

SECTION .0600 - REPLACEMENT REGULATIONS

11 NCAC 12 .0601 PURPOSE AND SCOPE

The purpose of the rules in this Section are:

- (1) To regulate the activities of insurers and producers with respect to the replacement of existing life insurance and annuities.
- (2) To protect the interests of life insurance and annuity purchasers by establishing minimum standards of conduct to be observed in replacement or financed purchase transactions that will:
 - (a) assure that purchasers receive information with which a decision can be made in their own best interest;
 - (b) reduce the opportunity for misrepresentation and incomplete disclosures; and
 - (c) establish penalties for failure to comply with requirements of the rules in this section.

History Note: Authority G.S. 58-2-40; 58-3-115; 58-58-1; 58-58-40;
Eff. October 1, 1985;
Amended Eff. August 1, 2004;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. May 1, 2018.