

GENERAL

In this contract, “you” or “your” will refer to the owner of this policy and “we”, “us”, “our”, “insurer” or “the company” will refer to Birla Sun Life Insurance Company Limited, or any of its successors.

Free-Look Period

You will have the right to return your policy to us within 15 days (30 days in case the policy issued under the provisions of IRDA Guidelines on Distance Marketing ⁽¹⁾ of Insurance products) from the date of receipt of the policy. We will refund the premium paid once we receive your written notice of cancellation (along with reasons thereof) together with the original policy documents. We will deduct proportionate risk premium for the period of cover and expenses incurred by us on medical examination and stamp duty charges while issuing your policy in accordance to IRDA (Protection of Policyholders Interest) Regulations, 2002.

⁽¹⁾ Distance Marketing includes every activity of solicitation (including lead generation) and sale of insurance products through voice mode, SMS electronic mode, physical mode (like postal mail) or any other means of communication other than in person.

Please read this policy document carefully.

DEFINITIONS

“*policy issue date*” is the date this policy is issued and your rights, benefits and risk cover begin, as shown in Your Policy Details.

“*policy year*” and “*policy month*” are measured from the policy issue date and are periods of twelve calendar months and one calendar month, respectively.

“*IRDA*” – means the Insurance Regulatory and Development Authority.

“*Accidental Death*” is a sudden, unforeseen and involuntary event caused by external, visible and violent means.

Additional definitions are given in this policy document.

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PREMIUM PROVISIONS

Policy Premium

Your Policy Details shows the annual premium, the premium paying mode, modal rebate, the installment premium and its due dates. Subject to the Premium Discontinuance provision, we must receive policy premiums when due in order for this contract to be valid and remain in effect.

Premium Discontinuance

If you are unable to pay the installment premium by the due date, you will be given a grace period of 30 days (15 days for monthly mode) during which time all benefits under the policy will continue.

(a) **Until 3 full years' installment premiums are paid:**

If we do not receive the entire installment premium by the end of the grace period, this policy will be deemed lapsed and all benefits will cease immediately. The lapse date is the date the first unpaid premium was due. You will be given a period of two years from the lapse date to reinstate your policy.

(b) **Once 3 full years' installment premiums have been paid:**

If we do not receive the entire installment premiums by the end of grace period, this policy will be deemed paid-up and benefits will continue as per the Policy Paid-Up provision. The paid-up date is the date the first unpaid premium was due. You will be given a period of two years from the paid-up date to reinstate the policy for its full benefits.

To reinstate the policy, you must pay all unpaid installment premiums due till date plus interest thereon. We will charge the interest for policy reinstatement at a rate declared by us determined as $(x+2\%)/12$ rounded to the nearest 0.5%, where x is the base rate of the State Bank of India. The revival will be effected on receipt of the evidence of insurability satisfactory to us with respect to the life insured. We may call for additional information /documents to process the revival request. We reserve the right not to revive the policy on original terms based on the underwriting decision. The effective date of reinstatement is when these requirements are met and approved by us, at our sole discretion

POLICY BENEFIT PROVISIONS

The below mentioned benefits are payable if your policy is still in effect at the time the benefit is payable and for its full value (not paid-up). The benefits in this section will be altered if and when your policy is made paid-up as per the Policy Paid-Up provision.

Bonuses

This policy will participate in the surplus emerging from the participating business in the form of a bonus. The regular bonus will be allocated annually as per the bonus distribution policy of the company as simple reversionary bonus on the basis of the actuarial valuation of assets and liabilities at the end of the financial year. The regular bonus will be added to the policy on the relevant policy anniversary or on date of death or surrender and shall accrue till the end of policy term.

Additionally based on the experience under participating business terminal bonus may also be payable on policy surrender, maturity or death of the life insured.

Accrued bonuses cannot be withdrawn or encashed but bonuses once attached to the policy are guaranteed to be payable on death and maturity, as may be applicable. In case of surrender, the surrender value of the attached bonuses will be payable.

Guaranteed Additions

During the first five years Guaranteed Additions of 40 per thousand Sum Assured will be added to your policy at the end of each policy year, provided all due premiums have been paid.

Death Benefit

Your Policy Details shows the Sum Assured, Guaranteed Additions and the Accidental Death Benefit applicable to your policy.

In event the life insured dies while the policy is still in effect, we shall pay the following death benefit⁽²⁾ to the nominee -

- (a) Guaranteed Death Benefit; plus
- (b) Accrued Guaranteed Additions; plus
- (c) Accrued regular bonuses as on date of death; plus
- (d) Terminal bonus, if any

In the event; life insured dies due to an accident; we shall pay an additional sum assured to the nominee as accidental death benefit.

Guaranteed Death Benefit shall always be higher of Sum Assured or 10 times of annual premium payable during the premium paying term.

⁽²⁾Subject to minimum of 105% of total premiums paid to date (excluding Service Tax & Cess, any applicable rider premiums and underwriting extras, if any).

Maturity Benefit

On the policy maturity date we shall pay you

- (a) Sum Assured; plus
- (b) Accrued Guaranteed Additions; plus
- (c) Accrued regular bonuses till date; plus
- (d) Terminal bonus, if any

Auto Cover Continuation

In case premiums for three policy years have been paid in full and any subsequent installment premium is not paid, the risk cover for full death benefit shall continue for a period of two successive years (auto cover continuation period) from the due date of first unpaid premium even though the policy is in Reduced Paid-Up status. During the auto cover continuation period, the accrued Guaranteed Additions and regular bonuses accrued till due date of the first unpaid premium shall remain attached to the policy but no further regular bonus or Guaranteed Additions shall accrue to the policy.

The benefit of additional sum assured payable on accidental death of the life insured will cease on due date of first unpaid premium.

Surrender Benefit

At any time while your policy is in effect and after all due installment premiums for at least three policy years have been paid you can request to surrender this policy for its Surrender Benefit.

The Guaranteed Surrender Value is the sum of the percentage of premiums paid and surrender value of accrued guaranteed additions and accrued regular bonuses as shown under Schedule A will vary based on the policy term, premium paying term and the year you surrender the policy.

Your policy also acquires a Special Surrender Value. To know the Special Surrender Value for your policy you can get in touch with your advisor, or the nearest Branch Office or our Customer Service Team.

Your surrender benefit is the higher of:

- (a) Guaranteed Surrender Value, or
- (b) Special Surrender Value.

POLICY PROVISIONS

Policy Paid-Up

Your policy will automatically be deemed paid-up if we do not receive your installment premium within a grace period as explained in para (b) under the Premium Discontinuance section. Under the paid-up status, your policy will continue with the following modifications subject to eligibility for full death benefit as per Auto Cover Continuation:

- (a) Sum Assured as shown in Your Policy Details and accrued Guaranteed Additions both shall be reduced in proportion to the installment premiums actually paid to the total installment premiums payable during policy term.
- (b) Accidental Death Benefit, as shown in Your Policy Details shall cease
- (c) Accrued regular bonuses till due date of first unpaid premium shall not be reduced and remain attached to the policy. Any regular bonus payable in the year of premium discontinuance shall be reduced proportionately to the unpaid premiums payable in the policy year
- (d) There shall be no further accrual of Guaranteed Additions or regular bonuses.

Policy Loan

You are eligible to take a loan against your policy at any time after your policy acquires a surrender value. The minimum policy loan is Rs. 5,000 and the maximum is 85% of the then Surrender Benefit less any outstanding policy loan balance as of date.

Your outstanding policy loan balance on any date shall equal all policy loans made to date, including accrued and unpaid interest thereon, less any policy loan repayments you have made to date.

We will charge the interest on the outstanding policy loan balance at a rate declared by us on June 1st of each calendar year determined as $(x+2\%)$, where x is the base rate of the State Bank of India. The interest charged by us on any outstanding policy loan balance accrues on a daily basis. We shall be issuing the loan re-payment schedule at the time you opt for the loan against your policy. You are free to repay all or part of your outstanding policy loan balance at any time, subject to our then current administration guidelines.

If your policy is in reduced paid up status and your outstanding policy loan balance equals or exceeds the Surrender Benefit then on that date, all benefits under your policy will cease immediately and policy will terminate.

Any benefit payable under this policy will first be reduced by any outstanding policy loan balance at that time and only the residual value will be paid to you or your nominee as the case may be.

Termination of Policy

Your policy will terminate at the earliest of:

- (a) the date of settlement of the death benefit; or
- (b) the date of payment of the surrender value, if any; or
- (c) the policy maturity date; or
- (d) the date on which the reinstatement period ends after your policy has lapsed as per Premium Discontinuance provision (a); or
- (e) the date when outstanding loan value exceeds the surrender benefit for reduced paid up policy.

GENERAL PROVISIONS

Contract

Your contract includes this policy document, the application for the policy and any amendments agreed upon in writing after the policy is issued. The contract also includes declarations given by the

policy owner, any medical report form and written statements and answers furnished as evidence of insurability. We are bound only by statements that are part of the contract. Only our authorized officers can agree to any change in the contract and then only in writing.

Currency and Place of Payment

All payments to or by us will be in accordance with the prevailing Exchange Control regulations and other relevant laws and regulations of India.

Indian Rupee (Rs.) is the currency of this policy. We will make or accept payments relating to this policy at any of our offices in India or such other locations as determined by us from time to time.

Assignment

You (assignor) may assign this policy to any party (assignee) by filing a written notice along with the original policy contract, in the presence of a witness, at any of our servicing offices. The assignment would either be endorsed on the original policy contract or documented by a separate instrument and in either case signed by the assignor, stating specifically the fact of assignment. We will not express any opinion on the validity or legality of the assignment. Only the entire policy can be assigned. Any assignment shall automatically cancel a nomination except an assignment in our favor.

Assignment made under this provision is as per Section 38 of the Insurance Act, 1938.

Nomination

Where the policy owner is also the life insured, you may at any time before the policy matures for payment, nominate a person or persons to receive the benefit payable under the Death Benefit provision. You may also appoint any person, who is a major to receive the death proceeds on behalf of the nominee during the nominee's minority. We will not recognize a nomination or change in nomination until we receive your notice in writing in the prescribed format at our Servicing Office. We will not express any opinion on the validity or legality of the nomination.

If there is no nominee or nominee is not alive at the time of death of the life insured then the legal heir/s of the deceased member as per the court directions shall be the beneficiaries

Nomination made under this provision is as per Section 39 of the Insurance Act, 1938.

Claim Procedures

This policy document is required to settle a claim under the Death Benefit, Surrender Benefit and Maturity Benefit provisions. In case of a claim under the Death Benefit provision, the Death Certificate of the life insured and the claimant's statement are also necessary. In case of any fraud or misrepresentation, the policy shall be cancelled immediately by paying the surrender value, if any, in accordance with Section 45 of the Insurance Act, 1938.

You shall also provide us with any other information/ document as may be required by us and within the time specified by us.

Taxation

The income tax benefits on your policy will be as per prevailing Income Tax laws in India and any amendment(s) made thereto from time to time. As per the applicable laws and any amendments made thereto from time to time, we reserve the right to:

- deduct or withhold tax as the case may be; and
- recover levies, taxes, cesses and duties including but not limited to service tax from you or adjust the same from the amounts paid by you or accrued or payable to you under the policy.

Misstatement of Age

If the date of birth of the life insured has been misstated, any amount payable shall be increased or decreased to the amount that would have been provided, as determined by us, given the correct age.

If at the correct age, the life insured was not insurable under this policy according to our requirements, we reserve the right to pay the surrender value and terminate the policy.

Suicide

If the life insured under this policy dies by committing suicide, whether medically sane or insane, within one year from the policy issue date or reinstatement date, we shall pay to the nominee the premiums paid to date or surrender value if higher.

Accidental Death Benefit Exclusion

The Life Insured will not be entitled to the Accidental Death Benefit for any accidental death directly or indirectly due to or caused, occasioned, accelerated or aggravated by any of the following:

- Service in the armed forces in time of declared or undeclared war or while under orders for warlike operations or restoration of public order
- Self-destruction or any attempted self-destruction or self-inflicted injury while sane or insane
- Accident occurring while or because the Life Insured is under the influence of alcohol or any non prescribed drug; unless taken in accordance with the lawful directions and prescription of a registered medical practitioner
- Entering, exiting, operating, servicing, or being transported by any aerial device or conveyance except when the Life Insured is on a commercial passenger airline on a regular scheduled passenger trip over its established passenger route
- Arising or resulting from the Life Insured committing any breach of law with criminal intent
- War, terrorism, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, martial law, rebellion, revolution, insurrection, military or usurper power, riot or civil commotion. War means any war whether declared or not
- Taking or absorbing, accidentally or otherwise, any intoxicating liquor, drug, narcotic, medicine, sedative or poison, except as prescribed by a licensed doctor other than Life Insured

Grievance or Complaint

You may register your grievance or complaint with our **Head Customer Response & Resolution** at Customer Care Unit / Birla Sun Life Insurance Company Ltd. / One Indiabulls Centre, Tower 1, 16th Floor, Jupiter Mill Compound, 841, Senapati Bapat Marg, Elphinstone Road, Mumbai – 400013. You may also call our toll free no. 1-800-270-7000 or email: customerservice@birlasunlife.com.

In case you are dissatisfied with the decision of the above office or have not received any response within 10 days, you may contact **Head Service Assurance** at Customer Care Unit / Birla Sun Life Insurance Company Ltd. / One Indiabulls Centre, Tower 1, 16th Floor, Jupiter Mill Compound, 841, Senapati Bapat Marg, Elphinstone Road, Mumbai – 400013. You may also call our toll free no. 1-800-270-7000 or email: grievances@birlasunlife.com.

The complaint should be made in writing duly signed or through email by the complainant or by his/her legal heirs with full details of the complaint and the contact information of complainant.

Risk Factors / Disclaimers

- 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
- Any injury incurred before the effective date of the cover
- 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
- Death or disability as a result of any disease or infection

Validity and Non-Disclosure

This policy is issued in utmost good faith based on the declarations and statements made by you and we cannot be held responsible in any manner for any action taken by us based on these declarations and statements. You and the life insured under this policy have an obligation to disclose every fact material to our assessment of the risk of issuing this policy. In case of any fraud or misrepresentation, the policy shall be cancelled immediately by paying the surrender value, if any, in accordance with Section 45 of the Insurance Act, 1938.

Section 45 of the Insurance Act, 1938

As per Section 45, no policy of life insurance effected after the coming into force of this act shall, after the expiry of two years from the date on which it was effected be called in question by an insurer on the ground that statement made in the proposal or in any report of a medical officer, or referee, or friend of the life insured, or in any other document leading to the issue of the policy, was inaccurate or false, unless the insurer shows that such statement was on a material matter or suppressed facts which it was material to disclose and that it was fraudulently made by the policyholder and that the policyholder knew at the time of making it that the statement was false or that it suppressed facts which it was material to disclose.

Provided that nothing in this section shall prevent the insurer from calling for proof of age at any time if s/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 application.

Insurance Ombudsman

In case you are dissatisfied with the decision/resolution of the company, you may approach the Insurance Ombudsman located nearest to you (please refer to Appendix I or visit our website www.birlasunlife.com) if your grievance pertains to:

- insurance claim that has been rejected or dispute of a claim on legal construction of the policy;
- delay in claim settlement;
- dispute with regard to premium; or
- non-receipt of your policy document.

As per provision 13(3) of the Redressal of Public Grievances Rules 1998, the complaint to the Ombudsman can be made:

- only if the grievance has been rejected by the grievance redressal machinery of the insurer;
- within a period of one year from the date of rejection by the insurer; and
- if it is not simultaneously under any litigation.

This policy is underwritten by Birla Sun Life Insurance Company Limited (BSLI) and is a traditional participating endowment plan. All terms & conditions are guaranteed throughout the policy term, except for the bonuses which will vary from policy year to policy year depending on prevailing economic conditions. BSLI reserves the right to recover levies such as the Service Tax levied by the authorities on insurance transactions. If there be any additional levies, they too will be recovered from you. Insurance is the subject matter of the solicitation.

NOTWITHSTANDING ANYTHING CONTAINED IN THIS POLICY DOCUMENT, THE PROVISIONS HEREIN SHALL STAND ALTERED, AMENDED, MODIFIED OR SUPERCEDED TO SUCH EXTENT AND IN SUCH MANNER AS MAY BE REQUIRED BY ANY CHANGE IN THE APPLICABLE LAW (INCLUDING BUT NOT LIMITED TO ANY REGULATIONS MADE OR DIRECTIONS / INSTRUCTIONS OR GUIDELINES ISSUED BY THE IRDA) OR ANY OTHER COMPETENT AUTHORITY OR AS MAY BE NECESSARY UNDER A JUDGEMENT OR ORDER /DIRECTION/ INSTRUCTION OF A COURT OF LAW.

Sample

Schedule A - Guaranteed Surrender Value equal to percentage of premiums paid plus surrender value of accrued regular bonuses and accrued guaranteed additions is as given below -

As a percentage of premiums paid*						
Policy Term	10		15		20	
Premium Paying Term\ Year of Surrender	10	10	15	10	15	20
1	-	-	-	-	-	-
2	-	-	-	-	-	-
3	30%	30%	30%	30%	30%	30%
4	50%	50%	50%	50%	50%	50%
5	50%	50%	50%	50%	50%	50%
6	50%	50%	50%	50%	50%	50%
7	50%	50%	50%	50%	50%	50%
8	65%	55%	54%	53%	53%	52%
9	80%	60%	57%	57%	55%	53%
10	80%	65%	61%	60%	58%	55%
11	-	70%	64%	63%	60%	57%
12	-	75%	68%	67%	63%	58%
13	-	80%	71%	70%	65%	60%
14	-	85%	75%	73%	68%	62%
15	-	85%	75%	77%	70%	63%
16	-	-	-	80%	73%	65%
17	-	-	-	83%	75%	67%
18	-	-	-	87%	78%	68%
19	-	-	-	90%	80%	70%
20	-	-	-	90%	80%	70%

*excluding any premiums paid towards underwriting extra or service tax

As a percentage of accrued regular bonuses and accrued guaranteed additions			
Policy Term	10	15	20
Premium Paying Term\ Year of Surrender	10	10, 15	10, 15, 20
1	-	-	-
2	-	-	-
3	11%	4%	2%
4	13%	5%	2%
5	16%	6%	3%
6	19%	8%	3%
7	23%	9%	4%
8	28%	11%	4%
9	33%	13%	5%
10	40%	16%	6%
11	-	19%	8%
12	-	23%	9%
13	-	28%	11%
14	-	33%	13%
15	-	40%	16%
16	-	-	19%
17	-	-	23%
18	-	-	28%
19	-	-	33%
20	-	-	40%