

CCIR Cooperative MGA-Focused Thematic Review

Managing General Agency(MGA) Information:

Name of MGA:

Address:

Phone Number:

Individual completing the Questionnaire on behalf of the MGA:

Name:

Role:

Email Address:

Phone Number:

DEFINITIONS

For the purpose of this review:

- **Agent:** an individual licensed by a Canadian province or territory to sell Life &Health (L&H) insurance (this individual may be contracted and/or employed directly with the MGA and/or under an AGA)*.
- **Applicant:** an individual who applies to contract with/be employed by the MGA for the purpose of selling L&H insurance (this individual may or may not be a licensed Agent).
- **Candidate:** an unlicensed individual who is contracted with/employed by the MGA and in the process of becoming a licensed Agent.

***In Quebec,**

Agent is also referred to "Representative".

A certified representative who carries on activities on behalf of a firm (i.e. intermediary) registered in Quebec, is also referred to as an "Attached Representative".

A future representative is also referred to as a "Trainee" and must have a probationary certificate issued by the AMF to perform, with supervision, professional acts on behalf of the firm.

- *Recruiting:* a process for identifying, soliciting, and providing information to an individual to contract with or be employed by the MGA.
- *Screening:* a one-time process for initially assessing the suitability of an individual and identifying any related risks.
- *Onboarding:* a process of bringing on a newly contracted or employed Candidate/Agent to the MGA/Insurer.
- *Agreement:* the main contractual agreement and any additional supporting documents and schedules.

AREAS OF SCOPE

The overall scope of the Review is to reach a deeper and more current understanding of an MGA's organizational structure, business lines, operational structure, compensation structure, and overview of Agent-related functions.

This program contains the following 4 sections that focus on key aspects of an MGA's operations and corporate governance, as well as its Agent-related roles and responsibilities.

1. Understanding the MGA

The first section explores an MGA's organizational structure, business lines, operational structure, and high-level compensation structure.

This will provide an overview and current understanding of an MGA's business composition, roles and responsibilities, and overall practices.

2. Applicant & Agent Recruiting, Screening, & Onboarding

The second section focuses on an MGA's practices related to recruiting, screening, and onboarding of individuals, including delegated activities as per the contractual agreements. This will provide an overview and understanding of an MGA's current processes and factors considered before contracting an Applicant.

3. Candidate & Agent Training

The third section centres on an MGA's practices related to the training of Candidates and Agents, including delegated activities as per the contractual agreements. This will provide an overview and understanding of an MGA's current processes and how an MGA supports Agent training.

4. Agent Monitoring and Supervision

The last section focuses on an MGA's practices related to Agent monitoring and supervision, including delegated activities as per the contractual agreements. This will provide an overview and understanding of an MGA's current processes and how an MGA reviews, monitors, and supervises its Agents.

INSTRUCTIONS

*****All Questions are applicable to L&H insurance business in Canada, as of Sept 30, 2021, unless otherwise specified*****

- **ALL** fields must be filled. Please indicate "N/A" if not applicable.
- Do **NOT** add or delete rows or columns to the program.

- **Responses/MGA Operational Practices Column:** Provide responses/MGA's current operational practices/any additional comments to the question. Please specify, if practices differ among the Insurers.
- **Agreement Design: Insurer-MGA Agreement Column:** Provide what is included in the Insurer-MGA Agreements and related supporting documents (i.e., requirements by the Insurer).
Insurer A,B,C refer to the top three L&H Insurers (determined by L&H Insurance income).
- **Agreement Design: MGA-Agent Agreement Column:** Provide what is included in the MGA-Agent Agreement and related supporting documents (i.e., requirements by the MGA).
- **Document Request Listing Column:** Provide relevant supporting documents, separately saved with the file names referencing the question numbers in Column B (e.g., [1.2] Overall corporate organizational chart).

SCOPE EXCLUSIONS

The Canadian Council of Insurance Regulators (CCIR) Fair Treatment of Customers (FTC) Working Group is reviewing the area of incentives management therefore, it is not a primary focus of this thematic review.

REFERENCES

- Insurance Act, R.S.O. 1990, c. I.8
- CCIR/CISRO Guidance Conduct of Insurance business and FTC
- CLHIA Guideline G18
- CLHIA - Managing General Agencies and the Distribution of Life Insurance

1. Understanding the MGA

Organizational Structure, Corporate Governance, and MGA Personnel

- MGA Organizational and Corporate Structure
- MGA - Business Model and Strategy
- MGA - Life and Health Insurance Operations & Personnel
- MGA - AGA
- MGA - Agents

Business Lines and Reporting

- Overall Business Lines
- L&H Business Lines
- Reporting Structure and Communications

Sales and Compensation Structure

- MGA-Agent Compensation Structure
- Incentives, including Contests and Promotions

DEFINITIONS

For the purpose of this review:

- **Agent:** an individual licensed by a Canadian province or territory to sell Life &Health (L&H) insurance (this individual may be contracted and/or employed directly with the MGA and/or under an AGA)*.
- **Agreement:** the main contractual agreement and any additional supporting documents and schedules.

1. UNDERSTANDING THE MGA

Organizational Structure, Corporate Governance, and MGA Personnel

#	Questions	Responses / MGA Operational Practices / Additional Comments	Document Request Listing (Provide if applicable)
MGA Organizational and Corporate Structure			
1.1	Provide a brief background and history of the MGA and its operations.		
1.2	Provide an overview of the corporate structure of the MGA (including, but not limited to, details of: ownership, affiliations, parent companies, subsidiaries, private/publicly-traded, etc.).		- Overall Corporate Organizational Chart - MGA Leadership Titles and Profiles
1.3	Provide an overview of the compliance structure at the MGA.		Organizational Chart for MGA Compliance Structure
1.4	Provide a list of ALL corporate MGA policies and procedures, including Fair Treatment of Customer (FTC), Complaint Handling, Code of Conduct, etc.		FTC Policy, Complaint Handling, Code of Conduct/Ethics, Business Continuity, Risk Management, Conflict of interest, Onboarding, Training, Recruiting, etc.
1.4a)	Explain the procedures and cycle for reviewing, updating, and approval of policies and procedures.		

MGA - Business Model and Strategy		
1.5	Explain the MGA's overall business model and sales strategy.	Documented Business Model and Sales Strategy
1.5a)	How is the marketing strategy being reviewed and monitored? (e.g., does the head office control marketing or supervise branch-level marketing initiatives?).	
1.6	Does the MGA utilize any type of network/multi-level marketing/recruitment model?	MGA Marketing and Advertising Processes/Policies/Procedures/Guidance for recruiting Agents
1.6a)	If yes, provide details of the model.	
MGA - Life & Health (L&H) Insurance Operations & Personnel		
1.7	List all Insurers the MGA is currently contracted with.	Insurer-MGA Agreements, Compensation Schedules, and any supporting documents for ALL contracted Insurers
1.7a)	List all L&H products offered, broken-down by each Insurer.	
1.8	Were there any Insurers whose contracts were terminated with the MGA in the past 3 years?	
1.8a)	If yes, list all Insurers whose contracts were terminated AND reasons for termination (including if termination was initiated by the MGA or the Insurer)	
1.9	List all jurisdictions (i.e. provinces and territories) the MGA is currently authorized to sell L&H insurance.	
1.10	Provide a brief overview and description of ALL titles, roles and responsibilities within the MGA organization.	MGA Organizational Chart (Operations)
1.10a)	Of the titles provided above, list Agent-specific titles (i.e., levels, hierarchy)	
1.10b)	List ALL the ways an Agent can be associated with the MGA (e.g., through a direct contract, employment, AGA, etc.)	
1.11	How does the MGA ensure that its senior management and key individuals have the knowledge, experience, and resources necessary to fulfill the roles and responsibilities?	
1.12	Provide a description of the MGA Office/Branch structure (including minimum staffing requirements, compliance, etc.), if applicable.	Example of Office/Branch Organizational Chart
1.12a)	Provide a description of the MGA Office/Branch key operations (i.e. tasks performed).	
1.13	Provide a list of all L&H Offices/Branches broken-down by jurisdiction.	
1.13a)	Provide the number of Agents by respective titles under each L&H Office/Branch.	
1.13b)	Provide a list of individuals (and their respective titles) in charge of supervision for each L&H Office/Branch.	Organizational Chart of Agents and AGA Structure
MGA - AGAs		
1.14	Provide an overview of Associated General Agencies (AGA) connected to the MGA, if applicable.	AGA Agreements and supporting documents
1.14a)	Provide the MGA's definition of an AGA.	
1.14b)	Provide a description of the AGA key operations (i.e. tasks performed).	
1.14c)	Provide a list of all AGAs, broken-down by jurisdiction as of Sept 30: 2018, 2019, 2020, and 2021.	
1.14d)	Provide the number of Agents by titles under each AGA in as of Sept 30: 2018, 2019, 2020, and 2021.	

MGA - Agents		
1.15	Total number of Agents broken-down by jurisdiction as of Sept 30: 2018, 2019, 2020, and 2021.	2018 / 2019 / 2020 / 2021
1.16	Total number of active Agents who sold one or more L&H policies, broken-down by jurisdiction as of Sept 30: 2018, 2019, 2020, and 2021.	2018 / 2019 / 2020 / 2021
1.17	Number of sponsored Agents (Ontario only), broken-down by Insurer as of Sept 30: 2018, 2019, 2020, and 2021.	2018 / 2019 / 2020 / 2021
Business Lines and Reporting		
Overall Business Lines		
1.18	List ALL lines of business the MGA operates in AND their associated licences (including non-insurance).	
1.18a)	Proportion of gross income (%) broken-down by each line of business (above) as of Sept 30: 2018, 2019, 2020, 2021.	2018 / 2019 / 2020 / 2021 Financial Statements
L&H Business Lines		
1.19	Proportion of L&H gross income (%) broken-down by each jurisdiction.	
1.20	Proportion of L&H gross income (%) broken-down by each Insurer as of Sept 30: 2018, 2019, 2020, and 2021.	2018 / 2019 / 2020 / 2021
1.21	Proportion of L&H gross income (%) broken-down by product category [i) term, ii) permanent, iii) segregated funds & annuities, iv) Other: specify].	2018 / 2019 / 2020 / 2021
Reporting Structure and Communications		
1.22	Are there formal L&H reports being presented to the MGA senior management?	Yes/No Example of reporting / meeting minutes with senior management
	If yes:	
1.22a)	How does reporting take place, and how often does it occur?	
1.22b)	Provide the list of topics reported on.	
Sales and Compensation Structure		
MGA Compensation		
1.23	Provide an overview of the Insurer-MGA compensation structure, including a break-down of the various activities an MGA can be compensated for (i.e. from insurance sales, bonuses, referrals, recruitment, training, etc.).	Insurer-MGA Compensation Agreement and Schedule, Reference to the agreements (i.e. page and section #s) and supporting documentation
1.23a)	Provide details if MGA compensation structure differs significantly between Insurers.	
MGA-Agent Sales and Compensation Structure		
1.24	Does the MGA have documented policies and procedures related to Agent compensation?	Policies, Procedures, Schedules, and Guidelines related to Agent compensation
1.25	Provide an overview of the MGA-Agent compensation structure, including the various activities an Agent can be compensated for (i.e. from insurance sales, referrals, recruitment, training, etc.).	MGA-Agent Compensation Agreements and Schedules

1.25a)	For each activity, describe the end-to-end transaction process and the MGA's involvement in each step of the process.		Insurance Sales Process/Procedures/Guidance
1.25b)	For each activity, how does Agent compensation differ by Agent title (per question 1.10a)?		Reference to the agreements (i.e. page and section #s) and supporting documentation
1.25c)	For each activity, how does the compensation flow down to the Agent (i.e., who pays the Agent)? Describe the process.		- Example of Compensation down to Agent - Reference to the agreements (i.e. page and section #s) and supporting documentation
1.26	List and describe any qualitative factors taken into consideration for MGA-Agent compensation.		
1.27	Does the MGA allow Agents to share/split commissions and/or engage in referral fee arrangements?		- Reference to the agreements (i.e. page and section #s) and supporting documentation - Example of Commission Split and/or Sharing - Example of referral arrangement
1.27a)	If yes, provide details.		
1.28	List the Top 10 Agents of the MGA (by L&H compensation), including their titles, and total number of L&H policies sold for 2018, 2019, 2020, and 2021.	2018 / 2019 / 2020 / 2021	
1.29	How does the MGA identify and manage any potential conflicts of interests that may occur during the sales process?		- Conflict of Interest related Processes/Policies/Procedures/Guidance - Example of Conflict of Interest identified and managed
Incentives, including Contests and Promotions			
1.30	Has the MGA organized any type of Agent contests and/or promotions in 2018, 2019, 2020, and 2021? If yes:		
1.30a)	Provide an overview of each MGA contest and/or promotion (monetary and non-monetary) for 2018, 2019, 2020, and 2021.		Register of all MGA contests and promotions (including L&H product, date and length of contest and/or promotion, remuneration structure of contest and/or promotion) for 2018, 2019, 2020, and 2021.
1.30b)	Provide a list of all individuals (i.e., job titles) and their responsibilities, who are assigned the tasks related to development and organization of MGA contest and/or promotions.		
1.31	Does the MGA communicate and/or obtain approval from Insurers for contests and/or promotions developed and organized by the MGA?		Example of communication and/or approval, if applicable.
1.31a)	If yes, provide details.		

2. Recruiting, Screening & Onboarding

Applicant Recruiting, Screening & Onboarding for MGA

- Applicant Recruiting & Screening Overview & Process

Agent Screening & Onboarding for Insurer

- Delegated Agent Screening & Onboarding Functions
 - Agent Screening & Onboarding Overview & Process
 - Applicants/Candidates/Agents Data

DEFINITIONS

For the purpose of this review:

- **Applicant:** an individual who applies to contract with/be employed by the MGA for the purpose of selling L&H insurance (this individual may or may not be a licensed Agent).
- **Candidate:** an unlicensed individual who is contracted with/employed by the MGA and in the process of becoming a licensed Agent.
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- **Recruiting :** a process for identifying, soliciting, and providing information to an individual to contract with or be employed by the MGA.
- **Screening :** a one-time process for initially assessing the suitability of an individual and identifying any related risks.
- **Onboarding:** a process of bringing on a newly contracted or employed Candidate/Agent to the MGA/Insurer.

2. RECRUITING & SCREENING & ONBOARDING

Applicant Recruiting, Screening & Onboarding for MGA

#	Questions	Responses / MGA Operational Practices / Additional Comments	Document Request Listing (Provide if applicable)
Applicant Recruiting, Screening & Onboarding Overview & Process			
2.1	Does the MGA have documented policies and procedures specifically related to:		
2.1a)	Applicant recruiting & screening	Yes/No	Documented policies and procedures
2.1b)	Applicant onboarding	Yes/No	Documented policies and procedures
2.2	Provide an overview of the MGA's end-to-end process related to: (including if it is performed by the head office or by each of the branches)		
2.2a)	Applicant recruiting & screening		Related supporting documents
2.2b)	Applicant onboarding		Related supporting documents
2.3	Provide details on the criteria considered during Applicant recruiting and screening.		Copy of the standard screening tools/template/questionnaire/application used. Example of an Applicant; a) who was assessed to be suitable b) who was assessed to be unsuitable
2.4	Provide a list of the various channels of recruitment (e.g., social media, Agent referrals, etc.) used by the MGA including any relevant marketing/information material provided.		Example from various channels -All materials in circulation.
2.4a)	Describe each channel utilized for Applicant recruitment and indicate the most widely used channels.		Related supporting documents
2.5	Provide a list of all individuals (i.e., job titles) and their responsibilities, who are assigned the tasks related to:		

2.5a)	Applicant recruiting & screening		Related supporting documents
2.5b)	Applicant onboarding		Related supporting documents
2.6	Does the MGA have specific individuals/departments which formally oversee the entire process (e.g., developing recruitment strategies, planning and organizing information sessions, etc.) at the MGA related to:		
2.6a)	Applicant recruiting & screening - If yes, provide details.		Related supporting documents
2.6b)	Applicant onboarding - If yes, provide details.		Related supporting documents
2.7	Explain the step-by-step process from Applicant recruiting and screening to onboarding with the MGA.		Related supporting documents
2.7a)	Specify any mandatory onboarding requirements, if applicable. (e.g., training, required attestations, review of the code of conduct, etc.)		Onboarding checklist and other related supporting documents
2.7b)	Explain the differences in the onboarding process between Candidates and licensed Agents, if applicable.		Related supporting documents

Agent Screening & Onboarding for Insurer

#	Questions	Responses / MGA Operational Practices / Additional Comments	Agreement Design: Insurer-MGA Agreement (Insurer A)	Agreement Design: Insurer-MGA Agreement (Insurer B)	Agreement Design: Insurer-MGA Agreement (Insurer C)	Document Request Listing (Provide if applicable)
Delegated Agent Screening & Onboarding Functions						
2.8	Has the MGA been delegated (in part or whole) the following Agent-related functions by the Insurers?					
2.8a)	Agent screening		Yes/No	Yes/No	Yes/No	
2.8b)	Agent onboarding		Yes/No	Yes/No	Yes/No	
2.9	If yes, specify the expectations set out by the Insurers as per the Insurer-MGA agreements related to:					
2.9a)	Agent screening					Reference to the agreements (i.e. page and section #s)
2.9b)	Agent onboarding					Reference to the agreements (i.e. page and section #s)
2.10	Explain the involvement of the Insurers (e.g., development, review, approval, etc.) in the MGA's process related to:					
2.10a)	Agent screening					Reference to the agreements (i.e. page and section #s)
2.10b)	Agent onboarding					Reference to the agreements (i.e. page and section #s)
2.11	Does the MGA demonstrate (e.g., reporting) the progress and/or completion of the following delegated functions to the Insurers?		Yes/No	Yes/No	Yes/No	
2.11a)	Agent screening - If yes, provide details.					Related supporting documents
2.11b)	Agent onboarding - If yes, provide details.					Related supporting documents
2.12	Has the MGA further delegated any screening functions to another entity/individual?	Yes/No	Yes/No	Yes/No	Yes/No	
2.12a)	If yes, provide details.					Related supporting documents

Agent Screening & Onboarding Overview & Process

2.13	Does the MGA have documented policies and procedures related to:					
2.13a)	Agent screening	Yes/No				Documented policies and procedures
2.13b)	Agent onboarding	Yes/No				Documented policies and procedures
2.14	Provide an overview of the MGA's end-to-end process related to: (including if it is performed by the head office or by each of the branches)					
2.14a)	Agent screening					Related supporting documents
2.14b)	Agent onboarding					Related supporting documents
2.15	Does the MGA use CLHIA Guideline G8 as part of the Agent screening process?	Yes/No				Related supporting documents
2.15a)	Provide details on the criteria considered during Agent screening.					
2.16	How does the MGA manage if the screening process reveals concerns (e.g., previous regulatory disciplinary actions, outstanding debt with previous MGA, etc.) with an Agent?					Example of a complete Agent screening with an identified concern.

2.17	Provide a list of all individuals (i.e., job titles) and their responsibilities, who are assigned the tasks related to:				
2.17a)	Agent screening				Related supporting documents
2.17b)	Agent onboarding				Related supporting documents
2.18	Does the MGA have specific individuals/departments which formally oversee the entire process at the MGA related to:	Yes/No			
2.18a)	Agent screening - If yes, provide details.				Related supporting documents
2.18b)	Agent onboarding - If yes, provide details.				Related supporting documents
2.19	Does the MGA use any specific tools related to Agent screening for contracting with an Insurer/obtaining authority to sell the Insurer's products?	Yes/No	Yes/No	Yes/No	Yes/No
2.19a)	If yes, specify. (e.g., CLHIA Advisor Screening Questionnaire (ASQ), CLHIA Advisor Screening Confirmation Request, APEXA, etc.)				
2.20	Does the MGA verify the accuracy of Agents' self-reported information? (e.g., contacting other Insurers/employers/MGAs, verify regulatory databases for disciplinary actions, etc.).	Yes/No	Yes/No	Yes/No	Yes/No
2.20a)	If yes, provide details.				
2.21	Explain the step-by-step process of an Agent contracting/obtaining authority to sell the Insurer's products and onboarding with Insurers. For each step, provide details of the MGA's involvement. (e.g., obtaining sponsorships, completing and submitting applications, contracting, etc.)				Related supporting documents
2.22	Specify any mandatory onboarding requirements when contracting with the Insurer/obtaining authority to sell the Insurer's products, if applicable. (i.e. required attestations, training, review of the code of conduct, etc.)				Onboarding checklist and other related supporting documents
2.23	Explain the contractual relationships between Candidates/Agents, Insurers, and the MGA. (e.g., two-way contract such as MGA-Agent only, three-way contract between Insurer-MGA-Agent, etc.)				Copies of the agreements

Applicants/Candidates/Agents Data

2.24	For 2018, 2019, 2020 and 2021, provide:				
2.24a)	Total number of Applicants screened by the MGA	2018/2019/2020/2021			
2.24b)	Of those Applicants screened, total number of Applicants who successfully contracted and/or gained employment with the MGA	2018/2019/2020/2021			
2.24c)	Total number of Candidates who left the MGA (e.g., resigned) prior to obtaining an Agent Licence	2018/2019/2020/2021			
2.24d)	Top three reasons for Candidate departure	2018/2019/2020/2021			
2.24e)	Total number of Agents terminated by the MGA	2018/2019/2020/2021			
2.24f)	Top three reasons for Agent termination	2018/2019/2020/2021			

3. Training

Candidate Training
 - Candidate Training Overview and Process

Agent Training
 - Delegated Agent Training Function
 - Agent Training Overview and Process
 - Administration of Agent Training

DEFINITIONS
 For the purpose of this review:
 - **Candidate:** an unlicensed individual who is contracted with/employed by the MGA and in the process of becoming a licensed Agent.
 - **Agent:** an individual licensed by a Canadian province or territory to sell Life &Health (L&H) insurance (this individual may be contracted and/or employed directly with the MGA and/or under an AGA)*.

3. TRAINING

Candidate Training

#	Questions	Responses / MGA Operational Practices / Additional Comments	Agreement Design: MGA-Candidate Agreement	Document Request Listing (Provide if applicable)
Candidate Training Overview and Process				
3.1	Provide an overview of the MGA's end-to-end process for Candidate training .			All training materials/training programs currently in use for Candidates
3.2	Does the MGA have arrangements with any educational and/or course providers related to training?	Yes/No		Related agreement and/or supporting documents
3.2a)	If yes, provide details.			Related supporting documents
3.3	Does the MGA recommend that Candidates use any specific educational and/or course providers?	Yes/No		Related supporting documents
3.3a)	If yes, provide details.			Related supporting documents
3.4	How does the MGA communicate its expectations on training to Candidates?			Training checklists and/or supporting documents

Agent Training

#	Questions	Responses / MGA Operational Practices / Additional Comments	Agreement Design: Insurer-MGA Agreement (Insurer A)	Agreement Design: Insurer-MGA Agreement (Insurer B)	Agreement Design: Insurer-MGA Agreement (Insurer C)	Agreement Design: MGA-Agent Agreement	Document Request Listing (Provide if applicable)
Delegated Agent Training Function							
3.5	Has the MGA been delegated any Agent training functions by the Insurers?		Yes/No	Yes/No	Yes/No		
3.5a)	If yes, specify the expectations set out by Insurers as per the Insurer-MGA agreements.						- Reference to the agreements (i.e., page and section #s) - Related supporting documents
3.6	Explain the involvement of the Insurers (e.g., development, review, approval, etc.) in the MGA's training process.						
3.7	Does the MGA demonstrate (e.g., reporting) progress and/or completion of delegated Agent training functions to the Insurers?		Yes/No	Yes/No	Yes/No		
3.7a)	If yes, provide details.						A copy of any documentation used to demonstrate completion of training back to the insurer
3.8	Has the MGA passed down any training functions to other individuals or entities (can be an internal or external party)?		Yes/No	Yes/No	Yes/No		
3.8a)	If yes, provide details.						Related supporting documents

Agent Training Overview and Process

3.9	Does the MGA have documented policies and procedures specifically related to Agent training ?	Yes/No					Documented policies and procedures
3.10	Provide an overview of the MGA's end-to-end process for Agent training, including various methods used by the MGA.						All training materials/training programs currently in use for Agents
3.11	How does the MGA communicate its expectations on training to Agents? (e.g., guidance on mandatory trainings to be completed, optional training available, etc.)						- Reference to the agreements (i.e., page and section #s) - Related supporting documents
3.12	Provide a list of individuals (i.e. job titles) who are assigned the tasks of Agent training (e.g., supervisors, third-party instructors, other Agents, etc.) and their responsibilities.						Related supporting documents
3.13	Does the MGA have specific individuals/departments which formally oversee the entire training function at the MGA?	Yes/No					
3.13a)	If yes, provide details.						Related supporting documents
3.14	How does the MGA ensure that Agents understand the training and are knowledgeable?						
3.15	Does the MGA develop any of its own training and/or educational materials? (i.e. in addition to the insurer-provided training)	Yes/No					
3.15a)	If yes, provide a list of topics and elements covered by these materials. (e.g., needs-based selling, disclosure to clients, privacy, etc.)						All training materials developed by the MGA

Administration of Agent Training

3.16	Does the MGA offer any initial training at the time a Candidate becomes an Agent?						
	If yes:						
3.16a)	What are the topics/elements covered by the training?						Relevant training materials
3.16b)	Is the training mandatory or optional?						
3.17	Does the MGA provide any training and/or materials at the time an Agent newly contracts with an Insurer/obtains authority to sell the Insurer's products?						
	If yes:						
3.17a)	What are the topics/elements covered?						Relevant training materials
3.17b)	Is the training and/or materials provided mandatory or optional?						
3.18	Does the MGA offer recurring Agent training on a regular basis?						
	If yes:						
3.18a)	What are the topics/elements covered by the training?						Relevant training materials
3.18b)	What is the time cycle for the recurring training (e.g., weekly/monthly/annually)?						
3.18c)	Is the training mandatory or optional?						
3.19	Does the MGA offer additional training for Agents in specific circumstances? (e.g., promotion, disciplinary, targeted clientele/market/products, etc.)						
	If yes:						
3.19a)	What are the topics/elements covered by the training?						Relevant training materials
3.19b)	Is the training mandatory or optional?						

4. Agent Monitoring & Supervision

- Delegated Agent Monitoring and Supervision Functions
- Agent Monitoring and Supervision Overview
- Agent Monitoring and Supervision Process

DEFINITIONS

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- **Agent:** an individual licensed by a Canadian province or territory to sell Life &Health (L&H) insurance (this individual may be contracted and/or employed directly with the MGA and/or under an AGA)*.

4. MONITORING & SUPERVISION

#	Questions	Responses / MGA Operational Practices / Additional Comments	Agreement Design: Insurer-MGA Agreement (Insurer A)	Agreement Design: Insurer-MGA Agreement (Insurer B)	Agreement Design: Insurer-MGA Agreement (Insurer C)	Agreement Design: MGA-Agent Agreement	Document Request Listing (Provide if applicable)
Delegated Agent Monitoring and Supervision Functions							
4.1	Has the MGA been delegated any Agent monitoring and supervision functions by the Insurers?		Yes/No	Yes/No	Yes/No		
4.1a)	If yes, specify the expectations set out by the Insurers as per the Insurer-MGA agreements.						Reference to the agreements (i.e. page and section #s)
4.2	Explain the involvement of the Insurers (i.e. development, review, approval, etc.) in the MGA's Agent monitoring and supervision process.						Reference to the agreements (i.e. page and section #s)
4.3	Does the MGA demonstrate (e.g., reporting) the progress and/or completion of the delegated Agent monitoring and supervision functions to the Insurers?		Yes/No	Yes/No	Yes/No		
4.3a)	If yes, provide details of how it is demonstrated.						Related supporting documents
4.4	What is the outcome if the delegated monitoring and supervision functions are not performed according to the expectations (per question 4.1a)?						Related supporting documents
Agent Monitoring and Supervision Overview							
4.5	Does the MGA have documented policies and procedures specifically related to Agent monitoring and supervision?	Yes/No					Documented policies and procedures
4.6	Provide an overview of how the MGA monitors and supervises Agents.						
4.7	Provide a list of individuals (i.e. job titles) who are assigned the tasks of Agent monitoring and supervision and their responsibilities.						Related supporting documents
4.8	Does the MGA have specific individuals/departments which formally oversee the entire monitoring and supervision function at the MGA?	Yes/No					
4.8a)	If yes, provide details.						Related supporting documents
4.9	Are Agents formally reviewed/audited by the MGA or the Insurers?	Yes/No					Reference to the agreements (i.e. page and section #s)
4.9a)	By the MGA - If yes, provide the number of Agent reviews/audits conducted each year in 2018, 2019, 2020, and 2021.	2018/2019/2020/2021					- One example of completed Agent review/audit conducted - List of all Agent reviews/audits conducted each year
4.9b)	By the Insurers - if yes, provide the number of Agent reviews/audits conducted each year in 2018, 2019, 2020, and 2021.	2018/2019/2020/2021 (Total for ALL Insurers)	2018/2019/2020/2021	2018/2019/2020/2021	2018/2019/2020/2021		- One example of completed Agent review/audit conducted - List of all Agent reviews/audits conducted each year

4.10	Does the MGA perform risk assessments to decide which Agents to review/audit? (e.g., using selection criteria, only reviewing high-risk Agents, etc.)	Yes/No					Reference to the agreements (i.e. page and section #s)
4.10a)	If yes, provide details of the MGA's risk assessment process, including the criteria considered.						Example of risk assessment performed
4.11	Does the MGA use a standard approach (i.e. review program/template/questionnaire) to review/audit all Agents?	Yes/No					Copy of the standard review program/template/questionnaire used
4.11a)	If various approaches are used by the MGA, explain the reasons (e.g., based on different risks, titles, level, sales volume, etc.),						Copies of different review programs/templates/questionnaires used
4.12	Does the MGA have an established cycle to evaluate all Agents?	Yes/No					Reference to the agreements (i.e. page and section #s)
4.12a)	If yes, provide details including frequency.						Related supporting documents

Agent Monitoring and Supervision Process

4.13	How does the MGA monitor and supervise Agents for each of the following, if applicable?						
4.13a)	Maintenance of licences to carry out insurance business						Reference to the agreements (i.e. page and section #s)
4.13b)	Maintenance of Errors & Omissions (E&O) insurance coverage						Reference to the agreements (i.e. page and section #s)
4.13c)	Adherence to all legislation and regulations (including insurance laws and laws relating to money laundering, privacy and safeguarding of information, telecommunications and anti-spam, etc.)						Reference to the agreements (i.e. page and section #s)
4.13d)	Disclosure of conflicts of interest						Reference to the agreements (i.e. page and section #s)
4.13e)	Fulfillment of specific performance measurements (e.g., KPIs)						Reference to the agreements (i.e. page and section #s)
4.13f)	Fulfillment of minimum production requirements						Reference to the agreements (i.e. page and section #s)
4.13g)	Completion of MGA developed training courses, including minimum performance standard that must be met (e.g., a minimum passing grade on an online test)						Reference to the agreements (i.e. page and section #s)
4.13h)	Completion of Insurer developed training courses, including minimum performance standard that must be met (e.g., a minimum passing grade on an online test)						Reference to the agreements (i.e. page and section #s)
4.13i)	Completion of Continuing Education (CE) requirements						Reference to the agreements (i.e. page and section #s)
4.13j)	Completion of needs assessments for clients						Reference to the agreements (i.e. page and section #s)
4.13k)	Fulfillment of advertising and promotional expectations/guidelines (e.g., using only Insurer-approved materials)						Reference to the agreements (i.e. page and section #s)
4.13l)	Disclosure of outside business activities						Reference to the agreements (i.e. page and section #s)
4.13m)	Notification of any complaints and/or lawsuits received/reported against the Agent						Reference to the agreements (i.e. page and section #s)
4.13n)	Reporting of any disciplinary action taken against the Agent						Reference to the agreements (i.e. page and section #s)

4.13o)	Any other requirements not listed above (please specify)					Reference to the agreements (i.e. page and section #s)
4.14	What is the action taken by the MGA if any of the above Agent-related requirements are not fulfilled according to the expectations/MGA-Agent Agreement?					Example an action taken
4.15	Does the MGA have regularly scheduled formal meetings and/or communications (e.g., newsletters, e-blasts, internet, etc.) with Agents? If yes:	Yes/No				
4.15a)	How often do these meetings and/or communications take place?					Related supporting documents
4.15b)	What topics are discussed and/or communicated?					Related supporting documents
4.15c)	Are the results of these meetings and/or communications reported back to the senior management of the MGA? Please provide details including frequency.					Example of reporting / meeting minutes with senior management