

BANCASSURANCE POLICY
2024-26

MARKETING & WEALTH MANAGEMENT DEPARTMENT
HEAD OFFICE, UCO BANK
6TH FLOOR, BTM SARANI, KOLKATA-700001

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I. Introduction & Background

IRDAI, vide gazette notification dated 20th August, 2015 issued the IRDAI (Registration of Corporate Agents) Regulations (hereinafter referred to as the "Regulations") w.e.f. 1st April, 2016, replacing the erstwhile IRDAI (Licensing of Corporate Agents) Regulations, 2002.

UCO Bank has obtained Corporate Agency license (Composite) CA0071 under these Regulations in the year 2016 and subsequently it was renewed in the year 2019 and 2022, the current license is valid till March 31, 2025.

Further IRDAI has modified Corporate Agency guidelines vide notification no IRDAI/Reg/4/183/2022 dated 05/12/2022. Hence a Board approved Bancassurance Policy on the manner of soliciting and servicing insurance products is mandatory for all Corporate Agents and in compliance to this requirement, the Bank has formulated and adopted a Bancassurance Policy.

II. Purpose:

The purpose of this Policy is to define a framework, for solicitation of insurance business and servicing of customers besides putting in place a control mechanism for supervision of these activities.

This Policy shall also lay down the factors that need to be considered for adoption of the philosophy of Open Architecture as envisaged in IRDAI (Registration of Corporate Agency Regulations), 2015 (hereinafter referred as "Regulations") & further modification dated 05/12/2022 in line with the mission, vision and business strategy of the Bank.

Under the Open Architecture Model, w.e.f. 5th December 2022, the Bank can have Corporate Agency tie up arrangements with 9 Insurers in each business segment viz. Life, General and Stand Alone Health.

The Bancassurance Policy lays down the procedures to be adopted by the Bank for Selection of New Insurance Partner(s) for Corporate Agency tie-up arrangement(s).

It also includes the business mix, type of products to be sold and grievances redressal mechanism in the Bank.

III. Scope of the Policy

This policy shall be applicable to all staff members of our Bank. The policy will also cover all channel partners (Insurance Companies) having any contractual relationship with the Bank and having direct or indirect impact to insurance related business of the Bank.

The Insurance business of the Bank is an ancillary business along with its principal business. It is an effort by Bank to offer a basket of products to its customers, thus increasing customer satisfaction. It will also result in generation of additional revenue for the Bank. However, no prospect/customer shall be compelled to buy an insurance product being offered by the Bank.

IV. Existing Partners under Bancassurance Business

At present, the Bank has Corporate Agency tie up arrangement under Life, General and Health Insurance segment as under:

In Life Insurance segment-

- 1) LIC of India.
- 2) SBI Life Insurance Company Ltd.
- 3) ICICI Prudential Life Insurance Co. Ltd.

In General Insurance segment-

- 1) Future Generali India Insurance Co. Ltd.
- 2) The Oriental Insurance Co. Ltd.
- 3) SBI General Insurance Co. Ltd.

In Health Insurance segment-

- 1) Star Health & Allied Insurance Co. Ltd.
- 2) Care Health Insurance Ltd.
- 3) Aditya Birla Health Insurance Co. Ltd.



- For Group Credit Life Insurance Coverage, the Bank will be the Master Policy Holder and Group Administrator.

V. Approach (Open Architecture)

The Bank, being a Corporate Agent, has adopted the Open Architecture model as per IRDAI (Registration of Corporate Agency Regulations) 2015. After modifications in Regulations, w.e.f. 5th December 2022, the Bank is permitted to have Corporate Agency tie up arrangements with 9 Insurers in each business segment viz. Life, General and Stand Alone Health Insurance.

The Open Architecture Model provides scope for Bank to increase the penetration of insurance business among its Customers, besides providing an opportunity for the Bank to increase its fee-based income. Benefits that the Bank is expected to derive from this model are mentioned as hereunder:-

- a) Customers will have wider choice of products;
- b) Healthy competition amongst insurers will help in more customer focused approach and lead to better customer services;
- c) Customers may also get the advantage of competitive pricing in Life, General and Health Insurance products; and
- d) The Bank will be able to enhance fee-based income through Bancassurance business.

VI. Insurance arrangements:

- The Bank will follow CVC, IRDAI and other applicable laws/guidelines during selection of any Insurance Company. Selection will be done based on requirement of the Bank to maximize penetration of insurance among its customers along with improved customer services.
- All the Insurance partner, selected by the Bank is required to comply with all the regulatory norms and guidelines issued from time to time in this regard.
- Selection of Insurance Companies for Corporate Agency tie-up will be done through floating of Request for Proposal (RFP) inviting applications from Insurance Companies.



- A "Committee of Executives" will be responsible for shortlisting and recommending names of Insurance Companies for taking decision on tie-up arrangements with Insurance Companies.
- Nomination of Executives to the Committee and roles of the "Committee of Executives" will be decided by Managing Director & CEO and in his absence by concerned Executive Director having Bancassurance portfolio.
- The decision to increase the number of tie-ups with Insurance Companies in each category of insurance business shall be with Managing Director & CEO and in his absence with concerned Executive Director having Bancassurance portfolio.
- The final decision regarding tie-up arrangement with Insurance Company shall rest with the Board of Directors of the Bank for Fresh/ Renewal/ Extension/ Cessation/ Termination.
- MD & CEO and in his absence concerned Executive Director having Bancassurance portfolio will be the Competent Authority for finalizing eligibility, evaluation criteria & other modalities for selection of any new Insurance Companies for Corporate Agency Tie-up.
- The Bank will execute Agreement with insurers, both new and existing ones for smooth conduct of Bancassurance business.
- MD & CEO and in & his absence concerned Executive Director having Bancassurance portfolio is authorized to nominate one Senior Executive from Wealth Management Department to execute the necessary agreement with the Insurance Company approved by Board of Directors of the Bank for Corporate Agency tie-up arrangement and submission of necessary return to the regulator in this regard.
- The Bank may have one Consultant acting as Advisor to the Bank in the matter of selection of insurer, formulation of business strategies and compliance of regulatory requirements relating to Bancassurance business of the Bank.



VII. Services of Consultant

- Designing of RFP, evaluation of responses submitted by Insurance companies for selection of Insurance partner by the Bank,
- Preparation of appropriate road map for insurance business of the Bank,
- Identification of untapped or underpenetrated business segments,
- To advise and update the Bank on Regulatory changes from time to time,
- Designing of MOU and other documents to be signed with the insurers,
- Estimation of Business and Revenue potential.
- Help in selection of suitable products/product design and advise best commercial scheme on such products,
- Developing a robust Customer Service Model,
- Ensuring that the Bank is compliant with all the regulatory norms and guidelines.
- MIS and Regulatory Reporting,
- Besides, the above services, the Bank may seek and obtain assistance from the Consultant on any matter related to Bancassurance Business.
- However, Insurance Consultant will have no role in canvassing Insurance business and finalization of Insurance partner/s. Role of insurance Consultant will be limited to advisory functions only.

Decision regarding appointment of Insurance Consultant will be taken by Managing Director & CEO and his absence by concerned Executive Director having Bancassurance portfolio.

VIII. Evaluation of Performance under Corporate Agency tie-up

Performance of all Corporate Agency Tie-up in Bancassurance business including existing channel partners will be reviewed annually by Managing Director & CEO and in his absence by concerned Executive Director having Bancassurance portfolio. In case of unsatisfactory performance under any of

the tie-ups, the Bank can discontinue the agreement and can opt for new insurer as business partner.

Performance of channel Partners are reviewed annually based on sourcing of business, commission, renewal persistency and claim settlement ratio.

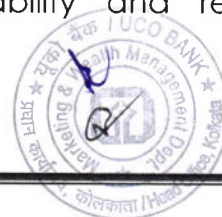
IX. Business Mix

- The mix of each class of business with different insurers shall be as per the Bank's philosophy, needs of the customers and regulatory guidelines.
- The Business mix with each class of business with different insurers should align with the bank's assessment of its customers' needs and adhere to regulatory guidelines.
- The Bank will endeavor to provide insurance solutions best suited to the needs of the customers. Hence, the business and product mix under each line of business will largely be determined by the customer needs, products available in the market and regulatory guidelines that govern the market.

Life Insurance	Traditional Endowment and Money Back policies, Term plans, Pension and Annuity plans, Protection plans, ULIP, Group Credit Life plans, etc.
General Insurance	Fire and standard perils, Marine insurance, Professional Indemnity, Personal Accident, Home Insurance, Motor, Health including Group Health and Overseas Mediclaim policies, etc.
Health Insurance	Health cover including Mediclaim and Hospital cash benefit, individual and group policies, etc.

X. Types of Insurance Products to be Sold and Serviced

- The Bank will offer various categories of Insurance Products to customers through Branches, depending upon suitability and requirement of customers:



- Insurance Products as mentioned above are designed to meet the diverse needs of our customers, providing comprehensive coverage of various aspects of their lives and business
- We shall solicit all Insurance business subject to compliance with IRDAI regulations and in line with agreements with various Insurers in this regard.
- Apart from Corporate Agency tie-up arrangements, Bank has made insurance arrangement with one insurance company for Life Insurance Cover for its borrowers, who avail credit facilities under different Retail Banking Loan products of the Bank.
- As per requirement of the customers, Channel Partners will introduce New Insurance Products, including bespoke products through Wealth Management Department, Head Office, for cross selling amongst the customers.
- The Bank will solicit and procure only IRDAI approved Insurance products of the respective insurance channel partner. Insurer may also procure business on the digital platform of the Bank.
- **Introduction of any customized Retail/Group Insurance Products for the Bank's customers:-** For introduction of any customised retail/group product -specific for the Bank's customers by our Insurance Channel partners under Corporate agency tie-up arrangement, the same will be placed before ORMC for approval. However, the Bank will solicit business under the above customised policies only after approval from Competent Authority (IRDAI) and obtaining Master Policy in case of group products.

XI. Group Credit Life Insurance

- The Bank will avail group credit life Insurance Coverage from Bancassurance Companies who are under Bancassurance Corporate Agency model for loans related to Retail, MSME, and Agriculture. etc.
- Any customized Credit Life Products for Onboarding into Bank's system necessary approval to be obtained from the following Committees.



- System & Procedure Committee
- After approval from System & Procedure Committee, approval from ORMC to be obtained
- The Bank is free to avail Group Credit Life Policies for Customers other than retail also i.e. for MSME, Agriculture (Micro Finance ,SHG) etc.as well. However, the Bank will solicit business under the above policies only after approval from Competent Authority (IRDAI) and obtaining Master Policy in case of group product.
- All Insurance products of the Bank's Insurance channel partners under the Corporate agency tie-up business where the Bank is earning commission will be under the purview of Bancassurance policy.
- Apart from Corporate Agency tie-up arrangements, Bank has made insurance arrangement with one insurance company for Life Insurance Cover for its borrowers, who avail credit facilities under different Retail Banking Loan products of the Bank.
- Group Credit Life Insurance Policy will be offered at the option of the Bank's borrowers by payment of single premium by the insured, subject to compliance with insurance Policy terms & conditions.
- This Group Life Insurance scheme ensures protection of loan sanctioned from payment default due to death of borrower, may it be natural death, accidental, arising out of suicide (not applicable in the first year of coverage) or for any other reasons. Moreover, it reduces repayment burden on legal heirs of the deceased borrowers.
- As per revised guidelines of IRDAI w.e.f. 1st April, 2017 issued vide notification dated 14/12/16, Banks in the capacity of Corporate Agent (and not only in the capacity of Master Policy Holder and Group Administrator) will be allowed to earn remuneration of as per IRDAI guidelines on Premium Collected in Single Premium Group Credit Life Policies.
- The Bank will have the liberty for addition of new Company/ replacement of the existing partner for Group credit life Policies. Thus, Bank has the right

to replace the existing Master policy for Credit life with any Insurer who has Corporate Agency tie-up with Bank for increased revenue generation.

- For availing Group Credit Life Insurance Policy from Insurance Companies which do not have existing Corporate Agency tie-up with the Bank, the procedure as enumerated above in Section VI. Insurance Arrangements will be followed.

- **Group Insurance Policies other than Credit Life**

Further, the Bank can also have Insurance arrangements with Insurance Companies other than Channel Partners and with Channel partners and same may not be under purview of Bancassurance business. These arrangements can be done for CASA and the Bank's other products and Government driven Insurance Policies like PMJJBY, PMSBY etc. The same will not have any commission income and will be excluded from Bancassurance business.

The Bank is free to avail Group Insurance Policies other than Credit life from Bancassurance Channel Partners in Life/ Health/ General for the benefit of our CASA, Retail, and Agriculture & MSME customers. If the arrangement is with Bancassurance channels Partners under Corporate Agency tie-up, the Bank will be eligible for getting commission.

XII. Manner of Soliciting and Servicing Insurance Products:

a. Solicitation

- Insurance shall be solicited only by the employees holding a valid certificate issued by IRDAI to act as a Specified Person, under the IRDAI Regulations. Staff members who are not Specified Persons may generate leads and pass it on to the Specified Person (detailed guidelines mentioned in point number xvii below) for conversion of business.
- The prospect/customer will not be compelled to buy an insurance product being offered along with the regular products of the Bank.



- Insurance is a matter of solicitation and Insurance product shall be offered on the basis of need analysis and financial assessment of the customer.
- All requisite information as per IRDAI regulation in respect of the insurance product being offered shall be disseminated to the prospective customers.
- The Bank shall disclose to the prospective customer the list of insurers with whom we have tie-up arrangements to distribute the products and provide them details about the product.
- The Bank will map every branch to a 'Specified Person' who would be responsible for business solicited from the branch.
- The Bank shall endeavor to consistently enhance the skills of the Specified Persons and also to increase the number of Specified Persons in line with business and customer requirements

b. Servicing

- The Bank is committed to servicing its customers during the entire period of the contract in accordance with the procedure defined under the Board Approved policy, implemented by the Principal Officer detailed guidelines mentioned in point number xvii below) and Specified Person and as required under the Regulations
- The commitment of the Bank regarding servicing ensures that customers receive consistent and reliable support and that all service is delivered in compliance with the highest standards and regulatory requirements.

Servicing of policies would include aspects like:

- For assisting in payment of premium in accordance with Section 64VB of the Insurance Act, 1938. The premium collection account for each Insurance channel partners will be opened in the bank.
- Providing necessary assistance and guidance in the event of a claim.
- Providing all other services and guidance on issues which arise during the course of an Insurance contract.
- Handling of customer requests, complaints and queries.



- The Bank will also ensure that it enables customers to pay their renewal premiums in a convenient manner through Bank branches as well as through net banking and other technology initiatives. The Bank shall maintain records of customer renewals and ensure that they are reminded to pay their premiums so that their insurance cover does not lapse.
- Under no circumstances, any employee including Principal Officer and Specified persons will act in a manner which will not be in the interest of the policyholder or the Bank or the Insurer. Primarily, Specified Persons along with Principal Officer will be responsible to ensure compliance with servicing standards as specified by IRDAI, Insurers & the Bank, but other employees dealing with the customers will also be responsible to ensure adherence to the prescribed servicing standards.
- The Bank will make efforts at all times to impart knowledge and enhance the level of quality of the specified persons dealing with customers so that they can meet the trust and expectation of customers.

XIII. KYC/AML guidelines

- KYC/AML Guidelines of Government of India shall be strictly followed at the time of canvassing Insurance Business. Relevant KYC documents as prescribed by the insurance company shall be collected from the proposer of insurance policy by the Branches.
- In compliance of AML guidelines, insurance premium of Rs 50,000/- and above shall be collected through transfer from Customer Account to account of the insurance company concerned.
- As per the Master Guidelines on Anti-Money Laundering/ Counter Financing of Terrorism (AML/CFT), 2022 of IRDAI issued vide notification IRDAI/IID/ GDL/ MISC/160/8/2022 Date: 1st August 2022: For continued operation of accounts of existing customers having insurance policy of not more than aggregate premium of Rs.50000/- in a financial year, PAN/Form 60 may be obtained by such date as may be notified by the Central Government.



XIV. Fair Practice for Selling of Insurance Policy

Specified persons, Branch Heads and employees of the Bank shall not resort to any mis-selling of the Insurance products and cross-selling should be made with the consent of the customer and through solicitation after thorough understanding of the products, features, cost, benefit, terms and conditions, risk factors, look-up period etc. The Branches, Zonal Office and Bancassurance cell, Head Office will ensure the following:-

- 1) Selling of the Insurance Policies only through Specified Persons of the Bank.
- 2) Products or services offered are appropriate to customer's need.
- 3) No Compulsion on a customer to subscribe to any third party product as a precondition or reciprocity for any service availed from the Bank.
- 4) Products and Services offered are in accordance with the extant rules and regulations.
- 5) Notify each customer about his/her/their responsibility to promptly and correctly provide all relevant information sought by the Bank for determining the suitability of insurance policy to fulfil his/her requirements
- 6) No Insurance arrangement is to be made against the interest of the policy holder.
- 7) Full compliance with the 'Conflict of Interest' Clause in the IRDAI Regulations, For this purpose, the list of Insurers with whom the Bank has a Corporate Agency tie-up arrangement will be disclosed to the prospect with details as to the scope of coverage, terms of policy, premium payable, premium terms, and any other information which the customer seeks on all products available with them.
- 8) The scale of commission in respect of the insurance product offered if asked by the prospect

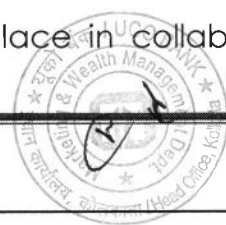


Assessment of Need and product suitability:

- Need analysis takes into consideration the actual needs of the dependents and self. Finding a right insurance cover involves a process where one needs to calculate the actual financial needs of their own as well as family members when time demands.
- The need-based analysis should be on the basis of Basic Life Insurance needs, Survival Needs, Disability Needs, Retirement Needs & Wealth Management. Apart from that the need base analysis on the basis of Business Valuation, Financial Inventory & Mortgage Protection.
- All the insurance companies have robust mechanism of need-based analysis while selling Insurance Products. In our Bank Insurance Product is mobilized through Specified Person who is taking care of need-based analysis of customers.

XV. Grievance Redressal Mechanism

- The Bank's grievance redressal mechanism shall be enhanced to ensure that the grievances raised by the Policyholders/Customers relating to their insurance policies are addressed within the timelines as stipulated under the Regulations. The Bank shall take adequate steps for redressal of grievances of clients within 14 days of receipt of such complaint.
- The enhanced grievance redressal mechanism aims to provide timely and effective resolution of customer's complaints thereby improving customer satisfaction and compliance with regulatory standards.
- The Bank as a Corporate Agent shall be responsible to service its policyholders during the entire period of contract and the Authority will also be kept informed about the number, nature and other particulars of complaints received from such clients in format and manner as may be specified by IRDAI.
- The Bank will maintain an Internal Grievance Redressal Mechanism for policy holders for resolving issues relating to services offered to them. The Grievance Redressal Mechanism will be put in place in collaboration

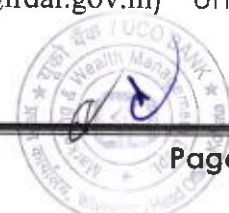


with Insurers (by way of an agreement) for it's for smooth and effective implementation.

- The enhanced grievance redressal mechanism aims to provide timely and effective resolution of customer's complaints thereby improving customer satisfaction and compliance with regulatory standards. Branches to accept and lodge all complaints related to Insurance and provide timely solution in co-ordination with the Insurance Company. Zonal Offices to review the complaint status pending with the Bancassurance channel partners and take appropriate measures to resolve the same. Bancassurance cell, Head Office to also review the complaints pending from time to time and take it up appropriately with the channel partner.
- All the on-boarded Bancassurance channel Partners are required to have Robust Grievance Redressal Mechanism (GRM). This shall include the appointment of Nodal Officer for resolution of complaints at all levels in compliance with pre-defined TAT Guidelines. Standard Operating Procedure (SoP) for complaint resolution are required to be clearly specified. Both on-line and offline lodging of complaints should be enabled. Channel partners are required to adhere to all the guidelines issued by the IRDAI with respect to Grievance Redressal.

Different Points for customers to lodge their grievances:

- The Bank has put in place a comprehensive online complaint redressal mechanism, viz OGRS through which customers who have bought insurance products through the Bank can register their Grievances/ Complaints.
- Customer can register their Grievances/ Complaints in branches, Zonal Office and Department at Corporate Office or with the insurance companies directly.
- Alternatively, customers can also register their grievances/complaints directly at the portal provided by IRDAI (igms@irdai.gov.in) under Integrated Grievance Management System (IGMD).



XVI. Maintenance of Records and Reporting Requirements

- The Bank will maintain all records as prescribed under IRDAI (Registration of Corporate Agents) Regulations, 2015.
- Periodic statements will also be submitted to the Regulator as required under the regulation.
- The Bank will share such information to the insurer which is required by partner insurance company in the course of business and for Compliance with the Regulatory requirements.

XVII. Principal Officers and Specified Persons

- The Bank shall designate an Executive as 'Principal Officer' for Bancassurance business in accordance with the IRDAI Regulations. The designated Principal Officer shall have the responsibility to control, manage, and supervise all insurance business related activities of the Bank.
- Principal Officer for Bancassurance business will be appointed by Managing Director & CEO and in his absence by Executive Director of the Bank. In case of any change in Principal Officer for the Bank, the information there of will be communicated to IRDAI after obtaining due approval from Managing Director & CEO and in his absence from concerned Executive Director having Bancassurance portfolio.
- Principal Officer appointed by the Bank is required to fulfill the stipulated guidelines regarding educational qualification, practical training etc., before his/her name being forwarded to IRDAI.
- Specified Persons are required for soliciting and procuring insurance business on behalf of the Bank. As per IRDAI guidelines, any insurance business canvassed by Bank should be through Specified Persons only.
- Zonal Office to ensure each branch under the zone has minimum one Specified person for canvassing insurance business. Zonal Office will recommend the name of staff under the zone to Head Office for due training and certification of specified persons.



- In order to comply with the regulations and to have minimum one Specified Person at each Branch to distribute insurance products, the Department will be arranging 75 hours mandatory training through Insurance Institute of India & examination through NSEIT staff members. Successful staff members shall be designated as Specified Persons with Composite License.
- Every Zone will also have an Officer at Zonal Office as Zonal Insurance Coordinator to coordinate with Branches and Specified Persons at branches for regulatory compliance and improvement in Bancassurance business.

XVIII. Code of Conduct for Specified Persons for Selling of Insurance Policies

- Distribution of Insurance Policies will be done only by Specified Persons of the Bank.
- Specified Persons shall be properly trained, skilled and should have adequate knowledge of the Insurance Policies.
- Shall abide by the code of conduct specified by the Regulator.
- Should make sure that there is no compulsion or coercion on the prospect to buy an Insurance Policy.
- Shall disclose his/her license to the prospect on demand.
- Shall not make any misrepresentation on policy benefits and returns available under the policy.
- Shall indicate the premium charged by the Insurer for the particular Insurance Policy offered for Sale.
- Shall understand the need of the prospect before offering the Insurance Policy and offer the product which suits best to his/her/their requirements.
- Shall provide adequate pre-sales advice and after sales service to the insured.
- Shall disclose the fact to the customers that the Bank as Corporate Agent does not underwrite the risk or act as an Insurer.



- Shall bring to the notice of the Insurer any adverse habits or income consistency of the prospect through the Insurance Agent's Confidential Report along with the Proposal Form submitted to the Insurer.
- Shall advise every individual policy holder 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 it is necessary.

XIX. Payment of Expenses for Specified Persons (SPs) / Principal Officers (POs)

- As per IRDAI (Registration of Corporate Agents), 2015 dated 20/08/2015, a Specified Person of a Corporate Agent (Composite) shall have undergone at least 75 hours of training from an approved institution and shall have passed the examination conducted by the examination body.
- Similarly, the Principal Officer of a Corporate Agent (Composite) shall have undergone at least 50 hours of training from an approved institution and shall have passed the examination conducted by the examination body.
- Further, Principal Officer and Specified Persons, before seeking renewal of registration, shall have completed at least 25 hours of training imparted by an approved institution.
- Online training of Specified Persons/ Principal Officers is conducted by the Insurance Institute of India, Mumbai (or any other IRDAI approved training institute) and Online Examination is conducted by NSEIT. Upon successfully clearing the examination, IRDAI grants Certificate to Specified Person/ Principal Officer.
- As having Specified Persons is a regulatory requirement, and Wealth Management Department, HO is looking after Bancassurance business, the Department will facilitate the requisite training, and make payment of training, registration and examination fees on behalf of the employee.
- **Payment of Cost of certification (new/ renewal) of Specified Person (SP) / Principal Officer (PO):**



At present the Bank has to pay at three stages for certification of new/renewal of SP

(a) Online Training Fees for New/ Renewal of SP/PO paid to Insurance Institute of India

(b) Examination fees for new SP/PO paid to NSEIT

(c) Certificate for SP / PO (new/renewal paid to IRDAI

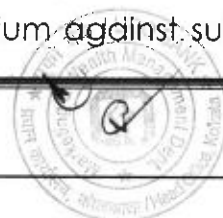
Payment of Total cost of certification (new/renewal) of Specified Person /Principal Officer is a summation of above three (a+b+c), as per regulatory guidelines.

Total cost as mentioned above will be paid by Head Office for creation of New/ Renewal of SP License.

The Bank in association with its Channel Partners will arrange training and provide study material to the employees.

Honorarium to Specified Person

- To encourage employees to opt for Specified Person (Composite) certification by IRDAI and thereby meet the target of 1 SP per Branch, payment of one time Honorarium of Rs 4000.00 to each of the employees for certification as new Specified Persons has been introduced with due approved by Board of Directors on 15/02/2022 vide memorandum no HO/IM/2021-22/74 dated 11/02/2022. Officers can claim honorarium only after being certified as Specified Person.
- The honorarium will be paid to the eligible employee through HRMS module. Wealth Management Department will provide the list of successful candidates to HRM, Dept. for uploading the data in HRMS module for the same periodically.
- Payment of all such expenses (payments for Online Training Fees, Examination Fees & IRDAI Certificate Fees) will be as per Bank Non Lending Power guideline.
- Only employees having Training URN Number generated by Head Office will be eligible to submit their claim for Honorarium against submission of



valid documents. List of such employees would be made available in HRMS portal.

- Maximum two examination attempts by an employee would be sponsored by the Bank. If an employee is absent from the examination without valid cause and/or prior notice to Head Office, the entire amount of expenditure would be recovered from the employee's salary.

Honorarium to Specified Person on renewal:

- Payment of Honorarium of Rs 4000/- to be made to the existing Specified Person at the time of each renewal as well. At present, validity of certificate is 3 years. The period of validity of certificate is governed by IRDAI guidelines in this regard.

XX. Renewal of Corporate Agency License & Regulatory Returns

- Bancassurance Cell, Head Office shall submit application, along with necessary fees, to Insurance Regulatory & Development Authority of India (IRDAI) for timely renewal of Corporate Agency License of the Bank. Departmental Head under which Bancassurance Cell functions is empowered to authorize all such expenses, within delegated Non-Lending Powers.
- Bancassurance Cell, Head Office will submit periodic returns to IRDAI as mandated by Regulators. Principal Officer will be responsible for submission of regulatory returns within stipulated time.

XXI. Budget and allocation among Zones

- Annual budget for Bancassurance business will be allocated to Zones. Zones will distribute the budget among branches considering the business potential and availability of services of Specified Persons (SPs) at branches.
- Budget prepared for Zones will be approved by Managing Director & CEO and in his absence by concerned Executive Director having Bancassurance portfolio.



XXII. Payment of Fees and Remuneration

- The payment of remuneration or receipt of remuneration by the Bank shall be governed by the regulations notified in this behalf by IRDAI from time to time.
- The Bank as a Corporate Agent under IRDAI (Licensing of Corporate Agents) Regulations, 2002 will be allowed to receive remuneration for the business sourced and procured under those regulations, provided Bank continues to service its customers as specified in regulation 24(2) of the Regulations. The Bank in such circumstances shall disclose the remuneration received under old contracts and new contracts separately in its books of accounts as specified in regulation 31.
- Any of the employees of the Bank including designated Principal Officer and employee holding a valid certificate issued by IRDAI to act as Specified Person, shall not receive any incentive (cash or non-cash) from any of the insurance companies.
- The commission earned from selling of insurance policies will be the part of Non- Interest Income of the bank. In other words, "commission paid to the Bank by the Insurance Companies shall be Bank's income".
- In accordance with the regulations issued by the IRDAI, the Bank shall not pay any fee, Commission, Incentive by any other name whatsoever for the purpose of distribution, introduction, lead generation, referring or finding any person or entity.
- Specified Persons (SPs) and employee of the Bank shall not be entitled to receive any fee, commission, Incentive directly or indirectly from the insurer for sale, Introduction, Lead Generation and Referrals.
- A budget for commission to be earned from Bancassurance business will be prepared in advance for each financial year which will be integrated with the overall budget of the Bank.

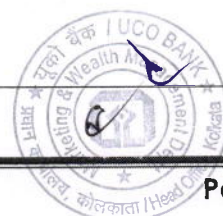


XXIII. Recognition for Good Performance

- Insurance Channel Partners offer Educational Seminar/Training/Conference/ Workshop etc. based on performance under Business Campaigns run from time to time for the benefit of the employees to upgrade their skills and to motivate them for increasing business. Efforts of the achievers shall be recognized through felicitation during such programmes. However, no cash/non-cash incentives would be payable to Staff.
- Two performance parameters will be used to measure the above: i) Volume of business generated ii) Actual commission earned vis-à-vis budget.
- Managing Director& CEO in his absence concerned Executive Director having Bancassurance portfolio will be empowered to approve Campaigns involving Educational Seminar/ Training/ Workshop/ Conference, etc. wherein movement of the Bank's Officials to areas outside the Zone is involved.
- Executive Director will be empowered to approve all other promotional campaign conducted on regular basis to boost Bancassurance business including Campaigns on a pan India basis.
- Zonal Heads are authorized to approve campaigns for respective zones in association with our channel partners including Educational Seminar/Training/Workshop wherein workshops are organized within the Zone.

Recognition/ Appreciation Certificate

Campaign run by HO, level in association with Channel Partners	Appreciation Certificates to be given by MD & CEO, ED, GM Marketing & Wealth Management and DGM marketing & WM.
Campaign run by ZO, level in association with Channel Partners	Appreciation Certificates to be given by Zonal Manager.



XXIV. Marketing & Promotional Activities

In order to provide publicity to the insurance products of the Channel Partners and also to create awareness among the customers, the Department shall carry out various marketing and promotional activities including co-branding activities using the logos of both the Bank and the Insurance Company. Branch premises, ATM kiosk/e-Lobbies, Zonal Office/Head Office space, social media, corporate website may be used during such activities.

XXV. Technological Integration

Technology and automation in the processes of collection of premium, issuance of policies, renewal of policies, maintenance of forms including proposal forms, KYC and Agent's Confidential Report (ACR), generation of real time MIS, receipt of remuneration, to facilitate booking of such income in the books of the Bank by HO, Finance Department, register containing the details of clients, type of policy, premium amount, date of issue of policy, charges/fees received (i.e. Premium Register), a register containing the details of complaints, a register containing names and addresses of SPs, their photos, SP Licenses and such copies of correspondence exchanged with the Authorities to be used.

Hinsproc menu is developed in our Finacle system to integrate the Channel partners policy sourcing app with our Finacle for payment of policy sourced and generation of MIS.

XXVI. Risk and Mitigation

The Bank shall be responsible for all acts and omissions of its Principal Officer, Specified Persons and other employees including violation of code of conduct specified under these regulations and liable to a penalty as under the provisions of Sec. 102 of the Insurance Act 1938.

XXVII. Insurance Market Place

Wealth Management department will also explore the option of taking the services of Insurance Market Place to help the customers for finding



appropriate products as per their requirement from our Channel Partner. This will reduce the risk related mis-selling of Insurance Policies.

XXVIII. Policy and Interpretations

- The Bank shall endeavour to reinforce the internal control system so that it can make appropriate solicitation in compliance with any laws and regulations that relate to the business and operations of the insurance related activities of the Bank.
- The Bank specified persons intends to provide customers with appropriate information through need analysis so that customers can conduct transactions with the bank with complete information and his/her/their own judgment.
- Upon adoption of this policy, all present arrangements and processes related to insurance business such as solicitation, servicing, grievance management etc. shall be reviewed and either reaffirmed or discontinued, as the case may be.
- The above constitutes the entire policy on solicitation, servicing, grievance & claims management and open architecture to be adopted by the Bank.
- The policy shall come into effect from the date of approval by the Board of Directors of the Bank and shall be administered by the Principal Officer of the Bank and owned by Bancassurance Cell.

XXIX Disclosure Policy

- The Bank will abide by the disclosure of RBI & IRDAI guidelines regarding commission received from tie-up partners for Bancassurance business and rate of commission.
- As per RBI Master Direction of Financial statements-Presentation and Disclosures (circular ref no-RBI/DOR/2021-22/83,DOR.ACC.REC.No.45/21.04 .018/2021-22,updated as on 01/04/2024).The details of fees/brokerage earned in respect of insurance broking, agency and Bancassurance



business undertaken by them shall be disclosed for both current year and previous year.

XXX Review of Policy

- The policy will be reviewed after two years. However, in case of any regulatory change or if any change/modification/alteration is felt necessary in between, the same will be carried out at any point in time with due approval of Board of Directors.
- Above all, the Bancassurance Policy of the Bank will be guided by any changes that may be notified by the Regulators and the extant guidelines of the Bank prevailing at that time.

XXXI Approval authority for Operational Guidelines and SOPs:

- For any operational guidelines and SOPs resulting from this policy, System and Procedure committee is the competent authority for approval.

