

11 NCAC 12 .1602 GENERAL REQUIREMENTS

No insurer shall offer retained asset accounts as a mode of settlement of proceeds unless the insurer complies with the following:

- (1) The retained asset account shall be specifically identified as a settlement option within the terms of the claim form in conjunction with any other mode of settlement.
- (2) The policy owner shall be provided the contractual right of selection from all available optional modes of settlement before death or death of the insured if the insured is not the policy owner.
- (3) The insurer shall provide the beneficiary with information that clearly discloses the rights and obligations of both the beneficiary and the insurer with respect to the mode of settlement.

History Note: *Authority G.S. 58-2-40; 58-3-150; 58-7-15; 58-58-1; 58-58-110;*
Eff. February 1, 1996;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. May 1,
2018.