

TFPA Agency Compliance Audit Audit Request & Requirements Guide



Texas FAIR Plan Association (TFPA) conducts Agency Compliance Audits to monitor agency compliance in accordance with the Texas FAIR Plan Producer Requirements & Performance Standards. This document serves as a guide to the documentation required for the Audit, outlining the governing rules, administrative code provisions, and specific materials that must be submitted.

Recordkeeping Requirements

In accordance with the [Texas Administrative Code \(TAC\)](#) and [TFPA Producer Requirements and Performance Standards](#), all agents must maintain complete and accurate records of transactions involving policyholders, applicants, and the Association.

Required Record Components

Each agency must maintain, at a minimum, documentation that includes:

- The date and time of receipt of premiums and payments
- Records of endorsement requests and their outcomes
- Copies of communications related to policies, binders, and claims

Retention Period

All required records must be retained for a period of five (5) years and made available to TWIA for inspection or copying upon request.

Policy Documentation Requirements

For every Policy requested during an audit, the following documentation must be provided:

1. A signed, complete copy of the Texas FAIR Plan Application, including all required signature pages.
2. Documentation or agency notes showing prior coverage information obtained by the agency.
3. Proof of at least two Standard Market Declinations obtained:
 - For new business
 - Every two (2) years for policy requalification.

For further details regarding eligibility, declination requirements, and relevant provisions under the Texas Insurance Code, refer to the following source materials:

- [The Coverage & Eligibility](#)
- The TFPA Declination Requirements
- [Texas Insurance Code, Title 10, Subtitle G, Chapter 2211](#)

For questions regarding Agency Compliance Audit procedures or documentation requirements, please contact the Agency Compliance Audit Team at:
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