



- (1) possible duplication of the coverage with the consumer's homeowner's or renter's insurance;
- (2) purchase of the insurance is not required in order to buy the product;
- (3) a summary of the key terms of the insurance coverage including deductibles, exclusions, and limitations of the coverage;
- (4) the process and requirements for filing a claim, including return of the product and proof of loss; and
- (5) the right to cancel the insurance at any time and get a pro rata refund of unearned premium.

(b) Permits offering the coverage on a month-to-month or other periodic basis under a group policy issued by the insurance company to the vendor, under which individual customers can enroll.

(c) Permits coverage that complies with this section to have whatever terms for modification or termination are in the policy, regardless of any general Minnesota insurance law that would otherwise not allow those terms.

(d) Requires that eligibility and underwriting standards be established for each portable electronics insurance program.

**Subd. 4. Authority of vendors of portable electronics.** (a) Permits employees and authorized representatives of a portable electronics vendor to sell the insurance if the vendor has a limited lines insurance license permitting sale of that product, arranges for a supervising insurance agency to administer the insurance marketing and train the employees and others who will sell the product to customers, and makes sure no employee or authorized representative claims to be a regular insurance agent.

(b) Permits the vendor to bill for and collect the insurance premiums. Requires that the premiums be itemized separately on the bill. Permits the vendor and the insurance company to agree on how the vendor will handle the premium payments, such as whether they must be kept in a separate account. Provides that insurance payments received by the vendor are considered held in a fiduciary capacity for the insurance company, which seems to imply the insurance company is liable to provide the coverage even if the vendor diverts the funds. Permits the insurance company to pay the vendor for billing and collecting the premiums.

- 4 Licensing fees.** Sets licensing fees for this new type of limited lines insurance agent license. Specifies an initial and renewal licensing fee of \$100 per location for vendors who sell the insurance at ten or fewer locations in this state, and a fee of \$6,500 for vendors who have more than ten such locations in this state. This license is issued to the retailer and not to the individual employees who sell the product to the customers.