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ISLAMABAD, MONDAY, FEBRUARY 19, 2024

PART II

Statutory Notifications (S. R. O.)

GOVERNMENT OF PAKISTAN

SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

NOTIFICATION

Islamabad, the 15th February, 2024

S. R. O. 204(I)/2024.—In exercise of the power conferred under section 510 of the Companies Act, 2017 read with clause (a) of subsection (1) of Section 505 thereof read with clause (h) and clause (i) of section 458A thereof and in exercise of the powers conferred under section 40B of the Securities and Exchange Commission of Pakistan, Act, 1997 read with entry five (5) of the Schedule I thereof read with clause (u) and clause (zb) of subsection (4) of section 20 and clause (fc) and clause (g) of subsection (6) thereof, the Securities and Exchange Commission of Pakistan is pleased to issue the following directive to all the registered life insurers under the Insurance Ordinance, 2000, in partial

(465)

Price: Rs. 6.00

[7122(2024)/Ex. Gaz.]

modification of S.R.O 968(I)/2013 dated November 6, 2013 and S.R.O. 234(I)/2020 dated March 18, 2020, for provision and issuance of revised submission requirements for life insurance products falling under the class of ordinary life insurance business having a term not exceeding one (1) year and for the class of accidental and health business having a term not exceeding one (1) year for promotion of efficiency in the conduct of life insurance business and for effective implementation of measures for provision of greater ease of doing business, for improving regulatory quality and efficiency and for facilitating innovation and the use of the technology in conducting life insurance business under section 13 of the Insurance Ordinance, 2000.

1. This directive shall be called revised submission requirements for Life Insurance Products falling under the class of Ordinary Life Business having a term not exceeding one (1) year and the Class of Accident and Health Business having a term not exceeding one (1) year.
2. This directive shall come into force after one month of the date of publication of this directive in official Gazette or the policies to be issued after the date of publication of this directive under section 13 of the insurance Ordinance, 2000 read with S.R.O 968(I)/2013 dated November 6, 2013 and S.R.O. 234(I)/2020 dated March 18, 2020, whichever is earlier.
3. Whereas the Commission vide S.R.O 968(I)/2013 dated November 6th, 2013 notified life insurance product submission requirements and subsequently notified simplified submission requirements for standardized products of life insurers / family takaful operators vide S.R.O 234(I)/2020 dated 18th March 2020.
4. That the product submission requirements notified vide above referred S.R.O 968(I)/2013 and S.R.O 234(I)/2020 will not be applicable on the policies issued under this directive, as described in the paragraphs below.
5. Life insurers / family takaful operators who are already offering insurance products falling under the class of ordinary life business and class of accident and health business, and have complied with the submission requirements either under section 6 of the Ordinance or S.R.O 968(I)/2013 or S.R.O 234(I)/2020 read with section 13 of the Ordinance, may launch any product falling under such classes of business, without again submitting the detailed product documents, subject to following conditions:
 - (a) A Committee or key officer responsible for product approval reviews and approves the terms and conditions of the product

as per the underwriting policy. The committee or key officer further ensures that the benefits reflected in sales literature and terms and conditions reflected in the policy document are consistent with the approved terms and conditions;

- (b) Appointed Actuary certifies the soundness and workability of the product (including that the product satisfies the maximum management expense limits prescribed by SECP, where applicable);
 - (c) Shariah Advisor certifies the sharia permissibility, in case of takaful product; and
 - (d) The insurer/takaful operator shall approach the Commission within 10 working days from the date of launch of such product for allocation of unique registration number, with the information duly signed and stamped by the key officer of the insurer/takaful operator as required under Annexure A of this circular along with the marketing material of the product.
6. The Commission may, within 30 days of submission of such information / documents, require the insurer in writing to make such changes in the particulars and materials as the Commission may direct.
 7. An insurer/takaful operator must maintain proper record of all documents related to the product, revisions in such documents and the required approvals / certifications including approval of the committee or key officer, certification of the appointed actuary, key officer's statement and shariah advisor certificates, where applicable. These documents must be made available to the Commission upon request.
 8. When a life insurer / family takaful operator, for the first time, intends to introduce an insurance product, falling under the class of ordinary life business having a term of 1 year or less or / and the class of accident and health business, such insurer / takaful operator is required to follow the requirements of S.R.O 968(I)/2013 read with section 13 of the Ordinance.
 9. Further, if any insurance product falling under the class of ordinary life business having a term of 1 year or less or / and the class of accident and health business, includes any sort of savings feature, endowment option, investment option, return of premium option or any related feature, shall be required to follow the requirements of S.R.O 968(I)/2013 or S.R.O 234(I) of 2020 read with section 13 of the Ordinance.

Annexure A**Name of Insurance Company:****Date:****Product Name:**

Allocated Registration No. (To be filled by SECP only)	
Date of launch of product	
Line of business	☐ Individual life ☐ Group life ☐ Individual health ☐ Group health ☐ Other, Please specify _____
Basic plan or rider	☐ Basic Plan ☐ Supplementary Benefit / Rider
Product / Coverage Type	☐ Life insurance ☐ Health insurance ☐ Critical illness ☐ Accidental death ☐ Natural disability ☐ Accidental disability ☐ Medical expense ☐ Temporary disability ☐ Other, Please Specify _____
Form of benefit	☐ Lumpsum payment ☐ Periodic payment
Distribution channel	☐ Direct sales force ☐ Bancassurance, Please specify name: ☐ Telecommunication, Please specify name: ☐ Corporate agents, Please specify name: ☐ Worksite marketing, Please specify name: ☐ Group marketing, Please specify name: ☐ Marketing brokers, Please specify name: ☐ Insurance Broker, Please specify name: ☐ Telemarketing, Please specify name: ☐ Franchise Channel, Please specify name: ☐ Online sales / Internet sales, Please specify name: ☐ Other, Please Specify _____
Premium details	
Sum Covered details	
Commission details	
<u>Key Officer's Statement</u>	
I, (Name of the officer) of (Name of Insurance Company/takaful operator), being the Key officer of the Company hereby confirm that the information provided herewith for (Name of Product) is exact and accurate, and requirements of this circular and all applicable rules / regulations including Corporate Insurance Agents Regulations, 2020, as amended from time to time, are complied with. I also certify that terms and conditions specified in the marketing material of the product are consistent with the terms and conditions mentioned in policy document offered to policyholders and that the (name of product) has been implemented on the administrative systems of the insurer in accordance with the product documents.	
_____ Signature and Stamp of the Key Officer Designation: Date:	

[File No. ID/MDPR/Product Simplification/2024.]

BILAL RASUL,
Secretary to the Commission.