

RCW 48.18.278 Terms for cancellation, nonrenewal, or modification of portable electronics policy—Application of RCW 48.18.290 and 48.18.2901 to portable electronics insurance. (1) The cancellation provisions in RCW 48.18.290 and the nonrenewal provisions in RCW 48.18.2901 apply to portable electronics insurance policies issued under chapter 48.120 RCW, unless inconsistent with this section in which case this section controls.

(2) An insurer may cancel, nonrenew, modify, or otherwise change the terms and conditions of a policy of portable electronics only:

(a) Upon providing the policyholder and enrolled customers with at least thirty days' notice; or

(b) As provided in subsections (5) through (7) of this section.

(3) An insurer may not increase premiums or deductibles or otherwise restrict benefits more than once in any six-month period.

(4) If an insurer changes the terms and conditions, then the insurer must provide:

(a) The vendor policyholder with a revised policy endorsement; and

(b) Each enrolled customer with:

(i) A revised certificate or endorsement and a summary of material changes; or

(ii) If the change is limited to a change in premium, a revised certificate, endorsement, updated brochure, or other evidence indicating a change in premium.

(5) An insurer may terminate an enrolled customer's enrollment under a portable electronics insurance policy upon fifteen days' notice for discovery of fraud or material misrepresentation in obtaining coverage or in the presentation of a claim.

(6) An insurer may terminate an enrolled customer's enrollment under a portable electronics insurance policy upon ten days' notice for nonpayment of premium.

(7) An insurer may immediately terminate an enrolled customer's enrollment under a portable electronics insurance policy:

(a) Without notice, if the enrolled customer ceases to have an active service with the vendor of portable electronics; or

(b) Without prior notice if an enrolled customer exhausts the aggregate limit of liability, if any, under the terms of the portable electronics insurance policy and the insurer sends notice of termination to the enrolled customer within thirty calendar days after exhaustion of the limit. However, if notice is not timely sent, coverage continues notwithstanding the aggregate limit of liability until the insurer sends notice of termination to the enrolled customer.

(8) If a policy of portable electronics insurance is being canceled or terminated by the insurer, the notice must include the insurer's actual reason for cancellation or termination.

(9) When a portable electronics insurance policy is terminated by a policyholder, the insurer must mail or deliver written notice to each enrolled customer advising the enrolled customer of the termination of the policy and the effective date of termination. The written notice must be mailed or delivered to the enrolled customer at least thirty days prior to the termination. The written notice must include the actual reason for the termination. However, if the policyholder is a vendor licensed as a specialty producer pursuant to RCW 48.120.010, the notice required by this subsection must be mailed or delivered by the vendor.

(10) Any notice or correspondence with respect to a policy of portable electronics insurance required under this section or otherwise required by law must be in writing. Notice or correspondence may be sent either by mail or by electronic means. If the notice or correspondence is mailed, it must be sent to the vendor of portable electronics at the vendor's mailing address specified for that purpose and to its affected enrolled customers' last known mailing addresses on file with the insurer.

The insurer or vendor of portable electronics must maintain proof of mailing in a form authorized or accepted by the United States postal service or other commercial mail delivery service. If a notice or correspondence is sent by electronic means, it must be sent to the vendor of portable electronics at the vendor's electronic mail address specified for that purpose and to its affected enrolled customers' last known electronic mail address as provided by each enrolled customer to the insurer or vendor of portable electronics, as the case may be.

For purposes of this subsection, an enrolled customer's provision of an electronic mail address to the insurer, supervising person, or vendor of portable electronics means that the enrolled customer consents to receive notices and correspondence by electronic mail as long as a disclosure to that effect is provided to the consumer at the time the consumer provides an electronic mail address. The insurer or vendor of portable electronics, as the case may be, must maintain proof that the notice or correspondence was sent.

(11) Notice or correspondence required by this section or otherwise required by law may be sent by the supervising person appointed by the insurer on behalf of an insurer or a vendor. [2013 c 152 s 8.]