

40-4910. Same; commissions, service fees or brokerage fees prohibited; exceptions. (a) No insurance company or insurance agent shall pay a commission, service fee, brokerage or other valuable consideration to a person for selling, soliciting or negotiating insurance in this state if that person is required to be licensed under this act and is not so licensed.

(b) No person shall accept a commission, service fee, brokerage or other valuable consideration for selling, soliciting or negotiating insurance in this state if that person is required to be licensed under this act and is not so licensed.

(c) Renewal or other deferred commissions may be paid to a person for selling, soliciting or negotiating insurance in this state if:

(1) Such person was required to be licensed under this act at the time the sale, solicitation or negotiation of insurance occurred; and

(2) such person was licensed as required by this act when the sale, solicitation or negotiation of insurance occurred.

(d) An insurance agent may place a kind or kinds of business, for which such insurance agent is licensed pursuant to this act, with an insurer for which such insurance agent is not an agent, by placing such business through an agent of such insurer.

(e) An insurance agent may divide or share in commissions with other agents licensed to write the same kind or kinds of insurance provided the solicitation of such business shall be subject to subsection (d).

(f) Any insurance agent may pay or assign a commission, service fee, brokerage or any other valuable consideration to an insurance agency or any financial holding company which does not sell, solicit or negotiate insurance in this state unless such payment or assignment violates any provision of K.S.A. 40-2404, and amendments thereto.

History: L. 2001, ch. 91, § 10; July 1.