

**Eligibility Criteria for Intermediaries**

Sr. No.	Differentiator	Corporate Agent as per IRDAI (Registration of Corporate Agents) Regulations, 2015	Broker as per IRDAI (Insurance Brokers) Regulations, 2018	Web Aggregator as per IRDAI (Insurance Web Aggregators) Regulations, 2017)	Insurance Marketing Form as per IRDAI (Registration of Insurance Marketing Firm) Regulations, 2015
1	Capital Requirement	<p>Entity exclusively doing insurance distribution - min. equity share capital or contribution and net worth - Rs. 50 lakh at all times</p> <p>Entities undertaking some other business - no min. capital requirement.</p>	<p>i. minimum paid up capital/contribution</p> <p>Direct broker - Rs. 75 Lakh Reinsurance broker - Rs. 4 Crore Composite broker - Rs. 5 Crore</p> <p>ii. capital in the case of company limited by shares and a cooperative society - in the form of equity shares;</p> <p>iii. contribution of partners in LLP - only cash;</p> <p>iv. shares held as capital or contributions shall not be pledged shall at all times be unencumbered.</p> <p>v. investment in applicant by promoters/ shareholders/ partners shall be from their own funds and not from any other sources.</p>	<p>Minimum paid up capital/ contribution - Rs. 25 lakhs</p> <p>Capital shall be issued and subscribed in the form of Equity Shares</p> <p>contribution of partners in case of LLP shall be only in cash</p>	<p>Net Worth shall be</p> <p>a. Min. Rs. 5 lakh, if the applicant is opting for only one district, which is an aspirational district.</p> <p>Increase in net worth arising out of change of status of aspirational district is mandatory at the time of renewal of registration.</p> <p>b. Min. Rs. 10 lakh rupees for all other cases.</p>
2	Net worth Requirement	<p>Entity exclusively doing insurance distribution - min. equity share capital or contribution and network - Rs. 50 lakh at all times</p>	<p>Net worth shall at no time fall below:</p> <p>i. Rs. 50 lakh for direct broker;</p> <p>ii. 50% of min. capital requirements or contribution or equivalent for reinsurance / composite broker. .</p>	<p>Minimum 100% of the minimum capital requirements or contribution</p>	<p>Net Worth shall be</p> <p>a. Min. Rs. 5 lakh, if the applicant is opting for only one district, which is an aspirational district.</p> <p>Increase in net worth arising out of change of status of aspirational district is mandatory at the time of renewal of registration.</p> <p>b. Min. Rs. 10 lakh rupees for all other cases.</p>

3	Deposit Requirement	NA	(1) Broker shall before the commencement of business, deposit and keep deposited with any scheduled bank: i. Rs. 10 lakhs - direct broker ii. 10% of min. capital/ contribution - reinsurance / composite broker in FD, which shall not be released to them without prior written permission of IRDAI (2) Deposit shall have a lien with IRDAI. Interest earned on deposit shall not be subject to lien (3) Such deposit shall not be pledged for taking any loan or overdraft facility by the insurance broker;	NA	NA
4	Validity of Registration	3 years from the date of its issue	3 years from the date of its issue	3 years from the date of its issue	3 years from the date of its issue
5	Tie- ups	Maximum 9 life, 9 general and 9 health insurers	No such restrictions	No such restrictions	Maximum 6 Life, 6 general and 6 health insurers
6	Expiry of COR	No new business as well as servicing	no new business except servicing the existing policyholders	No new business as well as servicing	
7	<b>Other activities</b> a) Risk Management Services or other similar services	NA	i. Broker may charge the client fee for services rendered by them to client for risk management services or other similar services ii. broker can undertake this activity only for commercial risks based on the written confirmation from client for those fees iii. Maintain record of such services and fees charged iv. In case the insurance broker does not have the necessary skills and resources, it may engage external experts or specialists v. broker shall be responsible for all acts of the external experts	NA	Can undertake following activities as well: i. Become approved person of Insurance Repositories ii. Marketing of other financial products through the FSE
8	<b>Other activities</b> Advertisement	Payment for JSA allowed	Payment for JSA Not allowed		
9	Advertisement	Can host Company specific ads of those with whom it has tie-ups	Cannot host ads of a particular insurer	Cannot host ads of a particular insurer	Can host Company specific ads of those with whom it has tie-ups

10	Professional Indemnity Insurance	<p>If revenue from insurance distribution is more than 50% of total revenue from all activities - professional indemnity insurance cover at all times</p> <p>Limit of indemnity - 2 times total annual remuneration derived from insurance intermediation in a year subject to min. RS. 15 lakh and max. Rs. 1 crore.</p>	<p>Mandatory Professional Indemnity Insurance to be maintained at all times</p> <p><b>Direct broker</b> - 2 times remuneration received at end of every FY subject to a minimum limit of Rs. 1 crore and atleast Rs 50 crore, if twice the remuneration limit is equal to or more than Rs 50 crore</p> <p><b>Reinsurance broker:</b> 2 times remuneration received at end of every FY subject to minimum limit of Rs. 4 four crore and atleast Rs 75 crore, if twice the remuneration limit is equal to or more than Rs 75 crore</p> <p><b>Composite broker:</b> 2 times remuneration received at the end of every FY subject to a minimum limit of Rs. 5 five crore and atleast Rs 100 crore, if twice the remuneration limit is equal to or more than Rs 100 crore</p>	<p>Limit of indemnity for any one claim and in the aggregate for the year shall be 2 times remuneration received at end of every financial year subject to a min. limit of Rs. 25 lakhs and a max. of Rs. 100 crores.</p>	<p>Limit of indemnity shall be 2 times the total remuneration for the preceding financial years subject to a minimum amount equal to the applicable net worth requirement.</p>
11	Fees for registration and renewal	<p>Registration - Rs 10000 plus applicable taxes</p> <p>Renewal - Rs 25000 plus applicable taxes</p>	<p><b>Application Processing Fee:</b></p> <p>Direct broker Rs.25,000 Reinsurance broker Rs.50,000 Composite broker Rs.75,000</p> <p><b>Additional Fee</b> <b>Direct broker:</b> Rs.50,000/- after grant of in-principle approval for fresh applicant. Renewal of Registration - Rs 1,00,000/- for 3 years</p> <p><b>Reinsurance broker:</b> Rs.1,50,000/- after grant of in-principle approval for fresh applicant. Renewal of Registration - Rs 3,00,000/- for 3 years</p> <p><b>Composite broker:</b> Rs.2,50,000/- after grant of in-principle approval for fresh applicant. Renewal of Registration -Rs 5,00,000/- for 3 years</p>	<p>Registration - Rs 10000 plus applicable taxes</p> <p>Renewal - Rs 25000 plus applicable taxes</p>	<p>Registration - Rs. 5000</p> <p>Renewal - Rs. 2000</p>

12	Categories	CA (Life) can have arrangement with 9 life insurers CA (General) can have arrangement with 9 general insurers CA (Health) can have arrangement with 9 health insurers CA (Composite) - the total number of arrangements ( life, general and health) shall not exceed 27	Direct - business with insurers in India  Composite - insurance and/or reinsurance business in India and/or abroad  "Reinsurance Broker - reinsurance business in India and/or abroad  following categories, namely: (a) direct broker (life) (b) direct broker (general) (c) direct broker (life & general) (d) reinsurance broker (e) composite broker	NA	Maximum 6 Life, 6 general and 6 health insurers
13	Principal Business	Principal business is other than distribution of insurance and insurance distribution is subsidiary  Principal business is exclusively to carry out insurance intermediation  If entity is registered or licensed by any other regulatory body in financial section, NOC is required for application to IRDAI	Exclusively to carry on the business of an insurance broker	Exclusively to carry on the business of an insurance web aggregator	Can undertake following activities as well: i. Become approved person of Insurance Repositories ii. Marketing of other financial products through the FSE
14	Agreement	Mandatory	Mandatory	Mandatory	Mandatory
15	Nomenclature	NA	Have the word 'Insurance Broker'/'Insurance Brokers'/'Insurance Broking' in the name	Have the word 'Insurance Web aggregator' in the name	Have in name the words "Insurance Marketing" or "IMF"
16	Training and qualification	Qualification - SP - 12th class or equivalent	Qualification - BQP - Min. graduation	Qualification - Principal Officer - Min. graduation	Qualification - ISP - Min. 12th Pass
17	Internal Audit systems	NA	i. Every broker to have internal audit systems ii. reinsurance and composite brokers - have internal audit system and designate compliance officer iii. mandatory for broker who in a FY earns more than Rs. 5 crore remuneration (including reward) to have designated Compliance Officer	Information Security Audit	NA

18	Board approved policy	Board approved policy	Board approved policy, to be reviewed by Board once in 3 years	Board approved policy, to be reviewed by Board once in 3 years	NA
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