



BOB RILEY
GOVERNOR

STATE OF ALABAMA
DEPARTMENT OF INSURANCE
201 MONROE STREET, SUITE 1700
POST OFFICE BOX 303351
MONTGOMERY, ALABAMA 36130-3351
TELEPHONE: (334) 269-3550
FACSIMILE: (334) 241-4192
INTERNET: www.aldoi.gov

WALTER A. BELL
COMMISSIONER
ASSISTANT COMMISSIONER
REN WHEELER
DEPUTY COMMISSIONER
D. DAVID PARSONS
CHIEF EXAMINER
RICHARD L. FORD
STATE FIRE MARSHAL
EDWARD S. PAULK
GENERAL COUNSEL
REYN NORMAN
RECEIVER
DENISE B. AZAR
LICENSING MANAGER
JIMMY W. GUNN

BULLETIN

TO: All Life Insurers Licensed in Alabama

FROM: Walter A. Bell, Commissioner of Insurance 

DATE: July 9, 2008

RE: Required Reporting of Disciplinary Actions Pursuant to the *Military Personnel Financial Services Protection Act*, Pub. L. No. 109-290 (2006)

Subsection 12(a) of the *Military Personnel Financial Services Protection Act*, Pub. L. No. 109-290 (2006), prohibits an insurer after September 1, 2007, from entering into or renewing a contractual relationship with an agent or other person who sells life insurance on a military installation unless the insurer has implemented a *system* to report disciplinary actions taken by: (1) the insurer or (2) *any* Federal or State government entity against its agents for conduct occurring on a military installation. The insurer is required to report such disciplinary actions to both its domiciliary regulator and to the agent's resident regulator ("The Federal Reporting Requirement").

To simplify the Federal Reporting Requirement for insurers, the NAIC has implemented a Military Sales Online Reporting System that may be accessed at the following Web link of the National Association of Insurance Commissioners: <https://external-apps.naic.org/msors/>. The Military Sales Online Reporting System will, in turn, forward the reported information to all appropriate state insurance departments. Reporting via Military Sales Online Reporting System will satisfy the mandate of the Federal law. We strongly encourage insurers to use the Military Sales Online Reporting System.

All insurers doing business in this state must comply with the "Federal Reporting Requirement" and shall demonstrate to the Commissioner, upon request, that they have complied with the reporting requirements.

This state has also adopted a regulation setting forth standards to protect active duty service members of the United States Armed Forces from dishonest and predatory insurance sales practices, declaring certain identified practices to be false, misleading, deceptive or unfair. A copy of Alabama Insurance Regulation, Chapter 482-1-140, can be accessed from this department's Web site at <http://www.aldoi.gov/Word/Legal/Reg140.doc>.

WAB/RN/ct