

Chapter 15: Introducers

15.1 Introduction

15.1.1 This Chapter on persons effecting introductions is made by the competent authority pursuant to article 4 of the Act, and for the purposes of regulation 5 of the Insurance Distribution (Exemption) Regulations, 2018. This Chapter determines the conditions under which a person qualifies as an introducer, and which an introducer must satisfy for the activities he carries out not to amount to insurance distribution activities and, or reinsurance distribution activities in terms of the Act.

15.2 Application

15.2.1 This Chapter applies to:

(a) an undertaking authorised under the Insurance Business Act or a person enrolled under the Act to act as an insurance agent or an insurance broker desirous of appointing a person to effect introductions (“the licence holder”); and

(b) a natural or legal person desirous of effecting introductions (“the introducer”).

15.3 Definitions

15.3.1 In this Chapter, unless the context otherwise requires:

“introducer” means a natural or legal person desirous of effecting introductions who enters into an arrangement with an undertaking authorised under the Insurance Business Act (Cap. 403) or with a person enrolled under the Act to act as an insurance agent or insurance broker, solely to introduce on a regular basis prospective policyholders to the licence holder.

15.4 Appointment of Introducers

15.4.1 Every licence holder shall establish and maintain a register containing the names and addresses of the introducers and any other particulars as the licence holder may deem appropriate.

15.5 Conditions applying to Introducers

15.5.1 Persons acting as introducers shall be subject to the following conditions:

(a) the introducer shall not, under any circumstances, give advice on, promote or market any insurance product and, or reinsurance product or undertake any insurance distribution activities and, or reinsurance distribution activities in terms of the Act;

(b) the introducer shall not pass on any documentation promoting any particular product or service to the prospective policyholder on behalf of the licence holder or assist such prospective policyholder in the completion of any documentation relating to a contract of insurance;

(c) the introducer shall not receive any monies from a prospective policyholder or give any insurance commitments on behalf of the licence holder;

(d) the arrangement between the introducer and the licence holder shall be limited to the passing on of the contact details of prospective policyholders to the licence holder and, or to arranging a meeting between the licence holder and such prospective policyholders; and

(e) the introducer shall not advertise or otherwise hold himself out as offering the services of an introducer.

15.6 Obligations of licence holders

15.6.1 The licence holder:

(a) shall keep a record of any remuneration paid to each introducer and these records shall be available for inspection by persons appointed under article 30 of the Insurance Business Act (Cap 403) and article 54 of the Act; and

(b) shall remain responsible for “Know Your Customer” checks in accordance with the Prevention of Money Laundering and Funding of Terrorism Regulations, 2018 (S.L. 373.01) irrespective of any introductions made in terms of this Rule.

15.7 Persons who cannot act as introducers

15.7.1 Any person authorised under the Insurance Business Act (Cap. 403) or registered or enrolled under the Act shall not act as an introducer.