
PROTECTION OF POLICYHOLDERS' INTEREST AND GRIEVANCE REDRESSAL POLICY

Version 3
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1. INTRODUCTION

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.

Bharti AXA Life Insurance Company Limited ('the Company') already established various policies, procedures and controls in line with the said Regulations and its previous version. However, in accordance with the Regulations, the Company intends to formulate this Policy by consolidating its various policies, procedures and controls.

2. DEFINITIONS

1.1. "**Act**" means the Insurance Act, 1938 (4 of 1938)

1.2. "**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);

1.3. "**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;

Explanation: An inquiry or request would not fall within the definition of the "complaint" or "grievance"

1.4. "**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

- 1.5. “**Distribution Channels**” means persons and entities authorised by the Authority to involve in sale and service of insurance products;
- 1.6. “**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;

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

- 1.7. “**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.
- 1.8. “**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;
- 1.9. “**Inquiry**” means any communication from a customer for the primary purpose of requesting information about a company and/or services.
- 1.10. “**Request**” means any communication from a customer soliciting a service such as a change or modification in the policy
- 1.11. “**Multiple Complaint**” means a complaint that can be categorized under more than one complaint category because the customer has more than one complaint in the policy. One complaint number is generated for such cases
- 1.12. “**Creeping Complaint**” means a complaint repeatedly reported by the same complainant and where the primary issue remains unchanged. A complaint re-lodged by the same complainant for a matter which has been resolved and closed can also be termed as a Creeping complaint. Creeping complaints needs to be evaluated and if required needs to be retagged and investigated

3. INSURANCE AWARENESS AT BHARTI AXA LIFE

Current penetration of Life Insurance in India is far low as compared to what is present in global markets. Financial education is the key step in bridging this gap and increasing overall financial inclusion. Despite the industry being over half a century old in India and increasing literacy levels, we have seen that customers at large are often not clear regarding the benefits of life insurance. A lot needs to be done to educate the customer about his/her rights and responsibilities. Higher financial literacy and awareness would protect the rights of the policyholder and prevent him/her from potential exploitation.

At Bharti AXA Life, our vision of customer education is to have an empowered and financially informed customer. We have taken upon ourselves the objective of building a customer centric organization and empower the customers.

The insurance awareness policy of Bharti AXA Life is based on a 4 pronged approach. The four pillars of the policy are as under:

Training as an enabler:

At Bharti AXA Life, sales training plays an emphatic role and we believe having a well-trained front line staff goes a long way in understanding the customer's needs.

Bharti AXA Life has established a dedicated training facility called the “**Bharti AXA Life Learning University**” that helps the sales force in

- a. Developing the knowledge and skill sets of the sales force through life stage based training architecture
- b. Equipping them with various sales tools to create better selling and customer experience
- c. Developing the right selling habits through need-based selling

We have a dedicated training infrastructure at each branch in terms of exclusive trainers and infrastructure (training rooms & equipment). We also have dedicated trainers for the third party distribution channel wherein the trainers train the partner's (corporate agents & brokers) staff at their premises as well.

Training activity shall not be outsourced but managed by trained in-house employees. This helps us maintain the quality and effectiveness of the training. We monitor the quality of training through:

- a. Verifying training implementation through on field observation and development
- b. Measuring the training programs (Input) against set productivity measures (Output) from time to time
- c. Standardized Training Content and Delivery across all branches

Simple and transparent communication:

We have taken a concerted effort to keep all our communication simple and clear. Our researches have shown to us that consumers seek transparency and simplicity from the insurers in all their communication. We have instituted an ongoing practice of reviewing all our communication - new and old - to make it easier for the customer to understand.

- a. Revamped all our product brochures, product leaflets, policy documents and key feature document
- b. We have elucidated the charges in all our product brochures very clearly and explain it with an easy example.
- c. All our product leaflets and brochures contain simple illustrations that help the customer understand how the product works.
- d. We have created video demonstration for our products and they are available on the website

Customer Education Initiative:

Through our customer education initiative we shall aim to clear the misconceptions the consumer may have and also prevent them from unnecessary exploitation. We shall provide them with market trends and insights on new product launches. We shall also provide them with regular updates and tips on investments.

Various Customer awareness initiatives include:

- a. **Customer Education Mailers** – The database of our complaints team has helped us form pertinent topics of customer education. The complaints team had identified gaps in consumer understanding and life insurance speak. The identified gaps have helped us generate insights for this campaign that we communicate through these mailers.
- b. **Investment Advice** – We release a monthly investment newsletter for all our customers in English and Hindi. This newsletter contains information about the market and our fund performance. This also contains investment advice from the desk of the Chief Investment Officer, which is available on our website.
- c. **Conversations, Our Quarterly Newsletter** – This is a quarterly publication that consists of information on subjects like industry insights, Bharti AXA Life news, expert speak on insurance topics, investment advice and product knowledge.
- d. **Press Release and Contributory Articles** – We do press releases on a regular basis informing the customers of new product launches and product benefits. We shall also partner with publications and our top management writes articles on various topics that educate the consumer about life insurance.
- e. **Social Media Campaign** – The top management of Bharti AXA Life will be writing articles on the insurance category on their LinkedIn profile. This is an initiative we have undertaken to dispel myths about life insurance. We have also created a section of insurance read on our website that explains life insurance nuances and benefits.
- f. **Digital transformation** – In the fast evolving digital world, we have embarked upon the journey for digital empowerment of our sellers and the customers. A big focus of this development will be on an effective implementation FNA (financial needs analysis) and by making it an integral part of the selling process wherein our sales forces are empowered with hand held tablet and mobile phones to make the whole process participative for the customer and hence he is highly involved during the process.

Customer Engagement

In addition to staff training and ongoing customer communication, we also aim to engage with the policyholders to enhance their awareness levels apart from understanding their preferences. To facilitate personalized engagement with a view to build long-lasting relationships with our customers, we shall focus on:

- a. **Verification call:** Bharti AXA life has proactively undertaken an exercise to protect customer interests. At policy login stage, we have instituted a process of calling each and every customer as part of a formalized verification call. This shall be done through an outbound call center that is equipped with the product knowledge to help dispel consumer doubts.
- b. **Dedicated Super Retention desk:** for surrender retention shall be set up at inbound contact center. Branch operations resources are also trained to provide assistance and advice to policyholders at surrender stage in case the customer walks into the branch.
- c. **Dedicated Claims Handler:** The most critical moment of truth for Life Insurance is 'Claim' and our endeavor is to provide personalized assistance to the claimant for completion of documentation and settlement of claims. Designated employees of the company act as 'Dedicated Claims Handlers' and take the claimant through the claim lodgment right upto the settlement stage. This initiative is aimed at not only educating the claimants about their rights but also assist them complete the claim related documentation and formalities during the testing phase of their life.
- d. **Trained inbound contact center:** Well-trained and equipped contact center in place to provide the customers adequate information on product, services and policyholder rights and responsibilities.

Governance

Executive committee of the company will review the progress on consumer awareness on quarterly basis.

4. SERVICE PARAMETERS AND TURNAROUND TIMES

The Company aims to offer all its services within fixed timelines. We have clear turnaround timelines for every customer query and we stick to those in all our customer interactions.

Service Commitments

GENERAL	
Processing of Proposal and Communication of Decisions including requirements/issue of policy /cancellations	15 days
Obtaining copy of the proposal	30 days
Post policy issue service requests concerning mistakes/refund of premium on account of freelook cancellations and also Non claim related service requests	15 days
Refunding of proposal deposit under any circumstances	15 days from the date of underwriting decision date

LIFE INSURANCE

Surrender value/annuity/pension processing	15 days
Maturity claim/survival benefit/penal interest not paid	15 days
Raising claim requirements after lodging the claim	15 days
Death claim settlement without investigation requirement	30 days
Death claim settlement /repudiation with investigation requirement	90 days
GRIEVANCE	
Acknowledge a grievance	3 working days
Resolve a 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.

5. GRIEVANCE REDRESSAL / RESOLUTION OF COMPLAINTS

At Bharti AXA Life 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 responded to within the prescribed regulatory Turn Around Time (TAT) of 14 days.
- 1.2. Written complaint vide letter or email from the registered email id is mandatory. On a case-to-case basis, the Company shall discuss the concerns with customer over calls or personal meetings. An acknowledgement letter/ email will be issued to the customer within 3 working days of the receipt of complaint at the Grievance Cell.

- 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
 - c. 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. Bharti AXA Life 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:

Tel. No.: 1800 102 4444 / 022-4881 5678

Email id: gro@bharti-axalife.com

Service Unit Office Address: Spectrum tower, 3rd Floor, Malad Link Road, Malad West, Mumbai -400064, Maharashtra.

Registered Office Address: Unit No. 1904, 19th Floor, Parinee Crescenzo, 'G' Block, Bandra Kurla Complex, BKC Road, Near MCA Club, Bandra East, Mumbai -400051, Maharashtra

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:

- Lodge a complaint online at www.bharti-axalife.com

- Call us at our toll free no. 1800 102 4444
- Email us at complaints.unit@bharti-axalife.com
- Write in to our below Communication address:

Grievance Redressal Cell, Bharti AXA Life Insurance Company Ltd., Spectrum tower, 3rd Floor, Malad Link Road, Malad West, Mumbai -400064, Maharashtra

- Visit our nearest branch and meet our Grievance Officer (i.e the designated Branch Head) 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, Bharti AXA Life Insurance Company Ltd., Spectrum tower, 3rd Floor, Malad Link Road, Malad West, Mumbai -400064, Maharashtra; or
- Email us at head.customerservice@bharti-axalife.com
- 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 by logging at www.bharti-axalife.com or <https://www.irdai.gov.in/>

CLOSURE OF GRIEVANCE

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
- Where the complainant has indicated in writing, acceptance of the response of the insurer
- Where the complainant has not responded to the insurer within 8 weeks of the company's written response
- Where the GRO has certified that the company has discharged its contractual, statutory and regulatory obligations and therefore closes the complaint

ROLE OF GRIEVANCE REDRESSAL OFFICER

(Ref: IRDAI (Protection of Policyholders' Interest) Regulations, 2017)

"Every insurer shall have a designated Grievance Redressal Officer of a senior level at the corporate office. The GRO at the corporate office will be the contact person for IRDAI. Every other office of the insurer shall also have a designated Grievance Officer who shall be head of that office.

The CEO shall appoint the Grievance Redressal Officer of the Company

RESOLUTIONS, SOLUTIONS AND REMEDY (PENAL INTEREST)

Resolutions should be fair and may be non-financial or financial. Where a financial remedy is considered, appropriate aim should be to provide fair compensation. At a minimum, compensation should be given for any direct loss or damage caused as a result of a breach of obligations when providing a financial service.

Interest payment may be necessary for certain complaints where there has been an internal delay or lapse in service by the Company. The decision for interest payment will be made after approval has been received from respective stake holders. . As per IRDA (Protection of Policyholders' Interest) Regulations, 2017, in regulation 14 specifies that if there is delay on the part of Insurer beyond the timelines mentioned in the regulation, the insurer shall pay interest at a rate, which is 2% above bank rate from the date of receipt of request or receipt of last necessary document if any whichever is later. ". The customer needs to be kept in mind during all stages of the investigations, as well as of the outcome.

SYSTEM FOR MANAGING COMPLAINTS

Bharti AXA Life 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.

REPORTS

Grievance Redressal Cell shall send all the reports as prescribed by the Regulator, Board, Region and Stake holders. With effect from 1 June 2013, we shall be reporting complaints as on the date these are reported in the Complaints Handling System.

6. STEPS TAKEN AT BHARTI AXA LIFE TO PREVENT MIS-SELLING AND UNFAIR BUSINESS PRACTICES

Mis-selling means selling a product by giving a wrong picture of a product, it may include, giving wrong information, giving unrealistic information, not giving full information about the product.

Bharti AXA Life recognises various factors that result in mis-selling of policies and has created frameworks and counter-measures which are applicable to every activity of solicitation and sale of insurance products through the internet, e-mail, newspaper inserts, SMS and telephone to tackle and prevent instances that result in mis-selling of Insurance policies. Below are various initiatives taken by the Company to promote customer awareness:

Pamphlets and brochures

Marketing materials, such as leaflets, pamphlets, brochures etc. used for soliciting business by the distributors (which are pre-approved by the compliance) ensure that critical information necessary for the customer on the terms and conditions of the product / policy etc. are shared with the customer. Following are the key principles kept in mind while designing the marketing materials:

- language used for such disclosures is simple and free of jargons leaving no ambiguity
- benefits offered by the product are explicitly disclosed with examples, laying down the terms and conditions necessary, with exceptions if any
- procedure to be adopted for various options offered is clearly spelt out
- charges and the frequency of charges are prominently disclosed in the brochures and the policy document
- procedure for surrender / claims / Grievances Redressal are very clearly disclosed
- terms and conditions of the contract are adequately disclosed

Pre and Post sale Key Features Document (“KFD”)

Key Features Document, as the name suggests, contain the salient features of the products, which the customer proposes to purchase/has purchased

Benefits illustration table

Benefit illustration table has been mandated by the Regulator where the benefits payable under the products are not guaranteed – since the customer has to understand what he is buying. The company provides benefit illustrations for the ULIP and traditional products both.

Other measures

- Emphasis in training on the need for proper disclosures:
Training session to insurance advisors at regular intervals are conducted, focusing on the need for proper disclosure and consequences of mis-statements and non- disclosure in proposal forms and also a training is conducted on usage of ‘Advisor Confidential Report’, to bring to the notice of the Company any adverse information about the Customer
- Emphasis on disclosure of information with respect to income, occupation, health related questions in the proposal form in case of online sale:
In case of customer purchasing policy through online mode (i.e. customer buying by his own), for questions pertaining to income, occupation, health related questions, system pop-ups are built in, which alerts the customer to provide correct information.
- Pre-issuance verification calling (PIVC) to all customers who have logged in proposal:
Pre-issuance verification calling is carried out wherein calling made to each and every Prospect on login of the proposal to verify various details including basic details, product related details, Term of contract as well as the premium paying term of the product, etc. and once the Prospect clears the verification call and if there is no discrepancy, the policy is issued.
- Periodic communications to Policyholders:
Following periodic communications are sent to Policyholders –
(a) Fund performance as part of the annual report is shared with all the existing Policyholders

- (b) Unit account statement disclosing the actual charges levied and the fund /policy account value at the beginning and end of the year is shared with the Policyholders
 - (c) In case of non-ULIP, Traditional policy statement is sent to Policyholders
 - (d) Statement of account on a half yearly basis sent in respect of policies in force including discontinued policies where the proceeds are yet to be paid to the policyholder or her nominee giving details on total premium paid by the policyholder, next due date, status, total fund value, etc.
- Pro-active prior intimation to Policyholders on renewal, over-due, Lapsation, auto-termination, reduced paid-up, discontinuance, etc.
 - Every advertisement released as well as communication sent to customers includes awareness of spurious / fictitious calls

7. REVIEW

The policy shall be reviewed annually and any changes proposed shall be duly approved by the Board of the Company.