

**Kotak Ace Investment**  
A Unit Linked Life Insurance Plan  
(UIN- 107L064V05)

## **PART B**

### **A. DEFINITIONS:**

**1. Act:**

Means Insurance Act, 1938, as amended from time to time

**2. Age:**

Refers to the age of the Life Insured on the last birthday (as per the English calendar)

**3. Assignee:**

Means the person to whom the Policy is assigned and the notice of which is endorsed on the Policy by the Insurer.

**4. Basic Sum Assured:**

Means the risk cover (as given in the Schedule as Basic Sum Assured) guaranteed on death of the Life Insured subject to Policy being in force.

**5. Benefits:**

Benefits available under the Policy Document shall be in the event of death of the Life Insured or upon maturity or on discontinuance of this Policy. Details of these are mentioned under the “Benefits Payable” clause, to be read with the Terms & Conditions under this Policy Document.

**6. Claimant:**

Means, the Policyholder; or the Life Insured; or the Assignee; or the nominee; or the legal heir of the Policyholder or the nominee, as the case may be.

**7. Date of Commencement of Policy:**

As mentioned in Schedule above as Date of Commencement of Policy.

**8. Date of Commencement of Risk:**

The date mentioned in Schedule above as Date of Commencement of Risk.

**9. Date of Discontinuance of the Policy:**

Means, the date on which the Company receives the intimation from the Life Insured or the Policyholder about discontinuance of the Policy or the Surrender of the Policy or on the expiry of Grace Period whichever is earlier.

**10. Discontinued Policy Fund:**

Means the fund of the Company that is set aside and is constituted by the Fund Value less Discontinuance Charges of all discontinued policies determined in accordance with Insurance Regulatory and Development Authority of India (Unit Linked Insurance Products) Regulations, 2019 as amended from time to time.

**11. Discontinued Policy:**

Means a Policy which has reached the Date of Discontinuance and, depending upon the years since inception of the Policy, either:

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1. The Fund Value less Discontinuance Charges under the Policy have been transferred to Discontinued Policy Fund; or
2. Discontinuance benefit has been paid to the Policyholder as envisaged under the Policy Document, and the Policy has been terminated.

Provided that no Policy shall be treated as discontinued if, before the expiry of the Grace Period, the premium has not been paid due to the death of the Policyholder or the Life Insured or both or upon the happening of any other contingency covered under the Policy.

#### **12. Fund Value:**

Fund Value is the product of the total number of units under a Policy and the NAV. Wherever moneys are invested in several funds, the Fund Value will be the aggregate of the values computed separately for each fund.

The Unit Balance in respect of a particular Fund is the aggregate of the units bought (Available Monies allocated to this Fund, including money available on switching from another Fund at the Policyholder's request, divided by the prevailing Unit Price) minus the units sold (amounts withdrawn by the Company periodically to meet charges, or amounts switched out of this Fund at the Policyholder's request, divided by the prevailing Unit Price).

In determining the value of the Fund(s), the investments and other assets of the Fund(s) shall be valued at such values in accordance with the IRDAI Regulations/ Directions prevailing at that time. Due allowance shall be made for the expenses of the Fund(s), specified hereunder, and for any liability of the Fund(s) such as capital gains tax, capital levy or any other taxes.

#### **13. Grace Period:**

Means the time granted by the Company i.e. 30 days from the due date for the payment of premium for yearly, half-yearly and quarterly mode and 15 days for monthly mode without levy of any interest or penalty during which time the Policy is considered to be in-force with the risk cover without any interruption as per the terms of the Policy.

#### **14. Lock-in-period:**

Means the period of five consecutive Policy years from the date of commencement of the Policy, during which period the proceeds of the discontinued policies cannot be paid by the Company to the Claimant, as the case may be, except in the case of death or upon the happening of any other contingency covered under the Policy Document.

#### **15. Main Account:**

Consists of units purchased through Premiums (defined below).

#### **16. Minimum Age & Maximum Age:**

The Minimum age of the Life Insured at entry is 0 years

The Maximum age of the Life Insured at entry is 65 years for Regular Premium Payment Policies and 60 years for Limited Premium Payment Policies.

The Minimum age of the Life Insured at maturity is 18 years

The Maximum age of the Life Insured at maturity is 75 years

#### **17. Net Asset Value (NAV):**

The Unit price (NAV) will be calculated on each business day.

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The Net Asset Value will be calculated as:

Market Value of investment held by the fund + Value of any Current Assets – Value of Current Liabilities & Provisions if any

Number of Units existing on the valuation date before creation or redemption of any Units

Unit prices will be available from the Company on request and/or on the website of the Company.

Appropriate adjustments to Unit prices may be made by the Company to give effect to any changes in the prevailing tax laws or other legislation.

**18. Policy:**

Means the contract of insurance entered into between the Policyholder and the insurer as evidenced by Policy Document.

**19. Policy Document:**

Means the present contract of insurance which has been issued on the basis of the proposal, other representations and documents submitted by the Policyholder and/or the Life Insured(s).

**20. Premium:**

Means the total initial basic premium and subsequent premiums due and payable under the Policy towards the Main Account. The premium shall be subject to taxes as may be applicable from time to time.

**21. Premium Payment Term**

This is the period during which the Policyholder shall pay the Premium to get the full benefits as mentioned in the Schedule of the Policy. If the Premium Payment Term is less than the Policy Term, it shall mean Limited Premium payment Policy.

**22. Revival**

Means reinstatement of the Policy which was discontinued due to the non-payment of Premium, in accordance with the provisions of the Policy Document. Revival may be of the following two types and the same may be made before the date of maturity of the Policy but, within **the timelines indicated below:**

- a. 'Minor Revival': means revival made within six months from the due date of the first unpaid Premium causing the Policy to discontinue; and
- b. 'Major Revival': means revival made after six months but within three years from the due date of the first unpaid Premium causing the Policy to discontinue.

**23. Surrender:**

Means the request by the Policyholder (in prescribed format) to the Company, for termination of the Policy in accordance with the provisions of the Policy Document

**24. Top-Up Accounts:**

Consists of units purchased through individually allocated Top-Up Premiums, if any.

**25. Top-Up Premiums:**

Means additional premiums paid towards the Top-Up Accounts.

**26. Top-Up Sum Assured:**

Means the risk cover in respect of Top-Up Premiums, if any, paid and guaranteed on death of the Life Insured. The Top-Up Sum Assured shall be calculated as 1.25 x Top-Up Premium.

**27. Unit:**

Unit means the interest of the unit holders in a fund, which consists of each unit representing one undivided share in the assets of a fund;

## PART C

### 1. BENEFITS PAYABLE

#### **I. Maturity Benefit:**

On survival of the Life Insured to the end of the Policy Term, if the Policy is in force or is in Reduced Paid-Up mode at the time of maturity, the benefit available on maturity will be:

- Fund Value in the Main Account; plus
- Fund Value in the Top-Up Account(s), if any.

The Policyholder will have following options of taking the maturity proceeds:

- Entire maturity proceeds as an immediate payout in one go, OR
- in installments through Settlement Option (as described below)

#### **Settlement Option:**

The Policyholder may take the Maturity Benefit either as:

- i. 50% as a lump sum and the balance through regular installments over a maximum period of five years (Settlement Period),  
OR
- ii. through regular installments over a period of five years (Settlement Period).

At the end of the Settlement Period, the balance Fund Value, if any, will be payable as lump sum.

#### **The Settlement Option shall be subject to the following conditions:**

1. To exercise this Settlement Option at the time of maturity, the Policyholder must inform the Company within a period of 3 months preceding the maturity of the Policy.
2. The first instalment under Settlement Option shall be payable on the date of maturity.
3. At maturity, the Policyholder must pre-specify the mode in which the instalments need to be paid (e.g. quarterly, semi-annually or annually).
  - i In case of Settlement Option *i*. above, after the payment of lump sum amount, 20% of the balance amount shall be payable each year (i.e. 10% of the Maturity Benefit) during the Settlement Period.
  - ii In case of Settlement Option *ii* above, the yearly instalments i.e. 20% of Maturity Benefit will be payable during Settlement Period.
  - iii In case of non-annual modes, the yearly instalments for each year shall be further divided equally as per the mode chosen.
4. In case of death of Life Insured during Settlement Period, higher of 105% of total premiums paid or balance Fund Value shall be paid immediately in lump sum and the Policy shall cease. No other benefit is provided during Settlement Period.
5. During the Settlement Period, the investment risk will be borne by the Policyholder.

Fund Management Charges (FMC) and the applicable taxes (currently Goods and Services tax and cess, if applicable) will be recovered by adjustments to the NAVs of the funds invested in. Switching charges, if any, shall be levied through cancellation of units. Mortality charge will be also be levied during Settlement Period based on the Sum at Risk through deduction of units. Other charges will not be applicable.
6. Only Self Managed Investment Strategy will be available for choosing Funds available during Settlement Period. The Policyholder need to specify the funds into which maturity amounts are to be maintained with the Company. Such selection of funds must be specified at the time of pre-settlement notification.
7. Switching between the funds will be allowed during the Settlement Period.

8. Partial Withdrawals and Top-Up Premiums will not be allowed during the Settlement Period.
9. The number of Units to be liquidated to meet each payment shall depend on the respective fund NAVs as on the date of each payment.
10. If the Policyholder requests for pre-closure or the Fund Value is insufficient (due to volatility in the market or due to Charges) to pay the desired amount of instalment, then the balance Fund Value will be payable and the Policy shall stand terminated without levying any other charges.
11. During this settlement period, the investment risk will be borne by the Policyholder. Thus there is a possibility that the Fund Value can grow or deplete during the Settlement period and the return/risk of such movement will be borne by the Policyholder. Accordingly the Total Benefit payable under the product may vary.

**Note:**

The Fund Value will be computed based on the closing Net Asset Value (NAV) on:

- i. the business day coinciding with the date of maturity if it is a business day; or
- ii. the next business day if the date of maturity falls on a holiday.

**II. Death Benefit:**

1. If all the due Premiums are paid up to date or during grace period, the benefits available on the death of Life Insured will be:

Highest of:

- Basic Sum Assured less applicable partial withdrawal\* amount from the Main Account (if any); or
- 105% of the total Premiums paid up to the date of death less applicable partial withdrawal\* amount from the Main Account; or
- Fund Value in Main Account.

PLUS

In case of each Top-Up Premium paid, If any:

Highest of:

- Top-Up Sum Assured ; or
- Fund Value of Top-Up Account; or
- 105% of the total Top-Up Premiums paid.

If death occurs, while the policy is in force, death benefit explained above will be payable.

2. On the death of the Life Insured during the Discontinuance of Policy:

- a) **On Death of the Life Insured , where discontinuance of the Policy has occurred during the first 5 Policy years:**

Balance in the Discontinued Policy Fund will be payable immediately.

- b) **On death of the Life Insured where the Policy is discontinued any time after completion of Lock-in Period of five years and not terminated within the revival period of three years:**

Higher of:

- Reduced Paid-up Sum Assured less applicable partial withdrawal\* amount from the Main Account (if any); or
- Fund value in the Main Account ; or

- 105% of the total Premiums paid till date of death less applicable partial withdrawal\* amount from the Main account (if any).

PLUS,

In respect of each Top-up Premium paid, if any:  
Higher of,

- Top-up Sum Assured ; or
- Fund value in the Top-up Account; or
- 105% of the total Top-up Premiums paid.

Where,

Reduced Paid-Up Sum Assured = [(Original Sum Assured) × (Total number of Premiums Paid/original number of Premiums payable under the Policy)]

\*Adjusted for applicable Partial Withdrawals as mentioned in Partial Withdrawal section.

Once the benefit on discontinuance is paid, the Policy terminates.

#### **Distribution of Basic Death Benefit:**

Basic Death Benefit is payable as a lump sum and no settlement option is available. Once this benefit is paid, the Policy terminates and no further benefits are payable.

#### **III. Rider Benefits:**

The following Riders are available for choice with the Policyholder and the corresponding benefits will be available on choosing the respective Rider. Applicable Rider Charges will be deducted from the Fund Value if the Riders are chosen.

- **Kotak Accidental Death Benefit Rider (Linked) (UIN 107A017V01):** In addition to the death benefit as per the base plan, the Rider Sum Assured is payable in case of an unfortunate demise of the life insured due to accident.
- **Kotak Permanent Disability Benefit Rider (Linked) (UIN 107A018V01):** In case of Total & Permanent disability of the life insured due to accident, the Rider Sum Assured is payable and the base Policy continues. The benefits under the Riders shall be subject to the terms and conditions of the specific Riders.

#### **2. Premiums Payable**

The annual Premiums, are payable in advance or on the anniversary of the date of commencement of the Policy. With the consent of the Company, the Premiums can be paid by half-yearly or quarterly or monthly instalments. If all the due Premiums are paid till date, the Policyholder can make additional Top-Up Premiums at any point of time during the Policy term (except the last 5 Policy years) subject to the condition as defined herein.

It shall not be obligatory on the Company to issue any communication to a Policyholder conveying that his/her premium paying instrument (including those for any other payments under the Policy) has bounced and/or any standing instructions by the Policyholder to a bank has not been honoured, thereby resulting in non-payment/non-receipt of the premium(s)/payments under the Policy. As mentioned above it shall be the sole responsibility of the Policyholder to ensure that the premiums as mentioned herein (including for any other payments under the Policy) are duly and properly discharged. In case of any Cheque getting dishonoured a Fee of Rs 250 shall be collected.

The Company may by way of written intimation remind the Policyholder of the Premium due and payable under this Policy. However, whether or not such intimation is received by the Policyholder, it shall be the sole responsibility of the Policyholder, at all times, to discharge the Premium obligations as mentioned in the Policy.

Premiums/Charges may be revised by the Company to give effect to any changes in the prevailing tax laws or other legislation.

**Mode of premium payment:** <Annual/Half-yearly/Quarterly/Monthly>

Due date(s) of Future premium payments:

Benefit	Regular Premium (Rs.)	Date of Commencement	Date Last Premium Due
Basic Benefit			

Total <Annual/Half-yearly/Quarterly/Monthly>/ Premium Payable is the Premium for Basic Benefit: Rs.\_\_\_\_\_. Goods and Services Tax and Cess, as applicable, at the prevailing rate will be adjusted from the Fund Value.

Special Conditions, if any:

Signed for and on behalf of Kotak Mahindra Life Insurance Company Limited  
at Mumbai on

Authorised Signatory

## PART D

### 1. Discontinuance of Policy

#### A. Discontinuance due to non-payment of premium:

If any premium is not paid within the Grace Period, the Policy shall be treated to have been discontinued. The treatment of such discontinued policy shall be as under:

##### 1) If Policy is discontinued during the first five years (within Lock-in period):

- i. If premiums are not paid within the Grace Period, the Fund Value after deducting applicable discontinuance charges shall be credited to the Discontinued Policy Fund, the life cover and rider cover (if any) shall cease.
- ii. This Discontinued Policy Fund will earn interest rate at least equal to the minimum guaranteed interest (currently 4% p.a.) as specified by IRDAI till the end of lock-in period (5 years from policy inception) or revival period as applicable. The minimum guaranteed interest rate applicable to the Discontinued Policy Fund shall be declared by the Authority from time to time.
- iii. On such discontinuance, Company shall communicate the status of the Policy to the Policyholder within 3 months of the first unpaid Premium and provide the option to revive the Policy within the revival period of 3 years or end of Lock-in period whichever is earlier.

The treatment under various scenarios is tabulated below -

	Description	Treatment
1.	The Policyholder revives the Policy i.e.  Policyholder pays the due & unpaid premiums and revives the Policy.	The Policyholder revives the Policy, the Policy shall be revived restoring the original risk cover (including the rider cover, if applicable) along with the investments made in the segregated funds as chosen by the Policyholder, out of the Discontinued Policy Fund value, less the applicable charges in accordance with the terms and conditions of the Policy.  The company, at the time of revival: <ol style="list-style-type: none"> <li>i) Shall collect all due and unpaid Premiums without charging any interest or fee.</li> <li>ii) Policy administration charge and premium allocation charge as applicable during the discontinuance period will be deducted. No other charges shall be deducted.</li> <li>iii) Shall add back to the fund, the discontinuance charges deducted at the time of discontinuance of the policy.</li> </ol>
2.	The Policyholder opts to Revive the Policy (any time before the end of revival period or lock-in period whichever is earlier).  a) Revives the Policy within a revival period of 3 year b) Does not revive the Policy within Revival Period of 3 years	a) The treatment will be same as Scenario 1 above.  b) The proceeds of the Discontinued Policy Fund shall be payable to the Policyholder at the end of lock-in period or revival period whichever is later.  In respect of revival period ending after lock-in period, the Policy will remain in discontinuance fund till the end of revival period. The Fund management charges of discontinued fund will be applicable during this period and no other charges will be applied.
3.	The Policyholder doesn't exercise the option to revive the Policy	The Policy fund shall remain invested in the Discontinued Policy Fund without any risk cover and rider cover (if any)

		and proceeds of the Discontinued Policy Fund Value shall be payable to the Policyholder at the end of lock-in period and Policy shall terminate.
4.	The Policyholder has the option to surrender the Policy	i) The Policyholder has to intimate this to company in writing ii) Fund Value (less applicable discontinuance charges) will be moved into the Discontinuance Policy Fund. iii) Proceeds of the Discontinued Policy shall be paid to the Policyholder upon completion of the lock-in period or date of surrender, whichever is later and the Policy gets terminated

Notes:

- iv. Facilities such as fund switches, switching between strategies and Partial Withdrawals will not be allowed during this Discontinuance Period.
- v. Fund Management Charge of 0.50% p.a., will be charged daily at the time of computation of NAV of the 'Discontinued Policy Fund'. This may be subject to change as notified by Authority from time to time.
- vi. Upon payment of the proceeds from Discontinued Policy Fund, the Policy shall be terminated and no further Benefits shall be payable under the Policy.
- vii. Investment Strategies will not be available if the Policy is in the Discontinuance.
- viii. Top-Ups will not be allowed during Discontinuance period.
- ix. The Company may accept or decline the request for revival (made by the policyholder in writing), or accept the request for revival on such terms and conditions as it deems fit. The revival of the Policy will not be automatic, it will always be subject to underwriting and it shall be effective only after the Company's approval is communicated in writing to the Policyholder.

**2) If Policy is discontinued after the Lock-In period:**

If premiums are not paid within the stipulated Grace Period, the Policy shall be converted into a Reduced Paid-up Policy with the Reduced Paid-up Sum Assured, as per the provisions of this Policy –

Original Sum Assured \* (Total Number of Premiums Paid / Original Number of Premium Payable during the Policy Term)

- i. The Policy shall continue to be in Reduced paid-Up status without rider cover (if any) until the end of revival period. All charges shall be deducted during the revival period. Mortality Charges shall be deducted on the Sum at Risk based on the Reduced Paid-Up death benefit.
- ii. On such discontinuance, the Company shall communicate the status of the Policy to the Policyholder within 3 months of the first unpaid premium and provide the following options :
  - Option 1: Revive the Policy within the revival period of 3 years
  - Option 2: Complete withdrawal of the Policy

The treatment under various scenarios is tabulated below -

	Description	Treatment
1.	The Policyholder revives the Policy i.e. Policyholder pays the due & unpaid premiums and revives the Policy.	The Policy shall be revived by payment of due and unpaid premiums without paying any interest or fee. However, the premium allocation charges shall be deducted on revival (if applicable)

2.	The Policyholder opts to Revive the Policy i.e. chooses Option 1. The Policyholder may revive the Policy any time before the end of revival period.  a) Revives the Policy within a period of 3 policy years from the date of first unpaid premium  b) Does not revive the Policy within Revival Period	a) The treatment will be same as Scenario 1.  b) The policy shall continue to be in Reduced Paid-Up status. The Fund Value shall be payable to the Policyholder at the end of revival period and the policy shall terminate
3.	The Policyholder doesn't exercise any options mentioned in the communication letter	The Policy shall continue to be in Reduced Paid-Up status. At the end of the revival period, the proceeds of the Policy fund shall be paid to the Policyholder and the Policy shall terminate
4.	The Policyholder opts for complete withdrawal of the policy i.e. chooses Option 2.	The proceeds of the fund value as on date of withdrawal shall be payable immediately and Policy shall terminate.
5.	The policyholder has the option to surrender the policy	The proceeds of the fund value as on date of surrender shall be payable immediately and Policy shall terminate.

Notes:

- i. In case, Date of Maturity falls within the three-year revival period, the Fund Value shall be payable at the end of Policy Term.
- ii. Facilities such as fund switches, switching between strategies, partial withdrawal, will be available during Reduced Paid-up status
- iii. Investment Strategies will be available if the Policy is in Reduced Paid-Up status.
- iv. Top-Ups will not be allowed if the policy is converted to Reduced paid-up
- v. The Company may accept or decline the request for revival (made by the policyholder in writing), or accept the request for revival on such terms and conditions as it deems fit. The revival of the Policy will not be automatic, it will always be subject to underwriting and it shall be effective only after the Company's approval is communicated in writing to the Policyholder.

3) If the Policy is already assigned, the status of the Policy should be informed to the Assignee.

## B. Surrender / Discontinuance due to Surrender

The Policyholder can surrender (completely withdraw) the Policy without any risk cover at any point of time (i.e. within Lock-in Period or after Lock-in Period). To Surrender the Policy the Policyholder has to intimate the Company in writing.

### a. Within Lock-in Period

- i. If request for Surrender (complete withdrawal) is made during the Lock-in Period, on acceptance of request by the Company the Fund Value of the Policy will be transferred to the Discontinued Policy Fund after deduction of Discontinuance Charges. Proceeds of the Discontinued Policy (after addition of interest computed at the interest rate specified by IRDAI from time to time) shall be refunded only upon completion of the Lock-In Period, or date of surrender (for policies where the Policyholder has chosen the option to revive the policy and the revival period ends after the lock-in period), whichever is later, and the Policy shall stand terminated.
- ii. The excess Income earned on Discontinued Policy Fund over and above the minimum guaranteed interest rate shall also be apportioned to the discontinued policy.
- iii. The Company may deduct the applicable discontinuance charges on the date of discontinuance of policy on such policies.

**b. After Lock-in Period**

If request for Surrender (complete withdrawal) is made after Lock-in Period, the Fund Value will be paid immediately and the Policy gets terminated

**C. Revival of Policy:**

**i. Within Lock-in Period:**

The Policyholder may revive his/her discontinued Policy within three years from the date of first unpaid Premium, by paying all the due premiums on the date of revival without any interest or fee. The Company may levy Policy Administration charges and Premium Allocation charges as applicable during the Discontinuance period. Upon revival of the Policy any Discontinuance Charges deducted from the Fund at the time when the Policy was Discontinued will be added back to the current Fund Value of the Discontinued Policy Fund, and the amount will be utilized to buy units of the segregated funds chosen by the Policyholder, at the unit price (NAV) prevailing as on the date of such revival. This Discontinued Policy Fund will earn interest rate at least equal to the minimum guaranteed interest (currently 4% p.a.) as specified by IRDAI till the end of lock-in period (5 years from policy inception) or revival period as applicable. The minimum guaranteed interest rate applicable to the Discontinued Policy Fund shall be declared by the Authority from time to time. Upon revival of the Policy the risk cover and investment in the respective funds will continue and there would be no revival charge.

**ii. After Lock-in Period:**

The Policyholder may revive his/her Policy within three years from the first unpaid Premium, by paying all the due premiums on the date of revival without any interest or fee. However, the premium allocation charges shall be deducted on revival (if applicable)

The Investment Strategy shall be revived along with the Policy if the Policy has been discontinued within the Lock-In Period and revived subsequently. Further, the investment strategy shall be active during the Reduced Paid-Up state

All the benefits will be reinstated subject to Underwriting and after realization of payment of due premiums. The revival of the Policy will be effective after the Company's approval is communicated in writing to the Policyholder.

The Company may, accept or decline the request for revival (made by the Policyholder in writing) or accept the request for revival on such terms and conditions as it deems fit.

**D. Partial Withdrawals**

The Partial Withdrawals are allowed only after completion of the Lock-in Period and the premiums during the Lock-in Period have been paid in full. Partial Withdrawal will only be allowed if the Life Insured has attained 18 years of age. The Partial Withdrawal from Main Account will be allowed only if there is insufficient amount in the Top-Up Account(s) (if any) or the relevant Top-Up Account(s) are still in their lock-in periods of five years (from the date of Top-Up payment).

Premium payment from Top-Up Account to the Main Account will be treated as Partial Withdrawal from Top-Up Account.

The minimum amount of Partial Withdrawal is Rs.10,000.

In case of Partial Withdrawals, at the time of calculation of death benefit, the Basic Sum Assured and 105% of total premiums paid, shall be reduced to the extent of Partial Withdrawals made from the Fund Value of the Main Account during the two years period immediately preceding the date of death of the Life Insured. Partial Withdrawals made from the Fund Value during the two years period immediately preceding the date of death shall be referred as "Applicable Partial Withdrawals"

The minimum amount required to be maintained in the Main Account after Partial Withdrawal is equal to 50% of the total Premiums paid till the date of Partial Withdrawal. Partial Withdrawals that result in Fund Value in the Main Account being less than 50% of the total Premiums paid till the date of Partial Withdrawal will not be allowed. If the Fund Value in the Main Account (after Partial Withdrawal) falls below 50% of the total Premiums paid till the date of Partial Withdrawal, either because of a charge or due to a fall in NAV, the Policy will continue till Fund Value in the Main Account remains positive.

The partial withdrawals leading to termination of the Policy shall not be allowed. Partial withdrawal will not be allowed during Discontinuance state and during Settlement Period. Partial withdrawal will be allowed during reduced paid-up state.

## **2. Loans**

Loan option is not available under this Policy.

## **3. Free Look Provision**

The Policyholder is offered 15 days free look period for a Policy sold through all channels (except for Distance Marketing\* Channel which will have 30 Days) from the date of receipt of the Policy wherein the Policyholder may choose to return the Policy stating the reasons thereof, within 15 days / 30 days of receipt if s/he is not agreeable with any of the terms and conditions of the Policy. Should s/he choose to return the Policy, s/he shall be entitled to a refund of the non-allocated premium plus charges levied by cancellation of Units plus fund value at the date of cancellation after deducting proportionate risk charges, stamp duty, cost of medical examination, if any and other expenses in accordance with IRDAI (Protection of Policyholders' Interests) Regulations, 2017. If the Policy has been opted through Insurance Repository (IR), the consideration of the free look period of 15 / 30 days (as per the applicable channel as mentioned above) shall be from the date of email sent by the IR.. A Policy once returned shall not be revived, reinstated or restored at any point of time and a new proposal will have to be made for a new Policy. In addition to the above, Free Look Provision as per the base Policy is also applicable on the Rider Policy. The Rider stands cancelled when the Free Look Provision of the base Policy is exercised.

\*Distance Marketing includes every activity of solicitation (including lead generation) and sale of insurance products through the following modes: (i) Voice mode, which includes telephone calling (ii) Short Messaging service (SMS) (iii) Electronic mode which includes e-mail, internet and interactive television (DTH) (iv) Physical mode which includes direct postal mail and newspaper & magazine inserts and (v) Solicitation through any means of communication other than in person.

## **4. Vesting on attaining majority**

Where the Policy has been issued on the life of a minor, the Policy shall automatically vest on him/her with effect from the date of completion of 18 years of age and the Life Insured would be the holder of the Policy from such date, subject to assignment, if any. The Company shall thereafter enter into all correspondence directly with him.

In case the Policy is held by a minor, the Company shall till the date of his/her attaining majority seek instructions from and enter into all correspondence directly with the Legal Guardian whose details are made available to the Company. The Company shall not be held responsible vis-à-vis the Policyholder for any acts executed by it, based on any instructions issued to it by such a Guardian.

## PART E

### 1. Allocation of Available Monies to Fund(s):

Available Monies means the Premium(s) paid after deducting Premium Allocation Charges (please refer Clause on Charges for details of these and other charges), applicable taxes/levies etc.

In this Plan, Policyholder has the flexibility to choose from three Investment Strategies i.e. Self Managed Strategy, Age Based Strategy and Systematic Switching Strategy (SSS). Anytime during the Policy Term, Policyholder can choose to exit the opted Strategy and select other Strategy that will be effective from next Policy anniversary. In such scenario, the funds in existing Investment Strategy will be transferred to the opted Investment Strategy. Policyholder will also have the option to stop the Investment Strategy at any point of time during the Policy Term by a written request and it shall take effect from the next policy month after the receipt of written request. On such a request, Policyholder will have to select from the funds available under Self Managed Strategy for transfer of the funds.

#### I. Self-Managed Strategy:

- i. The Policyholder will have the option to choose from the available funds and the allocation percentage in each fund. The available fund options are as follows:
  1. Classic Opportunities Fund
  2. Frontline Equity Fund
  3. Balanced Fund
  4. Dynamic Bond Fund
  5. Dynamic Floating Rate Fund
  6. Dynamic Gilt Fund
  7. Money Market Fund

#### ii. **Important Terms & Conditions:**

- Switching from one fund to another is available for any number of times during each Policy year.
- After utilizing available free switches during a Policy year, fund switching will be chargeable as mentioned in the Switching Charges section below. Switching to another Investment Strategy can be done during the Policy term but shall be effective from next Policy anniversary.
- In case the Policyholder wants to switch to SSS or Age Based Strategy, entire funds shall get transferred from existing Investment Strategies to the opted strategy.
- Premium Redirection will only be available to redirect future premiums in:
  - Self Managed Strategy, or
  - SSS, or
  - Age Based Strategy.
- If SSS or Age Based strategy is opted for Premium Redirection, before processing the request, existing funds in Self Managed Strategy will be transferred to the opted Investment Strategy.
- In case of additional investment through Top-Up premium, it can be invested in only Self Managed Strategy as per proportion defined by Policyholder
- This Investment Strategy will be available for all premium payment options and modes offered under the Policy.

#### II. Age Based Strategy:

In this investment strategy, allocation is done basis attained Age and chosen Risk Appetite (mentioned in Schedule, if opted for).

- i. The risk appetite of the Policyholder is classified into three categories: **Aggressive, Moderate and Conservative. The allocation** is done between **Classic Opportunities Fund** and **Dynamic Bond Fund**. The allocation matrix is as follows:

**a. Aggressive**

Age of Life Assured (years)	Classic Opportunities Fund	Dynamic Bond Fund
0-25	80%	20%
26-35	70%	30%
36-45	60%	40%
46-50	50%	50%
51 onwards	40%	60%

**b. Moderate**

Age of Life Assured (years)	Classic Opportunities Fund	Dynamic Bond Fund
0-25	70%	30%
26-35	60%	40%
36-45	50%	50%
46-50	40%	60%
51 onwards	30%	70%

**c. Conservative**

Age of Life Assured (years)	Classic Opportunities Fund	Dynamic Bond Fund
0-25	60%	40%
26-35	50%	50%
36-45	40%	60%
46-50	30%	70%
51 onwards	20%	80%

In case of a change in the Risk Appetite during the Policy term, the same can be done only 4 times in a Policy year free of cost through a written request and shall be effective from next month-versary (monthly Policy anniversary).

**ii. Monthly rebalancing:**

On a monthly basis, Units shall be rebalanced as necessary to achieve the above proportions of the Fund Value in the identified funds. The re-balancing of units shall be done on the monthly Policy anniversary. The above proportions shall apply until the last 12 Policy months are remaining.

**iii. Safety on maturity:**

As the Policy approaches the Maturity date, to ensure that short-term market volatility does not affect the accumulated savings, the total corpus will be transferred from the above funds to the Money Market Fund during last 12 Policy months in the manner as mentioned below:

Proportion of units transferred from funds mentioned above to Money Market Fund

Policy Month	1	2	3	4	5	6	7	8	9	10	11	12
Proportion of units transferred	1/12	1/11	1/10	1/9	1/8	1/7	1/6	1/5	1/4	1/3	1/2	1/1

**iv. Important Terms and Conditions:**

- Switching from one fund to another shall not be allowed. However, switching to another Investment Strategy can be done during the Policy term but shall be effective from next Policy anniversary. For

Top-Up Account, all Top-Up Accounts will be switched together from one Investment Strategy to the other.

- Opted Risk Appetite can be changed during the Policy term by a written request which shall be effective from next monthly Policy anniversary. The Risk Appetite can be changed only 4 times in a Policy year. There is no charge for changing Risk Appetite.
- Whenever this Investment Strategy is opted, the fund allocation shall be done basis the attained Age of the Life Insured under the opted Risk Appetite. This investment strategy cannot be opted in last Policy year.
- Premium Redirection will only be available to redirect future premiums in;
  - Self Managed Strategy, or
  - SSS
 Before processing the request, existing funds in Age Based strategy will be transferred to the selected Investment Strategy in the proportion as specified in Premium Redirection form.
- In case of additional investment through Top-up, top-up premium will be invested in the above mentioned funds and in proportion as applicable to the base plan premium.
- This Investment Strategy will be available for all premium payment options and modes offered under the Policy.

**Systematic Switching Strategy:**

- i. Systematic Switching Strategy (SSS) will enable the Policyholder to switch his/her holding from one Fund to another in a systematic manner. Systematic Switching Strategy allows investing all or some part of the investment in Money Market Fund and transferring a pre-defined amount every month into, either Classic Opportunities Fund or Frontline Equity Fund based on selection. This shall be executed by redeeming the required number of Units from Money Market Fund at the applicable Unit value, and allocating new Units in the Classic Opportunities Fund or Frontline Equity Fund at the applicable Unit value. The transfer is executed automatically at the beginning of the Policy month (even at the inception of the Policy) in the following manner:

Policy Month 't+1'	$(\text{Premium Payment Frequency} / (12 - (t * \text{Premium Payment Frequency}))) \times$ the Units available at the beginning of Policy Month t
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where,

- Premium Payment Frequency is number of times premium is payable in a Policy year.
- 't' is number of complete months elapsed since last premium payment due date
- the above formula is applicable for both, Base Plan and Top-Up Account

For Example, Proportion of units transferred in Half-Yearly mode will be as follows:

Policy Month	1	2	3	4	5	6
<b>Proportion of units transferred</b>	1/6	1/5	1/4	1/3	1/2	1/1

**Important Terms and Conditions:**

- Policyholder can avail this option at inception or any Policy anniversary.
- It can be stopped at any point of time during the Policy term by a written request which shall be effective from next monthly Policy anniversary. It can also be re-started at any point of time during the Policy term by a written request which shall be effective from next Policy anniversary.
- In last Policy year, SSS will stop automatically if Systematic Exit Strategy has been selected.
- Premium Redirection will only be available to redirect future premiums in;
  - Self Managed, or
  - Age Based strategy

If Self Managed or Age Based strategy is opted for Premium Redirection, before processing the request, existing funds in Systematic Switching strategy will be transferred to opted investment strategy.

- In case of additional investment through Top-Up, premium can be invested in only SSS. The formula for Top-Up will be applicable from the date of payment of Top-Up premium. The formula for Top-Up SSS will apply for a year assuming annual frequency and the Policy month will mean the Policy month of Top-Up (will start from Policy month 1) which can be different from base plan. This proportion would apply to all premiums under Top-Up Account.
- This Investment Strategy will be available for all premium payment options and modes except monthly and quarterly modes. This strategy will not be available in the last Policy year if Systematic Exit Strategy has been selected.
- If the strategy is switched to any other Strategy, the Funds under Main Account as well as Funds under Top-Up Account, if any, will be transferred to respective Accounts under opted Strategy.
- Systematic Switching Strategy cannot be opted after the completion of all the Premiums payable under the Policy.

ii. Systematic Exit Strategy (SES)

Systematic Exit Strategy (SES) will enable the Policyholder to transfer the amount from Classic

Opportunities Fund or Frontline Equity Fund to Money Market Fund over the last 12 months of the Policy in the following manner:

Proportion of units transferred from other funds to Money Market Fund:

Policy Month	1	2	3	4	5	6	7	8	9	10	11	12
Proportion of units transferred	1/12	1/11	1/10	1/9	1/8	1/7	1/6	1/5	1/4	1/3	1/2	1/1

**Important Terms & Conditions:**

- This strategy cannot co-exist along with any other investment strategy offered and it will operate after the Systematic Switching Strategy is over if the customer has opted for it.
- Although SES can be availed by the Policyholder at Policy inception or at any point of time prior to the last Policy year, but it will commence only in the last Policy year.
- It can be stopped at any point of time during the Policy term, even when operational, by a written request which shall be effective from next monthly Policy anniversary

**III. Rules for Investment Strategies:**

- The strategies can be availed at the option of the Policyholder, exercisable at Policy inception or on any Policy anniversary.
- Anytime during the Policy term, the Policyholder can choose to exit the opted Strategy and select other Strategy that will be effective from next Policy anniversary. In such scenario, the funds in existing Investment Strategy will be transferred to the opted Investment Strategy.
- The Policyholder can also stop the Investment Strategy at any point of time during the Policy term by a written request and it shall take effect from the next Policy month after the receipt of written request. On such a request, Policyholder will have to select from the funds available under Self Managed Strategy for transfer of the funds.
- The Policyholder will have the option to re-start the Investment Strategy at any point of time during the Policy term by a written request and it shall take effect from the next Policy anniversary after the receipt of request.
- The strategies cannot co-exist along with other Investment Strategies offered. However, switching to another strategy is allowed, which in turn will be effective from next Policy anniversary. Funds under existing strategy will be transferred to the Funds under new strategy on the next Policy anniversary.
- Investment in more than one Investment Strategy simultaneously shall not be allowed. The default strategy will be Self Managed. Fund allocation shall be done as defined under the selected Investment Strategy.

- vii. The strategies will be available for Top-Up Premiums. The Fund allocation for Main Account and Top-Up Account can be same or different (applicable only for Self-Managed Strategy). However, Top-Up Account and Main Account will have same Investment Strategy.
- viii. Fund allocation shall be done as defined under the selected investment strategy.
- ix. Fund switches shall only be chargeable when the Policyholder exhausts all available free switches by doing manual fund switches (which is possible only in case of Self-Managed Strategy).
- x. Free fund switches available under this plan are exclusive of the fund switching initiated through Investment Strategies.
- xi. Investment Strategies will not be available during Discontinuance Period
- xii. Investment Strategies will not be operational if the Policy is in Discontinuance state except for a Paid-Up Policy. However, on revival, the Investment Strategy will also be revived, i.e. Investment Strategy applicable prior to discontinuance will automatically be available on revival.
- xiii. In case of a Paid-Up Policy, investments continue in the same Investment Strategy until changed. Systematic Switching Strategy will not be applicable as fresh premium will no longer be infused. Age Based and Self Managed Strategy will only be available.
- xiv. During Settlement period, only Self Managed Investment Strategy will be available. Policyholder will have to intimate the fund name under which the investments will continue during Settlement period.
- xv. There is no charge for selecting and switching Investment Strategy but the Fund Management Charge of the underlying funds shall be applicable.
- xvi. The strategies will be available for all Premium Payment Options and Premium Payment Modes offered under the Policy (except under Systematic Switching Strategy which is not available for quarterly and monthly mode).

## 2. **Fund Descriptions:**

**Note: When markets are turbulent, the asset allocation percentages indicated below may be changed in the interest of the Policyholder, in all funds, subject to prior approval from IRDAI.**

### i) **Money-Market Fund (ULIF-041-05/01/10-MNMKKFND-107) :**

The portfolio will consist of money market investments such as treasury bills, commercial paper, certificates of deposit, short-term deposits, debentures, bonds and Government securities etc.

	Minimum	Maximum
Short term Investments such as money market instruments, short term bank deposits, call money and cash	100%	100%

### ii) **Dynamic Floating Rate Fund (ULIF-020-07/12/04-DYFLTRFND-107) :**

The portfolio will consist of high quality floating rate debt instruments including corporate debt and infrastructure debt assets as defined in IRDAI regulations, Government securities and short term investments

	Minimum	Maximum
Investment in floating rate debt instruments/ Government /Government guaranteed securities	60%	100%
Short term Investments such as money market instruments, short term bank deposits, call money and cash	0%	40%

**iii) Dynamic Gilt Fund (ULIF-006-27/06/03-DYGLTFND-107):**

The portfolio aims to provide safety to capital by investing in Govt. Securities.

	Minimum	Maximum
Investment in Government / Government guaranteed securities	80%	100%
Short term Investments such as money market instruments, short term bank deposits, call money and cash	0%	20%

**iv) Dynamic Bond Fund (ULIF-015-15/04/04-DYBNDFND-107):**

The portfolio will consist of high quality debt instruments including corporate debt and infrastructure debt assets as defined in the IRDAI regulations, Government securities and short term investments.

	Minimum	Maximum
Investment in other debt securities	60%	100%
Short term Investments such as money market instruments, short term bank deposits, call money and cash	0%	40%

**v) Balanced Fund (ULIF-037-21/12/09-BALKFND-107):**

The portfolio will consist of listed Indian equity shares, debt instruments including corporate debt, Government securities and short term investments to provide moderate capital appreciation whilst avoiding excessive risk.

	Minimum	Maximum
Investment in listed equity shares	30%	60%
Investment in Government / Government guaranteed securities and other debt securities and infrastructure assets	20%	70%
Short term Investments such as money market instruments, short term bank deposits, call money and cash	0%	40%

**vi) Frontline Equity Fund (ULIF-034-17/12/09-FRLEQUFND-107):**

The portfolio will be professionally managed and primarily invested in listed equity and equity related investments. This will be a high risk portfolio with potential to earn high returns but coupled with high volatility of returns, which means that there can be negative returns in some year(s).

	Minimum	Maximum
Investment in equity shares / equity related instruments	60%	100%
Debt instrument	0%	40%
Money Market Instruments	0%	40%

**vii) Classic Opportunities Fund (ULIF-033-16/12/09-CLAOPPFND-107):**

The portfolio will be professionally managed and primarily invested in listed equity and equity-related investments. The equity investments will comprise a flexible mix of large-cap companies and mid-cap companies.

The high equity exposure in particular to mid-cap companies, offers investors the potential to earn superior returns in the longer term, but exposes the investor to increased volatility of returns and capital values in the short to medium term.

	Minimum	Maximum
Investment in equity shares / equity related instruments	75%	100%
Debt instrument	0%	25%
Money Market Instruments	0%	25%

**viii) Discontinued Policy Fund (ULIF-050-23/03/11-DISPOLFND-107)**

The portfolio will be professionally managed and primarily invested in low risk debt instruments. This will be a low-risk portfolio and will provide secured returns to the policies in discontinued state.

	Minimum	Maximum
Money Market Instruments	0%	40%
Govt. Securities	60%	100%

The asset categories under the Discontinued Policy Fund may vary in future in line with relevant IRDAI Regulations.

Note:

1. The various fund names offered under this contract do not in any way indicate the quality of these plans, their future prospects and returns.
2. The Money Market Fund (ULIF-041-05/01/10-MNMKKFND-107) is the default fund in case of closure/modification of any fund offered with this Plan.

### 3. CHARGES

#### **Premium Allocation Charge**

In respect of the Main Account:

This is a percentage of the basic premium appropriated towards charges from the basic Premium received. This is a charge levied at the time of receipt of Premiums. The balance known as allocation rate constitutes that part of Premium, which is utilized to purchase units for the Policy.

The Premium Allocation Charges are as follows:

All Premium levels	Premium Allocation Charge		
	Policy Year 1 to 2	Policy Year 3 to 5	Policy Year 6 onwards until the end of Premium Payment Term
	6%	4%	2%

In respect of the Top-Up Account(s), Top-Up Premium Allocation Charge is 2%. This is a percentage of the Top-Up Premium appropriated towards charges from the Top-Up Premiums received. This is a charge levied at the time of receipt of each Top-Up Premium. The balance known as allocation rate constitutes that part of the Top-Up Premium, which is utilized to purchase units for the Policy in Top-Up Account.

#### **Policy Administration Charges**

The administration charge is a percentage of the first year's annualized Premium paid and will be recovered through monthly cancellation of Units throughout the Policy Term

Annualised Premium Bands-	Policy Administration Charge
Up to Rs. 9,99,999	0.10% p.m. of first year's Annualized Premium, subject to maximum of Rs. 500 per month
Rs. 10,00,000 and above	NIL

These charges will not be applicable to the Top-Up Premiums paid into the Top-Up Account.

#### **Fund Management Charge**

This is a charge levied as a percentage of the value of assets and shall be appropriated by adjusting the Net Asset Value. This is a charge levied at the time of computation of Net Asset Value. The Fund Management Charge is as follows:

Fund	Charges as a % of the value of the assets in each fund of the Main / Top-Up Account
Classic Opportunities Fund (ULIF-033-16/12/09-CLAOPPFND-107)	1.35 % per annum
Frontline Equity Fund (ULIF-034-17/12/09-FRLEQFND-107)	1.35 % per annum
Balanced Fund (ULIF-037-21/12/09-BALKFND-107)	1.35 % per annum
Dynamic Bond Fund (ULIF-015-15/04/04-DYBNDFND-107)	1.20 % per annum
Dynamic Floating Rate Fund (ULIF-020-07/12/04-DYFLTRFND-107)	1.20 % per annum

Dynamic Gilt Fund (ULIF-006-27/06/03-DYGLTFND-107)	1.00 % per annum
Money Market Fund (ULIF-041-05/01/10-MNMKFFND-107)	0.60 % per annum
Discontinued Policy Fund (ULIF-050-23/03/11-DISPOLFND-107)	0.50% per annum

There is no charge for selecting and switching Investment Strategies but the Fund Management Charge of the underlying funds shall be applicable.

### **Mortality Charges**

Mortality charge is required to meet the benefits payable on death of Life Insured during each year. The Mortality charges, along with Extra charges (if any) shall be met by liquidating units at the beginning of each Policy month from the Fund(s) in the Main Account and Top-Up Account.

The annual mortality charge will be equal to Sum at Risk multiplied by the mortality rate (as shown in the table below).

### **Sum at Risk**

For the Main Account:

The Sum at risk will be:

Highest of:

- Basic Sum Assured less applicable Partial Withdrawals from the Main Account\*; or
- Fund Value in the Main Account
- 105% of the total premiums paid less applicable Partial Withdrawal amount from the Main account\*; or

Less, Fund Value in Main Account

For Top-up Premium Account:

In respect of each Top-Up Premium, the Sum at Risk will be :

Highest of:

- Top-up Sum Assured ; or
- Fund Value in Top-Up Account
- 105% of the total Top-up Premiums paid;

Less, Fund Value in Top-up Account

For Reduced Paid-up Policy :

The Sum at Risk (with respect to Main Account for Reduced Paid-up Policy) will be:

Highest of:

- Reduced Paid-up Sum Assured less applicable Partial Withdrawals from the Main Account\*, or
- Fund Value in the Main Account
- 105% of the total Premiums paid less applicable Partial Withdrawal amount from the Main account\*

Less, Fund Value in Main Account

In respect of each Top-Up Premium, the Sum at Risk (in the Top-up Account for Reduced Paid-up Policy) will be:

Highest of:

- Top-up Sum Assured; or
- Fund Value in the Top-Up Account
- 105% of the total Top-up Premiums paid; or

Less, Fund Value in Top-up Account

**During Settlement Period: the Sum At Risk shall be:**

Higher 105% of Total Premiums paid, Fund Value) MINUS Fund Value

**Mortality Rates (per unit Sum at Risk)**

Age (years)	Mortality Rates	Age (years)	Mortality Rates
0	0.001630	38	0.001996
1	0.000960	39	0.002140
2	0.000670	40	0.002328
3	0.000620	41	0.002495
4	0.000470	42	0.002638
5	0.000420	43	0.002795
6	0.000380	44	0.002997
7	0.000400	45	0.003248
8	0.000400	46	0.003548
9	0.000400	47	0.003899
10	0.000380	48	0.004298
11	0.000450	49	0.004747
12	0.000530	50	0.005244
13	0.000650	51	0.005819
14	0.000713	52	0.006443
15	0.000770	53	0.007116
16	0.000823	54	0.007839
17	0.000873	55	0.008611
18	0.000919	56	0.009433
19	0.000961	57	0.010294
20	0.000999	58	0.011025
21	0.001088	59	0.011951
22	0.001173	60	0.013073
23	0.001255	61	0.014391
24	0.001333	62	0.015904
25	0.001407	63	0.017612
26	0.001422	64	0.019516
27	0.001434	65	0.021615
28	0.001441	66	0.022724
29	0.001445	67	0.025617
30	0.001445	68	0.028823
31	0.001446	69	0.032372
32	0.001476	70	0.036294
33	0.001521	71	0.040623
34	0.001583	72	0.045392
35	0.001662	73	0.050639
36	0.001757	74	0.056404
37	0.001868	75	0.062728

**Partial Withdrawal Charge**

There will be a lock-in period of five years from Policy inception during which no Partial Withdrawals will be allowed.

For each Partial Withdrawal from the Main Account in any Policy year Rs.250 will be charged. Partial Withdrawal Charge will not be levied for withdrawals made from the Top-Up Account.

### **Discontinuance Charges**

The discontinuance charges will be applicable on Main Account only and not on Top-Up Accounts. The Discontinuance charge applicable on the Main Account will be:

For annualized premium up to Rs. 50,000

Year during which policy is discontinued	1	2	3	4	5 & onwards
For all Regular / Limited Premium	Lower of • 20% of AP • 20% of FV • Rs 3,000	Lower of • 15% of AP • 15% of FV • Rs 2,000	Lower of • 10% of AP • 10% of FV • Rs 1,500	Lower of • 5% of AP • 5% of FV • Rs 1,000	Nil

For annualized premium above Rs 50,000

Year during which Policy is discontinued	Policy Year 1	Policy Year 2	Policy Year 3	Policy Year 4	Policy Year 5 & Onwards
For all Regular / Limited Premiums	Lower of: • 6% of AP, • 6% of FV, • Rs. 6000/-.	Lower of: • 4% of AP, • 4% of FV, • Rs. 5000/-.	Lower of: • 3% of AP, • 3% of FV, • Rs. 4000/-.	Lower of: • 2% of AP, • 2% of FV, • Rs. 2000/-.	Nil

**Note:** AP represents Annualized Premium and FV represents Fund value on the date of discontinuance. After Lock-in-period of five years no discontinuance charge will be levied.

### **Switching Charge**

This is a charge levied on switching of monies from one fund to another within the Policy. This charge will be levied at the time of effecting switch and is a flat amount per switch. First two switches are free in any Policy year. For every additional switch thereafter, there is a charge of Rs. 250 per switch. This may be increased to a maximum of Rs. 500, with the approval from the IRDAI.

### **Miscellaneous Charge**

Alterations within the contract such as premium redirection, replacement of Policy Document etc. as defined in the Policy Document will be charged separately.

Some of the chargeable alterations and their respective charges are as following:

- Sum Assured alterations: Rs. 500 (collected upfront)
- For premium redirection: Rs.100. (collected upfront)

**These charges may be increased to a maximum of Rs.500 subject to IRDAI approval.**

#### **Statutory Taxes/Levies**

All applicable charges are subject to Goods and Services Tax including Cess, at applicable rate and any other statutory levies as may be applicable from time to time. This may change as per Government Laws.

#### **NAV Computation:**

All the premiums referred to in the Product Specification will be applied to buy units in the funds selected by the Policyholder according to the following rules:

- In respect of premiums received /funds switched up to 3.00 p.m. by the insurer along with a local cheque or a demand draft payable at par at the place where the premium is received, the closing NAV of the day on which premium is received shall be applicable.
- In respect of premiums received /funds switched after 3.00 p.m. by the insurer along with a local cheque or a demand draft payable at par at the place where the premium is received, the closing NAV of the next business day shall be applicable.
- In respect of premiums received with outstation cheques/demand drafts at the place where the premium is received, the closing NAV of the day on which cheques/demand draft is realized shall be applicable.
- Having regard to the above, Company shall ensure that each and every payment instrument is banked with utmost expedition at the first opportunity, given the constraints of banking hours, prudently utilizing every available banking facility (e.g. high value clearing, account transfer etc.) Any loss in NAV incurred on account of delays, shall be made good by the Company.
- Separate fund allocations must be stipulated for the Main and each of the Top-Up Accounts.

## PART F

### 1. **Suicide Exclusion:**

- i. In the event of the Life Insured committing suicide within 12 months from the Date of Commencement of Policy or from the Date of Revival of the policy, the nominee of the beneficiary shall be entitled to the Fund Value in the Main Account and Top-Up Account(s), if any as available on date of intimation of death to the Company. Upon payment of Fund Value, the Policy shall cease.
- ii. Further any charges other than Fund Management Charges (FMC) recovered subsequent to the date of death shall be added back to the Fund Value as available on the date of intimation of death.
- iii. In the event of the Life Insured committing suicide within one year of the date of revival of the policy, when the revival is done within 6 months from the date of discontinuance, Suicide Exclusion shall not be applicable and the Death Benefit under the product shall be payable. However, in case of suicide within one year of the date of revival, when the revival is done after 6 months from the date of discontinuance, only the Fund Value as on the date of intimation of death shall be payable.

Upon payment of the Fund Value, the Policy shall stand terminated.

### 2. **Fraud and Misstatement Provisions:**

The provisions of Section 45 of the Insurance Act 1938 as amended from time to time will be applicable in this Policy Document. [A Leaflet containing the simplified version of the provisions of Section 45 is enclosed in annexure – 3 for reference]

#### **Top-Up Premium:**

Top-Up Premium shall not be less than an amount as shall be fixed by the Company from time to time. Currently, the minimum Top-Up Premium for this Policy is Rs. 10,000/-. The total Top-Up premium paid shall not exceed the sum of all the regular premiums paid at that point of time.

Each Top-Up Premiums after deduction of the relevant charges are held in separate Top-Up Accounts and the balance available shall be invested in the existing funds chosen by the Policyholder. A lock in period of five years shall apply from the date of payment of that Top-Up Premium, except in case of complete surrender of the Policy. After completion of the Lock-in Period, Top-Up Account can be utilised for payment of regular Premium. Premium payment from Top-Up Account will be treated as partial withdrawal from Top-Up Account.

No Top-Ups are allowed during the last five years of the Policy term.

Each Top-Up Premium will be treated as a single premium and have a Sum Assured (as mentioned under Part B - 'Definitions').

At no time the Death Benefit shall be less than 105% of the Top-Up premiums paid. Partial withdrawals made from the Top-Up account will not be deducted from the Top-Up Sum Assured.

Top-Up Premiums can be made only if all the due basic premiums are paid till date.

If the Top-Up Account is insufficient to cover the charges, the charges will be recovered from the Main Account.

For policies discontinued after Lock-In period and where Policyholder has opted for Revival: The policy will be in reduced paid up status however Top-Up Premium will not be allowed unless all due premiums have been paid and the policy has been revived

For more details also refer to respective section on Investment Strategy and Rules for Investment Strategy.

### **3. Forfeiture of Policy**

The Policy will be forfeited if,

- the Fund Value in the Main Account is not sufficient to cover the Mortality charges, Extra charges (if any) and Policy Administration Charges; or
- the Policy is found to have been obtained by fraud; or
- any condition herein contained or endorsed hereon is contravened

### **4. Nomination and Assignment:**

- i. Nomination is allowed as per Section 39 of the Act as amended from time to time. [A Leaflet containing the simplified version of the provisions of Section 39 is enclosed in annexure – 2 for reference].
- ii. Assignment is allowed as per Section 38 of the Act as amended from time to time. [A Leaflet containing the simplified version of the provisions of Section 38 is enclosed in annexure – 1 for reference].
- iii. In case of Discontinued Policy, fresh nomination and assignment will not be allowed.
- iv. By registering the nomination or change in nomination, the Company does not express any opinion upon the validity nor accepts any responsibility on the nomination.

### **5. Claims**

In the unfortunate event of death of the Life Insured, the benefit will be paid to the Claimant or to such other person(s) as directed by a Court of competent jurisdiction in India.

All claims payable will be subject to production of proof of the claim event satisfactory to the Company, such other requirements as stipulated by the Company and the legal title of the claimant, satisfactory to the Company.

The Company reserves its rights to condone the delay on merit for delayed claims, where the delay is genuine and proved to be for reasons beyond the control of the Life Insured/ claimant.

The Primary documents normally required for processing a claim are:

- Intimation of the claim event (duly supported by evidence of claim event), in writing and in the Company's format and signed by the beneficiary / nominee/ assignee/ legal heirs as the case may be. This intimation shall mention the following:
  1. A statement that the claim event (i.e. death) has occurred along with the Death Certificate.
  2. Details of the Policy under which the insured is covered
  3. Date of the claim event
    - Place of occurrence of claim event (i.e. residence/hospital etc.) and the address of such place
    - Bank Account Details
- Cause of claim event with supporting documents.
- Proof of claim event with supporting documents (e.g. original death certificate in the case of a death claim/hospital reports in the case of a critical illness claim etc.)
- A report from the last attending physician or surgeon or hospital with details of periods of illness plus copies of any special reports, available. Also, all the hospitalisation papers with case history and treatment sheets, i.e., extract of admission papers [which gives admission details of the patient along with history], complete treatment given to the patient during the hospitalisation period till the claim event, should be submitted.
- If the claim event occurs due to any accident or unnatural causes, then certified copies of the First Information Report [FIR], the post mortem or the autopsy report and the coroner's statement plus any newspaper cuttings shall have to be submitted. Complete Police Report and post Mortem Report in relation to the accident of the life insured shall also have to be submitted. Where death occurs due to any car or motor accident where the life insured was the driver, a certified copy of the insured's driving license to be submitted.
- Details of any illness / accident / injury that the Life Insured / Proposer might have suffered in the past 2 / 3 years along with complete reports / records.
- Details of any other life insurance policies taken by the Life Insured
- Original Policy document.

- Proof of age of the Life Insured / Policyholder, if this has not been previously admitted by the Company (e.g. birth certificate, school leaving certificate etc.).
- Recent photograph of the Claimant as mentioned above.
- Current residential proof and identity proof of Claimant, as mentioned above.
- Photocopy of Bank Pass Book/Bank Statement of beneficiary, as mentioned above showing name of Bank, location of Bank Branch, Name of Account Holder, Account No. duly attested by the concerned Bank or Original Cancelled Cheque copy bearing the aforesaid details.

The Company reserves the right to call for any additional information and documents required to satisfy itself as to the validity of a claim. The Company at its sole discretion may settle a claim by conducting its own investigation or enquiry to the satisfaction of the Company that the required documents are not available and the claimant approaching the Company is the genuine Claimant.

The amount due under this Policy is payable at the office of the Company situated at Mumbai, but the Company may fix an alternative place of payment for the claim at any time before or after the Policy has become a claim.

## **6. Policy Alteration:**

Major Alterations allowed under the Policy are:

- i. Basic Sum Assured Increase is allowed without any change in Premium, subject to underwriting decision of the Company.
- ii. Basic Sum Assured Decrease is allowed without any change in Premium, subject to underwriting decision of the Company.
- iii. Addition of Riders will be allowed only at Policy anniversaries and removal of Riders shall be applicable immediately, subject to Rider terms and conditions.
- iv. Major Alterations are allowed only at Policy anniversaries. Alteration charges will be collected separately upfront as mentioned above under 'Miscellaneous Charge'.

Minor Alterations such as Name/ D.O.B. / Address/ Phone No. change etc. shall be allowed, subject to submission of required documents.

## **7. Electronic Transactions:**

The Policyholder will adhere to and comply with all such terms and conditions as prescribed by the Insurer from time to time, and all transactions effected by or through facilities for conducting remote transactions including the internet, world wide web, electronic data interchange, call centers, tele-service operations (whether voice, video, data or any combination thereof) or by means of electronic, computer, automated machines network or through other means of telecommunication, established by the Insurer or on behalf of the Insurer, for and in respect of this Policy, or in relation to any of the Insurer's products and services, shall constitute legally binding and valid transactions when executed in adherence to and in compliance with the terms and conditions for such facilities, as may be prescribed by the Insurer from time to time.

Similarly, the electronic communication received from the Policyholder/Life Insured/Legal Heir/Nominee (including their digital signature/online consent) with respect to the Policy shall be legally binding, if the same is made in accordance with the terms and conditions of this Policy and other terms and conditions of the Insurer from time to time with respect to individual transactions.

## **8. Notice:**

Any notice, information or instruction to the Company must be in writing and delivered to the address intimated by the Company to the Policyholder which is currently:

Customer Care,  
Kotak Mahindra Life Insurance Company Ltd,  
Kotak Towers, 7th Floor, Zone IV,  
Building No. 21, Infinity Park, Off Western Express Highway,

Goregaon Mulund Link Road, Malad East, Mumbai 400097  
Toll Free: 1800 209 8800  
e-mail: clientservicedesk@kotak.com

The Company may change the address stated above and intimate the Policyholder of such change by suitable means.

The Policyholder is also advised to promptly notify the Company of any change in his/her address and/or that of his/her nominee to ensure timely and effective communication of policy related information to the Policyholder.

Any notice, information or instruction from the Company to the Policyholder shall be mailed to the address specified in the proposal form or to the changed address as intimated to the Company in writing.

#### **9. Issuance of Duplicate Policy Document:**

The Policyholder may request for issuance of duplicate Policy Document by making a request to the Company in writing or in the prescribed form as the case may be. Issuance of duplicate Policy Document shall be made subject to the following conditions:

- i. The Policyholder pays the applicable fee (currently Rs. 250/-).
- ii. The Policyholder submits an affidavit cum indemnity in the format prescribed by the Company
- iii. Free Look clause shall not be applicable with respect to such duplicate Policy Document.

#### **10. Force Majeure**

If Our performance or any of Our obligations are in any way prevented or hindered as a consequence of a force majeure event, the performance of this Policy shall be wholly or partially suspended during the continuance of such force majeure event. This shall be subject to the following conditions:

- i. The Company shall value the Funds (SFIN) on each day for which the financial markets are open. However, the Company may value the SFIN less frequently in extreme circumstances external to the Company i.e. in force majeure events, where the value of the assets is too uncertain. In such circumstances, the Company may defer the valuation of assets for up to 30 days until the Company is certain that the valuation of SFIN can be resumed.
- ii. The Company shall inform IRDAI of such deferment in the valuation of assets. During the continuance of the force majeure events, all request for servicing the policy including policy related payment shall be kept in abeyance.
- iii. The Company shall continue to invest as per the fund mandates submitted to IRDAI at the time of Product approval. However, the Company shall reserve its right to change the exposure of all or any part of the Fund to Money Market Instruments [as defined under Regulations 2(j) of IRDAI (Investment) Regulations, 2016, as amended from time to time] in circumstances mentioned under points a. and b. above. The exposure of the fund as per the fund mandates submitted to IRDAI (as stated above) shall be reinstated within reasonable timelines once the force majeure situation ends.
- iv. In such an event, an intimation of such force majeure event shall be uploaded on the Company's website for information.
- v. Few examples of circumstances as mentioned a. & b. above are:
  - a. when one or more stock exchanges which provide a basis for valuation of the assets of the fund are closed otherwise than for ordinary holidays;
  - b. when, as a result of political, economic, monetary or any circumstances which are not in the control of the Company, the disposal of the assets of the fund would be detrimental to the interests of the continuing Policyholders;
  - c. in the event of natural calamities, strikes, war, civil unrest, riots and bandhs;
  - d. in the event of any force majeure or disaster that affects the normal functioning of the Company.

#### **11. Governing Laws**

##### **1. Anti Money Laundering Provisions:**

The Prevention of Money Laundering Act, 2002, also applies to insurance transactions. As such the Insurer shall enforce the said legislation to the extent it may be applicable to this Policy.

## **2. Miscellaneous**

This Policy is subject to the Insurance Act 1938, as amended by the Insurance Regulatory and Development Authority Act, 1999, such amendments, modifications as may be made from time to time and such other relevant regulations as may be introduced there under from time to time by that Authority.

## **3. Jurisdiction:**

Without prejudice to the generality of the aforesaid provisions, this Policy shall be governed by the laws of India. The Courts of India shall have the exclusive jurisdiction to settle any disputes arising under this Policy.

## PART G

### Annexure - Query/Complaint Resolution

1. In case you have any query or complaint/grievance, you may approach our office at the following address:

Customer Care,  
Kotak Mahindra Life Insurance Company Ltd,  
Kotak Towers, 7th Floor, Zone IV,  
Building No. 21, Infinity Park, Off Western Express Highway,  
Goregaon Mulund Link Road, Malad East, Mumbai 400097  
Toll Free: 1800 209 8800

Email ID: clientservicedesk@kotak.com

2. In case you are not satisfied with the decision of the above office, or have not received any response within 10 days, you may contact the following official for resolution:

**The Grievance Redressal Officer,**

Kotak Mahindra Life Insurance Company Ltd,  
Kotak Towers, 7th Floor, Zone IV,  
Building No. 21, Infinity Park, Off Western Express Highway,  
Goregaon Mulund Link Road, Malad East, Mumbai 400097

Toll Free: 1800 209 8800

Email ID: kli.grievance@kotak.com

3. If you are not satisfied with the response or do not receive a response from us within 15 days, you may approach the Grievance Cell of the Insurance Regulatory and Development Authority of India (IRDAI) on the following contact details:

IRDAI Grievance Call Centre (IGCC) TOLL FREE NO: 155255 or 1800 4254 732

Email ID: complaints@irda.gov.in

You can also register your complaint online at <http://www.igms.irda.gov.in/>

Address for communication for complaints:

Consumer Affairs Department  
Insurance Regulatory and Development Authority of India  
Sy.No.115/1,Financial District, Nanakramguda,  
Gachibowli, Hyderabad-500032

4. In case you are not satisfied with the decision/resolution of the Company, you may approach the Insurance Ombudsman at the address given below if your grievance pertains to:

- (a) delay in settlement of claims, beyond the time specified in the regulations, framed under the Insurance Regulatory and Development Authority of India Act, 1999;
  - (b) any partial or total repudiation of claims by the Insurer;
  - (c) disputes over premium paid or payable in terms of insurance policy;
  - (d) misrepresentation of policy terms and conditions at any time in the policy document or policy contract;
  - (e) legal construction of insurance policies in so far as the dispute relates to claim;
  - (f) policy servicing related grievances against Insurer and their agents and intermediaries;
  - (g) issuance of life insurance policy, including health insurance policy which is not in conformity with the proposal form submitted by the proposer;
  - (h) non-issuance of insurance policy after receipt of premium in life insurance including health insurance;
- and

(i) any other matter resulting from the violation of provisions of the Insurance Act, 1938 or the regulations, circulars, guidelines or instructions issued by the IRDAI from time to time or the terms and conditions of the policy contract, in so far as they relate to issues mentioned at clauses (a) to (f).

5. The complaint should be made in writing duly signed by the complainant or by his legal heirs with full details of the complaint and the contact information of complainant.
6. As per provisions of Insurance Ombudsman Rules, 2017, notification no. GSR 413(E) [F.NO.14019/22/2010-INS.II], dated 25-4-2017 the complaint to the Ombudsman can be made:
  - a. Only if the grievance has been rejected by the Grievance Redressal Machinery of the Insurer
  - b. Within a period of one year from the date of rejection by the Insurer
  - c. If it is not simultaneously under any litigation.

**List of Insurance Ombudsman:**

<p><b>AHMEDABAD</b> Office of the Insurance Ombudsman, Jeevan Prakash Building, 6th floor, Tilak Marg, Relief Road, Ahmedabad – 380 001. Tel.: 079 - 25501201/02/05/06 Email: <a href="mailto:bimalokpal.ahmedabad@ecoi.co.in">bimalokpal.ahmedabad@ecoi.co.in</a></p>	<p><b>BENGALURU</b> Office of the Insurance Ombudsman, Jeevan Soudha Building,PID No. 57-27-N-19 Ground Floor, 19/19, 24th Main Road, JP Nagar, Ist Phase, Bengaluru – 560 078. Tel.: 080 - 26652048 / 26652049 Email: <a href="mailto:bimalokpal.bengaluru@ecoi.co.in">bimalokpal.bengaluru@ecoi.co.in</a></p>
<p><b>BHOPAL</b> Office of the Insurance Ombudsman, Janak Vihar Complex, 2nd Floor, 6, Malviya Nagar, Opp. Airtel Office, Near New Market, Bhopal – 462 003. Tel.: 0755 - 2769201 / 2769202 Fax: 0755 - 2769203 Email: <a href="mailto:bimalokpal.bhopal@ecoi.co.in">bimalokpal.bhopal@ecoi.co.in</a></p>	<p><b>BHUBANESHWAR</b> Office of the Insurance Ombudsman, 62, Forest park, Bhubneshwar – 751 009. Tel.: 0674 - 2596461 /2596455 Fax: 0674 - 2596429 Email: <a href="mailto:bimalokpal.bhubaneswar@ecoi.co.in">bimalokpal.bhubaneswar@ecoi.co.in</a></p>
<p><b>CHANDIGARH</b> Office of the Insurance Ombudsman, S.C.O. No. 101, 102 &amp; 103, 2nd Floor, Batra Building, Sector 17 – D, Chandigarh – 160 017. Tel.: 0172 - 2706196 / 2706468 Fax: 0172 - 2708274 Email: <a href="mailto:bimalokpal.chandigarh@ecoi.co.in">bimalokpal.chandigarh@ecoi.co.in</a></p>	<p><b>CHENNAI</b> Office of the Insurance Ombudsman, Fatima Akhtar Court, 4th Floor, 453, Anna Salai, Teynampet, CHENNAI – 600 018. Tel.: 044 - 24333668 / 24335284 Fax: 044 - 24333664 Email: <a href="mailto:bimalokpal.chennai@ecoi.co.in">bimalokpal.chennai@ecoi.co.in</a></p>
<p><b>DELHI</b> Office of the Insurance Ombudsman, 2/2 A, Universal Insurance Building, Asaf Ali Road, New Delhi – 110 002. Tel.: 011 - 2323481/23213504 Email: <a href="mailto:bimalokpal.delhi@ecoi.co.in">bimalokpal.delhi@ecoi.co.in</a></p>	<p><b>GUWAHATI</b> Office of the Insurance Ombudsman, Jeevan Nivesh, 5th Floor, Nr. Panbazar over bridge, S.S. Road, Guwahati – 781001(ASSAM). Tel.: 0361 - 2132204 / 2132205 Fax: 0361 - 2732937 Email: <a href="mailto:bimalokpal.guwahati@ecoi.co.in">bimalokpal.guwahati@ecoi.co.in</a></p>
<p><b>HYDERABAD</b> Office of the Insurance Ombudsman, 6-2-46, 1st floor, "Moin Court", Lane Opp. Saleem Function Palace, A. C. Guards, Lakdi-Ka-Pool, Hyderabad - 500 004. Tel.: 040 - 65504123 / 23312122</p>	<p><b>JAIPUR</b> Office of the Insurance Ombudsman, Jeevan Nidhi – II Bldg., Gr. Floor, Bhawani Singh Marg, Jaipur - 302 005. Tel.: 0141 - 2740363</p>

<p>Fax: 040 - 23376599  Email: <a href="mailto:bimalokpal.hyderabad@ecoi.co.in">bimalokpal.hyderabad@ecoi.co.in</a></p>	<p>Email: <a href="mailto:Bimalokpal.jaipur@ecoi.co.in">Bimalokpal.jaipur@ecoi.co.in</a></p>
<p><b>ERNAKULAM</b>  Office of the Insurance Ombudsman,  2nd Floor, Pulinat Bldg.,  Opp. Cochin Shipyard, M. G. Road,  Ernakulam - 682 015.  Tel.: 0484 - 2358759 / 2359338  Fax: 0484 - 2359336  Email: <a href="mailto:bimalokpal.ernakulam@ecoi.co.in">bimalokpal.ernakulam@ecoi.co.in</a></p>	<p><b>KOLKATA</b>  Office of the Insurance Ombudsman,  Hindustan Bldg. Annexe, 4th Floor,  4, C.R. Avenue,  KOLKATA - 700 072.  Tel.: 033 - 22124339 / 22124340  Fax : 033 - 22124341  Email: <a href="mailto:bimalokpal.kolkata@ecoi.co.in">bimalokpal.kolkata@ecoi.co.in</a></p>
<p><b>LUCKNOW</b>  Office of the Insurance Ombudsman,  6th Floor, Jeevan Bhawan, Phase-II,  Nawal Kishore Road, Hazratganj,  Lucknow - 226 001.  Tel.: 0522 - 2231330 / 2231331  Fax: 0522 - 2231310  Email: <a href="mailto:bimalokpal.lucknow@ecoi.co.in">bimalokpal.lucknow@ecoi.co.in</a></p>	<p><b>MUMBAI</b>  Office of the Insurance Ombudsman,  3rd Floor, Jeevan Seva Annexe,  S. V. Road, Santacruz (W),  Mumbai - 400 054.  Tel.: 022 - 26106552 / 26106960  Fax: 022 - 26106052  Email: <a href="mailto:bimalokpal.mumbai@ecoi.co.in">bimalokpal.mumbai@ecoi.co.in</a></p>
<p><b>NOIDA</b>  Office of the Insurance Ombudsman,  Bhagwan Sahai Palace  4th Floor, Main Road,  Naya Bans, Sector 15,  Distt: Gautam Buddh Nagar,  U.P-201301.  Tel.: 0120-2514250 / 2514252 / 2514253  Email: <a href="mailto:bimalokpal.noida@ecoi.co.in">bimalokpal.noida@ecoi.co.in</a></p>	<p><b>PATNA</b>  Office of the Insurance Ombudsman,  1st Floor, Kalpana Arcade Building,,  Bazar Samiti Road,  Bahadurpur,  Patna 800 006.  Tel.: 0612-2680952  Email: <a href="mailto:bimalokpal.patna@ecoi.co.in">bimalokpal.patna@ecoi.co.in</a></p>
<p><b>PUNE</b>  Office of the Insurance Ombudsman,  Jeevan Darshan Bldg., 3rd Floor,  C.T.S. No.s. 195 to 198,  N.C. Kelkar Road, Narayan Peth,  Pune – 411 030.  Tel.: 020-41312555  Email: <a href="mailto:bimalokpal.pune@ecoi.co.in">bimalokpal.pune@ecoi.co.in</a></p>	<p><b>GOVERNING BODY OF INSURANCE COUNCIL,</b>  3rd Floor, Jeevan Seva Annexe,  S. V. Road, Santacruz (W),  Mumbai - 400 054.  Tel.: 022 - 26106889 / 671 / 980  Fax: 022 - 26106949  Email: <a href="mailto:inscoun@ecoi.co.in">inscoun@ecoi.co.in</a></p>

## *Annexure 1*

### **Section 38 - Assignment and Transfer of Insurance Policies**

Assignment or transfer of a Policy should be in accordance with Section 38 of the Insurance Act, 1938 as amended by the Insurance Laws (Amendment) Act, 2015. The extant provisions in this regard are as follows:

01. This Policy may be transferred/assigned, wholly or in part, with or without consideration.
02. An Assignment may be effected in a Policy by an endorsement upon the Policy itself or by a separate instrument under notice to the Insurer.
03. The instrument of assignment should indicate the fact of transfer or assignment and the reasons for the assignment or transfer, antecedents of the assignee and terms on which assignment is made.
04. The assignment must be signed by the transferor or assignor or duly authorized agent and attested by at least one witness.
05. The transfer of assignment shall not be operative as against an insurer until a notice in writing of the transfer or assignment and either the said endorsement or instrument itself or copy thereof certified to be correct by both transferor and transferee or their duly authorised agents have been delivered to the insurer.
06. Fee to be paid for assignment or transfer can be specified by the Authority through Regulations.
07. On receipt of notice with fee, the insurer should Grant a written acknowledgement of receipt of notice. Such notice shall be conclusive evidence against the insurer of duly receiving the notice.
08. If the insurer maintains one or more places of business, such notices shall be delivered only at the place where the Policy is being serviced.
09. The insurer may accept or decline to act upon any transfer or assignment or endorsement, if it has sufficient reasons to believe that it is
  - a. not bonafide or
  - b. not in the interest of the Policyholder or
  - c. not in public interest or
  - d. is for the purpose of trading of the insurance Policy.
10. Before refusing to act upon endorsement, the Insurer should record the reasons in writing and communicate the same in writing to Policyholder within 30 days from the date of Policyholder giving a notice of transfer or assignment.
11. In case of refusal to act upon the endorsement by the Insurer, any person aggrieved by the refusal may prefer a claim to IRDAI within 30 days of receipt of the refusal letter from the Insurer.
12. The priority of claims of persons interested in an insurance Policy would depend on the date on which the notices of assignment or transfer is delivered to the insurer; where there are more than one instruments of transfer or assignment, the priority will depend on dates of delivery of such notices. Any dispute in this regard as to priority should be referred to Authority.
13. Every assignment or transfer shall be deemed to be absolute assignment or transfer and the assignee or transferee shall be deemed to be absolute assignee or transferee, except
  - a. where assignment or transfer is subject to terms and conditions of transfer or assignment OR
  - b. where the transfer or assignment is made upon condition that
    - i. the proceeds under the Policy shall become payable to Policyholder or nominee(s) in the event of assignee or transferee dying before the insured OR
    - ii. the insured surviving the term of the PolicySuch conditional assignee will not be entitled to obtain a loan on Policy or surrender the Policy. This provision will prevail notwithstanding any law or custom having force of law which is contrary to the above position.
14. In other cases, the insurer shall, subject to terms and conditions of assignment, recognize the transferee or assignee named in the notice as the absolute transferee or assignee and such person
  - a. shall be subject to all liabilities and equities to which the transferor or assignor was subject to at the date of transfer or assignment and
  - b. may institute any proceedings in relation to the Policy
  - c. obtain loan under the Policy or surrender the Policy without obtaining the consent of the transferor or assignor or making him a party to the proceedings

15. Any rights and remedies of an assignee or transferee of a life insurance Policy under an assignment or transfer effected before commencement of the Insurance Laws (Amendment) Act, 2015 shall not be affected by this section.

***[Disclaimer: This is not a comprehensive list of amendments of Insurance Laws (Amendment) Act, 2015 and only a simplified version prepared for general information. Policy Holders are advised to refer to official Gazette Notification for complete and accurate details. ]***

## *Annexure 2*

### **Section 39 - Nomination by Policyholder**

Nomination of a life insurance Policy is as below in accordance with Section 39 of the Insurance Act, 1938 as amended by Insurance Laws (Amendment) Act, 2015. The extant provisions in this regard are as follows:

01. The Policyholder of a life insurance on his own life may nominate a person or persons to whom money secured by the Policy shall be paid in the event of his death.
02. Where the nominee is a minor, the Policyholder may appoint any person to receive the money secured by the Policy in the event of Policyholder's death during the minority of the nominee. The manner of appointment to be laid down by the insurer.
03. Nomination can be made at any time before the maturity of the Policy.
04. Nomination may be incorporated in the text of the Policy itself or may be endorsed on the Policy communicated to the insurer and can be registered by the insurer in the records relating to the Policy.
05. Nomination can be cancelled or changed at any time before Policy matures, by an endorsement or a further endorsement or a will as the case may be.
06. A notice in writing of Change or Cancellation of nomination must be delivered to the insurer for the insurer to be liable to such nominee. Otherwise, insurer will not be liable if a bonafide payment is made to the person named in the text of the Policy or in the registered records of the insurer.
07. Fee to be paid to the insurer for registering change or cancellation of a nomination can be specified by the Authority through Regulations.
08. On receipt of notice with fee, the insurer should grant a written acknowledgement to the Policyholder of having registered a nomination or cancellation or change thereof.
09. A transfer or assignment made in accordance with Section 38 shall automatically cancel the nomination except in case of assignment to the insurer or other transferee or assignee for purpose of loan or against security or its reassignment after repayment. In such case, the nomination will not get cancelled to the extent of insurer's or transferee's or assignee's interest in the Policy. The nomination will get revived on repayment of the loan.
10. The right of any creditor to be paid out of the proceeds of any Policy of life insurance shall not be affected by the nomination.
11. In case of nomination by Policyholder whose life is insured, if the nominees die before the Policyholder, the proceeds are payable to Policyholder or his heirs or legal representatives or holder of succession certificate.
12. In case nominee(s) survive the person whose life is insured, the amount secured by the Policy shall be paid to such survivor(s).
13. Where the Policyholder whose life is insured nominates his
  - a. parents or
  - b. spouse or
  - c. children or
  - d. spouse and children
  - e. or any of themthe nominees are beneficially entitled to the amount payable by the insurer to the Policyholder unless it is proved that Policyholder could not have conferred such beneficial title on the nominee having regard to the nature of his title.
14. If nominee(s) die after the Policyholder but before his share of the amount secured under the Policy is paid, the share of the expired nominee(s) shall be payable to the heirs or legal representative of the nominee or holder of succession certificate of such nominee(s).
15. The provisions of sub-section 7 and 8 (13 and 14 above) shall apply to all life insurance policies maturing for payment after the commencement of Insurance Laws (Amendment) Act, 2015.
16. If Policyholder dies after maturity but the proceeds and benefit of the Policy has not been paid to him because of his death, his nominee(s) shall be entitled to the proceeds and benefit of the Policy.
17. The provisions of Section 39 are not applicable to any life insurance Policy to which Section 6 of Married Women's Property Act, 1874 applies or has at any time applied except where before or after Insurance Laws (Amendment) Act, 2015, a nomination is made in favour of spouse or children or spouse and children whether or not on the face of the Policy it is mentioned that it is made under Section 39. Where nomination is intended to be made to spouse or children or spouse and children under Section 6 of MWP Act, it should be specifically mentioned on the Policy. In such a case only, the provisions of Section 39 will not apply.

*[Disclaimer: This is not a comprehensive list of amendments of Insurance Laws (Amendment) Act, 2015 and only a simplified version prepared for general information. Policy Holders are advised to refer to official Gazette Notification for complete and accurate details. ]*

### *Annexure 3*

#### **Section 45 – Policy shall not be called in question on the ground of mis-statement after three years**

Provisions regarding Policy not being called into question in terms of Section 45 of the Insurance Act, 1938, as amended by Insurance Laws (Amendment) Act, 2015, are as follows:

01. No Policy of Life Insurance shall be called in question **on any ground whatsoever** after expiry of 3 yrs from
  - a. the date of issuance of Policy or
  - b. the date of commencement of risk or
  - c. the date of revival of Policy or
  - d. the date of rider to the Policywhichever is later.
02. On the ground of fraud, a Policy of Life Insurance may be called in question within 3 years from
  - a. the date of issuance of Policy or
  - b. the date of commencement of risk or
  - c. the date of revival of Policy or
  - d. the date of rider to the Policywhichever is later.

For this, the insurer should communicate in writing to the insured or legal representative or nominee or assignees of insured, as applicable, mentioning the ground and materials on which such decision is based.
03. Fraud means any of the following acts committed by insured or by his agent, with the intent to deceive the insurer or to induce the insurer to issue a life insurance Policy:
  - a. The suggestion, as a fact of that which is not true and which the insured does not believe to be true;
  - b. The active concealment of a fact by the insured having knowledge or belief of the fact;
  - c. Any other act fitted to deceive; and
  - d. Any such act or omission as the law specifically declares to be fraudulent.
04. Mere silence is not fraud unless, depending on circumstances of the case, it is the duty of the insured or his agent keeping silence to speak or silence is in itself equivalent to speak.
05. No Insurer shall repudiate a life insurance Policy on the ground of Fraud, if the Insured / beneficiary can prove that the misstatement was true to the best of his knowledge and there was no deliberate intention to suppress the fact or that such mis-statement of or suppression of material fact are within the knowledge of the insurer. Onus of disproving is upon the Policyholder, if alive, or beneficiaries.
06. Life insurance Policy can be called in question within 3 years on the ground that any statement of or suppression of a fact material to expectancy of life of the insured was incorrectly made in the proposal or other document basis which Policy was issued or revived or rider issued. For this, the insurer should communicate in writing to the insured or legal representative or nominee or assignees of insured, as applicable, mentioning the ground and materials on which decision to repudiate the Policy of life insurance is based.
07. In case repudiation is on ground of mis-statement and not on fraud, the premium collected on Policy till the date of repudiation shall be paid to the insured or legal representative or nominee or assignees of insured, within a period of 90 days from the date of repudiation.
08. Fact shall not be considered material unless it has a direct bearing on the risk undertaken by the insurer. The onus is on insurer to show that if the insurer had been aware of the said fact, no life insurance Policy would have been issued to the insured.
09. The insurer can call for proof of age at any time if he is entitled to do so and no Policy shall be deemed to be called in question merely because the terms of the Policy are adjusted on subsequent proof of age of life insured. So, this Section will not be applicable for questioning age or adjustment based on proof of age submitted subsequently.

***Disclaimer: This is not a comprehensive list of amendments of Insurance Laws (Amendment) Act, 2015 and only a simplified version prepared for general information. Policy Holders are advised to refer to official Gazette Notification for complete and accurate details. ]***

#### **Annexure 4 - Valid Age Proof:**

##### **List of valid age proofs:**

- Aadhar Card
- Birth Certificate/
- School / College Leaving Certificate, provided – it specifies Date of Birth, States that Date of Birth is extracted from School / College Records, Stamped and signed by College / School
- Passport
- Driving license
- PAN Card
- Ration Card, which specifies the Date of Issue of the Ration Card and the Date of Birth or Age of the Life to be Insured
- Election ID card (also called voters ID) issued by the Election Commission of India can be accepted as valid age proof provided it was issued at least 2 years before the date of the insurance proposal.
- Extract from service register in case of:
  - Government and semi-government employees
- In case of defense/central government/ state government personnel, identity card issued respectively by the defense department /central government/ state government to their personnel showing, inter alias, the date of birth or age
- Marriage certificate in the case of Roman Catholics issued by Roman Catholic Church
- Domicile certificate in which the date of birth stated was proved on the strength of the
- school certificate or birth certificates

**NOTE:** Any of the abovementioned Age Proof document submitted should have been issued at least 1 year prior to the date of the cover. In other words, any age proof document which has been issued by the respective issuing authority within a span of 1 year before the risk commencement date, shall not be acceptable.