

# Producer Licensing Agent Training

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Global Assistance

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How can we help?

## 1

## Producer Licensing and Retailer Registration Agent Training

Training for a better understanding.

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The following is a generalized overview of rules governing insurance licensing and registration, and what licensed producers or registered travel retailers are authorized or obligated to do, or prohibited from doing. Our goal for this training is to help you better understand the rules around producer licensing and to explain our policies around producer licensing to you.

The information provided here is intended only as a guide for educational purposes. It is not intended to be legal advice and should not be understood as such. We encourage you to review any legal questions you have with your attorney.

# General Definition of Travel Insurance

“Travel Insurance” is generally defined under state laws as “coverage for personal risks incidental to planned travel, including one or more of the following:

1. Interruption or cancellation of a trip or event;
2. Loss of baggage or personal effects;
3. Damage to accommodations or rental vehicles; or
4. Sickness, accident, disability, or death occurring during travel.”

The following are generally excluded from the definition of Travel Insurance:

1. Major medical plans, which provide comprehensive medical protection for travelers on trips lasting 6 months or longer (e.g. working overseas, deployed military personnel, etc.);
2. In California, damage waiver contracts that are part of a rental company’s agreement under CA Civil Code § 1936(a)(5). The phrase “damage waiver” or “collision damage waiver” cannot be used to describe travel insurance coverage, but the travel insurance contract may otherwise refer to “damage waiver” or “collision damage waiver” provided by a rental company, as defined in CA Civil Code § 1936(a)(1).

# What Activities Require a License?

## Licensable Activities

- Generally, any person who is “selling, soliciting, or negotiating” insurance, or receiving a commission for “selling, soliciting, or negotiating” insurance, must be licensed and appointed in the state where their customer resides. This includes answering technical questions about insurance coverage.
- States vary in what is considered “selling, soliciting, or negotiating” insurance, but the following provides general guidance on when a license may or may not be needed

No license needed	License needed
Dispense brochures or general information	Counsel on specific coverage terms
Refer information/requests/questions from customer to a licensed producer (such as us)	Bind coverage
Assist with Application	Urge customer to buy a particular policy

The above is based on the National Association of Insurance Commissions (NAIC) Producer Licensing Model Act 218 Section 3 the Producer Licensing Model Act Implementation Guidelines. For additional examples of licensable and non-licensable activities, you may refer to these resources, available at [www.naic.org](http://www.naic.org).

# Our Policy

## Allianz Global Assistance's General Licensing Policy

- All agencies and responsible agents must be licensed in their home state and any state in which they sell, solicit, or negotiate insurance, where available.
- Agents who are selling, soliciting, or negotiating insurance must be licensed in their home state and any non-resident state in which they conduct such activities, where available.
- Travel retailers must be registered under AGA's license, where available.

## **A large majority of states have adopted a new law that allows “Travel Retailers” to become registered with a licensed producer like Allianz Global Assistance.**

- Registration allows that Travel Retailer and its employees to “offer and disseminate” travel insurance under the supervision of the licensed producer without need for separate licenses.
- This is subject to certain consumer protections and rules being met, as described in the following slides.

\* For a current list of states where registration is available, contact Allianz Global Assistance.

# Registration Rules of Conduct

## Registered Travel Retailers and their employees **MAY**

- Offer/disseminate general information on our behalf, including brochures, buyer guides, descriptions of coverage, and price;
- Refer specific coverage/feature/benefit questions to AGA;
- Disseminate/process applications for coverage, coverage selection forms, or other similar forms;
- Collect premiums on AGA's behalf; and
- Receive/record information to share with us

## Registered Travel Retailers and their employees **MAY NOT**

- Hold yourself out as a licensed insurance agent (unless licensed)
- Answer technical questions about the benefits, exclusions, and conditions of the offered insurance; nor
- Evaluate the adequacy of a customer's existing coverage

## Registered Travel Retailers and their employees **MUST**

- Only offer the Travel Insurance products that AGA have authorized you to offer on our behalf, and only under the conditions we have authorized.
- Be sure your company is included on our registration list.
  - We will need to confirm that your company is meeting the training and background check requirements.
- Confirm that certain required disclosures are made to prospective purchasers.
  - See next slide...

# Travel Retailer Disclosures

## Travel Retailers must ensure the following disclosures are made:

1. In marketing or fulfillment materials, something similar to:  
This plan provides insurance coverage that only applies during the covered trip. You may have coverage from other sources that provides you with similar benefits but may be subject to different restrictions depending upon your other coverages. You may wish to compare the terms of this policy with your existing life, health, home, and automobile insurance policies. If you have any questions about your current coverage, call your insurer or insurance agent or broker.
2. To a prospective insured:
  1. That purchasing travel insurance is not required in order to purchase any other producer or services offered by the travel retailer
  2. If not individually licensed, that the Travel Retailer's employee is not qualified or authorized to:
    - a) Answer technical questions about the benefits, exclusions or conditions of any of the insurance offered by the travel retailer
    - b) Evaluate the adequacy of the prospective insured's existing insurance coverage

\* These disclosures can be made by either AGA or the Travel Retailer in one of three ways:

  - a) Provided in writing to the purchaser; or
  - b) Displayed by clear and conspicuous signs that are posted at every location where contracts are executed, included but limited to the counter where the purchaser signs the agreement; or
  - c) Acknowledged in writing by the purchaser.
3. Where applicable, AGA will supply you with the content of these disclosures and instructions for distributing them. You must make disclosures to prospective purchasers in accordance with our instructions.

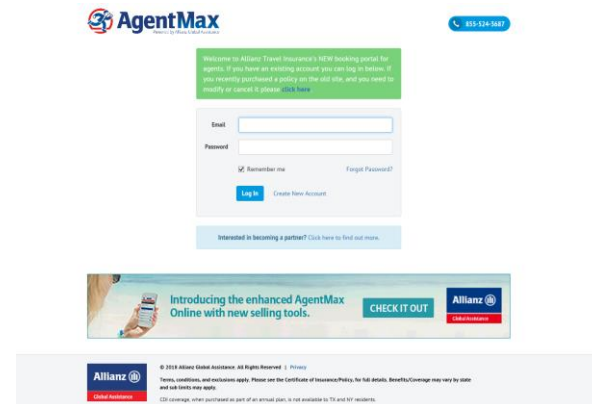
# Ethics and Legal Obligations

- You are bound by law to act in accordance with the parameters of the law, your license and/or registration (if applicable), and your agency agreement.
- Your customers depend on you and will likely expect you to answer all of their questions and handle any issues around their insurance purchase.
  - However, if you aren't licensed in the customer's state, you cannot "sell, solicit, or negotiate" insurance or answer specific questions about coverage!
  - **So, if a customer's question or issue would require you to act or speak beyond what is allowed without a license, you must direct that customer to Allianz Global Assistance at 866-333-7874.**
- Those offering Allianz Global Assistance insurance products must be honest, trustworthy, respectful of others and their property, and compliant with the law. This includes:
  - Displaying professional business behavior
  - Disclosing known facts related to the insurance transaction
  - Reporting suspicious or fraudulent activity
  - Avoiding deceptive practices and misrepresentation
  - Being fair to all parties involved in the insurance transaction
  - Avoiding conflicts of interest
  - Understanding what you can do, can't do, and must do as a registered retailer transacting insurance under Allianz Global Assistance's license (where applicable)
  - Understand the fiduciary duty owed to Allianz Global Assistance while acting under its license (where applicable)



# Resources Available

- For additional training and information, go to <http://www.agentmaxonline.com>
- For specific questions on licensing and our policy, please reference the Frequently Asked Questions.
- For information on state specific requirements, go to [http://www.naic.org/state\\_web\\_map.htm](http://www.naic.org/state_web_map.htm).
- The information provided here is intended only as a guide for educational purposes. We encourage you to review it with your attorney and consult them with any specific legal questions.



# You and Allianz Global Assistance

## A Powerful Partnership

- If you're not already an Allianz Global Assistance partner agency, we encourage you to find out more about all of the benefits we can bring to both you and your clients.
- Just visit <http://www.agentmaxonline.com> and apply for a partnership online by filing out the Participation Agreement and W9 form.
- If you're not already licensed to sell insurance in your state, we'll send you information about our online licensing system after we receive your Participation Agreement.
- For more information about signing up to sell Allianz Global Assistance insurance plans, our licensing policy, or any other questions, you may refer to our FAQ's for a list of helpful contacts.

You have successfully  
completed Producer  
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How can we help?

# 2

## Anti-Fraud / Anti-Corruption Training for Agents & Intermediaries

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# Introduction

Fraud and corruption are obstacles that Allianz Global Assistance (AGA) face in today's environment. Therefore, AGA expects that all of our partners be engaged in our ongoing antifraud and anticorruption (AFAC) initiatives.

This AFAC training provides awareness to AGA partners regarding our expectations of transparency and integrity during the span of our partnership.

In addition, the training includes principles that guide our internal policies including adherence to local laws and regulations.



# Definitions

## Fraud

The act or omission with the objective of obtaining illegal benefit/advantage in relation to AGA or any other institution or person, such as:

- Intentionally reporting issues containing false information
- Misuse of company tools
- False or misleading advertisement

\* Not limited to these examples

## Corruption

Offering and/or receiving items of value to influence negotiations where one person (or company) benefits and the other is harmed. Examples:

- Payment or bribery to public agents to obtain license
- Accept gifts to concede advantage to a company or a person

\* Not limited to these examples

## Bribery

Offer or promise to authorize payment or any amounts or goods, directly or indirectly, and/or to obtain personal or commercial advantages. Examples:

- Invitations to events not related with business
- Commercial promises

\* Not limited to these examples

# Roles & Responsibilities

It is important to know that it's not only AGA's responsibility to identify and investigate cases that involve fraud and/or corruption within our network. **All AGA partners, vendors, agents/intermediaries across our network share this responsibility.**

Regardless of the employee who has committed the act of corruption, the company involved also bears some accountability. It is the responsibility of the intermediary:

- To be aligned to all local laws regarding to antifraud and anticorruption practices.
- Ensure that there aren't negotiations that may harm in any way your own image and/or AGA.
- Establish standards of professional conduct for it's employees, aiming to mitigate fraud and corruption risks in it's commercial activities.

# Roles & Responsibilities

## What actions can my company take to be protected from fraud and corruption while aligning to AGA's expectations?

- Never treat bribery as something rare or that your company and your vendors are free from this risk.
- Develop preventive actions and internal programs to combat fraud and corruption and provide communications and awareness trainings to your employees.
- Perform constant monitoring of your negotiations, whether with public or private agents.
- Report any suspected fraud or corruption that you identify. Consider any kind of scheme that may provide personal gains or that harms any other person or institution.



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