



CONTRACT MANAGEMENT

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Question #1:

- Are background and credit checks updated once a year by Apexa?

Answer:

- No, a background check is only run during new contracting - as long as it meets the criteria of a net-new relationship between the primary & target parties, and no background check has been run within the last 12 months. A full credit check is run once - during contracting with new Advisors or after profile setup for legacy Advisors. Afterwards, there is ongoing weekly & monthly credit monitoring.

Question #2:

- Is that only relating to a 2-party request or should a backcheck trigger if an Advisor is requesting a 3 or 4-party contract through an existing MGA relationship with a net new Carrier?

Answer:

- The background check request is the same regardless of the number of parties in the contract hierarchy.

Question #3:

- Would Apexa consider adding *duplication, correction, or error* as a reason to deny?

Answer:

- A ticket for this as an enhancement request has already been logged. Our Team is in the process of implementing a rating system on these types of items and our backlog list, so that Governance Board members can determine priority levels of these items.

Question #4:

- Is there any situation whereby the Carrier cannot reinstate a previously declined contract prior to 60 days?

Answer:

- There's no situation that I know of that would prevent a Carrier from reinstating a contract. As long as the Carrier was the party to deny the contract in the first place, they will be able to reinstate it within 60 days.

Question #5:

- The backcheck function might not be working properly as we have had to manually request backchecks that are older than 1 year even though it's a net new contract.

Answer:

- If you have a specific scenario where you think the background check did not work properly, please submit a Jira ticket and our Product team will investigate.

Question #6:

- Will a notice go to the Advisor if a Carrier terminates the contract while still granting them access to the attachment?

Answer:

- Yes, the Advisor will be sent an email when a contract is terminated – and will have access to any attachments or notes added when the contract was denied or terminated. The denial/termination will appear as a comment on the contract, with a comment privilege of Everyone (meaning all parties involved in the contract).

Question #7:

- May I know in what circumstances we need to consolidate the contracts?

Answer:

- The primary purpose of the Consolidate action is to allow contract cleanup after acquisitions - when there may be multiple active contracts representing the same contractual relationship.
- If you have two active contracts with identical hierarchies, you will have the option to Consolidate (or merge) those contracts into one. The contract being merged will be terminated with a status of Consolidated.
- You can find information on consolidating contracts in the Partners Manual – [here](#).

Question #8:

- When denying or terminating a contract, if we use *business decision* as a reason and then add a comment, is the comment visible by everyone or do they only see *business decision* and not the comment?

Answer:

- Contract comments can only be seen by parties involved in the contract and in accordance with the comment privilege selected. For example, if the comment privilege is Everyone, that all parties involved in the contract will be able to see the comment. If the comment privilege is Partners Only, then only APEXA clients involved in the contract will see the comment (for example, the MGA and Carrier).

Question #9:

- Does a Carrier have only 30 days to reinstate a terminated contract?

Answer:

- Correct, the period to reactivate a terminated contract is 30 days. The Primary party on an active contract can terminate it and will be able to reactivate the contract within 30 days of the termination effective date.

Question #10:

- If an MGA sends a contract to the Carrier and the Carrier sends it back with modifications, will the MGA still be able to deny or terminate the contract?

Answer:

- No. Once a contract has been sent to the Carrier, only the Carrier can deny or terminate it.