Arkansas Insurance Department

Mike Beebe Governor



Jay Bradford Commissioner

August 26, 2011

Directive: 2-2011

TO:

AUTHORIZED INSURANCE COMPANIES, HMO'S, HOSPITAL/MEDICAL

SERVICE CORPORATIONS, FARMERS' MUTUAL AID ASSOCIATIONS

AND INSURER AND AGENT TRADE ASSOCIATIONS

FROM:

ARKANSAS INSURANCE DEPARTMENT

SUBJECT:

VIOLATION OF ARK. CODE ANN. §§23-66-206(8) AND 23-66-308 OF THE

INSURANCE CODE; TOKEN GIFT EXCEPTIONS

The giving of any gift, whether it be money, trading stamps, goods or otherwise, of whatever value, as an inducement to make inquiry about, to purchase or renew insurance is prohibited under Arkansas Code Annotated §§23-66-206(8) and 23-66-308.

Token gifts of twenty-five dollars (\$25.00) or less in value (wholesale), such as ballpoint pens, calendars, notebooks, and other items for advertisement purposes are not meant to be included. Contact the Legal Division at 501-371-2820 with your inquiries.

This Directive supersedes and replaces Directive 5-98 (titled Bulletin 5-98), issued April 9, 1998.

Jay Bradford

Arkansas Insurance Commissioner