

AGENT SERVICES

TO: All Insurance Companies
All Motor Clubs
All County Farm Mutual Companies

FROM: Teresa Knowles, Assistant Deputy Commissioner
Agent Services Division

DATE: November 18, 2011

RE: 2012-2013 Company Appointment Renewal Billing Process

For the 2012-2013 annual company appointment renewal billing, the North Carolina Department of Insurance will process appointment renewals for Producer (all six major line of authority licenses), Auto Physical Damage, Medicare Supplement/Long Term Care, Limited Representative, Title Insurance, Credit Agent, and County Farm Mutual Agent electronically through the National Insurance Producer Registry (NIPR).

Electronic processing through NIPR is mandatory for **ALL** insurance companies, motor clubs, and county farm mutual companies pursuant to the requirements of 11 NCAC 06A.0501.

Please carefully review the following information detailing how the annual appointment renewals will be processed through NIPR:

- Electronic processing through NIPR is mandatory and payment cannot be sent directly to the Agent Services Division.
- The NIPR website is <http://www.nipr.com/>.
- Terminations for appointments that you do not wish to renew **must be processed no later than 5 pm January 25, 2012** to allow sufficient time for posting to the Producer Database (PDB) before the renewal billings are created. Any appointment that is active on PDB when the invoices are created will be included on the invoice and payment is required.
- Appointments and Terminations **submitted after 5 pm January 25, 2012 will be held by NIPR in the Gateway AV (Awaiting Validation) status until February 1, 2012. YOU WILL BE BILLED AND MUST PAY THE ANNUAL APPOINTMENT FEE FOR TERMINATIONS YOU SUBMIT DURING THIS TIME PERIOD.**
- On February 1, 2012, the NIPR website will have the annual appointment renewal invoice due and a list of company appointments which will be renewed by payment of the invoice. Companies with no active appointments as of January 25, 2012 will not have an invoice on NIPR.

- Companies cannot terminate or cross-off any names from the invoice.
- The Department will not renew any appointments if payment is less than the amount due.
- Invoice payments are due by **April 1, 2012**. We are allowing a short grace period for you to pay via NIPR until May 16, 2012. **All invoices not paid by this date will be removed from the website.**
- The Department will cancel all company appointments if the annual appointment renewal invoice is not paid by **May 16, 2012**.

IMPORTANT RECONCILIATION INFORMATION

Agent Services Division requires that companies utilize NIPR's Company Appointment Reconciliation Report (CARR)* to terminate appointments of insurance producers who no longer represent the company. The CARR is designed to facilitate the appointment renewal process for regulators and for the insurance industry. NIPR customers can use the CARR to create a listing of active appointments for a specific company in a specific state. The CARR has the functionality of completing "Not for Cause" terminations directly from the report allowing you to reconcile your company's insurance producer listing against the Producer Database (PDB). Terminations are generated electronically through the NIPR Gateway.

If you have any questions about the CARR, please contact NIPR Customer Service at 816-783-8468 or e-mail them at customerservice@nipr.com. If you have any other questions, please contact the Agent Services Division at (919)807 6800.

*NOTE: The CARR report is available to insurance companies through NIPR; the Agent Services Division will not provide a report because it is available via CARR.

Please forward this memorandum if you contract with a third party vendor to process appointments and terminations.