

# Review Requirements Checklist

## Surety

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### Line(s) of Insurance/Business:

- Surety; filing code(s) 24.0000

### Links:

- [Illinois Compiled Statutes Online](#)
- [Administrative Regulations Online](#)
- [Product Coding Matrix](#)

All filings are public record in accordance with 215 ILCS 5/404 except where another provision of the Insurance Code says otherwise. The only code section that allows for a filing to be a trade secret or confidential is 215 ILCS 157/40 Use of Credit Information in Personal Insurance Act.

LINE OF AUTHORITY	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS
Must have proper Class and Clause authority to conduct this line of business in Illinois.	<a href="#">215 ILCS 5/4</a> <a href="#">List of Classes/Clauses</a>	To write Surety insurance in Illinois, companies must be licensed to write:  1. Class 2, Clause (g)
FILING SUBMISSION	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS
Surety contracts and fidelity bonds are not required to be filed in Illinois.  However, such forms must still comply with all applicable laws and regulations, including those listed on this checklist.	<a href="#">215 ILCS 5/143(2)</a>	Insurers are not required to file forms for surety contracts or fidelity bonds.  However, such forms must still comply with all applicable laws and regulations, including those listed on this checklist.  Insurer compliance with such requirements will be monitored through consumer inquiries, market conduct examinations, etc.
CANCELLATION & NON-RENEWAL	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS

May not refuse to issue a policy on sole basis of previous refusal, cancellation or nonrenewal by any insurer.	<a href="#">215 ILCS 5/143.10</a>	No company shall refuse to issue a policy on the sole basis that the insured or applicant for such policy was previously refused issuance or renewal of a policy by an insurer, or such insured's policy was cancelled on a prior date by any insurer.
<b>PERMISSIBLE REASONS FOR CANCELLATION</b>	<b>REFERENCE</b>	<b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>
May not cancel because agent's contract with insurer was terminated.	<a href="#">215 ILCS 5/141.01</a>	Insurers may not cancel any policy on the ground that the company's contract with the agent through whom the policy was obtained has been terminated.
May not cancel a policy on sole basis of previous refusal, cancellation or nonrenewal by any insurer.	<a href="#">215 ILCS 5/143.10</a>	Insurers may not cancel a policy on the sole basis that the insured or applicant for such policy was previously refused issuance or renewal of a policy by an insurer, or such insured's policy was cancelled on a prior date by any insurer.
<b>PERMISSIBLE REASONS FOR NON-RENEWAL</b>	<b>REFERENCE</b>	<b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>
May not refuse to renew because agent's contract with insurer was terminated.	<a href="#">215 ILCS 5/141.01</a>	Insurers may not refuse to renew any policy on the ground that the company's contract with the agent through whom the policy was obtained has been terminated.
May not refuse to renew a policy on sole basis of previous refusal, cancellation or nonrenewal by any insurer.	<a href="#">215 ILCS 5/143.10</a>	Insurers may not refuse to renew a policy on the sole basis that the insured or applicant for such policy was previously refused issuance or renewal of a policy by an insurer, or such insured's policy was cancelled on a prior date by any insurer.
<b>CONSUMER INFORMATION</b>	<b>REFERENCE</b>	<b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>
Written notice of company's complaint Department and Department of Insurance Public Service Department.	<a href="#">215 ILCS 5/143c</a> <a href="#">50 IL Adm. Code 931</a>	No policy may be delivered unless the policyholder or certificate holder is provided written notice of the address of the complaint Department of the insurance company, and the address of the Public Service Department of the Department of Insurance or its successor.  Rule 931 provides more specific guidance that:

		<p>a) such notice shall accompany any newly issued policy or binder;</p> <p>b) "written notice" shall be satisfied by: any printed notice delivered with a policy or certificate; any adhering label attached to a policy or certificate; any computerized notice issued concurrently with a computer issued policy or certificate; or any other form of individual written notice substantially similar to the above.</p> <p>Notice of Availability of the Department of Insurance shall be no less informative than the following: Illinois Department of Insurance, Consumer Division, 122 S. Michigan Ave., 19th Floor, Chicago, Illinois 60603 and Illinois Department of Insurance 320 West Washington Street, Springfield, Illinois 62767.</p> <p>The address to be used for the company shall be an office that can service all types of complaints. If one office cannot service all types of complaints, then the additional addresses of each appropriate service office must be given.</p> <p>In addition to providing the required addresses, the notification should set forth the minimum amount of information included in the following suggested wording: "This notice is to advise you that should any complaints arise regarding this insurance, you may contact the following."</p>
<b>DISCRIMINATION</b>	<b>REFERENCE</b>	<b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>
May not cancel certain policies, or refuse to issue or renew certain policies solely due to hate crimes.	<a href="#">215 ILCS 5/143.24c</a>  <a href="#">Title 26 U.S.C. Sections 170(b)(1)(A)(i), (ii), and (vi).</a>	Insurers may not cancel a policy, or refuse to issue or renew a policy solely on the basis that one or more claims have been made against any policy during the preceding 60 months, for a loss that is the result of a hate crime, if the insured provides evidence to the insurer that the act causing the loss is identified as a hate crime on a police report.

		Applies to policies issued to an individual, a religious organization described in Section 170(b)(1)(A)(i) of Title 26 of the United States Code, or an educational organization described in Section 170(b)(1)(A)(ii) of Title 26 of the United States Code, or any other nonprofit organization described in Section 170(b)(1)(A)(vi) of Title 26 of the United States Code that is organized and operated for religious, charitable, or educational purposes.
Redlining -- When geographic location of risk may be grounds for refusing to insure.	<a href="#">215 ILCS 5/155.22</a>	Insurer may not refuse to provide insurance solely on the basis of the specific geographic location of the risk unless such refusal is for a business purpose which is not a mere pretext for unfair discrimination.
Rating, claims handling, and underwriting decisions based solely on domestic violence.	<a href="#">215 ILCS 5/155.22b</a>	No insurer that issues a property and casualty policy may use the fact that an applicant or insured incurred bodily injury as a result of a battery committed against him/her by a spouse or person in the same household as a sole reason for a rating, underwriting, or claims handling decision.
Unfair methods of competition or unfair or deceptive acts or practices defined.	<a href="#">215 ILCS 5/424(3)</a>	It is an unfair method of competition or unfair and deceptive act or practice if a company makes or permits any unfair discrimination between individuals or risks of the same class or of essentially the same hazard and expense element because of the race, color, religion, or national origin of such insurance risks or applicants.
Procedure as to unfair methods of competition or unfair or deceptive acts or practices not defined.	<a href="#">215 ILCS 5/429</a>	Outlines the procedures the Director follows when he has reason to believe that a company is engaging in unfair methods of competition or unfair or deceptive acts or practices.
Civil Union Partnerships-effective June 1, 2011	<a href="#">750 ILCS 75/1</a> <a href="#">Civil Union Fact Sheet</a>	The Religious Freedom Protection and Civil Union Act (Public Act 96-1513) will allow both same-sex and different-sex couples to enter into a civil union with all of the obligations, protections, and legal rights that Illinois provides to married heterosexual couples.  Please note that whenever a policy form, application, or rating rule includes the terms "spouse," "married,"

		or "immediate family member" it is required that parties to a civil union be included in these definitions.
<b>DOMESTIC ABUSE</b>	<b>REFERENCE</b>	<b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>
Rating, claims handling, and underwriting decisions based solely on domestic violence.	<a href="#">215 ILCS 5/155.22b</a>	No insurer may that issues a property and casualty policy may use the fact that an applicant or insured incurred bodily injury as a result of a battery committed against him/her by a spouse or person in the same household as a sole reason for a rating, underwriting, or claims handling decision.
Intentional acts exclusion -- exception for innocent co-insured.	<a href="#">215 ILCS 5/155.22b</a>	If a policy excludes property damage coverage for intentional acts, the insurers may not deny payment to an innocent co-insured who did not cooperate in or contribute to the creation of the loss if the loss arose out of a pattern of criminal domestic violence and the perpetrator of the loss is criminally prosecuted for the act causing the loss.
<b>MOLD</b>	<b>REFERENCE</b>	<b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>
Filing procedures and requirements for exclusions and limitations related to mold.	<a href="#">Company Bulletin 2002-07</a>	Please refer to Company Bulletin 2002-07 for specific information and guidance.
<b>TERRORISM</b>	<b>REFERENCE</b>	<b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>
Terrorism Risk Insurance Program Reauthorization Act of 2015 and Filing Procedures and Requirements for Terrorism-Related Forms, Rules and Rates.	<a href="#">Company Bulletin 2015-03</a>	Please refer to Company Bulletin 2015-03 for specific information and guidance.
<b>GROUP POLICIES</b>	<b>REFERENCE</b>	<b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>
Group fidelity and surety policies are not specifically allowed by statute.	<a href="#">215 ILCS 5/388a-388g</a> <a href="#">215 ILCS 5/393a-393g</a>	There are no enabling statutes in Illinois that authorize the writing of group fire, casualty, inland marine, or surety insurance. The effect is to require that all fire, casualty, inland marine, or surety insureds of the same class be treated alike. These provisions are not applicable where the Illinois

	<a href="#">215 ILCS 5/400.1</a>  <a href="#">IL Adm. Code 2302</a>  <a href="#">215 ILCS 5/900-906</a>	Insurance Code specifically authorizes the grouping of risks. The only coverages that are currently authorized on a group basis are: a) group vehicle; b) group professional liability; c) group inland marine; d) group legal.
<b>REBATES</b>	<b>REFERENCE</b>	<b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>
Payments or acceptance of rebates prohibited.  Rebates -- penalties	<a href="#">215 ILCS 5/151</a>  <a href="#">215 ILCS 5/152</a>	<p>No insurer, agent or broker shall offer, give, etc., any rebate of premium, agent's commission, profits, dividends, or any special advantage in date of policy or age of issue, or any other valuable consideration or inducement, upon issuance or renewal, which is not specified in the policy contract of insurance.</p> <p>However, insurers may pay a bonus to policyholders or abate their premiums, in whole or in part, out of surplus accumulated from nonparticipating insurance.</p> <p>Insurers may also offer a child passenger restraint system, or a discount from the purchase price of a child passenger restraining system to policyholders, when the purpose of such system is the safety of a child and compliance with the "Child Passenger Protection Act."</p> <p>No insured or applicant shall directly or indirectly receive or accept any rebate of premium or agent's or broker's commission, or any favor or advantage, or any valuable consideration or inducement, other than such as is specified in the policy.</p> <p>Any company or person violating any provision of Section 151 shall be guilty of a Class B misdemeanor.</p>
<b>VOIDANCE</b>	<b>REFERENCE</b>	<b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>

Requirements to rescind a policy for misrepresentation or false warranty.	<a href="#">215 ILCS 5/154</a>	A policy may not be rescinded, defeated or avoided unless the misrepresentation is stated in the policy, endorsement or rider attached thereto, or in the written application therefore, and was made with the actual intent to deceive, or materially affected either the acceptance of the risk or the hazard assumed by the company.
<b>MISCELLANEOUS</b>	<b>REFERENCE</b>	<b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>
Intentional acts exclusion -- exception for innocent co-insured.	<a href="#">215 ILCS 5/155.22b</a>	If a policy excludes property damage coverage for intentional acts, the insurers may not deny payment to an innocent co-insured who did not cooperate in or contribute to the creation of the loss if the loss arose out of a pattern of criminal domestic violence and the perpetrator of the loss is criminally prosecuted for the act causing the loss.
Negative response roll-ons are prohibited.	<a href="#">215 ILCS 5/429</a>	Form changes that are optional may not be applied "automatically unless the insured rejects." Insureds must be offered the option and must respond affirmatively for the change to apply. To apply the option automatically unless rejected is to engage in an unfair or deceptive act or practice in violation of Section 429.
<b>RATE, RULE, RATING PLAN, CLASSIFICATION, AND TERRITORY FILING REQUIREMENTS</b>	<b>REFERENCE</b>	<b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>
Fidelity and surety rates and rules are not required to be filed in Illinois.	<a href="#">50 IL Adm. Code 754</a>	Fidelity and surety rates and rules are not required to be filed in Illinois.
<b>INDIVIDUAL RISK RATING</b>	<b>REFERENCE</b>	<b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>
Insurers do not have to file rates for individual risks. However, insurers must maintain documentary information for review by the Department.	<a href="#">50 IL Adm. Code 754</a>	A company is not required to file rates for individual Illinois risks which cannot be rated in the normal course of business rating because of special or unusual characteristics and must be rated on the basis of underwriting judgment.

		Company must maintain documentary information regarding such individual risk rates for review by the Department's Property & Casualty Compliance Unit.
<b>OTHER</b>	<b>REFERENCE</b>	<b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>
Unfair methods of competition or unfair or deceptive acts or practices defined.	<a href="#">215 ILCS 5/424(3)</a>	It is an unfair method of competition or unfair and deceptive act or practice if a company makes or permits any unfair discrimination between individuals or risks of the same class or of essentially the same hazard and expense element because of the race, color, religion, or national origin of such insurance risks or applicants.
Procedure as to unfair methods of competition or unfair or deceptive acts or practices not defined.	<a href="#">215 ILCS 5/429</a>	Outlines the procedures the Director follows when he has reason to believe that a company is engaging in unfair methods of competition or unfair or deceptive acts or practices.

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