1758.93 (b) Prior to allowing any endorsee to offer or sell credit-related insurance, the licensed organization shall provide training to each endorsee about the credit insurance products to be sold, and shall submit annually to the department the names of endorsees and a statement of compliance with this article.

Section 1758.96 A credit insurance agent may offer the following kinds of insurance:

1. Credit life insurance.
2. Credit disability insurance.
3. Credit involuntary unemployment insurance or credit loss-of-income insurance.
4. Credit property insurance.

The insurance may only be sold in connection with and incidental to a loan or other extension of credit other than a loan in excess of sixty thousand dollars ($60,000) relating to or secured by real property where the repayment period does not exceed 10 years; and,

Section 1758.97 A credit insurance agent shall not sell or offer to sell insurance unless all of the following conditions are satisfied:

(a) The credit insurance agent provides brochures or other written materials to the prospective purchaser that does all of the following:

1) Summarize the material terms and conditions of coverage offered, including the identity of the insurer.

2) Describe the process for filing a claim, including a toll-free telephone number to report a claim.

3) Disclose any additional information on the price, benefits, exclusions, conditions, or other limitations of those policies that the commissioner may by rule prescribe.
The credit insurance agent makes all of the following disclosures, either with or as part of each individual policy or group certificate, or with a notice of proposed insurance, or, if the insurance is sold at the same time and place as the related credit transaction, in a statement acknowledged by the purchaser in writing on a separate form, electronically, digitally, or by tape recording:

1) That the purchase of the kinds of insurance prescribed in this article is not required in order to secure the loan or an extension of credit.
2) That the insurance coverage offered by the credit insurance agent may provide a duplication of coverage already provided by a purchaser's other personal insurance policies or by another source of coverage.
3) That the endorsee is not qualified or authorized to evaluate the adequacy of the purchaser's existing coverages, unless the individual is licensed pursuant to Article 3 (commencing with Section 1631).
4) That the customer may cancel the insurance at any time. If the customer cancels within 30 days from the delivery of the insurance policy, certificate, or notice of proposed insurance, the premium will be refunded in full. If the customer cancels at any time thereafter, any unearned premium will be refunded in accordance with applicable law.

(c) Evidence of coverage is provided to every person who elects to purchase that coverage.

(d) Costs for the insurance are separately itemized in any loan, credit, or retail agreement.

(e) The insurance is provided under an individual policy issued to the purchaser or under a group or master policy issued to the organization licensed as a credit insurance agent by an insurer authorized to transact the applicable kinds or types of insurance in this state. Any of the conditions and disclosures specified in this section shall be deemed satisfied if the consumer is otherwise provided with the information required in this section by any other disclosures required by existing federal or state law or regulations.

No statement, disclosure, or notice shall be construed to cause the policy form, certificate of insurance, or notice of proposed insurance, by themselves, to be considered nonstandard forms, as described in Article 6.9 (commencing with Section 2249) of Subchapter 2 of Chapter 5 of Title 10 of the California Code of Regulations.

Section 1758.98 The credit insurance agent shall not do any of the following:

a) Offer to sell insurance except in conjunction with, and incidental to, a loan or extension of credit.

b) Advertise, represent, or otherwise portray itself or its employees, agents, or endorsee as licensed insurers, life agents, or property broker-agents and casualty broker-agents.
c) Pay any unlicensed person any compensation, fee, or commission dependent on the placement of insurance under the agent's license. Nothing in this subdivision shall prohibit production payments or incentive payments to an endorsee.

**Section 1758.992** Have knowledge of the following definitions:

a) “Enrollment”
b) “Creditor”
c) “Credit insurance agent license”
d) “Credit insurance”
e) “Credit life insurance and “credit disability insurance”
f) “Credit involuntary unemployment insurance” or ‘credit loss-of-income insurance”
g) “Credit property insurance.”