



REGULATION OF INSURANCE INDUSTRY ACT, NO. 43 OF 2000 – DIRECTION

28.10.2025

No. 04 of 2025

Direction on issuing Insurance Product Information Document by Insurance Companies and Insurance Intermediaries

The Insurance Regulatory Commission of Sri Lanka (IRCSL), at its 266th Commission meeting, has decided to issue the following direction to Insurance Companies and Insurance Intermediaries.

1. Introduction

- 1.1 The Insurance Regulatory Commission of Sri Lanka (IRCSL) intends promoting transparency and enhancing awareness of the prospective policyholders and empowering them to have a better understanding regarding insurance policies. This Direction is issued pursuant to Section 03 and Section 37 (2) of the Regulation of Insurance Industry Act, No.43 of 2000 (the RII Act).
- 1.2 It is important that policyholders and prospective policyholders understand the terms and conditions of an insurance policy. Therefore, it is imperative to have a **summary of the key information about an Insurance Policy**, and other basic features in simple language, for a better understanding of the product features.

2. Purpose

- 2.1 The purpose of this Direction is to set forth a framework for the preparation of an IPID that contains key features of the policy documents of Life and General Insurance products in simple language with a view to protecting the interests of the policyholders.
- 2.2 The issuance of IPID will enable prospective policyholders and existing policyholders (applicable only for renewals of general insurance businesses) to make informed decisions with a view to facilitating the following outcomes:
 - a. Provide clear and concise information about insurance products, making it easier for customers to grasp what they are purchasing.
 - b. Provide an understanding of the basic cover and key features of the policy.
 1. Increase policyholders' confidence in their insurance coverage by providing easily accessible information that helps them to make informed decisions, thereby increasing satisfaction and reducing policy lapses.

3. Scope and Applicability

3.1 This Direction shall be applicable to all insurance companies registered to carry on insurance business (long-term and general) and all intermediaries.

4. Requirements

4.1 The insurance product information document shall:

- a. be a stand-alone document titled 'Insurance Product Information Document'.
- b. be presented and laid out in a way that is simple (in wording) and easy to read & understand.
- c. be printed or provided in e-version
- d. be an accurate summary of the product

4.2 The IPID shall contain the following key information:

- a. information about the type of insurance cover;
- b. a summary of the basic insurance cover, including additional benefits, if applicable;
- c. key features of the policy document including exclusions, terms and conditions applicable. Reference shall be made to the relevant section of the policy document, where necessary;
- d. the mode of payment of premiums (annual, monthly, single, quarterly etc.);
- e. importance of having nominees/beneficiaries/assignee, where applicable;
- f. obligations of the policyholder in disclosing material facts at the time of purchasing an insurance policy and during the term of the insurance policy. Reference shall be made to the policy document, where necessary;
- g. obligations of the policyholder, when a claim is made. Reference shall be made to the relevant section of the policy document, where necessary;
- h. procedure to be followed in the event of claim (including the required documents to be submitted). Reference shall be made to the relevant section of the policy document, where necessary;
- i. Complaint and Grievance Handling Procedure. Reference shall be made to the relevant section of the policy document, where necessary;
- j. contact information of the company to get further information;
- k. few things to remember (Under any other information);
- l. important Note:

"The IPID is intended to provide a summary of the main cover and additional covers, if applicable and key features of the policy and is not personalized to your specific individual needs. Complete pre-contractual and contractual terms on the full and personalized information, and exclusions of the product are provided in your policy document. The IPID shall not form a part of the policy/contract. Therefore, in case of any conflict, the terms and conditions mentioned in the policy document shall prevail."

5. Effective Date

5.1 This Direction shall be applicable for all existing personal line and commercial line insurance products effective from **1st October 2025**. For all new personal line and commercial line insurance products **immediately** after approval of the products by IRCSL.

6. Compliance

6.1 Compliance of the following shall be ensured:

- 6.1.1 Insurance companies shall design IPIDs for all products as per the provisions of this Direction and make the IPID available for intermediaries, where applicable, enabling them to issue the IPID at the time of issuing the quotation. In addition, the policy schedule shall include a cross-reference to the respective IPID.
- 6.1.2 The insurance companies and intermediaries shall provide the IPID to all prospective policyholders at the time of issuing the quotation and existing policyholders (applicable only for renewals of general insurance business) at least once in the renewal cycle.
- 6.1.3 The IPID shall be made available in the preferred language of the policyholder, in conformity with **Circular No. 43 dated 02nd July 2020**.
- 6.1.4 The font size of the content shall be as required by Circular No. 43 dated 02nd July 2020, i.e. Times New Roman 12.
- 6.1.5 The Compliance Certificate, signed by the Principal Officer, for all finalized IPIDs of existing products, shall be filed with the IRCSL on or before **31st December 2025**, as per the specimen given in **Annexure 01**.
- 6.1.6 IPIDs for all new products shall be submitted along with the **new product filing documents**.
- 6.1.7 The Principal Officer of the insurance company shall submit a Certificate of Compliance, as per the specimen given in **Determination 12**, within 30 days after the end of each quarter, confirming that the IPIDs have been issued in conformity with this Direction.
- 6.1.8 From the effective date of this Direction, the "Direction No. 06 of 2024 dated 24th September 2024 on issuing Insurance Product Information Document by Insurers, Insurance Intermediaries" shall be cancelled.

This Direction is issued in terms of Section 96A of the Regulation of Insurance Industry Act, No 43 of 2000.

Naresh J. Jhunjhunwala
Director General

Director General

Signed for and on behalf of the Commission

Certificate of Compliance for Insurance Product Information Documents (IPIDs)

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 Insurance Product Information Document/s (IPID/s) has/have been prepared in compliance with the Direction No. 04 of 2025 dated 28th October 2025 issued by the IRCSL and comply with the requirements of the Section 03 and Section 37(2) of the Regulation of Insurance Industry (RII) Act, No.43 of 2000.

IPID Ref. No.	Name of the IPID	Name of the approved product	Language of the IPID (The IPID must be prepared in all three languages)	Version of the IPID (Printed/E-version)	Media/distribution channel used to disseminate the IPID	Remarks

{Signature}

Principal Officer

Date: {DD/MM/YYYY}

{Rubber stamp}

Notes:

1. Please forward this compliance report to mder@ircsl.gov.lk, on or before 31st December 2025.
2. You are required to provide a specimen of the IPID(s), upon request.