| **Section A[[1]](#footnote-1)**  General Information | | |
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| **Ref** | **Outsourcing Agreement** | **Reference to be made to the relevant clause of the agreement and/or additional information/documentation to be provided (where applicable)** |
|  | Name of Authorised Undertaking |  |
|  | Outsourced function/activity  *(Specify the function/activity being outsourced and/or sub-outsourced)* |  |
|  | Name of Service Provider |  |
|  | The authorised undertaking to confirm whether:   1. the outsourced activity has been identified as a critical or important function in the Outsourcing Policy. If not, the authorised undertaking to provide reasons why; and 2. it has developed business contingency plans, including exit strategies in case the outsourcing arrangement is terminated |  |
|  | The authorised undertaking to submit to the Authority a completed and signed Assessment form (Chapter 2 of the Insurance Rules – Annex II) on the Service Provider |  |
|  | Please also note that the authorised undertaking, as the entity underwriting the risk, is always deemed to be the manufacturer of a product. However, this role can be shared (not completely delegated) to another entity/intermediary. In this context a co-manufacturing agreement should be entered into between the authorised undertaking and the MGA/intermediary clearly specifying the parts of the POG process which either party will be carrying out.  Further to the above, please indicate whether the MGA has a decision-making role in the design and development of the product and therefore considered a co-manufacturer?  If in the affirmative, please submit a draft copy of the co-manufacturer agreement to the Authority (unless the terms of such an arrangement is included in the binder agreement) |  |
|  | **Term of the agreement**  *(The authorised undertaking to also specify whether it is definite or indefinite. If ‘definite’ the Authorised undertaking to state inception and termination date. Otherwise, the Authorised undertaking to provide the inception date.* |  |
|  | Governing law and jurisdiction |  |
|  | Conflicts of Interest  The written agreement concluded between the authorised undertaking and the service provider complies with the Conflicts of Interest policies approved by the Board of Directors of the authorised undertaking and also meets the MFSA’s supervisory expectations, in line with the MFSA’s Corporate Governance Code.  <https://www.mfsa.mt/wp-content/uploads/2022/08/MFSA-Corporate-Governance-Code.pdf> |  |
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| **Section B**  Commission Delegated Regulation (EU) Article 274 in respect of Outsourcing[[2]](#footnote-2).  **The agreement to clearly state the following requirements:** | | | |
| Ref | CDR Art 274 | **Outsourcing Agreement** | **Reference to be made to the relevant clause of the agreement** and/or additional information/documentation to be provided (where applicable) |
| 1. | 274(4)(a) | The **respective rights and duties and responsibilities** of the undertaking and service provider |  |
| 2. | 274(4)(b) | The service provider’s commitment to **comply with all applicable laws**, regulatory requirements and guidelines as well as policies approved by the undertaking to cooperate with MFSA with regard to the outsourced function and activity |  |
| 3. | 274(4)(c) | The service provider’s obligation to **disclose any development which may have a material impact** on its ability to carry out the outsourced functions and activities effectively and in compliance with applicable laws and regulatory requirements |  |
| 4. | 274(4)(d) | The service provider can only **terminate** the contract with a **notice period** and the notice period is long enough to enable the undertaking to find an alternative solution.  The authorised undertaking to also record the notice period provided for in the agreement |  |
| 5. | 274(4)(e) | The undertaking is able to **terminate** the arrangement for outsourcing where necessary **without detriment** to the continuity and quality of its provision of services to policyholders |  |
| 6. | 274(4)(f) | The undertaking reserves the right to be informed about the outsourced functions and activities and their performance by the service provider as well as a right to issue general guidelines and individual **instructions** at the address of the service provider, as to what has to be taken into account when performing the outsourced functions or activities |  |
| 7. | 274(4)(g) | The service provider shall protect any **confidential** information relating to the authorised undertaking and its policyholders, beneficiaries, employees, contracting parties and all other persons |  |
| 8. | 274(4)(h) | The authorised undertaking, its external auditor and the MFSA have effective access to all information relating to the outsourced/sub-outsourced functions and activities including carrying out **on-site inspections** of the business premises of the service provider |  |
| 9. | 274(4)(i) | Where appropriate and necessary for the purpose of supervision, the MFSA may address **questions** directly to the service provider to which the service provider shall reply |  |

| **Section – C**  Declaration | |
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| **Declaration by the Compliance Officer**  The individual approved by the MFSA, responsible to carry out the **Compliance function** confirms that to the best of my knowledge, the information provided is truthful, accurate and complete. The Authority is to be immediately notified if the information provided changes in any material respect either prior to, or subsequent to, the MFSA providing its no objection to this arrangement. | |
| Name of Compliance Officer |  |
| Signature of Compliance Officer |  |
| Date of Signature |  |

1. Authorised Undertaking(s) which are entering into delegation of authority arrangement are required to complete solely the following – Ref 4(2), 5, 6, 7, 8 and 9 from Section A. [↑](#footnote-ref-1)
2. This includes Delegation of Authority provided in relation to underwriting/claims/distribution since this is also considered to fall under the outsourcing requirements. [↑](#footnote-ref-2)