



CMF sanctions CAT Corredora de Seguros y Servicios S.A. for infringing its advisory and information duties in phone marketing of insurance

- *The Board fined the broker UF 3,000 after detecting a series of phone marketing cases in which the entity did not provide advice nor clear and understandable information to individuals, leading recipients of these insurance offers to confusion or error.*

August 25, 2022 — The Board of the Financial Market Commission (CMF) sanctioned CAT Corredora de Seguros y Servicios S.A. (CAT) with a fine of UF 3,000 for infringing the advisory and information duties to which insurance brokers are obliged, particularly during the phone marketing of insurance. This is pursuant to Article 57 of Decree with Force of Law No. 251; Article 10, Numbers 1 and 2 of the Supreme Decree of the Treasury No. 1,055 of 2012; and Circular Letters No. 2,148 and No. 2,123 of the CMF.

According to said regulations, insurance brokers must advise people on insurance offers to propose the most convenient coverage for their needs and interests, inform them of contract conditions, and provide all necessary information to help them make the best decisions. **All information must be communicated in a clear, easy-to-understand manner by insurance brokers**, strictly following terms and conditions of the policies being offered to avoid misleading/confusing potential policyholders. **Additionally, brokers must explicitly state that their offers pertain to insurance policies rather than any other type of service or benefit.**

Sanctioning Resolution

A sanctioning procedure carried out by the CMF's Investigation Unit found CAT did not provide advice in 76 cases of phone marketing of insurance, nor clear and understandable information about the elements contained in the respective contracts, per [Exempt Resolution No. 5,098](#) issued on August 11, 2022. **The information CAT presented was disorganized, incomplete, and confusing, stating it was related to benefits associated to credit cards or other financial products rather than an insurance offer to justify contacting people by phone.** As a result, clients did not understand they were taking out an insurance policy or its essential conditions, only finding out about it upon receiving said policy or its pay statements.

The Resolution stresses that the regulations infringed by the sanctioned entity seek precisely that individuals, companies, or entities that take out insurance as risk protection mechanisms and do not know the market or its related rules and norms in detail receive adequate information and diligent treatment through appropriate professional advice.

Area of Communications, Education & Image — Financial Market Commission (CMF)

Contact: prensa@cmfchile.cl | [Press Room](#) | **Twitter:** [@CMFChile](#) [@CMF_Educa](#)
[@CMF_HEsenciales](#) | **LinkedIn:** [CMF](#)