

## **AIP Interview Question Outline**

### **I. Company Background**

General background information such as history in the Federal crop insurance program, other operating lines of business, and employment of captive/independent agents.

### **II. Competition Strategy & Operating Model**

Competition strategy most effective in competing in the Federal crop insurance industry and business operating model (centralization, level of automation, underwriting process, etc.)

### **III. Questions on Insurance Agents & Agents Compensation**

Discussion topics will include: Contract with Crop Insurance Agents, Interactions with Crop Insurance Agents (e.g. signing up new agents, major services provided to the agents and agent turnover), Agent Compensation (commission and profit-sharing), and Cost of Agents in Selling and Servicing the Federal crop insurance.

### **IV. A&O Payment & RMA Regulations**

Discussion topics will include: A&O Payment & Underwriting Gain/Loss Sharing with FCIC, Extra Administrative Burden Arising from Recent RMA Regulations, and your perspective on future RMA regulations and the Federal crop insurance industry in general.

### **V. LAE Expense & Other Operating Expense**

Questions on LAE expense, and other Operating expenses including historical trend, cost allocation methods and procedures that prove to help save costs and increase operational efficiency.

### **VI. Financial Reporting to RMA**

We have some general questions on the reporting practice the company follows in filing financials to the RMA (especially the financials contained in the Total Expense Template). Specifically, we want to understand where the compensations paid to independent/captive adjusters and independent/captive agents are recorded.

### **VII. Other Questions**