

BY REGISTERED POST / FAX

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26th February 2019

Chief Executive Officers of all Insurance Companies

Dear Madam/ Sir

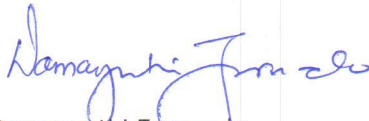
Supply of Policy Documents: Amended and Combined Direction # 02-26.02.2019 issued under Section 96A of the Regulation of Insurance Industry Act, No. 43 of 2000

The Insurance Regulatory Commission of Sri Lanka (IRC SL) at its 186th meeting, having observed that it is just and equitable to deliver a complete copy of the policy document to life assured in instances where the life assured is not the policyholder of an insurance policy, has decided to amend Direction # 02 of IRC SL dated 29th November 2013.

Hence, the Members of the IRC SL at its 187th meeting, has decided to combine Direction # 02 and all amendments made to Direction #02 and issue a new Direction as # 02 of 26th February 2019 under section 96 A of the Regulation of Insurance Industry Act, No. 43 of 2000 as attached herein.

Please acknowledge receipt of same.

Yours faithfully



Damayanthi Fernando
DIRECTOR GENERAL
RA/PG

Cc: President, Insurance Association of Sri Lanka
President, Sri Lanka Insurance Brokers Association
Chairman, NITF

Supply of Policy Documents

Direction # 02- 29.11.2013, 02(A)-04.03.2016, 02(B)-08.08.2016 issued under Section 96 A of the Regulation of Insurance Industry Act, No. 43 of 2000 are hereby further amended and combined as Direction #2, 26.02.2019

The Insurance Regulatory Commission of Sri Lanka (IRCSL) has observed that some insurers delay to provide policy documents (policy terms and conditions and the schedule etc.) to policyholders and therefore, policyholders are unaware of certain terms and conditions of the policy as soon as a product is purchased.

The IRCSL has further observed that life assured's, where the life assured is not the policyholder, does not get policy documents.

Therefore,

- (A) Insurers are required to obtain an acknowledgement in writing from the policyholder/insured/life assured within fourteen days (14) from the date of issue of the policy, that the policyholder/insured/life assured has received the policy documents (policy terms and conditions and the schedule etc.) and indicating in the acknowledgement the date of receipt of policy documents.

In case where the policyholder/insured is a company, the acknowledgement shall be obtained from a director or the company secretary of such company or any person authorized by the company to accept policy documents on behalf of the company.

- (B) The following shall be applicable to all general Insurers, with respect to issuance of motor policies:

(i) insurers to comply with above Direction (A), with regard to all direct sales;

(ii) with regard to policies issued via brokers, leasing/finance companies and banks (institutions) –

- a) deliver policy documents to the respective institution as per above Direction, with a copy to be given to the respective policyholder; and
- b) advise such institution to forward the copy of policy document to policyholder without delay;

(iii) insurers shall make policyholders aware, through the certificate of insurance and/or the policy schedule, that the policy document can be obtained from any branch of insurer on request.

The above Direction shall come into force with immediate effect.