

INSURANCE FOR HOME PROTECTION

This bulletin clarifies issues regarding use of discounts and coupons for services related to home protection; persons authorized to sell insurance for home protection; and payment of commissions to persons authorized to sell insurance for home protection.

DISCOUNTS AND COUPONS FOR SERVICES RELATING TO HOME PROTECTION

The use of **coupons, discounts, and/or gift certificates** related to discounts on premiums or waivers of deductibles are allowed if they meet the following requirements:

- a. The insurer files a request with and receives approval from the Commissioner of Insurance to provide coupons, discounts, and/or gift certificates related to discounts on premiums or waivers of deductible; and
- b. The coupons, discounts, and/or gift certificates are part of the policy and are not discriminatory; and
- c. The coupons, discounts, and/or gift certificates are not for an unrelated service. A coupon for free carpet cleaning is an example of an unrelated service.

This determination is in conformance with NRS 686A.130 and NRS 690B.100.

PERSONS AUTHORIZED TO SELL INSURANCE FOR HOME PROTECTION

A producer of insurance (formerly known as insurance agent) or a real estate agent, under written contract with insurer, may sell insurance for home protection provided the insurance company they represent is licensed to sell that product. The producer of insurance or a real estate agent must be licensed pursuant to statute. An employee that is not licensed as a producer of insurance or a real estate agent cannot sell insurance for home protection.

This determination is in conformance with NRS 683A.051, NRS 683A.201, NRS 683A.321, NRS 690B.120, and NRS 645.030(3).

**PAYMENT OF COMMISSIONS TO PERSONS AUTHORIZED
TO SELL INSURANCE FOR HOME PROTECTION**

Commissions may be paid on insurance for home protection. A producer of insurance or a real estate agent, under written contract with insurer, may receive commissions for insurance for home protection provided the insurance company they represent is licensed to sell that product. The producer of insurance or a real estate agent must be licensed pursuant to statute. Any other payments, e.g., referral fees, will be considered unlawful inducements.

This determination is in conformance with NRS 683A.361 and NRS 686A.130.

ALICE A. MOLASKY-ARMAN
Commissioner of Insurance

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