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अध्यक्ष

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Chairman



बीमा विनियामक और विकास प्राधिकरण

**INSURANCE REGULATORY AND
DEVELOPMENT AUTHORITY**

CIRCULAR

No. IRDA/LIFE/CIR/13/2009

Dated May 27, 2009

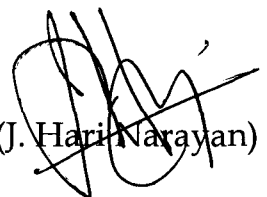
To

All Life Insurance Companies,

Proviso 6 (2) of the IRDA (Protection of Policyholders' Interests) Regulations, 2002 mandates all Life Insurance Companies to provide the insured with an option to review the terms and conditions of the policy, and in case if he disagrees to the same, to return the policy within a period of 15 days from the date of receipt of policy documents. On exercising the option, he shall be entitled to a refund of premium paid subject to deduction of proportionate risk premium for the period of cover and certain other costs pertaining to stamp duty and medical examination of the proposer.

While this provision of free-look is also to be available in health insurance policies and such other policies issued by life insurance companies where there is a deferred coverage of risk, in view of the absence of risk cover in such policies during the free-look period, all life insurance companies are hereby directed not to deduct any proportionate risk premium in cases where the insured exercises the option of returning the policy within the free-look period.

All life insurance companies are advised to ensure due compliance with the provisions contained in the Circular, as any failure to do so would render them liable to appropriate action under the provisions of IRDA Act, 1999 and Insurance Act, 1938 and the regulations framed thereunder.


(J. Hari Narayan)