

§7004. Authority of vendors

1. Requirements for employees and authorized representatives of vendors. An employee or authorized representative of a vendor may sell or offer portable electronic device insurance to a customer and is not subject to licensure as an insurance producer under this chapter if:

A. The vendor obtains a limited lines license to authorize its employees or authorized representatives to sell or offer portable electronic device insurance pursuant to this section; [PL 2011, c. 297, §5 (NEW).]

B. The insurer issuing the portable electronic device insurance either directly supervises or appoints a supervising entity to supervise the administration of the sale of insurance, including development of a training program for employees and authorized representatives of the vendors. The training required by this paragraph must comply with the following:

(1) The training must be delivered to all employees and authorized representatives of the vendor who are directly engaged in the activity of selling or offering portable electronic device insurance. The training may be provided in electronic form. If conducted in electronic form the supervising entity shall implement a supplemental education program that is conducted and overseen by licensed employees of the supervising entity to supplement the electronic training; and

(2) Each employee and authorized representative must receive basic instruction about the portable electronic device insurance offered to customers and the disclosures required under section 7003, subsection 1; and [PL 2011, c. 297, §5 (NEW).]

C. The employee or authorized representative of the vendor does not advertise, represent or otherwise hold that employee or authorized representative out as a nonlimited lines licensed insurance producer. [PL 2011, c. 297, §5 (NEW).]
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2. Charges. The charges for portable electronic device insurance coverage may be billed and collected by the vendor. Any charge to the customer for coverage that is not included in the cost associated with the purchase or lease of a portable electronic device or related services must be separately itemized on the customer's bill. If the portable electronic device insurance coverage is included with the purchase or lease of a portable electronic device or related services, the vendor shall clearly and conspicuously disclose to the customer that the portable electronic device insurance coverage is included with the portable electronic device or related services. A vendor billing and collecting charges for coverage is not required to maintain those funds in a segregated account as long as the vendor is authorized by the insurer to hold such funds in an alternative manner and remits the funds to the supervising entity within 60 days of receipt. All funds received by a vendor from a customer for the sale of portable electronic device insurance are considered funds held in trust by the vendor in a fiduciary capacity for the benefit of the insurer. A vendor may receive compensation for billing and collection services.

[PL 2011, c. 297, §5 (NEW).]

SECTION HISTORY

PL 2011, c. 297, §5 (NEW).

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