IRDAI Registration of Corporate Agents Regulations, 2015- Code of Conduct to be followed by Principal Officer/ Specified Persons of the Bank for Insurance Business

Every corporate agent or principal officer or a specified person shall also follow the code of conduct specified below:

(i) Every corporate agent/ principal officer / specified person shall,--

(a) identify himself and disclose his registration/ certificate to the prospect on demand;

(b) disseminate the requisite information in respect of insurance products offered for sale by the insurers with whom they have arrangement and take into account the needs of the prospect while recommending a specific insurance plan;

(c) disclose the scales of commission in respect of the insurance product offered for sale, if asked by the prospect;

(d) indicate the premium to be charged by the insurer for the insurance product offered for sale;

(e) explain to the prospect the nature of information required in the proposal form by the insurer, and also the importance of disclosure of material information in the purchase of an insurance contract;

(f) bring to the notice of the insurer any adverse habits or income inconsistency of the prospect, in the form of a Confidential Report along with every proposal submitted to the insurer, and any material fact that may adversely affect the underwriting decision of the insurer as regards acceptance of the proposal, by making all reasonable enquiries about the prospect;

(g) inform promptly the prospect about the acceptance or rejection of the proposal by the insurer;

(h) obtain the requisite documents at the time of filing the proposal form with the insurer; and other documents subsequently asked for by the insurer for completion of the proposal;

(ii) No corporate agent/ principal officer / specified person shall, ----

a. solicit or procure insurance business without holding a valid registration/ certificate;

b. induce the prospect to omit any material information in the proposal form;

c. induce the prospect to submit wrong information in the proposal form or documents submitted to the insurer for acceptance of the proposal;

d. behave in a discourteous manner with the prospect;

e. interfere with any proposal introduced by any other specified person or any insurance intermediary;

f. offer different rates, advantages, terms and conditions other than those offered by the insurer;

g. force a policyholder to terminate the existing policy and to effect a new proposal from him within three years from the date of such termination; 34

h. No corporate agent shall have a portfolio of insurance business from one person or one organization or one group of organizations under which the premium is in excess of fifty percent of total premium procured in any year;

i. become or remain a director of any insurance company, except with the prior approval of the Authority;

j. indulge in any sort of money laundering activities;

k. indulge in sourcing of business by themselves or through call centers by way of misleading calls or spurious calls;

l. undertake multi-level marketing for soliciting and procuring of insurance products;

m. engage untrained and unauthorised persons to bring in business;

n. provide insurance consultancy or claims consultancy or any other insurance related services except soliciting and servicing of insurance products as per the certificate of registration.

o. Engage, encourage, enter into a contract with or have any sort of arrangement with any person other than a specified person, to refer, solicit, generate lead, advise, introduce, find or provide contact details of prospective policyholders in furtherance of the distribution of the insurance product;

p. Pay or allow the payment of any fee, commission, incentive by any other name whatsoever for the purpose of sale, introduction, lead generation, referring or finding to any person or entity