

Ethics Guidelines

Recently, Bulletin INS No. 06-043-AB required that three (3) of the twenty-four (24) hours of continuing education credits be in ethics for producers in the state of New Hampshire. This change will take effect on January 1, 2007.

To be approved, an ethics training course must reinforce a producer's ethical competence, must contribute to a producer's understanding of the complexities of ethical decision-making in the insurance industry, and must provide tools to help an insurance professional identify, prevent and constructively resolve ethical dilemmas.

As you determine if your course(s) would meet this new requirement, please keep the following questions in mind:

1. Does this course contribute to a producer's understanding of his/her ethical responsibilities?
2. Does the course give examples of "good" licensee conduct, as well as examples of "bad" licensee conduct?
3. Does this course contribute to a producer's understanding of the complexities of ethical decision-making within the context of insurance transactions?
4. Does the coursework describe where a producer may find tools that are provided to help the agent identify, prevent, and resolve ethical dilemmas that arise in the course of conducting insurance business?
5. How will the content of this course contribute to the producers' understanding of proper vs. improper, honest vs. dishonest behavior?
6. Does this course demonstrate to whom the licensee "owes" an ethical responsibility and how this will help the licensee understand his or her ethical responsibilities to such an entity?
7. How will this course help the licensee distinguish between legal and ethical behavior and legal but unethical behavior?

Ethics training may include, but not be limited to, subject as follows:

- Anti-money laundering
- Competence
- Compliance with state and federal laws and regulations
- Consumer protection
- Credit scoring
- Defamation of a competitor
- Disclosure
- Fair claims practices
- Fair sales practices (misrepresenting your product)
- Fair trade practices

- Fair underwriting practices
- Fiduciary duties (financial irresponsibility)
- Fraud awareness
- Honesty (dishonest practices and untrustworthiness)
- Integrity
- License suspension, revocation, or denial
- Loyalty
- Market conduct
- Premium fund trust accounts and the problem of commingling
- Privacy
- Product suitability