

Policy and Mechanism for the Protection and Preservation of Client Funds

Introduction: The Insurance Authority is the regulatory body overseeing and supervising financial institutions licensed by it and authorized to operate in the Kingdom of Saudi Arabia. Concord Insurance Brokers Company works to protect the interests of the client and ensure that dealings with the client are conducted in a fair and professional manner, in accordance with the regulations and laws that align with the requirements of the Insurance Authority.

Definitions:

- **Licensed Entities:** This includes all entities licensed by the Insurance Authority to carry out insurance or reinsurance activities or related professions in the Kingdom of Saudi Arabia.
- **Employee:** Any individual working for the company under its management or supervision.
- **Insurer:** The insurance company that accepts insurance from policyholders.
- **Policyholder:** The natural or legal person who enters into an insurance contract with the insurer.
- **Insurance Broker (Company):** The legal entity that, in exchange for a fee, negotiates with insurance companies to complete the insurance process on behalf of the policyholders (Concord Insurance Brokers).
- **Client:** Any natural or legal person who contracts with the insurance company to issue an insurance policy, either directly or indirectly.
- **Insurance Contract:** The contractual relationship between the insurer and the policyholder.
- **Beneficiary:** The natural or legal person who benefits from the insurance coverage in case of damage or loss, as specified in the insurance policy.
- **Premium (Installment):** The financial cost of the insurance policy paid by the policyholder to the insurer, either as a lump sum or in multiple installments, in exchange for the insurer's commitment to indemnify the policyholder in case of damage or loss.
- **Insurance Product:** Refers to the insurance contract or coverage marketed by insurance companies to meet the client's insurance needs against potential risks that may cause losses to their person, property, or liabilities to others.
- **Advice:** Refers to the recommendation or suggestion made by the company to the client, considering the client's circumstances, needs, and objectives for requesting insurance coverage.
- **Claim:** A request made by the policyholder or beneficiary to the company for payment of compensation based on the terms of the insurance policy.
- **Complaint:** Any objection or grievance submitted to the company due to any breach of the terms of the insurance policy and/or related regulations and instructions.
- **Complaint Handling:** Taking the necessary measures and actions to address and resolve customer complaints in a fair and effective manner, without delay.
- **Disclosure:** The clear, transparent, and credible revelation of information and data, refraining from withholding any information that could be relevant or significant to any party involved in the insurance contract, namely the insurer and the policyholder.

- **Awareness:** Helping the client differentiate between the insurance products and services offered by companies.
- **Advertisement:** A commercial message promoting an insurance product or service, either directly or indirectly.

Customer Protection Principles for Insurance Service Recipients:

- These principles will help achieve the desired goal as they apply to all activities of insurance companies licensed by the Insurance Authority.
- The principles apply to corporate and individual clients, as well as beneficiaries (current and future).
- These principles are binding on companies and complement the instructions and regulations issued by the Insurance Authority.
- The company should ensure:
 - The principles are posted on the company's website.

Fair and Just Treatment: Companies must treat clients and beneficiaries fairly and impartially in accordance with the regulations, rules, and instructions set by the Insurance Authority.

Disclosure and Transparency: Companies must clarify the rights, responsibilities, and obligations of each party in the insurance relationship, including the details of premiums, commissions, types of risks, and the procedures for terminating or canceling the insurance relationship and the consequences thereof. The terms, exclusions, and main benefits of insurance policies should be clear, concise, easy to understand, and accurate. The company and its staff must answer all customer inquiries related to the insurance products they offer or the policies they have issued. Companies must regularly update information about the insurance products on their website and provide the necessary details to clients.

Insurance Education and Awareness: The company must develop appropriate programs and mechanisms to raise awareness about insurance, its risks, benefits, and the rights and obligations of the clients and beneficiaries without misleading them.

Work Ethics and Behavior: The company must operate professionally, providing high-quality services, fulfilling its duties and obligations in the best interests of its clients, as the company is primarily responsible for protecting their insurance interests.

Protection Against Fraud: The company must apply maximum security measures to monitor and protect insurance transactions from fraud.

Confidentiality and Data Protection: The company is committed to protecting all financial, insurance, and personal information, taking necessary measures to safeguard the confidentiality of documents. The company agrees not to disclose any data to any party without prior permission from the Insurance Authority, except for the company's external auditor.

Complaint Handling: The company provides an appropriate mechanism for clients to submit complaints in a fair, clear, and effective manner, ensuring complaints are addressed promptly according to the regulations issued by the Insurance Authority and other relevant authorities. The company must acknowledge receipt of the complaint in writing, provide an estimated time for resolving it, and give the client contact details of the responsible person for further communication.

Communication Channels for Complaints:

- **Email:** info@concordarabia.com
- **Contact Numbers:** (920006070)

To submit complaints through the Insurance Authority, visit the website <https://www.ia.gov.sa/en/>, email: care@ia.gov.sa.

Pricing and Commissions: The company ensures transparency about the commissions it receives based on the Insurance Authority's guidelines, which the client has agreed to when requesting approval for the insurance product. The insurance broker makes efforts to obtain the best price offers from various companies. If the insurance policy is canceled before its expiration, the company must refund a proportionate part of the premium paid for the remaining term according to the terms of the policy.

<u>Commission Rates:</u>
• Accident & Liability Insurance: 15%
• Personal Accident Insurance: 15%
• Workers' Compensation Insurance: 15%
• Employer Liability Insurance: 15%
• Third-Party Liability Insurance: 15%
• General Liability Insurance: 15%
• Product Liability Insurance: 15%
• Motor Insurance + Others: 15%
• Property Insurance: 15%
• Fire Insurance: 15%



• Marine Insurance - Ship Hulls: 15%
• Marine Insurance - Cargo: 15%
• Aviation Insurance: 15%
• Energy Insurance: 15%
• Engineering Insurance: 15%
• Medical Liability Insurance: 15%
• Professional Liability Insurance: 15%
• Theft & Robbery Insurance: 15%
• Fidelity Insurance: 15%
• Insurance for Money in Vaults and During Transit: 15%
• Other Liability Insurance: 15%
• Mandatory Vehicle Insurance: 2%
• Other General Insurance: 15%
• Mandatory Health Insurance: 8%
• Mandatory Health Insurance + Others: 10%
• Protection Insurance: 15%
• Protection Insurance with Savings: 15%
• Other Protection and Savings Insurance: 15%

Premiums:

After-Sales Service:

1. The company must notify clients of any changes in disclosures or terms when issuing the insurance policy, or changes in contact details or claims submissions.
2. The company must respond to client inquiries and administrative requests related to adjusting insurance policy terms.

3. The company must provide written confirmation for any modifications to the insurance policy and any additional amounts due from the policyholder due to such modifications.
4. The company must notify the client of the renewal or expiration date of the insurance policy at least 15 business days before it expires.
5. The company must provide a dedicated section for after-sales services on its website for clients to make any modifications to their policies, check policy status, coverage start/end dates, paid premiums, due dates, etc.
6. When premium payments are made in installments, the company must ensure the protection of client funds according to the regulations set by the Insurance Authority.

Collection of Premiums and Account Separation:

- The company must ensure the safety of client assets and deposit collected premiums into a separate bank account (premium account), transferring these funds to the insurance company within seven business days and providing a detailed report on the premiums collected.
- If the company collects funds in its bank account, it must issue a receipt to the client upon request.
- The company must collect premiums from clients and notify the insurance company if payments are delayed.
- The company will provide a document detailing the due premium when confirming insurance coverage and information on when payments are due, including installment options if not previously agreed upon.

Claims:

1. The company has established a claims management department to receive, respond to, and process claims in a professional manner.
2. The company will notify the client in writing of the receipt of the claim and provide any missing information within seven days of receiving the claim form.
3. The company will provide the necessary guidance to clients submitting claims and inform them about the procedures to settle the claim fairly and impartially.
4. Claims will be settled within 15 days from the date the claim is received, with an extension of another 15 days if necessary, subject to regulatory notification.
5. If needed, a loss adjuster will be assigned, and the client or beneficiary will be notified within three days of the appointment.
6. The company will notify the client in writing of the acceptance or rejection of the claim, providing clear and transparent reasons for any rejections and delivering all related documents to the client against a signed receipt.

7. If the claim is accepted, the company will explain the settlement amount and the justification for any reductions or rejections of parts of the claim.
8. As per Article (44) of the Executive Regulations for the Cooperative Insurance Companies Control Law, the company must settle valid claims without delay within three business days from receiving payment from the insurance company. For motor insurance, the beneficiary will be compensated for any expenses incurred due to delayed claim settlement beyond 15 days from the completion of the required documents.