

CHUBB®

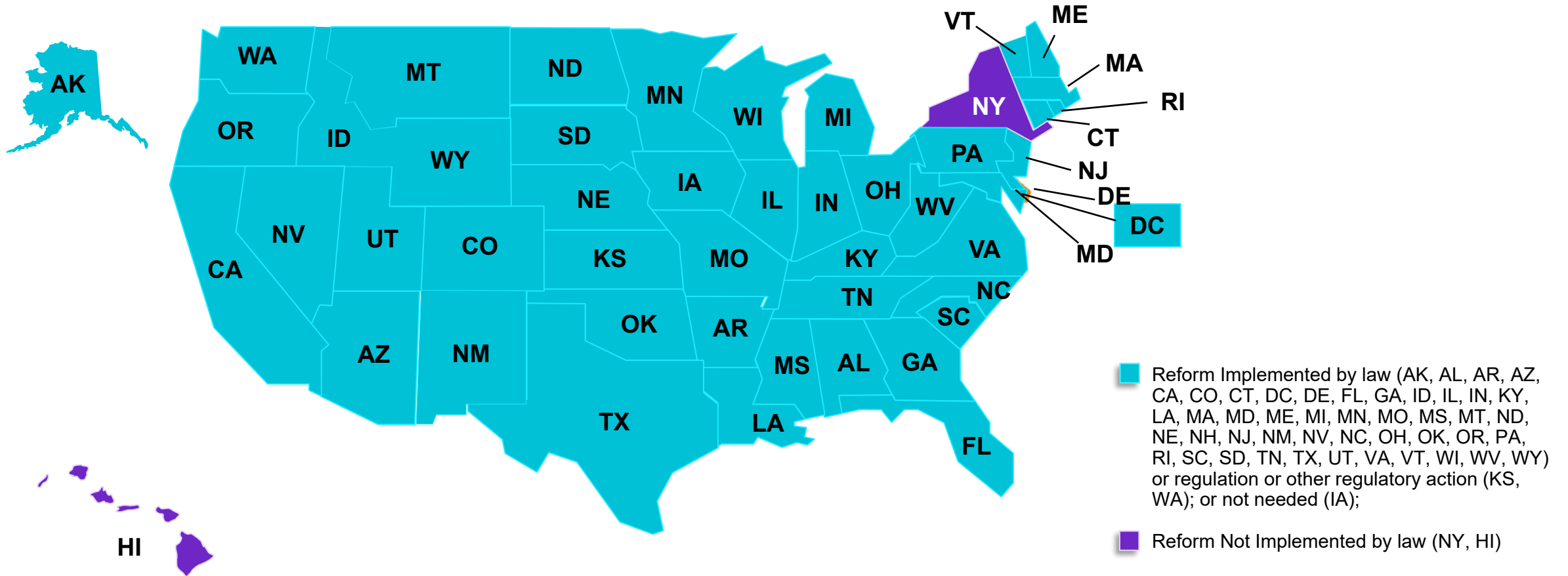
Chubb Travel Protection

Compliance Overview For
Travel Retailers Offering
Travel Insurance

August 2022



Limited Lines Travel Insurance Model Act



Source: UStiA 9/28/2018

Selling Travel Insurance

At Chubb, we strive to work with our agents to help them do good business. We focus on insurance in order to allow you to focus on what is most important to you – your business. We're excited about giving you the opportunity to sell our travel insurance, and want to make it easy and worry-free.

In the past few years the laws governing the sale of travel insurance have changed. The Limited Lines Travel Insurance Model Act has been enacted in most states. There are now two types of entities that may offer travel insurance to their customers.

Travel Insurance Producers

- Must be appropriately licensed in each state in which they offer or sell insurance
- Must be appointed by the insurance company in each state they sell insurance

Travel Retailers

- Are not required to be licensed or appointed
- May offer travel insurance to customers on behalf of, and at the direction of, a Travel Insurance Producer (i.e. Chubb Insurance Solutions Agency)

Key Terms¹

What is “Travel Insurance”?

Travel insurance is insurance coverage for personal risk incidents to planned travel, including but not limited to:

- Interruption or cancellation of a trip or event
- Loss of baggage or personal effects
- Damages to accommodations or rental vehicles
- Sickness, accident, disability or death occurring during travel

What is a “Travel Retailer”?

A Travel Retailer is an entity that makes, arranges or offers travel services and may offer and disseminate travel insurance as a service to its customers on behalf of, and under the direction of, a Limited Lines Travel Insurance Producer.

What does “offer and disseminate” mean?

Offer and disseminate means providing general information, including a description of the coverage and price, as well as processing applications for the insurance, collecting premiums and performing other non-licensable activities² permitted by the state.

¹From the National Conference of Insurance Legislators (NCOIL) Limited Lines Travel Insurance Model Act.

²See Implementation Guidelines of the NAIC Producer Licensing Model Act.

Key Responsibilities of a Travel Insurance Producer

What responsibilities do Travel Insurance Producers have for Travel Retailers working on their behalf?

Requirements may vary by state, but for the most part, the following requirements apply:

- The Travel Insurance Producer must be identified as the licensed producer on all marketing materials and fulfillment packages distributed by the Travel Retailer.
- The Travel Insurance Producer must maintain a register of each Travel Retailer working on its behalf. This register must be maintained and submitted annually upon request by a state insurance department.
- The Travel Insurance Producer is responsible for ensuring compliance with the travel insurance laws, rules and regulations of the states in which it is operating.
- The Travel Insurance Producer must provide to each Travel Retailer and employees of Travel Retailers an instruction program or training materials that contains instructions on the types of insurance offered, ethical sales practices and required disclosures to prospective customers.

Chubb Insurance Solutions Agency will serve as your Travel Insurance Producer.

Disclosures to Prospective Insurance Customers

What responsibilities do the limited lines travel insurance agent or the travel retailer need to provide to a consumer?

Requirements may vary by state, but for the most part, the following requirements apply:

Provide a disclosure to the customer in either the marketing materials or fulfillment packages as follows:

“This plan provides insurance coverage that only applies during the covered trip. You may have coverage for other sources that provides you with similar benefits but may be subject to different restrictions depending upon your other coverages. You may wish to compare the terms of this policy with your existing life, health, home, and automobile insurance policies. If you have any questions about your coverage, call your insurer or insurance agent or broker. The Travel Retailer offering this insurance may not be individually licensed and are not qualified to answer technical questions about the benefits, exclusions, and conditions of the travel insurance plan. They can not evaluate the adequacy of the prospective insured’s existing insurance coverage.”

Provide a disclosure to the customer which shall be acknowledged in writing or displayed by clear signs that are posted at every location:

“Purchasing travel insurance is not required in order to purchase any other product or service offered by the travel retailer.”

Ethics

At Chubb, Integrity is at the heart of all we do, individually, and collectively as an organization. It helps to define our actions, and in turn, our reputation.

For Chubb, our reputation stands for honesty, fairness and ethical behavior—and every one of us owns a piece of that reputation every time we make a business decision.

As our agent, the Travel Insurance Producers we appoint and the Travel Retailers we recognize, have an obligation to contribute to Chubb's reputation for high ethical conduct. This means acting in compliance with the laws and regulations governing:

- Licensing
- Market Conduct
- Fraud, Misrepresentations and Deceptive Marketing Practices



Policy

- Wherever required by law, any person “selling, soliciting or negotiating” insurance on our behalf must be duly licensed and appointed in any state in which this activity is occurring.
- Only to the extent permitted by Limited Lines Travel Insurance licensing laws, may any person offer or disseminate travel insurance on our behalf.
- In states where permitted, a travel agent or other individual engaged in offering travel services, may offer our travel insurance under our Designated Travel Producer.



California Insurance Code

Section 1753(c) (2) of the California Insurance code states that Travel insurance **does not include major medical plans**, which provide comprehensive medical protection for travelers with trips lasting six months or longer, including for example, those working overseas as an expatriate or military personnel being deployed.

Further, Section 1753(c) (3) of the California Insurance Code states that travel insurance **does not include damage waiver contracts**, as defined in paragraph (5) of subdivision (a) of Section 1936 of the Civil Code. The phrase “damage waiver” or “collision damage waiver” cannot be used to describe travel insurance coverage, but the insurance contract may otherwise refer to “damage waiver” or “collision damage waiver” provided by a company, as defined in paragraph (1) of subdivision (a) of Section 1936 of the Civil Code.

The California Insurance Code can be reviewed at:

http://www.leginfo.ca.gov/.html/ins_table_of_contents.html

Travel Insurance Producer Contact Information

Chubb Insurance Solutions Agency

202 Halls Mill Road

Whitehouse Station, NJ 08889

1 (800) 884-3770



CHUBB®

Reform Not Implemented
(NY, HI)

New York & Hawaii

- Have not adopted the Travel Retailer “Offer and Disseminate” definition
- Travel insurance offering is based on “Sell, Solicit, Negotiate” definition
- Travel Agency location must maintain a Limited Lines Travel Insurance license in their domicile state, NY and HI to earn compensation for NY and HI residents
- Travel Agents are limited to administering the sale under the Travel Agency location license
 - You are not allowed to discuss ANY coverage information
 - You are not allowed to recommend the purchase of travel insurance
- Travel Agents must elect to obtain a license to discuss coverage information and recommend travel insurance

The information provided in this training is for educational and informational purposes only. Chubb requires travel agents that want to sell Chubb products to obtain and maintain the appropriate licenses where required by state laws and regulations. This training does not constitute legal advice. It is your responsibility to ensure that you are complying with all applicable licensing requirements.

Chubb. Insured.SM

For coverage information, call our Customer Service Center at:
+1 844-825-2264 (Inside the US) +1 585-939-7468 (Outside the US)
8AM – 8PM (ET) Monday - Friday

To speak with our Sales Team, call:
+1 844-772-3493 (Inside the US)
8AM – 8PM (ET) 365 Days a Year

Coverage is being marketed by Chubb Insurance Solutions Agency, Inc. located at 202 Halls Mill Road, Whitehouse Station, New Jersey 08889. View terms and conditions at <https://ctiusa.chubbtravelinsurance.com/disclosure>. Insurance benefits are underwritten by ACE Property & Casualty Insurance Company or ACE American Insurance Company located at 436 Walnut Street, Philadelphia, Pennsylvania 19106. Chubb NA is the U.S.-based operating division of the Chubb Group of Companies headed by Chubb Ltd. (NYSE: CB) Insurance products and services are provided by a licensed producer, and not by the parent company itself.