



Circular # 39

30th September 2016

Considering the requests received from the industry, the Board of IBSL, at its 165th meeting, has granted approval to amend Circular # 38, dated 28th April 2016 as follows:

- (1) All insurance companies are required to keep IBSL informed of the date of launch of a new insurance product;
- (2) All General insurance companies are required to submit documents in relation to the insurance product (policy documents, proposal form, advertising material, etc.) prior to the launch date of same;
- (3) All Long Term insurance companies are required to submit the following documents in relation to the insurance product at least 45 days prior to the launch date of same:
 - a. Actuarial Certificate [including but not limited to an Overview of the Product; Pricing Assumptions including the basis for setting same; Results of Profit Testing and Sensitivity / Scenario Testing; Premium Rates and any Other Charges; Surrender Values; Details of information looked at during the Product Pricing Process; Certification stating that the Premium Rates, Charges and Surrender Values are sound, workable and fair; Details of the Actuary (Name, Qualifications, Contact Details)];

Exceptions: 1. Group Products: Overview of the Product; Method used for Pricing; Pricing Assumptions including the basis for setting same; Premium Rates (if standard rates are applicable), Details of the person computing the Premiums (Name, Qualifications)

2. Riders: Overview of the Rider; Pricing Assumptions including the basis for setting same; Results of the Profit Testing; Premium Rates; Details of the person computing the Premiums (Name, Qualifications)

The Insurance Board of Sri Lanka may ask for an Actuarial Certificate if deemed necessary for Riders and Group Products.



INSURANCE BOARD OF SRI LANKA
(Incorporated under Act No. 47 of 2000)

- b. Policy Document (Policy Term & Conditions and Schedule);
- c. Proposal Form.

(4) All Long Term insurance companies are required to submit the following documents in relation to the insurance product at least 2 weeks prior to the launch date of same:

- a. Any other documents to be signed by policyholders at the point of sale in addition to the Proposal Form;
- b. Brochures and any other Sales / Marketing material (e.g. Quotations, Illustrations);
- c. An undertaking from the Principal Officer confirming that all relevant information has been made available to the Actuary providing the Actuarial Certification for the product and that details given in all documents submitted to IBSL are consistent with the information contained in the Actuarial Certificate; and
- d. A written undertaking from the Principal Officer, confirming that no material change has been made to the documents submitted in (2) and (3) above.

Indrani Sugathadasa (Mrs)
CHAIRPERSON

Not Applicable