

## **Annexure H.2**

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

### **POLICY DOCUMENT**

#### **1) Definitions:**

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

**“Accumulation Unit”** is a unit allocated in respect of Regular Premium payable after the first Policy Year and payment of Top-Up Premium any time during the Policy Term.

**“Age”** means Age at last birthday.

**“Annual Premium”** is an amount of Regular Premium payable by the Policyholder in a Policy Year.

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

**“Capital Unit”** is a unit allocated in respect of Regular Premium, payable during the first Policy Year.

**“Charges”** means the Mortality Charge, Rider Premium Charge, Fund Management Charge, Policy Administration Charge, Initial Management Charge and other charges applicable under this Policy as detailed in Section 37) below.

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

**“Current Assets”** include cash balance, bank FDs and CDs, 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, custodial 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.

**“Fund”** means separately identifiable investment linked funds set up by the Company for the purpose of ascertaining the benefits payable under this Policy. The Funds that are currently offered by the Company under this Policy are as mentioned in Section 31). The Company reserves the right to create, modify, merge or close any Fund from the Schedule of Investment Funds.

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

**“Life Assured”** means the person whose life is assured under this Policy.

**“Maturity Date”** means the date specified in the Schedule on which the maturity benefit specified in Section 6)b) below is payable to the Policyholder, provided the Life Assured is still surviving.

**“Monthly Due Date”** means the date corresponding numerically with the Policy Commencement Date each subsequent month during the Policy Term.

**“Nominee”** is a person whose name has been nominated in writing to the Company by the Policyholder who is entitled to receive a benefit upon the death of the Policyholder.

**“Policy”** means the arrangements established by the Policy Document.

**“Policy Anniversary”** means the date corresponding numerically with the Policy Commencement Date each subsequent year during the Policy Term.

**“Policy Commencement Date”** means the date of commencement of the Policy as specified in the Schedule.

**“Policy Document”** means this policy wording, the Schedule (which is attached to and forms part of this Policy and includes any Annexures to it) and the Proposal Form submitted by or on behalf of the Policyholder for the purpose of obtaining this Policy along with any other information or documentation provided to the Company for that purpose and based upon which this Policy is issued.

**“Policyholder”** means the person named in the Schedule who has concluded the Policy with the Company.

**“Policy Term”** is the period between the Policy Commencement Date and the Maturity Date.

**“Policy Year”** is the year commencing on the Policy Commencement Date or an anniversary thereof.

**“Regular Premium”** means the premium payable by the Policyholder at regular intervals in the amounts and at the frequency specified in the Schedule.

**“Regular Premium Fund Value”** is equal to the total number of Capital Units and Accumulation Units pertaining to Regular Premium existing in each Fund under this Policy multiplied by their respective Unit Price.

**“Sum Assured”** is the amount as specified in the Schedule, comprising the minimum amount payable as per section 6)a) below upon the death of the Life Assured.

**“Top Up Premium”** means additional premium received from the Policyholder (independent of and in addition to the Regular Premium) at irregular intervals during the term of the Policy.

**“Top Up Premium Fund Value”** is equal to the total number of Accumulation Units pertaining to Top Up Premium existing in each Fund under this Policy multiplied by their respective Unit Price.

**“Top Up Sum Assured”** is equal to the additional sum assured payable due to the payment of Top Up Premium by the Policyholder, calculated in accordance with Section 7)f) below.

**“Unit Account”** means Individual account created and administered by the Company for a Policy and consisting of Capital Units and Accumulation Units, which are valued by reference to the underlying assets of a Fund.

**“Unit Price”** means the value per unit calculated in Rupees which is calculated as follows:

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 by either of the following methods:

**When appropriation price is applied:** The NAV of a Fund shall be computed as the market value of investments 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 and Provisions, if any. 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 Fund shall be computed as the 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 Charge less the value of any Current Liabilities and Provision, if any. 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 Unit Price of the Fund is determined.

## 2) Policy Description

- a) On the Policy Commencement Date, the Company shall open a Unit Account. The Regular 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 of the Company in the apportionment percentage as specified by the Policyholder in the Proposal Form or as subsequently informed by the Policyholder to the Company through a written application, whichever is latest. Switches between available Funds may be made by the Policyholder in accordance with Section 7)a) below.
- b) The premium allocation rate will be same for all Policy Years, but may vary depending upon the amount of Regular Premium payable and whether it is Regular Premium or Top Up Premium.
- c) All Regular Premium payable in the first Policy Year will be used to allocate Capital Units. All subsequent years Regular Premium and all Top Up Premium will be used to allocate Accumulation Units.
- d) The Policy enables the Policyholder to participate only in the investment performance of the Funds to the extent of allocated units and does not in any way confer any right

whatsoever on the Policyholder or the Life Assured to otherwise share in the profits or surplus of the business of the Company.

**3) Regular Premium**

- a) Regular Premiums are payable without any obligation on the Company to issue a notice for the same.
- b) Subject to the minimum Regular Premium requirements of the Company, Regular Premium may be paid on an annual, half-yearly, quarterly or monthly basis as specified in the Schedule. The frequency of payment of the Regular Premium may be changed by written notice to the Company. A monthly frequency for payment of Regular Premium will be allowed only under the salary deduction schemes or through ECS.

**4) Premium Allocation**

Units are allocated under the Policy depending on the amount of Regular Premium and Top Up Premium paid, 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 the unit or such other fraction as the Company may decide from time to time by reference to market practice.

**5) Non payment of Regular Premium and 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 along with all insurance covers.
  - 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 5)d) below, failing which the contract shall be terminated and 100% of the value of Accumulation Units in respect of Regular Premiums as on date of lapse, and the Top Up Premium Fund Value, if any shall be paid at the end of the third Policy Year or at the expiry of the revival period, whichever is later.
  - iii) If policy is lapsed and the death of the Life Assured happens, the existing Fund Value would be paid and the policy will terminate immediately.
- 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) Provided that the Policyholder has paid all Regular Premium due for the first three Policy Years, the Policyholder will be given an opportunity to revive the Policy, subject always to Sec 5 d) below, within two years from the first unpaid premium. During this limited period of revival, the Policy shall continue with full Sum Assured and additional Rider benefits being in force subject to Section 28. All Charges will continue to be deducted by redeeming units at the prevailing Unit Price.

- ii) If the Policyholder has failed to revive the Policy within the revival period of two years the Policy shall continue at the option of the Policyholder with full Sum Assured and additional Rider benefits being in force, until the Regular Premium Fund Value falls below 150% of the Annual Premium payable, upon which:
  - (a) The Policy shall terminate and
  - (b) All units shall be redeemed and a Surrender Value as per Section 6)c) is payable to the Policyholder.
  - (c) If the Policyholder does not opt to continue the Policy then the Policy would be terminated and the Surrender Value will be paid.
- d) Revival of the Policy is subject to the Policyholder paying all unpaid Regular Premiums due and such other information and documentation as may be requested by the Company. The Company reserves the right to disallow the revival of the Policy on original Terms and Conditions.

## **6) Policy Benefits**

### **a) Death Benefit**

- (1) If the Life Assured dies before the Policy Anniversary following the Life Assured attaining Age 7, the Company shall be liable to pay the Regular Premium Fund Value and the Top Up Premium Fund Value, if any, applicable on the date of receipt of intimation of death at the Company's office, subject always to Section 11) and Section 20) below. The Policy shall terminate on the death of the Life Assured.
- (2) If the Life Assured dies on or after the Policy Anniversary following the Life Assured attaining Age 7 and before the Policy Anniversary following the Life Assured attaining Age 60;
  - (i) The Company shall be liable to pay the higher of:
    - (a) The Sum Assured (less the value of the Regular Premium units withdrawn by partial withdrawals in the 24 months immediately prior to the date of death) and
    - (b) The Regular Premium Fund Value as at the date of receipt of intimation of death at the Company's office, subject always to Section 20) below.
  - (ii) If any Top Up Premium has been paid by the Policyholder, the Company shall also be liable to pay the higher of:
    - (a) The Top Up Sum Assured (less the value of the Top Up Premium units withdrawn by partial withdrawals in the 24 months immediately prior to the date of death) and
    - (b) The Top Premium Fund Value as at the date of receipt of intimation of death at the Company's office, subject always to Section 20) below.

(3) If the Life Assured dies on or after the Policy Anniversary following the Life Assured attaining Age 60 years and before the Maturity Date;

(i) The Company shall be liable to pay the higher of:

(a) The Sum Assured (less all partial withdrawals of Regular Premium units made within 24 months immediately prior to attaining Age 60 years and all partial withdrawals of Regular Premium units made after attaining Age 60 years) and

(b) The Regular Premium Fund Value as at the date of receipt of intimation of death at the Company's office, subject always to Section 20) below.

(ii) If any Top Up Premium has been paid by the Policyholder, the Company shall also be liable to pay the higher of:

(a) The Top Up Sum Assured (less all partial withdrawals of Top Up Premium units made within 24 months immediately prior to attaining Age 60 years and all partial withdrawals of Top Up Premium units made after attaining Age 60 years) and

(b) The Top Up Premium Fund Value as at the date of receipt of intimation of death at the Company's office, subject always to Section 20) below.

(4) If at least three full years Regular Premium has not been paid and the Policy is lapsed, the existing Fund Value would be paid on death of the Life Assured subject always to Section 20 below and the Policy would be terminated.

**b) Maturity Benefit**

If the Life Assured is alive on the Maturity Date, the Regular Premium Fund Value and the Top Premium Fund Value, as at the Maturity Date is payable by the Company to the Policyholder as the maturity benefit.

**c) Surrender Value**

i) The Surrender Value if any, is payable only after first three Policy years.

ii) The surrender value payable will be equal to the Regular Premium Fund Value and the Top-Up Premium Fund Value less the Surrender Charge as per Section 37)f).

iii) The Company shall thereafter terminate the Policy upon payment of the full surrender value.

**d) Rider Benefits**

The additional Rider benefits, if any specified in the Schedule shall be subject to the Terms and Conditions of the respective Riders.

## 7) **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:** The Company offers the Policyholder the option to switch to those Funds at such price and subject to such terms and conditions as may be imposed by the Company at that time provided the Policy is in force. The Policyholder may transfer or “switch” any of the Accumulation Units in any Fund, to another existing Fund or new fund established by the Company provided:

- i) The Company has received from the Policyholder a written notice setting out the proposed amount of the switch and the Funds to be switched.
- ii) The minimum switching amount is Rs.5,000 or the value of the total Accumulation Units held by the Policyholder in the Fund to be switched from, whichever is lower.
- iii) The Company shall affect the switch by redeeming Accumulation Units from the Fund to be switched from and allocating new Accumulation Units in the Fund being switched to at their respective Unit Price. The Policyholder may exercise three free switches during each Policy Year. For subsequent switches during any Policy Year, the Company will charge a switching fee as specified in Section 37)e) below.

b) **Partial withdrawal:**

- i) Partial withdrawals of units are allowed only from Accumulation Units and after three years from the Policy Commencement Date provided:
  - (1) Regular Premium for three full Policy Years has been paid.
  - (2) The Company has received a written notice from the Policyholder specifying the amount to be withdrawn.
  - (3) The minimum amount of withdrawal should be Rs.5,000/- and a minimum remaining balance of Regular Premium Fund Value after the proposed withdrawal shall be 150% of the Annual Premium (across all Funds).
  - (4) The Life Assured is not a minor.
- ii) If the Life Assured is a minor, partial withdrawals shall only be allowed after the Life Assured attains Age 18.
- iii) For the purpose of partial withdrawals, each payment of Top Up Premium shall have a lock-in period of three years, unless the payment of Top Up Premium is made in the last 3 Policy Years.

- iv) All partial withdrawals will be first made from eligible Top Up Premium units, if any. Once the Top Up Premium units are exhausted, further partial withdrawals will be made from Accumulation Units pertaining to Regular Premiums.
- v) Partial withdrawals are not allowed to be made from Capital Units
- vi) 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 partial withdrawals subject to approval from IRDA.
- vii) No charge is applicable on partial withdrawals.

**c) Settlement Option**

- i) Provided the Company has received a written application duly signed by the Policyholder at least 90 days prior to the Maturity Date exercising the Settlement Option and the Company has accepted the request, the Maturity Benefit as specified in Section 6)b) above is payable by the Company to the Policyholder in installments (yearly, half yearly, quarterly or monthly, at the Policyholder's option) spread over a maximum period of 5 years.
- ii) The amount paid out to the Policyholder in each installment will be the outstanding Regular Premium Fund Value and Top Up Premium Fund Value at that date divided by the number of outstanding installments.
- iii) Installment payments will be made by redeeming units from the Funds at the Unit Price applicable on that date.
- iv) 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.
- v) No risk cover or rider benefit cover will be available during the period of the Settlement Option.
- vi) The Settlement Option can only be exercised by the Policyholder.

**d) Premium Apportionment**

- i) The Policyholder may at any Policy Anniversary change the apportionment percentage of Regular Premium and/or Top Up Premium referred to in Section 2a) above by giving a notice to the Company in writing. The maximum allocation to Liquid Fund will not exceed 20% of the allocated premium (the amount of Regular Premium or Top Up Premium remaining after applying the premium allocation rate).



- ii) The minimum Regular Premium apportionment to any Fund is 5% of the Regular Premium. The Company will reserve the right to revise the minimum apportionment percentages upon giving written notice of not less than three months, subject to prior approval from IRDA.

e) **Increase / Decrease in Regular Premium**

- i) From the commencement of the fourth Policy Year, provided no Regular Premium payment is outstanding, the Policyholder shall have the option to increase or decrease the Regular Premium payable under this Policy at any Policy Anniversary, provided it gives the Company at least 30 days prior written notice of the proposed increase or decrease.
- ii) The premium allocation rate will depend on the revised regular premium.
- iii) The increase in Regular Premium shall not result in a proportional increase in Sum Assured.
- iv) The maximum increase in Regular Premium permitted shall be limited such that the Sum Assured shall be at least equal to the higher of:
  - a. Five times of the proposed Annual Premium and
  - b. Half of the Policy Term multiplied by the proposed Annual Premium.
- v) The decrease in Regular Premium would lead to proportionate decrease in Sum Assured, provided always that this does not fall below the minimum Regular Premium payable under the Policy and the relationship between Regular Premium and Sum Assured as at the Policy Commencement Date is maintained.

f) **Top Up Premium**

- i) The Policyholder shall have the option to pay unlimited Top Up Premium at any time provided all due Regular Premiums have been paid.
- ii) The amount of Top Up Premium paid shall determine the Top Up Sum Assured. At the time of making any payment of Top Up Premium, the Policyholder may in writing choose the level of Top Up Sum Assured from amongst the available choices, which is between 1.25 times the Top Up Premium paid and 5 times the Top Up Premium paid, (the default choice always being 1.25 times the Top Up Premium paid).
- iii) The Policyholder may also choose to have no risk cover for Top Up Premium paid in which case the Top Up Sum Assured will be equivalent to the amount of Top Up Premium paid, provided the total amount of Top Up Premiums paid or proposed to be paid does not exceed 25% of the Regular Premium paid till date, in which case, the Top Up Sum Assured will be between 1.25 times and 5 times (as notified by the Policyholder in writing to the Company) of the portion of Top Up Premium exceeding 25% of the Regular Premium paid till date. .

- iv) The Company reserves the right to call upon and request for any information/ documentation to verify the good health of the Life Assured and require the Life Assured to undergo any medical examination for this purpose. All expenses for medical examination shall be borne exclusively by the Policyholder, failing which, the Policyholder shall not be entitled to make any Top Up Premium payments and no Top Up Sum Assured is payable.
- v) The minimum Top Up Premium payable is Rs. 5,000, subject always to the Company's right to increase this minimum payable from time to time subject to Approval form IRDA.
- vi) The Company reserves the right to disallow a Top Up Sum Assured, subject always to the minimum Top Up Sum Assured payable to the Policyholder if the total Top Up Premium paid or proposed to be paid exceeds 25% of the Regular Premium paid till date.

### **GENERAL CONDITIONS**

#### **8) Age Proof**

- a) The Mortality Charge payable under the Policy is calculated on the basis of the Life Assured's Age as declared in the Proposal. If the Life Assured's Age has not been admitted by the Company, the Policyholder shall furnish such proof of the Life Assured's Age as is acceptable to the Company and have the Age admitted.
- b) 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:
  - i) 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 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 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 with immediate effect by the Company and the surrender value acquired by the Policy till such time shall become payable.
  - ii) If the Life Assured's correct Age is higher than the Age declared in the Proposal, the Mortality Charge payable under the Policy shall be altered corresponding to the correct Age of the Life Assured (the "corrected Mortality Charge") and the accumulated difference between the corrected Mortality Charge and the original Mortality Charge from the Policy Commencement Date up to the date of such payment shall be recovered by the redemption of units.
  - iii) If the Life Assured's correct Age is lower than the Age declared in the Proposal, the Mortality Charge payable under the Policy shall be altered corresponding to the correct Age of the Life Assured (the "corrected Mortality Charge") from the Policy Commencement Date and the Company may allocate the accumulated difference between the original Mortality Charge paid and the corrected Mortality Charge, subject to the satisfaction of the Company.

**9) 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. 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.
- c) An assignment will automatically cancel any existing nomination.
- d) 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.

**10) Loans**

No loan is available under this Policy.

**11) Suicide**

If the Life Assured commits suicide whether sane or insane, within one year from the Date of Commencement of Risk / Revival, the Company will not entertain any claim by virtue of this Policy except to the extent of the Regular Premium Fund Value and Top Up Premium Fund Value, if any, as at the date of intimation of death of the Life Assured to the Company.

**12) Fraud**

If the Policyholder or anyone acting at its direction or with its knowledge makes or advances any claim under this Policy knowing it to be false or fraudulent in any respect, then this Policy shall be void and any benefit actually paid or potentially payable shall be forfeited.

**13) Notices**

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

- a) The Policyholder:

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.

Notice and instructions shall be deemed served on the Policyholder after 7 (seven) days of posting or in the case of hand delivery, facsimile or E-mail within 7 days of it being sent to the Policyholder's address or immediately upon receipt.

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:

Bajaj Allianz Life Insurance Company,  
GE Plaza, Airport Road,  
Yerawada,  
Pune 411006  
Toll Free No. 1800225858

Email: life@bajajallianz.co.in

#### **14) Electronic Transactions**

Subject to 13) above, the Policyholder agrees to adhere to and comply with all such terms and conditions as the Company may prescribe from time to time with regard to all transactions and hereby agrees and confirms that all transactions (other than those requiring a written notice or communication under this Policy) effected by or through facilities for conducting remote transactions including the Internet, World Wide Web, electronic data interchange, call centres, tele-service 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.

#### **15) Free Look Period**

Within 15 days of the receipt of this Policy, the Policyholder may, if dissatisfied with it for any reason, give the Company a written notice of cancellation along with reasons for the same, and return the Policy Document to the Company, subject to which the Company shall send the Policyholder a refund comprising the first Regular Premium paid less the proportionate risk premium for the period the Life Assured was on cover and the expenses incurred on medical examination and stamp duty charges. The refund paid to the Policyholder will also be reduced by the amount of any reduction in the Regular Premium Fund Value and Top up Premium Fund Value, if any, due to a fall in the Unit Price between the date of allocation and redemption of units (without reference to any premium allocation rate or Charges).

**16) Currency**

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

**17) Time**

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

**18) 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.

**19) Modifications**

This Policy Document constitutes the complete contract of insurance. This Policy Document cannot be changed or varied except by a Policy endorsement in writing signed by an officer of the Company authorized for the purpose.

**20) Payment of claim**

- a) The Company shall be under no obligation to make any payment under Section 6)a) 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) 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.

## **21) Loss of Policy Document**

- a) If the Policy Document is lost or destroyed, then subject to 21) 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.

## **22) Grievance Redressal**

For any assistance pertaining to the Policy servicing, the Policyholder may contact any nearest Customer Care Center during the Company's office hours from 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  
Toll Free No. 1800225858

By Email: [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**

## **23) 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>

**24) 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 in Pune, India.

**25) Governing Law**

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

**26) 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 any other beneficiary.

**27) Status of Insurance Agent**

The insurance agent designated by the Company as Insurance Consultant is only authorized by the Company to arrange completion and submission of the Proposal Form. The insurance agent is not authorized to act as the Company's legal representative or act in any other way on behalf of the Company. Information given to the insurance agent should not be considered as having been given to the Company.

**28) Termination Conditions**

This Policy shall automatically terminate on the earlier occurrence of either of the following events:

- i) The units in the Policy are surrendered;
- ii) The Regular Premium Fund Value becomes equal to 150% of Annual Premium;
- iii) Upon the Life Assured's death;
- iv) On the Maturity Date, unless the Policyholder has opted for the Settlement Option or
- v) The expiry of the period for the Settlement Option.

**29) 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.

### **30) 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 policyholder knew at the time of making it that the statement was false or that it suppressed facts which it was material to disclose.

### **SCHEDULE OF INVESTMENT FUNDS**

### **31) Type of Funds**

The type of Funds available under this Policy as at the Policy Commencement Date are Equity Growth Fund, Equity Index Fund II, Accelerator Mid- Cap Fund, Bond Fund and Liquid Fund. The Company reserves the right to add, close, merge, modify or consolidate the Funds under this Policy subject to approval from the IRDA.

### **32) 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.

### 33) **Fund Management**

All the Funds are internally managed by the Company.

### 34) **Investment Objectives**

#### **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. Out of equity investments at least 50% would be mid 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 & FDs: 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 provides 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. A maximum of 20 % of the allocated Premium can be put in the Liquid Fund.

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

Money Market Instruments: 100%.

### 35) **Risk Profile**

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

| <b>Funds</b>             | <b>Risk Profile</b> |
|--------------------------|---------------------|
| Equity Growth Fund       | Very High           |
| Equity Index Fund II     | High                |
| Accelerator Mid Cap Fund | Very High           |
| Bond Fund                | Moderate            |
| Liquid Fund              | Low                 |

### 36) **Fund Provisions**

#### a) **Purpose of the Funds**

The Company has 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**

- i) The selection of the underlying investments of each Fund established by the Company and the valuation of assets to which it is referenced shall be such as the Company, in its absolute discretion, may from time to time determine provided it satisfies the investment objectives set out in Section 34) above and the applicable IRDA Regulations. It is further provided that the assets of each Fund may comprise such proportion as the Company may determine including un-invested cash or any other assets whether or not this produces income.
- ii) 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 in favour of any person.

### 37) **Charges**

#### a) **Mortality Charge**

- i) The following factors affect the Mortality Charge:
  - (1) The amount of Sum Assured and the Fund Value.
  - (2) The attained Age of the Life Assured.
  - (3) The occupation of the Life Assured.
  - (4) The health of the Life Assured.
- ii) The Mortality Charge will be calculated by the Company at the rate as applicable to the attained Age of the Life Assured on the Date of Commencement of Risk and each anniversary of it thereafter and deducted, at monthly intervals in the subsequent 12 month period, through the redemption of Accumulation Units at the prevailing Unit Price 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 Charge is given in **Annexure–1** to the Schedule. The Mortality Charge is applied at Sum at Risk, which is the Sum Assured minus the Fund Value. The sum at risk for Units attributable to Regular Premium will be the Sum Assured less the Regular Premium Fund Value. If the Top Up Premium is paid the sum at risk for Units attributable to Top Up Premium will be the Top Up Sum Assured less the Top Up Premium Fund Value. The minimum sum at risk for the Regular Premium or for the Top Up Premium will be zero. This charge is guaranteed for the term of the Policy.

b) **Fund Management Charge**

The Fund Management Charge will be 0.95% per annum of the Net Asset Value (NAV) under Bond Fund & Liquid Fund, 1.25% per annum of NAV under Equity Index Fund II, 1.75% per annum of NAV under Equity Growth Fund and Accelerator Mid-Cap Fund.

c) **Policy Administration Charge**

The Policy Administration Charge will be as mentioned in the Schedule inflating from 1<sup>st</sup> April of each year at the rate of 5% per annum compounding annually. This charge is not subject to revision.

d) **Initial Management Charge**

Initial Management Charge at the rate of 5% per annum of Capital Units will be deducted at each Monthly Due Dates by redemption of the Capital Units throughout the Policy Term or 20 years whichever is less. This charge is not subject to revision.

e) **Switching Charge**

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

f) **Surrender Charge**

Surrender Charge is applied on Capital Units only and recovered by the redemption of Capital Units. Surrender charge is given as  $[1-(1/1.05)^N]$  multiplied by the value of Capital Units as at the date of surrender, where “N” is the lower of the Policy Term and 20 years less the elapsed policy duration in years and any fraction thereof. If at least three full years Regular Premiums have not been paid the Surrender Charge will be 100 % of the value of the Capital Units.

g) **Rider Premium Charge**

i) The following factors affect the Rider Premium Charge:

- (1) The amount of Sum Assured.
- (2) The attained Age of the Life Assured.
- (3) The occupation of the Life Assured.
- (4) The health of the Life Assured.

(5) The gender of the Life Assured

- ii) The Rider Premium Charge if any, will be calculated by the Company at the rate as applicable to the attained Age of the Life Assured on the Policy Commencement Date and each Policy Anniversary of it thereafter and will be deducted, at monthly intervals in the subsequent twelve month period, through the redemption of Accumulation units allocated against Regular Premiums at the prevailing Unit Price on the Policy Commencement Date and on subsequent Monthly Due Dates whilst the rider cover remains in force. 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) **Miscellaneous Charge**

The miscellaneous charge would be Rs.100/- per transaction in respect of revival of the Policy per Section 5)d) above, alteration of the mode of payment of Regular Premium, increase/decrease in Regular Premium per Section 7)e) above and for issuance of a copy Policy Document .

**38) Recovery of Charges**

- a) The Fund Management Charge will be deducted from the NAV of the Funds while calculating the Unit Price.
- b) The Policy Administration Charge, the Mortality Charges for sum at risk of Regular Premium and the Rider Premium Charges will be recovered monthly at Monthly Due Dates from the Accumulation Units allocated against Regular Premiums by the redemption of units at the prevailing Unit Price. The Mortality Charge for sum at risk of Top Up Premiums will be recovered from Top Up Premium Accumulation Units at Monthly Due Dates at prevailing Unit Price.
- c) If there are no Accumulation Units allocated against Regular Premiums or the number of Accumulation Units is insufficient to cover the Charges as given in Section 38)b) above, such charges shall be carried forward as a Accumulation Unit debt in the Unit Account and an equivalent number of Accumulation Units will be deducted as and when sufficient units are allocated on payment of due Regular Premiums.
- d) Initial Management Charge shall be recovered through monthly redemption of Capital units at their Unit price.
- e) In the event that the units are held in more than one Fund, the redemption of units will be effected in the same proportion as the value of units held in each Fund under the Policy. If the value of units in any Fund falls to the extent that it is insufficient to support the proportionate monthly charges, then the same shall be deducted proportionately from the value of units of the other Funds.

**39) 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 up to a maximum of 2.75% per annum of the Net Asset Value for the Equity Growth Fund and Accelerator Mid-Cap Fund, 1.75% per

annum for the Bond Fund and Liquid Fund, 2.25% per annum for the Equity Index Fund II

- b) The Company reserves the right to revise the switching charge 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.
- c) The Company reserves the right to revise the miscellaneous charge given in Section 37)h) up to a maximum of Rs.200 per transaction with prior approval from the IRDA.
- d) The Company shall give 3 months prior written notice to the Policyholder for any of the above-mentioned changes in Charges. If the Policyholder objects in writing to the modified Charges within 30 days of the date of dispatch of the notice by the Company, he shall be allowed to withdraw the units under the Policy at the then prevailing Unit Price less the Surrender Charge and terminate the Policy within 60 days of the date of dispatch of the notice by the Company. If the Company does not receive a written objection from the Policyholder within 30 days of dispatch of the notice by the Company, the Policyholder shall be deemed to have accepted the proposed changes.

#### **40) Unit Transactions**

- a) Units in any of the Funds of the Company may be allocated only if there is added to that Fund, assets equal in value to the value of the units allocated.
- b) Allocation of units
  - i) In respect of Regular Premium or Top Up Premium received in cash or local cheques or demand drafts, or requests for Fund switches received by the Company, on a day by a cut off time as set by the Insurance Regulatory and Development Authority (IRDA), the closing Unit Price of the same day shall be applicable. The cut off time prescribed by the IRDA as at the Policy Commencement Date is 4.15 pm.
  - ii) In respect of Regular Premium or Top Up Premium received in cash or local cheques or demand drafts, or requests for Fund switches received by the Company, on a day after a cut off time as set by the IRDA, 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 is 4.15 pm.
  - iii) In respect of Regular Premium or Top Up Premium received through out station cheques, the closing Unit Price of the business day on which the cheque is cleared shall be applicable.
- c) Redemption of units
  - i) In respect of written applications received by the Company from the Policyholder for the surrender, partial withdrawal or switch out on a day by a cut off time as set by the 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 4.15 pm.

- ii) In respect of written applications received by the Company from the Policyholder for the surrender, partial withdrawal or switch out on a day after a cut off time as set by the IRDA, 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 is 4.15 pm.

#### **41) 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.

#### **42) Non-Participation in Profits**

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

#### **43) 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 requires the said Fund to be closed subject to prior approval from IRDA. The Policyholder 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 allocate and redeem 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 any other Fund by the Policyholder within 3 months of dispatch of notice, the Company will switch the said units to the Bond Fund. No fee will be charged for switching in the event of such closure of Funds.

#### **44) Unit Account**

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 sec. 37)

**45) Risks of Investment in the Units of the Funds**

The Policyholder 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:

- a) Unit Linked Life Insurance products are different from the traditional insurance products and are subject to the risk factors.
- b) The Regular Premium and Top up Premium paid is 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.
- c) Bajaj Allianz Life Insurance is the name of the Insurance Company and **Bajaj Allianz Capital UnitGain** is only the name of the Plan and does not in any way indicate the quality of the Policy, its future prospects or returns.
- d) Equity Growth Fund, Equity Index Fund II, Accelerator Mid-Cap Fund, Liquid Fund and Bond Fund are the names of the Funds being offered currently with **Bajaj Allianz Capital UnitGain** plan, and in any manner does not indicate the quality of the respective Funds, their future prospects or returns.
- e) 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.
- f) Equity Growth Fund, Equity Index Fund II, Accelerator Mid-Cap Fund, Liquid Fund and Bond Fund do not offer any guaranteed or assured return.
- g) All benefits payable under the Policy are subject to the tax laws and other financial enactments, as they exist from time to time.
- h) The past performance of other Funds of the Company is not necessarily indicative of the future performance of any of these Funds.

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

For and behalf of Bajaj Allianz Life Insurance Company Limited

Authorised Signatory