

TECHNICAL ADVISORY

Independent Insurance Agents of Louisiana

TA 179

February 19, 2001

SUBJECT: Agent Exclusive Use of Expirations

BACKGROUND: During the 1999 Regular Legislative Session, IIAL passed legislation which became effective 8-15-99 as [RS 22:1474](#) and [RS 23:1200.3](#). This groundbreaking legislation prohibits insurance companies from using the customer information of property/casualty Independent Insurance Agents to market or sell products directly to the customers of agents without the written consent of the agent. This legislation was the first in the nation to provide this broad protection to the agency ownership of business.

IIAL frequently receives questions about the agency - company relationship with regard to ownership of expirations and company solicitation of agency customers. This Technical Advisory provides the latest information about these subjects.

MAIN POINTS: RS 22:1474 and RS 23:1200.3 (copies enclosed) provide that an insurance agent or insurance broker shall have the exclusive use of expirations, records or other written or electronic information related to an insurance application submitted by, or an insurance policy written through, an insurance agent or broker. No insurance company, managing general agent, surplus lines insurance broker, wholesale broker, third party administrator or residual markets shall have use of such expirations, records or other written or electronic information to solicit, sell or negotiate the renewal or sale of insurance coverage, insurance products or insurance services to the insured. This applies either directly or by providing such information to others without the express written consent of the insurance agent or insurance broker.

Insurance companies and wholesale brokers may use such expirations, records or other written or electronic information to review an application, issue a policy or for any other purpose necessary for placing such business through the insurance agent or insurance broker. Such expirations, records or other written or electronic information may also be used for any other purpose which does not involve the soliciting, selling or negotiating the renewal or sale of insurance coverage, insurance products or insurance services.

NECESSARY ACTION: Circulate this advisory and attached statute to all appropriate agency personnel.