



भारतीय बीमा विनियामक और विकास प्राधिकरण
**INSURANCE REGULATORY AND
DEVELOPMENT AUTHORITY OF INDIA**

Ref: IRDAI/ACTL/MSTCIR/MISC/89/6/2024

Date: 12th June, 2024

To

All Life Insurers

Sub: Master Circular on Life Insurance Products

1. This Master Circular is issued under the provisions of Section 34 of the Insurance Act, 1938 and Section 14 of the IRDA Act, 1999 read with Regulation 7 of the IRDAI (Insurance Products) Regulations, 2024.
2. This Master Circular provides necessary guidance on aspects pertaining to various provisions of the Insurance Regulatory and Development Authority of India (Insurance Products) Regulations, 2024 and applicable to all life insurers, unless otherwise specified.
3. This Master Circular shall be reviewed every year unless review or repeal is warranted earlier.
4. All words and expressions used herein and not defined in this Master Circular but defined in the Insurance Act, 1938 (4 of 1938), or the Insurance Regulatory and Development Authority Act, 1999 (41 of 1999) or Rules or Regulations made thereunder shall have the meanings respectively assigned to them in those Acts or Rules or Regulations.
5. In order to remove any doubts or difficulties that may arise in the application or interpretation of any of the provisions of this Master Circular, the Competent Authority may issue appropriate clarifications as and when deemed necessary.
6. This has approval of the Competent Authority.

Sd/-

(S P Chakraborty)
Chief General Manager (Actuarial)

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Chapter – 1

Section - I: General Information for the Policyholder/ Prospect/ Customer

<p>1.</p>	<p>A. Life insurers are required to make available products/riders to provide wider choice to the policyholders/prospects catering to:</p> <ul style="list-style-type: none"> a) the needs of the customers suitably; b) all ages; c) all regions, all occupational categories, persons with disabilities and any other categories; d) the policyholders/prospects as per their affordability; <p>Note: The above does not imply that the insurer shall have one product to cater to all of the above.</p> <p>B. Insurers shall allow flexibility to customers to choose products/riders as per his/her needs.</p>
<p>2.</p>	<p>Customer Information Sheet (CIS):</p> <p>A. CIS shall be provided with every policy in the format as given in Section IX. It is a document provided by the insurer along with the policy document that explains in simple words, basic features of a policy including the features listed under para 4 of this table at one place. The CIS shall:</p> <ul style="list-style-type: none"> a) be provided to every policyholder in case of both Individual Insurance policy holder as well as a Member of Group Insurance Policy. b) have details like: <ul style="list-style-type: none"> i. type of insurance ii. sum assured iii. benefits iv. exclusions, if any v. other provisions such as Free Look Period, Revival of policy, policy loan and any other options. c) contain information regarding the Claims Procedure, Policy Servicing and Grievance Redressal Mechanism including contact details of Insurance Ombudsman of appropriate jurisdiction. <p>B. Acknowledgment in physical or digital will have to be obtained from the customer. On request, CIS will be made available in local language.</p>
<p>3.</p>	<p>Benefit Illustration for Life insurance products:</p> <ul style="list-style-type: none"> a) Every life insurer shall provide customized benefit illustrations to proposers or prospective policyholders at the point of sale for a product along with the prospectus. b) Such benefit illustration shall be signed by both the prospective policyholder as well as the insurance agent or authorized person of intermediary or such other distribution channel / person or the employee of the insurer involved in sales process, as the case may be and shall form part of the policy document.

4.	<p>Key features of the product shall be provided, in simple terms, which includes but not limited to:</p> <ul style="list-style-type: none"> • Benefits payable on survival including maturity benefit • Benefits payable on death • Benefits payable on surrender of the policy. • Other benefits payable, if any. • Options available under the policy such as <ul style="list-style-type: none"> a. Partial withdrawal: Facility to withdraw amount partially out of policy benefits during the term of the policy. b. Settlement option: facility to receive the maturity or death proceeds in instalments. c. Top-up: Facility to pay additional premium over and above the contractual premium payable under the policy. d. Switches: In case of Linked Insurance products, the facility to move from one fund to another fund, either wholly or partly. e. Any other options available. • Availability of policy loan. • Lock-in period of 5 years for Linked Insurance products during which period the policy proceeds are not allowed to be payable to policyholders except in case of death or other covered contingencies.
5.	<p>Free Look Period (Customers' right to review and option to cancel the policy):</p> <ol style="list-style-type: none"> a) A period of 30 days (from the date of receipt of the policy document) is available to the policyholder to review the terms and conditions of the policy. If he/she is not satisfied with any of the terms and conditions, he/she has the option to cancel his/her policy. b) This shall be in accordance with the provisions of IRDAI (Protection of Policyholders' Interests, Operations and Allied Matters of Insurers) Regulations, 2024.
6.	<p>Nomination:</p> <ol style="list-style-type: none"> a) The policyholder shall nominate the person to whom the money secured by the policy shall be payable in the event of death of the policyholder. b) Nominee can be changed any time during the term of the policy. c) Policyholders shall be provided with a simple and seamless procedure for registering and change in nomination in the policy.
7.	<p>Assignment:</p> <p>Assignment of a policy of insurance can be made either wholly or in part. It can be with or without consideration. It may be made only by an endorsement upon the policy itself or by a separate instrument.</p>
8.	<p>Grace Period for payment of premium:</p> <ol style="list-style-type: none"> a) The grace period of 15 days (where the premium is paid on a monthly basis) and 30 days (where the premium is paid in quarterly/half-yearly/annual installments) is available on the premium due date, to pay the premium.

	b) During grace period, the policy is considered to be in-force. Risk cover would be available without any interruption as per the terms & conditions of the policy.
9.	<p>Splitting of Policies:</p> <p>a) A policy will be deemed to be split, if multiple policies of the same nature are sold to a prospect at the same time.</p> <p>b) In case of splitting of policies, such action shall not result into any additional cost to the policyholder by way of increase (directly or indirectly) in fees or charges in whatsoever name at any time during the term of the policies and not just at the inception.</p>
10.	<p>Policy cannot be contested:</p> <p>No policy of life insurance shall be contestable on any ground whatsoever after the expiry of three years from the date of the policy i.e. from the date of issuance of the policy or the date of commencement of risk or the date of revival of the policy or the date of the rider to the policy, whichever is later.</p>
11.	<p>End to end technology solutions:</p> <p>The insurer shall put in place end to end technology solutions so as to ensure an effective, efficient and a seamless onboarding of policyholders, renewal of policy, policy servicing, grievance redressal and claim settlement process.</p>
12.	<p>Training:</p> <p>Insurers shall provide periodical training to intermediaries, distribution channels and employees of the insurers on their products (existing and new), TATs in policy servicing, changes in regulations etc.</p>
13.	<p>Redressal of Grievances of the Policyholder:</p> <p>a) The insurer shall have in place robust system of Grievance Redressal Process.</p> <p>b) The response letter of the insurer in any grievance shall include the contact details of concerned insurance ombudsman where his/her complaint can be escalated, in case the policyholder is not satisfied by the grievance redressal provided by the insurer.</p>
14.	<p>Implementation of Ombudsman Award:</p> <p>The Insurer is required to comply with the award of the Insurance Ombudsman within 30 days of receipt of award by the Insurer. In case the Insurer does not honour the ombudsman award, a penalty of Rs. 5000/- per day shall be payable to the complainant. Such penalty is in addition to the penal interest liable to be paid by the Insurer under the Insurance Ombudsman Rules, 2017. This provision will not be applicable in case insurer chooses to appeal against the award of the Insurance Ombudsman.</p>

Note:

1. For detailed provisions in respect of paras 2,3,5,9,11 and 12 above, please refer the Master Circular issued under IRDAI (Protection of Policyholders' Interests, Operations and Allied Matters of Insurers) Regulations, 2024.
2. For detailed provisions in respect of paras 6,7 and 10 above, please refer Section 39,38 and 45 of Insurance Act, 1938 respectively.

Chapter - 2

Section - I: Implementation of IRDAI (Insurance Products) Regulations, 2024

1. The insurers shall comply with the following:
 - 1.1. All existing products on sale as on date of issuance of this circular shall be reviewed by the Product Management Committee (PMC) for ensuring compliance with IRDAI (Insurance Products) Regulations, 2024, provisions of this circular and other applicable norms.
 - 1.2. "Products" mentioned herein include base products and riders.
 - 1.3. Existing products which are complying with the provisions as referred under para 1.1, can continue to remain open for new business.
 - 1.4. Existing products not complying with the provisions as referred under para 1.1, can continue for new business for a limited period up to 30th September, 2024 and shall be withdrawn for new business or modified as per the extant product approval process on or before 30th September, 2024.
 - 1.5. Once a product is withdrawn from the market, the insurer shall not procure any new business and/or issue any new policy under that product after the date of withdrawal.
 - 1.6. The insurer shall submit the statement of products as per the format provided herein under Certification V to Certification –VIII of part B of Section VIII of this circular to IRDAI by 15th October, 2024.
 - 1.7. If a group product is withdrawn, no new members can be added into existing group policies. However, all group policyholders at the time of renewal of such policy shall be given an option to switch over to the modified version of the group product, if any, once introduced. Those group policies where the policyholders do not switch over to the modified version, the following shall be complied with:
 - 1.7.1. The group policy may continue to be renewed under the UIN of old group product.
 - 1.7.2. The group policy will be closed to new members from the renewal date of the policy immediately after the effective date of this circular.
 - 1.7.3. The insurer shall obtain written consent from the group policyholder to continue in the old policy.
 - 1.7.4. A certificate in respect of group products which have been withdrawn from the market for new business on account of non-compliance with IRDAI (Insurance Products) Regulations, 2024 but which are being continued for members existing on the effective date of this circular, should be submitted to IRDAI on or before 15th October, 2024 as per format given in Certification VIII of this circular.
 - 1.8. All new products shall comply with IRDAI (Insurance Products) Regulations, 2024, provisions of this circular and other applicable norms.

Section - II: Product Governance Framework

2. In accordance with Regulation 6 (i) (a) of IRDAI (Insurance Products) Regulations, 2024, every life insurer shall have in place separate Board approved policies, at the earliest, covering each of the following areas:
 - 2.1. Product design, pricing and product management, hereinafter referred to as Board Approved Product Management & Pricing Policy (BAPMPP).
 - 2.2. Underwriting, hereinafter referred to as Board Approved Underwriting Policy (BAUP).
 - 2.3. Advertisements, hereinafter referred to as Board Approved Advertisement Policy (BAAP).
3. The Board Approved Product Management & Pricing Policy (BAPMPP) shall cover, amongst other things, Internal governance framework aimed at meeting the principles on product design and pricing of insurance products referred to under regulation 4 of IRDAI (Insurance Products) Regulations, 2024.
4. **Board approved underwriting policy (BAUP):**
 - 4.1. The underwriting policy shall, amongst other things, cover the following:
 - 4.1.1. Risk assessment, insurer's risk appetite and risk tolerance limit;
 - 4.1.2. Nature of risks to be underwritten, including any material relationships with macroeconomic conditions;
 - 4.1.3. Interactions of the underwriting strategy with the insurer's reinsurance strategy and pricing;
 - 4.1.4. Underwriting philosophy of the company;
 - 4.1.5. Procedure through which the insurer will be reporting its underwriting performance to the Board;
 - 4.1.6. Delegation of underwriting authority to different levels of management or specific persons.
 - 4.2. The underwriting policy shall be consistent with principles of product design and pricing and shall be relevant and updated taking into account various regulatory stipulations and approvals of the Board from time to time. The underwriting activity shall at all times be consistent with the aforementioned underwriting policy.
 - 4.3. Insurers shall put in place an internal audit mechanism for ensuring quality in underwriting and compliance with the underwriting policy.
5. **Product Management Committee:**
 - 5.1. The Product Management Committee (PMC) referred under regulation 6(1)(b) of IRDAI (Insurance Products) Regulation, 2024 shall be constituted with Appointed Actuary (AA), Chief Investment Officer, Chief Marketing / Distribution Officer, Chief Technology Officer and Chief Compliance Officer of the insurer as members. In addition to the above, the insurer may include other members of its senior

management in the PMC as members or as invitees.

5.2. The PMC shall ensure:

5.2.1. that all the matters referred under regulation 6(1)(b) of IRDAI (Insurance Products) Regulations, 2024 are complied with;

5.2.2. compliance with circulars, guidance, if any, issued / communicated by the Competent Authority;

5.2.3. management of products and its pricing is in line with BAPMPP;

5.2.4. that the benefits reflecting in sales literature, terms and conditions reflecting in policy document shall be consistent with the design approved;

5.2.5. maintenance of all relevant records for each product;

5.2.6. fairness and reasonableness of surrender values.

5.3. In addition to above, the PMC shall carry out proper due diligence process and record its concurrence/sign off on various product related risks (such as risks related to capital requirements, profitability, underwriting, reinsurance etc.) and recommendation / approval of the product, as applicable.

5.4. The quorum for the Product Management Committee shall be 3 members in addition to Appointed Actuary.

5.5. The CEO of the insurer shall have an overall responsibility for ensuring that a robust due diligence process is in place to mitigate risks arising from the products and will countersign the relevant certifications.

6. The Advertisement Committee (AC):

6.1. The Advertisement Committee referred under regulation 6(1)(c) of IRDAI (Insurance Products) Regulation, 2024 shall be constituted with a minimum of two Key Management Persons (KMP), three Senior Management Officials one level below the KMP and a permanent invitee from PMC of the insurer.

6.2. The quorum for the Advertisement Committee shall be 3 members including one KMP and the permanent invitee from PMC.

6.3. The Committee shall ensure compliance with the provisions of IRDAI (Protection of Policyholders' Interests, Operations and Allied Matters of Insurers) Regulations, 2024 and Master Circular issued thereunder and shall approve the advertisement.

Section - III: Additional provisions on pricing

7. In addition to the principles stated under regulation 4 of IRDAI (Insurance Products) Regulations, 2024, the Appointed Actuary and PMC shall ensure that:

7.1. The premium rates/charges, benefit structure, terms and conditions are workable and sound, the underlying assumptions are reasonable and premium rates/charges are fair and appropriately reflect benefits and terms & conditions of the product.

7.2. The premium derivation, rating process and discounts offered / loadings are unambiguous and objectively defined such that similar risks are not discriminated in

terms of premium being charged.

- 7.3. The premium rates and charges have been derived using generally accepted actuarial principles.
- 7.4. Pricing basis is in line with the insurer's own experience, to the extent applicable. The premium basis shall be supported by actual experience, if any, over a period of 3 to 5 years under that product/rider and/or that product segment/rider segment, as relevant.
- 7.5. While setting pricing assumption for expenses, insurer shall comply with the limits prescribed by the Insurance Regulatory and Development Authority of India (Expenses of Management, including Commission, of Insurers) Regulations, 2024.
- 7.6. Consistency is there between the pricing assumptions and the reserving assumptions used for profit testing under the product, to the extent applicable.
- 7.7. The premium rates/charges are equitable between policies sold through different distribution channels.
- 7.8. In case of a feature such as settlement option/income option/inbuilt income option etc. where benefits are payable in instalments on death or maturity, the instalment/income period shall be reasonable.
- 7.9. The product/rider shall be financially viable.
- 7.10. The profit margin shall be reasonable.
- 7.11. The number of options / variants offered under the product shall be reasonable. All options / variants shall be easily explainable to prospective policyholders.
- 7.12. For limited pay/single pay pure risk products: Non-forfeiture benefit shall be reasonable and fair.
- 7.13. In case of the group product:
 - 7.13.1. the premiums quoted to various groups are in line with the premiums filed under the extant filing procedure.
 - 7.13.2. Where different premium rates are applicable for different mortality assumptions, the selection of a specific mortality rate for a particular group shall be in accordance with objective criteria laid down in the Board-approved underwriting policy.
 - 7.13.3. The discounts and loadings offered based on various rating factors specific to the group, such as group size, shall:
 - 7.13.3.1. not be at the discretion of the insurer.
 - 7.13.3.2. be based on objective criteria as set out in the product filing documents as per the applicable product filing procedure as per Section V of this circular.
 - 7.13.3.3. The discounts and loadings, if any, shall be applied on the premium applicable for the selected mortality as set out in the product filing documents as per the applicable product filing procedure as per Section V of this circular.
 - 7.13.3.4. The discounts for various rating factors specific to the group, which would be accounted for arriving at the final premium, shall comply

- with the Section 41 of the Insurance Act, 1938 and Rule 11 & 12 of the Insurance Rules, 1939.
- 7.13.3.5. The discounts, if any, all put together shall not be more than 30% of the approved premiums under the extant filing procedure as per Section V of this circular.
- 7.13.3.6. Similarly, the loadings, if any, all put together shall not be more than 30% of the approved premiums under the extant filing procedure as per Section V of this circular.
- 7.13.4. Profit Sharing/Experience Rating under Group Insurance Schemes:
- 7.13.4.1. Minimum number of life years covered under a Group Master Policy should not be less than 1000 for considering profit sharing. Where for a scheme year the available experience is less than 1000 life years, profit sharing arrangement shall be deferred until the end of the scheme year in which the minimum number of life years of 1000 in scheme is reached on cumulative basis prospectively.
- 7.13.4.2. Profit sharing shall not be allowed other than on a scheme year basis.
- 7.13.4.3. Whether to carry forward losses or not shall be decided by the Appointed Actuary having regard to related factors like pricing basis, percentage of profit sharing formula and assumptions for profit sharing etc.
- 7.13.4.4. Profit sharing percentage shall not exceed 75% (seventy-five per cent) if number of life years for a scheme is less than one lakh and shall not exceed 90% (ninety per cent) if the number of life years is one lakh and more for a scheme.
- 7.13.4.5. Mortality assumption for this purpose shall not be lighter than 60% of the rates under the standard mortality table prescribed for the pricing assumptions i.e. currently IALM (2012-14).
- 7.13.4.6. The experience rating / profit sharing formula and related assumptions shall be as per the extant filing procedure as as per Section V of this circular.
- 7.14. In case of introduction of a new product replacing an existing similar product, the premium rates and benefits of the new product shall be reasonable and fair.
- 7.15. For individual unit linked insurance products (ULIPs):
- 7.15.1. Illustrated Unit Fund value at maturity shall be at least 90% of total premium paid at 4% gross yield on the Unit Fund after allowing for all the deductions under the policy, including underwriting loadings, if any.
- 7.15.2. The mortality / morbidity assumption used for mortality / morbidity charge shall be consistent with that used for profit testing the product.
- 7.16. For credit life products:
- 7.16.1. The coverage term at inception shall not be more than the outstanding loan tenure.

- 7.16.2. Sum Assured shall also be consistent with the original loan amount sanctioned for level cover or with the loan schedule at inception.
- 7.17. In case of riders:
- 7.17.1. expenses, if required, may be loaded only on marginal basis for non-linked riders;
 - 7.17.2. the premium pertaining to health related or critical illness riders shall not exceed 100% of premium under the base product, the premiums under all other life insurance riders put together shall not exceed 30% of premiums under the base product;
 - 7.17.3. any benefit arising under each of the above mentioned riders shall not exceed the sum assured under the base product except for Accidental death benefit riders where the rider sum assured is limited to a maximum of three times of base sum assured;
 - 7.17.4. the rider or riders attached to a life insurance policy shall bear the nature and character of the base policy, viz. participating and non-participating and accordingly, the life insurer shall make provisions etc. in its books.
- 7.18. If the product has a health component, exclusions, if any, shall be in line with medical ethics, based on medico-legal opinion obtained by the insurer in this regard.

Section - IV: Other provisions

Part - A: Provisions applicable to both Linked and Non-Linked Life Insurance Products:

- 8. The product documents shall clearly mention the following classification:
 - 8.1. Par/Non-par
 - 8.2. Linked/Non-Linked
 - 8.3. Life/Pension/General Annuity/Health
 - 8.4. Individual/Group
 - 8.5. Savings/Pure risk product
- 9. The policyholder may be provided with options to pay premium as:
 - 9.1. single premium where the premium is paid in lump sum at the inception of the policy; or
 - 9.2. regular premium where a level premium is paid throughout the term of policy; or
 - 9.3. limited period premium where the premium is paid for a limited period, which shall be less than the policy term.
- 10. In case of fraud or misstatement or suppression of material fact, the policy shall be treated in accordance with the provisions of Section 45 of the Insurance Act, 1938.
- 11. For policies issued on minor's life, the date of commencement of risk may start anytime on or up to two years from the date of commencement of the policy or on the policy anniversary after attainment of majority, whichever is earlier.
- 12. Except for group products, the premium chosen at the outset shall become payable throughout the premium paying term of the policy. Such premium shall be level or uniform

and shall not vary over the term of the policy provided after payment of premiums for first three completed policy years for pure risk products and five completed policy years for other than pure risk products, the policyholder may be given an option to decrease the premium up to 50% of the original annualized premium, subject to the minimum premium limits under the product of the insurer. Once reduced, the premium cannot be subsequently increased. Benefits may be revised subject to the minimum sum assured on death/health cover as stipulated under clause 3 of Schedule-I of IRDAI (Insurance Products) Regulations, 2024. Sustainability of the policy due to reduction of premiums shall be ensured.

13. Renewal Premium in advance:

- 13.1. Collection of renewal premium in advance shall be allowed within the same financial year for the premium due in that financial year. Provided, the premium due in one financial year may be collected in advance in earlier financial year for a maximum period of three months in advance of the due date of the premium.
- 13.2. The renewal premium so collected in advance shall only be adjusted on the due date of the premium.
- 13.3. The commission shall only be paid after adjustment of premium on due date.

14. If a life insurance policy, does not have a definite policy term and the policy terminates on death of the life assured or provides coverage at least up to attainment of age 80 years, it shall be categorised as Whole Life policy.
15. Misleading and misrepresenting the benefits through the name of the products or name of the benefit shall not be allowed.

16. Approval of Innovative products:

- 16.1. Innovative products can be defined as the products which are uncommon in the market.
- 16.2. The innovativeness in product design shall result in meeting customer needs, better customer understanding and satisfaction and shall not result in complexity of understanding the product, additional strain on the company's infrastructure, resulting into increased cost to the customer.
- 16.3. The insurer shall submit to the Competent Authority, the product design concept of the proposed innovative product and other details along with justification.

Part - B: Provisions applicable to Non-Linked Life Insurance Products

17. Under individual Non-Linked Non-Par products, the benefits shall be explicitly stated in advance at the inception of the policy without any discretion to the insurer.

18. Under Non-Linked Non-Par group products, the benefits or interest rates, as applicable, may be accrued at the end or at the beginning of either every month or quarter or half-year or year, and shall be explicitly defined or stated in the extant product filing, with no discretion to the insurer, where year shall mean the financial year.
19. For the participating products, in addition to the sum assured on death, the bonus and additional benefits as per terms and conditions stated in the policy shall become payable on death as part of the death benefit, if not paid earlier.
20. The insurer may pay death benefit either in lump sum or in instalments as per the terms and conditions of the policy contract.
21. In case of death due to suicide within 12 months from the date of commencement of risk under the policy or from the date of revival of the policy, as applicable, the nominee or beneficiary of the policyholder shall be entitled to at least 80% of the total premiums paid till the date of death or the surrender value available as on the date of death whichever is higher, provided the policy is in force.
22. **Minimum Policy Term:**
 - 22.1. For individual savings products, the minimum policy term shall be at least five years.
 - 22.2. For group fund based insurance products, the minimum policy term shall be at least one year (on annually renewable basis).
 - 22.3. Notwithstanding above, insurers may design products which offer a range of policy terms, subject to a minimum policy term of one month, with respect to individual pure risk product, group term, group credit Life and micro insurance products.
23. Insurers may design products which offer a range of premium payment terms.
24. Insurers may provide an option to policyholders to alter the premium payment term or policy term, subject to limits applicable under para 22 and para 23, provided that such alteration is in accordance with Board approved underwriting policy and the premium rates to be charged under such circumstances are approved under extant product approval process.
25. In case premium payment term is less than 5 years:
 - 25.1. Expenses of Management (EOM) limit for single premium as specified in the IRDAI (Expenses of Management, including Commission, of Insurers) Regulations, 2024 shall be applicable to each annualised premium.
 - 25.2. The Guaranteed Surrender Value (GSV) shall be consistent with the conditions specified for single premium and other than single premium products as mentioned in clause 4 (A) (a) of Schedule – I of the IRDAI (Insurance products) Regulations, 2024.

26. Surrender Value:

26.1. Insurers shall examine the persistency across all the distribution channels and shall put in place mechanism to improve persistency across all the durations of the policy for enhancing long term benefits to policyholders and establish strict measures to curb mis-selling, mis-leading sales leading to surrender or lapses resulting in policyholders' grievances and financial loss.

26.2. Insurers may offer higher Guaranteed Surrender Values (GSV) than those specified in the regulations and these values may vary with premium size, premium paying term, policy term, the duration elapsed at the time of surrender and other relevant factors, as applicable.

26.3. While deciding on the surrender value, insurers shall ensure reasonableness and value for money to all types of policyholders including surrendering policyholders and continuing policyholders.

26.4. Special Surrender Value (SSV):

26.4.1. Insurers, while determining the SSV as per the provisions of clause 4 of Schedule I of IRDAI (Insurance products) Regulations, 2024, shall ensure that such SSV shall be at least equal to the expected present value of the
(a) paid-up sum assured on all contingencies covered and
(b) paid-up future benefits (such as income benefits), if any, and
(c) accrued/vested benefits, duly allowing for survival benefits already paid (what so ever name called), if any.

26.4.2. SSV calculated as above shall become payable after completion of first policy year provided one full year premium has been received:
Provided for policies with limited premium payment term of less than 5 years and single premium policies, SSV shall become payable immediately after receipt of first full year premium or single premium, as applicable.

26.4.3. The paid-up sum assured and paid-up future benefits as referred in the para 26.4.1 above:

26.4.3.1. shall be calculated as per clause 4(A)(7) of Schedule I of IRDAI (Insurance products) Regulations, 2024 for other than single premium policies. Single premium policies shall be considered as fully paid up for this purpose.

26.4.3.2. The rate of interest used to calculate such expected present value shall not be more than the prevailing yield on 10 Year G-Sec with a spread of not exceeding 50 basis points.

26.4.4. The applicable SSV shall be reviewed annually based on the prevailing yield on 10 Year G Sec and the underlying experience.

26.5. **Benefit Illustrations:** Policy year wise GSV, SSV and Surrender Values payable shall be separately stated in the benefit illustration.

26.6. Other provisions:

26.6.1. Insurers shall examine the existing products on sale and carry out necessary changes to the surrender values, if any, by ensuring that surrender values payable to policyholders/beneficiaries is in compliance with the provisions of this master circular and IRDAI (Insurance Products) Regulations, 2024. The modification of existing products can be carried out following the extant norms of product filing procedure.

26.6.2. Under non-linked product structure, insurers may move towards products which provide transparency, flexibility and are simple to understand in terms of benefit structure and returns payable to policyholders/beneficiaries.

27. Loans: All non-linked savings products offering surrender value shall have the facility of policy loan based on the eligible surrender value. The insurer may also offer policy loan facility under Annuity products with 'Return of Purchase Price' option based on eligible surrender value.

28. Market Value adjustment:

28.1. Market value adjustment shall not be allowed under:

28.1.1. Non-linked Individual products;

28.1.2. Par and non-par group fund based products where the exits are in accordance with the scheme rules filed with the insurer at the outset, except as stipulated in para 28.2 below.

28.2. Market value adjustment may be allowed for par and non-par group fund based products, for bulk exits and complete surrender, where the bulk exits are clearly defined in the contract and provided there is an investment guarantee assured throughout the policy.

28.3. Market value adjustment shall be defined explicitly & objectively and approved under extant product approval process. There shall not be any discretion left to the insurer in arriving at the market value adjustment.

28.4. Market value adjustment shall not be applicable for the amounts below the amount which represents the bulk exits and shall be applied only to the amount which is over and above the amount representing bulk exit.

28.5. Market value adjustment shall be applied only if:

28.5.1. The assets are earmarked separately for the product;

28.5.2. The revaluation of assets at the time of market value adjustment is carried out on the entire portfolio of assets.

28.6. For the purpose of this provision, for par and non-par group fund based products:

28.6.1. If the amount to be paid on total exits during the policy year exceeds 25% of the policy account values as at the beginning of the year, such transactions shall be treated as bulk exits, where exit shall be as per the scheme rules; and

28.6.2. Exit shall mean exit of the member from the group.

29. Provisions applicable to Non-Linked Pension Products

29.1. Pension products may offer riders during the deferment period. However, the rider benefit shall not be counted for arriving at the assured benefit referred in the clause 2(D) of Schedule I of IRDAI (Insurance Products) Regulations, 2024.

29.2. Insurers shall give following options to policyholder or nominee as applicable on surrender or vesting under pension products other than Group Fund Based Non-Linked pension products:

29.2.1. Options on Surrender or vesting: On surrender or vesting, the policyholder shall exercise one of the following options:

29.2.1.1. To utilize the entire proceeds to purchase immediate annuity or deferred annuity from the same insurer at the then prevailing annuity rate subject to the para 29.2.1.3.

29.2.1.2. To commute up to 60% and utilize the balance amount to purchase immediate annuity or deferred annuity at the then prevailing annuity rate subject to para 29.2.1.3.

29.2.1.3. Every policyholder shall be given an option to purchase immediate annuity or deferred annuity from another insurer, at the then prevailing annuity rate, by utilising not more than 50% of the proceeds of the policy net of commutation.

29.2.1.4. In case, the proceeds of the policy either on surrender or vesting, net of commutation, are not sufficient to purchase minimum annuity as defined in clause 5 of Schedule I of IRDAI (Insurance Products) Regulations, 2024, such proceeds of the policy may be paid to the policyholder or beneficiary as lump sum.

29.2.2. Options to the Nominee on death of the policyholder:

29.2.2.1. If the policyholder dies during the deferment period, the nominee shall exercise one of the following options:

29.2.2.1.1. to utilize the entire proceeds of the policy or part thereof for purchasing an immediate annuity or deferred annuity at the then prevailing rate;

29.2.2.1.2. withdraw the entire proceeds of the policy.

29.2.2.2. In case the proceeds of the policy are not sufficient to purchase minimum annuity as defined in clause 5 of Schedule I of IRDAI (Insurance Product) Regulations, 2024 as amended from time to time, the proceeds of the policy may be paid as lump sum.

29.3. Partial withdrawal in case of Individual Pension products during deferment:

29.3.1. It can be made only after completion of 3 years from the date of commencement of the policy during deferment period.

29.3.2. Total partial withdrawal shall not exceed 25% of total premiums paid as on the date of partial withdrawal.

29.3.3. The amount of partial withdrawal shall be treated as preponement of the

commuted portion of the surrender / vesting benefit.

29.3.4. Partial withdrawal shall not result into termination of the contract.

29.3.5. Partial withdrawal shall not be used for the adjustment of sum assured on death or sum assured on health cover.

29.3.6. It shall be allowed only three times during the entire term of the policy (i.e. deferment period).

29.3.7. It shall be allowed only against the stipulated reasons:

29.3.7.1. Higher education of children, including legally adopted child.

29.3.7.2. Marriage of children, including legally adopted child.

29.3.7.3. Purchase or construction of a residential house or flat in the Life Assured's own name or in joint name with their legally wedded spouse. However, if the Life assured already owns a residential house or flat (other than ancestral property), no withdrawal shall be permitted.

29.3.7.4. For treatment of critical illnesses of self, spouse or dependent children, including legally adopted child.

29.3.7.5. Medical and incidental expenses arising from disability or incapacitation suffered by the life assured.

29.3.7.6. Expenses incurred by the life assured for skill development/re-skilling or any other self-development activities.

29.3.7.7. Expenses incurred by the Life assured for the establishment of her/his own venture or any start-ups.

29.4. Group Fund Based Non-Linked Pension Products:

29.4.1. For all group fund based non-linked pension products with the defined benefits, where the scheme does not maintain individual member accounts and only maintains a Pension fund:

29.4.1.1. There shall be an assured benefit, as defined under clause 2(D)(f) of Schedule-I of IRDAI (Insurance Products) Regulations, 2024, shall be applicable on the entire Pension fund available with the insurer. However, there shall also be an assured benefit that is available on death of a member.

29.4.1.2. For exits on account of death, retirement or any other exit allowed in accordance with the scheme rules as agreed at the inception of the contract with group policyholder, the insurer shall make payments from the Pension funds, subject to availability of such funds, as per the terms of the scheme rules applicable to the member who is exiting.

29.4.2. For all group fund based non-linked pension products with the defined contributions, where the scheme maintains individual member accounts:

29.4.2.1. There shall be an assured benefit, as defined under clause 2(D)(f) of Schedule-I of IRDAI (Insurance Products) Regulations, 2024,

which shall be applicable on each of such individual accounts.

29.4.2.2. For exits on account of death, retirement or any other exit allowed in accordance with the scheme rules as agreed at the inception of the contract with group policyholder, the insurer shall make payments from the Pension funds, subject to availability of such funds, as per the terms of the scheme rules applicable to the member who is exiting.

29.4.3. Except for exits or provisions as allowed as per the scheme rules, no other withdrawals shall be allowed. The benefits on exits shall be subject to the scheme rules.

29.4.4. Provisions stipulated in clause 4(A) (b) of Schedule-I of IRDAI (Insurance Products) Regulation, 2024 shall apply in case of complete surrender of the policy.

29.4.5. Where the group policyholder maintains Pension funds with more than one insurer, the group policyholder shall have the option to choose any insurer to purchase annuity.

30. Annuity Product:

30.1. Annuity products shall be offered under Non-linked Non-Participating immediate annuity or deferred annuities under individual or group platform subject to provisions on group products referred under para 31 of this circular.

30.2. Under the immediate annuity and deferred annuities including group deferred and group immediate annuities, the following guaranteed for life annuity options may be permitted under individual and group business subject to provisions on group products referred under para 31 of this circular:

30.2.1. Life annuity

30.2.2. Life annuity with Return of Purchase Price

30.2.3. Annuity Certain for a specific period (period as approved under the product filing procedure) and life thereafter

30.2.4. Joint Life annuity with a provision of 100%, 50% or such other percentages of annuity to Secondary Annuitant on death of the Primary Annuitant and Return of Purchase Price on death of Last Survivor

30.2.5. Joint Life annuity with a provision for 100% or 50% or such other percentages of annuity to Secondary Annuitant on death of the Primary Annuitant

30.2.6. Variable annuity pay-out option with a minimum guaranteed annuity amount

30.2.7. Any other annuity, as approved.

Provided that every annuity product shall have at least options (30.2.1) and (30.2.2) mentioned above.

- 30.3. Under both group and individual deferred annuity products:
 - 30.3.1. annuity shall commence at the end of the deferment period and underlying annuity shall be guaranteed for life.
 - 30.3.2. Premium payment mode may be single, limited premium or regular premium.
- 30.4. Insurer may offer rider covering health contingencies, with explicit premium for health contingencies.
- 30.5. **Variable annuity pay-out option:**
 - 30.5.1. Annuity pay outs shall vary with a publicly available benchmark as per the formula as specified in the product filing document.
 - 30.5.2. The annuity amount may vary based on specific formula linking to benchmark value on quarterly or less frequent basis. For example, if the monthly annuity amount is related to a defined benchmark as at 1st April, 2024, the next three or more annuity pay-outs may be based on 1st April, 2024 benchmark value.
 - 30.5.3. This option is available only with:
 - 30.5.3.1. Individual Life annuity with Return of 100% of Purchase Price on death of annuitant;
 - 30.5.3.2. Joint Life annuity with a provision of 100%, 50% or such other percentages of annuity to Secondary Annuitant on death of the Primary Annuitant and Return of 100% Purchase Price on death of Last Survivor.
 - 30.5.4. The minimum guaranteed annuity rate throughout the currency of the policy shall not be less than 60% of the annuity rate at inception of the policy under option 30.2.2 or 30.2.4. For example, if the annuity rate at inception of the policy for annuitant with age at entry of 60 years is 7% per annum under option 30.2.2, the minimum guaranteed annuity rate for option 30.2.6 shall not be less than 4.2% per annum throughout the currency of policy.
 - 30.5.5. Variation of annuity pay-outs in relation to the publicly available benchmark shall be explicitly stated in all the filing documents in a clear and unambiguous manner for easy understanding of the customer or policyholders and for enabling them to take an informed decision.
 - 30.5.6. The projected variable annuity pay-outs shown in the Benefit illustration shall be realistic and be based on expected movement of the benchmark. The expected movement shall reflect the inherent volatility and risk of adverse movements of the benchmark.
 - 30.5.7. Benefit illustration shall explicitly mention that the investment risk is partially borne by the policyholders or annuitants in case of variable annuity pay-out option.

31. **Group Products:** The following additional provisions are applicable to group products offered under non-linked category.
- 31.1. **Employer-Employee Group Products:** The following group products shall be permitted for employer- employee groups:
- 31.1.1. Group Term Insurance products
 - 31.1.2. Group Fund Based products
 - 31.1.3. Group Credit Life Insurance products
 - 31.1.4. Single Premium Group Term Insurance Products
 - 31.1.5. Micro insurance products
 - 31.1.6. One-year renewable Group Term insurance products
 - 31.1.7. One-year renewable Group Health insurance products
 - 31.1.8. Group Health Insurance products
 - 31.1.9. Group annuity products
 - 31.1.10. Government (Central or State) sponsored Group Insurance Products or Schemes.
- 31.2. **Non-Employer-Employee Group Products:** The following group products shall be permitted for Non-employer- employee groups:
- 31.2.1. Group Term Insurance and Group Health insurance products including one-year renewable group insurance products
 - 31.2.2. Single Premium Group Term Insurance products and Single Premium Group Health Insurance products with policy term exceeding one year for non-employer-employee homogeneous groups
 - 31.2.3. Group Credit Life Insurance products
 - 31.2.4. Micro Insurance products
 - 31.2.5. Government (Central or State) sponsored Group Insurance Products or Schemes
 - 31.2.6. Group Fund Based Product offered to non-employer employee homogeneous group where master policyholder is the trustee.
- 31.3. Non-employer-employee homogeneous groups shall be groups comprised of members with homogeneous risk characteristics which includes:
- 31.3.1. Any association, where the member represents a particular profession or trade or domestic workers or anganwadi workers, ASHA workers etc.
 - 31.3.2. Government agencies
 - 31.3.3. Any cooperative societies
 - 31.3.4. Parents of school or college students as members
 - 31.3.5. Any other groups as may be approved by the Competent Authority.
- 31.4. Group fund based non-linked insurance products shall include following:
- 31.4.1. Group Non-Linked Superannuation Product;
 - 31.4.2. Group Non-Linked Gratuity Product;
 - 31.4.3. Group Non-Linked Leave Encashment Product
 - 31.4.4. Group Non-Linked Post-Retirement Medical Product
 - 31.4.5. Group Non-Linked products with significant savings element.

- 31.5. The group fund based non-linked insurance products stipulated in para 31.4.2 to 31.4.5 of this circular shall have risk cover complying with the clause 5 of Schedule I of IRDAI (Insurance Products) Regulation, 2024 and shall have an explicit mortality/morbidity cost levied.
- 31.6. The premium with respect to group products shall be made in accordance with the funding requirements as per the scheme rules. The trustee or employer or policyholder shall be required to confirm that such funding is required as per extant accounting standard governing the measurement of long term employee or member benefits.
- 31.7. The group fund based non-linked products shall not allow any top-ups, unless required to address the underfunding of the scheme as per extant accounting standard governing the measurement of long term employee or member benefits.
- 31.8. Group fund based non-linked superannuation products may offer risk cover with an explicit premium for the cover.
- 31.9. In case of Group Fund Based Product offered to non-employer employee homogeneous group:
 - 31.9.1. The insurer shall be responsible to:
 - 31.9.1.1. ensure that details of all the individual members are made available to them by the master policyholder/trustee.
 - 31.9.1.2. ensure that the premiums paid by the members of the group is remitted directly to them rather than through the master policyholder or other distribution channels, if any.
 - 31.9.1.3. directly issue certificate of insurance, covering relevant details, to each member of the groups.
 - 31.9.1.4. settle claims directly to the members/beneficiaries of the group seamlessly.
 - 31.9.2. The insurer shall ensure compliance with the extant norms on Anti-Money Laundering/ Counter Financing of Terrorism (AML/CFT) and perform due diligence on the Master Policy Holder (MPH)/individual members.
 - 31.9.3. All the norms applicable to group policies including member wise KYC norms shall be complied with.
 - 31.9.4. The Master Policyholders/trustee shall maintain the details of all the individual members covered, which shall also be made available to the insurer as and when required.
 - 31.9.5. Customer information shall be collected from all relevant sources, including from agents/intermediaries etc.
 - 31.9.6. insurance premium shall not be disproportionate to income/ asset.
 - 31.9.7. The insurer shall put in place appropriate system to carry out all the functions/responsibilities related to Group Fund Based Product offered to non-employer employee homogeneous group.
- 31.10. The group insurance schemes shall be administered in compliance with the provisions mentioned under IRDAI (Protection of Policyholders' Interests,

Operations and Allied Matters of Insurers) Regulations, 2024 and master circular issued thereunder with regards to data management, collection of premium, issuance of certificate of insurance, claim settlement, reimbursement of expenses to master policy holders and other administrative matters.

- 31.11. In case of surrender of the group policy, other than group fund based policies, the insurer shall give an option to the individual members of the group, on such surrender, to continue the policy as an individual policy and the insurer/intermediary if any, shall continue to be responsible to serve such members till their coverage is terminated.
- 31.12. Declaration of interest rates under Group Fund based products:
- 31.12.1. The insurers shall keep a separate account of all receipts and payments in respect of each policy under Group fund based products. The valuation of assets and liabilities shall be in accordance with IRDAI (Actuarial, Finance and Investment Function of Insurers) Regulations, 2024 and other applicable norms.
- 31.12.2. The interest rate credited to each fund and expenses charged to such funds shall be in accordance with the Board approved policy of the insurer.
- 31.12.3. However, such interest rates shall be declared by the insurers at regular intervals based on the fund size with appropriate disclosure in the insurer's website.
- 31.12.4. Interest rates shall need to be declared in such a way that there shall be no discrimination amongst identical policyholders in terms of fund size.
- 31.12.5. Interest rates as well as expenses, if any, which need to be charged to the fund shall be stated explicitly in the product filing documents.

32. Administration of Non-Linked Insurance Products:

PMC shall ensure that all the processes and suitable infrastructure and system requirements on an ongoing basis for the products to be launched are established and the systems enable the insurer from day of launch of the product, to perform all the day-to-day operations including all policyholder servicing, payments and determination of the reserves and solvency margin as required under the Act, the IRDA Act, Rules or Regulations framed thereunder from time to time.

33. Benefit Disclosure:

- 33.1. Except for products where all the benefits are assured in absolute amount at the outset of the contract, all other insurance products, in the customised benefit illustration, shall illustrate the guaranteed and non-guaranteed benefits at gross investment returns. Considering the dynamic nature of movement of interest rates, such gross investment returns are currently stipulated as 4% p.a. and 8% p.a, for other than annuity products.
- 33.2. In case of pension products, a yearly statement shall be sent to each policyholder indicating:

- 33.2.1. the current accumulated value or available amount.
- 33.2.2. the expected accumulated value on date of vesting on the basis of gross investment returns. Considering the dynamic nature of movement of interest rates, currently the gross investment returns are stipulated as 4% p.a. and 8% p.a.
- 33.2.3. likely annuity amount based on the then prevailing annuity rates with the caveat that the projected rates shall not reflect any guarantee.
- 33.3. Such benefit illustration shall be signed by both the prospective policyholder as well as the insurance agent or authorized person of intermediary or such other distribution channel / person as per the extant norms, involved in sales process, as the case may be and shall form part of the policy document.
- 33.4. The benefit illustration as approved under the product filing procedure shall be part of the sales literature and shall be furnished to the prospective policyholder along with the sales literature before concluding the sale.

Part - C: Provisions applicable to Linked Life Insurance Product:

- 34. If a linked insurance product has all the funds linked to publicly available index, the product shall be classified as index linked product otherwise shall be classified as ULIP.
- 35. In case of death due to suicide within 12 months from the date of commencement of the policy or from the date of revival of the policy, as applicable, the nominee or the beneficiary of the policyholder shall be entitled to the fund value, as available on the date of intimation of death. Further any charges other than fund management charges (FMC) and guarantee charges recovered subsequent to the date of death shall be added back to the fund value as available on the date of intimation of death.
- 36. For the purpose of minimum Sum Assured in terms of clause 3 of Schedule I of IRDAI (Insurance Products) regulations, 2024, 'Single premium' excludes taxes, rider premiums and underwriting extra premium on riders, if any.
- 37. **Guarantees on policy benefits:**
 - 37.1. Subject to provisions stipulated in clause 2 (D) and 3 of Schedule-I of IRDAI (Insurance Products) Regulations, 2024, all individual Unit linked insurance products shall have either a guaranteed sum assured on death or under health cover, as applicable and may have a guaranteed maturity value.
 - 37.2. If a product has investment guarantee, the insurer may levy guarantee charge. The Financial viability of the product shall be demonstrated at the time of approval of the product. Comprehensive documentation on such guarantee charge shall be maintained.

38. Minimum Policy Term:

Minimum policy term shall be at least:

38.1. five years for individual Unit linked insurance products.

38.2. one year for Group fund based products which may be renewed every year.

39. Premium Payment Term:

Irrespective of the policy term, all individual Unit linked insurance products, shall have the minimum features as stated below:

39.1. Except for single premium payment policy, the premium paying term for all other individual policies shall not be less than 5 years

39.2. Insurers may design products which offer a range of premium paying terms and policy terms within a product, subject to the provisions under para 38.1 and 39.1 of this circular.

39.3. Insurers may extend an option to the policyholder to alter the premium payment term or policy term provided that such alteration is in accordance with their Board approved underwriting policy, subject to para 38.1 and 39.1 of this circular.

40. Discontinuance Terms

40.1. Discontinuance of the policy during lock-in period:

40.1.1. For other than single premium policies, upon expiry of the grace period, in case of discontinuance of policy due to non-payment of premium, the fund value after deducting the applicable discontinuance charges, shall be credited to the discontinued policy fund and the risk cover and rider cover, if any, shall cease.

40.1.2. Such discontinuance charges shall not exceed the charges, stipulated in clause 2(A)(vi)(c)(V) of Schedule-I of IRDAI (Insurance Products) Regulation, 2024. All such discontinued policies shall be provided a revival period of three years from date of first unpaid premium. On such discontinuance, insurer shall communicate the status of the policy, within three months of the first unpaid premium, to the policyholder and provide the option to revive the policy within the revival period of three years.

40.1.2.1. In case the policyholder opts to revive but does not revive the policy during the revival period, the proceeds of the discontinued policy fund shall be paid to the policyholder at the end of the revival period or lock-in period whichever is later. In respect of revival period ending after lock-in period, the policy will remain in discontinuance fund till the end of revival period. The fund management charges of discontinued fund will be applicable during this period and no other charges will be applied.

40.1.2.2. In case the policyholder does not exercise the option as set out above, the policy shall continue without any risk cover and rider cover, if any, and the policy fund shall remain invested in the

discontinuance fund. At the end of the lock-in period, the proceeds of the discontinuance fund shall be paid to the policyholder and the policy shall terminate.

40.1.2.3. However, the policyholder has an option to surrender the policy anytime and proceeds of the discontinued policy shall be payable at the end of lock-in period or date of surrender whichever is later.

40.1.3. In case of Single premium policies, the policyholder has an option to surrender any time during the lock-in period. Upon receipt of request for surrender, the fund value, after deducting the applicable discontinuance charges, shall be credited to the discontinued policy fund.

40.1.3.1. Such discontinuance charges shall not exceed the charges stipulated in clause 2(A)(vi)(c)(V) of Schedule-I of IRDAI (Insurance Products) Regulation, 2024.

40.1.3.2. The policy shall continue to be invested in the discontinued policy fund and the proceeds from the discontinuance fund shall be paid at the end of lock-in period. Only fund management charge can be deducted from this fund during this period. Further, no risk cover shall be available on such policy during the discontinuance period.

Explanation: "Proceeds of the discontinued policies" means the fund value as on the date the policy was discontinued, after addition of interest computed at the interest rate stipulated in para 40.1.5 of this circular.

40.1.4. Revival of a discontinued policy during lock-in period:

40.1.4.1. Where the policyholder revives the policy, the policy shall be revived restoring the risk cover, along with the investments made in the segregated funds as chosen by the policyholder, out of the discontinued fund, less the applicable charges as in para 40.1.4.2.2 of this circular in accordance with the terms and conditions of the policy.

40.1.4.2. The insurer, at the time of revival:

40.1.4.2.1. shall collect all due and unpaid premiums without charging any interest or fee;

40.1.4.2.2. may levy policy administration charge and premium allocation charge as applicable during the discontinuance period. Guarantee charges, if applicable during the discontinuance period, may be deducted provided the guarantee continues to be applicable. No other charges shall be levied.

40.1.4.2.3. shall add back to the fund, the discontinuance charges deducted at the time of discontinuance of the policy.

40.1.5. Minimum Guaranteed Interest Rate on Discontinued Policy Fund:

In terms of clause 2(A)(viii) of Schedule-I of IRDAI (Insurance Products) Regulations, 2024, the minimum guaranteed interest rate applicable to the discontinued fund is 4% per annum.

40.1.6. Discontinuance of policy after the lock-in-period:

40.1.6.1. For other than single premium policies:

40.1.6.1.1. Upon expiry of the grace period, in case of discontinuance of policy due to non-payment of premium after lock-in period, the policy shall be converted into a reduced paid up policy with the paid-up sum assured as stated under clause 4(B)(a)(2)(ii) of Schedule-I of IRDAI (Insurance Products) Regulations, 2024. However, the mortality charges shall be deducted based on the reduced paid up sum assured only.

40.1.6.1.2. On such discontinuance, insurer shall communicate the status of the policy, within three months of the first unpaid premium, to the policyholder and provide the following options:

40.1.6.1.2.1. to revive the policy within the revival period of three years; or

40.1.6.1.2.2. complete withdrawal of the policy.

40.1.6.1.3. In case the policyholder opts to revive the policy as per para 40.1.6.1.2.1 of this circular but does not revive the policy during the revival period, the fund value shall be paid to the policyholder at the end of the revival period.

40.1.6.1.4. In case the policyholder does not exercise any option as set out above, the policy shall continue to be in reduced paid up status. At the end of the revival period the proceeds of the policy fund shall be paid to the policyholder and the policy shall terminate.

40.1.6.1.5. All charges as per terms and conditions of the policy may be deducted during the revival period.

40.1.6.1.6. However, the policyholder has an option to surrender the policy anytime and proceeds of the policy fund shall be payable.

40.1.7. Revival of a discontinued policy after lock-in period

40.1.7.1. The policyholder can revive the policy, in accordance with clause 1(A)(1.10) of Schedule-I of IRDAI (Insurance Products) Regulations, 2024. Where the policyholder revives the policy, the

policy shall be revived restoring the original risk cover in accordance with the terms and conditions of the policy.

40.1.7.2. The insurer, at the time of revival:

40.1.7.2.1. shall collect all due and unpaid premiums under base plan without charging any interest or fee. The rider may also be revived at the option of the policyholders.

40.1.7.2.2. may levy premium allocation charge as applicable. The guarantee charges may be deducted, if guarantee continues to be applicable.

40.1.7.2.3. No other charges shall be levied.

41. Top-up Premium:

41.1. Any additional payments made on ad hoc basis shall be considered as top-up premium and treated as single premium for the purpose of providing insurance cover.

41.2. Top-up premiums can be remitted to the insurer during the period of contract only, where due basic regular premiums are paid up to date and if expressly allowed in the terms and conditions of the policy.

41.3. All top-up premiums made during the currency of the contract, except for pension products, shall have insurance cover treating them as single premium as per clause 3 of Schedule-I of IRDAI (Insurance Products) Regulations, 2024.

41.4. Top-up premiums once paid cannot be withdrawn from the fund for a period of 5 years from the date of payment of the 'Top-up' premium, except in case of complete surrender of the policy.

41.5. Except for pension products, top-up premiums are not permitted during the last 5 years of the contract.

41.6. For pension products, top-up premiums, if any, shall be allowed subject to providing the assured benefits on each of the top-up premiums paid.

42. Partial Withdrawals:

42.1. Partial withdrawal shall be allowed only after completion of lock-in period.

42.2. In the case of child policies, partial withdrawals shall not be allowed until the minor life insured attains majority i.e. on or after attainment of age 18.

42.3. No partial withdrawal shall be allowed in case of Group unit linked insurance products.

42.4. In case of Unit linked pension products, partial withdrawal:

42.4.1. can be made only after completion of lock-in period;

42.4.2. shall not exceed 25% of the fund value at the time of partial withdrawal;

42.4.3. can happen only three times during the entire term of the policy;

42.4.4. shall be allowed only against the stipulated reasons:

42.4.4.1. Higher education of children including legally adopted child;

42.4.4.2. Marriage of children including legally adopted child;

- 42.4.4.3. Purchase or construction of a residential house or flat in the life assured's own name or in joint name with their legally wedded spouse. However, if the life assured already owns a residential house or flat (other than ancestral property), no withdrawal shall be permitted;
- 42.4.4.4. For treatment of critical illnesses of self or spouse or dependent children, including legally adopted child.
- 42.4.4.5. Medical and incidental expenses arising from disability or incapacitation suffered by the life assured.
- 42.4.4.6. Expenses incurred by the life assured for skill development/re-skilling or any other self-development activities.
- 42.4.4.7. Expenses incurred by the Life assured for the establishment of her/his own venture or any start-ups.
- 42.5. Partial withdrawals made shall be allowed from the fund built up from the top-up premiums, if any, as long as such fund supports the partial withdrawal and subsequently, the partial withdrawals may be allowed from the fund built up from the base premium. The insurer shall have the necessary systems built to identify the funds from the base premiums and funds from top-up premiums.
- 42.6. The partial withdrawals shall not be allowed which would result in termination of a contract.
- 42.7. The partial withdrawals with respect to the fund values from the base premiums shall only be counted for the purpose of adjusting the sum assured to be payable on death. Partial withdrawals made from the top-up premiums shall not be deducted for this purpose.
- 42.8. In case of unit linked insurance products offering death benefit as stipulated in clause 3 of Schedule I of IRDAI (Insurance Products) Regulations, 2024, the sum assured payable on death shall not be reduced (save as provided in para 12 of this circular) except to the extent of the partial withdrawals made during the two-year period immediately preceding the death of the life assured.

43. Settlement Options under unit linked insurance products:

- 43.1. The insurer may provide settlement options:
 - 43.1.1. on maturity or death under Unit Linked life insurance products and unit linked health insurance products;
 - 43.1.2. on death under Unit Linked pension products.
- 43.2. Settlement options shall clearly indicate in the promotional material, the inherent risk being borne by the policyholder during the period and shall be explicitly understood by the policyholder.
- 43.3. The period of settlement shall not, in any case, be extended beyond a period of five years from the date of maturity or death whichever is earlier.
- 43.4. In case of maturity, the first instalment under settlement option shall be payable on the date of maturity.

- 43.5. Switches may be allowed during the settlement period. Partial withdrawals shall not be allowed during the settlement period.
- 43.6. In case of settlement period after maturity, the risk cover shall be maintained at 105% of the total premiums paid. Accordingly, mortality charges will be deducted.
- 43.7. The insurer may levy fund management charge, switching charge and mortality charges if any, during the settlement period. The Insurer shall not levy any other charges.
- 43.8. Complete withdrawal may be allowed at any time during the settlement period without levying any charge.

44. General Provisions with respect to Unit Linked Pension products:

- 44.1. Pension products may offer riders during the deferment period. However, the rider benefit shall not be counted in arriving at the assured benefit referred in clause 2(D) of Schedule I of IRDAI (Insurance Products) Regulations, 2024.
- 44.2. **Options on Surrender:** The following options shall be available to the policyholder on the date of surrender:
 - 44.2.1. To utilize the entire proceeds to purchase immediate annuity or deferred annuity from the same insurer at the then prevailing annuity rate subject to the para 44.2.3 of this circular, the policyholder shall be given an option to purchase immediate annuity or deferred annuity from any other insurer.
or
 - 44.2.2. To commute up to 60% and utilize the balance amount to purchase immediate annuity or deferred annuity from the same insurer at the then prevailing annuity rate subject to the para 44.2.3 of this circular, the policyholder shall be given an option to purchase available annuity from any other insurer.
 - 44.2.3. Every policyholder shall be given an option to purchase immediate annuity or deferred annuity from another insurer at the then prevailing annuity rate to the extent of percentage, stipulated by the Competent Authority, currently 50%, of the entire proceeds of the policy net of commutation.
 - 44.2.4. For para 44.2.1 and 44.2.2 of this circular, the purchase of annuity shall be subject to terms and conditions under the product. In case the proceeds of the policy either on surrender or vesting, net of commutation, is not sufficient to purchase minimum annuity as specified in clause 5 of Schedule I of IRDAI (Insurance Products) Regulations, 2024, such proceeds of the policy may be paid to the policyholder or beneficiary as lump sum.
- 44.3. In case of surrender or discontinuance during the lock-in period, the options referred in para 44.2 of this circular shall be available at the end of the lock-in period.

44.4. Options on Vesting:

On the date of vesting, options available under para 44.2 of this circular shall be available to the policyholder. In addition, the policyholder will also have the option to extend the accumulation period or deferment period within the same policy with the same terms and conditions as the original policy provided the policyholder is below an age of 60 years.

44.5. Options to the Nominee or Beneficiary on death of the policyholder: If the policyholder dies during the deferment period, the nominee or beneficiary shall exercise one of the following options:

44.5.1. Withdraw the entire proceeds of the policy. The insurer may provide a settlement option subject to para 43 of this circular.

44.5.2. To utilize the entire proceeds of the policy or part thereof for purchasing an immediate annuity or deferred annuity at the then prevailing annuity rate.

44.5.3. In case the proceeds of the policy are not sufficient to purchase minimum annuity as defined in clause 5 of Schedule I of IRDAI (Insurance Products) Regulations, 2024 as amended from time to time, the proceeds of the policy may be paid as lump sum.

44.6. Group fund based unit linked pension products:

44.6.1. For all group fund based Unit Linked pension products with the defined benefits subscribed to by an employer, where the scheme does not maintain individual member accounts and only maintains a superannuation fund:

44.6.1.1. The insurer shall make payments from such funds only subject to the availability of funds in the respective unit fund of the respective group policyholder's superannuation fund.

44.6.1.2. Except for exits as per the scheme rules, no other withdrawals shall be allowed.

44.6.2. For all group fund based Unit Linked pension products with the defined contributions subscribed to by an employer, where the scheme maintains individual member accounts:

44.6.2.1. The insurer shall make payments from such individual member funds only subject to the availability of funds in the respective unit fund of the respective member of the group policyholder.

44.6.2.2. Except for exits as per the scheme rules, no other withdrawals shall be allowed.

44.6.3. Provisions stipulated in para 44.2 and 44.5 of this circular shall not be applicable to group fund based Unit Linked pension products; however, the benefits shall be subject to the scheme rules.

44.6.4. Where the group policyholder maintains superannuation funds with more than one insurer, the group policyholder shall have the option to choose any insurer to purchase available annuity.

45. Group Fund Based Unit Linked insurance products:

45.1. Group fund based Unit linked insurance products shall mean:

45.1.1. Group Unit Linked Superannuation Product;

45.1.2. Group Unit Linked Gratuity Product;

45.1.3. Group Unit Linked Leave Encashment Product

45.1.4. Group Unit Linked Post-Retirement Medical Product

45.1.5. Group Unit Linked products with significant savings element

45.2. Provisions stipulated for para 40 to 43 of this circular shall not be applicable to group fund based Unit Linked insurance products. However, the group fund based unit linked insurance products stipulated in para 45.1.2 to 45.1.5 of this circular shall have risk cover complying with the clause 5 of Schedule I of IRDAI (Insurance Products) Regulation, 2024 and shall have an explicit mortality/morbidity cost levied.

45.3. The contributions or premiums to group schemes by the master policyholder shall be made in accordance with the funding requirements as per the scheme rules. The trustee or employer or policyholder shall confirm that such funding is required as per the extant accounting standard governing the measurement of long term employee benefits. The master policyholder may not pay future contributions or premiums under the policy and the policy shall not be treated as discontinued. However, the premium to provide life coverage to members shall either be paid explicitly or deducted from the fund.

45.4. The group fund based Unit Linked insurance products shall not allow any top-ups, unless required to address the underfunding of the scheme as per the extant accounting standard governing the measurement of long term employee benefits.

45.5. Provisions stipulated in clause 4(B)(b) of Schedule-I of IRDAI (Insurance Products) Regulation, 2024 shall apply in case of complete surrender of the policy.

45.6. Provisions stipulated in clause 2(A)(vi) of Schedule-I of IRDAI (Insurance Products) Regulation, 2024 shall be applicable to group fund based unit linked insurance products:

45.6.1. At each individual account level, if individual accounts are maintained;

45.6.2. At each policyholder fund level, if individual accounts are not maintained and only one fund is maintained.

46. Segregated funds:

46.1. Each Segregated Fund shall have:

46.1.1. A 'single' NAV, declared on a day-to-day basis and

46.1.2. Fund management charge, if any, shall be specific to each segregated fund.

46.2. Each segregated fund shall have identified assets representing the investments of such segregated funds.

46.3. The Internal or Concurrent Auditor shall certify that such segregation had not resulted in enrichment of one set of policyholders from others due to change in the units or the NAV.

46.4. The implication, to the policyholder of such change, if any, shall be put on the insurer's website along with the rationale of making such change.

46.5. The Concurrent Auditor shall confirm the insurer's adherence to this requirement.

47. Asset Allocation under each fund:

47.1. The asset allocation ranges for each asset category (debt, equity and money market) shall be separate and explicitly stated.

47.2. Within a fund, no asset category shall have the asset allocation of "0%-100%", if more than one asset category is represented in the fund.

47.3. The asset allocation range shall reflect the investment objectives of the underlying fund.

48. Allotment of Units under unit linked insurance products:

48.1. Units shall only be allocated on the day the proposal is accepted and results into a policy by adjustment of application money towards premium.

48.2. The premium shall be adjusted on the due date even if it has been received in advance.

49. Series or Tranche of Funds and highest NAV guarantee under unit linked insurance products:

49.1. Products with "highest NAV guaranteed" shall not be allowed.

49.2. The opening of series of closed ended funds shall not be allowed within a product.

50. Loans:

Loans shall not be allowed under the Unit Linked Insurance Products.

51. Market Value adjustment:

Market value adjustment shall not be allowed under unit linked insurance products as the payment to the policyholder is determined by the fund value which is market value of the assets.

52. Allocation and Redemption of Units:

Processing of application for payment of premiums and application for redemptions in case of surrender, maturity claim, switch etc., shall be in accordance with the IRDAI (Actuarial, Finance and Investment Function of Insurers) Regulations, 2024 and other applicable norms. Here "Redemption" stands for cancellation of the units at the prevailing unit price of the segregated funds offered in the products, in case of partial withdrawals, switches, surrender, maturity etc.

53. Administration of Unit Linked Insurance Products:

PMC shall ensure that all the system requirements on an ongoing basis for the products to be launched are established and the systems enable the insurer from day of launch of

the product, to perform seamlessly all the day-to-day operations, computation of NAV on a daily basis and enables to submit all the necessary reports and returns as required under the Act, the IRDA Act, Rules or Regulations framed thereunder from time to time.

54. Disclosure Norms:

- 54.1. For all linked insurance products, all Life Insurers shall necessarily and explicitly mention, using the same font size, in all the sales brochures, prospectus of Insurance products, in all promotional material and in policy documents:
 - 54.1.1. On top of each document including the proposal form mention, "*In this policy, the investment risk in investment portfolio is borne by the policyholder*".
 - 54.1.2. The various funds offered along with the details and objective of the fund.
 - 54.1.3. The minimum and maximum percentage of the Investments in different types (like equities, debt etc.), investment strategy so as to enable the policyholder to make an informed investment decision. "No statement of opinion as to the performance of the fund shall be made anywhere."
 - 54.1.4. The definition of all applicable charges, method of appropriation of these charges and the quantum of charges that are levied under the terms and conditions of the policy.
 - 54.1.5. The maximum limit up to which the insurer reserves the right to increase the charges subject to prior clearance of the Competent Authority.
 - 54.1.6. The fundamental attributes and the risk profile (low, medium or high) of different types of investments that are offered under various funds of each linked insurance product.
- 54.2. The promotion material shall display prominently in a bold font in the front page that "*the Linked Insurance Products do not offer any liquidity during the first five years of the contract. The policyholder will not be able to surrender or withdraw the monies invested in Linked Insurance Products completely or partially till the end of the fifth year*".
- 54.3. For all linked insurance products, the insurer shall ensure the following latest information to be available on its website and shall be:
 - 54.3.1. Annual report covering the fund performance during the preceding financial year in relation to the economic scenario, market developments etc.
 - 54.3.2. The investment strategies and risk control measures adopted.
 - 54.3.3. The changes in fundamentals, such as interest rates, tax rates, etc., affecting the investment portfolio.
 - 54.3.4. The composition of the fund (debt, equity and money market.), analysis within various classes of investment, investment portfolio details, sectoral exposure of the underlying funds and the ratings of investments made.
 - 54.3.5. Analysis according to the duration of the investments held.
 - 54.3.6. Performance of the various funds over different periods like 1 year, 2 years, 3years, 4 years, 5 years and since inception along with comparative benchmark index.

- 54.4. All the Life Insurers shall issue the periodical statements of accounts to policyholders each year disclosing the actual charges levied and the fund value at the beginning and end of the year.
- 54.4.1. Unit statement account shall form a part of the policy document
- 54.4.2. Unit statement account shall make a reference to the terms and conditions applicable under the respective policy document.
- 54.4.3. Unit statement account shall be issued on every policy anniversary and also as and when a transaction takes place.
- 54.5. No unit statements value shall be sent to the policyholder in respect of transactions related to monthly debit of mortality and other charges stated in the contract.
- 54.6. All the insurers shall submit the disclosures relating to discontinued policies as stipulated below:
- 54.6.1. The funds arising from discontinuance policies shall be shown under a separate head in the Balance Sheet in the following manner:
- 54.6.1.1. Funds for discontinued policies
- 54.6.1.1.1. Discontinued on account of non-payment of premium;
- 54.6.1.1.2. Others
- 54.6.1.2. The amount refunded to the policyholders and amount transferred to the "Funds for discontinued policies" during the financial year shall be shown under a separate head.
- 54.6.2. Following disclosures shall be made in the notes of the accounts
- 54.6.2.1. Number of policies discontinued during the financial year;
- 54.6.2.2. Percentage of discontinued to total policies (product wise) during the year;
- 54.6.2.3. Number and percentage of the policies revived during the year;
- 54.6.2.4. Charges imposed on account of discontinued policies.
- 54.7. Customized Benefit Illustration:**
- 54.7.1. At the point of sale, a benefit illustration shall be shown as per the gross investment returns. Considering the dynamic nature of movement of interest rates, currently the gross investment returns are stipulated as 4% p.a. and 8% p.a. The corresponding net yield shall be demonstrated only with respect to gross investment return as stipulated by the Competent Authority. Currently such rate is 8% p.a.
- 54.7.2. In case of pension products, a yearly statement shall be sent to each policyholder indicating:
- 54.7.2.1. the current accumulated value or available amount.
- 54.7.2.2. the expected accumulated value on date of vesting on the basis of gross investment returns. Considering the dynamic nature of movement of interest rates, currently the gross investment returns

are stipulated as 4% p.a. and 8% p.a.

54.7.2.3. likely annuity amount based on the then prevailing annuity rates with the caveat that the projected rates shall not reflect any guarantee.

54.7.3. The customized benefit illustration shall include all charges and taxes as applicable, and fund values including commission or remuneration payable.

54.7.4. The net yield and hence reduction in net yield as calculated, shall be disclosed in the benefit illustration indicating gross yield figures.

54.7.5. The benefit illustration shall be in the format as prescribed in the master circular issued in exercise of power vested under Regulation 56 of IRDAI (Protection of Policyholders' Interests, Operations and Allied Matters of Insurers) Regulations, 2024.

55. All provisions of unit linked insurance products shall also be applicable in mutatis mutandis to index linked insurance products.

Section - V: Product Approval Process

56. A life insurance product can be introduced in the market for sales as a new product or modification of the existing product after complying with any of the following two procedures:

56.1. Use & File (U&F);

56.2. File & Use (F&U).

57. Insurer may launch life insurance products in Indian market only after complying with the applicable provisions mentioned under this circular. The provisions relating to U&F process are covered in Part-A and the provisions related to F&U are covered in Part- B.

57.1. U&F procedure is allowed for new product categories listed under para 63 of this circular. Any subsequent modifications of these products shall also adopt U&F procedure only.

57.2. The new products falling under 'other than specified in Part-A of this section shall adopt F&U procedure as provided under Part- B of this section. Modifications of these products can be carried out under U&F procedure provided such modifications satisfy the conditions stated under para 67, 68 and 70 of this circular. All other modifications shall adopt F&U procedure only.

58. Any modification resulting in change in benefit structure or design of the product shall be filed as a new product under U&F or F&U procedure as applicable.

59. Modification of existing products on sale shall be carried out after a reasonable time period from the launch date of existing version. Modifications shall be based on credible

experience or on strong market indicators justifying the modification. Such reasonable time period shall be in line with BAPMPP.

60. The existing version of the product or rider shall be withdrawn from the market for new business before launch of modified version of that product or rider
61. Where the modification requires UIN change, the insurer shall allot the next higher version of UIN as per the current procedure as explained below:
If UIN of the existing product is 999N111V01, the UIN of the modified product will be 999N111V02. It is to be noted that the last three characters of UIN stand for the “version” of the product. This process shall be followed every time a product is modified under this circular.
62. No insurer shall distribute the life insurance product through any person who is not authorized as per the provisions of the Insurance Act, 1938 for the purpose of the soliciting and procuring insurance business.

Part-A: Use & File (U&F) procedure:

63. Categories of new products permitted under U&F procedure:

- 63.1. Individual non-linked pure term insurance products
- 63.2. Individual non-linked term insurance products with return of premium not exceeding 100% of total premium paid
- 63.3. Non-linked health insurance products (both individual and group)
- 63.4. Individual & Group linked insurance products
- 63.5. Group Non-linked term insurance products (including one-year renewable, single premium, Regular/Limited Premium)
- 63.6. Group credit life insurance products
- 63.7. The following group Fund Based insurance products:
 - 63.7.1. Group Superannuation Product
 - 63.7.2. Group Gratuity Product
 - 63.7.3. Group Leave Encashment Product
 - 63.7.4. Group Post-Retirement Medical Product
 - 63.7.5. Group products with significant savings element
- 63.8. All riders for individual & group business, including:
 - 63.8.1. Term rider
 - 63.8.2. Accidental Death Benefit rider
 - 63.8.3. Accidental Total / Partial Permanent Disablement rider
 - 63.8.4. Waiver of Premium rider
 - 63.8.5. Critical Illness rider
 - 63.8.6. Terminal Illness rider(The above list of riders is not exhaustive.)

- 63.9. Combi products, where life insurer is a lead insurer and such Combi products shall comply with applicable provisions under this circular
64. The modifications of existing products carried out are classified into:
- 64.1. Modifications with UIN change
 - 64.2. Modifications without UIN change
65. Modifications permitted with UIN change are provided in para 67 of this circular.
66. Modifications permitted without UIN change are provided in para 68 of this circular.
67. **Modifications permitted with UIN change:** Changes in premium rates/charges and/or benefit amounts due to changes in any of the following will be processed through Use and File procedure with change in UIN:
- 67.1. Change in premium rates/charges and/or benefit amounts including surrender values under approved products and riders on account of implementation of IRDAI (Insurance Products) Regulations, 2024 except modification carried out due to para 68.1 and 68.2 of this circular.
 - 67.2. Interest rate assumptions under premium basis.
 - 67.3. Mortality assumptions under premium basis.
 - 67.4. Morbidity assumptions under premium basis.
 - 67.5. Expenses assumptions under premium basis, including change in expected commission/remuneration/reward costs
 - 67.6. Lapse, surrender and paid-up assumptions under premium basis.
 - 67.7. Extension of premium table/benefit rate table to higher/lower ages and/or to longer /shorter premium payment terms and policy terms.
 - 67.8. Change in minimum/maximum premium and/or minimum/maximum sum assured/benefit amount.
 - 67.9. Addition of new unit linked funds to existing unit-linked products.
68. **Modifications permitted without UIN change:** The following modifications shall be through Use and File route without change in UIN:
- 68.1. Changes made to comply with clause 3 of Schedule I of IRDAI (Insurance Products) Regulation, 2024
 - 68.2. Changes made to comply with clause 5 of Schedule I of IRDAI (Insurance Products) Regulation, 2024
 - 68.3. Addition/deletion of existing riders to existing products
 - 68.4. Addition/deletion of premium payment modes (frequencies) including top up premium for Individual unit-linked life products.
 - 68.5. Addition/deletion of distribution channel
 - 68.6. Addition of existing unit linked funds to existing unit linked products.
 - 68.7. Change in tax rate assumption for the insurer

- 68.8. Change in Reinsurance arrangements
 - 68.9. Addition/deletion of one or more payment modes to income benefits payable to policyholders
 - 68.10. Change in interest rate for revivals / policy loans
 - 68.11. Extension of limited marketing period under approved/filed products provided there is no other change in the product
 - 68.12. Modification in products solely because of change in any applicable Act/ government scheme rules or as may be allowed by the Competent Authority.
69. Conditions applicable for extending the modifications done without UIN change to existing policyholders:
- 69.1. The benefits of any modifications made without UIN change may be extended to existing policyholders, if the policyholders so wish. However, no such modification shall:
 - 69.1.1. Restrict or take away the rights or options available to existing policyholders.
 - 69.1.2. Vary the premiums / charges / benefits etc. to their disadvantage.
 - 69.2. However, for modifications without UIN change made due to change in government scheme rules and / or as may be allowed by the Competent Authority, the applicability to existing policyholders will be as per the applicable scheme rules / directions.
70. Other Conditions to be satisfied for modifications under with and without UIN change:
- 70.1. There shall not be any change in premium rates and/or charges and/or benefits under the product/rider due to modifications done without UIN change except under para 68.12 of this circular.
 - 70.2. Prior directions given by the Competent Authority in respect of the product or rider, if any, including conditions stipulated at the time of approval of the product or rider under F&U procedure, shall remain applicable to the modified version also.
 - 70.3. One or more changes under “Modifications with UIN change” and/or “Modifications without UIN change” may be made simultaneously. However, if any change is made under “Modifications with UIN change” along with any change under “Modifications without UIN change”, then UIN shall be changed.
 - 70.4. The total changes in benefit rates/charges/premium rates, as applicable, during any financial year shall not exceed:
 - 70.4.1. $\pm 25\%$ for changes on account of change in interest rate assumptions under premium basis
 - 70.4.2. $\pm 20\%$ for all other changes under premium basis
 - 70.5. Conditions mentioned under para 70.4 shall not be applicable to modifications carried out for the products listed under para 63 and para 67.1. However, the revised premium rates and benefits shall be reasonable and fair.

Part-B: “File & Use” Procedure

71. In case insurer wishes to introduce a new life insurance product or rider or wishes to modify the existing product/rider which don't fall under the purview of “Use and File” (“U&F”), insurer shall follow “File & Use” procedure.
72. Under “File & Use” procedure, insurers shall file the application for approval of the Competent Authority along with all the documents as specified under para 75 of this circular except market conduct related documents as specified under para 75.2 of this circular.
73. The PMC shall be responsible for approval of market conduct related documents as specified under para 75.2 of this circular by ensuring compliance with all applicable extant norms and also consistency with the F&U application approved by the Competent Authority.
74. The information submitted shall be consistent across all the documents.

Part-C: Document management for File & Use and Use & File procedure

75. Document management relating to products:
 - 75.1. Application Forms as prescribed under Section VIII of this circular.
 - 75.2. Market conduct related documents:
 - 75.2.1. sales literature
 - 75.2.2. benefit illustration wherever applicable
 - 75.2.3. online flow chart
 - 75.2.4. policy document
 - 75.2.5. Customer Information Sheet (CIS)
 - 75.2.6. key features document wherever applicable
 - 75.2.7. proposal form
 - 75.2.8. any other market conduct related documents
 - 75.3. Certification I and II as per Part B of Section-VIII.
 - 75.4. Confirmation of compliance with para 32 and 53 of this circular.
 - 75.5. Duly filled in Check List as updated from time to time.
 - 75.6. Any other documents required to be filed as per other norms as applicable.
 - 75.7. Minutes of the PMC meeting approving the product.
 - 75.8. Justification of pricing and/or profit testing basis.
 - 75.9. In addition to documents mentioned under para 75.1 to 75.8, specific documents for modification of existing product/rider are:
 - 75.9.1. the documents in para 75.1 & 75.2 shall be in track changes mode, showing changes from the earlier version
 - 75.9.2. Table of Changes showing all the changes from the existing version, along with a certification-III of this circular stating that there are no other changes

- 75.9.3. Date of withdrawal of existing product and date of launch of modified product along with UIN details
- 75.10. List of para 67 and 68 of this circular under which modification have been carried out.
76. The PMC shall be responsible to ensure that the entire set of documents listed above is complete, correct, digitally signed and are in compliance with the extant applicable legal and regulatory framework, and maintained by the PMC.
77. In case of U&F products, the insurer shall submit in the standard format as specified in Certification – IV of this circular in place of entire set of documents stated under para 75 of this circular.
78. The PMC shall be responsible to ensure review of products based on various factors like complaints received on the products launched/mis-selling/distribution channel, news articles of aggressive selling of specific products, sales volumes of the products launched, rampant policy cancellations or free look cancellations, or any other matter concerning products/solicitation.
79. In respect of products launched under U&F, the insurer shall submit quarterly performance report of the products during the first four quarters from the date of launch of such products. The report shall be submitted within 45 days from the end of the quarter as per the Master Circular on Submission of Returns.
80. Summary of products/riders launched/modified under U&F procedure during the financial year shall be submitted on annual basis as a part of Appointed Actuary's Annual Report as per the Master Circular on Submission of Returns.
81. Insurers shall upload the benefits, features, applicable terms and conditions, policy wordings/documents, premium/premium calculator, prospectus (for example, sales literature), its UIN in chronological order, benefit illustration, as applicable, in their website before the product is launched or within seven days of allotment of UIN, whichever is earlier.

Section VI: Unique Identification Number (UIN):

82. Every life insurance product and rider, whether individual or group, shall be identified with a unique number; and this number has to be quoted in all relevant document furnished to the policyholder, other users (public, distribution channels) and also in the returns filed/correspondence made with the IRDAI.
83. A product/rider can be introduced for sale in the market after assigning the Unique Identification Number (UIN).

84. This unique number will have ten characters/digits as follows: -

Insurer's Registration Number allotted by IRDAI			Nature of product/Rider: L/N/A/B/G/Y	Serial number of the product/rider			Version	Number	
C1			C2	C3			C4	C5	
1	2	3	4	5	6	7	8	9	10

Notes:

C1: 1-3: numeric to indicate the registration number of insurer allotted by the IRDAI to identify the name of insurer in 3 digits;

C2: 4 is an alphabet to indicate the nature of product/rider: L would indicate Linked product; N: Non-linked product; A: Rider (linked); B: Rider (non-linked); G: Social Security Schemes or Government Schemes; Y: Combi Product where Life insurer is Lead Insurer;

C3: 5 to 7: numeric value to indicate that the product is the nth product of the insurer—this is a running serial number to be assigned by IRDAI (starting from 001);

C4: 8: alphabet –V – to indicate the Version. This is same for all products/riders;

C5: 9 -10: numeric value to indicate the number of times the product is modified—this is a running serial number starting from 01 for new product, for instance, 02 would indicate Version 02 of the product available for marketing from the date of clearance of Modification; the older version could indicate that they are no longer in the market from the date of the latest modification. For instance, XXXL050V02 would indicate that this is 50th product, which is linked and modified twice, of an insurer with registration number XXX given by the IRDAI.

85. IRDAI would publish in its website www.irdai.gov.in the details of products for public information, as below: -

S No	Name of Insurer	IRDAI Product/Rider Number - UIN	Brand Name of Product/Rider	Offer to public from	Offer to public ended from
(1)	(2)	(3)	(4)	(5)	(6)

Notes: Col (1) would indicate the running serial number of products/riders;

Col (2) is the name of insurer registered with IRDAI;

Col (3) is the UIN assigned by the IRDAI;

Col (4) is the brand name of the product/rider corresponding to the IRDAI Product/Rider Number;

Col (5) would reflect the date of clearance of product by the Competent Authority and from this date insurer is allowed to offer the product/rider under col (3) for sale in the market; Col (6) would reflect the date from which the insurer stopped sale of the product/rider.

Section VII: Modifications permitted to withdrawn Life Insurance Products

- 86. Modifications permitted to withdrawn Products of Life Insurers:** In order to provide additional options/benefits to existing policyholders by ensuring that policyholders benefits are not adversely impacted following options in respect of withdrawn products of Life Insurers are allowed subject to conditions mentioned under para 87 of this circular:
- 86.1. Addition of existing riders which are open for sale.
 - 86.2. Addition of premium payment modes (frequencies).
 - 86.3. Reduction in interest rate for revivals/policy loans.
 - 86.4. Addition of one or more payment frequencies to income benefits payable to policyholders.
- 87. Conditions to be satisfied while allowing the above mentioned options under para 86 of this circular:**
- The insurer shall ensure that:
- 87.1. withdrawn File and Use applications shall not be altered/amended while offering the above options to the existing policyholders.
 - 87.2. an addendum listing the changes in chronological order is maintained in respect of the withdrawn File and Use application, on ongoing basis incorporating all the changes made till the date.
 - 87.3. the policyholders are suitably informed about the options and a specific request has been obtained from policyholders in respect of para 86.1, 86.2 & 86.4.
 - 87.4. changes are appropriately documented in the respective policy document.
 - 87.5. offering the above options is not detrimental to the interests of the policyholders.
 - 87.6. extant norms while offering the options as allowed under this circular are complied with.
 - 87.7. proper system and processes are in place such that the policyholders are appropriately informed of the options available and take a well informed decision.
 - 87.8. the term of rider does not exceed outstanding policy term under the base policy.
- 88.** The Product Management Committee (PMC) constituted as per regulation 6 of IRDAI (Insurance Products) Regulation, 2024 shall review and approve the changes to be introduced as allowed under para 86 of this circular.
- 89.** Statement of changes to withdrawn life insurance products shall be submitted on annual basis as per the Master Circular on Submission of Returns.
- 90.** The entire set of documents shall be maintained by PMC as part of document management.

Section VIII: Application Forms and General Instruction (Applicable to products or riders filed under U&F and F&U procedure)

91. Insurer, wishing to introduce a new life insurance product/ rider or modify the existing product/rider, shall use following form depending on type of the product or rider:
 - 91.1. Form No.-1- "Form IRDAI - Life-Non Linked" for Non- Linked insurance products (both individual and group).
 - 91.2. Form No.-2- "Form IRDAI – Life – Linked" for Linked insurance products (both individual and group).
 - 91.3. Form No.-3- "Form-IRDAI-Life-Rider" for Riders (Linked and Non-Linked, Individual and Group) including Riders covering death and/or disability due to accident only.
 - 91.4. Form for Health Product or Health Rider offered by Life Insurer shall be in accordance with the Master Circular on Health Insurance business vide circular No: IRDAI/HLT/CIR/PRO/84/5/2024 dated 29th May 2024.
92. In case of withdrawal of existing life insurance products:
 - 93.1. Life Insurer shall inform the Competent Authority within seven days from the date of withdrawal of an existing product mentioning name and UIN of the product along with the rationale for withdrawal.
 - 93.2. Once the product is withdrawn, the F&U application of the withdrawn product cannot be changed / modified.
93. Separate application shall be made in respect of each product and rider.
94. Applications shall be made separately for riders attached to Linked and Non-Linked products. Same rider cannot be attached to both Linked and Non-Linked products.
95. Applications shall also be made separately for riders attached to Individual and Group products. Same rider cannot be attached to both Individual and Group products.
96. Instructions for filing the forms mentioned in para 91 above
 - 93.3. For the purpose of filing products, Life Insurers must use appropriate forms without altering or removing any of the sections or any part thereof.
 - 93.4. All sections in the Forms must be complete in all respects along with submission of relevant details thereunder.
 - 93.5. F&U application Form along with all the necessary enclosures as per para 75 of this circular shall be furnished.
 - 93.6. The brand name of product which is being offered by the life insurer in the market shall have the name of the insurer as prefix, to avoid confusion among the field force and also in the market.
 - 93.7. The brand name of the product which will be printed in Sales Literature and to be used for marketing the product shall be provided in the application. This name shall not be changed after launching in the market. This name along with allotted UIN shall appear in all the returns which would be submitted to the Competent Authority.
 - 93.8. Information provided in application form shall be comprehensive and complete. Cross references to enclosures in the form must be avoided as far as possible.

93.9. The insurer shall not attach any rider to the base products unless the riders are approved as per extant F&U or U&F procedure.

93.10. F&U and U&F application and other documents once approved shall not be altered without complying with the extant norms on modification of product.

Part A: Applications Forms

Form No.-1: “Form IRDAI - Life-Non Linked”

(For Non- Linked insurance products (both individual and group))

1. Name of Life Insurer and Registration No. allotted by IRDAI:
2. Name of Appointed Actuary /Panel Actuary *[The appointment of Appointed Actuary/Panel Actuary should be in force as on the date of this application.]*
3. Brand Name of the insurance product (market name): *[This shall be the name of the product which will be printed in Sales Literature and known in the market. The name shall not be changed after approval of the product.]*
4. Date of introduction of the product: *[In case of new products being launched for the first time in the market, give the proposed date from which insurer wants to market the product. In case of existing product, the actual date on which product was launched in the market.]*
5. Date of change: *[(a) This must be filled as “Not Applicable” for all the new products. (b) The insurer shall provide proposed date of modification of the product, where such product is already in use in the market. (c) In case the insurer wishes to withdraw the existing product from the market, the date of withdrawal must be furnished under this item. In such withdrawal cases, the first 5 items only need to be filled in and the application must be signed by the Appointed Actuary/ Panel Actuary and the Principal Officer of the insurer.]*
6. Terms and Conditions *[All the items should be filled in properly and carefully. No item shall be left blank.]*
 - 6.1. Whether the product is offered to: *[Tick the appropriate boxes]*
 - a. [Males] /[Females] /[Transgender] /[All]
 - b. [Smokers] /[Non Smokers] /[All]
 - c. [Individuals] /[Groups]
 - d. [Standard Lives] /[All types of Lives – including impaired lives]
 - e. [Specific geographic locations in India] /[All geographic locations in India]
[If specific geographic locations in India, to specify the locations.]
 - f. [Urban population] /[Rural population] /[All]
 - g. Market for:[Limited period] : [if so give here the number of months]:/[Unlimited period] .
 - 6.2.
 - a. Minimum Sum Assured/ Annuity p.a.: Rs. []
 - b. Maximum Sum Assured/ Annuity p.a.: Rs. []
 - c. Minimum Premium: Rs .[]/[] *[[State the premium indicating the mode of payment of premium as well as the coverage amount]*

- d. Maximum Premium: Rs.[] / [] *[State the premium indicating the mode of payment of premium as well as the coverage amount]*
 - e. Minimum Entry Age (in years): [] last /nearest / next birthday
 - f. Maximum Entry Age (in years): [] last /nearest / next birthday
 - g. Minimum Policy Term: [] in years / months
 - h. Maximum Policy Term: [] in years / months
 - i. Minimum Premium Payment Term: [] in years / months
 - j. Maximum Premium Payment Term: [] in years / months
 - k. Minimum Maturity Age *[in years]*: [] last /nearest / next birthday
 - l. Maximum Maturity Age *[in years]*: [] last /nearest / next birthday
- 6.3. Specify whether terms and conditions include: *[If there is restriction, the same should be furnished.]*
- a. *[Restriction on travel outside India] / [No restrictions on travel]*
 - b. *[Restriction on future occupation] / [No restrictions on future occupation]*
7. Description of the Product. *[This section should mention nature and classification of the product. For example, individual non-linked participating product. This section also shall describe the contingencies covered and the benefits payable on happening of the contingencies covered.]*
8. Product Features.
- 8.1. Participating / Non-Participating: *[Strike Out whichever is not applicable. Please note that the basic product should belong to one category only i.e. either par or non-par but not both.]*
- 8.2. Benefits payable on death or survival or surrender or lapse or any other contingency: - *[Describe the various contingencies under which the benefits would be payable and how and when the benefit amounts are payable under each variant (if any) under the product and any conditions attached to each benefit. The following specimen table for an Endowment product where full sum assured with vested bonuses is payable on death / maturity, may be referred.]*

Events	How and when Benefits are payable	Size of such benefits/policy monies
<i>Death</i>	<i>Payable on death.</i>	<i>Full Sum Assured+ vested bonuses</i>
<i>Maturity</i>	<i>Payable on the date of maturity.</i>	<i>Full Sum assured+ vested bonuses</i>
<i>Surrender</i>	<i>Payable on the date of surrender.</i>	<i>GSV/SSV whichever is higher (to refer section 8.3)</i>
<i>Non-forfeiture</i>	<i>Payable on any of the above three events subject to certain condition, for instance, the insurer having received at least two years' premiums</i>	<i>Reduced benefits according to a pre-determined formula (to refer to section 8.3)</i>

Note: GSV=Guaranteed Surrender Value, SSV=Special Surrender Value [In this regard, please refer IRDAI (Insurance Products) Regulations, 2024 and master circular issued thereunder].

- 8.3. Non-forfeiture benefits (such as surrender value, paid-up value etc.) *(Please refer section 113 of the Insurance Act, 1938, IRDAI (Insurance Products) Regulations, 2024 and other applicable norms)*
[This section should specify the benefits /provisions with respect to surrender values, paid up values etc. Wherever a formula is used that should be specified along with the assumptions made. The various non-forfeiture benefits should be given under separate headings. Surrender values, if any, should be specified as well. The insurer shall also file with the Competent Authority the non-guaranteed (special) surrender values]
- 8.4. If the product is with profits product(*participating*), please clarify how the profits/ surplus will be distributed. *[Specify whether simple/compound reversionary bonuses, cash bonuses, terminal bonuses, etc.]*
- 8.5. Options available under the product. *[For example, increase/decrease of sum assured, change in payment mode, etc.]*
- 8.6. Minimum size of the group *[applicable for group products]:*
- 8.7. Policy loan provisions. *[Specify whether any loan is available on the policy or not. The scale of the loan amount available, if any, should be specified.]*
- 8.8. Modes of premiums permitted and the charges applied for different modes of premium payment and quantum of sum assured, if any.
- a. Modes of Premium payment *[To strike out whichever is not applicable]:* Single Pay/ Yearly/ Half- Yearly/ Quarterly/ Monthly/ Other *(To explicitly specify)*
 - b. Loadings/discount applicable for different modes of premium payment. *[Specify modes and loadings/discount applicable for selection of each mode of premium payment.]*
 - c. Discount for high Sum Assured / high Premium/ any other, as applicable:
 - d. Any other discount *[such as discount for Online Sales, etc., please specify]:*
- 8.9. Scales of commissions/remuneration payable to the agent/insurance intermediaries. *[This section should specify the scales of commissions /remuneration/rewards payable to the agent/insurance intermediaries. Section –40 of the Insurance Act, 1938 and relevant provisions of extant regulations should be referred to for ascertaining the various limits on commissions /remunerations/rewards payable to agents/insurance intermediaries.]*
- 8.10. Any other features that may be relevant for the product. *[This section should specify the names of the approved rider(s) along with UIN, which are proposed to be attached with the basic product. The riders to be attached should not be furnished as a group. For instance, if various Term riders are to be attached, then the names of each of the rider has to be mentioned.]*
9. TargetMarket. *[This section should specify the target market for which the product is designed. Also please enclose a separate statement, if any market research is conducted for this purpose.]*

10. Distribution Channels. *[This section should describe the various distribution channels to be used for distributing the product. If multiple channels are to be used, the expected proportions of business to be procured by each channel should be indicated.]*
11. Treatment of Different Classes for the purpose of underwriting. *[This section should discuss how the different segments of the population will be dealt with for the purpose of underwriting (to the extent they are relevant and a brief detail of procedure adopted for assessment of various risk classes may be given.)]* e.g.
 - a. Males, Females and transgender.
 - b. Smokers / non-smokers
 - c. Limitations on entry ages
 - d. Sub-standard lives
 - e. Any other classifications that may be relevant to the product line *[such as group of lives]*
12. General Policy Provisions. *[This section should give information on the following: For the basic cover, there should not be any 'exclusion' provision, except the 'suicide' clause.]*
 - a. Suicide Claim provisions. *[The amount of claim payment, if any to be made on suicide should be specified here. The suicide exclusion provision should be clearly spelt out here.]*
 - b. Exclusions, if any *[e.g. occupational hazard, travel]*
 - c. Grace period for non-forfeiture provisions.
 - d. Nomination and Assignment requirements. *[To refer section 39 and 38 of the Insurance Act, 1938 respectively]*
 - e. General approach to be used for revivals or reinstatements, policy changes/alterations, etc.
13. Reinsurance. *[This section should describe the reinsurance arrangements. The name of the reinsurer and the terms of reinsurance (type of reinsurance, retention limit, premium rates, commissions, etc.). Any recapture provisions should be described.]*
14. Financial Projections:
 - 14.1 Pricing Methodology and target profit margin *[this should cover separately all the product variants, as applicable.]*
 - 14.2 Pricing Assumptions. *[To provide details of the following along with justification against each assumption]*
 - a. Rate of mortality *[The tables used must be as per the extant regulations.]*
 - b. Rates of morbidity *[The tables used must be as per the extant regulations].*
 - c. Rates of policy terminations/ withdrawal. *[The rates used must be in accordance with insurer's experience. If such experience is not available, this can be from the industry/reinsurer's experience.]*
 - d. Rate of interest. *[The rate or rates must be consistent with the investment policy of the insurer.]*
 - e. Bonus rates *[Bonus loading assumptions in case of par policies.]*
 - f. Guaranteed cash values. *[This includes guaranteed surrender values, as mentioned elsewhere in this form.]*

- g. Commission scales *[Give rates of commission/remuneration/rewards factored in pricing along with any other related assumptions].*
 - h. Expenses: Split into: *-[Expense assumptions must be company specific and shall be compliant with extant regulations on expenses. If such experience is not available, the Appointed Actuary might consider industry experience or make reasonable assumptions.]*
 - I) First year expenses by: sum assured related, premium related, per policy related
 - II) Renewal expenses (including overhead expenses) by: sum assured related, premium related, per policy related
 - III) Claim expenses*[The expenses may include a provision for future inflationary increases].*
 - i. Allowance for transfers to shareholder, if any: *[Please see section 49 of the Insurance Act, 1938 read with IRDAI (Actuarial, Finance and Investment Function of Insurers) Regulations, 2024.*
 - j. Taxation. *[to refer the relevant sections of the Income Tax Act, 1961, as amended from time to time]*
 - k. Volume of new business *[By distribution channels, give expected premium income for the next 5 years.]*
 - l. Average sum assured for pricing.
 - m. Risk Discount Rate used (along with rationale):
 - n. Any other parameter assumed relevant for pricing of the product.
15. Results of Financial Projections.
- 15.1. The profit margins should be shown for various model points for base, optimistic and pessimistic scenarios in a tabular format, as in item 15.2 below. The definition of profit margin is the present value of net profits to the present value of premiums.
- 15.2. The financial projections should show the summary containing profit margin in respect of at least 100 model points defining the model points including the model points resulting in lowest and highest profit margins. *[For example, combination of age, term and sum assured. A sample format is given below for reference].*

Entry (20,30,40,50,60)	Age	Policy Term, if any (e.g. 10,20,30)	Sum Assured (in Rs)	Profit Margin (base scenario)	Profit Margin (optimistic scenario)	Profit Margin (pessimistic scenario)

- 15.3. The assumptions for calculating reserves under the product shall be furnished along with the bases for profit test calculations.
- 15.4. In addition to the above, the following shall be provided:
 - 15.4.1. New business strain for the next 5 years.
 - 15.4.2. Sample cash flow statements under base scenario for at least 10 model points along with the mention of model points including the model points resulting lowest and highest profit margins.

- 15.4.3. Sensitivity Analysis. *[The assumptions and results of such an analysis should be furnished in a tabular format along with relevant comments of the Appointed Actuary on the results.]*
16. Other Enclosures: *[To enclose a specimen copy of the proposal form along with the sales literature made available providing information to the prospects.]*
- 16.1 Proposal Form: *[While designing the proposal form please ensure compliance with extant norms. For example, Section 41 and Section 45 of the Insurance Act, 1938].*
- 16.2 Sales Literature: *[This is the literature which is to be used by the various distribution channels for selling the product in the market. This should enumerate all the salient features of the product along with the exclusions applicable for the basic benefits. The exclusions for riders attached should also be furnished. A sample benefit illustration should be furnished.]*
17. Policy Bond. [Insurance contract]: *[Enclose a specimen copy of the policy bond to be issued to the purchaser of the insurance product.]*
18. Premium Table: *[Insurer shall enclose a copy of the premium table applicable for filed product. Insurer shall also write the name of the website (of the insurer) on which the premium rate table along with the premium calculator, if any, would be made available.]*
19. Certification. The insurer shall enclose a certificate, as mentioned in "Certification-I" of this circular, from the Appointed Actuary/Panel Actuary, Chairman of PMC and countersigned by the principal officer as a part of this application. *[The text of certification shall not be altered].*

Form No-2: - "Form IRDAI-Life- Linked"

(For Linked Life Insurance Products (Both Individual and Group))

1. Name of Life Insurer and Registration no. allotted by IRDAI:
2. Name of Appointed Actuary /Panel Actuary *[The appointment of Appointed Actuary/ Panel Actuary should be in force as on the date of this application.]*
3. Brand Name of the insurance product (market name): *[This shall be the name of the product which will be printed in Sales Literature and known in the market. The name shall not be changed after approval of the product.]*
4. Date of introduction of the product: *[In case of new products being launched for the first time in the market, give the proposed date from which insurer wants to market the product. In case of existing product, the actual date on which product was launched in the market.]*
5. Date of change: *[(a) This must be filled as "Not Applicable" for all the new products. (b) The insurer shall provide proposed date of modification of the product, where such product is already in use in the market. (c) In case the insurer wishes to withdraw the existing product from the market, the date of withdrawal must be furnished under this item. In such withdrawal cases, the first 5 items only need to be filled in and the application must be signed by the Appointed Actuary/ Panel Actuary and the Principal Officer of the insurer.]*
6. Terms and Conditions. *[All the items should be filled in properly and carefully. No item shall be left blank.]*
 - 6.1. Whether the product is offered to: *[Tick the appropriate boxes]*

- a. [Males]/[Females] /[Transgender]/ [All]
- b. [Smokers]/ [Non Smokers]/ [All]
- c.[Individuals] /[Groups]
- d. [Standard Lives]/ [All types of Lives – including impaired lives]
- e. [Specific geographic locations in India]/[All geographic locations in India]
[If specific geographic locations in India, to specify the locations.]
- f. [Urban population]/ [Rural population]/[All]
- g. Market for:[Limited period]: [if so give here the number of months]: /
[Unlimited period].

6.2.

- a. Minimum Sum Assured/ Annuity p.a.: Rs. []
- b. Maximum Sum Assured/ Annuity p.a.: Rs. []
- c. Minimum Premium: Rs .[] / []][State the premium indicating the mode of payment of premium as well as the coverage amount]
- d. Maximum Premium: Rs .[] / []][State the premium indicating the mode of payment of premium as well as the coverage amount]
- e. Minimum Entry Age[in years]: [] last /nearest / next birthday
- f. Maximum Entry Age[in years]: [] last /nearest / next birthday
- g. Minimum Policy Term: [] in years / months
- h. Maximum Policy Term: [] in years / months
- i. Minimum Premium Payment Term: [] in years / months
- j. Maximum Premium Payment Term:[] in years / months
- k. Minimum Maturity Age [in years]: [] last /nearest / next birthday
- l. Maximum Maturity Age[in years]: [] last /nearest / next birthday

6.3. Specify whether terms and conditions include: [If there is restriction, the same should be furnished.]

- a. [Restriction on travel outside India] / [No restrictions on travel]
- b. [Restriction on future occupation] / [No restrictions on future occupation]

7. Description of the Product. [This section should mention nature and classification of the product. This section also shall describe the contingencies covered and the benefits payable on happening of the contingencies covered].

8. Product Features.

8.1. Investment Policy [for each segregated fund].

8.2. Benefit payable on death or survival or discontinuance or surrender or lapse or any other contingency: -[Describe the various contingencies under which the benefits would be payable and how and when the benefit amounts are payable under each variant (if any) under the product and any conditions attached to each benefit. The following specimen table may be referred.]

Specimen table: Benefits during the term of the policy are provided in the table below:

Event	How and When the benefits are payable	Amount of Benefits
Death	<i>Payable on death.</i>	<i>Higher of Sum Assured or Fund Value. At any time the death benefit shall not be lower than 105% of the total premiums paid.</i>
Maturity	<i>Payable on the date of maturity</i>	<i>Fund Value</i>
Surrender/Discontinuance of the policy	<i>Surrender value shall be payable at the end of lock-in period or immediately on the date of surrender whichever is later as described in section 8.3</i>	<i>Fund Value or Proceeds of the discontinued policy fund as mentioned in section 8.3.</i>

8.3. Non-forfeiture benefits (Surrender value, paid-up value etc.) *(Please see section 113 of the Insurance Act, 1938 and IRDAI (Insurance Products) Regulations, 2024 and master circular issued thereunder)*

[This section should specify the benefits /provisions with respect to surrender values, paid up values etc. Wherever a formula is used that should be specified along with the assumptions made. Various non-forfeiture benefits should be given under separate headings. Surrender value, if any should be specified as well.]

8.4. Options available under the product. (e.g. to increase or decrease of SA, change in premium payment mode etc.) *[This section should specify the various options available under the product. The charges, if any, towards the cost of the option should be specified.]*

8.5. Charges and frequency of charges *[Specify here all charges such as switching charge].*

8.6. Minimum Guarantees available *[e.g. Benefits, cash surrender values, paid up value, charges etc.]*

8.7. Minimum size of the Group: *[Applicable for group products]*

8.8. Unit encashment conditions:

8.9. Modes of premiums permitted and the charges applied for different modes of premium payment and quantum of sum assured, if any.

- a. Modes of Premium payment *[To strike out whichever is not applicable]:* Single Pay/ Yearly/ Half- Yearly/ Quarterly/ Monthly/ Other *(To explicitly specify)*
- b. Loadings/discount applicable for different modes of premium payment. *[Specify modes and loadings/discount applicable for selection of each mode of premium payment.]*
- c. Discount for High Sum Assured / High Premium/ Any Other, as applicable:
- d. Any Other Discount *[such as Discount for Online Sales, etc., please specify]:*

- 8.10. Scales of commissions/remuneration/ rewards payable to the agent/insurance intermediaries.
[This section should specify the scales of commissions /remuneration/ rewards payable to the agent/insurance intermediaries. Section - 40 of the Insurance Act, 1938 and relevant provisions of extant regulations should be referred to for ascertaining various limits on commissions /remunerations/ rewards payable to agent/insurance intermediaries.]
- 8.11. Any other features that may be relevant for the product. *[This section should specify the names of the approved rider(s) along with UIN, which are proposed to be attached with the basic product. The riders to be attached should not be furnished as a group. For instance, if various Term riders are to be attached then the names of each of the rider has to be mentioned.]*
9. Target Market. *[This section should discuss the target market for which the product is designed. Also please enclose a separate statement, if any market research is conducted for this purpose.]*
10. Distribution Channels. *[This section should describe the various distribution channels to be used for distributing the product. If multiple channels are to be used, the expected proportions of business to be procured by each channel should be indicated.]*
11. Treatment of Different Classes for the purpose of underwriting. *[This section should discuss how the different segments of the population will be dealt with for the purpose of underwriting (to the extent they are relevant and a brief detail of procedure adopted for assessment of various risk classes may be given.)] e.g.*
- a. Males, Females and transgender.
 - b. Smokers / non-smokers
 - c. Limitations on entry ages
 - d. Sub-standard lives.
 - e. Any other classifications that may be relevant to the product line *[such as group of lives].*
12. General Policy Provisions. *[This section should give information on the following: For the basic cover, there should not be any 'exclusion' provision, except the 'suicide' clause.]*
- a. Suicide Claim provisions. *[The amount of claim payment, if any to be made on suicide should be specified here. The suicide exclusion provision should be clearly spelt out here.]*
 - b. Exclusions, if any *[e.g. occupational hazard, travel]*
 - c. Grace period for non-forfeiture provisions.
 - d. Nomination and Assignments requirements. *[To refer section 39 and 38 of the Insurance Act, 1938 respectively]*
 - e. General approach to be used for revivals or reinstatements, policy changes/alterations, etc.
13. Reinsurance. *[This section should describe the reinsurance arrangements. The name of the reinsurer and the terms of reinsurance (type of reinsurance, retention limit, premium rates, commissions, etc.). Any recapture provisions should be described.]*

14. Financial Projections:

14.1 Pricing Methodology and target profit margin *[this should cover separately all the product variants, as applicable.]*

14.2 Pricing Assumptions. *[Please provide details of the following along with justification against each assumption].*

- b. Rate of mortality: *[The tables used must be as per the extant regulations.]*
- c. Rates of morbidity: *[The tables used must be as per the extant regulations]*
- d. Rates of policy terminations/withdrawal: *[The rates used must be in accordance with insurer's experience, if such experience is not available, this can be from the industry/reinsurer's experience.]*
- e. Rate of interest assumed on non-unit reserves: *[The rate or rates must be consistent with the investment policy of the insurer.]*
- f. Guaranteed cash values: *[This includes guaranteed surrender values, as mentioned elsewhere in this form.]*
- g. Commission scales *[Give rates of commission/ remuneration / reward factored in pricing along with any other related assumptions].*
- h. Expenses: Split into: - *[Expense assumptions must be company specific and shall be compliant with extant regulations on expenses. If such experience is not available, the Appointed Actuary might consider industry experience or make reasonable assumptions.]*
 - I) First year expenses by: sum assured related, premium related, per policy related.
 - II) Renewal expenses (including overhead expenses) by: sum assured related, premium related, per policy related
 - III) Claim expenses:
 - IV) Others (eg. investment/fund related expenses) if any:
[The expenses may include a provision for future inflationary increases].
- i. Mortality/Morbidity Charge:
- j. Allocation rate:
- k. Fund Management Charge:
- l. Surrender / discontinuance charges:
- m. Allowance for transfers to shareholder. *[Please see section 49 of the Insurance Act, 1938 read with IRDAI (Actuarial, Finance and Investment Function of Insurers) Regulations, 2024.*
- n. Taxation: *[To refer the relevant sections of the Income Tax Act, 1961, as amended from time to time]*
- o. Profit margins: *[The profit margins should be shown for various model points for base, optimistic and pessimistic scenarios in a tabular format. The definition of profit margin should also be given, for instance, the present value of net profits to the present value of premiums.]*
- p. Volume of new business: *[By distribution channels, give expected premium income for the next 5 years]*
- q. Average sum assured *[for pricing of the product]:*

- r. Assumption on valuation of unit and non-unit reserves:
 - s. Risk Discount Rate assumed (along with rationale):
 - t. Any other parameter assumed relevant for pricing of the product *[such as guaranteed benefits/charges]*:
15. Results of Financial Projections.
- 15.1 The profit margins should be shown for various model points for base, optimistic and pessimistic scenarios in a tabular format, as in item 15.2 below. The definition of profit margin is the present value of net profits to the present value of premiums.
- 15.2 The financial projections should show the summary containing profit margin in respect of 100 model points defining the model points including the model points resulting in highest and lowest profit margins. *[For example, combination of age, term and sum assured. A sample format is given below for reference.]*

Entry (20,30,40,50,60)	Age	Policy Term, if any (e.g. 10,20,30)	Sum Assured (in Rs)	Profit Margin (base scenario)	Profit Margin (optimistic scenario)	Profit Margin (pessimistic scenario)

- 15.3 The assumptions for calculating reserves under the product shall be furnished along with the bases for profit test calculations.
- 15.4 In addition to the above, the following shall be provided:
- 15.4.1. New business strain for the next 5 years.
 - 15.4.2. Sample cash flow statements under base scenario for at least 10 model points along with the mention of model points including the model points resulting lowest and highest profit margins.
 - 15.4.3. Sensitivity Analysis. *[The assumptions and results of such an analysis should be furnished in a tabular format along with relevant comments of the Appointed Actuary on the results.]*
16. Other Enclosures: *[To enclose a specimen copy of the proposal form along with the sales literature made available providing information to the prospects.]*
- 16.1. Proposal Form: *[While designing the proposal form please ensure compliance with extant norms. For example, Section 41 and Section 45 of the Insurance Act, 1938]*
- 16.2. Sales Literature: *[This is the literature which is to be used by the various distribution channels for selling the product in the market. This should enumerate all the salient features of the product along with the exclusions applicable for the basic benefits. The exclusions for riders attached should also be furnished. A sample benefit illustration should be furnished].*
17. Policy Bond. [Insurance contract]: *[Enclose a specimen copy of the policy bond to be issued to the purchaser of the insurance product.]*
18. Table of Charges, as applicable: *[Insurer shall enclose a copy of the Table of Charges applicable for filed product. Insurer shall also write the name of the website (of the insurer) on which the Table of Charges would be made available.]*

19. Certification. The insurer shall enclose a certificate, as mentioned in “Certification-I” of this circular, from the Appointed Actuary/Panel Actuary, Chairman of PMC and countersigned by the principal officer as a part of this application. *[The text of certification shall not be altered].*

Form No-3: - “Form IRDAI - Life-Rider”

1. Name of Life Insurer and Registration no. allotted by IRDAI:
2. Name of Appointed Actuary/Panel Actuary: *[The appointment of Appointed Actuary/ Panel Actuary should be in force as on the date of this application.]*
3. Brand Name of rider (market name): *[This shall be the name of the rider which will be printed in Sales Literature and known in the market. The name shall not be changed after approval of the rider.]*
4. Date of introduction /modification / withdrawal of the rider *[(a) In case of new riders being launched for the first time in the market, give the proposed date from which insurer wants to market the rider. (b) The insurer shall provide proposed date of modification of the rider, where such rider is already in use in the market. c) In case the insurer wishes to withdraw the existing rider from the market, the date of withdrawal must be furnished under this item. In such withdrawal cases, the first 4 items only need to be filled in and the application must be signed by the Appointed Actuary/ Panel Actuary and the Principal Officer of the insurer.]*

5. Rider details:

5.1 (i) Is the Rider filed for the first time? Yes /No

If yes, please furnish the name of the Product (s) to which it is to be attached? *[To state the name& unique identification number (UIN) of the base products]:*

S. No	Name of the base product	UIN	Date of clearance

5.1 (ii) If no, please give the following details: -

(a)Date of first filing of the rider:

(b)Name &UIN of the products to which the rider was attached/removed from the date of clearance in the table below:

[Please furnish the information in respect of products to which this rider is attached in the following tabular form]: -

S No	Date of filing of the rider as an attachment to the base product	Name and unique identification number of the base Product to which the rider is attached	Date on which the rider attachment is removed from the base product, if any. Date of intimation to the Competent Authority also to be furnished	Date of clearance of the attachment of the rider to the base product

(c) Whether the rider features/assumptions have been modified from the date of clearance?
Yes/No

(i) If Yes, please provide the information of all the modifications carried out till date in the following tabular format:

S No	Date of modification	Features/Assumptions as on the date of clearance of the rider i.e. before the proposed modification	Features/Assumptions modified from the first/subsequent filing i.e. after the clearance of the modification	Date of clearance of the modification from Competent Authority and the unique identification number allotted

(ii) If No, (i.e. if the rider or any of the rider features/assumptions/documents etc. have not undergone any change since inception), please give the proposed changes in the following tabular format (where the modification proposed is for the first time): -

S No	Features/Assumptions as on date of the clearance of the rider	Features/Assumptions proposed to be modified from the first filing

6. Terms and Conditions [All the items should be filled in properly and clearly. No item shall be left blank.]

6.1. Whether the rider is offered to: [Tick the appropriate boxes]

- a. [Males]/[Females] /[Transgender]/ [All]
- b. [Smokers]/ [Non Smokers]/ [All]
- c. [Individuals]/[Groups]s
- d. [Standard Lives]/ [All types of Lives – including impaired lives]
- e. [Specific geographic locations in India]/[All geographic locations in India]
[If specific geographic locations in India, to specify the locations.]
- f. [Urban population]/ [Rural population]/[All]
- g. Targeted Section: [Rural or Social Sector] /[Any other, please specify] /[All]
- h. Market for:[Limited period]: [if so give here the number of months]: / [Unlimited period].

6.2.

- a. Minimum rider Sum Assured/Benefit Amount.: Rs. []
- b. Maximum rider Sum Assured/ Benefit Amount p.a.: Rs. []

- c. Minimum Premium: Rs.[] / [] *[[To state the premium charged indicating the mode of payment of premium as well as the coverage amount]*
- d. Maximum Premium: Rs.[] / [] *[[To state the premium charged indicating the mode of payment of premium as well as the coverage amount]*
- e. Minimum Entry Age (in years): [] last /nearest / next birthday
- f. Maximum Entry Age (in years): [] last /nearest / next birthday
- g. Minimum Maturity Age (in years): [] last /nearest / next birthday
- h. Maximum Maturity Age (in years): [] last /nearest / next birthday
- i. Minimum Policy Term: [] in years/months
- j. Maximum Policy Term: [] in years/months
- k. Minimum Premium paying terms :[] years/months
- l. Minimum Premium paying terms: [] years/months
- m. Any other parameter specific to the rider *[like waiting period, survival period, group sizes etc.]*:

6.3 Specify whether terms and conditions include: *[If there is restriction, the same should be furnished.]*

- a. [Restriction on travel outside India] / [No restrictions on travel]
- b. [Restriction on future occupation] / [No restrictions on future occupation]

7. General Description of the Rider. *[To mention category of the rider such as individual non-linked rider, individual linked rider, group non-linked rider, group linked rider etc. Category of rider shall be the same as the base product to which it is attached. For example, if a rider is attached to a base “non linked par” product then the rider will come under “non linked par” business. Similarly, if the rider is attached to base “non- linked non-par” product then the rider will come under “non- linked non-par” business].*

8. Rider features.

8.1 Benefits payable on death or survival or surrender or lapse or any other contingency: *[Describe the various contingencies under which the benefits would be payable and how and when the benefit amounts are payable under each variant (if any) under the rider and any conditions attached to each benefit. A specimen benefit structure is provided in the following table]*

Events	How and when Benefits are payable	Size of such benefits/policy monies
<i>Accidental Death</i>	<i>Payable on death due to accident on or before the end of the policy term</i>	<i>Sum Assured</i>
<i>Disability due to Accident</i>	<i>Payable on disability due to accident before the end of the policy term</i>	<i>10% of Sum Assured</i>
<i>Critical Illness</i>	<i>Payable on affliction with CI on or before the end of the policy term</i>	<i>Sum Assured</i>

8.2 Non-forfeiture benefits (cash surrender value, paid-up value, automatic premium loans etc.) *[Please refer section 113 of the Insurance Act, 1938, IRDAI (Insurance Products) Regulations, 2024 and other applicable norms. This section should specify the benefits /provisions with respect to surrender values, paid up values etc. Wherever a formula is used that should be specified along with the assumptions made. The various non-forfeiture benefits should be given under separate headings. Surrender values if any should be specified as well. The insurer shall also file with the Competent Authority the non-guaranteed (special) surrender values, if any.]*

8.3 Options available under the rider. *[For example, increase of sum assured, change in payment mode etc. This section should specify the various options available under the product. The charges, if any, towards the cost of the option should be specified.]*

8.4 Modes of premiums permitted and the charges applied for different modes of premium payment and quantum of sum assured, if any.

- a. Modes of Premium payment *[To strike out whichever is not applicable]:* Single Pay/ Yearly/ Half- Yearly/ Quarterly/ Monthly/ Other *[To explicitly specify and must be consistent with base product]*
- b. Loadings/discount applicable for different modes of premium payment. *[Please specify modes and loadings/discount applicable for selection of each mode of premium payment.]*
- c. Discount for high Sum Assured / high Premium/ any other, as applicable:
- d. Any other discount *[such as discount for Online Sales, etc., please specify]:*

8.5 Scales of commissions/remuneration/rewards payable to the agents/insurance intermediaries. *[This section should specify the scales of commissions /remuneration/ rewards payable to the agent/insurance intermediaries. Section –40 of the Insurance Act, 1938 and relevant provisions of extant regulations should be referred to for ascertaining the various limits on commissions /remunerations/ rewards payable to agent /insurance intermediaries.]*

8.6 Any other features that may be relevant for the rider.

9. Treatment of Different Classes for the purpose of underwriting. *[This section should discuss how the different segments of the population will be dealt with for the purpose of underwriting (to the extent they are relevant and a brief detail of procedure adopted for assessment of various risk classes may be given.)] e.g.*

- a. Males, Females and transgender.
- b. Smokers / non-smokers
- c. Limitations on entry ages
- d. Sub-standard lives.
- e. Any other classifications that may be relevant to the rider [such as group of lives]

10. General Policy Provisions.

- a. Suicide Claim provisions. *[The amount of claim payment, if any. to be made on suicide should be specified here. The suicide exclusion provision should be clearly spelt out here.]*
- b. Exclusions, if any *[e.g. occupational hazard, travel]*

- c. Grace period for non-forfeiture provisions.
- d. Nomination and Assignment requirements. [*To refer section 39 and 38 of the Insurance Act, 1938 respectively*]
- e. General approach to be used for revivals or reinstatements.
- 11. Reinsurance. [*This section should describe the reinsurance arrangements. The name of the reinsurer and the terms of reinsurance (type of reinsurance, retention limit, premium rates, commissions, etc.). Any recapture provisions should be described.*]
- 12. Financial Projections:
 - 12.1 Pricing Methodology and target profit margin.
 - 12.2 Pricing Assumptions. [*Please provide details of the following along with justification against each assumption.*]
 - a. Rate of mortality [*The tables used must be as per the extant regulations.*]
 - b. Rates of morbidity [*The tables used must be as per the extant regulations, as applicable.*]
 - c. Rates of policy terminations/ withdrawal. [*The rates used must be in accordance with insurer's experience, if such experience is not available, this can be from the industry/reinsurer's experience.*]
 - d. Rate of interest. [*The rate or rates must be consistent with the investment policy of the insurer.*]
 - e. Commission scales [*Give rates of commission scales/ remuneration/ rewards factored in pricing along with any other related assumptions.*]
 - f. Average sum assured, if any, assumed for pricing:
 - g. Any other parameter assumed relevant for pricing of the product.
 - h. Allowance for transfers to shareholder, if any: [*Please see section 49 of the Insurance Act, 1938 read with IRDAI (Actuarial, Finance and Investment Function of Insurers) Regulations, 2024*]
 - i. Taxation. [*Please see the relevant sections of the Income Tax Act, 1961, as amended from time to time.*]
 - j. Volume of new business [*By distribution channels, give expected premium income for the next 5 years for the base product and base product along with the rider as well as rider separately, and give the proportion of rider premium income as per cent of main product premium income.*]
 - k. Risk Discount Rate used (along with rationale):
 - l. Any other parameter assumed relevant for the rider.
- 13. Results of Financial Projections.
 - 13.1 Profit margins. [*The profit margins should be shown for various model points for base, optimistic and pessimistic scenarios in a tabular format below*13.2. The definition of profit margin is present value of net profits to the present value of premiums. The assumption with regard to the proportion of riders attached to the new business volumes expected for base product should also be given. For e.g. in base scenario, the proportion of rider contracts assumed to be attached to the new business volumes

of the base product may be for e.g. about 60-70%, and in case of optimistic: 70-90%; and in case of pessimistic: 30-50%]

13.2 The financial projections should show the summary containing profit margin in respect of 100 model points defining the model points including the model points resulting in lowest and highest profit margins. *[For example, combination of age, term and sum assured. A sample format is given below for reference]*. The financial projection has to be furnished for (a) base product (as mentioned in the filing for the base product); (b) for rider; and (c) for base product and rider combined.

Entry (20,30,40,50,60)	Age	Policy Term, if any (e.g. 10,20,30)	Sum Assured (in Rs)	Profit Margin (base scenario)	Profit Margin (optimistic scenario)	Profit Margin (pessimistic scenario)

- 13.2.1 The assumptions for calculating reserves under the rider shall be furnished along with the bases for profit test calculations.
- 13.2.2 New business strain in each of the projection years for the next 5 years [for the rider alone and the base product along with the rider].
- 13.2.3 Sample cash flow statements under base scenario for 10 model points along with the mention of model points.
- 13.2.4 Sensitivity Analysis: *[The assumptions and results of such an analysis should be furnished in a tabular format for each scenario with the basis for calculations clearly spelt out, like risk discount rate etc. The profit margin for 100 model points shall be submitted for rider and for base product & rider combined along with relevant comments of the Appointed Actuary on the results.]*
- 14. Other Enclosures: *[To enclose a specimen copy of the proposal form along with the sales literature made available providing information to the prospects.]*
- 14.1. Proposal form: *[only the relevant provision/questions for the rider made in the proposal form to be highlighted and furnished]*
- 14.2. Sales Literature: *[This is the literature which is to be used by the various distribution channels for selling the rider in the market. This should enumerate all the salient features of the rider along with the exclusions applicable for the basic benefits. Sales literature along with a sample benefit illustration should be furnished.]*
- 15. Policy Endorsement for the rider (insurance contract):. *[Enclose a specimen copy of the policy endorsement of the rider to be attached to the base product.]*
- 16. Rider Premium/Charge Tables, as applicable: *[Insurer shall enclose a copy of the premium/charge table applicable for filed rider. Insurer shall also write the name of the website (of the insurer) on which the premium rates/charges along with the premium calculator, if any, would be made available.]*
- 17. Certification: The insurer shall enclose a certificate, as mentioned in "Certification-I" of this circular, from the Appointed Actuary/Panel Actuary, Chairman of PMC and countersigned by the principal officer as a part of this application. *[The text of certification shall not be altered]*

Part B: Certification

Certification I: Certifications applicable to all products and riders filed under both U&F and F&U procedure:

I, (name of the Appointed Actuary), the Appointed Actuary of the life insurer: (name), hereby solemnly declare that the information furnished in the Application Form No.- ____ - "Form IRDAI -Life _____) is true and I/We certify that, in my/our opinion:

1. the premium rates, advantages, terms and conditions of the product/rider (market name of the product/rider), *which is a new insurance product/ rider to be launched in the market/*which is an existing product/ rider but being modified now, are workable and sound, the assumptions are reasonable and premium rates are fair (*"*=strike off whichever is not applicable*).
2. The benefits, Terms and Conditions and other provisions specified in Application and other related documents in respect of product/ rider <Brand name of the product/rider>, which is a new/modified product/rider in the market, are workable and sound.
3. The premium rates and charges have been derived using generally accepted actuarial principles.
4. The information stated in the Application complies with the relevant provisions of the Insurance Act, 1938, regulations/circulars/guidelines/directions/norms issued by the Authority from time to time.
5. The information on different pages of Application is consistent.
6. There is no deviation with regard to information provided in the policy bond, proposal form, sales literature, benefit illustration, key features document (if any) from those under Application Form;
7. Proposal form contains particulars, which are in conformity with the provisions of Section 41 & 45 of the Insurance Act, 1938.

I/we are aware of the fact that this certificate and the underlying documents are subject to scrutiny by the Competent Authority and if any violation of such extant norms is observed, the Competent Authority may initiate such action, as deemed appropriate, against the signatories of the certificate and the insurer, jointly and/or severally, under the applicable provisions of the Insurance Act 1938, the Insurance Regulatory and Development Authority Act, 1999 and relevant Regulations framed there under. Taking note of above, this certificate and underlying documents have been submitted.

Signature and name of
Appointed Actuary
Date:

Signature, name & designation of
Chairperson of PMC
Date:

Signature and name of CEO
Date:
Place:

Note: If this certificate exceeds one page, the above mentioned signatories shall initial in each page of the certificate in addition to the full signature in the last page as per the prescribed format.

Certification II: Certification by PMC and counter signed by CEO (For U&F and F&U)

1. It is hereby certified that all the provisions of Master Circular on Life Insurance Product Ref: IRDAI/ACTL/MSTCIR/MISC/89/6/2024 dated 12.06.2024 and other applicable norms, as applicable for new/modification (please strike out accordingly) have been complied with and shall continue to be complied with, in respect of the product/rider<<brand name>> filed on <<filing date>>.
2. It is noted and agreed that if any non-compliance is observed in this regard or information provided hereunder found to be incorrect at any point of time, the responsible parties, which may include one or more of <<insurance company name>>, its CEO, the members of its PMC, or any other responsible party may be liable to appropriate action under the applicable provisions of the Insurance Act, 1938 or any other applicable legal / regulatory norms.

Signature and name of
Appointed Actuary
Date:

Signature, name & designation of
Chairperson of PMC
Date:

Signature and name of CEO
Date:
Place:

Certification-III: Table of Changes and certification applicable on modification of Product or Rider

Name of the insurer:
Brand Name of the product/rider:
UIN of the existing version:
UIN of the modified version:

Certification of Existing Provisions and Revised Provisions in the Product or Rider:

This is to certify that the following are changes made in the existing Product or Rider and no other change apart from these have been made.

F&U Section	Existing Provisions	Modification made	Policy Document (Page no)	Sales Literature (Page no)	BI (Page no)	Proposal Form (Page no)

Signature and name of
Appointed Actuary
Date:

Signature, name & designation of
Chairperson of PMC
Date:

Signature and name of CEO
Date:
Place:

Certification-IV

S No	Item	Particulars
1	Name of Life Insurer	
2	Registration No. allotted by IRDAI	
3	Type of product	
4	Name of the product	
5	Whether New or Modification (With / Without UIN change)	
6	Date of approval by PMC	
7	UIN	
8	Date of launch	

This is to certify that the proposed product complies with the provisions of the Insurance Act, 1938, the IRDA Act, 1999, other applicable Acts and amendments thereon, extant Regulatory framework put in place by the Authority along with circulars issued thereunder from time to time and all other applicable statutory requirements.

I also undertake that, insurer shall

- i) maintain the entire set of documents required under U&F Procedure and shall submit the documents to the IRDAI, as and when required, within two days
- ii) not modify without completing the due process mandated for modifications
- iii) put in place appropriate systems, procedures, manuals, all essential infrastructure required for launching the product and maintenance of insurance policies
- iv) upload all the required documents of the product on the website

Signature and name of
Appointed Actuary
Date:

Signature, name & designation of
Chairperson of PMC
Date:

Signature and name of CEO
Date:
Place:

Certification-V: Statement of existing products and riders which comply with the IRDAI (Insurance Products) Regulations, 2024

This is to certify to the best of my/our knowledge and abilities that the following existing Insurance products and riders comply with the IRDAI (Insurance Products) Regulations, 2024, provisions of Master Circular on Life Insurance Product Ref: IRDAI/ACTL/MSTCIR/MISC/89/6/2024 dated 12.06.2024 and other applicable norms.

Sl. No.	Name of the Insurance product/rider	Unit-Linked/Index-Linked /Non-Linked	Unique Identification Number (UIN)

Signature and name of
Appointed Actuary
Date:

Signature, name & designation of
Chairperson of PMC
Date:

Signature and name of CEO
Date:

Certification-VI: Statement of withdrawn products and riders on account of non-compliance with the IRDAI (Insurance Products) Regulations, 2024

This is to certify to the best of my/our abilities that the following Insurance products and riders are withdrawn from the market on account of non-compliance with the IRDAI (Insurance Products) Regulations, 2024, provisions of Master Circular on Life Insurance Product Ref: IRDAI/ACTL/MSTCIR/MISC/89/6/2024 dated 12.06.2024 and other applicable norms.

Sl. No.	Name of the Insurance product/rider	Unit-Linked/Index-Linked /Non-Linked	Unique Identification Number (UIN)	Date of withdrawal (Date of withdrawal should be on or before 30 September 2024)

Signature and name of
Appointed Actuary
Date:

Signature, name & designation of
Chairperson of PMC
Date:

Signature and name of CEO
Date:

Certification-VII: Statement of products and riders modified on account of non-compliance with the IRDAI (Insurance Products) Regulations, 2024

This is to certify to the best of my/our abilities that the following Insurance products and riders are modified on account of non-compliance with the IRDAI (Insurance Products) Regulations, 2024, provisions of Master Circular on Life Insurance Product Ref: IRDAI/ACTL/MSTCIR/MISC/89/6/2024 dated 12.06.2024 and other applicable norms.

Sl. No	Name of Insurance Product	Unit-Linked/Index-Linked /Non-Linked	Original UIN	Date of withdrawal (on or before 30 September 2024)	Date of Modification (on or before 30 September 2024)	UIN after modification

Signature and name of
Appointed Actuary
Date:

Signature, name & designation of
Chairperson of PMC
Date:

Signature and name of CEO
Date:

Certification-VIII: Statement of Group products which have been withdrawn from the market for new business on account of non-compliance with IRDAI (Insurance Products) Regulations, 2024 but which are being continued for members existing on the effective date of this circular:

This is to certify to the best of my/our abilities that the following Group products/riders were withdrawn from the market on account of non-compliance with IRDAI (Insurance Products) Regulations, 2024 and circular issued thereunder but which are being continued for members existing on the effective date of this circular:

Sl. No	1	2	3
Name of Group Product/rider			
Type of Group Product/rider (mention any one of the following) 1. Non-linked Group Term Insurance, 2. Non-linked Group Credit Life Insurance,			

3. Non-linked Group Savings, 4. Unit Linked Group Savings 5. Variable linked Group Insurance Product			
Date of withdrawal of Product/rider (on or before 30 th September, 2024)			
No of members on date of withdrawal			
SA on date of withdrawal Rs. In Crores)			
AUM on date of withdrawal Rs. In Crores			
Last renewal date			
Frequency of renewal (monthly, quarterly, half yearly or annual)			
No of members on last renewal date			
SA on last renewal date (Rs. In Crores)			
AUM on last renewal date (Rs. In Crores)			

Signature and name of
Appointed Actuary

Date:

Signature and name of CEO

Date:

Signature, name & designation of
Chairperson of PMC

Date:

Section IX: Customer Information Sheet**CUSTOMER INFORMATION SHEET / KNOW YOUR POLICY**

This document provides key information about your policy. You are also advised to go through your policy document.

Sl. no.	Title	Description in Simple Words <i>(Please refer to applicable Policy Clause Number in next column)</i>	Policy Clause Number
1.	Name of the Insurance Product and Unique Identification Number (UIN)		
2.	Policy Number		
3.	Type of Insurance Policy	<ul style="list-style-type: none"> • Pure Risk • Linked • Non-Linked other than pure risk and pension • Immediate Annuity • Deferred Annuity • Linked Pension • Non-Linked Pension. 	
4.	Basic Policy details	<ul style="list-style-type: none"> • Instalment Premium • Mode of premium payment (e.g. Monthly, Quarterly, half yearly or Yearly) • Sum Assured on death • Sum Assured on Maturity • Premium payment Term • Policy Term 	
5.	Policy Coverage/benefits payable	<ul style="list-style-type: none"> • Benefits payable on maturity • Benefits payable on death • Survival Benefits excluding that payable on maturity • Surrender benefits • Options to policyholders for availing benefits, if any, covered under the policy. • Other benefits/options payable, specific to the policy, if any. 	

		<ul style="list-style-type: none"> • Lock-in period for Linked Insurance products 	
6.	Options available (<i>in case of Linked Insurance Products</i>)	<ul style="list-style-type: none"> • Partial Withdrawal • Top –up Provision • Switches • Settlement option • Any other option. 	
7.	Option available(in case of Annuity product)	<ul style="list-style-type: none"> • Type of immediate annuity, for example Life annuity with Return of Purchase price etc. • Proportion of annuity amount guaranteed for variable pay-out option. • Any other option. 	
8.	Riders opted, if any	Summary of coverage	
9.	Exclusions (events where insurance coverage is not payable), if any.	Brief list of the applicable exclusions, if any	
10.	Waiting /lien Period, if any	Number of Days	
11.	Grace period	Number of Days	
12.	Free Look Period	Number of days	
13.	Lapse, paid-up and revival of the Policy	Brief description	
14.	Policy Loan, if applicable	Brief description	
15.	Claims/Claims Procedure	<ul style="list-style-type: none"> • Turn Around Time (TAT) for claims settlement and brief procedure • Helpline/Call Centre number • Contact details of the insurer • Link for downloading claim form and list of documents required including bank account details. 	
16.	Policy Servicing	<ul style="list-style-type: none"> • Turn Around Time (TAT) • Helpline/Call Centre number • Contact details of the insurer • Link for downloading applicable forms and list of documents required including bank account details. 	

17.	Grievances /Complaints	<ul style="list-style-type: none"> • Contact details of Grievance Redressal Officer of the insurer • Link for registering the grievance with the insurer's portal • Contact details of Ombudsman 	
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Declaration by the Policyholder

I have read the above and confirm having noted the details.

Place:

(Signature of the Policyholder)

Date:

Note:

- i. Insurer shall provide web-link where the product related documents including the Customer Information sheet are available on the website of the insurer.
- ii. In case of any conflict, the terms and conditions mentioned in the policy document shall prevail.
- iii. Insurer to take confirmation of the policyholder regarding receiving of the Customer Information Sheet.

Section X: Repeal

This Circular supersedes the following Circulars /Guidelines:

Sl. No	Circular Reference	Description
1.	IRDAI/ACTL/CIR/PRO/207/10/2022 dated 04.10.2022	Circular on filing of Products/Riders for Life Insurance Business.
2.	IRDAI/ACTL/CIR/PRO/81/3/2023 dated 31.03.2023	"Use and File" Procedure for Products
3.	IRDAI/ACTL/CIR/PRO/135/06/2023 dated 20.06.2023	"Use and File" Procedure for Life Insurance Products
4.	IRDAI/ACTL/CIR/PRO/166/08/2023 dated 31.08.2023	Modifications permitted to withdrawn Products of Life Insurers