

STANDARD TERMS & CONDITIONS

Note: In this Policy, the investment risk in the investment portfolio is borne by the Policyholder.

Product - YoungAchiever

Article 1 General Provision

The Policy provided by Aviva Life Insurance Company India Private Limited (hereinafter called the "Company") is based upon the signed, dated and completed Proposal (hereinafter the "Proposal") and is as detailed in the Policy Document, which comprises the Standard Terms and Conditions, the Schedule and the Proposal.

Article 2 Definitions

The terms defined below have the meanings ascribed to them wherever they appear in this Policy Document and, where appropriate, references to the singular include references to the plural; references to the male include the female, and references to any statutory enactment includes references to amendments to the same:

Policyholder	An adult as named in the Schedule who has concluded the Policy with the Company, and owns the Policy.
Insured	The person named in the Schedule and whose life is the object of the Policy and, if no person is specifically named, shall mean the Policyholder.
Policy	The arrangements established by this Policy Document.
Nominee	The child whose name appears in the Schedule and who is entitled to receive a benefit upon the death of the Insured in accordance with Section 39 of the Insurance Act 1938.
Claimant	The person whose name appears in the Schedule and who has been nominated by the Policyholder to receive a benefit upon the death of the Insured on behalf of and for the benefit of the Nominee if at that time the Nominee is a minor and only during the minority of the Nominee.
Schedule	The schedule and any endorsements thereto issued by the Company to evidence the Policy, and, if more than one, then the latest in time.
Sum Assured	The minimum guaranteed benefit payable upon death of the Insured as specified in the Schedule.
Policy Term	The period between the Commencement Date and the Maturity Date as shown in the Schedule.
Maturity Date	The date as shown in the Schedule on which the Maturity Benefit become payable provided the Insured is still alive.
Regular Premium	Premiums payable by the Policyholder in regular instalments in the amounts, in the manner, at the intervals and in the method specified in the Schedule.
Top Up Premium	Premium paid by the Policyholder in the form of a single payment separately from and in addition to the Regular Premium.
Unit Linked Fund	An internal investment fund established for the express purpose of this Policy and run according to Articles 24, 25, 26 and 27.
With Profits Fund	An internal investment fund established for the express purpose of this Policy and run according to Article 28.
Unit	A notional and proportionate part of either the Unit Linked Fund or the With Profits Fund created solely for the purpose of establishing the benefits under this Policy.
Initial Unit	A Unit allocated in respect of the payment of Regular Premium during the first Policy Year and in respect of the amount of increase during the first year after an increase in Regular Premium pursuant to Article 10.
Accumulation Unit	A Unit allocated in respect of payment of Regular Premiums after the first Policy Year, and after the first year following an increase in Regular Premium pursuant to Article 10, and following the payment of Top Up Premium.
Unit Account	An individual account created and administered by the Company under this Policy and consisting of Units of individual Investment Funds allocated in respect of Regular Premiums, Additional Regular Premiums and any Top Up Premiums paid.
Surrender Charge on Initial Units	The charge as specified in the Schedule, applicable on Initial Units.
Surrender Charge on Accumulation Units	The charge as specified in the Schedule, applicable on Accumulation Units.
Unit Price	The price at which the Company redeems or allocates Units in the With Profits Fund or the Unit Linked Fund.
Fund Value	The total number of Units held in the Unit Account multiplied by their respective Unit Price.
Commencement Date	The commencement date of the Policy as specified in the Schedule.
Anniversary	The annual anniversary of the Commencement Date.
Policy Year	The year commencing on the Commencement Date or an Anniversary thereof.
Valuation Date	The date on which the assets to which either of the Unit Linked Fund or With Profits Fund is referenced is valued and the date on which the Unit Price and Unit Price of Units is determined.
Age:	Age last birthday.
Maturity Benefit	The Fund value as at the Maturity Date payable in accordance with Article 7.2.
Settlement Option	The option available to the Policyholder prior to the Maturity Date wherein all or part of the Maturity Benefit would be paid out to the Policyholder in the form of structured payouts.

Article 3 Policy Loan

3.1 No policy loan is available under the Policy.

Article 4 Non Payment of Regular Premium within the first three consecutive years from the Commencement Date and Non-Forfeiture Provisions

- 4.1 It is a condition precedent to the Company's liability to make payment under this Policy that there has been payment of Regular Premium by the Policyholder. If the Regular Premium is not paid in the manner or amount or at the time provided for, then the Company will allow a period of grace of 30 days (or 15 days if the frequency specified in the Schedule is monthly) from the date upon which the Regular Premium should have been paid within which the default shall be rectified, and if not rectified then the provisions of Article 4.2 below shall apply. During the grace period, the benefits under Article 7 below will continue to be payable.
- 4.2 If an instalment of Regular Premium is not paid within the period of grace from its due date as defined in Article 4.1 and the due date is less than 24 months from the Commencement Date, then, the Policy will lapse with all risk cover ceasing immediately and no death benefit shall be payable.
- 4.2.1 The Policyholder may reinstate the Policy within two years of the due date of the first unpaid instalment of Regular Premium subject to Article 4. 8.
- 4.2.2 If the Policy is not reinstated within two years from the due date of the first unpaid instalment of Regular Premium, the Policy will automatically terminate without any value at the date of the expiry of the reinstatement period and the surrender value in respect of Top Up Premiums, if any, as per Article 11 shall be paid to the Policyholder at the expiry of the reinstatement period or the commencement of the fourth Policy Year, whichever is later.

- 4.3 If an instalment of Regular Premium is not paid within the period of grace from its due date as defined in Article 4.1 and the due date is greater than or equal to 24 months but less than 36 months from the Commencement Date, then all risk cover shall cease immediately and the only death benefit payable shall be the Fund Value. All charges as specified in the Schedule, except the Mortality Charge will continue to be deducted from the Unit Account.
- 4.4 The Policyholder may reinstate the Policy within two years of the due date of the first unpaid instalment of Regular Premium subject to Article 4.8.
- 4.5 If the Policy is not reinstated within two years from the due date of the first unpaid instalment of Regular Premium, the Policy shall automatically terminate at the date of the expiry of the reinstatement period and a surrender value as per Article 11 shall be payable.
- 4.6 If the Policyholder wishes to surrender the Policy anytime from the commencement of the fourth Policy Year, then a surrender value per Article 11, if any, shall become payable and the Policy shall automatically terminate.
- 4.7 If an instalment of Regular Premium is not paid within the period of grace and the due date of the Regular Premium is greater than or equal to 36 months from the Commencement Date, then the provisions of Article 12 shall apply.
- 4.8 Reinstatement of the Policy shall be subject to the:
- 4.8.1 Policyholder informing the Company in writing of his intention to do so and the proposed date of reinstatement. The Company reserves the right to obtain additional information (medical or otherwise) before considering any request for reinstatement.
- 4.8.2 The Policyholder paying in full the minimum amount required by the Company at the time of reinstatement.
- 4.8.3 Policyholder acknowledging that nothing herein shall oblige the Company to reinstate the Policy or restrict the terms upon which the Company may agree to reinstate the Policy, the decision as to which shall be in the Company's sole and absolute discretion.
- 4.8.4 During any period of grace the charges as specified in the Schedule will continue to be made and payable.

Article 5 Top Up Premium

- 5.1 Top Up Premium may be paid at any time during the Premium Payment Term provided that no Regular Premium payments are outstanding. The Top Up must be paid to the Company and in accordance with procedures established by the Company and may not be less than the minimum Top Up Premium specified by the Company from time to time and applicable at the date of payment.
- 5.2 The payment of Top Up Single Premium does not discharge the obligation of the Policyholder to make Regular Premium payments.
- 5.3 The payment of Single Premiums does not affect the amount of Sum Assured
- 5.4 The maximum amount of Top Up Premium which can be paid during a Policy Year and the total amount of Top Up Premium paid till date shall not exceed 25% of the total amount of Regular Premiums paid till date.

Article 6 Sections 45 of the Insurance Act 1938

In accordance with Section 45 of the Insurance Act 1938:

- 6.1 No Policy shall after the expiry of two years from the Commencement Date be called into question by the Company on the ground that a statement made in the proposal or in any report of a medical officer or referee, or friend of the Policyholder, or in any other document leading to the issue of the Policy Document was inaccurate or false unless the Company shows that such statement was on a material matter or suppressed facts which it was material to disclose and that it was fraudulently made by the Policyholder and that the Policyholder knew at the time of making it that the statement was false or that it suppressed facts which it was material to disclose.
- 6.2 Nothing in Article 6.1 shall prevent the Company from calling for proof of age at any time if it is entitled to do so, and no Policy shall be deemed to be called in to question merely because the terms of the Policy Document are adjusted on subsequent proof that the age of the Insured was incorrectly stated in the proposal.
- 6.3 If there is a change in or amendment to Section 45 of the Insurance Act 1938, then it is agreed that the Company's rights to call into question any Policy shall be as per the change in or amendment to the law on the date when the Policy is called into question.

Article 7 Benefits

- 7.1 Subject to the admission of the claim by the Company and to Article 14, upon the death of the Insured before the Maturity Date, the Company will be liable to pay no more than the total of the Sum Assured plus the Fund Value.
- 7.2 Subject to Article 14, if the Insured is living on the Maturity Date, the Company will be liable to pay only the Fund Value as at the Maturity Date unless the Policyholder has opted for the facility of Settlement Option, in which case the conditions of Article 38 shall apply.

Article 8 Nominees

- 8.1 The Policyholder may change the nominated Nominees or Claimant.
- 8.2 A nomination or a change to the nomination of a Nominee or a Claimant must be communicated to the Company and be incorporated by endorsement on the Schedule.
Such nomination or change of nomination will only become effective when it has been communicated to and registered by the Company.
- 8.3 Where a nominated Nominee dies prior to the death benefit becoming payable then benefits shall be paid to the Insured's other Nominees (in proportion to their designated shares of the death benefit), or if no other Nominees have been designated, to the Insured's legal heirs in accordance with applicable Indian law.
- 8.4 A transfer or assignment of the Policy shall automatically cancel all nominations.
- 8.5 Payment of benefits made before the Company receives written notice of a valid claim by another person releases the Company from further obligation.

Article 9 Exclusions

- 9.1 If the Insured's death is due to suicide or attempted suicide during the first twelve months from the Commencement Date the Company will only pay the Fund Value, if any, at the date of notification of death calculated in accordance with Article 11.

Article 10 Indexation

- 10.1 At each Anniversary except those falling in the 5 years prior to the Maturity Date, the Regular Premium and Sum Assured will be increased by an inflation adjustment as determined by the Company by reference to the Wholesale Price Index published by the Government of India (or in the event that the Wholesale Price Index ceases to be published, such other index as the Company may reasonably select for this purpose) from time to time. No evidence of health shall be required.
- 10.2 The Company will send the Policyholder written notice of the increased amount of Regular Premium at least 30 days before each Anniversary. If the increase is not declined in writing at least 5 days before the Anniversary, the adjusted Sum Assured and consequent alteration to the Regular Premium shall automatically come into force on the Anniversary. If the Policyholder declines any inflation adjustment increase, then that increase may not later be reinstated, but the Policyholder shall be entitled to inflation adjustment increases proposed by the Company for any subsequent Anniversary.

Article 11 Surrender Value

- 11.1 After the commencement of the fourth Policy Year and subject to the payment of two full years Regular Premium, the Policyholder shall, upon termination of the Policy for any reason other than death of the Insured, be entitled to a surrender value calculated as follows: -
- 11.1.1 The value of all Initial Units at their Unit Price, less the Surrender Charge on Initial Units, plus
- 11.1.2 The value of all Accumulation Units attributable to Regular Premium at their Unit Price less the Surrender Charge on Accumulation Units, plus
- 11.1.3 the value of all Accumulation Units attributable to Top Up Premium at their Unit Price, less the Surrender Charge on Units purchased by Top Up Premiums as specified in the Schedule.
- 11.2 The valuation will be carried out as at the date of surrender.

Article 12 Non Payment of Regular Premium after three consecutive years from the Commencement Date and Non- Forfeiture Provisions

- 12.1 Subject to Article 14, with effect from the commencement of the fourth Policy Year, if the Policyholder has paid Regular Premium due for the first three consecutive Policy Years, but has failed to pay the Regular Premium due within the grace period of 30 days from the due date of unpaid Regular Premium at any time thereafter, the Policy shall remain in force for the full risk cover for 2 consecutive years from the due date of the first unpaid Regular Premium, during which period, the Policy may be reinstated.
- 12.2 The Policy Administration Charge as described in Article 16.8 will continue to be deducted monthly from the Units in the Unit Account but shall be reduced to the 60% of the policy administration charge applicable for other policies to which this Article 12 or Article 4 does not apply to.
- 12.3 The Policyholder may exercise any of the 3 options during the 2 year reinstatement period:
- 12.3.1 The Policyholder may reinstate the Policy subject to Article 4.8. If within the reinstatement period, the surrender value of Units attributable to Regular Premium falls below an amount equivalent to one year's Regular Premium, then the Policy shall automatically terminate and the Policyholder will be paid the surrender value as per Article 11;
- 12.3.2 The Policyholder may surrender the Policy in accordance with Article 11 and a surrender value is payable to the Policyholder, pursuant to which the Policy shall automatically terminate;
- 12.3.3 The Policyholder may continue the Policy beyond the reinstatement period without paying further Regular Premium, provided the Company has received a letter from the Policyholder at least 5 days prior to the expiry of the 2 year reinstatement period, requesting the Company to continue the Policy. If the Company accepts the Policyholder's request, subject to Article 4.8 above:
- 12.3.3.1 The Policy will continue with the full risk cover being in force; and
- 12.3.3.2 The Company shall continue to levy charges as specified in the Schedule until the surrender value falls below an amount equivalent to one year's Regular Premium, wherein after the Policy will automatically terminate and the Policyholder will be paid the surrender value per Article 11.
- 12.4 If the Policyholder does not choose any of the options specified in Article 12.3 above, then the Policy and all available benefits per Article 7 shall automatically terminate at the expiry of the reinstatement period and the Company shall pay the surrender value to the Policyholder.

Article 13 Partial Withdrawals

- 13.1 During the last 4 Policy Years, the Policyholder may, once each Policy Year, make cash withdrawals by redeeming Accumulation Units attributable to Regular Premium only up to the following values, subject always to Article 13.2 below:
- 13.1.1 Upto 25% of the Sum Assured in the fourth Policy Year before the Maturity Date.
- 13.1.2 Upto 50% of the Sum Assured (including the amount withdrawn earlier) in the third Policy Year before the Maturity Date.
- 13.1.3 Upto 75% of the Sum Assured (including the amount withdrawn earlier) in the second Policy Year before the Maturity Date.
- 13.1.4 Upto 100% of the Sum Assured (including the amount withdrawn earlier) in the final Policy Year.
- 13.2 Partial withdrawals are permitted subject to the following conditions:
- 13.2.1 All due Regular Premium payable up to the date of the Policyholder's request for a partial withdrawal have been paid;
- 13.2.2 The minimum amount of each partial withdrawal from the Accumulation Units is Rs.5,000 and the balance Fund Value of Units attributable to Regular Premium after the proposed partial withdrawal shall not be less than twice the annual Regular Premium.
- 13.3 Accumulation Units attributable to a Top Up Premium may be redeemed by the Policyholder any number of times by making partial withdrawals only after the start of the fourth year from the date of payment of any Top-Up premium.
- 13.4 The Sum Assured shall not be reduced by the amount of the partial withdrawals.
- 13.5 The partial withdrawals will be processed using the Unit Price at the time of the redemption of Units.
- 13.6 All partial withdrawals shall first be made from the Top Up Premium account if any and if eligible per Article 13.3 and the balance amount, if any, after the exhaustion of the eligible Top Up Premium Units shall be withdrawn from the Accumulation Units attributable to Regular Premiums subject to the conditions per Article 13.1.

Article 14 Payment of Benefits and Dealings with the Policy

- 14.1 It is a condition precedent to the Company's liability to make any payment under this Policy that it receives written notice immediately and in any event within 3 months, and has the opportunity of establishing to its satisfaction the entitlement to any benefit, for which purpose the Company shall receive all reasonable cooperation from the Policyholder and/or Claimant and/or Nominee and/or legal heirs.
- 14.2 The Company shall be under no obligation to make any payment under this Policy until such time as it has been provided with all information and documentation requested in relation to both the claim and the entitlement of the Policyholder and/or Nominee and/or Claimant and/or legal heir, and in particular the following where applicable:
- 14.2.1 The Policy.
- 14.2.2 Evidence of date of birth.
- 14.2.3 The original or legalised copy of the death certificate showing the cause and date of death.
- 14.2.4 The Company's claim form duly completed.
- 14.3 The Company reserves the right to decrease the amount payable under any claim occurs during the period of grace by the amount of any unpaid premiums.

Article 15 Loss of the Policy Document

- 15.1 If the Policy Document is lost or destroyed, (subject to Article 15.3) at the request of the Policyholder the Company will issue a copy Policy Document duly endorsed to show that it is issued following the loss or destruction of the original document.
- 15.2 Upon the issue of a copy Policy Document the original Policy Document will cease to have any legal effect.
- 15.3 The Company reserves the right to make such investigations into and to call for such evidence of the loss of the Policy Document at the expense of the Policyholder, as it considers necessary before issuing a copy Policy Document.

Article 16 Unit Account and Charges

- 16.1 On the Commencement Date the Company shall open the Unit Account and on receipt of each premium shall notionally allocate to the Unit Account the number of Units, including parts of Units secured by the premium (after deduction of premium or any other applicable tax, if any) after adjusting for allocation rate at the next available Unit Price of the Unit. Units will be allocated in the With Profits Fund or Unit Linked Fund at the allocation rate specified in the Schedule.
- 16.2 All Regular Premiums due in the first Policy Year from the Commencement Date will be used to allocate Initial Units.
- 16.3 The amount of increase to the Regular Premium as a result of Indexation due in the first year from the commencement of such an increase to the Regular Premium will be allocated to the purchase of Initial Units.
- 16.4 All other Regular Premiums not covered by the provisions of Articles 16.2 and 16.3 above will be allocated to the purchase of Accumulation Units.
- 16.5 All Top Up Premiums will be allocated to the purchase of Accumulation Units.
- 16.6 No Units will be allocated before the Commencement Date of the Policy or until the Regular Premium or Top Up Premium has been received by the Company.
- 16.7 Each Policy Year, a percentage of Initial Units in the Unit Account (as mentioned in the Schedule) will be redeemed as an Initial Management Charge. Initial Units will be cancelled monthly during the period as specified in the Schedule at their respective Unit Price on the date of redemption.
- 16.8 Each month an appropriate number of Accumulation Units, including parts of Units allocated to the Unit Account and as specified in the Schedule in respect of Regular Premiums and any increases to it therein will be redeemed at their respective Unit Price as Policy Administration Charge to meet the Company's administration expenses.
- 16.9 A daily adjustment will be made to the Unit Price as a Fund Management Charge and as specified in the Charges section in the Schedule towards the charge for the management of the investments while calculating the Unit Price on a daily basis.
- 16.10 Each month an appropriate number of Accumulation Units, including parts of Units allocated to the Unit Account in respect of Regular Premiums will be redeemed at their respective Unit Price by the Company as Mortality Charge to cover the charge for the benefits under Article 7 as determined by the Company and as specified in the Schedule. The Mortality Charge shall be levied on the Sum at Risk on each monthly anniversary. The Sum at Risk shall be the Sum Assured. Accumulation Units purchased by the payment of Top Up Premium will be excluded from this charge.
- 16.11 If there are no Accumulation Units, or the number of Accumulation Units in the Unit Account is not sufficient to cover the charges as specified in Article 16.8, then the charges are carried forward as a Unit Account debt and an equivalent number of Accumulation Units will be deducted from the Unit Account when possible.
- 16.12 The Company reserves the right to review the Charges payable in consideration of the Policy up to the maximum limit as specified in the Charges section in the Schedule subject to the approval of the Insurance Regulatory and Development Authority or any other applicable regulator. The Company shall give one month's notice of any such review to the Policyholder.

Article 17 Rounding Rules

- 17.1 All Premium payments paid by the Policyholder to the Company and all benefits paid by the Company are expressed in whole currency units.

Article 18 Taxation

- 18.1 The Company is entitled to make such deductions, which in its opinion are necessary and appropriate, from any of the benefits receivable under the Policy on account of any tax or other payment which may be imposed by any legislation, order, regulation or otherwise upon the Company, Policyholder or Nominee.

Article 19 Status of Agent

- 19.1 The insurance agent is only authorised by the Company to arrange completion and submission of the proposal form. The insurance agent is not authorised to act as the Company's legal representative or act in any other way on behalf of the Company. Information given to the insurance agent should not be considered as having been given to the Company. Any document or other notice sent by

the Policyholder through the agent will only be a valid intimation to the Company from the date and time it is received and the Company acknowledges its receipt.

Article 20 Correspondence

- 20.1 All instructions and notifications in respect of the Policy must be given in writing and signed by the Policyholder and sent to the Company's address specified in the Schedule. The Company will not act upon any such instruction, notification or request until it is received at the appointed address.
- 20.2 The Policyholder should notify the Company of any change of address also involving the Nominee and/or the Claimant under the Policy. In the event that a change of address is not notified to the Company then correspondence sent to the last recorded address shall be legally effective.

Article 21 Notices

- 21.1 All notices of transfers or assignments or of any other legal transactions affecting ownership of the Policy or entitlement to benefits under the Policy must be given in writing to the Company at its address specified in the Schedule.
- 21.2 All notices of nominations under Article 8 must be given in writing to the Company at its address specified in the Schedule.
- 21.3 Any transfer, assignment, nomination or other transaction affecting ownership of the Policy or entitlement to benefits under the Policy shall be ineffectual and void against the Company unless and until notice is served in accordance with Articles 21.1 and 21.2 before the Company becomes liable for the payment of benefits.
- 21.4 In registering any notice pursuant to Articles 21.1 and 21.2 the Company does not accept any responsibility or express any opinion as to its validity or legal effect.

Article 22 Currency

- 22.1 All premiums and benefits under this Policy are payable in the currency of the Policy as specified in the Schedule.

Article 23 Law

- 23.1 This Policy and the applicable terms and conditions are subject to Indian law.

Article 24 Unit Linked Fund

(This Article is not applicable if the Investment Fund opted for in the Schedule is With Profits Fund)

- 24.1 The investment objective of Unit Linked Fund is to provide relatively more progressive capital growth. The fund will comprise of Equities in the range of 0% to 45%, Debt Securities in the range of 50% to 90% and Money Market & Cash in the ranges of 0% to 10% to achieve the above objective. The unit value in the Unit Linked Fund can fluctuate depending upon the performance of the assets held. Each Unit Linked Fund is referenced to separate and identifiable assets of the Company.
- 24.2 The Company reserves the rights to establish further Unit Linked Funds or to consolidate, sub-divide or close existing Unit Linked Funds. The Policyholder will be given written notice of any such consolidation, sub-division or closure.
- 24.3 Income received from assets referenced to a Unit Linked Fund will be added to these assets. The amount after allowing for tax, if any, will alter the value of each existing Unit of the respective Unit Linked Fund.
- 24.4 Units may only be created in a Unit Linked Fund when assets equal in value to the Units created are added to the portfolio of assets to which the respective Unit Linked Fund is referenced.
- 24.5 Assets may only be withdrawn from the portfolio of assets to which a Unit Linked Fund is referenced if Units equal in value to those assets are cancelled in the Unit Linked Fund.
- 24.6 The Company does not guarantee the price of the Units of each Unit Linked Fund.

Article 25 Limitation of Interest in a Unit Linked Fund

(This Article is not applicable if the Investment Fund opted for in the Schedule is With Profits Fund)

- 25.1 The allocation of the Units to the Unit Account shall be notional and shall operate solely for the purpose of determining the value of benefits under the Policy.
- 25.2 The assets to which the Unit Linked Fund are referenced and any income arising from these assets shall remain the property of the Company at all times. Accordingly, the Policy does not confer any title to or any beneficial interest in any assets of the Company, or to any income from these assets including but not limited to any assets to which any Unit Linked Fund is referenced or income therefrom.

Article 26 Valuation of the Unit Linked Fund and Charges

(This Article is not applicable if the Investment Fund opted for in the Schedule is With Profits Fund)

- 26.1 The assets to which the Unit Linked Fund are referenced will be valued at a market price net of Fund Management Charges on a daily basis.
- 26.2 The Company is entitled to deduct from the assets to which the Unit Linked Fund is referenced all expenses relating to brokerage, custodial fee and such other expenses and duties incurred in connection with purchase and sale of assets under the Unit Linked Fund.
- 26.3 The Company will make all decisions about the selection and valuation of the assets to which a Unit Linked Fund is referenced.

Article 27 Calculations of Unit Prices of a Unit Linked Fund

(This Article is not applicable if the Investment Fund opted for in the Schedule is With Profits Fund)

- 27.1 The Unit Price of Units of each Fund shall be determined daily as per the regulations/guidelines issued by the Insurance Regulatory and Development Authority or any such body authorised by Government of India to issue such regulations /guidelines from time to time. As per the current guidelines issued by the Insurance Regulatory and Development Authority the Company will determine the Unit Price of each fund daily as per the following formula: -
Unit Price = Net Asset Value ("NAV") divided by the number of Units existing in the Fund at the Valuation Date (before any new Units are allocated or redeemed).

The Net Asset Value can be calculated in either of the following 2 methods:

- 27.1.1 **When appropriation price is applied:** The NAV of a Unit Linked Fund shall be computed as the market value of investments held by the Fund plus the expenses incurred in the purchase of the assets plus the value of any current assets plus any accrued income net of Fund Management Charge less the value of any current liabilities and provisions, if any. This is applicable when the Company is required to purchase assets to allocate Units at the Valuation Date.
- 27.1.2 **When expropriation price is applied:** The NAV of a Unit Linked Fund shall be computed as the market value of investments held by the Fund less the expenses incurred in the sale of the assets plus the value of any current assets plus any accrued income net of Fund Management Charge less the value of any current liabilities and provision, if any. This is applicable when the Company is required to sell assets to redeem Units at the Valuation Date.
- 27.2 The Unit Price of Units of a Unit Linked Fund will be rounded by not less than three decimal places.

Article 28 With Profits Fund and Charges

(This Article is not applicable if the Investment Fund opted for in the Schedule is Unit Linked Fund)

- 28.1 The investment objective of With Profits Fund is to provide stable and sustained growth. The normal range of assets in equities is 0% to 20%, in Debt securities 70% to 100% and in Money Market 0% to 10%. Each Unit of With Profits Fund has a Unit Price determined by the Company. The Unit Price is guaranteed by the Company never to decrease. This guarantee is subject to the Market Value Reduction in Article 28.12 in the limited circumstances in which this deduction applies.
- 28.2 The Company reserves the right to establish further With Profits Funds or to consolidate, sub-divide, close or change the investment pattern of existing With Profits Funds. The Policyholder will be given written notice of any such consolidation, sub-division or closure.
- 28.3 The allocation of Units in the With Profits Fund to the Unit Account shall be notional and shall operate solely for the purpose of determining the value of benefits under this Policy. The Policy does not confer any title to or any beneficial interest in any assets of the Company.
- 28.4 The Company is entitled to deduct from the assets to which the With Profits Fund is referenced all expenses relating to brokerage, custodial fee and such other expenses and duties incurred in connection with purchase and sale of assets under the With Profits Fund but this will not affect the guarantee in Article 28.1.
- 28.5 The Company is entitled to deduct from the assets to which the With Profits Fund is referenced all expenses, duties and other charges incurred in connection with running of With Profits Fund including the costs of purchase, sale, valuation and maintenance of the assets.
- 28.6 The Company will make all decisions about the selection and valuation of the assets to which a With Profits Fund is referenced.
- 28.7 The With Profits Fund participates in the profits of the Company's life insurance fund in respect of this fund. Profits are attributed to policyholders by means of (i) regular bonuses and (ii) final bonus.
- 28.8 Each Unit of the With Profits Fund will have a Unit Price which will be determined by the Company normally on each working day but in any event at least once in every month. The Unit Price will increase as a result of the application of regular bonus rate additions less Fund Management Charge as specified in the Schedule since the Unit Price was previously determined. For this purpose, the annual regular bonus rate announced by the Company will be converted to an equivalent daily rate in accordance with the formula set out below. For this purpose, the equivalent daily Unit growth rate will be determined as follows: -
Equivalent daily growth rate = $[(1 + \text{annual regular bonus rate})^{(1/365)}] * (1 - \text{Fund Management Charge}/365) - 1$
- 28.9 The Company may at any time consolidate or sub-divide Units as it deems necessary provided the total value of the Units allocated to the Policy is not reduced.
- 28.10 Regular bonuses are attributed by means of regular increases in the price of Units in accordance with the regular bonus rates, if any, announced by the Company at least once a year. The latest regular bonus rates to be announced will continue to be applied until superseded by a further announcement by the Company.
- 28.11 On cancellation of Units in the With Profits Fund for making benefit payments, the Company may pay a final bonus in accordance with the final bonus scales, if any, applicable at the date of cancellation. Final bonus scales will be announced by the Company at least once a year.
- 28.12 In order to ensure fairness of treatment between policyholders, on the redemption of Units in the With Profits Fund under Articles 11, 12 and 13, the Company may reduce the Unit Price by the application of a Market Value Adjustment ("MVA"). The MVA will only be applied where the actual investment return of the With Profits Fund from the date of allocation of that Units to the Unit Account to the date of redemption of the Units is less than that credited to the Units by the Company by means of increases in the price of Units and by the application of the final bonus scale. When applying the MVA, the reduction in the Unit Price will never exceed the difference between the actual investment return of the With Profits Fund and the investment return of the With Profits Fund credited to the Units by the Company between those dates. The Company will give the Policyholder notice where the MVA is to be applied.
- 28.13 No MVA will be applied in the following circumstances:
- (i) On the payment of benefit on death or on upon a partial withdrawal per the schedule in Article 13.
 - (ii) On the payment of the maturity benefit at maturity date
- 28.14 The Unit Price of Units of a With Profits Fund will be rounded by not less than three decimal places.

Article 29 Change to the Standard Policy Conditions

- 29.1 None of the Rules for the With Profits Fund and Unit Linked Fund may be waived or modified except by an endorsement issued by the Company and signed by an authorised official thereof, except where otherwise stated in these Standard Terms and Conditions.
- 29.2 The Company will notify the Policyholder about any changes to the Rules for the With Profits Fund and Unit Linked Fund and the benefits within four weeks from the date of the change.

Article 30 Entire Contract

- 30.1 This Policy Document constitutes the complete contract of insurance. No change or alteration to this Policy Document shall be valid or effective unless approved in writing by the Company, which approval shall be evidenced by the Company's endorsement on the Schedule.

Article 31 Premium Holiday

- 31.1 If this Policy has been in force for a continuous and uninterrupted period of five years from the Commencement Date and if all instalments of Regular Premium have been paid, then the Policyholder may thereafter (but only up to 4 times during the Premium Payment Term) defer the payment of Regular Premium for a continuous period of upto six months provided that written notice of the Policyholder's intention to defer the payment of Regular Premium is received by the Company at least thirty days before the entitlement to defer has arisen.
- 31.2 The Policy will remain in force during the period of deferral of payment of Regular Premium and all charges that would have been incurred but for the deferral will continue to be deducted from the Unit Account in respect of Regular Premium.
- 31.3 At the expiry of the deferral period the Policyholder shall resume the payment of Regular Premium and shall with the first instalment of Regular Premium after the expiry of the deferral period, ensure that the amount of Regular Premium deferred is also paid to the Company, failing which the provisions of Article 12 shall automatically apply.

Article 32 Arbitration

- 32.1 Any and all disputes or differences which may arise under, out of, or in connection with or in relation to this Policy, or to its existence, validity or termination or to the determination of the amount or any amounts payable, shall be referred to arbitration to the decision of a sole arbitrator to be appointed in writing by the parties hereto or if they cannot agree upon a single arbitrator within 30 days of any party invoking arbitration, the same shall be referred to a panel of 3 arbitrators to be appointed in accordance with the Arbitration and Conciliation Act 1996. The arbitration proceedings shall be governed by the Arbitration and Conciliation Act 1996 and the seat of the arbitration and venue for all hearings shall be within India.

Article 33 Due Observance

- 33.1 The Due Observance of and compliance with the terms, provisions and conditions of the Policy Document insofar as they relate to anything to be done or complied with by the Policyholder and/or the Nominee and/or the Claimant and/or the legal heirs shall be a condition precedent to the liability of the Company.

Article 34 Fraud

- 34.1 If the Policyholder and/or the Nominee and/or the Claimant and/or the legal heirs shall make or advance any claim under or in respect of this Policy knowing the same to be false or fraudulent as regards amount or otherwise, this Policy shall be void and any benefits hereunder shall be forfeited.

Article 35 Investment Funds

- 35.1 Depending on the Investment Fund(s) opted for by the Policyholder as evidenced in the Schedule, the Company shall apply the Regular Premium, Additional Regular Premium and Top Up Premium (if any) received to allocate Units (at the allocation rate and in accordance with the allocation proportion both as specified in the Schedule) in the investment funds, which are either:
- 35.1.1 The With Profits Fund (which is established and run according to Article 28.10), or
- 35.1.2 The Unit Linked Funds (consisting of the Protector Fund, the Balanced Fund and the Growth Fund; as provided for in Article 24.2 and which are established and run according to Articles 24 to 27)
- 35.2 The value of Units in the investment funds will fluctuate depending upon the performance of the assets held and the values are not guaranteed by the Company. The investment objective of each of the investment funds is as follows:
- 35.2.1 **With Profits Fund:** The investment objective of the With Profits Fund is to provide stable and sustained growth. The normal range of assets in equities is 0% to 20%, in debt securities 70% to 100% and in the money market 0% to 10%. The Company may change the above asset mix depending upon the investment conditions. Each Unit of the With Profits Fund has a Unit Price and a Unit Price determined by the Company. The Unit Price is guaranteed by the Company never to decrease (subject to Article 28).
- 35.2.2 **Protector Fund:** The investment objective of the Protector Fund is to provide progressive capital growth with relatively lower investment risks. The Protector Fund will aim to invest in equities to the extent of 0% to 20%, debt securities to the extent of 60% to 100% and money market and cash to the extent of 0% to 20% in order to achieve the investment objective of this Unit Linked Fund.
- 35.2.3 **Balanced Fund:** The investment objective of the Balanced Fund is to provide progressive capital growth with relatively lower asset value fluctuations. The Balanced Fund will aim to invest in equities to the extent of 0% to 45%, debt securities to the extent of 50% to 90% and money market and cash to the extent of 0% to 10% in order to achieve the investment objective of this Unit Linked Fund.
- 35.2.4 **Growth Fund:** The investment objective of the Growth Fund is to provide progressive capital growth by investing a larger proportion in equities. The Growth Fund will aim to invest in equities to the extent of 30% to 85%, debt securities to the extent of 0% to 50% and money market and cash to the extent of 0% to 20% in order to achieve the investment objective of this Unit Linked Fund.
- 35.3 The Company does not guarantee the price of the Units of the investment funds (except as per Article 28.1). Depending on market risk and the performance of the investment funds to which the Units are referenced, the value of Units may fall, rise or remain unchanged. There can be and is no assurance that the objectives of any of the investment funds will be achieved and the Company gives no such assurance and assumes no liability for the achievement of the investment fund objectives.
- 35.4 The Company reserves the right to amend the investment objective of any investment fund and to add new funds.

Article 36 Premium Redirection

(This Article is not applicable if the Investment Fund opted for in the Schedule is With Profits Fund)

- 36.1 At the written request of the Policyholder, and provided that the Policyholder has not opted for the With Profits Fund (as evidenced by the Schedule), the Company will amend the allocation proportion referred to at Article 35.1 whereafter the previous allocation proportion will become ineffective and the amended allocation proportion will be applicable from the date of the Company's acceptance of the request. The charges described in Article 16 shall be deducted from the Unit Linked Funds in the allocation proportion or the amended allocation proportion as the case may be.
- 36.2 The Company will not allow a request for an amendment to the allocation proportion more than two times in a Policy Year.
- 36.3 The minimum and maximum allocation proportion in each of the Unit Linked Funds selected may be any figure between 10% and 100%.

Article 37 Unit Switches

(This Article is not applicable if the Investment Fund opted for in the Schedule is With Profits Fund)

- 37.1 At the written request of the Policyholder to switch Units from one Unit Linked Fund to another, and provided that the Policyholder has not opted for the With Profits Fund (as evidenced by the Schedule), the Company will redeem Units of an equal amount from the Unit Linked Fund in which the Units are to be redeemed at the Unit Price of Units of that Unit Linked Fund and after deduction of Switching Charge, if any, will replace them with Units of the Unit Linked Fund in which the Units are to be created at the Unit Price of Units of that Unit Linked Fund.
- 37.2 The first two Unit switches in each Policy Year will be processed with no fee. Subsequent Unit switches will be processed by the Company will be processed by the Company at a Switching Charge as specified in the Schedule.
- 37.3 The value of Units switched must not be less than Rs.10, 000 and the value of Units at the Unit Price in a Fund after the redemption of Units as a result of a Unit switch must not be less than Rs.5, 000 or such other amount specified by the Company from time to time, unless the Policyholder wishes to switch 100% Units to another Fund.
- 37.4 Unit switches will only be permitted in those Unit Linked Funds available for investment under this Policy.
- 37.5 The Unit switch request will be effected as soon as reasonably practicable following the receipt of a request at the Company's address mentioned in the Schedule.
- 37.6 The right to switch Units from one Fund to another Fund shall immediately and automatically terminate if, at any time, the payment of any due instalment of Regular Premium prior to the request of switching is pending.

Article 38 Settlement Option

(This Article is not applicable if the Investment Fund opted for in the Schedule is With Profits Fund)

- 38.1 The Settlement Option is available to the Policyholder provided the Company has received atleast 7 days prior to the Maturity Date, a written notice from the Policyholder signifying his intention to opt for the Settlement Option along with the information and documentation required by the Company.
- 38.2 The Settlement Option shall be administered in accordance with the Company's Settlement Option guidelines in force from time to time.
- 38.3 The Policyholder cannot opt for the Settlement Option after the Maturity Date.
- 38.4 No person other than the Policyholder shall have the right to exercise the Settlement Option.
- 38.5 The Policyholder acknowledges that Company is not obliged to provide the Settlement Option at all times or may restrict the terms upon which the Company may agree to provide the Settlement Option, the decision as to which shall be in the Company's sole and absolute discretion.

Article 39 Unit Encashment Conditions

- 39.1 Units will be redeemed or created at their Unit Price on the date of redemption or creation of those Units.
- 39.2 In respect of any payment of Regular Premium, Top Up Premium or receipt of any Unit switch request as per Article 37.1 or any other amount received in cash up to 4.15 pm or any other time specified per the circulars/guidelines issued by the Insurance Regulatory and Development Authority (herein after known as "IRDA Guidelines") or any such body authorized by the Government of India to issue such guidelines in this regard from time to time, the closing Unit Price of the day on which the Regular Premium, Top Up Premium is received/Unit switch is processed shall be applicable.
- 39.3 In respect of the Regular Premium, Top Up Premium or any other amounts received in cash or receipt of any Unit switch request as per Article 37.1 or any other amount received in cash after 4.15 pm or any other time as specified per the IRDA Guidelines or any such body authorized by the Government of India to issue such guidelines in this regard from time to time, the closing Unit Price of the next business day on which Regular Premium, Top Up Premium is received shall be applicable.
- 39.4 In respect of Regular Premium, Top Up Premium or any other amounts received with local cheque/demand drafts at the place where such amount is received, the closing Unit Price of the day on which cheque/demand draft is received shall be applicable, provided it is received by the Company before 4.15 pm or any other time as specified per the IRDA Guidelines or any such body authorized by the Government of India to issue such guidelines in this regard from time to time. Otherwise, the closing Unit Price of the next business day on which the cheque/demand draft is received shall be applicable.
- 39.5 In respect of Regular Premium, Top Up Premium or any other amounts received with outstation cheque /demand drafts at the place where such amount is received, the closing Unit Price of the day on which cheque/demand draft is realized shall be applicable.
- 39.6 In respect of valid applications received by the Company for claims under Article 7, Article 11 or Article 13 by 4.15 p.m. (subject to fulfilling all the terms and conditions specified in the Policy), the same day's closing Unit Price shall be applicable. If such valid applications are received after 4.15 p.m., the closing Unit Price of the next business day shall be applicable.