



बीमा विनियामक और विकास प्राधिकरण  
**INSURANCE REGULATORY AND  
DEVELOPMENT AUTHORITY**

**CIRCULAR**

August 16, 2010

Ref: IRDA/LIFE/MISC/CIR/129/08/2010

To

All the Life Insurers,

**Re: Advertisements - Life Insurance Products**

Attention is invited to Regulation 2 (d) of IRDA (Insurance Advertisements and Disclosures) Regulations, 2000 & Part – IV of Guidelines for Unit Linked Life Insurance Products issued vide Circular 032/IRDA/ACTL/Dec-2005 dated December 21, 2005 with regard to insurance advertisements .


A review of the advertisements, especially those relating to Unit Linked Life Insurance products reveals the necessity to improve the content and presentation in compliance with the provisions of the above referred Regulation and Guidelines.

Therefore, in order to enhance the extant transparency of the Insurance Advertisements, the Authority stipulates the following measures to be complied with by all life insurers.

1. Where any insurance advertisement highlights the benefit of Guarantees, a clear disclosure of the underlying conditions under which the guarantee operates must be made, wherever applicable. In all such cases, all the conditions (including cost of guarantee, charges) under which the guarantee operates need a prominent mention. If the underlying conditions are very elaborate, the text/wording on Guarantee must be accompanied by the phrase "*Conditions Apply*" in a font that is at least 50% of the font used to highlight the guarantee. These conditions must be distinctly mentioned in a legible font beneath, not making it part of other applicable disclosures.
2. All Insurance Advertisements must prominently state the availability of underlying element of 'Life Insurance Coverage' to clearly identify the product as an Insurance product.
3. The Brand Names of insurance products must not use terms or phrases that convey a fabricated sense of security.

4. In respect of Unit Linked Life Insurance Products the actual asset mix of various underlying funds vis-à-vis the asset composition of approved asset pattern shall be placed on the web portal of respective insurance companies at least on a half yearly basis. This information on investment updates is to ensure that clear, actual and timely information is made available to prospects to make an informed financial decision.

All Life Insurers are directed to follow the above guidelines scrupulously. The above guidelines are in addition to the existing regulations, guidelines and circulars that are in vogue. This circular is issued in exercise of the powers conferred under section 14(1) of the IRDA Act, 1999 to protect the interests of the policyholders and to regulate, promote and ensure the orderly growth of the insurance industry.

  
**(G Prabhakara)**  
**Member (Life)**