

28th September, 2006

To

All Non Life Insurers

GUIDELINES ON “FILE AND USE” REQUIREMENTS
FOR GENERAL INSURANCE PRODUCTS

The guidelines on file and use requirements for general insurance products have been reviewed based on the experience gained so far and taking into account the feedback received. The present guidelines issued in view of the proposed detariffing of all classes of non-life insurance business, supersede guidelines issued earlier by the Authority and are being issued under the provisions of Section 14 (2) (i) of the IRDA Act 1999. These guidelines apply to all general insurance products whether governed by tariff now or not. These guidelines should be placed before the Board of Directors and a copy should be provided to all persons concerned.

Applicability

1. For the purpose of these guidelines an insurance product also includes a plan of insurance designed to meet the requirements of a client or class of clients. These guidelines shall come into effect on 01st November 2006. Rates proposed to be charged in respect of products which are currently under tariff, after the tariffs are removed, shall be filed under these guidelines after 01st November 2006. However, these changes can only be implemented after the tariffs are removed.

Prohibition on variations in tariff coverages, wordings, endorsements and warranties

2. Insurers shall not vary the coverage, terms and conditions, wordings, warranties, clauses and endorsements in respect of covers that are currently under tariffs till 31st March 2008. Insurers may file their proposals for changes in cover, terms, wordings, etc for such products from a date to be notified by the Authority, but to be given effect to after 31 March 2008. In respect of products currently governed by tariffs, deductibles other than the deductibles set out in the tariffs can be offered only after 31 March 2008.. Insurance on first loss basis or partial insurances unless permitted under current tariffs shall not be permitted before 31-03-2008. Covers not permitted under tariffs should not be granted by way of 'difference in conditions' in insurance till 31.3.2008.

Marine hull insurance business shall continue to be governed by the Authority's circular No.IRDA/CIR/Mrn-Hull/086/Mar-05 dated 23rd March 2005 till further notice.

IRDA requirements for consideration and review of products

3. While filing the products, insurers are advised to take into account the requirements of IRDA relating to design and rating of insurance products. They are further advised to do an internal verification of the products before filing them with IRDA so as to avoid queries from IRDA.

The requirements of IRDA are as follows:

- (i) Design and rating of products must always be on sound and prudent underwriting basis. The contingencies insured under the product should be clear and provide transparent cover which is of value to the insured.
- (ii) All literature relating to the product should be in simple language and easily understandable to the public at large. As far as possible, a similar sequence of presentation may be followed. All technical terms should be clarified in simple language for the benefit of the insured.
- (iii) The product should be a genuine insurance product of an insurable risk with a real risk transfer. "Alternate risk transfer" or "financial guarantee" business in any form will not be accepted.

(iv) The insurance product should comply with all the requirements of the Protection of Policyholders' Interests Regulations 2002.

(v) Insurers should use as far as possible, similar wordings for describing the same cover or the same requirement across all their products. For example clauses on renewal of insurance, basis of insurance, due diligence, cancellation, arbitration etc., should have similar wordings across all products.

(vi) The pricing of products should be based on appropriate data and with technical justification.

(vii) The terms and conditions of cover shall be fair between the insurer and the insured.

(viii) Margins built into rates shall be consistent with the experience of the insurer in respect of commission, management expenses, contingencies and profit.

(ix) Insurer should take necessary steps in ensuring that competition will not lead to unprincipled rate cutting and other improper underwriting practices.

Filing of products

4. **Important:** Filing of products will be accepted only after the insurer has filed the Underwriting Policy as approved by its Board and satisfied any queries raised by IRDA thereon.

Once an insurance product has been filed and IRDA has no queries on the product, the insurer is expected not to make frequent changes in that product. IRDA may allow changes in the product only on sufficient technical justification. Any proposals for changes within 6 months of first introduction of a product will be subject to strict scrutiny for ascertaining the need for such a change.

5. In normal circumstances the insurer should provide at least 15 days notice for cancellation of cover. Policies that are long-term in nature and annual policies that are regularly being renewed or where there is a reasonable expectation of being renewed, should not be refused renewal or be cancelled without providing sufficient justification.

6. Where any product is governed by rates, terms and conditions that are required by agreement to be followed by all insurers such as for insurance of terrorism risks, the insurers shall be collectively responsible for securing compliance with these guidelines by the entity that sets the rates, terms and conditions of cover or from the insurer that manages the pooling of that business (for example, the General Insurance Corp. of India) as the case may be.

7. Till the tariffs are in force, it will not be necessary for any insurer to file information on any product that complies with tariff rates, terms and conditions. In respect of products that package insurance covers that are governed by tariffs, with those that are not, the insurer should file such products and confirm that the section governed by tariffs complies with tariff rates, terms and conditions for the portion that is governed by tariffs, as long as tariffs remain in force.

8. Products, which were filed under the earlier file and use guidelines, need not be re-filed under the present guidelines unless the insurer has made any changes in the rates, terms or conditions of cover of such products. If an insurer has packaged a product with several different covers, any change in terms and conditions of the package such as deletion of some of the covers or the premium reduction for such deletion, will require to be filed under this procedure unless the insurer has filed with the original file and use filing, the option to delete some of the packaged covers and indicated the premium reduction for such deletion and there are no subsisting queries.. The revised filing should draw clear reference to the earlier filing.

9. In case of a product which is a package of insurance covers already filed with IRDA individually and where IRDA has no subsisting queries, it is sufficient to file a short statement giving the trade name of the said product and the components of that product with a cross reference to the earlier filings of the individual products. However, if any changes are made in any individual cover that is part of the package, then such amended package product should be filed. Package policies can be covered by a single policy document so long as the terms and conditions for each component of the package are clearly set out therein.

10. Any non-tariff insurances issued in the past on the basis of “individually rated risks” based on individual experience and risk evaluation without reference to a class product design or rate, and which were not filed with IRDA earlier under the earlier file and use guidelines, shall now be filed with IRDA under these guidelines as stated in para 26 below, before being sold whether as a new insurance or as renewal. This requirement shall also apply to a package where some of the covers in the package are rated by internal tariff and some are individually rated. For this purpose, individual rating does not refer to changes in

premium to reflect hazard factors that follow a pre-defined rating basis as stated in para 19(i) below.

File and Use requirement

11. No general insurance product may be sold to any person unless the requirements of these guidelines have been complied with in respect of that product. Where individual particulars of the product are required to be filed with IRDA, such product shall not be sold unless the required particulars have been filed with IRDA and IRDA has no queries in respect of rates, terms and conditions or the accompanying documents of that product within a period of thirty days from the date of receipt of the filing in its office. Where IRDA raises any query in relation to a product within the stipulated period of thirty days, the insurer shall not offer that product for sale until all queries have been satisfactorily resolved and IRDA confirms in writing that it has no further queries in respect of that product. Where an insurer provides clarifications in response to queries raised by IRDA, IRDA can be expected to respond within 15 days from the date of receipt of the insurer's observations. If IRDA raises no further queries or observations, the product may be used thereafter. It should be the joint effort of both the insurer and IRDA to ensure that the entire procedure is accomplished within 60 days. To this end, the initial letter from IRDA seeking clarifications will be as complete as possible. Likewise, the insurer should respond to any queries by IRDA as quickly as possible. This requirement will apply mutatis mutandis in cases where the underwriting policy under which the products are designed, need to be filed instead of filing of particulars of individual product. In respect of a product that has been filed earlier and no queries subsist in respect of such product, if the insurer changes the premium rates or deductibles but not the terms and conditions and policy wording of the cover, the insurer need not obtain a fresh certification by a lawyer under para 25(iv) below. Where the wordings alone are changed and the change is minor and is clarificatory in nature, the insurer may file the certificate of the lawyer with a covering letter explaining the changes proposed and IRDA may waive the full filing requirement as stated in para 25 in such a case.

IRDA's right to question terms and / or issue directions

12. If, at any time it appears to IRDA that a product being sold by an insurer is not appropriate for any reason or does not carry rates, terms and conditions that are fair between the parties or the documents used with the product are in any way unsatisfactory, notwithstanding the fact that IRDA may have had no subsisting queries in respect of that product when it was originally filed, it may express its

concerns and call upon the insurer to answer the concerns of IRDA with regard to that product, within the time specified by IRDA. If the insurer is not able to satisfy the IRDA in the matter, the IRDA may require the insurer to suspend the sale of that product until it is modified in a manner acceptable to IRDA or withdraw the product from the market. Where a product is withdrawn from the market under this provision, the insurer shall not use the same trade name for any other product.

13. IRDA may require an insurer to justify the rates, terms and conditions of insurance offered to a particular client or to a class of clients or for a particular product, within the time specified by IRDA. A mere statement that the risk is rated “on merits” will not be acceptable unless the quantification of the merits can be objectively demonstrated satisfactorily. After hearing the insurer, IRDA may issue such directions as appropriate in relation to that insurance or that product, as the case may be.

Board approval of underwriting policy

14. The underwriting policy of the insurer shall be placed before the Board of Directors (and not merely a committee or sub-committee of the Board) for their approval. Product design, rating, terms and conditions of cover and underwriting activity shall be consistent with the approved underwriting policy of the Board. A copy of the underwriting policy paper as approved by the Board shall be filed with IRDA without delay. Subsequent changes if any, made from time to time with the approval of the Board, shall also be filed with the IRDA without delay. Even where the Board delegates the authority to define and execute the underwriting policy to the management, it should only be done on the basis of a clearly defined statement of underwriting policy approved by the Board and the management should work within the scope of such policy. Design and filing of products under paragraphs 25 and 26 shall only be done in conformity with the underwriting policy approved by the Board.

15. The underwriting policy placed before the Board inter alia shall cover:

- a) The underwriting philosophy of the company in the matter of the underwriting profit expectation;
- b) Whether each product should stand on its own or cross-subsidy among products sold to one client will be acceptable. [It is important for the Board to note that even though a client’s total portfolio may be profitable overall on gross basis, the position on net of reinsurance basis can be a loss because different percentages are reinsured in different classes of business];

- c) Whether the insurer will underwrite any business on a planned underwriting loss basis and if so, how the Board will control the effect of such underwriting on the insurer's solvency margin and the aggregate exposure to such losses; the Board should be conscious of the likely need to further strengthen the capital of the insurer following underwriting losses;
- d) The margins that will be built into the rates to cover acquisition costs, promotional expenses, expenses of management, catastrophe reserve and profit margin and the credit that will be taken for investment income in the design of rates, terms and conditions of cover, and how they will be modified based on the actual operating ratios of the insurer;
- e) The list of products that will fall into each of the 5 sub-categories listed in para 19 below; it is recognized that this list may change from time to time, in which case, whenever a product is placed in a category or transferred to a different category, such modification should be reported to the Board with a copy of the note for Board and the Board's decision being filed with IRDA;
- f) The delegation of authority to various levels of management for quoting rates and terms and for underwriting in each of the above mentioned 5 sub-categories of products; In particular, the Board should appoint the Appointed Actuary or Financial Adviser or the Chief Financial Officer or any other top management executive who does not have any responsibility for business development, to act as the moderator of rates and terms that are quoted on individually rated risks that fall under para 19(v) below;
- g) The role and extent of involvement of the Appointed Actuary in review of statistics to determine rates, terms and conditions of cover in respect of internal tariff rated risks and products designed for a class of clients;
- h) The internal audit machinery that will be put in place for ensuring quality in underwriting and compliance with the corporate underwriting policy; and
- i) The procedure for reporting to the Board on the performance of the management in underwriting the business, including the forms and frequency of such reports.

Responsibility for compliance

16. All the documents to be filed with IRDA under these guidelines shall be signed by the Chief Executive Officer or any other senior officer designated by the insurer. However, if the filing is done by the senior officer so designated, he shall be responsible to keep the Chief Executive Officer informed fully in all the matters. Where, an insurer delegates the authority to design products and set the rates, terms and conditions of cover to any subordinate office of that insurer, the Chief Executive Officer will still be responsible for complying with these guidelines in respect of such products.

17. Each insurer shall appoint a senior officer as “Compliance Officer” to ensure compliance with the requirements of these guidelines by the insurer. The Compliance Officer shall not be an officer who is also holding responsibility for underwriting. The Compliance Officer shall be responsible:

- (1) to monitor the business activities of the insurer and ensure that all products being sold by the insurer are in compliance with the underwriting policy as approved by the Board and also with these guidelines;
- (2) shall file a complete list of all products falling under categories (i) and (ii) of para 19 below, being sold by the insurer as on 01st Nov 2006;
- (3) shall also file with IRDA at the end of every calendar quarter, a list of all new products falling in categories (i) and (ii) of para 19 below, introduced by the insurer during the quarter just ended and dates on which the rates, terms and conditions of those products were filed with IRDA and the dates of confirmation by IRDA that it has no subsisting queries in respect of those products; and
- (4) shall also file a list of risks underwritten under Para 19(v) in a form to be prescribed by IRDA, during each month within 7 days of close of the month. This requirement may be withdrawn after an initial period of monitoring.

18. Where a risk is co-insured, the primary responsibility to comply with these guidelines will rest with the leading co-insurer. However, all other co-insurers will remain responsible to satisfy themselves by enquiry that the guidelines have been complied with. The leading co-insurer shall confirm to all other co-insurers as soon as the terms are agreed and in any case, immediately upon attachment of risk that the File and Use guidelines have been complied with.

Classification of products

19. For the purpose of these guidelines, the products shall be classified into two broad classifications, namely class rated products and individual rated products. These may be further classified into the following 5 sub-categories:

A – Class rated products

i) Internal tariff rated products: These are standard products that can be sold by any of the offices of the insurer with the rates, terms and conditions of cover, including choice of deductible where applicable, as set out in an internal guide tariff. If the internal guide tariff visualizes variations from the listed rates for factors either linked to experience or based on hazard features or size of sum insured or size of deductible or to meet competition, such variations should also be properly documented following the same rules and procedures. In other words, these are “rule based” underwriting products.

ii) Packaged or customized Products: These are products specially designed for an individual client or class of clients, in terms of scope of cover, basis of insurance, deductibles, rates and terms and conditions of cover.

B. Individual rated products

iii) Individual experience rated products: These are products where the rates, terms and conditions of cover are determined by reference to the requirements of and the actual claims experience of the insured concerned. These will typically be insurances with a high frequency but low intensity of loss occurrence.

iv) Exposure rated products: These are products where the rates, terms and conditions of cover are determined by an evaluation of the exposure to loss in respect of the risk concerned, independent of the actual claims experience of that risk. Typically, these will be risks where the occurrence of a loss is an uncommon event or where there are very few risks of that class to develop a statistically supported rating basis. The exposure rating may derive from rates for similar risks in other markets or be based on hazard evaluation done for other reasons such as for risk management.

v) Insurances of large risks: For the purpose of these guidelines, large risks are:

(1) insurances for total sum insured of Rs.2,500 crores or more at one location for property insurance, material damage and business interruption combined;

(2) Rs.100 crores or more per event for liability insurances.

These are typically insurances that are designed for individual large clients and where the rates, terms and conditions of cover may be determined by reference to the international markets. It is not permissible to place a product under this category by merely referring to a reinsurer for the rates and terms. It should genuinely relate to risks that are not within the underwriting or rating capability of Indian insurers. Merely because an insurer places facultative reinsurance on a policy will not make it a large risk. It is expected that in respect of such products, the insurer will quote terms in line with the terms quoted by reinsurers including the extent of cover and deductibles or claims conditions. If the insurer varies the terms quoted by the reinsurers while quoting the terms to the proposer, such variation of terms and any increased retention that results from it, shall be consistent with the underwriting policy and reinsurance policy approved by the Board for underwriting of business and also for retention and reinsurance. The insurer shall charge an additional premium over the rates secured from the international market that is commensurate with the additional risk carried by it. Such additional premium charged should have the concurrence of the officer designated by the Board under para 15(f) above. Full particulars of such cases where the insurer varies the terms from those quoted by the reinsurer shall be filed with IRDA as soon as the terms are quoted and where considered appropriate, IRDA may raise queries about the terms and the premium quoted.

Data support and role of Appointed Actuary

20. The Appointed Actuary, in consultation with the underwriters of the insurer, shall determine the requirements for compilation and analysis of data of sums insured, premiums and claims at the stage of product design itself and ensure that such data is captured at the stage of effecting insurance, on claims intimation and on all claims payments. In respect of long-term insurance products, the Appointed Actuary should also state the basis on which the reserve for unexpired risk will be calculated.

21. The Appointed Actuary, in consultation with the underwriters of the insurer, should compile various first loss rating schedules and schedules of discounts for higher deductibles or franchise, for different products based on statistical data. Such schedules shall form the basis for rating risks on first loss basis or without condition of average in respect of those classes of business that are normally underwritten on full sum insured basis and where condition of average applies and also for allowing discounts for higher deductibles or franchise.

22. Analysis of data referred to in para 20 above should enable review of rates, loadings and discounts for every rating factor used in the determination of premium rates and for rating risks on first loss basis. While filing the product a certificate by the Appointed Actuary should accompany every product stating the rating factors for which data will be captured and that adequate capacities and capabilities have been put in place for collection, compilation and analysis of such data.

23. The periodicity of review of emerging claims experience to determine any changes needed in rates, terms and conditions of cover should also be stated in the certificate of the Appointed Actuary.

24. Where an insurer designs or quotes for new products without reference to adequate statistical data support for the rates, terms and conditions, the basis of rating such products shall be recorded in detail and such basis shall be based on sound and prudent considerations. In such cases, the Appointed Actuary or the officer designated by the Board under para 15(f) above, will review the product design and rates and terms from the point of view of logic and reasonableness.

Documents required to be filed

25. The documents to be filed in respect of every new product or revision of an existing product in respect of products classified under categories (i) and (ii) of para 19 above shall be as follows:

- i) Statement filing particulars of the product in Form A;
- ii) Certificate by the Chief Executive Officer in Form B;
- iii) Certificate by Appointed Actuary in Form C;
- iv) Certificate by the company's lawyer in Form D;
- v) Copies of Prospectus and other sales literature relating to the product;
- vi) Copy of Proposal Form;

- vii) Copy of Policy Form and copies of the standard endorsements to be used with the policy; and
- viii) Copy of the Underwriter's Manual in respect of the product along with the list of declined risks, if any.

Important: While issuing the certificates under paras (ii), (iii) and (iv) above, persons responsible for issuing such certificates should carefully go through all the required aspects and apply due diligence. Serious view may be taken in case of any deficiencies.

26. In respect of products classified under categories (iii), (iv) and (v) of para 19 above, the insurer should file a statement of underwriting policy as approved by the Board and should provide the information in Form A in relation to the category of insurance concerned as a part of the underwriting policy statement. Any changes in such underwriting policy should also be filed whenever changes are made to the underwriting policy. The insurer should be able to satisfy the concerns of IRDA with regard to the products classified under these categories and the statement of underwriting policy so filed. Use of general words that cannot be objectively substantiated such as "merits of the case" or "underwriter's judgment" or "commercial considerations" should be avoided. However, notwithstanding what is stated above, every plan of insurance in respect of Health insurance (other than employees group health insurance policies) or Motor vehicle insurance shall be subject to the filing requirements of para 25 above.

27. In respect of a class of business that is currently regulated by tariff and which will continue to be rated as per an internal guide tariff after the tariffs are removed, the insurer should also file a statement highlighting the extent of variations from tariff provisions and rates and the basis of the variations. The insurer shall also provide the basis on which the rates and terms proposed to be charged are derived and statistical evidence to justify the proposed rates, and terms and conditions.

28. As already stated in para 2 above, if the insurer wishes to make any changes to the policy or endorsement wordings of products currently governed by tariffs, regardless of the categories listed in para 19 (i) to (iv) above, the insurer shall file full details of the proposed changes in wordings relating to the terms and conditions of cover or policy wording with justification in support. Such changes in policy or endorsement wordings will be effective only after they are reviewed by IRDA and IRDA has confirmed that it has no queries in respect of such changes. In any case, such changes shall not be permitted prior to 31-03-2008.

29. In respect of products designed for individual clients, whether or not the present rates, terms and conditions are governed by tariffs, as stated in para 26 above, the insurer should file a document setting out the basis on which rates and terms will be determined in such cases consistent with the underwriting policy approved by the Board. It will not then be necessary to file every case that is quoted so long as the design of the cover and its rates and terms follow the policy laid out in this document. The insurer should be able to demonstrate that the rates and terms in any particular case are determined in conformity with such basis. Moreover, in respect of insurances of large risks as defined in para 19(v) above, where the insurer quotes terms to the client that are different from those obtained from the international markets, the rates, terms and conditions of cover quoted to the client shall have the concurrence of the officer designated by the Board under para 15(f) above. Likewise, any premium rates that are less than 0.1 per mille on sum insured, should be discussed with the officer designated by the Board under para 15(f) above and his concurrence obtained to such rate based on sound technical reasons. In such cases, the said officer is expected to play the role of moderator to ensure that the terms are determined on a sound technical basis and not merely to meet competition in pricing regardless of logic. Subject to this condition being complied with, the insurer may quote rates, terms and conditions in such cases without having to file Forms A to D and wait for IRDA's response.

30. The maximum permissible rates of commission or brokerage shall be as notified by the Authority from time to time. However, it is open to insurers to design products with rates of commission or brokerage being less than the maximum permitted.

31. Every insurer shall constitute a Technical Audit Department that will be charged with the responsibility to ensure that all underwriting is done in compliance with these guidelines. Such audit should be done at least once every quarter during the year 2007. The reports of the Technical Audit shall be placed before the Board of Directors.

(C.S. Rao)
Chairman

FILING OF GENERAL INSURANCE PRODUCT

Name of insurer:

Date of filing:

1. Product

1.1 Class of insurance:

1.2 Name of product:

1.3 New or revision of existing
product:

1.4 If revision, name of
earlier product:

1.5 Nature of revision made:

2. Product features

2.1 What are the contingencies covered?

2.2 Is cover provided on:

2.2.1. Benefit payment basis;

2.2.2 Indemnity basis with deduction
for depreciation;

2.2.3. "New for Old" basis;

2.2.3 Reinstatement value basis;

2.2.4 First Loss basis or layered basis.

2.3 Does insurer have right of recovery
under subrogation?

2.4 What are the excluded perils?

2.5 What are the declined risks?

2.6 Does the product have any special
features?

3 Marketing

3.1 Target market for product?

3.2 Sales channels planned to
sell product:

3.3 Plans and budget for sales
promotion:

3.4 Acquisition cost to be incurred
including commission or brokerage:
(This can be lower than the maximum
permitted by the law or regulations)

4 Underwriting and Claims

- 4.1 What will be the delegation of authority for underwriting and for quoting rates and terms?
- 4.2 What will be the delegation of authority for processing and settlement of claims?
- 4.3 Are there any reinsurance arrangements specific to this product?
Do they require consultation with reinsurers for underwriting or for settlement of claims?
- 4.4 Please attach the Underwriting Manual and Claims processing Manual provided to staff in respect of this product:

5 Actuarial support

- 5.1 Name of Appointed Actuary:
- 5.2 Risk factors used for rating:
- 5.3 Margins built into the rates and terms for acquisition cost, expenses of management, catastrophe reserve, other contingencies and profit margin:
- 5.4 Whether the IT system will provide data on each of the risk factors in respect of premiums and claims:
- 5.5 Periodicity of compilation and analysis of data for review of the rates and terms:
- 5.6 Basis of reserving for unexpired risks
In respect of long-term products

6 Rates and terms

6.1 Where the rates and terms are in the form of an internal tariff:

- 6.1.1 Please attach a copy of such tariff.
- 6.1.2 Where the rates and terms quoted to individual clients can vary from the tariff rates and terms, please provide details of the criteria and extent of such variation.
- 6.1.3 Where the tariff is used only as a guide and the underwriter has authority to depart from the tariff, please state the level of management at which such departure can be made and the permitted extent of

- such variation and the circumstances in which such variation is permitted.
- 6.1.4 Where the insurance is to be provided on first loss basis or with deletion of the condition of average, in a class that is normally insured on full sum insured basis and subject to condition of average, please state the basis of the first loss rating scale or the basis to dispense with the condition of average.
- 6.1.5 Where the insurance is to be provided with a higher than normal deductible or franchise, please state the basis on which premium reduction will be allowed for the higher deductible or franchise.
- 6.2 Where the product is a “package” product designed for a specific client or class of clients:**
- 6.2.1 What are the elements of insurance put together in the package?
- 6.2.2 Is the package rate derived by adding together the rates for individual elements of insurance? If not, please state how it is rated:
- 6.2.3 In the former case, how is each element of insurance rated?
- 6.2.4 Is there an internal guide tariff or is each risk rated individually?
- 6.2.5 If each risk is rated individually, at what management level are rates and terms quoted and what is the basis for deriving the premium rates?
- 6.3 Where the product is experience rated:**
- 6.3.1 What is the target claims ratio?
- 6.3.2 At what management level are rates and terms quoted?
- 6.3.3 At what level of management can the insurer decide to ignore the experience in quoting for the insurance?
- 6.3.4 How are the statistics used for experience collected and analysed?
- 6.4 Where rates and terms are determined by reinsurers or other underwriters:**

- 6.4.1 At what level of management is a decision made regarding acceptance of the rates and terms quoted?
- 6.4.2 Does the insurer have a clearly defined policy with regard to the acceptance of changed policy wordings and the minimum rates and terms required for acceptance?
- 6.4.3 Confirmation that the terms quoted to the client will be the same as those quoted by the reinsurer or other underwriter.

7 Documents

- 7.1 Please attach copies of the following Documents for class rated products :
- a) Prospectus
 - b) Sales literature
 - c) Proposal Form
 - d) Policy wording
 - e) Wordings of various endorsements
 - f) Claims Form
 - g) Underwriting Manual
- 7.2 Please attach the following Certificates:
- a) Certificate by the Principal Officer or the Designated Officer in Form B
 - b) Certificate by the Appointed Actuary in Form C
 - c) Certificate by the lawyer of the insurer in Form D

8 Supplementary information

If there is any information other than that provided in this form and its enclosures which should be taken into account in examining the filing of this product please provide it here.

Place
Date

Signature of Principal
Officer or Designated
Officer
Name and designation:

FILING OF GENERAL INSURANCE PRODUCT

Name of insurer:

Date of filing:

Class of insurance:

Name of product:

Certificate by Principal Officer
Or Designated Officer

This is to confirm that:

1. The rates, terms and conditions of the above-mentioned product filed with this certificate have been determined in compliance with the IRDA Act, 1999, Insurance Act, 1938, and the Regulations and guidelines issued thereunder, including the File and Use guidelines.
2. The prospectus, sales literature, policy and endorsement documents, and the rates, terms and conditions of the product have been prepared on a technically sound basis and on terms that are fair between the insurer and the client and are set out in language that is clear and unambiguous.
3. These documents are also fully in compliance with the underwriting and rating policy approved by the Board of Directors of the insurer.
4. The statements made in the filing Form A are true and correct.
5. The requirements of the revised File and Use guidelines have been fully complied with in respect of this product.

Date:

Place:

Signature of Principal
Officer or Designated
Officer

Name and designation

FILING OF GENERAL INSURANCE PRODUCT

Name of insurer:

Date of filing:

Class of insurance:

Name of product:

Certificate by Appointed Actuary

This is to confirm that:

1. I have carefully studied the requirements of the File and Use Guidelines in relation to the design and rating of insurance products.
2. The rates, terms and conditions of the above-mentioned product are determined on a technically sound basis and are sustainable on the basis of information and claims experience available in the records of the insurer.
3. An adequate system has been put in place for collection of data on premiums and claims based on every rating factor that will enable review of the rates and terms of cover from time to time. It is planned to review the rates, terms and conditions of cover based on emerging experience (enter periodicity of review).
4. The requirements of the revised File and Use guidelines have been fully complied with in respect of this product.

Date:

Place:

Signature of Appointed Actuary
Name and designation

FILING OF GENERAL INSURANCE PRODUCT

Name of insurer:

Date of filing:

Class of insurance:

Name of product:

Certificate by the Lawyer of the insurer

This is to confirm that:

1. I have carefully studied the prospectus, sales literature, policy wordings and endorsement wordings relating to the above-mentioned product in the light of the IRDA (Protection of Policyholders' Interests) Regulations 2002, and the File and Use Guidelines.
2. The above mentioned documents are written in clear unambiguous language, and properly explain the nature and scope of cover, the exceptions and limitations, the duties and obligations of the insured and the effect of non-disclosure of material facts.
3. These documents are in compliance with the Policyholders' Protection Regulations and Insurance Advertisements and Disclosure Regulations.

Date:

Place:

Signature of Lawyer
Name and address