

**§7109. Enforcement provisions**

**1. Investigation and examination by superintendent.** The superintendent may conduct investigations and examinations of providers, administrators, insurers or other persons to enforce the provisions of this chapter and protect service contract holders. Upon request of the superintendent, a person subject to this chapter shall make available to the superintendent all accounts, books and records concerning service contracts sold by the provider that are necessary to enable the superintendent to determine compliance or noncompliance with this chapter.

[PL 2011, c. 345, §4 (NEW); PL 2011, c. 345, §7 (AFF).]

**2. Enforcement actions.** The superintendent may assess civil penalties or take any other action permitted under section 12-A against any person who violates any provision of this chapter or the superintendent's rules and orders, and nothing in this section may be construed as limiting the superintendent's authority to take enforcement action under section 12-A in connection with violations of applicable provisions of this Title.

[PL 2011, c. 345, §4 (NEW); PL 2011, c. 345, §7 (AFF).]

**3. Refusal of registration, suspension or revocation.** The superintendent may suspend, revoke or refuse to accept the registration of a provider under this chapter as set out in this section.

A. The superintendent shall deny an application for registration if the registrant has not demonstrated that it is qualified to do business in accordance with this chapter or for any reason that would be a ground for suspension or revocation of registration. [PL 2011, c. 345, §4 (NEW); PL 2011, c. 345, §7 (AFF).]

B. If, upon investigation or examination, the superintendent finds that a person registered under this chapter in this State has exceeded its powers, has failed to comply with any of the provisions of this chapter, is not fulfilling its service contracts in good faith or is conducting its business fraudulently or in a manner injurious to its contract holders or the public, the superintendent shall notify the person of the deficiency or deficiencies and state in writing the reasons that warrant suspension, revocation or refusal of the person's registration. The notice must require that the deficiency or deficiencies be corrected.

After receipt of the notice, the person has 30 days to comply with the superintendent's request for correction, and if the person fails to comply the superintendent shall notify the person of the findings of noncompliance and require the person to show cause, on a date set by the superintendent, why its registration should not be suspended, revoked or refused. If on that date the person does not present good and sufficient reason why its authority to do business in this State should not be suspended, revoked or refused, the superintendent may suspend or refuse the registration of the person to do business in this State until satisfactory evidence is furnished to the superintendent that the suspension or refusal should be withdrawn or the superintendent may revoke the authority of the person to do business in this State. [PL 2011, c. 345, §4 (NEW); PL 2011, c. 345, §7 (AFF).]

[PL 2011, c. 345, §4 (NEW); PL 2011, c. 345, §7 (AFF).]

**4. Service of process.** A provider and administrator registered under this chapter shall appoint in writing an agent located in the State in the same manner as insurers are required to appoint agents under section 421.

[PL 2011, c. 345, §4 (NEW); PL 2011, c. 345, §7 (AFF).]

**5. Administrative procedures.** Any person aggrieved by an order of the superintendent under this chapter may submit an application for a hearing as provided in section 229, upon which the procedures set forth in section 229 apply.

[PL 2011, c. 345, §4 (NEW); PL 2011, c. 345, §7 (AFF).]

**6. Construction; existing contracts.** This section may not be construed as preventing any provider from continuing in good faith all service contracts made in this State during the time the provider was legally authorized to transact business in this State.

[PL 2011, c. 345, §4 (NEW); PL 2011, c. 345, §7 (AFF).]

**SECTION HISTORY**

PL 2011, c. 345, §4 (NEW). PL 2011, c. 345, §7 (AFF).

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