

Required Training Elements – Self-Service Storage Facility

LIC SSA 3 (7/07)

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California Department of Insurance Self-Service Storage Agent Outline of Required Training Elements

California Insurance Code Section (CIC)1758.72(a) requires all self-service storage agents to provide an insurance training program for its employees that shall meet specified minimum requirements. In an effort to assist you with developing your training program, we have provided you with the following checklist of required training elements to be covered in your materials.

1. Section 1758.72(a)(1) requires that each employee receive instruction about the types of insurance specified in Section 1758.75, as follows, that are offered for sale to prospective renters.
 - ✓ Insurance that provides hazard insurance coverage to renters for the loss of, or damage to, tangible personal property in storage or in transit during the rental period, and only in connection with, and incidental to, self-service storage rental agreements.
2. Section 1758.72(a)(2) requires that each employee receive training about ethical sales practices. Pursuant to 1758.78 a self-service storage agent shall not do any of the following:
 - ✓ Offer to sell insurance except in conjunction with, and incidental to, authorized rental agreements.
 - ✓ Advertise, represent, or otherwise portray itself or its employees as licensed insurers, insurance agents, or insurance brokers.

Section 1758.76(a) states that a licensee shall not sell insurance pursuant to this article unless all of the following conditions are satisfied: The self-service agent provides brochures or other written material to the prospective renter that does all of the following:

- ✓ Summarizes the material terms and conditions of coverage offered to renters, including the identity of the insurer.
- ✓ Describes the process for filing a claim, including a toll-free telephone number to report a claim
- ✓ Discloses any additional information on the price, benefits, exclusions, conditions, or other limitations of the types of insurance specified in 1758.75 that the commissioner may by rule prescribe.

- ✓ Provide the licensee's name, address, telephone number, and license number and the availability of the department's toll-free consumer hotline.

3. Section 1758.72(a)(3) requires that each employee receive training about the disclosures to be given to prospective renter pursuant to subdivision (b) of Section 1758.76. The self-service storage agent makes all of the following disclosures to the renter, which shall be acknowledged in writing by the renter, or displayed by clear and conspicuous signs that are posted at every location where rental agreements are executed, such as the counter where a renter would sign a rental agreement:

- ✓ That the purchase by the renter of the insurance is not required in order to rent storage space. However, the licensee's employees may advise the renter that the self-service storage facility's rental agreement may contain provisions requiring the renter to provide insurance on his or her property in the storage unit.
- ✓ That the insurance policies offered by the self-service storage agent may provide a duplication of coverage already provided by a renter's homeowners insurance policy or by another source of coverage.
- ✓ That the self-service storage facility and its employees are not qualified or authorized to evaluate the adequacy of the purchaser's existing coverage.
- ✓ That if a renter elects to purchase the coverage, evidence of coverage must be stated on the face of the rental agreement or must be provided to the renter.
- ✓ That the insurance is provided under an individual, a group, or a master policy issued to the self-service storage agent by an insurer authorized to write the types of insurance specified in Section 1758.75 in this state.