

STATE OF COLORADO

DEPARTMENT OF REGULATORY AGENCIES

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Repealed and Repromulgated (IN FULL) Regulation 5-1-2

Application and Binder Forms

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Section 1. Authority

This regulation is promulgated pursuant to §§10-1-109 and 10-3-1110, C.R.S.

Section 2. Basis and Purpose

The purpose of this regulation is to implement rules that provide clear disclosure of the insurance company on the application form or on the binder. In addition, this regulation is designed to eliminate the unfair practice of providing false or misleading information by individuals who are not disclosing the name of the insurance company on an application form or a binder for insurance.

Section 3. Applicability and Scope

This regulation shall apply to all property and casualty insurance coverage lawfully issued and delivered in the State of Colorado, except surplus line risks or insurance under the Colorado Motor Vehicle Insurance Plan.

Section 4. Definitions

A. “Binder” means a writing which describes the subject and amount of insurance and temporarily binds insurance coverage pending the issuance of an insurance policy. Binder does not include conditional receipts by life insurance companies under which issuance of the policy or coverage under the policy is contingent upon the acceptability of the risk.

B. “Application” shall include any application form or enrollment form for coverage under any policy.

Section 5. Rules

A producer shall clearly disclose the name of the insurance company on all applications, binders, and similar forms that will be used to insure the risk prior to the time the policy reaches the applicant.

Section 6. Enforcement

Noncompliance with this regulation may result, after proper notice and hearing, in the imposition of all applicable sanctions made available in the Colorado statutes pertaining to the business of insurance or other laws, which include the imposition of fines and suspension or revocation of license.

Section 7. Severability

If any provision of this regulation or the application thereof to any person or circumstances is for any reasons held to be invalid, the remainder of this regulation and the application of such provision shall not be affected in any way.

Section 8. Effective Date

This regulation is effective December 1, 2001.

Section 9. History

Regulation 74-9, was effective 1974.

Regulation 74-9 was renumbered as Regulation 5-1-2, effective July 1, 1993.

Regulation 5-1-2 was repealed and revised effective December 1, 2001.