(a) All insurance policies and contracts covered by G.S. 58-38-35 must be printed in a typeface at least as large as 10 point modern type, one point leaded, be written in a logical and clear order and form, and contain the following items:

1. On the cover, first, or insert page of the policy a statement that the policy is a legal contract between the policy owner and the insurer and the statement, printed in larger or other contrasting type or color, "Read your policy carefully";

2. An index of the major provisions of the policy, which may include the following items:
   a. The person or persons insured by the policy;
   b. The applicable events, occurrences, conditions, losses, or damages covered by the policy;
   c. The limitations or conditions on the coverage of the policy;
   d. Definitional sections of the policy;
   e. Provisions governing the procedure for filing a claim under the policy;
   f. Provisions governing cancellation, renewal, or amendment of the policy by either the insurer or the policyholder;
   g. Any options under the policy; and
   h. Provisions governing the insurer's duties and powers in the event that suit is filed against the insured.

(b) In determining whether or not a policy is written in a logical and clear order and form the Commissioner must consider the following factors:

1. The extent to which sections or provisions are set off and clearly identified by titles, headings, or margin notations;
2. The use of a more readable format, such as narrative or outline forms;
3. Margin size and the amount and use of space to separate sections of the policy; and
4. Contrast and legibility of the colors of the ink and paper and the use of contrasting titles or headings for sections. (1979, c. 755, s. 1.)