**Section 754.50 Prohibited Acts and Practices**

a) The purpose of Article XXVI of the Illinois Insurance Code, entitled "Unfair Methods of Competition and Unfair and Deceptive Acts and Practices", according to Section 421 of the Code, is to regulate trade practices in the business of insurance by prohibiting those trade practices.

b) Violation of any regulations adopted by the Director of Insurance in implementing Article XXVI and Article VII-4, is a violation of the Articles themselves and subjects the violators to the procedures and penalties provided by those Articles.

c) Acts and practices related to activities authorized or permitted by Article VII-A and this Part that are prohibited by Article XXVI of the Act as constituting unfair methods of competition or unfair and deceptive acts and practices, whether committed or practiced by a company, an advisory organization or companies constituting a group, association or organization authorized to engage in joint underwriting or joint reinsurance activities include the following:

1) Two or more companies, unless permitted or authorized by Article VII-A of the Code or this Part, may not act in concert with each other with respect to the compilation of insurance statistics; the preparation of insurance policies, bond forms, and underwriting rules; and the furnishing of that which it compiles and prepares to insurance companies, nor with respect to the activities of making rates.

2) Two or more companies engaged in authorized joint underwriting or joint reinsurance activities, unless permitted or authorized by Article VII-A of the Code or this Part, may not act in concert with each other with respect to the activities enumerated in subsection (c)(1) nor with respect to the activity of making rates.

3) All companies making rate level changes that require the filing of Company Rate Information under Section 754.10(e)(2) are prohibited from continuing to use the new rate level if the Company Rate Information has not been received by the Department within 10 days after its effective date.

4) Groups, associations, organizations of companies authorized to engage in joint underwriting and joint reinsurance activities are prohibited from establishing rules that in any way unreasonably inhibit a company from individually underwriting any risks.

5) All companies, advisory organizations, and groups, associations, or organizations of companies authorized to engage in joint underwriting activities are prohibited from practicing or sanctioning any plan or act of boycott or intimidation tending to result in the unreasonable restraint of trade or in a monopoly in the business of insurance.

6) All companies, advisory organizations, and groups, associations, or organizations of companies authorized to engage in joint underwriting activities are prohibited from willfully withholding information from, or knowingly giving false information or misleading information to, the Director or to any organization authorized by the Director to receive information relative to underwriting rules, rating systems or rate filings required by Article VII-A of the Act or this Part.

7) All companies required by Section 754.30(d)(2) to file an individual risk authorization letter are prohibited from using the rate developed unless or until the individual risk authorization letter has been submitted to the Department.

(Source: Amended at 39 Ill. Reg. 8266, effective May 26, 2015)