

60A.1755 AGENT ERRORS AND OMISSIONS INSURANCE; CHOICE OF SOURCE.

An insurance company shall not require an insurance agent to maintain insurance coverage for the agent's errors and omissions from a specific insurance company. This section does not apply if the insurance producer is a captive producer or employee of the insurance company imposing the requirement, or if that insurance company or affiliated broker-dealer pays for or contributes to the premiums for the errors and omissions coverage. For purposes of this section, "captive producer" means a producer that writes 80 percent or more of the producer's gross annual insurance business for that insurance company or any or all of its subsidiaries. Nothing in this section shall prohibit an insurance company from requiring an insurance producer to maintain errors and omissions coverage or requiring that errors and omissions coverage meet certain criteria.

History: 2009 c 178 art 1 s 6