

KEY 2 UNDERWRITING

2011 - 12



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underwriting
UNPLUGGED

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Life Underwriting Manual



INTRODUCTION/ UNDERWRITING TOOLS

What is underwriting?

Underwriting is the term used to describe the consideration given to an application for insurance, to determine whether or not a policy applied for should be issued. It is the selection of risks and an effective underwriting means a profitable business.

Why underwriting is required?

The objective of underwriting is to ensure that the risk accepted by the company is corresponding to that assumed in the rating structure.

The broader objectives of underwriting policies at ICICI Prudential are as follows:

- To keep actual experience within the mortality assumption used in calculating the premium rates
- To offer insurance cover at competitive terms
- To maintain equity between policyholders
- To guard against anti-selection
- To offer cover to as wide a group of lives as possible

Underwriters are the risk managers of the organisation

What are the Underwriting Tools?

Underwriting is based on following Underwriting Tools:

- Proposal Form
- Age Proof
- Income Documents
- Questionnaires
- Sales Report
 - » Agent's Confidential Report (ACR)
 - » Client Confidential Report (CCR)

Taking a closer look at
Risk Acceptance





PROPOSAL FORM/ AGE PROOFS

What is the Proposal Form?

Proposal Form is a Life Insurance Agreement / Legal Contract which gives all the primary information for the client. True & complete disclosure of information is required based on the principle of utmost good faith



What are the Critical Fields in proposal form which help to reduce rejection?

Critical fields are the questions in the proposal form which if not answered, require customer confirmation.

- Personal & Occupation details Life Assured (LA) & Proposer :
 - » Name & Date of Birth of LA & proposer
 - » Client Nationality & Residential status
 - » Occupation /Category- Salaried /Business /Student /Housewife
 - » Income details
- Questions on Health status , Habits & Hobbies of Life Assured
- Nominee details
- Husband's or Parents insurance details in case LA is housewife or student life
- Product details
- Other insurance details of the Life Assured
- Politically Exposed Person (PEP) Question & application signed date and place
- Counter signature from the proposer for any correction or cancellation in proposal form



underwriting

TIPS

Validity of the proposal form is 3 months from the date of signing

Proposal Form has to be filled in Black Ink and in Capital Letters only

Vernacular declaration needs to be filled if signed in vernacular language

If PEP answered as Yes - PEP CCR is required



PROPOSAL FORM/ AGE PROOFS

Why age proof is required?

Age of the Life Assured plays a vital role in assessing the risk of death.

The terms and conditions of a life insurance policy depend on the age of the life to be assured. Hence age at admission is a precondition to the acceptance of any proposal of life insurance.

What are the types of age proofs?

Age proofs are of two types:

- **Standard age proofs** - are those where date of birth is verified from the documents like birth certificate / school proof by the issuing authority before issuance – e.g Passport
- **Non standard age proofs (NSAP)** - are those where date of birth on the proof is basis self declaration – e.g Voter ID card

Guidelines for Non standard age proofs:

- Submission of NSAP consent for extra premium along with application form at the time of login
- An extra premium of Rs. 2.50 per 1000 Sum Assured will be charged for all cases.
- Maximum cover allowed with NSAP is up to Total Sum Assured (TSA) 15L only.
- NSAP not allowed for Term assurance, Pension plans and Income Benefit Rider.



underwriting

TIP

For GSIP plans, 125% plans & Save & protect mass - Both Standard Age proof & Non-standard age proof (without any extra premium) would be accepted.

Please refer Annexure page 29 for list of Standard & Non Standard age proofs



FINANCIAL GUIDELINES



Why do we require Income proofs?

Income proofs are required for the following:

- To evaluate financial eligibility of an individual (Life Assured) i.e., the total risk cover given to the **Life Assured** in order to avoid over insurance
- To assess source of income of the **Proposer**
- To assess Premium Paying capacity of the **Proposer**

When do we require to submit income proofs?

1. Based on Total Rated up Sum Assured depending on the plan type & sourcing channel

Sourcing Channel	Plan Type	TRSA for income proof requirement
General Business	ULIP	TRSA more than 25L
	Traditional	TRSA more than 15L
Preferred Partner *	ULIP/Traditional	TRSA more than 40L

2. Income proof is mandatory for Term plans irrespective of sum assured & sourcing channel
3. As an Enhanced KYC** for high risk customer buying high risk product where total Regular/Single premium more than & equal to 1 Lac
4. The Underwriters on their discretion, may call for proofs of income irrespective of Total Sum Assured, where financial eligibility is less than the cover applied as per the income mentioned on proposal form

* Preferred Partners: ICICI Group, Blue – Chip Channel, Top 3 Grand Perk Advisors – Gold, Gold Premier & Platinum and Proprietary Sales Force (PSF) Channel

** KYC and Enhanced KYC documents required as per existing AML guidelines

Please refer Annexure page 30 for list of acceptable income proofs for Enhanced KYC



underwriting

TIP

Income proof requirement for Retired Life - For all Retired lives with Total Sum Assured is more than 5Lac & Age nearer Birthday less than 58yrs, latest (post retirement) income proof like pension document, income tax returns is required



FINANCIAL GUIDELINES

What is financial eligibility?

Financial Eligibility is the maximum rated up sum assured/risk cover allowed for that category and age group.

How to calculate the financial eligibility?

Financial Eligibility is calculated based on income of the Life Assured and multiple factor given for the age as per the grid below:

Age	Financial Eligibility (Multiplication factor* income)
Up to 35	25 times of the annual income
36 – 40	20 times of the annual income
41 – 45	20 times of the annual income
46 – 50	15 times of the annual income
51 – 60	5 times of the annual income
Above 60	3 times of the annual income

*Total risk cover includes all the policies with ICICI prudential Life insurance company ltd & other insurance companies.

What are financial surrogates?

Financial Surrogates are the non standard income documents to bridge the gap in Financial Eligibility



underwriting

TIP

Cover beyond the financial eligibility would be considered on the merits of the case subject to underwriters discretion & submission of satisfactory income documents & financial surrogates

Please refer Annexure page 30 for list of acceptable Standard & Non Standard income proofs for financial eligibility



NON MEDICAL LIMITS

What is the Jet/Non medical limit?

The term Jet/ Non medical refers to policies which get processed and issued without the customer having to undergo any medical examination.
The Jet limits vary as per the product, client and sourcing type.

New ULIPS:

Non – Medical Limits for New ULIPs:

A) Male & Group I females:

Age Range	Revised Limits (NEW)	
	General Business	Preferred Partners
Upto 35	50 L	75 L
36-45	40 L	50 L
46-50	30 L	40 L
51-59	15 L	
60-70	5 L	10 L

Applicable with immediate effect. Guidelines release date: August 27, 2011

Note:

- Applicable for Sum Assured up to 10 times the premium
- Not applicable for agriculturist profile with education qualification below SSC
- Standard age proof required above Total Sum assured (TSA) Rs. 15 L
- Income documents requirement:
 - » General Business: Total Rated up sum assured (TRSA) more than Rs. 25 L
 - » Preferred Partners: TRSA more than Rs. 40 L
 - » if financial eligibility is less than the cover applied
- Also applicable for Single Premium 125 % plans
- **For policies not satisfying the above mentioned criteria non medical limits of Traditional plans (General Business Limits) (except term) mentioned below will be applicable**

Group II/III Female lives

- Applicable with adequate husband's insurance or income proofs
- Offered only in Top 41 cities. **Refer annexure 1 - Page no. 25**
- Existing norms for rest of cities
- Financial eligibility will be based on Husband's insurance or income proof



NON MEDICAL LIMITS

B) NRI/ PIO/ OCI:

Age Range	Revised Limits TRSA (in INR)
Up to 45 yrs	1.5 Cr
46 - 50 yrs	75 L
51 to 59 Yrs	40 L
Above 60 yrs	10 L

Note:

- Applicable for ULIPs with SA upto 10 times the premium
- Applicable for cases sourced by international and Indian Business
- Applicable to male and Grp I female lives
- Applicable to Grp II/ III female lives providing adequate husband's insurance or income proof
- Applicable for all lines of Business irrespective of sourcing channel except decline countries
- Passport as Age proof mandatory
- Income documents required for TRSA more than Rs. 40 L & if financial eligibility is less than the cover applied
- OCI/ PIO card not required
- KYC and enhanced KYC documents required as per existing AML guidelines.
- Applicable for Single Premium 125 % plans
- **For policies not satisfying the above mentioned criteria non medical limits Traditional plans (General Business Limits)(except term insurance) will be applicable**

C) Declined Countries:

Age Range	TRSA (in INR)
Upto 35	15 L
36 - 50	10 L
51-59	5 L

Note:

- Only applicable for ULIP cases sourced by Preferred partners SA upto 10 times the premium
- Passport as age proof mandatory



NON MEDICAL LIMITS

- Extra premium of Rs. 4/1000 SA over and above medical or other applicable extra premium
- Enhanced due diligence norms for FATF deficient countries, applicable
- Minimum premium of Rs. 1L
- Pre login approval from CUW mandatory for all countries not mentioned in **Annexure 2** - Page no. 26
- Riders not allowed

Traditional Plans (Except Term Plans):

Non – Medical Limits for Traditional Plans (Except Term Plans)

A) Male & Group I Female lives:

Age Range	General Business TRSA (in INR)	Preferred Business TRSA (in INR)
Upto 35	15 L	40 L
36 - 50	10 L	
51-59	5 L	

Note:

- Applicable for traditional plans (except term plans) and ULIP cases not satisfying set conditions
- Not applicable for agriculturist profile with education qualification below SSC
- Income documents requirement:
 - » General Business: Total Rated up sum assured (TRSA) more than 15 L
 - » Preferred Partners: TRSA more than Rs. 40 L
 - » if financial eligibility is less than the cover applied



NON MEDICAL LIMITS

B) Group II/ III Female lives:

Category	Age Range	General Business TRSA (in INR)	Preferred Partners (in INR)
Graduate with Income Proof (IP)/ Husband insurance (HID)	<35	15 L	Up to 40 L
	36 - 45	10 L	
	46 - 59	5 L	
	60 - 70	Nil	Nil
Non Graduate With IP/ HID	<35	10 L	Up to 7.5 L
	36 - 45	5 L	
	46 - 59	3.5 L	
	60 - 70	Nil	Nil
Graduate without IP/ HID	18 - 59	5 L	Up to 7.5 L
	60 - 70	Nil	Nil
Non Graduate without IP/ HID	18 - 50	3.5 L	Up to 7.5 L
	51 - 59	2.5 L	
	60 - 70	Nil	Nil

Note:

- Also applicable for ULIP plans not satisfying set conditions
- Financial eligibility will be based on Husband's insurance or income proof
- For General Business Education will be Graduate and Non Graduate and for Preferred Partner Education will be HSC and Less than HSC
- No change in underwriting guidelines for Single life/Widows.



NON MEDICAL LIMITS

Term Plans:

Age Range	TSA (in INR)
18 - 35yrs	15 L
36 - 45yrs	10 L

Note:

- Standard Income proof is mandatory irrespective of sum assured. In case of unavailability of the standard income proof prior CUW approval with nonstandard income proof and medicals compulsory.
- Can not offer to Agriculturist with education qualification below SSC
- For Grp-2 and 3 female, Graduation Certificate and medicals compulsory. For Housewives, equivalent husband's insurance would be mandatory.
- Only standard age proofs are acceptable.
- **For Students Lives-** Term plans would be allowed only against education loan & medicals would be compulsory. Proof of education loan would be mandatory.



FEMALE LIVES/ STUDENT LIVES

Female Lives:

Group 1 Female lives: (At Par with Male Lives)

- Educated life (greater than or equal to HSC) earning regular income through employment in Government, Semi/ Quasi Government, Private limited, PSUs or multi national companies and premier schools, colleges
- Professionally qualified life earning regular income through practice.

Group 2 Female lives :

- Literate life (less than 12th std) / educated life (more than 12th std) earning regular income through employment in proprietorship, partnership firm, Trust, etc.
- Literate/ educated woman either self employed or earning through - Pension (Retired), business (Partners/ Proprietors, etc) or through unearned source of income (Like rent, family pension, dividends, interest income etc).
- Female less than HSC, earning regular income through employment in Government, Semi/ Quasi Government, Private limited, PSUs or multi national companies and premier schools, colleges

Products allowed:

Graduate - All products Allowed

(Graduation Certificate Compulsory for Term Products)

Non Graduate - All Products except term products & IBR (Income Benefit Rider)

Group- 3 Female Lives:

- Housewives
- Self-employed female lives earning income through small businesses (Milk selling, Tailoring, Agriculture, Retired without pension, Tuition, Beauty parlor etc.)
- Female lives with no income (widow, single etc.) not falling in Group I & II
- Uneducated Female whether employed or unemployed

Products allowed:

Graduate - All products Allowed

(Graduation Certificate Compulsory for Term Products)

Non Graduate - All Products except term products & IBR

Single Women/ Widow lives Guidelines: (not falling in Group I & II)

General Business:

Maximum Financial Eligibility: 1.5 Lacs with approval from cluster manager

Non Medicals /Jet limits: Up to age 45 Years: Up to 1.5 Lacs

Premier Partner:

For Single Women/ Widows, the maximum Financial Eligibility is 3.5 lacs

Non Medicals /Jet limits: Up to 45 Years: Up to 3.5 Lacs



FEMALE LIVES/ STUDENT LIVES

Minor and Student Lives:

Who is a minor life?

A minor life is defined as one who has not completed 18yr as on date of application.

Who is a student life?

A student is defined as one who is aged less than or equal to 25 yrs (age near birthday) and is pursuing his / her studies and not working full time and earning.

Financial eligibility of the minor or student life: Double the parent's life insurance cover or 10 times the Proposer's /Parents income whichever is less.

Products allowed: All products except term* plans

*Term plan is not allowed for students except if the Life Assured (LA) has availed education loan. The sum assured & term should commensurate with the amount of education loan sanctioned. Submission of loan sanction letter from the concerned bank is mandatory for all such cases.

Requisites for student/ minor lives:

Age (Nearer birthday)	TRSA (Total rated up SA)	
	Less than 10 Lacs	More than 10 Lacs
Upto 5yrs	Nil	Family insurance details
6-14 yrs	Current Schooling proof	Family insurance details, Current Schooling proof
15-25 yrs	Current Schooling/ College proof	Family insurance details, Current Schooling/ College proof



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TIP

For student life, for age > 5 years, current student proof is mandatory



FEMALE LIVES/ STUDENT LIVES

Special Provision for NRI/ PIO Student Lives for student proof:

A declaration from the proposer regarding the academic status of the LA can be taken in cases where the LA is studying in any approved countries (as per residential list), mentioning the school name, standard and academic year.

Special provision for Student self proposed policies:

- Students who have completed age 18yrs can self propose the policies.
- For all self proposed policies upto cover of TSA 15 Lac, declaration for source of current & future premiums to be ascertained from the life to be assured.
- For TSA more than 15L income proof is mandatory.

Agriculturists Profile:

Who is an Agriculturist?

Agriculturist is defined as the one who is engaged or skilled in agriculture

Products Allowed: All products

Guidelines on Agriculturists whose education is below SSC:

- Products Allowed: All products except Term plans & IBR
- For traditional plans, Max TSA that can be offered is 1.2L
- For ULIP, cover will be subjected to 5 times the annual premium with a cap of maximum 5L. However upto TSA of Rs.1Lac, the capping of 5 times the premium will not be applicable.
- Higher cover can be allowed on case to case basis depending on merits of the case on submission of following documents.
 - » Agriculturist Questionnaire
 - » Income proofs / Financial Surrogates
 - » Detailed Financial CCR
- The above norms are also applicable to female agriculturists who are below SSC
- Revised jet limits for general business & premier partner norms are not applicable



NRI /OCI/ PIO/ FN

NRI (Non Resident Indian)/ OCI (Overseas Citizen of India):

Who is a NRI?

Non Resident Indian has been defined as an individual being a citizen of India who is not residing in India.

Products allowed: all types of products

Underwriting Guidelines:

- Submission of NRI questionnaire compulsory.
- The communication address should be of India only.
- NRI Q is not compulsory for mariners if NRI not specified in proposal form

Note: For OCI (overseas citizenship of India) & Dual citizenship, NRI norms would be applicable.



underwriting

TIP

Validity of NRI/PIO Q is for 3 months from the date of signing the questionnaire.

PIO (Person of Indian Origin):

Definition:

A PIO is a person

- 1) who is a citizen of a foreign country (other than Bangladesh, Pakistan or Srilanka); and
- 2) who had at any time held an Indian Passport; or
- 3) either of whose parents or any of his grand parents was a citizen of India; or
- 4) who is the spouse of an Indian citizen or of a person who was an Indian citizen

Products allowed: Proposal can be considered for all types of products (Except for Term, Health and Pension Plans (Non ZDB)).



NRI /OCI/ PIO/ FN

Underwriting Guidelines:

- Insurance on these people can be taken only by completing insurance formalities while the Life to be assured and Proposer is in India
- Passport as age proof mandatory
- Submission of PIO questionnaire compulsory

Foreign National:

Who is a Foreign National?

A Foreign National is a person, who is not a Citizen of India and does not possess a PIO (Person of Indian Origin) card is a Foreign National.

Products allowed: only ULIP products. For other products prior CUW approval is mandatory.

Minimum premium: Rs. 1Lac

Underwriting Guidelines:

- » The LA has to be a national of approved countries as per residential rating list only
- » He has to be residing in India for more than 1 year
- » Submission of last 1 year ITR/ Form 16 is a must
- » Maximum Cover permitted is upto a TSA of Rs. 25 lacs.
- » **Medical compulsory for all applications** (except 125% SA plans)
- » Passport as an age proof would be mandatory
- » Submission of Foreign National questionnaire is compulsory
- » Non earning Individual like students or housewife & individual earning through unearned source of income are not allowed
- » Photocopy of the common identification number issued in the country of residence e.g. Social security ID (in USA), CPR (in gulf) etc. to be insisted upon.



underwriting

TIP

As per new guidelines, PIO/ OCI card is not mandatory



NON INDIVIDUAL PROPOSER

Employer- Employee Cases:

WHO ARE ELIGIBLE FOR EMPLOYER - EMPLOYEE SCHEME?

Any employee other than 'Keyman', who does not have beneficial ownership in the employer entity, in excess of 5% of the total share of the company. For ascertaining the limit of 5%, shareholding or ownership held by concerned employee, his/her spouse, children, son-in-law, daughter-in-law, parents, brother or sister should be aggregated together.

Products allowed: All plans allowed except Pension Products, Cash Back, and Smart Kid & Smart Kid ULIP

Basic documents:

1. Proposal form signed & stamped by the Employer
2. Age proof of the employee
3. Copy of the resolution on employer-employee insurance cum authorised signatory
4. EBI for ULIPs (to be signed by the employer)
5. Salary proof like salary slip of last 3 months, salary certificate, Form-16 from the same employer or PF statement mandatory



Financial Documents of Employer for Sum assured more than 15 Lac:

1. ITR of the Employer/ audited P&L account & Balance sheet of last 3 years
2. Copy of AOA & MOA (form 32 if the name is not appearing in MOA) /Partnership deed.

In case of assignment (Optional) Documents required:

1. Copy of Absolute assignment to the Life Assured
2. Notice of assignment
3. Fresh Nomination Form by the Life Assured
4. KYC documents of Assignee (i.e. Life Assured)
5. Employer's undertaking under Deferred Assignment option



NON INDIVIDUAL PROPOSER

KYC requirement for Employer:

1. Certificate of incorporation/ Registration Certificate, if registered
2. Memorandum and Articles of Association/ Partnership Deed/ Trust Deed
3. Board Resolution OR Power of Attorney,
4. PAN Card of the firm
5. Photo ID of Authorised signatory/ Trustee and for Beneficiaries in case of trust
6. Address Proof of Authorised signatory/ Trustee and for Beneficiaries in case of trust

Requirements incase of self proposed policy but premium is being paid by employer:

1. KYC of the Employer (Payor)
2. KYC of the Employee (proposer)
3. Income proof of the employee if TSA exceeds 15Lac

Partnership Insurance Cases:

A partnership is a business jointly owned by several parties, but which is not itself a corporate entity

Products Allowed:

Only Term plans without return of premium or surrender value.

Financial Requirements:

1. Copies of original Partnership deed and supplementary partnership deed.
2. Copies of Income Tax Returns or Assessment Orders of the firm for past 3 yrs.
3. Copies of latest Audited Profit & Loss Account and Balance Sheet, of the firm for last 3 years.
4. The partnership business should be generating profit commensurate with sum proposed.

Financial Eligibility / Extent of cover permissible under Partnership Insurance:

Since the partnership insurance is linked to the share of the Partner in the firm, the following guideline can be used to arrive at permissible amount of Partnership Insurance:

1. 10 times his gross annual income
2. 2 times the average gross profits of the firm
3. 5 times the average net profits of the firm

The lowest of the amount arrived at on the basis of the above 3 methods would be the total permissible amount for Partnership Insurance for that firm.



NON INDIVIDUAL PROPOSER

Hindu Undivided Family (HUF) cases:

HUF consists of all persons lineally descended from a common ancestor & have not separated & it includes their wives & unmarried daughter.

Karta: Head of the family who is responsible for all the affairs & is the decision maker of the family

Products Allowed:

All products Allowed

HUF Underwriting Guidelines:

- When HUF is a proposer, Karta has the signing authority to sign proposal form
HUF stamp/seal is mandatory
- HUF can propose on any of its members
- The premium to be paid from the HUF fund
- For SA above 15 Lacs Undertaking to be signed by the all the members of the HUF

KYC Requirements:

Certificate of incorporation of HUF or PAN card of HUF in addition to individual KYC documents as per KYC norms for the Karta.

Financial Eligibility:

Financial eligibility of life to be assured can be arrived by adding LA's share in HUF income to LA's personal income for cases with sum assured above 15Lac

Key Man cases:

A key man is a person who is a major driving force behind a business and who is so Unique and valuable in all areas of the business that without him present there would be a substantial loss in the company's earning capacity

Products Allowed:

Only Term plans without return of premium or surrender value.



NON INDIVIDUAL PROPOSER

Financial Requirements:

1. Income Tax Returns of the key man for the last 3 years.
2. Copies of the Memorandum and Articles of Association.
3. A resolution from the Board of Directors which should state that they desire to have a policy on the life of the key man to be named and they should state the amount for which the policy is desired. The resolution should also state the name of the authorised signatory of the company, who will be signing as proposer on behalf of the company.
4. Key man Questionnaire signed by the person authorised by the company.
5. Copies of the Audited Accounts, Profit and Loss Account and Balance Sheet of the company for the last three years duly certified.

Financial Eligibility:

The lowest of the amount arrived at on the basis of the mentioned 3 methods would be the total permissible amount for key man Insurance for that company.

1. 10 times of the total annual compensation package for the key man, which includes salary, bonuses and all other perquisites.
2. 2 times the average gross profits for the company for the last 3 years (gross profits means profit before taxation), increasing to 3 times for expanding companies.
3. 5 times the average net profit of the company for the last 3 years, increasing to 8 times for expanding companies



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TIP

Keyman insurance cover cannot be granted in case of the following:

1. Keyman insurance cannot be granted to a partner in a partnership firm. However, keyman insurance can be considered in partnership firm if keyman is not a partner
2. The company is incurring losses consistently
3. The keyman is illiterate



QUESTIONNAIRES/ SALES REPORTS

Questionnaires:

When is a Questionnaire required?

A Questionnaire is required when additional information is required over the details mentioned in the proposal form on a specified subject / profession / profile.

What are the types of Questionnaires?

Questionnaire types are as follows:

- **Occupation Questionnaires**
They are broadly divided following:
 - » Basic Occupation Q
 - » Marine Q
 - » Armed Forces and Pilot Q
- **Medical Questionnaires**
- **Avocation Questionnaire**
- **Profile based Questionnaires:**
 - » NRI/ PIO/ OCI/ Foreign National Q
 - » Agriculturist Q
 - » Keyman Q



Sales Reports:

What is an ACR?

ACR is Advisor's Confidential Report filled by Front line sales as they are the "Primary Underwriters"

Why do we require ACR?

Front line sales are the only representatives of the Company to observe a Life Assured in person. Their observations & summary plays a vital role in underwriting

The advisor's observations are recorded in "ACR – Advisor's Confidential Report"

- Application Sourcing
 - » Source of Lead
 - » Relationship and Duration
- Occupation Details
 - » Specify the exact Business
 - » Years in the business
- Financial Status and Surrogate markers
 - » Income and documents verification
- Health status
 - » Visible Indicators: Overweight, Underweight, Physical Deformities and habits.



QUESTIONNAIRES/ SALES REPORTS

What is CCR?

CCR is Client Confidential Report where the observations of ACR are substantiated in "CCR - Client Confidential Report" by Employee of the company, Unit Managers, Sales Managers, etc

When do we require to submit CCR?

- CCR compulsory in case the Life to be assured or proposer is related to the advisor
- CCR is mandatory wherein the SA is more than 25Lacs
- Underwriters can call for a CCR from any specified authority at their discretion
- CCR will be required as per the CCR matrix



underwriting

TIP

PIO & Foreign National cases: CCR by appropriate authority is mandatory

Rated up Sum Assured (Death Risk)	CCR By		
	Tied Agency	Corporate agency	Bancassurance
Up to Rs.25,00,000/-	No CCR	No CCR	No CCR
Rs.25,00,001/- to Rs.50,00,000/-	Agency Manager/ Sr. Agency Manager / Area Manager/ Sales Manager/ Associate Business partner	FSM/Sales Manager/ Area Manager	Financial Services Manger/ Sales Manager/ Area Manager
Rs.50,00,001/- to Rs.1,00,00,000/-	Associate Regional Manager	Associate Regional Manager	Associate Regional Manager
Above Rs. 1 Crore	Zonal Manager/ Regional Managers to concur* # Need not visit the client, can concur even on mail.	Zonal Manager/ Regional Manager # Need not visit the client, can concur even on mail.	Zonal Managers/ Regional Manager, Head of sales to concur* # Need not visit the client, can concur even on mail.



NOMINEE GUIDELINES

Who can be accepted as a Nominee?

The following nominations can be accepted without declaration or explanation:

- Daughter /Son
- Husband / Wife
- Mother / Father
- Grand Father/ Grand Mother

If nominee is any other relation apart from the above, a declaration with reason for nomination from the life to be assured is required.

If Underwriting team finds the reason acceptable, the proposal will be considered further. For other scenarios following matrix to be followed:

Marital status of LA	Nominee in application	Declaration required
Unmarried/Widow(er)/Divorcee	Parents/child/siblings	No
Unmarried/Widow(er)/Divorcee	Any body other than Parents/child/siblings	Yes
Married	Spouse/child/parents	No
Married	Any body other than Spouse/child/parents	Yes



Additional Documents

- A) For all proposals KYC and Enhanced KYC documents would be required as per existing AML guidelines.
- B) PAN card collection as per CBDT (Central Board of Direct Taxes) Norms:
- With effect from 1st July 2011, PAN card is mandatory where the policy holder pays premium aggregating Rs50000/- or more in a financial year, irrespective of the premium is paid in cash or by banking transaction
 - The limit of 50000 is applied at policy holder level
 - Option of submission of Form 60/61 is available where person do not have PAN
 - Premium would also include top ups by policy holder
- C) Third Party Declaration: Third Party Payment is a payment made by anyone other than the proposer. In case of third party payment, TPC Declaration along with payor's KYC is required



GLOSSARY

ACB - Age Completed Birthday

ANB - Age nearer Birthday (period of 6 months or more have passes since last birthday)

Educated life - An individual who has studied

Face Value (FV) - Risk cover mentioned in proposal form for Base plan & Rider.

Financial Eligibility - is the maximum rated up sum assured allowed for that category and age group.

Insured - Individual /Group of individuals needing cover

Insurer - Individual /Group of individuals/company ready to share the contingency by payment of a fixed amount at regular interval called premium

Life assured - The person whose life is being insured

Literate Life - An individual who has studied till 11th standard or below

Non medical limit - is the maximum rated up SA which can be underwritten without any medicals for that category and age group.

Payor - An individual who pays premium of an insurance policy and is not the owner of the policy.

Premium - The premium is the amount which each life assured has to pay for sharing the collective risk of pool.

Proposer - A proposer is a person who is the owner of the policy. Proposer may or may not be the life Assured.

Sum Assured (SA) - For ULIP Plan SA = Face value of Base plan + Face value of Ratable riders - Premium. For Non ULIP plan SA = Face value.

Total Rated up Sum Assured (TRSA): Life Assured (Total Sum assured) – (annual premium of current policy (only in case of ULIP) & fund values of all previous ULIP policies).

Total Sum Assured (TSA) - Sum of face value of current & previous policies.

Underwriting Decisions:

- Standard Classes (normal Premium rates)
- Substandard Classes (increased Premium rates)
- Decline Classes (unacceptable risk)





ANNEXURE 1

Top 41 cities (Tier 1 cities):

S. No.	Tier 1 Cities
1	Ahmedabad
2	Allahabad
3	Amritsar
4	Bangalore
5	Baroda
6	Bhopal
7	Bhubaneshwar
8	Chandigarh
9	Chennai
10	Cochin
11	Coimbatore
12	Delhi
13	Dubai
14	Gurgaon
15	Guwahati
16	Hyderabad
17	Indore
18	Jaipur
19	Jalandhar
20	Kolhapur
21	Kolkata

S. No.	Tier 1 Cities
22	Kottayam
23	Kozhicode
24	Lucknow
25	Ludhiana
26	Madurai
27	Meerut
28	Mumbai
29	Nagpur
30	Nashik
31	Oman
32	Patna
33	Pune
34	Qatar
35	Rajkot
36	Surat
37	Trichur
38	Trichy
39	Trivandrum
40	UAE
41	Varanasi



ANNEXURE 2

List of Approved Countries:

S. No.	Tier 1 Cities	S. No.	Tier 1 Cities	S. No.	Tier 1 Cities
1	Argentina	20	Hong Kong, China (SAR)	39	Portugal
2	Australia	21	Hungary	40	Qatar
3	Austria	22	Iceland	41	Saudi Arabia
4	Bahamas	23	India	42	Seychelles
5	Bahrain	24	Ireland	43	Singapore
6	Barbados	25	Italy	44	Slovenia
7	Belgium	26	Japan	45	South Africa
8	Brazil	27	Kuwait	46	South Korea (Republic of)
9	Brunei Darussalam	28	Luxembourg	47	Spain
10	Bulgaria	29	Malaysia	48	Sri Lanka
11	Canada	30	Maldives	49	Sweden
12	China	31	Mauritius	50	Switzerland
13	Croatia	32	Mexico	51	United Arab Emirates
14	Cyprus	33	Morocco	52	United Kingdom
15	Denmark	34	Netherlands	53	United States
16	Finland	35	New Zealand	54	Viet Nam
17	France	36	Norway		
18	Germany	37	Oman		
19	Greece	38	Poland		



ANNEXURE

Regular Medical Chart:

Regular Medical Examination Chart						
TMSA under fresh proposal together with sum at risk under policies taken during last 2 years	Age At Entry (Nearer Birthday)					
	Up to 35 years		36 to 45 years	46 to 50 years	51 to 59 years	60 yrs and above
Up to 1 lakh	MER (ML1)		MER (ML1)	MER (ML1)	MER (ML1)	MER,FBS,ECG (ML4)
100,001- 300,000	MER (ML1)		MER (ML1)	MER,FBS,ECG (ML4)	MER,FBS,ECG,LIP,RUA (ML5)	MER,FBS,ECG,LIP,RUA (ML5)
300,001- 500,000	MER (ML1)		MER,FBS,LIP (ML3)	MER,FBS,ECG,LIP,RUA (ML5)	MER,FBS,ECG,LIP,RUA (ML5)	MER,FBS,ECG,LIP,RUA (ML5)
500,001- 1,500,000	Up to 30 Yrs	31 - 35 Yrs	MER,ECG,RUA, S12 (ML6)	MER,TMT,RUA, CBC,S12 (ML9)	MER,TMT,RUA, CBC,S12 (ML9)	MER,TMT,RUA, CBC,S12 (ML9)
	MER (ML1)	MER,FBS (ML2)				
1500001 - 50,00,000	MER,ECG,RUA, S12,HIV (ML7)		MER,ECG,RUA, S12, HIV,AUS (ML8)	MER,TMT,RUA, CBC,S12,HIV,AUS (ML11)	MER,TMT,RUA, CBC,S12,HIV,AUS (ML11)	MER,TMT,RUA, CBC,S12,HIV,AUS (ML11)
5000001 - 99,99,999			MER,TMT,RUA, S12,HIV,AUS (ML10)			
1 Crore and Above	MER,ECG,RUA, S12,HIV (ML7)		MER,TMT,RUA, CBC, S12,HIV,AUS, CXR (ML12)	MER,TMT,RUA, CBC, S12,HIV,AUS, CXR (ML12)	MER,TMT,RUA, CBC, S12,HIV,AUS, CXR (ML12)	MER,TMT,RUA, CBC,S12,HIV,AUS, CXR (ML12)



ANNEXURE

Regular Medical Chart:

S.No	Medical Code	Type of Medicals
1	MI1	MER
2	ML2	MER,FBS
3	ML3	MER,FBS,LIP
4	ML4	MER,FBS,ECG
5	ML5	MER,FBS,ECG,LIP,RUA
6	ML6	MER,ECG,RUA,S12
7	ML7	MER,ECG,RUA,S12,HIV
8	ML8	MER,ECG,RUA,S12,HIV,AUS
9	ML9	MER,TMT,RUA,CBC,S12
10	ML10	MER,TMT,RUA,S12,HIV,AUS
11	ML11	MER,TMT,RUA,CBC,S12,HIV,AUS
12	MI12	MER,TMT,RUA,CBC,S12,HIV,AUS,CXR

Note:

- Above medical chart is applicable for Life Products including MRTA.
- SMA12 must include the following: a. FBS b. S.Cholestrol c. S. Triglycerides d. HDL e. LDL f. S. Proteins, g. S.Albumin, h. S.Bilirubin (Direct & Indirect) i. SGOT j. SGPT k. S. Creatinine l. GGT.
- Lipid Profile must include: Total Cholesterol, S. Triglycerides, S. HDL Cholesterol
- TMT: Computerised Treadmill test with multichannel recorder & by Bruce Protocol or Modified Bruce Protocol only if Bruce Protocol is not indicated because of past disease.



ANNEXURE

List of standard age proofs:

- Municipal birth Certificate
- Certified School/ College Extract including School/ College leaving certificate/ Degree certificates / mark sheet or hall ticket or admit card issued by Educational Board (10 & 12th std) reflecting life assured's DOB*
- Govt service registers extract/certificates issued by Govt. to its employees.
- Defense ID including Ex-serviceman card issued to Defense personnel/ certificate of DOB issued by commanding officer with his seal & signature on the same
- Domicile Certificates
- Passport
- LIC policies with codes: Yes(P,S,C,F,M,B,I,J,K,L*)
- PAN Card*
- Govt /PSU Employee ID cards
- Central Govt Health scheme certificate for their employees
- Baptism Certificate
- Marriage Certificate issued by Church
- Employer's PF statement
- Valid Driving License issued more than & equal to 1 yr
- Notarised Birth Certificate issued within the 1st year of birth
- Employer's certificate from Govt, Semi Govt, MNC, Public Ltd, Reputed Private Ltd. Organisations only. The certificate must be on the letterhead, duly signed & stamped by the authorised signatory
- Gram Panchayat certificates issued more than 1 yr prior to login upto a TSA=5Lac for specified regions only*
- Hospital discharge card issued at the time of delivery will be considered till 5yrs of age subject to Proposer's declaration if name of child is not present on same
- Bonafied school certificates on letter head of the school/college would be accepted only for student Lives
- Student ID card from Premium schools only for student lives

*Note -

- LIC with code L & Pan card acceptable only upto a TSA of 15 lacs for all plans except Term plans & IBR rider.
- Gram Panchayat certificates issued from following states will be considered as STD age proof - Punjab, Gujarat, Rajasthan or from any state in Peninsular region(not allowed for Term Plans & IBR rider)
- School leaving certificate issued within 1 year from the date of login will not be considered as a valid age proof

List of Non Standard Age Proofs (NSAP):

- Ration Card
- ESIS Card (Employees State Insurance Scheme)



ANNEXURE

- Voters Identity Card
- Policy Document of other private insurers
- LIC Policy with codes other than codes specified for STD age proof
- Gram Panchayat certificate not satisfying any of the criteria laid down for accepting same as standard proof
- Islander cards for Residents of Andaman & Nicobar Island. Pilgrim pass issued for Haj Pilgrimage
- Central Govt Health scheme certificate for Dependents / family members of employees
- Valid Driving License (including Learner's License) issued within 1 year of login
- Fisherman card, Dependent card /Smart card /Canteen card issued to family members of Defense personnel
- Nationality card issued to resident of Jammu & Kashmir, Senior Citizen Card, etc can be accepted as NSAP with prior approval from Central Underwriting Team

List of acceptable Standard Income Proofs:

- Income Tax returns (ITR's) for last 3 assessment years duly filed with Income Tax department.
- Form 16 of latest assessment year.
- Salary slips for last 3 months
- Form 16A / TDS certificate for last 3 assessment years
- Latest Salary certificate from the employer on the letter head signed by authorised signatory
- Individual Audited Profit and Loss account, Balance Sheet of last 3 assessment years
- Last 3 month Bank statement reflecting regular salary credits
- Pension documents
- For North-east regions which are exempted from income tax, CA certified income statement for last 3 years
- Appointment letter with details of remunerations issued within last 1 year
- Increment/promotion letter on company letter head duly signed by authorised signatory.

List of acceptable Financial Surrogates /Non Standard Income proofs:

- Mutual fund statements
- Fixed Deposit (FD) certificates
- Property papers (sales deed)
- Form-J receipts/ 7-12 land ownership document
- 6 months bank statements
- Leave & license agreement
- Any other investment proofs (e.g. bonds, PPF, Demat account statement, NSC certificates, Kisan Vikas patra etc)



ANNEXURE

List of acceptable Income Proofs with validity for Enhanced KYC:

Income Proof	Validity	Category
Tax assessment orders	Previous Financial Year	Standard Document
Employer's Certificate	Not more than 2 months old	Standard Document
Salary Slip signed by authorised signatory of Employer	Not more than 2 months old	Standard Document
Audited accounts	Previous Financial Year	Standard Document
CA Certificate	Not more than 2 months old	Non-Standard Document
Agricultural Income Certificate/ J-receipts/ Krishi Mandi Receipt (Applicable wherein Proposer is Agriculturist)	Not more than 1 year old	Non-Standard Document
Land records and Income Assessment	Current	Non-Standard Document
Bank cash flow statements or copy of pass book	Should show transaction in preceding 6 months.	Non-Standard Document
Income Tax Returns	Previous Financial Year	Standard Document
Form 16	Previous Financial Year	Standard Document



READY RECKONER

Revised Life Underwriting Guidelines 2011- 2012 - Male/ Group I Female Lives

New ULIP Plans				
Revised Limits on TRSA (CHART A)				
Age Range	General Business	Preferred Partner	NRI/PIO/OCI (General Business/ Preferred Partner)	Declined Countries (Preferred Partner only)
Upto 35	50L	75L	1.5 Cr	15L
36-45	40L	50L		10L
46-50	30L	40L	75L	5L
51-59	15L		40L	
60-70	5L	10L	10L	Nil

Criteria

- Applicable with SA upto 10 times the premium
- Income documents required for TRSA > Rs. 25 L for General Business & TRSA > Rs. 40 L for Preferred Partners
- For Single Premium 125 % plans TRSA of only 125 % plans to be considered for applying above limits
- Not satisfying the Criteria - Refer the chart for **Traditional plans (Chart B)**

Additional Conditions for NRI/PIO/OCI

- These limits will be applicable for cases sourced by International and Indian Business
- NRI/PIO/OCI clients to be offered above mentioned limits irrespective of sourcing channel except decline countries
- Passport as Age proof mandatory
- Income documents required for TRSA > Rs. 40 L for both General business & Preferred Partner cases
- OCI/PIO card not required
- Not satisfying the Criteria - Refer the chart for **Traditional plans (Chart B)**

Conditions for Decline countries

- Passport as age proof mandatory
- Extra premium of Rs. 4/1000 SA over and above medical or other applicable extra premium
- Enhanced due diligence norms for FATF deficient countries applicable
- Minimum premium of Rs. 1L and SA upto 10 times the premium
- Pre login approval from CUW mandatory for all countries not mentioned in Annexure 2

Traditional & Term Plans

Traditional Plans		Term Plans		
Age Range	General Business (CHART B)	Preferred Partner	Age Range	General Business/ Preferred Partner
Upto 35	15 L	40 L	18-35	15L
36 - 50	10 L		36-45	10L
51-59	5 L		>45	NIL

Note:

- Applicable for traditional plans (except term) and ULIPs not satisfying minimum conditions
- Income documents required for TRSA > Rs. 15 L for General Business & TRSA > Rs. 40 L for Preferred Partners

Note:

- Standard age proof required above Total Sum assured (TSA) Rs. 15 L
- KYC and Enhanced KYC documents required as per existing AML guidelines
- Above limits not applicable for agriculturist profile (below 10th STD)
- Income documents would be required if financial eligibility is less than the cover applied



READY RECKONER

Revised Life Underwriting Guidelines 2011- 2012 - Group II & III Female Lives

New ULIPS - In addition to criteria mentioned for male & Group I female Lives

- Offered only in Top 41 cities. **Refer annexure 1**
- Financial eligibility will be based on Husband's adequate insurance or income

New ULIPS - NRI/PIO/OCI- In addition to criteria mentioned for male & Group I female Lives

- Financial eligibility will be based on Husband's adequate insurance or income proof

	Criteria mentioned fulfilled	Top 41 cities	Refer Chart
General Business	Yes	Yes	Chart A - New ULIP General Business
	Yes	No	Chart C - Traditional Plan General Business
	No	Yes/ No	Chart C - Traditional Plan General Business
Preferred Partners	Yes	Yes	Chart A - New ULIP Chart Preferred Partner
	Yes	No	Chart D - Traditional Plan Preferred Partner
	No	Yes/ No	Chart C - Traditional Plan General Business
NRI /PIO /OCI (General business/ Preferred Partners)	Yes	Not Applicable	Chart A - New ULIP NRI/PIO/OCI
	No	Not Applicable	Chart C - Traditional Plan General Business

Traditional & Term Plans

Category	Age Range	Traditional plans		Term plans
		(CHART C) General Business	(CHART D) Preferred Partners	Gen Business/ Preferred Partner with Graduation certificate only
Graduate with Income Proof (IP)/ Husband insurance (HID)	<35	15 L	Up to 40 L	Compulsory medicals
	36 - 45	10 L		
	46 - 59	5 L		
	60 - 70	Nil	Nil	
Non Graduate With IP / HID	<35	10 L	Up to 7.5 L	Not allowed
	36 - 45	5 L		
	46 - 59	3.5 L		
	60 - 70	Nil	Nil	
Graduate without IP / HID	18 - 59	5 L	Up to 7.5 L	Not allowed
	60 - 70	Nil	Nil	
Non Graduate without IP / HID	18 - 50	3.5 L	Up to 7.5 L	Not allowed
	51 - 59	2.5 L		
	60 - 70	Nil	Nil	

Note:

- Standard age proof required above TSA Rs. 15 L
- KYC and enhanced KYC documents required as per existing AML guidelines
- Financial eligibility will be based on Husband's insurance or income proof
- **For General Business Education will be Graduate/ Non Graduate and for Preferred Partner Education will be HSC/ Less than HSC**

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