

POLICY DOCUMENT- Unit Linked SP

1. Definitions:

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

“Account Value” is equal to the number of Units under this Policy multiplied by the Bid Price of units.

“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.

“Bid-Offer Spread” is upto a maximum of 5% of the Offer Price.

“Bid Price”: The bid price of a Fund shall be the unit value of that Fund rounded down to three decimal places. Unit cancellation from the policy shall be done at the bid price.

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

“Cash Value”: The cash value of a Fund shall be the surrender value applied to the Account Value.

“Charges” means Fund management Charge, Fund Administration Charge and Processing Charge.

“Cost of Insurance” shall be the monthly monetary amounts assessed towards mortality. This is recovered against the Policy’s account value by canceling units at their bid price.

“Company” refers to ALLIANZ BAJAJ 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” as shown in the Policy Schedule page is the basis for determining the Annual Due Date, and the Monthly Due Date .

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

“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 maintained by the Company 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.

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

“Insurance Cover” means Life Insurance Cover without Riders.

“Life Insurance Cover” means the greater of
(a) zero

or

b) the Sum Assured less partial withdrawals less the Account Value as determined on the valuation date following date of intimation of death.

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

“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:

Sum Assured= single Premium* Multiplier Factor

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.

“Net Asset Value” of the Fund means Market/Fair Value of the underlying Investments plus Current Assets less Current Liabilities and Provisions of the Fund.

“Offer Price” is the value at which the Units are created for the Policy rounded up to three (3) decimal places. The Offer price determined on each valuation date shall be equal to the Bid price plus a the Bid-Offer spread.

“Premium” means the Single Premium paid under the Policy.

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

“Transaction charge” “Transaction charge” is an allowance used for calculating the price at which the unit holders will be joining/exiting the fund. This is an allowance for expenses that would be incurred in respect of either sale or purchase of the underlying securities for new unit linked transactions, such as, brokerage, stamp duty etc. This allowance is to protect the interests of existing unit holders by nullifying the effect of reduction in the unit price due to the transaction expenses as mentioned above.

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

$$\text{Unit Value} = \frac{\text{Market/Fair Value of the Investments plus Current Assets less Current Liabilities and Provision} \pm \text{Transaction Charge}}{\text{Number of Units outstanding under the relevant Fund}}$$

No Units shall be created in a Fund unless assets equivalent in value at the Offer Price of such Units are added at the same time to the Fund. No Units shall be cancelled in a Fund unless assets equivalent in value at the Bid Price of such Units are withdrawn at the same time from the Fund.

“Valuation Date” refers to the date when the assets of the Fund are valued. The day shall be determined by the Company.

1. Policy Description:

- 2.1 The Policy is a whole of life single premium unit linked life insurance policy.
- 2.2 Being a unit-linked life insurance policy, the Policyholder/Life Assured has the option to allocate the Premiums paid by him between one or more of the Fund(s) for the purchase of the Units thereof.
- 1.3 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:

- 1) In the event of the death of the Life Assured occurring after the policy anniversary following the Life Assured attaining age 7 till the policy anniversary falling immediately after the life assured has attained age 70, the company shall pay the greater of:
- a) The Account value as of the valuation date (as defined in Valuation Date Clause) following the receipt of intimation of death of the Life Assured at the office of the company.
OR
 - b) An amount equal to the Sum Assured reduced by the value of units withdrawn by the Policyholder/Life Assured through partial withdrawals.
- 2) In the event of the death of the Life Assured before the policy anniversary following the Life Assured attaining age 7 or after the policy anniversary falling immediately after the Life Assured has attained age 70, the company shall pay the Account Value as of the Valuation Date (as defined in Valuation Date Clause) following the receipt of intimation of death at the office of the company.
- 3) The Policy terminates on payment of the Death Benefit.

3.2 Maturity Benefits

The Policy being open-ended has no fixed maturity date.

The Policyholder/Life Assured has the option of partial and full withdrawals to receive the policy benefits.

3.3 Withdrawal Benefits

Withdrawals benefits will be allowed any time after the commencement of policy. In case of partial withdrawals, a minimum balance of Rs 10,000/- across all funds is required to be maintained. The minimum amount of withdrawal is Rs. 1000/-. Withdrawals have to be filed with the company through a separate request form. Withdrawal of Units from any fund may be done by either specifying the number of Units to be withdrawn or specifying the value of the units to be withdrawn.

Units in any of the Funds of the company may be cancelled only if the Fund assets are equal or more in value to the value of the Units Cancelled.

4. General Conditions

4.1 Age:

- i) The insurance charges payable under the policy have been 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, on of 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 account value of the units shall be refunded
 - b) If the correct age is higher than the age declared in the Proposal, the insurance charges payable under the Policy shall be altered corresponding to the correct age of the Life Assured (the "corrected insurance charges") from the date of commencement of the Policy and the Policyholder/Life Assured shall pay to the Company the accumulated difference between the corrected insurance charges and the original insurance charges 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 at the prevailing bid price.
 - c) If the correct age of the Life Assured is lower than the age declared in the Proposal, the insurance charges payable under the Policy shall be altered corresponding to the correct age of the Life Assured (the "corrected insurance charges") from the date of commencement of the Policy and the Company may, at its discretion, allocate without interest, the accumulated difference between the original insurance charges paid and the corrected insurance charges.

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 Life Assured or the Policyholder may only make the first assignment. 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, an assignee would not be entitled to increase the death benefit. Assignment will not be allowed when the Policy is under the MWP 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 facility is available under this plan.

6. Premium:

6.1 Payment of Premiums:

The policy is issued under the Single premium payment mode only.

Top-ups Premium: The policyholder will have the option to pay additional premiums without increasing the death benefit. The additional premium amounts would be treated as a single premium top-ups.

6.2 Premium Allocation:

100% of the single premium and single premium Top-ups will be allocated to purchase units at the prevailing purchase price.

7. Suicide:

This policy shall be void if the Life Assured commits suicide (whether sane or insane at the time) at any time on or after the date on which the risk under the policy has commenced or has been reinstated, but before the expiry of one year from that date. The amount payable in case of suicide within a period of 1 year as specified above will be the bid value of the policyholder's unit account on the date of death. For the purposes of the bid value offered by Allianz Bajaj, the date of death should be taken as the date on which Allianz Bajaj receives the intimation of death.

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 change of address intimation submitted by him to the Company.

Notice and instructions shall be deemed served 7 (seven) days after 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:

Allianz Bajaj Life Insurance Company,
GE Plaza, Airport Road,
Yerawada,
Pune 411006
Tel: 4026777
Fax: 4026789
Email: allianzbajajcare@allianzbajaj.co.in

11. Electronic Transactions:

The policy holder 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. Foreclosure:

The policy shall terminate when the Account Value is insufficient to pay for the changes computed in accordance with the condition laid down for the changes and the balance Account Value, if any, would be paid upon such termination. Such termination would take place if the minimum of (a) and (b) is reached:

a) Account value of Rs. 100/-

- b) Account value is not sufficient to support the Cost of Insurance deductions for a period of three months.
Revival is not possible once the policy is terminated by foreclosure.

13. Free Look Period:

The Policyholder may cancel by written request and by returning this Policy to the Company within fifteen (15) days from the date of receipt of this Policy. The amount refunded shall be the lower of (a) or (b)

- (a) The amount refunded shall be premium paid less the Cost of Insurance, stamp fee charges and any expenses incurred for medical examination.
(b) The Offer Value of Units in his account less the stamp fees and any expenses incurred for medical examination.

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:

The company requires 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.

SCHEDULE OF INVESTMENT FUNDS

TYPE OF FUND Equity Fund / Debt Fund / Cash Fund/ Balanced Fund

VALUATION DATE The Valuation Date shall be the date as determined By the Company from time to time for the Purposes of determining Bid and Offer Prices.

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 one working day prior to the valuation date.

FUND MANAGED BY The Company or such party/person as the Company may appoint.

INVESTMENT OBJECTIVE

(a) Equity Fund:

The investment objective of this Fund is to provide capital appreciation through investment in equities. The Plan is expected to match the returns given by Nifty Index of the National Stock Exchange.

Indicative Portfolio Allocation:

Equity: Not less than 90%

Debt/Cash Money – not more than 10%

(b) Debt 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:

Debt Instruments & money market instruments : 100%

(c) Cash Fund:

The investment objective of this Plan is to have a fund that guarantees 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 price of units in this fund is guaranteed not to go down.

Indicative Portfolio Allocation:

Money Market Instruments: 100%

(d) Balanced Fund:

This fund is a fund of funds. The investment objective of this fund is to provide a balanced investment between long-term capital appreciation and current income through investment in the Units of our Equity and Debt funds.

Indicative Portfolio Allocation:

Units of Equity Fund: 30% to 50%

Units of Debt Fund: 50% to 70%

INVESTMENT RESTRICTIONS Assets will be as prescribed by regulatory authorities from time to time.

BORROWING RESTRICTIONS: No borrowing is allowed.

FUND PROVISIONS

PURPOSE OF THE FUND

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.

INVESTMENT OF THE FUND

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 uninvested 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 Company shall have the power to delegate all or any of its discretionary and investment powers hereunder to any person or fund management company or organization on such terms as the Company in its absolute discretion may determine.

The investment restrictions of each fund is as specified in the Schedule of Investment Funds.

CHARGES

1. Cost of Insurance Charges

(i) Mortality Charges

The cost of Life cover will be charged by deduction from the units on a monthly basis. The mortality will be charged on the net amount at risk i.e. Sum Assured less account value of units. The cost of Insurance charges namely mortality charges for varying ages are given in the annexure.

(ii) The Cost of Insurance charges namely mortality charges are subject to periodic review on clearance of IRDA.

2. Fund Management Charge

Fund Management Charges will be charged on each Valuation Date as under:

- a. Equity Fund – at the rate of 1% per annum of the net assets on each Valuation Date.
- b. Debt Fund – at the rate of 1% per annum of the net assets on each Valuation Date.
- c. Cash Fund - at the rate of 1% per annum of the net assets on each Valuation Date.
- d. Balanced Fund - No specific charges as the charges are covered by the component funds.

3. Fund Administration Charge

A Fund Administration Charge shall be charged at 1.25 % p.a. of the net assets of the Fund on each Valuation Date for all funds except the Balanced fund. There is no separate charge for the balanced fund as the charges are covered by the component funds.

4. **Processing Charges:** A processing charge may be charged in respect of the exercised of any of the options for switching across the funds as set out below:

Switching of Across Funds: The first three switches in any year are free of cost. For subsequent switches over & above three free switches during any policy year, the company will charge switching fees @ 1% of the switch amount or Rs. 100/- whichever is higher.

5. Bid/Offer Spread

The difference between the offer and the bid price takes into account an initial management charge that is 5% of the offer price. Premiums paid by the policyholder will buy units at the current offer price and units will be cashed at the current bid price of the units.

Transaction charge

The transaction charges are as follows:

Equity Instruments: 0.5% but not exceeding 0.7% of the equity investments.

Debt Instruments: 0.1% but not exceeding 0.2% of the debt investments.

Recovery of Charges

- i) The Fund Management and Fund Administration charges will be priced in the Unit Value of the Fund. The Cost of Insurance and processing charges would be recovered by cancellation of Units at the Bid Price. In the event that the units are held in more than one fund, the cancellation of units will be effected in the proportion as the unit value of units held in each plan. 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.
- ii) In the event the total Unit Account Value under the policy is insufficient to pay for such charges, the Policy shall be foreclosed as provided in Foreclosure Clause.

Change in rate of Charges

The Company reserves the right to change the Fund Management Charge at any time with prior approval from the IRDA upto a maximum of 1.50% per annum of the net assets for each of the plans.

The Company reserves the right to change the Fund Administration Charge at any time with prior approval from the IRDA upto a maximum of 2% per annum of the net assets for each of the plans.

The mortality charges are subject to periodic review on clearance from IRDA.

The processing charges are also reviewable periodically.

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 value and terminate the Policy.

FUND VALUATION

The Bid Price of the units of any Fund on any Valuation Date shall be equal to the Net Asset Value of the Fund +/- transaction charges divided by the number of Units in issue for that fund on that Valuation date.

The net asset value of each Fund specially created by the Company shall be determined by the Company..

The Net Asset Value of the Fund shall be equal to the following:

- a) The fair market value of all the assets held in the Fund valued at the last transacted market price at which those assets could be purchased or sold on the same business day as the valuation date, or where appropriate, such value as determined by the Company at its discretion after taking such independent advice as it deems necessary, add.
- b) The amount which the Company shall determine as being net current assets (Current assets less current liabilities and provisions) on the same business day as the valuation Date, less
- c) An Annual Fund Management charge and Annual Fund Administration charges computed weekly as stipulated in the Schedule of Investment Funds calculated on the basis of frequency of unitisation . This is a separate charge not included in the liabilities set out in clause (b) and as defined above.

In case the valuation day falls on a Holiday, then the exercise will be done the following working day.

The Funds current liabilities shall consist of accrued and unpaid investment expenses incurred by the Fund such as taxes and stamp duties, registration fees, legal auditing and custodian fees, fund accounting, stock brokers and estate agents commissions incurred in the sales or purchases of assets, insurance costs and expenses incurred in securing the Funds assets and protecting the value of investments and any other expenses incurred in the management and maintenance of the fund and incurred to ensure compliance with statutory and regulatory requirements relating to the Fund.

The expenses incurred in respect of the acquisition, realization, management, maintenance and valuation of the assets and investments and taxation liability will be deducted from the Fund.

CREATION OF UNITS

Units 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.

In the event of premiums and applications being received and approved at the authorized Office of the company before the end of office hours one working day prior to the Valuation Date, the number of Units created shall be determined by reference to the Unit Offer Price on that Valuation Date. The premiums received would mean clear funds available.

In the event of premiums and application being received and approved at the authorized office of the Company after the end of office hours one working day prior to the Valuation Date, the numbers of Units created shall be determined by reference to the Unit Offer Price on the next valuation Date following that Valuation Date.

Notwithstanding anything herein contained, the Company reserves the right at any time and from time to time to change the time by which premiums have to be received and accepted for the purpose of determining the Unit Offer Price to be used for calculating the number of Units to be created. The company shall notify the policyholder of such a change.

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;

1) Switching

Policyholder can switch units from one fund to another, by giving written notice to the company. The amount switched should be in multiples of Rs. 1000, and the minimum switching amount is Rs. 5000 or the fund value, whichever is lower. Three free switches would be allowed every year. Subsequent switches would be charged @ 1% of switch amount or Rs. 100, whichever is higher. Switching will be on a bid-bid basis. Switch requests will be entertained on a proper switch request form.

2) Withdrawal of units

As mentioned in section 3.3 above

3) Decrease in the level of Death benefit

Decrease of death benefit will be allowed at any time, subject to the minimum death benefit (Minimum Death Benefit = $1.01 * \text{Single premium}$) being maintained. The minimum death benefit would not be less than the minimum death benefit available for the regular premium level chosen on the date change request is made. The reduction must be in multiples of Rs. 1000. Death benefit once reduced can be increased subsequently only to the original level subject to underwriting. The policyholder has to fill in a request form to apply for availing this benefit.

4) Premium apportionment:

When paying the Single Premium or any Top-up premium the policyholder can specify the apportionment percentages of that premium between the various funds he/she wants to invest.

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 upon giving written notice of not less than three (3) months.

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

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 holder of the Policy 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.

NON-PARTICIPATION IN PROFIT

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

TERMINATION CONDITIONS

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

1. The units in the policy are fully surrendered
Or
- 2) The Account value becomes Rs 100/- or less
Or
- 3) The Account value is not sufficient to support the Cost of Insurance deductions for a period of three months.
Or
- 4) The death of the Life Assured.
Whichever event occurs first.

NEW FUNDS:

The Company may establish new funds from time to time 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 the Company may impose direct premium to those funds at such price and subject to such terms and conditions as at that time. Switching between the existing funds is subject to the terms and Conditions detailed in "OPTIONS clause" herein.

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.

FUND CLOSURE:

Although the funds are open ended, the Company may, in its sole discretion 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.

'Under extraordinary circumstances such as extreme volatility of the value of assets, extended suspension of trading on the stock exchanges, natural calamities, riots and similar events the company reserves the right to suspend canceling, allocating or switching of Units. The company also reserves the right to change the formula for calculating Net Asset Value under these circumstances. These changes will be made subject to approval from the insurance Regulatory and Development Authority (IRDA) or as per norms laid down by IRDA from time to time'

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 others, risks and agrees that he is making the investment in the Units with full knowledge of the same.

- 1) Unit Linked Policy is only the name of the Policy and does not in any way indicate the quality of the policy, its future prospects or returns.
- 2) Equity Fund, Balanced Fund, Debt Fund and Cash Funds are the names of the funds and do not in any manner indicate the quality of the fund, their future prospects or returns.
- 3) 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.
- 4) The Units Value of the Units of each of the funds can go up or down depending on the factors and forces affecting the financial and debt markets from time to time and may also be affected by changes in the general level of interest rates.
- 5) The past performance of other funds of the Company is not necessarily indicative of the future performance of any of these funds.
- 6) The funds do not offer a guaranteed or assured return.
- 7) All benefits payable under the Policy are subject to the tax laws and other financial enactments, as they exist from time to time.

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 statements was on a material matter or suppressed facts which it was material to disclose and that it was fraudulently made by the policy-holder and that the policy holder knew at the time of making it that the time of making it that the statement was false or that it suppressed facts which it was material to disclose.