



# **BMB Note for Insurance Products (Third Party Products)**

**Board Approved Policy for Private Bank (PB)**

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## 0. Key Data

### Summary

As per IRDA regulations 2015 dtd 20<sup>th</sup> Aug 2015, all corporate agents have been instructed to have a board or its equivalent approved policy on the manner of soliciting and servicing insurance products. The policy shall address the manner of adopting the philosophy of open architecture.

### Document category

Group Policy  Non-Group Policy

Group Procedure  Non-Group Procedure

### Applicability

DB Group  Restricted to: **Private Bank.**

**Issuing unit: Private Bank APAC**

**Risk type:** Regulatory

### Risk type authorization

- (i) Risk type control function, as per DB Group's risk type taxonomy; and/or
- (ii) Approval by the relevant risk type controller/RTC contact/issuing unit
- (iii) Management Board resolution
- (iv) Business allocation plan of DB AG

### Addressees

All staff of PB India.

**Management Board approval**  **Date of approval:**

**Implementation Date – Jan 2016**



**A. Purpose** – As per IRDA regulations 2015 circular no. IRDAI/Reg/12/102/2015 dtd 20<sup>th</sup> Aug 2015, all corporate agents have been instructed to have a board or its equivalent approved policy on the manner of soliciting and servicing insurance products. The policy shall address the manner of adopting the philosophy of open architecture.

#### **Corporate agents- Life/Health/GI/Composite**

1. The Bank refers Life, Health and Non-Life insurance policies underwritten by its partners to its customers.
2. The Bank has a tie-up with Aditya Birla Sun Life Insurance Company Ltd. for Life Insurance, Niva Bupa Health Insurance Company Ltd & Aditya Birla Health Insurance Company for Health Insurance and HDFC Ergo General Insurance Company Ltd. & Tata AIG for General Insurance.
3. The Bank has deployed Specified Persons (IRDAI certification mandatory to solicit insurance policies) at its various branches.
4. Each Private, Personal and Business Banking Customer is assigned an RM who will be the single point of contact for all sales/ service issues. However, in his absence, Branch Operations & Service Manager / Service Executive may also assist the Customer.
5. The customer ID is mandatory to login the policy with the Insurance Company.
6. Leads are certified. KYC documents collected for the lead to certify acceptability.
7. The service team checks the application form and does
  - Signature verification
  - Ensures that the specified person (IRDAI certification mandatory to solicit insurance policies) code is captured on the form.
  - Retains a copy of the proposal form
  - Report the policy login details for the day in WMS for their respective locations on a daily basis.
  - The Investment Ops team to publish the daily report on the policy logged in across branches.

Reference NPA ID's –

<b>NPA Application Name</b>	<b>NPA ID</b>
Distribution of Life & Non-Life Insurance	9143

Since a Bank is allowed to have single corporate agency tie-up, PB use the same tie-up

#### **Open Architecture for Selling Insurance Products.**

Open architecture is a client centric initiative and DB is open to adopt the same. Implementation/ Execution will be done from a client centric perspective with an objective of offering best in class competitive offering suitable and apt products across our customer segments.

Customer needs will be identified and best in class products offered will be looked at while identifying the new insurance player under open architecture.

Open Architecture is being exercised for Health Insurance from 25<sup>th</sup> Jan 2017. DB will offer products of Niva BUPA & ABHI (Aditya Birla Health Insurance) This will ensure we are able to offer choice to our customers & will assist in enhancing health Insurance penetration for our customers.

Open Architecture is being exercised for General Insurance from April 2022. DB will offer products of HDFC ERGO & Tata AIG General Insurance Co. This will ensure we are able to offer choice to our customers & will assist in enhancing general Insurance penetration for our customers.

Offering by present insurer will be compared and approach will be to ensure best in class products are available across segments with no conflict of interest while positioning insurance products. Aspects like Fund Performance, Solvency margins, claim settlement, compliant redressal mechanism & market standing will be



analysed before selecting additional insurance player. Customers will be approached by DB specified persons (IRDAI certification mandatory to solicit insurance policies) along with support staff from the insurance company.

Products will be promoted online so that product features are available for comparison. Present grievance redressal mechanism reporting requirements will be extended to open architecture with a TAT of 14 days for resolving customer complaint. The Authority will also be kept informed about the number, nature and other particulars of the complaints received from such clients in format and manner as may be specified by the Authority.

### **Business Mix**

The Business mix with each class of business with different insurers shall be as per the company philosophy and as per the needs of the customers.

### **Insurance Products to be sold & serviced**

DB will solicit and service all types of insurance products including Group & Individual products etc subject to the compliance of IRDAI regulations and in line with agreements with various Insurers in this regard.

DB shall ensure that it has reasonable number specified persons (IRDAI certification mandatory to solicit insurance policies) which commensurate with the number of insurance policies sourced by them.

### **MAINTENANCE OF BOOKS AND RECORDS**

DB will maintain all books, records and other documents including policy application forms and customer KYC etc in the form as may be approved by IRDAI from time to time. The records may be maintained in electronic form as specified by Authority.

All the books, records and documents maintained by DB will be made available for inspection at the Head Office in case required by Authority or any of the insurers

### **REGULATORY REPORTING**

DB will submit periodical returns to IRDAI as specified by the Authority from time to time including half yearly submission of insurer wise business placed for Life, General & Health Insurers.

### **POLICY REVIEW**

This policy will be reviewed by the Board atleast once in a year and revised suitably basis the approach & Philosophy adopted by the Board of DB.