



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

Ref:IRDAI/Life/Cir/Misc/274/11/2020.

11<sup>th</sup> November, 2020

To,  
All Life Insurers.

Re: Dispensing with physical signatures on proposal forms.

Vide IRDAI/Life/Cir/Misc/208/08/2020 dated 5<sup>th</sup> August, 2020, instructions have been issued on the above subject allowing authentication of proposals in respect of pure risk products with OTP for the sales made by Insurance Agents and Insurance Intermediaries, for the period up to 31<sup>st</sup> December, 2020. On a review of the working of this arrangement and on the basis of feedback from the Life Insurers, the following instructions are issued under Regulation 18, read together with Regulation 8(1) of IRDAI (Protection of Policyholders' Interests) Regulations, 2017, Regulations 33 (c) and 38 of IRDAI (Non-Linked Insurance Products) Regulations, 2019, Regulations 31 and 51 of IRDAI (Unit Linked Insurance Products) Regulations, 2019 and Clause 2.2 of Circular reference IRDAI/Life/Cir/Misc/173/09/2019 dated 26<sup>th</sup> September, 2019.

1. Life Insurers are allowed to obtain the customer's consent through electronic means i.e., without requiring wet signature on the proposal form, for the business solicited by individual Insurance Agents and Insurance Intermediaries under all products, till 31<sup>st</sup> March, 2021.
2. The suitability assessment, benefit illustration (wherever applicable) and the completed proposal form shall be sent to the proposer on his / her registered e-mail ID or mobile number in the form of an e-mail or a message with a link as the case may be.
  - a. The above referred message / e-mail shall specifically highlight, in the main body of the message itself, the Sum Assured, premium amount payable, policy term and the premium payment term of the proposal being solicited while seeking the proposer's consent for the same.
  - b. The proposer, if he / she wishes to consent to the product offered, the benefit illustration and the completed proposal form, may do so by affixing digital signature or by clicking the confirmation link or by validating the OTP shared. The Insurer shall not insist on payment of moneys towards proposal deposit till the receipt of consent of the proposer.
3. Vide IRDAI/Life/Cir/Misc/173/09/2019 dated 26<sup>th</sup> September, 2019, all Life Insurers were mandated to place on their website a standardized presentation of each product on offer for sale. Insurers shall ensure that only such approved material is

used while soliciting the business. A copy of such standardized presentation shall also be mailed by the Life Insurer to the policyholder along with the policy document. The free look cancellation period of 30 days will be applicable for sales effected under these provisions.

4. In addition, the following shall apply in respect of sales made by the individual Insurance Agents under these provisions:
  - a. It shall be the responsibility of the Insurer concerned to authorize specific individual agents for this dispensation. Life Insurers may follow appropriate due diligence in considering such authorization.
  - b. The Insurance Agents shall not solicit non-single premium unit-linked insurance policies for annualized premium exceeding Rs.50,000 or single premium unit-linked insurance policies exceeding Rs. 1,00,000.
  - c. The Insurer shall verify at least 3% of sales to ascertain compliance with these provisions. The records of verification calls shall be preserved for a period of not less than 3 years. The Insurer shall also maintain verifiable, legally valid evidence of the proposer's consent in an unalterable and easily retrievable form for a period of six months beyond the term of the policy or until satisfactory settlement of claim, whichever is later.
5. For the sales made by the Insurance Intermediaries under these provisions:
  - a. Compliance with the extant provisions as per the applicable intermediaries regulation shall be ensured in all respects, including, the financial ceilings, non-face to face solicitation requirements, call verifications, etc.
6. All individual Insurance agents and insurance intermediaries shall ensure the accuracy of the prospect's e-mail ID / mobile number. They shall use only the approved sales material during the solicitation process.
7. The Insurers shall:
  - a. provide necessary portal / app based support;
  - b. ensure compliance with suitability assessment and issuance of benefit illustration wherever applicable;
  - c. ensure accuracy of the e-mail IDs / mobile numbers of the prospects by conducting de-duplication and other such means.
8. The Insurers shall provide appropriate training to all persons involved in the sales / solicitation process to ensure that the consent of the customer is obtained only after clear information has been provided to the proposer on the product being sold. The Insurers shall also monitor the grievances received pertaining to the sales and promptly undertake corrective actions. They shall submit, as per Annexure I, a monthly statement of grievances received pertaining to the sales logged in through

electronically validated e-proposals dispensing with physical signature under the provisions of this Circular.

9. The Authority may withdraw this facilitation either for a) one or more agent(s) or a life insurer or (c) across all life insurers, any time.

These instructions supersede the Circular Ref: IRDAI/Life/Cir/Misc/208/08/2020 dated 05<sup>th</sup> August, 2020, and come into force with immediate effect.

-Signed-

V. Jayanth Kumar  
Chief General Manager (Life Insurance)

Encl: Annexure I.