

516E.11 Records explanation of reasons for denial of claims.

1. A motor vehicle service contract provider shall keep accurate records concerning transactions regulated under this chapter.

a. A motor vehicle service contract provider's records shall include all of the following:

(1) Copies of all service contracts.

(2) The name and address of each service contract holder.

(3) The dates, amounts, and descriptions of all receipts, claims, and expenditures related to service contracts.

(4) Copies of all materials relating to claims which have been denied.

b. A motor vehicle service contract provider shall retain all required records pertaining to a service contract holder for at least two years after the specified period of coverage has expired. A provider discontinuing business in this state shall maintain its records until the provider furnishes the commissioner satisfactory proof that the provider has discharged all obligations to contract holders in this state.

c. Motor vehicle service contract providers shall make all records concerning transactions regulated under the chapter available to the commissioner for the purpose of examination.

2. A motor vehicle service contract provider shall promptly deliver a written explanation to the service contract holder, describing the reasons for denying a claim or for the offer of a compromise settlement, based on all relevant facts or legal requirements and referring to applicable provisions of the service contract.

90 Acts, ch 1145, §9

C91, §321I.12

94 Acts, ch 1031, §3; 98 Acts, ch 1189, §6; 2000 Acts, ch 1147, §810, 15

C2001, §516E.11