

# Administrative Measures on Examination, Approval and Filing of Personal Insurance Products

## 人身保险产品审批和备案管理办法

(The CIRC Ordinance No. 2004-6)

Reviewed and adopted at the Chairmen Meeting of the China Insurance Regulatory Commission on June 29, 2004, the *Administrative Measures on Examination, Approval and Filing of Personal Insurance Products* is hereby promulgated and shall be effective as of July 1, 2004.

Chairman: Wu Dingfu

Date: June 30, 2004

### Administrative Measures on Examination, Approval and Filing of Personal Insurance Products

#### Chapter 1 General Provisions

##### Article 1

These Measures are formulated in accordance with relevant stipulations of the *Insurance Law of the People's Republic of China* in order to standardize the administration of examination, approval and filing of the products developed and designed by personal insurance companies.

##### Article 2

The “products” in these Measures refer to the personal insurance products developed and designed by a personal insurance company (hereinafter referred to as “insurance company”) engaged in the business of life insurance, health insurance and accident insurance etc.

##### Article 3

An insurance company shall develop products in accordance with laws, administrative regulations and relevant stipulations of the CIRC, and take corresponding responsibilities for the products.

##### Article 4

The China Insurance Regulatory Commission (hereinafter referred to as the “CIRC”) examines, approves and keeps record of products of an insurance company in files according to law.

##### Article 5

The CIRC is responsible for routine supervision over products of an insurance company.

#### Chapter 2 Scope of Examination, Approval and Filing

##### Article 6

The following products of an insurance company shall be subject to the CIRC's examination and approval:

1. Products considered by the CIRC as products related to the public interest;
2. Compulsory insurance products prescribed in law;
3. Products considered by the CIRC as newly-developed life insurance products.

##### Article 7

Products other than those specified in Article 6 shall be subject to filing with the CIRC.

##### Article 8

The CIRC specifies the scope of products subject to examination and approval according to law and may adjust the scope according to the actual situation.

## **Article 9**

Where an insurance company intends to make changes to a product that has been examined and approved by or filed with the CIRC, the company shall re-apply for examination, approval or filing.

### **Chapter 3 Materials to Be Submitted for Examination, Approval and Filing**

## **Article 10**

An insurance company shall submit the application materials for examination, approval or filing to the CIRC in accordance with these Measures and be responsible for the authenticity and completeness of the substantial contents of the materials.

## **Article 11**

When applying for examination and approval of a product, an insurance company shall submit the following materials to the CIRC in duplicate:

1. "Application Form for Examination and Approval of Personal Insurance Products";
2. "List of Application Materials to Be Submitted for Examination and Approval of Personal Insurance Products";
3. Explanatory materials for application of product examination and approval, which shall specify the main features of the product and the reasons for application for examination and approval;
4. Insurance clauses;
5. Product premium rate table;
6. For a product with cash value, paper files containing cash value table (examples) and electronic files containing the complete table of cash value for all ages must be submitted;
7. Actuarial report of the product issued by the responsible actuary of the company;
8. Statement of the responsible actuary of the company;
9. Statement of the legally responsible person of the company;
10. Feasibility report of the product;
11. Sales management measures, which shall include product sales channels, territorial sales management measures and etc.;
12. Financial management measures;
13. Business management measures;
14. Management system for information disclosure;
15. Text of product description;
16. CD or floppy disk(s) containing electronic files of all materials to be submitted;
17. Other materials required by the CIRC.

## **Article 12**

For an application for examination and approval of a participating product, the following materials in duplicate shall be submitted in addition to those specified in Article 11:

1. Dividend calculation and distribution methods;
2. Principles of distribution of income and apportionment of expenses.

## **Article 13**

When applying for filing of a product, an insurance company shall submit the following materials to the CIRC in duplicate:

1. "List of Application Materials to Be Submitted for Filing of Personal Insurance Products";
2. Insurance clauses;
3. Table of premium rates of the product;
4. For a product with cash value, paper files containing cash value table (examples) and electronic files containing the complete table of cash value for all ages must be submitted;
5. Actuarial report of the product issued by the responsible actuary of the company;
6. Statement of the responsible actuary of the company;
7. Statement of the legally responsible person of the company;
8. For a product with description, text of the product description shall be submitted;
9. CD or floppy disk(s) containing electronic files of all materials to be submitted;
10. Other materials required by the CIRC.

#### **Article 14**

For an application for filing of participating products, the following materials in duplicate shall be submitted in addition to those specified in Article 13:

1. Financial management measures;
2. Business management measures;
3. Management system for information disclosure;
4. Dividend calculation and distribution methods;
5. Principles of distribution of income and apportionment of expenses.

#### **Article 15**

When applying for filing of a universal or unit-linked product, an insurance company shall submit the following materials in duplicate in addition to those specified in Article 13:

1. Feasibility report of a product;
2. Sales management measures, which shall include product sales channels, territorial sales management measures and etc.;
3. Financial management measures;
4. Business management measures;
5. Management system for information disclosure;

#### **Article 16**

Actuarial report shall include the following contents:

1. Data source and pricing assumption choice;
2. Premium rate calculation report, which shall include pricing method and actuarial formula; the responsible actuary must demonstrate and explain the reasonableness of the rates;
3. For a product to which a floating rate is applicable under relevant stipulations of the CIRC, the management measures for the floating rates of the product shall be submitted.
4. For a product with cash value, the cash value calculation method shall be submitted;
5. Reserves calculation method;
6. Main risks of a product and corresponding management suggestions;
7. For a product with benefit presentation, the calculation method for the contents of the presentation shall be submitted;
8. Special contents that the responsible actuary needs to illustrate;
9. Other contents specified by the CIRC.

#### **Article 17**

Where the following materials of a product are identical with corresponding materials of a similar product which has been examined and approved by or filed with the CIRC, the insurance company can be exempted from submitting those materials, but it shall explain the reason in the list of materials:

1. Financial management measures;
2. Business management measures;
3. Management system for information disclosure;
4. Dividend calculation and distribution methods for a participating product;
5. Principles of distribution of income and apportionment of expenses for a participating product.

### **Chapter 4 Procedures for Examination, Approval and Filing**

#### **Article 18**

An application for examination and approval or filing of a product must be proposed to the CIRC by the head office of an insurance company.

#### **Article 19**

For a product subject to examination and approval, the insurance company shall submit the application materials for examination and approval to the CIRC before the product is sold, and selling of the product is only allowed after it is approved by the CIRC.

## **Article 20**

Upon receiving the application materials for product examination and approval submitted by an insurance company, the CIRC shall issue a receipt to the insurance company.

## **Article 21**

The CIRC shall handle an insurance company's application for product examination and approval according to different circumstances as follows:

1. In case that a product belongs to the category subject to filing, the CIRC shall notify the insurance company in writing to reapply for filing;
2. In case of incompleteness of the application materials, the CIRC shall, within 5 days, inform the insurance company of the materials to be supplemented all at once.
3. In case the application materials are complete or the insurance company has supplemented all the materials according to the requirement of the CIRC, the CIRC shall accept the application and provide the insurance company with a written certificate with a seal for the exclusive use of accepting.

## **Article 22**

Within 20 days after accepting an application for product examination and approval, the CIRC shall make the decision to or not to approve the application. In case the decision cannot be made within 20 days, the examination and approval time limit, subject to approval by the person-in-charge of the CIRC, may be extended by 10 days. The CIRC shall inform the insurance company of the reason for extension.

In case that an approval is granted, the CIRC shall publicize the decision in the CIRC proclamations or on its official website. In case of disapproval, the CIRC shall notify the insurance company in writing to explain the reasons for the disapproval, and inform it of the right to apply for administrative reconsideration or start administrative proceedings according to law.

## **Article 23**

The CIRC may organize an expert assessment of a product and inform an insurance company of the time needed for such assessment.

The CIRC may organize a public hearing on a product concerning the public interest and shall implement the hearing in accordance with relevant stipulations of the *Administrative Licensing Law of the People's Republic of China*.

The time needed for an expert assessment and for a hearing is not counted in the time limit of examination and approval specified in Article 22 of these Measures.

## **Article 24**

Where an insurance company intends to withdraw an application after the CIRC has accepted it and before a decision is made, the insurance company shall submit a written application to the CIRC for the withdrawal. The CIRC shall terminate the examination of the application for product examination and approval and return the application materials to the insurance company.

## **Article 25**

Where an insurance company intends to make changes to a product after the CIRC has accepted the application and before a decision is made, the insurance company shall apply to the CIRC for withdrawal of the examination and approval application.

In case that an insurance company withdraws its application for product examination and approval, the time limit of examination and approval shall be calculated from the date on which the CIRC receives the revised application materials.

## **Article 26**

For a product disapproved by the CIRC, an insurance company may reapply for product examination and approval after making changes to the product.

## **Article 27**

For a product subject to filing, an insurance company shall submit the filing materials to the CIRC no later than 7 days after the product is sold.

### **Article 28**

Upon receiving filing materials, the CIRC shall handle the filing according to different circumstances as follows:

1. In case of incompleteness of the filing materials, the CIRC shall inform the insurance company to supplement all materials needed within 10 days.
2. Upon receiving complete filing materials or all materials needed are supplemented by an insurance company according to the requirement of the CIRC, the CIRC shall keep the filing materials in the archives and issue a receipt to the insurance company.

## **Chapter 5 Responsible Actuary and Legally Responsible Person**

### **Article 29**

An insurance company shall appoint a responsible actuary and a legally responsible person to be responsible for product actuarial affairs and legal affairs respectively.

The insurance company shall provide the responsible actuary and legally responsible person with sufficient information necessary for them to undertake their duties, and shall show due respect to the professional opinions of the responsible actuary and legally responsible person.

### **Article 30**

A responsible actuary appointed by an insurance company is subject to examination and confirmation by the CIRC. Statement provided by a responsible actuary not confirmed and other relevant reports signed by a responsible actuary not confirmed will not be accepted by the CIRC.

### **Article 31**

A responsible actuary appointed by an insurance company shall satisfy the following requirements:

1. Having a domicile within the territory of the People's Republic of China;
2. Having Chinese actuary qualification;
3. Having more than 3 years' experience in actuarial service;
4. Having no record of criminal punishment;
5. Having no record of intentional fraud in actuarial practice.

In special cases, the CIRC may confirm people with other actuary qualifications as responsible actuaries.

### **Article 32**

The responsible actuary is responsible for signing actuarial report and providing statement of responsible actuary, and shall take the following responsibilities for the products:

1. The actuarial report of the product is complete;
2. The actuarial report of the product accords with the presentation of the clauses;
3. The actuarial assumptions and methods of the products comply with the general actuarial principles and relevant actuarial stipulations of the CIRC;
4. For a product with benefit presentation, the benefit measurement and calculation methods comply with the general actuarial principles and relevant stipulations of the CIRC;
5. The result of calculation is accurate;
6. Other responsibilities in product actuarial services as specified by the CIRC.

### **Article 33**

A legally responsible person appointed by an insurance company is subject to examination and confirmation by the CIRC. Statement provided by a legally responsible person not confirmed and other relevant reports signed by a legally responsible person not confirmed will not be accepted by the CIRC.

### **Article 34**

A legally responsible person appointed by an insurance company shall satisfy the following requirements:

1. Having a domicile within the territory of the People's Republic of China;
2. Having an undergraduate diploma of Law or above, or having a Chinese lawyer qualification certificate or a law practitioner certificate;
3. Having more than 3 years' experience in domestic insurance or legal service;
4. Having no record of criminal punishment;

5. Having no record of intentional fraud in law practice.

#### **Article 35**

A legally responsible person is responsible for providing statement of legally responsible person, and shall take the following responsibilities for the product:

1. The insurance clauses comply with the Insurance Law of the People's Republic of China, other laws and administrative rules and relevant stipulations of the CIRC;
2. Insurance clauses do not infringe upon the public interest or to the legitimate rights and interests of the policyholder, the insured and the beneficiary;
3. The insurance contract contains all essential elements with accurate wording;
4. For a product with a product description, the description shall accord with the presentation of the clauses; the contents are complete and authentic and comply with relevant stipulations of the CIRC.
5. Other legal responsibilities for the product specified by the CIRC.

#### **Article 36**

When applying for confirmation of the qualifications of a responsible actuary and a legally responsible person, an insurance company shall submit the following materials to the CIRC in duplicate:

1. "Application Form for Examination and Confirmation of the Qualifications of Responsible Actuary" or "Application Form for Examination and Confirmation of the Qualifications of Legally Responsible Person";
2. Copies of identity certificate and domicile certificate of the proposed responsible actuary or legally responsible person;
3. Copies of diploma and professional qualification certificate;
4. Certificate of professional experience;
5. Other materials specified by the CIRC.

#### **Article 37**

Upon receiving the application materials for confirmation of qualifications of a responsible actuary or a legally responsible person, the CIRC shall handle the application according to different circumstances as follows:

1. In case of incompleteness of the application materials, the CIRC shall, within 5 days, inform the insurance company of the materials to be supplemented all at once.
2. In case the application materials are complete or the insurance company has supplemented all the materials according to the requirement of the CIRC, the CIRC shall accept the application and provide the insurance company with a written certificate with a seal for the exclusive use of accepting.

#### **Article 38**

Within 20 days after accepting an application, the CIRC shall make the decision to or not to approve the application. In case of disapproval, the CIRC shall notify the insurance company in writing to explain the reasons for the disapproval, and inform it of the right to apply for administrative reconsideration or start administrative proceedings according to law.

#### **Article 39**

Where an insurance company appoints a new responsible actuary or a new legally responsible person, the insurance company shall reapply to the CIRC for confirmation.

### **Chapter 6 Legal Responsibilities**

#### **Article 40**

Where an insurance company fails to apply for examination and approval or filing of a product as stipulated, the CIRC shall order the insurance company to stop selling the product and impose penalties on the insurance company and its senior managerial personnel and other persons directly responsible according to relevant laws and administrative regulations.

#### **Article 41**

Where an insurance company applies for filing of a product which is subject to examination and approval of CIRC, the CIRC shall order the insurance company to stop selling the product, and, if the circumstances are serious, the CIRC shall impose penalties on the insurance company, its senior managerial personnel and other persons directly responsible according to relevant laws and administrative regulations.

**Article 42**

Where an insurance company conceals relevant information, provides false materials or refuses to provide authentic materials when applying for examination and approval of a product, the CIRC shall impose penalties on the insurance company, its senior managerial personnel and other persons directly responsible according to relevant laws and administrative regulations. Where the product has been sold, the CIRC may order the insurance company to stop selling.

**Article 43**

In any of the following cases concerning a product filed with the CIRC, the CIRC may order the insurance company to stop selling the product and impose penalties on the insurance company, its senior managerial personnel and other persons directly responsible according to relevant laws and administrative regulations:

1. Violating laws, administrative regulations or the prohibitive stipulations of the CIRC;
2. Violating relevant fiscal or financial policies of the State;
3. Being harmful to the public interest;
4. Containing obviously unfair contents, engendering price monopoly, and infringing upon the legitimate rights and interests of the policyholder, the insured or the beneficiary;
5. Inappropriate design of clauses or premium rates or wrong estimation of interest rates, which may endanger the solvency of the insurance company;
6. Other matters specified by the CIRC based on prudential supervision principle.

**Article 44**

A responsible actuary who violates Article 32 of these Measures shall be subject to penalties by the CIRC according to relevant laws and administrative regulations.

Where a responsible actuary violates Article 32 of these Measures for 3 times and the time lap between the first violation and the third violation is less than 2 years, the CIRC will not accept statement of the responsible actuary and actuary's report signed by such responsible actuary for a period of 2 years starting from the date on which the third violation is detected.

**Article 45**

A legally responsible person who violates Article 35 of these Measures shall be subject to penalties by the CIRC according to relevant laws and administrative regulations.

Where a legally responsible person violates Article 35 for 3 times and the time lap between the first violation and the third violation is less than 2 years, the CIRC will not accept statement of legally responsible person provided by such legally responsible person for a period of 2 years starting from the date on which the third violation is detected.

**Chapter 7 Supplementary Provisions****Article 46**

These Measures shall prevail in case of discrepancy between them and the regulations promulgated by the CIRC before the implementation of these Measures.

**Article 47**

Any product that has been examined and approved or filed prior to implementation of these Measures remain effective.

However, where an insurance company intends to make changes to the afore-mentioned product, the insurance company shall reapply for examination and approval or filing according to the Measures.

**Article 48**

The qualifications of responsible actuaries and legally responsible persons examined and recognized by the CIRC before implementation of the Measures remain effective.

**Article 49**

The time limit specified in these Measures shall be calculated in working days, excluding legal holidays.

**Article 50**

The CIRC is responsible for interpreting these Measures.

**Article 51**

The Measures shall be effective as of July 1, 2004.

End.



## **Appendices:**

1. Application Form for Examination and Approval of Personal Insurance Products;
2. List of Materials to Be Submitted for Personal Insurance Product Examination and Approval;
3. List of Materials to Be Submitted for Filing of Personal Insurance Products;
4. Application Form for Examination and Confirmation of the Qualifications of Responsible Actuary;
5. Application Form for Examination and Confirmation of the Qualifications of Legally Responsible Person;
6. Statement of Responsible Actuary;
7. Statement of Legally Responsible Person.

## Appendix 1:

### Application Form for Examination and Approval of Personal Insurance Products

Company	
Product	
Product type	
Date of submittal	
Main reasons for product examination and approval application	
Insurance liability	
Liability exemptions	
Company document number and company seal	Date of acceptance by CIRC and seal
Year:    Month:    Day:	Year:    Month:    Day:

## Appendix 2:

### List of Materials to Be Submitted for Personal Insurance Product Examination and Approval

Company		
Product		
Product type		
Date of submittal	Year:    Month:    Day:	
List of materials to be submitted	Completeness check	
	Number submitted	Number verified by the CIRC
1. Application form for examination and approval of personal insurance product		
2. List of materials to be submitted for personal insurance product examination and approval		
3. Explanatory materials for application of product examination and approval		
4. Insurance clauses		
5. Product premium rate table		
6. Cash value table (example) #		
7. Actuarial report (signed by responsible actuary)		
8. Statement of responsible actuary (signed by responsible actuary)		
9. Statement of legally responsible person (signed by the legally responsible person)		
10. Product Feasibility report		
11. Sales management measures		
12. Financial management measures		
13. Business management measures		
14. Management system of information disclosure		
15. Text of product description		
16. Dividend calculation and distribution methods for participating products ☆		
17. Income distribution and expenses apportionment principles for participating products ☆		
18. CD or floppy disk containing electronic files of all materials to be submitted		
19. Other materials specified by the CIRC #		
Company document number and company seal	Remarks of the CIRC	
Year:    Month:    Day:	Year:    Month:    Day:	

Note: 1. Materials marked with # are optional;

2. Item 16 and Item 17 marked with ☆ are only required for participating insurance products;

2. Fill in the number of copies submitted in the column of "number submitted"; if no material is submitted, indicate reasons in the column.

## Appendix 3:

### List of Materials to Be Submitted for Filing of Personal Insurance Products

Company		
Product		
Product type		
Selling date		
Date of submittal		
List of materials to be submitted	Completeness check	
	Number submitted	Number verified by the CIRC
1. List of materials to be submitted for filing of personal insurance products		
2. Insurance clauses		
3. Product premium rate table		
4. Cash value table (example) #		
5. Actuarial report (subject to signing by the chief actuary)		
6. Statement of responsible actuary (signed by the responsible actuary)		
7. Statement of legally responsible person (signed by the legally responsible person)		
8. Text of product description #		
9. Other materials for participating, universal and unit-linked products	Feasibility report of universal and unit-linked products	
	Sales management measures for universal and unit-linked products	
	Financial management measures for participating, universal and unit-linked products	
	Business management measures for participating, universal and unit-linked products	
	Management system of information disclosure for participating, universal and unit-linked products	
	Dividend calculation and distribution methods for participating products ☆	
	Income distribution and expenses apportionment principles for participating products ☆	
10. CD or floppy disk containing electronic files of all materials to be submitted		
11. Other materials specified by CIRC #		
Company document number and company seal	Remarks of CIRC	
Year:    Month:    Day:	Year:    Month:    Day:	

Note: 1. Materials marked with # are optional;

2. If selling has not been started, fill in "selling not started yet" in the column of "Selling date". If selling has been started, fill in the date on which selling was started.

3. Fill in the number of copies submitted in the column of "number submitted"; if no material is submitted, indicate reasons in the column.

4. Item 9 is required only for participating, universal and unit-linked insurance products.

Appendix 4:

**Application Form for Examination and Confirmation of the Qualifications of Responsible Actuary**

Name		Gender	Male / female	Ethnicity		Photo
Date of birth		Political background		Nationality		
Passport number		I.D. Card No.:				
Academic degree		Major				
Professional qualification		Institution granting the professional qualification		Granting date of the professional qualification		
Current position						
Office telephone		Mobile telephone		Fax		
Mail address and zip code						
Home address						
Education background	Beginning and ending date	University	Major	Degree		
Work experience	Beginning and ending date	Company and department			Position	
Statement of the Proposed Responsible Actuary	<p>1. The above information is true;                  2. I have no record of criminal penalty;                  3. I did not commit any intentional fraudulent act in practicing.</p> <p>Signature :                  Date: Year:    Month:    Day:</p>					
Comment of insurance company	<p>We approve ×× to act as our responsible actuary.</p> <p>Official seal                  Date: Year:    Month:    Day:</p>					

Note: If there is no corresponding information, fill in "N/A".

## Appendix 5:

### Application Form for Examination and Confirmation of the Qualifications of Legally Responsible Person

Name		Gender	Male / female	Ethnicity		Photo
Date of birth		Political background		Nationality		
Passport number		I.D. Card No.:				
Academic Degree		Major				
Professional qualification		Institution granting the professional qualification		Granting date of the professional qualification		
Current position						
Office telephone		Mobile telephone		Fax		
Mail address and zip code						
Home address						
Education background	Beginning and ending date	University	Major	Degree		
Work experience	Beginning and ending date	Company and department			Position	
Statement of the Proposed Legally Responsible Person	<p>1. The above information is true;                  2. I have no record of criminal penalty;                  3. I did not commit any intentional fraudulent act in practicing.</p> <p>Signature :                  Year:    Month:    Day:</p>					
Comment of insurance company	<p>We approve ×× to act as our legally responsible person.</p> <p>Official seal                  Year:    Month:    Day:</p>					

Note: If there is no corresponding information, fill in "N/A".

## Appendix 6:

### Statement of Responsible Actuary

The China Insurance Regulatory Commission:

I have performed the duty of actuarial verification of XX product of XX Insurance Company scrupulously. I hereby confirm that the following statements are true:

1. The actuarial report for the product is complete;
2. The actuarial report for the product complies with the presentation of the clauses;
3. The actuarial assumption and method comply with the general actuarial principles and actuarial stipulations of the CIRC;
4. The result of calculation is accurate;
5. The benefit measurement and calculation methods comply with the general actuarial principles and relevant stipulations of the CIRC. (Applying to a product with benefit measurement and calculation)

Responsible Actuary:

Year:    Month:    Day:

Note: For a product for filing, the responsible actuary shall issue a statement strictly in accordance with this format. For a product subject to examination and approval, the responsible actuary may refer to this format and issue a statement in accordance with specific features of the product.

## Appendix 7:

### Statement of Legally Responsible Person

The China Insurance Regulatory Commission:

I have performed the duty of legal verification of XX product of XX Insurance Company scrupulously. I hereby confirm that the following statements are true:

1. The insurance clauses comply with the *Insurance Law of the People's Republic of China*, other laws, administrative rules and relevant stipulations of the CIRC;
2. The insurance clauses do not infringe upon the public interest or to the legitimate rights and interests of the policyholder, the insured and the beneficiary;
3. The insurance contract contains all essential elements with accurate wording;
4. The product description complies with the presentation of the clauses; its contents are complete and authentic and it complies with relevant stipulations of the CIRC. (Applying to a product with product description)

Legally Responsible Person:

Year:   Month:   Day: