

**IAIS REGIONAL TRAINING SEMINAR FOR
INSURANCE SUPERVISORS OF LATIN AMERICA**

CONDUCT OF BUSINESS STANDARDS
THE U.S. FRAMEWORK

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PRESENTATION OVERVIEW

Insurance Core Principle 19: The supervisor requires that insurers and intermediaries, in their conduct of insurance business, treat customers fairly, both before a contract is entered into and through to the point at which all obligations under a contract have been satisfied.

U.S. Conduct of Business Standards Before Policy Issuance

- ✓ Rate and Form Review
- ✓ Licensing of Intermediaries

U.S. Conduct of Business Standards After Policy Issuance

- ✓ Consumer Assistance
- ✓ Off Site Monitoring of Companies
- ✓ Regulatory Interventions
- ✓ Broad Enforcement Authority

U.S. CONDUCT OF BUSINESS STANDARDS BEFORE POLICY ISSUANCE

Insurance rates must not be inadequate, excessive or unfairly discriminatory.

✓ Rate and Form Review

Insurance intermediaries must meet minimum level of knowledge and integrity.

✓ Licensing of Intermediaries

U.S. CONDUCT OF BUSINESS STANDARDS AFTER POLICY ISSUANCE

Policyholder correspondence must be answered in a timely and responsive manner.

- ✓ Consumer Assistance

Insurance claims must be promptly investigated and settled in good faith.

- ✓ Off Site Monitoring of Companies

False advertising and misrepresentation are prohibited.
Special protections for annuities.

- ✓ Regulatory Interventions

- ✓ Broad Enforcement Authority

Policy terminations must not be improper.

- ✓ Regulatory Interventions

- ✓ Broad Enforcement Authority

QUESTIONS/COMMENTS

THANK YOU FOR YOUR PARTICIPATION.