**Section 1010.220 Examination**

a) Licensees shall be examined from time to time pursuant to Section 20-15(a) of the Act. As part of each regularly scheduled examination, the Director shall evaluate and rate licensees in accordance with uniform rating factors.

b) Ratings include, but are not limited to:

1) The highest rating of 1 is assigned to a licensee that maintains a strong compliance management system (CMS) and takes active steps to prevent any violations of law and consumer harm.

2) The rating of 2 is assigned to a licensee that maintains a CMS that is satisfactory at managing consumer compliance risk in the licensee's products and services and substantially limiting violations of law and consumer harm.

3) The rating of 3 reflects a CMS deficient at managing consumer compliance risk in the licensee's products and services and at limiting violations of law and consumer harm.

4) The rating of 4 reflects a CMS seriously deficient at managing consumer compliance risk in the licensee's products and services and/or at preventing violations of law and consumer harm.

5) The rating of 5 reflects a CMS critically deficient at managing consumer compliance risk in the licensee's products and services and/or at preventing violations of law and consumer harm.

c) All licensees shall be subject to examination by the Director. The Director may enter into cooperative agreements with other regulatory authorities and contract with others to provide examinations. The Director may accept examination reports from those regulatory authorities and under contracts that meet the requirements of this Section. The examination shall result in a rating under subsection (b) and will be charged at the rate referenced.