

**“IN THIS POLICY, THE INVESTMENT RISK IN INVESTMENT PORTFOLIO IS  
BORNE BY THE POLICYHOLDER”**

**POLICY DOCUMENT**

**1. Definitions:**

The following terms shall have the meaning assigned to them as follows:

**“Age”** means Age at last birthday.

**“Annual Due Date”** means the date corresponding numerically with the Date of Commencement of the Policy in each year subsequent to the year of commencement of the Policy.

**“Appropriation Price”** shall apply when the Fund is growing and will include an allowance for the cost of buying new assets to allocate the units at the Valuation Date. This is done to protect the interests of the existing Policyholders.

**“Business Day”** is the common working day of the Corporate Office of the Company.

**“Charges”** means charge for Insurance Covers, Fund Management Charge, Policy Administration Charge, Other Charge etc.

**“Cost of Insurance”** shall be the monthly monetary amounts assessed towards cost for Mortality charge and Rider premium charge. This is recovered against the Policy's Fund Value by canceling units at their Unit Price.

**“Company”** refers to BAJAJ ALLIANZ LIFE INSURANCE COMPANY LIMITED.

**“Current Assets”** include cash balance, bank FD's and CD's, commercial papers, accrued investment income (not due and due but not received) and other receivables if any.

**“Current Liabilities and Provisions”** include brokerage and stamp duty payable, custodian and fund administration charges payable and other payables, if any.

**“Date of Commencement of Risk”** means the Policy Commencement Date, unless the Life Assured is a minor, in which case this will mean the Policy Anniversary following the Life Assured attaining Age 7..

**“Death Benefit”** means the amount payable on death as defined in Section 3.1 below.

**“Expropriation Price”** shall apply when the Fund is declining and will include a deduction for the expenses of selling existing assets. This is done to preserve the interest of the existing Policyholders

**“Fund”** means a separately identifiable investment-linked fund set up by the Company for the purpose of ascertaining the Policy moneys payable under this Policy. The Funds

that are currently offered by the Company for allocation of Premium under this Policy are listed in the Schedule of Investment of Funds. Any Fund created or closed will be added to or removed from the Schedule of Investment Funds accordingly.

**“Fund Value”** is equal to the number of Units under this Policy multiplied by Unit Price.

**“Head Office”** refers to the principal place of business of BAJAJ ALLIANZ LIFE INSURANCE COMPANY LIMITED.

**“Insurance Covers”** means Life Insurance Cover, Critical Illness Benefit Cover, Accidental Death Cover & Accidental Total Permanent Disability/ Partial Permanent Disability Cover, Hospital Cash Benefit Cover and Mahila Gain Rider.

**“Life Insurance Cover”** means the greater of

(a) zero

**or**

b) if death occurs on or before policy anniversary on which Life Assured attains Age 60, the Sum Assured less partial withdrawals in the last 24 months prior to the date of death less the Fund Value as on date of intimation of death,

**or**

c) if death occurs after policy anniversary on which Life Assured attains Age 60, the Sum Assured less partial withdrawals made during two years prior to the policy anniversary on which Life Assured attains Age 60 and all subsequent partial withdrawal up to the date of death less the Fund Value as on date of intimation of death.

**“Life Assured”** means the person upon whose life this Policy is effected.

**“Maturity Date”** is the Date of Maturity as given in Schedule on which Maturity Benefit would be payable.

**“Monthly Due Date”** means the date corresponding numerically with the date of the commencement of the Policy in each month subsequent to the month of commencement of the Policy.

**“Multiplier”**: Multiplier is a pre defined factor, which is used in the below context:

$$\text{Sum Assured} = \text{Annualised Premium} * \text{Multiplier}$$

A multiplier range is defined for a given Age and gender and the customer can opt for any multiplier value within the defined range to arrive at Sum Assured for a given level of Premium or vice versa.

**“Number of Units”** is a number by which the Net Asset Value of a Fund is notionally divided for the purposes of calculating Unit Price.

**“Premium”** means the initial Premium and the subsequent Premium due and payable under the Policy.

**“Policyholder”** means the person- within the meaning of Section 2(2) of the Insurance Act, 1938.

**“Sum Assured”** is the amount of benefit arrived at by multiplying annualized regular Premium for which Life Assured is assured against the risk of death either from the Date of Commencement of Policy or after expiry of deferment period, if any.

**“Unit Price”** means the value per unit calculated in Rupees in accordance with the following formula:

**When Appropriation Price is applied :** The NAV of a Unit Linked Fund shall be computed as market value of investment held by the Fund plus the expenses incurred in the purchase of the assets plus the value of any current assets plus any accrued income net of Fund Management Charge less the value of any current liabilities less provision, if any. This gives the net asset value of the fund. Dividing by the Number of Units existing at the valuation date (before any new units are allocated), gives the Unit Price of the Fund under consideration. This is applicable when the company is required to purchase assets to allocate units at the valuation date.

**When Expropriation Price is applied :** The NAV of a Unit Linked Fund shall be computed as: Market value of investment held by the fund less the expenses incurred in the sale of the assets plus the value of any current assets plus any accrued income net of fund manAgement charges less the value of any current liabilities less provision, if any. This gives the net asset value of the fund. Dividing by the number of units existing at the valuation date (before any units are redeemed) , gives the Unit Price of the fund under consideration. This is applicable when the company is required to sell assets to redeem units at the valuation date

**“Valuation Date”** refers to the date when the assets of the Fund are valued.

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## **2. Policy Description:**

- 2.1 The Policy is a Unit Linked Endowment (Regular Premium) type of product
- 2.2 Being a unit-linked life insurance Policy, the Policyholder/Life Assured has the option to allocate the Premium paid by him between one or more of the Fund(s) for the purchase of the Units thereof.
- 2.3 The Policy enables the Policyholder/Life Assured to participate only in the investment performance of the Fund(s), to the extent of allocated units and does not in any way confer any right whatsoever on the Policyholder/Life Assured to otherwise share in the profits or surplus of the business of the Company.

## **3. Benefits Payable:**

### **3.1 Death Benefit:**

- a) If the Policy is not lapsed as per Section 12)b) then:
  - i). On death before the Age of 7 years: In the event of the death of the Life Assured on or before the Policy anniversary on which the Life Assured attains Age of 7 years, the Company shall pay the Fund Value as at the date of receipt of intimation of death at the office of the Company. The Policy terminates on death of the Life Assured.
  - ii). On death between the Policy anniversaries on which Life Assured attains Age of 7 years and the Age of 60 years: In this case, the Company shall pay the higher of the Sum Assured less the value of the Units withdrawn by partial withdrawals in the last 24 months prior to the date of death or the Fund Value as at the date of receipt of intimation of death at the office of the Company. The Policy terminates on death of the Life Assured.
  - iii). On death of the Life Assured after the Policy anniversary on which Life Assured attains the Age of 60 years: In this case, the Company will pay higher of the Sum Assured or the Fund Value as at the date of receipt of intimation of death at the office of the Company but all partial withdrawals made within two years before the Policy anniversary on which Life Assured attains Age 60 years and all the partial withdrawals made afterwards will be set-off against the Sum Assured payable on death.
- b) If the Policy is lapsed as per Section 12)b), the Company shall pay the Fund Value as on date of lapse on death of the Life Assured. The Policy terminates on death of the Life Assured.

### **3.2 Maturity Benefits**

On maturity, the Fund Value, as at the Maturity Date will be paid to the Policyholder as Maturity Benefit. Alternatively Policyholder can draw Maturity Benefits as a series of payments at regular intervals spanned over maximum five years through Settlement Option.

### **3.3 Additional Rider Benefits**

As specified in Schedule and in terms and conditions of respective rider benefits.

#### 4. General Conditions

##### 4.1 Age Proof:

- i) The charge for Insurance Covers payable under the Policy would be calculated on the basis of the Age of the Life Assured as declared in the Proposal. In case the Age of the Life Assured has not been admitted by the Company, the Policyholder/Life Assured shall furnish such proof of Age of the Life Assured as is acceptable to the Company and have the Age admitted.
- ii) In the event the Age so admitted (the "correct Age") is found to be different from the Age declared in the Proposal, without prejudice to the Company's other rights and remedies including those under the Insurance Act, 1938, the following actions shall be taken:
  - a) If the correct Age is such as would have made the Life Assured uninsurable under the plan of assurance specified in the Policy Certificate, the plan of assurance shall stand altered to such plan of assurance as is generally granted by the Company for the correct Age of the Life Assured, which will be subject to the terms and conditions as are applicable to that plan of assurance. If it is not possible to grant any other plan of assurance, the Policy shall stand cancelled from the date of issue of the Policy and the Premium paid shall be refunded subject to the deduction of the expenses incurred by the Company on the Policy.
  - b) If the correct Age is higher than the Age declared in the Proposal, the charge for Insurance Covers payable under the Policy shall be altered corresponding to the correct Age of the Life Assured (the "corrected charge for Insurance Covers") from the Date of Commencement of the Policy and the Policyholder/Life Assured shall pay to the Company the accumulated difference between the corrected charge for Insurance Covers and the original charge for Insurance Covers from the commencement of the Policy up to the date of such payment with interest. If the Policyholder/Life Assured fails to pay such accumulated difference, together with interest, the same shall be recovered by cancellation of Units.
  - c) If the correct Age of the Life Assured is lower than the Age declared in the Proposal, the charge for Insurance Covers payable under the Policy shall be altered corresponding to the correct Age of the Life Assured (the "corrected charge for Insurance Covers") from the Date of Commencement of the Policy and the Company may, at its discretion, allocate without interest, the accumulated difference between the original charge for Insurance Covers paid and the corrected charge for Insurance Covers.

#### **4.2 Assignment and Nomination :**

- a) An assignment of the Policy shall be made by an endorsement upon the Policy itself or by a separate instrument signed by the assignor specifically stating the fact of the assignment and duly attested. The first assignment may be only made by the Life Assured or the Policyholder. Such assignment shall be effective, as against the Company, from and upon the serving of a written notice upon the Company and the Company recording the assignment in its books. In case of Assignment under this Policy, then an assignee would not be entitled to increase the Sum Assured as mentioned in Article 31(d) 'Increase in Sum Assured'. Assignment will not be permitted where the Policy is under the Married Women's Property Act 1874.
- b) The Life Assured, where he is the holder of the Policy, may, at any time during the tenure of the Policy make a nomination for the purpose of payment of the moneys secured by the Policy in the event of his death. Where the nominee is a minor, he shall also appoint a person to receive the money during the minority of the nominee. Nomination shall be made by an endorsement on the Policy and by communicating the same in writing to the Company. Any change of nomination, which may be effected before the termination of the Policy shall also be communicated to the Company.

An assignment will automatically cancel any existing nomination.

The Company does not express itself upon the validity or accepts any responsibility on the assignment or nomination in recording the assignment or registering the nomination or change in nomination.

#### **5. Loans:**

No loan is available under this Policy.

#### **6. Premium:**

##### **6.1 Payment of Premium:**

- a) Regular Premiums are payable without any obligation on the Company to issue a notice for the same.
- b) The frequency of the Premium may be changed by written notice to the Company. Subject to the minimum Premium requirements of the Company, regular Premium may be paid on an annual, half-yearly, quarterly or monthly basis. The monthly Premium will be allowed only under the salary deduction schemes/ECS.
- c) Regular Premiums are payable in full on the dates and at the rate mentioned in the Policy Schedule. However a grace period of not more than 30 days, where the mode of payment of Premium is other than monthly, and not more than 15 days in the case of monthly mode is allowed. If a Premium is not paid during the days of grace, Policy would be subject to the actions stated in the Non Forfeiture Section 12.

- d) As long as total Top Up Premiums paid till date is lower than the 25% of the total regular Premium paid till date, the Policyholder will have the option to pay Top Up Premiums at any time, in addition to regular Premiums, provided all due regular Premiums have been paid and provided further that after payment of Top Up Premiums the total Top Up Premiums paid till date would not exceed the 25% of the total regular Premiums paid till date. The Top Up Premiums would be treated as a single Premium but would not result in any increase of the Sum Assured. The minimum Top Up Premium is Rs. 5,000 but the Company has right to increase this minimum premium from time to time keeping in view the monetary inflations.
- e) The Premium received in advance shall be adjusted on the due date even if it has been received in advance. However, the status of the Premium received shall be communicated to the Policyholder. The applicable Allocation Rate would be same as that if Premium would have been paid on their due dates.

## 6.2 Premium Allocation:

Units are allocated to the unit account of the Policy after applying the Allocation Rate as set out in Table 1 below, to the amount of Premium paid, at the prevailing Unit Price. Such allocations may be made up to 1/10,000<sup>th</sup> of Unit or such other fraction as the Company may decide from time to time.

**Table 1:**

Policy year in which due date of Premiums fall	1	2 <sup>nd</sup> year onwards
Allocation Rate (Regular Premium)	76%	97%

The Allocation Rate for Top Up Premiums is 98%.

## 7. Suicide :

If the Life Assured commits suicide whether sane or insane, within one year from the Date of Commencement of risk or Date of Revival of this Policy whichever is later, the contract of insurance shall be void whether or not any beneficial interest has been created therein and the Company will not entertain any claim by virtue of this Policy except to the extent of the Fund Value on the date of death. The actual date of death will be the basis for determining the validity of the contract of insurance. For arriving at the Policyholder's Fund Value, the date of intimation of death to the Company will be effective date.

## 8. Special Provisions:

Any special provisions subject to which this Policy has been entered into whether endorsed in the Policy or in any separate instrument shall be deemed to be part of the Policy and shall have effect accordingly.

## 9. Non-disclosure:

In case of non-disclosure or fraud or misrepresentation in the Proposal/ personal statement, declaration or in any other connected document leading to the

acceptance of the risk, the Company shall at its discretion repudiate the claim and no benefit shall be payable thereunder, subject to Section 45 of the Insurance Act, 1938.

**10. Notices:**

Any notice, direction or instruction to be given under this Policy shall be in writing and delivered by hand, post, facsimile or E-mail to:

(a) In case of the Policyholder/Life Assured/Assignee:

As per the details specified by the Policy holder/Life Assured/Assignee in the Proposal form or as per subsequent change of address intimation submitted by him to the Company.

Notice and instructions shall be deemed served after 7 (seven) days of posting or immediately upon receipt in the case of hand delivery, facsimile or E-mail.

The Company shall not be responsible for any consequences arising out of non-intimation of change of address.

(b) In case of the Company:

Bajaj AllianzLife Insurance Company,

GE Plaza, Airport Road,

Yerawada,

Pune 411006

Tel: 020 - 66026777

Fax:020 - 66026789

Email: life@bajajallianz.co.in

**11. Electronic Transactions:**

The Policyholder agrees to adhere to and comply with all such terms and conditions as the Company may prescribe from time to time and hereby agrees and confirms that all transactions effected by or through facilities for conduction remote transactions including the Internet, World Wide Web, electronic data interchange, call centres, teleservice operations (whether voice, video, data or combination thereof) or by means of electronic, computer, automated machines network or through other means of telecommunication, established by or on behalf of the Company, for and in respect of the Policy or its terms, or the Company's other products and services, shall constitute legally binding and valid transactions when done in adherence to and in compliance with the Company's terms and conditions for such facilities, as may be prescribed from time to time.

**12. Non payment of regular Premium Non Forfeiture:**

a) If the Policyholder has failed to make a payment of regular Premium due by the due date as specified in the Schedule, the Company shall give a grace period of 30 days (15 days, if the frequency of payment is monthly). If the Life Assured's death occurs during the grace period, the full death benefit is payable.

b) If the unpaid regular Premium was due during the first three Policy Years, and the Policyholder has failed to make the payment before the expiry of the aforesaid grace period:

i) The Policy shall immediately lapse.

- ii) The Policyholder may revive the Policy within a revival period of two years from the due date of first unpaid regular Premium subject always to Section 34 below, failing which the contract shall be terminated and the Fund Value as on date of lapse less the surrender charge as per Section 25)h) would be paid at the end of the third Policy Year or at the expiry of the revival period, whichever is later.
- c) If the unpaid regular Premium was due after the first three Policy Years, and the Policyholder has failed to make the payment before the expiry of the aforesaid grace period:
  - i) The Policyholder will be given an opportunity to revive the Policy within two years from the first unpaid Premium, subject always to Section 34 below. During this limited period for revival, the Policy shall be continued levying all appropriate charges as per Section 25 until the Fund Value falls below an amount equivalent to 125% of one annual Premium (NAV) across all the Funds. At the end of two years i.e. period for revival, if the Policy is not revived, the Policyholder can opt to continue the Policy subject to deduction of all charges as per Section 25 until the Fund Value falls below an amount equivalent to 125% of one annual premium (NAV) across all the funds.
  - ii) If the Policyholder does not opt to continue the Policy after the revival period, the Policy shall be terminated by paying the Fund Value.
  - iii) When the Fund Value in respect of Regular Premium falls below an amount equivalent to 125% of one annual premium, the Policyholder will be intimated about this in writing and the Policy shall be terminated by paying the Fund Value.

**13. Free Look Period:**

Within 15 days from the date of receipt of the policy, you have the option to review the terms and conditions and return the policy, if you disagree to any of the terms & conditions, stating the reasons for your objections. You will be entitled to a refund of the premium paid, subject only to a deduction of a proportionate risk premium for the period on cover and the expenses incurred on medical examination. The refund paid to the Policyholder will also be reduced by the amount of any reduction in the Fund Value due to fall in the Unit Price between the date of allocation and redemption of units (without reference to any premium allocation rate or Charges).

**14. Currency:**

All amounts payable either to or by the Company shall be payable in India and in Indian Currency.

**15. Time:**

Time wherever mentioned shall be of the essence of this Policy.

**16. Waiver:**

Failure or neglect by either party to enforce at anytime the provisions of this Policy shall not be construed or be deemed to be a waiver of either party's right herein nor in anyway affect the validity of the whole or any part of this Policy nor prejudice either party's right to take subsequent action.

**17. Modifications:**

The provision of this Policy cannot be changed or varied except by a Policy endorsement signed by an officer of the Company authorized for the purpose.

**18. Payment of claim:**

- a) The Company shall be under no obligation to make any payment under Section 3.1 above unless and until the Company has received from the Policyholder (or the Nominee, or legal heirs, and at no expense to the Company) any information and documentation it requests, including but not limited to:
- i) Written notice within 180 days of the death of the Life Assured, and the circumstances resulting in the death of the Life Assured.
  - ii) The claimant's proof of entitlement to receive the policy moneys.
  - iii) Original Policy Document.
  - iv) Original death certificate of the Life Assured certified by the competent authority.
  - v) Medical cause of death certificate from the doctor last attending or the hospital in which the death occurred.
  - vi) Medical evidence- In case of Disability/ Critical Illness/ Accidental Benefit/ Hospital Cash Benefit/ Mahila Gain
  - vii) Any other relevant documents or information as may be required by the Company for the processing of the claim depending upon the cause of the death.
- b) All notices, applications or notification of claim must be received and approved at the office of the Company authorized to deal with the claim within the time specified by the Regulation.

**SCHEDULE OF INVESTMENT FUNDS**

**19. Type of Funds**

Equity Growth Fund / Equity Index Fund II/ Accelerator Mid- Cap Fund/Bond Fund / Liquid Fund

**20. Valuation Date**

The Company aims to value the Funds on each day the financial markets are open. However, the Company reserves the right to value less frequently in extreme circumstances, where the value of the assets may be too uncertain. In such circumstances, the Company may defer valuation of assets until a certainty on the value of assets is resumed. The deferment of valuation of assets will be subject to prior consultation with IRDA. Examples of such circumstances are:

- a) When one or more stock exchanges which provide a basis for valuation for a substantial portion 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 out of the control of the Company, the disposal of the assets of the Fund are not reasonable or would not reasonably be practicable without being detrimental to the interests of the remaining Policyholders.
- c) During periods of extreme volatility of markets during which Surrenders and Switches would, in the opinion of the Company, be detrimental to the interests of the remaining Policyholders.
- d) In the case of natural calamities, strikes, war, civil unrest, riots and bandhs.

- e) In the event of any force majeure or disaster than affects the normal functioning of the Company.
- f) If so directed by the IRDA.

The Policyholder shall be suitably notified should such a situation arise.

## **21. Fund Management**

All the Funds are managed by the Company .

## **22. Investment Objective**

### **(a) Equity Growth Fund:**

The investment objective of this Fund is to provide capital appreciation through investment in select equity stocks that have the potential for high capital appreciation

#### **Indicative Portfolio Allocation:**

Equity: Not less than 80%

Bank Deposits & Money Market Instruments - not more than 20%

### **(b) Equity Index Fund II**

The investment objective of this Fund is to provide capital appreciation through investment in equities forming part of National Stock Exchange NIFTY.

#### **Indicative Portfolio Allocation:**

Equity - Not less than 85%

Bank Deposits & Money Market Instruments - Not more than 15%

### **(c) Accelerator Mid Cap Fund**

The investment objective of this Fund is to achieve capital appreciation by investing in a diversified basket of mid cap stocks and large cap stocks.

#### **Indicative Portfolio Allocation:**

Equity - Not less than 80%

Bank Deposits & Money Market Instruments - Not more than 20%

### **(d) Bond Fund:**

The investment objective of this Fund is to provide accumulation of income through investment in high quality fixed income securities like G-Secs, and corporate debt rates AA and above.

#### **Indicative Portfolio Allocation:**

Government Securities, Bonds & FD's: Not less than 80 %

Money market instruments: Not more than 20 %

### **(e) Liquid Fund:**

The investment objective of this Fund is to have a Fund that protects the invested capital through investments in liquid money market and short-term instruments like Commercial Papers, Certificate of Deposits, Money Market Mutual Funds, Bank FDs etc. The Unit Price in this Fund is guaranteed not to go down. A maximum of 20 % of the allocated Premium can be put in Liquid Fund.

#### **Indicative Portfolio Allocation:**

Money Market Instruments: 100%

### 23. Risk Profile

The investment risk profiles of the Funds based on the nature of assets held in each Fund are as follows:-

Funds	Risk Profile
Equity Growth Fund	Very High
Equity Index Fund	High
Accelerator Mid Cap Fund	Very High
Bond Fund	Moderate
Liquid Fund	Low

### 24. Fund Provisions

#### a) Purpose of the Funds

The Company established the Funds set out in Schedule of Investment Funds hereto, from which part or all of the benefits payable will be made under this Policy.

#### b) Investment of the Funds

The selection of the underlying investments of each Fund established by the Company shall be such as the Company, in its absolute discretion, may from time to time determine and it is further provided that the assets of each Fund may comprise in such proportion as the Company may determine including un-invested cash or any other asset whether or not this produces income.

All assets relating to the Fund shall be and shall remain in the absolute beneficial ownership of the Company. There is no trust created, whether expressly or impliedly, by the Company in respect of the investments.

### 25. Charges

#### a) Mortality Charge

- i). The charge for Insurance Covers depends on the following factors:
  - a. The amount of Sum Assured and the current Fund Value.
  - b. The attained Age of the Life Assured
  - c. The occupation of the Life Assured
  - d. The health of the Life Assured
- ii). The mortality charge would be deducted at monthly intervals at the rate as applicable to the attained Age of the Life Assured, through cancellation of units at the prevailing Unit Price on the date of Date of Commencement of Risk and on subsequent Monthly Due Dates whilst the Policy remains in-force. The mortality charge may vary from year to year according to the attained Age of the Life Assured at the time of deduction of the same.
- iii). The Mortality charges are given in Annexure -1. The Mortality charge is applied at Sum at Risk, which is equal to Sum Assured less Fund Value.

iv). The Mortality charge by attained age is guaranteed throughout the policy term.

**b) Premium Allocation Charge**

This is a percentage of Premiums appropriated towards Premium Allocation Charge from the Premium received. The balance known as allocated Premium constitutes that part of the Premium that is utilized to purchase (investment) units for the Policy. The allocated Premium is equal to the Premiums paid multiplied by Allocation Rate. The Allocation Rates vary by the year of due date of Premium paid. This charge is levied at the time of allocation of Premium to unit account. The Allocation Rates are given in Article 6.2:

**c) Fund Management Charge**

<b>Fund</b>	<b>Fund Management Charge per annum</b>
Equity Growth Fund	1.75%
Equity Index Fund II	1.25%
Accelerator Mid Cap Fund	1.75%
Bond Fund	0.95%
Liquid Fund	0.95%

The Fund Management Charge is applied at net asset value of the Funds before deduction of this charge.

**d) Policy Administration Charge**

Policy Administration Charge is charged monthly on Monthly Due Dates of the Policy at the rate of Rs.240 per annum inflating at 5% per annum. This charge is not subject to revision.

**e) Switching Charge :**

Three free switches would be allowed every year. Subsequent switches would be charged @ 5% of switching amount or Rs. 100, whichever is lower.

**f) Miscellaneous Charge**

The miscellaneous charge would be Rs.100/- per transaction in respect of reinstatement, alteration of premium mode, any increase in sum assured by way of underwriting or issuance of copy of policy document.

**g) Rider Premium Charge**

- i. The Rider Premium charge depends on the following factors:
  - a. The amount of Sum Assured.
  - b. The attained Age of the Life Assured
  - c. The occupation of the Life Assured
  - d. The health of the Life Assured
  - e. The gender of Life Assured

- ii. The Rider Premium charge will be deducted at monthly intervals at the rate as applicable to the attained Age of the Life Assured, through cancellation of units at the prevailing Unit Price on the Date of Commencement of Risk and on subsequent Monthly Due Dates. The Rider Premium charge may vary from year to year according to the attained Age of the Life Assured at the time of deduction of the same.

#### **h) Surrender Charge**

If first three years Regular Premiums are not paid and the Policy is lapsed, the Surrender Charge on Regular Premium unit value would be 100% of the first years' annualized Allocated Premium.

If first three years Regular Premiums have been paid in full, there is no Surrender Charge on surrender of regular Premium units from the fourth Policy year.

No Surrender Charge will be applied in case of partial or complete surrender of units in respect of Top Up Premium.

#### **26. Recovery of Charges**

The Fund Management Charge will be deducted from the net asset value of the Funds while calculating the Unit Price. The Policy Administration Charge and the charges for Insurance Covers would be recovered monthly by cancellation of units at Monthly Due Dates at prevailing Unit Price. In the event that the Units are held in more than one Fund, the cancellation of Units will be effected in the same proportion as the value of units held in each Fund under the Policy. In case the value of units in any Fund goes down to the extent that it is not sufficient to support the proportionate monthly charges, then the same shall be deducted from the value of units of the other Funds.

#### **27. Change in rate of Charges**

- a) The Company reserves the right to change the Fund Management Charge at any time with prior approval from the IRDA upto a maximum of 2.75% per annum of the net asset value for the Equity Growth Fund and Accelerator Mid Cap Fund, 1.75% p.a. for the Bond and Liquid Funds, 2.25% p.a. for the Equity Index Fund II.
- b) The Company reserves the right to revise the miscellaneous charge given in Section 25f) up to a maximum of Rs.200 per transaction with prior approval from the IRDA.
- c) The Company reserves the right to revise the switching charge given in Section 25e) at any time with prior approval from the IRDA to a maximum of Rs. 200 per switch or 5% of switching amount, whichever is lower.
- d) The Company will give a notice of three months to the Policyholders for any of the above-mentioned changes in Charges. The Policyholder/Life Assured who does not agree with the modified Charges shall be allowed to withdraw the units under the Policy at the then prevailing Unit Price and terminate the Policy.

#### **28. Fund Valuation**

The Fund Value is equal to the number of units in each Fund under this Policy multiplied by their respective Unit Price.

#### **29. Unit Transactions**

- a) Units in any of the Funds of the Company may be created only if there is, added to that Fund assets equal in value to the value of the Units created.

**b) Creation of Units (Premium Allocations, Switch in)**

- i) In respect of Premium/Fund switches received by the Company on a day by a cut off time as set by the Insurance Regulatory and Development Authority (IRDA), along with a local cheque or a demand draft payable at par at the place where the Premium is received, the closing Unit Price of the day on which Premium is received shall be applicable. This provision shall apply to the Standing Instructions also. The cut off time prescribed by the IRDA as at the Date of commencement of the policy is 4.15 pm.
- ii) In respect of Premium/Funds switches received by the Company on a day after a cut off time as set by the Insurance Regulatory and Development Authority (IRDA), along with a local cheque or a demand draft payable at par at the place where the Premium is received, the closing Unit Price of the next business day shall be applicable. The cut off time prescribed by the IRDA as at the Date of commencement of the policy is 4.15 pm.
- iii) In respect of Premium received with outstation cheques/demand drafts at the place where the Premium is received, the closing Unit Price of the day on which cheques/demand draft is realized shall be applicable.

**c) Cancellation of Units (Redemptions, Switch out):**

- i) In respect of valid applications received by the Company for surrender, partial withdrawal or switch out on a day by a cut off time as set by the Insurance Regulatory and Development Authority (IRDA), the same day's closing Unit Price shall be applicable. The cut off time prescribed by the IRDA as at the Date of commencement of the policy is 4.15 pm.
- ii) In respect of valid applications received by the Company for surrender, partial withdrawal or switch out on a day after a cut off time as set by the Insurance Regulatory and Development Authority (IRDA), the closing Unit Price of the next business day shall be applicable. The cut off time prescribed by the IRDA as at the Date of commencement of the policy is 4.15 pm.

**30. Right to Defer the Unit Transactions**

The overriding equity principle in establishing Unit pricing used for transactions into and out of a Fund shall be that the interests of the Policyholders holding Units but not involved in such transactions should be unaffected by that transaction. If in the opinion of the Company, the exercise of any transaction by Policyholder at a Unit Price determined by the procedures given herein above in Section 1, would be materially unfair to the remaining Policyholders, then all transactions to and from such Funds would be suspended for upto 30 days to allow the transactions to be exercised at a Unit Price that would not be materially unfair. The deferment of transactions will be subject to prior consultation with IRDA. If the Company defers the transaction, then the Company will use Unit Price of the day on which the transaction actually takes place. The Policyholder shall be suitably notified should such a situation arise.

**31. Options**

Whilst the Policy is in force, the Policyholder may, subject to the approval of the Company, exercise any of the following options by using the prescribed application form and meeting the conditions set out therein;

**a) Switching**

Transfer or "switch" of any of the Units in a particular Fund to another Fund or some other new investment linked Fund which may have been established by the Company provided the minimum switching amount is Rs.5000 or the Fund Value whichever is lower; such "switch" will be effected by the cancellation of the Units to be "switched" and the creation of new Units in the Fund being "switched" to. The Units purchased, shall be determined by references to the Unit Price in the respective Funds. The Policyholder can exercise three free switches during each policy year. For subsequent switches over and above three free switches during any policy year, the Company will charge a switching fee @ 5 % of the switch amount or Rs.100/- whichever is lower. Switching will be permitted only for in force policies.

**b) Withdrawal of units**

- i). Withdrawals through partial or complete surrender of units are allowed after three years from the Date of Commencement of Policy, provided regular Premiums for three full years have been paid. Top-Up Premium has a lock -in period of three years.
- ii). In case of partial withdrawals, a minimum balance of 125% of one annual Premium (at Fund value) across all Funds should be maintained after withdrawal. The minimum amount of withdrawal is Rs.1000/- (at Fund Value). No surrender charge will be applied in case of partial withdrawal from Fund Value in respect of Regular Premium or Top up Premium.
- iii). In case the Policy is taken on the life of a minor, the partial withdrawals shall not be allowed until the minor (Life Assured) attains majority (ie. On or after attainment of Age 18).
- iv). The Company reserves the right at any time and from time to time to vary the minimum value of Units to be withdrawn and/or the minimum balance of value of Units to be maintained after such withdrawals with prior approval from the IRDA by giving written notice of three (3) months in advance.

**c) Surrender**

- i). The Surrender Value of the Policy will be equal to the Fund Value less Surrender Charge, if any as per Section 25)h). The Company shall thereafter terminate the Policy upon payment of the full Surrender Value.
- ii). The Surrender Value would be payable after three Policy years. Further, if first three years Premiums have not been paid and the Policy is lapsed as per Section 12)b), the Surrender Value, if any, would be payable at the expiry of the revival period or three Policy years, whichever is later

- iii). The Company does not impose any Surrender Charge on surrender after three-policy years.

**d) Increase of Sum Assured**

The Policyholder/Life Assured shall have the following options to increase the Sum Assured on the following terms and conditions during the term of the Policy.

- i). The Policyholder/Life Assured may increase the Sum Assured under the Policy without any underwriting every third year upto 4 times. The option can be exercised for the first time on the third Policy anniversary or on attainment of Age 18 years by the Life Assured whichever is later. Each time the increase will be for 25% of the Sum Assured computed as on the Date of Commencement of the Policy or Rs. 1,00,000 whichever is lower. However, the maximum Sum Assured after the increase must not exceed the maximum Sum Assured available for the regular Premium level chosen for the Age at which the increase is affected. The Policyholder/Life Assured should give 15 days notice of increase in Sum Assured before the Policy anniversary.
- ii). The number of increases granted shall be limited to four, and shall be subject to the condition that the total Sum Assured on one's life under all the policies under this plan shall not exceed the maximum Sum Assured allowable for that Age.
- iii). An option for increase in Sum Assured if not exercised by the Policyholder/Life Assured shall not be carried forward.
- iv). Any increase in the Sum Assured other than that covered by Article 31 d)(i) above shall be subject to underwriting and the Policyholder/Life Assured shall bear the cost of any medical report(s) and any other medical charges. All such costs shall be recovered through the cancellation of the Units.
- v). Notwithstanding anything contained above, no increase in Sum Assured shall be allowed without underwriting after the Life Assured has attained Age 45 years.
- vi). Notwithstanding anything contained above, no increase in Sum Assured shall be allowed after the Life Assured has attained Age 60 years.

**e) Premium Apportionment:**

- i). The Policyholder may at any Policy anniversary request in writing to change the apportionment percentage of his/her Premium to the Fund he/she wishes to invest. This request should be received at the Company's office at least 15 days prior to the Annual Due Date.
- ii). The Premium apportionment to a Fund in which the Policyholder wishes to invest must be at least 5% of the Premium. The Company reserves the right to revise the above minimum apportionment percentage subject to prior approval from IRDA upon giving written notice of not less than three (3) months.
- iii). The Company shall notify the Policyholder accordingly of the approval or otherwise of the exercise of any of the aforesaid options.

**f) Settlement Option:**

- i). The Policyholder will be given the option to receive the maturity proceeds in equal installments (payable yearly, half yearly, quarterly or monthly, at the option of the Policyholder) spread over a maximum period of 5 years.
- ii). The Policyholder has to intimate the Company by way of a written application duly signed by the Policyholder, at least three months prior to the Date of Maturity to exercise the Settlement Option.
- iii). The amount paid out to the Policyholder in each installment will be the outstanding Fund Value at that date divided by the number of outstanding installments.
- iv). Installment payments will be made by redeeming units from the Funds at the Unit Price applicable on that date.
- v). All Charges except the Mortality Charge and Rider Premium Charge, if any, shall be deducted through the redemption of units from the Funds during the period of the Settlement Option as selected by the Policyholder and endorsed by the Company.
- vi). No Partial withdrawals or Switches are allowed during the subsistence of the period of the Settlement Option.
- vii). No risk cover will be available during the settlement period. The company will deduct all the charges (except the mortality charge and rider premium charge).

The Settlement Option can only be exercised by the Policyholder.

**32. Vesting on Attaining Majority**

Where the Policy has been issued on the life of a minor, the Policy will automatically vest in him on his attaining majority and the Life Assured would be the Policyholder and the Company shall thereafter enter into all correspondence directly with him. Any assignment or nomination of the Policy contrary to this Provision would be null and void as against the Company.

**33. Non-Participation in Profit**

This Policy shall participate only in the performance of the underlying Funds.

**34. Revival Conditions**

- i). This Policy may be revived with the consent of the Company within 2 years from the due date of the last unpaid premium subject to the receipt by the Company of the following:
  1. A written application for revival
  2. All due unpaid regular Premiums.
  3. Production of evidence of insurability satisfactory to the Company,
- ii. Provided always the Allocation Rate shall continue from the last allocation where it last stopped in accordance with the allocation rate specified in Table 1 herein above and any revival shall only cover the loss or insured event which occurs after the revival date.

**35. Termination Conditions**

This Policy shall automatically terminate on the happening of the following events:

i) The units in the Policy are fully surrendered and full surrender value is paid to the Policyholder.

Or

ii) The Fund Value falls below an amount equivalent to 125% of one annual Premium after regular Premium payments are discontinued

Or

iii) The death of the Life Assured.

iv) On maturity date, unless the policyholder has opted for Settlement Option

v) The expiry of the period for the Settlement Option

whichever event occurs first.

**36. New Funds:**

The Company may establish new Funds from time to time subject to prior approval from IRDA and the Policyholder/Life Assured shall be notified of the establishment of such new Funds. The Company may offer the Policyholder/Life Assured the option to switch or direct Premium to those Funds at such price and subject to such terms and conditions as may be imposed by the Company at that time.

**37. Investment of the Funds:**

The Company shall select the investments, including derivatives and units of mutual funds, by each Fund at its sole discretion subject to the investment objectives of the respective Fund and the IRDA Regulations in that behalf. All assets relating to the Fund shall be and shall remain in the absolute beneficial ownership of the Company. There is no trust created, whether express or implied, by the Company in respect of the investments in favour of the Policyholder/Life Assured/Assignee/Nominee of the Policy or any other person.

**38. Fund Closure:**

Although the Funds are open ended, the Company may, in its sole discretion, subject to prior approval from IRDA, close any of the Funds on the happening of any event, which in the sole opinion of the Company required the said Fund to be closed. The Policyholder/Life Assured shall be given at least three months prior written notice of the Company's intention to close any of the Funds and on and from the date of such closure, the Company shall cease to issue, redeem and cancel Units of the said Fund and cease to carry on business activities in respect of the said Fund. In such an event if the Units are not withdrawn or switched to another Fund by the Policyholder/Life Assured, the Company will switch the said units to any another Fund at its sole discretion. However no fee would be charged for switching to another Fund in the event of such closure of plans.

**39. Risks of Investment in the Units of the Funds:**

The Policyholder/Life Assured is aware that the investment in the Units is subject to the following, amongst other risks and agrees that he is making the investment in the Units with full knowledge of the same.

- i). Unit Linked Life Insurance products are different from the traditional insurance products and are subject to the risk factors.
- ii). The Premium paid in unit linked life insurance policies are subject to investment risks associated with capital markets and Unit Prices may go up or down based on the performance of the underlying assets in the Funds and factors influencing the capital market and the Life Assured/Policyholder is responsible for his/her decisions.
- iii). Bajaj Allianz Life Insurance is the name of the Insurance Company and Bajaj Allianz New UnitGain Plus regular premium is only the name of the Plan and does not in any way indicate the quality of the Policy, its future prospects or returns.
- iv). Equity Growth Fund, Equity Index Fund II, Accelerator Mid Cap Fund, , Bond Fund and Liquid Fund are the names of the funds being offered currently with Bajaj Allianz New UnitGain Plus product, and in any manner does not indicate the quality of the respective Funds, their future prospects or returns.
- v). The investments in the Units are subject to market and other risks and there can be no assurance that the objectives of any of the Funds will be achieved.
- vi). Equity Growth Fund, Equity Index Fund II, Accelerator Mid Cap Fund, , and Bond Fund do not offer any guaranteed or assured return.
- vii). All benefits payable under the Policy are subject to the tax laws and other financial enactments, as they exist from time to time.
- viii). The past performance of other Funds of the Company is not necessarily indicative of the future performance of any of these funds.

**40. Loss of Policy Document**

- a) If the Policy Document is lost or destroyed, then subject to 40) c) at the request of the Policyholder the Company will issue a copy of Policy Document duly endorsed to show that it is issued following the loss or destruction of the original document. The company shall be entitled to charge a fee for the issue of a copy Policy Document.
- b) Upon the issue of a copy Policy Document the original Policy Document will cease to have any legal effect.
- c) The Company reserves the right to make such investigations into and call for such evidence of the loss of the Policy Document at the expense of the Policyholder, as it considers necessary before issuing a copy policy document

**41. Grievance Redressal :**

For any assistance pertaining to the Policy servicing, the Policyholder may contact any nearest Customer Care Center during our office hours 9 am to 6 pm. Alternatively, you may communicate with us:

By post at:  
Customer Care Desk  
Bajaj Allianz Life Insurance Company Ltd.  
GE Plaza, Airport Road,  
Yerawada,  
Pune. 411006  
By Fax: 020 66026772  
By Phone: 020 66026777 (Ext 741)  
By Email: care@bajajallianz.co.in

**42. Grievance Redressal Committee**

The Company is concerned about the grievances of its Policyholders and has a grievance redressal mechanism in place for quick and satisfactory resolution of grievances. Any grievance or complaint or dispute or suggestions in respect of this Policy or on the functioning of the office may be sent to the above email address/fax/phone or by post addressed to:

Grievance Redressal Officer  
Bajaj Allianz Life Insurance Company Ltd.  
GE Plaza, Airport Road,  
Yerawada, Pune. 411006

**43. Ombudsman:**

To attend to grievance of Policyholders with respect to their insurance policies, Central Government has established offices of insurance ombudsman. The details of ombudsman are available on the IRDA website at [www.irdaonline.org/ombudsmanlist.htm](http://www.irdaonline.org/ombudsmanlist.htm) and also at the Bajaj Allianz website: <http://www.bajajallianz.co.in>

**44. Arbitration**

Any and all disputes or differences which may arise under, out of, or in connection with or in relation to this Policy, or to its existence, validity or termination or to the determination of the amount or any amounts payable, shall be referred to arbitration to the decision of a sole arbitrator to be appointed in writing by the parties hereto or if they cannot agree upon a single arbitrator within 30 days of any party invoking arbitration, the same shall be referred to a panel of 3 arbitrators to be appointed in accordance with the Arbitration and Conciliation Act 1996. The arbitration proceedings shall be governed by the Arbitration and Conciliation Act 1996 and the seat of the arbitration and venue for all hearings shall be within India.

**45. Governing Law**

This Policy and the applicable terms and conditions are subject to Indian law.

**46. Taxation**

The Company shall be entitled to make such deductions, which in its opinion are necessary and appropriate, for the services availed by the Policyholder under this Policy or from any of the benefits receivable under this Policy, on account of any tax or other payment which may be imposed by any legislation, order, regulation or otherwise, upon the Company, Policyholder or Nominee.

**47. Section 45**

No Policy of life insurance effected after the coming into force of this Act shall, after the expiry of two years from the date on which it was effected, be called in question by an insurer on the ground that a statement made in the proposal for insurance or in any report of a medical officer, or referee, or friend of the insured, or in any other document leading to the issue of the Policy, was inaccurate or false, unless the insurer shows that such statement was on a material matter or suppressed facts which it was material to disclose and that it was fraudulently made by the Policyholder and that the Policyholder knew at the time of making it that the statement was false or that it suppressed facts which it was material to disclose.

Dated at \_\_\_\_\_ this \_\_\_Day of \_\_\_\_\_200 .

For and behalf of Bajaj Allianz Life Insurance Company

Authorised Signatory