

Insurance Regulatory and Development Authority of India
(Intermediaries Department)

13th April, 2015

Consequent upon promulgation of Insurance Laws (Amendment) Act, 2015, common service centres are included in the definition of intermediary and insurance intermediary. As a result of the amendments in the Act the existing Guidelines on Common Service Centres will have to be converted into Regulations. The draft contains, amongst the others, the following changes.

- 1) Definition of CSC product
- 2) Code of Conduct for CSC-SPV
- 3) On boarding charges
- 4) Procedure and conditions applicable for Life and General Insurance products
- 5) Appeal to SAT on the orders of the Authority
- 6) Minor grammatical changes to bring consistency

The draft regulations along with schedules are attached with this document and the same are uploaded on our website for seeking comments/suggestions/views from all stakeholders for consideration of the Authority before the notification. The comments/suggestions should reach us by 21st April, 2015 in the format attached as Annexure-1, to the undersigned by e-mail at randip@irda.gov.in and also to my colleagues Sh. Sanjay Verma at sanjay@irda.gov.in

(Randip Singh Jagpal)
Sr. Joint Director
13.4.2015

**FORMAT FOR SUGGESTIONS ON
DRAFT IRDAI (Common Service Centre) REGULATIONS 2015**

Change suggested by				
Date				
Note	❖ It is suggested that ONE Page may be used for one change. ❖ This will enable us to group all the suggestions and take a decision on the changes suggested			
Page No	Regulations /Annexure	Regulation and Sub-Regulation No./ Para Number	Comments/Suggestions	Reasons

**Draft Insurance Regulatory and Development Authority of India (Common Service Centre)
Regulation, 2015**

In exercise of the powers conferred by section 114A of the Insurance Act, 1938 (4 of 1938) 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 :

- 1.1 These Regulations may be called the Insurance Regulatory and Development Authority of India (Common Service Centers) Regulations, 2015.
- 1.2 These Regulations shall come into force on the date of their publication in the Official Gazette.

**CHAPTER I
Preliminary**

2. Definitions:

- 2.1 **“Act”** means the Insurance Act, 1938 (4 of 1938) as amended from time to time
- 2.2 **“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);
- 2.3 **“CSC”** means the "Common Service Centre" established under National e- Governance Plan by M/s CSC e-Governance Services India Limited
- 2.4 **“CSC-SPV”** means M/s CSC e-Governance Services India Limited, the Special Purpose Vehicle (SPV) incorporated to facilitate delivery of government, private and social sector services to citizens of India through the Common Services Centers (CSCs) network, and approved by the Authority under these Regulations, who for remuneration arranges insurance contracts (under specific products approved by the authority from time to time) with insurance companies on behalf of its clients and offers other insurance related services through CSC Network.
- 2.5 **“CSC Products”** The product to be marketed through the CSC Distribution Model shall be prefixed with the word “CSC” to clearly distinguish these products as ‘Exclusive CSC Products’.

- 2.6 **“NIELIT”**: National Institute of Electronics and Information Technology is an autonomous scientific society of Department of Electronics and Information Technology, Government of India.
- 2.7 **“Principal Officer of CSC-SPV”**: A person under the employment of CSC-SPV and nominated by the CSC-SPV to function as the Principal Officer of CSC-SPV.
- 2.8 **“Rural Authorized Persons”** (RAP) is an individual Village Level Entrepreneur (VLE) Registered and Authorised by CSC-SPV to operate and manage a Common Service Centre, and approved by the Authority upon successful completion of training and examination, as specified by the Authority.
- 2.9 **“State Designated Agency”** (SDA) is the nodal agency at state level involved for the monitoring and supervision of the CSC project progress at the state level.
- 2.10 **“Service Centre Agency”** (SCA) is the implementing Agency responsible for covering a group of districts in a state; providing the required investment budget and the functional specifications of the CSC.
- 2.11 **“Solicitation”** for the purpose of these regulations is defined as the approach of prospect by a RAP with a view to inducing the prospect to purchase an insurance policy, and includes providing assistance in case the prospect decides to purchase an insurance policy.
- 2.12 **“Village Level Entrepreneur”** (VLE) is an individual Registered and Authorised to operate the Common Service Centre, who is in-charge of running the daily operations of the CSC, as approved by the SCA or SDA and CSC-SPV under CSC scheme.
- 2.13 Words and expressions used and not defined in these Regulations but defined in the Insurance Act, 1938 (4 of 1938), as amended from time to time, the Insurance Regulatory and Development Authority Act, 1999 or in any of the Regulations and Guidelines made there under shall have the meanings respectively assigned to them in those Acts or Regulations or Guidelines.

CHAPTER II

Registration of CSC-SPV

3. Application for grant of Registration :

- 3.1 CSC-SPV shall submit an application desiring to obtain a Registration to act as an intermediary CSC-SPV shall follow the following procedure:-
- Submit an application to the Authority in the Form A as specified in these Regulations.
 - Remit the non-refundable application fees of five thousand rupees plus applicable tax 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 satisfying the fit & proper criteria specified in Schedule-I (Part-1).

3.2 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.

4. Grant of Registration to the CSC-SPV:

4.1 The Authority on being satisfied that the applicant fulfils all the conditions specified for the grant of registration, shall grant a registration in Form-B and send intimation thereof to the applicant.

4.2 The registration shall be issued subject to the CSC-SPV adhering to the conditions and code of conduct as specified in Schedule IV.

4.3 A license granted to the CSC-SPV under the Guidelines on Common Service Centres issued by the Authority shall be valid till its expiry.

5. Period of Validity of Registration of the CSC-SPV:

5.1 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.

5.2 CSC-SPV shall not be allowed to function as such after the expiry of registration unless it is renewed by the Authority.

6. Procedure for the Renewal of Registration of CSC-SPV

6.1 CSC-SPV (applicant) shall submit the application for renewal of registration to the Authority in Form-A at least thirty days before the expiry of the registration. However, the CSC-SPV is permitted to apply for renewal ninety days before the expiry of the registration.

6.2 The documents to be submitted by the Applicant along with the renewal application form are mentioned in the renewal Application Form-A.

6.3 The applications for renewal of registration shall be submitted along with a renewal fee of Rs. One thousand only plus service tax. The applicants shall have to pay an additional fee of Rs. Five 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 further that the Authority may for sufficient reasons offered in writing by the applicant for a delay not covered by the previous proviso, accept an application for renewal after the date of the expiry of the registration on payment of an additional fee of one thousand rupees only by the applicant.

- 6.4 The Authority may call for any additional information / documents as deemed fit for processing the renewal application, from the applicant.
- 6.5 The Authority, on being satisfied that the applicant fulfils all the conditions specified for renewal of the registration, shall renew the registration in Form-B.
- 6.6 The renewal of Registration shall be valid for a period of three years.

CHAPTER II

Insurance Solicitation and Functions of CSC-SPV and RAP

7. Persons engaged for solicitation:

- 7.1 For the purpose of solicitation of insurance business Rural Authorized Person (RAP) is authorized.
- 7.2 CSC-SPV shall be responsible for all acts of commission and omission of the RAPs deployed on their behalf.
- 7.3 Rural Authorized Person (RAP) shall possess the minimum qualification as specified in Schedule-I, Part-III.
- 7.4 The Training, examination and certification of RAP shall be as specified in Schedule-I, Part-IV.
- 7.5 Code of Conduct of Rural Authorised Person is defined in Schedule-IV.

8. Enabling Registration of New Insurance Business by Rural Authorised Person (RAP):

- 8.1 The CSC-SPV's Portal shall enable any RAP to register insurance business in the CSC-SPV's Portal only after the RAP passes the examination, the registering authority issues the registration certificate to the RAP, and the registration number and validity period of the registration are updated in the CSC-SPV's Portal.
- 8.2 In case there is a change in VLE in case of a CSC; the new VLE can carry out insurance servicing from the date of appointment as VLE. However, the VLE can register New Business only from the date he is issued necessary certificate under Reg. 9 of these regulations.

9. Functions of CSC-SPV: The functions of CSC-SPV are defined in Schedule-II, Part-I.

10. Function of and Obligation RAP (Rural Authorised Person):

- 10.1 The function of Rural Authorised Person is defined in Schedule-II, Part-II.

10.2 Obligation pertaining to RAP is defined in Schedule-II, Part-III.

11. Remuneration received by CSC-SPV & RAP:

- 11.1 The remuneration payable to CSC-SPV by the Insurer, for the solicitation of policies by the Authorised RAPs shall be as per regulations on payment of commission or remuneration to agents and insurance intermediaries issued by the Authority.
- 11.2 The remuneration payable to the CSC-SPV by the insurer, for other services shall be as mutually agreed between the insurer and CSC-SPV from time to time.
- 11.3 CSC-SPV, on receipt of any remuneration from the insurer, shall distribute not less than 80% of the same to the respective RAPs. The remuneration to entities such as SDA or SCA shall be as per the agreement with the insurer after retaining an amount of not exceeding 8% towards fees for recruitment, providing and enabling the software and guiding and monitoring the RAP in day to day functions.
- 11.4 The commission or remuneration, if any, to be paid to the CSC-SPV shall be as per the bifurcation given below:
 - a) Commission to the CSC-SPV towards solicitation and to procure the new business
 - b) Service charges for post sale service of the policy.
- 11.5 CSC-SPV shall enter into an agreement with the insurers and mention clearly in the agreement the percentages and method of distribution of the remuneration to various entities in the CSC scheme.
- 11.6 The settlement of accounts by insurers in respect of remuneration of CSC-SPV shall be done on a monthly basis and it must be ensured that there is no cross settlement of outstanding balances.

12. On boarding Charges in CSC-SPV: The Insurers may market certain categories of Retail Insurance policies for individuals only and offer insurance related services through the CSCs. The on-boarding charges allowed shall be as follows:

- 12.1 CSC-SPV On-Boarding Corpus Fund shall be set up with initial contribution of Rs. Twenty Lakh from each insurer, which has entered into an agreement with CSC-SPV for distribution of its Insurance product through the CSCs.
- 12.2 The Insurer signing the agreement shall pay the instalment equally in four quarters.
- 12.3 The On boarding Corpus Fund shall be maintained in an "Escrow Account" called the "CSC-SPV On-boarding Corpus Fund" operated by the Life Insurance Council.
- 12.4 The amount fixed towards on boarding charges per CSC activated shall be Rupees Five Thousand which may be revised from time to time.
- 12.5 CSC-SPV shall submit to the Life Insurance Council and General Insurance Council the list of CSCs that are activated to undertake Insurance operations and seek

release of the on boarding charges. The list shall be made available on the Councils website for information and transparency

12.6 Life and General Insurance Councils shall maintain separate account codes and Book of accounts in respect of the "CSC-SPV On-boarding Corpus Fund" which shall be inspected by Authority and audited by a qualified auditor annually.

13. Products allowed under CSC:

13.1 Insurance companies shall develop insurance products to be marketed exclusively through the CSC model and file such products with the Authority for approval.

13.2 The products developed for CSC Model shall not have the Sum Assured (per life or risk) exceeding rupees two lakhs, except for motor insurance. Products approved by the Authority for the CSC Model shall be marketed only through the CSC Model.

13.3 The procedure and conditions for insurance products developed for CSC models are defined in Schedule-III.

14. Agreement between CSC-SPV and the Insurance Company: An Agreement or a Service Level Agreement or a Memorandum of Understanding shall be entered between the insurers and CSC-SPV and the agreement shall include the following:

14.1 Procedure for enabling or disabling the RAP for the delivery of the approved insurance products; procedure for tracking and monitoring the transactions and activities of the RAP; procedure for incorporating the Unique code allotted by CSC-SPV; procedure for incorporating the Aadhaar number of the customer and the nominee and the PAN number of RAP may be used by all insurers to maintain the uniformity. The tracking code may be agreed mutually by insurers and CSC-SPV.

14.2 List of Products to be marketed through the CSC-SPV.

14.3 A robust grievance redressal system should be set in at both the CSC-SPV level and the insurer level. The insurers should submit a Complaint Redressal Analysis report to the Authority every quarter.

14.4 The procedure for sending the soft copy of the proposal data / claims data etc by the RAP to the Insurer.

14.5 The procedure for sending the soft copy of the completed policy data / claims data etc by the Insurer to the RAP.

14.6 The procedure for sending the hard copy of the proposers' data to the Insurer.

14.7 The procedure for sending the soft files and documents relating to claims of the insured to Insurer.

14.8 The procedure to send the hard copy of the claims related documents to insurers.

14.9 The procedure for maintenance of data in a secure mode by the Insurer.

- 14.10 The procedure for updation and transmission of data in a secure mode by the Insurer
- 14.11 The CSC-SPV and the Insurers shall develop suitable system to ensure continuity in the services rendered by RAP to policyholders, even after the termination of agreement with registered RAP.
- 14.12 The method of distribution of the remuneration by the Insurer to the CSC and to the other entities as mentioned in Regulation 11.
- 14.13 The roles and obligations of the parties, including the SCA and SDA, to the agreement.
- 14.14 Relevant clauses defining the role and responsibilities of CSC-SPV, the role and responsibilities of the RAP including the code of conduct / market conduct of the RAP specified in Schedule-IV; and role and responsibilities of the SCA and the entity responsible for acts of commission and omission of the RAP deployed.

15. Obligations of Insurance Company: Obligation of Insurance Company is defined in Schedule-V.

16. Report to be submitted to the Authority: The Insurance Company and the CSC-SPV shall submit periodical reports to the Authority as specified hereunder.

16.1. CSC-SPV shall furnish to the Authority Quarterly report in Form-D, Form-E, Form-F and any other return, as may be, required by the Authority on Insurance activities.

16.2. Insurers shall furnish to the Authority half yearly report in Form-F and any other return, as may be, required by the Authority on business procured through RAPs.

17. Power of Authority to inspect: The Authority may appoint one or more of its officers as an inspecting authority to undertake inspection of the premises of the CSC-SPV or CSCs to ascertain how activities are carried on, and also to inspect the books of accounts, records and documents of the CSC-SPV and RAP for any of the purposes specified in these guidelines; and

- a) to ensure the compliance of provisions of the Act, Rules and Regulations;
- b) to investigate the complaints received from any insured, any insurer, or any other person on any matter having a bearing on the activities of the RAP or CSC-SPV; and
- c) to investigate the affairs of the RAP or CSC-SPV suo moto in the interest of proper development of insurance business or in the policy holders' interest.

CHAPTER III

18. Procedure for disciplinary proceeding:-The procedure to be followed by the Authority in the event of CSC-SPV violating any of the provisions of the IRDA Act, Regulations,

Guidelines, Circulars, Notifications shall be as specified in Schedule VII of these Regulations.

19. **Suspension, Cancellation or surrender of Registration made to CSC-SPV:** The procedure for suspension, cancellation or surrender of registration shall be as given in Schedule VI of these Regulations.

20. **Power of the Authority to issue clarifications:** In order to remove any difficulties in respect of the application or interpretation of any of the provisions of these Regulations, the Chairperson of the Authority may issue appropriate clarifications from time to time.

Schedules & Annexures

SCHEDULE- I

Part-I

Fit & Proper Criteria of Principal Officer

- 1) The Principal Officer of the CSV-SPV seeking registration shall be considered as a 'fit and proper person', if he fulfils the conditions, including, but not limited to the following criteria –
 - (a) financial integrity;
 - (b) absence of convictions or civil liabilities;
 - (c) competence;
 - (d) good reputation and character;
 - (e) efficiency and honesty; and
 - (f) absence of any disqualification to act as an intermediary as stipulated in the Act.

PART-II

Eligibility criteria for CSC-SPV

- 1) It should be established by the Government of India
- 2) It should be under National e-Governance Plan (NeGP)

PART-III

Qualification of Rural Authorised Person (RAP)

- 1) Pass in 10th Class or equivalent examination from a recognized Board/Institution.
- 2) Minimum knowledge of Computer applications / operations.
- 3) Should have completed at least 20 hours of theoretical training from an institution recognized by the Authority from time to time.
- 4) Should pass an examination, at the end of the period of training mentioned above conducted by the NIELIT (National Institute of Electronics & Information Technology) or any other examining body recognized by the Authority from time to time.
- 5) The syllabus for the above training shall cover Principles and Practice of Insurance, Legal aspects of Insurance; AML/PML & KYC, General Insurance and Life Insurance, as specified by the Authority from time to time.

PART-IV

Training & Methodology, Examination and Certification of Rural Authorised Person (RAP)

Training & Methodology:-

- 1) The RAP shall undergo 20 hours training covering the topics stated in the specified Syllabus.
- 2) The training material and self assessment content shall be in digital downloadable format and shall be hosted under a suitable Learning Management System by NIELIT or any other institution as approved by the Authority from time to time.
- 3) The self-assessment tests shall be in multiple-choice models
- 4) The RAP shall register on the Learning Management System website designed by NIELIT and complete the training.
- 5) The RAP shall download the digital training content to his Personal Computer or Laptop and complete the self-learning modules.
- 6) At the end of each module the RAP shall complete the self-assessment test. The Learning Management System shall not allow the RAP to complete more than two self-assessment test per day.
- 7) On completion of the self-assessment test for each of the module, the candidate shall earn one-hour training credit.
- 8) The RAP shall complete all the 20 self-learning modules and self assessment tests online to earn the credit for 20 hours training.

Examination and Certification:-

- 1) The online examination of RAP shall be conducted by NIELIT or any other institute as approved by the Authority from time to time in their centres spread across India.
- 2) The RAP on completion of training and earning 20 hours training credit shall be eligible for appearing for the online examination.
- 3) The periodicity of the online examination shall be decided by the Authority in consultation with respective examination conducting institute, depending on the requirements.
- 4) The examination questions shall be displayed with multiple choices of answers.
- 5) The number of questions for the online examination shall be 40 and with a duration of 60 minutes.
- 6) Each question shall carry 2.5 marks and the examination is for 100 marks. The examinee has to score minimum 35 marks to pass the examination.
- 7) There will not be any negative marks for wrong answers.
- 8) There shall be no limit for the number of attempts for appearing the examination by RAP

- 9) The RAP has to pay the appropriate fee as approved by the Authority for training and examination to the concerned institute.
- 10) On passing the examination, the examining institute shall issue a certificate validating the completion of training and passing of the examination by RAP
- 11) The Certification of the completion of training and passing the examination shall be valid only during the period the RAP is authorised to manage operations of the CSC. The certificate is no longer valid as soon as the services of RAP are terminated or suspended by CSC-SPV or its authorised SDA / SCA

Online Examination:-

- 1) Online examination will be conducted by authorised institutes and the results will be published on the CSC-SPV's Website and copy sent to the Authority.
- 2) RAP who are declared 'pass' in the examination will be issued a Certificate to solicit insurance business and shall be referred to as "Certified for procuring Insurance Business under CSC Model"
- 3) Insurance companies should register New Business of only such RAPs who are listed in the CSC-SPV's Portal as "Certified for procuring Insurance Business under CSC Model". Insurance companies should under no circumstance register New Business from a RAP who is 'NOT CERTIFIED' by the examining institute to carry out Insurance business.

SCHEDULE- II

Part-I

Functions of CSC-SPV

- a) CSC-SPV, on valid registration from the Authority to act as an insurance intermediary, may enter into agreements with Insurance companies as specified in Regulation 14 of these regulations.
- b) CSC-SPV shall assist the RAPs to undergo the prescribed training and certification as specified in Schedule-I.
- c) CSC-SPV may obtain the support of the SDA or SCA in training the RAP, providing operational and marketing support and guidance in field operations of the RAP as deemed fit. The agreement entered with the insurers shall specify the details of the support enlisted.
- d) On successful completion of training and passing the prescribed examination and based on the certificate issued by examining institute to a RAP, CSC-SPV shall enter into an agreement with the RAP authorising him to solicit the approved insurance products.
- e) CSC-SPV shall include the relevant conditions and clauses as prescribed by the Authority for the compliance of these guidelines including the prescribed code of conduct for a RAP, in the agreement entered into with RAPs.

- f) CSP-SPV shall ensure continuous monitoring of the activities of the RAPs and be responsible for the compliance of these guidelines and the code of conduct by RAPs.

Part-II

Functions of RAP (Rural Authorised Person)

The insurance related functions of a RAP shall include the following:

- a) Assisting the prospects to select the policy based on the need of Insurance.
- b) Obtaining detailed information relating to proposers / persons / risks to be insured and protection needs and render advice on appropriate insurance cover.
- c) Providing the insurer with underwriting information like age, income, family medical history, any illness suffered and such other information as required in assessing the risk.
- d) Acting promptly on instructions from a client and providing him written acknowledgements and information on proposal acceptance and status of claims settlement.
- e) Assisting clients in paying premium, in compliance with section 64VB of the Insurance Act, 1938 as amended from time to time.
- f) Advise and assist clients in effecting nomination, assignment and other policy services, and inform insurers about changes like, change in residential address, change in nomination, sale of vehicle etc. For updation and arrange to get necessary endorsement in the policy documents if required.
- g) Assist and facilitate claims settlement process by helping insured in filling claim form, collect copy of documents like death certificate, nomination, assignment, and such other documents required for settlement of claims by insurers.
- h) Inform clients about payment of renewal premium and send policy renewal notices to clients on behalf of insurers, if the insurer outsources the services.
- i) Comply with the AML / KYC guidelines issued by the Authority from time to time.
- j) All other customer centric services as may be required for smooth and effective policy servicing.

Part-III

Obligations of Rural Authorised Person (RAP)

- 1) The agreement between the CSC-SPV and the RAP shall include:
 - a) Code of Conduct for RAPs.
 - b) Adherence to regulatory provisions, compliances, disclosures, ethical conduct of business and specific instructions that are issued by the authority from time to time.
 - c) Adherence to the provisions of the IRDA Act, 1999.
- 2) Subject to reference to Regulation 9.2 above, RAP will also be held responsible for any act of omission or commission in the insurance business transactions undertaken by him.

- a) In the process of soliciting insurance business and providing claims service RAP shall ensure compliance of KYC norms, AML guidelines, and regulations, disclosure norms, guidelines issued by the authority from time to time in this regard.
 - b) RAP is barred from soliciting insurance and offering any other insurance business related services in their individual capacity, in any mode, on behalf of any individual, organization, or insurance company, other than the CSC scheme model.
 - c) RAP shall maintain the records and the reports of the activities related to Insurance, in the manner specified in the appointment agreement with CSC-SPV.
 - d) RAP shall not accept any payment from Insurers other than the remuneration as specified in the agreement between the Insurer and the CSC-SPV.
- 3) Every RAP 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 appropriate notice to the policyholder .

SCHEDULE-III

Procedure and conditions for Life and General Insurance products under CSC Distribution Model

1. Life Insurance

Insurance company mandatorily comply with the following:

- 1) The product to be marketed through the CSC Distribution Model shall be prefixed with the word "CSC" to clearly distinguish these products as 'Exclusive CSC Products'.
- 2) Every insurer shall file the products under the current File and Use procedure for distribution under this channel. The insurer shall take into account the following additional requirements for filing the products under this distribution channel:
 - a) Name as specified in (a) above
 - b) Copy of the on-line e-proposal form to be used in the CSC Center with Aadhaar identification.
 - c) Copy of the Policy document to be printed in A4 stationary at the CSC Center with e-policy stamping/ e-signature etc.
 - d) Copy of the Policy Servicing Manual along with the forms to be used such as
 - (i) Nomination Form
 - (ii) Change of Nomination Form
 - (iii) Assignment Form
 - (iv) Revival Form
 - (v) Partial Withdrawals Form
 - (vi) Survival Benefits Form Death Claim Form

- (vii) Maturity Claim Form
 - (viii) Any other form that the insurer will require for servicing the Policy for each of the products filed with the Authority.
- 3) The CSC-VLE shall provide various services to the insurer in accordance with the agreement, where the services shall be in compliance with the outsourcing guidelines issued by the Authority. The File and Use application for each product shall specify the service charges for each of the services applicable to the product.
 - 4) The insurers shall be allowed to accept the insured's/ policyholder's biometric thumb impression on the proposal form instead of obtaining a wet signature on the proposal form, as his/her consent of the proposal form.
 - 5) The CSCs, on behalf of the insurers, shall be allowed to print the policy document on a plain A4 size paper, as proof of a valid policy for such products, and provide the policy document to the policyholder.
 - 6) The insurer is encouraged to hold the policy documents i.e. e-policy in the Demat form with any of the registered Insurance Repositories.
 - 7) Every insurer at the time of filing of the product shall also file the "Policy Service Manual" for policy distributed through CSCs approved by the Board/Board delegated risk committee of the insurer and include:
 - (i) Detailing the process to be followed for each of the service to be provided by the CSC,
 - (ii) the corresponding process followed by the insurer to complete the policy servicing,
 - (iii) the turnaround times for each type of service,
 - (iv) Service charge for each type of the service.
 - (v) The policy servicing details may include:
 - a) Process for printing of the policy
 - b) Process for printing of endorsement
 - c) Process for collection of premiums and remittance to insurers
 - d) Process for change of address
 - e) Process for Assignment/ Nomination/ Change of Nomination
 - f) Process for assisting in revival
 - g) Process for Partial Withdrawals
 - h) Process for SB Claims
 - i) Process for Death Claims
 - j) Process for Maturity Claims
 - k) Processes for other Service operations as may be specific for the products.
 - 8) Any amendments to the Policy Service Manual duly approved by the Board/Board delegated risk committee of the insurer shall be filed with the
 - 9) The insurers shall offer any of the following products under the CSC distribution:
 - (i) Non-Participating Non-Linked Variable Insurance Products with regular premium payment;

- (ii) Pure Term Insurance Products with regular premium payment;
- 10) The products referred in the point-(9) above shall have the features as specified by the Authority.
- 11) The CEO and the AA shall certify that the product filed is compliant with the above requirements along with the File and Use Application form.
- 12) The regulations are issued to study the entire business sourced through the CSC distribution on a pilot basis for a period of at least one year. In this regard, the insurers shall submit on a half yearly basis the returns as prescribed in the Annexure-II. The Authority shall review the business sourced through the CSC distribution on a regular basis and review the guidelines, if required Authority.

2. General Insurance

- a) The general insurance that may be sold through the CSC Model are as follows:
 - (i) Personal Accident Insurance
 - (ii) Cattle/Livestock Insurance
 - (iii) Agricultural Pump set Insurance
 - (iv) Former's package policy
 - (v) Fire & Allied Peril Dwellings Insurance
- b) The above mentioned products marketed through CSC by the insurers subject to the following conditions:
 - (i) Filing of the letter of intent along with copy agreement with CSC to the Authority in respect of the product proposed to be offered
 - (ii) The premium charged, under the product as well as other terms will be exactly as per the considered product by the Authority under F&U guidelines.
 - (iii) The maximum commission payable in respect of the above products shall be as per the per regulations on payment of commission or remuneration to agents and insurance intermediaries issued by the Authority.
 - (iv) The maximum Sum assured is to be offered under these products will be limited to Rs. 2 Lakhs
 - (v) The payments made to the CSC regarding service charge will be as per the CSC regulations
 - (vi) There is a strict compliance of all relevant rules and regulations issued by the Authority in general and 64VB in particular.

SCHEDULE-IV

I. CODE OF CONDUCT for CSC-SPV

- 1. CSC-SPV shall follow recognised standards of professional conduct and discharge their functions in the interest of the policyholders.

2. Conduct in matters relating to clients relationship.— The CSC-SPV through the RAP shall:

- (a) conduct its dealings with clients with utmost good faith and integrity at all times;
- (b) act with care and diligence;
- (c) ensure that the client understands their relationship with the CSC-SPV;
- (d) treat all information supplied by the prospective clients as completely confidential to themselves and to the insurer(s) to which the business is being offered;
- (e) take appropriate steps to maintain the security of confidential documents in their possession;
- (f) understand the type of client it is dealing with and the extent of the client's awareness of risk and insurance;
- (h) avoid conflict of interest.
- (i) obtain necessary documents required under KYC norms

3. Conduct in matters relating to Sales practices.—The CSC-SPV through the RAP shall:

- (a) confirm that he does not employ agents or canvassers to bring in business;
- (b) identify itself and explain as soon as possible the degree of choice in the products that are on offer;
- (c) ensure that the client understands the type of service it can offer;
- (d) offers a policy that is suitable to the needs of the prospective client;
- (e) give advice only on those matters in which it is knowledgeable and seek or recommend other specialist for advice when necessary;
- (f) not make inaccurate or unfair criticisms of any insurer;
- (g) show, wherever possible, why a policy or policies are proposed and provide comparisons in terms of price, cover or service where there is a choice of products;
- (h) explain the procedures to follow in the event of a loss.
- (i) Not indulge in any sort of money laundering activities.
- (j) ensure that the CSC-SPV does not indulge in sourcing of business by themselves or through call centers by way of misleading calls or spurious calls.

4. Conduct in relation to furnishing of information.—The CSC-SPV through the RAP shall:

- (a) ensure that the consequences of non-disclosure and inaccuracies are pointed out to the prospective client;
- (b) avoid influencing the prospective client and make it clear that all the answers or statements given are the latter's own responsibility. Ask the client to carefully check details of information given in the documents and request the client to make true, fair and complete disclosure where it believes that the client has not done so and in case further disclosure is not forthcoming it should consider declining to act further;

- (c) explain to the client the importance of disclosing all subsequent changes that might affect the insurance throughout the duration of the policy; and
- (d) disclose on behalf of its client all material facts within its knowledge and give a fair presentation of the risk.

5. Conduct in relation to explanation of insurance contract.— The CSC-SPV through the RAP shall:

- (a) provide the list of insurer(s) participating under the insurance contract and advise any subsequent changes thereafter;
- (b) explain all the essential provisions of the cover afforded by the policy recommended by him so that, as far as possible, the prospective client understands what is being purchased;
- (c) draw attention to any warranty imposed under the policy, major or unusual restrictions, exclusions under the policy and explain how the contract may be cancelled;
- (d) notify changes to the terms and conditions of any insurance contract and give reasonable notice before any changes take effect;

6. Conduct in relation to renewal of policies.— The CSC-SPV through the RAP shall ensure that its client is aware of the expiry date of the insurance;

7. Conduct in relation to claim by client:— The CSC-SPV through the RAP shall : —

- (a) explain to its clients their obligation to notify claims promptly and to disclose all material facts and advise subsequent developments as soon as possible;
- (b) request the client to make true, fair and complete disclosure where it believes that the client has not done so;
- (c) give prompt advice to the client of any requirements concerning the claim;
- (d) forward any information received from the client regarding a claim or an incident that may give rise to a claim without delay;
- (e) 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. Provided that the CSC-SPV shall not take up recovery assignment on a policy contract which has not been serviced through him or should not work as a claims consultant for a policy which has not been serviced through him;.

8. Conduct in relation to receipt of complaints.— The CSC-SPV through the RAP shall:—

- (a) ensure that letters of instruction, policies and renewal documents contain details of complaints handling procedures;
- (b) accept complaints either by phone or in writing ensure that they are sent to the insurer at the earliest;

(c) ensure that response letters are sent and inform the complainant of what he may do if he is unhappy with the response;

9. Conduct in relation to documentation.— The CSC-SPV through the RAP shall:—

(a) ensure that any documents issued comply with all statutory or regulatory requirements from time to time in force;

(b) make available, with policy documentation, advice that the documentation shall be read carefully and retained by the client;

(c) acknowledge receipt of all monies received in connection with an insurance policy;

(d) ensure that the reply is sent promptly or use its best endeavours to obtain a prompt reply to all correspondence;

10. Conduct in matters relating to advertising.— The CSC-SPV shall conform to the relevant provisions of the Insurance Regulatory and Development Authority (Insurance Advertisements and Disclosure) Regulations, 2000, and :—

(a) ensure that statements made are not misleading or extravagant;

(b) where appropriate, distinguish between contractual benefits which the insurance policy is bound to provide and non-contractual benefits which may be provided;

(c) ensure that advertisements shall not be restricted to the policies of one insurer, except where the reasons for such restriction are fully explained with the prior approval of that insurer;

(d) ensure that advertisements contain nothing which is in breach of the law nor omit anything which the law requires;

(e) ensure that advertisement does not encourage or condone defiance or breach of the law;

(f) ensure that advertisements contain nothing which is likely, in the light of generally prevailing standards of decency and propriety, to cause grave or widespread offence or to cause disharmony;

(g) ensure that advertisements are not so framed as to abuse the trust of clients or exploit their lack of experience or knowledge;

(h) ensure that all descriptions, claims and comparisons, which relate to matters of objectively ascertainable fact shall be capable of substantiation.

11. Conduct in matters relating receipt of remuneration.— The CSC-SPV though the RAP shall:—

(a) disclose whether in addition to the remuneration prescribed under these regulations, he proposes to charge the client, and if so in what manner;

(b) advise the client in writing of the insurance premium and any fees or charges separately and the purpose of any related services;

(c) if requested by a client, disclose the amount of remuneration or other remuneration it receives as a result of effecting insurance for that client. This will include any payment received as a result of securing on behalf of the client any service additional to the arrangement of the contract of insurance; and

(d) advise its clients, prior to effecting the insurance, of their intention to make any deductions from the amount of claim collected for a client, where this is a recognised practice for the type of insurance concerned.

12. Conduct in relation to matters relating to training.— The CSC-SPV shall:

(a) ensure that its staff are aware of and adhere to the standards expected of them by this code;

(b) ensure that staff are competent, suitable and have been given adequate training;

(c) ensure that there is a system in place to monitor the quality of advice given by its staff;

(d) ensure that RAPs are aware of legal requirements including the law of agency affecting their activities; and only handle classes of business in which they are competent;

(e) draw the attention of the client to Section 41 of the Act, which prohibits rebating and sharing of commission.

13. A CSC-SPV shall ensure that every RAP shall display in every office where it is carrying on business and to which the public have access a notice to the effect that a copy of the code of conduct is available upon request and that if a member of the public wishes to make a complaint or requires the assistance of the Authority in resolving a dispute, he may write to the Authority.

15. A CSC-SPV as defined in these regulations shall not act as an insurance agent of any insurer under section 42 of the Act.

16. CSC-SPV shall abide by the provisions of the Insurance Act, 1938 (4 of 1938), Insurance Regulatory And Development Authority Act 1999(41 of 1999), rules and regulations made there under which may be applicable and relevant to the activities carried on by them as CSC-SPVs.

II. Code of Conduct of Rural Authorised Person (RAP)

Every Rural Authorized Person shall:

- 1) Conduct his dealings with clients with utmost good faith and integrity at all times;
- 2) Act with due care and diligence;
- 3) Identify himself as a Rural Authorised Person and produce the Registration / Certificate to the prospect on demand.

- 4) Disseminate the requisite information in respect of insurance products offered for sale and take into account the needs of the prospect while recommending a specific insurance plan to the prospective client;
- 5) Treat all information supplied by the prospective clients as completely confidential to themselves and to the insurer(s) to which the business is being offered;
- 6) Disclose the scales of remuneration in respect of the insurance product offered for sale, if asked by the prospect;
- 7) Indicate the premium to be charged by the insurer for the insurance product offered for sale;
- 8) 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;
- 9) Bring to the notice of the insurer any adverse health conditions, personal habits or income inconsistency of the prospect, in the form of a report (called "Confidential Report") along with every proposal submitted to the insurer;
- 10) Ensure that the consequences of non-disclosure and inaccuracies are pointed out to the prospective client;
- 11) Inform promptly the prospect about the acceptance or rejection of the proposal by the insurer;
- 12) 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;
- 13) Render necessary assistance to the policyholders or claimants or beneficiaries in complying with the requirements for settlement of claims by the insurer;
- 14) Forward any information received from the client regarding a claim or an incident that may give rise to a claim without delay;
- 15) 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;
- 16) Ensure that statements made regarding the policies to the customer are not misleading or extravagant;
- 17) Ensure the compliance of Section 64-VB (4) of the Act;
- 18) Draw the attention of the client to Section 41 of the Act, which prohibits rebating and sharing of commission/remuneration;
- 19) Ensure the compliance of Anti Money Laundering and Know Your Customer guidelines in force.
- 20) No RAP shall -
 - a) Solicit or procure insurance business without holding a valid registration certificate;
 - b) Induce the prospect to omit any material information in the proposal form;

- c) Induce the prospect to submit wrong information in the proposal form or documents submitted to the insurer for acceptance of the proposal;
- d) Behave in a discourteous manner with the prospect;
- e) Interfere with any proposal introduced by any other insurance agent or other insurance intermediaries;
- f) Offer different rates, advantages, terms and conditions other than those offered by the 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 from him within three years from the date of such termination;

SCHEDULE-V

Obligations of Insurers:

- a) Insurer shall not pay any fee or remuneration, by whatever name called, other than the remuneration as specified in the Regulation 13 of these regulations.
- b) Product specific training process should be set in place by the Insurer for training of the RAPs, and data on the training imparted during the quarter should be maintained by the Insurer to be submitted to the Authority as and when called for.
- c) Insurer shall maintain records and the reports of RAPs and other persons engaged in solicitation under this model and submit the data in Form-E every quarter.
- d) Develop suitable systems to redress customer grievances/complaints.
- e) Develop simple insurance products, which are easy to understand by the RAPs and rural customers and other lower income segments and file the same with the Authority for approval.
- f) Insurers should submit a quarterly statement in Form-C giving details of all products marketed by CSC-SPV.
- g) Develop suitable feedback mechanisms to bring in improvements in the services rendered, effect changes, if any, required in the policy terms and conditions.
- h) Develop suitable system to ensure continued insurance protection and servicing to rural customers.
- i) Insurers shall communicate the details of lapses, if any, committed by the RAPs to the other stakeholders such as SDA, SCA and CSC-SPV for necessary action.

SCHEDULE-VI

Procedure for Disciplinary Proceeding against the CSC-SPV and RAP

Part I

Suspension or Cancellation of Registration of the CSC-SPV with Notice

The Authority may suspend or cancel the registration of CSC-SPV 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 sub-section (5) of section 42D of the Act;
- (ii) violates the provisions of the Act, IRDA Act 1999 and Rules, Regulations, Guidelines, Notices, Circulars made there under, such as:
 - a. Fails to furnish any information relating to its insurance related activities 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 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 CSC-SPV towards RAP
 - g. Fails to comply with duties and obligations of CSC-SPV towards Insurers
- (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 CSC-SPV

1. The Authority shall issue a Show Cause Notice to the CSC-SPV, requiring them to show cause within 21 days from the date of receipt of the notice, why the registration granted to the CSC-SPV 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 CSC-SPV 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 CSC-SPV 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 CSC-SPV within thirty days from the date of taking such decision stating therein the grounds on which the decision is taken.

5. The CSC-SPV, aggrieved by the decision of the Authority may make an appeal to Securities Appellate Tribunal (SAT), 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.
6. 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.

Part III

Cancellation of Registration of CSC-SPV without notice

The Registration of CSC-SPV 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 CSC-SPV under this regulation is as specified in clauses of Part II above.

Part IV

Cancellation or suspension of certificate of RAP with notice

- (i) The Certificate of RAP may be cancelled or suspended after due notice and after giving him a reasonable opportunity of being heard, if the RAP 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 RAP will be as specified in Part II above as applicable to CSC-SPV.
- (iii) The procedure enunciated above shall be undertaken by the CSC-SPV who shall then submit a report to the Authority for a decision.

Part V

Cancellation or suspension of certificate of RAP without notice

- (i) The certificate of RAP 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 CSC-SPV is specified in Part III above as applicable to CSC-SPV
- (iii) The procedure enunciated above shall be undertaken by the CSC-SPV who shall then submit a report to the Authority for a decision.

Part VI

Effect of Suspension or cancellation of registration to CSC-SPV

- (i) CSC-SPV, 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 intermediary and shall cease to solicit Insurance business.
- (ii) On and from the date of suspension or cancellation of the registration of the CSC-SPV, the CSC-SPV 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 certificate of 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.

**INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY OF INDIA
Regulation on Common Service Centres, 2015**

Form - A

Application for Registration

Application for Grant of Registration / Renewal of Registration under CSC Scheme.

NAME OF THE APPLICANT	:	_____
CONTACT ADDRESS	:	_____

TELEPHONE NO.	:	_____
MOBILE NO.	:	_____
FAX NO.	:	_____
E-mail	:	_____

Instructions for filling up the form:

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

Applicant 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.

1. 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:	
		Mobile No:	

1.3 Address for Correspondence:

Pin Code:		Email:	
Tel No:		Fax No:	
		Mobile No:	

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

Name and Designation of the Principal Officer

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2. ORGANISATION - STRUCTURE

Status of the Applicant:

(Limited company-Private/ Public, Others. If listed, names of Stock Exchanges to be given)

Name of the company	Status	Date of Incorporation (DD/MM/YYYY)	Place of Incorporation	Name of stock exchanges where listed

3. BUSINESS INFORMATION

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

3.2 Organisation Chart separately showing functional responsibilities to be enclosed

3.3 Particulars of Key Management Personnel

Name	Designation/ Position	Qualification	Experience	Date of Appointment	Functional Area

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

4. FINANCIAL INFORMATION

Capital Structure

(Rs. in lakhs)

Capital Structure	Year prior to the Preceding year of Current year (Mention year)	Preceding year (Mention year)	Preceding year (Mentioned Year)
Authorized Capital and issue capital			
Paid-up capital			
Free Reserves (Excluding Re- valuation reserves)			
Total (b) + (c)			

Note: Please enclose three years audited annual accounts. If minimum capital requirement has been met after last audited annual accounts, audited statement of accounts for the period ending on a later date should also be submitted.

5. OTHER INFORMATION, IF ANY

5.1 Details of all settled and pending disputes: (Attach separate sheet and give full information in the format shown below)

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 or key managerial Personnel in the last three years.

For and on behalf of

Principal Officer

CEO / Managing Director

(Signature and Name of Applicant)
{Block Letters}

(Signature & Name of Applicant)
{Block Letters}

Place:

Date:

**INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY OF INDIA
(Regulation on Common Service Centres, 2015)**

Form - B

REGISTRATION

In exercise of the powers conferred by sub-section (1) of section 42D of the Insurance Act, 1938 (4 of 1938) the Authority hereby grants a registration to

M/S.CSC e-Governance Services India Limited

to act as Authorised Intermediary to market the specifically approved insurance products through the Rural Authorised Persons (Village Level Entrepreneurs) under CSC Scheme of National e-Governance Plan under the **IRDA Regulations on Common Service Centres, 2015**

Licence Code granted is **IRDA/INT/CSC-SPV10 1 /09/2013**

1. This licence shall be valid from _____ to _____

This licence is subject to the Act, Insurance Regulatory and Development Authority Act, 1999 (4 of 1999) and the **Regulation on Common Service Centres, 2015**

2. 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

**INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY OF INDIA
(Regulation on Common Service Centres, 2015)**

Form - C

Details of the Insurance Products marketed through CSC-SPV

Name of the Insurance Company : _____

Returns for the quarter ending : _____

No. Of products marketed at the beginning of the quarter : _____

No. Of products added during the quarter : _____

No. Of products withdrawn during the quarter : _____

No. Of products marketed at the end of the quarter : _____

Detailed list of products since inception

Name of Insurer	S.No.	Product Name	Product Category	IRDA Approval No. (UIN)	Date of commencement	Date of withdrawal	

Date:

Place:

Signature

Name & Designation of Authorised Signatory

INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY OF INDIA

(Regulation on Common Service Centres, 2015)

Form - D

(To be furnished in spread sheet format to the Authority by CSC-SPV)

Details of the Products Marketed under CSC-SPV

Returns for the quarter ending: _____

Details	No. Of Life Insurers	No. Of Non Life Insurers	No. Of Life Products	No. Of Non Life Products	No. of RAPs
At the beginning of the quarter					
Additions during the quarter					
Deletions during the quarter					
Active at the end of the quarter					

Date:

Place:

Signature

Name & Designation of Authorised Signatory

**INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY OF INDIA
(Regulation on Common Service Centres, 2015)**

Form - E

(To be furnished in spread sheet format to the Authority by CSC-SPV)
Details of the Premium procured and Remuneration Earned

Returns for the quarter ending: _____

Sno	Name of RAP(Village level Entre)	IRDAI Certificate number	Date of passing the Examination	No. of Policies sold	Net premium procured	Remuneration received for premium Procured by the RAP during the period.	Remuneration received for rendering other services by the RAP during the Period.

Net Premium means (Gross premium less Service Tax)

Date:

Signature of Principal Officer of CSC-SPV

**INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY OF INDIA
(Regulation on Common Service Centres, 2015)**

Form - F

(To be furnished in spread sheet format to the Authority by CSC-SPV)

Details of the Premium procured and Claims

Returns for the quarter ending: _____

Sno	Name of RAP(Village level Entrepreneur)	IRDAI Registration number	PIN code of the location of RAP	No. of Policies procured	Net premium income during the period	No. Claims paid	Claim Amount Paid

Date:

Signature of Principal Officer of CSC-SPV

Annexure: I

I. Standard Non-Par Non Linked Variable Insurance Product for CSC Distribution

Eligibility and other Conditions:			
Minimum / Maximum Age at Entry:	Company specific		
Minimum / Maximum Maturity Age:	Company specific		
Minimum policy Term	5 years or above		
Minimum Premium paying term:	5 years or above		
Maximum policy Term	15 years		
Minimum Premium:	Company may choose any amount between Rs.1500 p.a. and Rs.3000 p.a. (Both inclusive)		
Maximum Premium:	Rs. 20,000 p.a		
Premium Payment Frequency:	Annual and Monthly modes. Other modes may also be Offered		
Sum Assured:	Premium/Age	For entry age below 45 years	For entry age of 45 years & above
	Regular Premium	10 times Annualized Premium	7 times Annualized Premium
	Top-up Premium (age at the time of payment of top-up):	125% of Top-up Premium	110% of Top-up Premium
Grace Period	30 days for all modes		
Policy Loan	Not available		
Revival Period	2 years		
Lock-in-period	5 years		
Commission	Shall not be more than 5% of the premiums paid in the first year		
Service charges to CSC-VLEs	A fixed amount for every activity that would be undertaken by the CSC-VLEs.		

The product shall offer the following benefits, charges and other features:

1. **Guaranteed Death Benefit (GDB):** On death of the life assured provided the policy is in force, the highest of the following shall be paid to the nominee/s:
 - i. Sum Assured or
 - ii. 105% of total premiums paid including top-up premiums paid till the date of death or
 - iii. Total premiums including top-up premiums paid till the date of death compounded at 1% p.a. or
 - iv. Balance in the IPA
2. **Guaranteed Maturity Benefit (GMB):** On maturity, highest of the following shall be paid, provided the policy is in force on maturity:
 - i. Total premiums paid including top-up premiums paid compounded at 1% p.a. till the date of Maturity or
 - ii. Balance in the IPA
3. **Guaranteed Interest Rates:** The following interest shall be credited to the Individual Policy Account (IPA) till Maturity or death or surrender whichever is earlier. The insurers shall state specific MFR and AIR at the outset in the file and use application with respect to (i) and (ii) below:
 - i. Minimum Floor Rate (MFR): Minimum of 1% p.a. of the balance in the IPA credited at the beginning of each quarter to the IPA till maturity or death or surrender whichever is earlier.
 - ii. Additional Interest Rate (AIR): In addition to the MFR above:
 - a. Minimum of 4% p.a. of the balance in the IPA credited to the IPA at the beginning of each quarter for the first 5 years and
 - b. Subsequently, minimum of 0.5% p.a. of the balance in the IPA credited to the IPA at the beginning of each quarter for the remaining years.
 - iii. Residual Addition (RA): In addition to the MFR and AIR above, RA shall be credited from end of 5th policy year and onwards to meet RIY requirement. This Interest will not be applicable for policies which are discontinued within the lock in period of 5 years and are subsequently not revived.
4. **Top-up premiums:** Top-up premiums shall be allowed with the following conditions:
 - i. Only during the policy term.
 - ii. Provided all the due regular premiums are paid up to date.
 - iii. Provided the total top-up premiums paid shall not exceed the sum total of the regular premiums at that point of time.
5. **Partial Withdrawal Benefit:** Partial withdrawal shall be allowed subject to following conditions:
 - i. Partial withdrawals are allowed only after completion of 5 policy years.
 - ii. The partial withdrawal benefit shall be available for a minimum amount not less than Rs. 1,000 and up to a maximum amount equal to 25% of the Individual Policy Account in any policy year, subject to Individual

- iii. Policy Account after each such withdrawal not being less than 1.5 times the one full years' annualized regular premium.
- iv. Partial Withdrawal shall be allowed only if the policy is in-force and provided the policyholder/life assured is not a minor.

6. Discontinuance of premium:

- i. **"Discontinuance"** means the state of a policy that could arise on account of surrender of the policy or non-payment of the contractual premium due before the expiry of the grace period.
- ii. Provided that no policy shall be treated as discontinued on non-payment of the said premium if, within the grace period, the premium has not been paid due to the death of the insured or upon the happening of any other contingency covered under the policy.

7. Discontinuance of the premium during the lock-in-period:

- i. The life cover shall be lapsed immediately on expiry of the grace period.
- ii. The Individual Policy Account shall be continued without any life cover till the end of the lock-in-period or the end of the revival period whichever is later.
- iii. During the lock-in-period or revival period, if the policy is not revived, the policy shall be terminated at the end of the lock-in-period or revival period whichever is later by paying the balance in the Individual Policy Account.
- iv. In case of death during the lock-in-period, the balance in the Individual Policy Account shall be paid.
- v. On revival of the discontinued policies the risk cover shall be restored upon receipt of all due and unpaid premiums without levying any interest or fee or charge as on date of revival.

8. Discontinuance of the premium after the lock-in-period:

- i. The Individual Policy Account shall be continued with life cover till the end of the of the revival period.
- ii. If the policy is revived, the policy shall continue with life cover upon receipt of all due and unpaid premiums without levying any interest or fee or charge as on date of revival.
- iii. If the policy is not revived during the revival period:
 - a) The policy shall be converted into paid-up policy immediately on expiry of the revival period.
 - b) The paid-up sum assured on death shall be equal to sum assured multiplied by the total number of premiums paid to the original number of premiums payable as per the terms and conditions of the policy.
- iv. On death, higher of the paid-up sum assured or the balance in the Individual Policy Account shall be paid.
- v. On surrender or maturity, the balance in the Individual Policy Account shall be paid.

9. Reduction in Yield- Difference between Gross Yield and Net Yield:

- i. Subject to para (ii) below, the maximum reduction in yield for policies from the fifth policy anniversary shall be in accordance with the Table 9.

Table: 9.

Number of years elapsed since inception	Maximum Reduction in Yield (Difference between Gross and Net Yield (% p.a.))
5	4.50%
6	4.00%
7	3.75%
8	3.50%
9	3.25%
10	3.15%
11 and 12	2.75%
13 and 14	2.50%
15 and thereafter	2.25%

- ii. The net reduction in yield at maturity for policies with term:
 - a. Less than or equal to 10 years shall not be more than 3.00% and
 - b. Above 10 years shall not be more than 2.25%.

10. Benefit illustrations and policy schedule: The policy schedule shall contain the following details of the Individual policy account value at each duration for the first five years and the insurer is not required to provide any additional benefit illustrations to the policyholders:

Details of IPA for the first five years:

In the table below, “A” shall represent the actual values and “0” shall be zero from 2nd year onwards.

Policy Year	1	2	3	4	5
Premium Payable	A	A	A	A	A
Opening balance in the IPA	A	A	A	A	A
Initial premium allocation charge	A	0	0	0	0
Mortality charge	A	A	A	A	A
Interest credited (MFR)	A	A	A	A	A
Additional interest credited (AIR)	A	A	A	A	A
Death benefit	A	A	A	A	A
Balance in IPA	A	A	A	A	A

11. Charges:

- i. **Initial Premium Allocation Charge:** There shall be an Initial Premium Allocation Charge of maximum 20% of First Year Premium. It shall be zero from Year 2 onwards. It is a charge that is appropriated from the premium before crediting the premium to the IPA.
- ii. **Mortality Charges:** The charges for the Sum at Risk shall be deducted at the beginning of each policy month from the Individual Policy Account. The charges for Sum at Risk shall vary by attained age, gender of the life assured and shall not exceed 125% of the Indian Assured Lives Mortality (2006-08) Ult. The mortality charges shall be guaranteed throughout the contract period of the policy.
- iii. **Discontinuance I Surrender Charges:** Nil.

12. **Multiple Policies:** The insurer may issue multiple policies on a single life, provided all the policies issued on the said life under the CSC distribution, prior to the date of application of the fresh proposal for insurance, are in force. No fresh policy shall be issued under the CSC distribution, if any of the previous policy issued under this distribution is in the lapsed condition.

II. Standard Pure Term Insurance Product for CSC Distribution Product Features

The following benefits and features shall be offered:		
Minimum/Maximum Age at Entry:	Company specific	
Minimum/Maximum Maturity Age:	Company specific	
Minimum policy Term	5 years or above	
Minimum Premium paying term:	5 years or above	
Maximum policy Term:	15 years	
Minimum Premium:	Based on the minimum sum assured, age and term	
Maximum Premium:	Based on the minimum sum assured, age and term	
Premium Payment Frequency:	Annual and Monthly modes. Other modes may also be offered	
Sum Assured:	Minimum	Maximum
	Between Rs15000/- and Rs. 30000/- (both Inclusive)	Rs. 2,00,000/-
Grace period:	30 days for all modes	
Revival period:	2 years	
Death benefits:	Higher of {Sum assured, 10 times of the annualized premium, 105% of the total premiums paid as on the date of death}	
Other benefits:	NIL	

If premiums not paid within the grace period:	Policy will lapse without acquiring the surrender value
Surrender Value:	NIL
Loan facility:	Not available
Commission:	Shall not be more than 5% of the premiums paid in the first year
Service charges to CSC-VLEs:	A fixed amount for every activity that would be undertaken by the CSC-VLEs.
Benefit illustration:	Not required, as the benefits are guaranteed throughout the term
Multiple Policies:	The insurer may issue multiple policies on a single life, provided all the policies issued on the said life under the CSC distribution, prior to the date of application of the fresh proposal for insurance, are in force. No fresh policy shall be issued under the CSC distribution, if any of the previous policy issued under this distribution is in the lapsed condition.

Annexure: II

Due date of the return: 15th November and 15th May every year.

Details on the business sourced through the CSC distribution:

During the half-yearly period/ Cumulative details during the Year *:

Name of the product:

Details of business	State 1	State 2**
Total no of policies issued		
Total premium collected		
Total commission paid		
Total service charges paid		
Total no of policies discontinued after the grace period		
Total no of policies revived during the period		
Total no of policies surrendered		
Total no of claims incurred		
Total no of claims settled		
Total no of claims outstanding		
Total no of claims rejected		
Total in force at the end of the period		
Total charges levied (for VIP)		
Total interest credited (for VIP)		

Totals amount in the IPAs at the beginning of the year		
Total amount in the IPAs at the end of the year		

* The details shall be given for the half year and for the year also separately.

** The details shall be given for each State separately.

Signature of the AA

Signature of the CEO

Date: