

LARRY HOGAN  
Governor

BOYD K. RUTHERFORD  
Lt. Governor



AL REDMER, JR.  
Commissioner

NANCY GRODIN  
Deputy Commissioner

VICTORIA AUGUST  
Associate Commissioner  
Compliance & Enforcement

200 St. Paul Place, Suite 2700, Baltimore, Maryland 21202  
Direct Dial: 410-468-2217 Fax: 410-468-2245  
Email: [victoria.august@maryland.gov](mailto:victoria.august@maryland.gov)  
1-800-492-6116 TTY: 1-800-735-2258

**Bulletin 15-22**

**Date: July 16, 2015**

**To: All Insurers and Insurance Producers**

**Re: Clarification on Commission Sharing- Insurance Producers**

---

The purpose of this Bulletin is to clarify the circumstances under which a licensed and appointed producer may pay a referral fee, split a commission, or offer other valuable consideration to a licensed but non-appointed producer in exchange for a referral of an insurance applicant.

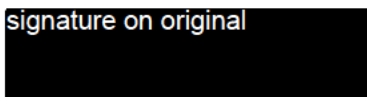
Section 10-103(c)(2) of the Maryland Insurance Code provides that before a person acts as an insurance producer in the State, the person must obtain: (1) the relevant license; and (2) "if acting for an insurer, an appointment from the insurer." Section 10-130(a) provides, in relevant part, that "a commission, fee, reward, rebate, or other consideration for selling, soliciting, or negotiating insurance may not be paid, directly or indirectly to a person other than a licensed insurance producer."

A licensed insurance producer is not required to be appointed by an insurer in order to receive a referral fee, commission split, or other valuable consideration in exchange for a referral of an applicant to an insurer or its appointed producer.

Any questions regarding this Bulletin should be addressed to Victoria August, Associate Commissioner, Compliance and Enforcement at: [victoria.august@maryland.gov](mailto:victoria.august@maryland.gov) or 410-468-2217.

**Alfred W. Redmer, Jr.**  
**Commissioner**

signature on original

By:   
Victoria August, Associate Commissioner  
Compliance and Enforcement