

Exposure Draft on 'Guidelines for Insurance Clearing House'

Guidelines on Insurance Clearing House

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1. Introduction:

The Authority had noticed that the inter-company balances in reinsurance and coinsurance business are at a very high level and have been on a constant rise. The inability of the parties to the transactions to agree appears to be the primary reason for the growing inter-company balances. It is also noticed that lack of cooperation between the companies and inadequate documentation is posing a great problem towards the efforts to minimize these balances. In order to ensure timely and effective reconciliation of the inter-company reinsurance and coinsurance balances and to establish a clearing house for proper, transparent, timely and efficient accounting and settlement of these balances, the Authority in exercise of its powers under section 14(1), 14(2) issues the following guidelines:

2. Definitions –

In these guidelines, unless the context otherwise requires,

- (a) 'Act' means the Insurance Regulatory and Development Authority Act 1999 (41 of 1999);
- (b) 'Authority' means the Insurance Regulatory and Development Authority established under sub-section (1) of Section 3 of the Act;
- (c) 'ICH' means an Insurance Clearing House that is granted certificate of registration as per the provisions of these guidelines to act as a clearing house for reconciliation and settlement of inter-company balances.
- (d) 'Conduct of reinsurance and coinsurance business in India' means and includes activities of pre-placement such as issuance of a slip or floating of a proposal, request for quote, issuance of terms and subjectivities of contract, thereafter final placement by way of a binding order and placement confirmation. It also includes activities connected to endorsements and claims as well as accounting and settlement of reinsurance and coinsurance contract, endorsements and claims.
- (e) 'ETASS' – Electronic Transaction Administration and Settlement System is an electronic platform that is being deployed by the ICH for clearing house operations.

- (f) Words and expressions used and not defined in these Guidelines but defined in the Insurance Act, 1938 (4 of 1938) or the Life Insurance Corporation Act, 1956 or the General Insurance Business Nationalization Act, 1972 (57 of 1972) or Insurance Regulatory and Development Authority Act, 1999 (41 of 1999) and rules made there under shall have the meanings respectively assigned to them in those Acts or rules as the case may be.
- (g) 'Member' means an organization which is granted a membership by the ICH to the clearing house.

3. Constitution of ICH

I. Capitalization:

- (a) ICH shall be an organization registered under the Companies act 1956 as a 'Public limited company' and shall have a minimum paid-up share capital of Rs.100 Crores and licensed under the provisions of these guidelines to act as an Insurance Clearing House.
- (b) The main object of the ICH shall be to create and/or maintain an ETASS system for efficient conduct of reinsurance and coinsurance business in India, prompt settlement of the balances thereof and to achieve high degree of efficiency and transparency in the reinsurance and coinsurance space.
- (c) The ICH shall not conduct any other business other than with the specific approval of the Authority or as per the specific instructions issued by the Authority.
- (d) The ICH shall be promoted by Indian insurers, reinsurers and the Authority. The Authority may off-load its stake gradually over a period of time.
- (e) No single insurer or reinsurer shall hold more than 10% of the paid-up capital of the ICH.
- (f) The holding in the ICH shall be restricted to entities in Insurance Business licensed in India and as such, no insurer/reinsurer shall sell/transfer its holding (either part or full) in the ICH to any other individual/organization. Additionally, the insurer/reinsurer contemplating to sell/transfer shall have to seek the prior consent of the Authority.

- (g) The ICH shall at all times ensure that the capitalization is adequate enough to continue its operations in a smooth and efficient manner. It shall take steps to raise additional amounts of capital commensurate with its business needs and within the framework established under law. Every decision to raise additional capital shall be with the specific prior approval of the Authority.
- (h) The ICH shall have on its board a nominee from the Authority.

II. Registration, Renewal and Annual fee:

- (a) The Authority shall facilitate the formation of the ICH.
- (b) The ICH shall make an application in form – ICH 1 accompanied by a fee of Rs.1 lakh.
- (c) The ICH will be granted a certificate of registration in form ICH - 2 and it shall be valid for a period of 3 years.
- (d) At least 60 days prior to the expiry of the license, the ICH shall apply for renewal of the license.
- (e) The application for renewal shall be accompanied by a fee of Rs. 1 lakh.
- (f) Upon being satisfied, the Authority shall renew the license for a further period of three years from the date of expiry.
- (g) The ICH shall pay an annual fee of Rs.5 lakhs to the Authority.
- (h) The ICH shall take out professional indemnity insurance from one of the Indian insurers for an amount equal to 10 crores initially. This amount may be suitably revised upward after a review of the inherent risks and volume of business on an annual basis thereafter.

4. Duties and Objectives of the ICH

I. The ICH shall perform the following duties:

- (a) Setting up of a clearing house for the members to negotiate, transact coinsurance/reinsurance placements, accounting, settlements and reconciliation of balances.

- (b) Membership management including grant of membership, suspension, revoking of suspension, revoking of membership and monitoring the activities of the members,
- (c) Laying down operational rules for the smooth functioning of the ETASS operations.
- (d) Maintenance and upkeep of the ETASS system. This includes building up necessary features needed to handle the needs of the market that emerge/change from time to time.
- (e) Establishing infrastructure and support services as may be required for the smooth functioning of the ICH.

II. The ICH shall work towards fulfillment of the following objectives:

- (a) Follow sound accounting principles and conduct its business in an efficient and transparent manner.
- (b) Establish a sound sustenance model that will generate revenue, control expenses and achieve reasonable rate of return on the capital.
- (c) Develop a continuous improvisation model and thrive towards achieving a robust and efficient coinsurance and reinsurance market space.
- (d) Frame rules and administer services like payment gateways, payment administration mechanism, accounting and reconciliation systems.

5. Electronic Transaction Administration and Settlement System (ETASS)

- (a) The ICH shall establish an electronic platform for conduct of reinsurance and coinsurance transactions in the country.
- (b) The electronic platform referred in (a) above shall be called 'ETASS' and shall have the objective of providing an electronic platform on which reinsurance and coinsurance business in India is conducted by all parties to these transactions including insurers, reinsurers, brokers, etc.
- (c) ETASS shall provide electronic platform for automated negotiation, deal placement, binding of risks, documentation, accounting, reconciliation and settlement of balances, messaging and risk management. The ETASS system shall strive to bring complete

transparency into reinsurance and coinsurance operations while addressing the security and privacy needs of the members.

- (d) The ICH shall be responsible for setting up, operation and maintenance of the ETASS system. The ICH shall take care to ensure that the ETASS system delivers the best results by constant upgrades and continuous improvements that cater to the changing needs of the market players.
- (e) The ICH shall ensure that the ETASS system ensures confidentiality of data and shall be responsible for maintaining the integrity of the both the data and business interests of its members. The ICH shall ensure that the ETASS system addresses all issues related to technical capabilities, performance, security, accessibility, report generation, user training, and ease of operation.
- (f) No insurer, reinsurer whether domestic or foreign and no insurance broker (reinsurance, composite) and whether domestic or foreign shall undertake reinsurance and coinsurance business in India by any other means than using ETASS.
- (g) The Authority may specify such provisions/conditions for smooth transition to the ETASS system, its continued functioning or for any other purpose in the context of the ETASS as it may deem fit.

6. Fit and proper criteria for the Chief Executive Officer:

- (a) The Chief Executive Officer of the ICH shall be appointed/re-appointed only with prior approval of the Authority.
- (b) The Authority may direct the ICH to induct a Director of its choice onto its board. Provided, the Authority may give an opportunity to the ICH of being heard before giving such directions.
- (c) The Authority may when and as it deems fit may nominate officials to oversee general operations/Systems of the ICH.
- (d) Where in the interest of the insurance business, the Authority, considers necessary directing any of its senior employees, directors or CEO to vacate their office, it may do so, which shall be binding on the ICH.
- (e) The Chief Executive Officer shall not be:

- i. a person of unsound mind;
 - ii. an undischarged insolvent;
 - iii. a person who had been subjected to a term of imprisonment for a period of three months by a court of competent jurisdiction on grounds of misconduct, misfeasance, forgery etc.
- (f) The Chief Executive Officer shall possess a degree in arts or science or commerce or management or any other degree specified/found suitable by the Authority.
- (g) The Chief Executive Officer shall also possess experience in the area of IT or insurance.

7. Appointment of Compliance Officer

- (a) The ICH shall appoint a Compliance Officer who shall be responsible for monitoring the compliance of the Act, Regulations, guidelines, circulars, instructions, etc., issued by the Authority from time to time.
- (b) The Compliance Officer shall immediately and independently report to the Board any non-compliance observed by him.

8. Internal monitoring, review, and evaluation of systems and controls:

The ICH granted certificate of registration shall ensure:

- (a) Adequate internal mechanism shall be put in place for reviewing, monitoring and evaluating its controls, systems, procedures. This shall also include monitoring of the status of membership and adherence to various limits, rules and stipulations issued by the Authority and/or the ICH for the purpose of ensuring smooth conduct of the operations or for risk management.
- (b) Integrity of the ETASS is maintained at all times and shall take all precautions necessary to ensure its continuity.

9. Review of operations of the ICH

- (a) A review of controls, systems, procedures and safeguards put in place by the ICH shall be carried out, at least once a year, by an external audit firm approved by the Authority. The fees of the external audit firm shall be borne by the ICH.

- (b) The report of the external audit firm shall be submitted to the Authority and shared with the shareholders/insurers/intermediaries/public within 15 days of conclusion of the audit.

10. Powers of Authority to call for information carry out inspection and enquiry

- (a) The Authority, on being satisfied that it is necessary in the conduct of business, may, by order in writing, -
- i. Call upon the ICH to furnish in writing such information relating to the coinsurance and reinsurance business in India or any other information pertaining to the accounts, affairs, operations and conduct of the ICH.
 - ii. Authorize any person to make an enquiry or inspection in relation to the affairs of the ICH, who shall submit a report of such enquiry or inspection to it within such period as may be specified in the order.
- (b) The Authority may appoint one or more persons as inspecting officer(s) to undertake inspection of the books of accounts, records, documents, infrastructure, systems, procedures, ETASS, or to investigate the affairs of the ICH.
- (c) Before ordering an inspection or investigation under these guidelines, the Authority shall give not less than 15 days notice to the ICH.
- (d) Notwithstanding anything contained in sub-clause (c) above, where the Authority is satisfied that in the interest of the insurance business no such notice should be given, it may, by an order direct that such inspection be taken up without such notice.
- (e) During the course of an inspection or investigation, the ICH against whom the inspection or investigation is being carried out shall be bound to discharge its obligation as follows:
- i. Every Director, Manager, Secretary, Officer or Employee of the ICH shall on demand produce before the person making the enquiry or inspection or investigation all information or such records and other documents in his custody having a bearing on the subject matter of such enquiry or inspection.
 - ii. The ICH shall allow the inspecting officer to have access to the premises occupied by them or by any other person on their behalf and also extend

- facility for examining any books, records, documents and computer systems/data in the possession of the ICH or such other person and also provide copies of documents or other materials which, in the opinion of the inspecting officer are relevant for the purposes of the inspection.
- iii. The inspecting officer, in the course of inspection of investigation, shall be entitled to examine or to record the statements of any Director, Manager, Secretary, Officer or Employee of the ICH.

11. Power to Authority to appoint an auditor

The Authority shall have the power to appoint an auditor to inspect or investigate, into the books of accounts, records, documents, infrastructure, systems (IT or otherwise) and procedures or affairs of the ICH.

Provided that the auditor so appointed shall have the same powers of the inspecting or investigating officer and the obligation of the ICH and their respective Directors, Officers and Employees, as the case may be, shall be applicable to the inspection or investigation under these guidelines.

12. Authority to recover the expenses

The Authority shall be entitled to recover from the ICH, such expenses including fees paid to the auditors as may be incurred by it for the purposes of inspecting or investigating the books of accounts, records, documents, infrastructure, systems (IT or otherwise) and procedures of the ICH.

13. Power of Authority to give directions in certain cases

- (a) If after making or causing to be made an enquiry or inspection, the Authority is satisfied that it is necessary –
- i. In the interest of development of insurance business; or
 - ii. To prevent the affairs of the ICH being conducted in the manner detrimental to the insurance business, it may issue such directions;

(b) The directions issued in this regard shall be binding on the ICH.

14. Fine for failure to furnish information, return, lapse etc.,

The ICH, under these guidelines and any subsequent directives in the form of a circular or otherwise shall be required to –

- i. To furnish any information, document, books, returns or report to the Authority, fails to furnish the same, it shall be liable to a penalty upto one lakh rupees for each day during which such failure continues or one crore rupees, whichever is less for each such failure;
- ii. To file any return, or furnish any information, books or other documents within the time specified therefore, fails to file return or furnish the same within the time specified there for, it shall be liable to a penalty upto one lakh rupees for each day during which such failure continues or one crore rupees, whichever is less.
- iii. To maintain books of account or records, fails to maintain the same, it shall be liable to a penalty upto one lakh rupees for each day during which such failure continues or one crore rupees, whichever is less for each such failure.

15. Bye-Laws and Business Rules

- (a) The ICH who is granted certificate of registration shall make bye-laws and frame business rules for the orderly conduct of the transactions, settlement, accounting of reinsurance and coinsurance business through the ETASS system. These bye-laws and business rules shall be binding on the members of the ICH.
- (b) The Authority will have powers to change, modify or re-write Bye-Laws and Business Rules if it so desires.
- (c) The Bye-Laws shall cover inter-alia the definitions, business segments, Board, Management Committee, Sub-committees for managing operations, members, membership fees, records, IT systems, ETASS, dispute resolution, arbitration, default, disciplinary action, appeals, miscellaneous, etc.
- (d) Like-wise, the business rules shall cover framework related to:

- i. Mode of conduct of transactions and checks to ensure quality in the content of transactions,
- ii. Reconciliation of inter-company balances,
- iii. Methodology for resolution of differences in inter-company balances.
- iv. Business Model and cost/revenue structure,
- v. Payment gateway
- vi. Accounting of transactions,
- vii. Settlement through multiple options, settlement cycles etc.,
- viii. Time lines with respect to entry of transactions, submission of details, accounting, settlement etc.,
- ix. Migration of the existing balances into the ETASS system
- x. Default, Risk management and penal provisions.
- xi. Code of conduct for ICH members, rules for grant or revocation of membership, disciplinary/penal provisions.
- xii. Annual accounts and audit,
- xiii. Miscellaneous, etc.

16. Enrollment as members of the ICH

- (a) For the purpose of transacting reinsurance/coinsurance business in India, a (re)insurer or insurance broker (composite/reinsurance) whether of domestic origin or foreign origin and whether working out of India or from a foreign land shall be required to enroll itself as member of the ICH. During the process of the enrolment, the applicants shall agree to adhere to the rules, guidelines, operational framework of ETASS. Cross border reinsurers however will need prior registration with the Authority before grant of the membership by the ICH.
- (b) Any failure of enrolling as a member of the ICH shall bar the (re)insurer or (re)insurance broker from doing coinsurance and reinsurance business in India.
- (c) An insurer/reinsurer or insurance/reinsurance broker shall be enrolled as a member of the ICH in accordance with the bye-laws and business rules of the ICH.

- (d) An application of insurer/reinsurer or insurance/reinsurance broker seeking membership of the ICH shall be acted upon by the ICH in the shortest possible time and a decision on it shall be communicated within 30 days of filing the application.
- (e) The membership of the ICH shall remain valid unless it is suspended, terminated or cancelled by the ICH under intimation to the Authority. Provided, no membership shall be suspended, terminated or cancelled unless the member is given an opportunity of being heard. The order shall clearly state the reasons for cancellation and shall be in accordance with all the Rules framed by the ICH and Regulations, Guidelines, Circulars and directives issued by the Authority from time to time.
- (f) A member can also make an application for withdrawal of the membership which may be considered by the ICH. However, if the request is accepted by the ICH, the member shall be refrained from undertaking coinsurance or reinsurance business in India.
- (g) The conduct of a member of the ICH shall be in accordance with the bye-laws and business rules of the ICH.
- (h) The ICH can impose suspension, penalty or revoke membership for violation of the bye-laws and business rules. These actions shall be based on the severity of the violation on the part of the member and shall be notified to all the entities doing reinsurance/coinsurance business in India.
- (i) The ICH shall not only frame rules for suspension, revoking of membership or penalizing the violators but also provide means of revocation of suspension upon the member proving merit to the satisfaction of the ICH. The ICH for this purpose shall lay down rules for conduct and framework for compliance.
- (j) The decision of the ICH shall be binding on the members and shall be adhered to in letter and spirit.
- (k) The member who is subjected to disciplinary proceedings may at their choice make an appeal to the Authority.
- (l) Based on the veracity of the issue, the Authority may at its discretion, intervene and issue such directions as it deems fit.

- (m) If ICH or its member fails to comply with the directions issued by the Authority, within the time specified, it shall be liable for a penalty of upto one lakh rupees for each day during which such failure continues or one crore rupees, whichever is less.

17. Revenue and sustenance model

- (a) The ICH shall establish necessary procedures to collect membership fee, transaction fee, fines for non-compliance and other charges as may be reasonable and relevant.
- (b) ICH shall however, take steps towards building its own revenue and sustenance model in order to generate a decent return on capital.

18. Inter-entity balances

- (a) Within a stipulated date from of the grant of membership and operationalization of the ETASS system, every entity conducting insurance, reinsurance or coinsurance business shall establish systems to transact over the ETASS system. The ICH in consultation with the Authority shall stipulate this date and shall be binding on the entities doing coinsurance and reinsurance business in India.
- (b) Every member shall migrate the existing, prior period reconciled balances acknowledged by the counter party into the ETASS system on the date stipulated in this regard.
- (c) Every member shall migrate all the existing, prior-period un-reconciled balances into the ETASS system. The ETASS system shall provide an online platform for the members to reconcile these previously un-reconciled balances. Any un-reconciled balances shall be clearly identified and the insurer/reinsurer/intermediary shall be responsible to eliminate these un-reconciled balances over a period of time.
- (d) Every member shall be required to reconcile the balances in the ETASS system with their books of account on a frequent basis but not less than once in a month.
- (e) In case of a difference/dispute over the balances as at a given date, the balances of the ETASS system shall be taken as final.

- (f) The Annual Report of the members shall clearly state progress achieved on the reconciliation front and the action plan to further bring down the un-reconciled balances.
- (g) Any transaction post the implementation (non-prior period transactions) of the ETASS system that remains unadjusted for over a 30 day period shall be promptly refunded to the party concerned. The ICH shall monitor all such transactions and shall take appropriate punitive measures under a report to the Authority. These balances shall be excluded for the purpose of arriving at the solvency of the insurer/reinsurer concerned.

19. Settlements

- (a) The ICH shall establish a payment gateway to facilitate settlements of balances.
- (b) The settlement shall be done on a periodic basis, but not exceeding a week. The duration of settlement may be revised downwards to suit the changing market conditions.
- (c) Settlement shall be primarily on an account period basis where the transactions pertaining to a period are settled on an aggregated net basis. However, other options may also be devised by ICH based on the needs of the market.
- (d) It shall be mandatory that each settlement/adjustment is associated with and supported by an error-free accounting statement/bordereaux giving all necessary and relevant details.
- (e) The ICH shall endeavor to make prompt settlements to achieve business efficiencies in terms of speed in settlements, economies in terms of transaction charges/levies etc.,
- (f) The members may optionally utilize the settlement system established by ICH. However, the members shall be responsible for posting the details of the settlements made outside the settlement system established by the ICH into the

ETASS on a daily basis without fail. Each such posting shall be acknowledged by the counter parties for the purpose of reconciliation of balances.

- (g) Any default in the settlement encountered shall be reported by the members mandatorily to the ICH. The ICH upon being satisfied of the errant behavior shall initiate disciplinary proceedings against the defaulting member.

20. Risk Management

- (a) The ICH shall put in place monitoring mechanisms to handle risks. This may include setting up and monitoring of various transaction level, entity level limits and stipulations.
- (b) The ICH shall establish requirements for various risk mitigation funds like settlement fund, margin deposit or other norms for its members who are parties to various reinsurance/coinsurance transactions. The members shall be obliged to contribute/participate in these funds as per the operational rules framed in this regard. Failure to meet this requirement may warrant disciplinary proceedings on the erring members.

21. Suspension or cancellation of certificate of registration of ICH

- (a) A certificate of registration granted to the ICH may after due notice be suspended or cancelled by the Authority for one or more of the following reasons:
 - i. Conducts its business in a manner prejudicial to public interest or development of insurance business;
 - ii. Fails to furnish any information as required by the Authority relating to its business;
 - iii. Does not submit periodical returns as required under the Act or by the Authority;
 - iv. Does not cooperate in any inquiry conducted by the Authority;

- v. Breaches the bye-laws or business rules formulated for the operation of the ETASS;
 - vi. Deteriorated financial conditions indicate that the ICH cannot function effectively;
 - vii. Breaches any other condition which is material to the functioning of the ETASS;
 - viii. There is violation of any directions issued by the Authority under the Act or these regulations;
- (b) If the Authority has reasons to believe that the affairs of the ICH are be conducted in a manner prejudicial to the interest of the insurance sector, then the Authority may cause the company to be taken over and appoint a manager to manage the affairs of the ICH under the direction and control of the Authority.
- (c) Before proceeding to suspend or cancel a certificate of registration granted to the ICH, the Authority shall grant a reasonable opportunity of being heard to the ICH.
- (d) Every order made by the Authority shall be in writing, stating clearly the reasons for the suspension or cancellation of the certificate of registration and the order shall be served on the ICH as soon as the same is made.
- (e) The ICH whose certificate of registration has been suspended or cancelled in terms of these guidelines may file a review application with the Authority within 30 days of the receipt of the order suspending or cancelling the certificate or registration.
- (f) Within reasonable period of the receipt of the application for review but not later than 90 days thereof, the Authority shall dispose of the application after affording the applicant a reasonable opportunity of being heard.

22. Reports to the Authority

- (a) The ICH shall furnish to the Authority and its members, an annual report and any other return, as may be, required by the Authority on its activities.
- (b) The Audited Annual Report, duly verified by a director of ICH, Chief Accounts Officer, Chief Operating Officer and the Chief Executive Officer shall be submitted within a period of sixty days of the end of its financial year.

- (c) The ICH shall submit to the Authority, information, statistics and other MIS reports in the forms as the Authority may specify from time to time.

23. Grievance Redressal

- (a) A person who wishes to lodge a complaint against the services rendered by the ICH may report the matter to the grievance cell of the ETASS.
- (b) A grievance of the ICH against members shall be taken up with the respective company.
- (c) In case the grievance is not resolved satisfactorily, the same shall be escalated to the Authority and the Authority shall take necessary steps for expeditious resolution of the same.

24. Miscellaneous Provisions

- (a) The Authority may, from time to time, constitute Committees consisting of experts drawn from various fields including the insurers, reinsurers, brokers, Authority, or any other person as may be decided by the Authority to look into the proper and efficient performance of the ICH.
- (b) The ICH shall also make available to the Authority for inspection, copies of contracts with insurers, reinsurers and brokers.
- (c) If any person/insurer/reinsurer/intermediary fails to furnish any document, statement, return, etc., to the Authority, the same shall be construed as a non-compliance of the guidelines.
- (d) The Authority may, in order to remove any difficulties in respect of application or interpretation of any of the provisions of these guidelines, issue appropriate clarifications or guidelines as and when required. The clarifications/guidelines provided by the Authority shall be final and binding on all the parties concerned.

IRDA-FORM-ICH - 1

Application for granting a Certificate of Registration to Act as Insurance Repository

S. No.	Particulars	Details
A	General Information	
1	Full Name of the Applicant Company	
2	Place and Date of Incorporation	
3	Address of Head Office	
4	Registration No. (Issued by registrar of Companies)	
B	Ownership & Management	
1	List of names and addresses of directors and their qualifications and principal business	
i)	Name & Address	
ii)	Qualifications	
iii)	Principal Business	
2	Details of shareholders holding 5% or more of voting stock and their principal business	
3 (i)	Organizational chart of applicant	
(ii)	Organizational chart of subsidiaries and associated companies	
(iii)	Whether the Applicant Company has the Authority to carry out the activities of an Insurance Repository (Enclose a copy of Board resolution / AGM of shareholders)	
4 (i)	Name, Address and contact details of Chief Executive Officer of the proposed applicant / Head of SBU of an existing company	

(ii)	Name of Compliance Officer:	
(iii)	Name of any Key Person:	
5 (i)	Status of Applicant (Limited, Private, Public etc.)	
(ii)	Names of Stock Exchanges where the company is listed and the latest share price	
C	Details of existing Offices of the Applicant	
1	Location	
2	Purpose of existence of the office	
3	Activities being undertaken	
4	Particulars of operation of the company in any foreign country	
5	Particulars of other infrastructure like office space, equipment and manpower available with the applicant	
6	Particulars of Information Technology expertise available with the applicant	
7	Particulars of Insurance expertise available with the applicant	
8	Write-up on demonstrable competence and experience similar to insurance repositories in terms of volumes and technology	
9	Any other information relevant for considering the application:	
D	Financial Position of the Applicant (for the preceding three financial years):	
1	Details of capital i. Authorised Capital and Issued Capital	

	<p>ii. Paid-up capital:</p> <p>iii. Net Worth of the Applicant Company (Attach a Certified Copy from a practicing Chartered Accountant)</p>	
2	Particulars of pending disputes having a potential impact on the finances of the Applicant:	
3	Has Government of India or any Regulatory body taken any action or imposed any penalty, fine, etc on the applicant company or on its subsidiaries / associates. If so, the details thereof.	
E	Supervisory Arrangements	
1	Details of supervisory jurisdiction of any regulator to which the applicant company is subject to.	
2	<p>Particulars of Subsidiaries of the Applicant (Mention separately for each subsidiary) and their respective supervisory jurisdiction:</p> <p>i. Name and principal place of business:</p> <p>ii. Details of shareholding by the applicant:</p> <p>iii. Principal Business:</p> <p>iv. Number of offices and their locations in India:</p> <p>v. Name of Countries in which the subsidiary operates:</p> <p>vi. Paid up Capital:</p> <p>vii. Net Worth:</p>	
3	Whether the Applicant or its subsidiaries or its shareholders currently hold a valid license to act as Insurance Broker or Corporate Agent or Third Party Administrator. If yes, provide further details	
4	Whether the Applicant or its subsidiaries or its	

	shareholders held a valid license at any time to act as Insurance Broker or Corporate Agent or Third Party Administrator. If yes, provide further details.	
5	Past record of regulatory interventions / restrictive directions issued in respect of promoter companies	
F	Documents to be enclosed	
1	Copies of Memorandum and Articles of Association	
2	Affidavit by the applicant that it has no Foreign Direct Investment	
3	Non-refundable processing fee of Rs 100,000/-	

We hereby declare that:

- i) The particulars given above are true and correct to the best of our knowledge and belief;
- ii) We will abide by the terms and conditions that may be stipulated by Insurance Regulatory and Development Authority, if approval is given.

Place: (Signature of Authorised Official of the Applicant Company)

Name:

Date:

Designation:

Form – ICH -2

Insurance Regulatory and Development Authority

Certificate of Registration to Act as Insurance Repository

In accordance with Clause 3 (II)(c) of Guidelines on Insurance Clearing House vide Circular No:_____ dated _____ the Authority hereby grants Certificate of Registration to _____ to act as Insurance Clearing House.

Number of Certificate of Registration for Insurance Clearing House is _____

This Certificate of Registration is valid from _____ to _____

This Certificate of Registration is subject to Insurance Act, 1938; IRDA Act, 1999; Regulations notified by IRDA and Guidelines on Insurance Clearing House.

By order

For and on behalf of

Insurance Regulatory and Development Authority