



बीमा विनियामक और विकास प्राधिकरण
**INSURANCE REGULATORY AND
DEVELOPMENT AUTHORITY**

Ref: IRDA/Life/Misc/Cir/123/05/2014

05th May, 2014

To

All Insurers,

Re: Guidelines on usage of Trade Logo of Promoting Partners of Insurance Companies

It is a common business requirement that companies shall have in place a distinct trade logo / emblem / icon (*referred as trade logo hereafter*) so as to build the brand image / draw the attention of their respective customers. Insurance Companies being in the business of promoting insurance services may have a trade logo so as to seamlessly reach the minds of insuring public. While adopting the 'Trade Logo' of their choice is the business prerogative of the Insurers, keeping in view the risks associated with trade logo and the long term interests of policyholders and insurance business, all Insurers may consider developing a distinct trade logo of their own. Further when insurers use the trade logo of their promoting partners, it is desired that they observe certain risk mitigation norms to ensure that the interests of the policyholders are completely protected. Towards this objective the following guidelines are issued under Section 14 (2) of IRDA Act, 1999.

Definition: The 'Trade Logo' for the purpose of these guidelines is 'a name or a mark, such as symbol, monogram or logo which uses the name of an Insurance Company as an acronym for the purpose of promoting, canvassing and publicizing the company or the products and services offered'.

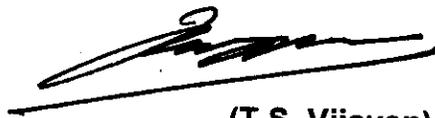
Guidelines:

- a) Where an Insurer adopts the trade logo of any of its promoting partners, there shall be a prominent disclosure in all the Insurance Advertisements on the following lines
 - i. Indicative Disclosure: Trade Logo displayed above belongs to M/s XYZ Ltd (mention here the name of the owner of the trade logo) and used by Insurer (mention here name of the Insurance company) under license.
- b) Where an Insurer uses the trade logo of any of its partners, there shall be in place a written agreement setting forth the underlying terms and conditions. There shall also be a specific caveat that the agreements entered shall be subject to the jurisdictions of Indian courts.

- c) The parties to the agreement shall specify the consideration, leaving no scope for any arbitrary payments. Where the consideration is not mentioned as an absolute amount, but referred to as a percentage of any variable elements, specific ceiling in absolute amount shall be mentioned leaving no scope for any disproportionate windfall gains to the other party.
- d) The consideration agreed shall be reasonable and according to sound business principles.
- e) Where there is no monetary consideration involved, there shall be a specific mention of the same in unambiguous terms.
- f) The agreement may be for a specific period of time with a provision to renew in the agreed periodicity.
- g) Any pay-out towards compensation made, on account of alleged damages owing to usage of trade logo of the promoting partner shall be remitted from the Shareholders' Account.

All the Insurance Companies are hereby directed to comply with these guidelines. The agreements entered into in accordance with these guidelines shall be filed with the Authority within 30 days from the effective date of the circular. Any changes / modifications to the terms and conditions shall also be filed, within 30 days from the date of effecting the changes.

The guidelines will come into force with effect from 01st October, 2014.


(T.S. Vijayan)
Chairman