

Conditions and Privileges

1. Definitions:

“age” means the age nearer birthday as on the date of commencement on the basis of date of birth as declared in the Proposal Form.

“proposer” means the person who proposes for insurance on own life or on the life of the minor to be assured.

“life assured” means the person on whose life insurance cover is granted.

“maturity date” means the date on which the risk cover ceases and benefits available become payable in terms of the policy except in case where death of the life assured occurs prior to the said date.

“policy anniversary” means the date and month of the commencement of the policy falling subsequently every year.

“policyholder” means the owner of the policy in whom right and title under the policy vests.

“sum assured” means the amount payable under the Base Policy in terms of the policy conditions.

“installment premium” means the premium payable yearly, half yearly, quarterly or monthly under the policy depending on the mode of payment opted by the policyholder.

“surrender” means terminating the contract once for all. On surrender, surrender value is payable as specified hereinafter.

2. Age Proof:

The premium mentioned in the policy has been calculated on the basis of the age disclosed in the proposal form. Should there be difference in the age proof submitted and the age mentioned in the proposal form, the Company will charge difference of premiums with interest on the prevailing rate compounding half yearly on the difference of the original premium charged and correct premium from the date of commencement till the admission of age. A charge for the outstanding difference of premiums and interest will be created on the policy without prejudice to the interest of the Company and the same will be recovered from any claim amount payable under the policy. In case the age renders the life assured uninsurable under the existing product, the benefits under the policy will be governed by Clause 13.

3. Suicide: In case of death due to suicide within twelve months:

(i) from the date of inspections of the policy, 80% of the premium(s) paid shall be payable, or

(ii) from the date of revival of the policy, an amount higher of 80% of the premium(s) paid till the date of death or the surrender value attain by the policy, shall be payable to the nominee or beneficiary of the policyholder provided the policy was in force.

4. Assignment: Transfer or assignment of the policy, wholly or in part, whether with or without consideration, may be made in accordance with provisions of sec.38 of the Insurance Act, 1938 as amended from time to time.

A simplified version of sec. 38 is enclosed in Annexure-1 for reference.

5. Nomination : The holder of the policy on his own life, may, in accordance with sec. 39 of the Insurance Act, 1938 as amended from time to time, nominate the person or persons to whom the money secured by the policy shall be paid in the event of his death.

A simplified version of sec.39 is enclosed in Annexure-2.

6. Fraud, Misrepresentation and forfeiture: In case of fraud or misrepresentation, the policy will be dealt with in accordance with provisions of sec.45 of the Insurance Act, 1938 as amended from time to time.

A simplified version of sec.45 is enclosed in Annexure-3.

7. Non-forfeiture: If at least three full years premiums have been paid and subsequent premiums are not paid, the policy shall not be wholly void by reason of non-payment of further premiums but shall be kept alive to the extent of reduced paid-up sum assured in the same ratio to the full sum assured as the number of premiums actually paid shall bear to the total number of premiums payable under the policy. Existing bonus additions if any, will remain attached to the reduced paid-up policy.

8. Grace period: Grace period of 30 days irrespective of any calendar month will be allowed for payment under yearly, half-yearly and quarterly modes and 15 days under monthly mode of payment. In case premium is not paid within the grace period and if death occurs within this period, the policy will still be valid and the sum assured shall be paid after deduction of outstanding premium(s) falling due before the next policy anniversary.

9. Revival: If premium is not paid within the grace period, the policy shall lapse. A lapsed policy can be revived within a period of two consecutive years from the date of discontinuance i.e. date of first unpaid premium but before the date of maturity on payment of all arrears of premium together with interest at such rate as may be decided by the Company from time to time and submission of proof of continued insurability to the satisfaction of the Company. However the Company reserves the right to accept or decline the revival of a lapsed policy. The revival of a lapsed policy shall take effect only after its approval is specifically communicated to the policyholder.

10. Vesting of Policy: In case the policy is issued on the life of a minor, it will automatically vest in the life assured on the date the child attains the age of 18 years. On vesting, the life assured shall become the absolute owner of the policy and the proposer shall cease to have any interest therein.

11. Maturity Benefit: If the policy is in force for full sum assured, sum assured along with all vested bonuses will be payable at maturity. In case of paid-up policy, paid up sum assured along with vested bonuses is payable on maturity.

- 12. Death Benefit:** If the policy is in force on the date of death, higher of the sum assured along with vested bonuses or 105% of all premiums paid excluding extra/additional premiums if any will be payable. In case of paid-up policy, attached bonuses along with paid up sum assured will be payable immediately on death of the life assured where Paid-up sum assured will be calculated as per condition 5 above.
- 13. Basis of participation of policy in profits:** Participation in profits will be calculated on the basis of simple reversionary bonus system.
- 14. Surrender Value:** The policy can be surrendered during the term of the policy if at least three years premiums have been paid under the policy. On surrender, higher of Special Surrender Value or Guaranteed Surrender Value will be payable, where: Guaranteed Surrender Value will be:
- 3rd year- 30% of the premiums paid excluding any extra / additional premiums
 - 4th to 7th year- 50% of premiums paid excluding any extra / additional premiums
 - 8th year & onwards- 50% increasing by 3% p.a of premiums paid for each subsequent year beyond 7th year subject to maximum of 80% of premiums paid excluding any extra / additional premiums
- In addition, surrender value of attached bonus will also be paid at the time of surrender.
Special Surrender Value will be the value of paid-up sum assured plus the value of attaching bonuses and will depend upon the experience of the Company at the time of surrender and may be revised from time to time depending on the experience of the Company.
- 15. Free Look period:** Policyholder is entitled to review the terms and conditions of the policy within a period of fifteen days from the date of receipt of the policy bond and in case of any disagreement with the terms and conditions, the policyholder shall have option to return the policy bond stating the reasons for disagreement. In such a case the policyholder shall be entitled to refund of the paid premium after deduction of proportionate risk premium, expenses incurred towards medical examination and stamp duty charges.
- 16. Taxation:** Tax benefits if any, under the policy will be as per prevailing provisions of the Income-Tax Act, 1961. The Company reserves the right to withhold from the policy proceeds such taxes, charges or levies as may be applicable from time to time. The Company also reserves the right to recover from the policyholder such taxes, charges or levies including Service Tax as may be imposed on insurance transactions including policy premium.
- 17. Address for communication:** All communications in respect of this policy may be sent to the Registered Office or to the Local Corporate Office of the Company.
- 18. Loan:** will be available during the term of the policy to the extent of maximum 90% of the surrender value on following terms and conditions and on such further terms and conditions as the Company may decide from time to time:
1. Policy shall be assigned absolutely in favour of the Company as security for the repayment of loan and interest thereon;
 2. Interest will be charged compounding half yearly at the rate decided by the Company from time to time.
 3. First payment of interest shall be made on the next policy anniversary or on the date six months before the next policy anniversary whichever immediately follows the date on which loan is advanced and every half-yearly thereafter.
 4. Interest will be charged minimum for a period of six months. The Company will have the right to call upon the policyholder to pay the full outstanding loan and interest within one month from the date of notice and on failure to do so, the Company will have the right to surrender the policy and adjust the outstanding loan and interest from the surrender value of the policy without giving further notice to the policyholder.
 5. The Company shall have the right to deduct the outstanding loan and interest thereon or part thereof which is outstanding from the proceeds of the maturity value or on settlement of death claim.
- 19. Claim settlements:** Normally the following documents will be required for settlement of claim:
- (a) **On maturity-** (1) Policy bond
(2) Discharge voucher
(3) Deed of Assignment if any
- (b) **On death-** One or more of the following documents may be required on the basis of cause of death.
1. Prescribed Death Claim Form.
 2. Policy Bond
 3. Original death Certificate
 4. Certificate of cremation / burial
 5. Discharge Form
 6. Hospital / last Medical Attendant's Certificate

7. Legal evidence of title to the claim if the claimant is not a Nominee / Assignee
 8. Employer's certificate stating leave availed on Medical grounds
 9. Copies of First Information Report, Police Inquest Report & Post Mortem Report in case the death occurred due to Accident
 10. Any other document as may be called for if required
- 20. Grievance Redressal:** Any grievance/ complaint pertaining to this policy may be addressed to the Local Corporate Office of the Company or to the Grievance Redressal Officer, at the following address:

"The Grievance Redressal Officer,
Sahara India Life Insurance Company Ltd.,
Sahara India Centre,
2, Kapoorthala Complex,
Lucknow-226024"

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