



Ref:IRDAI/Life/Cir/Misc/208/08/2020

05<sup>th</sup> August, 2020

To All Life Insurers

**Re: Dispensing with physical signature on proposal forms.**

The Authority is in receipt of feedback from various life insurers that the situation arising in the wake of COVID-19 outbreak has impacted the traditional manner of canvassing life insurance policies by agents and intermediaries. In particular, the filling-in of the physical proposal forms, obtaining wet signatures on them and subsequent movement of such physical papers, etc., are severely affected. In this backdrop, the life insurers have represented to the Authority to allow the option of authenticating the proposals for life insurance through electronic means, in place of physical signature, for the sales made by insurance agents and intermediaries, in addition to the methods presently allowed.

After examining the suggestions received from life insurers, the Competent Authority issues the following instructions under Regulation 18, read together with Regulation 8 (1), of IRDAI (Protection of Policyholders' Interests) Regulations, 2017:

1. Life Insurers are allowed to obtain the customer's consent without requiring wet signature on the hard copy of the proposal form, for the business solicited by insurance agents / intermediaries subject to following:
  - a. The completed proposal form shall be sent to the prospect 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.
  - b. The prospect, if he / she wishes to consent to the proposal, may do so by clicking the confirmation link or by validating the OTP shared. The Insurer shall maintain verifiable, legally valid evidence for the proposer's consent received for the fully completed proposal form. Further, the insurer shall not accept any payment of moneys towards proposal deposit till the receipt of consent of the proposer.
  - c. In all such cases, the agent / intermediary shall confirm that only the approved sales material has been used during the solicitation process. They shall also certify the authenticity of the e-mail ID and/or mobile number of the prospect.

2. The Insurers shall be responsible for:
- a. Providing to the insurance agents / intermediaries approved digital sales material and ensuring that only such material is used while soliciting the business;
  - b. Authenticating the e-mail IDs / mobile numbers of the prospects by conducting de-duplication of such data and other such means;
  - c. Ensuring the suitability of the product being purchased;
  - d. Carrying out pre-issuance verification calls in respect of all such proposals.
3. The above facilitation is allowed on an experimental basis with immediate effect till 31<sup>st</sup> December, 2020, and is limited to pure risk products, i.e., products that do not involve any savings element. Grievances pertaining to sales logged in through the above method shall be separately maintained by the Life Insurers and a monthly statement shall be submitted to the Authority in Annexure I. Further, the Authority reserves the right to revoke the above facilitation in respect of any individual Insurer or for all Insurers any time.



V Jayanth Kumar

Chief General Manager (Life Insurance)

Encl: Annexure I.

Name of Life Insurer:

A) **Statement of Grievances** in respect of policies sold with OTP Authentication in lieu of wet signature on physical Proposal form, BI, Suitability Assessment for the month of \_\_\_\_\_;

Number of Individual Policies sold (1)	Number of Policies sold with OTP method (2)	Number of grievances received out of (2)

B) Grievance List for the month with

- 1) Policy number & Name of Proposer
- 2) Agent/Intermediary details
- 3) Nature of grievance
- 4) How dealt with (grievance resolution, action against agent/intermediary, system correction)