

Bulletin No. 03-001

January 29, 2003

ELECTRONIC TRANSACTIONS COUNTERSIGNATURE

To ensure compliance with Chapter 680A of the Nevada Revised Statutes (NRS), Section 300, regarding the countersignature by a resident agent on a policy of insurance of any kind upon persons, property, or risks resident, located or to be performed in this state, the Department of Business and Industry, Division of Insurance (Division), directs your attention to NRS 719.220, which provides for the use of electronic records and electronic signatures and reads as follows:

1. The provisions of this chapter do not require a record or signature to be created, generated, sent, communicated, received, stored, or otherwise processed or used by electronic means or in electronic form.
2. The provisions of this chapter apply only to transactions between parties each of whom has agreed to conduct transactions by electronic means. Whether the parties agree to conduct a transaction by electronic means is determined from the context and surrounding circumstances, including the parties' conduct.
3. A party that agrees to conduct a transaction by electronic means may refuse to conduct other transactions by electronic means. The right granted by this subsection may not be waived by agreement.
4. Except as otherwise provided in this chapter, the effect of any of the provisions of this chapter may be varied by agreement. The presence in certain provisions of this chapter of the words "unless otherwise agreed" or words of similar import does not imply that the effect of other provisions may not be varied by agreement.

5. Whether an electronic record or electronic signature has legal consequences is determined by the provisions of this chapter and other applicable law.

This bulletin is meant to operate as a reminder that the above provisions are applicable to countersignatures of insurance policies.

ALICE A. MOLASKY-ARMAN
Commissioner of Insurance