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Policy on Protection of Policyholder's Interest –

Version - 1.4

Document Info

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Process Amendments, Changes and Others

Version	Date	Particular
1	9 Nov 2017	Initial Documentation
1.1	12 May 2019	Section 4.4 : Preventive measures for mis-selling and un-fair trade practices & Section 4.5 : Updation of details under section 'Transparency in new business sourcing process'
1.2	04 June 2020	Annual Review. No change
1.3	03 November 2020	<ul style="list-style-type: none"> <li>Added Policy on Free Look Cancellations</li> <li>Insurance Awareness section has been revised comprehensively</li> <li>Servicing description has been modified for better clarity and understanding of the servicing requirements</li> <li>Servicing TAT for maturity claim and survival benefit has been modified in line with the (Protection of Policyholders' Interests) Regulations, 2017</li> </ul>
1.4	08 November 2021	Annual Review. No change

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## 1. Background

Insurance Regulatory and Development Authority of India ('IRDAI') vide its notification dated 06 July 2017 having Ref No. F. No. IRDAI/Reg/8/145/2017 issued Insurance Regulatory and Development Authority of India (Protection of Policyholders' Interests) Regulations, 2017 ('the Regulations') which requires the Board of Director of Insurers to formulate a policy encompassing the following:

- (a) steps to be taken for enhancing Insurance Awareness so as to educate prospects and policyholders about insurance products, benefits and their rights and responsibilities
- (b) service parameters including turnaround times for various services rendered;
- (c) procedure for expeditious resolution of complaints
- (d) steps to be taken to prevent mis-selling and unfair business practices at point of sale and service;
- (e) steps to be taken to ensure that during policy solicitation and sale stages, the prospects are fully informed and made aware of the benefits of the product being sold vis-a-vis the product features attached thereto and the terms and conditions of the product so that the benefits / returns of the product are not mis-stated / mis-represented.

Future Generali India Life Insurance Company ("FGILIC") is a customer centric organization. All the new processes and technological developments are done keeping one objective in mind i.e. fulfilling policyholders' reasonable expectations

IRDAI had promulgated Protection of Policyholder's Interest Regulation in 2002 which set the rules for insurers in order to safeguard the interest of policyholders and laid down governing rules. These rules were primarily categorized as follows:

- A. Sales and Proposal for Insurance
- B. Grievance Redressal Procedure
- C. Claims Procedure
- D. Service to Policyholders

There have been several changes that have come after 2002 which include introduction of new categories of insurance intermediaries like brokers, web-aggregators and new products like ULIP products etc. The channels of grievance Redressal have also increased with the introduction of IGMS, IRDAI Grievance Call Centre etc. and introduction of technology in the process of sourcing; sale and servicing of products necessitate a commensurate change in the regulatory framework for better policyholder protection.

The consumer protection related provisions contained in other regulations need to be aligned with Regulations meant for policyholder protection. In this background, IRDAI has issued revised Regulations for Protection of Policyholder's interests.

In the aforementioned background FGILIC proposes to adopt this policy titled as '**FGILIC Policy on Protection of Policyholder's Interest**'.

The said policy will come into force with effect from approval from the Board of Directors

## **2. Definitions**

In this FGILIC Policy on Protection of Policyholder's Interest with reference to IRDAI Regulation Protection of Policyholders Interest 2017 ref. no. F. No. IRDAI/Reg/8/145/2017, unless the context otherwise requires;

- a) "Act" means the Insurance Act, 1938 (4 of 1938);
- b) "Authority" means the Insurance Regulatory and Development Authority of India established under the provisions of section 3 of the Insurance Regulatory and development Authority Act, 1999 (41 of 1999);
- c) "Bank Rate" means "Bank rate fixed by the Reserve Bank of India (RBI) at the beginning of the financial year in which claim has fallen due".
- d) "Complaint" or "Grievance" means written expression (includes communication in the form of electronic mail or other electronic scripts), of dissatisfaction by a complainant with insurer, distribution channels, intermediaries, insurance intermediaries or other regulated entities about an action or lack of action about the standard of service or deficiency of service of such insurer, distribution channels, intermediaries, insurance intermediaries or other regulated entities;
- e) Explanation: An inquiry or request would not fall within the definition of the "complaint" or "grievance".
- f) "Complainant" means a policyholder or prospect or any beneficiary of an insurance policy who has filed a complaint or grievance against an insurer or a distribution channel
- g) "Cover" means an insurance contract whether in the form of a policy or a cover note or a Certificate of Insurance or any other form as approved by the Authority to evidence the existence of an insurance contract;
- h) "Distribution Channels" means persons and entities authorised by the Authority to involve in sale and service of insurance products;
- i) "Proposal form" means a form to be filled in by the prospect in written or electronic or any other format as approved by the Authority, for furnishing all material information as required by the insurer in respect of a risk, in order to enable the insurer to take informed decision in the context of underwriting the risk, and in the event of acceptance of the risk, to determine the rates, advantages, terms and conditions of the cover to be granted;
- j) Explanation: "Material Information" for the purpose of these regulations shall mean all important, essential and relevant information sought by insurer in the proposal form and other connected documents to enable him to take informed decision in the context of underwriting the risk;
- k) "Prospect" means any person who is a potential customer of an insurer and likely to enter into an insurance contract either directly with the insurer or through a distribution channel;
- l) "Prospectus": means a document either in physical or electronic or any other format issued by the insurer to sell or promote the insurance products;

Explanation: Insurance products referred herein shall also include the riders offered, if any. Where a rider is tied to a base policy all the terms and conditions of the rider referred in the definition shall be mentioned in the prospectus. Where a standalone rider is offered to a base product, a reference to the rider shall be made in the prospectus of the base policy indicating the nature of benefits flowing thereupon.

### 3. Objective

The objectives of this policy are as below:

- Put in place systems to ensure that policyholders have access to redressal mechanisms;
- Put in place proper policies and procedures and effective mechanisms to address customer complaints / grievances of policyholders, including but not limited to mis-selling and un-fair trade practices
- Put in place proper policies and procedures and effective mechanisms to resolve disputes expeditiously.
- Put in place proper policies and procedures and effective mechanisms to process the new business proposals with speed and efficient manner within the TAT prescribed by the Authority;
- Put in place proper policies and procedures and effective mechanisms to process the customer service requests within the TAT prescribed by the Authority;
- Put in place proper policies and procedures so that the claims are settled on its merit and within the TAT prescribed by the Authority
- Put in place proper policies and procedures to ensure proper disclosures to the policyholders as well as awareness to policyholders
- To review, monitor, assist and provide advice, information, analysis and other details pertaining to protection of the interests of policyholders.

### 4. Scope

The operational framework contained in this Policy are to facilitate the operations of Future Generali India Life Insurance Company Limited (hereinafter referred to as the "FGILIC") to protect the interests of policyholders by adoption of sound and healthy practices.

This Policy shall cover following

- Steps taken for enhancing *Insurance Awareness* so as to educate prospects and policyholders about insurance products, benefits and their rights and responsibilities.
- *Service parameters* for various services rendered.
- Procedure for expeditious *resolution of complaints*.
- Steps taken to *prevent mis-selling and un-fair trade practices* at point of sale and service.

- Steps taken to ensure that during a policy solicitation and sale, the prospects are fully informed and made aware of the benefits of the product being sold vis-a-vis the product features attached thereto and the terms and conditions of the product so that the benefits / returns of the policy are not mis-stated / mis-represented.
- Any other aspect as may be prescribed and / or notified by the Authority from time to time (Subject to applicability of Regulations/Guidelines/Provisions as may be applicable for the time being in force)
- Any other aspect as may be prescribed by the Company Management / Board of Directors from time to time (Subject to applicability of Regulations/Guidelines/Provisions as may be applicable for the time being in force).

**4.1. Insurance Awareness:**

FGILIC shall ensure that prospects and policyholders are kept well informed of and educated about insurance products, complaint-handling procedures and their rights and responsibilities.

The Company will educate the customers on insurance awareness primarily by training distributors on the need for insurance and how it helps protect the Family. The Company will evaluate appointing distributors which have presence in Class B & Class C cities for spreading insurance awareness. In particular, the Company will also utilise the services of Insurance Marketing Firms to increase the insurance awareness and spreading insurance awareness. The Company may also engage third party service providers for distribution of insurance awareness related handouts, leaflets, pamphlets etc. Besides the Company may also evaluate digital means to spread insurance awareness.

FGLIC has in place a Board approved Insurance Awareness & Consumer Education Policy giving the framework for increasing insurance awareness among the public, including insurance rights, duties and benefits and undertaking planned initiatives for Insurance awareness as per the guiding principles of the Policy.

**4.2. Customer Service Parameters:**

FGILIC shall follow standard operating procedures to fulfill policyholder's requests / enquiries / grievances / claims with specified timelines.

The customer service parameters adopted by FGILIC have been stated below.:

Stage	Service	Description	Maximum TAT
Pre-Issuance	Processing of Proposal/Issuance of Policy and	Communication from the Insurer about the proposal decision including additional requirement/ issuance of policy/cancellation	15 days

	Communication of Decisions including requirements/issue of policy /cancellations	Providing copy of proposal form (from the date of acceptance of proposal)  *Refund of proposal deposit (from the date of underwriting decision) under any circumstances	30 days  15 days
	Medical Examination	Fixing medical appointments, home visits or reporting issues pertaining to TPA	4 days
Post-Issuance	Free Look Cancellation	Reviewing the policy terms and condition of policy document and requesting cancellation of policy from the date of receipt of policy document - a) For the policies sourced through distance marketing mode and in case of electronic policies  b) For any policies sourced through face to face meeting with the proposer  c) *Processing of freelook request and refund of premium (from the date of receipt of request)	a) 30 days  b) 15 days  c) 15 days
	Policy Servicing	Changes or corrections in policy, change in policy features like change of nominee, Sum Assured, contact details, policy assignment, policy loan (from the date of receipt of request)	10 days
	ECS/Standing Instructions (SI)/Direct Debit (DD)	Registration/deletion/modification in ECS, SI and DD (from the date of receipt of request)	30 days
	ULIP Instructions	Switch, premium redirection, top-up (from the date of receipt of request)	10 days
	Policy Withdrawal	*Surrender, partial withdrawal, loan, annuity / pension processing (from the date of receipt of request)	15 days
	Policy Revival	Revival requirements, revival of lapsed or discontinued policy (from the date of receipt of request, subject to clearance of premium)	10 days



	Claims	*Maturity Claims, Survival Benefits	On or before due date
		Raising claim requirement including any queries or requirement of additional documents on receipt of death claim	15 days
		*Death Claims settlement / rejection / repudiation without investigation requirement (from the date of receipt of all relevant documents)	30 days
		*Death Claims – Investigation to be completed from the date of receipt of claim intimation  *Death Claims - settlement / rejection / repudiation with investigation should be (from the end of 90 days investigation period or from the completion of investigation date whichever is earlier)	90 days  30 days
Grievance	Acknowledgement	Acknowledgement of grievance (from the date of receipt of grievance) i.e. (T+3) where T means Day '0'	3 working days
	Resolution	Resolution of grievance (from the date of receipt of grievance)	15 days

\*Note: Any delay than the stipulated period in respect of Maturity, Survival Benefit claims, Annuities, death claims (investigation & without investigation), free look cancellation, surrender, withdrawal, request for refund of proposal deposit, refund of outstanding proposal deposit if any, the Company shall be liable to pay penal interest at a rate, which is 2% above bank rate from the due date of payment or date of receipt of last necessary document from the insured/claimant, whichever is later.

***The servicing timelines specified above are in line with the Regulatory requirements and in case of any change, the same will be changed and presented before the Board for approval.***

- The summary of changes made to the customer service parameters shall be put up to the Board on yearly basis, along with the rationale..
- These parameters shall be displayed on Company website as well as at all offices and branches of FGILIC.

### 4.3. Complaints (Grievance) Management:

- FGILIC shall put in place systems to ensure that policyholders have access to redressal mechanisms and shall establish policies and procedures, for the creation of a dedicated unit to deal with customer complaints and resolve disputes expeditiously.

At FGILIC we have familiarized our customers on the Grievance Procedure by publishing the same in the policy bonds, website, and complaint communications. We have a system for receiving, registering and disposing of grievances. Thus, a customer can lodge his grievance through our website, by writing to our generic complaints ID, by walking into any of the nearest branches or contacting our contact center. The Company has Complaints Handling System for recording and managing complaints process. The same has been integrated with the system of the Regulator for seamless functioning and convenience to customers.

#### Handling of Grievance / Complaints and Disposal thereof of the Company

1.1. All grievances (Service and sales) received by our entity will be resolved within the prescribed Turn Around Time (TAT) of 15 days.

1.2. The concerns of the customer are discussed on case-to-case basis, through calls or meeting the customer in person. An acknowledgement letter/ email will be issued to the customer within 3 working days of the receipt of complaint at the Grievance Cell. For the purpose of considering the TAT for grievance acknowledgment, the same shall T+3 wherein 'T' means the date of receipt of grievance which is considered as Day "0". The acknowledgement would contain details of the policy no. and the Grievance Redressal Officer's name, Designation who will be handling the complaint

1.3. The final letter / e-mail of resolution will offer redressal or rejection of the complaint with the reason for doing so.

1.4. In case the customer is not satisfied with the decision sent to him or her, he or she may contact our Grievance Officer within 8 weeks of the receipt of our communication, failing which, we will consider the complaint to be satisfactorily resolved.

1.5. The complaint will be considered as closed & disposed-off when either of the parameters is met:

The company has acceded to the request of the complainant fully

a. Where the complainant has indicated in writing, acceptance of the response of the insurer b. Where the complainant has not responded to the insurer within 8 weeks of the company's written response

b. Where the Grievance Redressal Officer ('GRO') has certified that the company has discharged its contractual, statutory and regulatory obligations and therefore closes the complaint

1.6. FGILIC has Complaints Handling System for recording and managing complaints process. The same has been integrated with the system of the Regulator for seamless functioning and convenience to customers.

Contact Details of GRO:

Name: \_\_\_\_\_

Designation: -----

Tel. No.: \_\_\_\_\_

Address: \_\_\_\_\_

The Company has articulated Grievance Redressal procedure that shall aid communication of the grievance to the Company. Below mentioned is the Grievance Redressal procedure that the Company follows:

#### **STEPS TO REDRESS GRIEVANCE**

Customers should follow the below 3 steps to redress his/her grievances. These steps shall be displayed on the Company's Website, and branches and policy bond.

##### **Step 1: Inform us about your grievance**

In case you have any grievance, you may approach our Grievance Redressal Cell: —

Call us at our toll free no. \_\_\_\_\_

Email us at care@futuregenerali.in \_\_\_\_\_

Write in to our below Communication address: \_\_

Unit 801 and 802, 8th floor, Tower C, Embassy 247 Park,

L.B.S. Marg, Vikhroli (W), Mumbai – 400083 \_\_\_\_\_

Visit our nearest branch and meet our Grievance Officer who will assist you to redress your grievance/ lodge your complaint

Step 2: Tell us if you are not satisfied In case the customer is not satisfied with the decision of the above office/ officer, they may contact our Grievance Redressal Officer, by the below steps:

— Write to our Grievance Redressal Officer at the address at Grievance Redressal Cell,  
\_\_\_\_\_

; or — Email us at \_\_\_\_\_ gro@futuregenerali.in. \_\_\_\_\_

The customers are requested to inform the Company about their concern within 8 weeks of receipt of resolution, post which the Company shall deem the complaint to be satisfactorily resolved.

Step 3: If the customer is not satisfied with the resolution provided by the company

In case the customer is not satisfied with the decision/ resolution of the Company, the customer is provided with an option to approach the Insurance Ombudsman

#### **4.4. Preventive measures for mis-selling and un-fair trade practices:**

FGILIC shall put in place proper policies and procedures and effective mechanisms to prevent mis-selling and un-fair trade practices. At periodic intervals, the Company shall review and ensure that disclosure of "material information" to the policyholders is adequate. These disclosures shall comply with the requirements laid down by IRDAI at the point of sale as well as at periodic intervals.

Following measures have been put in place in this regard which will be reviewed periodically for improvements:

- Process of Pre-Issuance Verification Calling with the Policyholder implemented to ensure correctness of sale
- Process for regular tracking and sharing of mis-selling/misrepresentation data with the business partners implemented to highlight areas of concern
- Policy kit delivery tracking process implemented to ensure that customer is in receipt of policy document to review it in time and if required, raise the concerns over any of the terms & conditions which are not agreeable by the customer or not understood by the customer.

#### **4.5. Transparency in new business sourcing process:**

To bring in transparency in new business sourcing process, following measures have been implemented which will be reviewed on regular basis for its effectiveness:

- Face to Face meeting with customer by the concerned Sales Manager to ensure that product terms & condition have been well understood by the customer before issuance of policy.
- Policy kit sent to the customer includes copies of all the documents submitted by the customer during the sourcing process.
- Post issuance of policy, a welcome call is made to customer to explain the policy features / benefits

#### 4.6. Claims Management:

FGILIC shall put in place systems and processes to ensure timely and fair settlement of all types of claims. FGILIC shall ensure following:

- Review of Repudiated claims with analysis of reasons.
- Review of Claims Report, including status of Outstanding Claims with ageing of outstanding claims.
- Review status of settlement of other customer benefit payouts like Surrenders, Loan, Partial withdrawal requests etc.
- Review of unclaimed amounts of Policyholders, as required under the Circulars and guidelines issued by the Authority.

#### 4.7 Free Look Cancellations

##### **Principles to be followed for requests received beyond the FLC period:**

As per Regulation 10(1)(i) of the (Protection of Policyholders' Interests) Regulations, 2017, *"The insurer shall inform clearly by the letter forwarding the policy to the policyholder that he has a free look period of 15 days from the date of receipt of the policy document and period of 30 days in case of electronic policies and policies obtained through distance mode, to review the terms and conditions of the policy and where the policyholder disagrees to any of those terms or conditions, he has the option to return the policy to the insurer for cancellation, stating the reasons for his objection, then he shall be entitled to a refund of the premium paid."*

Where proof of delivery of the policy document is available with the Company and the request is received beyond the stipulated freelook period of 15 /30 days from the date of receipt of the policy document by the customer, Company shall not accept such requests beyond Freelook period.

However, under exceptional scenarios keeping the interests of Policyholders in mind, as a customer-centric approach and in order to remove hardship on the policyholders, the Company may consider relaxing the Freelook period. Below are the circumstances where exceptions may be considered based on the facts and circumstances on a case to case basis:

- Policyholder or Life assured or any of their Class I/blood relative was hospitalised and was undergoing treatment
- Customer reaches out to the Agent with Freelook requests within 15/30 days of receipt of policy document and the Agent forgets to forward the request to the Company

- Freelook cancellation request lost in transit
- Customer complaints
- Requests from Senior Citizens depending on the merits of the case
- Any other circumstances which in the opinion of the Company was for reasons beyond the control of the Policyholder.

The Company shall ensure that necessary evidences to establish the genuineness of the condonation of delays are obtained from the policyholder and accordingly, based on the merits of the request, an additional time of upto a maximum of 7days may be considered beyond the 15/30 days freelook period to the policyholder.

#### **5. Policies, Procedures and Manuals:**

- FGILIC shall carry out activities related to areas mentioned below on the basis of published guidelines in the form of policies, procedures and manuals.
  - Sales and Proposal for Insurance (new business proposal processing)
  - Service to Policyholders (Policy Servicing)
  - Claims Procedure
  - Grievance Redressal Procedure
- The policies, procedures and manuals related to areas mentioned above and any change to these policies, procedures and manuals shall be approved by Head of the Respective Area, Head – Operations and Chief Compliance Officer.
- Any such changes to be approved by Head of the Respective Area, Head – Operations and Chief Compliance Officer may be presented to Appointed Actuary for opinion and feedback on case to case basis.
- • The summary of changes made to the customer service parameters shall be put up to the Board on yearly basis, along with the rationale..
- Internal Audit shall verify adherence to this policy as well as adherence to policies, procedures and manuals as a part of their process audits and branch audits. Internal Audit shall also verify adherence to regulatory requirements stated under IRDAI (Protection of Policyholder's interests) Regulation, 2017.

#### **6. Periodic Review of the Policy:**

This Policy shall be review on annual basis to assess the adequacy of this policy, in view of changing business, legislative and/or regulatory conditions, and recommend any proposed changes to the Board for approval.

\*\*\*\*\* END \*\*\*\*\*