

Sec. 38a-435-3. Duties of Producers

(a) A producer who initiates an application shall submit to the insurer, with or as part of the application, a statement signed by both the applicant and the producer as to whether the applicant has existing policies or contracts. If the answer is “no,” the producer’s duties with respect to replacement are complete.

(b) If the applicant answered “yes” to the question regarding existing coverage referred to in subsection (a) of this section, the producer shall present and read to the applicant, not later than at the time of taking the application unless such reading has been waived by the applicant, a notice regarding replacements in the form as described in Appendix A of sections 38a-435-1 to 38a-435-8, inclusive, of the Regulations of Connecticut State Agencies or other substantially similar form approved by the commissioner. However, no approval shall be required when amendments to the notice are limited to the omission of references not applicable to the product being sold or replaced. The notice shall be signed by both the applicant and the producer attesting that the notice has been read aloud by the producer or that the applicant did not wish the notice to be read aloud, and a copy left with the applicant.

(c) The notice shall list all policies or contracts proposed to be replaced, identified by name of the existing insurer, name of the insured or annuitant, and policy or contract number if available; and shall include a statement as to whether each policy or contract will be replaced or whether a policy will be used as a source of financing for the new policy or contract. If a policy or contract number has not been issued by the existing insurer, alternative identification, such as an application or receipt number, shall be listed.

(d) In connection with a replacement, the producer shall leave with the applicant at the time an application for a new policy or contract is completed, the original or a copy of all sales material. With respect to electronically presented sales material, it shall be provided to the policy or contract owner in printed form no later than at the time of policy or contract delivery.

(e) Except as provided in section 38a-435-5(c) of the Regulations of Connecticut State Agencies, in connection with a replacement, the producer shall submit to the insurer to which an application for a policy or contract is presented, a copy of each document required by this section, a statement identifying any preprinted or electronically presented company approved sales material used, and copies of any individualized sales material, including any illustrations related to the specific policy or contract purchased.

(Effective July 23, 2013)