HDFC Standard Life Insurance Company Limited
Policy Document for HDFC Life Smart Woman Plan

< 04/09/2012>

Ref:
<Engr. Aashka Parikh
B/203 Shalimar Apartments
Kemps Corner, Mumbai
400036
Maharashtra>
<Policyholder’s contact number>

Dear <Engr Aashka Parikh>

Sub: <u>Your Policy no. <10023580 – HDFC Life Smart Woman Plan></u>

We are glad to inform you that your proposal has been accepted and the Insurance Policy has been issued. We have made every effort to design your Policy document in a simple format. We have highlighted important terms and conditions so that you may recognise them easily.

Policy documents:
As an evidence of the insurance contract between HDFC Standard Life Insurance Company Limited and you, the Insurance Policy is enclosed herewith. Please preserve this document safely and also inform your nominee(s), if any about the same. We are also enclosing alongside a copy of your proposal form and other relevant documents submitted by you for your information and records.

Cancellation in the Free-Look Period:
In case you are not agreeable to any of the provisions stated in the Policy and the details in the proposal form, you have the option of returning the Policy to us stating the reasons thereof, within 30 days from the date of receipt of the Policy. On receipt of your letter along with the original Policy documents, we shall arrange to refund the value of units allocated to you as on the date of receipt of request plus the unallocated part of the premium plus charges levied by cancellation of units, subject to deduction of the proportionate risk premium for the period on cover, the expenses incurred by us on medical examination and stamp duty. A Policy once returned shall not be revived, reinstated or restored at any point of time and a new proposal will have to be made for a new Policy.

Contacting us:
The address for correspondence is given on the first page of the Policy document. To enable us to serve you better, you are requested to quote your Policy number in all correspondences. In case you are keen on knowing more about our products and services, we would request you to talk to your Certified Financial Consultant (Insurance Agent) who has advised you while taking this Policy. The details of your Certified Financial Consultant including contact details are listed below.

To contact us in case of any grievance, please refer to “Grievance Redressal – Contact Details Annexure”. In case you are not satisfied with our response, you can also approach the Insurance Ombudsman in your region whose address is available on our website <u>www.hdfclife.com</u>.

Thanking you once again for choosing HDFC Standard Life Insurance Company Limited and looking forward to serving you in the years ahead.

Yours sincerely,

< Name & Designation of the Authorised Signatory >
Branch Address: [Branch Address]
Agency Code: [Agency Code]
Agency Name: [Agency Name]
Agency Telephone Number: [Agency mobile & landline number]
Agency Contact Details: [Agency address]

HDFC LIFE SMART WOMAN PLAN

Unique Identification Number: <101L082V01>

This Policy is the evidence of a contract between HDFC Standard Life Insurance Company Limited ('We' or 'the Company') and the Policyholder ('You' or 'Policyholder') as described in the Policy Schedule hereunder written, read in conjunction with the Standard Policy Provisions and various Schedules, Appendices and attachments to this Policy document (collectively "Policy"). This Policy is based on the Proposal made by the within named Policyholder and submitted to the Company along with the required documents, declarations, statements, applicable medical information and documents and other information received by the Company from the Policyholder, Life Assured or on behalf of the Policyholder. This Policy is effective subject to receipt and realisation, by the Company, of the consideration payable as First Premium under the Policy. This Policy is written under and will be governed by the applicable laws in force in India and all Premiums and benefits are expressed and payable in Indian Rupees.

HDFC LIFE SMART WOMAN PLAN POLICY SCHEDULE

POLICY NUMBER: <10023580>
CLIENT ID <Primary Life Assured's Client ID>
DATE OF COMMENCEMENT OF POLICY: <01/09/2012>
DATE OF ISSUE OF POLICY <04/09/2012>

POLICY HOLDER:	<Aashka Parikh 8B Laxmi Building Dadar, Mumbai - 400038 Maharashtra >

Primary Life Assured Information:

LIFE ASSURED:	<Aashka Parikh>
DATE OF BIRTH:	<31/08/1977>
AGE ON COMMENCEMENT OF POLICY (In Years):	<35>
AGE ADMITTED:	Yes

Secondary Life Assured Information:

LIFE ASSURED:	<Ashit Parikh>
DATE OF BIRTH:	<31/08/1974>
AGE ON COMMENCEMENT OF POLICY (In Years):	<38>
AGE ADMITTED:	Yes

INSTALLMENT PREMIUM:	Rs. <50,000>
FREQUENCY:	<Annual Regular premium> from Date Commencement
	Final premium due on < 01/09/2027 >
SUM ASSURED	Rs.<5,00,000>
ANNUAL PREMIUM	Rs. < 50,000 >
POLICY TERM:	<15 > years
PREMIUM PAYING TERM:	<15> years
INVESTMENT OPTIONS:	The Investment Options chosen by you are detailed in the Schedule titled *Schedule of Investment Options* and are governed by Standard Policy Provisions.
BENEFIT OPTION	<Elite> Benefit Option
BENEFITS:	The benefits are detailed in the Schedule titled *Schedule of Benefits* and are governed by Standard Policy Provisions.

CHARGES:	**The Charges applicable under this Policy are detailed in the Schedule titled *Schedule of Charges*** and are further governed by Standard Policy Provisions.
NOMINATION	**As described in the Schedule titled *Nomination Schedule***
ADDRESS FOR CORRESPONDENCE:	**HDFC Standard Life Insurance Company Ltd 11th Floor, Lodha Excelus, Apollo Mills Compound, NM Joshi Marg, Mahalaxmi Mumbai 400 011 Tele Fax Email:** response@hdfclife.com

SCHEDULE OF BENEFITS			
Benefits (Described in Clause 3)	**Sum Assured** (Rs.)	**Expiry Date** (dd/mm/yyyy)	**Maturity Date** (dd/mm/yyyy)
Maturity Benefit	Unit Fund Value	N.A.	<01/09/2027>
Death Benefit	<5,00,000>	<01/09/2027>	N.A.

In addition to the above, this product also provides morbidity benefits. The Event Groups in respect of morbidity benefits are set out below:

Morbidity Event Group	Description of Cover	Benefit Payable	Expiry Date (dd/mm/yyyy)
Group 1	**Birth of a child with congenital disorders or pregnancy complications coverage**	**100% waiver of next three years' premiums plus periodic cash benefits equal to one annual premium on the due dates of each of the next three years' premiums <<Not applicable for LA's age at entry greater than 40 years>>**	**<01/09/2017>**
Group 2	**Malignant cancer of the female organs of the primary female life assured**	**100% waiver of next three years' premiums plus periodic cash benefits equal to one annual premium on the due dates of each of the next three years' premiums**	**<01/09/2027>**
Group 3	**Death of the Secondary Life Assured (spouse of Primary Life Assured)**	**100% waiver of next three years' premiums**	**<01/09/2027>**

You can claim only once in respect of each of the Event Groups.

Expiry of Lock-in Period	**< 5 years from RCD>**

SCHEDULE OF INVESTMENT OPTIONS Effective Date: <RCD>		
Fund Name	**SFIN**	**Fund Allocation in %**
Short Term Fund	*ULIF03801/09/10ShortTrmFd101*	0
Income Fund	*ULIF03401/01/10IncomeFund101*	10
Balanced Fund	*ULIF03901/09/10BalancedFd101*	0
Blue Chip Fund	*ULIF03501/01/10BlueChipFd101*	90
Opportunities Fund	*ULIF03601/01/10OpprtntyFd101*	0
Total		**100%**

MINIMUM & MAXIMUM VALUES REQUIRED# Effective Date: < RCD >	
Minimum Regular Premium per Instalment	Rs.24,000
Maximum Regular Premium per Instalment	Rs.1,00,000
Minimum Partial Withdrawal Amount	Rs.10,000
Minimum Instalment Amount during Settlement Period	Rs.10,000

 # To be read with terms & conditions in Standard Policy Provisions.

NOMINATION SCHEDULE
Effective Date: <RCD>

Name of Nominee:	<Pradip Parikh>
Date of Birth:	<22/01/1986>
Percentage:	100
Address:	<8B Laxmi Building, Dadar, Mumbai – 400038, Maharashtra>

DETAILS OF APPOINTEE **(Applicable where the Nominee is a minor)**	**Notes:** ‘N.A.’ denotes ‘Not Applicable’. The benefits payable specified above are subject to the relevant Policy provisions. In the event of death of the Primary Life Assured, the Appointee shall be entitled to receive the money secured by the Policy on behalf of the Nominee during the Nominee’s minority. This Nomination Schedule replaces all previous Nomination Schedules issued prior to the effective date noted above.
Name of Apointee:	
Date of Birth:	
Address:	

SCHEDULE OF CHARGES FOR HDFC LIFE SMART WOMAN PLAN Effective Date: <RCD>	
PREMIUM PAYABLE DURING POLICY YEAR	**PREMIUM ALLOCATION RATE**
1 - 10	97.50%
11 - 15	102.50%

<table>
<tr><th colspan="3">OTHER CHARGES</th></tr>
<tr><th>Charges</th><th>Current Charge</th><th>Maximum Charge</th></tr>
<tr><td>Policy Administration Charge</td><td>The monthly Policy Administration Charge is 0.40% of the original annualised premium. The policy administration charge shall stay level during the first five policy years and will inflate at the rate of 5.50% p.a. from the beginning of the sixth policy year. The percentage charge each year will be rounded to two decimal places.</td><td>This monthly Policy Administration Charge shall be deducted monthly and shall not exceed the lower of:
• 0.50% of the original annual premium; and
• Rs 500</td></tr>
<tr><td>Fund Management Charge</td><td>1.35% per annum of the fund computed and charged daily.</td><td>Subject to the maximum cap as allowed by IRDA from time to time.</td></tr>
<tr><td>Mortality Charges</td><td>As described in the Appendix to the Schedule of Charges.</td><td>As described in the Appendix to the Schedule of Charges.</td></tr>
<tr><td>Morbidity Charges</td><td>As described in the Appendix to the Schedule of Charges.</td><td>As described in the Appendix to the Schedule of Charges.</td></tr>
<tr><td>Discontinuance Charge</td><td>
<table>
<tr><th>Where the Policy is discontinued during the Policy year</th><th>Discontinuance charges for policies having annualized premium up to and including Rs.25,000/-</th><th>Discontinuance charges for policies having annualized premium above Rs.25,000/-</th></tr>
<tr><td>1</td><td>Lower of 20% of AP or 20% of FV subject to a maximum of Rs. 3000</td><td>Lower of 6% of AP or 6% of FV subject to maximum of Rs. 6000/-</td></tr>
<tr><td>2</td><td>Lower of 15% of AP or 15% of FVsubject to a maximum of Rs. 2000</td><td>Lower of 4% of AP or 4% of FV subject to maximum of RS. 5000/-</td></tr>
<tr><td>3</td><td>Lower of 10% of AP or 10% of FV subject to a maximum of Rs.1500</td><td>Lower of 3% of AP or 3% of FV subject to maximum of Rs.4000/-</td></tr>
<tr><td>4</td><td>Lower of 5% of AP or 5% of FV subject to a maximum of Rs.1000</td><td>Lower of 2% of AP or 2% of FV subject to maximum of Rs.2000/-</td></tr>
<tr><td>5 and onwards</td><td>NIL</td><td>NIL</td></tr>
</table>
</td><td>Subject to the maximum cap as allowed by IRDA from time to time.</td></tr>
</table>

OTHER CHARGES		
Charges	**Current Charge**	**Maximum Charge**
	AP – Annualised Premium *FV – Fund Value on the date of discontinuance*	

Statutory Charges	**Current Charge**	**Maximum Charge**
Service Tax & Education Cess and any other statutory tax, duty or levy on or in respect of this Policy	As per current rates as applicable from time to time.	As per rates as set by the Government / any authority.
Miscellaneous Charges		
Additional Servicing Charge	Servicing requests may be charged at Rs. 250 per request.	Rs. 500 per request.

<<For J&K address, do not print the place and date of signature>>
Signed <at Mumbai> <on> <04 September 2012>
For HDFC Standard Life Insurance Company Limited

Authorised Signatory

APPENDIX TO THE SCHEDULE OF CHARGES
Mortality and Other Risk Benefit Charges
Effective Date: <RCD>

Mortality and Morbidity Charges

These Charges are calculated every month based on the Benefits Insured and the age of the Primary Life Assured and Secondary Life Assured, on the date the charge is due. These charges are calculated as specified in Clause 14(iv) and 14(v). Morbidity risk charges are deducted for each group of events covered depending on the Benefit Option selected by you.

Mortality and Morbidity Charges per 1000 Sum at Risk

Age (LBD)	Mortality Charge	Morbidity Charge			Age (LBD)	Mortality Charge	Morbidity Charge		
		Group 1	Group 2	Group 3			Group 1	Group 2	Group 3
18	1.4954	0.8400	0.1170	1.4954	43	2.6861	n/a	1.2825	2.6861
19	1.5064	0.9315	0.1185	1.5064	44	2.8514	n/a	1.4190	2.8514
20	1.5284	1.0230	0.1200	1.5284	45	3.0609	n/a	1.5555	3.0609
21	1.5505	1.1400	0.1290	1.5505	46	3.2924	n/a	1.6800	3.2924
22	1.5725	1.2570	0.1395	1.5725	47	3.5570	n/a	1.7550	3.5570
23	1.6056	1.3740	0.1605	1.6056	48	3.8657	n/a	1.9620	3.8657
24	1.6277	1.4910	0.1800	1.6277	49	4.2296	n/a	2.1210	4.2296
25	1.6607	1.6080	0.2010	1.6607	50	4.6265	n/a	2.2740	4.6265
26	1.6938	1.6380	0.2190	1.6938	51	5.0564	n/a	2.4195	5.0564
27	1.7269	1.6665	0.2385	1.7269	52	5.5526	n/a	2.5575	5.5526
28	1.7489	1.6950	0.2790	1.7489	53	6.1038	n/a	2.6895	6.1038
29	1.7600	1.7250	0.3195	1.7600	54	6.6992	n/a	2.8125	6.6992
30	1.7710	1.7535	0.3585	1.7710	55	7.3717	n/a	2.9355	7.3717
31	1.7930	1.7910	0.3945	1.7930	56	8.1104	n/a	3.0930	8.1104
32	1.8151	1.8270	0.4320	1.8151	57	8.8380	n/a	3.2490	8.8380
33	1.8482	1.8645	0.4890	1.8482	58	9.6318	n/a	3.4635	9.6318
34	1.8923	1.8990	0.5475	1.8923	59	10.5910	n/a	3.6930	10.5910
35	1.9364	1.9365	0.6030	1.9364	60	11.7266	n/a	3.9300	11.7266
36	1.9915	1.8780	0.6645	1.9915					
37	2.0576	1.8195	0.7245	2.0576					
38	2.1348	1.7625	0.8100	2.1348					
39	2.2230	1.7025	0.8925	2.2230					
40	2.3333	1.6440	0.9765	2.3333					
41	2.4545	n/a	1.0605	2.4545					
42	2.5538	n/a	1.1445	2.5538					

Please refer to clause 14(iv) and 14(v) for more details on calculation of the Sum at Risk.

APPENDIX-1 TO THE POLICY SCHEDULE
Unit Linked Guidelines

a) **Unit Linked Guidelines**

On 21 December 2005, the Insurance Regulatory and Development Authority issued Guidelines for Unit Linked Life Insurance Products vide Circular 032/IRDA/Actl/Dec-2005. Our Unit Linked Products conform to these Guidelines and subsequent clarifications and modifications to these guidelines including the latest modifications issued on 28 June 2010 vide Circular IRDA/ACT/CIR/ULIP/102/06/2010. Where the Standard Policy Provisions refer to the Unit Linked Guidelines, we have extracted the relevant sections (*in italics*), with the numbering as in the guidelines. This product is also compliant with the ULIP – Fund Approval Procedure and NAV Process Regulation issued vide circular number IRDA/F&I/CIR/INV/173/08/2011 dated 29 July 2011.

b) **Minimum Sum Assured**

This product only allows Sums Assured and Policy Terms that conform to the Unit Linked Guidelines. The relevant section from the Guidelines is extracted below.

Extracted from Circular No: IRDA/ACT/CIR/ULIP/102/06/2010 dated 28 June 2010
5 All unit linked products, other than pension and annuity products shall provide a minimum mortality cover ***or*** *a health cover, as indicated below:*
(i) Minimum mortality cover should be as follows:

Minimum Sum assured for age at entry of below 45 years	***Minimum Sum assured for age at entry of 45 years and above***
Single Premium (SP) contracts: 125 percent of single premium. *Regular Premium (RP) including limited premium paying (LPP) contracts: 10 times the annualized premiums or (0.5 X T X annualized premium) whichever is higher. At no time the death benefit shall be less than 105 percent of the total premiums (including top-ups) paid.*	*Single Premium (SP) contracts: 110 percent of single premium* *Regular Premium (RP) including limited premium paying (LPP) contracts: 7 times the annualized premiums or (0.25 X T X annualized premium) whichever is higher. At no time the death benefit shall be less than 105 percent of the total premiums (including top-ups) paid.*

(In case of whole life contracts, term (T) shall be taken as 70 minus age at entry)

c) **Premium Alteration**

This product conforms to the Unit Linked Guidelines and does not allow alterations to the Premium. The relevant section from the Guidelines is extracted below.

Extracted from Circular No: IRDA/Actl/Cir/ULIP/ 124/08/2010 dated 4th August 2010.
2. The contractual premium payable by the policyholder shall not be altered during the term of the policy.

d) **Partial Withdrawal**

This product conforms to the Unit Linked Guidelines and allows partial withdrawal only after 5th Policy anniversary. The relevant section from the Guidelines is extracted below.

Extracted from Circular No: IRDA/ACTL/CIR/ULIP/071 /05/2010 dated 3rd May 2010
8.1 Partial withdrawal is allowed only after fifth policy anniversary for all unit linked products except pension / annuity products.

e) **Unit pricing and Cut-off time for applicability of Net Asset Value (NAV)**

Our current unit pricing and Cut-off time conform to the following extract from the Insurance Regulatory and Development Authority's 'Fund Approval Procedure and NAV Process Regulation' and 'Guidelines for Unit-Linked Life Insurance Products' respectively. These cut off times are subject to change with prior approval from the Insurance Regulatory and Development Authority.

Extracted from Circular No: IRDA/F&I/CIR/INV/173/08/2011 dated 29th July 2011

L. NAV COMPUTATION

NAV: *The NAV of the Segregated* ***FUND*** *[SFIN] shall be computed as:*

$$\frac{\textit{Market Value of investment held by the fund} + \textit{Value of Current Assets} - \textit{Value of Current Liabilities \& Provisions, if any}}{\textit{Number of Units existing on Valuation Date (before creation / redemption of Units)}}$$

2. The NAV computed as above, in respect of 'each' Segregated Fund, shall be Audited by the Concurrent Auditor on a day-to-day basis.

3. The NAV calculated as above, in respect of 'each' Segregated fund, shall be declared on the Insurer's Website and at the ***Life Insurers Council*** *Website, as and when the same is ready.*

Extracted from Circular No: 032/IRDA/Actl/Dec-2005 dated 21st December 2005

10.6 Uniform Cut-off timings for applicability of Net Asset Value:

The allotment of units to the policyholder should be done only after the receipt of premium proceeds as stated below:

10.6.1: Allocations (premium allocations, switch in):

10.6.1.1 *In respect of premiums/funds switched received up to 3:00 p.m. by the insurer along with a local cheque or a demand draft payable at par at the place where the premium is received, the closing NAV of the day on which premium is received shall be applicable.*

10.6.1.2 *In respect of premiums/funds switched received after 3:00 p.m. by the insurer along with a local cheque or a demand draft payable at par at the place where the premium is received, the closing NAV of the next business day shall be applicable.*

10.6.1.3 *In respect of premiums received with outstation cheques/demand drafts at the place where the premium is received, the closing NAV of the day on which cheques/demand draft is realized shall be applicable.*

10.6.2: Redemptions:

10.6.2.*1 In respect of valid applications received (e.g. surrender,maturity claim, switch out etc) up to 3:00 p.m. by the insurer, the same day's closing NAV shall be applicable.*

10.6.2.2 *In respect of valid applications received (e.g. surrender, maturity claim, switch etc) after 3:00 p.m. by the insurer, the closing NAV of the next business day shall be applicable.*

APPENDIX-2 TO THE POLICY SCHEDULE
Cap on Charges

Unit Linked Products - Cap on charges Circular
On 22 July 2009, the Insurance Regulatory and Development Authority specified an overall cap on the charges on Unit Linked Life Insurance Products via Circular No. 20/IRDA/Actl/ULIP/09-10. Our Unit Linked Products conform to this circular and subsequent clarifications and modifications issued to the circular including the latest modification via Circular No. IRDA/ACT/CIR/ULIP/102/06/2010 dated 28 June 2010. Where the Standard Policy Provisions refer to the Charge Cap Circular, we have extracted the relevant provisions (in italics), with the numbering as in the Circular.

I. Limit on the charges based on net yield

This Policy is issued only after it conforms to the requirement of the circular, which requires that the overall prescribed charges are capped at a limit such that the difference between the illustrated gross yield and the net yield after specified charges have been deducted is within the limit prescribed by the circular. The relevant section from the circular and from the clarification to the circular is extracted below.

Extracted from Circular No: 20/IRDA/Actl/ULIP/09-10 dated 22nd Jul 2009
To encourage long term business and enable policyholders to earn additional returns thereby and taking into account the product features and the current cost structure, it is mandated that the cap on charges will be based on the difference between gross and net yields of any product. The net yield is the gross yield adjusted for all charges. ***For insurance contracts which are of a tenor of less than or equal to 10 years duration, the difference between gross and net yields shall not exceed 300 basis points. For other contracts, i.e. those whose contract period is above 10 years, the difference between gross and net yields shall not exceed 225 basis points****.*

Further, the following must be observed.

- a. *Extra premium due to underwriting emanating from extraordinary health conditions, cost of all rider benefits, service tax on charges (as applicable) and any explicit cost of investment guarantee shall be excluded in the calculation of net yield.*

- c. *Please refer IRDA circular letter IRDA/ACTL/ULIP/2008-09 of January 25, 2008 on 'benefit illustration'. There should be a specific mention of the gross yield and net yield to the customer at the point of sale. This benefit illustration must be approved by the IRDA.*

- d. *At the time of sale, for benefit illustration purpose, the insurer may assume a growth rate of 10% per annum of the investment as a model, as suggested by the Life Council. This will help the customer to understand the product and charges easily so that the prospect could consider the gross yield and net yield while making an informed decision.*

Extracted from Circular No: 29/IRDA/Actl/ULIPs/2009-10 dated 20th August 2009

1. *Mortality and Morbidity charges may be excluded in the calculation of the net yield for the purpose of the sub-para (a);*

Extracted from Circular No: IRDA/ACT/CIR/ULIP/102/06/2010 dated 28 June 2010

10. *The net reduction in yield for policies with term less than or equal to 10 years shall not be more than 3.00% at maturity. For policies with term above 10 years, the net reduction in yield at maturity shall not be more than 2.25%.*

The Benefit Illustration of this Policy, signed by you (copy enclosed along with this Policy document) confirms that your Policy meets requirement of the above circulars.

II. Limit on Fund Management Charge

Our Unit Linked Product confirms to the limit prescribed on the fund management charge. The relevant section given in the clarification to the circular is extracted below.

Extracted from Circular No: 29/IRDA/Actl/ULIPs/2009-10 dated 20th August 2009

2. *Within the overall cap prescribed in paragraph 5 of the reference cited, the Fund Management Charge shall not exceed 135 basis points irrespective of the tenor of the contract;*

III. Charge cap for Discontinuing/Surrendering Policies based on net yield

Extracted from Circular No: IRDA/ACT/CIR/ULIP/102/06/2010 dated 28 June 2010

9. *Vide circular* IRDA/Actl/ULIP/055/2009-10 dated 24th September, 2009*, caps on charges were fixed on Unit Linked contracts with a tenor of 10 years or less and for those with tenor above 10 years. However, taking into account the discontinuance/lapsation/surrender behavior and with a view to smoothen the cap on charges, the following limits are prescribed starting from the 5th policy anniversary:*

Number of years elapsed since inception".	*Maximum reduction in yield (Difference between Gross and Net Yield (% pa))*
5	*4.00%*
6	*3.75%*
7	*3.50%*
8	*3.30%*
9	*3.15%*
10	*3.00%*
11 and 12	*2.75 %*
13 and 14	*2.50 %*
15 and thereafter	*2.25 %*

APPENDIX-3 TO THE POLICY SCHEDULE
With reference to the IRDA (Treatment of Discontinued Linked Insurance Policies) Regulations,2010

a) Unit Linked Products – Treatment of Discontinued Linked Insurance Policies

On 1 July 2010, the Insurance Regulatory and Development Authority notified the IRDA (Treatment of Discontinued Linked Insurance Polices) Regulation, 2010. Our Unit Linked Products conform to this Regulation and subsequent clarifications issued to the Regulation. Where the Standard Policy Provisions refer to the IRDA Treatment of Discontinued Linked Insurance Policies Regulations, 2010, we have extracted the relevant provisions from the IRDA (Treatment of Discontinued Linked Insurance Polices) Regulation, 2010 (in italics), with the numbering as in the Regulation.

b) Discontinuance of the Linked Insurance Policies

This Policy conforms to the requirement of the Regulation, which requires that if a due premium has not been paid by the end of the grace period, we will issue a revival letter to you within 15 days. The revival letter will offer you two choices of either reviving your Policy by paying the due premium or completely withdrawing from the Policy without any risk cover. The regulation states that if we do not get any response from you within 30 days from the date of receipt of the revival letter, the Policy will be discontinued. For practical purposes we will assume that the revival letter is received by you within 5 days from the date of the revival letter. The revival letter will specify the date by which you can revive the Policy; this date will be 30 days from the assumed date of receipt of the revival letter. If we do not receive any response from you by the date specified in the revival letter, your Policy will be discontinued. The Policy can also be completely discontinued if you chose to completely withdraw from the Policy. On discontinuance, the risk cover will cease immediately, all the Units will be deallocated from all the Funds, Discontinuance Charges, if applicable, will be deducted and the Policy will terminate. Until the Policy becomes Discontinued all charges; including Mortality and other risk benefit Charges, Fund Management Charges, Policy Administration Charge; will continue to be deducted from the Policy.

If you had not received the revival letter within 5 days from the date of the letter, you may make a representation to us and we may consider your representation. If it is confirmed and accepted by us that you had come back within 30 days from the actual date of receipt of the revival letter, then we will reallocate the amount in your Policy's "Discontinued Policy Fund", including any interest earned during the period your funds were in the "Discontinued Policy Fund", at the prevailing unit prices on the date of the reversal.

As specified in the Regulation, all Unit Linked Insurance polices will have a Lock-in period of 5 years.

If the Discontinuance of the Policy occurs before the 5th Policy anniversary, the Unit Fund value (as on the date of discontinuance) less any applicable Discontinuance Charges will be moved to the 'Discontinued Policy Fund' which will earn a minimum rate of interest as specified by IRDA. The current minimum rate of interest defined by IRDA is the interest rate on savings bank account of State Bank of India. The interest rate applicable will be the interest rate given on standard savings bank accounts. A Fund Management Charge of 0.50% p.a., charged daily, will be levied on the 'Discontinued Policy Fund'. This may be subject to change as notified by IRDA from time to time.

Policies Discontinued before the 5th Policy anniversary, can be revived before completion of 2 years from the date of discontinuance of the Policy or till the expiry of the IRDA mandated Lock-in Period of 5 years, whichever is earlier. The Policy can be revived subject to such terms and conditions as the company may specify from time to time. These terms will include underwriting approval and payment of all outstanding regular premiums. Upon revival of the Policy, the amount in your Policy's "Discontinued Policy Fund", including any interest earned during the period your funds were in the "Discontinued Policy Fund" plus the discontinuance charge taken on the Policy discontinuance will be reallocated to your Policy, at the prevailing unit prices on the date of the revival.

If a Discontinued Policy is not revived, then the amount allocated to the 'Discontinued Policy Fund', with interest as stated above, from the date of allocation to the Discontinued Policy Fund, will be paid out to you, or where applicable, to your beneficiary / nominee, on completion of the Lock-in Period.

If the Discontinuance of the Policy occurs after the 5th Policy anniversary, the Unit Fund Value will be paid to you immediately on receipt of all necessary documentation.

c) <u>Extracts from Regulation</u>

Extracted from IRDA (Treatment of Discontinued Linked Insurance Polices) Regulation, 2010 dated 1st Jul 2010

Definitions:
2. *(1) Unless the context otherwise requires,-*

*iv. "**Date of discontinuance of the policy"** shall for the purpose of these regulations, be the date on which the insurer receives the intimation from the insurer or policyholder about discontinuance of the policy or on the expiry of the notice period provided for in the sub-regulation (1) of regulation 5 of these regulations, whichever is earlier.*

*v. "**Grace Period"** means the time granted by the insurer from the due date for the payment of premium without levy of any interest or penalty during which time the policy is considered to be in-force with the risk cover without any interruption as per the terms of the policy.*

*vi. **"Discontinuance":** means the state of a policy that could arise on account of non-payment of the contracted premium due before the expiry of the grace period or upon receipt of information by the insurer from the insured about the discontinuance of the policy. **Provided that** no policy shall be treated as discontinued if, within the grace period, the premium has not been paid due to the death of the policyholder or the insured or both or upon the happening of any other contingency covered under the policy.*

Extracted from Circular No: IRDA/LIFE/MISC/CIR/235/10/2011 dated 13 October 2011

*vii. "**Discontinued Policy Fund"** means the segregated fund of the insurer that is set aside and is constituted by the fund value of all discontinued policies determined in accordance with these regulations.*
Provided that such discontinued policy fund shall be invested as per the pattern filed and approved by the Authority under the File and Use Procedure.

Extracted from IRDA (Treatment of Discontinued Linked Insurance Polices) Regulation, 2010 dated 1st Jul 2010

*viii. "**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 discontinued policies cannot be paid by the insurer to the policyholder or to the insured, as the case may be, except in the case of death or upon the happening of any other contingency covered under the policy.*

*ix. "**Revival of a policy"** means restoration of the policy by the insurer, which was discontinued due to the non-payment of premium, with all benefits, with or without rider benefits if any,* *mentioned in the policy document, 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 policyholder on the basis of the information, documents and reports furnished by the policyholder.*

Grace Period

3. *The grace period for payment of the premium for all types of linked insurance policies shall be as follows:-*

i. Fifteen days, where the policyholder pays the premium on a monthly basis;

ii. Thirty days, in all other cases.

***Options of a policyholder upon discontinuance* of the policy**

4. *A policyholder shall be entitled to exercise one of the following options upon the discontinuance of the policy:*

(i) Revival of the policy, or

(ii) Complete withdrawal from the policy without any risk cover.

Obligations of the insurer for revival of the policy

5. *Where a policy is discontinued, the insurer shall take the following steps to enable the policyholder to exercise the option as available in terms of regulation 4:*

(i) Send a notice within a period of fifteen days from the date of expiry of grace period to such a policyholder to exercise the said options within a period of thirty days of receipt of such notice.

Provided that *where the policyholder does not exercise the option within the stipulated period of thirty days, the policyholder shall be deemed to have exercised the option mentioned at sub-regulation (ii) of regulation 4.*

Explanation: *The fund value of the policy shall be part of the segregated fund chosen till the policyholder exercises his/her option or till the expiry of thirty days of notice period which ever is earlier. During this period the policy is deemed to be inforce with risk cover as per terms and conditions of the policy.*

(ii) Where the policyholder exercises the option to revive the policy, the risk cover along with investments made in the segregated funds, less applicable charges as per the terms and conditions of the policy, shall be continued.

Obligations of the insurer upon complete withdrawal of the policy

Extracted from Circular No: IRDA/LIFE/MISC/CIR/235/10/2011 dated 13 October 2011

6. *(1) Where the policyholder exercises the options available at sub-regulation (ii) of Regulation 4 or does not exercise the option available in terms of the proviso to sub-regulation (i) of regulation 5, the fund value of the policy shall be credited to the discontinued policy fund. The proceeds of the discontinued policy shall be refunded only upon completion of the lock in period. The income earned on the fund value shall also be apportioned to the discontinued policy fund and shall not be made available to the shareholders.*

Provided that the policyholder shall have the right to revive such policy within two years from the date of discontinuance and not later than the expiry of lock in period.

Provided further that in case the insured opted to revive the policy within such two years, the insurer shall add back the discontinuance charges deducted from the fund to the fund value and allot units of the segregated fund chosen by the policyholder at the NAV as on the date of such revival.

Extracted from IRDA (Treatment of Discontinued Linked Insurance Polices) Regulation, 2010 dated 1st Jul 2010

(2) The insurer shall refund the amount by means of a cheque or demand draft, to be delivered to the insured or the nominee, at his last known address or by any other electronic mode of

payment. However, the insurer may deduct discontinuance charges on the date of discontinuance on such policies, which shall, not exceed the charges stated in sub-regulation (v) of regulation 7 of these regulations.

***Provided** that in case of pension and annuity linked products, the insurer shall not refund more than one-third of the proceeds of the discontinued policy while the remaining amount shall be used to purchase an annuity subject to the provisions of Section 4 of the Act.*

Extracted from Circular No: IRDA/LIFE/MISC/CIR/235/10/2011 dated 13 October 2011

Explanation:

*(i) **"Proceeds of the discontinued policies"** means*

The fund value as on the date the policy has discontinued, after addition of the entire income earned and after deduction of the fund management charges as provided in these regulations, subject to a minimum guarantee of the interest, as applicable to savings bank accounts of State Bank of India.

"Provided that where a policy is discontinued, only discontinuance charge and fund management charge as prescribed in sub regulation 7 (vi) may be levied by the insurer, and no other charges by whatsoever name called shall be levied.

Regulation 7 (vi) shall be inserted as:

To ensure that the fund management charge levied shall not exceed 50 bps per annum on the discontinuance fund, after ensuring a guaranteed return specified in sub regulation 6.

SPACE FOR ENDORSEMENTS

HDFC LIFE SMART WOMAN PLAN

STANDARD POLICY PROVISIONS

Unique Identification Number: <101L082V01 >

1. General

Your Policy is a Regular Premium Unit Linked Life Insurance Policy. Being a Unit Linked Policy your Policy will participate in the investment performance of the Fund(s) of HDFC Standard Life Insurance Company Limited, chosen by you in relation to this Policy, to the extent of the allocated units. Your Policy does not in any way give you any right whatsoever to any share in the profits or surplus of the business of the Company, by whatever name called.

ALL UNIT LINKED POLICIES ARE DIFFERENT FROM TRADITIONAL INSURANCE POLICIES AND ARE SUBJECT TO DIFFERENT RISK FACTORS. IN THIS POLICY, THE INVESTMENT RISK IN INVESTMENT PORTFOLIO IS BORNE BY THE POLICYHOLDER.

We reserve the right to change any of these Policy provisions/terms and conditions if it becomes impossible or impractical to implement such provisions/terms and conditions.

We reserve the right to change any of these Policy provisions/terms and conditions in accordance with changes in applicable Regulations or Laws.

2. Definitions

Benefit Option – this product has three benefit options to choose from – Classic, Premier and Elite. The morbidity benefits vary depending on the option selected.

Charges - means Premium Allocation Charge, Policy Administration Charge, Fund Management Charge, Mortality Charge, Morbidity Charge, Discontinuance Charge, Service Tax & Education Cess Charge and Additional Servicing Charge.

Cut-off time – Is the time by which we must have accepted your instructions to invest in, or encash units from a Fund, for us to invest in or encash units at the associated valuation time. Current Cut-off times conform to those specified in the Unit Linked Guidelines and details are given in the Appendix-1 to the Policy Schedule.

Company, company, Insurer, Us, us, We, we, Our, our – means or refers to HDFC Standard Life Insurance Company Limited.

Date of Issue of Policy – means the date on which the policy was issued to you. This is generally on or after the Risk Commencement Date depending on if there is any time gap because of underwriting or documentation issues.

Due dates – means the dates at which Regular Premiums are due to be paid by you.

Expiry Date of Death Benefit – means the date on which the term of the Policy ends and is the date when the Death Benefit cover ceases.

Expiry Date of Group 1 Benefits - means the earlier of maturity date and the policy anniversary immediately succeeding or coinciding with the 40th birthday of the Primary Life Assured and is the date on which benefits in respect of Event Group 1 cease.

Expiry Date of Group 3 Benefits – means the earlier of maturity date and the policy anniversary immediately succeeding or coinciding with the 60th birthday of the Secondary Life Assured and is the date on which benefits in respect of Event Group 3 cease

Fund - means each of the Funds earmarked by the Company for Unit Linked business and available to this product.

Life Assured - The Life Assured is the person on whose life the contingent events has to occur for the benefits to be payable. The Life Assured may be different from the Policyholder.
For this product, *Primary Life Assured* refers to the female Life Assured Insured under this policy.
The *Secondary Life Assured* is the spouse of the Primary Life Assured, covered in case of the Elite Benefit Option.

Maturity Date – means the date on which the original term of policy ends and is the date when the risk cover ceases.

Premium Allocation Rate - means the proportion of the Premium that is allocated for purchase of Units.

Policyholder, You, you, your - means the Policyholder stated in the Policy Schedule. The policyholder is the owner of the Policy.

Risk Commencement Date – means the date on which the risk cover for the policy begins.

Unit Fund Value - means the value obtained by multiplying the number of units allocated to your Policy by the corresponding applicable price of the units.

Unit Linked Guidelines - means the guidelines issued by the Insurance Regulator in circular number 032/IRDA/Actl/Dec-2005 and any subsequent clarifications hereto.

Valuation time – Means the time we value the assets in an Investment Linked Fund as described in Clause 7 (Valuation of Investment Linked Funds).

3. Benefits

We will pay the following benefits to the person who is entitled to receive them:

a. Maturity Benefit – Upon survival of the Primary Life Assured to the maturity date of this benefit, risk cover ceases and the Unit Fund Value is payable.

   On Maturity, the Policyholder has the option to take the Unit Fund Value in periodical instalments over a period which may extend to 5 years subject to any terms and conditions we may specify from time to time. This Option is called the Settlement Option. These terms will include a minimum instalment amount, which may be determined by us at our sole discretion from time to time. The current minimum instalment amount is specified in the Policy Schedule. The risk cover ceases and the Fund continues to be invested during this period. The continuing investment risk on the Unit Fund will be borne by the Policyholder. Charges (except risk charges) will continue to be deducted. No discontinuance charge will be applicable during this period. No Fund Switch and Partial Withdrawal will be allowed during this period. No Guarantee will be applicable during the Settlement Period. The Policyholder may exercise the Settlement Option 30 to 180 days before the maturity of the Policy. The Policyholder may anytime during the settlement period withdraw the entire Unit Fund Value.

Any Unit Fund Value remaining after 5 years from the maturity date will be payable immediately. No further benefits will be payable after this payment.

b. Morbidity Benefit - The event groups in respect of morbidity benefits are set out below:

Group 1: Birth of a child with congenital disorders or pregnancy complications coverage. A waiting period of 1 year is applicable from the risk commencement date or revival, whichever is later, in respect of the benefits under this Event Group. On the expiry date of Group 1 Benefits, the benefits under the group expire.

Group 2: Malignant cancer of the female organs for the female life assured. A waiting period of 180 days is applicable from the risk commencement date or revival, whichever is later, in respect of the benefits under this Event Group.

Group 3: Death of the Secondary Life Assured. On the expiry date of Group3 Benefits, the benefits under the group expire.

You can claim only once in respect of each of the Group 1, 2 and 3 events.

On receipt of a valid claim involving a particular group of event, benefits in respect of such event group expire and morbidity benefits cannot be claimed again under the same group in the future.

The morbidity benefits vary depending on the Benefit Option selected.

Elite Benefit Option

On receipt of a valid claim involving any of the Group 1 or Group 2 events and subject to the list of exclusions, the Company shall:

- Waive and fund the next three years' premiums
- Pay periodic cash benefits equal to one annual premium on the due dates of each of the next three years' premiums

In the later policy durations where the number of outstanding due premiums is less than three, the waiver and periodic cash benefits will be in respect of all such outstanding premiums.

The waiver of premium and periodic cash benefits are payable only once in respect of each of the event groups.

In addition, the Company shall waive and fund the next three years' premiums on receipt of a valid claim under event Group 3 (death of the spouse). No periodic cash benefit is payable in respect of the death of the spouse.

In the special instances where:

- a waiver of premium is active following a valid claim under any event group; and

- there is a subsequent valid claim in respect of another distinct event group concurrently activating another waiver of premium

then the waiver of premium benefit in respect of such subsequent claim would be paid as periodic cash payout whilst the earlier waiver of premium is active. Premiums shall be waived for the residual period, if any, once the earlier waiver of premium expires.

c. Death Benefit - If the Primary Life Assured dies before the Expiry Date of this benefit, the death benefit is the maximum of the following:

- Sum Assured less any partial withdrawals (as defined below); or
- The Unit Fund Value; or
- 105% of the premiums paid.

The Sum Assured is as specified in the Policy Schedule and the Death Benefit payable is subject to Clause 17 (Exclusions)

The "Sum Assured less partial withdrawals" will be calculated as follows:

- For death before attainment of age 60 of Primary Life Assured - Sum Assured less all partial withdrawals made during the two year period immediately preceding the date of intimation of death of the Life Assured.
- For death on or after attainment of age 60 of Primary Life Assured – Sum Assured less all partial withdrawals made after attainment of age 58.

Upon payment of this benefit, the Policy terminates and no further benefits are payable.

The Sum Assured of the above benefits cannot be altered at any point of time during the duration of the Policy term.

Pre-requisites for payment of benefits:

Before we pay the benefits under your Policy we will require to be satisfied that:

- **the Policy has not been surrendered or terminated or cancelled ;**
- **the information that was given in the application/Proposal is correct;**
- **all Policy provisions including any endorsement to your Policy have been met;**
- **the person to whom the benefits are to be paid is entitled to receive them;**

and in addition:

Maturity Benefit – We will pay the maturity benefit only if this benefit has not been discontinued or surrendered or cancelled or terminated; we are satisfied that the Policy has matured and the Primary Life Assured is surviving to the Maturity date; and all relevant documents in support of your claim have been provided. These would normally include the original Policy document.

Death Benefit – We will pay the maturity benefit only if this benefit has not been discontinued or surrendered or cancelled or terminated; we are satisfied that the death of the Primary Life Assured has occurred; the standard Policy Provisions specified in Clause 17 (Exclusions) and Clause 18 (Incorrect Information and non – disclosure) are not attracted; and all relevant documents in support of the claim have been provided. These would normally include:

- the fully completed claim form;
- the original Policy document;
- the original death registration certificate or certified extract from the death register;
- the original certificate or certified copies of doctor certifying death;
- the original certificate or certified copies of cremation or burial;
- originals or the certified copies of any medical reports that we consider relevant to the death.

Depending on the circumstances of the death, further documents may have to be provided as we might reasonably require.

Morbidity Benefit –We are satisfied that

- Events covered under Group 1 did not occur within one year from the date of commencement or revival; whichever is later
- Events covered under Group 2 did not occur within 180 days from the date of commencement or revival; whichever is later
- The standard Policy Provisions specified in Clause 17 (Exclusions) and Clause 18 (Incorrect Information and non – disclosure) are not attracted;
- All relevant documents in support of the claim have been provided. These would normally include:
  - the fully completed claim form;
  - the original Policy document;
  - In case of claim under Event Group 1 and 2 - Original or certified copies of medical report from the doctor, hospitals or specialists on the Primary Life Assured that we consider relevant to the illness;
  - In case of claim under Event Group 3 - the original certificate or certified copies of doctor certifying death, the original death registration certificate or certified extract from the death register, the original certificate or certified copies of cremation or burial and originals or the certified copies of any medical reports that we consider relevant to the death.

Depending on the circumstances, further documents may have to be provided as we might reasonably require.

4. Premiums

(i) The first Premium must be paid along with the submission of your completed application/proposal. Subsequent Regular Premiums are due in full on the date(s) and at the frequency set out in your Policy Schedule.

(ii) If any Premium remains unpaid after the expiry of Grace Period as defined in Appendix 3, we will send you a Revival Letter. If we do not receive the Premiums due within the date specified in the Revival Letter, all risk covers will cease and your Policy will be discontinued as described in Clause 5 (i).

A premium will be deemed to remain unpaid if the Premium amount has not been realised by us.

(iii) Single Premium Top-Up is not allowed at any point of time under this Policy.

(iv) The level of the Regular Premiums cannot be increased or decreased at any point of time during the duration of the Policy term.

(v) A proportion of each Premium as specified by the Premium Allocation Rate will be used to buy units in the Fund(s) of your choice. The Premium Allocation Rate is specified in the Schedule of Charges and is guaranteed for the term of the Policy. The balance premium that is not allocated is the Premium Allocation Charge.

The Premium Allocation Rate applied to a premium will be the rate applicable based on the due date of the premium irrespective of when the premium is actually paid.

(vi) If you have chosen more than one Fund, we will split the allocated premium in accordance with your instructions before we allocate units in each Fund.

(vii) Any Regular Premiums paid before the Due Date will be deemed to have been received on the Due Date for that Regular Premium. No Units will be allocated before reaching the respective due dates, for the premiums which are paid before the due date.

The Unit Price used to allocate the premium will be based upon the Unit Price prevailing on the later of the Date of receipt of the instrument or the Date of the instrument used to pay the premium or the Date of realisation of the Outstation Cheque used to pay the premium.

(viii) The Policy Term chosen at inception and as described in the Policy Schedule cannot be changed.

(ix) The Premium Paying Term is equal to the Policy Term and cannot be changed at any point of time during the duration of the Policy term.

(x) The Funds in which new premiums are invested can be changed at any time. We may levy the Additional Servicing Charge as described in Clause 14 (Charges).

(xi) The Funds in which existing premiums are invested can be changed at any time. We may levy the Additional Servicing Charge as described in Clause 14 (Charges).

5. Discontinued, Surrendered Policies

(i) Discontinued Policy

If the premiums due are not paid before the expiry of the grace period, then you will receive the Revival Letter as described in Appendix 3. The options available to you will be to either revive the Policy or to Completely Withdraw from the Policy without any risk cover. The option chosen should be communicated to us within the date specified in the Revival Letter.

The risk cover will continue till the date specified in the Revival Letter.

All charges as specified in the Schedule of Charges; including Mortality and other risk benefit Charges, Fund Management Charges, Policy Administration Charge; will continue to be deducted on the Policy.

If you choose to Completely Withdraw from the Policy without any risk cover, then all the risk cover will cease immediately and your Policy will be Discontinued.

If you fail to revert to us within the date specified in the Revival Letter, then you shall be deemed to have opted to Completely Withdraw from the Policy without any risk cover and all the risk cover will cease immediately and your Policy will be automatically Discontinued.

If the Policy is Discontinued before the end of the Lock-in Period of 5 years specified in the Policy Schedule, then the Unit Fund Value as on the Date of Discontinuance less the Discontinuance Charge as specified in the Policy Schedule will be moved to a ‘Discontinued Policy Fund’. The ‘Discontinued Policy Fund’ will earn a minimum guaranteed interest rate as specified by the IRDA. The current minimum rate of interest defined by the IRDA is the interest rate on savings bank accounts of State Bank of India. The interest rate applicable will be the interest rate given on standard savings bank accounts. A Fund Management Charge of 0.50% p.a., charged daily, will be levied on the ‘Discontinued Policy Fund’. This may be subject to change as notified by IRDA from time to time.

Policies Discontinued before the 5th Policy anniversary, can be revived before completion of 2 years from the date of discontinuance of the Policy or until the expiry of the IRDA mandated Lock-in Period of 5 years, whichever is earlier. The Policy can be revived subject to such terms and conditions as the company may specify from time to time. These terms will include underwriting approval and payment of all outstanding regular premiums. Policies Discontinued after the 5th Policy anniversary, cannot be revived.

On revival of a discontinued Policy, the amount in your Policy’s “Discontinued Policy Fund”, including any interest earned during the period your Funds were in the “Discontinued Policy Fund” plus the discontinuance charge taken on the Policy discontinuance will be reallocated to your Policy, at the prevailing unit prices on the date of the revival. The units will be allocated to the Policy in accordance with Clause 9(xiv). The Policy will become in-force and the risk cover will be reinstated. We will collect the Policy administration charge for the entire period between the date upto which the charge was last deducted and the revival date. However, we will start collecting mortality and morbidity charges only from the last month anniversary date immediately prior to the revival date. An Additional Servicing Charge as specified in Clause 14 (Charges) may be levied on such revival. These charges will be deducted by cancellation of units.

If a Discontinued Policy is not revived, then the amount allocated to the Discontinued Policy Fund, with accrued interest, will be paid out on completion of the Lock-in Period specified in the Policy Schedule.

If the Policy is Discontinued after the end of the Lock-in Period specified in the Policy Schedule, then the Unit Fund Value as on the Date of Discontinuance less any Discontinuance Charge specified in the Policy Schedule will be paid out immediately on receipt of all necessary documents.

If you die before the proceeds from a discontinued Policy has been paid out, then we will payout the proceeds immediately on receipt of all relevant documents in support of the claim.

Once proceeds from a discontinued Policy are paid out or after the fund, net of discontinuance charges, is moved to the ‘Discontinued Policy Fund’ the Policy terminates and no further benefits are payable under your Policy.

If you opt to revive your Policy within the period specified in the Revival Letter, then the risk cover will continue. The Unit Fund Value less Additional Servicing Charge as specified in Clause 14 (Charges) will also continue to remain invested. Any change to the Fund choice for premium investment, if requested, will be done on the future premiums after the Policy has been revived.

Note: The provisions aforesaid in Clause 5 (i) should be read in conjunction with Appendix 3.

(ii) Surrender

A Policy may be surrendered at any time. On request for surrender, the Life Assured will not be covered for any of the risk benefits, as described in Clause 3 with immediate effect.

The amount payable on surrender will be the Unit Fund Value on surrender less the Discontinuance Charge as specified in the Schedule of Charges.

If the surrender is in the first five years of the Policy, the amount will be moved to a ‘Discontinued Policy Fund’ which will earn a minimum guaranteed interest rate as specified by the IRDA. The current minimum rate of interest defined by the IRDA is the interest rate on savings bank account of State Bank of India. The interest rate applicable will be the interest rate given on standard savings bank accounts. A Fund Management Charge of 0.50% p.a., charged daily, will be levied on the ‘Discontinued Policy Fund’. This may be subject to change as notified by IRDA from time to time.

The amount allocated to the Discontinued Policy Fund, with accrued interest, will be paid out to the person entitled to receive the payment, on completion of the Lock-in Period.

If you die before the surrender payment has been made we will make the surrender payment immediately on receipt of all relevant documents in support of the claim.

Once any surrender payment has been made, the Policy terminates and no further benefits are payable.

6. Investment Linked Funds

(i) We will maintain a number of investment-linked Funds in order to determine the benefits under this Policy and certain other policies issued by us from time to time.

(ii) Each Fund is divided into units. In any investment linked Fund, units of any particular type shall be of equal value. You will not hold the units directly and the assets of each Fund will belong to us.

(iii) The assets the Funds invest in will be chosen by us at our sole discretion at all times.

(iv) We may close, withdraw, modify, split or combine Funds or introduce new Funds with prior approval from the Insurance Regulatory and Development Authority. ‘Withdraw’ means no further payments will be accepted into the Fund, any existing units held in the Fund will continue to be allocated. ‘Close’ means we will encash all the units, which exist for a Fund and terminate the Fund.

(v) Where we close or withdraw a Fund, we will notify you, three months in advance that, we will switch any existing units in that Fund and / or apply any future Premiums which would have been applied to that Fund to another Fund that has, in our opinion, the closest investment objectives to the original Fund. During the three month notice period, you can switch to any other available Fund in terms of Clause 12 (Fund Switches). Any charges, which are normally deducted for a switch of Funds, as outlined in Clause 14 (Charges) will not be deducted in these circumstances.

(vi) We will not allocate units in any investment-linked Fund unless assets equivalent to those units are added at the same time to the Fund. We will also not withdraw assets from any such Fund (except to meet the deductions described in section (viii) of this Clause) unless units equivalent to those assets are cancelled at the same time. Units will only be cancelled in any such Fund under the terms of Clause 14 (Charges), and assets equivalent to the cancelled units will be withdrawn from the same Fund at the same time.

(vii) We will add the income from the assets of an investment linked Fund to that Fund.

(viii) We can deduct from the assets of an investment linked Fund any amounts that we decide are appropriate to cover:

- expenses, taxes and statutory duties due to the buying and selling of assets;
- part or all of any tax, statutory levy or other statutory/regulatory charge on us allocated to the Fund;and
- the Management Charges described in Clause 8 (Management Charges on Investment Linked Funds)

7. Valuation of Investment Linked Funds

(i) At such intervals as we may decide, but usually each day when all the financial markets are open, we will value each investment linked Fund so that we can set the prices of units as specified in Clause 9 (Unit Prices).

(ii) The maximum and minimum values of a Fund are based on the maximum and minimum values of assets in that Fund, allowing for any cash that has not been invested, an estimate of income earned but not received, an estimate of charges incurred but not yet paid, allowance for future deductions of the types described in Clause 6(viii), allowance for investment transactions made but not yet settled and allowing for the expenses of purchasing or selling assets.

(iii) The maximum value of an asset will not be greater than the market price at which it could be bought allowing for the expenses of buying assets.

(iv) The minimum value of an asset will not be less than the market price at which it could be sold allowing for the expenses of selling assets.

(v) The value of quoted securities (such as stocks and shares) will normally be based on Indian market practice of market or fair value in accordance with regulations/guidelines/directives from the Insurance Regulatory and Development Authority (IRDA) or any applicable regulator. The investments in buildings and land will be based on valuations prepared and certified by independent valuers appointed by us and adjusted to take account of changes in prices, where material, since the last valuations. We will determine the values of all other assets.

(vi) We will always make best endeavour to value the assets on each day all the financial markets are open. In certain extreme circumstances this may not be possible, as the value of assets may be too uncertain. In such circumstances we may defer the valuation of assets until normality returns. Examples of such circumstances are:

- When one or more stock exchanges which provide a basis for valuation for a substantial portion of the assets of the Fund are closed other than for ordinary holidays.
- When, as a result of political, economic, monetary or any circumstances out of our control, the disposal or valuation of the assets of the unit Fund are not reasonable or would not reasonably be practicable without being detrimental to the interests of the remaining Unit holders.
- During periods of extreme volatility of markets during which surrenders and switches would, in our opinion, be detrimental to the interests of the existing Unit holders of the Fund.
- In the case of natural calamities, strikes, war, civil unrest, riots and ‘bandhs’.
- In the event of any force majeure or disaster that affects our normal functioning.
- If so directed by the IRDA or any applicable regulator.

8. Management Charges on Investment Linked Funds

We will take the appropriate Fund Management Charge as specified in the Schedule of Charges, from the Fund. This Charge will be taken on a daily basis and incorporated into the Unit Prices for each Fund. This Charge can be charged and will be determined by us at our sole discretion from time to time with prior approval from the Insurance Regulatory and Development Authority, subject to the maximum as stated in the Schedule of Charges.

9. Unit Prices

(i) We will calculate the unit price of a fund as per the Unit Linked Guidelines. The relevant section from the Unit Linked Guidelines is reproduced in the Appendix-1 to the Policy Schedule. The resulting price will be rounded to the nearest Rs. 0.0001. This price will be published on our company's website

(ii) For the purposes of Clause 4 (Premiums) and revival under Clause 5(i), if we receive your Premium and all necessary documentation to allow the Premium to be processed, and we are satisfied that the information received is correct, before the Cut-off time for the next Valuation then we will use the Unit prices set at the next Valuation to allocate your Premium. If we receive your Premium and all necessary documentation to allow the Premium to be processed, and we are satisfied that the information received is correct, after the Cut-off time for the next Valuation then we will use the Unit prices set at the Valuation after the next one.

(iii) Where you instruct us to apply a Premium on a date in the future we will action those instructions as if they arrive at the start of the business day you instructed us to process the Premium, subject to the Cut-off time rules defined above. If you wish to amend any future dated instructions you may do so until the Cut-off time for that Premium and provided we have not acted upon your instructions. If amendment instructions are received after the Cut-off time for that Premium they will not be acted upon.

(iv) For the purposes of Clause 12 (Fund Switches) if you instruct us to switch Funds at the next Valuation and we receive those instructions and all necessary documentation to allow the switch to be processed, before the Cut-off time for the next Valuation then we will use the Unit prices set at the next Valuation to switch your Funds. If we receive those instructions and all necessary documentation to allow the switch to be processed, after the Cut-off time for the next Valuation then we will use the Unit prices set at the Valuation after the next one.

(v) Where you instruct us to switch Funds on a date in the future we will action those instructions as if they arrive at the start of the business day you instructed us to process the switch, subject to the Cut-off time rules defined above. If you wish to amend any future dated fund switch instructions you may do so until the Cut-off time for the switch and provided we have not acted upon your instructions. If amendment instructions are received after the Cut-off time for the switch they will be treated as a separate switch instruction.

(vi) We can delay a switch of Funds in terms of Clause 12.

(vii) For the purpose of Clause 14 (Charges), the Unit prices used to cancel units will be those set on the Valuation on the effective date the charges are deducted from the Policy, or if no such Valuation is made, on the most recent Valuation prior to the effective date.

(viii) For the purpose of paying the Maturity benefit under your Policy described in Clause 3(a) (Maturity Benefit) we will use the Unit prices set at the next Valuation from the Maturity Date to cancel units from your Policy.

We will make the Maturity Benefit payment only after we receive all necessary documentation to allow the benefit payment to be processed.

(ix) For the purpose of paying a benefit under your Policy described in Clause 3(b) (Death Benefit) if we receive instructions to pay a benefit under your Policy and we receive those instructions and all necessary documentation to allow the benefit payment to be processed, before the Cut-off time for the next Valuation then we will use the Unit prices set at the next Valuation to cancel units from your Policy. If we receive those instructions and all necessary documentation to allow the benefit payment to be processed, after the Cut-off time for the next Valuation then we will use the Unit prices set at the Valuation after the next one.

(x) For the purpose of Surrendering your Policy described in Clause 5(ii), if you instruct us to Surrender your Policy and we receive those instructions and all necessary documentation to allow the Surrender to be processed, before the Cut-off time for the next Valuation then we will use the Unit prices set at the next Valuation to cancel units from your Policy. If we receive those instructions and all necessary documentation to allow the Surrender to be processed, after the Cut-off time for the next Valuation then we will use the Unit prices set at the Valuation after the next one.

(xi) For the purpose of Clause 13 (Policy Withdrawals), if you instruct us to make a Partial Withdrawal from the Policy and we receive those instructions and all necessary documentation to allow the cash payment to be processed, before the Cut-off time for the next Valuation then we will use the Unit prices set at the next Valuation to cancel units from your Policy. If we receive those instructions and all necessary documentation to allow the cash payment to be processed, after the Cut-off time for the next Valuation then we will use the Unit prices set at the Valuation after the next one. The Guaranteed Unit price will not apply for determining the Withdrawal benefit.

(xii) Where you instruct us to Surrender your Policy in accordance with sub-clause (x) of this Clause, or to make a Partial Withdrawal from your Policy in accordance with sub-clause (xi) of this Clause, at a date in the future we will action those instructions as if they arrive at the start of the business day you instructed us to process the cash payment, subject to the Cut-off time rules defined above. If you wish to amend any future dated Surrender or partial withdrawal instructions you may do so until the Cut-off time for that cash payment and provided we have not acted upon your instructions. If amendment instructions are received after the Cut-off time for that cash payment they will not be acted upon.

(xiii) Where we Discontinue your Policy according to Clauses 5(i), we will use the latest available Unit prices on the date of Discontinuance of the Policy to cancel units from your Policy.

(xiv) Where we revive your Policy according to Clauses 5(i) if we process the revival before the Cut-off time for the next Valuation then we will use the Unit prices set at the next Valuation to allocate units to your Policy. If we process the revival after the Cut-off time for the next Valuation then we will use the Unit prices set at the Valuation after the next one.

(xv) Details of our current unit valuation processes and Cut-off times are shown in Clause 7 (Valuation of Investment Linked Funds) and in the Appendix-1 to the Policy Schedule respectively and they may change as and when directed by the Insurance Regulatory and Development Authority.

(xvi) Where you instruct us to process more than one Fund related transaction and we receive those instructions and all necessary documentation for each of the transactions on the same day, subject to the Cut-off rules, we will only act upon the instruction that is received first on that day. The second instruction will be acted upon on the next valuation day after the completion of the first transaction and so on till all received instructions have been acted upon.

10. Choosing your investment linked Funds

(i) Initially your Premium will be used to allocate units in the Funds chosen by you in the Application Form.

(ii) At any time you can ask for some or all of your future Premiums to be allocated to units in different Funds that are available to this product. Premiums will only be applied as per the revised instructions if we accept those instructions before the Cut-off time for that Premium. We will only act on those instructions to change the Fund choice for future Premiums when we have all necessary information to allow the change of Fund choice to be processed and we are satisfied that the information received is correct. An Additional Servicing Charge may apply. This charge as specified in the Schedule of Charges will be taken by cancellation of units. This charge will be determined by us at our sole discretion from time to time with prior approval from the Insurance Regulatory and Development Authority, subject to the maximum as stated in the Schedule of Charges.

(iii) If written instructions have not been received as to which Fund a Premium should be invested in then the Premium will not be invested until such time as the instructions are received. The Premium will then be allocated using the Unit price applicable after the next Cut-off time.

11. How we allocate and cancel units

(i) How we allocate units to your Policy

- Units will be allocated to the Funds specified in accordance with Clause10 (Choosing your investment linked Funds)
- The amount used to allocate units will be rounded to the nearest paise.
- The number of units allocated in each Fund and account is rounded to the nearest 1/100000th of a Unit.
- We will retain any money left over after rounding.

(i) How we cancel units from your Policy

- Where units are cancelled in line with Clause 12 (Fund Switches) we will cancel all units in each Fund held under the Policy on the date of Fund Switch.
- Where units are cancelled to make cash payment from the Policy in line with Clause 13 (Policy Withdrawals), we will cancel units in each Fund held under the Policy, in proportion to the value of the units of those funds, on the date of Partial Withdrawal.
- Where units are cancelled to make cash payment from the Policy in line with Clause 3 (Benefits), all units in the Policy will be cancelled on the date of the benefit payment. .
- Where units are cancelled to collect a charge from the Policy in line with Clause 14 (Charges) we will cancel units in each Fund, held under the Policy in proportion to the value of the units of those Funds, on the date of deduction of the charge.
- Where units are cancelled due to the cancellation or termination of the Policy, for whatever reason, all units in the Policy will be cancelled on the date of cancellation or termination of the Policy.

- Where units are cancelled due to the Discontinuance of the Policy, all units in the Policy will be cancelled on the date of Discontinuance of the Policy.
- The number of units cancelled from each Fund, and account, will be rounded up to the nearest 1/100000th of a Unit.
- We will retain any money left over after rounding.

12. Fund Switches

(i) You can ask us to switch the Funds in which your units are held. To do this, we will first cancel all of your existing units. We will then use the proceeds from the cancelled units, less the charge described in Clause 14(Charges), to buy units in your chosen Fund or Funds.

(ii) You may choose any investment linked Fund which is available to this product and which we have not withdrawn or closed.

(iii) We will cancel units in accordance with Clause 11 (How we allocate and cancel units). We will allocate units in accordance with Clause 11.

(iv) We may levy an Additional Servicing Charge specified in the Schedule of Charges, for any Fund switch request. This charge can be changed and will be determined by us at our sole discretion from time to time with prior approval from the Insurance Regulatory and Development Authority, subject to the maximum as stated in the Schedule of Charges.

(v) Additional Servicing Charges will be waived off for switches within one year from the date the Primary Life Assured gives birth to a child.

(vi) We may delay switching Funds if it is necessary to do so in order to maintain fairness and equity between Unit holders remaining in, and Unit holders leaving a Fund. Where this applies, we may delay switching all or part of your Funds for up to 30 days. If we delay the switch, we will use the Unit prices that apply on the day on which the switch actually takes place.

We may delay switches in the following circumstances:

- When one or more stock exchanges which provide a basis for valuation for a substantial portion of the assets of the Fund are closed other than for ordinary holidays.
- When, as a result of political, economic, monetary or any circumstances out of our control, the disposal or valuation of the assets of the Unit Fund are not reasonable or would not reasonably be practicable without being detrimental to the interests of the remaining unit holders.
- During periods of extreme volatility of markets during which surrenders and switches would, in our opinion, be detrimental to the interests of the existing unit holders of the fund.
- In the case of natural calamities, strikes, war, civil unrest, riots and bandhs.
- In the event of any force majeure or disaster that affects our normal functioning.
- If so directed by the IRDA.

13. Policy Withdrawals

(i) You have the option of making Partial Withdrawals at any time after the first 5 years, subject to the following conditions:

- The Primary Life Assured has to be at least 18 years of age.
- The Partial Withdrawal amount is not less than the minimum amount specified in the Policy Schedule.
- The Unit Fund Value after the Partial Withdrawal, the Additional Servicing Charge and any applicable Service Tax & Education Cess is not less than 150% of the original Annual Premium.
- The maximum Partial Withdrawal that can be done throughout the Policy term is 300% of the original annualised premium.

The Minimum Partial Withdrawal Amount can be changed and will be determined by us at our sole discretion from time to time. The Fund Value to be maintained after a Partial Withdrawal can be changed and will be determined by us at our sole discretion from time to time. The Additional Servicing Charge can be changed and will be determined by us at our sole discretion from time to time, subject to the maximum as stated in the Schedule of Charges. Any changes to the above will apply only with prior approval from the Insurance Regulatory and Development Authority.

When we determine the eligibility of a Partial Withdrawal or determine the maximum Partial Withdrawal Amount, we will use the latest known Unit Price. For actually processing the Partial Withdrawal, the next day's Unit Price as specified in Clause 9 (xi) is used to cancel units from the Policy. As this price is not known at the time of the estimate of Partial Withdrawal eligibility or the Partial Withdrawal request, a small margin over and above the minimum fund value is kept to ensure that the Unit Fund Value requirement after the partial withdrawal is not violated. Currently this margin is 5% of your Fund Value on the date of the Partial Withdrawal request or calculation. We may change this margin at any time without prior notification or approval from you.

(ii) Following a Partial Withdrawal, the Policy continues to be In-force and all benefits and conditions remain unaltered.

(iii) Where Partial Withdrawals are made, we will cancel units in accordance with Clause 11 (How we allocate and cancel units).

(iv) We will deduct any tax and/or levies from payments if we are required to do so by the relevant authorities.

(v) We may levy an Additional Servicing Charge specified in the Schedule of Charges, for any partial withdrawal request. This charge can be changed and will be determined by us at our sole discretion from time to time with prior approval from the Insurance Regulatory and Development Authority, subject to the maximum as stated in the Schedule of Charges.

(vi) Additional Servicing Charges will be waived off for up to 12 partial withdrawals, within one year from the date the Primary Life Assured gives birth to a child.

(vii) All payments from the Policy will be made to you or to any other person entitled to receive them.

(viii) We may delay making a payment from the Funds if it is necessary to do so in order to maintain fairness and equity between Unit holders remaining in, and Unit holders leaving a Fund. Where this applies, we may delay encashing all or part of your Funds for up to 30 days. If we delay the encashment, we will use the Unit prices that apply on the day on which the encashment actually takes place.

We may delay encashments in the following circumstances:

- When one or more stock exchanges which provide a basis for valuation for a substantial portion of the assets of the fund are closed other than for ordinary holidays.
- When, as a result of political, economic, monetary or any circumstances out of our control, the disposal or valuation of the assets of the unit fund are not reasonable or would not reasonably be practicable without being detrimental to the interests of the remaining unit holders.
- During periods of extreme volatility of markets during which surrenders and switches would, in our opinion, be detrimental to the interests of the existing unit holders of the fund.
- In the case of natural calamities, strikes, war, civil unrest, riots and bandhs.
- In the event of any force majeure or disaster that affects our normal functioning.
- If so directed by the IRDA.

14. Charges

(i) We shall levy a charge using the Premium Allocation Charge specified in the Schedule of Charges and described in Clause 4(v).

(ii) We shall levy the Policy Administration Charge as specified in the Schedule of Charges. This charge percentage will then be multiplied by the original annualised premium and rounded to the paisa. This charge will be deducted from your Policy by a cancellation of units in accordance with Clause 11 (How we allocate and cancel units). The charge will be taken following allocation of the first Premium into units, and then on a monthly basis.

(iii) We shall levy the Fund Management Charge as specified in the Schedule of Charges and described in Clause 8 (Management Charges on Investment Linked Funds). This Charge will be determined by us at our sole discretion from time to time, subject to the maximum as stated in the Schedule of Charges.

(iv) We shall levy the Mortality Charges as specified in the Schedule of Charges in order to provide the chosen level of Risk Benefits as specified in the Policy Schedule. If at any time during the Policy term, the value of units in the Fund is insufficient to take the full mortality charge, then all risk cover will cease immediately. This charge will be deducted from your Policy by a cancellation of units in accordance with Clause 11. The charge will be taken following allocation of the first Premium into units, and then on a monthly basis. This charge will be calculated using actuarial rates for the chosen level of risk.

This charge is levied on the Sum at Risk. The Sum at Risk for the Death benefit is Sum Assured less Partial Withdrawals less Fund Value, subject to a minimum of zero. The Partial Withdrawal considered will be those made during the two year period immediately preceding the effective date of the charge if the Primary Life Assured is less than 60 years of age on the effective date of the charge or all Partial Withdrawals made after attainment of age 58 years, if the Primary Life Assured is 60 years of age or more on the effective date of the charge.

This Sum at Risk is multiplied by the Mortality Charge rate based on the age of the Primary Life Assured on the date of deduction of the charge. This annual charge is then converted into the monthly charge by multiplying it by 0.0833.

The total Risk Benefit Charge levied on your Policy will be the sum of the Mortality Charge and each of the Morbidity Charge(s) on the applicable Group Event(s) as per the Benefit Option chosen by you.

(v) We shall levy Morbidity Charges as specified in the Schedule of Charges in order to provide the chosen level of Risk Benefits as specified in the Policy Schedule. This charge will be deducted from your Policy by a cancellation of units in accordance with Clause 11. The charge will be taken following allocation of the first Premium into units, and then on a monthly basis. This charge will be calculated using actuarial rates for the chosen level of risk.

This charge is levied on the Sum at Risk. This Sum at Risk is multiplied by the Morbidity Charge rate based on the age of the Life Assured on the date of deduction of the charge. This annual charge is then converted into the monthly charge by multiplying it by 0.0833. The Sum at Risk for the morbidity benefits is as follows:

Benefit Option	**Sum at Risk for the purpose of calculating Risk Charges**		
	Group 1	**Group 2**	**Group 3**
Elite	2 x Present Value of Waived Premiums	2 x Present Value of Waived Premiums	Present Value of Waived Premiums

The present values are calculated using an interest rate of 6% and premiums for the next three years from claim commencement are considered.

(vi) We may levy the Additional Servicing Charge, as specified in the Schedule of Charges, for any of the services listed below and applicable to this Policy. The Additional Servicing Charge will be deducted from your Policy by a cancellation of units in accordance with Clause 11. This Charge can be changed and will be determined by us at our sole discretion from time to time, subject to the maximum as stated in the Schedule of Charges.

The following lists the services on which Additional Servicing Charge is applicable. This is a generic list across all our product range, and hence some of the services may not be available or applicable to your Policy. The applicability of below services for your Policy is stated in other relevant sections of this Policy document and in case of any doubt, please contact us.

- Fund Switch
- Partial Withdrawal
- Premium Redirection
- Revival
- Premium payment via outstation cheques.
- Change in Date of Birth
- Issue of Duplicate Policy Document on request from client
- Change of Nominee /beneficiary / Appointee
- Request for Ad-hoc Unit statement
- Cheque bounce/cancellation of Cheque
- Cancellation / Failure/ Fresh request of ECS / SI mandate on behalf of the client
- Dispatch of Returned Policy Document - due to client giving incorrect /outdated address.
- Change in contact details

- Change in the name of Life Assured (Please note: a change in Life Assured is not allowed)
- Change of Policyholder's name
- Change of Assignee
- Change of name of nominee /beneficiary / Appointee
- Request for additional Annual Unit Statement
- Request for additional Renewal premium reminder notice (more than one reminders)
- Request for additional annual premium receipt
- Changing the instalment amount during the settlement period
- Retrieving / cancelling cheque issued by us to the client due to client request / error
- Client preference to have fund transfer instead of cheques on claims
- Change in bank details
- Invalid / Fraudulent claims submitted by the policyholder
- Change of servicing agent on client's request

(vii) We shall levy the Discontinuance Charge as specified in the Schedule of Charges, on Discontinuance in accordance with Clause 5(i); and on Surrender in accordance with Clause 5(ii). This charge will be deducted from your Policy by a cancellation of units in accordance with Clause 11.

(viii) We shall levy the Service Tax and Education Cess where applicable as specified in the Schedule of Charges based on each of the applicable charges deducted in accordance with Clause 14 (i) to (vii). The determination of whether this tax applies on a particular charge is determined based on the prevailing legislation at the time of deduction of the charge. This tax, for all applicable charges other than the Fund Management Charge - will be deducted from your Policy by a cancellation of units in accordance with Clause 11. The tax levied on the Fund Management Charge will be incorporated into the Unit Prices for each Fund. The tax will be taken at the same time and the same method as the charge on which the tax is being levied. This Tax will be determined by the Government in accordance with legislation applicable at the time of providing service.

(ix) Any additional statutory levy or charges, including any tax, may be charged to you either now or in future by the Company.

(x) Any changes to the above mentioned charges will apply only with prior approval from the Insurance Regulatory and Development Authority.

15. Special Rules for Large Transactions

(i) In order to maintain equity and fairness with all Unit holders, for very large transactions above a threshold level, we may, notwithstanding any other provision, choose to apply the following sections, for all such transactions that involve purchase or sale of underlying assets. The threshold level will vary from time to time, depending on, amongst other matters, the liquidity of the stock markets. Details of our current thresholds are available on request.

(ii) The number of units allocated may reflect the expenditure incurred in the actual market transactions which occurred. Transactions may occur over a number of days.

(iii) The value of units obtained from encashment may be the actual value obtained as a consequence of the actual market transactions, which occurred. Transactions may occur over a number of days.

16. Loans

There is no facility of loan available from us against this Policy.

17. Exclusions

(i) **We shall not be liable to pay any Death Benefit indicated in your Policy Schedule if the death of the Primary Life Assured is caused directly or indirectly by suicide within one year of the date of commencement or the date of issue or the date of Revival of the Policy, whichever is later. However in such circumstances, the Unit Fund Value at the date of intimation of death will be paid.**

(ii) In respect of the morbidity claims, there are certain general exclusions and in addition certain exclusions specific to each of the Event Groups. These are set out in more detail below.

A. **General List of Exclusions**

No benefit shall be payable in respect of any claims arising directly or indirectly as a result of any of the following:

- The Primary Life Assured's attempted suicide or self-inflicted injuries while sane or insane; or
- Acquired Immune Deficiency Syndrome (AIDS), AIDS-related complex or infection by Human Immunodeficiency Virus (HIV); or
- Any congenital or inherited disorder or developmental conditions of the Primary Life Assured; or
- Narcotics used by the Primary Life Assured unless taken as prescribed by a Registered Doctor, or the Primary Life Assured's abuse of drugs and/or consumption of alcohol; or
- Any illness resulting from a physical or mental condition which existed before the effective date of this Plan, or in case of reinstatement, from the effective date of such reinstatement (whichever is later) and which was not disclosed in the proposal form; or
- Any event giving rise to a claim (including death) on an insured child caused directly or indirectly by the intentional act of the policy owner or person who will otherwise by entitled to the benefit payable; or
- Failure to seek or follow medical advice; or
- War, invasion, act of foreign enemy, hostilities (whether war be declared or not), armed or unarmed truce, civil war, mutiny, rebellion, revolution, insurrection, military or usurped power, riot or civil commotion, strikes; or
- Taking part in any naval, military or air force operation during peace time; or
- Participation by the insured person in any flying activity, except as a bona fide, fare-paying passenger of a recognized airline on regular routes and on a scheduled timetable.
- Participation by the insured person in a criminal or unlawful act with a criminal or unlawful intent; or
- Engaging in or taking part in professional sport(s) or any hazardous pursuits, including but not limited to, diving or riding or any kind of race; underwater

activities involving the use of breathing apparatus or not; martial arts; hunting; mountaineering; parachuting; bungee-jumping; or

- Nuclear contamination; the radioactive, explosive or hazardous nature of nuclear fuel materials or property contaminated by nuclear fuel materials or accident arising from such nature.

B. **Specific List of Exclusions**

Group 1: birth of a child with congenital disorders or pregnancy complications coverage

➢ Exclusions under birth of a child with congenital disorders

- Benefit will not be payable for children born before the policy is taken or within 1 year of policy commencement or revival, whichever is later.
- Birth of child with congenital disorder or complication arising when Primary Life Assured is a carrier of surrogacy pregnancy is not covered.
- Age of the Primary Life Assured at the time of delivery of the child should not be more than 40 years to avail the benefits.
- Benefit will not be applicable on adoption of child or child born from a surrogate mother (i.e. birth of child born with disorder when life assured is not carrier of child)
- The claim is payable only if:
  - The congenital illness is diagnosed within 2 years from the date of delivery of the child; and

  - The child survives at least 30 days from the date of delivery with congenital illness.

- The benefit is not payable if claim arising due to elective termination of pregnancy other than for medical reasons or due to abortion.

➢ Exclusions under pregnancy complications coverage

- Benefit will not be payable within 1 year of policy commencement or revival, whichever is later.
- Any disseminated intravascular coagulation arising during the first 7 months of pregnancy will not be covered.
- Age of the Primary Life Assured should not be more than 40 years to avail this benefit.
- Any complication arising from surrogacy or fertility treatment including in-vitro fertilizations will not be covered.

Group 2: malignant cancer of the female organs

The following cancers are excluded:

- Carcinoma-in-situ or tumours histologically described as pre-malignant or non-invasive including but not limited to carcinoma-in-situ of the breasts, Cervical Dysplasia: CIN-1, CIN-2 and CIN-3; vaginal intra-epithelial neoplasia (VAIN) and Vulvar intra-epithelial neoplasia (VIN) will not be covered.
- All tumours and cancers in the presence of HIV infection or conditions due to any Acquired Immune Deficiency Syndrome (AIDS) or all tumours that have

metastasized from organs other than the breast, fallopian tube, cervix, ovarian, uterus, vagina and vulva will not be covered.

The cancer benefit will not be payable if,

- The Primary Life Assured has survived less than 30 days from the date of diagnosis; or
- The cancer existed or was diagnosed before the effective date of this plan. Date of occurrence of cancer will be reckoned for the above purpose and for the purpose of evaluating waiting / survival period as the date of diagnosis of the illness/ condition. It will be the date on which the medical examiner first examines the life assured and certifies the diagnosis of any of the illness/ conditions; or
- The conditions is related to a Pre-Existing Condition unless such Pre-Existing Condition is stated in the proposal form and specifically accepted by the Company and endorsed thereon.
- The Primary Life Assured is diagnosed by a Registered Doctor with the Cancer, or the Life Assured has showed signs or symptoms of any condition(s) within 180 days from the effective date of this Plan.

Group 3: Death of the Secondary Life Assured

- We shall not be liable to pay any benefit if the death of the Secondary Life Assured is caused directly or indirectly by suicide within one year of the date of commencement or the date of issue or the date of Revival of the Policy, whichever is later.

18. Incorrect information and non-disclosure

(i) **Your Policy is based on the application and declaration which you have made to us and other information provided by you/on your behalf. However, if any of the information provided is incomplete or incorrect, notwithstanding any other Provisions under the Policy, we reserve the right to vary the benefits, which may be payable and, further, if there has been non-disclosure of a material fact, then we may treat your Policy as void from commencement and we will not be under contractual or any other obligation to honour such a contract. In such cases we may decide to pay nothing or pay the surrender value or only refund a proportion of the premiums paid.** The amount payable will be determined at our sole discretion. In all such cases, the Policy will terminate immediately and no further benefits will be payable.

(ii) For your benefit, Section 45 of the Insurance Act, 1938 is reproduced below:

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

Provided that nothing in this section shall prevent the insurer from calling for proof of age at any time if he 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 life insured was incorrectly stated in the proposal.

19. Modification, Amendment, Re-enactment of or to the Insurance laws and rules, regulations, guidelines, clarifications, circulars etc thereunder

This Policy is subject to the Insurance Act 1938, as amended by the Insurance Regulatory and Development Authority Act, 1999, and amendments, modifications (including re-enactment) as may be made from time to time and such other relevant regulations, rules, laws, guidelines, circulars, and enactments etc as may be introduced thereunder from time to time.

We are required to obtain prior approval from the Insurance Regulatory and Development Authority or any successor body before making any material changes to these Provisions, except for changes of regulatory / statutory nature.

20. Assignments and Nominations

Any notice of assignment or change in nomination must be notified in writing to us at our Correspondence Address noted in your Policy Schedule.