

R590. Insurance, Administration.

~~[R590-101. Appointment and Termination of Individuals Licensed as Agents, and Organizations Licensed as Agents by Insurers.~~

~~R590-101-1. Authority.~~

~~— This rule is promulgated by the Insurance Commissioner under Subsection 31A-2-201(3), Utah Code (U.C.), to adopt rules to implement the provisions of the Utah Insurance Code, and specifically Subsection 31A-23-219(1), U.C.~~

~~R590-101-2. Purpose.~~

~~— This rule is adopted for the purpose of stating the form to be used and the procedure to be followed by an insurer to appoint or terminate licensed individual agents and licensed organizations to conduct business on behalf of that insurer in this state.~~

~~R590-101-3. Definitions.~~

~~— For the purpose of this rule the commissioner use the definitions as particularly stated in Sections 31A-1-301 and 31A-23-102.~~

~~R590-101-4. Rule.~~

~~— A. Notice of Appointment. All insurers shall file with the commissioner a Certificate of Appointment for any individual agent and organization authorized to conduct business on behalf of the insurer in this state. It is not necessary to appoint individual agents who are listed as designees on an organization's license.~~

~~— 1. Appointment Procedure:~~

~~— a. Complete a Certificate of Appointment form indicating either an individual or organization acting as an agent. Unless the form is completed in connection with a new application for licensure, the individual or organization must be properly licensed.~~

~~— b. Identify on the form the date the appointment is to be effective. If an effective date is not specified, the effective date of appointment will be the date the form is received by the Insurance Department.~~

~~— c. Immediately furnish the agent's copy of the Certificate of Appointment to the agent. The agent's copy does not need to be validated by the Insurance Department.~~

~~— d. File the two remaining copies of the appointment form with the Insurance Department no later than ten days after the identified effective date of appointment.~~

~~— 2. The Insurance Department will register the appointment and return one copy of the form to the insurer as evidence of filing. The insurer shall keep this form throughout the term of appointment and at least an additional three years.~~

~~— B. Notice of Termination. All insurers shall file with the commissioner a Notice of Termination of Appointment for any individual agent or organization previously authorized to conduct business on behalf of the insurer in this state.~~

~~— 1. Termination procedure:~~

~~— a. Complete a Notice of Termination of Appointment form. Include the originally assigned six digit Certificate of Appointment number.~~

~~b. Furnish a copy of the form to the agent.~~
~~c. Retain one copy for company records for at least three years.~~
~~d. File the remaining copy with the Insurance Department. If a date of termination is entered on the form, the form must be filed with the department no later than ten days after that date. If the form is received by the department in excess of ten days after the listed termination date, the effective date of termination will be the date the form is received. If the date of termination is not completed the effective date of termination will be the date the form is received by the department.~~
~~C. The forms used for appointment and termination are available through the Insurance Department.~~
~~D. Renewal of Appointments. During each odd numbered year each insurer will be mailed a duplicate list of all current agent appointments. On or before July 1 of that year all insurers shall return to the commissioner one copy of that list showing all individual and organization appointments to be continued in force.~~
~~E. Fees. For all Certificates of Appointment or Notices of Termination of Appointment submitted to the commissioner the insurer shall pay the statutory filing fee.~~

~~R590-101-5. Penalties.~~

~~Any insurer that fails to comply with the provisions of Section 31A 23-219, U.C., or with this rule will be subject to the forfeiture provisions set forth in Section 31A 2-308, U.C.A.~~

~~R590-101-6. Separability.~~

~~If any provision of this rule or the application of it to any person is for any reason held to be invalid, the remainder of the rule and the application of any provision to other persons or circumstances shall not be affected.~~

~~KEY: insurance companies~~

~~Date of Enactment or Last Substantive Amendment: 1993~~

~~Notice of Continuation: April 16, 2007~~

~~Authorizing, and Implemented or Interpreted Law: 31A-2-201; 31A-23-219]~~