

Shriram Fortune Builder Insurance Plan (UIN: 128L038V02)

POLICY CONDITIONS AND PRIVILEGES

1. **Life Assured:** is the person upon whose life the risk is being covered.
2. **Life Proposed:** is the person who proposes the insurance policy whether on his life or another person's Life.
3. **Policyholder:** is the person who legally owns the policy.
4. **Nominee:** is the beneficiary who receives the benefit in case of Life Assured's demise.
5. **Unit Fund:** Account showing number of units in credit of Life Assured.
6. **Lock-in Period:** The period of five consecutive years from the date of commencement of policy, during which the proceeds of the discontinued policy cannot be paid by the Company as the case may be, except in the case of death or upon occurrence of any other contingency covered under the policy. Partial withdrawals are not allowed during the lock in period.
7. **Rider Benefit:** The amount of benefit which is payable on a specified event offered under the rider, and is allowed as add on to main benefit.
8. **Sum Assured:** Sum Assured is the guaranteed amount (including Top-up Sum Assured) that is payable on death of the Life Assured within the policy term.
9. **Sum At Risk** is the Sum Assured less the Unit Fund Value (including Top-ups) less Partial Withdrawals made during the last 2 years.
10. **Surrender:** Complete withdrawal / termination of the entire policy
11. **Unit pricing:** The NAV of the segregated fund shall be computed as
$$\frac{\text{Market value of investment held by the fund} + \text{value of current assets} - \text{Value of current liabilities and provisions}}{\text{No. of units existing on valuation date (before creation / redemption of units)}}$$
, if any divided by No. of units existing on valuation date (before creation / redemption of units)
12. **Unit Fund Value** is the total value of the units at that point of time in a segregated fund i.e. total number of units under a policy multiplied by the Net Asset Value (NAV) per unit of that fund.
13. **Discontinuance:** The state of the policy that could arise from on account of surrender of the policy.
14. **Discontinued Policy Fund:** The segregated fund of the Company that is set aside and is constituted by the fund value of all the discontinued policies.
15. **Definition of Charges:**
 - a. **Premium Allocation Charge** is the percentage of the premium appropriated towards allocation charges from the premium received. The balance amount known as allocation rate constitutes that part of premium which is utilized to purchase the units of the fund in the policy.
 - b. **Mortality Charges** is the cost of life insurance cover. It is exclusive of any expense loadings levied by cancellation of units at the beginning of each policy month from the fund.
 - c. **Fund Management Charges** are levied as a percentage of the Value of Assets and shall be appropriated by adjusting the Net Asset Value.
 - d. **Policy Administration Charge** is a fixed charge or percentage of premium levied at the beginning of each policy month from the policy fund by cancelling units for equivalent amount.
 - e. **Switching Charge** is a charge levied on switching of monies from one fund to another and collected from the unit fund by cancelling appropriate number of units at the prevailing unit price.
 - f. **Miscellaneous Charge** is a charge collected for an alteration within the contract and collected from the fund by cancelling appropriate number of units at the prevailing unit price.

BENEFITS PAYABLE UNDER THIS PLAN

16. Death Benefit In case of death of Life Assured

Higher of Sum Assured or the value of the units in Life Assureds' unit account till the time of death is payable to the nominee and the policy will terminate. If the policy is in discontinuous state, the discontinued policy fund value subject to a minimum guaranteed interest as prescribed by IRDA from time to time will be paid to the nominee or beneficiary

Sum Assured under Death Benefit is defined as the basic Sum Assured plus additional Sum Assured (if any) due to top-up premiums.

17. Maturity Benefit On survival of the Life Assured up to the end of the policy term, the Fund Value (including Top up fund value) will be payable.

18. FUND OPTIONS AND ITS INVESTMENT PORTFOLIO Policyholder has an option to choose any one of the below funds (except *) or a combination of the following funds in a fixed percentage:

Fund	Equity	Debt	Money Market	Objective and risk
Preserver ULIF01507/01/10PRSERVRFND128	0%	80%-100%	0% - 20%	Very low risk with steady returns
Defender ULIF01607/01/10DEFENDRFND128	0%-35%	45%-100%	0% - 20%	Low risk with good returns
Balancer ULIF01707/01/10BALANCRFND128	40%-60%	20%- 60%	0% - 20%	Moderate risk with potentially better returns
Maximus ULIF00301/07/06MAXIMUSFND128	0%-70%	30%-100%	0% - 20%	High risk with high returns
Accelerator ULIF00401/03/07ACCELATOR128	90%-100%	0%	0% - 10%	Very high risk with significantly high returns
Tyaseer ULIF01401/09/09TYASEERFND128	90%-100%	0%	0% - 10%	Very high risk with significantly higher returns from Investments in stocks and shares other than banks NBFCs, breweries, distilleries, alcohol based chemicals, Cigarettes, tobacco, entertainment, leather, sugar and hatcheries.
*Discontinued policy fund ULIP01801/11/11DISCONTFND128	0%	60% to 100% "1"	0% to 40%	As Mandated by IRDA with a minimum Guaranteed return as prescribed by IRDA from time to time

"1" Government securities only

Note: **Equity** refers to investment in listed equities. **Debt** instruments refer to investment in fixed income securities such as Government Bonds, Rated Corporate Bonds (AA and above) etc., **Money Market and Cash** include investment in instruments like Commercial paper, Certificate of Deposits, Short term Bank Deposits and Money market instruments

The exact method of allocation and investment of funds shall be decided by the Company from time to time, within the limits specified above.

19. CHARGES UNDER THE PLAN

(i) Premium Allocation Charge: 5% of the single premium at the inception.

(ii) Policy Administration Charge

First policy year to fifth policy year	1.25% p.a. on the single premium & Top up premiums paid
Sixth Year onwards	Nil

These charges are deducted monthly from the unit fund by cancelling appropriate number of units.

(iii) Fund Management Charges

An Investment management charge as detailed below will be charged by adjustment of the Net Asset Values of the units of the fund on a daily basis.

Name of the fund	FMC
Preserver, Defender	1.25%
Balancer, Maximus, Accelerator & Tyaseer	1.35%
Discontinued policy fund	0.50%

(iv) Surrender Charge: Nil

(v) Mortality Charge:

These charges will be deducted at the beginning of each month by cancelling appropriate number of units from the unit account. The mortality charges per 1000/- sum at risk are given in **Annexure 2**.

(vi) Discontinuance Charge: The discontinuance charges as specified below will be charged from the fund value on the date of discontinuance in case the policy is discontinued.

Year of discontinuance	Discontinuance charge if the Single premium is Rs 25000
In First Year	2% * Lower of (S.P. or F.V) subject to maximum of Rs. 3,000/-
In Second Year	1.5% * Lower of (S.P. or F.V) subject to maximum of Rs. 2,000/-
In Third Year	1% * Lower of (S.P. or F.V) subject to maximum of Rs. 1,500/-
In Fourth Year	0.5% * Lower of (S.P. or F.V) subject to maximum of Rs. 1,000/-
From fifth year onwards	Nil
Year of discontinuance	Discontinuance charge if the Single premium above Rs 25000
In First Year	1% * Lower of (S.P. or F.V) subject to maximum of Rs. 6,000/-
In Second Year	0.5% * Lower of (S.P. or F.V) subject to maximum of Rs. 5,000/-
In Third Year	0.25% * Lower of (S.P. or F.V) subject to maximum of Rs 4,000/-
In Fourth Year	0.1% * Lower of (S.P. or F.V) subject to maximum of Rs. 2,000/-
From fifth year onwards	Nil

S.P. – Single Premium, F.V. – Fund Value

There is no discontinuance charge on top up premiums.

(vii) Service Tax Charge:

The Service Tax as per Regulations in force from time to time will be levied on applicable charges.

(vii) Unit account statement: A statement of premiums collected and charges levied and units allocated will be issued at the end of each year for the information of the policyholder

20. NOMINATION AND ASSIGNMENTS

Nomination will be insisted upon at the time of proposal. However, for those small numbers of cases where nomination is not effected, vigorous follow up will be done to ensure that the life assured nominates under the policy.

Assignment is transferring the title and rights of policy absolutely or conditionally. The Company reserves the right to accept or reject the assignment of the policy to third parties.

Nomination, assignment or change of nomination can be done through the divisional office of the company where the policy is being serviced. Nomination or assignment will be effective only after it is recorded/registered with us.

In accepting the nomination/assignment or change of nomination/assignment we do not take any responsibility or express any opinion as to its validity or legality/legal effect.

OPTIONS UNDER THE PLAN

21. Settlement Options: On surviving up to the end of the policy term, Policyholder can opt to withdraw maturity benefit either wholly at any time or partly any number of units at any time in not more than 5 installments, within a period of five years from the date of maturity, at the prevailing Net Asset Value at the time of each installment. During this period fund management charge only will be levied. Since no cover is extended after the policy term, death benefit during this period is only fund value as on date of death.

Investment risk should be borne by the policyholder during the settlement period. Partial withdrawals and fund switching are not allowed during this period.

22. Auto Transfer Option (ATO): This option reduces the risk of investing the full premium into a fund with a volatile NAV, by allowing premiums to be invested in a low risk fund "Preserver" and gradually transferring the money into chosen investment portfolio.

Policyholder can choose 6 or 12 month Auto Transfer Option at free of charge to invest premium. If the policyholder opts 12 month Auto Transfer Option, 1/12th of allocated premium will be invested in the chosen fund and the balance will be invested in the Preserver Fund. One month later 1/11th of the fund in the Preserver fund will be transferred to the chosen fund and this process will be continued until all the funds in the Preserver Fund are transferred.

23. Alterations are allowed under the policy on receipt of a written request from the policyholder. Alterations allowed are Reduction of sum assured and Addition of riders (if any) during the policy term.

The Sum Assured can be reduced up to applicable minimum Sum Assured limits under the plan.

Once the Sum Assured is reduced, no alteration is allowed to increase the Sum Assured again. Also the basic premium cannot be altered.

Addition of riders (if any) is allowed when a minor life assured attains majority during the policy term. However an alteration fee of Rs 200 will be levied from fund by cancelling appropriate number of units in the credit.

24. Partial Withdrawals Partial withdrawals are allowed only after fifth policy anniversary.

In case of minor lives assured, this facility is allowed only after the life insured attains age of 18 years. The minimum amount withdrawn each time should be at least Rs. 10000/-.

For every partial withdrawal, a partial withdrawal charge of Rs. 100/- will be levied. Partial withdrawals shall be allowed first from the unit fund built up from the top up premiums as long as such fund supports the partial withdrawal and subsequently, partial withdrawals shall be allowed from the unit fund built up from the basic premiums.

After any partial withdrawal, at least an amount equal to Rs. 10,000/- plus Top-up premiums (if any) paid during 5 years preceding the date of withdrawal should be available in the policyholders' unit account. Reduction of sum assured payable on death: The sum assured payable on death shall be reduced by the extent of the partial withdrawals made during the period of two years immediately preceding the death of the life assured. However, on attainment of age 60 all the partial withdrawals made during the two years immediately preceding attaining age 60 and all partial withdrawals made after attaining age 60 shall be deducted from the sum assured to arrive at the actual sum payable on death.

25. Switching The Policyholder can switch units from one Fund to another Fund out of the funds mentioned above, during the policy term. The policyholder can switch units 2 times in a year without any charge. For each additional switch Rs. 100/- will be levied. Fund switches are not allowed during the settlement period

26. Discontinuance /Surrender: The policyholder can surrender his/her policy at any time during the policy term. If the policyholder requests for discontinuance/ surrender of the policy during the lock in period, the policy shall be treated as a discontinued policy and the unit fund value shall be credited to the discontinued policy fund. No charges

shall be levied except the fund management charge @ 0.5% pa on the discontinued policy fund. The discontinued policy fund will be paid to the policyholder after expiry of the lock in period of 5 years from the date of commencement of policy subject to a minimum guaranteed interest as prescribed by IRDA.

If the policy is surrendered after completion of five policy years i.e. after lock in period, the unit fund value of the policyholder will be paid without any penalty.

There is no revival option under this plan.

27. Top up premiums Top up premium is an amount of premium that is paid by the policyholder at irregular intervals besides basic single premium specified in the contract. Top up premium is treated as single premium for all purposes Each Top up premium shall be considered as single premium and shall have insurance cover at 125% of top up premium. The minimum sum assured shall be based on the age at payment of Top up premium and not on the entry age.

Top up premiums once paid cannot be withdrawn from the unit fund for a period of 5 years from the date of payment of Top up premium except in case of complete surrender of the policy. Top up premiums are not permitted during the last 5 years of the policy.

At any point of time the total Top up premiums paid shall not exceed the sum total of single premiums paid.

There are no discontinuance charges on Top up premiums.

28. NON NEGATIVE CLAW BACK ADDITIONS In the process to comply with the reduction in yield, the Company may arrive at specific non-negative claw-back additions, if any, to be added to the unit Fund Value, as applicable, at various durations of time after the first five years of the contract.

CONDITIONS, CLAUSES AND DEFINITIONS

29. Suicide Clause: In case of death of the life assured due to suicide, while sane or insane, within 12 months from the date of inception of the policy, the fund value as available on the date of death will be paid to the nominee or beneficiary.

30. Minor Lives: For policies issued on minor lives, the commencement of risk starts from the first policy anniversary. In case of death of the minor life assured during the first policy year, the fund value will be paid.

31. Proof of Age:

The Mortality Charge has been calculated based on the age of the Life Assured declared in the proposal.

If the age is proved to be higher than what is stated in the proposal at any time (including at claim stage), the Mortality Charges and rider premiums/charges under the Policy will be revised effective from the date of commencement provided the age is acceptable under this plan. The difference in the revised Mortality Charges and rider premiums/charges and the original premiums/charges will be accumulated at an interest rate determined at the time of revision and will be collected by cancelling units or by reducing the claim amount whichever is applicable.

If the age is proved to be lower than what is stated in the proposal, the Mortality Charges and rider premiums/charges under the Policy will be revised effective from the policy month following date of receipt of the age proof and no refund will be made by the Company.

If the correct age at entry is such that the Policy cannot be offered or would have made the Life Assured ineligible, the Company may take appropriate penalties (as decided by Company from time to time) before paying the Unit Fund Value and terminate the Policy.

32. Unit pricing:

The NAV of the segregated fund shall be computed as Market value of investment held by the fund + value of current assets – Value of current liabilities and provisions, if any divided by No. of units existing on valuation date (before creation /redemption of units)

33. Cut-off timings: In respect of Premium/ Top-up premiums/ request for fund switches received up to 3 pm 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.

In respect of Premium/ Top-up premiums/ request for fund switches received after 3 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.

In respect of Premium/ top up premiums received by the insurer along with outstation cheque or demand draft at the place where the premium is received, the closing NAV of the day on which Cheque /Demand Draft is realized shall be applicable. Cut-off timings are subject to change by IRDA.

34. Loans: No loans are granted under the policy.

35. Closure of an Existing Unit Linked Fund: Although the Unit Linked Funds are open ended, the Company may, with prior approval from the IRDA close any of the funds available under this policy. The Policyholder shall at least be given four weeks prior written notice of the Company's intention to close any of the Unit Linked Funds. In such an event the Policyholder needs to inform the Company his/her preferred Unit Linked Fund to which the Fund Value is to be switched before the Unit Linked Fund closure date. If the Policyholder does not inform the company before this date, the Company will switch the Fund Value of the Fund being closed to the available Fund which is the most similar to the Fund being closed. No Fee will be charged for the switching of funds in the case of the closure of a Unit Linked Fund.

36. Introduction of a New Unit Linked Fund: New Unit Linked Fund(s) may be established by the Company from time to time with the prior approval of the IRDA and the policyholder shall be notified of such new Funds if they are made available to this policy. The Company may offer the Policyholder the option to switch to the new Fund(s) at such a price and subject to such terms and conditions as may be imposed by the Company at that time.

37. Changes to Terms and Conditions: The Company reserves the right to change these Terms and Conditions, the Rules for the Unit Linked Funds and the benefits covered by the policy if there is a change in the law, legislation or taxation affecting the Company or the Unit Linked Funds or the Policy, or if there is a change in circumstances which makes it impossible or impractical to follow these Terms and Conditions with prior approval from the IRDA.

The Company will intimate to the Policyholder any changes to the Terms and Conditions, Rules for the Unit Linked Funds and benefits within four weeks from the date of the change.

If policyholder does not intimate to the Company that he/she does not accept the change within four weeks after the Company has sent notification thereof, he/she will be deemed to have accepted the change.

If policyholder does not agree with the change and intimate to the company within four weeks after the Company has sent notification thereof, he/she will be allowed to surrender and terminate the policy without any charge or penalty.

38. Nomination and Assignments: Notice of nomination or assignment or change of nomination should be sent to the Divisional office of the company where the policy is being serviced. In registering the Nomination or Assignment the Company does not accept any responsibility or express any opinion as to its validity.

39. DISCLOSURE:

1. Unit Linked Life Insurance products are different from the Traditional Life Insurance products and are subject to the risk factors.
2. The premium paid in Unit Linked Life Insurance policies are subject to investment risks associated with capital markets and the NAVs of the units may go up or down based on the performance of fund and factors influencing the capital market and the insured is responsible for his/her decisions.
3. Shriram Life is only the name of the insurance company and Shriram Fortune Builder Insurance plan is only the name of the unit linked insurance contract and does not in any way indicate the quality of the contract, its future prospects or returns.
4. Please know the associated risks and the applicable charges, from your insurance agent or the Intermediary or policy document of the insurer.
5. The various funds offered under this contract are the names of the funds and do not in any way indicate the quality of these plans, their future prospects and returns.

6. The past performance of the funds of the company is not necessarily an indication of the future performance of any of the funds.

40. Fraud and misrepresentation

In case of fraud or misrepresentation, the policy shall be cancelled immediately by paying the surrender value, subject to fraud or misrepresentation being established by the Company in accordance with Section 45 of the Insurance Act.

41. Extract from section 41 of Insurance Act, 1938

No person shall allow or offer to allow, either directly or indirectly, as an inducement to any person to take out or renew or continue an insurance in respect of any kind of risk relating to lives or property in India, any rebate of the whole or part of the commission payable or any rebate of the premium shown on the policy nor any person taking out or renewing or continuing a policy accept any rebate except such rebates as may be allowed in accordance with the published prospectuses or tables of the insurer.

Provided that acceptance by an insurance agent of commission in connection with a policy of life insurance taken out by himself on his own life shall not be deemed to be acceptance of a rebate of premium within the meaning of this sub-section if at the time of such acceptance the insurance agent satisfies the prescribed conditions establishing that he is a bonafide insurance agent employed by the insurer. Any person making default in complying with the provisions of this section shall be punishable with a fine which may extend to Rs.500/-

42. Section 45 of the Insurance Act, 1938:

No policy of life insurance effected before the commencement of this Act shall, after the expiry of two 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 a statement made in the proposal for insurance or in any report of a medical officer, or referee, or friend of the insured, or in any other document leading to the issue of policy, was inaccurate or false, unless the insurer shows that such statement was on a material matter or suppressed fact 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 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”.

Complaints and grievances

In case you have any Query, Complaint or Grievances

First Step:

You can also contact our Customer care on our Toll free no: 1800 3000 6116 & through email id: customercare@shriramlife.in

You may also approach our office at the following address:

Divisional Manager

Second Step

In case you are not satisfied with the decision of the above office, or have not received any response within 10 days, you may contact the following official for resolution:

Grievance Redressal Officer,

Shriram Life Insurance Company Limited,

Regd Office: Plot no 31-32, Ramky Selenium

Financial district, Gachibowli, Hyderabad,

Andhra Pradesh - 500032

Contact No: 040-23009400

Email Id: grievance.redressal@shriramlife.in

Third Step

In case you are not satisfied with the decision or resolution of the company, you may approach the Insurance Ombudsman at the address given overleaf, if your grievance pertains to:

- Insurance claim that has been rejected / dispute of a claim on legal construction of the Policy.
- Delay in settlement of claim.
- Dispute with regard to premium.
- Non Receipt of your Insurance Document.

The complaint should be made in writing duly signed by the complainant or by his legal heirs with full details of the complaint and contact information of the complainant. 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 Mechanism of the Insurer.
- Within a period of one year from the date of rejection by the Insurer.
- If it is not simultaneously under any litigation.

All communication in relation to this policy shall be addressed to:

SHRIRAMLIFE INSURANCE CO LTD.

Plot no. 31-32, Ramky Selenium,

Financial District

Gachibowli, Hyderabad,

Andhra Pradesh-500032

In case of any grievance under the policy, addresses and contact details of the Insurance Ombudsman along with its area of jurisdiction is mentioned in enclosed **Annexure 1**. The Policyholder may approach the concerned Insurance Ombudsman.

Nelius Bezuidenhout
(Appointed Actuary)

Vibha Shinde
(Legal Officer)

Manoj Kumar Jain
(Chief Executive Officer)