



CIRCULAR NO: 032/IRDA/ACTL/FUP/VER 5.0/SEP 2007

06th September 2007.

To

All Chief Executive Officers and Appointed Actuaries of Life Insurers

LIFE INSURANCE PRODUCTS-FILE AND USE PROCEDURE

1. This has reference to the File and Use Circular No: IRDA/ACTL/FUP/VER 2.0/DEC 2001/ dated: 12th December 2001, CIRCULAR NO: IRDA/ACTL/FUP/VER 2.0/DEC 2003/ dated 18th December 2003 and also CIRCULAR NO: 021/IRDA/ACTL/FUP/VER 1.0/JULY/ dated 4th July 2007.
2. Under existing File and Use procedure, all life insurers are required to submit the following documents with respect to new products/riders and also in the case of modifications to the existing products/riders:
 - i. File and Use Application along with all attached tables
 - ii. Sales Literature along with benefit illustration
 - iii. Proposal Form
 - iv. Policy Document
3. In order to expedite the product approval process, it has now been decided that life insurance companies are not required to submit policy document along with the File and Use Application. However, once the product is approved, life insurance companies must ensure that the policy document to be issued to the policyholder truly reflects all ingredients of the product as elaborated/ mentioned in the File and Use Application and Sales Literature. A declaration by both Chief Executive Officer and the Appointed Actuary to this effect is to be added in the certificate to be given by life insurance companies as a part of File and Use Application to IRDA. IRDA will inspect life insurance companies and check the policy document whether they conform to what has been cleared in the File and Use Application and Sales Literature.
4. It is important to note that the onus of the policy document totally rests with the life insurance company.
5. This circular comes into effect from 1st October, 2007 and this is applicable to both non-linked and linked products(including riders).

(R.KANNAN)
Member (Actuary)