

Press Release

FOR IMMEDIATE RELEASE

## **Key Number of Managing General Agencies (MGAs) Support Canadian Life Insurance Industry Advisor Screening, Contracting, and Compliance Monitoring Investigation**

*LOGiQ<sup>3</sup> continues to make progress with support from several key Managing General Agencies in developing an industry standard approach providing benefit for all stakeholders by eliminating duplication and adding needed elements in advisor screening, contracting and compliance monitoring efforts.*

**Toronto, ON April 15, 2013** - Life insurance advisors, distributors and carriers have supported the Canadian Council of Insurance Regulators' Agencies Regulation Committee's (ARC) view that as life insurance distribution has changed from a career sales force driven model to one that is now predominately occupied by independent advisors using Managing General Agencies (MGAs), that working together as an industry to proactively review and adapt how the industry meets the desired outcomes of its regulators is timely and valuable.

### **Industry Standard**

Having seen the industry and regulators agree there is room for change and improvement, LOGiQ<sup>3</sup>, expert provider of life insurance and reinsurance consulting and outsourcing services, has been investigating the potential of an advisor screening, contracting and compliance monitoring model. This initiative would provide independent advisors, MGAs and carriers with an industry standard service model that would provide more effective and efficient processes. At the same time this initiative would address some of the recommendations from the recently released ARC position paper, and going beyond this, allow the industry to move ahead collectively with best practices in compliance monitoring that would support and benefit all stakeholders.

### **Progress**

A good number of MGAs, representing a significant share of the Canadian distribution market, are key stakeholders who helped LOGiQ<sup>3</sup> investigate the initial feasibility of this initiative along with a significant number of carriers. In addition to this, LOGiQ<sup>3</sup> is providing briefings to and seeking input from the carrier, distributor and advisor associations.

A number of the key MGAs which includes Financial Horizons - Quebec Division, Hub Financial, IDC Worldsource and PPI Solutions have stepped up to take a leadership role in the investigation and have helped LOGiQ<sup>3</sup> develop a proposed service model that could work, subject to carrier participation. LOGiQ<sup>3</sup> has shared this service model with a sizable number of additional MGAs and has had very good response in terms of the feasibility and benefits.

LOGiQ<sup>3</sup> is now in the process of working with the key carriers of the industry to evaluate the proposed model with them. The intent is to secure sufficient collective interest and agreement from these carriers to proceed to develop final specifications for the service model. Once specifications are developed that

meet the requirements of the industry, the intent is to develop and launch the service with all carriers and MGAs, making it available to all independent advisors as the industry standard.

“We like the idea of an industry standard that would simplify processes and standardizes the requirements of the various carriers” says Terri DiFlorio, President of Hub Financial. “We see this as a benefit to our advisors as we can make it easy for them to complete and update contracting requirements and help them demonstrate their being in compliance. This will result in Hub spending less time assisting advisors on administration and more time focused on helping them build their business,” she continues.

Jim Virtue, President and CEO of PPI Solutions also see the benefits of an industry standard. “Successful MGAs will be those that bring value added to their advisors in the areas that are important to them” says Jim. PPI believes those areas are the ones that help them grow their practice”. He also states, “supporting industry standards in the areas where competing with each other is not beneficial is an excellent way to ensure PPI Solutions supports its advisors in the places that do matter.”

For more information on this initiative, contact LOGiQ<sup>3</sup> directly or visit [Insurance Distribution](#).

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### **About LOGiQ<sup>3</sup>:**

LOGiQ<sup>3</sup> is the expert provider of life insurance and reinsurance consulting and outsourced services. LOGiQ<sup>3</sup> delivers long-term strategic solutions and short-term tactical support across Underwriting, Reinsurance Administration, Claims and Audit. LOGiQ<sup>3</sup> supports clients across the life insurance service chain from agent to retrocessionaire from its offices in Toronto, Canada, and Cardiff, UK. To learn more about LOGiQ<sup>3</sup>, visit <http://www.logiq3.com>

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