



Mark Gordon
Governor

THE STATE OF WYOMING
Department of Insurance
106 E. 6th Ave. ▪ Cheyenne, Wyoming 82002

Jeffrey P. Rude
Commissioner

MEMORANDUM

TO: INSURERS AND RESIDENT AND NON-RESIDENT INSURANCE PRODUCERS

FROM: BRYAN STEVENS, LICENSING SUPERVISOR

RE: TERMINATION OF APPOINTMENTS

DATE: JUNE 8, 2022

It has come to the attention of the Department that some insurers and producers are not aware of their rights and responsibilities with respect to termination of appointments, employment contracts, or other insurance business relationships between insurers and producers. This Memorandum is intended to clarify the statutory requirements on both insurers and producers should this circumstance arise.

Pursuant to Wyo. Stat. § 26-9-214, if an insurer terminates the appointment, employment, contract or other insurance business relationship with an insurance producer for any reason, there are specific notification requirements for the insurer as follows:

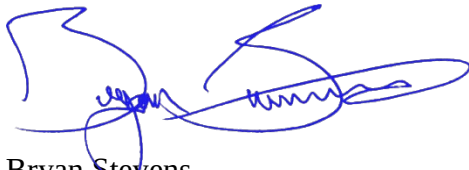
1. Within thirty (30) days following the effective date of the termination, the insurer must notify the Department using a form prescribed by the commissioner. Under Chapter 16 of the Department rules and regulations, if the termination is for cause and involves activities that could lead to probation, suspension, revocation or refusal to issue or renew a license pursuant to Wyo. Stat. § 26-9-211, the Department requires the insurer to use the [Termination for Cause form](#). The insurer must provide supporting documentation or other information pertaining to the termination or activity of the producer to the Department. An insurer has a continuing duty to update the information provided to the Department regarding the reason for the termination if additional relevant information is subsequently discovered.
2. Within fifteen (15) days after notifying the commissioner of the termination of the business relationship with the producer, the insurer is also required to mail a copy of the termination notification to the producer at his/her last known address.

When a producer receives the written notification from the insurer regarding the termination of the business relationship, the producer then has the opportunity to provide rebuttal information to the Department regarding the allegations in the termination notice. If the producer wishes to rebut the allegations of the insurer, the producer must follow the deadlines identified in Wyo. Stat. § 26-9-214(d). Specifically:

1. Within thirty (30) days after the producer has received the notification of termination, he/she may file with the Department written comments concerning the substance of the termination notification. A copy of the producer's written comments must also be sent to the insurer.

The statute is explicit that the obligation to provide rebuttal information to the Department is on the producer and not on the insurer. The process identified in Wyo. Stat. § 26-9-214 affords the producer the opportunity to present their position regarding the termination.

If there are further questions regarding the reporting obligations with regard to termination of appointments, please feel free to contact Bryan Stevens, Licensing Supervisor, at the Wyoming Department of Insurance.



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