Content

Title：	Directions for Insurance Enterprises, Insurance Agent Companies and Insurance Broker Companies Engaging in Telemarketing Business Ch
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Content：	1.These Directions are drawn up to regulate the activities of insurance enterprises, insurance agent companies and insurance broker companies soliciting business through telemarketing and safeguard the interests of consumers so as to protect the image of the insurance professionals as a whole. 2.Unless it is otherwise provided by law, insurance enterprises, insurance agent companies and insurance broker companies shall carry out telemarketing business in accordance with these Directions. 3.The term "insurance agent company" depicted in these Directions means a company operating insurance agency business in the capacity of a corporate organization or a bank operating concurrently insurance agency business. The term “insurance broker company” depicted in these Directions means a company operating insurance broker business in the capacity of a corporate organization or a bank operating concurrently insurance broker business. 4.The term "telemarketing business" depicted in these Directions (referred to as "telemarketing" hereunder) means one of the following business methods: (1)An insurance enterprise or insurance agent company solicits business through the sales representatives working at a telemarketing call center and enters an insurance contract with a proposer over the phone with the consent of the proposer. (2)An insurance enterprise, insurance agent company or insurance broker company solicits business through the sales representatives working at a telemarketing call center and enters an insurance contract with a proposer after confirming the intent of the proposer to obtain insurance and the insurance enterprise has approved the underwriting. (3)An insurance enterprise, insurance agent company or insurance broker company solicits business through the sales representatives working at a telemarketing call center and enters an insurance contract with a proposer after the proposer and the insured have signed the application form and the insurance enterprise has approved the underwriting. Insurance enterprises, insurance agent companies and insurance broker companies that engage in telemarketing shall set up a telemarketing call center. Telemarketing sales representatives mentioned in Paragraph 1 hereof and their direct supervisors are required to have the qualification of an insurance solicitor. Matters regarding their qualification requirements, education and training, management, rewards and disciplines shall be handled in accordance with the relevant provisions of the Regulations Governing the Supervision of Insurance Solicitors. An insurance enterprise that engages in the business specified in Subparagraph 1 of Paragraph 1 hereof shall establish an automated information system and adopt automated underwriting process. When an insurance enterprise, insurance agent company or insurance broker company engages in the business specified in Subparagraph 2 or 3 of Paragraph 1 hereof, it should require the telemarketing sales representatives to explicitly inform the proposer at the time of solicitation that the insurance contract will not take effect until the insurance enterprise has approved the underwriting. If the insurance

enterprise disapproves the underwriting, it shall notify the proposer by phone, in writing, or by sending a text message or email as agreed by the proposer.

5.When an insurance enterprise, insurance agent company or insurance broker company engages in telemarketing, it shall handle the collection, processing and use of personal information in accordance with the provisions of the Personal Information Protection Act, Article 42 of the Financial Holding Company Act on the collection, processing and use of personal information, and other applicable regulations.
The telemarketing sales representatives of an insurance enterprise, insurance agent company or insurance broker company shall explain to the consumers and shall immediately stop the sales if a consumer indicates rejection of sales over the phone.
Insurance enterprises, insurance agent companies and insurance broker companies shall carry out data collection, processing and use in compliance with their internal data security management process and rules.

6.When an insurance enterprise or insurance agent company engages in the business specified in Subparagraph 1 or 2, Paragraph 1 of Direction 4 herein, or when an insurance broker company engages in the business specified in Subparagraph 2, Paragraph 1 of Direction 4 herein, the proposer and the insured must be the same person over 20 years of age, and the call must be an outbound call from the telemarketing call center system.
When the telemarketing sales representative of an insurance enterprise, insurance agent company or insurance broker company conducts telemarketing, he or she should first indicate the purpose of the call, confirm the identity of proposer, and inform the proposer of his or her name, registration number, the name of employing company, service phone number and important content of the insurance contract. Sales representative’s supervisor or auditor should periodically check the aforementioned telephone records to determine whether these Directions or other laws and regulations have been violated.
Compliance with the preceding paragraph shall be deemed as the insurance solicitor having presented his or her registration certificate in soliciting insurance business pursuant to Paragraph 6, Article 6 of the Regulations Governing the Supervision of Insurance Solicitors.

7.When a life insurance enterprise or insurance agent company engages in the business specified in Subparagraph 1 or 2, Paragraph 1 of Direction 4 herein, or when an insurance broker company engages in the business specified in Subparagraph 2, Paragraph 1 of Direction 4 herein, the products sold shall be limited to traditional life insurance, health insurance, annuity insurance and accident insurance.
The life insurance and health insurance mentioned in the preceding paragraph shall be limited to products waiving physical examination and the disclosure of medical history.
For life insurance and health insurance mentioned in Paragraph 1 hereof, the maximum insured amount shall be the limit allowed by the insurance enterprise without physical examination less the insured amount already acquired by the insured.
For accident insurance mentioned in Paragraph 1 hereof, the maximum insured amount shall be limited to NT$6,000,000.

8.When a non-life insurance enterprise or insurance agent company engages in the business specified in Subparagraph 1 or 2, Paragraph 1 of Direction 4 herein, or when an insurance broker company engages in the business specified in Subparagraph 2, Paragraph 1 of Direction 4 herein, the per policy premium for the combination products sold covering property insurance, health insurance and accident insurance shall not exceed NT$50,000 a year.
When a non-life insurance enterprise or insurance agent company engages in the business specified in Subparagraph 1 or 2, Paragraph 1 of Direction 4 herein, or when an insurance broker company engages in the business specified in Subparagraph 2, Paragraph 1 of Direction 4 herein, the

residential fire insurance and automobile insurance sold shall be limited to products waiving house inspection or vehicle inspection.
When a non-life insurance enterprise offers health insurance and accident insurance through telemarketing, the provisions of the preceding Direction shall apply mutatis mutandis.

9.Before the telemarketing sales representative of a life insurance enterprise, insurance agent company or insurance broker company solicits traditional life insurance business mentioned in Paragraph 1 of Direction 7 herein, he or she shall send the contract to the proposer by fax, post, or email or through the Internet for review over a period of not less than three days, and may not enter an insurance contract with the proposer without confirmation that the proposer has completed the contract review.
The confirmation of contract review mentioned in the preceding paragraph may be undertaken by any of the following means:
(1)Have the proposer sign the contract or a statement for confirmation; or
(2)The life insurance enterprise, insurance agent company or insurance broker company tape records the confirmation of the proposer on an outbound call.

10.An insurance enterprise, insurance agent company or insurance broker company that engages in telemarketing shall tape record the entire business process under the proposer's consent and save a backup copy, and in addition, set up a file on the clauses of insurance contract already furnished to the proposer for review, the proposer's statement, tape recording and other relevant records and retain such records for a minimum period of five years after the insurance contract has expired or a notice of application denied has been sent to the proposer.
A telemarketing sales representative must sign the application form in person and note his or her registration number thereon. Notwithstanding the foregoing, when conducting the business specified in Subparagraph 1 or 2, Paragraph 1 of Direction 4 herein and the application form has indicated the name and registration number of the telemarketing sales representative, it is deemed that the telemarketing sales representative has signed his or her name on the application form.
In case dispute or litigation arises between a proposer and an insurance enterprise, insurance agent company or insurance broker company out of telemarketing, the proposer may request the provision of a copy of the tape recording, to which the insurance enterprise, insurance agent company or insurance broker company may not refuse, but may charge a reasonable fee.
When an insurance enterprise engages in the business specified in Subparagraph 1 or 2, Paragraph 1 of Direction 4 herein, answers of the insured to the questions of the telemarketing sales representative could only be used as reference in making underwriting decision, but may not be used as basis for exercising the right to rescind an insurance contract.

11.When an insurance enterprise, insurance agent company or insurance broker tape records the telemarketing process, the record shall contain at least information on the identity of proposer, confirmation of intention to buy insurance, insurance coverage, benefits, beneficiary, insurance period, insured amount, payment method, amount of premium, and effective date of insurance contract.

12.An insurance enterprise, insurance agent company and insurance broker company should adopt interpretations and take actions favorable to the proposer when handling a dispute arising out of or in connection with poor communication during the telemarketing process, poor quality of recording equipment or recording, or insurance contract review period.
When an insurance enterprise engages in the business specified in Subparagraph 1 or 2, Paragraph 1 of Direction 4 herein, the preceding paragraph shall apply mutatis mutandis to dispute resulting from a proposer's failure to sign back the return receipt acknowledging the receipt of policy or insurance purchase confirmation.

13.Insurance enterprises shall include the particulars in these Directions into their internal business solicitation system and procedures in

	accordance with Subparagraph 4, Paragraph 1, Article 6 of the Regulations Governing Business Solicitation, Policy Underwriting and Claim Adjusting of Insurance Enterprises. Insurance agent companies and insurance broker companies shall include the particulars in these Directions into their internal business solicitation system and procedures in accordance with Paragraph 1, Article 6 of the Regulations Governing the Implementation of Internal Control and Audit System and Business Solicitation System of Insurance Agent Companies and Insurance Broker Companies. Insurance enterprises, insurance agent companies and insurance broker companies shall engage in telemarketing in compliance with the Flow Process for the Telemarketing Operation of Insurance Enterprises, Insurance Agent Companies or Insurance Broker Companies (see attachment) and draft their own telemarketing management rules or internal operating procedures, and respectively report such rules or procedures and subsequent amendments thereto to the insurance association they belong to for recordation. 14.The agency agreement between an insurance enterprise and an insurance agent company shall provide that the insurance agent company shall comply with the provisions of these Directions, and in addition, contain a clause that if the insurance agent company violates these Directions, the insurance enterprise may demand that the insurance agent company takes remedial action within a given period of time, or suspend or terminate the agency in view of the severity of violation. 15.If an insurance enterprise, insurance agent company or insurance broker company violates these Directions when engaging in telemarketing, the competent authority may mete out appropriate disciplinary actions pursuant to the Insurance Act in view of the severity of violation.
Attachments：	Attachment：Flow Process for the Telemarketing Operation of Insurance Enterprises.pdf

Data Source：Financial Supervisory Commission Laws and Regulations Retrieving System