

FILE & USE PROCEDURE FOR RIDERS

GENERAL INSTRUCTIONS TO LIFE INSURERS

CIRCULAR NO: 021/IRDA/ACTL/FUP/VER 1.0/ JULY 2007/

04/07/07

1. These instructions are for submitting the application form to riders which are to be attached to specific base/main products.
2. Life Insurers must use appropriate forms for riders. "Form IRDA-Life-Rider" shall be the application form for riders which are to be attached to a specific product (s) which could be either Linked or Non-Linked. The same form has to be used for group riders too until specified by the Authority.
3. If a life insurer wishes to offer rider(s) along with a basic life insurance product:
 - i. Insurer must furnish the information in respect of each rider separately using the Form IRDA-Life-Rider.
 - ii. If a rider which was earlier cleared, subsequently being attached to another base product,
 - a. This fact has to be reflected in the F & U Application form for the base product in items no 8.10 in respect of non-linked products and in item no 8.12 in respect of linked products (the insurer shall mention that the product will have the specified riders along with the unique identification number allotted by the Authority and the dates of clearance / modification clearance) and
 - b. item nos 12 (j) & (k) and item no 13 of Form IRDA-Life-Rider for the combined (base product plus rider) profit margin figures have to be furnished.
4. Unless the rider is cleared by the Authority, it should not be attached to any of the base products.
5. The Form IRDA- Life-Rider has to be used:-
 - i. whenever a rider is first filed with the Authority and attached to life insurer's product for the first time;
 - ii. whenever a rider is modified (already attached to a product); this form should be used for modification of the existing rider. Only the items relevant to the proposed modification has to be filled in and all the other items should reflect "NO CHANGE from the ealier filing".
 - iii. whenever a rider is further added to second or subsequent product, the relevant portions [3 (ii) (b)] of the said form has to be furnished.

6. **All items in the Forms with the relevant details must be furnished.**
7. Insurer **should furnish** together NOT piecemeal **the Forms along with the necessary enclosures: (1) Specimen Policy Endorsement for the rider, (2) Specimen Sales Literature/illustrations for the rider, (3) Questionare form forming part of the main product proposal form. and the (4) Statement of Financial Projections,** otherwise the application would not be considered.
8. **Insurers must not alter the riders** in any manner subsequent to clearance under the File & Use procedure without concurrence of the Authority. If an insurer wishes to modify an existing rider which is already in use in the market, then it is required to comply with 'File & Use' procedure afresh, depending upon the nature of modification.
9. If an insurer wishes to withdraw an existing rider in the market, it may do so. But it must inform the Authority giving reasons for withdrawal, within 7 days from the date of withdrawal.
10. If an insurer does not receive any query (either formal or informal) from the Authority within 30 days from the date of receipt of the application form at the Authority, it may attach the rider to the stated product in the market after the expiry of 30 days from the said date of receipt of the application form at the Authority. If the insurer receives any query with regard to the rider filed either formally in writing or informally from the Authority, it should not offer for sale in the market unless and untill the queries are clarified to the Authority and a specific clearance and an unique indentification number is provided by the Authority.
11. If an insurer does not launch the rider within a reasonable period from the date of clearance (say 3 months), it will be required to comply with 'File & Use' procedure afresh. Clearence will need revalidation from the said date.
12. Insurers should note that **no change in name** of rider is permitted once cleared and a unique identification number is allotted by the Authority, and the name of rider along with the unique identifcaiton number must appear in all relevant documents as given in Section A item no 3 of the file and use application.
13. The Appointed Actuary must initial on all the pages of the Application Form and the enclosures thereto.
14. The insurer shall furnsih the premium rates and a facility of a premium calculator in their web-site.
15. The insurer shall also furnish the name of the software used in the matter of designing and filing the products/riders (for instance the software can be AXIS, PROPHET). If the insurer



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is using his own software, this should be informed to IRDA. This is for the information of the Authority only.

16. This circular comes into effect from today onwards (i.e. 04/07/07). Regarding the riders which are offered by companies as of today, there is no need to file their features in the new format with the Authority. However, if any modification is proposed, then the new format must be used. Those riders filed with the Authority for which approval is in the process, they need not file the features in the new format.

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