

**Superseded 5/12/2015**

**31A-6a-103 Requirements for doing business.**

- (1) A service contract may not be issued, sold, or offered for sale in this state unless the service contract is insured under a service contract reimbursement insurance policy issued by:
  - (a) an insurer authorized to do business in this state; or
  - (b) a recognized surplus lines carrier.
- (2)
  - (a) A service contract may not be issued, sold, or offered for sale unless the service contract provider completes the registration process described in this Subsection (2).
  - (b) To register, a service contract provider shall submit to the department the following:
    - (i) an application for registration;
    - (ii) a fee established in accordance with Section 31A-3-103;
    - (iii) a copy of any service contract that the service contract provider offers in this state; and
    - (iv) a copy of the service contract provider's reimbursement insurance policy.
  - (c) A service provider shall submit the information described in Subsection (2)(b) no less than 30 days before the day on which the service provider issues, sells, offers for sale, or uses a service contract or reimbursement insurance policy in this state.
  - (d) A service provider shall file any modification of the terms of a service contract or reimbursement insurance policy 30 days before the day on which it is used in this state.
  - (e) A person complying with this chapter is not required to comply with:
    - (i) Subsections 31A-21-201(1) and 31A-23a-402(3); or
    - (ii) Chapter 19a, Utah Rate Regulation Act.
- (3)
  - (a) Premiums collected on a service contract are not subject to premium taxes.
  - (b) Premiums collected by an issuer of a reimbursement insurance policy are subject to premium taxes.
- (4) A person marketing, selling, or offering to sell a service contract for a service contract provider that complies with this chapter is exempt from the licensing requirements of this title.
- (5) A service contract provider complying with this chapter is not required to comply with:
  - (a) Chapter 5, Domestic Stock and Mutual Insurance Corporations;
  - (b) Chapter 7, Nonprofit Health Service Insurance Corporations;
  - (c) Chapter 8, Health Maintenance Organizations and Limited Health Plans;
  - (d) Chapter 9, Insurance Fraternal;
  - (e) Chapter 10, Annuities;
  - (f) Chapter 11, Motor Clubs;
  - (g) Chapter 12, State Risk Management Fund;
  - (h) Chapter 13, Employee Welfare Funds and Plans;
  - (i) Chapter 14, Foreign Insurers;
  - (j) Chapter 19a, Utah Rate Regulation Act;
  - (k) Chapter 25, Third Party Administrators; and
  - (l) Chapter 28, Guaranty Associations.