



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

**LIC's Index Plus (UIN: 512L354V01)**  
**(A Non-par, Linked, Life, Individual Savings 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  
Office

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/ Customer Information Sheet (CIS),Benefit Illustration and Need Analysis documents. 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 (including riders) 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 of 30 days from the date of receipt of the electronic or physical mode of the Policy Document, whichever is earlier, stating the reasons for 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 which have been deducted, if any, plus proportionate Mortality and Accident Benefit Charges, if any, for the balance period from the date of opting for Free-Look period to the end of the policy month for which the respective charges have been deducted plus Tax Charges deducted thereon, less actual cost of medical examination(including special reports, if any) and for stamp duty.

In case you have any Complaints/Grievance, you may approach 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

<b>Agent's/ Intermediary's Code</b>	<b>Agent's/ Intermediary's Name</b>	<b>Agent's/ Intermediary's Mobile Number / Landline Number</b>
-------------------------------------	-------------------------------------	--

--	--	--

**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 in 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 in Annexure-2 for reference.
- 4) Policyholder or the Life Assured or the claimant, as applicable, is required to intimate the Corporation, about the happening of the insured event resulting into a claim under the insurance policy, at the earliest possible time.
- 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](http://www.licindia.in)
- 8) Please avail LIC's e-services. Visit our website: [www.licindia.in](http://www.licindia.in) to enable us to serve you better. 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.
- 9) For Customer Services, you can contact LIC call centre at +91-022 68276827 whose services are available 24\*7 in English, Hindi and 8 Regional Languages.

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 and the 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 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:**

<b>Policy No.</b>	<b>Instalment Premium (Rs):</b>	<b>Due date of premium:</b>	<b>Date of birth of the Life Assured:</b>
<b>UIN.</b>	<b>Basic Sum Assured (Rs):</b>	<b>Mode of payment of premium:</b>	<b>Age of the Life Assured:</b>
<b>Date of Commencement of policy:</b>	<b>Fund Opted :</b>	<b>Due Date of Last Premium:</b>	<b>Whether age Admitted?</b>
<b>Date of Commencement of Risk:</b>		<b>Proposal No:</b>	<b>Benefit illustration Reference No:</b>
<b>Plan no:</b>		<b>Date of Proposal:</b>	<b>Whether Settlement Option for Death Benefit taken?</b>
<b>Policy Term:</b>		<b>Date of Issuance of Policy:</b>	
<b>Premium Paying Term:</b>			
<b>Date of Maturity:</b>			

**Details of Rider Opted:**

Sr. No.	Rider Opted	UIN	Date of commencement of Risk for rider	Rider Sum Assured	Date of expiry of Rider

Note: Conditions of the rider mentioned above are enclosed as endorsement to the policy.

Unless otherwise stated, all dates described and used in this Schedule are in dd/mm/yyyy formats.

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 as amended from time to time

Type of Nomination:

Nominee(s) Name	Nominee(s) Age	Percentage Share	Relationship to the Life Assured	Appointee Name [in case the Nominee is a minor]

**Period during which premiums payable**

Till the stipulated due date of last premium or earlier death of the Life Assured.

**Dates when premium payable**

On the stipulated due date in .....

Signed on behalf of the Corporation at the above mentioned Branch Office, whose address and e-mail ID is 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 nearer birthday of the Life Assured at the time of the commencement of the policy except for age 0 years for which it has to be 90 days completed.
2. **Accident Benefit Charge** is the charge levied at the beginning of each policy month from the Unit Fund by cancelling appropriate number of units to cover the cost of benefit under LIC's Linked Accidental Death Benefit Rider, if opted for.
3. **Accident Benefit Sum Assured** is an assured amount payable on death of the Life Assured due to accident subject to the terms and conditions specified in Condition 5 of Part C of this policy document, if LIC's Linked Accidental Death Benefit Rider is opted for.
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. **Annualized/Annual Premium** is the total amount of premium payable in a policy year.
6. **Assignee** is the person to whom the rights and benefits are transferred by virtue of an Assignment.
7. **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.
8. **Base Policy** is that part of the Policy referring to Base benefit (benefits referred to in this policy document excluding benefits covered under Rider(s), if opted for).
9. **Basic Sum Assured** means the amount specified in the Schedule as opted by the Policyholder at the time of taking the policy.
10. **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.
11. **Business Day** is the Corporation's working day.
12. **Continued Insurability** is the determination of insurability of Life Assured/Proposer on revival of policy with rider(s) if opted for, 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.
13. **Corporation** means the Life Insurance Corporation of India established under Section 3 of the Life Insurance Corporation Act, 1956.
14. **Date of Commencement of Policy** is the start date of this Policy.
15. **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.
16. **Date of Discontinuance** is the date on which the intimation is received from the Life Assured/Policyholder about 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.
17. **Date of Issuance of Policy** is the date when a proposal after underwriting is accepted as a Policy and this contract gets effected.
18. **Date of Maturity** means the date specified in the Schedule on which the Policy Term expires.
19. **Date of Vesting** (applicable only if the age of the Life Assured is below 18 years on the Date of Commencement of Policy) shall be the policy anniversary date coinciding with or immediately following the completion of 18 years of age. On such vesting date, this policy shall be deemed to be a contract between the Corporation and the Life Assured. The Life Assured shall become the absolute owner of the policy and the proposer or his estate shall cease to have any right or interest therein.
20. **Death Benefit** means the benefit, which is payable on death of Life Assured, as stated in this Policy Document.
21. **Discharge Form** is the form to be filled by Policyholder/Claimant to claim the maturity / surrender / death benefit under the policy.
22. **Discontinuance** is the state of the policy that could arise on account of surrender of the policy or non-payment of due contractual premium before the expiry of the grace period.
23. **Discontinuance Charge** is the charge levied on the Unit Fund on the Date of Discontinuance.
24. **Discontinued Policy Fund** is the segregated fund of the Corporation constituted by the Unit Fund Value, as applicable, of all the linked insurance policies discontinued during the lock-in period.
25. **Due Date** means a fixed date on which the policy premium is due and payable by the Policyholder.
26. **Endorsement** means Conditions attached/ affixed to this Policy incorporating any additions, amendments or modifications agreed to or issued by the Corporation.
27. **Free Look Period** is the period of 30 days from the date of receipt of the electronic or physical mode of the Policy Document, whichever is earlier, by the Policyholder to review the terms and conditions of this Policy and where the Policyholder disagrees to any of those terms and conditions,

he/ she has the option to return this Policy as detailed in Condition 10 in Part D of this Policy Document.

28. **Fund Management Charge** is the charge levied as a percentage of the value of assets and shall be appropriated by adjusting NAV. This is a charge levied at the time of computation of NAV.
29. **Grace Period** is the time granted by the Insurer from the due date of 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 as per the terms and conditions of the Policy.
30. **Guaranteed Additions**, expressed as a percentage of one Annualized Premium, 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.
31. **In-force** policy means a policy in which all the due premiums have been paid and the premiums are not outstanding beyond grace period.
32. **Instalment Premium** is a Premium to be paid by Policyholder as per the premium payment frequency opted by the Policyholder.
33. **IRDAI** means Insurance Regulatory and Development Authority of India earlier called as Insurance Regulatory and Development Authority(IRDA).
34. **Life Assured** is the person on whose life the insurance cover has been accepted.
35. **Lock-in-period** means the period of five consecutive completed years from the Date of Commencement of the Policy, during which period the proceeds of the policies cannot be paid, except in case of death of the Life Assured.
36. **Maturity Benefit** means the benefit, which is payable on maturity as stated in this Policy Document.
37. **Material Information** shall mean all important, essential and relevant information and documents explicitly sought by the Corporation in the proposal form.  
The information already known to the Life Assured/Policyholder/Proposer at the time of obtaining a policy which has a bearing on underwriting of the proposal /Policy submitted constitutes Material Information.
38. **Minor** is a person who has not completed 18 years of age.
39. **Mortality Charge** is the charge levied at the beginning of each policy month for providing the life insurance cover.
40. **Net Asset Value (NAV)** means the price per unit of the Segregated Fund.
41. **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.
42. **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.
43. **Non-Par** products means products which are not entitled for any share in surplus (profits) during the term of the policy.
44. **Paid-up Sum Assured** is equal to Basic Sum Assured *multiplied by* the ratio of total period for which premium have already been paid to the maximum period for which premiums were originally payable as per the terms and conditions of the policy.
45. **Partial Withdrawal** is an option available to the Policyholder to withdraw units from the Unit Fund as per terms and *conditions of* the policy.
46. **Partial Withdrawal Charge** is the charge levied on the Unit Fund at the time of partial withdrawal of the Fund during the policy term.
47. **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 Maturity.
48. **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.
49. **Policyholder** is the legal owner of this policy.
50. **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 from 6<sup>th</sup> Policy year onwards as per details specified in Condition 7.e of Part E of this Policy Document.
51. **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.
52. **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 Maturity.
53. **Policy Year** is the period between two consecutive policy anniversaries. This period includes the first day and excludes the next policy anniversary day.
54. **Premium** is the contractual amount payable by the Policyholder at specified times periodically as mentioned in the Schedule of this Policy Document to secure the benefits under the policy.
55. **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.
56. **Premium Paying Term** means the period in years, over which Premiums are payable.
  57. **Proposer is a person** who proposes the life insurance proposal.
  58. **Pure Risk Products** means insurance products (without any savings element) where the payment of agreed amount is assured on the happening of death of life assured or on happening of insured health related contingency within the term of the policy
  59. **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.
  60. **Revival** of a policy means restoration of the policy, which was discontinued due to the non-payment of premium, by the insurer, with all the benefits mentioned in the Policy Document, with or without rider benefits if any, upon the receipt of all the premiums due and other charges or late fee, if any, during the revival period as per the terms and conditions of the policy, upon being satisfied as to the Continued Insurability of the Life Assured and / or Proposer..
  61. **Revival Period** is the period of three consecutive complete years from the date of first unpaid premium or up to date of Maturity, whichever is earlier.
  62. **Rider** means the insurance cover(s) added to a base policy for additional premium or charge.
  63. **Rider Benefits** means an amount of benefit payable on occurrence of a specified event covered under the rider, and is an additional benefit to benefit under base Policy.
  64. **Savings products** means those products other than Pure risk Product.
  65. **Rider Sum Assured** is the assured amount payable on happening of a specified event covered under the rider, if opted.
  66. **Schedule** is the part of Policy Document that gives the specific details of your Policy.
  67. **Segregated Funds** means funds earmarked in respect of Linked Insurance Business.
  68. **Settlement Option** as specified in Condition 12 of Part D of this Policy Document, is the option available under this policy, to receive the Death Benefit in installments in accordance with the terms and conditions stated in advance at the inception of the contract.
  69. **Surrender means** complete withdrawal / termination of the entire policy before expiry of Policy Term.
  70. **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.
  71. **Switching Charge** is the charge levied at the time of executing a switch by cancelling appropriate number of units out of Unit Fund.
  72. **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.
  73. **Unit** means a specific portion or part of the underlying segregated Linked fund which represents policyholder's entitlement in such funds.
  74. **Unit Fund Value** means the summation of number of units in each segregated fund multiplied by the net asset value (NAV) for respective segregated fund under that policy.
  75. **Unit Linked Insurance Products** are the products where the benefits are partially or wholly dependent on the performance of the underlying assets under each of the segregated fund offered.
  76. **UIN means the Unique Identification Number** allotted to this plan by Insurance Regulatory Development Authority of India.

## **PART – C: BENEFITS**

1. The following benefits are payable under this policy.
  - A. **Maturity Benefit:** On the Life Assured surviving the stipulated Date of Maturity, an amount equal to the Unit Fund Value as on date of maturity shall be payable.
  - B. **Death Benefit:** On death of the Life Assured before the stipulated Date of Maturity (including during Grace Period), provided policy is in- force, then,
    - i) On death before the Date of Commencement of Risk:  
An amount equal to the Unit Fund Value as on date of intimation of death shall be payable.
    - ii) On death after the Date of Commencement of Risk:  
An amount equal to the highest of the following shall be payable
      - Basic Sum Assured reduced by Partial Withdrawals, if any, made during the two years period immediately preceding the date of death ; or
      - Unit Fund Value as on date of intimation of death; or
      - 105% of the total premiums received up to the Date of Death reduced by Partial withdrawals, if any, made during the two years period immediately preceding the date of death.

Where Basic Sum Assured is equal to either 7 or 10 times of Annualized Premium as chosen by the Policyholder in case age at entry of Life Assured is 50 years and below and 7 times of Annualized Premium in case age at entry of Life Assured is 51 years and above and Partial Withdrawal is as specified in Condition 13 of Part D below.

The liability of admissible claim shall be booked effective from the date of receipt of intimation of death with death certificate. Mortality charge, Accident Benefit charge, Policy Administration Charge and Tax charges thereon recovered subsequent to the date of death shall be added back to the Unit Fund Value available on the date of intimation of death and shall be paid to the nominee or beneficiary along with death benefit. Any Guaranteed Addition added subsequent to the date of death shall be recovered from the Unit Fund.

The death benefit shall be payable either in lump sum amount as specified above or in instalments if Settlement Option is opted for as mentioned in Condition 12 of Part D of this Policy Document.

**C. Refund of Mortality Charge:** On Life Assured surviving the stipulated Date of Maturity, provided all due premiums under the policy have been paid, an amount equal to the total amount of mortality charges deducted in respect of life insurance cover shall be payable along with the Maturity Benefit. The total amount of mortality charges shall not include any extra amount chargeable under the policy due to underwriting decision and tax charges levied on the mortality charges, if any.

Refund of Mortality Charge shall not be payable in case of surrendered or discontinued policy.

## 2. Guaranteed Additions:

Guaranteed additions shall be payable only under an in-force policy i.e. if all due premiums have been paid. Guaranteed Additions as a percentage of one Annualized Premium, as mentioned in the table below shall be added to the Unit fund on completion of specific duration of policy years provided all due premiums have been paid and the policy is in force.

End of Policy Year	Guaranteed Additions (as percentage of one Annualized Premium)	
	Annualized Premium less than Rs 48,000/-	Annualized Premium Rs 48,000/- and above
6	3%	5%
10	6%	10%
15	12%	20%
20	15%	25%
25	18%	30%

The allocated Guaranteed Additions shall be converted to 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.

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

**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:**

In case of an in-force policy where **Partial Withdrawal(s)** have been availed by the policyholder as specified in Condition 13 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:

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

## 3. Date of Commencement of Risk:

In case the age at entry of the Life Assured is less than 8 years, the risk under this plan will commence either on the completion of 2 years from the date of commencement of policy or on the



policy anniversary coinciding with or immediately following the completion of 8 years of age, whichever is earlier.

In case the age at entry of Life Assured is 8 years or more, risk will commence immediately from the date of commencement of policy.

**4. Vesting of Policy on the life of a minor:**

If the policy is issued on the life of a minor this policy shall automatically vest in the Life Assured on such Vesting date i.e. on the policy anniversary coinciding with or immediately following the completion of 18 years of age and shall on such vesting be deemed to be a contract between the Corporation and the Life Assured.

**5. Rider Benefits:**

Under this policy LIC's Linked Accidental Death Benefit Rider can be opted for even after issuance of policy subject to the applicable terms and conditions of this rider. Whenever the rider is opted for subsequently by the eligible Life assured, the then available version of Linked Accidental Death Benefit Rider shall be applicable under the policy.

The rider available at the time of issuance of this policy is:

**LIC's Linked Accidental Death Benefit Rider (UIN: 512A211V02):** Under an in-force policy the LIC's Linked Accidental Death Benefit Rider can be opted for by the eligible Life Assured, at any policy anniversary provided the outstanding Policy Term is at least 5 years but on or before the policy anniversary on which the age nearer birthday of the Life Assured is 65 years.

**Conditions of rider, if opted, are enclosed as endorsement to this policy.**

**6. Payment of Premiums:**

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.

**7. Grace period:**

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 under Discontinuance of Premiums.

**PART – D: CONDITIONS RELATED TO SERVICING ASPECTS**

**1. Proof of Age:**

The Mortality Charge, Accident Benefit Charge for rider, if opted for, and eligibility conditions viz. minimum and maximum age at entry, minimum and maximum maturity age and Basic Sum Assured 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 Maturity age and Basic Sum Assured, all the terms and conditions of this policy shall stand/deemed to be modified with respect to the correct age.

In case the age is found higher than the age declared in the proposal, the Mortality Charges,

Accident Benefit Charge or Rider, if opted for, applicable for correct age shall be deductible in such case at the rate calculated on the respective Sum at Risk as per the status of the policy for the correct age at entry, and the Corporation shall deduct by cancelling appropriate number of units out of Unit Fund Value, the accumulated difference between these charges for the correct age and the charges as reckoned from the commencement of the Policy up to the date of such payment with interest at such rate as may be prevailing at the time of deduction.

In case the age of the Life Assured is found to be lower, the age declared in the proposal shall be treated as the correct age for calculation of all the charges throughout the term of the policy.

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 Maturity age and Basic Sum Assured, 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:** A policy can be surrendered anytime during the policy term. 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 Charge as specified in Condition 7.g of Part E of this Policy Document 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.d of Part E of this Policy Document shall be deducted from this fund and no risk cover, including rider cover, if any, shall be available on such policy during this period.

The Proceeds of the Discontinued Policy Fund in respect of Policy as on the date of expiry of lock-in period, as specified in Condition 3.D of Part D below shall be payable to the Policyholder at the end of 5 years' lock-in-period and the policy shall terminate.

However, in case of death of the Life Assured after the date of surrender but before the expiry of the 5 years' lock-in-period, the Proceeds of the Discontinued Policy Fund in respect of the Policy shall be payable to the nominee/ Beneficiary and the policy shall terminate.

**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 payable to the Policyholder and the policy shall terminate. There will be no Discontinuance Charge under the policy.

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.

**B. Discontinuance of Premiums:** If premiums under the policy have not been paid before the expiry of the 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 charges for Mortality and Accident Benefit cover, if any, shall be deducted in addition to other applicable charges as specified in Condition 7 of Part E of this Policy Document.

The benefits payable under the policy during the grace period shall be same as that under an in-force policy.

**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 Charge as specified in Condition 7.g of Part E shall be transferred to the Discontinued Policy Fund as specified in Condition C below and the risk cover and rider cover, if any, shall cease. In such case, only Fund Management Charges 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.

Under such cases:

- (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 5 of Part D below.
- (ii) In case the Policyholder opts to revive but does not revive the policy during the Revival Period of 3 years, then proceeds of Discontinued Policy Fund in respect of this policy, as specified in Condition D below, shall be payable to the policyholder at the end of the revival period or lock-in period, whichever is later and the policy shall terminate. In respect of Revival period ending after the lock-in period, the policy will remain in the Discontinued Policy Fund till the end of the 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 rider cover, if any, and the policy fund shall remain invested in the Discontinued Policy Fund. The Proceeds of Discontinued Policy Fund in respect of this policy as on the date of expiry of lock-in period as specified in Condition D below shall be paid to the policyholder at the end of lock-in period and the policy shall terminate.
- (iv) However, the policyholder has an option to surrender the policy anytime and Proceeds of 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 D below shall be payable to the Policyholder at the end of lock-in period or date of surrender, whichever is later and the policy shall terminate.

Irrespective of what is stated above, in case of death of the Life Assured during the Revival Period or Lock-in-Period, as the case may be, the Proceeds of Discontinued Policy Fund in respect of this policy as on the date of intimation of death, as specified in Condition D below, shall be payable to the Nominee or Beneficiary immediately.

**II) If the policy is discontinued after 5 years' Lock-in- Period:**

Upon expiry of the grace period, in case of discontinuance of policy due to non payment of premiums, the policy shall be converted into a reduced paid-up policy. The Basic Sum Assured under the policy shall be reduced to such a sum called Paid-Up Sum Assured and shall be equal to { Basic Sum Assured *multiplied* by the ratio of Total number of premiums paid to the original number of premiums payable }. The policy shall continue to be in reduced paid-up status without rider cover, if any, i.e. no Accident Benefit cover shall be available under a reduced paid-up policy.

The reduced risk cover and hence the mortality charges in respect of the paid-up policy shall be applicable from the next policy month following the date of first unpaid premium. Further, all other applicable charges (except Accident Benefit Charge) as specified in Condition 7 of Part E below shall also continue to be deducted.

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 (along with the rider, if opted for) within the revival period of three years from the date of first unpaid premium or up to the date of maturity, whichever is earlier; or (b) complete withdrawal of the Policy

In such case, the following situations may arise:

- (i) If the policyholder opts to revive and thereafter exercises the Option to revive the policy anytime during the Revival Period or up to the date of maturity, whichever is earlier, then the policy shall be revived as specified in Condition 5 of Part D below.

- (ii) In case the policyholder opts to revive but does not revive the policy during the Revival period or up to the date of Maturity, 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 up to the date of maturity, 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 Maturity, whichever is earlier, shall be payable at the end of the revival period or date of maturity, whichever is earlier, and the Policy shall be terminated.

- (iii) In case the policyholder opts for complete withdrawal or surrenders the policy at any time, in such case the amount in the Unit Fund shall be refunded to the Policyholder and the policy shall be terminated.

- (iv) In case of death of the Life Assured before the end of Revival Period or date of Maturity, whichever is earlier, highest of the following shall be payable

- Paid up Sum Assured reduced by Partial Withdrawal, if any, made during the two year period immediately preceding the death of the Life Assured, (Partial Withdrawal is as defined in Condition 13 of Part D below)
- Unit Fund Value as on the date of intimation of death
- 105% of total premiums received excluding Partial Withdrawals made during the twoyear period immediately preceding the death of the Life Assured.

**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 or in case of non-payment of premium before the expiry of the Grace Period, 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.g of Part E of this Policy Document, shall be transferred to the Discontinued Policy Fund and the risk cover including rider cover, if any, 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: ULIF001201114LICDPFNLI512) is a segregated unit fund and shall comprise of all the discontinued policy fund of all the policies offered under the Unit Linked Life Insurance plans. Only Fund Management Charges (FMC) as specified in Condition 7.d of Part E shall be applicable on this fund.

The Unit Fund Value which is transferred to the Discontinued Policy Fund as mentioned in Condition 3.C 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 the 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.

**4. 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 not sufficient to recover the relevant charges, the policy shall be compulsorily terminated and the balance amount in the Unit Fund, if any, shall be refunded to the Policyholder. This shall be applicable irrespective of whether the policy is in-force or paid-up during the revival period.

**5. 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:

- a. On payment of all due and unpaid premiums without interest. All outstanding applicable Premium Allocation Charges and Tax charges thereon due since the date of discontinuance shall be deducted from the Unit Fund.
- b. 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 or up to the date of Maturity, whichever is earlier, 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, Policy Administration 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 "Board Approved 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 "Board Approved Underwriting Policy" 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.

LIC's Linked Accidental Death Benefit Rider, if opted for, can be revived along with the Base Policy and not in isolation.

**6. 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.

**7. Policy Alteration:**

During the contract, alteration in premium payment modes subject to provisions of Minimum Premium, and Premium Multiples allowed as per term and conditions of the plan and grant of Accident Benefit Rider, after the issue of policy may be allowed. For such alteration a miscellaneous charge of Rs. 100/- will be deducted as specified in Condition 7.j 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 "Board

Approved 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.

**8. 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 if Settlement Option for death is not exercised; or
- b) The date on which surrender benefits are settled under the policy; or
- c) The date of maturity ;or
- d) On payment of final installments under Settlement Option if opted in case of death; or
- e) On death of the Nominee/Beneficiary after the commencement of the Settlement Option Period; or
- f) On payment of free look cancellation amount; or
- g) On compulsory termination as specified in Condition 4 of Part D of this Policy Document; or
- h) In case of discontinuance of policy as specified in Condition 3.B of Part D of this Policy Document.
- i) In the event of forfeiture as specified in Condition 2 of Part D of this Policy Document.

**9. Policy Loan:**

No loan facility is available under this policy.

**10. Free Look period:**

During the Free Look period of 30 days from the date of receipt of the electronic or physical mode of the Policy Document by the Policyholder, whichever is earlier, if the Policyholder is not satisfied with the Terms & Conditions of the policy, he/she may return the policy to the Corporation stating the reason 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* Unallocated Premium (equal to Allocation Charge multiplied by Premium received)

*Plus* Proportionate Mortality and Accident Benefit charge, if any, for the balance period from the date of opting for Free-Look to the end of the policy month for which the respective charges have been deducted

*Plus* Tax Charges deducted thereon

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

*Less* Stamp duty @ Rs.0.20 per thousand Basic Sum Assured and Accident Benefit Sum Assured, if any.

**11. Option to switch between the funds:**

The Policyholder can switch between the two funds types allowed under this policy as specified in Condition 1 of Part E of this Policy Document, during the policy term. 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.f of Part E of this Policy Document.

On receipt of the Policyholder’s application for a switch from one fund type 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 applications 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 instruction from IRDAI from time to time.

**12. Settlement Option:**

This option shall be available to the policyholder to receive the death proceeds in instalments.

This option can be exercised by the Policyholder during the minority of Life Assured or by Life Assured aged 18 years and above, during his/her lifetime while in currency of the policy, specifying the mode of paying the Death Benefit to the nominee (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, in writing, along with death certificate. The death claim amount shall then be paid to the nominee as per the option exercised by the Policyholder and no alteration whatsoever shall be allowed to be made by the nominee.

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 policyholder 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 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 shall be allowed during the subsistence of the period of settlement option.

### **13. Partial Withdrawals:**

A Policyholder can partially withdraw the units at any time after the 5 years' lock-in period (i.e. a period of 5 years from the date of commencement of policy) subject to the following:

- i) In case of minors, partial withdrawals shall be allowed only after Life Assured is aged 18 years or above.
- ii) The Partial withdrawals may be in the form of fixed amount or in the form of fixed number of units.
- iii) Maximum amount of Partial Withdrawal as a percentage of fund during each policy year shall be as under:

Policy Year	Percent of Unit Fund
6 <sup>th</sup> to 10 <sup>th</sup>	20%
11 <sup>th</sup> to 15 <sup>th</sup>	25%
16 <sup>th</sup> to 20 <sup>th</sup>	30%
21 <sup>st</sup> to 25 <sup>th</sup>	35%

The above Partial withdrawal shall be allowed subject to minimum balance remaining after allowing for partial withdrawal is not less than **4 Annualized Premiums** for Annual Premium less than Rs. 48,000/- and in all other cases not less than **3 Annualized Premiums**. The partial withdrawals which would result in termination of a contract shall not be allowed.

- iv) Partial withdrawal charge as specified in Condition 7.h of Part E below, shall be deducted from the Unit Fund Value.
- v) 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.

If partial withdrawal has been made then for two years' period immediately preceding from the date of withdrawal, the Basic Sum Assured or Paid-up Sum Assured, whichever is applicable, shall be reduced to the extent of the amount of partial withdrawals made. On completion of two years' period from the date of withdrawal the original Basic Sum Assured/Paid-up Sum Assured shall be restored.

## **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.a of part E below. The policyholder will have the option to choose any **One** of the following two funds to invest his/her premiums initially and at the time of switching. The allocated premiums will 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. There is no Bid-Offer spread (both the Bid price and Offer price of units will be equal to the NAV).

The details of available funds and broadly their investment patterns 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 No
<b>Flexi Growth Fund</b>	0% to 20%	0% to 40%	40% to 100%	To provide long term capital appreciation through investment primarily in select stocks which are a part of NSE NIFTY100 Index.	Very High Risk	ULIF005 10/11/23 LICULIP FLX512
<b>Flexi Smart Growth Fund</b>	0% to 20%	0% to 40%	40% to 100%	To provide long term capital appreciation through investment primarily in select stocks which are a part of NSE NIFTY50 Index.	Very High Risk	ULIF006 10/11/23 LICULIP FSG512

**Discontinued Policy Fund (SFIN: ULIF001201114LICDPFNLI512):** The investment pattern of the Discontinued Policy Fund shall have the following asset mix:

- i. Money market instruments: 0% to 40%
- ii. Government securities: 60% to 100%

If any of the below mentioned funds, which are attached to this Product and are approved by the Board, do not comply with **Regulation 8 of Annexure INV-I of IRDAI(Actuarial, Finance and Investment functions)Regulations 2024** read with the Master Circular – Investment issued there under, the policyholder will be given a free switch to the other available fund as detailed below.

**a) Fund Name: Flexi Growth Fund, SFIN No: ULIF00510/11/23 LICULIPFLX512 (Very High Risk)**

Free Switch shall be allowed to the following fund:

Fund Name	SFIN	Risk Profile
<b>Flexi Smart Growth Fund</b>	ULIF00610/11/23LICULIPFSG512	Very High Risk

**b) Fund Name: Flexi Smart Growth Fund, SFIN No: ULIF00610/11/23 LICULIPFSG512 (Very High Risk)**

Free Switch shall be allowed to the following fund:

Fund Name	SFIN	Risk Profile
<b>Flexi Growth Fund</b>	ULIF00510/11/23 LICULIPFLX512	Very High Risk

**2. Fund Closure:**

Although the Funds are open ended, we may close any of the existing funds with appropriate approval. The policyholder shall be notified at least 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, considering NAV on the date of switch.

**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:

Market value of investment held by the fund + Value of Current Assets – Value of Current Liabilities & Provisions, if any

-----  
 Number of Units existing on Valuation Date (before creation / redemption of Units)

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. 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"> <li>• 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.</li> <li>• In case of Online sale: by any digital payment mode.</li> </ul>	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 payable at par at the place where the premium is received.	NAV of the date of our receipt of instrument or the due date of premium, whichever is later.
Partial withdrawal, Switching between available Fund types or Free-look cancellation	NAV of the date of our receipt of the request online or 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 Addition	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.
Maturity Benefit	NAV of the date of maturity.
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 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:

a) 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
  - b) Other transaction, by servicing branch of the Corporation.
  - c) 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 :
    - a) 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
    - b) Other transaction, by servicing branch of the Corporation
    - c) 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.

**6. Force Majeure Conditions:**

- i. 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 request for servicing the policy including policy related payment shall be kept in abeyance. 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 1.(8)Schedule III of IRDAI(Actuarial, Finance and Investment functions)Regulations 2024) 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.
  - c. Few examples of such circumstances as mentioned (in points a & b) above are:
    - i. 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.
    - ii. When, as a result of political, economic, and 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.
    - iii. In the event of natural calamities, strikes, war, civil unrest, riots and bandhs.
    - iv. In the event of any force majeure or disaster that affects the normal functioning of the Corporation.
  - d. In such an event, an intimation of such force majeure event shall be uploaded on the Corporation's website for information.

**7. Charges:** The details of charges (subject to taxes as mentioned in condition 7.i below) are as under:

- a. Premium Allocation Charge: This is a 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 as percentage of Instalment Premium are as below:

	Offline sale	Online sale
First Year:	8.00%	3.00%
2 <sup>nd</sup> to 5 <sup>th</sup> Year:	5.50%	2.00%
Thereafter:	4.00%	1.50%

b. Mortality Charge:

Mortality Charge is the cost of Life Insurance cover which is age specific and this will be taken at the beginning of each policy month by canceling appropriate number of units out of the Unit Fund Value. The monthly charge will be one twelfth of the annual Mortality Charges given in the Table below.

In case the age at entry of the Life Assured is less than 8 years, the mortality charge will be deducted from the policy anniversary after completion of 2 years from the Date of Commencement of Policy or from the Policy Anniversary coinciding with or immediately following the completion of 8 years of age, whichever is earlier.

This charge shall depend upon the Sum at Risk.

Where Sum at Risk during the Policy Term shall be the highest of

- Basic Sum Assured in case of inforce policies or Paid-up Sum Assured in case of reduced paid-up policies
- Unit Fund Value
- 105% of total Premium received

Less

- Unit Fund Value

Where, Basic Sum Assured is as mentioned in the schedule of policy document and Paid-up Sum Assured is as mentioned in Condition 3.B.II of Part D of this policy document. The total premiums received shall be reckoned as on the date of deduction of Mortality Charge. Unit Fund value shall be taken as on the date of deduction of charge, after deduction of Accident Benefit charges, Policy Administration Charges and Tax charge on Accident Benefit charges and Policy Administration Charges. The Mortality charges shall be deducted only if, the Basic Sum Assured/Paid-up Sum Assured, whichever is applicable, is more than the Unit Fund Value on the date of deduction.

In case of partial withdrawals, the Basic Sum Assured or Paid up Sum Assured, whichever is applicable and '105% of the total premiums received', shall be reduced to the extent of all Partial Withdrawals made during the two years period immediately preceding the date of deduction of Mortality Charges.

In case where the Policy is converted into a reduced paid-up policy, the Mortality Charge in respect of Sum at Risk under a paid-up Policy shall be deducted from the policy month following the due date of first unpaid premium.

On revival of the policy, the risk cover under the policy shall be restored immediately and the Mortality Charge in respect of Sum at Risk under in-force policy shall be deducted from the policy month following the date of revival along with proportionate Mortality Charge for the period from date of revival to the following policy month.

Mortality Charges, during a policy year, will be based on the age nearer birthday of the Life Assured on the policy anniversary coinciding with or immediately preceding the due date of cancellation of units and hence may increase every year on each policy anniversary. Further, this charge shall also depend on health, occupation and lifestyle of the Policyholder at the entry stage of the contract and at the time of revival, if applicable.

These age-specific annual Mortality charges are as given below:

<b>Annual Mortality Charge per Rs 1000/- Sum at Risk</b>											
<b>Age</b>	<b>Mortality Charge</b>	<b>Age</b>	<b>Mortality Charge</b>	<b>Age</b>	<b>Mortality Charge</b>	<b>Age</b>	<b>Mortality Charge</b>	<b>Age</b>	<b>Mortality Charge</b>	<b>Age</b>	<b>Mortality Charge</b>
<b>2</b>	1.24	<b>16</b>	1.04	<b>30</b>	1.32	<b>44</b>	3.17	<b>58</b>	13.03	<b>72</b>	38.92
<b>3</b>	0.63	<b>17</b>	1.12	<b>31</b>	1.36	<b>45</b>	3.48	<b>59</b>	14.03	<b>73</b>	42.71
<b>4</b>	0.37	<b>18</b>	1.18	<b>32</b>	1.41	<b>46</b>	3.85	<b>60</b>	15.07	<b>74</b>	46.92
<b>5</b>	0.25	<b>19</b>	1.22	<b>33</b>	1.47	<b>47</b>	4.28	<b>61</b>	16.16	<b>75</b>	51.60

6	0.21	20	1.25	34	1.54	48	4.77	62	17.32	76	56.78
7	0.20	21	1.26	35	1.62	49	5.34	63	18.58	77	62.53
8	0.23	22	1.26	36	1.72	50	5.99	64	19.97	78	68.88
9	0.28	23	1.26	37	1.83	51	6.71	65	21.51	79	75.91
10	0.36	24	1.26	38	1.96	52	7.49	66	23.23	80	83.68
11	0.46	25	1.26	39	2.11	53	8.33	67	25.16	81	92.26
12	0.58	26	1.26	40	2.27	54	9.22	68	27.32	82	101.72
13	0.70	27	1.26	41	2.45	55	10.14	69	29.75	83	112.16
14	0.83	28	1.27	42	2.66	56	11.09	70	32.48	84	123.66
15	0.94	29	1.29	43	2.89	57	12.05	71	35.52		

c. Accident Benefit Charge (if LIC's Linked Accidental Death Benefit Rider is opted for):

This is the charge to cover the cost of LIC's Linked Accidental Death Benefit Rider (if opted for) levied at the beginning of each policy month by cancelling appropriate number of units out of the Unit Fund Value while the policy is in-force (i.e. all due premiums have been paid). A level annual charge shall be at the rate of Rs. 0.40 per thousand Accident Benefit Sum Assured per policy year. If the Life Assured is engaged in police duty in any police organization other than paramilitary forces and opted for this cover while engaged in police duty, then the level annual charge shall be at the rate of Rs 0.80 per thousand Accident Benefit Sum Assured per policy year.

The monthly charges will be one twelfth of the annual Accident Benefit Charge.

d. 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 Charge (FMC) shall be as under:

- 1.35% p.a. of Unit Fund for both fund types available under an in-force policy i.e. Flexi Growth Fund and Flexi Smart Growth Fund.
- 0.50% p.a. of Unit Fund for "Discontinued Policy 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.

e. Policy Administration Charge: This Charge shall be levied at the beginning of each policy month from 6<sup>th</sup> policy year till the end of policy term as mentioned below and shall be subject to maximum of Rs 500 per month (i.e. Rs 6000 p.a.) from the Unit Fund by cancelling units for equivalent amount.

Policy Year	Policy Administration Charges
First 5 Years	NIL
Year 6	Minimum of [(One twelfth of 3.25% multiplied by Annualized Premium) or (Rs 125) ] per month
Thereafter from 7th year onwards	Escalating at the rate of 5% p.a.

f. Switching Charge: This is a charge levied on switching from one segregated fund to another available within the product. The charge per switch, if any, shall be levied at the time of effecting a switch by cancelling appropriate number of units out of Unit Fund Value. During a given policy year, 4 switches shall be allowed free of charge. Subsequent switches, if any, in that year shall be subject to a Switching Charge of Rs. 100 per switch.

g. Discontinuance Charge: This charge will be levied by cancelling appropriate number of units from the Unit Fund Value as on the date of discontinuance of Policy. The Discontinuance charge applicable is as under:

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% multiplied by (AP or	Lower of 6% multiplied by (AP or

	FV) subject to maximum of Rs. 3000/-	FV) subject to maximum of Rs. 6000/-
2	Lower of 15% <i>multiplied by</i> (AP or FV) subject to maximum of Rs. 2000/-	Lower of 4% <i>multiplied by</i> (AP or FV) subject to maximum of Rs. 5000/-
3	Lower of 10% <i>multiplied by</i> (AP or FV) subject to maximum of Rs. 1500/-	Lower of 3% <i>multiplied by</i> (AP or FV) subject to maximum of Rs. 4000/-
4	Lower of 5% <i>multiplied by</i> (AP or FV) subject to maximum of Rs. 1000/-	Lower of 2% <i>multiplied by</i> (AP or FV) subject to maximum of Rs. 2000/-
5 and onwards	NIL	NIL

Where

AP - Annualized Premium

FV – Unit Fund Value on the Date of Discontinuance of Policy

- h. **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 shall be deducted by cancelling appropriate number of units out of Unit Fund Value on the date on which partial withdrawal takes place.
- i. **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 per the prevailing Tax laws/ notification etc. as issued by Government of India or any other Constitutional Tax Authority of India from time to time in this regard without any reference to the policyholder.
- j. **Miscellaneous Charge:** This is a charge levied for any alteration during the contract, such as change in premium mode and Grant of Accident Benefit Rider 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 by the Corporation and is specifically communicated in writing to the policyholder.

8. **Right to revise charges:** The Corporation reserves the right to revise all or any of the above charges except Mortality Charge and Accident Benefit Charge. The modification in charges will be done with prospective effect with the appropriate approval and after giving the policyholders a notice of 3 months which shall be notified through our website.

Although the charges are reviewable, they will be subject to maximum charges as declared by IRDAI from time to time. The current cap on charges is as under:

- Premium Allocation Charges shall not exceed 12.5% of Annualized Premium in any year
- Policy Administration Charge shall not exceed Rs 500 per month.
- The Fund Management Charge shall not exceed the limit specified by IRDAI which are currently same as Condition 7.d above.
- Partial withdrawal charge shall not exceed Rs. 500/- on each withdrawal.
- Switching Charge shall not exceed Rs. 500/- per switch.
- Discontinuance charges shall not exceed the limits specified by IRDAI, which are currently same as Condition 7.g above
- 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 Lock-in-Period.

## **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:** No increase/decrease of Basic Sum Assured will be allowed under the plan. Under an in-force policy, the policyholder can, however, cancel the LIC's Linked Accidental Benefit Rider at anytime during the policy term. However, once the rider is cancelled, the same cannot be subsequently restored.
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 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 as available on the date of intimation of death along with death certificate. The Corporation will not entertain any other claim by virtue of this policy and the policy shall terminate.

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 the date of intimation of death. Any Guaranteed Addition added subsequently to the date of death shall be recovered from the Unit Fund.

This clause shall not be applicable in case age at entry /age at revival of the Life Assured is below 8 years.

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, 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.

Policyholder or the Life Assured or the claimant, as applicable, is required to intimate the Corporation, about the happening of the insured event resulting into a claim under the insurance policy, at the earliest possible time.

- b) **On Surrender:** 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. **Need Analysis Document: Your Need Analysis document under Suitability Assessment is enclosed to this Policy Document.**
10. **Benefit Illustration:** Your customized Benefit Illustration is enclosed to this Policy Document.

**11. 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 2024, the applicable duplicate policy preparation charge is Rs. 75 and policy stamp charge is 0.20 paise per thousand of Basic Sum Assured and Accident Benefit Sum Assured, if any. 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.

**12. 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 (GROs) at Branch/ Divisional/ Zonal/ Central Office to redress grievances of customers. The customers can visit our website (<https://licindia.in/web/guest/grievances>) for names and contact details of the GROs and other information related to grievances.

For ensuring quick redressal of customer grievances the Corporation has introduced Customer friendly Integrated Complaint Management System through our Customer Portal (website) <http://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](mailto: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 Policyholder's Protection and Grievance Redressal Department through any of the following modes:

- i. Calling Toll Free Number 155255/18004254732 (i.e. IRDAI Grievance Call Centre - (BIMA BHAROSA SHIKAYAT NIVARAN KENDRA))
- ii. Sending an email to [complaints@irdai.gov.in](mailto:complaints@irdai.gov.in)
- iii. Register the complaint online at <https://bimabharosa.irdai.gov.in/>
- iv. Address for sending the complaint through courier/letter:  
General Manager, Policyholders Protection and Grievance Redressal Department -, Insurance Regulatory and Development Authority of India, Survey No. 115/1, Financial District, Nanakramguda, Gachibowli, Hyderabad – 500 032, 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 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 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.**

-----  
Authorised Legal Officer

-----  
Appointed Actuary

-----  
CEO & MD



**Assignment - As per Section 38 of the Insurance Act 1938, as amended from time to time**

(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 sub-section (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, as amended from time to time**

(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 bona fide 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 proceeds 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, as amended from time to time**

(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.