INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY OF INDIA (REGISTRATION OF INSURANCE MARKETING FIRM) REGULATIONS, 2015[1]

(amended upto 26.07.2019)

F. No. IRDAI/Reg/1/91/2015. —In exercise of the powers conferred by Section 114A of the Insurance Act,1938 (4 of 1938), as amended from time to time, read with sections 14 and 26 of the Insurance Regulatory and Development Authority Act, 1999 (41 of 1999) and sections 42D and 42E of Insurance Act, 1938, as amended from time to time, the Authority in consultation with the Insurance Advisory Committee, hereby makes the following regulations, namely: -

1. Short Title and Commencement of the Regulations:

1.1 These Regulations may be called the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) Regulations, 2015.

CHAPTER I
Preliminary

2. Definitions:

2.1 "Act" means the Insurance Act, 1938 (4 of 1938), as amended from time to time.

2.2 "Applicant" means _

a. A company formed under the Companies Act, 2013 (18 of 2013) or any enactment thereof or under any previous company law which was in force; or

b. A limited liability partnership formed and registered under the Limited Liability Partnership Act, 2008; or

c. Co-operative Societies registered under Co-operative Societies Act, 1912 or under any law for registration of Co-operative Societies; or

d. Any other person as may be recognized by the Authority to act as an Insurance Marketing Firm.

2.3 "Approved Institution" means an institution engaged in education and/or training particularly in the area of insurance sales, service and marketing, approved and notified by the Authority from time to time.

[2][2.3A "Aspirational District" means a district designated as such by the NITI Aayog, Government of India or any other economically backward district, as may be recognized by the Authority.]

[1] Vide Notification No. IRDAI/Reg/1/91/2015, published in the Gazette of India, ExtraOrdinary, Part III, Sec.4, vide No.34, dated 21.01.2015, w.e.f. 29.01.2015.

[2] Inserted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019.

2.4 "Authority" means the Insurance Regulatory and Development Authority of India established under the provisions of Section 3 of the Insurance Regulatory and Development Authority Act, 1999 (41 of 1999).

2.5 "Examination Body" for the purpose of these Regulations is the examination body approved by the Authority for conducting certification exams.

2.6 "Financial Service Executive" (FSE) is an individual employed by Insurance Marketing Firm and holding a valid licence issued by respective financial regulators, other than the Authority, to market products specified in regulation 3(c) of these regulations.

2.7 "Fit and Proper" is the criteria for determining the suitability for licensing an Applicant including his principal officer, directors or partners to act as Insurance Marketing Firm.

2.8 "Insurance Marketing Firm" is an entity registered by the Authority to solicit or procure insurance products as specified in regulation 3(a) of these regulations, to undertake insurance service activities as specified in regulation 3(b) of these regulations and to distribute other financial products as specified in regulation 3(c) of these regulations by employing individuals licensed to market, distribute and service such other financial products.

2.9 "Insurance Sales Person" (ISP) is an individual employed by Insurance Marketing Firm to solicit or procure insurance products[3][***].

2.10 "Insurance Servicing Activity" means the activities specified in regulation 3(b) of these regulations.

2.11 "Principal Officer" of Insurance Marketing Firm means a director or a partner or any officer or employee so designated by it, and approved by the Authority, to exclusively [4][carry out the functions] of Insurance Marketing Firm and who possesses the requisite qualifications and practical training and who has passed examination as required under these Regulations.

2.12 "Regulations" means Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) Regulations, 2015.

2.13 Words and expressions used and not defined in these Regulations but defined in the Act, as amended from time to time, the Insurance Regulatory and Development Authority Act, 1999 or in any of the Regulations/Guidelines made there under shall have the meanings respectively assigned to them in those Acts/Regulations/Guidelines.

[3] The words "and who holds a valid certificate issued by the Authority for the purposes of the same" omitted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019.

[4] Substituted for the words "supervise the activities" by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019.

3. Scope and applicability of these Regulations:

These regulations shall cover

[5][a. (i) Tie-ups with insurers:

The Insurance Marketing Firms (IMF) shall engage Insurance Sales Persons (ISP) for the purpose of soliciting and procuring insurance products of maximum of two Life insurers, two General insurers and two Health insurers at any point of time, under intimation to the Authority.

Provided that in addition to two General insurers, Insurance Marketing Firm shall have option to engage with Agriculture Insurance Company of India Ltd. (AIC) and Export Credit Guarantee Corporation Ltd.(ECGC).

Provided further that any change in the engagement with the insurers shall be governed by the terms of the agreement entered into between the Insurance Marketing Firm and the insurer, with suitable arrangements for servicing existing policyholders by the concerned insurer, in case of cancellation/termination/discontinuity of agreement.

The Insurance Marketing Firm shall intimate the Authority of any such change in the engagement with insurers in the format specified by the Authority in this behalf.

(ii) Products allowed for Insurance Marketing Firms:

The Insurance Marketing Firm shall be allowed to solicit or procure:

1. all kinds of products sold on individual and / or retail basis, including crop insurance for non-loanee farmers and combi products.

2. property, group personal accident, group health, GSLI and term insurance policies for Micro, Small and Medium Enterprises (MSME). The IMF shall not be allowed to solicit and procure commercial lines of business for any segment except for MSMEs.

Explanation: For the purpose of these Regulations,

a. "Combi products" mean any combination of products of life, general and health insurance as approved by the Authority.

b. *"Micro, Small and Medium Enterprises" shall have the meaning as defined in 'The Micro, Small and Medium Enterprises Development Act, 2006', as amended from time to time*.]

[5]Substituted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019. Prior to substitution, Regulation 3(a) read as under:

"Registration of Insurance Marketing Firm by engaging ISP for the purpose of soliciting and procuring Insurance Products of maximum of two Life, two General and two Health Insurance companies at any point of time, under intimation to the Authority.

Provided that in respect of general insurance, the Insurance Marketing Firm shall be allowed to solicit or procure only retail lines of insurance products as given in the file & use guidelines namely motor, health, personal accident, householders, shopkeepers and such other insurance products approved by the Authority from time to time. Provided further that any change in the engagement with the insurance companies shall be done only with the prior approval of the Authority and with suitable arrangements for servicing existing policyholders."

Page **3** of **62**

b. Insurance Servicing Activities of the Insurance Marketing Firm by:

i. [6][undertaking such activities of insurers as allowed in the Insurance Regulatory and Development Authority of India (Outsourcing of Activities by Indian Insurers) Regulations, 2017, as amended from time to time;]

ii. becoming approved person of Insurance Repositories;

iii. [7][***]

iv. any other insurance related activity permitted by the Authority from time to time.

Explanation: For the purpose of these Regulations, the Insurance Marketing Firm shall undertake the insurance servicing activities in respect of only those insurance companies with whom they have an agreement for soliciting or procuring insurance products;

c. Marketing of other financial products through the FSE engaged by the Insurance Marketing Firm namely:

i. mutual funds of mutual fund companies regulated by SEBI;

ii. pension products regulated by PFRDA;

iii. other financial products distributed by SEBI licensed Investment Advisors; iv. banking/ financial products of banks/ NBFC regulated by RBI;

v. non-insurance products offered by Department of Posts, Government of India; vi. any other financial product or activity permitted by the Authority from time to time.

[8][d. An IMF shall abide by the guidelines /regulations/circulars issued by the Authority from time to time on Distance Marketing of Insurance Products subject to the following:

Distance Marketing shall be

i. undertaken by the IMF without engaging tele-marketer(s).

ii. undertaken after obtaining prior approval from the Authority.

iii. carried out only through ISPs.

iv. on behalf of those Insurer(s) with whom agreements are entered by IMF for carrying out insurance business activity as specified in Part I of Schedule V.]

[6]Substituted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019. Prior to substitution, regulation 3(b)(i) read as under:
"undertaking back office activities of insurers as allowed in the Guidelines on Outsourcing Activities by Insurance Companies issued by the Authority"

[7] Omitted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019. Prior to omission, regulation 3(b)(iii) read as under:
"undertaking survey and loss assessment work by employing on their rolls licensed surveyor & loss assessors"

[8] Inserted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (First Amendment) Regulations, 2016 dated 17.01.2017, w.e.f. 27.01.2017.

Page **4** of **62**

CHAPTER II
REGISTRATION OF INSURANCE MARKETING FIRM

4. Application for grant of Registration to Insurance Marketing Firm:

4.1 An Applicant desiring to obtain a Registration to act as an Insurance Marketing Firm shall follow the following procedure: -

a) Submit an application to the Authority in the Form A as specified in these Regulations. b) Remit the non-refundable application fees of five thousand rupees [9][***] along with the application for grant of a registration.

c) Submit all the necessary documents as mentioned in detail in the application Form- A along with declaration of principal officer/directors/managing partners satisfying the fit & proper criteria in the prescribed form or as may be additionally prescribed by the Authority.

d) Submit copy of the Insurance Marketing Firm Exam pass Certificate of the Principal Officer and the ISPs proposed to be engaged by the Insurance Marketing Firm.

e) [10][***]

f) Submit copy of the approved person certificate of the Insurance Repository of the Insurance Marketing Firm[11][if the Insurance Marketing Firm proposes to become approved person of Insurance repository].

g) Submit copy of the licenses or authorization or registration obtained by the FSE proposed to be employed by the Insurance Marketing Firm issued by SEBI, RBI, PFRDA, Post Office for the line of activity proposed to be undertaken.

h) [12][Submit an undertaking stating that a tele marketer(s) shall not be engaged for solicitation/lead generation of insurance business.]

4.2 An application, submitted by the Applicant that is not complete in all respects and/or not conforming to the instructions specified in application form and/or not complying with the requirements and/or directions of the Authority, may be rejected.

Provided that, before rejecting any such application, the Applicant shall be given a reasonable opportunity to complete the application in all respects and rectify the errors, if any.

[9]The words "plus applicable tax" omitted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019.

[10] Omitted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019. Prior to omission, regulation 4.1(e) read as under:
"Submit copy of the surveyors and loss assessor license of the person proposed to be employed by Insurance Marketing Firm, if the Insurance Marketing Firm proposes to undertake any insurance survey and loss assessing assignments."

[11] Inserted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019.

[12] Inserted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (First Amendment) Regulations, 2016 dated 17.01.2017, w.e.f. 27.01.2017.

5. Consideration of application and eligibility criteria for Insurance Marketing Firm:

5.1 The Authority while considering an application for grant of a registration shall take into account, all matters relevant to carrying out of the functions by the Insurance Marketing Firm.

5.2 Without prejudice to the above, the Authority in particular, shall take into account the following, namely: -

i. whether any of the Directors, Partners, Principal Officer or one or more of its officers or other employees so designated by it and in the case of any other person, the chief executive by whatever name called, or one or more of his employees designated by him of the Applicant is suffering from any of the disqualifications specified under sub-section (5) of section 42 D of the Insurance Act, 1938, as amended from time to time;

ii. whether any person, directly or indirectly connected with the Applicant, has been refused in the past the grant of any license or registration by the Authority.

Explanation: - For the purposes of this sub-clause, the expression "directly or indirectly connected" means in the case of a firm or a company or a body corporate, an associate, a subsidiary, or a group company of the Applicant. It is hereby clarified that these terms shall have the same meanings as ascribed to them in the Companies Act, 2013 (18 of 2013,) as amended from time to time or The Competition Act, 2002, as the case may be.

iii. whether the Applicant fulfills the capital adequacy requirements as specified in Regulation 6.

iv. whether the 'Principal Officer, and ISP meet the criteria as laid down under Schedule I, Schedule II and Schedule III as applicable.

v. Whether the Applicant has the necessary infrastructure like adequate office space earmarked for its Insurance Marketing Firm activities, equipment and trained manpower to effectively discharge its activities.

vi. [13][Whether the Applicant has in its name the words "Insurance Marketing" or "IMF".]

vii. Whether the Applicant which is also engaged in activities other than insurance activities, has necessary approvals/ authorizations from respective authorities;

viii. Whether the Authority is of the opinion that the grant of registration will be in the interest of policyholders and other clients.

[13]Substituted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (First Amendment) Regulations, 2016 dated 17.01.2017, w.e.f. 27.01.2017. Prior to substitution, regulation 5.2(vi) read as under:
"Whether the Applicant has in its name the word "Insurance Marketing Firm"."

6. Capital Requirements of Insurance Marketing Firm:

6.1 [14][The Applicant shall have a net worth of:

a. Not less than five lakh rupees, if the applicant is opting for only one district, which is an aspirational district.

Provided that increase in net worth arising out of change of status of aspirational district is mandatory at the time of renewal of registration.

b. Not less than ten lakh rupees for all other cases.

Explanation: For the purposes of these Regulations, "net worth" shall have the meaning assigned to it in the Companies Act, 2013 and as amended from time to time.]

6.2 The Applicant shall ensure that the net worth is maintained at all times and Insurance Marketing Firm shall submit a certificate duly certified by a chartered accountant to this effect annually within three months from the close of the financial year.

6.3 The aggregate holdings of equity shares or contribution of the Insurance Marketing Firm by a foreign investor, including portfolio investors, [15][shall not exceed such per cent of limits as prescribed by the Central Government from time to time, under Indian Insurance Companies (Foreign Investment) Rules, 2015]. For the purposes of these regulations, the calculations of foreign investment shall be made in the same manner as specified in the Insurance Regulatory and Development Authority (Registration of Indian Insurance Companies) Regulations, 2000 for an insurer, as amended from time to time.

[16][**6A – Foreign Investment**

Every applicant, who is a company incorporated under the Companies Act, 2013 and has a majority of shareholding of foreign investors, shall furnish an undertaking as given in Schedule – AA.]

7. Principal Officer of the Insurance Marketing Firm:

7.1 The Insurance Marketing Firm shall designate a Principal Officer who shall be the overall incharge and shall be responsible for regulatory compliance to the Authority.

[14] Substituted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019. Prior to substitution, regulation 6.1 read as under:
"The Applicant shall have a net worth of not less than ten lakh rupees.

Explanation: For the purposes of these regulations, "net worth" shall have the meaning assigned to it in Companies Act 2013 and as amended from to time."

[15] Substituted for the words "do not exceed forty-nine per cent of paid up equity capital or contribution of the Insurance Marketing Firm at any time" by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019dated 24.07.2019, w.e.f. 26.07.2019.

16 Inserted by the Insurance Regulatory and Development Authority of India (Insurance Intermediaries) (Amendment) Regulations, 2019 dated 30.10.2019, w.e.f. 01.11.2019.

Page **7** of **62**

7.2 The eligibility criterion for the Principal Officer is specified in Part I of Schedule I of these Regulations.

7.3 The Training and Examination procedure for the Principal Officer is specified in Part II of Schedule I of these Regulations.

7.4 The Fit and Proper criteria applicable to the Principal Officer is specified in Part III of Schedule I of the Regulations.

7.5 The General Eligibility Criterion and norms applicable to the Principal Officer are specified in Part IV of Schedule I of the Regulations.

7.6 17[On resignation or termination or death of the Principal Officer, the Insurance Marketing Firm shall endeavor to appoint a new Principal Officer at the earliest, and seek approval, within a period not exceeding 60 days, from the Authority.

Provided that in the absence of a Principal Officer, a whole time director or managing partner or any other senior designated official of the Insurance Marketing Firm may, under intimation to the Authority, be authorized to act and perform the duties of the Principal Officer to meet regulatory compliance requirements only; and shall not solicit insurance business unless they have also undergone the training and passed the examination, and meet all the eligibility criteria of a Principal Officer.

The request for change of Principal Officer shall be made in the format specified by the Authority in this behalf.]

8. Certification for ISP and FSE of the Insurance Marketing Firm:

8.1 The Certification requirements for marketing insurance and financial products for ISP and FSE respectively in the Insurance Marketing Firm are specified in Part I of Schedule II of these Regulations.

8.2 The Qualifications and Eligibility criterion for the ISP of the Insurance Marketing Firm is specified in Part II of Schedule II of these Regulations.

8.3 The Training, Examination and Certification procedure for the engagement of the ISP of the Insurance Marketing Firm is specified in Part III of Schedule II of these Regulations.

8.4 The requirements for the engagement of FSE for marketing financial products are enumerated in Part IV of Schedule II of these Regulations.

8.5 The Code of Conduct for the ISP and FSE is specified in Schedule IX of these Regulations.

8.6 Insurance Marketing Firm may engage the same person for sale of both insurance and other financial products, if he meets the qualification criteria and certification requirements as laid out in these Regulations.

17Inserted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019.

Page **8** of **62**

9. Requirement of Professional indemnity insurance for Insurance Marketing Firm:

9.1 Every insurance marketing firm shall take out and maintain at all times a professional indemnity insurance cover throughout the validity of the period of the registration granted to it by the Authority.

Provided that the Authority shall in suitable cases allow a newly registered insurance marketing firm to produce such a policy within twelve months from the date of issue of original registration and with minimum sum insured of Rs 10 lakhs.

9.2 The limit of indemnity shall be two times the total remuneration of the insurance marketing firm 18[for the preceding financial years subject to a minimum amount equal to the applicable net worth requirement]. For the purpose of this sub regulation, the total remuneration includes remuneration from their insurance

solicitation/procuring activities, insurance servicing activities and marketing of other financial products activities as specified in these regulations.

9.3 The scope of cover and other terms and conditions of the Professional Indemnity Policy is specified at Schedule X of these regulations.

10. Grant of Registration to Insurance Marketing Firm:

10.1 The Authority on being satisfied that the Applicant complies with the provisions specified in Regulations 4,5,6,9& 11 and the other relevant regulations shall grant a registration in Form B.

10.2 An Insurance Marketing Firm registered under these regulations for a specified category of activity/activities may also apply for addition/deletion of activity/activities, which are allowed under these regulations, by fulfilling the requirements of these regulations.

11. Conditions of grant of registration to Insurance Marketing Firm:

The registration granted under regulation 10 shall, *inter alia,* be subject to the following conditions: -

11.1 The Insurance Marketing Firm registered under these regulations shall be permitted to solicit and procure insurance products[19][as per Regulation 3(a) of these Regulations];

11.2 The Insurance Marketing Firm shall comply with the provisions of the Act, as amended from time to time, Insurance Regulatory and Development Authority Act, 1999 and the Regulations, Circulars, Guidelines and any other instructions issued there under;

[18]Substituted for the words "subject to a minimum of Rupees ten lakh" by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019.

[19] Substituted for the words "of maximum of two life, two general and two health insurance companies only" by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019.

11.3 The Insurance Marketing Firm shall forthwith inform the Authority in writing, if any information or particulars previously submitted to the Authority by them are found to be false or misleading in any material particular or if there is any material change in the information already submitted;

11.4 The insurance marketing firm shall take adequate steps for redressal of grievances, of the clients within 15 days of receipt of such complaint and keep the Authority informed about the number, nature and other particulars of the complaints received from such clients in format and manner as may be prescribed the Authority as may be notified separately;

11.5 The Insurance Marketing Firm shall solicit and procure reasonable number of insurance policies commensurate with their size and the number of ISPs they employ.

11.6 The Insurance Marketing Firm under no circumstance shall undertake multi-level marketing;

11.7 The Insurance Marketing Firm shall ensure compliance of Code of Conduct applicable to ISPs [20][***] and of all other insurance service activities undertaken by them;

11.8 The insurance marketing firm shall comply with the requirements/conditions/regulations of other regulatory/statutory authorities.

12. Period of validity of registration of the Insurance Marketing Firm:

12.1 The registration issued under these Regulations shall be valid for a period of three years from the date of its issue, unless it is suspended or cancelled by the Authority[21][or surrendered by the Insurance Marketing Firm].

12.2 The registration issued by the Authority can be suspended or cancelled by the Authority for any of the reasons stated in Schedule VIII of these Regulations.

12.3 [22][In case the Authority suspends or cancels the registration of an Insurance Marketing Firm, or accepts the surrender of the registration of an Insurance Marketing Firm, the Insurance Marketing Firm shall cease to solicit new insurance business and continue to service the existing policies for a period of

six months within which suitable arrangements shall be made by the Insurance Marketing Firm for having the contracts attended to and

[20]The word "FSEs" omitted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019.

[21] Inserted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019.

[22] Substituted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019. Prior to substitution, regulation 12.3 read as under:
"In case the Authority suspends or cancels the registration of the Insurance Marketing Firm, the Insurance Marketing Firm shall cease to solicit new insurance business and continue to service the existing policies for a period of six months within which suitable arrangements shall be made by Insurance Marketing Firm for having the contracts attended to and serviced by respective insurers or by another Insurance Marketing Firm registered to operate in that jurisdiction as may be approved by the Authority."

serviced by respective insurers or by any other intermediary with the approval of the Authority.]

12.4 No Insurance Marketing Firm is allowed to function as such after the expiry of registration unless it is renewed by the Authority. They shall not engage any person without a valid registration for the purposes of carrying out the functions of Insurance Marketing Firm.

13. Rejection of an application: Procedure to be followed when registration is not granted to InsuranceMarketting Firm:

13.1 Where an application for grant of a registration under regulation 4 does not satisfy the conditions set out in regulations 5 and 11, the Authority may refuse to grant the registration.

Provided that no application shall be rejected unless the applicant has been given a reasonable opportunity of being heard.

13.2 The refusal to grant a registration shall be communicated by the Authority within thirty days of such refusal to the Applicant stating therein the grounds on which the application has been rejected.

13.3 [23][Any applicant, aggrieved by the order of the Authority, may appeal to the Securities Appellate Tribunal.]

13.4 [24][If the application is rejected and the applicant chooses not to appeal against the order of rejection of the application or in case Securities Appellate Tribunal rejects the appeal, the applicant may make a fresh application for issuance of certificate of registration after lapse of one year from effective date of such order of the Authority or the Securities Appellate Tribunal, as the case may be, for consideration by the Authority. The Authority may consider such application on merit.]

13.5 [25][***]

---

[23]Substituted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019. Prior to substitution, regulation 13.3 read as under:
"Any Applicant, aggrieved by the decision of the Authority, may apply within a period of thirty days from the date of receipt of such intimation, to the Chairman of the Authority for reconsideration of its decision."

[24] Substituted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019. Prior to substitution, regulation 13.4 read as under:
"The Chairman of the Authority shall consider such an application and communicate his decision thereon to the applicant in writing within sixty days of the receipt thereof."

[25] Omitted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated ,24.07.2019 w.e.f. 26.07.2019. Prior to omission, regulation 13.5 read as under:
"Any applicant aggrieved by the decision of the Chairman may make an appeal to Securities Appellate Tribunal, as per the procedure prescribed for such an appeal, within a period of forty-five days from the date on which a copy of the order made under sub-regulation 13.4 above is received by him, for passing such orders thereon as it thinks fit, conforming, modifying or setting aside the order appealed against."

13.6 [26][***]

Chapter III
Renewal of Registration of Insurance Marketing Firm

14. Procedure for the Renewal of Registration of Insurance Marketing Firm –

14.1 The Insurance Marketing Firm shall submit the application for renewal of registration to the Authority in Form-AA at least thirty days before the expiry of the registration. However, the Insurance Marketing Firm is permitted to apply for renewal ninety days before the expiry of the registration.

14.2 The documents to be submitted by the Applicant along with the renewal application form are mentioned in the renewal Application Form AA.

[27][(a) [28][The applicant shall] submit an undertaking stating that a tele marketer(s) shall not be engaged for solicitation/lead generation of insurance business.]

14.3 The applications for renewal of registration shall be submitted along with a renewal fee of Rs. Two thousand only [29][***]. The applicants shall have to pay an additional fee of Rs. One hundred by way of penalty, if the application for renewal of the registration does not reach the Authority at least thirty days before the date on which the registration ceases to remain in force.

Provided that the Authority may, for sufficient reasons specified in writing by the Applicant for a delay, accept an application for renewal after the date of the expiry of the registration up to a period of 60 days of the actual date of expiry of registration on payment of penalty of seven hundred and fifty rupees only by the Applicant.

[30][Provided further that the Authority may consider applications received after 60 days but before one year of the expiry of the registration based on merits and on payment of a penalty of seven hundred and fifty rupees.]

26 Omitted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019. Prior to omission, regulation 13.6 read as under:
"In case the Securities Appellate Tribunal after consideration of the application made under sub-regulation (13.5) above, rejects the appeal, the Applicant can make a fresh application for grant of registration only after one year from the date of final rejection. The Authority may consider such application on merit."

27Inserted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (First Amendment) Regulations, 2016 dated 17.01.2017, w.e.f. 27.01.2017.

28 Inserted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019.

29 The words "plus service tax" omitted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019.

30 Substituted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019. Prior to substitution, the proviso read as under:
"Provided further that the application for renewal received after 60 days of the expiry of the registration will be considered only after a lapse of 12 months from the date of expiry of registration. However, during the interregnum,

14.4 The Principal Officer and ISPs of the Insurance Marketing Firm before seeking a renewal of registration shall have completed at least twenty-five hours of theoretical and practical training, imparted by an institution recognized by the Authority.

14.5 The application for renewal, under sub-regulation14.1 of these regulations shall be dealt with in the same manner as specified under regulation 5.

14.6 The Authority may seek further information/clarification/data on the application submitted by the Insurance Marketing Firm while processing the application and the Insurance Marketing Firm shall submit such information within 21 days of receipt of the communication from the Authority.

Provided if the applicant seeks additional time, for the reasons specified, for submission of information sought by the Authority, the request shall be considered by the Authority on merit.

14.7 The Authority, on being satisfied that the Applicant fulfills all the conditions specified for renewal of the registration, shall renew the registration in

Form D for a period of three years and send intimation to that effect to the Applicant.

15. Procedure where renewal of registration is not granted to Insurance Marketing Firm

15.1 Where an application for renewal thereof under regulation 14, does not satisfy the conditions set out in regulation 5 and 11, the Authority may refuse to grant the registration. Provided that no application shall be rejected unless the applicant has been given a reasonable opportunity of being heard.

15.2 The refusal to grant a registration shall be communicated by the Authority within thirty days of such refusal to the Applicant stating therein the grounds on which the application has been rejected.

15.3 [31][Any applicant, aggrieved by the order of the Authority, may appeal to the Securities Appellate Tribunal.]

15.4 [32][If the application is rejected and the applicant chooses not to appeal against the order of rejection of the application or in case Securities Appellate Tribunal rejects the appeal, the applicant may make a fresh application for issuance of certificate of registration after lapse of one year from effective date of such order of the Authority or the Securities Appellate

the registration of the Insurance Marketing Firm shall cease to exist and they shall not solicit any new insurance business except servicing the existing policies till the expiry of such contracts."

[31]Substituted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019dated 24.07.2019 ,w.e.f. 26.07.2019. Prior to substitution, regulation 15.3 read as:
"Any Applicant, aggrieved by the decision of the Authority, may apply within a period of thirty days from the date of receipt of such intimation, to the Chairman of the Authority for a reconsideration of its decision."

[32] Substituted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019. Prior to substitution, regulation 15.4 read as under:
"The Chairman of the Authority shall consider such request and communicate his decision thereon to the Applicant in writing within sixty days of the receipt of the application for reconsideration thereof."

Tribunal, as the case may be, for consideration by the Authority. The Authority may consider such application on merit.]

15.5 [33][***]

15.6 [34][***]

16. Effect of refusal to grant renewal of registration to Insurance Marketing Firm:

Any Applicant, whose application for renewal of registration under regulation 14 has been refused by the Authority, shall, on and from the date of the receipt of the communication under regulation 15 cease to act as an Insurance Marketing Firm and cease to solicit Insurance business and conduct insurance activities. The Insurance Marketing Firm, however, shall take necessary steps as specified in regulation 12.3 of these regulations.

17. Issue of a duplicate certificate of registration to Insurance Marketing Firm –

17.1 In the event of a certificate of registration being lost or destroyed or mutilated, an Insurance Marketing Firm shall submit to the Authority, along with a fee of rupees one thousand and a declaration giving full details regarding the issue of the registration and its loss or destruction or mutilation, request for issue of a duplicate certificate of registration.

17.2 The Authority, after satisfying itself that the original registration has been lost, destroyed or mutilated, shall issue a duplicate certificate of registration in

Form C with an endorsement thereon that it is a duplicate one.

18. Action against a person acting as an insurance marketing firm without a valid registration

18.1 Notwithstanding and without prejudice to initiation of any criminal proceedings against any person, who acts as an Insurance Marketing Firm without holding a valid registration issued under these Regulations, the Authority may invoke penal action under the Act, as amended from time to time, against such a person.

18.2 Where the person falling under sub-regulation 18.1, is a company or firm or body corporate, without prejudice to any other proceedings which may be taken by the Authority against the company or firm or body corporate, every director, manager, secretary or other

[33]Omitted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019. Prior to omission, regulation 15.5 read as under:
"Any applicant aggrieved by the decision of the Chairman may make an appeal to Securities Appellate Tribunal, as per the procedure prescribed for such an appeal, within a period of forty-five days from the date on which a copy of the order made under sub-regulation 15.4 above is received by him, for passing such orders thereon as it thinks fit, conforming, modifying or setting aside the order appealed against."

[34] Omitted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019. Prior to omission, regulation 15.6 read as under:
"In case the Securities Appellate Tribunal after consideration of the application made under sub-regulation (15.5) above, rejects the appeal, the Applicant can make a fresh application for grant of registration only after one year from the date of final rejection. The Authority may consider such application on merit."

officer of the company or body corporate, and every partner of the firm, who is knowingly a party to such a contravention shall also be liable to be proceeded against.

CHAPTER IV
Rules Governing the Insurance Marketing Firm

19. Remuneration, Engagement of Sales Persons, Area of operation applicable to the Insurance Marketing Firms:

19.1 The rules governing the remuneration payable to the Insurance Marketing Firm are stated in Part I of Schedule IV.

19.2 The rules governing the engagement of ISP and FSE in the Insurance Marketing Firm are stated in Part II of Schedule IV.

19.3 The rules governing the area of operation of the Insurance Marketing firm are stated in Part III of Schedule IV.

20. Duties & Obligations of Insurance Marketing Firm:

The duties and obligations of the Insurance Marketing Firm are enumerated in Schedule V of these Regulations.

21. Handling of customer grievances and complaints by Insurance Marketing Firm:

The procedure for handling customer grievances and complaints by the Insurance Marketing Firm shall be as specified in Schedule VI of these Regulations.

22. Inspection of Insurance Marketing Firm:

The Authority has the power to inspect the records of the Insurance Marketing Firm and performance of their activities anytime and in case of any deficiency observed, the Authority may take appropriate disciplinary action. The procedure applicable for the Inspection and the Audit of the Insurance Marketing Firm are mentioned in Schedule VII of these Regulations.

Chapter V

23. Procedure for disciplinary proceeding:

The procedure to be followed by the Authority in the event of an Insurance Marketing Firm violating any of the provisions of the Act, as amended from time to time/ IRDA Act/ Regulations/Guidelines/Circulars/ Notifications shall be as specified in Schedule VIII of these Regulations.

24. Suspension, Cancellation or surrender of Registration made to Insurance Marketing Firm:

The procedure for suspension, cancellation or surrender of registration shall be as given in Schedule VIII of these Regulations.

25. Change in ownership/ shareholding of Insurance Marketing Firm:

No change in ownership/shareholding [35][exceeding 25%] in the Insurance Marketing Firm, shall be carried out without the prior approval of the Authority.

CHAPTER VI
Miscellaneous

26. Maintenance of Records:

An Insurance Marketing Firm shall maintain the following records [36][in physical form or electronic form or both]–

i. Mandate received from the client;
ii. Know Your Client (KYC) records of the client, as required under the relevant Authority's guidelines and provisions of [37][The Prevention Money-laundering Act, 2002];
iii. Copy of the proposal signed by the IMF;
iv. A register containing list of the clients, details of policy such as type of policy, premium amount, date of issue of the policy, charges or fees received;
v. A register containing details of complaints received, name of the complainant, nature of complaints and action taken thereon;
vi. Any other record as may be specified by the Authority from time to time.

27. Reports to be submitted to the Authority[39][***]:

27.1 The Authority may require the Insurance Marketing Firm to submit reports/information in the form and manner as may be [40][specified] by the Authority from time to time.

27.2 [41][The Insurance Marketing Firm shall set up necessary IT systems with a capability of obtaining and monitoring.

35Substituted for the words "exceeding 10%" by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019.

36 Inserted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019.

37 Substituted for the word "PMLA" by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019.

38 Substituted for the words "with ACR" by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019.

39 The words "by the Insurance Marketing Firm" omitted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019.

40 Substituted for the word "prescribed" by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019.

41 Substituted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019. Prior to substitution, regulation 27.2 read as under:
"The Insurance Marketing Firm shall set up necessary IT systems that shall be integrated to the IT Systems of Authority or of an institution recognized by the Authority with a capability of obtaining and monitoring.

(a) Payment of minimum wages to the ISP by the Insurance Marketing Firm;

(b) Details of each ISP on the rolls of the Insurance Marketing Firm unless he ceases to be an ISP of the Insurance Marketing Firm due to death or termination or resignation from the services of the Insurance Marketing Firm subject to informing the same to the Authority within 15 days of such incidence. The IMF shall ensure that there shall be at least one ISP per Office at all times. However, in case of death or termination or sudden exit of an ISP, the IMF must appoint an ISP immediately, but not later than 60 days of death/termination/exit of ISP and provide continuity of services to their existing policyholders without causing any inconvenience.

(c) Any addition of ISPs shall also be intimated to the Authority within 15 days of the appointment.]

[42][27.3 Responsibilities of the insurers towards the Authority

a) Every insurer shall:

i. File with the Authority, annually, a copy of the policy formulated by the company, for utilization of IMFs for penetration of insurance.

ii. File with the Authority, changes if any made in the policy submitted as stated in clause (i) above, within 15 days of such change with reasons thereof.

b) Post issuance of the registration to an IMF, in case the insurer comes to know about any incidence of fraud or violation of code of conduct by the IMF, the insurer shall carry out detailed enquiry into such violation, and submit detailed confidential report to the Authority along with recommendations within 30 days.]

28. Power of the Authority to issue clarifications etc:

In order to remove any difficulties in application or interpretation of any of the provisions of these Regulations, the Chairperson of the Authority may issue clarifications, directions and guidelines in the form of circulars.

(a) Payment of minimum wages to the ISP by the Insurance Marketing Firm;

(b) ISP being on the rolls of the Insurance Marketing Firm for a continuous period of at least three years unless he cease to be an ISP of Insurance Marketing Firm due to death or fraud or resigned from the services of Insurance Marketing Firm subject to his resignation being approved by a committee of 3 persons nominated by the Life Insurance Council or the General Insurance Council.

(c) The Authority shall allocate the States to the Insurance Councils and a report of the committee shall be submitted by the Councils to the Authority on a quarterly basis.

Explanation: An institution/Bank recognized by the Authority will be one with whom the Authority has entered into an MOU based on defined criteria."

42 Inserted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019.

29. General:

29.1 From the date of notification of these regulations no person can function as an Insurance Marketing Firm unless a registration has been granted to him by the Authority under these regulations.

29.2 Any disputes arising between an Insurance Marketing Firm and an insurer or any other person either in the course of his engagement as an Insurance Marketing Firm or otherwise, may be referred to the Authority by the person so affected; and on receipt of the complaint or representation, the Authority may examine the complaint and if found necessary proceed to conduct an enquiry or an inspection or an investigation in terms of these regulations.

29.3 Any dispute arising out of carrying functions relating to non-insurance by FSEs engaged by the Insurance Marketing Firm shall fall under the jurisdiction of the respective regulators/statutory bodies. However, in case of any action initiated/taken by the respective regulators/statutory bodies against the FSE/IMF, the same shall be informed to the Authority immediately and the Authority may take into account such action and in case such action warrants any disciplinary action against the Insurance Marketing Firm, the Authority may initiate proceedings in the matter.

Schedule I

Part I

Principal Officer of the Insurance Marketing Firm – Eligibility Criteria

Subject to Part IV of this Schedule, the Principal Officer of the Insurance Marketing Firm, shall fulfill any of the eligibility conditions as given below:

(a) Associate/Fellow of the Insurance Institute of India, Mumbai; or

(b) Associate/Fellow of the Institute of Actuaries of India; or

(c) Associate/Fellow of Chartered Insurance Institute, London; or

(d) Post graduate qualification of the Institute of Insurance and Risk Management, Hyderabad; or

(e) [43][Graduate with Insurance experience of two years preceding the year in which the application is made]; or

(f) [44][Graduate with five years of experience in financial services sector preceding the year in which the application is made.]

(g) [45][Master's in Business Administration or its equivalent from any institution / university recognized by UGC / AICTE / any State Government or the Govt. of India; or

[43]Substituted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019. Prior to substitution, clause (e) read as under:
"Graduate with Insurance experience of five years preceding the year in which the application is made"

[44] Substituted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019. Prior to substitution, clause (f) read as under:
"Graduate with 10 years of experience in financial services sector preceding the year in which the application is made"

[45] Inserted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019.

(h) Associate / Fellow of the Institute of Chartered Accountants of India, New Delhi; or (i) Associate / Fellow of the Institute of Cost Accountants of India, Kolkata; or

(j) Executive/Professional of the Institute of Company Secretaries of India, New Delhi; or (k) Any other qualification specified by the Authority from time to time.]

Part II

Training, Examination and Certification of Principal Officer

The Principal Officer of the Insurance Marketing Firm shall fulfill the requirements for training, examination and certification as mentioned below:

(a) The Principal Officer shall undergo Fifty Hours of Insurance Marketing Firm training from an institution recognised by the Authority, and should pass an examination, at the end of the period of training, conducted by the Examination Body recognised by the Authority.

(b) In case the Principal Officer of the Insurance Marketing Firm possesses any one of the following qualifications, then he/she shall undergo Twenty Five Hours of training and pass the examination:

i. Associate/ Fellow of the Insurance Institute of India, Mumbai; or
ii. Associate/ Fellow of the Institute of Actuaries of India; or
iii. Associate/Fellow of Chartered Insurance Institute, London; or
iv. Post graduate qualification of the Institute of Insurance and Risk Management, Hyderabad.

(c) The Training Methodology and Examination procedure applicable for Principal Officer is specified in Schedule III of these Regulations.

(d) [46][If the proposed Principal Officer has undergone training and passed examination as required for the Principal Officer of an insurance broking company / Corporate Agent / Web Aggregator, then he / she shall be exempted from training and examination requirement to become the Principal Officer of the Insurance Marketing Firm.

Provided that the training and examination was undertaken within a period of five years preceding the date of application as Principal Officer of the IMF.]

Part-III

Fit & Proper Criteria for Principal Officer of the Insurance Marketing Firm

(a) The Principal Officer of the Insurance Marketing Firm seeking registration shall be considered as a 'fit and proper person', if he fulfills the conditions, including, but not limited to the following criteria –

i. financial integrity;
ii. absence of convictions or civil liabilities;
iii. competence;
iv. good reputation and character;
v. efficiency and honesty; and

---

[46]Inserted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019.

vi. absence of any disqualification to act as an intermediary as stipulated in the Act, as amended from time to time.

(b) An Applicant shall be considered as "NOT Fit and Proper" for the purpose of grant or renewal of registration to act as an Insurance Marketing Firm or to continue to act as an Insurance Marketing Firm under any one or more of the relevant regulations, if he attracts any of the following:

i. the Principal Officer or the Insurance Marketing Firm, or its whole time director or managing partner has been convicted by a Court for any offence involving moral turpitude, economic offence, securities laws or fraud;

ii. an order for winding up has been passed against the Insurance Marketing Firm;

iii. the principal officer or the Insurance Marketing Firm, or its whole time director, or managing partner has been declared insolvent and has not been discharged;

iv. an order, other than an order of suspension of certificate of registration as an Insurance Marketing Firm, restraining, prohibiting or debarring the principal officer or the Insurance Marketing Firm, or its whole time director or managing partner from dealing in Insurance solicitation or other insurance service activity has been passed by the Authority or any other regulatory authority and a period of one year from the date of the expiry of the period specified in the order has not elapsed;

v. the Principal Officer or the Insurance Marketing Firm, is financially not sound;

vi. any other reason, to be recorded in writing by the Authority, which in the opinion of the Authority, renders such Principal Officer or the Insurance Marketing Firm, or its whole time director or managing partner unfit to function as an Insurance Marketing Firm.

(c) The Principal Officer shall furnish the 'FIT and Proper Form" prescribed, along with the application for grant of new or renewal of existing registration to function as an Insurance Marketing Firm.

Part IV

General Eligibility Conditions

The Applicant seeking registration shall be considered as eligible if they fulfill the following conditions: –

(a) Should not suffer from any of the disqualifications specified under sub-section (5) of section 42D of the Act, as amended from time to time;

(b) the principal officer of the applicant should have undergone training and passed examination as specified by the Authority;

(c) the principal officer of the applicant should have not violated the duties and responsibilities as specified by the Authority;

(d) Should comply with all the applicable provisions of the:

i. Act, as amended from time to time, the IRDA Act, 1999, and the rules, regulations, circulars or guidelines, as applicable, issued by IRDA from time to time.

ii. Securities and Exchange Board of India (Investment Advisers) Regulations, 2013. iii. Securities and Exchange Board of India (Certification of Associated Persons in Securities Markets) Regulations 2007.

iv. Regulations issued by other regulatory/statutory/Government Authorities such as SEBI, PFRDA, RBI, Post Office wherever applicable.

Schedule II

Part I

Certification requirements for ISP & FSE

A. The Insurance Marketing Firm can engage individuals to market Insurance and/or Financial Products as specified in regulation 3(a) and 3(c).

B. Insurance Marketing Firm is **not** permitted to engage in marketing any other financial products other than the financial products specified above.

C. [47][ISPs engaged by the Insurance Marketing Firm are allowed to solicit and procure insurance products of those insurers with whom the IMF has entered into tie-up / agreement.]

D. FSEs engaged by the Insurance Marketing Firm to market financial products, should have valid license or certificate issued by the respective regulator as specified in these Regulations.

E. FSEs shall be governed by the regulations of the respective regulators and shall be responsible for any act of omission and commission and subject to any disciplinary action initiated by the respective regulatory/ statutory authorities.

Part II

Qualifications and Eligibility criteria for ISP:

The ISP shall possess the minimum qualification of:

a. Pass in 12th Class or equivalent examination from a recognized Board/Institution.

b. Should have undergone the Insurance Marketing Firm Training prescribed by the Authority and qualified in the Insurance Marketing Firm Examination from an institution recognized by the Authority as detailed in Part III below.

c. Should be [48][resident] in the area of Registration of IMF.

[47]Substituted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019. Prior to substitution, clause (C) read as under:
"ISPs engaged by the Insurance Marketing Firm to market Insurance products of Life Insurance, General Insurance, and Health Insurance companies, should have valid certificate issued by the Authority, as specified in these Regulations."

Part III

Training, Examination and Certification of ISP

The ISP of an Insurance Marketing Firm shall meet the same requirements of training, examination and certification as those prescribed for the Principal Officer of the Insurance Marketing Firm given in Part II of Schedule I.

Part IV

Engagement of FSE

A. FSEs engaged by the Insurance Marketing Firm for marketing other financial products as specified in regulation3(c) of these regulations shall possess valid license/certificate/authorization issued by respective authorities empowered to issue such license/certificate/authorization.

B. FSE deployed in the Insurance Marketing Firm shall meet the necessary training, qualifications, experience and other requirements as may be specified by the other regulatory/ statutory authorities for the line of activity undertaken on an on-going basis in order to be fully in compliance with applicable law, regulations, rules, guidelines, circulars, etc.

SCHEDULE-III

Training Methodology for Insurance Marketing Firm Training and Examination

[49][1. General:

The training for Principal Officer and ISP shall be conducted on-line by an approved institution, and in the manner, as decided by the Authority from time to time.]

i. The Insurance Marketing Firm Training material and self-assessment content shall be in digital downloadable format and shall be hosted under a suitable Learning Management System by any institution as approved by the Authority from time to time.

ii. The self-assessment tests shall be in multiple-choice models.

iii. The candidate shall register on the Learning Management System website and complete the training.

iv. The candidate shall download the digital training content to his PC/laptop and complete the self-learning modules.

v. At the end of each module the candidate shall complete the self-assessment test. The Learning Management System shall not allow the candidate to complete more than two self-assessment tests per day.

vi. On completion of the self-assessment test for each of the module, the candidate shall earn one-hour training credit.

vii. The candidate shall complete all the self-learning modules and self-assessment tests online to earn the credit for 50 hours training/25 hours training as the case may be.

viii. For the purposes of these regulations, the Insurance Marketing Firm training shall be same as that of Insurance Brokers training and the Insurance Marketing Firm examination shall be same as that the Insurance Brokers' Examination. However, the training and pass certificate issued to an ISP shall not be used for solicitation or procurement of insurance business on behalf of an insurance broker or an insurance broker shall not engage any ISP for the purpose of soliciting or procuring insurance business.

2. Examinations and Certification

i. The online examination shall be conducted by an institute approved by the Authority in their centres spread across India.

ii. The candidate on completion of training and earning 50 hours training/25 hours training credit, as the case may be, shall be eligible for appearing for the online examination.

iii. The periodicity of the online examination shall be decided by the examination body in consultation with institute conducting the examination;

iv. The examination questions shall be displayed with multiple choices of answers.

v. The exanimation shall cover Life, General and Health insurance syllabus as prescribed by the Authority.

vi. There shall be no limit for the number of attempts for appearing the examination by the candidate.

[48]Substituted for the word "domiciled" by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019.

[49] Substituted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (First Amendment) Regulations, 2016 dated 17.01.2017, w.e.f.27.01.2017. Prior to substitution, clause (1) read as under:
"General:"

vii. The candidate shall pay the appropriate fee for training and examination to the examination body.

viii. The results will be published on the web site of the examination body and the Authority.

ix. Candidates who are declared 'pass' in the examination will be issued a Certificate, by the Examination Body; which shall be referred to as "Certificate of Passing Insurance Marketing Firm Exam".

x. The examination institute will forward a copy of the certificate and the data of the candidates who have passed the exam to the Authority in the electronic format prescribed by the Authority.

xi. The Authority will process the application of the Applicant and consider issuance of registration, as per eligibility conditions prescribed in the Regulations.

Schedule IV

Rules Governing the Insurance Marketing Firm

Part – I. - Remuneration payable to the Insurance Marketing Firm

1) The Insurer shall make all remuneration for soliciting and procuring insurance policies undertaken by an Insurance Marketing Firm, to the concerned Insurance Marketing Firm only, and **not** to any other person or entity.

2) [50][The payment of remuneration and/ or reward to an Insurance Marketing Firm by an insurer shall be as per Insurance Regulatory and Development Authority of India (Payment of commission or remuneration or reward to insurance agents and insurance intermediaries) Regulations, 2016 (as amended from time to time).

In addition, the Insurance Marketing Firm may receive reimbursement of expenses from Life insurers towards recruitment, training and mentoring of their ISPs. This reimbursement shall not exceed 50% of first year commission and 10% of renewal commission received by the IMF in case of Life insurers.]

3) The Insurance Marketing Firm shall also be entitled to receive the fees for undertaking insurance service activities as mentioned in regulation 3(b) as may be mutually agreed between the Insurance Marketing Firm and the Insurance Company which shall be reasonable depending upon the time and effort and should be evidenced by an agreement entered at the outset with basis of fees being clearly addressed.

4) The Insurance Marketing Firm will also be entitled to collect the 'Applicable Service Charges' from the financial entities for the services rendered by the FSE employed by the Insurance Marketing Firm.

5) The settlement of accounts by insurers in respect of remuneration of Insurance Marketing Firm shall be done on a monthly basis.

Part II

Remuneration of ISPs and FSEs and migration of ISPs

1) Minimum fixed salary of ISP and FSE:

50Substituted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019. Prior to substitution, clause (2) read as under:
"The remuneration payable to Insurance Marketing Firm by the Insurer, for the solicitation of policies by the ISPs shall be as specified by the Authority, from time to time, under Secs. 40(1) and 40(2) of the Act, as amended from time to time.

In addition, the Insurance Marketing Firm may receive fees or charges from life insurance companies only in the form of service charges for recruitment, training and mentoring of their ISPs. These fees or charges shall not exceed 50% of first year commission and 10% of renewal commission received by IMF. No such payment shall be made in case of general/health insurance business. The life insurance companies shall have to disclose to the Authority upfront at the time of filing their products under file & use guidelines on payment of such fees or charges to the Insurance Marketing Firm."

i. **51**[Every ISP employed by the Insurance Marketing Firm shall be paid a fixed minimum monthly salary as per the applicable laws. Variable pay over and above the fixed monthly salary may also be payable depending on the arrangement between the IMF and the ISP.]

ii. The FSE shall be paid remuneration by the financial entities as per the applicable guidelines of respective regulators.

iii. An Insurance Marketing Firm found violating the condition set out in clause (i) above would be liable for cancellation of registration with notice.

2) Migration of insurance agents to Insurance Marketing Firm:

i. [52][***]

ii. [53][An individual agent cannot migrate or join Insurance Marketing Firm as PO / ISP / Managing Partner / Director unless he has resigned from his existing agency appointment and meets the eligibility criteria as specified in these Regulations.

Provided that the continuation of agency benefits of an agent migrating to or joining an Insurance Marketing Firm shall be governed by the Board approved policy of the respective insurers.]

iii. An Individual [54][employed] as an ISP in an Insurance Marketing Firm shall not be allowed to migrate to any insurance company, insurance marketing firm or insurance broking firm unless he has obtained a No Objection Certificate (NOC) from the existing Insurance Marketing Firm.

Subject to provisions of Reg. 27(2)(b) and without prejudice to what is stated in clause 2(iii) above, in case of an application made by the ISP to Insurance Marketing Firm for issuance of NOC, which is duly acknowledged by the Insurance Marketing Firm, an NOC is deemed

51 Substituted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019. Prior to substitution, clause (1)(i) read as under:
"Every ISP employed by the Insurance Marketing Firm shall be paid a fixed monthly salary, which is **not** lower than Rs. 5,000 per month or such other sum as may be specified by the Authority from time to time."

52 Omitted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019. Prior to omission, clause 2(i) read as under:
"An ISP in an Insurance Marketing Firm should possess a valid certificate issued by the Authority for ISP."

53 Substituted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019. Prior to omission, clause 2(ii) read as under:
"An individual agent cannot migrate or join Insurance Marketing Firm unless he has surrendered his existing agency license, undergone Insurance Marketing Firm training and qualified the Insurance Marketing Firm examination specified under these Regulations."

54 Substituted for the word "licensed" by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019.

to have issued to ISP by the Insurance Marketing Firm if such NOC is not issued within 30 days.

PART III
Area of operation of the Insurance Marketing Firm

1) The Insurance Marketing Firm shall employ ISPs who are [55][resident] in the area for which the request for registration is made in the application and approved by Authority. However, the IMF shall be free to solicit or procure the insurance business from all over the country;

2) [56][The "Area" is defined as the district for which the registration of the Insurance Marketing Firm is valid. Maximum of three districts within a State are allowed for registration/renewal.]

3) [57][The Area selected by the Insurance Marketing Firm shall be clearly mentioned in the application Form A and renewal application Form AA while submitting the application to the Authority.

Provided that if an applicant is opting for more than one district, then at least one of the districts shall be aspirational.

Provided further that any addition of office or change in registered address by the Insurance Marketing Firm shall be done only with prior approval from the Authority. Request for addition of office or change in registered address shall be made to the Authority in the format as may be specified in this behalf.]

4) The Authority shall incorporate the Area in the registration made in Form B to the Insurance Marketing Firm.

5) [58][The Insurance Marketing Firm may apply for more Areas subject to maximum of three districts while filing the application for renewal of registration.]

55Substituted for the word "domiciled" by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019.

56 Substituted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019. Prior to substitution, clause (2), as amended by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (First Amendment) Regulations, 2016 dated 17.01.2017, w.e.f. 27.01.2017, read as under:
"The "Area" is defined as a district for which the registration of the Insurance Marketing Firm is valid. However, if requested by an applicant, in case of IMFs registered in capital city of any State, the area defined under Municipality/ Municipal Corporation of such city shall be considered as area of operation."

57 Substituted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019. Prior to substitution, clause (3) read as under:

"The Area selected by the Insurance Marketing Firm shall be clearly mentioned in the application Form A while submitting the application to the Authority. At the time of initial grant of registration the IMF shall be permitted to set up offices only in one district of his choice"

58 Substituted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019. Prior to substitution, clause (5) read as under:
"The Insurance Marketing Firm may apply for more Areas while filing the application form for renewal of registration."

6) 59[The Insurance Marketing Firm shall specify the details of the offices to be set up in the Area opted; including manpower deployment in the application form for fresh registration and renewal. The additional areas opted at the time of renewal shall be considered on merits.

Provided that if the Insurance Marketing Firm has more than one office, it will ensure that each office shall have at least one ISP.]

7) If additional Areas are not opted by the Insurance Marketing Firm in the renewal Application, renewal will be considered for the original jurisdiction for which the registration was made.

8) The Insurance Marketing Firm may opt for a change in the Area while applying for renewal of registration. The Authority may consider the request subject to the Insurance Marketing Firm submitting details of the offices to be set up in the newly opted areas; including manpower deployment etc. in the Renewal Application form.

Schedule V

Part – I

Duties and Obligations of Insurance Marketing Firm towards ISP

1) Insurance Marketing Firm, on obtaining the registration from the Authority, may enter into agreement with Insurance companies for carrying out Insurance Business activity.

2) Insurance Marketing Firm shall engage licensed ISP and FSE on salary and incentive basis.

3) Insurance Marketing Firm shall include the relevant conditions and clauses in the agreement with the ISP engaged by the firm on matters relating to—

a. Engagement with the Insurance Marketing Firm

b. Prescribed code of conduct,

c. Sales processes/rules etc.

d. Remuneration

i. The remuneration payable to ISP by the Insurance Marketing Firm, for solicitation and procurement of policies by the ISPs shall be on salary and incentive basis.

ii. In addition to the minimum amount specified (Sch. IV, Part II) above, the Insurance Marketing Firm, depending upon ISPs performance can pay him additional incentives, which are declared upfront and form part of the employment agreement between him and the Insurance Marketing Firm.

[59]Substituted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019. Prior to substitution, clause (6) read as under:
"The Insurance Marketing Firm shall specify the details of the offices to be set up in the Areas opted; including manpower deployment etc. in the Renewal Application form. The Insurance Marketing Firm shall have separate Principal Officer designated for each of the districts they intent to expand their operations. The additional areas shall be considered on merits."

e. The Insurance marketing Firm under no circumstances can dismiss the ISP from employment during the period of the registration, except as allowed under Reg. 27 (2) (b).

f. Any change of employer by the ISP shall be at the time of renewal of the registration of the Insurance Marketing Firm or by way of resignation submitted to the Insurance Marketing Firm subject to fulfillment of conditions as laid down in regulation 27(2)(b) of these regulations.

4) Insurance Marketing Firm shall assist the individuals intending to become ISPs to undergo the prescribed training and certification.

5) Insurance Marketing Firm shall ensure continuous monitoring of the activities of the ISP and be responsible for the compliance of these Regulations and the code of conduct by ISPs.

Part – II

Duties and Obligations of Insurance Marketing Firm towards Authority

The Insurance Marketing Firm shall

a. Undertake to immediately notify the Authority in writing within 30 days of:

i. any change in the status of registration with regard to scope of activities of the Insurance
ii. Marketing Firm issued by the Authority;
iii. [60][any change in the engagement with the insurers];
iv. [61][any addition or deletion of ISPs];
any change in its constitution (including shareholding change), ownership, directors/partners;
v. any disciplinary proceedings or investigation by any other regulatory/statutory Authority.

b. ensure that ISPs responsible for solicitation of insurance business shall be competent, qualified, have undergone the required training and passed the examination as specified by the Authority;

c. not divulge any confidential information about its client, which has come to its knowledge, without taking prior permission of its clients, except where such disclosures are required to be made in compliance with any law for the time being in force.

[60]Substituted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019. Prior to substitution, clause (a)(ii) read as under:
"any change in the status of registration of the ISP issued by the Authority;"

[61]Substituted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019. Prior to substitution, clause (a)(iii) read as under:
"any change in the status of registration of any FSE holding the registration of any other regulator employed by the Insurance Marketing Firm;"

d. adhere to the IRDA (Advertisement & Disclosure) Regulation, 2000, as applicable to intermediaries as amended from time to time and take measures to enhance the awareness of insurance.

e. [62][display at their place of work/office, details of their registration issued by the Authority such as, date of issue of registration and its validity, and list of other financial products marketed along with the certificates issued by respective regulators, grievance handling process, list of ombudsman and such other relevant information as may be required under applicable statute(s).]

f. comply with all applicable provisions under the Act, as amended from time to time, including rules, regulations, circulars and guidelines issued by Authority from time to time.

g. Perform its duties, functions in accordance with terms of the registration in a manner that they do not work as fronting arrangements or a franchise institution and shall act in the public interest and in fiduciary capacity be accountable for the omissions and commissions of their own employees/persons engaged by them, in case of violations committed by such employees/persons;

h. maintain a Professional Indemnity Insurance Cover as required under Regulations;

Part III

Duties and Obligations of Insurance Marketing Firm towards Insurance Companies

Insurance Marketing Firm, on obtaining the registration from the Authority under Sec. 42D of the Act, as amended from time to time, to act as an insurance intermediary, may enter into agreements with Insurance companies for carrying out Insurance Business activity. The Agreement shall include conditions relating to.

(a) Engagement with the Insurance Marketing Firm (b)
Prescribed code of conduct,
(c) Sales processes/rules etc.
(d) Remuneration basis
(e) Minimum term
(f) Sharing of records
(g) Product training
(h) Collection of premiums through Reserve Bank of India (RBI) recognized mode of payments and as mutually agreed between the IMF and the insurer in the agreement.

Schedule VI

Handling of customer grievance and complaints by Insurance Marketing Firm:

[62]Substituted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (First Amendment) Regulations, 2016 dated 17.01.2017, w.e.f. 27.01.2017. Prior to substitution, clause (e) read as under:
"display at their place of work/office, details of their registration issued by the Authority such as, date of issue of registration and it validity, and list of permitted business activities, grievance handling process, list of ombudsman and such other relevant information as may be required under other applicable statute."

Page **29** of **62**

1. ISP

1) The complaint received against an ISP from the client shall be dealt in accordance with the Regulations issued by the Authority from time to time.

2) The IRDA (Protection of Policyholders' Interest) Regulations, 2002 as amended from time to time shall continue to apply to both the Insurance Marketing Firm and the ISP jointly and severally.

3) The insurance marketing firm and the ISP shall be accountable for the omissions and commissions. In case of violations committed by such ISPs, the insurance marketing firm and the ISP are responsible for indemnification for their acts.

4) The Authority may conduct investigation of the Insurance Marketing Firm to check the procedure for complaint handling and other activities undertaken by them, as and when required. The Authority may appoint a chartered accountant or an actuary or any qualified and experienced individual in the field of insurance for conduct of such investigation.

Provided that the person so appointed shall have the same powers of the inspecting authority as are mentioned in regulation 22 under these regulations.

Explanation- For the purposes of this regulation the expression "chartered accountant" shall have the same meaning as given in Section 141 of the Companies Act, 2013 (18 of 2013), as amended from time to time, and the expression 'actuary' shall have the same meaning as given in section 2(1)(a) of The Actuaries Act, 2006 (35of 2006)

2. **FSE** – The handling of customer grievance and complaints and providing after sales services in case of noninsurance business carried by IMF through FSEs shall be governed by the conditions prescribed by the respective regulatory/ statutory/Government authorities.

Schedule VII

PART I

Inspection of Insurance Marketing Firm

1. **Power of Authority to inspect:** The Authority may *suomotu* or upon receipt of information or complaint, appoint one or more of its officers as inspecting authority to undertake inspection of the books of accounts, records and documents relating to Insurance Marketing Firm for any of the following reasons:

   i) to ensure that the books of account, records and documents are being maintained by the insurance marketing firm in the manner as may be specified by the Authority;

   ii) to inspect the handling of complaints received from clients or any other person, on any matter having a bearing on the activities of the Insurance Marketing Firm;

   iii) to ascertain whether the provisions of the Act, as amended from time to time, and these Regulations are being complied with by the insurance marketing firm;

   iv) to inspect into the affairs of Insurance Marketing Firm, in the interest of the policyholders.

2. Notice before inspection.

   i) Before ordering an inspection under regulation 22, the Authority shall give not less than ten days' notice to the Insurance Marketing Firm.

   ii) Notwithstanding anything contained in clause (i), where the Authority is satisfied that in the interest of the policyholders no such notice should be given, it may by an order in writing direct that the inspection of the affairs of the Insurance Marketing Firm be taken up without such notice.

3. Obligation of insurance marketing firm on inspection:

   i) It shall be the duty of every Insurance Marketing Firm in respect of whom an inspection has been ordered under the Regulation 22 and any other associate person who is in possession of relevant information pertaining to conduct and affairs of such Insurance Marketing Firm, including representative of Insurance Marketing Firm, if any, to produce to the inspecting authority such books of accounts and other documents in his custody or control and furnish him with such statements and information as the inspecting authority may require for the purposes of inspection.

   ii) It shall be the duty of every Insurance Marketing Firm and any other associate person who is in possession of relevant information pertaining to conduct and affairs of the Insurance Marketing Firm to give to the inspecting authority all such assistance and shall extend all such co-operation as may be required in connection with the inspection and shall furnish such information as sought by the inspecting authority in connection with the inspection.

   iii) The inspecting authority shall, for the purposes of inspection, shall have power to examine on oath and record the statement of Principal Officer, any employees, directors, partners or person responsible for or connected with the activities of Insurance Marketing Firm or any other associate person having relevant information pertaining to such Insurance Marketing Firm.

   iv) The inspecting authority shall, for the purposes of inspection, have power to obtain authenticated copies of documents, books of accounts etc in respect activities of Insurance Marketing Firm, from any person having control or custody of such documents.

4. **Submission of Inspection Report to the Authority:** The inspecting authority shall, as soon as possible, but in any case not later than 30 days from the completion of the inspection, submit an inspection report to the Authority:

   Provided that if directed to do so by the Authority, the inspecting authority may submit an interim report.

5. **Action on the Inspection Report:** The Authority may after consideration of the inspection report and after giving reasonable opportunity of hearing to the Insurance Marketing Firm, issue such directions as it deems fit in the interest of policyholders including –

i) requiring the Insurance Marketing Firm to refund any money collected as fees, charges or commissions or otherwise to the concerned clients along with the requisite interest.

ii) prohibiting the Insurance Marketing Firm from operating in the insurance market for a specified period.

iii) Any other action as the Authority may deem fit.

PART II

Appointment of Auditor for audit of Insurance Marketing Firm

1. The Authority may appoint a qualified auditor to audit the books of account or the affairs of an Insurance Marketing Firm:

Provided that the auditor so appointed shall have the same powers of the inspecting authority as mentioned in Part I of this Schedule.

Explanation: *For the purpose of this clause, the expression 'qualified auditor' shall have the meaning derived from section 141 of the Companies Act, 2013 (18 of 2013).*

(2) The expenses of such audit under clause**(1)** shall be borne by the Insurance Marketing Firm.

2. **Submission of report by the Auditor to the Authority -** The Auditor shall, as soon as possible, but in any case not later than 30 days from the date of completion of the audit, submit the report to the Authority:

Provided that if directed to do so by the Authority, the auditor may submit an interim report. 3. **Action on the Audit report by the Authority -** The report submitted by the Auditor shall be dealt with in the same manner as defined under clause (5) of Part-I, Schedule VII of these regulations.

Schedule VIII

Procedure for Disciplinary Proceeding against the Insurance Marketing Firm and ISP

Part I

Cancellation of Registration of the Insurance Marketing Firm with Notice

The Authority may suspend or cancel the registration of an Insurance Marketing Firm for any one or more of the following reasons:

i) suffers at any time during the period of the registration from any of the disqualifications specified under subsection(5) of section 42D of the Act, as amended from time to time;

ii) violates the provisions of the Act, as amended from time to time, IRDA Act 1999 and Rules, Regulations, Guidelines, Notices, Circulars made there under, such as:

a. Fails to furnish any information relating to its activities as an Insurance Marketing Firm as required by the Authority;

b. Furnishes wrong or false information; or conceals or fails to disclose material facts in the application submitted for obtaining a registration;

c. Indulges in rebates or inducements in cash or kind to a client or any of the client's Directors or other employees or any person acting as an introducer;

d. Fails to carry out its obligations as specified in these Regulations;

e. Fails to comply with any of the conditions subject to which the registration has been granted;

f. Fails to comply with duties and obligations of Insurance Marketing Firm towards ISP;

g. Fails to comply with duties and obligations of Insurance Marketing Firm towards Authority;

h. Fails to comply with duties and obligations of Insurance Marketing Firm towards Insurance Companies;

iii) Resort to spurious calls or mis-selling;

iv) Acts in a manner against the interest of the policyholders or against public interest.

Part II

Procedure to be followed while initiation of Action against the Firm.

1. The Authority shall issue a Show Cause Notice to the Insurance Marketing Firm, requiring the firm to show cause within 21 days from the date of receipt of the notice, why the registration granted to the Insurance Marketing Firm shall not be suspended or cancelled or any other action as considered appropriate by the Authority for the violations noted in the show cause notice shall not be taken.

2. The Insurance Marketing Firm shall submit its reply to show cause notice issued by the Authority within the time limit stipulated in the notice.

3. Upon considering the reply, if any, the Authority may pass an order directing the suspension or cancellation of the registration granted to the Insurance Marketing Firm or shall pass any other order as deemed appropriate based on the facts of the case.

4. The Authority shall communicate the decision to the Insurance Marketing Firm within thirty days from the date of taking such decision stating therein the grounds on which the decision is taken.

5. [63][The Insurance Marketing Firm, aggrieved by the Order of the Authority, may appeal to the Securities Appellate Tribunal.]

[63]Substituted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019. Prior to substitution, clause (5) read as under:
"The Insurance Marketing Firm, aggrieved by the decision of the Authority, may apply within a period of thirty days from the date of receipt of such intimation, to the Chairman of the Authority for reconsideration of its decision."

6. [64][In case the Securities Appellate Tribunal after consideration of the application made under Clause 5 above, rejects the appeal, the applicant can make a fresh application for grant of registration only after one year from the date of final rejection. The Authority may consider such application on merit.]

7. [65][***]

8. [66][***]

Part III

Cancellation of Registration of Insurance Marketing Firm without notice

The Registration of an Insurance Marketing Firm may be cancelled or suspended without notice, provided the Authority has communicated the reasons for the cancellation in writing:

i) if it is found guilty of fraud, or is convicted for a criminal offence;

ii) commits such defaults, which require immediate action in the opinion of the Authority;

The procedure to be followed while initiation of Action against the Firm under this regulation is as specified in clauses(4), (5), (6) and (7) of Part II above.

Part IV

Cancellation or suspension of certificate of ISP with notice

i) The Certificate of ISP may be cancelled or suspended after due notice and after giving him a reasonable opportunity of being heard, if the ISP is found guilty of misconduct or his conduct is not in accordance with the code of conduct as specified in these Regulations, or fails to carry out his obligations as specified under these Regulations.

ii) The procedure to be followed while initiation of Action against the ISP will be as specified in Part II above as applicable to Insurance Marketing Firm.

64 Substituted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019. Prior to substitution, clause (6) read as under:
"The Chairman of the Authority shall consider such an application and communicate his decision thereon to the Applicant in writing within sixty days of the receipt of reconsideration application thereof."

65 Omitted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019. Prior to omission, clause (7) read as under:
"Any applicant aggrieved by the decision of the Chairman may make an appeal to Securities Appellate Tribunal, as per the procedure prescribed for such an appeal, within a period of forty-five days from the date on which a copy of the order made under clause (6) above is received by him, for passing such orders thereon as it thinks fit, conforming, modifying or setting aside the order appealed against."

66 Omitted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019. Prior to omission, clause (8) read as under:
"In case the Securities Appellate Tribunal after consideration of the application made under clause (7) above, rejects the appeal, the Applicant can make a fresh application for grant of registration only after one year from the date of final rejection. The Authority may consider such application on merit."

Part V

Cancellation or suspension of certificate of ISP without notice

i) The certificate of ISP may be cancelled or suspended without notice if he is found guilty of fraud, or is convicted for a criminal offence, or commits such defaults which require immediate action in the opinion of the Authority, provided that the Authority has communicated the reasons for the cancellation in writing.

ii) The procedure to be followed while initiation of Action against the Firm is specified in Part III above as applicable to Insurance Marketing Firm

Part VI

Effect of Suspension or cancellation of registration to Insurance Marketing Firm

i) Any Insurance Marketing Firm or ISP, whose registration has been suspended or cancelled by the Authority, shall, on and from the date of the receipt of the communication under these Regulations, shall cease to act as an Insurance Marketing Firm or ISP and shall cease to solicit Insurance business.

ii) On and from the date of suspension or cancellation of the registration of the Insurance Marketing Firm or the ISP, the Insurance Marketing Firm or the ISP shall:

(a) not undertake any new assignment or contract related to insurance business or solicit or procure insurance business during the period of such debarment or suspension;

(b) take such other action including the action relating to any records or documents and policies or money of the policyholders as per the directions of the Authority and relevant provisions of these regulations.

(c) return the registration so cancelled to the Authority and shall not represent itself to be a holder of registration for carrying out the activity for which such registration had been granted;

(d) make provisions as regards liability incurred or assumed by it;

(e) take such other action including the action relating to recovery or seizure of any records or documents and policies of the policyholders that may be in custody or control of such person, within the time period and in the manner, as may be required under the relevant regulations or as may be directed by the Authority while passing order under this Chapter or otherwise.

(f) Take action as specified in regulation 12.3 of these regulations;

Schedule IX

Code of Conduct of ISP and FSE

Every ISP holding a valid certificate shall adhere to the code of conduct specified below:

i) Every ISP shall,---

(a) identify himself and the Insurance Marketing Firm of whom he is an ISP;

Page **35** of **62**

(b) disclose his certificate particulars to the prospect on demand;

(c) disseminate the requisite information in respect of insurance products offered; and take into account the needs of the prospect while recommending an insurance product; (d) undertake needs analysis for clients;

(e) compare products of insurers with which they have arrangement;

(f) recommend the product based on clients' needs;

(g) indicate the premium to be charged by the insurer for the insurance product offered; (h) disclose the scales of remuneration in respect of the insurance product offered, if asked by the prospect;

(i) 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;

(j) bring to the notice of the insurer any adverse habits or income inconsistency of the prospect, in the form of a report (called "Insurance 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;

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

(l) 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; (m) render necessary assistance to the policyholders or claimants or beneficiaries in complying with the requirements for settlement of claims by the insurer;

(n) advise every individual policyholder to effect nomination or assignment or change of address or exercise of options, as the case may be, and offer necessary assistance in this behalf, wherever necessary;

(o) forward any information received from the client regarding a claim or an incident that may give rise to a claim without delay;

(p) advise the client without delay of the insurer's decision or otherwise of a claim; and give all reasonable assistance to the client in pursuing his claim;

(q) ensure that statements made regarding the policies to the customer are not misleading or exaggerated;

(r) ensure the compliance of Section 64-VB(4) of the Act, as amended from time to time;

Page **36** of **62**

(s) draw the attention of the client to Section 41 of the Act, as amended from time to time, which prohibits rebating and sharing of commission/remuneration;

(t) ensure the compliance of AML and KYC guidelines in force.

(u) act in a fiduciary capacity towards its clients and shall disclose all conflicts of interests as and when they arise;

(v) follow recognized standards of professional conduct and discharge his functions in the interest of the policyholders. Comply with provisions of the Act, as amended from time to time, IRDA Act, 1999, IRDA(Protection of Policyholders' Interests) Regulations, 2002 and any other regulations, guidelines, circulars, directions issued by the Authority from time to time.

ii) No ISP shall,--

(a) solicit or procure insurance business without holding a valid 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 insurance intermediary;

(f) offer different rates, advantages, terms and conditions other than those offered by his insurer;

(g) demand or receive a share of proceeds from the beneficiary under an insurance contract;

(h) force a policyholder to terminate the existing policy and to effect a new proposal through him within three years from the date of such termination;

iii) Every ISP shall, with a view to conserve the insurance business already procured through him, make every attempt to ensure remittance of the premiums by the policyholders within the stipulated time, by giving notice to the policyholder orally and in writing;

iv) **FSE**: Every FSE shall abide by the code of conduct prescribed by the respective regulatory/statutory authority which oversees that particular activity.

v) **Violation of Code of Conduct by the ISP:** The Code of Conduct specified above has to be adhered to by the ISP. The Authority shall initiate disciplinary action against the ISP and the IMF they are representing for any non compliance.

SCHEDULE X
Maintenance of Professional Indemnity Insurance

Page **37** of **62**

1. The insurance cover must indemnify an insurance marketing firm against:

a. any error or omission or negligence on their part or on the part of their employees (including ISPs, FSEs) and directors;

b. any loss of money or other property for which the Insurance Marketing Firm is legally liable inconsequence of any financial or fraudulent act or omission;

c. any loss of documents and costs and expenses incurred in replacing or restoring such documents;

d. dishonest or fraudulent acts or omissions by Insurance Marketing Firms' employees or former employees.

2. The indemnity cover:

a. shall be on a yearly basis for the entire period of registration;

b. shall not contain any terms to the effect that payments of claims depend upon the insurance marketing firm having first met the liability;

c. shall indemnify in respect of all claims made during the period of the insurance regardless of the time at which the event giving rise to the claim may have occurred.

Provided that an indemnity insurance cover not fully conforming to the above requirements shall be permitted by the Authority in special cases for reasons to be recorded by it in writing.

3. The un-insured excess in respect of each claim shall not exceed five percent of the capital employed by the insurance marketing firm in the business.[67][The ratio of AOA: AOY shall be 1:1.]

4. The insurance policy shall be obtained from any registered insurer in India who has agreed to:

a. provide the Insurance Marketing Firm with an annual certificate containing the name and address, including the registration number of the Insurance Marketing Firm, the policy number, the limit of indemnity, the excess and the name of the insurer as evidence that the cover meets the requirements of the Authority;

b. [68][***]

c. inform the Insurance Marketing Firm immediately of any case of voidance, non-renewal or cancellation of cover mid-term.

5. Every insurance marketing firm shall—

a. inform immediately the Authority should any cover be cancelled or voided or if any policy is not renewed;

b. inform immediately the insurer in writing of any claim made by or against it;

c. advise immediately the insurer of all circumstances or occurrences that may give rise to a claim under the policy; and

[67]Inserted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (First Amendment) Regulations, 2016 dated 17.01.2017, w.e.f. 27.01.2017.

[68] Omitted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019. Prior to omission, clause 4(b) read as under:
"send a duplicate certificate to the Authority at the time the certificate is issued to the Insurance Marketing Firm; and"

Page **38** of **62**

d. advise the Authority as soon as an insurer has notified that it intends to decline indemnity in respect of a claim under the policy.

[69][SCHEDULE – AA

Undertaking from an insurance intermediary that has majority shareholding of foreign investors

I, ……. (name of person), Chief Executive Officer (CEO) / Principal Officer (PO) / Managing Director of …. (name of insurance intermediary), undertake the following:

1. ……. (name of insurance intermediary) is incorporated as a limited company under the provisions of the Companies Act, 2013;

2. …… (name of person), Chairman of the Board of Directors or …… (name of person) Chief Executive Officer/ Principal Officer/ Managing Director of the insurance intermediary (strike out whichever is not applicable) is a resident Indian citizen;

3. shall take prior permission of the Authority for repatriating dividend;

4. shall bring in the latest technological, managerial and other skills;

5. shall not make payments (other than dividend) to related parties taken as a whole, beyond 10% of the total expenses of the company in a financial year;

6. majority of the directors on the Board are resident Indian citizens;

7. majority of Key management persons are resident Indian citizens.

Signature of the PO/ CEO/ Managing Director]

[69] Inserted by the Insurance Regulatory and Development Authority of India (Insurance Intermediaries) (Amendment) Regulations, 2019 dated 30.10.2019, w.e.f. 01.11.2019.

FORM A

[See regulation 4]

Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm)

Regulations, 2015

Application for Insurance Marketing Firm Registration

Application for grant of registration

Name of the applicant: _____

Address of the Registered: _____ Office

_____

_____

Address for Communication _____

Telephone No. _____

Mobile No. _____

Fax No. _____

Email _____

Website _____

Instructions for filling up the form:

It is important that before this application form is filled in, the regulations made by the Authority are studied carefully.

Applicants must submit a duly completed application form together with all appropriate, supporting documents to the Authority.

Application for registration will be considered only if it is complete in all respects.

Applicants should sign the applications themselves.

Information which needs to be supplied in more details may be given on separate sheets which should be attached to the application form.

PARTICULARS OF THE APPLICANT

1.1 Name of the Applicant: _____

1.2 Address - Principal Place of business/Registered Office.

Pin Code	Email
Tel No.	Fax No.

Address for Correspondence:

Pin Code	Email
Tel No.	Fax No.

** (Attach List of Addresses of Branch Offices if any)

1.4 Name and Designation of the Principal Officer:

1.5 Area of operation (See Regulation 19)

District	State

1.6 [70]Insurance Activities proposed to be undertaken by the applicant:

Sl. No.	**Details of activities**	**Please 'tick' wherever applicable**
1.	undertaking back office activities of insurers as allowed in the Guidelines on Outsourcing Activities by Insurance Companies issued by the Authority	
2.	becoming approved person of Insurance Repositories	

1.7 Other financial products proposed to be marketed by the applicant:

Sl. No.	**Details of products**	**Please 'tick' wherever applicable**
1	mutual funds of mutual fund companies regulated by SEBI	
2	pension products regulated by PFRDA	
3	other financial products distributed by SEBI	

[70]Substituted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019. Prior to substitution, table under clause 1.6 read as under:

Sl. No.	**Details of activities**	**Please 'tick' wherever applicable**
1.	undertaking back office activities of insurers as allowed in the Guidelines on Outsourcing Activities by Insurance Companies issued by the Authority	
2.	becoming approved person of Insurance Repositories	
3.	Undertaking survey and loss assessment work by employing on their rolls licensed surveyor & loss assessors	

	licensed Investment Advisors	
4	banking/ financial products of banks/ NBFC regulated by RBI	
5	Non-insurance products offered by Department of Posts, Government of India	

2. ORGANISATION – STRUCTURE

2.1 Status of the Applicant:

(e.g. Limited company-Private/Public, LLP/ Cooperative Society. If listed, names of Stock Exchanges and latest share price to be given)

Category of Applicant	Details of Registration	Date of Incorporation DD_MM_YYYY	Place of Incorporation	Name of stock Exchanges (In case of listed Company)

2.2 List of major shareholders (holding 5% and above of applicant directly or along with associates

Share holding as on: _____

Name of shareholder	No. of Shares held	% of total paid up capital of the company	Whether any of the shareholders holds a license issued by any other regulatory body/government or holds any shareholding in an entity licensed by any regulatory body/government, including IRDA. If yes, please specify

2.3 Particulars of all Directors/Partners

Name	Designation/Position	Qualification	Share in applicant entity	Directorship in other companies

2.4 Name and activities of associate companies/concerns

Name of Company/Firm	Address	Type of activity handled	Nature of Interest of Promoter/Shareholder/ Director

2.5 Name and Address of the Principal Bankers of the applicant

[71][***]

2.6 Name and address of the statutory auditors

3. BUSINESS INFORMATION

3.1 Three years business plan document with projected volume of activities and income for which registration sought is to be specifically mentioned and attached to this application.

3.2 Organization Chart separately showing functional responsibilities to be enclosed.

3.3 Details of infrastructure like office space, equipment and manpower available with the applicant.

3.4 Names of insurance companies with whom the applicant proposes to work with (to provide consent letters from respective insurance companies).

3.5 Any other information considered relevant to the nature of services rendered by the applicant.

4. FINANCIAL INFORMATION

Net Worth

Note: Please enclose Chartered Accountant's certificate on the net worth of the applicant along with the certified financial statements as per regulation.

5. OTHER INFORMATION

5.1 Details of all settled and pending disputes**:

Nature of dispute	Name of the party	Pending/settled

** Attach sheet if required

5.2 Details, if any of any economic offences by the applicant or any of the Directors, in the last three years.

5.3 Declaration of Fit & Proper Criteria (As per Annexure 1)

6. Documents attached (As per Annexure 2):

7. Fee Payment:

Details of Payment:

Demand Draft No. ----------Date ----------

[71]Omitted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019. Prior to omission, clause (2.5) read as under:
"The IMF and ISPs working under them may open account with those Bankers who have entered into an agreement with the Authority for providing information relating to payments made by IMF to ISPs on a regular basis for monitoring)"

Name of the Bank:

Other modes of payment:

***Note**: A non-refundable fees of Rs. _____(Plus service Tax) as specified in Regulation 4 of IRDA of India (Registration of Insurance Marketing Firm) Regulations, 2015* **8. Undertaking**

8.1 Whether any person directly or indirectly connected to applicant has been refused for any registration/ license by the Authority in the past.

Name of the Person	Relationship with the applicant	Date and Reason for refusal

For the purpose of this sub-clause, the expression "directly or indirectly connected" means a relative in the case of any individual, and in the case of a firm or a Company or a body Corporate- an associate, a subsidiary, an interconnected undertaking or a group Company of the applicant

8.2 Details about the Principal Officer of the Applicant:

Full Name		Mention Mr/Mrs	
Address			
Date of Birth		Phone No.	
Nationality		Cell No.	
Position in the organization		Fax No.	
Current Position Held from		Email ID	
Description of Duties/Responsibilities			
Qualifications, Experience & Achievements			
Educational Qualification			
Name of the Institute	Country	Qualification	Year of Study
Professional Qualification			

Name of the Institute	Country	Qualification	Year of Study		
Working Experience					
Name of the Employer	Nature of Business		Designation	Description of Duties	Period

8.3 List of proposed ISPs responsible for soliciting and procuring Insurance Business

Name	Address	Qualification (Including details of IMF Exam Passing, specify certificate No.)	Pan No. or Aadhaar No. and address	Previous Employment, please specify in case of an insurance agent name of the insurer and license No.	Bank Account No., Name of the Bank and Branch

8.4 List of proposed employees responsible for undertaking insurance service activities

Name	Address	Qualification	Pan No. or Aadhaar No. address	Previous Employment, please specify in case of an insurance surveyor, please provide the license number	Bank Account No., Name of the Bank and Branch

8.5 List of proposed FSEs responsible for marketing of other financial products:

Name	Address	Qualification	Pan No. or Aadhaar No. address	Details of certificate/license issued by statutory/regulatory/ government Authorities	Bank Account No., Name of the Bank and Branch

DECLARATION

Page **45** of **62**

(This declaration is to be signed by two of the directors or two of the partners as the case may be)

I/We hereby apply for registration.

I/We have gone through the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) Regulations, 2015 and am/are satisfied that—

a) I/We am/are eligible to apply for the insurance marketing firm's registration.

b) I/We state that I/We have truthfully and fully answered the questions above and provided all the information which might reasonably be considered relevant for the purposes of my/our registration.

form is complete and correct.

d) I/We undertake that I/We shall not allow or offer to allow, either directly or indirectly, as an inducement to any person, any rebate of the whole or part of the remuneration earned by me/us during the registration period.

e) I/We undertake to service the run-off business on the books at the time of cancellation or non-renewal of registration subject to six months limit placed elsewhere.

f) I/We declare that I/we do not possess an insurance agent license under section 42 of the Act, as amended from time to time.

For and on behalf of

_____ _____ Name

Name

Designation Designation

Annexure – 1

INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY OF INDIA (REGISTRATION OF INSURANCE MARKETING FIRM) REGULATIONS, 2015

Declaration and Undertaking for Principal Officer/Directors/Managing Partners

(A separate form needs to be submitted by each individual)

S. No.	Fit & Proper Criteria	Yes/No (If Yes, furnish full details)
a)	Have you ever registered or obtained license from any of the regulatory authorities under any law such as SEBI, RBI, IRDAI, PFRDA, 72[***] etc.	
b)	Have you carried on business under any name other than the name stated in this application.	
c)	Have you ever been refused or restricted by any regulatory authority to carry on any business, trade or profession for which a specific license registration or other authorization is required by law.	
d)	Have you been ever censured or disciplined or suspended or refused permission or license or registration by any regulatory authority to carry on any business activity.	
e)	Have you been subject to any investigations or disciplinary proceeding or have been issued warning or reprimand by any regulatory authority.	
f)	Have you been convicted of any offence or subject to any proceedings under any law	
g)	Have you been banned from entry at any profession/occupation at any time.	
h)	Details of prosecution, if any, pending or commenced or resulting in conviction in the past for violation of economic laws and regulations.	
i)	Details of criminal prosecution, if any, pending or commenced or resulting in conviction in the past against you.	
j)	Do you attract any of the disqualifications envisaged under Section 164 of the Companies' Act 2013?	

k)	Have you been subject to any investigation at the instance of Government department or agency?	
l)	Have you at any time been found guilty of violation of rules/regulations/legislative requirements by customs/excise/income tax/foreign exchange/other revenue authorities.	

[72]The word "FMC" omitted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019.

m)	Have you at any time come to the adverse notice of a regulator such as SEBI, IRDAI, MCA, PFRDA. (Though it shall not be necessary for a candidate to mention in the column about orders and findings made by regulators which have been later on reversed/set aside in toto, it would be necessary to make a mention of the same, in case the reversal/ setting aside is on technical reasons like limitation or lack of jurisdiction, etc. and not on merit. If the order of the regulator is temporarily stayed and the appellate/court proceedings are pending, the same also should be mentioned).	
n)	Has any of your group company/associate company/related party been carrying any license issued by the IRDAI.	
o)	Any other explanation/information considered relevant for judging fit and proper criteria.	

Undertaking

I confirm that the above information is, to the best of my knowledge and belief, true and complete. I undertake to keep the Authority fully informed, as soon as possible, of all events, which take place subsequent to my appointment, which are relevant to the information provided above.

Signature
Name
Designation
Date:
Place:

Annexure 2

INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY OF INDIA (REGISTRATION OF INSURANCE MARKETING FIRM) REGULATIONS, 2015 Documentation to be attached for obtaining Fresh Insurance Marketing Firm Registration

[See regulation 4 and Point 6 of the Form A]

A. Submission of Completed Application.

a) Submission of relevant information as required in the FORM A.

b) Remittance of requisite fee by demand draft payable at Hyderabad, as prescribed under Regulation 4 of IRDA of India (Registration of Insurance Marketing Firm) Regulations, 2015.

c) Submission of charter documents of the applicant (Memorandum and Articles of Association/Byelaws as the case may be).

d) Declaration of Fit & Proper criteria from Principal Officer, Directors and Managing Partners (separately for each person) to be provided in the 'Fit and Proper Form'.

e) Details of infrastructure along with supporting evidence thereof like ownership/lease agreement papers with regard to office space/equipment/trained manpower, etc. for the registered office and the branch offices at various locations.

f) Projections of administrative expenses, salaries and wages and other expenses, draw the revenue account, the profit and loss account and the balance sheet for next 3 years.

g) Organization chart giving a complete picture of the company's activities like IT, risk assessment, claims settlement, marketing, accounts, back office etc.

h) Bring on record any other information, which is relevant to the nature of services rendered by the applicant for the growth and promotion of insurance business.

i) Any other requirements as deemed necessary by the authority.

B. Signatories

1. Two Directors should sign the Application Form and the various formats mentioned above.

2. The above list of documents/requirements is indicative only and not exhaustive. The additional documents may be required based on, pattern of shareholding, any other matter required as per IRDA of India (Registration of Insurance Marketing Firm) Regulations, 2015.

C. Personal Presentation

Page **49** of **62**

The applicant on fulfilling the given requirements to the satisfaction of the Authority may be required to appear before the Authority for a presentation of business plans in connection with the application.

Form B

INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY OF INDIA
(Registration of Insurance Marketing Firm) Regulations, 2015

FORM B [See regulations 10]

REGISTRATION

In exercise of the powers conferred by sub-section (1) of Section 42D of the Insurance Act, 1938 (4 of 1938) as amended from time to time, the Authority hereby grants a registration to _____ to act as [73][**Insurance Marketing Firm** (IMF)] under that Act.

Registration Code for the Insurance Marketing Firm is _____

1. The IMF shall be allowed to operate in[74][_____ district/ Municipality/ Municipal Corporation area of _____ state].

2. Scope of Activities

Soliciting or Procuring Insurance Products	Yes/No
Insurance Service Activities a) Undertaking back office activities of insurers b) Become approved person of IRs c) [75][***]	Yes/No Yes/No
[76][***]	

[73]Inserted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (First Amendment) Regulations, 2016 dated 17.01.2017, w.e.f. 27.01.2017.

[74] Substituted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (First Amendment) Regulations, 2016dated 17.01.2017,w.e.f. 27.01.2017. Prior to substitution, table under clause (1) read as under:

District	State

[75] Omitted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019. Prior to omission, row (c) of table under clause (2) read as under:

Undertaking survey and loss assessment work	Yes/No

[76] Omitted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (First Amendment) Regulations, 2016dated 17.01.2017, w.e.f. 27.01.2017. Prior to omission, the row read as under:

Distribution of other financial products	Yes/No

3. This Registration shall be valid from _____ to _____

4. This Registration is subject to the Act, as amended from time to time, Insurance Regulatory and Development Authority Act, 1999 (4 of 1999) and Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) Regulations, 2015 and shall not be construed to be in compliance with or inconformity to any other Act, rules or regulations.

By Order

Place:

Date:

For and on behalf of

Insurance Regulatory and Development Authority of India

INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY OF INDIA (REGISTRATION OF INSURANCE MARKETING FIRM) REGULATIONS, 2015

FORM C

[SEE REGULATION 17]

DUPLICATE CERTIFICATE OF REGISTRATION

[77][***]

In exercise of the powers conferred by sub-section (1) of Section 42D of the Insurance Act, 1938 (4 of 1938) as amended from time to time, the Authority hereby grants a registration [78][to

"_____"]

to act as **Insurance Marketing Firm**[79][(IMF)] under that Act.

1. The IMF shall be allowed to operate in [80][_____ district/ Municipality/ Municipal Corporation area of _____ state].
2. Scope of Activities-

Soliciting or Procuring Insurance Products	Yes/No
Insurance Service Activities a) Undertaking back office activities of insurers b) Become approved person of IRs c) [81][***]	 Yes/No Yes/No
[82][***]	

[77]The words "Registration No.:" omitted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (First Amendment) Regulations, 2016 dated 17.01.2017, w.e.f. 27.01.2017.

[78] Inserted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (First Amendment) Regulations, 2016 dated 17.01.2017, w.e.f. 27.01.2017.

[79] Inserted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (First Amendment) Regulations, 2016dated 17.01.2017, w.e.f. 27.01.2017.

[80] Substituted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (First Amendment) Regulations, 2016 dated 17.01.2017, w.e.f. 27.01.2017. Prior to substitution, table under clause (1) read as under:

District	State

[81] Omitted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019, dated 24.07.2019, w.e.f. 26.07.2019. Prior to omission, row (c) of table under clause (2) read as under:

Undertaking survey and loss assessment work	Yes/No

3. Registration Code for the Insurance Marketing Firm is _____
4. This registration shall be valid from _____ to _____
5. This registration is subject to the Insurance Act, 1938, as amended from time to time, Insurance Regulatory and Development Authority Act, 1999 (4 of 1999) and Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) Regulations, 2015 and shall not be construed to be in compliance with or in conformity to any other Act, rules or regulations.

By Order

Place:
Date:

For and on behalf of
Insurance Regulatory and Development Authority of India

[82]Omitted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (First Amendment) Regulations, 2016 dated 17.01.2017, w.e.f. 27.01.2017. Prior to omission, the row read as under:

Distribution of other financial products	Yes/No

INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY OF INDIA (REGISTRATION OFINSURANCE MARKETING FIRM) REGULATIONS, 2015

FORM D

[see regulation 14]

CERTIFICATE OF RENEWAL OF REGISTRATION

Registration No:

1. In exercise of the powers conferred by sub-section (3) of Section 42D of the Insurance Act, 1938 (4 of 1938) as amended from time to time, the Authority hereby renews the registration of M/S

"----------"

under Reg. [83][14] of the IRDA of India (Registration of Insurance Marketing Firm)Regulations, 2015, and the Insurance Regulatory and Development Authority Act, 1999 (4 of 1999) for the period[84][from]---------- to----------.

2. The IMF shall be allowed to operate in

[85][District/ Municipality/ Municipal Corporation]	State

3. Scope of activities

Soliciting or Procuring Insurance Products	Yes/No
Insurance Service Activities a) Undertaking back office activities of insurers b) Become approved person of IRs c) [86][***]	 Yes/No Yes/No
[87][***]	

[83]Inserted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (First Amendment) Regulations, 2016 dated 17.01.2017, w.e.f. 27.01.2017.

[84] Inserted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (First Amendment) Regulations, 2016 dated 17.01.2017, w.e.f. 27.01.2017.

[85] Substituted for the words "Revenue district" by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (First Amendment) Regulations, 2016 dated 17.01.2017 w.e.f. 27.01.2017.

[86] Omitted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019. Prior to omission, row (c) of table under clause (3) read as under:

Undertaking survey and loss assessment work	Yes/No

4. [88][***]

5. [89][***]

6. This registration is subject to the Act, as amended from time to time, Insurance Regulatory and Development Authority Act, 1999 (4 of 1999) and Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) Regulations, 2015 and shall not be construed to be in compliance with or in conformity to any other Act, rules or regulations.

Place :

By Order

Date :

For and on behalf of

Insurance Regulatory and Development Authority of India

[87]Omitted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (First Amendment) Regulations, 2016 dated 17.01.2017, w.e.f. 27.01.2017. Prior to omission, the row read as under:

Distribution of other financial products	Yes/No

[88] Omitted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019. Prior to omission, clause (4) read as under:
"Issued at Hyderabad on ------- day of ---------- Two thousand ----------"

[89] Omitted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (First Amendment) Regulations, 2016 dated 17.01.2017, w.e.f. 27.01.2017. Prior to omission, clause (5) read as under:
"This registration shall be valid from _____ to _____"

Insurance Regulatory and Development Authority of India
Application for Duplicate Registration

I agree to inform you that my/our registration No----------has been

a) Lost
b) Destroyed
c) Mutilated

By the following reasons----------

Fee payment: A non-refundable fee of Rs. 1000 will need to be paid to IRDAI

Payment details:

Demand Draft No: ----------Date: ----------Name of the bank: ----------

Other modes of payment:

Declaration

I hereby apply for the duplicate certificate of registration under regulation 18. We therefore request the authority to kindly issue a duplicate certificate of registration in light of the circumstances explained above.

I ----------solemnly declare and confirm that the particulars given above are true to the best of my knowledge and belief.

For and on behalf of

_____ _____ (Signature and Name of Applicant) (Signature & Name of Applicant) {Block Letters} {Block Letters}

Place:
Date:

FORM AA
[See regulation 14]
Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm)
Regulations, 2015
Application for Renewal of Insurance Marketing Firm registration
PARTICULARS OF THE APPLICANT

1.1 Name of the Applicant: _____

1.2 Address - Principal Place of business/Registered Office.

Pin Code	Email
Tel No.	Fax No.

1.3 Address for Correspondence:

Pin Code	Email
Tel No.	Fax No.

** (Attach List of Addresses of Branch Offices if any) 1.4

Area of operation (See Regulation 19)

District	State	Approved/Proposed	Name and Designation of the Principal Officer

1. ORGANISATION – STRUCTURE

2.1Status of the Applicant:

(e.g. Limited company-Private/Public, LLP/ Cooperative Society. If listed, names of Stock Exchanges and latest share price to be given)

Category of Applicant	Details of Registration	Date of Incorporation DD_MM_YYYY	Place of Incorporation	Name of stock Exchanges (In case of listed

				Company)

2.2 List of major shareholders (holding 5% and above of applicant directly or along with associates

Share holding as on: _____		
Name of shareholder	No. of Shares held	% of total paid up capital of the company

2.3 Particulars of all Directors/Partners

Name	Designation/Position	Qualification	Share in applicant entity	Directorship in other companies

2.4 Name and activities of associate companies/concerns

Name of Company/Firm	Address	Type of activity handled	Nature of Interest of Promoter/Shareholder/ Director	Nature and interest of applicant company

Whether any one or more directors/shareholders of the associate companies/ concern are interested in the applicant's business.

2.5 Name and Address of the Principal Bankers of the applicant[90][***]

2.6 Name and address of the statutory auditors

3 BUSINESS INFORMATION

Details of infrastructure like office space, equipment and manpower available with the applicant (in case of additional areas of operation).

4 FINANCIAL INFORMATION :-

Net Worth

Note: Please enclose Chartered Accountant's certificate certifying the net worth of the applicant along with the certified financial statements for preceding 3 years.

[90]The words "(State Bank of India)" omitted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019.

OTHER INFORMATION, IF ANY

5.1 Details of all settled and pending disputes**:

Nature of dispute	Name of the party	Pending/settled

** Attach sheet if required

5.2 Details, if any of any economic offences by the applicant or any of the Directors, in the last three years.

5.3 Declaration of Fit & Proper Criteria (As per Annexure 1).

5. Documents attached (As per Annexure 1):

6. Fee Payment:

Details of Payment:

Demand Draft No: ----------Date: ----------

Name of the Bank:

Other modes of payment:

Note: A non-refundable fees of Rs. _____(Plus service Tax) as specified in Regulation 14 of IRDA of India (Registration of Insurance Marketing Firm) Regulations, 2015

7. Undertaking

8.1 Whether any person directly or indirectly connected to applicant has been refused for the registration in the past or not

Name of the Person	Relationship with the applicant	Date and Reason for refusal

For the purpose of this sub-clause, the expression "directly or indirectly connected" means a relative in the case of any individual, and in the case of firm or a Company or a body Corporate-an associate, a subsidiary, an interconnected undertaking or a group Company of the applicant 8.2 Qualification & Experience Details of The Principal Officer of The Applicant

Details of the Principal Officer		
Full Name	Mention Mr/Mrs	
Address		
Date of Birth	Phone No.	

Nationality	Cell No.	
Position in the organization	Fax No.	

Current Position Held from				Email ID	
Description of Duties/Responsibilities					
Qualifications, Experience & Achievements					
Name of the Institute	Country	Qualification	Year of Study		
Professional Qualification					
Name of the Institute	Country	Qualification	Year of Study		
Working Experience					
Name of the Employer	Nature of Business		Designation	Description of Duties	Period

8.3 List of Employees who will be responsible For Soliciting And Procuring Insurance Business

Name	Address	Qualification(Including Insurance Broking Exam Passing)	Prior Experience (Including Insurance Broking Exam Passing)	Previous Employment	Details of Responsibilities

DECLARATION

(This declaration is to be signed by two of the directors, two of the partners as the case may be) I/We hereby apply for renewal of registration.

I/We have gone through the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) Regulations, 2015 and am/are satisfied that— g) I/We am/are eligible for renewal of insurance marketing firm's registration.

Page **60** of **62**

h) I/We state that I/We have truthfully and fully answered the questions above and provided all the information which might reasonably be considered relevant for the purposes of my/our registration.

form is complete and correct.

j) I/We undertake that I/We shall not allow or offer to allow, either directly or indirectly, as an inducement to any person, any rebate of the whole or part of the remuneration earned by me/us during the registration period.

k) I/We undertake to service the run-off business on the books at the time of cancellation or non-renewal of registration.

For and on behalf of

_____ _____ Name

Name

Designation Designation

INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY OF INDIA (REGISTRATION OF INSURANCE MARKETING FIRM) REGULATIONS, 2015

Documentation to be attached for renewal of Insurance Marketing Firm Registration

A. Submission of Completed Application.

a) Submission of relevant information as required in the FORM D.

b) Remittance of requisite fee by demand draft payable at Hyderabad, as prescribed under Regulation 14 of IRDA of India (Registration of Insurance Marketing Firm) Regulations, 2015.

c) Declaration of Fit & Proper criteria from Principal Officer, Directors and Managing Partners (separately for each person) to be provided in the 'Fit and Proper Form'.

d) Details of infrastructure along with supporting evidence thereof like ownership/lease agreement papers with regard to office space/ equipment/ trained manpower, etc. for areas of operation (existing and proposed).

e) Renewal training certificate for 25 Hrs. undergone by the Principal Officer.

f) Copies of Professional Indemnity insurance policies for last three years.

g) Copies of previous three years annual reports.

h) Bring on record any other information, which is relevant to the nature of services rendered by the applicant for the growth and promotion of insurance business.

i) Any other requirements as deemed necessary by the authority.

B. Signatories

a) Two Directors and the Principal Officer should sign the Application Form and the various formats mentioned above.

b) The above list of documents/requirements is indicative only and not exhaustive. The additional documents will be advised based on, pattern of shareholding, any other matter required as per IRDA of India (Registration of Insurance Marketing Firm) Regulations, 2015 and views of the Authority.

[91][***]

[91]Form titled "CERTIFICATE TO ACT AS INSURANCE SALES PERSON FOR AN INSURANCE MARKETING FIRM" omitted by the Insurance Regulatory and Development Authority of India (Registration of Insurance Marketing Firm) (Amendment) Regulations, 2019 dated 24.07.2019, w.e.f. 26.07.2019. Prior to omission, the form read as under:

INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY OF INDIA (REGISTRATION OF INSURANCE MARKETING FIRM) REGULATIONS, 2015

CERTIFICATE TO ACT AS INSURANCE SALES PERSON FOR AN INSURANCE MARKETING FIRM

CERTIFICATE NO. [ ][ ][ ][ ] [ ][ ][ ][ ] [ ] [ ]

NAME OF INSURANCE MARKETING FIRM:_____

ADDRESSS:_____

REGISTRATION NO.:_____ DATE OF EXPIRY:_____

NAME OF THE CERTIFICATE HOLDER:_____

(INSURANCE SALES PERSON)

ADDRESS: _____

Having undergone the required training and examination conducted by the examination body _____is hereby authorised to act as the Insurance Sales Person of the Insurance Marketing Firm for three years from_____ for procuring or soliciting insurance business, subject to the registration of IMF being inforce.

Place
Date
for Insurance Regulatory and Development Authority of India

Signature of Certificate holder:

Page **62** of **62**