STATE OF VERMONT

DEPARTMENT OF FINANCIAL REGULATION

In Re: Credit Card-Related Insurance Benefits) Doc)	lit Card-Related Insurance Benefits) Docket No. 16-018-I
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ORDER

FILING OF CREDIT CARD-RELATED INSURANCE BENEFITS

WHEREAS, pursuant to 8 V.S.A. § 3541(a) and subject to certain enumerated exceptions not applicable here, no basic insurance policy may be delivered or issued for delivery in the state of Vermont unless it has been filed with and approved by the Commissioner of Financial Regulation (the "Commissioner"); and,

WHEREAS, pursuant to 8 V.S.A. § 3541(d), the Commissioner may exempt from the requirements of 8 V.S.A. § 3541(a), for as long as he or she deems proper, any insurance form for which, in his or her opinion, filing and approval are not necessary for the protection of the public; and,

WHEREAS, credit card issuers frequently provide, without additional charge, insurance benefits such as, but not limited to, trip delay/trip cancellation/trip interruption protection, extended warranty protection, auto rental insurance and lost or damaged luggage insurance; and,

WHEREAS, the Department of Financial Regulation has received few, if any, consumer complaints about such credit card-related insurance benefits; and

WHEREAS, based on the absence of consumer complaints and the fact that such insurance benefits are provided by credit card issuers without additional charge, the Commissioner concludes that the conditions set forth below are sufficient for the protection of the public;

NOW THEREFORE, pursuant to the authority set forth in 8 V.S.A. § 3541(d), the Commissioner orders as follows:

- 1. Insurance benefits of the types set forth above that are provided by credit card issuers without additional charge shall not be subject to the filing and approval requirements of 8 V.S.A. § 3541(a);
- 2. All such benefits and the issuers of those benefits shall remain subject to the provisions of Chapter 129 of Title 8 V.S.A. (the "Insurance Trade Practices Act");

- 3. All insurance benefits delivered or issued for delivery in this state as part of a credit card transaction and without additional charge shall comply in full with all applicable provisions of Vermont law and regulation;
- 4. The Commissioner may exercise all investigatory and enforcement powers set forth in Title 8 V.S.A., including, but not limited to, the market conduct examination provisions of Subchapter 7 of Chapter 101, to ensure that the issuers of credit card-related insurance benefits comply with their obligations under Vermont law;
- 5. This Order may be rescinded in whole or in part if the Commissioner determines that the filing and approval of such benefits is necessary for the protection of Vermont consumers.

Dated at Montpelier, Vermont this 2nd day of June, 2016.

Susan L. Donegan, Commissioner