

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

**POLICY DOCUMENT**

This Policy is issued on the basis of the information given and declarations made by the Policyholder in the Proposal Form, which is incorporated herein and forms the basis of this Policy.

**1. Definitions:**

The following terms shall have the meaning assigned to them as below. The singular includes the plural and references to the male include the female where the context so permits:

- a) **“Age”** means Age at last birthday.
- b) **“Business Day”** is the common working day of the Corporate Office of the Company.
- c) **“Charges”** means charges applicable to this Policy as detailed in Section 30 and Section 31 below.
- d) **“Company”** means BAJAJ ALLIANZ LIFE INSURANCE COMPANY LIMITED.
- e) **“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.
- f) **“Current Liabilities and Provisions”** includes brokerage , stamp duty, custodial and Fund accounting expenses payable and other amounts payable, if any, from the Fund.
- g) **“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.
- h) **“Fund Value”** means the number of Units held by the Policyholder in different Fund under this Policy multiplied by their respective Unit Price.
- i) **“Life Assured”** means the person named in the Schedule whose life is assured under this Policy is effected.
- j) **“Monthly Due Date”** means the date corresponding numerically with the Policy Commencement Date in each subsequent month.
- k) **“Nominee”** means the person specified in the Schedule who has been nominated in writing to the Company by the Policyholder who is entitled to receive the benefits under the Policy upon the death of the Life Assured in case the Life Assured does not have a spouse.
- l) **“Policy”** means the arrangements established by this Policy Document.
- m) **“Policy Anniversary”** means the date corresponding numerically with the Policy Commencement Date in each subsequent year during the Policy Term.
- n) **“Policy Commencement Date”** means the date of commencement of the Policy as specified in the Schedule.
- o) **“Policy Document”** means this policy wording, the Schedule (which is attached to and forms part of this Policy and includes any annexure or endorsement to it and if more than one then the latest in time) and the Proposal Form.
- p) **“Policyholder”** means the person named in the schedule who has concluded the Policy with the Company.
- q) **“Policy Term”** means the period between the Policy Commencement Date and the Vesting Date as specified in the Schedule.
- r) **“Policy Year”** means the year commencing on the Policy Commencement Date or a Policy Anniversary thereof.

- s) **“Premium Allocation Rate”** means the rate specified in the Schedule at which the premium will be applied to arrive at the number of Units to be allocated in the Unit Account in respect of any Single Premium or Top Up Premium paid by the Policyholder.
- t) **“Proposal Form”** means the Policyholder’s statements in the proposal for this Policy submitted by or on behalf of the Policyholder along with any other information or documentation provided to the Company prior to inception of the Policy.
- u) **“Schedule”** means the attached document that gives the details of this specific Policy as chosen by the Policyholder and includes any annexure or endorsement to it and, if more than one, then the latest in time.
- v) **“Single Premium”** means the amount of premium specified in the Schedule, paid by the Policyholder as a one time payment or lump-sum, prior to the Policy Commencement Date.
- w) **“Top Up Premium”** means the amount of additional premium paid over and above the Single Premium paid.
- x) **“Unit Account”** means the account created and administered by the Company for a Policy and consisting of Units, which are valued by referring to the underlying assets of the Fund.
- y) **“Unit”** means a proportionate part of a Fund created to determine the Unit Price.
- z) **“Unit Price”** means the value per unit calculated in Rupees in accordance with the following formula:

Unit Price = Net Asset Value (“NAV”) divided by the total number of Units held in the Fund as at the Valuation Date. The NAV can be calculated at the Valuation Date by either of the following methods:

**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.

**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.

- aa) **“Valuation Date”** refers to the date when the assets of the Fund are valued.
- bb) **“Vesting Date”** refers to the date as appearing in the Schedule on which the Vesting Benefit under this Policy becomes payable as per Section 5) b .

## **2. Policy Description:**

- a) This Policy is a Single Premium, unit linked deferred annuity plan.
- b) The Single Premium and Top Up Premium, if any, paid by the Policyholder will be used to allocate Units in the Unit Account after applying the Premium Allocation Rate specified in the Schedule, in one or more of the available Funds and (per Section 6)c) below) in the proportions specified by the Policyholder in the Proposal Form or, in the case of Top UP Premiums, as subsequently notified by the Policyholder to the Company through a written application from time to time. Switches between the Funds may be made by the Policyholder per Section 6) a) below.
- c) The Policy enables the Policyholder/Life Assured to participate only in the investment performance of the Fund 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 assets, the profits or surplus of the business of the Company.

## **3. Premium Allocation**

Units are allocated under the Policy depending on the amount of Single Premium or Top Up Premium received, the Premium Allocation Rate and the Unit Price of each Unit on the date of allocation. Such allocations may be made up to 1/10,000th of a Unit or such other fraction as the Company may decide from time to time.

## **4. Foreclosure:**

If the Fund Value falls below one-tenth of the Single Premium, the Policyholder will be notified about this and the Policy will be terminated. The balance Fund Value would be paid upon such termination.

## **5. Policy Benefits:**

### **a) Death Benefit:**

Provided the Policy has not been terminated per Section 22 below:

#### **(i) On the death of Life Assured before the Vesting Date**

o The spouse of the Life Assured will have the following options:

1. To receive the Fund Value as on date of receipt of intimation of death of the Life Assured at the office of the Company  
OR
2. If the Age of spouse of the Life Assured is above 45 years, to receive a maximum of 1/3<sup>rd</sup> of the amount specified in sub-section 1 above as lump sum and to use the balance amount to purchase an immediate annuity for the spouse from the Company at the prevailing immediate annuity rates of the Company or from any other Insurer in the open market as chosen by the spouse.

o If no spouse of the Life Assured exist then Nominee, as defined in Section 1)k) above, will receive the Fund Value.

#### **(ii) On the death of Life Assured after the Vesting Date:**

This will be governed by the conditions specified in the immediate annuity policy purchased on the life of the Life Assured as per sub-section i) 2 above.

### **b) Vesting Benefit:**

On the survival of the Life Assured to the Vesting Date, provided the Policy has not been terminated per Section 22 below:

1. The Fund Value as on the Vesting Date may be used to purchase an immediate annuity for the Life Assured from the Company at the immediate annuity rates of the Company prevailing at that time or from any other Insurer in the open market as chosen by the Life Assured.

OR

2. The Life Assured may receive in lump sum up to a maximum of 1/3<sup>rd</sup> of the Fund Value as on the Vesting Date. The balance amount may be used to purchase an immediate annuity for the Life Assured from the Company at the immediate annuity rates of the Company prevailing at that time or from any other insurer in the open market as chosen by the Life Assured.

The Policyholder has to exercise this option at least 6 months before the Vesting Date.

c) **Surrender Value**

1. Complete surrender of Units is allowed after three years from the Policy Commencement Date.
2. The Surrender Value shall be equal to the Fund Value.

6. **Flexibilities**

Whilst the Policy is not terminated as per Section 22 below, the Policyholder may, subject to the prior approval of the Company, exercise any of the following options by using the application form prescribed by the Company and meeting the conditions set out therein:

a) **Fund Switching:**

The Policyholder may switch Units between Funds at such Unit Price and subject to the prevailing terms and conditions as specified by the Company at that time, provided that:

- i) The Company has received a written notice from the Policyholder stating the amount to switch, the Funds to be switched-from and the Funds to be switched-to.
- ii) The minimum switching amount is Rs.5,000 from one Fund or the total value of Units held by the Policyholder in the Fund to be switched from, whichever is lower.
- iii) The Company shall effect the switch by redeeming Units from the Fund to be switched-from, and allocating new Units in the Fund being switched-to, at their respective Unit Price.

The Policyholder may exercise three free switches during each Policy Year.

b) **Partial Withdrawal:**

Partial Withdrawal is not allowed under the Policy

c) **Premium Apportionment**

- i) The Policyholder while paying the Single Premium and/or Top Up Premium will have to specify the apportionment of that premium (allocated to each fund) mentioned in Section 2) b) above.
- ii) The minimum apportionment allowed to any Fund is 5%. The Company reserves the right to revise the minimum proportion upon sending written notice of not less than three months, with prior approval from the IRDA.

d) **Top Up Premium**

- i) The Policyholder shall have the option to pay unlimited Top Up Premium at any time, in addition to the Single Premium.
- ii) The Top Up premium would be treated as the Single Premium top-ups.
- iii) The minimum Top Up Premium payable is Rs. 5,000, subject always to the Company's right to alter this minimum amount payable from time to time, with prior approval from the IRDA. There is no limit on maximum Top Up Premium payable under this Policy.

## PART "A" - General Conditions

### 7. Age Proof:

The Policyholder shall furnish such proof of the Life Assured's Age as is acceptable to the Company and have the Age admitted. If the Age so admitted (the "correct Age") is found to be different from the Age declared in the Proposal Form, then without prejudice to the Company's other rights and remedies including those under the Insurance Act 1938, the following actions may be taken:

If the correct Age is such as would have made the Life Assured uninsurable under this Policy, the plan of assurance shall stand altered to such a plan of assurance as is generally granted by the Company for the Life Assured's correct Age, which will be subject to the terms and conditions that are applicable to that other plan of assurance. If it is not possible to grant any other plan of assurance, the Policy shall stand cancelled with immediate effect by the Company and the Surrender Value per Section 5) c shall become payable.

### 8. Assignment and Nomination:

- i. Assignment is not allowed under this Policy.
- ii. The nominee's right arises only if the Life Assured dies and the spouse of the Life Assured is not alive.
  - a) If the Policyholder and the Life Assured are the same person, the Policyholder may, at any time, specify in writing a Nominee, whose details will be specified in the Schedule, to receive benefits payable under Section 5) a) upon the Life Assured's death, if the Life Assured does not have a spouse. If the Nominee is a minor, the Policyholder shall also appoint a person to receive the money during the minority of the Nominee, as specified in the Schedule. No nomination shall be effective unless and until evidenced by an endorsement on the Policy by the Company.
  - b) In case the Life Assured does not have a spouse and if there is no Nominee or if all the Nominees have predeceased the Life Assured, the benefits payable under the Policy will be paid to the legal heirs or representatives of the Policyholder.

### 9. Loans:

No loan is available under this Policy.

### 10. Non Disclosure & Fraud:

- a) If the Policyholder has either not disclosed all facts or has misrepresented facts (in the proposal form, revival application, if any, or any other statements or declarations) relevant to all persons that may have affected the Company's decision to issue the Policy or its price, terms, conditions and exclusions, then the Company shall have the right, subject to section 45 of the Insurance Act 1938, to avoid the Policy and shall not make any payment including premium under or in respect of the Policy.
- b) If the Policyholder or anyone acting at his direction or with his knowledge makes or advances any claim under this Policy knowing it to be false or fraudulent in any respect, the Policy shall be null and void and any benefit actually paid or potentially payable under or in respect of the Policy shall be forfeited and no refund of premium shall be made.

### 11. Notices:

Any notice, direction or instruction to be given under this Policy shall be in writing and if it is to:

- a) The Policyholder/Life Assured/Assignee:
  - i. Shall be sent by hand, post, facsimile or e-mail to the Policyholder as per the details specified by the Policyholder in the Proposal Form or as per subsequent change of address intimation submitted by him to the Company.

- ii. Notice and instructions shall be deemed served on the Policyholder on the 7<sup>th</sup> (seventh) day after posting or immediately upon receipt in the case of hand delivery, facsimile or e-mail of it being sent to the Policyholder's address or immediately upon actual receipt.
  - iii. The Company shall not be responsible for any consequences arising out of non-intimation of change of address.
- b) The Company, shall be submitted by hand, post, facsimile or E-mail to the address of the Company as specified in the Schedule.

**12. 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 of 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.

**13. Free Look Period:**

The Policy may be cancelled by written request and by returning this Policy to the Company within fifteen (15) days from the date of receipt of this Policy by the Policyholder. The amount refunded shall be premiums paid less the stamp fee Charges. 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 Charge).

**14. Currency:**

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

**15. 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.

**16. Payment of claim:**

The Company requires nothing less than the following documents before establishing the right of the claimant or claimants to receive payment:

- a) Original Insurance Policy
- b) Claimants statement
- c) Death certificate issued by the local medical authority, in case of death claim
- d) Any other relevant documents or information as may be required for the Company for the processing of the claim depending upon the cause of the claim.

**17. Loss of Policy Document**

- a) If the Policy Document is lost or destroyed, then subject to Sub-Section c), at the request of the Policyholder, the Company, if satisfied that the Policy Document has been lost or destroyed, will issue a copy of the Policy Document duly endorsed to show that it is issued following the loss or destruction of the original Policy Document. The Company will charge a Miscellaneous Charge specified in Section 30) e) below for the issuance of a copy of the Policy Document.

- b) Upon the issue of a copy of the 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 or destruction of the Policy Document at the expense of the Policyholder, as it considers necessary before issuing a copy of the Policy Document.
- d) It is hereby understood and agreed that the Policyholder will protect the Company and hold the Company harmless from and against any claims, costs, expenses, awards or judgments arising out of or howsoever connected with the original Policy Document or arising out of the issuance of a copy of the Policy Document.

#### **18. 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: Customer Care Desk

Bajaj Allianz Life Insurance Company Ltd.

GE Plaza, Airport Road, Yerawada, Pune - 411006

By Fax: 020 66026777

By Phone: 020 66026789

By e-mail: [life@bajajallianz.co.in](mailto:life@bajajallianz.co.in)

#### **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

#### **19. Ombudsman**

If you are not satisfied with the decision/resolution of the Company on insurance claims, delay in settlement, dispute with regard to premium or non-receipt of insurance document then it may be referred in writing to the office of the insurance ombudsman whose details are in the Annexure 2 attached. For the latest list of insurance ombudsman, please refer to the IRDA website at [http://www.irdaindia.org/ins\\_ombusman.htm](http://www.irdaindia.org/ins_ombusman.htm)

#### **20. Governing Law**

Any and all disputes arising out of and under this Policy shall be governed by and determined in accordance with Indian law and by the Indian Courts.

#### **21. Taxation**

The Policyholder agrees to pay or allows the Company to deduct from the Unit Account or any of the benefits payable under this Policy, a sum on account of any tax or other payment which may be imposed by any legislation, order, regulation or otherwise, upon the Company, Policyholder or any other beneficiary, which in the opinion of the Company is necessary and appropriate.

## **22. Termination Conditions**

This Policy shall immediately and automatically terminate on the earliest occurrence of any of the following events:

- a) The Units in the Policy are fully surrendered;
- b) The Fund Value falls to an amount equivalent to one-tenth of the Single Premium (after notifying the Policyholder);
- c) The receipt of intimation of death of the Life Assured at the Company's office.
- d) The payment of the Vesting Benefit on Vesting Date.

## **23. Section 45**

The Policy is subject to the provisions of Section 45 of the Insurance Act 1938 which states as follows:

### **Section 45 of the Insurance Act, 1938**

"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 policy holder knew at the time of making it that the statement was false or that it suppressed facts which it was material to disclose."



## PART "B" - SCHEDULE OF INVESTMENT FUNDS

### 24. Type of Funds

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

### 25. 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 that 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.

All Premiums and application or notification of claim must be received and approved at the office of the Company authorized to complete the requested action by the closing of office hours.

### 26. Fund Management

All the Funds are managed by the Company.

### 27. Investment Objective

#### **(a) Accelerator Mid-Cap Pension Fund:**

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

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

Equity: Not less than 60%; Out of the Equity investment: Not less than 50% will be in mid cap stocks.

Bank deposits and Money Market Instruments: Not more than 40%

The exposure to money market securities may be increased to 100%, keeping in view market conditions, market opportunities, and political, economic and other factors, depending on the perception of the Investment Manager. All changes in the asset allocation will be with the intention of protecting the interests of the Policyholders.

#### **(b) Equity Growth Pension Fund:**

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

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

Equity: Not less than 60%

Bank Deposits and Money Market Instruments: Not more than 40%

The exposure to money market securities may be increased to 100%, keeping in view market conditions, market opportunities, and political, economic and other factors, depending on the perception of the Investment Manager. All changes in the asset allocation will be with the intention of protecting the interests of the Policyholders.

**(c) Pure Stock Pension Fund:**

The investments in this Fund is to specifically exclude companies dealing in Gambling, Contests, Liquor, Entertainment (Films, TV etc.), Hotels, Banks and Financial Institutions.

**Indicative Portfolio Allocation:**

Equity: Not less than 60%

Government treasury bills (Non-interest bearing): Not more than 40%

The exposure to Government treasury bills (Non-interest bearing) may be increased to 100%, keeping in view market conditions, market opportunities, and political, economic and other factors, depending on the perception of the Investment Manager. All changes in the asset allocation will be with the intention of protecting the interests of the Policyholders.

**(d) Equity Index Pension Fund II:**

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

**Indicative Portfolio Allocation:**

Equity: Not less than 60%

Bank Deposits and Money Market Instruments: Not more than 40%

The exposure to money market securities may be increased to 100%, keeping in view market conditions, market opportunities, and political, economic and other factors, depending on the perception of the Investment Manager. All changes in the asset allocation will be with the intention of protecting the interests of the Policyholders.

**(e) Bond Pension Fund:**

The objective of this Fund is to provide accumulation of income through investment in high quality fixed income securities

**Indicative Portfolio Allocation:**

Debt and Money Market Instruments: 100%

**(f) Liquid Pension Fund:**

The objective of this Fund is to have a Fund that protects the invested capital through investments in liquid money market and short-term instruments.

**Indicative Portfolio Allocation:**

Money Market Instruments: 100%

**28. 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
Accelerator Mid Cap Pension Fund	Very High
Equity Growth Pension Fund	Very High

Pure Stock Pension Fund	Very High
Equity Index Pension Fund II	High
Bond Pension Fund	Moderate
Liquid Pension Fund	Low

## 29. 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 Policy Benefits 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 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.

The investment restrictions of each Fund are as specified in the Schedule of Investment Funds.

## 30. Charges

All the charges mentioned below except Surrender Charge will be subject to applicable Service Tax.

### a) Fund Management Charge

Fund	Fund Management Charge per annum
Accelerator Mid Cap Pension Fund	1.75%
Equity Growth Pension Fund	1.75%
Pure Stock Pension Fund	1.75%
Equity Index Pension Fund II	1.25%
Bond Pension Fund	0.95%
Liquid Pension Fund	0.95%

The Fund Management Charge is applied at net asset value of the Funds before deduction of this charge. This Charge is subject to revision per Section 32) a).

### b) Policy Administration Charge

Policy Administration Charge as mentioned in the Schedule will be deducted at each Monthly Due Date by cancellation of Units. This Charge is not subject to revision.

### c) Premium Allocation Charge

This is a percentage of Single Premium levied at the time of allocation of Single Premium or Top Up Premium to the Unit Account. The Premium Allocation Charge is as follows:

- 2% of Single Premium
- 2% of Top Up Premium

### d) 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. This Charge is subject to revision per Section 32)b).

**e) Miscellaneous Charge**

A miscellaneous charge would be charged at the rate of Rs. 100/- per transaction in respect of issuance of copy of Policy Document. This Charge is subject to revision per Section 32)c).

**f) Surrender Charge**

No surrender charge is applicable under this policy. This Charge is not subject to revision.

The Company shall notify the Policyholder accordingly of the approval or otherwise of the exercise of any of the aforesaid options

**31. Recovery of Charges**

The Fund Management Charges will be priced in the NAV of the Fund. The Policy Administration Charge and other Charges would be recovered by cancellation of Units at the 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 Unit Value of Units held in each Fund. In case the Fund Value 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 Fund Value of the other Funds.

**32. Change in rate of Charges**

After taking due approval from the Insurance Regulatory and Development Authority, the Company reserves the right to change the following Charges:

- a) Fund Management Charge up to a maximum of 2.75% per annum of the NAV for the Equity Growth Pension Fund, Accelerator Mid-Cap Pension Fund and Pure Stock Pension Fund, 2.25% p.a. for the Equity Index Pension Fund II and 1.75% p.a. for the Bond Pension Fund and Liquid Pension Fund.
- b) Switching charge up to a maximum of Rs.200 per switch or 5% of the switching amount, whichever is lower
- c) Miscellaneous charge up to a maximum of Rs.200/- per transaction
- d) If the Proposer/Life Assured does not agree with the Charges, he/she will be allowed to exit the plan at the prevailing price of units.

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 in the plans at the then prevailing Unit Price and terminate the Policy, subject to the Surrender Charge applicable, if any.

**33. 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 Policy Commencement Date of the Policy is 3.00 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 Policy Commencement Date of the Policy is 3.00 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 (Surrender, Switch out):**
- i) In respect of valid applications received by the Company for surrender 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 Policy Commencement Date is 3.00 pm.
  - ii) In respect of valid applications received by the Company for surrender 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 e Policy Commencement Date is 3.00 pm.

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

The interests of the Policyholders holding Units but not involved in transactions shall not be affected while establishing the Unit Price for transactions into and out of a Fund. 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 with 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 Company shall send notice to the Policyholder should such a situation arise.

**35. Non-Participation in Profit**

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

**36. 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.

**37. Unit Statement**

The Company will issue Unit Statement to the Policyholder at every Policy Anniversary or on the happening of any Unit transaction under the Policy except due to deduction of the Charges as mentioned in Section 30)

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

For and behalf of Bajaj Allianz Life Insurance Insurer

Authorised Signatory