

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

Canara HSBC Oriental Bank of Commerce Life Insurance Insure Smart Plan

UIN - 136LO19V02

TERMS AND CONDITIONS

1. DEFINITIONS AND INTERPRETATION

1.1. Definitions

In this Policy, unless the context requires otherwise, the following words and expressions shall have the meaning ascribed to them respectively herein below:

Age means age at last birthday;

Appointee means the person named as such in the Policy Schedule, to receive the Death Benefit and give a valid discharge to the Company on behalf of the Nominee, in the event of death of the Life Assured during the minority of the Nominee;

Authority means the Insurance Regulatory and Development Authority or such other authority or authorities, as may be designated under the applicable laws and regulations as having authority to oversee and regulate life insurance business in India, or any other area that has an impact on the business of life insurance;

Benefits means the Death Benefit, Maturity Benefit, Rider Benefits (if any) or any other benefit, as may be applicable under this Policy;

Business Day means any day which is a working day for the Company's corporate office in Gurgaon and on which day the National Stock Exchange (NSE) is open for trading;

Claimant means the Policyholder or the assignees, the Beneficiary, Appointee or the legal heirs of the Policyholder who are entitled to claim the Benefits under this Policy;

Company means Canara HSBC Oriental Bank of Commerce Life Insurance Company Limited, a company incorporated under the provisions of the Companies Act, 1956 carrying on the business of life insurance in India;

Date of discontinuance of the Policy means the date on which the Company receives the intimation from the Policyholder or the Life Assured about discontinuance of the policy or on the expiry of the Notice Period, whichever is earlier;

Discontinuance or **Discontinued** means the state of a policy after the Date of Discontinuance until it is terminated as per the terms and conditions hereof;

Discontinued Policy Fund (ULIF01319/09/11POLDISCFND136) means the segregated fund maintained by the Company into which Fund Value under policies which are surrendered or where premium payment is discontinued during the Lock-in Period are credited subject to deduction of Discontinuance Charges as applicable, to be paid out to the respective Policyholders on expiry of the Lock-in Period, except in case of death of the Life Assured in which case the Fund Value shall be paid out immediately. The Company shall levy Fund Management Charges as mentioned in Annexure-1. The amounts credited to the Discontinued Policy Fund shall earn a minimum guarantee of interest rate applicable to savings account of State Bank of India.

Financial Year means a period of twelve (12) months commencing from April 01 each year and ending with March 31 of the following year;

Fund Value means, at any point of time, the value of the Units held by the Policyholder, represented by the number of Units held in the Policyholders' unit account multiplied by their respective Unit Prices;

Grace Period means the period of 30 days commencing from the due date of Premium during which period the Premiums due under this Policy can be paid without any interest, additional charges, penalties or interruption in risk cover as per the terms of this Policy;

Life Assured means the person named as such in the Policy Schedule on whose life this Policy has been effected;

Lock-in Period means the period of five consecutive years from the date of commencement of the policy, during which period the proceeds of the Policy cannot be paid by the insurer to the Policyholder or to the insured, as the case may be, except in the case of death of the Life Assured;

Loyalty Additions means the amount payable to the Policyholder on the Maturity

Date as specified in Clause 2.2;

Maturity Date means the date specified as such in the Policy Schedule, on which date the Maturity Benefit becomes payable;

Minor means a person who has not completed the Age of eighteen (18) years;

Net Asset Value ("NAV") means the market value of investments held under the Unit Linked Fund plus the value of any current assets and any accrued income net of Fund Management Charges (including any applicable Service Tax thereon) less the value of any current liabilities and provisions, if any.

Notice means the communication sent by the Company to the Policyholder within 15 days from the end of Grace Period requiring the Policyholder to exercise any one of the options provided in Clause 3.2.1 hereof, in case of nonpayment of premium during the Grace Period;

Notice Period means the period commencing from the end of the Grace Period and ending on expiry of 30 days from the date of receipt of the Notice by the Policyholder;

Office means any office established by the Company for servicing customers, except its registered office and corporate office;

Policy means this Canara HSBC Oriental Bank of Commerce Life Insurance Insure Smart Plan, comprising, the Proposal, these terms and conditions, the Policy Schedule and any; Annexures attached to it (including any unit account statements or other correspondence issued by the Company), all of which shall form an integral part of the Policy;

Policy Anniversary means an annual anniversary of the Policy Commencement Date;

Policy Commencement Date means the date of commencement of the Policy as specified in the Policy Schedule;

Policy Schedule means the schedule attached to and forming part of this Policy;

Policy Term means the period between the Policy Commencement Date and the Maturity Date, as specified in the Policy Schedule;

Policy Year means a 12 calendar month period commencing from the Policy Commencement Date and ending on the day immediately preceding its Policy Anniversary and each subsequent period of twelve (12) consecutive months thereafter, during the Policy Term;

Policyholder means the person named as such in the Policy Schedule, unless the Policy has been assigned as per Clause 16.1 in which case the assignee shall be the Policyholder;

Premium means the Regular Premiums payable under this Policy;

Premium Paying Term means the period specified in the Policy Schedule indicating the number of years for which the Policyholder is required to pay Regular Premium under this Policy;

Proposal means the signed and completed proposal form provided by the Policyholder to the Company, along with all supporting information/documents enclosed therewith and which forms the basis upon which this Policy has been issued to the Policyholder by the Company;

Redirection means the facility allowing the Policyholder to modify the allocation of future Premium into the Unit Linked Funds in a different investment pattern from the option exercised previously, as specified in Clause 12.

Regular Premium means the modal premium specified as such in the Policy Schedule payable in regular installments as agreed between the Policyholder and the Company;

Regulations means the laws and regulations in effect from time to time and applicable to this Policy, including without limitation the regulations and directions issued by the Authority from time to time including re-enactments and/or amendments to such laws and regulations;

Revival of a Policy means restoration of the Policy in respect of which Premiums were not paid before the end of the Notice Period upon the receipt of all the premiums due and other charges if any, as per the terms and conditions of the Policy, upon being satisfied as to the continued insurability of the Life Assured on the basis of the information, documents and reports furnished by the Policyholder;

Revival Period means a period of 2 years from the Date of Discontinuance of the Policy or before the completion of the Lock-in period, which ever is earlier;

Rider means the supplementary or additional benefit coverage, if any, issued by the Company, attached to and forming part of this Policy;

Rider Benefits means the benefits payable under the Riders;

Risk Commencement Date means the date mentioned in the Policy Schedule, which shall be the later of (i) date of acceptance of the Proposal by the Company's underwriters; (ii) date of realization of the proposal deposit by the Company;

Sum Assured means the amount as mentioned in the Policy Schedule payable upon the death of the Life Assured as per Clause 2.1;

Unit means a notional interest of the Policyholder representing a portion or a part of the Unit Linked Fund consisting of one (1) undivided share in the assets of the relevant Unit Linked Fund;

Unit Price means the price of the Units of each Unit Linked Fund arrived at by dividing the Net Asset Value of the Unit Linked Fund by the total number of outstanding Units in the Unit Linked Fund at that time.

1.2 Interpretation

This Policy is divided into numbered Clauses for ease of reference and reading. Except as stated, these divisions and the corresponding Clause headings do not limit the Policy or its interpretation in any way. Unless the context requires otherwise, words of one gender shall include the other gender and the singular shall include the plural and vice versa and references to any statute include subsequent changes to that statute.

2. BENEFITS

Subject to the provisions contained herein and fulfillment of the terms and conditions of this Policy, the Company agrees to pay to the Claimant, the following Benefit on the happening of the claim events mentioned against each Benefit during the Policy Term.

2.1. Death Benefit

2.1.1. Subject to the Policy not being in Discontinued state or being terminated, if the death of the Life Assured occurs on or after the Risk Commencement Date but before the Maturity Date, the Company shall pay the following Death Benefit (as applicable) as on the date of registration of the claim, subject to Clause 2.1.2 below:

2.1.1.1. In case the Life Assured dies before attaining 60 years, higher of the following is payable:

- (i) Sum Assured, less partial withdrawals (if any) in the preceding 2 years, or
- (ii) Fund Value as on the date of registration of the claim, or
- (iii) 105% of all Premiums paid less partial withdrawals (if any) in the preceding 2 years.

2.1.1.2. In case the Life Assured dies on or after attaining 60 years, higher of the following is payable:

- (i) Sum Assured, less partial withdrawals (if any) post attaining 58 years of age, or
- (ii) Fund Value as on the date of registration of the claim, or
- (iii) 105% of all Premiums paid less partial withdrawals (if any) post attaining 58 years of age.

2.1.2. In respect of a registration of death claim of the Life Assured received at the Office of the Company prior to 3.00 PM on any Business day, the closing NAV of the same day will be applied for computation of the Fund Value. For registrations received at the Office of the Company post 3.00 PM on any Business day, the NAV declared on the next Business Day shall be applied for computation of the Fund Value.

2.2. Maturity Benefit

If the Life Assured survives the Maturity Date and the Policy is in force on such date, the Company shall pay the following benefit (as applicable) to the Claimant:

2.2.1. Amount equivalent to the Fund Value computed on the basis of the closing NAV of the Maturity Date.

2.2.2 Loyalty Additions which shall be equivalent to 1% of the Fund Value as on Maturity Date.

2.3. Requirements for Maturity Benefit & Death Benefit Claims

In the event of a claim for Benefits arising under this Policy, the Claimant shall within sixty (60) days of the claim event, make a written intimation to the Company through its Claim Intimation Form with the following documents:

2.3.1. In case of a claim for Maturity Benefit

- (i) Claimant Statement;
- (ii) Policy document in original; and
- (iii) Duly signed discharge voucher

2.3.2. In case of a claim for Death Benefit

Original Policy document, Company specific claim formats (Claimant's statement, Treating hospital certificate, Attending physician's statement, Employer's certificate), Death certificate, Discharge certificate, Claimant's ID and address proof, Hospital records/other medical records and such other documents as required by the Company at the time of claim. In case of accidental death of Life Assured apart from the aforementioned documents the claimant needs to submit the copies of FIR, Police Reports and Post Mortem Report.

2.4. Increase / Decrease of the Sum Assured

Subject to the Policy being in force and not being in Discontinued state, the Policyholder may at any time during the Policy Term, request the Company to increase/decrease the Sum Assured under this Policy without effecting any change to the Regular Premium payable by making an application in writing to the Company at least Two (2) months prior to the next Policy Anniversary, provided:

- a) The Policy has completed five(5) Policy Years and the Company has received all due Regular Premiums under this Policy till the date of such request;
- b) For increase in Sum Assured, the Life Assured should not be a Minor or aged above fifty (50) years (last birthday), at the time of such request. In case of minor or aged above fifty (50) at the time of request only decrease in Sum Assured is allowed, subject to applicable regulations;
- c) Such increase /decrease should be in accordance with the applicable Regulations, and subject to underwriting acceptance.
- d) The Company shall be entitled to recover medical expenses (if any subject to a maximum of ₹ 3,000/-) on account of an increase in the Sum Assured;
- e) Such Increase/Decrease in the Sum Assured can be exercised once in a Policy Year, subject to a total of three times during the entire Policy Term;
- f) The mortality charges will increase or decrease proportionately to the change in sum at risk, but there will be no change in the Regular Premiums due to change in Sum Assured.
- g) Change in the Sum Assured shall be effective from next policy anniversary falling after the date of receipt of a written request from the Policyholder by the Company, subject to underwriting acceptance.

2.5. Mode of payment of Benefits

2.5.1. All Benefits and other sums under this Policy shall be subject to the admission of the claim and shall be payable in the manner and currency permitted under the Regulations.

2.5.2. Discharge

Any discharge given by the Claimant, or by any person authorized by the Claimant in writing in respect of the Benefits or the sums payable under this Policy shall constitute a valid discharge to the Company in respect of such payment. The Company's liability under the Policy shall be automatically discharged on such payment. In case the Bank account details of the Claimant has been made available to the Company to facilitate a direct credit of the Benefits into the Claimant's bank account, credit by the Company of the applicable Benefits into such bank account shall constitute valid discharge of the Company's liability to pay such Benefits under this Policy.

2.6. Benefits during Grace Period

This Policy provides a Grace Period of thirty (30) days commencing from the due date of each Regular Premium due, during which the Policyholder may make payment of unpaid Regular Premium to keep the Policy and all the Benefits in force. The Benefits mentioned in Clause 2.1 shall be payable subject to deduction of applicable Mortality Charges due as on the date of death of the Life Assured.

3. Regular Premium and effect of discontinuance of payment of Regular Premium

3.1. Payment of Regular Premium

Regular Premium shall be payable during the Premium Paying Term in the agreed amounts and frequency on or before the end of Grace Period corresponding to the due date specified in the Policy Schedule. If any Regular Premium is received before the due date, the Company may at its discretion keep such amount in an advance premium account and adjust such sum towards Regular Premium on the applicable due date or refund such amounts to the Policyholder. The amounts in the advance premium account shall not be allocated into Units before the due date. All Regular Premiums shall, subject to deduction of applicable Charges as mentioned in Annexure 1 hereto, be allocated in the respective Funds as chosen by the Policyholder at the applicable NAVs as provided in Clause 9.2 hereof.

3.2. Discontinuance of Regular Premium

3.2.1. Subject to clause 2.1, if any due installment of Regular Premium is not paid within the Grace Period the Company shall send a Notice within fifteen (15) days from the date of expiry of Grace Period to the Policyholder and the Policyholder may exercise any of the following options within 30 days of receipt of such Notice:

- a. **Pay all the due premiums; or**
- b. **Complete withdrawal from the policy without any risk cover**

The Policyholder may opt to withdraw fully from the Policy without any risk cover during the Notice Period, in which case provided the Lock-in Period has expired under this Policy, the Fund Value as on the date of receipt by the Company of the Policyholder's intimation to withdraw shall be paid to the Policyholder. In case the Lock-in Period under this Policy has not expired, the Fund Value under the Policy as on the date of receipt of such intimation by the Company shall subject to deduction of Discontinuance Charges (if applicable), be credited to the Discontinued Policy Fund and paid out to the Policyholder on expiry of the Lock-in Period, provided the

Policy is not Revived. The Policy in such a case shall continue in full force with all Benefits applicable to it including Partial Withdrawal rights till the date of receipt of intimation by the Company expressing the Policyholder's intention to withdraw fully from the Policy without risk cover, and all applicable charges due shall continue to be deducted. On payment of the amounts as mentioned in this Clause, the Policy shall stand terminated.

3.2.2 Transfer of Fund Value to Discontinued Policy Fund

During the Notice Period all Benefits including the right to Partial Withdrawals under this Policy shall continue to apply and all the Charges shall continue to be deducted. On the Date of Discontinuance of the Policy the Company shall transfer the Fund Value subject to deduction of Discontinuance Charges (as applicable) into the Discontinued Policy Fund and shall pay to the Policyholder on completion of the Lock-in period, subject to the policy not being revived.

3.2.3 If the Policyholder does not exercise any of the above options by the end of the notice period, the Policyholder shall be deemed have exercised the option as per Clause 3.2.1(b) at the end of the Notice Period above and consequences provided in the said Clause shall apply including deduction of Discontinuance Charges, provided however that the amount that would be paid out or credited to the Discontinued Policy Fund shall be the Fund Value as at the end of the Notice Period. The Policy in such a case shall continue in full force with all Benefits applicable to it including Partial Withdrawal rights till the end of the Notice Period.

3.2.4 In case of death of the Life Assured while the Policy is in a discontinued state, the Fund Value in the unit account of the Policyholder held in the Discontinued Policy Fund as on the date of registration of death claim by the Company shall be paid to the Claimant and the Policy shall terminate immediately on such payment.

3.2.5 Revive the Policy: The Policyholder may, revive the Policy by paying all due unpaid installments of Regular Premium and completing the other requirements as may be stipulated by the Company, within the Revival Period. The effective date of revival shall be the date when all the requirements under the Policy as specified in Clause 4 for revival are met, the application for revival is accepted by the Company and the same is communicated in writing by the Company to the Policyholder. On Revival of the Policy the Company shall add back the deducted Discontinuance Charges to the Fund Value under the Discontinued Policy Fund on the date of Revival and shall re-invest in the respective Unit Linked Fund as desired by the Policyholder at the prevailing Unit Price. In case the Company rejects the request for revival made by the Policyholder on account of its non-receipt of all due premiums, applicable charges, requisite documentation or its not being satisfied as to the continued insurability of the Life Assured, then provided the Lock-in Period has expired under this Policy the Fund Value under the Discontinued Policy Fund shall be paid to the Policyholder and the policy shall stand terminated.

In case the Lock-in Period under this Policy has not expired, the Fund Value under the Discontinued Policy Fund shall be paid out to the Policyholder on expiry of the Lock-in Period. In either case above, the Proceeds of the Discontinued Policy Fund shall earn a minimum guarantee of interest as applicable to saving account of State Bank of India. On payment of the amounts as mentioned in this Clause, the Policy shall stand terminated.

3.3 Surrender & Surrender Value

3.3.1 The policy can be surrendered at anytime. On surrender, the policy will terminate and cannot be revived thereafter. If the policy is surrendered before completion of the Lock-in Period, the Fund Value under the Policy will be transferred to the Discontinued Policy Fund subject to deduction of applicable Surrender Charges and will be paid to the policyholder at the end of the Lock-in Period. In case of death of the Life Assured occurs post Surrender within the Lock-in Period, the Fund Value in the unit account of the Policyholder held in the Discontinued Policy Fund as on the date of registration of death claim by the Company shall be paid to the Claimant. In case of a Surrender request received by the Company post the Lock-in Period, the Fund Value as on the date of recording the request by the Company shall be paid out to the Policy holder immediately.

3.3.2 On payment of surrender value by the Company, the Policy shall terminate immediately and the Company will be relieved and discharged from all obligations under the Policy.

3.4 Auto termination of Policy

Notwithstanding any other Clause in this Policy and provided the Policyholder has paid all the Regular Premium due under this policy and after completion of 5 policy years, if the Fund Value at anytime during the Policy Term falls equivalent of one (1) Annual Premium on any monthly policy anniversary due to poor market performance, this Policy shall terminate automatically and the Fund Value as on the date of such termination shall be payable to the Policyholder. On such payment, all rights and benefits under the Policy will automatically cease and no surrender charge will be deducted in such cases.

4. Revival Of Policy

4.1 Subject to the approval of the Company and the prevailing rules of the Company pertaining to revival, the Policy may be revived within the Revival Period subject to Policy not being terminated earlier as per the terms and conditions, provided:

- (i) No claim for Benefits has arisen under the Policy;
- (ii) A written application for revival is received from the Policyholder by the Company, together with the applicable revival charge, if any, and other documentation as may be requested by the Company;
- (iii) All due installments of unpaid Regular Premium to revive this Policy are received by the Company in full;

4.2 Notwithstanding anything to the contrary contained elsewhere in this Policy, the Company reserves the right to revive the Policy either on its original terms and conditions or on such other or modified terms and conditions as the Company deems fit, or to reject the revival. The decision of the Company in this

regard shall be final and binding on the Policyholder. The revival shall be effective from the date when the Company specifically communicates the same in writing to the Policyholder.

4.3 Units against Premium received for revival shall be allocated on the basis of the NAV applicable on the later of the following two (2) dates (i) date of acceptance of the revival application by the Company's underwriters; and (ii) date of realization of all the due installments of Premium paid for revival to the Company.

5. Unit Account, Unit Statement And Annual Statement

5.1 **Unit Account:** For the purpose of this Policy, the Company will maintain an account called the Unit Account, to which the Premiums received under this Policy shall be credited in the respective Unit Linked Funds in the proportion as chosen by the Policyholder, net of applicable Charges. The amount so credited shall be utilized for purchase of Units at the applicable NAV in the Unit Linked Fund offered by the Company under this Policy.

5.2 **Unit Statement:** The Company shall issue to the Policyholder, a unit statement showing the details of Units held and particulars of credits and debits in respect of the Unit Account on every Policy Anniversary as well as whenever a transaction in the nature of receipt of Regular Premium, Partial Withdrawal or payment of Benefits takes place. The Policyholder may authorize the Company to send the unit statement on e-mail and the statement sent to such e-mail id of the Policyholder provided to the Company shall be considered as a valid discharge of the Company's obligations under this Clause.

5.3 **Annual Report:** The Company shall also issue an annual report covering the performance of the Unit Linked Fund during the preceding financial year in relation to the economic scenario and market developments including particulars like investment strategies and risk control measures, changes in interest rates, tax rates, etc affecting the investment portfolio.

6. CHARGES

6.1 Subject to the other terms and conditions mentioned herein, during the Policy Term, the Company shall levy the Charges as detailed in Annexure 1. The Company reserves the right to revise the Charges, with the prior approval of the Authority, subject to the maximum limits mentioned against each Charge in Annexure 1 hereto. Charges mentioned herein may be subject to applicable taxes and levies (present or future), including service tax, which shall be borne by the Policyholder.

6.2 All Charges, other than the Fund Management Charges, Miscellaneous Charge and the Premium Allocation Charges, shall be recovered by cancellation of required number of Units from the respective Unit Linked Fund on the date on which such Charges fall due. Fund Management Charge shall be recovered by adjusting the Unit Price. Premium Allocation Charge shall be recovered by deduction from the amount of the Premium received prior to allocation of the Premium into Units. Miscellaneous Charge can be also paid in cash by the Policyholder.

7. UNIT LINKED FUNDS

7.1 The Unit Linked Fund(s) offered by the Company as at the Policy Commencement Date and the indicative portfolio

allocations and risk profiles of such Unit Linked Fund(s) are as follows:

1. Equity II Fund (SFIN: ULIF00607/01/10EQUTYIIFND136):

Assets	Minimum	Maximum	Risk profile	Objective
Equity	60%	100%	High	Generate long-term capital appreciation from active management of a portfolio invested in diversified equities.
Money Market	NIL	40%		

2. Growth Plus Fund (SFIN: ULIF00913/09/10GROWTPLFND136):

Assets	Minimum	Maximum	Risk profile	Objective
Equity	50%	90%	Medium to High	To achieve capital appreciation by investing predominantly in equities, with limited investment in Fixed Income Securities
Debt Securities	10%	50%		
Money Market	NIL	40%		

3. Balanced Plus Fund (SFIN: ULIF01013/09/10BLNCDPLFND136):

Assets	Minimum	Maximum	Risk profile	Objective
Equity	30%	70%	Medium	To generate capital appreciation and current income, through a judicious mix of investments in equities and fixed income securities.
Debt Securities	30%	70%		
Money Market	NIL	40%		

4. Debt Plus Fund (SFIN: ULIF01115/09/10DEBTPLFUND136):

Assets	Minimum	Maximum	Risk profile	Objective
Debt Securities	60%	100%	Low to Medium	To earn regular income by investing in high quality Debt securities.
Money Market	NIL	40%		

5. Liquid Fund (SFIN: ULIF00514/07/08LIQUIDFUND136):

Assets	Minimum	Maximum	Risk profile	Objective
Debt Securities*	NIL	60%		To generate reasonable returns commensurate with low risk and a high degree of liquidity.
Money Market	40%	100%	Low	

*Debt securities under Liquid Fund shall only comprise of short term securities

7.2 Subject to investment norms and policies of the Company in effect from time to time and applicable Regulations, the Company shall have the discretion to select the investments and/or make the investments under each Unit Linked Funds, having regard to the investment objectives of the respective Unit Linked Fund. Subject to as aforesaid, the Company shall have absolute discretion to formulate its investment policies and make investments and to deal with all matters in relation to the Unit Linked Fund(s). The Company shall have absolute legal and beneficial ownership of all investments and assets of the Unit Linked Fund(s).

7.3 The Company may also at its discretion, subject to prior approval of the Authority and the Policyholder close or discontinue any of the Unit Linked Fund(s) on the happening of events including but not limited to extreme volatility of markets/Force Majeure conditions, which in the opinion of the Company warrants such discontinuance or closure. In the event of closure or discontinuance of any Unit Linked Fund/s, the Company shall give the Policyholder prior intimation of atleast three (3) months stating the Company's intention to discontinue or close a Unit Linked Fund/s. In case of a discontinuance or closure of Unit Linked Funds as mentioned above, the Company shall provide the Policyholder the option of switching to other Unit Linked Fund/s offered by the Company free of cost, and such options may be exercised by the Policyholder within the time limits provided by the Company. In the event of a Policyholder not exercising his option to switch to another Unit Linked Fund/s, the Company shall be entitled to switch the Fund/s to another Unit Linked Fund/s at its discretion, subject to prior approval from the Authority.

The term "Force Majeure" refers to situations beyond the control of parties to contract including Acts of State, changes to laws/ regulations, Acts of God including natural calamities, or other circumstances beyond the control of the parties to contract like war, external aggression etc which precludes a party to contract from fulfilling his obligations under the contract. The onus of proving that a party was precluded from performing his obligations under a contract on account of Force Majeure conditions lies on such party who set up the plea of Force Majeure.

8. RISK FACTORS

8.1 This Policy is issued on the express understanding that the investments are subject to the following risks among others and

the Policyholder has opted for this Policy with full knowledge of such risks including:

- (i) The names of the Unit Linked Funds do not in any manner indicate the quality of the Unit Linked Funds or their future prospects or returns. The Unit Linked Funds do not offer any guarantee or assure any guaranteed return.
- (ii) Investments in Units are subject to market and other risks. Investment risk in investment portfolio is borne by the Policyholder. There is no assurance that the objects of the Unit Linked Funds will be achieved.
- (iii) The Unit Price of the Units may fluctuate depending on factors and forces affecting the capital markets and the level of interest rates prevailing in the market.
- (iv) Past performance of the Unit Linked Fund/s and other plans of the Company are not indicative of future performance of any of these Unit Linked Funds.

8.2 All Benefits payable under this Policy are subject to tax laws and other fiscal enactments in effect from time to time.

9. UNITS

9.1 The Units shall have a nominal value of Rupees ten (₹10/-) each at the inception of the Unit Linked Fund. The Units shall be purchased and cancelled at the Unit Price applicable to the date of transaction as per these terms and conditions. The Unit Price shall be computed to three (3) decimal points. Units will be allocated up to four (4) decimal points. The Unit Price will be declared as soon as may be possible after close of every Business Day.

9.2 Allocation of Units

- (i) Units against the first Premium received by the Company shall be allocated on the Policy Commencement Date after deduction of applicable Charges.
- (ii) Allocation of Units against subsequent Regular Premiums, shall be made on the basis of the closing NAV of the following dates:
 - (a) Closing NAV of the same day in case of payments by local cheques or demand drafts received at the Office of the Company at or before 3.00 PM on any Business Day.
 - (b) Closing NAV of the subsequent Business Day in case of payments received by local cheques or demand drafts at the Office of the Company post 3.00 PM on any Business Day.
 - (c) Closing NAV of the date of realization by the Company in case of payments made by outstation cheques or through ECS including payments made through Credit/ Debit Cards, Standing Instructions and Auto Debits.
- (iii) All requests for partial withdrawals, Surrenders, Switches and all intimations pertaining to claim of Benefits shall be in writing, submitted at any of the Company's Offices. In case of partial withdrawal, Switch or Surrender requests received at the Company's Office prior to 3.00 PM on any Business Day, the same would be processed based on the closing NAV of that day. The closing NAV of the next Business Day would be applied in case of all requests received at the Company's Offices after 3.00 PM on any Business Day.
- (iv) All requests for Switch Option shall be processed at the prevailing NAV of the date on which such switch is effected.
- (v) The above cut-off timings are as per regulations prevailing on the Policy Commencement Date, which can change from time to time subject to change in regulations.

9.3 Computation of Net Asset Value

Net Asset Value shall be calculated on all Business Days in accordance with the Authority's guidelines in force from time to time. As per the guidelines in force as on the date of commencement of this policy, NAV is computed as follows:
{{Market Value of investment held by the fund + Value of Current Assets) - Value of Current Liabilities & provisions, if any} / Number of Units existing on Valuation Date (before creation/redemption of Units)}

9.4 Valuation of Unit Linked Funds

The calculation made by the Company in regard to the valuation of its Unit Linked Funds is final and binding for all purposes except in case of manifest error. The valuation of assets of the Unit Linked Funds shall be made as per the applicable Regulations and valuation norms of the Company in effect from time to time.

10. AGE ADMISSION

The Age of the Life Assured has been admitted on the basis of the declaration made by the Policyholder in the Proposal and/or in any statement, supporting document/proof provided in this regard. If the Age of the Life Assured is found to be different from that declared, the Company may, adjust the Regular Premium and/or the Benefits under this Policy and/or recover the additional amounts, if any due, as it deems fit. This Policy shall however become void from the Policy Commencement Date, if the Age of the Policyholder at the Policy Commencement Date is found to be higher than the maximum or lower than the minimum entry Age that was permissible under this Policy at the time of its issue and the Fund Value if any, shall be returned to the Policyholder subject to deduction of applicable Charges.

11. PARTIAL WITHDRAWAL

11.1 Maximum 04 (four) partial withdrawals in a policy year starting from sixth (6th) policy year onwards shall be provided free of charge and any subsequent partial withdrawals within the policy year shall be charged as provided in Annexure 1. The minimum amount that may be partially withdrawn in any one transaction shall be Rupees Ten Thousand (₹ 10,000/-). Partial withdrawal at any time shall not result in the Fund Value after availing the partial withdrawal going below one hundred twenty percent (120%) of the Annual Premium payable under this Policy. Any Partial Withdrawal made shall be net of Partial Withdrawal Charges, as provided in Annexure 1. Unused free partial withdrawals in a Policy Year cannot be carried forward to the subsequent Policy Year(s).

11.2 No Partial Withdrawal shall be allowed if this Policy is assigned as per Clause 16.1.

12. REDIRECTION

12.1 The Policyholder shall have the option to redirect the allocation of future Regular Premium into one or more Unit Linked Funds available for investment in a different investment pattern from the option exercised previously. Redirection can be exercised only once during each Policy Year free of charge and will be effective from the next Policy Anniversary falling after the date of receipt of a written request from the Policyholder by the Company.

12.2 Requests for Redirection shall be made by duly completing the forms prescribed by the Company in this regard and delivering the same at the Offices of the Company.

13. SWITCHING

13.1 The Policyholder may change the investment pattern of the available unit account by shifting from one Unit Linked Fund to another (in whole or in part).

13.2 The minimum amount requested to be switched or value of Units requested to be switched shall be Rupees Ten Thousand (₹10,000/-). Requests for switching may indicate the percentage of Units in the respective funds to be switched or the amount representing the value of Units to be switched. Six (6) Switches per annum shall be availed free of cost and thereafter the switching charge as per Annexure 1 shall be levied on the subsequent switches in a policy year. The unused free Switches in a Policy Year cannot be carried forward to the next Policy Year.

13.3 Requests for switching shall be made by duly completing the forms prescribed by the Company in this regard, and delivering the same at the Offices of the Company.

13.4 Any switch request received by the Company before 3.00 p.m. will be processed at the closing Net Asset Value ("NAV") of the same business day. In case the switch request is received by the Company after 3.00 p.m., then closing NAV of the next business day will apply.

Note: In case the Policyholder dies during the minority of Life Assured, then the Natural Guardian shall have no right to opt for switching or redirection under the Policy.

14. TOP UP

No Top-ups are allowed under this Policy.

15. OWNERSHIP OF THIS POLICY

15.1 All options, rights and obligations under this Policy vest with the Policyholder, and shall be discharged by the Policyholder.

15.2 The Policyholder shall also name an Appointee to receive the Benefits, if payable under this Policy on behalf of the Nominee during the minority of the Nominee and to give a discharge in respect of such Benefits to the Company.

15.3 In the event of the Life Assured's death, the Nominee or Appointee, as the case may be, shall be entitled to receive Benefits under this Policy.

16. ASSIGNMENT AND NOMINATION

16.1 An assignment of the Policy may be made by an endorsement upon the Policy itself or by a separate instrument signed in either case by the assignor specifically stating the fact of assignment and duly attested. Only the Policyholder may make the first assignment. Such assignment shall be effective, as against the Company, from and upon the service of a written intimation upon the Company and the Company accepting and recording the assignment on the Policy. In case of assignment under this Policy, the assignee shall not be entitled to increase or decrease the Sum Assured. In registering an assignment, the Company does not accept any responsibility or express any opinion as to its validity or legal effect. An assignment of the Policy shall automatically cancel all nominations made under Clause 16.2 below. Notwithstanding, an Assignment under this Policy, the Life Assured named as such in the Policy Schedule shall always remain the same.

16.2 Nomination

On a Policy taken on his/her own life, the Policyholder may, at any time during the currency of this Policy, make a nomination for the purpose of payment of the Death Benefits, in the event of his/her death. Any change of nomination, which may be effected before the termination of the Policy shall also be communicated to the Company. The change in nomination shall come into effect from the date on which the Company endorses such change as part of the Policy Schedule.

If the Nominee named in the Policy Schedule predeceases the Life Assured during the Policy Term, the Policyholder shall name any other person as the Nominee under this Policy, and such person shall have the same rights in respect of this Policy as the Nominee originally named in the Policy Schedule. The Policyholder shall also name an Appointee to receive the Benefits, if payable under this Policy on behalf of the Nominee during the minority of the Nominee and to give a discharge in respect of such Benefits to the Company.

In the event of a Nominee not surviving as on the date of payment of Death Benefit under this Policy, the Death Benefit shall be paid to the surviving legal heirs of the deceased Policyholder in accordance with the applicable law. Any payment made by the Company in good faith to such surviving Nominees or the legal heirs of the deceased Life Assured shall discharge the Company fully of its liability to make payment of Death Benefit under this Policy.

17. GENERAL CONDITIONS

17.1 No Participation in surplus or profits. This Policy does not confer any rights on the Policyholder to participate in surplus or profits of the Company.

17.2 Review, revision. The Company reserves the right to review, revise, delete and / or alter any of the terms and conditions of this Policy, including without limitation the Benefits, the Charges other than those charges which are specifically stated to remain unchanged in this Policy, the method, manner and timing of levy or recovery of the Charges or valuation of the investments and / or assets of the Unit Linked Fund and / or determination of the Unit Price, with the prior approval of the Authority. The terms of this Policy shall also stand modified from time to time, to the extent of changes to the Regulations affecting the terms and conditions of this Policy.

17.3 Suicide Exclusion. If the Life Assured commits suicide for any reason, while sane or insane, within one (1) year from the Risk Commencement Date or within one (1) year from the date of revival of the Policy, no Death Benefit shall be payable under the Policy and only the actual Fund Value as on the date of registration of the death claim with the Company shall be payable.

17.4 Loans: No loans will be admissible under this Policy.

17.5 Forfeiture. In issuing this Policy, the Company has relied on the accuracy and completeness of information provided by the Policyholder and any other declarations or statements made or as may be made hereafter by the Policyholder in the Proposal form. Subject to the provisions of the applicable Regulations, including Section 45 of the Insurance Act, 1938, in the event any such information, declaration or statement is found to be false or incorrect or any material information is found to be

withheld or misrepresented, the Company shall be entitled to terminate this Policy. The Company shall in such a case cease to be liable for payment of any Benefits under this Policy and may at its option forfeit all amounts paid and Fund Value under the Policy in its favour.

17.6 Rider. The Policyholder may opt for one or more Riders to be attached to this Policy during the Policy Term, as and when offered by the Company with the approval of the Authority. Acceptance of Riders by the Company shall be subject to the conditions of this Policy and the Rider(s).

17.7 Release and discharge. The Policy will terminate automatically on payment of the Death Benefits or Maturity Benefits or the Surrender Value, as the case may be, and the Company will be relieved and discharged from all obligations under this Policy thereafter.

17.8 Limitation of Liability. Except in the case of a claim for Death Benefit, the maximum liability of the Company under this Policy shall not, in any circumstances, exceed the Fund Value.

17.9 Grievance Redressal / Complaints. The contact details and procedure to be followed in case of any grievance in respect of this Policy is provided in the document titled as "Grievance Redressal" annexed herewith as Annexure 3.

17.10 Automatic vesting. If the Policy is issued on the life of a minor, the Policy will vest on the Life Assured automatically on his/her attainment of Age of majority and on such vesting, the Company will recognize the Life Assured to be the owner of this Policy.

17.11 Taxes, duties and levies. It shall be the sole responsibility of the Policyholder/Claimant to ensure compliance with all applicable provisions of the Regulations, including taxation laws, and payment of all applicable taxes in respect of the Premium and Benefits or other payouts made or received by the Policyholder/Claimant under this Policy and the Company does not accept any liability or responsibility in this regard. Except as may be specifically required by the Regulations, the Company shall not be responsible for any tax liability arising in relation to this Policy, the Premium payable or the Benefits or other payouts made in terms of this Policy. The Company shall be entitled to deduct such amounts towards taxes, duties or such other levies as may be required from any sum received by it or payable under this Policy, and deposit the amount so deducted with the appropriate government or regulatory authorities.

17.12 Disclosure of information. If the Policyholder or Nominee or anyone acting for any of them or with their knowledge makes any misleading, false or fraudulent claim then the Company shall be entitled to terminate this Policy forthwith and shall also be entitled to forfeit the Premiums paid, Fund Value and all benefits payable hereunder in favour of the Company.

17.13 Fraudulent Claims. If the Policyholder or Nominee anyone acting for any of them or with their knowledge makes any misleading, false or fraudulent claim then the Company shall be entitled to terminate this Policy forthwith and shall also be entitled to forfeit the Premiums paid in its favour, Fund Value and all Benefits payable hereunder.

17.14 Delivery of Policy Documents. The Company shall dispatch the Policy documents to the Policyholder at the address for correspondence provided by the Policyholder in the Proposal

through courier or post (ordinary/registered/speed post), and the same shall be deemed to have been delivered to the Policyholder within 10 days from the date of dispatch by the Company, unless the same is returned undelivered to the Company for any reason. In case the policy documents are returned undelivered, the Company may attempt to have the same delivered to the Policyholder through such alternative means as it deems fit.

17.15 Loss of Policy document – issue of duplicate. The Company will replace a lost Policy document when satisfied that it is lost. However, the Company reserves the right to make such investigations into and to call for such evidence of the loss of the Policy document, at the Policyholder's expense, as the Company considers necessary before issuing a duplicate Policy document. The Company has the right to charge a fee for the issue of a duplicate Policy. It is hereby understood and agreed that 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 or arising out of issuance of duplicate Policy. The provisions of proviso to Regulation 6(2) of the IRDA (Protection of Policyholders Interests) Regulations, 2002 on freeloak cancellation shall not be applicable in case of issuance of a duplicate policy pack by the Company.

17.16 Electronic Transactions. In conducting electronic transactions, for and in respect of this Policy, the Policyholder shall adhere to and comply with all such terms and conditions as prescribed by the Company. Such electronic transactions are legally valid and shall be binding on the Policyholder.

17.17 Entire Contract. This Policy comprises the terms and conditions set forth in this Policy document, the Policy Schedule and the Annexure applicable to this Policy and the endorsements, if any, made on or applicable to this Policy, which shall form an integral part and the entire contract, evidenced by this Policy. The liability of the Company is at all times subject to the terms and conditions of this Policy and the endorsements made from time to time. Subject to applicable regulations, in the event of any inconsistency between the terms and conditions set forth in this Policy document and the terms and conditions set forth in any other document, the terms and conditions set forth in this Policy shall prevail.

17.18 Governing Law and Jurisdiction. This Policy shall be governed by and interpreted in accordance with the laws of India.

17.19 Section 45 of the Insurance Act, 1938. No policy of life insurance effected before the commencement of this Act shall, after the expiry of two (2) years from the date of commencement of this Act and no policy of life insurance effected after the coming into force of this Act shall, after the expiry of two (2) 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.

Provided that nothing in this section shall prevent the insurer from calling for proof of Age at any time if it is entitled to do so, and no policy shall be deemed to be called in question merely because the terms of the Policy are adjusted on subsequent proof that the Age of the Policyholder was incorrectly stated in the Proposal.

ANNEXURE 1

Charges

(i) **Mortality Charge** shall be levied on monthly basis by way of cancellation of Units. The Mortality Charge shall apply on the sum at risk which shall be computed as follows:

Sum at risk is the difference between the actual Fund Value and the Death benefit.

The rates of Mortality as applicable are shown in Annexure 2. These rates would remain unchanged during the entire Policy Term.

(ii) **Premium Allocation Charge** is a percentage of the Premium received and is charged at the time of receipt of the Premium. Premium Allocation Charge is as follows, which shall remain unchanged during the entire Policy Term:

Policy Year	Allocation Charge (Without ECS/SI)	Allocation Charge (With ECS/SI)
Year 1	8.40%	8.25%
Year 2 and 3	6.40%	6.30%
Year 4 and 5	5.40%	5.30%
Year 6 and thereafter	NIL	NIL

(iii) **Fund Management Charge** is expressed as a percentage of actual Fund Value and is levied at the time of computation of the NAV by adjusting the Unit Price. Mentioned below is the current rates of Fund Management Charge for each of the Unit Linked Fund(s), which may be revised by the Company from time to time with the prior approval of the Authority, subject to a maximum of 1.35% per annum for each Unit Linked Fund excluding the Discontinued Policy Fund:

Unit Linked Funds	Fund Management Charge
Equity II Fund	1.35% per annum
Growth Plus Fund	1.35% per annum
Balanced Plus Fund	1.35% per annum
Debt Plus Fund	1.35% per annum
Liquid Fund	0.80% per annum

The Fund Management Charge for Discontinued Policy Fund shall be 0.50% per annum.

(iv) **Policy Administration Charge** is expressed as a fixed amount and shall be charged on monthly basis during the Policy Term by cancellation of Units. The current Policy Administration Charge is as follows:

The Policy Administration Charge levied by the Company shall be 0.05% of the annualized Premium per month. Policy Administration Charge levied by the Company shall be increased at the rate of Twenty percent (20%) on the Policy anniversary after every five (5) years starting from the fifth (5th) policy anniversary.

Policy Administration Charge mentioned above shall be subject to a maximum of Rupees Five Hundred Only (₹ 500/-) per month.

(v) **Partial Withdrawal Charge** shall be deducted from the Fund Value by cancellation of Units at the time of partial withdrawals. Any Partial withdrawal made shall be net of Partial Withdrawal Charge mentioned as here under:

Partial withdrawals can only be made after fifth (5th) Policy Year. A charge of ₹ 250 will be deducted from the fifth (5th) and subsequent Partial Withdrawals occurring in the same Policy Year. This charge may be revised by the Company with the prior approval of the Authority, up to a maximum of Rupees Five Hundred (₹ 500/-) per withdrawal.

(vi) **Switching Charge** is levied on switching of Units from one Unit Linked Fund to another.

The current rate of Switching Charge levied by the Company is as follows:

Number of Switches	Charge per Switch
0 to 6 in a Policy Year	Nil
Above 6 in a Policy Year	₹ 250 per switch

Switching Charge may be revised by the Company with the prior approval of the Authority, up to a maximum of Rupees five hundred (₹ 500/-) per Switch.

(vii) **Surrender / Discontinuance Charge:** Surrender Charge applicable to this Policy is as follows (for this Policy Surrender Charge and Discontinuance Charge are the same):

Policy is surrendered/discontinued during the policy year	Surrender/discontinued charges
1	Lower of 6% of AP or FV subject to maximum of ₹ 6,000
2	Lower of 4% of AP or FV subject to maximum of ₹ 5,000
3	Lower of 3% of AP or FV subject to maximum of ₹ 4,000
4	Lower of 2% of AP or FV subject to maximum of ₹ 2,000
5 and onwards	NIL

Note:- AP – Annual Premium, FV- Fund Value

Notwithstanding what is mentioned in the table above, there shall not be any Surrender Charges for a surrender request received by the Company post completion of at least Five (5) Policy Years.

Taxes on the above Charges, as applicable from time to time, shall be borne by the Policyholder.

(viii) **Increase in Sum Assured Charge:** The actual medical expenses, if any, will be recovered by the Company by cancellation of units or in the form of cash from the Policyholder, up to a maximum of ₹ 3000.

This charge may be increased by the Company with prior approval from the Authority subject to a maximum limit of ₹ 5000.

Annexure 2 – MORTALITY CHARGES

Mortality Charges per annum per 1000 Sum at Risk

Age	Male	Female	Age	Male	Female	Age	Male	Female
8	0.40	0.40	27	1.16	1.11	46	3.44	2.60
9	0.40	0.40	28	1.17	1.13	47	3.82	2.83
10	0.38	0.40	29	1.17	1.15	48	4.24	3.11
11	0.45	0.40	30	1.17	1.16	49	4.72	3.44
12	0.53	0.40	31	1.17	1.17	50	5.24	3.82
13	0.65	0.38	32	1.20	1.17	51	5.82	4.24
14	0.71	0.45	33	1.25	1.17	52	6.44	4.72
15	0.77	0.53	34	1.31	1.17	53	7.12	5.24
16	0.82	0.65	35	1.39	1.20	54	7.84	5.82
17	0.87	0.71	36	1.48	1.25	55	8.61	6.44
18	0.92	0.77	37	1.59	1.31	56	9.43	7.12
19	0.96	0.82	38	1.72	1.39	57	10.29	7.84
20	1.00	0.87	39	1.87	1.48	58	11.03	8.61
21	1.03	0.92	40	2.05	1.59	59	11.95	9.43
22	1.06	0.96	41	2.25	1.72	60	13.07	10.29
23	1.09	1.00	42	2.42	1.87	61	14.39	11.03
24	1.11	1.03	43	2.60	2.05	62	15.90	11.95
25	1.13	1.06	44	2.83	2.25	63	17.61	13.07
26	1.15	1.09	45	3.11	2.42	64	19.52	14.39
27	1.16	1.11	46	3.44	2.60	65	21.62	15.90
28	1.17	1.13	47	3.82	2.83	66	22.72	17.61
29	1.17	1.15	48	4.24	3.11	67	25.62	19.52
30	1.17	1.16	49	4.72	3.44	68	28.82	21.62
31	1.17	1.17	50	5.24	3.82	69	32.37	22.72
32	1.20	1.17	51	5.82	4.24	70	36.29	25.62
33	1.25	1.17	52	6.44	4.72	71	40.62	28.82
34	1.31	1.17	53	7.12	5.24	72	45.39	32.37
35	1.39	1.20	54	7.84	5.82	73	50.64	36.29
36	1.48	1.25	55	8.61	6.44	74	56.40	40.62
37	1.59	1.31	56	9.43	7.12	75	62.73	45.39
38	1.72	1.39	57	10.29	7.84	76	69.66	50.64
39	1.87	1.48	58	11.03	8.61	77	77.23	56.40
40	2.05	1.59	59	11.95	9.43	78	85.50	62.73
41	2.25	1.72	60	13.07	10.29	79	94.52	69.66
42	2.42	1.87	61	14.39	11.03	80	104.33	77.23
43	2.60	2.05	62	15.90	11.95			
44	2.83	2.25	63	17.61	13.07			
45	3.11	2.42	64	19.52	14.39			

NOTE: The rates mentioned above are the standard mortality rates offered by the Company in respect of this plan. In case this Policy has been issued pursuant to "Revised Terms" made by the Company to the Policyholder, the mortality charges mentioned in such "Revised Terms" shall be applicable to this Policy in supersession of the rates mentioned above.

Subject to applicable laws, the prevailing language of this Policy Terms and Conditions shall be English. In case of any inconsistency in interpretation between the English version and any language translation of the same, the Terms and Condition in English shall prevail.