



AGENCY VA

# MA COMPLIANCE TRAINING

 A dark blue-tinted background image showing three business professionals in an office setting. A woman on the left is looking down, a man in the center is gesturing while speaking, and another man on the right is looking towards the center. A laptop is visible in the foreground.

MODULE 1:  
**UNDERSTANDING  
YOUR ROLE &  
LEGAL LIMITS**

# MODULE 1: UNDERSTANDING YOUR ROLE & LEGAL LIMITS

*“Know Your Lane: What You Can and Cannot Do Without a License in Massachusetts”*



## PURPOSE OF THIS MODULE

This module helps you understand your legal boundaries as an unlicensed insurance representative in the state of Massachusetts. Working without a license means your role is administrative and supportive — not advisory or sales-driven. Staying within your lane protects you, your agency, and the client.



## WHY THIS MATTERS

Massachusetts has strict laws regulating what unlicensed individuals are allowed to do in the insurance industry. Violating these laws — even accidentally — can result in:

- Regulatory fines for the agency
- Loss of client trust
- Termination of employment
- Personal liability in extreme cases

Your job is incredibly valuable — and powerful — when done within the legal limits. Let's break those down.



## WHAT YOU CAN DO (LEGALLY & EFFECTIVELY)

As an unlicensed insurance team member, you are permitted to:

### Administrative Support

- Collect and record client data (names, addresses, DOB, VINs, driver info)
- Pre-fill quote forms and rater software (e.g., EZLynx, PL Rating, Tarmika)
- Upload documents into the agency management system (AMS)
- Send templated messages for renewals, follow-ups, or missing documents

### Communication Support

- Email or text prospects and clients using approved templates
- Schedule calls for licensed agents
- Confirm appointments and gather availability

### Document Handling

- Request or retrieve loss runs, MVRs, or other underwriting documents
- Send non-customized COIs (Certificates of Insurance)
- Deliver policy documents, declaration pages, or ID cards (no interpretation)

### Client Interaction (with strict rules)

- Follow up on payments using approved reminders
- Ask for missing information (e.g., “We still need your VIN to finish the quote.”)
- Escalate coverage questions to a licensed team member



## WHAT YOU CANNOT DO (UNDER ANY CIRCUMSTANCE)

Massachusetts insurance regulations strictly prohibit unlicensed reps from performing the following activities:



### Selling, Soliciting, or Negotiating Insurance

- You cannot sell, recommend, or promote any specific insurance policy
- You cannot give advice about coverage, limits, or deductibles
- You cannot encourage or discourage a client from buying a certain policy



### Explaining or Interpreting Coverage

- You cannot answer questions like “Am I covered if I hit a deer?”
- You cannot explain why a quote is higher or lower than another
- You cannot describe what a policy does or does not include



### Binding or Finalizing Coverage

- You cannot submit an application on behalf of a client unless it's fully approved and signed by a licensed agent
- You cannot accept payments intended to bind coverage



### Claims Involvement

- You cannot offer any advice on a claim
- You cannot act as an intermediary between the client and adjuster
- You cannot report a claim to the carrier on behalf of a client



## PRO TIP: USE THE 3R RULE

When you're unsure whether you're allowed to do something, ask yourself: **“Am I Recommending, Responding to coverage, or Representing the agency in a binding way?”**

If the answer is YES to any of these — stop and escalate to a licensed producer.

## REAL-LIFE SCENARIO BREAKDOWN

SCENARIO	ALLOWED?	NOTES
Client asks, “What’s the best limit I should pick?”	No	This is a coverage recommendation. Must be referred to a licensed agent.
You upload a client’s license and registration to the CRM	Yes	Purely administrative – no issue.
You send a quote summary prepared by a licensed agent	Yes	As long as you do not explain or promote it.
Client asks, “Will my car be covered if it floods?”	No	Coverage interpretation – escalate.
You ask a client for VINs and driver info via text	Yes	Data gathering is allowed.
You say “This quote is cheaper than the other – go with it”	No	You’ve now made a recommendation. Not permitted.



### TEAM RULE: “WHEN IN DOUBT, SHOUT OUT”

If you are ever unsure – pause and ask a supervisor or licensed team member. There is no downside to escalating early. There is major risk in guessing wrong.



### KEY TAKEAWAYS

- You can gather, organize, and forward information – but not interpret, recommend, or bind.
- You must always operate under the supervision of a licensed agent.
- Protect your agency and your job by staying clearly on the right side of the law.
- You play a critical role in the client journey – the frontlines of data, service, and trust.



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