



Circular No. 7 of 2017

5 July 2017

Insurance Council of Zimbabwe (ICZ)

Zimbabwe Insurance Brokers Association (ZIBA)

Zimbabwe Association of Reinsurance Organizations (ZARO)

PROHIBITION OF INSURANCE TOUTING

1. This Circular has been issued in terms of Section 6(c) of the Insurance Act Chapter 24:07 which empowers the Commissioner to prescribe standards under which insurance business may be conducted.
2. The Commission has noted, with great concern, the prevalence of the mal-practices of employing insurance "touts" based at various premises including ZIMPOST offices, ZINARA offices and the Country's borders by some industry players. It has come to our attention that insurance touts harass members of the public visiting these premises.
3. The Commission has had to engage in various activities to combat insurance touting such as enlisting the services of the Zimbabwe Republic Police and facilitation of the computerization of insurance cover notes.
4. Insurance touting poses serious reputational risk to the industry.
5. In some cases, the insuring public have been offered fraudulent cover notes exposing the public to loss of both assets and premiums paid.
6. With immediate effect, the Commission directs **ALL** insurers, brokers and intermediaries to desist from deploying their staff and or agents as touts for the purposes of selling insurance policies, in particular motor insurance.
7. Any player(s) or unregistered person who undertakes insurance touting shall be guilty of an offence and shall be liable to a fine not exceeding level 8 and 14 in terms of section 84A and section 88 of the Insurance Act respectively.
8. Be guided accordingly,

T. Karonga

Commissioner of Insurance, Pension and Provident Funds