

31A-27a-407 Duties of agents.

- (1)
 - (a) At the request of the liquidator, an agent receiving notice of the entry of the liquidation order shall provide notice of that order:
 - (i) on a form prescribed by the liquidator;
 - (ii) to:
 - (A) each policyholder of a policy issued through the agent; and
 - (B) other person named in a policy issued through the agent; and
 - (iii) within:
 - (A) 15 days of the day on which the agent receives the notice; or
 - (B) a longer time as the liquidator may require.
 - (b) Within 30 days of the mailing required by Subsection (1)(a), the agent shall provide as prescribed by the liquidator:
 - (i) a certification of mailing; and
 - (ii) a list of insureds to which notice is provided.
- (2)
 - (a) A person who represents the insurer as an agent and receives notice in the form prescribed in Section 31A-27a-406, shall, within 30 days of the day on which the notice being sent, provide to the liquidator:
 - (i) the information the agent is required to provide pursuant to Section 31A-27a-110, if any;
 - (ii) the information in the agent's records related to any policy issued by the insurer through the agent; and
 - (iii) if the agent is a general agent, the information in the general agent's records related to any policy issued by the insurer through an agent under contract to the general agent, including the name and address of the subagent.
 - (b) Except where the ownership of the expiration of the policy is transferred to another, a policy is considered issued through an agent if the agent:
 - (i) has a property interest in the expiration of the policy; or
 - (ii) has had in the agent's possession a copy of the declarations of the policy at any time during the life of the policy.
- (3) If an agent fails to provide information to the liquidator as required in Subsection (2), the commissioner after holding a hearing may:
 - (a) impose against the agent a penalty of not more than \$1,000; and
 - (b) suspend the agent's license.
- (4) Notwithstanding an agent's property interest, if any, in the expiration of a policy, the liquidator has the exclusive power to determine whether, and under what terms, to cancel or transfer the policy.

Enacted by Chapter 309, 2007 General Session