

# THE CANADIAN

## LIFE

### INSURANCE INDUSTRY

LOW DOWN!

PART 1

#### DISTRIBUTION LAYERS

# INDEPENDENT VS EXCLUSIVE

#### WHAT IS AN INDEPENDENT LIFE INSURANCE AGENT?



INDEPENDENT LIFE INSURANCE AGENTS

**AKA FINANCIAL ADVISORS**

50,000+

Independent Advisors in Canada Alone!  
but what about exclusive advisors/agents?

#### INDEPENDENT

Independent advisors work with MGAs, AGAs, Group Brokers and Independent Brokers as well as with carriers to deliver a wide range of insurance products

#### EXCLUSIVE

Exclusive advisors work directly with insurance carriers and offer ONLY those carriers' range of products. They represent only the companies they're contracted with

#### INDEPENDENT CHANNELS

# MGA vs AGA

#### WHAT'S THE DIFF?

## MGA

An independent agent can choose to contract with an MGA (and many do) who contracts with insurance companies to provide a variety of insurance products to clients.

Sometimes the administering insurance company has no oversight into the policies the end customers buy.

#FUNFACT

#### THE MIDDLEMAN

Managing General Agents are the largest channel for life insurance distribution - did you know?!

2/3

MGAs represent over 2/3 of independent life insurance sales!

whoa!



MGAs contract with insurance companies

1 or 2 or 3 or more!



MGAs sell insurance products to people like you and I

simple enough!

## AGA

Associate General Agencies operate in the same way MGAs operate but with smaller client portfolios and on a smaller scale.

Advisors can choose to contract with MGAs and AGAs exclusively or directly with Insurance Carriers.

100-300 in Canada

approximately!



AGAs can be a group of representatives who form one entity

or just one person!



AGA's can work with MGAs to deliver life products

solo vs collab



AGAs work on a smaller scale than MGAs

smaller portfolios