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INSURANCE REGULATORY COMMISSION OF SRI LANKA

INSURANCE REGULATORY COMMISSION OF SRI LANKA

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කොළඹ 01, ශ්‍රී ලංකාව.
+94 11 2396184-9

11ம் மாடி, கிழக்கு கோபுரம்
உலக வர்த்தக மையம
கொழும்பு 01, இலங்கை.
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REGULATION OF INSURACE INDUSTRY ACT, NO. 43 OF 2000 - DIRECTION

20.02.2026 **No. 02 of 2026**

DIRECTION ON ADVERTISEMENTS ISSUED TO INSURANCE COMPANIES AND INSURANCE BROKERS

This Direction is issued in terms of Section 96A of the Regulation of Insurance Industry Act, No. 43 of 2000 to set forth minimum standards of all material and relevant information in the advertising and marketing of insurance products to assure full and truthful disclosure to the policyholders and insuring public and to ensure that insurers and insurance intermediaries (registered insurance brokers and insurance advisors/agents) adopt fair, honest and transparent practices and avoid practices that tend to impair the confidence of the public and create undue competitive advantage in its advertisements.

Section 99(1) of the Regulation of Insurance Industry Act, No.43 of 2000, prohibits insurers, brokers and agents from issuing advertisements, which contain any information or material, which is false, incorrect or is likely to mislead the public.

1. Definitions

1.1 An "advertiser" shall include any person who disseminates advertisements; that is Insurance Companies and insurance intermediaries.

1.2 For the purpose of this Direction, "advertisement" shall mean an invitation appearing in any media, including by any electronic means, inviting persons to enter into or to offer to enter into contracts of insurance and includes any information calculated to lead directly or indirectly to persons entering into or offering to enter into such contracts as defined in Section 99 (4) of Regulation of Insurance Industry Act. No 43 of 2000.

1.3 Accordingly, an "advertisement published in the media includes":

a) advertisements in newspapers, magazines and other printed publications;
b) advertisements broadcast on television or radio or screened in cinemas;
c) advertisements in posters and other promotional media in public places, including moving images and billboards;
d) advertisements in brochures, periodicals, leaflets, mailings, catalogues, fax transmissions, e-mails, and other electronic and printed material;
e) advertisements in non-broadcast electronic media, including online advertisements in paid-for space such as banner and pop-up advertisements;

f) promotional marketing and sales promotions;
g) point-of-sale displays and materials;
h) press releases, press notices and other public relations articles;
i) advertisements in social media platforms;
j) SMS's or any messages in any social media or digital platform;
k) promotional methods such as issuing marketing coupons/tokens.

The above list is only illustrative and not exhaustive.

1.4 A "product" shall mean and include all types of insurance policies, including pre sale & post-sale services and facilities offered by the insurer.

1.5 A "false, incorrect or misleading advertisement" shall mean and include any advertisement that:

a) fails to clearly identify the product as an insurance product by any policyholder, potential policyholder or insuring public.
b) promises claims and benefits beyond the risk underwritten under the relevant policy or beyond the potential maturity value and/or the underwritten value and also including disproportionate value underlining the risk of the policy.
c) describes benefits that do not match the policy provisions;
d) uses words or phrases in a way which hides or minimizes the risks inherent in the policy;
e) gives information in a misleading way;
f) future benefits on assumptions which are not realistic not realizable in the light of the insurer's current performance.
g) makes unfair or incomplete comparisons with products which are not comparable
h) use names, logos, brand names, distinguishing marks, symbols etc., which may be similar to those already used by others in the market that may lead to confusion in the marketplace.
i) use terms or phrases that convey an unrealistic or false sense of security.
j) highlight the positive financial condition of the parent company without mentioning the financial condition of the insurer (subsidiary insurance company).

1.6 A "product related advertisement" means any advertisement issued by an insurer or insurance intermediary, in any form, that relates to an insurance product and is intended to promote, solicit or encourage the public to purchase an insurance policy.

2. Applicability

2.1 This Direction applies to all product related advertisements issued through print, electronic or any other media as set out in Section 99 (4) of the Regulation of Insurance Industry Act, No. 43 of 2000 by all insurance companies and insurance intermediaries.

2.2 All Insurance Companies and intermediaries are required to take necessary measures to comply with this Direction with immediate effect.

2.3 Unless otherwise provided by this Direction, nothing in this Direction shall deem to invalidate the advertisements released prior to this Direction coming into force.

2.4 From the effective date of this Direction, the "Direction No. 03 of 2024 dated 14th May 2024 on Advertisements issued by Insurers, Insurance Brokers and Insurance Agents", "Guideline on Advertisements issued by Insurers, Insurance Brokers and Insurance Agents", Direction No. 01 dated 14.10.2004, Direction No. 03 dated 04.08.2005 and Circular No. 02 of 2021 dated 08.04.2021 relating to advertisements shall be cancelled.

3. Requirements for Product Related Advertisements

3.1 The publicity material/content shall be accurate, fair, and in simple language that the customer can understand, enabling the customer to make an informed decision with regard to purchasing a specific insurance product. An advertisement shall not use words or phrases which are misleading or understandable only to persons familiar with insurance terminology.

3.2 An Advertisement shall include the product name, company name, company logo, and contact details, facilitating the clear identification of the advertiser and the product without any confusion.

3.3 An advertisement shall include either a combination or all of the following features:

a) nature of the insurance product (i.e. General/ Long term)
b) type of the product (i.e. its uniqueness or otherwise, whether annuity, pension, whole life, health, motor or fire, etc.)
c) where appropriate, the commitment of the insurer and the policyholder under the contract (e.g. the minimum amount to be invested; minimum and/or maximum sum assured; the reasonable safety norms to be adopted in case of non-life insurance products etc.)
d) special conditions and exclusions applicable to the product that is material for the customer to decide on making an offer.

3.4 An advertisement shall fully disclose all benefits/risk covered to provide the potential policyholder with complete information about the product. If only partial disclosure is made, a reference to the relevant source or document shall be provided.

3.5 An Advertisement shall state only the actual policy benefits received by the policyholder under an insurance product.

3.6 An Advertisement shall not cause undue fear or distress in the public, and it shall not contain shocking incidents or sensitive images merely to attract attention.

3.7 An Advertisement shall not contain statistical information unless it accurately reflects recent and relevant facts of its own organization.

3.8 An Advertisement shall not misuse any research results, statistics or any such independent information in order to get an undue advantage.

3.9 An Advertisement shall not contain statements that are untrue in fact or that are misleading by implication and/or material in respect of another insurer's assets, corporate structure, financial standing, or relative position of the insurer in the insurance business.

3.10 An Advertisement shall not compare the policies, benefits, dividends, or rates of a competitor in any manner that confers or likely to confer an undue competitive advantage upon the advertiser.

3.11 Where attention is drawn to the insurer's past financial performance in an advertisement, it shall indicate that the past performance is not necessarily an indication of future performance.

3.12 The words "free," "no cost," "without cost," "no additional cost, "at no extra cost," or similar words shall not be used with respect to any benefit or service being made available with a policy unless same is truly provided at no cost to the policyholder.

3.13 An Advertisement shall not use phrases such as "discount", "rebates", "discounted premium" or "discount on premium" or similar phrases, which implies that the insurance premium is discounted for a particular insurance policy, as an inducement for any person to purchase, renew, or continue an insurance policy. All current advertisements, which contain the same, should be discontinued.

3.14 An Advertisement shall not specify anything to the contrary or anything that would result in non-compliance with any provisions in the Regulation of Insurance Industry Act, No. 43 of 2000 and/or any subordinate legislation issued by the IRCSL in respect of any advertisements from time to time.

3.15 An Advertisement shall not specify anything to the contrary or anything that would result in non-compliance with the statutory requirement stipulated in Section 161 of the Motor Traffic Act, which states that any accident due to the use of any motor vehicle on a highway causing injury to any person, animal or property to be reported forthwith to the nearest police station.

3.16 No insurer or an insurance intermediary (registered insurance broker or insurance advisor/agent) shall promote/advertise 3rd party motor insurance products in advertisements. However, such prohibition will not be applicable if the advertisement/promotion is carried out together with the advertisement/promotion of comprehensive motor insurance cover/product.

3.17 Testimonials used in advertisements shall be genuine; represent the current opinion of the insurer; be applicable to the policy advertised; and be accurately reproduced with sufficient completeness to avoid misleading or deceiving existing and prospective policyholders.

3.18 An Advertisement shall include the statement, "For more details on benefits, exclusions, terms and conditions please read the policy document carefully before concluding a sale" in clearly visible font and its corresponding translations in Sinhala and Tamil languages shall be provided appropriately in clearly visible font.

3.19 However, only for radio advertisements and text messages, the above statement shall be expressed appropriately and include a contact number to inquire about all information that a prospective policyholder would reasonably be expected to be aware of.

3.20 An Advertisement shall be in respect of products approved and/or filed with IRCSL.

3.21 An Advertisement that promotes 'critical illness cover' shall include the statement, "please refer to the policy document for complete information and definitions on the conditions of critical illnesses covered by the insurance policy".

3.22 Insurance companies shall include the statement, "Insurance company (name) is licensed by the Insurance Regulatory Commission of Sri Lanka (IRCSL)" in its quotations, cover notes, policy documents, websites, annual reports, letterheads used for customer communication, promotional materials and captions of the social media posts as stipulated in Section 4.2.1 of Direction No. 02 of 2025 dated 25.04.2025 on Improving the Confidence Level of the Policyholders. This requirement does not apply to audio advertisements.

3.23 Any advertisement related to life insurance products that illustrates policy benefits, such as dividend rates, maturity benefits, or other future projections, shall include the following disclaimers, as applicable, to ensure clarity and avoid misleading the existing or prospective policyholders:

- "Assumed Dividend Rate provided in the table is for illustrative purposes only and does not reflect the actual amount/rate that the policyholder might receive";
- "Minimum Annual Crediting Rate paid for last five years";
- "The illustrated benefits in the advertisement are guaranteed/non-guaranteed"; as appropriate.

3.24 An Advertisement shall not contain any unethical or inappropriate content, including vulgar language or messages that may convey double meanings.

4. Approval and Compliance for Product Related Advertisement

4.1 Every insurer and insurance brokering company shall;

a) assign the responsibility of overseeing the advertising/marketing programme for compliance with this Direction to the Principal Officer of such company approved by the IRCSL.
b) establish and maintain a system of control over the content, form, and method of dissemination of all advertisements.
c) maintain an Advertising Register (physical or electronic version) as per the format given in Annexure 01, which shall include a specimen of every advertisement disseminated or issued or a record of any broadcast or telecast, etc. The Advertising Register shall be subject to inspection and review by IRCSL.

4.2 Subject to 4.1 above, the Insurance Company or Brokering Company shall ensure that:

a) all advertisements, prepared, published, or circulated by their insurance agents/advisors, or by the Insurance Company/Brokering Company on behalf of such agents, are approved prior to publication.
b) all advertisements published in any form explaining the features of processes involved in insurance contracts, such as premium payment options, claim settlement methods, and complaints/grievances handling procedures, issued solely for the purpose of public awareness and education, are approved prior to publication. Such advertisements shall not be intended to solicit the purchase of any insurance product.
c) all press releases, media briefings, product launch announcements, and MoU announcements issued by an Insurance Company or an Insurance Brokering Company, where the primary purpose of such communication is the dissemination of public information and not the solicitation of insurance business are approved prior to publication.

4.3 The Principal Officer of the Insurance Company or Brokering Company shall;

a) submit advertisements along with the Certificate of Compliance as per the specimen given in Annexure 02 confirming that the respective company's advertisement is in conformity with the RII Act, to mder@ircsl.gov.lk (in the case of insurers) and mils@ircsl.gov.lk (in the case of brokers) at least seven (07) working days before the intended date of publication for confirmation and approval of the IRCSL. If there is no response from IRCSL within seven (07) working days from the date of submission of set of documents to IRCSL, the insurer or insurance brokering company may proceed with the publication.
b) submit all advertisements published by an insurer or broker, jointly with an association/entity/third party, where the logo and/or trade names of the participating parties are displayed jointly.

4.4 In respect of the advertisements relating to special marketing strategies such as 'Moment Marketing', 'Agile Marketing', 'Viral Marketing', etc. that focuses on capturing consumers' attention in any given moment, and providing them with relevant and valuable product information, the advertiser shall file such advertisements to the IRCSL within twenty-four (24) hours of publication, along with the certificate of compliance.

4.5 In respect of the advertisements to be published in specific forms of media such as 'TikTok', where the submission of advertisement for prior approval is not practical, the advertiser shall file the relevant script/story board to the IRCSL within twenty-four (24) hours of publication, along with the certificate of compliance.

4.6 No insurer or intermediary shall allow a third party whether individual, association, entity or group to;

a) distribute information about an insurance policy, an insurer or an intermediary through any mode or medium including mail system or domain; unless

i. the third party provides only a distribution service for the insurance advertisement and

ii. the insurance information is separated from any other information distributed by the third party and clearly indicates the origin of the same.

b) Provide an implication that a person shall become a member of such third party to purchase the insurance policy.

5 Requirements for non-product related advertisements

5.1 The Principal Officer of the Insurance Company or Brokering Company shall be responsible for the approval of all non-product-related advertisements prior to dissemination. The Principal Officer may delegate the approval authority to a relevant senior officer, provided that such delegation is exercised under the supervision and ultimate responsibility of the Principal Officer. Proper records of all approvals shall be maintained, and such records shall be subject to inspection and review by IRCSL.

6 Exemption from the Approval of the Direction

6.1 The following advertisements are exempted from this Direction to the extent they have no impact on the policyholder and insuring public.

a) materials used by an insurance company within its own organization and not meant for distribution/presentation to the public;

b) materials used solely for the training, recruitment, including employment notices, and education of agents, intermediaries, provided that they are not used to induce the public to purchase, increase, modify, or retain a policy of insurance.

c) tender notices to the public provided that they are not used to induce the public to purchase, increase, modify or retain a policy of insurance.

This Direction has been approved by the commission at its 266th commission meeting.

Damayanthi Fonseka

Director General
Signed for and on behalf of the Commission

Annexure 01

Advertising Register

Serial No.	Date	Advertisement Reference Number	Type of Advertisement (Product related)	If the Advertisement is related to a product, Policy/Product Reference Number	Product Name	Description of the advertisement	Media used to disseminate the Advertisement	Language	Publication Date & Period	Date of the approval by the Principal Officer	Signature of the Principal Officer	Remarks	Date referred to the IRCSL	Comments of the IRCSL if any,

Annexure 02

Certificate of Compliance for Advertisements _ Product Related Advertisements

From	To
Name of the Principal Officer Name & address of the Insurance company/Brokering company	Director General Insurance Regulatory Commission of Sri Lanka Level 11, East Tower World Trade Centre Colombo 1

I, ...[name of the Principal Officer]....., the undersigned, being the Principal Officer of .....[name of the insurance company/brokering company]....., hereby certify that the following advertisement/s has/have been prepared in compliance with the "Direction No. ..... of 2026 dated ..... on Advertisements issued to Insurance Companies and Insurance Brokers" issued by the IRCSL and comply with the requirements of the Section 99 (1) of the Regulation of Insurance Industry (RII) Act, No.43 of 2000.

Advertisement Ref. No	Type of advertisement press/TV/social media ...	Name of the product	Language of the advertisement/s	Intended date of release/ publication	Previous approval date (if applicable)	Remarks

(Sgd.) Principal Officer

Date: DD/MM/YYYY

{Rubber stamp}

Notes:

Please forward this compliance certificate to mder@ircsl.gov.lk and/or mils@ircsl.gov.lk as appropriate, in terms of sub sec. 4.3, together with the relevant insurance product-related advertisement(s).