period?

No. The laws have been changed to remove a requirement for pre-licensing education. Hence no CE credit will be awarded on the basis of completing such a course for an additional line of authority.

CONSEQUENCES OF FAILURE TO COMPLY

26. What happens if I do not earn my CE credit hours or meet nonresident compliance requirements?

The failure of any licensee to pay the recordkeeping fee and/or meet the biennial continuing education requirement will result in the lapse of his or her license on the last day of the birth in the year the licensee has to comply. Resident producers may reinstate a license by providing documentation to the South Carolina Department of Insurance that the proper 24 hours of continuing education have been completed and submitted to Prometric, and submitting the recordkeeping fee if it has not been paid. The producer must also pay a \$50 penalty fee to the Department. Once the Department notifies Prometric that the penalty has been paid, Prometric will process the payment and apply the credits

Nonresidents may reinstate a license by submitting the recordkeeping fee to Prometric, if it has not been paid. The producer must also pay a \$50 penalty fee to the South Carolina Department of Insurance. Once the Department notifies Prometric that the penalty has been paid, Prometric will process the payment and do the home state status verification.

Proof of completing the necessary hours AND paying the recordkeeping fee must be received by Prometric, and the \$50 penalty fee must be received by the South Carolina Department of Insurance within six months after the end of their license being lapsed. Nonresidents must pay the recordkeeping fee to Prometric and the \$50 penalty fee to the South Carolina Department of Insurance within six months after the end of their compliance period. After that date, resident and nonresident producers whose licenses have lapsed will have their license and qualifications canceled. In order to regain licensure the resident producer will be required to pass the state licensing exam and meet all requirements to become re-licensed. Nonresident producers will be required to reapply for licensure.

HOW TO CONTACT THE CE ADMINISTRATOR

27. How can I contact the CE administrator?

Contact Prometric by email at pro.ce-services@prometric.com, by phone at 1.800.490.6551 or by fax at 1.800.735.7977. Program information and additional services are available at their Web site: www.prometric.com. The mailing address is:

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