

COMMISSION DISCLOSURE

Karnataka Bank is a composite Corporate Insurance Agent for:

LIFE INSURANCE	GENERAL INSURANCE
1. PNBMetlife	1.Universal Sompo General Insurance Company Ltd
2. Bharti Axa	2.Bajaj Allianz General Insurance Company Ltd
3. Life Insurance Corporation of India	

Under the Corporate Agent license no. CA0191 issued by Insurance Regulatory & Development Authority of India (IRDAI), and does not underwrite risk or act as an insurer.

Bank is an insurance intermediary and insurance is provided as a service on a non – risk participation basis. Marketing of the Insurance products by the Bank should not be construed as an advice, an offer to purchase or an invitation or solicitation to undertake any activity or enter into the transaction relating to the Insurance Products. The contract of Insurance is between the Insurance Company and the insured, and not between Karnataka Bank and the Insured. Insurance is a subject matter of solicitation. Purchase of any insurance product by a bank customers, is a purely voluntary and is not linked to availment of any other facility from the bank.

Following are the details of maximum percentage of commission which Karnataka Bank as a Corporate Agent is eligible to earn from sale of Insurance (both Life & Non-Life)

- **Life Insurance**

The maximum commission or remuneration as a percentage of premium that is allowed for life insurance products offered by life insurers is as under:

Table I-Single Premium

Sl No	Category of Life Insurance Product or Policy	Maximum commission/remuneration on single premium payable to insurance agent/insurance intermediary
1	Single Premium	
A	All individual life product except pure risk products	2%
B	Individual Pure Risk Products	7.50%
C	Individual Immediate/Deferred Annuity	2%
D	One year renewable group pure risk insurance	5% of premium paid during the year or Rs.10 lakhs whichever is less
E	Group Pure Risk (incl Group credit)	5%
F	Group Savings Variable Life Insurance	2%
G	Group Fund based	0.5% of premium paid during the year or Rs.10lakhs whichever is less

Table II- Regular Premium

Sl No	Category of Life Insurance Products or Policy	Maximum Commission/Remuneration on Regular Premium Products or Policies payable to insurance agent/insurance intermediary	
		First year premium	Renewal Premiums
1	Regular Premium		
A	Individual Pure Risk	40%	10%
B	Individual Other than Pure Risk		
i)	In respect of policies with premium payment terms of		
	5 years	15%	7.50%
	6 years	18%	7.50%
	7 years	21%	7.50%
	8 years	24%	7.50%
	9 years	27%	7.50%
	10 years	30%	7.50%
	11 years	33%	7.50%
	12 years or more	35%	7.50%
C	Individual Deferred Annuity/Pension	7.50%	2%
D	Group pure Risk (incl Group credit) and Group Savings Variable Life	7.50% (only on pure risk premium)	7.50%
E	Government Scheme-Life Health	As per Government Notification	As per Government Notification

▪ **Non- Life Insurance**

The maximum commission or remuneration (other than motor) as a percentage of premium that is allowed for general insurance is as under:

Sr.No	Line of Business (Other than Motor)	Maximum Remuneration (Gross)
1	Retail Travel	15
2	Engineering	16.5
3	Liability	16.5
4	Marine Hull	11.5
5	Marine Cargo	16.5
6	Property	16.5
7	Rural	16.5
8	Workmen/Employee compensation	16.5
9	Miscellaneous	16.5
10	Retail Health	15
11	Group Health	15
12	Individual PA	15
13	Group PA	7.5

The maximum commission or remuneration as a percentage of premium that is allowed for general insurance (motor) is as under:

Sr.No	Year	Maximum Commission (Gross)			
		Motor (Comprehensive)		Motor (Stand-alone TP)	
		Other than 2-wheeler	2-wheeler	other than 2-wheeler	2-wheeler
1	Certificate of registration 1st to 3rd year	15% (OD portion)+(Nil-TP portion)	17.5%(OD portion) +(Nil-TP portion)	2.5%	2.5%
2	Certificate of registration 4th year onwards	15% (OD portion)+2.5%(TP portion)	17.5%(OD portion)+2.5% (TP portion)	2.5%	2.5%

The maximum commission or remuneration as a percentage of premium that is allowed for general insurance (Long Term Motor Insurance):

Sr.No	Types of Long Term Motor Insurance Policies	Max Commission/remuneration (Gross)
1	5 years long term Stand -Alone Motor Third Party Insurance Policy (LTSAMTIP) for new 2 wheelers.	Nil
2	3 years Long term Stand- AloneMotor Third Party insurance Policy (LTSAMTIP) for new Private Car	Nil
3	Bundled cover with one year term for own damage and 5 years motor third party insurance policy for new 2 -wheelers	Bundled cover 17.5% (OD portion)+(Nil-TP portion)
4	Bundled cover with one year term for own damage and 3 years motor third party insurance policy for new private car	Bundled cover-15% (OD portion)+(Nil-TP portion)

Note: The commission varies depending upon the product in each category, tenure, amount of premium and premium paying term. For Group Insurance Products commission payable is as defined by Insurance Regulatory and Development Authority of India (IRDAI) from time to time.