

"IN THIS POLICY, THE INVESTMENT RISK IN THE INVESTMENT PORTFOLIO IS BORNE BY THE POLICYHOLDER"

POLICY DOCUMENT

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

1) Definitions:

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

- a) **"Age"** means Age at last birthday.
- b) **"Annual Premium"** is an amount of Regular Premium payable by the Policyholder in a Policy Year.
- c) **"Business Day"** is the common working day of the Corporate Office of the Company.
- d) **"Charges"** means the charges applicable to this Policy as detailed in Section 33 and Section 34 below.
- e) **"Company"** refers to BAJAJ ALLIANZ LIFE INSURANCE COMPANY LIMITED.
- f) **"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.
- g) **"Current Liabilities and Provisions"** include brokerage, stamp duty, custodial and Fund accounting expenses payable and other payables, if any, from the Fund.
- h) **"Date of Commencement of Risk"** means the Policy Commencement Date specified in the Schedule unless the Policyholder is informed otherwise by the Company and is applicable only when Plan Option B has been opted for by the Policyholder.
- i) **"Fund"** means separately identifiable investment linked funds set up by the Company and specified in the Schedule of Investment Funds.
- j) **"Head Office"** means the principal place of business of BAJAJ ALLIANZ LIFE INSURANCE COMPANY LIMITED.
- k) **"Life Assured"** means the person named in the Schedule whose life is assured under this Policy.
- l) **"Loyalty Units"** has the meaning as given under Section 6)e)
- m) **"Monthly Due Date"** means the date corresponding numerically with the Policy Commencement Date in each subsequent month.
- n) **"Nominee"** means the person specified in the Schedule who has been nominated in writing to the Company by the Policyholder who is entitled to receive the benefits under this Policy upon the death of the Life Assured as mentioned in Section 6)a).
- o) **"Plan Option"** is an option as selected by the Policyholder at the inception of the Policy to effect this Policy either with life cover (Plan Option B) or without life cover (Plan Option A) and as appearing in the Schedule, according to which the Death Benefit under Section 6)a) below shall be payable.
- p) **"Policy"** means the arrangements established by the Policy Document.
- q) **"Policy Anniversary"** means the date corresponding numerically with the Policy Commencement Date in each subsequent year.
- r) **"Policy Commencement Date"** means the date of commencement of the Policy as specified in the Schedule.

- s) **"Policy Document"** means this policy wording and that of the Additional Rider Benefits, if any, the Schedule (which is attached to and forms part of this Policy and includes any Annexures or endorsements to it and if more than one then the latest in time) and the Proposal Form.
- t) **"Policyholder"** means the adult person named in the Schedule who has concluded the Policy with the Company.
- u) **"Policy Term"** is the period between the Policy Commencement Date and the Vesting Date as specified in the Schedule.
- v) **"Policy Year"** is the year commencing on the Policy Commencement Date or a Policy Anniversary thereof.
- w) **"Premium Allocation Rate"** means the rate specified in the Schedule at which the premium will be applied to arrive at the Units to be allocated in the Unit Account in respect of any Regular Premium or Top Up Premium paid by the Policyholder.
- x) **"Proposal Form"** means the proposal for this Policy submitted by or on behalf of the Policyholder along with any other information or documentation provided to the Company prior to inception.
- y) **"Regular Premium"** means the premium payable by the Policyholder at regular intervals during the Policy Term in the amounts and at the frequency specified in the Schedule.
- z) **"Regular Premium Fund Value"** means the total number of Units pertaining to the Regular Premium existing in each Fund under this Policy multiplied by their respective Unit Price.
- aa) **"Sum Assured"** is the amount as specified in the Schedule, which is referred-to to determine the amount payable to the Nominee as per section 6)a) below upon the death of the Life Assured after the Date of Commencement of Risk provided the Policyholder has selected Plan Option B as appearing in the Schedule.
- bb) **"Top Up Premium"** means the amount of additional premium paid over and above the Regular Premium payable
- cc) **"Top Up Premium Fund Value"** means the total number of Units pertaining to the Top Up Premium existing in each Fund under this Policy multiplied by their respective Unit Price.
- dd) **"Unit"** means a proportionate part of a Fund created to determine the Unit Price
- ee) **"Unit Account"** means an individual account created and administered by the Company for a Policy and consisting of Units, which are valued by reference to the underlying assets of a Fund.
- ff) **"Unit Price"** means the value per Unit calculated in Rupees 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 Provision, 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.

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gg) **“Valuation Date”** refers to the date when the Unit Price of the Fund is determined.

hh) **“Vesting Date”** means the date specified in the Schedule on which the Vesting Benefit under this Policy as specified per Section 6)b) below shall become payable to the Policyholder.

2) Policy Description

- a) The Policy is a regular premium-paying unit linked deferred annuity Policy with Policyholder to select either of the following options:
 - i. Plan Option A (without life cover)
 - ii. Plan Option B (with life cover)
- b) 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 in one or more of the available Funds in the proportions specified by the Policyholder in the Proposal Form or as subsequently intimated to the Company by the Policyholder through a written application from time to time. Switches between the Funds may be made by the Policyholder per Section 7)a) below.
- c) The Premium Allocation Rate will vary according to the Policy Year, the amount of Regular Premium payable and whether it is Regular Premium or Top Up Premium.
- 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 assets, the profits or surplus of the business of the Company.

3) Regular Premium

- a) Regular Premium is payable in full by the due date. The Company does not have any obligation to issue a notice that Regular Premium is due or the amount that is due.
- b) The Company will not accept any amount lesser than the Regular Premium as the Regular Premium due
- c) The frequency of payment of Regular Premium may be changed by the Policyholder only at a Policy Anniversary subject to minimum Annual Premium requirements as determined by the Company from time to time, by giving written notice to the Company at least 30 days before the Policy Anniversary. A monthly frequency for payment of Regular Premium will be allowed only under the salary deduction schemes or through Electronic Clearance Service ECS
- d) Regular Premium may be increased/decreased by the Policyholder at any Policy Anniversary from the commencement of the fourth Policy Year onwards per Section 7)d).

4) Premium Allocation

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

5) Non payment of Regular Premium and Forfeiture

- a) If the Policyholder has failed to make a payment of Regular Premium by the due date, a grace period of 30 days for premium frequencies other than monthly and 15 days for monthly payment frequencies is allowed during which the Regular Premium must be received by the Company in full. If the death of the Life Assured occurs during the grace period, then the full Death Benefit per Section 6)a) shall be payable

- b) In the event of failure to make payment of Regular Premium and non-payment of the complete amount due even within the grace period in the first 3 Policy Years:
- i. The Policy shall automatically and immediately lapse for all the insurance cover, if any, including the cover under all riders, if any. However, during the period of lapse, the Policy shall continue to participate in the investment performance of the underlying Funds, subject to the deduction of all the Charges per Section 33 and Section 34 except Mortality Charge and Rider Premium Charges, if any.
 - ii. The Policyholder may revive the Policy within a revival period of two years from the due date of the first unpaid Regular Premium subject always to Sub-Section d) and the Company shall recover any due but unrecovered Charges per Section 33 and Section 34 except the Mortality Charge and Rider Premium Charge, if any, since due date of first unpaid Regular Premium, failing which the Policy shall stand terminated and the Surrender Value as on the date of termination per Section 6)c) shall be paid at the end of the third Policy Year or at the expiry of the revival period of two years, whichever is later.
- c) In the event of failure to make payment of Regular Premium and non-payment of complete amount due even within the grace period after the first 3 Policy Years:
- 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 Sub-Section d), within two years from the due date of first unpaid Regular Premium. During this limited period of revival, the Policy shall continue and with full insurance cover if any, subject to deduction of all the Charges per Section 33 and Section 34 and further subject to Section 25.
 - 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 and with full insurance cover if any, subject to deduction of all the Charges per Section 33 and Section 34 and further subject to Section 25.
 - iii. If the Policyholder does not opt to continue the Policy after the expiry of the revival period, the Policy shall stand terminated and the below mentioned amount shall be payable to the Policyholder:
 - Upon expiry of revival period and if the Maturity Date does not arrive, the Surrender Value as on date of termination per section 6)c).
 - If the Maturity Date arrives during the continued period of the revival period, the Regular Premium Fund Value plus the Top Up Premium Fund Value, if any.
- d) The Policy will be revived only after the Policyholder has paid all due unpaid Regular Premium and the Company has received such other information and documentation as may be requested. The Company may disallow the revival of the Policy on the original Terms and Conditions

6) Policy Benefits

a) Death Benefit

On the death of Life Assured before the Vesting Date,

- i. The Company, subject to the Section 11, Section 18 and Sub-Section ii. below, shall pay the following amount to the Nominee:
 1. If Plan Option A (without life cover) has been selected by the Policyholder, the Regular Premium Fund Value plus the Top Up Premium Fund Value, if any, as on the date of the Company's receipt of intimation of death.

2. If Plan Option B (with life cover) has been selected by the Policyholder, the Sum Assured plus the Regular Premium Fund Value plus the Top Up Premium Fund Value, if any, as on the date of the Company's receipt of intimation of death.
 - ii. If the Policy has lapsed per Section 5)b), only the Regular Premium Fund Value as on the date of the Company's receipt of intimation of death plus the Top Up Premium Fund Value, if any, as on the date of Company's receipt of intimation of death will be paid on death of the Life Assured under both the Plan Options.
 - iii. The Nominee has the option to convert the death benefit to an immediate annuity, at the immediate annuity rates and the terms and conditions as prevailing at that time either from the Company or from any other Insurer as recognized by the IRDA in the open market as chosen by the Nominee
 - iv. The Policy shall thereafter terminate on death of the Life Assured.

On the death of Life Assured after the Vesting Date:

This will be governed by the terms and conditions specified in the immediate annuity policy purchased on the life of the Life Assured as per b) 1 and b) 2 hereunder.

b) Vesting Benefit

On the survival of the Life Assured to the Vesting Date:

- i. On the Vesting Date, Regular Premium Fund Value plus the Top Up Premium Fund Value, if any, may be used to purchase an immediate annuity for the Life Assured at the immediate annuity rates and the terms and conditions as prevailing at that time either from the Company or from any other Insurer as recognized by the IRDA in the open market as chosen by the Life Assured.

OR

- ii. The Life Assured may receive in lump sum up to a maximum of 1/3rd of the total of Regular Premium Fund Value and Top Up Premium Fund Value, if any, as on the Vesting Date. The balance amount will be used to purchase an immediate annuity for the Life Assured at the immediate annuity rates and the terms and conditions as prevailing at that time either from the Company or from any other Insurer as recognized by the IRDA in the open market as chosen by the Life Assured. The Policyholder has to exercise this option at least 6 months before the Vesting Date.

c) Surrender Value

- i. The Surrender Value, if any, is payable only after first three Policy Years provided all due Regular Premiums during the first three Policy Years have been paid. If Regular Premiums due during first three Policy Years have not been paid, the payment of Surrender Value shall be subject to Section 5)b).
- ii. The Surrender Value payable will be equal to the Regular Premium Fund Value less the Surrender Charge as per Section 33) g) plus Top Up Premium Fund Value, if any.

d) Rider Benefits (For Plan Option B only)

The Additional Rider Benefits, if any, as specified in the Schedule shall be subject to the terms, conditions and exclusions of the respective Riders and can be availed before the Vesting Date only. The Additional Rider Benefits cover will not be available after the Vesting Date.

e) Loyalty Units

- i. If the Policy has not been terminated per Section 25 below, the Company shall allocate Loyalty Units equal to the following percentage of Regular Premium Fund Value in the Unit Account, at the end of the sixth Policy Year and thereafter at the end of each Policy Year:

Policy Year end	Percentage of Regular Premium Fund Value (%)
6 to 10	0.10
11 to 15	0.20
16 to 40	0.30

- ii. No Loyalty Units will be allocated in respect of Top Up Premium Fund Value, if any.

7) Flexibilities

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 application form specified by the Company and meeting the conditions set out therein:

a) Fund Switching:

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

- 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 Units held by the Policyholder in the Fund to be switched from, whichever is lower.
- iii. The Policy is not lapsed per section 5)b)
- iv. The Company shall affect the switch by redeeming Units from the Fund to be switched from and allocating new Units in the Fund being switched to at their respective Unit Price. The Policyholder may exercise three free switches during each Policy Year. For subsequent switches during any Policy Year, the Company will charge a switching fee as specified in Section 33)e) below.

b) Partial withdrawal:

No partial withdrawal is allowed under the Policy.

c) Premium Apportionment

- i. The Policyholder may at any Policy Anniversary change the proportion of Regular Premium and/or Top Up Premium referred to in Section 2)b) above by giving a notice to the Company in writing.

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

d) Increase/Decrease in Annual Premium

- i. From the commencement of the fourth Policy Year, provided all due Regular Premiums have been paid, the Policyholder shall have the option to increase or decrease the Annual Premium payable under this Policy at any Policy Anniversary, provided he gives the Company at least 30 days prior written notice of the proposed increase/decrease.
- ii. The Regular Premium will be allocated at the Premium Allocation Rates as applicable to the revised (increased/decreased) Annual Premium.
- iii. If Plan Option A (without life cover) has been opted, there is no limit to increase Annual Premium.
- iv. If Plan Option B (with life cover) has been opted, increase in Annual Premium will be restricted to such amount that the Sum Assured is equal to of five times of revised Annual Premium.
- v. Any decrease in the Annual Premium for either of the Plan Options should not fall below the minimum Annual Premium payable under the Policy as determined by the Company from times to time.
- vi. If Plan Option B (with life cover) has been opted, a decrease in Annual Premium will result in a proportionate decrease in the Sum Assured such that the relationship between the Annual Premium and the Sum Assured as at the Policy Commencement Date is maintained.

e) 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 in full.
- ii. The minimum Top Up Premium payable is Rs. 5,000, subject always to the Company's right to alter this minimum payable from time to time subject to approval of the IRDA.

GENERAL CONDITIONS

8) Age Proof

- a) The Mortality Charge and Rider Premium Charge payable under the Policy (for Plan Option B only) is calculated on the basis of the Life Assured's Age and gender as declared in the Proposal Form. 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) If the Age so admitted (the "correct Age") is found to be different from the Age declared in the Proposal Form, then without prejudice to the Company's other rights and remedies including those under the Insurance Act 1938, the following actions 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 that are applicable to that other plan of assurance. If it is not possible to grant any other plan of assurance, the Policy shall stand cancelled with immediate effect by the Company and the Surrender Value per Section 6(c) shall become payable.
 - ii. If Plan Option B (with life cover) has been opted and if the Life Assured's correct Age is higher than the Age declared in the Proposal Form, the Mortality Charge and the Rider Premium Charge, if any, payable under the Policy shall be altered corresponding to the correct Age of the Life Assured (the "corrected Mortality Charge" and "corrected Rider Premium charge", if any) and the accumulated difference between the corrected Mortality Charge and the original Mortality Charge the corrected Rider Premium charge and the original Rider Premium Charge from the Policy Commencement Date up to the date of such alteration shall be recovered by the redemption of Units from the Unit Account.

9) Assignment and Nomination

- a) No assignment shall be effective unless and until the Company receives a written notice from the Policyholder along with the original or duplicate copy of this Policy Document and the assignment deed.
- b) If the Policyholder and the Life Assured are the same person, the Policyholder may at any time specify in writing a Nominee, whose details will be specified in the Schedule, to receive benefits payable under Section 6(a) upon Life Assured's death. If the Nominee is a minor, the Policyholder shall also appoint a person to receive the money during the minority of the Nominee, as specified in the Schedule. No nomination shall be effective unless and until evidenced by an endorsement on the Policy
- c) If there is no Nominee or if all the Nominee have predeceased the Policyholder, the benefits payable under this Policy will be paid to the legal heirs of representatives of the Policyholder
- d) Any assignment shall automatically cancel any nomination
- e) The Company assumes no responsibility or liability for the validity or sufficiency of any assignment or nomination or, if the assignment or nomination is not notified to the Company in writing, or in recording the assignment or registering the nomination or change in assignment or nomination.
- f) Assignment will not be permitted where the Policy is issued under the Married Women's Property Act 1874

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 or date of revival (two years from the due date of first unpaid Regular Premium), 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) Non-Disclosure & Fraud

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

13) Notices

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

- a) The Policyholder or the Life Assured:
 - i. Shall be sent by hand, post, facsimile or e-mail to the Policyholder or Life Assured as per the details specified by the Policyholder in the Proposal Form or as per subsequent change of address intimation submitted by him to the Company.
 - ii. Notice and instructions shall be deemed served on the Policyholder or to Life Assured on the 7th day 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 actual receipt.
 - iii. The Company shall not be responsible for any consequences arising out of non-intimation of change of the Policyholder's address.
- b) The Company, shall be submitted by hand, post, facsimile or E-mail to:
By Post: Bajaj Allianz Life Insurance Company,
GE Plaza, Airport Road, Yerawada, Pune - 411006
By Phone: Toll Free No. 1800225858
By e-mail: life@bajajallianz.co.in

14) Electronic Transactions

Subject to Section 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 or increased (as applicable) by the amount of any reduction or increase in the Regular Premium Fund Value and Top Up Premium Fund Value, if any, due to a fall or rise 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) 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 this purpose.

18) 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 as soon as possible and in any event within 180 days of the death of the Life Assured, and the circumstances resulting to the death of the Life Assured.
 - ii. The claimant's proof of entitlement to receive payment under the Policy.
 - iii. Original Policy Document.
 - iv. Original death certificate of the Life Assured issued by a competent authority.
 - v. Medical cause of death certificate from the doctor who last attended to the Life Assured or the hospital in which the death occurred.

19) Loss of Policy Document

- a) If the Policy Document is lost or destroyed, then subject to Sub-Section c), at the request of the Policyholder, the Company, if satisfied that the Policy Document has been lost or destroyed, will issue a copy of the Policy Document duly endorsed to show that it is issued following the loss or destruction of the original document. The Company will charge a miscellaneous charge specified in Section 33)f) below for the issuance of a copy of the Policy Document.
- b) Upon the issuance of a copy of the Policy Document, the original Policy Document will cease to have any legal effect.
- c) The Company reserves the right to make such investigations into and call for such evidence of the loss or destruction of the Policy Document at the expense of the Policyholder, as it considers necessary before issuing a copy of the Policy Document.
- d) It is hereby understood and agreed that the Policyholder will protect the Company and hold the Company harmless against any claims, costs, expenses, awards or judgments arising out of or howsoever connected with the original Policy Document or arising out of the issuance of a copy of the Policy Document.

20) **Grievance Redressal**

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

By post at: _____ Customer Care Desk

Bajaj Allianz Life Insurance Company Ltd.

GE Plaza, Airport Road, Yerawada, Pune - 411006

By Phone: Toll Free No. 1800225858

By e-mail: life@bajajallianz.co.in

Grievance Redressal Committee

Any grievance or complaint or suggestion 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

21) **Ombudsman**

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

22) **Governing Law**

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

23) Taxation

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

24) Status of Insurance Agent

The insurance agent 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 or payment given to the insurance agent should not be considered as having been given to the Company

25) Termination Conditions

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

- a) The Units in the Policy are fully surrendered;
- b) The Regular Premium Fund Value less Surrender Charge as per Section 33) g) falls be to an amount equivalent to one Annual Premium provided all Regular Premiums have been paid for 3 full Policy Years;
- c) Upon the Life Assured's death before the Vesting Date;
- d) Upon the Policy remaining lapsed for two years or upto third Policy Anniversary whichever is later.
- e) On Vesting Date

26) 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

27) Type of Funds

- a) The following Funds are available as at the Policy Commencement Date:
- i. Asset Allocation Pension Fund
 - ii. Equity Index Pension Fund II
 - iii. Equity Growth Pension Fund
 - iv. Accelerator Mid-Cap Pension Fund
 - v. Bond Pension Fund
 - vi. Liquid Pension Fund
 - vii. Pure Stock Pension Fund
- b) The Company may add, close, merge, modify or consolidate the Funds under this Policy with approval from the IRDA

28) Valuation date

- a) The Company will value the Funds on each day the financial markets are open. However, the Company may value the Funds less frequently in circumstances where the value of the assets are too uncertain. In such circumstances, the Company may defer the valuation of assets for upto 30 days until the Company feels that certainty as to the value of assets is resumed. The deferment of the valuation of assets will be with prior consultation with the IRDA. Examples of such circumstances are:
- i. 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.
 - ii. 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.
 - iii. During periods of extreme market volatility during which Surrenders and Switches would, in the opinion of the Company, be detrimental to the interests of the remaining Policyholders.
 - iv. In the case of natural calamities, strikes, war, civil unrest, riots and bandhs.
 - v. In the event of any force ma'jeure or disaster that affects the normal functioning of the Company.
 - vi. If so directed by the IRDA.
- b) The Policyholder shall be notified of such a situation if it arises.

29) Fund Management

All the Funds will be internally managed by the Company.

30) Investment Objectives

a) **Asset Allocation Pension Fund:**

The investment objective of this Fund will be to realize a level of total income, including current income and capital appreciation, which is consistent with reasonable investment risk. The investment strategy will involve a flexible policy for allocating assets among equities, bonds and cash. The fund strategy will be to adjust the mix between these asset classes to capitalize on the changing financial markets and economic

conditions. The Fund will adjust its weights in equity, debt and cash depending on the relative attractiveness of each asset class

Indicative Portfolio Allocation:

Equity: 0% - 100%

Debt and Money Market Instruments: 0% - 100%

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

b) Equity Index Pension 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 60%

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

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

c) Equity Growth Pension Fund:

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

Indicative Portfolio Allocation:

Equity: Not less than 60%

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

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

d) Accelerator Mid-Cap Pension Fund:

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

Indicative Portfolio Allocation:

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

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

The exposure to money market securities may be increased to 100%, keeping in view market conditions, market opportunities, and political, economic and other factors, depending on the perception of the

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Investment Manager. All changes in the asset allocation will be with the intention of protecting the interests of the Policyholders.

e) Bond Pension Fund:

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

Indicative Portfolio Allocation:

Debt and Money Market Instruments: 100%

f) Liquid Pension Fund:

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

Indicative Portfolio Allocation:

Money Market Instruments: 100%

g) Pure Stock Pension Fund:

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

Indicative Portfolio Allocation:

Equity: Not less than 60%

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

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

31) Risk Profile

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

Funds	Risk Profile
Asset Allocation Pension Fund	High
Equity Index Pension Fund II	High
Equity Growth Pension Fund	Very High
Accelerator Mid Cap Pension Fund	Very High
Bond Pension Fund	Moderate
Liquid Pension Fund	Low
Pure Stock Pension Fund	Very High

32) Fund Provisions

a. Purpose of the Funds

The Company has established the above Funds from which it will make payment of a part of or all of the benefits payable 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 may, in its absolute discretion, determine from time to time provided it satisfies the investment objectives set out in Section 30 above and any IRDA Regulations as applicable from time to time. 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.

33) Charges

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

a) Mortality Charge [for Plan Option B only]

- i. The Mortality Charge will be deducted at monthly intervals at the rate the Company applies to the attained Age of the Life Assured and gender of the Life Assured, through cancellation of Units at the prevailing Unit Price on the Date of Commencement of Risk and on subsequent Monthly Due Dates. The 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.
- ii. The Mortality charge per thousand Sum at Risk is given in Annexure - I. The Mortality charge is applied at the Sum at Risk, which is equal to the Sum Assured.
- iii. The Mortality Charge by attained age as given in Annexure - I is guaranteed throughout the Policy Term.

b) Fund Management Charge

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

The Fund Management Charge is applied at Net Asset Value of the Funds before deduction of this charge. This Charge is subject to revision per Section 35)a) i.

c) Policy Administration Charge

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

d) Premium Allocation Charge

This is a percentage of Regular Premium levied at the time of allocation of Regular Premium to the Unit Account. The Premium Allocation Charge is as follows: -

Annual Premium size	Premium Allocation Charge for premium payment due in		
	Policy Year 1	Policy Year 2 to Policy Year 10	Policy Year 11 and onwards
6,000 – 99,999	20%	5%	0%
100,000 – 499,999	18%	5%	0%
500,000 – 624,999	16%	4%	0%
625,000 and above	Rs. 100,000	2% or Rs.50,000 whichever is less	0%

This charge is not subject to revision

e) Fund Switching Charge

Three free switches between Funds will be considered in a Policy Year. Subsequent switches in a Policy Year would be charged @ 5% of switch amount or Rs. 100, whichever is lower, on each such occasion. This Charge is subject to revision per Section 35)a)ii.

f) Miscellaneous Charge

The Miscellaneous charge will be charged at the rate of Rs.100/- per transaction in respect of reinstatement, the alteration of Regular Premium frequency or mode, increase / decrease in Annual Premium or issuance of copy of the Policy Document. This Charge is subject to revision per Section 35)a)iii.

g) Surrender Charge

i. If any due Regular Premium is not paid within the grace period in the first three Policy Years, the Surrender Charge would be 50% of the first years' Annualized Premium.

ii. If first three Policy Years' Regular Premiums have been paid in full, the Surrender Charge would be as follows:

$$[1 - (1/1.10)^N] * \text{First Years' Annual Premium.}$$

where N is the minimum of 10 years and Policy Term, less the elapsed Policy duration in years and fraction thereof.

iii. Surrender Charge will be applied for the maximum period of first 10 Policy Years

iv. No Surrender Charge will be applied on Units in respect of Top Up Premium.

- v. This Charge is not subject to revision

h) Rider Premium Charge [for Plan Option B only]

- i. The Rider Premium charge, if any, will be deducted at monthly intervals at the rate the Company applies to the attained Age of the Life Assured and gender of the Life Assured, through cancellation of Units at the prevailing Unit Price on the Date of Commencement of Risk and on subsequent Monthly Due Dates whilst the Additional Rider Benefits, if any, as mentioned in the Schedule, 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.
- ii. This Charge is subject to revision per Section 35)a)iv.

34) Recovery of Charges

- a) The Fund Management Charge will be deducted from the Net Asset Value (NAV) of the Funds while calculating the Unit Price.
- b) The Policy Administration Charge, the Mortality Charges and the Rider Premium Charges, if any, will be recovered monthly at Monthly Due Dates by the redemption of Units at the prevailing Unit Price.
- c) 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.

35) Change in Rate of Charges

- a) With approval from the IRDA, the Company reserves the right to change the following charges:
- i. Fund Management Charge up to a maximum of 2.75% per annum of the NAV for the Equity Growth Pension Fund, Accelerator Mid-Cap Pension Fund and Pure Stock Pension Fund, 2.25% per annum for the Equity Index Pension Fund II and Asset Allocation Pension Fund, 1.75% per annum for the Bond Pension Fund and Liquid Pension Fund.
- ii. Fund switching charge up to a maximum of Rs.200 per switch or 5% of the switching amount, whichever is lower
- iii. Miscellaneous Charge up to a maximum of Rs.200/- per transaction
- iv. Rider Premium Charges as per the terms and conditions of the Additional Rider Benefits
- b) The Company shall notify the Policyholder of 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 communication by the Company, he shall be allowed to withdraw the Units under the Policy at the then prevailing Unit Price less the Surrender Charge per Section 33)g) and terminate the Policy. If the Company does not receive a written objection from the Policyholder within 30 days of communication by the Company, the Policyholder shall be deemed to have accepted the proposed changes.

36) Unit Transactions

a) **Allocation of Units**

- i. For Regular Premium or Top Up Premium received in cash or local cheques or demand drafts, or requests for Fund switches received by the Company, by the closing time for the day as specified by the IRDA from time to time, the closing Unit Price of the day it is received shall be applicable. The closing time presently specified by the IRDA is 3:00 pm.
- ii. For Regular Premium or Top Up Premium received in cash or local cheques or demand drafts, or requests for Fund switches received by the Company, after the closing time for the day as specified by the IRDA from time to time, the closing Unit Price of the next Business Day shall be applicable. The closing time presently prescribed by the IRDA is 3:00 pm.
- iii. For 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.

b) **Redemption of Units**

- i. For written applications received by the Company from the Policyholder for death, surrender or switch out by the closing time for the day as specified by the IRDA from time to time, the closing Unit Price of the day it is received shall be applicable. The closing time presently prescribed by the IRDA is 3:00 pm
- ii. For written applications received by the Company from the Policyholder for death, surrender or switch out on a day after the closing time for the day as specified by the IRDA from time to time, the closing Unit Price of the next Business Day shall be applicable. The closing time presently prescribed by the IRDA is 3:00 pm

37) Right to Defer the Unit Transactions

The interests of the Policyholders holding Units but not involved in transactions shall not be affected while establishing the Unit Price for transactions into and out of a Fund. If in the opinion of the Company, the exercise of any transaction by a 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 will be suspended for upto 30 days to allow the transactions to be exercised at a Unit Price that would not be materially unfair. The deferment of transactions will be with prior consultation with the IRDA. If the Company defers the transaction, then the Company will use the Unit Price of the day on which the transaction actually takes place. The Policyholder shall be notified should such a situation arise

38) Non-Participation in Profits

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

39) Fund Closure

The Company may, in its sole discretion close any of the Funds with prior approval of the IRDA if in the sole and absolute opinion of the Company, the said Fund should be closed. 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 the Company sending the e, the Company will switch the said Units to the Bond Pension Fund. No fee will be charged for switching in the event of such closure of Funds.

40) Unit Statement

The Company will issue a 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 per Section 34.

Dated at _____ this ___ Day of _____ 200_

For and behalf of Bajaj Allianz Life Insurance Company Limited

Authorised Signatory