# MISSISSIPPI DEPARTMENT OF INSURANCE
# DIVISION OF THE FIRE MARSHAL

## REGULATION EP-2006-1

## MISSISSIPPI RESIDENTIAL ELECTRONIC PROTECTION LICENSING ACT RULES AND REGULATIONS

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### Section 1. Purpose

The purpose of this Regulation is to set forth the rules and regulations to establish a statewide uniform procedures and qualifications for the licensure of individuals and companies to provide electronic protective systems to the general public.

### Section 2. Authority

This Regulation is promulgated by the Commissioner of Insurance, through his power as State Fire Marshal, as required pursuant to the provision of the Mississippi Residential Electronic Protection Licensing Act ("Act") Senate Bill 2742, 2006 Regular Session, as approved by the Governor of Mississippi, as well as the provisions of Mississippi Department of Insurance Regulation No. 88-101, said regulation being the Rules of Practice and Procedure before the Mississippi Insurance Department, of which the State Fire Marshal's Office is a division.

### Section 3. Scope

This Regulation shall apply to individuals and companies which offer residential electronic protective systems, burglar alarm systems, closed circuit television alarm systems, or services relating to such alarms or systems.

This Regulation and the Act shall supersede any existing county or municipal ordinance, rule or regulation requiring certification or licensure of companies and persons engaged in alarm contracting and/or closed circuit television alarm system contracting and such ordinances, rules and regulations shall be null, void and of no effect. Further, no county or municipality shall enact any new ordinance, rule or regulation regulating companies and persons subject to licensure pursuant to this Regulation and the Act.

**Section 4. Definitions**

As used in this Regulation, the following terms shall be defined as follows:

A. Alarm Contracting - Providing a residential electronic protective system, or a closed circuit television alarm system to another by any means, including, but not limited to, the sale, lease, rent, design, planning with the intent to pre-wire, pre-wiring, installation, maintenance, repair testing, modification, improvement, alteration, inspection or servicing of an electronic protective system, or closed circuit television alarm system; holding oneself or one's company out for hire to perform any such task; or otherwise offering to perform any such task for compensation, either directly or indirectly.

B. Alarm contracting company - An entity that holds a Class A license issued by the State Fire Marshal.

C. Board - the Electronic Protection Advisory Licensing Board.

D. Burglar alarm/ burglar alarm system - an alarm, alarm system or portion of such an alarm or system that meets ANSI/SIA CP-01 Standards and is intended to detect or warn of an intrusion or other emergency in a structure.

E. Chief Deputy State Fire Marshal - the individual appointed by the Commissioner of Insurance/State Fire Marshal who, along with his employees, is designated by the Commissioner of Insurance/State Fire Marshal to implement and enforce this chapter and to maintain, among other duties, the Residential Electronic Protection Division of the State Fire Marshal's Office.

F. Company - proprietorship, partnership, corporation, limited liability company or other entity.

G. Department - the Mississippi Department of Insurance.

H. Designated agent - an owner or employee who holds a Class B license of an alarm contracting company or closed circuit television alarm system contracting company, who has been assigned the responsibility of submitting any notice required by the

State Fire Marshal.

I. Supervision - on-site supervision by a licensed Class B or Class C alarm system technician.

J. Electronic protective system - a devise or series or assembly of interconnected devices which, when activated by automatic or manual means, produces an audible, visual or electronic signal intended to detect or warn of a threat to a structure or its occupants. This term shall include a burglar alarm system or a closed circuit television alarm system, or a portion or combination of such alarms or systems. However, the term "electronic protective system" shall not include an alarm system installed in a motor vehicle; a burglar alarm system, or household fire warning system sold at a retail store as part of a multiproduct offering to an individual end user for self-installation or installed by a designated representative of a retailer as part of the retail transaction; or a single station fire alarm system sold at retail to an individual end user for self-installation or installed by a designated representative of a retailer as part of the retail transaction or installed by a fire department, the State Fire Marshal, a public agency, a volunteer fire association or their designated representatives.

K. Employee - a person who performs services for wages or salary.

L. Employer - a person or entity who hires another to perform services for a wage or salary.

M. Individual license - a Class B, C, D, or T license issued by the State Fire Marshal.

N. Licensee - a person or entity to whom a license is granted.

O. Officer - the president, vice-president, secretary, treasurer, comptroller or any other person who performs functions for an alarm contracting company or closed circuit television alarm system contracting company, corresponding to those performed by those officers.

P. Operating location - a physical address that houses or maintains records of clients.

Q. Person - a natural person or individual.

R. Principal - a person or entity that owns at least twenty percent (20%) of an alarm contracting company or a closed circuit television alarm system contracting company regardless of the form of organization.

S. Salesperson - a person who solicits another on behalf of an alarm contracting

company or a closed circuit television alarm system contracting company by any means, including, but not limited to, telephone or electronic device, public notice or advertisement, door-to-door or any other type of personal interaction, or a person who participates in design, plan, specification or layout of an electronic protective system on behalf of an alarm contracting company or a closed circuit television alarm system contracting company.

T. Closed circuit television alarm system - an alarm system that provides video surveillance of events, primarily by means of transmission, recording, or transmission and recording of visual signals through the use of cameras, receivers, monitors and other visual imaging systems.

U. Closed circuit television alarm system contracting company - an entity that holds a Class A license issued by the State Fire Marshal.

V. Closed circuit television alarm system contracting - the selling, designing, repairing, servicing, adjusting and installing of closed circuit television alarm devices.

**Section 5. Licensing Requirements**

The State Fire Marshal shall issue licenses to companies and individuals who offer electronic protective systems to the general public. All licenses shall be valid for a period of one (1) year from its date of issuance and shall be renewed annually, on or before the anniversary date. The licensing procedure and requirements are as follows:

A. Class A license - a company license for alarm contracting. To apply for this license, an applicant must provide the following information and meet the following conditions.

1. Documentation that the company is an entity duly authorized to conduct business within this state;

2. Documentation that the company holds a general liability and errors and omissions insurance policy, or a surety bond, in an amount not less than Three Hundred Thousand Dollars ($300,000);

3. Documentation that the company carries a current and valid workers' compensation insurance policy as required by state law;

4. The name of the company's designated agent;

5. Documentation that one (1) employee for the company holds a Class B license at each operating location;

6. A sworn statement that no officer or principal has been convicted of a felony, has received a first-time offender pardon for a felony, or has entered a plea of guilty or nolo contendere to a felony charge;

   a. If an officer or principal has been convicted of a felony, received a first-time offender pardon for a felony, or has entered a plea of guilty or nolo contendre to a felony charge, and if it has been ten (10) or more years since the date of the application for the license and the successful completion or service of any sentence, deferred adjudication or period of probation or parole, the license may be issued if:

      i. The felony committed was not a crime of violence or a sex offense as defined in the Mississippi Criminal Code; and,

      ii. The Office of the State Fire Marshal holds a review of the license application, taking into consideration the seriousness and circumstances of the offense and subsequent arrest. The State Fire Marshal may deny a license of an applicant who meets the criteria in subparagraph (a) if the State Fire Marshal believes the seriousness of the offense justifies the denial of the license.

7. Submission of the application fee as set forth in the Act;

8. Documentation that the company is located within the physical boundaries of the state;

9. A statement authorizing the State Fire Marshal to order fingerprint analysis or any other analysis or documents deemed necessary by the State Fire Marshal for the purpose of verifying the criminal history of a named officer or principal; and,

10. The name of each company providing monitoring services.

B. Class B License - Alarm System Technician -an individual license which shall authorize its holder to design, plan, specify, lay out, sell, pre-wire, install, maintain, repair, test, inspect or service and electronic protective system while in the employ of an alarm contracting company. The licensing procedures and requirements are as follows:

1. Documentation that the applicant has successfully completed a minimum of National Burglar and Fire Alarm Association, Level 2 A&B Burglar Alarm

training course or equivalent training approved by the State Fire Marshal;

2. Documentation proving residency within a radius of one hundred fifty (150) miles of the office to which the applicant is assigned;

3. Two (2) suitable passport size photographs of the applicant acceptable to the State Fire Marshal;

4. A sworn statement that the applicant has not been convicted of a felony, has received a first-time offender pardon for a felony, or has entered a plea of guilty or nolo contendere to a felony charge;

   a. If an applicant has been convicted of a felony, received a first-time offender pardon for a felony, or has entered a plea of guilty or nolo contendre to a felony charge, and if it has been ten (10) or more years since the date of the application for the license and the successful completion or service of any sentence, deferred adjudication or period of probation or parole, the license may be issued if:

      i. The felony committed was not a crime of violence or a sex offense as defined in the Mississippi Criminal Code; and,

      ii. The Office of the State Fire Marshal holds a review of the license application, taking into consideration the seriousness and circumstances of the offense and subsequent arrest. The State Fire Marshal may deny a license of an applicant who meets the criteria in subparagraph (a) if the State Fire Marshal believes the seriousness of the offense justifies the denial of the license.

5. A statement authorizing the State Fire Marshal to order fingerprint analysis or any other analysis or documents deemed necessary by the State Fire Marshal for the purpose of verifying the applicant's criminal history; and,

6. Submission of the application fee as set forth in the Act.

C. Class C license - Alarm System Installer - an individual license which shall authorize its holder to design, plan, specify, lay out, pre-wire, install, maintain, repair, test, inspect or service an electronic protective system while in the employ of an alarm contracting company. The licensing procedures and requirements are as follows:

1. Documentation showing that the applicant has successfully completed, at a minimum, National Burglar and Fire Alarm Association, Level 1 Burglar

Alarm training course, or equivalent training approved by the State Fire Marshal;

2. Documentation proving residency within a radius of one hundred fifty (150) miles of the office to which the applicant is assigned;

3. Two (2) suitable passport size photographs of the applicant acceptable to the State Fire Marshal;

4. A sworn statement that the applicant has not been convicted of a felony, has received a first-time offender pardon for a felony, or has entered a plea of guilty or nolo contendere to a felony charge;

   a. If an applicant has been convicted of a felony, received a first-time offender pardon for a felony, or has entered a plea of guilty or nolo contendre to a felony charge, and if it has been ten (10) or more years since the date of the application for the license and the successful completion or service of any sentence, deferred adjudication or period of probation or parole, the license may be issued if:

      i. The felony committed was not a crime of violence or a sex offense as defined in the Mississippi Criminal Code; and,

      ii. The Office of the State Fire Marshal holds a review of the license application, taking into consideration the seriousness and circumstances of the offense and subsequent arrest. The State Fire Marshal may deny a license of an applicant who meets the criteria in subparagraph (a) if the State Fire Marshal believes the seriousness of the offense justifies the denial of the license.

5. A statement authorizing the State Fire Marshal to order fingerprint analysis or any other analysis or documents deemed necessary by the State Fire Marshal for the purpose of verifying the applicant's criminal history; and,

6. Submission of the application fee as set forth in the Act.

D. Class D license - Alarm System Salesperson - an individual license which shall authorize its holder to design, plan, specify, lay out or sell an electronic protective system while in the employ of an alarm contracting company. The licensing requirements and procedures are as follows:

1. Documentation that the applicant has completed, at a minimum, National

Burglar and Fire Alarm Association's Sales Understanding Alarms training course, or equivalent training approved by the State Fire Marshal, or a minimum of two (2) years of design and sales experience in the alarm industry attested to in a notarized affidavit and payroll records provided by the applicant;

2. Documentation proving residency within a radius of one hundred fifty (150) miles of the office to which the applicant is assigned;

3. Two (2) suitable passport size photographs of the applicant acceptable to the State Fire Marshal;

4. A sworn statement that the applicant has not been convicted of a felony, has received a first-time offender pardon for a felony, or has entered a plea of guilty or nolo contendere to a felony charge;

   a. If an applicant has been convicted of a felony, received a first-time offender pardon for a felony, or has entered a plea of guilty or nolo contendre to a felony charge, and if it has been ten (10) or more years since the date of the application for the license and the successful completion or service of any sentence, deferred adjudication or period of probation or parole, the license may be issued if:

      i. The felony committed was not a crime of violence or a sex offense as defined in the Mississippi Criminal Code; and,

      ii. The Office of the State Fire Marshal holds a review of the license application, taking into consideration the seriousness and circumstances of the offense and subsequent arrest. The State Fire Marshal may deny a license of an applicant who meets the criteria in subparagraph (a) if the State Fire Marshal believes the seriousness of the offense justifies the denial of the license.

5. A statement authorizing the State Fire Marshal to order fingerprint analysis or any other analysis or documents deemed necessary by the State Fire Marshal for the purpose of verifying the applicant's criminal history; and,

6. Submission of the application fee as set forth in the Act.

E. Class T license - Alarm Apprentice - an individual license which authorizes its holder to design, plan, specify, lay out, sell, pre-wire, install, maintain, repair, test, inspect or service an electronic protective system while in the employ of an alarm contracting

company while under the supervision of a Class B, Class C, or Class D license holder in the same employ of an alarm contract company. A Class T license shall be valid for a period of twelve (12) months from the date of issue and shall not be renewed. The licensing requirements and procedures are as follows:

1. Application for a Class B, Class C, or Class D license, accompanied by a letter of intent to complete the training requirements of such license types within twelve (12) months;

2. Documentation proving residency within a radius of one hundred fifty (150) miles of the office to which the applicant is assigned;

3. Two (2) suitable passport size photographs of the applicant acceptable to the State Fire Marshal;

4. A sworn statement that the applicant has not been convicted of a felony, has received a first-time offender pardon for a felony, or has entered a plea of guilty or nolo contendere to a felony charge;

    a. If an applicant has been convicted of a felony, received a first-time offender pardon for a felony, or has entered a plea of guilty or nolo contendre to a felony charge, and if it has been ten (10) or more years since the date of the application for the license and the successful completion or service of any sentence, deferred adjudication or period of probation or parole, the license may be issued if:

        i. The felony committed was not a crime of violence or a sex offense as defined in the Mississippi Criminal Code; and,

        ii. The Office of the State Fire Marshal holds a review of the license application, taking into consideration the seriousness and circumstances of the offense and subsequent arrest. The State Fire Marshal may deny a license of an applicant who meets the criteria in subparagraph (a) if the State Fire Marshal believes the seriousness of the offense justifies the denial of the license.

5. A statement authorizing the State Fire Marshal to order fingerprint analysis or any other analysis or documents deemed necessary by the State Fire Marshal for the purpose of verifying the applicant's criminal history; and,

F. Notification Requirements - all licensees shall notify the State Fire Marshal in the manner prescribed by the State Fire Marshal within ten (10) days of the following:

1. Any change in home or business address;

2. Any separation from an employer, employee, or change in employer;

3. Any conviction for a felony or entry of a plea of guilty or nolo contendere to a felony charge or receipt of a first-time offender pardon.

G. Reciprocity - State Fire Marshal may enter into reciprocal agreements with other states for mutual recognition of individual license holders, provided that state will award licenses to residents of this state and as long as that state's requirements are not less stringent than those set forth under the Act or this Regulation.

H. Renewal licenses - All renewal licensees must submit documentation showing satisfactorily completion of the twelve (12) hours of continuing education required pursuant to the Act and Section 7 of this Regulation.

I. Reinstatement Fee - As required pursuant to the Act, any individual that fails to timely renew their license shall be charged a reinstatement fee penalty in addition to the renewal fee. That penalty shall be an amount double of their license renewal fee.

**Section 6. Exceptions to Licensure**

A. The requirement for licensure for alarm contracting as stated in Section 5 of this Regulation shall not apply to the following:

1. Any company, natural person, or employee of the company or natural person, licensed to perform electrical work by the State Licensing Board of Contractors;

2. An entity legally authorized to install commercial light and power service in this state or employ of which is installing wire, conduit or other wire raceways, its associated boxes or fittings, or single or multiple station smoke detectors;

3. Any owner, management company or public institution and such person's or entity's employees while such person or entity is designing, installing, inspecting, repairing, servicing, recording, adjusting or testing closed circuit television alarm systems, on the premises of the owner or public institution during the normal course and scope of his duties;

4. Any owner, management company or public institution and such person's or entity's employees while such person or entity is designing, installing, inspecting, repairing, servicing or testing a burglar alarm system only on the

premises of the owner or public institution during the normal course and scope of his duties;

5. Any retailer that sells alarm systems as part of a multiproduct offering and provides installation as part of that retail transaction;

6. Any retailer or installer of household fire warning systems sold and installed to detect or warn of smoke or fire and intended for use in a residential one or two family dwelling wholly within the confines of an individual living unit in a residential multifamily structure; or,

7. Installers of electronic protective systems, burglar alarm systems, fire alarm systems or closed circuit television alarm systems used in residential, on or two family dwelling or wholly within the confines of an individual living unit in a residential multifamily structure, when the installer is working as a designated agent for any exempt retailer.

B. The requirement for licensure for closed circuit television alarm system contracting as stated in Section 5 of this regulation shall not apply to the following:

1. An officer or employee of the United States, while engaged in the performance of his official duties within the course and scope of his employment with the United States, this state, or any political subdivision of either; or,

2. Any company, natural person or employee of any company or natural person licensed to perform electrical work by the State Licensing Board of Contractors; notwithstanding, no person licensed may install primary power sources of one hundred (100) volts or greater when such power source is being installed to operate low-voltage systems.

C. No person or company shall aid, abet, facilitate or otherwise assist any unlicensed person or company in engaging in alarm contracting or closed circuit television alarm system contracting, including, but not limited to, the sale of an electronic protective system as defined in this act when such person or company knew or should have known that the person or company thus assisted was unlicensed.

**Section 7. Continuing Education Requirements**

Every individual seeking to receive a renewal license under the Act or this Regulation shall satisfactorily complete twelve (12) hours of study in approved courses during each twelve -month period. Each one hour credit shall be awarded for fifty minutes of attendance of an approved course.

A. Renewal Period - Continuing education requirements are good for twenty-four months.

1. Carry Over Hours - An individual may carry over twelve (12) hours of continuing education to be applied toward the following year's continuing education requirement.

2. Documentation - It is the responsibility of each individual to maintain records documenting continuing education activity and to submit this documentation at the time of license renewal.

B. Approved Courses - Only those courses approved by the State Fire Marshal shall fulfill the requirements of the Act and this Regulation.

1. State Fire Marshal Approved Courses - To be approved by the State Fire Marshal, the course or program must be one that educates on the electronic life safety, security and systems industry. Programs geared toward specific products and/or sales will not qualify as continuing education. For any course to be approved as a continuing education class must be submitted to the State Fire Marshal with a course outline and receive approval prior to the actual class being held.

2. NTS/NBFAA Courses - Any course offered by the National Training School (NTS), which is a member service of the National Burglar and Fire Alarm Association (NBFAA), shall qualify as an approved course.

3. Licenses and Certification - Credit shall be awarded for earning a license and/or certification in the electronic life safety, security and systems industry from an entity other than NBFAA provided the State Fire Marshal approves such certification counting toward continuing education requirements. Any certification or license earned during the renewal cycle will qualify for twelve hours provided the State Fire Marshal has approved the license and/or certification.

4. College/University Course - Credit may be granted for successful completion of a college/university course in a security industry topic area upon submission of the course outline to and approval by the State Fire Marshal. A three or four credit course shall be equivalent to twelve credits as required under this Section.

5. Other Credits - The State Fire Marshal may, at his discretion, approve continuing education credits for volunteer service, teaching of classes, publication of articles, or for any other class, work or activity performed that

the State Fire Marshal approves as satisfaction of the continuing education requirements. It is the responsibility of the individual person to receive such approval from the State Fire Marshal.

C. Failure to Complete Requirements - The failure of any individual to timely complete or submit their continuing education requirements shall result in denial of their renewal license until such continuing education requirements are met.

D. Continuing Education Reciprocity - An individual's satisfaction of his or her home state continuing education requirements for licensure shall constitute satisfaction of this state's continuing education requirements if the individual's home state recognizes the satisfaction of its continuing education requirements imposed upon individuals from this state on the same basis.

**Section 8. Violations and Penalties**

The State Fire Marshal may impose, after giving notice of hearing to the licensee by serving a written statement of charges on the licensee at least twenty (20) days prior to hearing, penalties for violations under the Act and this Regulation. Violations and penalties are set forth as follows:

A. Class I offenses:

1. Signature of or submission of any document to the State Fire Marshal when the applicant or licensee reasonably should have known that the document contained false or misleading information;

2. Failure of an alarm contracting company or closed circuit television company to timely notify the State Fire Marshal of certain changes in the status of the licensee as required by the Act and Section 5(F) of this Regulation.

3. Failure of an alarm contracting company or closed circuit television alarm system contracting company to do either of the following:

   a. Clearly display the company's license at its place of business, or

   b. Replace a required Class B license holder or its designated agent and to timely notify the State Fire Marshal as required by the Act and Section 5(F) of this Regulation;

4. Failure of an individual license holder to maintain his license on his person and to present it for inspection;

5. Assisting an unlicensed person or company to engage in alarm contracting or

closed circuit television alarm system contracting as prohibited; or,

6. Refuse to admit the State Fire Marshal or his designated representative to an operating location or refuse to cooperate in the purposes of such admittance as required.

B. Class I Penalties - may be any or all of the following:

1. Written reprimand by the State Fire Marshal. Such reprimand shall be a part of the record of the licensee and shall be maintained by the State Fire Marshal for a period of three (3) years, during such time the reprimand may be taken into consideration during any subsequent disciplinary action;

2. Probation of licensure for not more than twelve (12) months. Such probation may include placement of restrictions on the alarm contracting or closed circuit television alarm system contracting activities and the license of the offender. Any subsequent offense committed during probation will make the offender subject to penalties for a Class II offense; or,

3. A fine of not more that Five Hundred Dollars ($500.00).

C. Class II Offenses:

1. Commission of a second Class I offense; or,

2. A Class I offense committed during a probation of one's licensure for a Class I offense.

D. Class II Penalties - may be any or all of the following:

1. Any penalty authorized for a Class I offense;

2. Suspension of licensure for not more than twenty-four (24) months; or,

3. A find of not more than One Thousand Dollars ($1,000.00).

E. Class III Offenses:

1. The knowing and willful signature of or submission of any document to the State Fire Marshal when the applicant or licensee knew that document contained false or intentionally misleading information;

2. Engaging in alarm contracting or closed circuit television alarm system

contracting without a license;

3. Engaging in alarm contracting or closed circuit television alarm system contracting during suspension of one's license;

4. The repeated flagrant and willful commission of Class I offenses;

5. Failure by an alarm contracting company to maintain a general liability and errors and omissions insurance policy as required, or to maintain a workers' compensation insurance policy as required by state law; or,

6. Engaging in false, misleading or deceptive acts or practices.

F. Class III Penalties - may be any or all of the following:

1. Any penalty authorized for a Class II offense;

2. Revocation of licensure; or,

3. A fine of not more than Five Thousand Dollars ($5,000.00).

E. Additional Penalties - in addition to the penalties stated, the State Fire Marshal may:

1. Issue in any court of competent jurisdiction an injunction without bond enjoining any person from violating or continuing to violate the provisions of this Regulation or the Act; and,

2. In the suit for an injunction, may demand of the defendant a penalty of Fifty Dollars ($50.00) per day for each violation, reasonable attorney fees and court costs.

F. Alarm Contracting Company - Cancellation of contract:

1. An alarm contracting company who sells an electronic protective system to a consumer shall immediately return the lockout, installer or programming code of the electronic protective system to the factory default setting when the consumer cancels the contract with the alarm company and contracts with another alarm company provided all original contractual obligations are fulfilled.

2. Any violation of Section 7(F)(1) by an alarm contracting company will result in the company's license being revoked and a civil fine of not less than Five Hundred Dollars ($500.00) but not more than Two Thousand Dollars

($2,000.00).

**Section 9. Electronic Protection Licensing Advisory Board**

The Electronic Protection Licensing Advisory Board ("Board") is created pursuant to the Act to assist the State Fire Marshal with the rules and regulations of the Act.

A. Members of the Board - the members and their terms shall be as follows:

1. Three members appointed by the Governor, one from each Supreme Court District. Each member shall possess a valid Class A or Class B license and may be appointed from a list submitted by the Mississippi Alarm Association. The initial terms shall be staggered, with one appointment serving for two (2) years, one for three (3) years, and one for four (4) years. After the initial staggered terms, the subsequent terms shall be for four (4) years.

2. One member appointed by the State Fire Marshal from a list of nominees submitted to the State Fire Marshal by the Mississippi Alarm Association. This member shall act as a representative of the Alarm Manufacturing Industry and the appointment shall be for four (4) years.

3. Two (2) members appointed by the Governor at his discretion, one (1) shall be a law enforcement officer and one (1) shall be from the private sector. Each of these appointments shall be for (4) years, concurrent with the term of the Governor.

4. One (1) member shall be an employee of the Office of the State Fire Marshal designated by the State Fire Marshal. The member's term shall be for four (4) years and shall be concurrent with the term of the State Fire Marshal. This member shall serve as chairman of the Board.

B. Terms - after the initial terms, each member shall serve a term of (4) years. No members shall serve more than two (2) terms except for the member designated by the State Fire Marshal in Section 8(A)(4).

C. Vacancies - a vacancy on the Board shall be filled in the manner of the original appointment for the remainder of the term.

D. Meetings - the board shall meet ever quarter, or upon the call of the chairman or upon the written request of any three (3) members of the Board. Notice of any such meeting shall be given in writing to members and the public by publication on the Department of Insurance's website at least fourteen (14) days in advance.

E. Quorum - a quorum shall be met if four (4) or more members of the board meet for the transaction of business.

F. Reimbursement of Expenses - each appointed Board member shall be reimbursed for travel and related expenses incurred, not to exceed those expenses authorized for reimbursement by the Department, for the period that the member engages in Board business. However, said reimbursement must be submitted and approved by the Department, and no expenses will be initially provided for any meeting prior to July 1, 2007.

E. Liability of Members - no member shall be liable to civil action for any act performed in good faith in the execution of his duties as a board member.

**Section 10. Severability**

If any section or portion of a section of this Regulation or the application thereof is held by a court to be invalid, such invalidity shall not affect any other provision of that section or application of the Regulation which can be given effect without the invalid provision or application, and to this end the provisions of the Regulation are declared to be severable.

**Section 11. Effective Date**

The Effective Date of this Regulation shall be July 1, 2006.