

# Underwriting and Quoting Auto and Homeowners Insurance

Dos and Don'ts	Applies to:			
	Auto	HO	Agent	Company
<b>DO</b> tell applicants or policyholders, upon request, the reason their application was rejected or their policy was canceled or nonrenewed.	✓	✓		✓
<b>DO</b> indicate the approximate premium for coverage in TAIPA when quoting coverage at a higher premium to an applicant who has had no prior insurance and who has had no more than 1 accident and 1 violation within the past 3 years. (The fact that an applicant has no prior insurance does not mean you have to write coverage in TAIPA. You can still sell your higher quote on a take-it-or-leave-it basis.)	✓		✓	✓
<b>DO</b> disclose in writing to the policyholder that your agency is not authorized to bind coverage or to execute or issue a policy when you “broker” business through another agency.	✓	✓	✓	
<b>DON'T</b> condition the issuance or renewal of coverage on whether or not the insured purchases types or amounts of coverage in excess of minimum limits.	✓		✓	✓
<b>DON'T</b> refuse to insure an applicant on the basis of sex or marital status.	✓	✓	✓	✓
<b>DON'T</b> charge a policy fee, service charge, or any other fee to process or submit a TAIPA application. (You may charge the client for costs related to obtaining a motor vehicle record if the client consents to the charge in writing before you incur the expense.)	✓		✓	✓
<b>DON'T</b> cancel or nonrenew a policy from your office without the written authority of the insurance company writing the policy.	✓	✓	✓	
<b>DON'T</b> pay a referral fee or any other consideration to anyone, including the policyholder, as an inducement to purchase a policy. Referral fees are OK if not based on the purchase of insurance.	✓	✓	✓	✓
<b>DON'T</b> refuse to insure an applicant based on the age or value of the property.		✓		✓
<b>DON'T</b> refuse to insure an applicant based solely on fewer than three appliance-related water damage claims.		✓		✓
<b>DON'T</b> refuse to insure an applicant based on prior mold claims, if the damage has been remediated and certified.		✓		✓
<b>DON'T</b> refuse to insure an applicant based solely on a single water damage claim (other than appliance-related—see above).		✓		✓