PORTABLE ELECTRONICS LICENSE
Frequently Asked Questions (FAQS)

1. What are “portable electronics”? 
Portable electronics are defined by North Carolina G.S. 58-44A-1 as electronic devices that are portable in nature, their accessories, and services related to use of the device.

2. What is “portable electronics insurance”? 
Portable electronics insurance is defined by North Carolina G.S. 58-44A-1 as insurance providing coverage for the repair or replacement of portable electronics which may provide coverage against one or more of the following causes of loss: (i) loss, (ii) theft, and (iii) inoperability due to mechanical failure, malfunction, damage, or other similar causes of loss.

3. What is not included in the definition of “portable electronics insurance”? 
Portable electronics insurance does not include the following:
   a. A service contract or extended warranty providing coverage limited to the repair, replacement, or maintenance of property for the operational or structural failure of the property due to a defect in materials, workmanship, accidental damage from handling, power surges, or normal wear and tear.
   b. A policy of insurance covering a seller's or a manufacturer's obligations under a warranty.
   c. A homeowner's, renter's, private passenger automobile, commercial multiperil, or similar policy.

4. Who is considered a portable electronics “vendor”? 
A portable electronics vendor is defined by North Carolina G.S. 58-44A-1 as a person in the business of engaging in portable electronics transactions directly or indirectly.

5. What is a “portable electronics transaction”? 
A portable electronics transaction is either of the following:
   a. The sale or lease of portable electronics by a vendor to a customer.
   b. The sale of services related to the use of portable electronics by a vendor to a customer.

6. Is an insurance license required for a vendor to sell or offer coverage under a policy of portable electronics insurance? 
Yes, a vendor is required to hold a Portable Electronics Business Entity limited lines license to sell or offer coverage under a policy of portable electronics insurance.
7. What is the license fee for a Portable Electronics Business Entity license and how does the applicant submit an application for licensure?
The Portable Electronics Business Entity license has a $100.00 license fee and the applicant should submit an electronic application through the National Insurance Producer Registry (NIPR) at [www.nipr.com](http://www.nipr.com).

8. When does a Portable Electronics Business Entity license renew and how does the licensee submit a renewal application?
The Portable Electronics Business Entity license has a renewal fee of $100.00 due by 3/31 annually and the licensee should submit an electronic renewal application through the National Insurance Producer Registry (NIPR) at [www.nipr.com](http://www.nipr.com).

9. What is the authority of vendors of portable electronics?
The employees and authorized representatives of vendors may sell or offer portable electronics insurance to customers and shall not be subject to licensure as an insurance producer under Chapter 58 of the North Carolina General Statutes provided that the following are true:

   (1) The vendor obtains a limited lines license to authorize its employees or authorized representatives to sell or offer portable electronics insurance pursuant to this section.

   (2) The insurer issuing the portable electronics insurance either directly supervises or appoints a supervising entity to supervise the administration of the program, including development of a training program for employees and authorized representatives of the vendors. The training required by this subdivision shall comply with the following:

   a. The training shall be delivered to employees and authorized representatives of a vendor who are directly engaged in the activity of selling or offering portable electronics insurance.

   b. The training may be provided in electronic form. If conducted in an electronic form, the supervising entity shall implement a supplemental education program regarding portable electronics insurance that is conducted and overseen by licensed employees of the supervising entity.

   c. Each employee and authorized representative shall receive basic instruction about the portable electronics insurance offered to customers and the disclosures required under G.S. 58-44A-10.

   (3) No employee or authorized representative of a vendor of portable electronics shall advertise, represent, or otherwise hold himself or herself out as a non-limited lines licensed insurance producer.