

UNFAIR AND DECEPTIVE SALES PRACTICES

The Department of Insurance has become aware of increased use of unfair and deceptive trade practices involving the solicitation or sale of insurance products in Nevada to consumers relating to the solvency or financial stability of competitors. The Department is particularly concerned about possible mailings, personal contact or telephone calls from agents stating as fact, rumors and unofficial reports regarding certain insurance companies, some of which have been placed in conservatorship.

Repeating rumors or circulating newspaper articles on a competitor's solvency are prohibited practices under the Unfair Trade Practices Act in the Insurance Code, NRS 686A.030 (misrepresentation of financial condition or policy benefits), 686A.040 (false advertising) and 686A.050 (twisting).

This Department will not allow abuse for these statutes under any conditions or for any reason. Administrative action will be taken against any agent or insurance company violating Nevada law.

You should review the above statutes and be certain you strictly adhere to them. If you should have any questions please contact Compliance/Audit Investigator Michael V. Wittmuss in Carson City at 687-4270, extension 338, or Judith L. Damico in Las Vegas, at 486-4009.

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Commissioner of Insurance