

304.9-784 Duty to disclose information regarding portable electronics insurance coverage -- Standards -- Billing and collection of charges -- Notice and correspondence.

- (1) At every location where portable electronics insurance is offered to customers, brochures or other written materials shall be made available to a prospective customer which:
 - (a) Disclose that portable electronics insurance may provide a duplication of coverage already provided by a customer's homeowner's insurance policy, renter's insurance policy, or other source of coverage;
 - (b) State that the enrollment by the customer in a portable electronics insurance policy is not required in order to purchase or lease portable electronics or services;
 - (c) Summarize the material terms of the insurance coverage, including:
 1. The identity of the insurer;
 2. The identity of the portable electronics insurance supervising entity;
 3. The amount of any applicable deductible and how it is to be paid;
 4. Benefits of the coverage; and
 5. Key terms and conditions of coverage, including but not limited to whether portable electronics may be repaired with nonoriginal manufacturer parts or equipment or replaced with a similar make and model that is reconditioned;
 - (d) Summarize the process for filing a claim, including a description of how to return portable electronics and the maximum fee applicable if the customer fails to comply with any equipment return requirements; and
 - (e) State that an enrolled customer may cancel enrollment for coverage under a portable electronics insurance policy at any time and the person paying the premium shall receive a refund of any applicable unearned premium.
- (2) Portable electronics insurance may be offered on a month-to-month basis or other period basis as a group or master commercial inland marine policy issued to a portable electronics retailer for its enrolled customers.
- (3) Eligibility and underwriting standards for customers electing to enroll in coverage shall be established for each portable electronics insurance policy.
- (4) The charges for portable electronics insurance coverage may be billed and collected by the portable electronics retailer. Any charge to a customer for coverage that is not included in the cost associated with the purchase or lease of portable electronics or related services shall be separately itemized on the customer's bill. If the portable electronics insurance coverage is included with the purchase or lease of portable electronics or related services, the portable electronics retailer shall clearly and conspicuously disclose to the customer that the portable electronics insurance coverage is included with the portable electronics or related services. Portable electronics retailers' billing and collecting charges shall not be required to maintain the portable electronics insurance funds in a segregated account, provided that the retailer is authorized by the insurer to hold the funds from the sale of portable electronics

insurance in an alternative manner and remit such amounts to the portable electronics insurance supervising entity within sixty (60) days of receipt. All funds received by a portable electronics retailer from a customer for the sale of portable electronics insurance shall be held in a fiduciary capacity by the portable electronics retailer for the benefit of the insurer. Portable electronics retailers may receive compensation for billing and collection services.

(5) The terms for the termination or modification of a policy of portable electronics insurance shall be as set forth in the policy.

(6) (a) Whenever notice or correspondence concerning a policy of portable electronics insurance is required pursuant to the policy or is otherwise required by law, it shall be:

1. In writing; and
2. Sent within the notice period, if any, specified within the policy, statute, or regulation requiring the notice or correspondence.

(b) Notwithstanding any other provision of law, notices and correspondence may be sent either by mail or by electronic means as required by this section.

(c) If the notice or correspondence is mailed, it shall be sent to:

1. The portable electronics retailer at the retailer's mailing address specified for that purpose; and
2. Each affected enrolled customer at the last known mailing address of the customer on file with the insurer.

The insurer or portable electronics retailer shall maintain proof of mailing in a form authorized or accepted by the United States Postal Service or other commercial mail delivery service.

(d) If the notice or correspondence is sent by electronic means, it shall be sent to:

1. The portable electronics retailer at the retailer's electronic mail address specified for that purpose; and
2. Each affected enrolled customer at the last known electronic mail address provided by the enrolled customer to the insurer or portable electronics retailer. For purposes of this subparagraph, an enrolled customer who provides an electronic mail address to the insurer or portable electronics retailer shall be deemed to consent to receive notices and correspondence if a disclosure is provided to the customer stating that an enrolled customer's provision of an electronic mail address shall be deemed consent to receive notices and correspondence by electronic means.

The insurer or portable electronics retailer shall maintain proof that a notice or correspondence was sent by electronic means.

(e) Notice or correspondence required by this section or otherwise required by law may be sent on behalf of an insurer or portable electronics retailer by the supervising entity appointed by the insurer.

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