NATIONAL INSURANCE COMMISSION
HEAD OFFICE: Plot 1239, Ladoke Akintola Boulevard, Garki II, Abuja. P.M.B. 457, Garki Abuja Nigeria ☎:08172047735
Email:info@naicom.gov.ng, contact@naicom.gov.ng Website:www.naicom.gov.ng

CIRCULAR

NAICOM/CIR/MCCB/MCP/INT/55 Data: 13th December, 2024

To: All Managing Directors/Chief Executive Officers of Insurance Broking Companies

SUBJECT: STRENGTHENING OPERATIONAL STANDARDS AND REPORTING PRACTICES

As part of the Commission's commitment to improving transparency, professionalism, and accountability in the insurance industry, the Commission has put in place mechanism to strengthen operational standards and market conduct of Insurance Brokers. These measures are designed to enhance trust, streamline processes, and ensure compliance with best practices. Accordingly, insurance brokers are required to comply with the following:

1. Insurance Brokers shall develop **Code of Ethics** approved by its Board of Directors that reflects the values and principles guiding its operations. The document shall at a minimum, contain the following:
   a. Continues Education
   b. Professional integrity, honesty and diligence
   c. Compliance with legal and regulatory requirements
   d. Client interests and fair treatment
   e. Confidentiality and data protection
   f. Competence and continuing education
   g. Duty to report unethical practices including whistle-blowing
   h. Accountability and responsibility
   i. Fair competition
   j. Conflict of interests

2. Insurance Brokers shall develop **Standard Operational Manual (SOM)**. This document shall at a minimum include:
   a. Introduction and purpose
   b. Roles and responsibilities
   c. Clients management
   d. Clients' accounts policy/procedure
   e. KYC compliance procedure
   f. Sales and policy management
   g. Compliance and regulatory requirements

h. Claims handling management
i. Customer service, complaints and communication protocols
j. Billing, premium collection, and financial management
k. Training and professional development
l. Technology and system usage
m. Record keeping and documentation standards
n. Data privacy and protection
o. Review and update protocol for the manual

The copies of the Code of Ethics and Standard Operational Manual are to be submitted to the Commission not later than 45 days from the date of this Circular.

3. To promote better reporting practices, the Commission has reviewed and standardized the **Business Schedule and Premium Transactions Report and the Schedule of Claims Awaiting Payment Templates** for submission of returns by all insurance brokers.

QUARTERLY RETURNS: BUSINESS SCHEDULE AND PREMIUM TRANSMISSION

Item	Name of Insured	Name of Insurer	Policy No.	Policy Detail	Commencement of Risk	Sum Insured	Premium		Date of receipt of Premium from client by Broker		Date of transmission of premium by Broker to Underwriter	Commission Earned	
							LO	FO	LO	FO		LO	FO

Key: Lo = (Local) Fo = (Foreign)

QUARTERLY RETURNS: SCHEDULE OF CLAIMS AWAITING PAYMENT TO BENEFICIARY

S/No	Date of claim(s) notification by insured to the broker	Date of claim(s) notification by the broker to the Underwriter	Name of Insurer	Claim(s) number	Claim(s) amount		Date of receipt of Discharge Voucher by broker from the underwriter	Name of insured / beneficiary	Date of Payment by the Insurer
					LO	FO			

Key: Lo = (Local) Fo = (Foreign)

Brokers are expected to use the above templates for reporting effective from First Quarter of year 2025.

All Insurance Brokers are required to strictly comply with this Circular.

A.I. Adamu
Director, Innovation and Regulation
For: Commissioner for Insurance