

Part 1 General Rules

31A-21-101 Scope of Chapters 21 and 22.

- (1) Except as provided in Subsections (2) through (6), this chapter and Chapter 22, Contracts in Specific Lines, apply to all insurance policies, applications, and certificates:
 - (a) delivered or issued for delivery in this state;
 - (b) on property ordinarily located in this state;
 - (c) on persons residing in this state when the policy is issued; or
 - (d) on business operations in this state.
- (2) This chapter and Chapter 22, Contracts in Specific Lines, do not apply to:
 - (a) an exemption provided in Section 31A-1-103;
 - (b) an insurance policy procured under Sections 31A-15-103 and 31A-15-104;
 - (c) an insurance policy on business operations in this state:
 - (i) if:
 - (A) the contract is negotiated primarily outside this state; and
 - (B) the operations in this state are incidental or subordinate to operations outside this state;and
 - (ii) except that insurance required by a Utah statute shall conform to the statutory requirements;or
 - (d) other exemptions provided in this title.
- (3)
 - (a) Sections 31A-21-102, 31A-21-103, 31A-21-104, Subsections 31A-21-107(1) and (3), and Sections 31A-21-306, 31A-21-308, 31A-21-312, and 31A-21-314 apply to ocean marine and inland marine insurance.
 - (b) Section 31A-21-201 applies to inland marine insurance that is written according to manual rules or rating plans.
 - (c) Inland marine insurance that includes accident and health insurance is subject to Chapter 22, Contracts in Specific Lines.
- (4) A group insurance policy or a blanket insurance policy is subject to this chapter and Chapter 22, Contracts in Specific Lines, except:
 - (a) a group insurance policy outside the scope of this title under Subsection 31A-1-103(3)(h);
 - (b) a blanket insurance policy outside the scope of this title under Subsection 31A-1-103(3)(h);and
 - (c) other exemptions provided under Subsection (5).
- (5) The commissioner may by rule exempt any class of insurance contract or class of insurer from any or all of the provisions of this chapter and Chapter 22, Contracts in Specific Lines, if the interests of the Utah insureds, creditors, or the public would not be harmed by the exemption.
- (6) Workers' compensation insurance is subject to this chapter and Chapter 22, Contracts in Specific Lines.
- (7) Unless clearly inapplicable, any provision of this chapter or Chapter 22, Contracts in Specific Lines, applicable to either a policy or a contract is applicable to both.

Amended by Chapter 252, 2021 General Session

31A-21-102 Oral contracts of insurance and binders.

- (1) "Binder" means a writing which describes the subject and amount of insurance and temporarily binds insurance coverage pending the issuance of an insurance policy. "Binder" does not include conditional receipts by life insurance companies under which issuance of the policy or coverage under the policy is contingent upon the acceptability of the risk to the insurer.
- (2) Binding oral contracts of insurance may only be made as to casualty insurance, liability insurance, property insurance, vehicle liability insurance, workers' compensation insurance, and as to combinations of these coverages. The insurer shall issue a policy or binder as soon as reasonably possible after negotiation of any oral contract under this subsection.
- (3) No binder is valid beyond the issuance of the policy as to which the binder was given, or beyond 150 days from the binder's effective date, whichever occurs first.
- (4) If a policy has not been issued as to a binder, the binder may be extended or renewed beyond 150 days, but only upon the commissioner's written approval, or under rules adopted by the commissioner.
- (5) A binder may be cancelled by the insurer prior to its expiration date only in the same manner as and subject to the same restrictions that apply to insurance policies under Section 31A-21-303.

Amended by Chapter 261, 1989 General Session

31A-21-103 Capacity to contract.

Any person 16 years of age or older who is otherwise competent to contract under Utah law, and who is not subject to any legal disability, may contract for insurance. If there is a conservator appointed under Title 75, Utah Uniform Probate Code, the conservator, rather than the person whose property is subject to the conservatorship, may contract for insurance to protect the property under conservatorship. In the case of a conservatorship over the person or property of a person under 16 years of age, the conservator may invest funds of the estate in life or accident and health insurance or annuity contracts, but only with the approval of the court having jurisdiction over the conservatorship.

Amended by Chapter 116, 2001 General Session

31A-21-104 Insurable interest and consent -- Scope.

- (1) As used in this chapter:
 - (a) For purposes of this section, "exchange" means an exchange made pursuant to Section 1035, Internal Revenue Code, as may be amended.
 - (b) "Insurable interest" in a person means the following, including a circumstance described in Subsection (3):
 - (i) for a person closely related by blood or by law, a substantial interest engendered by love and affection; or
 - (ii) in the case of a person not described in Subsection (1)(b)(i), a lawful and substantial interest in having the life, health, and bodily safety of the person insured continue.
 - (c) "Insurable interest" in property or liability means any lawful and substantial economic interest in the nonoccurrence of the event insured against.
 - (d) "Life settlement" is as defined in Section 31A-36-102.
- (2)
 - (a) An insurer may not knowingly provide insurance to a person who does not have or expect to have an insurable interest in the subject of the insurance.

- (b) A person may not knowingly procure, directly, by assignment, or otherwise, an interest in the proceeds of an insurance policy unless that person has or expects to have an insurable interest in the subject of the insurance.
 - (c) In the case of life insurance, the insurable interest requirements of Subsections (2)(a) and (b):
 - (i) are satisfied if the requirements are met:
 - (A) at the effective date of the insurance policy; and
 - (B) at the time of a later procurement, if any, of an interest in the proceeds of an insurance policy; and
 - (ii) do not need to be met at the time that proceeds of an insurance policy are payable if the requirements are met at the times specified in Subsection (2)(c)(i).
 - (d) Except as provided in Subsections (7) and (8), insurance provided in violation of this Subsection (2) is subject to Subsection (6).
 - (e) A policy holder in a group insurance policy does not need an insurable interest if a certificate holder or a person other than the group policyholder who is specified by the certificate holder is the recipient of the proceeds of the group insurance policy.
- (3) The following is a nonexhaustive list of insurable interests:
- (a) A person has an unlimited insurable interest in that person's own life and health.
 - (b) A shareholder, member, or partner has an insurable interest in the life of another shareholder, member, or partner for purposes of an insurance contract that is an integral part of a legitimate buy-sell agreement respecting shares, membership interests, or partnership interests in the business.
 - (c)
 - (i) A trust has an insurable interest in the subject of the insurance to the extent that all beneficiaries of the trust have an insurable interest.
 - (ii) A trust violates this section if the trust:
 - (A) is created to give the appearance of an insurable interest, but an insurable interest does not exist; and
 - (B) is used to initiate a policy for an investor or other person who has no insurable interest in the insured.
 - (d)
 - (i) Subject to Subsection (3)(d)(v), an employer or an employer sponsored trust:
 - (A) has an insurable interest in the lives of the employer's:
 - (I) directors;
 - (II) officers;
 - (III) managers;
 - (IV) nonmanagement employees; and
 - (V) retired employees; and
 - (B) may insure a life listed in Subsection (3)(d)(i)(A):
 - (I) on an individual or group basis; and
 - (II) with the written consent of the insured.
 - (ii)
 - (A) A trustee of a trust established by an employer for the sole benefit of the employer has the same insurable interest in the life and health of any person as does the employer.
 - (B) Without limiting the general principle in Subsection (3)(d)(ii)(A), a trustee of a trust established by an employer that provides life, health, disability, retirement, or similar benefits to an individual identified in Subsection (3)(d)(i)(A) has an insurable interest in the life of the individual described in Subsection (3)(d)(i)(A) for whom the benefits are provided.

- (iii)
 - (A) For the purpose of exchanging life insurance, an individual described in Subsection (3)(d)(i)(A) includes an individual who was formerly included under Subsection (3)(d)(i)(A) if the life insurance to be exchanged:
 - (I) is purchased or acquired while the individual is a current director, officer, manager, or employee; and
 - (II) is exchanged for life insurance in an amount that does not exceed the amount of the insurance being exchanged.
 - (B) Written consent of an individual described in this Subsection (3)(d)(iii) is not required at the time of the exchange of the life insurance.
 - (C) This Subsection (3)(d)(iii) shall be interpreted in a manner consistent with Subsection (2)(c).
- (iv)
 - (A) If an employer or trustee establishes an insurable interest as provided in this Subsection (3)(d) and all of the employer's business is acquired, purchased, merged into, or otherwise transferred to a subsequent employer, the insurable interest of the original employer or trustee in an individual described in Subsection (3)(d)(i)(A) is automatically transferred to:
 - (I) the subsequent employer; or
 - (II) the trustee of a trust established by the subsequent employer for the subsequent employer's sole benefit.
 - (B) A subsequent employer or a trustee of a trust described in Subsection (3)(d)(iv)(A)(II) may exchange life insurance that is purchased or acquired in an individual described in Subsection (3)(d)(i)(A) by the original employer or trustee without establishing a new insurable interest at the time of the exchange of the insurance.
 - (v) The extent of an employer's or employer sponsored trust's insurable interest for a nonmanagement or retired employee under Subsection (3)(d)(i) is limited to an amount commensurate with the employer's unfunded liabilities at the time insurance on the nonmanagement or retired employee is procured.
- (4)
 - (a) Except as provided in Subsection (5), an insurer may not knowingly issue an individual life or accident and health insurance policy to a person other than the one whose life or health is at risk unless that person:
 - (i) is 18 years of age or older;
 - (ii) is not under guardianship under Title 75, Chapter 5, Protection of Persons Under Disability and Their Property; and
 - (iii) gives written consent to the issuance of the policy.
 - (b) A person shall express consent:
 - (i) by signing an application for the insurance with knowledge of the nature of the document; or
 - (ii) in any other reasonable way.
 - (c) Insurance provided in violation of this Subsection (4) is subject to Subsection (6).
- (5)
 - (a) A life or accident and health insurance policy may be taken out without consent in a circumstance described in this Subsection (5)(a).
 - (i) A person may obtain insurance on a dependent who does not have legal capacity.
 - (ii) A creditor may, at the creditor's expense, obtain insurance on the debtor in an amount reasonably related to the amount of the debt.
 - (iii) A person may obtain life and accident and health insurance on an immediate family member who is living with or dependent on the person.

- (iv) A person may obtain an accident and health insurance policy on others that would merely indemnify the policyholder against expenses the person would be legally or morally obligated to pay.
- (v) The commissioner may adopt rules permitting issuance of insurance for a limited term on the life or health of a person serving outside the continental United States who is in the public service of the United States, if the policyholder is related within the second degree by blood or by marriage to the person whose life or health is insured.
- (b) Consent may be given by another in a circumstance described in this Subsection (5)(b).
 - (i) A parent, a person having legal custody of a minor, or a guardian of a person under Title 75, Chapter 5, Protection of Persons Under Disability and Their Property, may consent to the issuance of a policy on a dependent child or on a person under guardianship under Title 75, Chapter 5, Protection of Persons Under Disability and Their Property.
 - (ii) A grandparent may consent to the issuance of life or accident and health insurance on a grandchild.
 - (iii) A court of general jurisdiction may give consent to the issuance of a life or accident and health insurance policy on an ex parte application showing facts the court considers sufficient to justify the issuance of that insurance.
- (6)
 - (a) An insurance policy is not invalid because:
 - (i) the insurance policy is issued or procured in violation of Subsection (2); or
 - (ii) consent has not been given.
 - (b) Notwithstanding Subsection (6)(a), a court with appropriate jurisdiction may:
 - (i) order the proceeds to be paid to some person who is equitably entitled to the proceeds, other than the one to whom the policy is designated to be payable; or
 - (ii) create a constructive trust in the proceeds or a part of the proceeds on behalf of a person who is equitably entitled to the proceeds, subject to all the valid terms and conditions of the policy other than those relating to insurable interest or consent.
- (7) This section does not prevent an organization described under Section 501(c)(3), (e), or (f), Internal Revenue Code, as amended, and the regulations made under this section, and which is regulated under Title 13, Chapter 22, Charitable Solicitations Act, from soliciting and procuring, by assignment or designation as beneficiary, a gift or assignment of an interest in life insurance on the life of the donor or assignor or from enforcing payment of proceeds from that interest.
- (8)
 - (a) Subsection (8)(b) applies if:
 - (i) an insurance policy is transferred pursuant to a life settlement in accordance with Chapter 36, Life Settlements Act; and
 - (ii) before the transfer described in Subsection (8)(a)(i) the insurable interest requirements of Subsection (2)(c)(i) are met for the insurance policy.
 - (b) An insurance policy described in Subsection (8)(a) is not subject to Subsection (6)(b) and nothing in this section prevents:
 - (i) an owner of life insurance, whether or not the owner is also the subject of the insurance, from entering into a life settlement;
 - (ii) a life settlement producer from soliciting a person to enter into a life settlement;
 - (iii) a person from enforcing payment of proceeds from the interest obtained under a life settlement; or
 - (iv) the execution:

(A) of any of the following with respect to the death benefit or ownership of any portion of a settled policy as provided for in Section 31A-36-109:

(I) an assignment;

(II) a sale;

(III) a transfer;

(IV) a devise; or

(V) a bequest; and

(B) by any of the following:

(I) a life settlement provider;

(II) a life settlement purchaser;

(III) a financing entity;

(IV) a related provider trust;

(V) a special purpose entity;

(VI) a qualified institutional buyer as defined in Rule 144A, 17 C.F.R. Sec. 230.144A; or

(VII) an accredited investor as defined in Regulation D, Rule 501, 17 C.F.R. Sec. 230.501.

(9)

(a) The insurable interests described in this section:

(i) are not exclusive;

(ii) are cumulative of an insurable interest that is not expressly included in this section but exists in common law; and

(iii) are not in lieu of an insurable interest that is not expressly included in this section but exists in common law.

(b) The inclusion of an insurable interest in this section may not be considered to be excluding another insurable interest that is similar to the insurable interest included in this section.

(c)

(i) The recognition of an insurable interest in this section by Chapter 89, Laws of Utah 2007, does not imply or create a presumption that the insurable interest did not exist before April 30, 2007.

(ii) An insurable interest shall be presumed with respect to a life insurance policy issued before April 30, 2007 to a person whose insurable interest is recognized in this section by Chapter 89, Laws of Utah 2007.

Amended by Chapter 355, 2009 General Session

31A-21-105 Representations, warranties, and conditions.

(1)

(a) No statement, representation, or warranty made by any person representing the insurer in the negotiation for an individual or franchise insurance contract affects the insurer's obligations under the policy unless it is stated in the policy or in a written application signed by the applicant. No person, except the applicant or another by his written consent, may alter the application, except for administrative purposes in a way which is clearly not ascribable to the applicant.

(b) No statement, representation, or warranty made by or on behalf of a particular certificate holder under a group policy affects the insurer's obligations under the certificate unless it is stated in the certificate or in a written document signed by the certificate holder, and a copy of it is supplied to the certificate holder.

(c) The policyholder, his assignee, the loss payee or mortgagee or lienholder under property insurance, and any person whose life or health is insured under a policy may request, in

writing, from the company a copy of the application, if he did not receive the policy or a copy of it, or if the policy has been reinstated or renewed without the attachment of a copy of the original application. If the insurer does not deliver or mail a copy as requested within 30 days after receipt of the request by the insurer or its agent, or in the case of a group policy certificate holder, does not inform that person within the same period how he may inspect the policy or a copy of it and application or enrollment card or a copy of it during normal business hours at a place reasonably convenient to the certificate holder, nothing in the application or enrollment card affects the insurer's obligations under the policy to the person making the request. Each person whose life or health is insured under a group policy has the same right to request a copy of any document under Subsection (1)(b).

- (2) Except as provided in Subsection (5), no misrepresentation or breach of an affirmative warranty affects the insurer's obligations under the policy unless:
 - (a) the insurer relies on it and it is either material or is made with intent to deceive; or
 - (b) the fact misrepresented or falsely warranted contributes to the loss.
- (3) No failure of a condition prior to the loss and no breach of a promissory warranty affects the insurer's obligations under the policy unless it exists at the time of the loss and either increases the risk at the time of the loss or contributes to the loss. This Subsection (3) does not apply to failure to tender payment of premium.
- (4) Nondisclosure of information not requested by the insurer is not a defense to an action against the insurer. Failure to correct within a reasonable time any representation that becomes incorrect because of changes in circumstances is misrepresentation, not nondisclosure.
- (5) If after issuance of a policy the insurer acquires knowledge of sufficient facts to constitute a general defense to all claims under the policy, the defense is only available if the insurer notifies the insured within 60 days after acquiring the knowledge of its intention to defend against a claim if one should arise, or within 120 days if the insurer considers it necessary to secure additional medical information and is actively seeking the information at the end of the 60 days. The insurer and insured may mutually agree to a policy rider in order to continue the policy in force with exceptions or modifications. For purposes of this Subsection (5), an insurer has acquired knowledge only if the information alleged to give rise to the knowledge was disclosed to the insurer or its agent in connection with communications or investigations associated with the insurance policy under which the subject claim arises.
- (6)
 - (a) An insurer that offers coverage to a small employer group as required by Pub. L. No. 104-191, 110 Stat. 1979, Sec. 2711(a), may not rescind a policy or individual certificate holder based on application misrepresentation unless the insurer would not have been required to issue the coverage in the absence of the misrepresentation.
 - (b) Subsection (6)(a) does not prevent an insurer from correcting rates if:
 - (i) in the absence of misrepresentation a different rate would have been required; and
 - (ii) the corrected rates are in compliance with Section 31A-30-106.
- (7) No trivial or transitory breach of or noncompliance with any provision of this chapter is a basis for avoiding an insurance contract.

Amended by Chapter 131, 2003 General Session

31A-21-106 Incorporation by reference.

- (1)
 - (a) Except as provided in Subsection (1)(b), an insurance policy may not contain any agreement or incorporate any provision not fully set forth in the policy or in an application or other

document attached to and made a part of the policy at the time of its delivery, unless the policy, application, or agreement accurately reflects the terms of the incorporated agreement, provision, or attached document.

(b)

- (i) A policy may by reference incorporate rate schedules and classifications of risks and short-rate tables filed with the commissioner.
- (ii) By rule or order, the commissioner may authorize incorporation by reference of provisions for:
 - (A) administrative arrangements;
 - (B) premium schedules; and
 - (C) payment procedures for complex contracts.

(c)

- (i) A policy of title insurance insuring the mortgage or deed of trust of an institutional lender may, if requested by an institutional lender, incorporate by reference generally applicable policy terms that are contained in a specifically identified policy that has been filed with the commissioner.
- (ii) As used in Subsection (1)(c)(i), "institutional lender" means a person that regularly engages in the business of making loans secured by real estate.

(d) A policy may incorporate by reference the following by citing in the policy:

- (i) a federal law or regulation;
- (ii) a state law or rule; or
- (iii) a public directive of a federal or state agency.

(2) A purported modification of a contract during the term of the policy may not affect the obligations of a party to the contract:

(a) unless the modification is:

- (i) in writing; and
- (ii) agreed to by the party against whose interest the modification operates; and

(b) except:

- (i) as provided in:
 - (A) Subsection (3) or (4);
 - (B) Subsection 31A-22-618.6(8); or
 - (C) Subsection 31A-22-618.7(4); or
- (ii) as otherwise mandated by law.

(3) Subsection (2) does not prevent a change in coverage under group contracts resulting from:

- (a) provisions of an employer eligibility rule;
- (b) the terms of a collective bargaining agreement; or
- (c) provisions in federal Employee Retirement Income Security Act plan documents.

(4) Subsection (2) does not prevent a premium increase at any renewal date that is applicable uniformly to all comparable persons.

Amended by Chapter 292, 2017 General Session

31A-21-107 Contract rights under noncomplying policies.

- (1) Except as otherwise specifically provided by this title, a policy is enforceable against the insurer according to its terms, even if it exceeds the authority of the insurer.
- (2) Any insurance policy, rider, or endorsement issued after July 1, 1986, and which is otherwise valid, which contains any condition or provision not in compliance with the requirements of this title, is not rendered invalid by this title. However, those conditions and provisions shall be

construed and applied as if the policy, rider, or endorsement was in full compliance with this title.

- (3) Upon written request of the policyholder or an insured whose rights under the policy are continuing and not transitory, an insurer shall reform and reissue or amend by a clearly stated rider its written policy to comply with the requirements of the law existing at the date of issuance of the policy. Subject to this section and Section 31A-21-102, a person seeking to reform a written insurance agreement by complaint or petition to a judicial authority shall show by clear and convincing evidence the existence of facts establishing the reformation.

Amended by Chapter 204, 1986 General Session

31A-21-108 Subrogation actions.

Subrogation actions may be brought by the insurer in the name of its insured.

Enacted by Chapter 204, 1986 General Session

31A-21-109 Debt cancellation agreements and debt suspension agreements.

(1) As used in this section:

- (a) "Debt cancellation agreement" means a contract between a lender and a borrower where the lender, for a separately stated consideration, agrees to waive all or part of the debt in the event of a fortuitous event such as death, disability, or the destruction of the lender's collateral.
 - (b) "Debt suspension agreement" means a contract between a lender and a borrower where the lender, for a separately stated consideration, agrees to suspend scheduled installment payments for an agreed period of time in the event of a:
 - (i) fortuitous event such as involuntary unemployment or accident; or
 - (ii) fortuitous condition such as sickness.
 - (c) "Guaranteed asset protection waiver" is as defined in Section 31A-6b-102.
 - (d) "Institution" means:
 - (i) a bank as defined in Section 7-1-103;
 - (ii) a credit union as defined in Section 7-1-103;
 - (iii) an industrial bank as defined in Section 7-1-103; or
 - (iv) a savings and loan association as defined in Section 7-1-103.
 - (e) "Regulate the issuance" includes regulation of the following with respect to a debt cancellation agreement or a debt suspension agreement:
 - (i) terms;
 - (ii) conditions;
 - (iii) rates;
 - (iv) forms; and
 - (v) claims.
 - (f) "Subsidiary" is as defined in Section 7-1-103.
- (2) Except as provided in Subsection (6), the commissioner has sole jurisdiction over the regulation of a debt cancellation agreement or debt suspension agreement.
 - (3) Subject to this section, the commissioner may by rule, made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act:
 - (a) authorize an insurer to issue:
 - (i) a debt cancellation agreement; or
 - (ii) a debt suspension agreement; and

- (b) regulate the issuance of:
 - (i) a debt cancellation agreement; or
 - (ii) a debt suspension agreement.
- (4) Except as provided in Subsection (6), a debt cancellation agreement or a debt suspension agreement may be issued only by an insurer authorized to issue a debt cancellation agreement or debt suspension agreement under this section.
- (5)
 - (a) The rules promulgated by the commissioner under this section shall regulate the issuance of a debt cancellation agreement or debt suspension agreement according to the functional insurance equivalent of each type of debt cancellation agreement or debt suspension agreement.
 - (b) Except as provided in Subsection (5)(c), in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commissioner may by rule determine the functional insurance equivalent of each type of debt cancellation agreement or debt suspension agreement.
 - (c) Notwithstanding Subsection (5)(b), the functional insurance equivalent of a debt cancellation agreement that provides for the cancellation of indebtedness at death is credit life insurance.
- (6) Notwithstanding the other provisions of this section, the issuance of a debt cancellation agreement or a debt suspension agreement by an institution or a subsidiary of an institution is:
 - (a) not subject to this section; and
 - (b) subject to the jurisdiction of the primary regulator of:
 - (i) the institution; or
 - (ii) the subsidiary of an institution.
- (7) This section does not apply to a guaranteed asset protection waiver.

Amended by Chapter 274, 2010 General Session

31A-21-110 Prohibition against certain use of Social Security number -- Exceptions -- Applicability of section.

- (1) As used in this section "publicly display or publicly post" means to intentionally communicate or otherwise make available to the general public.
- (2) An insurer not subject to Section 31A-22-634 may not do any of the following:
 - (a) publicly display or publicly post in any manner an individual's Social Security number; or
 - (b) print an individual's Social Security number on any card required for the individual to access products or services provided or covered by the insurer.
- (3) This section does not prevent:
 - (a) the collection, use, or release of a Social Security number as required by state or federal law;
 - (b) the use of a Social Security number for internal verification or administrative purposes; or
 - (c) the release of a Social Security number:
 - (i) for claims administration purposes; or
 - (ii) as part of the verification, eligibility, or payment process.
- (4)
 - (a) An insurer shall comply with this section by July 1, 2005.
 - (b) An insurer may obtain an extension for compliance with this section in accordance with this Subsection (4)(b).
 - (i) The request for extension shall:
 - (A) be in writing to the department prior to July 1, 2005; and
 - (B) provide an explanation as to why the insurer cannot comply.

- (ii) The commissioner shall grant a request for extension:
 - (A) for a period of time not to exceed March 1, 2006; and
 - (B) if the commissioner finds that the explanation provided under Subsection (4)(b)(i) is a reasonable explanation.

Enacted by Chapter 2, 2004 General Session

31A-21-111 Insurers to follow terms of policy.

Unless otherwise provided by this title, an insurer shall follow the terms of an insurance policy issued or assumed by the insurer.

Enacted by Chapter 197, 2006 General Session

31A-21-112 Language other than English.

- (1) An insurer may conduct a transaction in a language other than English through an employee or agent acting as interpreter or through an interpreter provided by the customer.
- (2) An insurer may provide a customer an insurance policy, endorsement, rider, or explanatory or advertising material in a language other than English. If there is a dispute or complaint regarding the insurance policy, endorsement, rider, or explanatory or advertising material, the English language version of the insurance coverage shall control the resolution of the dispute or complaint.
- (3) A non-English language policy delivered or issued for delivery in this state is considered to be in compliance with this title if the insurer certifies that the policy is translated from an English language policy that complies with this title.
- (4) If an insurance policy, endorsement, or rider is provided in a language other than English, it shall be accompanied by:
 - (a) the corresponding English language version; and
 - (b) a disclaimer in both English and the other language that states that the foreign language version is provided only as an accommodation or courtesy to the customer and the English language version shall control the resolution of any dispute or complaint.

Enacted by Chapter 443, 2013 General Session