

## ALLIANZ BAJAJ LIFE INSURANCE COMPANY

### ALLIANZ BAJAJ CHILD GAIN Policy Document

#### 1. Benefits Payable:

##### Guaranteed Benefits

(i) On the death of the Child Life Assured;

In case of death of the child before the age of 7 (seven) years during the premium payment term the sum of all the premiums paid will be refunded without interest and the policy will terminate and the company shall not be liable to pay any further benefits. Where a policy has acquired a paid up value, the paid up value shall be paid on an instance of death before 7 years of age and the policy will terminate.

In case of death of the child after completed age of 7 (seven) years during the premium payment term the full sum assured with accrued bonuses will be paid to the Counter life assured / Appointee as applicable and the policy will terminate and the company shall not be liable to pay any further benefits.

In case of death of the child after the premium payment term but before final survival benefit, the outstanding survival benefit excluding the Start of Life Benefit amount ( if opted ) will be paid as one lump sum to the Counter Life assured / Appointee as may be applicable and the policy will terminate and the company shall not be liable to pay any further benefits.

(ii) On the death/accidental total permanent disability of the Counter Life Assured while the policy is in force for the full sum assured during the policy term the following benefits will be provided .

- **Premium Waiver Benefit:** Subject to “Exclusions ”applicable , all future premiums will be waived.
- **Family Income Benefit:** Subject to the Condition of “Occupation” clause in “General conditions”and “Exclusions” applicable ,a monthly income benefit of 1% of the sum assured upto a maximum Rs Ten thousand per month per child life assured under all Child Gain policies together shall be paid to the Appointee or the Counter Life Assured where the Counter Life Assured is alive and capable of giving a valid discharge in respect of the Family Income Benefit amount from the monthly policy date following the date of death/accidental total permanent disability of Counter Life assured till maturity of the policy at age 21 or 24 as opted. Upon the vesting of the Policy in the child at age 18 the Child Life Assured shall receive such amount till the last survival payment or upto the death of the Child Life Assured whichever is earlier.

**Definition of Accidental Total Permanent disability Under the Policy**

*Accidental total permanent disability for the Purpose of the Premium waiver Benefit & Family Income Benefit and Start Of Life Benefit (if opted ) shall be the disability as a result of an accident which must be total and permanent, and the accident must result in one of:*

- Loss of both eyes;
- Loss of both arms or both hands;
- Loss of one arm and one leg;
- Loss of one arm and one foot;
- Loss of one hand and one foot;
- Loss of one hand and one leg;
- Loss of both legs;
- Loss of both feet;
- Removal of the lower jaw.

Such Disability must occur within 180 days from the date of accident also written intimation of accident must be given within 60 (sixty) days. Immediately after the happening of the disability, full particulars thereof must be given in writing to the office of the Company where this policy is serviced together with the then address and whereabouts of the Counter Life Assured Life Assured in the manner required by it, proof of disability satisfactory to the Company and without any expense to the Company.

The policy will not be eligible for Premium Waiver Benefit and Family Income Benefit and Start of Life Benefit (if opted ) arising as a result of accidental total permanent disability occurring after age 65 of the Counter Life Assured.

iii ) On the survival of the Child Life Assured till the end of the premium payment term the survival benefit will be in the form of cash payouts commencing at the policy anniversary after Child Life Assured attains the age of 18 (eighteen) years. There are two options available for the receipt of the cash payouts. The option chosen at the inception of the Policy is not subject to amendment thereafter due to any reason whatsoever.

➤ **Option 1**

Cash payouts are given at the policy anniversaries after completion of ages 18, 19, 20, and 21 of the child life assured. The payments are made on the policy anniversary following the completion of the respective age. The guaranteed percentage of Sum Assured returned at various ages are given in the table below:

Policy anniversary after completion of	Premium Payment Term: 5 – 18 years (Percentage of Sum Assured payable)
Age 18	20%*
Age 19	25%
Age 20	25%
Age 21	35%+
Total Payout	105%+

+ refers to uplift based on higher interest earned during payment period.

\*The vested bonuses along with the terminal bonus if any will be given at the time of the first cash payout.

### ➤ **Option 2**

Cash payouts are given at policy anniversaries after completion of ages 18, 20, 22 and 24 of the child life assured. The payments are made on the policy anniversary following the completion of the respective age. The guaranteed percentage of the sum assured returned at various ages are given in the table below:

Policy anniversary after completion of	Premium Payment Term: 5 – 18 years (Percentage of Sum Assured payable)
Age 18	25%*
Age 20	25%
Age 22	25%
Age 24	40%+
Total Payout	115%+

+ refers to uplift based on higher interest earned during payment period.

\*The vested bonuses along with the terminal bonus if any will be given at the time of the first cash payout.

The policy terminates after the payment of the last installment of cash payout and the company shall not be liable to pay any benefit thereafter.

## **2. Bonus**

- a) Reversionary Bonus: After every valuation under sec. 13 of the Insurance Act 1938, at the end of each financial year the Company may declare a rate of reversionary bonus expressed as a percentage. This percentage shall be applied to the sum assured plus existing declared reversionary bonuses to determine the amount of reversionary bonus to be added to the policy at the year-end. The bonus will accrue only during the premium payment term. No bonus will accrue thereafter.
- b) In the event of a death claim part way through a financial year or before the valuation result is declared, an interim bonus may be payable as per the actuary's recommendation.
- c) Furthermore, on Child Life Assured surviving to the end of the Premium Term or on death of Child life assured after 15 (fifteen) policy years but before the end of Premium payment term alongwith the payment of the vested bonuses the Company may pay terminal bonus for in force policies as per the norms applicable at that time.

### **3. Payment of Premiums:**

- (i) Premiums are payable on the due dates. However, a grace period of one month but not less than 30 (thirty) days shall be allowed for other than monthly mode and in case of monthly mode the grace period is 15 days. If the death of the Life Assured occurs during the grace period the benefits payable on death under this Policy shall be paid after deduction of the premiums due.
- (ii) Premiums shall be payable on the due dates within the grace period allowed without there being any obligation on the company to notify the Child Life Assured / proposer/ Counter life assured/ Policyholder of the due dates. Where the premiums have not been paid on the due dates or even during the grace period, the Policy shall lapse and all benefits under this policy shall cease except as specified under paid-up value clause .

### **4. Option to buy further insurance on Maturity:**

At least six months before maturity of this policy (at age 21 or 24, as opted), the child life assured will have the option to purchase a with profits endowment or an equivalent plan commencing from the maturity date from Allianz Bajaj for twice the amount of face value of this policy without any medical examination on the premium rates prevailing at that time.

### **5. Non-forfeiture:**

#### **a) Surrender Value:**

The policy can be surrendered for cash provided three full years premiums have been paid. However for premium payment terms of 5 and 6 years, the policy can be surrendered after two full years premiums have been paid.

The guaranteed minimum surrender value is 30% of all premiums paid excluding the first year premium and excluding the premiums for premium waiver benefit and Family Income benefit and additional benefit opted by the proposer”.

The guaranteed minimum surrender value after the premium payment term will be the discounted value of the outstanding installment payments discounted at 10% p.a. rate of interest.

On surrender the policy will terminate and the company shall not be liable to pay any further benefits.

#### **b) Paid-up Value**

If payment of premiums are discontinued after the policy has acquired a surrender value, the policy shall not totally lapse but will be converted into a paid up policy for a reduced sum assured . The reduced sum assured will be the full sum assured reduced by a factor equal to the proportion of the number of premiums paid to the total number of premiums payable. The vested bonus as on the paid-up date shall remain attached to the policy. No further bonus accrues under the paid up policy.

In case of death of the child life assured before the policy anniversary immediately following completion of age 18 (eighteen) of the child life assured,

the reduced sum and bonuses vested upto the paid up date is payable and this policy will terminate.

In case of survival of the child life assured to the policy anniversary immediately following completion of age 18 (eighteen) of the child life assured, the reduced sum and vested bonuses as on the paid-up date is payable and this policy will terminate.

If a paid-up policy is surrendered, the guaranteed minimum surrender value will be 30% of all premiums paid excluding the first year's premium and excluding the premiums for all additional benefits opted by the proposer.

A paid up policy will not be entitled to the benefits of Premium Waiver Benefit, Family Income Benefit and Start of Life Benefit.

#### **6. 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 premium paid less the Cost of Insurance, stamp fee charges and any expenses incurred for medical examination.

#### **7. Non disclosure:**

In case of non-disclosure or fraud or misrepresentation in any document leading to the acceptance of the risk, the company may at its discretion repudiate the claim or avoid the contract , subject to Section 45 of the Insurance Act,1938.

### **SECTION 45**

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

## General Conditions

**The policy will automatically vest in the Child Life Assured when he/she attains majority.**

### **1. Age:**

i) The premium payable under the policy shall be calculated on the basis of the age of the Child Life Assured and Counter Life Assured as declared in the Proposal. Premium payable shall mean the Premium payable on the life cover of the Child Life and the Premium applicable for Premium Waiver benefit, Family Income Benefit and Start of Life Benefit(if opted) as the case may be. Where the age of the Child Life Assured and/or Counter Life Assured has not been admitted by the Company, the policyholder shall furnish such proof of age 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, one of the following actions shall be taken:

a) If the correct age is such as would have made the Child Life Assured and/or Counter Life Assured uninsurable under the plan of assurance specified in the Policy Schedule, 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 Child Life Assured and/or Counter Life Assured, subject to the terms and conditions as are applicable to that plan of assurance. If it is not possible to grant any other plan of assurance, the Policy shall stand cancelled from the date of issue of the Policy and the premium paid shall be refunded subject to the deduction of the expenses incurred by the Company on the Policy.

b) If the correct age is higher than the age declared in the Proposal, the premium payable under the Policy shall be altered corresponding to the correct age of the Child Life Assured and/or Counter Life Assured ("the corrected premium") from the date of commencement of the Policy and the policyholder shall pay to the Company the accumulated difference between the corrected premium and the original premium from the commencement of the Policy up to the date of such payment with interest at such rate and in such manner as is charged by the Company for late payment of premium. If the Counter Life Assured fails to pay the difference of premium with interest thereon as mentioned above, the same shall be treated as a debt due to the Company and shall be recovered with further interest thereon as mentioned above from the moneys payable under the Policy.

c) If the correct age of the Child Life Assured and/or Counter Life Assured is lower than the age declared in the Proposal, the premium payable under the Policy shall be altered corresponding to the correct age of the Child Life Assured and/or Counter Life Assured ("the corrected premium") from the date of commencement of the Policy and the Company may, at its discretion, refund without interest, the accumulated difference between the original premium paid and the corrected premium,

iii) The issue age of the Child Life Assured and Counter Life Assured is calculated as age last birthday as on the date of commencement of the policy.

## **2. Reinstatement of the policy:**

A Policy, which has lapsed or become paid- up for non-payment of premium may be reinstated subject to the following conditions;

- (a) The application for reinstatement is made within 5 (five) years from the due date of the first unpaid premium and before the end of the Premium payment period ;
- (b) The applicant being the Counter Life Assured shall furnish, at his own expense, evidence of health of Child Life Assured and Counter Life Assured satisfactory to the company;
- (c) The arrears of premiums together with interest at such rate as the company may charge for late payment of premium shall be paid;
- (d) The reinstatement of the Policy may be made on terms different from those applicable to the Policy before it lapsed; and
- (e) The reinstatement will take effect only on it being specifically communicated by the Company to the Child Life Assured and/or Counter Life Assured.

## **3. Assignment and Appointment**

**An assignment is possible only for the benefit payable on death of the Life Assured**

An assignment of this Policy shall be made by an endorsement upon the Policy itself or by a separate stamped instrument signed by the assignor specifically stating the fact of assignment and duly attested. The first assignment may be only made by the Child Life Assured, if Policy has vested in the Life Assured , or by the Counter Life Assured being policy owner if policy has not yet vested . 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. The Company does not express itself upon the validity or accept any responsibility on assignment in recording or registering the assignment.

The Counter Life Assured may at any time before the vesting of the policy in the Life assured appoint a person(preferably a guardian under whose care the child shall be placed upon his death) for the purpose of payment of the Benefits secured by the Policy in the event of his death before the vesting of the Policy in Child Life assured . A record of such appointment shall be made by an endorsement on the Policy and by communicating the same in writing to the Company. Any change of appointment , which may be effected before the vesting of the Policy in the minor shall also be communicated to the Company. The appointment is valid only till child life assured attains majority.

The Company does not express itself upon the validity or accept any responsibility on appointment in recording or registering the appointment or change in appointment.

All Assignment and Appointments shall be subject to the applicable provisions of the Insurance Act, 1938 .

#### **4 Loans:**

Loans will not be given under this policy.

1. **5 Suicide:** In case of death of the Counter Life Assured due to suicide within one year from date of Policy inception, the benefit of Waiver of future premiums and Family Income benefit and Start of Life Benefit if opted will not be allowed. However, the assurances on the child's life will continue subject to payment of future premiums as stipulated.

#### **6 Special Provisions:**

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

#### **7 Notices:**

- 8 Any notice, direction or instruction to be given under this policy shall be in writing and delivered by hand, post, facsimile or email to: -Child Life Assured / Counter Life Assured / Assignee:

Intimation of Change of address of Child Life Assured / Counter Life Assured / Assignee/Appointee must be submitted 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 be not responsible for any consequences arising out of non-intimation of change of address.

#### **8 Payment of Claim:**

The Company requires submission of the original policy document for payment of all claims along with the requisite claim form duly filled in by the claimant.

In case of death claim, the following additional documents have to be submitted:

- Original death certificate.
- Medical records from the last attending physician.
- Other records, if necessary as may be communicated by the Company upon receipt of a claim.

#### **9 Electronic Transactions:**

The Customer 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 conducting 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.



## **10 Occupation**

The Counter Life Assured must notify the Company in writing as soon as possible and in any case within 10 (ten) days upon a change of occupation.

The new occupation shall be classified according to the underwriting rules of the Company at the time of change.

Where the new occupation is in a class which the company accepts, a new premium shall be calculated by the Company and shall be payable from next policy year. In the case where the Counter Life Assured fails to notify the Company and pays the renewal premium based on the former occupation class, the Company shall take the following steps:

- Where the new occupation is in a class of higher risk, The Company shall pay the rider benefit according to the ratio which the premium paid bears to the premium which would have been paid if the higher risk class had been charged.
- Where the new occupation is in a class of lower risk, The Company may refund the difference between the premium paid and the premium that would have been paid if the lower risk had been charged, the provision for refund being applicable when atleast a period of one year has passed from the date of Policy and change of occupation.

## **11. Exclusions of Family Income Benefit and Premium Waiver Benefit**

a) In case of death of the Counter Life Assured due to suicide within one year from date of Policy , the benefit of Waiver of future premiums and Family Income benefit will not be allowed. However, the assurances on the child's life will continue subject to payment of future premiums as stipulated.

**11** b) In the following cases of "DISABILITY" of Counter Life assured the Family Income Benefit or Premium waiver benefit shall not be paid

- Disability as a result of war, invasion, civil war, rebellion or riot;
- Disability as a consequence of being under the influence of alcohol or drugs other than in accordance with the directions of a registered medical practitioner;
- Disability as a result of the taking part in any naval, military or air force operation;
- Disability as a result of the participating in or training for any dangerous or hazardous sport or competition or riding or driving in any form of race or competition;
- Disability as a result of aviation, gliding or any form of aerial flight other than as a fare paying passenger of a recognised airline on regular routes and on a scheduled timetable;
- Disability as a result of attempted self injury whilst sane or insane;
- Disability as a result of failure to seek or follow medical advice.
- Disability as a result of the committing any breach of law;

c) In case of disability occurring after age 65 (sixty five) of the Counter Life Assured the policy will not be eligible for Premium Waiver Benefit and Family Income Benefit arising as a result of accidental total permanent disability of the Counter Life Assured.

## **12 Start Of Life Benefits if Opted**

### **Start of life Benefit:**

In case of death or accidental total permanent disability of the Counter Life Assured before due date of the final cash payment an amount equal to the basic sum assured will be paid along with the final payout as per option 1 or option 2 subject to a maximum of Rs Ten Lacs per Child life assured under all Child Gain policies together.

The additional premium for the benefit is payable along with the base premium under the policy as long as the base premiums are paid.

The premium for start of life benefit rider ceases on the death of the Counter Life Assured.

Such Disability must occur within 180 days from the date of accident also written intimation of accident must be given within 60 (sixty) days. Immediately after the happening of the disability, full particulars thereof must be given in writing to the office of the Company where this policy is serviced together with the then address and whereabouts of the Counter Life Assured Life Assured in the manner required by it, proof of disability satisfactory to the Company and without any expense to the Company.

The Counter Life Assured has the option to discontinue this benefit during the premium paying period by discontinuing the corresponding premiums under intimation to the company. However, already paid premiums not refundable.

If the Counter Life Assured exercises the option to discontinue this benefit, it cannot be reinstated at a later date

### **Exclusions:**

a) In case of death of the Counter Life Assured due to suicide within one year from date of Policy, Start of Life Benefit if opted will not be allowed. However, the assurances on the child's life will continue subject to payment of future premiums as stipulated

b) In the following cases of disability of Counter Life Assured the Start of Life benefit shall not be paid:

- Disability as a result of committing any breach of law;
- Disability as a result of war, invasion, civil war, rebellion or riot;
- Disability as a consequence of being under the influence of alcohol or drugs other than in accordance with the directions of a registered medical practitioner;
- Disability as a result of taking part in any naval, military or air force operation;
- Disability as a result of participating in or training for any dangerous or hazardous sport or competition or riding or driving in any form of race or competition;
- Disability as a result of aviation, gliding or any form of aerial flight other than as a fare paying passenger of a recognised airline on regular routes and on a scheduled timetable;
- Disability as a result of attempted self injury whilst sane or insane;
- Disability as a result of failure to seek or follow medical advice.

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c) In case of disability occurring after age 65 (sixty five) of the Counter Life Assured the policy will not be eligible for “Start Of Life Benefit” arising as a result of accidental total permanent disability of the Counter Life Assured .

**“ The Policy shall be subject to and governed by the terms of the Policy document and all the terms and schedule contained herein (enclosed) and Endorsements if any, shall together form a single agreement”**