##### Part III - Section I – Appendix M Limited Line Term Resolution

**LIMITED LINE TERM LIFE RESOLUTION** June 14, 2005

Where As, the NAIC membership adopted the Producer Licensing Model Act in 2000, which established life insurance as a major line of authority and defines the life insurance line of authority as insurance coverage on human lives including benefits of endowment and annuities, and may include benefits in the event of death or dismemberment by accident and benefits for disability income;

Where As, the NAIC membership adopted the Uniform Licensing Standards in 2002, which confirmed the establishment of the six major lines of authority set forth in the Producer Licensing Act and established the following five core limited lines:

1. Car Rental, (2) Credit, (3) Crop, (4) Surety and (5) Travel;

Where As, the NAIC membership adopted the Regulatory Modernization Action Plan in 2003, which sets forth that NAIC members will build upon the regulatory framework established by the Uniform Licensing Standards adopted in 2002 and will continue the implementation of a uniform, electronic licensing system for individuals and business entities that sell, solicit or negotiate insurance while preserving the necessary consumer protections;

Where As, representatives of the insurance industry have presented individual NAIC members with a proposal for the establishment of a limited line license for producers to sell term life insurance;

Where As, this issue has been communicated by individual NAIC members to the NAIC’s Producer Licensing Working Group of the Market Regulation & Consumer Affairs (D) Committee for consideration;

Where As, the Producer Licensing Working Group recognizes the producer licensing process, which includes prelicensing education, testing and continuing education requirements, ensures individuals selling, soliciting or negotiating insurance have the minimum level of competency and knowledge to engage in such activities;

Where As, consumer protection, consistency and uniformity of state insurance regulation are of the highest priority for state insurance regulators;

Now Therefore, the NAIC rejects any and all proposals which directly or indirectly establish a limited line license for producers to sell term life insurance.