



LIFE INSURANCE CORPORATION OF INDIA
(Established by the Life Insurance Corporation Act, 1956)
Registration Number: 512

LIC's New Pension Plus (UIN: 512L347V01)
(A Unit Linked, Non-participating, Individual Pension Plan)

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

PART – A

Ref: NB

(Address and email ID of Branch Office):

Space for Name and Address of
Policyholder

Space for Address and e-mail id of
Branch Office

Dear Policyholder,

Date:

Re: Your Policy No. _____

We have pleasure in forwarding herewith the above Policy Document comprising of Part A to Part G which please find in order.

We would also like to draw your kind attention to the information mentioned in the Schedule of the Policy and the benefits available under the Policy.

Some of our plans have certain options available under them. It is important that the options, if any, available under this plan and mentioned in the Policy Document are noted carefully as it will be helpful to you, in case you decide to exercise any of the available options. It is also essential to note that such options, if available and mentioned in the document of this plan have to be exercised in the right manner and during the stipulated time limit as prescribed herein.

Free Look Period

We would request you to go through the terms and conditions of the Policy and in case you disagree with any of the terms and conditions, you may return the Policy within a period 30 days from the date of receipt of Policy Document (from receipt of first of the electronic/physical mode), stating the reasons of your objections and disagreement. On receipt of the Policy, we shall cancel the same and the amount to be refunded to you shall be the value of units in the Unit Fund as on the date of receipt of request plus Premium Allocation Charge and Policy Administration Charge which have been deducted, if any and applicable taxes thereon less actual cost of medical examination and special reports, if any, and Stamp duty. In case of QROPS, these provisions shall be further subject to any specific provisions regarding procedures as per Rules and Regulations of the HMRC in this regard. For further details please refer Condition 14 of Part D of this Policy Document.

In case you have any Complaints/Grievance, you may approach the Branch Office on the address mentioned above or Grievance Redressal Officer/ Ombudsman, whose addresses are as under:

Address of Grievance Redressal Officer:

Address and contact details of Insurance Ombudsman:

If you find any errors in this Policy Document, you may return this Policy for corrections.

Thanking you.

Yours faithfully,

p. Chief/Sr./Branch Manager

Agent's/ Intermediary's Code	Agent's/ Intermediary's Name	Agent's/ Intermediary's Mobile Number / Landline Number

We would also like to draw your attention to the following aspects:

- 1) Change of Address: In case you change your residence, kindly ensure that you inform the change in address to the servicing Branch Office.
- 2) Assignment: Assignment should be in accordance with the provisions of Section 38 of the Insurance Act, 1938, as amended from time to time. The current provisions of Section 38 are enclosed as Annexure-1 for reference.
- 3) Nomination: Nomination should be in accordance with the provisions of Section 39 of the Insurance Act, 1938, as amended from time to time. The current provisions of Section 39 are enclosed as Annexure-2 for reference.
- 4) Within 90 days from the date of death, intimation of death along with death certificate must be notified in writing to the office of the Corporation where the policy is serviced for any claims to be admissible. However, delay in intimation of the genuine claim by the claimant may be condoned by the Corporation on merit and where delay is proved to be for the reasons beyond his/her control.
- 5) The provisions of Section 45 of the Insurance Act 1938 as amended from time to time shall be applicable: The current provisions of the same are enclosed as Annexure-3.
- 6) Various Sections of the Insurance Act, 1938, applicable to LIC to apply as amended from time to time.
- 7) The approved version of Policy Document in respect of this plan is available on our website: www.licindia.in
- 8) Please visit our website: www.licindia.in to avail LIC's e-Services.
- 9) You can view the actual value of units under this Policy in the IRDAI **prescribed Form D02** using a secured login through the Customer Portal on the Corporation's website.

These measures will enable us to serve you better.

PREAMBLE

THE LIFE INSURANCE CORPORATION OF INDIA (hereinafter called "the Corporation") having received a Proposal along with Declaration and the first premium from the Proposer/Life Assured named in the Schedule referred to herein below and the said Proposal and Declaration with the statements contained and referred to therein having been agreed to by the said Proposer and the Corporation as basis of this assurance do by this Policy agree, in consideration of and subject to the due receipt of the subsequent premiums (in case of Regular Premium payment) as set out in the Schedule, to pay the Benefits, but without interest, at the Branch Office of the Corporation where this Policy is serviced to the person or persons to whom the same is payable in terms of the said Schedule, on proof to the satisfaction of the Corporation of the Benefits having become payable as set out in this Policy Document, of the title of the said person or persons claiming payment and of the correctness of the age of the Life Assured stated in the Proposal if not previously admitted.

And it is hereby declared that this Policy of Assurance shall be subject to the Definitions, Benefits, Conditions Related to Servicing Aspects, Other Terms and Conditions and Statutory Provisions printed in this Policy and that the following Schedule and every endorsement placed on the Policy by the Corporation shall be deemed part of the Policy.

SCHEDULE

DIVISIONAL OFFICE:

BRANCH OFFICE:

Policy Number: UIN: Plan Number: Policy Term: Premium Paying Term: Date of Vesting: Fund Opted for: Date of Commencement of policy: Date of Commencement of Risk: Date of Issuance of Policy:	Proposal No: Date of Proposal: Benefit Illustration Reference No: Date of birth of the Life Assured: Age of the Life Assured: Whether age Admitted?
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Single (in case of Single Premium Policy)/ Instalment Premium (Rs.) (in case of Regular Premium Policy)	In case of Regular Premium Policy:		
	Mode of payment of Premium (Annual/Half-yearly/ Quarterly /Monthly)	Due date of Premium	Due Date of payment of last Premium

Name, Gender and address of Proposer:	Name, Gender and address of Life Assured:

Details of Nominee(s) under Section 39 of the Insurance Act, 1938: Single/Multiple				
Nominee(s) Name	Nominee(s) Age	Percentage Share	Relationship to the Life Assured	Appointee's Name [in case the Nominee is a minor]

Period during which premiums are payable in case of Regular Premium Policy	Till the stipulated due date of last premium or earlier death of the Life Assured.
Dates when premiums are payable in case of Regular Premium Policy	On the stipulated due date in

Signed on behalf of the Corporation at the above mentioned Branch Office, whose address and e-mail ID are given on the first page and to which all communications relating to the Policy should be addressed.

Date:

Examined by:

Form No.:

p. Chief/ Sr. /Branch Manager

PART – B: DEFINITIONS

The definitions of terms/words used in the Policy Document are as under:

1. **Age** is the age last birthday of the Life Assured at the time of the commencement of the policy.
2. **Annuity** means a specified amount payable at specified regular intervals as per the Option chosen and other terms and conditions of the annuity product.
3. **Annualized/Annual Premium** is the total amount of premium payable in a policy year under a Regular Premium policy.
4. **Appointee** is the person to whom the proceeds/benefits secured under the Policy are payable if the benefit becomes payable to the Nominee and nominee is minor as on the date of claim payment.
5. **Assignee** is the person to whom the rights and benefits are transferred by virtue of an Assignment.
6. **Assignment** is the process of transferring the rights and benefits to an "Assignee". Assignment should be in accordance with provision of Section 38 of the Insurance Act, 1938, as amended from time to time.
7. **Assured Death Benefits** is 105% of the Total Premiums received upto the date of death reduced by Partial Withdrawals made during two-year period immediately preceding the death of the Life Assured.
8. **Beneficiary/Claimant** means the person(s)/entity who is/are entitled to receive benefits under this Policy. The Beneficiary to whom benefits are payable is the Proposer or Life Assured or his Assignee under Section 38 of the Insurance Act, 1938, as amended from time to time or Nominee(s) under Section 39 of the Insurance Act, 1938, as amended from time to time or proved Executors or Administrators or other Legal Representatives who should take out representation to his/ her Estate or limited to the moneys payable under this Policy from any Court of any State or Territory of the Union of India, as applicable.
9. **Business Day** is the Corporation's working day.
10. **Continued Insurability** is the determination of insurability of Life Assured on revival of policy, to the satisfaction of the Corporation based on the information, documents and reports that are already available and any additional information in this regard if and as may be required in accordance with the Underwriting Policy of the Corporation at the time of revival.
11. **Corporation** means the Life Insurance Corporation of India established under Section 3 of the LIC Act, 1956.
12. **Date of Commencement of Policy** is the start date of this Policy.
13. **Date of Commencement of Risk** is the date on which the Corporation accepts the risk for insurance (cover) as evidenced in the Schedule of the Policy.
14. **Date of Issuance of Policy** is the date when a proposal after underwriting is accepted as a Policy and this contract gets effected.
15. **Date of Discontinuance** is the date on which the intimation is received from the Life Assured/Policyholder about the surrender of the policy or on the expiry of the Grace Period (in case of non-payment of contractual premium due during the Grace Period), whichever is earlier.
16. **Date of Vesting** means the date specified in Policy Schedule on which Original Policy Term expires. In case the Policy Term is extended, if opted for by the Policyholder as per terms and conditions of the policy, the 'Date of Vesting' shall be the extended date of Vesting.
17. **Death Benefit** means the benefit, which is payable on death of Life Assured, as specified in Condition 1.B of Part C of this Policy Document.
18. **Discharge Form** is the form to be filled by Policyholder/Beneficiary/Claimant to claim the Vesting /Surrender / Death Benefit under the policy.
19. **Discontinuance** is the state of the policy that could arise on account of surrender of the policy or non-payment of contractual premium due before the expiry of the Grace period.
20. **Discontinuance Charge** is the charge levied on the Unit Fund on the Date of Discontinuance.
21. **Discontinued Policy Fund** is the segregated fund that is set aside and is constituted by the Unit Fund Value, as applicable, of all the discontinued policies during the lock-in period after deduction of Discontinuance Charge, if any.
22. **Due Date** means a fixed date on which the policy premium is due and payable by the

- Policyholder under a Regular Premium policy.
23. **Endorsement** means Conditions attached/ affixed to this Policy incorporating any amendments or modifications agreed to or issued by the Corporation.
 24. **Free Look Period** is the period of 30 days from the date of receipt of the Policy Document (from receipt of first of the electronic / physical mode) by Policyholder to review the terms and conditions of this Policy and where the Policyholder disagrees with any of those terms and conditions, he/ she has the option to return this Policy as detailed in Condition 9 in Part D of this Policy Document.
 25. **Fund Management Charge** is the charge levied as a percentage of the value of assets and shall be appropriated by adjusting the Net Assets Value (NAV). This is a charge levied at the time of computation of NAV.
 26. **Grace Period** is the time granted by the Insurer from the due date for the payment of premium, without any penalty/ or late fee, during which time the Policy is considered to be in-force with risk cover without any interruption under a Regular Premium Policy.
 27. **Guaranteed Additions** are the amounts expressed as a percentage of Single Premium or one Annualized Premium under a Regular Premium Policy which shall be added to the Unit fund on completion of specific duration of policy years and are specified in Condition 2 of Part C of this Policy Document.
 28. **In-force** policy means a policy in which all the due premiums have been paid and the premiums are not outstanding beyond grace period.
 29. **Instalment Premium** is a Premium to be paid by Policyholder as per the premium payment frequency opted by the Policyholder.
 30. **IRDAI** means Insurance Regulatory and Development Authority of India earlier called as Insurance Regulatory and Development Authority (IRDA).
 31. **Life Assured** is the person on whose life the insurance cover has been accepted.
 32. **Lock-in-period** means the period of five consecutive policy years from the Date of Commencement of the Policy, during which period the proceeds of the discontinued policies can not be paid, except in case of death of the Life Assured.
 33. **Material Information** is the information already known to the Life Assured/Proposer at the time of obtaining a policy which has a bearing on underwriting of the proposal /Policy submitted.
 34. **Minor** is a person who has not completed 18 years of age.
 35. **Net Asset Value (NAV)** means the price per unit of the Segregated Fund.
 36. **Nomination** is the process of nominating a person(s) who is(are) named as "Nominee(s)" in the Proposal Form or subsequently included/changed by an endorsement. Nomination should be in accordance with provisions of Section 39 of the Insurance Act, 1938 as amended from time to time.
 37. **Nominee(s)** means the person(s) nominated by the Policyholder (who is also the Life Assured) under this Policy who is (are) authorised to receive the claim benefit payable under this Policy and to give valid discharge to the Corporation on settlement of the claim.
 38. **Paid-up Sum Assured** is 105% of Total Premiums received upto the date of First Unpaid Premium (FUP) reduced by Partial Withdrawals made during the two year period immediately preceding the death of the Life Assured.
 39. **Partial Withdrawal** is an option available to the Policyholder to withdraw units from the Unit Fund as per terms and conditions of the policy.
 40. **Partial Withdrawal Charge** is the charge levied on the Unit Fund at the time of Partial Withdrawal of the Fund during the policy term.
 41. **Policy Anniversary** means one year from the Date of Commencement of the Policy and the same date falling each year thereafter, till the Date of Vesting.
 42. **Policy/ Policy Document** means this document along with endorsements, if any, issued by the Corporation which is a legal contract between the Policyholder and the Corporation.
 43. **Policyholder** is the legal owner of this Policy.
 44. **Policy Administration Charge** is a charge which shall be levied at the beginning of each policy month from the Unit Fund by cancelling units for equivalent amount. This Charge shall be deducted in first 5 years only as per details specified in Condition 7.3 of Part E of this Policy Document.
 45. **Policy Month** is the period from the Date of Commencement of Policy, to the date prior to the corresponding date in the following calendar month or similar periods thereafter beginning from the dates in any calendar month corresponding to the Date of Commencement of Policy.
If the said corresponding date is not available in a calendar month, then the last day of the calendar month will be taken for this purpose.

46. **Policy Term** is the period, in years, as chosen by the policyholder and as specified in the Schedule of this Policy Document, commencing from the Date of commencement of policy to the Date of Vesting. The Policy Term shall include the extended Policy Term, if opted for as per terms and conditions of the policy.
47. **Policy Year** is the period between two consecutive policy anniversaries. This period includes the first day and excludes the next policy anniversary day.
48. **Premium** is the contractual amount payable by the Policyholder either as Single Premium or at specified times periodically as mentioned in the Schedule of this Policy Document to secure the benefits under the policy.
49. **Premium Allocation Charge** is the percentage of premium appropriated towards charges from the Premium received. This charge is levied at the time of receipt of premium.
50. **Premium Paying Term** means the period in years, over which Premiums are payable.
51. **Proposer** is a person who proposes the life insurance proposal.
52. **Qualifying Recognised Overseas Pension Scheme (QROPS)** is a pension scheme which is administered outside United Kingdom and is registered with and hence meets the requirements set by Her Majesty's Revenue and Customs (HMRC).
53. **Reduced Paid-Up** is the status of the Policy, when the Policy is discontinued after the expiry of 5 years' lock-in- period due to non-payment of premiums up to the expiry of the grace period.
54. **Revival** of a policy means restoration of the policy which was discontinued due to non-payment of premium, by the insurer with all the benefits mentioned in the Policy Document, upon the receipt of all the premiums due and other charges or late fee, if any, as per the terms and conditions of the policy, upon being satisfied as to the Continued Insurability of the Life Assured.
55. **Revival Period** is the period of three consecutive years from the date of first unpaid premium or upto date of Vesting, whichever is earlier, during which period the Policyholder is entitled to revive the policy which was discontinued due to the non-payment of premium(s).
56. **Schedule** is the part of Policy Document that gives the specific details of your Policy.
57. **Segregated Funds** means funds earmarked in respect of Unit Linked Business.
58. **Settlement Option** is the Option available to the Nominee or Beneficiary, to receive the Death Benefit in installments in accordance with the terms and conditions as specified in Condition 11 of Part D of this Policy Document.
59. **Surrender means** complete withdrawal / termination of the entire policy before expiry of Policy Term.
60. **Switch means** a facility allowing the Policyholder to move the entire Unit Fund from one segregated Fund to any other segregated Fund amongst the segregated funds offered under this Product.
61. **Switching Charge** is a charge levied at the time of executing a switch by cancelling appropriate number of units out of Unit Fund.
62. **Underwriting** is the term used to describe the process of assessing risk and ensuring that the cost of the insurance cover is proportionate to the risks faced by the individual concerned. Based on underwriting, a decision on acceptance or rejection of insurance cover as well as applicability of suitable premium or modified terms, if any, is taken.
63. **Unit** means a specific portion or part of the underlying segregated Unit Linked fund which is representative of the policyholder's entitlement in such funds.
64. **Unit Fund Value** means the total value of units at a point of time in a segregated fund i.e. total number of units under this policy multiplied by Net Asset Value (NAV) of that fund.
65. **UIN** means the Unique Identification Number allotted to this plan by Insurance Regulatory Development Authority of India.
66. **Vesting Benefit** means the benefit, which is payable on Vesting as specified in Condition 1.A of Part C of this Policy Document.

PART – C: BENEFITS

1. Benefits payable on Vesting or on Death:

The following benefits are payable under this policy.

A. Vesting Benefit:

- i. On survival of the Life Assured till the date of Vesting provided the policy is in-force or the policy is in reduced paid-up status, an amount equal to the Unit Fund Value as on the **date of Vesting** shall vest and be payable in the manner as specified in ii. below.

- ii. **Annuitisation of the proceeds of the Policy on Vesting/ on Surrender/ on Discontinuance:**

The Life Assured shall utilize the proceeds of the Policy by exercising one of the following Options:

- a. Utilize the entire proceeds to purchase immediate or deferred annuity at the **then prevailing annuity rates** from the Corporation. The Life Assured shall also have an option to purchase annuity from any other Insurer at the then prevailing annuity rate to the extent of percentage, stipulated by the Authority, currently 50% of the entire proceeds of the policy net of commutation. **or**
- b. Commute upto 60% and utilize the balance amount to purchase immediate or deferred annuity at the then prevailing annuity rates from the Corporation. The Life Assured shall also have an option to purchase annuity from any other Insurer at the then prevailing annuity rate to the extent of percentage, stipulated by the Authority, currently 50% of the entire proceeds of the policy net of commutation.

The purchase of the annuity shall be subject to terms and conditions of the then available annuity product(s).

In case the proceeds of the policy are not sufficient to purchase minimum annuity as defined in Regulation 3(a) of IRDAI (Minimum Limits for Annuities and Other Benefits) Regulations, 2015, as amended from time to time, the proceeds may be paid to Life Assured as lump sum.

If the policyholder opts to purchase annuity from any other life insurance Company, he/she will have to inform his/her intention to the Corporation before the date of vesting.

- iii. **Option to extend the date of Vesting:**

The Life Assured shall have an Option to extend the date of Vesting as detailed under Condition 13 of Part D of this Policy Document. If the policyholder opts to extend the Date of Vesting, he/she will have to inform his/her intention to the Corporation at least three months prior to the vesting date.

B. Death Benefit:

- i. On death of the Life Assured before the date of Vesting:

- a. **In case of an in-force policy:**

The **higher** of the following benefits shall be payable:

- Unit Fund Value as on the **date of intimation of death**; or
- Assured Death Benefit

Where,

Assured Death Benefit is 105% of the Total Premiums received upto the date of death reduced by Partial Withdrawals made during two-year period immediately preceding the death of the Life Assured.

b. In case of Discontinuance under a Regular Premium policy:

The benefits as mentioned in Condition 3.B.I.v. or 3.B.II.iv of Part D of this Policy Document, as applicable, shall be payable.

The Nominee or Beneficiary shall utilize the proceeds of the Policy as per provision mentioned in Condition 1.B.iii. below.

- ii. The liability of admissible claim shall be booked effective from the date of receipt of intimation of death with death certificate. Any charges **other than** Fund Management Charges (FMC) and tax on FMC (viz. Policy Administration charges and Tax thereon), recovered subsequent to the **date of death** shall be added back to the Unit Fund Value as available on the **date of intimation of death** and shall be paid to the nominee or beneficiary along with death benefit. The Guaranteed Additions, if any added subsequently to the date of death shall be recovered from the Unit Fund.

iii. **Utilization of the proceeds of the Policy on death of the Life Assured:**

In case of death of the Life Assured before the date of Vesting (including during Grace Period), the Nominee or Beneficiary shall exercise **one** of the following options:

- a. Withdraw the entire proceeds of the policy. A settlement option shall be available subject to conditions as specified in Condition 11 of Part D of this Policy Document. **or**
- b. Utilize the entire proceeds or part thereof for purchasing immediate or deferred annuity at the **then prevailing annuity rates** from the Corporation. The Nominee or Beneficiary shall also have an option to purchase annuity from other Insurer at the then prevailing annuity rate to the extent of percentage, stipulated by the Authority, currently 50% of the entire proceeds of the policy net of commutation.

The purchase of the annuity shall be subject to terms and conditions of the then available annuity product(s).

In case the proceeds of the policy are not sufficient to purchase minimum annuity as defined in Regulation 3(a) of IRDAI (Minimum Limits for Annuities and Other Benefits) Regulations, 2015, as amended from time to time, the proceeds may be paid to the Nominee or Beneficiary as lump sum.

2. Guaranteed Additions:

Guaranteed Additions shall be payable only under an in-force policy i.e. if all due premiums have been paid. The Guaranteed Additions as a percentage of Annual Premium or 'Annualized Premium' (in case of Regular Premium policy) or Single Premium, as mentioned in the table below shall be added to the Unit Fund at the end of 6th, 10th and **each policy year** from 11th year and onwards till the expiry of policy term **provided all due premiums have been paid and the policy is in-force.**

End of Policy Year	Guaranteed Additions per annum (as a percentage of one Annual Premium)	Guaranteed Additions per annum (as a percentage of one Single Premium)
6 th	5.00%	4.00%
10 th	10.00%	5.00%
11 th to 15 th	4.00%	1.25%
16 th to 20 th	5.50%	1.50%
21 st to 25 th	7.00%	2.00%
26 th to 30 th	8.75%	2.50%
31 st to 35 th	10.75%	3.00%
36 th to 40 th	13.00%	3.75%
41 st to 42 nd	15.50%	4.50%

The allocated amount of Guaranteed Additions shall be converted into number of units and shall be credited to the opted fund type on the due date of payment of Guaranteed Additions. For policies which are not in-force but revived subsequently, the Guaranteed Additions from the date of Discontinuance till the date of Revival shall be credited on the date of revival of the policy.

Note: Guaranteed Additions shall not be payable if the policy is in reduced paid-up status.

Special cases where the Guaranteed Additions shall be reduced on pro-rata basis:

- i. In case of an in-force policy where **Partial Withdrawal(s)** have been availed by the policyholder as specified in Condition 12 of Part D of this Policy Document, the Guaranteed Additions to be attached after the date of Partial Withdrawal(s) shall be reduced on pro-rata basis. The modified rate of Guaranteed Additions in each of the **future policy years** under such policies shall be calculated by using the formula:

$$\left\{ \frac{\text{(Original rate of Guaranteed Additions applicable for the respective year) multiplied by (Fund Value at the end of the year)}}{\text{(Fund Value at the end of the year) plus (amount of total Partial Withdrawal(s))}} \right\}$$

- ii. In case of **Option to extend Vesting date** is availed by the policyholder as specified in Condition 13 of Part D of this Policy Document **without payment of further premiums under regular premium policies**, the Guaranteed Additions to be attached shall be reduced on pro-rata basis as applicable for in-force policy corresponding to the modified policy term. The modified rate of Guaranteed Additions in each of the **future policy years** under such policies shall be calculated by using the formula:

$$\left\{ \frac{\text{(Original rate of Guaranteed Additions applicable for the respective year) multiplied by (Number of Policy years for which premiums were paid)}}{\text{(Total number of Policy years as on date of attachment of Guaranteed Additions)}} \right\}$$

However, any Guaranteed Additions if added subsequent to the date of death, shall be recovered from the Unit Fund.

3. Payment of Premiums (applicable in case of Regular Premium):

The policyholder has to pay the Premium on the due dates as specified in the Schedule of this Policy Document. The Corporation does not have any obligation to issue a notice that premium is due or for the amount that is due.

The mode of premium payment can be altered subject to terms and conditions as mentioned in Condition 6 of Part D of this Policy Document.

4. Grace period(applicable in case of Regular Premium):

A grace period of 30 days will be allowed for payment of yearly or half-yearly or quarterly premiums and 15 days for monthly (through NACH) premiums from the date of First Unpaid Premium. If the death of Life Assured occurs within the grace period but before the payment of premium then due, the policy will still be valid and the death benefits shall be paid after deduction of all the relevant charges, if not recovered.

If the premium is not paid before the expiry of the Grace Period, the benefits shall be paid as per details given in Condition 3.B of Part D of this Policy Document.

PART – D: CONDITIONS RELATED TO SERVICING ASPECTS

1. Proof of Age:

The eligibility conditions viz. minimum and maximum age at entry, minimum and maximum Vesting age and availability of option to extend the Vesting date are dependent on the age of Life Assured as declared in the Proposal Form.

In case, the age of Life Assured is mis-stated in the Proposal Form and correct age is found to be different (Higher or lower) than such age, without prejudice to the Corporation's other rights and remedies, including the provisions under the Insurance Act, 1938, as amended from time to time, the Corporation shall check the eligibility of the Life Assured based on the correct age as on the date of commencement of policy and the following action shall be taken:

If the Life Assured remains eligible:

In case the Life Assured with the correct age as on the date of commencement of policy is eligible with respect to minimum/maximum age at entry, minimum/maximum Vesting age and minimum/maximum term, all the terms and conditions of this policy shall stand/deemed to be modified with respect to the correct age.

If the Life Assured is not eligible:

In case the Life Assured with the correct age as on the date of commencement of policy is not eligible with respect to minimum/maximum age at entry, minimum/maximum Vesting age and minimum/maximum term, the policy shall be terminated and the Unit Fund Value as on the date of termination shall be refunded.

2. Forfeiture in Certain Events:

In case any Condition herein contained or endorsed hereon shall be contravened or in case it is found that any untrue or incorrect statement is contained in the proposal, personal statement, declaration and connected documents or any material information is withheld, then and in every such case the policy shall be void and all claims to any benefit in virtue of this policy shall be subject to the provisions of Section 45 of the Insurance Act, 1938, as amended from time to time.

3. Non-Forfeiture regulations:

A. Surrender: An in-force policy can be surrendered anytime during the policy term and the surrender value, if any, shall be payable as under:

i. If the policy is Surrendered during the 5 years' Lock-in-Period:

If a Policyholder applies for surrender of the policy during the 5 years' Lock-in-Period, then the Unit Fund Value after deducting the applicable Discontinuance Charges shall be transferred to the Discontinued Policy Fund as specified in Condition 3.C of Part D below.

The policy shall continue to be invested in the Discontinued Policy Fund till the end of the lock-in period. Only Fund Management Charge (FMC) as specified in Condition 7.4 of Part E of this Policy Document shall be deducted from this fund and no risk cover shall be available on such policy during this period.

The Proceeds of the Discontinued Policy Fund in respect of this Policy **as on the date of expiry of lock-in period** as specified in Condition 3.D of Part D below shall be utilized by the Life Assured as per the Annuitisation provision mentioned in Condition 1.A.ii. of Part C **at the end of lock-in period**.

However, in case of death of the Life Assured after the date of surrender but before the end of the 5 years' lock-in-period, the Proceeds of the Discontinued Policy Fund in respect of this Policy shall be payable **immediately** to the Nominee or Beneficiary. The Nominee or Beneficiary shall utilize the proceeds of the Policy as per the provision mentioned in Condition 1.B.iii. of Part C of this Policy Document.

ii. If the policy is Surrendered after 5 years' lock-in-period:

If a Policyholder applies for surrender of the policy after 5 years' Lock-in-period, then the Unit Fund Value as on the **date of intimation of surrender** shall be utilized by the Life Assured as per the Annuitisation provision as mentioned in Condition 1.A.ii. of Part C **on surrender**. There will be no Discontinuance Charge under the policy.

Further, Reinstatement of a surrendered policy shall not be allowed even if a request for reinstatement is received from the policyholder during the 5 years' lock-in-period.

In case of QROPS, the surrender provisions shall be further subject to any specific provisions regarding procedures as per Rules and Regulations of HMRC.

B. Discontinuance in case of Regular Premium: If premium due has not been paid before the expiry of Grace Period, then the policy shall be in a state of discontinuance.

During the grace period, the policy shall be treated as in-force and the benefits payable under the policy during the grace period shall be same as that under an in-force policy. All charges, if applicable shall be deducted from Unit Fund as specified in Condition 7 of Part E of this Policy Document.

The treatment of discontinued policy shall be as under:

I) If the policy is discontinued during the 5 years' lock-in-period:

Upon expiry of the grace period, the Unit Fund Value after deducting the applicable Discontinuance Charges as specified in Condition 7.7 of Part E of this Policy Document shall be transferred to the Discontinued Policy Fund as stated in Condition 3.C of Part D below and the risk cover shall cease. In such case, only Fund Management Charge of 50 basis points per annum shall be deducted from the Discontinued Policy Fund.

On such discontinuance, a communication shall be sent to the policyholder within three months of the date of first unpaid premium, communicating the status of the policy and the **option to revive the policy** during the revival period of three years from the date of First Unpaid Premium.

In such cases, the following provisions shall apply:

- i) If the Policyholder opts to revive and thereafter exercises the Option to revive** the policy at any time during the Revival Period of 3 years, the policy shall be revived as specified in Condition 4 of Part D of this Policy Document.
- ii) In case the Policyholder opts to revive but does not revive** the policy during the Revival Period of 3 years, the Proceeds of the Discontinued Policy Fund in respect of this Policy, as specified in Condition 3.D of Part D below, **shall be utilized** by the Life Assured as per the Annuitisation provision mentioned in Condition 1.A.ii. of Part C **at the end of the Revival period or lock-in period, whichever is later**. In respect of Revival period ending after lock-in period, the policy will remain in Discontinued Policy Fund till the end of Revival period.
- iii) In case the Policyholder does not exercise the Option to revive** the policy, the policy shall continue without any risk cover and the policy shall remain invested in Discontinued Policy Fund. The Proceeds of the Discontinued Policy Fund in respect of this Policy **as on the date of expiry of lock-in period** as specified in Condition 3.D of Part D below shall be utilized by the Life Assured as per the Annuitisation provision mentioned in Condition 1.A.ii. of Part C **at the end of lock-in period**.

- iv) The policyholder also has an **Option to surrender** the policy anytime and the Proceeds of the Discontinued Policy Fund in respect of this Policy **as on the date of expiry of lock-in period or as on the date of surrender**, as specified in Condition 3.D of Part D below shall be utilized by the Life Assured as per the Annuitisation provision mentioned in Condition 1.A.ii. of Part C **at the end of lock-in period or date of surrender whichever is later**.
- v) In case of **death** of the Policyholder during the Revival Period or lock-in-period, as the case may be, the Proceeds of the Discontinued Policy Fund in respect of this Policy **as on the date of intimation of death** as specified in Condition 3.D of Part D below shall be payable as death benefit **immediately** to the Nominee or Beneficiary.

The Nominee or Beneficiary shall utilize the proceeds of the Policy as per the provision mentioned in Condition 1.B.iii. of Part C of this Policy Document.

II) If the policy is discontinued after the 5 years' lock-in- period:

Upon **expiry of the grace period**, in case of discontinuance of a **Regular Premium** policy due to non-payment of premium after the 5 years' lock-in period, the policy shall be converted into a reduced paid-up policy with Paid-up sum assured equal to 105% of Total Premiums received upto the date of First Unpaid Premium (FUP) reduced by Partial Withdrawals made during the two year period immediately preceding the death of the Life Assured. The policy shall continue to be in reduced paid-up status. In such case, all applicable charges, as specified in Condition 7 of Part E of this Policy Document shall be deducted from the Unit Fund.

On such discontinuance, a communication shall be sent to the policyholder within three months of the date of first unpaid premium, communicating the status of the policy and the options (a) to revive the policy during the Revival Period of three years from the date of First Unpaid Premium or upto the date of Vesting, whichever is earlier; or (b) complete withdrawal of the policy:

In such case, the following situations may arise:

- i) If policyholder **opts to revive and thereafter exercises the Option to revive** the policy anytime during the Revival Period or upto the date of Vesting, whichever is earlier, then the policy shall be revived as specified in Condition 4 of Part D of this Policy Document.
- ii) In case the Policyholder **opts to revive but does not revive** during the Revival period or upto the date of Vesting, whichever is earlier, or **does not exercise any Option** then the policy shall **subsist as a reduced paid up policy** till the end of the revival period or upto the date of Vesting, whichever is earlier.

In such case, the Unit Fund Value **as on the date of expiry of Revival Period or as on the date of Vesting, whichever is earlier**, shall be utilized by the Life Assured as per the Annuitisation provision mentioned in Condition 1.A.ii. of Part C **at the end of Revival Period or date of Vesting, whichever is earlier**.

- iii) In case the policyholder **opts for Complete withdrawal or surrenders** the policy at anytime, in such case an amount equal to Unit Fund Value shall be utilized by the Life Assured as per the Annuitisation provision mentioned in Condition 1.A.ii. of Part C.
- iv) In case of death of the Policyholder before the end of Revival Period or date of Vesting, whichever is earlier, the **higher** of the following shall be payable as death benefit:

- Unit Fund Value as on the **date of intimation of death**; or

- Paid-up Sum Assured

Where,

Paid-up Sum Assured is 105% of Total Premiums received upto the date of First Unpaid Premium (FUP) reduced by Partial Withdrawals made during the two year period immediately preceding the death of the Life Assured.

The Nominee or Beneficiary shall utilize the proceeds of the Policy as per the provision mentioned in Condition 1.B.iii. of Part C of this Policy Document.

C. Conversion of Unit Fund into monetary amount and allocation of units in Discontinued Policy Fund:

During the 5 years' lock-in-period if a policyholder applies for surrender (under a Regular/ Single Premium policy) or in case of non-payment of premium before the expiry of the Grace Period under a **Regular Premium** policy, the policy shall be in a state of discontinuance.

On discontinuance of the policy, the Unit Fund Value **as on the date of discontinuance** of policy **after deducting the applicable Discontinuance Charges** as specified in Condition 7.7 of Part E of this Policy Document, shall be transferred to the Discontinued Policy Fund and the risk cover shall cease. Where, Unit Fund Value shall be calculated by multiplying the NAV with the number of units in the Unit Fund as on the date of discontinuance.

The number of units of Discontinued Policy Fund shall be allocated to the policy considering the NAV of the Discontinued Policy Fund as on the date of discontinuance.

D. The Proceeds of the Discontinued Policy Fund :

The Discontinued Policy Fund (**SFIN:ULIF00501/02/22LICDPFPENS512**) is a segregated unit fund and shall comprise of all the discontinued policy fund of all the policies offered under the Unit Linked Pension plans. Only Fund Management Charges (FMC) as specified in Condition 7.4 of Part E of this Policy Document shall be applicable on this fund.

The Unit Fund Value which is transferred to the Discontinued Policy Fund as mentioned in Condition 3.C of Part D above shall continue to be invested therein from the date of discontinuance till the Policy exits from the Discontinued Policy Fund either by death, surrender, revival, policy termination at the end of 5 years' lock-in-period or on completion of 3 years' revival period (if revival period extends beyond the 5 years' lock-in- period), whichever is applicable.

The Proceeds of the Discontinued Policy Fund in respect of this Policy shall be higher of:

- Unit Fund Value of the Discontinued Policy Fund; or
- Guaranteed amount calculated using minimum guaranteed interest rate.

Where, Unit Fund Value shall be calculated by multiplying the NAV with the number of units of Discontinued Policy Fund on the date of exit of the Policy from the Discontinued Policy Fund.

The Guaranteed amount is the accumulation of amount transferred into the Discontinued Policy Fund at the guaranteed interest rate from the date of discontinuance till the Policy exits from the Discontinued Policy Fund.

The minimum guaranteed interest rate applicable to the 'Discontinued Policy Fund' shall be as per the prevailing Regulations. Currently this guaranteed interest rate is 4% p.a. and shall be subject to change from time to time as declared by IRDAI.

E. Compulsory Termination:

If the policy has run for at least 5 years provided 5 full years' premiums have been paid and the balance in the Unit Fund is less than one Annualized Premium in case of Regular Premium or 30% of Single Premium in case of Single Premium, the policy shall

be compulsorily terminated and the balance amount in the Unit Fund, if any, shall be refunded to the Life Assured and the proceeds shall be utilized to purchase annuity as per the Annuitisation provision as mentioned in Condition 1.A.ii).of Part C of this Policy Document.

This shall be applicable irrespective of whether the policy is in-force or paid-up during the revival period.

4. Revival of Discontinued Policies:

A. Revival of a Discontinued Policy during lock-in Period:

In case the Policyholder opts to revive the policy during the Revival Period, the policy shall be revived subject to the following:

- i. On payment of all due and unpaid premium without interest. All outstanding applicable Premium Allocation Charges, Policy Administration Charges and Tax charges thereon due since the date of discontinuance shall be deducted from the Unit Fund.
- ii. Discontinuance Charge deducted from the Unit Fund, if any, at the time of discontinuance of the policy along with the Proceeds of the Policy's Discontinued Policy Fund, if any, shall be added back to the Unit Fund.

B. Revival of a Discontinued Policy after lock-in Period:

In case the Policyholder opts to revive the policy during the Revival Period (up to the date of Vesting) then the policy shall be revived subject to the following:

- i. On payment of all due and unpaid premium without interest.
- ii. All outstanding applicable Premium Allocation Charges and Tax charge thereon due since the date of discontinuance shall be deducted from the Unit Fund.

The Corporation reserves the right to accept at original terms, accept with modified terms or decline the revival of a discontinued policy as per the Underwriting Policy of the Corporation. The Revival shall be subject to satisfaction of Continued Insurability of the Life Assured on the basis of information, documents and reports that are already available and any additional information in this regard if and as may be required in accordance with the Underwriting Policy of the Corporation at the time of revival, being furnished by the Policyholder/Proposer / Life Assured. The revival of a discontinued policy shall take effect only after the same is approved, accepted and revival receipt is issued by the Corporation.

Units of the segregated fund originally chosen by the Policyholder or as chosen in the last switch, or the fund chosen at the time of revival, as the case may be, shall be allotted based on the NAV as on the date of revival.

The Guaranteed Additions from the date of Discontinuance till the date of Revival shall be credited on the date of revival of the policy.

Irrespective of what is stated above, if the Unit Fund Value is not sufficient to recover the charges during the revival period, the policy shall terminate and thereafter revival will not be allowed.

5. Reinstatement:

Reinstatement of a surrendered policy shall not be allowed even if a request for reinstatement is received from the policyholder during 5 years' lock in period.

6. Policy Alteration (applicable in case of Regular Premium):

During the contract, alteration in premium payment mode after the issue of policy may be allowed subject to provisions of Minimum Premium, and Premium Multiples allowed as per term and conditions of the plan. For such alteration a miscellaneous charge of Rs. 100/- will be deducted as specified in Condition 7.10 of Part E of this Policy Document,

by cancelling appropriate number of units out of the Unit Fund Value and the deduction shall be made on the date of alteration in the policy. The alteration will be effective from the policy anniversary coincident or following the alteration.

The Corporation reserves the right to accept or decline the alteration in the policy as per the Underwriting Policy of the Corporation. The alteration shall take effect only after the same is approved by the Corporation and is specifically communicated in writing to the Proposer/Life Assured.

7. Termination of Policy:

The policy shall immediately and automatically terminate on the earliest occurrence of any of the following events:

- a) The date on which death benefit is paid in case Nominee/Beneficiary opts to withdraw the entire proceeds of the policy and does not exercise the Settlement Option; or
- b) On payment of final installment under Settlement Option if the Nominee/Beneficiary opts for Settlement Option as specified in Condition 11 of Part D of this Policy Document; or
- c) On death of the Nominee/Beneficiary after the commencement of the Settlement Option Period; or
- d) On payment of free look cancellation amount; or
- e) On payment of the proceeds of the policy to Life Assured/Nominee/Beneficiary as lump sum, in case the proceeds of the policy are not sufficient to purchase minimum annuity as defined in Regulation 3(a) of IRDAI (Minimum Limits for Annuities and Other Benefits) Regulations, 2015, as amended from time to time; or
- f) On compulsory termination as specified in Condition 3.E of Part D of this Policy Document; or
- g) In case the policy is in state of Discontinuance and Unit Fund Value is not sufficient to recover the charges during the revival period.
- h) In the event of forfeiture as specified in Condition 2 of Part D of this Policy Document
- i) On termination as per terms and conditions of the annuity plan taken in case of Annuitisation of the proceeds of the Policy on Vesting/ on Surrender/ on Discontinuance by the Life Assured.

8. Policy Loan:

No loan facility is available under this policy.

9. Free Look period:

If the Policyholder is not satisfied with the "Terms and Conditions" of the policy, the policy may be returned to the Corporation within 30 days from the date of receipt of the Policy Document (from receipt of first of the electronic/physical mode), stating the reasons of objections. On receipt of the same, the Corporation shall cancel the policy and the amount to be refunded shall be as under:

Value of units in the Unit Fund **as on the date of receipt of request**

Plus Premium Allocation Charge and Policy Administration Charge which have been deducted, if any and applicable taxes thereon,

Less Actual cost of medical examination and special reports, if any,

Less Stamp duty @ Rs.0.20 per thousand of maximum Assured Death Benefit

If this policy has been purchased as QROPS as detailed in Condition 14 of Part D below, the proceeds from cancellation shall only be transferred back to the fund house from where the money was received. In case of QROPS, above provisions shall be further subject to any specific provisions regarding procedures as per Rules and Regulations of the HMRC in this regard.

10. Option to switch between the funds:

During the policy term, the policyholder can switch between any of the four funds as specified in Condition 1 of Part E of this Policy Document.

On switching, the entire amount is switched to the new Fund opted for. During a given policy year, 4 switches will be allowed free of charge. Subsequent switches shall be

subject to a switching charge of Rs.100 per switch as specified in Condition 7.5 of Part E of this Policy Document.

On receipt of the policyholder's application for a switch from one fund to another, the Unit Fund Value after deducting switching charge, if applicable, shall be transferred to the New Fund type opted for by the Policyholder and shall be utilized to allocate Fund Units at the NAV under the new Fund type on the said date of switch. If a request is received up to a particular time (presently 3 p.m.), the closing NAV of the same day shall be applicable and in respect of the requests received after such time, the closing NAV of the next business day shall be applicable.

The timing given is as per the existing guidelines and changes in this regard shall be as per the instructions from IRDAI from time to time.

11. Settlement Option:

In case of death of the Life Assured before the date of Vesting, if the Nominee or Beneficiary has opted for withdrawal of entire proceeds as mentioned in Condition 1.B.iii.a of Part C, the Nominee/Beneficiary shall have the Option to exercise Settlement Option i.e. the option to receive the Death Benefits in instalments.

In order to exercise the Settlement Option, the Nominee/Beneficiary has to submit the request in writing along with death certificate and has to specify the mode of paying the Death Benefit (i.e. yearly, half yearly, quarterly or monthly instalments) spread over a period of not more than five years from the date of intimation of death of Life Assured.

The Unit Fund under such policy will continue to be invested as per the fund type existing as on the date of intimation of death.

Each instalment (in number of units) shall be the total number of units as on the date of intimation of death divided by total number of instalments (i.e. 5, 10, 20 and 60 for yearly, half-yearly, quarterly and monthly instalments in 5 year period respectively). The number of units arrived at in respect of each instalment will be multiplied by the NAV of the applicable fund type as on the date of instalment payment to arrive at the amount paid out in each instalment. The instalment payment shall be made by redeeming the units from the Unit Fund. The first payment will be made corresponding to the date of intimation of death and thereafter based on the mode opted by the Nominee/Beneficiary i.e. every month or three months or six months or annual from the date of intimation of death, as the case may be.

During the Settlement Option Period, no charges other than the Fund Management Charge shall be deducted. The value of instalment payable on the date specified shall be subject to investment risk i.e. the NAV may go up or down depending upon the performance of the fund. The investment risk during the settlement period shall be borne by the Nominee/Beneficiary. There will not be any risk cover or guaranteed benefits during the settlement period.

On death of the Nominee/Beneficiary after the commencement of the Settlement Option Period, the value of the outstanding units held in the Unit Fund shall become payable to the legal heir in lump sum.

No partial withdrawal or switching of fund by the Nominee/Beneficiary shall be allowed during the subsistence of the period of settlement option.

However, the Nominee/Beneficiary shall have option to withdraw the Unit Fund value at any time during the settlement period. In such case, the Unit Fund value shall be calculated as the total number of outstanding units in the policy multiplied by the unit price as on the date of complete withdrawal.

12. Partial Withdrawals:

A policyholder can partially withdraw the units at any time **after the 5 years' lock-in period** subject to the following:

i. It is allowed only against the following stipulated reasons:

- a. Higher education of children.
 - b. Marriage of children.
 - c. For the purchase or construction of residential house.
 - d. For treatment of critical illnesses of self or spouse.
 - e. Any other reason as per the IRDAI Circular/Guidelines/Regulations issued from time to time.
- ii. It is allowed only up to 3 times during the entire term of the policy term.
 - iii. The maximum quantum of **each** Partial withdrawal shall not exceed the following percentage of Unit Fund Value at the time of Partial withdrawal:

For Regular Premium policies:

Annual Premium	% of Unit Fund Value
Less than Rs. 50,000/-	10%
Rs.50,000/- and above but less than Rs. 1,00,000/-	15%
Rs.1,00,000 and above	25%

For Single Premium policies:

Single Premium	% of Unit Fund Value
Less than Rs.2,00,000/-	10%
Rs.2,00,000/- and above but less than Rs. 5,00,000/-	15%
Rs.5,00,000 and above	25%

- iv. Any Partial Withdrawal which would result in Unit Fund Value less than one Annualized Premium in case of Regular Premium or 30% of Single Premium in case of Single Premium policies shall not be allowed.

This condition has been incorporated to ensure that Partial Withdrawal shall not result in termination of the Policy.

- v. Partial Withdrawal Charge as specified in Condition 7.8 of Part E of this Policy Document shall be deducted from the Unit Fund Value.
- vi. The Guaranteed Additions to be attached after the date of Partial Withdrawal shall be reduced on pro-rata basis as specified in Condition 2 of Part C of this Policy Document.

In case of death within 2 years from the date of Partial Withdrawals, the Assured Death Benefit of 105% of the Total Premiums received upto the date of death shall be reduced by Partial Withdrawals made during two-year period immediately preceding the death of the Life Assured.

13. Option to extend date of Vesting:

An Option shall also be available to the Policyholder to extend the accumulation period or deferment period (i.e. policy term) within the same policy with the same terms and conditions as the original policy subject to the following conditions:

- At the time of exercising this option, age of policyholder shall be less than 60 years.
- Extension of accumulation or deferment period shall be upto the maximum Vesting age under the plan.
- In any case the sum of original policy term and extended policy term shall not be more than 42 years.
- The request for extending accumulation or deferment period is submitted before the original Vesting date.

Policyholder can choose to extend the date of Vesting either by payment of further premiums in case of regular premium payment policies or without payment of further premiums. Once the policyholder decides to exercise this Option and intimates the same to the Corporation, the policy shall continue by deducting the applicable charges as in

case of an in-force policy. However, the Guaranteed Additions shall be attached as per the following provisions:

i. **Date of Vesting extended under Single premium policies and regular premium policies (with payment of further premiums):**

In this case the applicable rate of Guaranteed Additions shall remain the same as applicable for in-force policy corresponding to the modified policy term.

ii. **Date of Vesting extended without payment of further premiums under regular premium payment policies:**

In this case the applicable rate of Guaranteed Additions shall be reduced on pro-rata basis as specified in Condition 2 of Part C of this Policy Document.

The date of Vesting wherever referred to in this document includes extended date of Vesting, if applicable.

If the policyholder opts to extend the Date of Vesting, he/she will have to inform his/her intention to the Corporation at least three months prior to the vesting date.

14. If this policy is purchased as QROPS (Qualifying Recognized Overseas Pension Scheme), through transfer of UK tax relieved assets the following terms and conditions prescribed by HMRC (Her Majesty Revenue & Customs) shall apply:

- i. Minimum Vesting Age shall be 55 years.
- ii. If the policy is cancelled during the Free-Look period, the proceeds from cancellation shall only be transferred back to the fund house from where the money was received.
- iii. Overseas transfer charge - In the event of applicable tax charge arising as a result of an overseas transfer (Her Majesty Revenue & Customs (HMRC) - policy paper – The overseas transfer charge – guidance, published 8th March 2017) for which the Scheme Manager i.e. Life Insurance Corporation of India may become liable, Corporation shall deduct an amount only to the extent of the applicable tax charge from the Fund transferred and remit the same to HMRC.
- iv. Subject to specific Plan features other terms and conditions of HMRC shall also apply as applicable from time to time.

PART E

1. Fund Unit Allocation and Investment of Fund:

Each premium paid by the Policyholder shall be subject to Premium Allocation Charge as per details given in Condition 7.1 of Part E below. The policyholder will have the option to choose any **One** of the following 4 funds to invest his/her premiums initially and at the time of switching. The allocated premiums shall be utilized to purchase units as per the chosen fund type. Units will be allotted based on the Net Asset Value (NAV) of the respective fund as on the date of allotment. The details of the available funds and broadly their investment pattern are as under:

Fund Type	Investment in Government / Government Guaranteed Securities / Corporate Debt	Short-term investments such as money market instruments	Investment in Listed Equity Shares	Objective	Risk Profile	SFIN*
Pension Bond Fund	60% to 100%	0% to 40%	Nil	To provide relatively safe and less volatile investment option mainly through accumulation of income through investment in fixed income securities.	Low Risk	ULIF001 01/02/22 LICPENF BND 512
Pension Secured Fund	50% to 90%	0% to 40%	10% to 50%	To provide steady income through investment in both equities and fixed income securities.	Lower to Medium Risk	ULIF002 01/02/22 LICPENF SEC 512
Pension Balanced Fund	30% to 70%	0% to 40%	30% to 70%	To provide balanced income and growth through similar proportion investment in both equities and fixed income securities	Medium Risk	ULIF003 01/02/22 LICPENF BAL 512
Pension Growth Fund	0% to 60%	0% to 40%	40% to 100%	To provide long term capital growth through investment primarily in equities	High Risk	ULIF004 01/02/22 LICPENF GRW 512

Pension Discontinued Fund (SFIN: ULIF00501/02/22LICDPFPENS512): This fund shall be a segregated Unit Fund and shall comprise of all the discontinued policy funds of all the policies offered under the Unit Linked Pension products.

The investment pattern of the Pension Discontinued Fund shall have the following asset mix:

Asset Type	Range (in %)
Short-term investments such as money market instruments	0% to 80%
Investment in Government / Government Guaranteed Securities	20% to 100%

If any of the following funds, which are attached to this Product and are approved by the Board, do not comply with **Regulation 8 of Schedule I of the IRDAI (Investment) Regulations, 2016 read with the Master Circular – Investment issued there under**, the

policyholder will be given a free switch to the funds detailed below.

i) **Fund Name: Pension Bond Fund, SFIN No: ULIF00101/02/22LICPENFBND512 (Low Risk)**

Free Switch shall be allowed to one of the following funds:

Fund Name	SFIN	Risk Profile
Pension Secured Fund	ULIF00201/02/22LICPENFSEC512	Lower to Medium Risk
Pension Balanced Fund	ULIF00301/02/22LICPENFBAL512	Medium Risk

ii) **Fund Name: Pension Secured Fund, SFIN No:ULIF00201/02/22LICPENFSEC512 (Lower to Medium Risk)**

Free Switch shall be allowed to one of the following funds:

Fund Name	SFIN	Risk Profile
Pension Bond Fund	ULIF00101/02/22LICPENFBND512	Low Risk
Pension Balanced Fund	ULIF00301/02/22LICPENFBAL512	Medium Risk

iii) **Fund Name: Pension Balanced Fund, SFIN No: ULIF00301/02/22LICPENFBAL512 (Medium Risk)**

Free Switch shall be allowed to one of the following funds:

Fund Name	SFIN	Risk Profile
Pension Secured Fund	ULIF00201/02/22LICPENFSEC512	Lower to Medium Risk
Pension Growth Fund	ULIF00401/02/22LICPENFGRW512	High Risk

iv) **Fund Name: Pension Growth Fund, SFIN No: ULIF00401/02/22LICPENFGRW512, (High Risk)**

Free Switch shall be allowed to one of the following funds:

Fund Name	SFIN	Risk Profile
Pension Secured Fund	ULIF00201/02/22LICPENFSEC512	Lower to Medium Risk
Pension Balanced Fund	ULIF00301/02/22LICPENFBAL512	Medium Risk

2. Fund Closure:

Although the Funds are open ended, we may close any of the existing funds with prior approval from the IRDAI. The policyholder shall be notified atleast 3 months prior to the closure of the Fund. The policyholder can switch to other existing Fund options without switching charges during these 3 months. In case the policyholder does not switch during this period, Corporation shall switch the units to any other Funds with similar asset allocation and risk profile.

3. Offer and Bid Price:

The Offer price is the price at which the Corporation is prepared to create/ allot Fund Unit/s in the opted Fund Type in respect of this policy. The Bid price is the price at which the Corporation is prepared to cancel (repurchase) Fund Unit/s in the Fund in respect of this policy. As there is no Bid-Offer spread, the Bid price and the Offer price under this plan are equal to the NAV.

4. Method of calculation of Unit Value:

The NAV will be computed on daily basis and will be based on investment performance, Fund Management Charge of each Fund type and shall be computed as:

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

Where, Valuation Date is the date of calculation of NAV.

The Unit Fund Value will be subject to deduction of charges, as specified in the Condition 7 of Part E below.

5. Force Majeure Conditions:

- i. The Corporation will declare a 'Single' Net Asset Value (NAV) for each segregated fund on a day-to-day basis.
- ii. In the event of certain force majeure conditions as specified below, the declaration of NAV on a day-to-day basis may be deferred and could include other actions as a part of investment strategy (e.g. taking exposure of any Segregated Fund (SFIN) up to 100% in Money Market Instruments):
 - a. Corporation shall value the Funds (SFIN) on each day for which financial markets are open. However, the Corporation may value the SFIN less frequently in extreme circumstances external to the Corporation i.e. in force majeure events, where the value of the assets is too uncertain. In such circumstances, the Corporation may defer the valuation of the assets for up to 30 days until the Corporation is certain that the valuation of SFIN can be resumed.
 - b. The Corporation will inform IRDAI of such deferment of the valuation of assets. During the continuance of the force majeure events, all requests for servicing the policy including policy related payment shall be kept in abeyance.
 - c. The Corporation will continue to invest as per the investment pattern of the Fund type opted by the Policyholder. However, the Corporation reserves the right to change the exposure of all/or any part of the Fund to Money Market Instruments (as defined under Regulation 2(j) of IRDAI (Investment) Regulations 2016) in circumstances mentioned in point (a & b) above. The exposure of the chosen Fund shall be reinstated within reasonable timelines once the force majeure situation ends.
 - d. Few examples of such circumstances as mentioned (in points a & b) above are:
 - When one or more stock exchanges which provide a basis for valuation of the assets of the Fund are closed otherwise than for ordinary holidays.
 - When, as a result of political, economic, monetary or any circumstances which are not in the control of the Corporation, the disposal of the assets of the Fund would be detrimental to the interests of the continuing Policyholders.
 - In the event of natural calamities, strikes, war, civil unrest, riots and bandhs.
 - In the event of any force majeure or disaster that affects the normal functioning of the Corporation.
 - e. In such an event, an intimation of such force majeure event shall be uploaded on the Corporation's website for information.

6. Applicability of Net Asset Value:

- i. The allocation and redemption of units for various transaction will be at the NAV as described below:

Type of Transaction	Applicable NAV (Where transaction is received before cut off Time)
First Premium received: <ul style="list-style-type: none"> • In case of Offline sale: by way of a local cheque or a demand draft payable at par at the place where premium is received. • In case of Online sale: by any digital payment mode. 	NAV of Date of underwriting acceptance of risk i.e. Date of commencement of policy.
Renewal premium received through NACH or by any digital payment mode.	NAV of the date of our receipt of instruction or transaction realization date or the due date of premium, whichever is later.
Renewal premium received by way of a local cheque or a demand draft	NAV of the date of our receipt of instrument or the due date of premium, whichever is later.

payable at par at the place where the premium is received.	
Partial withdrawal, Switching between available Fund types or Free-look cancellation	NAV of the date of our receipt of the request online/in writing.
Surrender	NAV of the date of our receipt of surrender request in writing
Death claim	NAV of the date of our receipt of the intimation of death in writing along with death certificate.
Guaranteed Additions	NAV of the date of allocation
Revival	NAV as on date of revival, where date of revival is the date of adjustment of all due premiums after underwriting acceptance has been received.
Settlement Option	NAV of date of instalment payment under settlement option.
Vesting Benefit	NAV of the date of Vesting.
Discontinuance	NAV as on the date of discontinuance.
Termination	NAV of date of termination.
Policy Alteration	NAV of date of alteration in the policy.

- ii. Currently, the cut-off time is 3.00 p.m. as per the existing IRDAI guidelines and changes in this regard shall be as per the instructions from IRDAI. In case of new business the cut- off time of 3.00 p.m. for determination of NAV shall be in reference to the date of acceptance of risk i.e. date of commencement of Policy.
- iii. If the transaction request is received before the cut-off time in respect of:
- Premium Payments, at any branch office of the Corporation or other authorized office for premium collection or by any digital payment mode or through NACH
 - Other transaction, by servicing branch of the Corporation.
 - Successful Registration of Service Requests as and when made available on LIC's Customer Portal
- the closing NAV of that day shall be applicable.
- iv. If the transaction request is received after the cut-off time in respect of :
- Premium Payments, at any branch office of the Corporation or other authorized office for premium collection or by any digital payment mode or through NACH
 - Other transaction, by servicing branch of the Corporation
 - Successful Registration of Service Requests as and when made available on LIC's Customer Portal
- the closing NAV of the next business day shall be applicable.
- v. In case of Offline sale, Premium paid by CTS 2010 cheque/demand draft drawn on a bank which is participating in local/CTS/speed clearing house shall only be accepted. Cheques /demand draft not coming under above category shall not be accepted.

7. Charges :

The details of Charges are as under. These Charges are subject to GST as mentioned in Condition 7.9 below.

7.1 Premium Allocation Charge: This is the percentage of the premium appropriated towards charges from the premium received. The balance known as allocation rate constitutes that part of the premium which is utilized to purchase units of the chosen fund in the policy.

The allocation charges are as below:

For Regular Premium policies:

Year	Offline		Online
	Annual Premium (AP) less than Rs. 50,000/-	Annual Premium (AP) greater than or equal to Rs. 50,000/-	

	As a % of Instalment Premium	As a % of Instalment Premium	As a % of Instalment Premium
1 st	7.00%	7.00%	2.50%
2 nd to 5 th	4.50%	4.00%	1.50%
6 th and onwards	3.50%	3.00%	1.00%

For Single Premium (SP) policies:

Year	Offline	Online
	As a % of SP	As a % of SP
1 st	3.30%	1.50%
2 nd and onwards	Nil	Nil

7.2 Mortality Charge: Nil

7.3 Policy Administration Charge: This Charge shall be levied at the beginning of each policy month from the Unit Fund by cancelling units for equivalent amount. This Charge shall be deducted in first 5 years only and shall be based on Instalment Premium (Inst_Prem) with a cap on maximum amount to be deducted from a policy:

For Regular Premium policies:

During	Policy Admin Charge per month (Rs.)
1 st policy year	Minimum of [(0.190%*Inst_Prem*k) or 57]
2 nd policy year	Minimum of [(0.184%*Inst_Prem*k) or 55]
3 rd policy year	Minimum of [(0.177%*Inst_Prem*k) or 53]
4 th policy year	Minimum of [(0.170%*Inst_Prem*k) or 51]
5 th policy year	Minimum of [(0.164%*Inst_Prem*k) or 49]
6 th policy year and onwards	NIL

Value of k is as under:

Premium Payment Mode	Value of k
Yearly	1.00
Half-yearly	1.44
Quarterly	2.35
Monthly	5.95

For Single Premium policies:

During	Policy Admin Charge per month (Rs.)
1 st policy year	80
2 nd policy year	76
3 rd policy year	73
4 th policy year	70
5 th policy year	67
6 th policy year and onwards	NIL

7.4 Fund Management Charge: This is a charge levied as a percentage of the value of assets and shall be appropriated by adjusting the NAV. Fund Management (FMC) Charge shall be as under:

- 1.35% p.a. of Unit Fund for all the four Funds available under an in-force policy i.e. Pension Bond Fund, Pension Secured Fund, Pension Balanced Fund and Pension Growth Fund.
- 0.50% p.a. of Unit Fund for "Pension Discontinued Fund".

This is a charge levied at the time of computation of NAV, which will be done on daily basis. The NAV thus declared will be net of FMC.

7.5 Switching Charge: This is a charge levied on switching of monies from one fund to another and will be levied at the time of executing a switch by cancelling appropriate

number of units out of Unit Fund Value. Within a given policy year, 4 switches shall be allowed free of charge. Subsequent switches, if any, shall be subject to a Switching Charge of Rs. 100 per switch.

7.6 Bid/Offer Spread: Nil.

7.7 Discontinuance Charge: The Discontinuance Charge shall be deducted by cancelling appropriate number of units out of Unit Fund Value as on the date of discontinuance of Policy and is as under:

For Regular Premium policies:

Where the policy is discontinued during the policy year	Discontinuance Charges for the policies having annualized premium up to Rs. 50,000	Discontinuance Charges for the policies having annualized premium above Rs. 50,000
1	Lower of 20% * (AP or FV) subject to maximum of Rs. 3000/-	Lower of 6% * (AP or FV) subject to maximum of Rs. 6000/-
2	Lower of 15% * (AP or FV) subject to maximum of Rs. 2000/-	Lower of 4% * (AP or FV) subject to maximum of Rs. 5000/-
3	Lower of 10% * (AP or FV) subject to maximum of Rs. 1500/-	Lower of 3% * (AP or FV) subject to maximum of Rs. 4000/-
4	Lower of 5% * (AP or FV) subject to maximum of Rs. 1000/-	Lower of 2% * (AP or FV) subject to maximum of Rs. 2000/-
5 and onwards	NIL	NIL

For Single Premium policies:

Where the policy is discontinued during the policy year	Discontinuance Charges for the policies having Single Premium up to Rs. 3,00,000	Discontinuance Charges for the policies having Single Premium above Rs. 3,00,000
1	Lower of 2% * (SP or FV) subject to maximum of Rs. 3000/-	Lower of 1% * (SP or FV) subject to maximum of Rs. 6000/-
2	Lower of 1.50% * (SP or FV) subject to maximum of Rs. 2000/-	Lower of 0.70% * (SP or FV) subject to maximum of Rs. 5000/-
3	Lower of 1% * (SP or FV) subject to maximum of Rs. 1500/-	Lower of 0.50% * (SP or FV) subject to maximum of Rs. 4000/-
4	Lower of 0.50% * (SP or FV) subject to maximum of Rs. 1000/-	Lower of 0.35% * (SP or FV) subject to maximum of Rs. 2000/-
5 and onwards	NIL	NIL

Where

AP - Annualized Premium

SP -Single Premium

FV - Unit Fund Value on the date of discontinuance of policy.

7.8 Partial Withdrawal Charge:

This is a charge levied on the Unit Fund Value at the time of each Partial Withdrawal of the Fund and shall be a flat amount of Rs. 100/- which will be deducted by cancelling appropriate number of units out of Unit Fund Value and the deduction shall be made on the date on which Partial Withdrawal takes place.

7.9 Tax Charge:

Tax charges, if any, shall be levied on all or any of the charges applicable to this plan at the rate of tax as applicable as per prevailing Tax laws/notification etc. as issued by Government of India or any other Constitutional Authority of India from time to time in this regard without any reference to the policyholder.

7.10 Miscellaneous Charge:

This is a charge levied for an alteration during the contract, such as change in premium mode under a Regular Premium policy after the issue of the policy, and shall be a flat amount of Rs. 100/- which will be deducted by cancelling appropriate number of units out of Unit Fund Value and the deduction shall be made on the date of alteration in the policy.

The Corporation reserves the right to accept or decline an alteration in the policy. The alteration shall take effect from the policy anniversary coincident with or following the alteration only after the same is approved and accepted by the Corporation.

8. Right to revise charges:

The Corporation reserves the right to revise all or any of the above charges. The modification in charges will be done with prospective effect with the prior approval of IRDAI and after giving the policyholders a notice of 3 months which shall be notified through our website.

Although the charges are reviewable, these shall be subject to the maximum charges as declared by IRDAI from time to time. The current cap of charges is as under:

- Premium Allocation Charge shall not exceed 12.5% of Annualized Premium in any year.
- Policy Administration Charge shall not exceed Rs. 500 per month.
- Fund Management Charge shall not exceed the limit specified by IRDAI which is currently the same as specified in Condition 7.4 of Part E.
- Partial Withdrawal Charge shall not exceed Rs. 500/- on each withdrawal.
- Switching Charge shall not exceed Rs. 500/-per switch.
- Discontinuance Charge shall not exceed the limits specified by IRDAI, which are currently same as specified in Condition 7.7 of Part E.
- Miscellaneous Charge shall not exceed Rs. 500/- each time when an alteration is requested.

In case the policyholder does not agree with the revision of charges the Policyholder shall have the option to withdraw the Unit Fund Value. If such revision in charges is made during the lock-in-period of 5 years, withdrawal shall be allowed only after the expiry of 5 years' lock-in-period.

The Life Assured shall utilize the proceeds of the above withdrawal by exercising one of the Options as mentioned in Condition 1.A.ii of Part C of this Policy Document.

PART – F: OTHER TERMS AND CONDITIONS

1. **a) Assignments:** Assignment is allowed under this plan as per Section 38 of the Insurance Act, 1938 as amended from time to time. The current provisions of Section 38 are contained in Annexure-1 of this Policy Document. The notice of assignment should be submitted for registration to the office of the Corporation, where the policy is serviced.

b) Nominations: Nomination by the holder of a policy of life assurance is required as per Section 39 of the Insurance Act, 1938, as amended from time to time. The current provisions of Section 39 are contained in Annexure-2 of this Policy Document.

The notice of nomination or change of nomination should be submitted for registration to the office of the Corporation, where the policy is serviced. In registering nomination, the Corporation does not accept any responsibility or express any opinion as to its validity or legal effect.

2. **Increase/Decrease in Benefits:** Not Applicable
3. **Top-up:** No Top-up shall be allowed under the plan.
4. **Suicide Exclusion:** Notwithstanding the provision of benefits payable on death mentioned anywhere in this Policy Document, the provisions related to claim payment in case of death due to suicide shall be subject to the conditions as specified herein under:
 - In case of death due to suicide, within 12 months from the Date of Commencement of the policy or from the Date of Revival of the policy, the Nominee or Beneficiary of the policyholder shall be entitled to the Unit Fund Value available **on the date of intimation of death immediately**. The Nominee or Beneficiary shall utilize the proceeds of the Policy by exercising one of the Options as mentioned in Condition 1.B.iii).of Part C of this Policy Document. The Corporation will not entertain any other claim by virtue of this policy.
 - Any charges and Tax levied thereon other than Fund Management Charges (FMC) and Tax charges levied on FMC recovered subsequent to the **date of death** shall be added back to the Unit Fund Value as available on date of intimation of death.
 - Any Guaranteed Additions added subsequent to the **date of death** shall be recovered from the Unit Fund.
5. **Risks borne by the Life Assured:** The Value of the units as well as the Benefits relating to the Unit Fund Value are subject to market and other risks and there can be no assurance that the objectives of any of the above funds will be achieved. Further, the value of units within each Fund Type can go up or down depending on the different factors affecting the capital markets and may also be affected by changes in the general level of interest rates and other economic factors. All benefits under the policy are also subject to the Tax Laws and other financial enactments as they become applicable from time to time.

6. **Normal requirements for a claim:**

- a) **Death Claim:** The normal documents which the claimant shall submit while lodging the claim in case of death of the Life Assured shall be claim forms, as prescribed by the Corporation, accompanied with original Policy Document, NEFT mandate from the claimant for direct credit of the claim amount to the bank account, proof of title, proof of death, medical treatment prior to the death (if any), school/ college/ employer's certificate, whichever is applicable, to the satisfaction of the Corporation. If the age is not admitted under the policy, the proof of age of the Life Assured shall also be submitted.

In case of unnatural death or death on account of or arising from an accident, the Corporation may call for the copies of First Information Report (FIR), Panchnama and Post Mortem report. The Corporation may also call for additional documents as may be required by them.

Within 90 days from the date of death, intimation of death along with the death certificate must be notified in writing to the office of the Corporation where the policy is serviced for any claims to be admissible. However, delay in intimation of the genuine claim by the claimant, if any, may be condoned by the Corporation, on merit, where delay is proved to be the reasons beyond his/her control.

- b) **On Vesting/ Surrender:** At the date of Vesting of the policy or in case of Surrender, the Life Assured shall submit the discharge form along with the original Policy Document, NEFT mandate from the claimant for direct credit of the claim amount to the bank account besides proof of age, if the age is not admitted earlier.
- c) **On termination of policy other than Death Claim:** In case of termination of a policy for any reason other than Death Claim, the Life Assured shall submit the discharge form along with the original Policy Document, NEFT mandate from the claimant for direct credit of the claim amount to the bank account besides proof of age, if the age is not admitted earlier.

In addition to above, any requirement mandated under any statutory provisions or as may be required as per law shall also be required to be submitted.

7. **Legislative Changes:** The terms and conditions including the premiums and benefits payable under this policy are subject to variation in accordance with the relevant Legislation & Regulations.
8. **Unit Statement:** Unit statement shall be issued on yearly basis on every Policy Anniversary and also as and when a transaction takes place.
9. **Benefit Illustration:** Your customized Benefit Illustration is enclosed to this Policy Document
10. **Issuance of Duplicate Policy:**
The Policyholder can make an application for duplicate Policy on payment of policy preparation charges and policy stamp charges which are specified from time to time* upon loss of Policy Document along with other requirements as may be prescribed by the Corporation.

*As on January, 2021, the applicable duplicate policy preparation charge is Rs. 75 and policy stamp charge is 0.20 paise per thousand of maximum Assured Death Benefit. In addition, Indemnity Bond notarized as per requisite stamp value is also required and the stamp fee for the same shall be borne by the Policyholder.

11. Governing Law and Jurisdiction:

The Policy shall be governed by the laws of India and the Indian Courts shall have jurisdiction to settle any disputes arising under the Policy.

PART – G: STATUTORY PROVISIONS

Section 45 of the Insurance Act, 1938:

The provision of Section 45 of the Insurance Act, 1938 as amended from time to time shall be applicable. The current provisions are contained in **Annexure-3** of this Policy Document.

Grievance Redressal Mechanism:

Of the Corporation:

The Corporation has Grievance Redressal Officers at Branch/ Divisional/ Zonal/ Central Office to redress grievances of customers. For ensuring quick redressal of customer grievances the Corporation has introduced Customer friendly Integrated Complaint Management System through our Customer Portal (website) which is <https://www.licindia.in>, where a registered policy holder can directly register complaint/ grievance and track its status. Customers can also contact at e-mail id co_complaints@licindia.com for redressal of any grievances.

Claimants not satisfied with the decision of death claim repudiation have the option of referring their cases for review to Zonal Office Claims Dispute Redressal Committee or Central Office Claims Dispute Redressal Committee. A retired High Court/ District Court Judge is member of each of the Claims Dispute Redressal Committees.

Of IRDAI:

In case the customer is not satisfied with the response or do not receive the response from us within 15 days, then the customer may approach the Grievance Cell of the IRDAI through any of the following modes:

- i. Calling Toll Free Number 155255/18004254732 (i.e. IRDAI Grievance Call Centre)
- ii. Sending an email to complaints@irdai.gov.in
- iii. Register the complaint online at <https://www.igms.irda.gov.in>
- iv. Address for sending the complaint through courier/letter:
Consumer Affairs Department, Insurance Regulatory and Development Authority of India, Survey No. 115/1, Financial District, Nanakramguda, Gachibowli, Hyderabad-500032, Telangana.

Of Ombudsman:

For redressal of Claims related grievances, claimants can also approach Insurance Ombudsman who provides for low cost and speedy arbitration to customers.

The Ombudsman, as per Insurance Ombudsman Rules, 2017, can receive and consider complaints or disputes relating to the matters such as:

- (a). Delay in settlement of claims, beyond the time specified in the regulations, framed under the Insurance Regulatory and Development Authority of India Act, 1999;
- (b). Any partial or total repudiation of claims by the life insurer, General insurer or the health insurer;
- (c). Disputes over premium paid or payable in terms of insurance policy;
- (d). Misrepresentation of policy terms and conditions at any time in the Policy Document or policy contract;
- (e). Legal construction of insurance policies in so far as the dispute relates to claim;
- (f). Policy servicing related grievances against insurers and their agents and intermediaries;
- (g). Issuance of life insurance policy, general insurance policy including health insurance policy which is not in conformity with the proposal form submitted by the proposer;
- (h). Non-issuance of insurance policy after receipt of premium in life insurance and general insurance including health insurance; and
- (i). Any other matter resulting from the violation of provisions of the Insurance Act, 1938 as amended from time to time or the regulations, circulars, guidelines or instructions issued by the IRDAI from time to time or the terms and conditions of the policy contract, in so far as they relate to issues mentioned at clauses (a) to (f)

Note: In case of dispute in respect of interpretation of these terms and conditions in this document the English version shall stand valid.

YOU ARE REQUESTED TO EXAMINE THIS POLICY, AND IF ANY MISTAKE BE FOUND THEREIN, RETURN IT IMMEDIATELY FOR CORRECTION.

Assignment - As per Section 38 of the Insurance Act 1938:

- (1) A transfer or assignment of a policy of insurance, wholly or in part, whether with or without consideration, may be made only by an endorsement upon the policy itself or by a separate instrument, signed in either case by the transferor or by the assignor or his duly authorised agent and attested by at least one witness, specifically setting forth the fact of transfer or assignment and the reasons thereof, the antecedents of the assignee and the terms on which the assignment is made.
- (2) An insurer may, accept the transfer or assignment, or decline to act upon any endorsement made under sub-section(1), where it has sufficient reason to believe that such transfer or assignment is not bonafide or is not in the interest of the policyholder or in public interest or is for the purpose of trading of insurance policy.
- (3) The insurer shall, before refusing to act upon the endorsement, record in writing the reasons for such refusal and communicate the same to the policyholder not later than thirty days from the date of the policy-holder giving notice of such transfer or assignment.
- (4) Any person aggrieved by the decision of an insurer to decline to act upon such transfer or assignment may within a period of thirty days from the date of receipt of the communication from the insurer containing reasons for such refusal, prefer a claim to the Authority.
- (5) Subject to the provisions in sub-section (2), the transfer or assignment shall be complete and effectual upon the execution of such endorsement or instrument duly attested but except, where the transfer or assignment is in favour of the insurer, shall not be operative as against an insurer, and shall not confer upon the transferee or assignee, or his legal representative, any right to sue for the amount of such policy or the moneys secured thereby until a notice in writing of the transfer or assignment and either the said endorsement or instrument itself or a copy thereof certified to be correct by both transferor and transferee or their duly authorised agents have been delivered to the insurer:

Provided that where the insurer maintains one or more places of business in India, such notice shall be delivered only at the place where the policy is being serviced.

- (6) The date on which the notice referred to in sub-section (5) is delivered to the insurer shall regulate the priority of all claims under a transfer or assignment as between persons interested in the policy; and where there is more than one instrument of transfer or assignment the priority of the claims under such instruments shall be governed by the order in which the notices referred to in sub-section (5) are delivered:

Provided that if any dispute as to priority of payment arises as between assignees, the dispute shall be referred to the Authority.

- (7) Upon the receipt of the notice referred to in sub-section (5), the insurer shall record the fact of such transfer or assignment together with the date thereof and the name of the transferee or the assignee and shall, on the request of the person by whom the notice was given, or of the transferee or assignee, on payment of such fee as may be specified by the regulations, grant a written acknowledgement of the receipt of such notice; and any such acknowledgement shall be conclusive evidence against the insurer that he has duly received the notice to which such acknowledgment relates.
- (8) Subject to the terms and conditions of the transfer or assignment, the insurer shall, from the date of the receipt of the notice referred to in sub-section (5), recognize the transferee or assignee named in the notice as the absolute transferee or assignee entitled to benefit under the policy, and such person shall be subject to all liabilities and equities to which the transferor or assignor was subject at the date of the transfer or assignment and may institute any proceedings in relation to the policy, obtain a loan under the policy or surrender the policy without obtaining the consent of the transferor or assignor or making him a party to such proceedings.

Explanation – Except where the endorsement referred to in sub-section (1) expressly indicates that the assignment or transfer is conditional in terms of subsection (10) hereunder, every assignment or transfer shall be deemed to be an absolute assignment or transfer and the assignee or transferee, as the case may be, shall be deemed to be the absolute assignee or transferee respectively.

(9) Any rights and remedies of an assignee or transferee of a policy of life insurance under an assignment or transfer effected prior to the commencement of the Insurance Laws (Amendment) Act, 2015 shall not be affected by the provisions of this section.

(10) Notwithstanding any law or custom having the force of law to the contrary, an assignment in favour of a person made upon the condition that-

a. The proceeds under the policy shall become payable to the policyholder or the nominee or nominees in the event of either the assignee or transferee predeceasing the insured; or

b. The insured surviving the term of the policy, shall be valid:

Provided that a conditional assignee shall not be entitled to obtain a loan on the policy or surrender a policy.

(11) In the case of the partial assignment or transfer of a policy of insurance under subsection (1), the liability of the insurer shall be limited to the amount secured by partial assignment or transfer and such policyholder shall not be entitled to further assign or transfer the residual amount payable under the same policy.

Nomination - As per Section 39 of the Insurance Act 1938:

1. The holder of a policy of life insurance on his own life may, when effecting the policy or at any time before the policy matures for payment, nominate the person or persons to whom the money secured by the policy shall be paid in the event of his death:

Provided that, where any nominee is a minor, it shall be lawful for the policy holder to appoint any person in the manner laid down by the insurer, to receive the money secured by policy in the event of his death during the minority of the nominee.

2. Any such nomination in order to be effectual shall, unless it is incorporated in the text of the policy itself, be made by an endorsement on the policy communicated to the insurer and registered by him in the records relating to the policy and any such nomination may at any time before the policy matures for payment be cancelled or changed by an endorsement or a further endorsement or a will, as the case may be, but unless notice in writing of any such cancellation or change has been delivered to the insurer, the insurer shall not be liable for any payment under the policy made bonafide by him to a nominee mentioned in the text of the policy or registered in records of the insurer.
3. The insurer shall furnish to the policy holder a written acknowledgement of having registered a nomination or a cancellation or change thereof, and may charge such fee as may be specified by regulations for registering such cancellation or change.
4. A transfer or assignment of a policy made in accordance with section 38 shall automatically cancel a nomination:

Provided that the assignment of a policy to the insurer who bears the risk on the policy at the time of the assignment, in consideration of a loan granted by that insurer on the security of the policy within its surrender value, or its reassignment on repayment of the loan shall not cancel a nomination, but shall affect the rights of the nominee only to the extent of the insurer's interest in the policy:

Provided further that the transfer or assignment of a policy, whether wholly or in part, in consideration of a loan advanced by the transferee or assignee to the policyholder, shall not cancel the nomination but shall affect the rights of the nominee only to the extent of the interest of the transferee or assignee, as the case may be, in the policy:

Provided also that the nomination, which has been automatically cancelled consequent upon the transfer or assignment, the same nomination shall stand automatically revived when the policy is reassigned by the assignee or retransferred by the transferee in favour of the policyholder on repayment of loan other than on a security of policy to the insurer.

5. Where the policy matures for payment during the lifetime of the person whose life is insured or where the nominee or, if there are more nominees than one, all the nominees die before the policy matures for payment, the amount secured by the policy shall be payable to the policyholder or his heirs or legal representatives or the holder of a succession certificate, as the case may be.
6. Where the nominee or if there are more nominees than one, a nominee or nominees survive the person whose life is insured, the amount secured by the policy shall be payable to such survivor or survivors.
7. Subject to the other provisions of this section, where the holder of a policy of insurance on his own life nominates his parents, or his spouse, or his children, or his spouse and children, or any of them, the nominee or nominees shall be beneficially entitled to the amount payable by the insurer to him or them under sub-section (6) unless it is proved that the holder of the policy, having regard to the nature of his title to the policy, could not have conferred any such beneficial title on the nominee.

8. Subject as aforesaid, where the nominee, or if there are more nominees than one, a nominee or nominees, to whom sub-section (7) applies, die after the person whose life is insured but before the amount secured by the policy is paid, the amount secured by the policy, or so much of the amount secured by the policy as represents the share of the nominee or nominees so dying (as the case may be), shall be payable to the heirs or legal representatives of the nominee or nominees or the holder of a succession certificate, as the case may be, and they shall be beneficially entitled to such amount.
9. Nothing in sub-sections (7) and (8) shall operate to destroy or impede the right of any creditor to be paid out of the proceeds of any policy of life insurance.
10. The provisions of sub-sections (7) and (8) shall apply to all policies of life insurance maturing for payment after the commencement of the Insurance Laws (Amendment) Act, 2015.
11. Where a policyholder dies after the maturity of the policy but the proceeds and benefit of his policy has not been made to him because of his death, in such a case, his nominee shall be entitled to the proceed and benefit of his policy.
12. The provisions of this section shall not apply to any policy of life insurance to which section 6 of the Married Women's Property Act, 1874, applies or has at any time applied:

Provided that where a nomination made whether before or after the commencement of the Insurance Laws (Amendment) Act, 2015, in favour of the wife of the person who has insured his life or of his wife and children or any of them is expressed, whether or not on the face of the policy, as being made under this section, the said section 6 shall be deemed not to apply or not to have applied to the policy.

Section 45 as per the Insurance Act 1938:

1. No policy of life insurance shall be called in question on any ground whatsoever after the expiry of three years from the date of the policy, i.e. from the date of issuance of the policy or the date of commencement of risk or the date of revival of the policy or the date of the rider to the policy, whichever is later.
2. A policy of life insurance may be called in question at any time within three years from the date of issuance of the policy or the date of commencement of risk or the date of revival of the policy or the date of the rider to the policy, whichever is later on the ground of fraud:

Provided that the insurer shall have to communicate in writing to the insured or the legal representatives or nominees or assignees of the insured the grounds and materials on which such decision is based.

Explanation I.-For the purposes of this sub-section, the expression "fraud" means any of the following acts committed by the insured or by his agent, with the intent to deceive the insurer or to induce the insurer to issue a life insurance policy:-

- a) the suggestion, as a fact of that which is not true and which the insured does not believe to be true;
- b) the active concealment of a fact by the insured having knowledge or belief of the fact;
- c) any other act fitted to deceive; and
- d) any such act or omission as the law specially declares to be fraudulent.

Explanation II- Mere silence as to facts likely to affect the assessment of the risk by the insurer is not fraud, unless the circumstances of the case are such that regard being had to them, it is the duty of the insured or his agent, keeping silence to speak, or unless his silence is, in itself, equivalent to speak.

3. Notwithstanding anything contained in subsection (2), no insurer shall repudiate a life insurance policy on the ground of fraud if the insured can prove that the misstatement of or suppression of a material fact was true to the best of his knowledge and belief or that there was no deliberate intention to suppress the fact or that such misstatement of or suppression of a material fact are within the knowledge of the insurer:

Provided that in case of fraud, the onus of disproving lies upon the beneficiaries, in case the policyholder is not alive.

Explanation – A person who solicits and negotiates a contract of insurance shall be deemed for the purpose of the formation of the contract, to be the agent of the insurer.

4. A policy of life insurance may be called in question at any time within three years from the date of issuance of the policy or the date of commencement of risk or the date of revival of the policy or the date of the rider to the policy, whichever is later, on the ground that any statement of or suppression of a fact material to the expectancy of the life of the insured was incorrectly made in the proposal or other document on the basis of which the policy was issued or revived or rider issued:

Provided that the insurer shall have to communicate in writing to the insured or the legal representatives or nominees or assignees of the insured the grounds and materials on which such decision to repudiate the policy of life insurance is based:

Provided further that in case of repudiation of the policy on the ground of misstatement or suppression of a material fact, and not on the ground of fraud the premiums collected on the policy till the date of repudiation shall be paid to the insured or the legal representatives or nominees or assignees of the insured within a period of ninety days from the date of such repudiation.

Explanation. - For the purposes of this sub-section, the misstatement of or suppression of fact shall not be considered material unless it has a direct bearing on the risk undertaken by the insurer, the onus is on the insurer to show that had the insurer been aware of the said fact no life insurance policy would have been issued to the insured.

5. 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.