



Extract of Max Life Anti Fraud Policy

Max Life is committed to transparency, integrity and accountability in all its affairs. It is determined to maintain a culture of honesty and strong opposition to fraud and corruption. Like any other organization of significant size and complexity, Max Life is vulnerable to risks of fraud and corruption and as such, in accordance with the principle of proportionality, has dedicated adequate resources and priority to combat the same.

The above objective is reinforced through Max Life's **Anti-Fraud Policy** ("Policy") which outlines the procedures in relation to its five key fraud pillars, namely

- Prevention
- Identification and detection
- Investigation
- Correction
- Monitoring and reporting of frauds.

Scope - Max Life's Anti-Fraud Policy applies to every employee or person associated with Max Life, including but not limited to its agents, vendors, brokers or other business parties with which Max Life has a business relationship.

Definition of Fraud - As per IRDAI Circular # [IRDAI/ SDD/ MISC/ CIR/ 009/ 01/ 2013](#) on Fraud Monitoring Framework dated 21 Jan 2013, fraud in insurance is an act or omission intended to gain dishonest or unlawful advantage for a party committing the fraud or for other related parties.

The Framework functions around the following broad categories of fraud defined by IRDAI i.e. [a\) Policyholder Fraud and/or Claims Fraud](#), [b\) Intermediary Fraud](#), [c\) Internal Fraud](#).

Prevention - The organization invests considerable efforts into prevention/ mitigation measures such as: Training and Awareness, Due Diligence on Employees, Insurance Agents, Corporate Agents and Intermediaries and third Party administrators etc. before entering into agreements with them.

Identification and detection of Fraud - Fraud identification and detection includes a combination of the techniques Such as: Segregation of duties; System access controls – access rights restricted as per job responsibilities; Quality checks; Policy holder grievances (received through letters, online, on call or email) for monitoring market conduct issues etc.

Investigation - Investigations shall be undertaken independently, objectively, and professionally in a manner that preserves confidentiality and in accordance with laws and regulations. Investigation includes performing root cause analysis through identifying the point of control failure along with necessary corrective and preventive actions and follow-up for recovery of fraud losses wherever applicable.

Fraud Monitoring Framework - Max Life has put in place a comprehensive Fraud Monitoring Framework; this recognizes fraud risk as part of the key risks and provides for its periodic review by the management and committees such as Management Risk Committee, Risk Committee and the Board etc. The framework further provides for dedicated processes and teams of specialists embedded within a dedicated Fraud Monitoring Function under the Risk Management Function.

Reporting - As per IRDAI Circular on Fraud Monitoring Framework dated 21 Jan 2013, communication channels are established between all stakeholders to provide detailed information of incidents investigated as per format approved by IRDAI

Failure to comply with the Anti-Fraud Policy - The failure to comply with this Policy will result in appropriate disciplinary actions, up to and including termination, including further legal and regulatory actions against the individuals involved .

Communication and Administration - The Anti-Fraud Policy is communicated to all stakeholders, including employees, vendors, agents, intermediaries. As per IRDAI Circular on Fraud Monitoring Framework dated 21 Jan 2013, Max Life's Anti-Fraud Policy is duly reviewed and approved by the board annually.

** For any queries please write to Fraud.Riskmanagement@Maxlifeinsurance.com