AVIVA

Aviva New Young Scholar Plan (Non-participating plan) [UIN 122L076V01]

STANDARD TERMS & CONDITIONS

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

The Policyholder's Proposal Form is the basis of the insurance provided by, and is part of, the Policy Document, which also consists of these Standard Terms & Conditions, the Schedule and any annexures/table and/or unit statements attached to it.

1) Interpretation & Definitions

a) In this Policy Document, where appropriate, references to the singular include references to the plural, references to the male include the female and references to any statute include subsequent changes to that statute.

b) The following words or phrases have the meanings given to them below wherever they appear in the Policy Document:

- i) Age means age at last birthday.
- ii) Allocation Rate means the rate at which We allocate the Regular Premium and Top Up Premium, if any, received from the Policyholder into Units in the unit account, and is as specified in the Schedule (at Item No. 1 of the Table of Charges).
- iii) Annualised Regular Premium means the amount specified in the Schedule.
- iv) Automatic Asset Allocation plan means the investment option chosen by the Policyholder, in accordance with Article 13) and as indicated in the Schedule.
- v) Beneficiary means the child of the Policyholder as named in the Schedule who has been nominated by the Policyholder in accordance with Article 11) and who is entitled to receive all the benefits under the Policy in accordance with Article 3). If the Beneficiary dies prior to the death of the Insured, the Policyholder may nominate any one of his other children as a Beneficiary under the Policy and if no other child exists, the Policyholder may nominate any person with whom an insurable interest exists, provided We have accepted such nomination.
- vi) Commencement Date means the date the Policy commences, as specified in the Schedule.
- vii) Funds means the internal investment funds established and managed by Us in accordance with Articles 8) and 10).
- viii) Fund Value means the total number of Units pertaining to Regular Premium and Top Up Premium, if any, held in the unit account multiplied by their respective Unit Price.
- ix) Incremental Regular Premium means an increase to the Regular Premium payable by the Policyholder per Article 2)g), which shall be deemed to be Regular Premium, unless specified otherwise.
- x) Insured means the person, named in the Schedule, on whose life this Policy is effected.
- xi) Maturity Benefit means the benefit as at the Maturity Date, payable in accordance with Article 3)b).
- xii) Maturity Date means the date specified in the Schedule on which the Maturity Benefit becomes payable in accordance with Article 3)b).
- xiii) Policy means the arrangements established by this Policy Document.
- xiv) Policyholder means the adult named in the Schedule who has concluded this Policy with Us.
- xv) Policy Anniversary means the annual anniversary of the Commencement Date.
- xvi) Policy Term means the period between the Commencement Date and the Maturity Date.
- xvii) Policy Year means the year commencing on the Commencement Date or an anniversary thereof.
- xviii) Premium Payment Term means the period between the Commencement Date and the due date of the payment of the last instalment of Regular Premium (as specified in the Schedule), during which Regular Premium is payable.
- xix) Premium Waiver Benefit means the waiver of future Regular Premium described in Article 3)a)i)2).
- xx) Proposal Form means the signed, completed and dated proposal form submitted by the Policyholder to Us, including any declarations and statements annexed to it.
- xxi) Regular Premium means the amount of premium payable by the Policyholder in regular instalments in the manner and at the intervals (Premium Frequency) specified in the Schedule.
- xxii) Rider means the rider(s), if any, issued by Us, attached to and forming part of this Policy.
- xxiii) Schedule means the schedule (including any annexures/unit statements/tables attached to it and any endorsements We have issued) and, if more than one, then the latest in time.
- xxiv) Settlement Option means the option available to the Policyholder in accordance with Article 14). If the Settlement Option is effected by the Policyholder all or a part of the Maturity Benefit per Article 3)b) will be paid in arrears to the Policyholder in the form of structured payouts after the Maturity Date.
- xxv) Sum Assured means the amount specified in the Schedule.
- xxvi) Surrender Value means the surrender value payable in accordance with Article 6).
- xxvii) Systematic Transfer Plan means the investment option, as described in Article 12), chosen by the Policyholder at the Commencement Date or at any Policy Anniversary.
- xxviii) Top Up Premium means payments (apart from Regular Premium) received from the Policyholder in the form of a single payment.
- xxix) Unit means a notional and proportionate part of the unit account created by the allocation of Regular Premium and Top Up Premium, if any, and created solely for the purpose of determining the benefits under this Policy.
- xxx) Unit Price means the price per Article 10) at which We allocate or redeem Units in each of the Funds on that day.
- xxxi) Valuation Date shall have the meaning ascribed to it in Article 10).
- xxxii) We, Our and Us means the Aviva Life Insurance Company India Limited.

2) Payment of Regular Premium, Top Up Premium, Grace Period & Reinstatement and Dealings with the Policy

a) Regular Premiums are payable in the amounts, Premium Frequency and for the Premium Payment Term as specified in the Schedule. Regular Premium shall become due on every Policy Anniversary, if the Premium Frequency is annual. If the Premium Frequency is half yearly or quarterly or monthly, then the Regular Premium shall become due on the day corresponding with the Commencement Date in every half-year or quarter or month respectively. If the corresponding day does not exist in a particular month, then the last day of that month shall be deemed to be the due date.

b) If We do not receive the Regular Premium due during the first three (3) Policy Years from the Commencement Date then:
   i) We will allow a thirty (30) days grace period from the due date of the first unpaid instalment of Regular Premium. During this grace period, the benefits under Article 3) and the benefits under applicable Rider, if any, will continue to apply.
   ii) If the Regular Premium due is not received within the grace period of thirty (30) days and the due date of the first unpaid instalment of Regular Premium is:
      - Less than or equal to twelve (12) months from the Commencement Date, the Policy will lapse with all risk cover under Article 3) and the benefits under applicable Rider, if any, ceasing immediately and no benefits under the Policy, whatsoever shall be payable other than the Fund Value as at the date of notification of death of the Insured, at which time the Policy shall automatically terminate. The Policyholder may reinstate the Policy within two (2) years of the due date of the first unpaid instalment of Regular Premium, provided that the Policyholder has complied with Article 2)d). If the Policy is not reinstated within the aforesaid two (2) years period, the Policy shall automatically terminate at the date of expiry of the reinstatement period and the Surrender Value, if any, (as on the date of termination) shall be payable to the Policyholder at the expiry of the reinstatement period or the commencement of the fourth Policy Year, whichever is later. During the period from the due date of the first unpaid instalment of Regular Premium upto the date of reinstatement, the charges as specified in the Schedule, except the Mortality Charge and Rider Premium Charges, if any, will continue to be deducted.
      - Greater than twelve (12) months but less than or equal to thirty six (36) months from the Commencement Date, then all risk cover under Article 3) and the benefits under applicable Rider, if any, shall cease immediately and no benefits under the Policy, whatsoever shall be payable other than the Fund Value as at the date of notification of death of the Insured, at which time the Policy shall automatically terminate. The Policyholder may reinstate the Policy within two (2) years of the due date of the first unpaid instalment of Regular Premium provided the Policyholder has complied with Article 2)d). If the Policy is not reinstated within the aforesaid two (2) years period, the Policy shall automatically terminate at the date of the expiry of the reinstatement period and the Surrender Value, if any, (as on the date of termination) shall be payable to the Policyholder as at that date. During the period from the due date of the first unpaid instalment of Regular Premium upto the date of reinstatement, the charges as specified in the Schedule, except the Mortality Charge and Rider Premium Charges, if any, will continue to be deducted. The Policyholder shall also have the option of surrendering the Policy at or any time after the commencement of the fourth Policy Year, at which time the Policy shall automatically terminate and the Surrender Value, if any, shall be payable.

c) If We do not receive the Regular Premium due after the first three (3) consecutive Policy Years from the Commencement Date, and provided the Policyholder has paid Regular Premium due for the first three (3) consecutive Policy Years, then:
   i) We will allow a grace period of thirty (30) days from the due date of first unpaid instalment of Regular Premium. During this grace period, the benefits under Article 3) and the benefits under applicable Rider, if any, will continue to apply.
   ii) If the Regular Premium due is not received within the grace period of thirty (30) days from the due date of the first unpaid instalment of Regular Premium then, the Policy will remain in force with all benefits under Article 3) [except the benefits under Articles 3)b)ii) and 3)c)] and the benefits under applicable Rider, if any, for a period of two (2) years from the due date of the first unpaid instalment of Regular Premium and the charges as specified in the Schedule will continue to be deducted.
   iii) The Policyholder may exercise any one (1) of the following three (3) options during the two (2) years reinstatement period:
      1. Reinstate the Policy subject to Article 2)d). The Policy may be reinstated within two (2) consecutive years from the due date of the first unpaid instalment of Regular Premium.
      2. Surrender the Policy in accordance with Article 6), upon which the Policy shall automatically terminate and We will pay the Surrender Value to the Policyholder;
      3. Continue the Policy beyond the reinstatement period without paying further Regular Premium, provided We receive a written notice from the Policyholder within sixty (60) days of the due date of the first unpaid instalment of Regular Premium, requesting Us to continue the Policy. If We accept the Policyholder's request:
         (a) We will continue the Policy with all benefits under Article 3) [except benefits under Articles 3)b)ii) and 3)c)] being in force and will continue to levy the charges as specified in the Schedule, subject to Article 6)b);
         (b) Premium Waiver Benefit shall not be applicable on the death of the Insured; and
         (c) All the benefits under applicable Rider, if any, shall cease.
   iv) If the Policyholder fails to exercise any of the options specified in Article 2)c)iii), then the Policy with all available benefits per Article 3) and the benefits under applicable Rider, if any, shall automatically terminate at the expiry of the reinstatement period and We shall pay the Surrender Value, if any, (as on the date of termination) to the Policyholder.

d) Reinstatement of the Policy shall also be subject to:
   i) The Policyholder informing Us in writing at least seven (7) days prior to the end of the reinstatement period of his intention to reinstate and the proposed date when the Policyholder wishes to do so. The reinstatement of the Policy shall be subject to Our underwriting requirements, as applicable from time to time, and We reserve the right to obtain additional information and/or impose additional Mortality Charges before reinstating the Policy.
   ii) The Policyholder paying all Regular Premium that would have been payable from the date of default to the proposed date of reinstatement.
   iii) The Policyholder agreeing that there is no obligation on Us to reinstate the Policy even if the Policyholder has given Us all documentation or that We may restrict the terms upon which We may agree to reinstate, the decision as to which shall be in Our sole and absolute discretion.
   iv) The reinstatement of the Policy shall not take effect until We have approved the Policyholder's request for reinstatement which shall only be evidenced by a written communication from Us confirming this.

e) During the grace period, the charges as specified in the Schedule will continue to be deducted.

f) Payment of Top Up Premium shall be allowed during the Policy Term subject to the following:
   i) The maximum amount of Top Up Premium which can be paid during a Policy Year and the total amount of Top Up Premium paid under the Policy shall not exceed 25% of the total amount of Regular Premiums paid till the date of payment of Top Up Premium.
   ii) The minimum amount that can be paid as a single payment of Top Up Premium is Rs. 1,000.
   iii) Our receipt of Top Up Premium will not alter the Sum Assured.
   iv) All the due instalments of Regular Premium till the date of the payment of the Top Up Premium have been received.

g) Increase or reduction in Annualised Regular Premium:
   i) From the commencement of the sixth Policy Year, the Policyholder may, by giving Us a written notice of at least fifteen (15) days prior to a Policy Anniversary from which this option is to be effective, increase or reduce the Annualised Regular Premium payable to Us, provided that all due Regular Premium till the date of the proposed increase or decrease have been received by Us.

ii) Any reduction in the Annualised Regular Premium shall not result in the Annualised Regular Premium payable in a Policy Year going below the minimum Annualised Regular Premium as specified in the Schedule.

iii) While exercising this option, the Policyholder may also opt to change the level of Sum Assured as well as the Rider Sum Assured, if any, within the minimum limit of Sum Assured (as specified in the Schedule) and the maximum limit of Sum Assured (1.5 * Policy Term * Annualised Regular Premium), provided the revised Rider Sum Assured shall not exceed the revised Sum Assured.

If the Policyholder does not specify any change in the Sum Assured, then any increase or reduction in Annualised Regular Premium shall automatically result in a proportionate increase or reduction in the Sum Assured and the Rider Sum Assured, if any.

iv) The increased Regular Premium shall be named as Incremental Regular Premium. An increase in the Annualised Regular Premium resulting in the increase of the Sum Assured shall be subject to Our underwriting requirements, as applicable from time to time, and You shall provide Us with any additional information, that We may seek before agreeing to such an increase. We also reserve the right to decline an increase in Sum Assured and/or impose additional Mortality Charges.

v) Any increase or reduction to the amount of the Annualised Regular Premium or Sum Assured is subject to Our prior written acceptance of the same (which shall be at Our sole and absolute discretion). Such increase or reduction of Annualised Regular Premium or Sum Assured shall become effective from the Policy Anniversary immediately succeeding the receipt of the said notice by Us and following the communication of Our written acceptance of the increase or reduction to the Policyholder.

h) Reduction in Sum Assured

From the commencement of the fourth Policy Year, the Policyholder may exercise the option to reduce the Sum Assured, provided the Sum Assured at any Policy Anniversary exceeds the minimum Sum Assured as specified in the Schedule, subject to the following conditions:

i) The Policyholder has given Us a written notice of his intention to reduce the Sum Assured at least fifteen (15) days prior to the Policy Anniversary from which this option is to be effective;

ii) A reduction in Sum Assured shall not result in the revised Sum Assured going below the minimum Sum Assured as specified in the Schedule;

iii) The reduced Sum Assured shall be applicable from the Policy Anniversary immediately succeeding the receipt of the said notice by Us and communication of Our acceptance to the Policyholder in writing;

iv) The reduction in Sum Assured shall also result in a corresponding proportionate reduction in the Sum Assured of any attached Rider, provided that the reduced Rider Sum Assured shall not exceed the revised Sum Assured;

v) No increase in Sum Assured is permitted during the Policy Term, except in accordance with Article 2)i). Also, once reduced, the Sum Assured cannot be increased subsequently, unless it is automatically increased pursuant to Article 2)g)iii).

i) Indexation

i) The Policyholder may opt to increase the Annualised Regular Premium and the Sum Assured by giving us a prior written notice of seven (7) days before the Policy Anniversary from which indexation is to be effective.

ii) If this option is in force, then at each Policy Anniversary, We will automatically increase the Annualised Regular Premium payable by the Policyholder for the Policy Year following that Policy Anniversary, by an inflation adjustment amount as determined by Us from time to time. We shall determine such increase by reference to the Wholesale Price Index published by the Government of India (or if the Wholesale Price Index ceases to be published, by such other index as We may reasonably select for this purpose).

iii) If this option is in force, We will send the Policyholder, before each Policy Anniversary a written notice specifying the increased amount of Annualised Regular Premium that will be applicable for the Policy Year following that Policy Anniversary.

iv) The Policyholder may decline the proposed increase in the Annualised Regular Premium at any Policy Anniversary, provided that We receive written notice of such decline at least seven (7) days before the Policy Anniversary from which the proposed increase in the Regular Premium was to be applied.

v) If the Policyholder has discontinued the indexation option in accordance with Article 2)i)iv) it shall not be recommenced subsequently at any time during the Policy Term.

vi) The option to increase the Annualised Regular Premium by indexation shall also result in a proportionate increase of the sum assured under the Aviva Accidental Death Benefit (ADB) Rider and the Aviva Comprehensive Health Benefit (CHB) Rider, if applicable.

j) Right to change Beneficiary

If the original Beneficiary dies prior to the Maturity Date, while the Policyholder is still alive then the Policyholder shall by way a written notice to Us, have the right to nominate as a new Beneficiary under the Policy:

i) any one of his other children; or

ii) if no other child exists, any person with whom the Policyholder has an insurable interest, provided We have accepted such nomination.

Any change in nomination of the original Beneficiary will take effect only when We register the same in Our records and We send an endorsement confirming the identity of the new Beneficiary. If the Policyholder is unable to name a new Beneficiary or We have not accepted a nomination for a new Beneficiary made by the Policyholder, prior to the Maturity Date then the Policy shall terminate, by payment of Fund Value to the Policyholder.

k) No Loan shall be available under this Policy.

3) <u>Benefits</u>

a) Death Benefit

i) In the event of the death of the Insured during the Policy Term, then subject to Article 3)a)ii),
We will:

(1) pay the Sum Assured to the Beneficiary or if the Beneficiary has not attained eighteen (18) years of Age, then to the Appointee for the benefit of the Beneficiary.

(2) waive the payment of all future Regular Premiums from the last payment of an instalment of Regular Premium before the date of notification of death of the Insured and create Units equivalent to the lump sum amount of future Regular Premium waived basis the last Regular Premium received in the unit account and invest these Units in various Funds in the same allocation proportion as was prevailing before the date of notification of death of the Insured. The Unit Price applicable on the date of notification of death shall be used for the creation of such Units.

(3) continue the Policy until the Maturity Date or the date of notification of death of the Beneficiary, whichever is earlier. There shall be no risk cover on the life of the Beneficiary. Upon the death of the Policyholder, the Policy shall be vested in the Beneficiary and the Beneficiary shall solely become entitled to exercise all options/ rights that may be exercised by the Policyholder under the Policy. The Beneficiary shall solely become obliged to accept and discharge any and all responsibilities (as may be applicable) of the Policyholder in relation to the Policy. If the Beneficiary has not attained eighteen (18) years of Age, then the Appointee shall hold the Policy during the minority of the Beneficiary. The Appointee shall not be permitted to exercise any of the options available in the Policy such as make any partial withdrawals or carry out any switches or amendments or otherwise alienate or assign or surrender the Policy. It is hereby understood and agreed that the Appointee shall merely hold the Policy during the minority of the Beneficiary. If the Policy is terminated due to the death of the Beneficiary, We will pay the Fund Value as on the date of notification of the death of the Beneficiary. If the Policy is terminated on the Maturity Date, the Maturity Benefit per Article 3)b) shall be payable.

ii) No benefit other than the Fund Value as at the date of notification of death shall be payable if the Insured's death occurs due to suicide or attempted suicide within twelve (12) months of the Commencement Date or the date of reinstatement of the Policy, whichever is later. The Policy will terminate on payment of the Fund Value.

b) Maturity Benefit

i) If the Policy is not terminated for any reason prior to the Maturity Date, then on Maturity Date, We will pay the Fund Value as at that date to the Policyholder as the Maturity Benefit. If the Policyholder is not alive at that time, We will pay the Maturity Benefit to the Beneficiary or the Appointee (if the Beneficiary is less than eighteen (18) years of age at that time).

ii) If the Maturity Benefit per Article 3b)i) is payable We will also pay a maturity addition calculated in accordance with the table below, provided all due Regular Premiums till the Maturity Date have been received by Us.

Premium Payment Term	**Maturity addition at the Maturity Date (as % of the value of the Units pertaining to Regular Premium excluding Units pertaining to Incremental Regular Premium and Top Up Premium (if any))**
Equals the Policy Term	2%
3 or 5 years	0.5%

c) Loyalty Addition

From the end of the fifth Policy Year, We will add a loyalty addition at the end of every Policy Year except the last Policy Year of the Policy Term in accordance with the table below, provided that all due Regular Premiums till the due date of the loyalty addition have been received by Us.

Premium Payment Term	**Loyalty Addition (as % of the value of the Units pertaining to Regular Premium excluding Units pertaining to Incremental Regular Premium and Top-Up Premium (if any))**
Equals the Policy Term	0.85%
3 or 5 years	0.5%

d) If the Policy is reinstated in accordance with Article 2), We will recover following reinstatement charge for each reinstatement from the next loyalty additions/maturity addition:

i) 1.50% of the Annualised Regular Premium for the first Policy Year, if the Policy is reinstated within one (1) year from the due date of the first unpaid instalment of Regular Premium, and

ii) 4.50% of the Annualised Regular Premium for the first Policy Year, if the Policy is reinstated after one (1) year but within two (2) years from the due date of the first unpaid instalment of Regular Premium.

4) <u>Partial Withdrawals</u>

a) The Policyholder or the Beneficiary, after the death of the Policyholder, provided he has attained eighteen (18) years of age, may make partial withdrawals in a Policy Year from the Regular Premium from the commencement of the sixth Policy Year and from the Top Up Premium after completion of three (3) years from the date of allocation of that Top Up Premium.

b) A maximum of four (4) partial withdrawals shall be permitted in a Policy Year. The minimum amount of a partial withdrawal is Rs. 5,000. Un-availed partial withdrawals in a Policy Year shall not be carried forward to the next Policy Year.

c) The proposed partial withdrawal will first be met from the cancellation of Units pertaining to Top Up Premium that have been in existence for at least three (3) years, unless the Top Up Premium has been received in the last three (3) Policy Years.

d) If no Units pertaining to Top Up Premium are available or if available, their value is less then the proposed amount of partial withdrawal, then any shortfall between the amount of proposed partial withdrawal and the sum realised from the cancellation of Units pertaining to Top Up Premium may be met by cancelling Units pertaining to Regular Premium, subject to the following conditions:

i) Any partial withdrawal from Units pertaining to Regular Premium shall only be allowed to the extent of 25% of the value of the Units pertaining to Regular Premium at the start of the Policy Year of the proposed partial withdrawal. However, this restriction shall not apply in the last two (2) Policy Years; and

ii) the Surrender Value of Units pertaining to Regular Premium, after the proposed Partial Withdrawal shall not be less that the Annualised Premium for two (2) Policy Years if the Premium Payment Term is equal to the Policy Term and the Annualised Regular Premium for one (1) Policy Year if the Premium Payment Term is either three (3) years or five (5) years.

e) The Sum Assured will not change on making any partial withdrawals.

5) <u>Systematic Partial Withdrawal</u>

a) From the commencement of the sixth Policy Year, the Policyholder or the Beneficiary after the death of the Policyholder provided he has attained eighteen (18) years of Age may at any time opt for the Systematic Partial Withdrawal option before the commencement of the last three (3) Policy Years of the Policy Term, wherein a fixed percentage of the value of Units pertaining to Regular Premium at the commencement of the option shall be payable in arrears to the Policyholder as structured payouts provided that:

i) a written notice has been given to Us atleast fifteen (15) days prior to the month from which the Policyholder intends to start the systematic partial withdrawal specifying the payout term, payout amount and payout frequency. The payout amount may be any amount between 0.25% to 1% of the value of Units pertaining to Regular Premium per month multiplied by payout frequency opted by the Policyholder subject to a minimum of Rs. 15,000 per annum ; and

ii) the value of Units pertaining to Regular Premium at the commencement of the Systematic Partial Withdrawal is at least Rs.1,50,000.

b) This option shall be effective from the date that We have issued an endorsement to the Schedule specifying the term, frequency, mode and amount for the Systematic Partial Withdrawal Option.

c) If at any time, during the payout period, the value of Units pertaining to Regular Premium falls below two (2) times the Annualized Regular Premium for the first policy Year, the Systematic Partial Withdrawal will be discontinued automatically and the Policy shall continue as per the standard terms and conditions.

d) During the payout period, all investment risks shall continue to be borne by the Policyholder.

e) The Policyholder may discontinue or recommence this option at any time during the Policy Term, subject to satisfaction of conditions specified in Article 5).

f) The Policyholder may choose to receive the payouts either through the Direct Credit/ECS/ Cheque, provided that payment through Cheque is available only for yearly and half yearly payout modes.

6) <u>Surrender Value & Auto Foreclosure</u>

a) After completion of first three (3) Policy Years, this Policy may be surrendered by the Policyholder or by the Beneficiary (after the death of the Policyholder, provided he has attained eighteen (18) years of Age) and a Surrender Value shall be payable provided the Regular Premium due for at least one (1) Policy Year has been received by Us. The Surrender Value shall be equal to the Fund Value as on the date of surrender after the deduction of Surrender Charges specified in the Schedule.

b) If the Regular Premium payment is discontinued after the Policyholder has paid Regular Premium for at least three (3) Policy Years, and if at any time during the Policy Term, the Surrender Value of Units pertaining to Regular Premium becomes equivalent to the Annualised Regular Premium for the first Policy Year, then the Policy shall automatically terminate and We shall send the Policyholder a notice of termination and pay the Surrender Value, if any, (as on the date of termination) calculated in accordance with Article 6)a).

7) <u>Units & Unit Account</u>

a) On the Commencement Date, We will open a unit account. We will apply the Policyholder’s Regular Premium and Top Up Premium, if any, to the allocation of Units to that unit account by reference to the Funds chosen by the Policyholder, in the allocation proportion specified in the Schedule, after adjusting for the applicable Allocation Rate. If the Policyholder wants to apply a separate allocation proportion to any particular payment of Top Up Premium, he/she may specify a different allocation proportion in writing to Us. This allocation proportion shall be applicable only in respect of that particular payment of Top Up Premium. The allocation of Units will be carried out at the next available Unit Price.

b) The Policyholder may request a premium redirection by changing the allocation proportion upto two (2) times in any Policy Year by informing Us in writing of the changes the Policyholder wishes to make. The changed allocation proportion will only apply to premiums received after We are satisfied that the proposed change is in line with Our rules applicable at that time. The allocation proportion for any Fund chosen by the Policyholder may range between 10% and 100%. Un-availed premium re-direction in a Policy Year shall not be carried forward to the next Policy Year.

c) The Policyholder or the Beneficiary, after the death of the Policyholder, provided he has attained eighteen (18) years of Age can switch Units between available Funds at any time by informing Us in writing of the switch proposed to be made. The first four (4) switches in a Policy Year shall be free of any Switching Charge. Subsequent switches will attract the Switching Charge specified in the Schedule. Un-availed free switches in a Policy Year shall not be carried forward to the next Policy Year. We will process a switch after receiving a written request from the Policyholder and only if We are satisfied that the proposed switch is in line with Our rules applicable at that time for switching, and (unless the Policyholder or the Beneficiary (as applicable) wishes to switch 100% to another Fund) that the amount switched and the balance remaining in the Fund from which Units are to be switched, after the proposed switch, are at least Rs.5,000 each or such other minimum amounts We may specify from time to time.

d) We will make the switch by redeeming Units from the Fund from which the Policyholder or the Beneficiary (as applicable) wishes to make the switch out and allocating Units in the Fund the Policyholder or the Beneficiary (as applicable) wishes to switch in, equivalent to the amount the Policyholder wishes to be switched. Thereafter, We will redeem Units for an amount equivalent to the Switching Charge as specified in the Schedule from the Fund the Policyholder or the Beneficiary (as applicable) has switched in. For each transaction, We will use the Unit Price of the respective Fund that applies on the day of that transaction.

8) <u>Funds</u>

a) Subject to the approval of Insurance Regulatory and Development Authority, We reserve the right to add, close or amend any Fund or its investment objectives. The only Funds available for the Policyholder to invest in and the investment objectives together with the risk profile of each Fund are described in the Annexure 1 of the Schedule. We shall send the Policyholder details of any change We may decide to make at least one (1) month prior to such change becoming effective.

b) Units are a proportionate part of a Fund and will be created in a Fund when assets of an equivalent value are added to the portfolio of assets to which the Fund is referenced. The unit account, the Units and the allocation of Units to the unit account are notional and are designed for the sole purpose of determining the benefits under the Policy.

c) Assets may only be withdrawn from the portfolio of assets to which the Fund is referenced when Units of equal value to those assets are redeemed in the Fund. Income received from assets referenced to a 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 Fund.

d) We do not guarantee the price or value of the Units. The price or value of any Unit and Fund will fluctuate depending upon the performance of the underlying assets. The assets and any income arising from these assets shall remain Our property at all times. The Policy does not confer on the Policyholder or any other person any title to or any beneficial interest in any of Our assets, or to any income from these assets.

9) <u>Payment of Benefits</u>

a) It is a condition precedent to Our liability to make any payment that:

   i) We are informed of the claim in writing without delay, and in any event within ninety (90) days of the occurrence giving rise to such claim.

   ii) We are provided with the opportunity of establishing to Our satisfaction that a claim is payable and the amount of that claim, for which purpose We shall be entitled to receive all reasonable cooperation in terms of providing documentation and information (where applicable), including but not limited to:

      (1) Our claim form duly completed.

      (2) The Policy Document.

      (3) Evidence of date of birth if We have not admitted age.

      (4) The original or a legalised copy of the death certificate showing the circumstances and cause and the date of death.

      (5) Any other documentation We request.

10) Valuation of Funds, Unit Price & Charges

a) We will deduct Policy charges from the unit account. The Schedule contains the list of charges and the manner in which they will be deducted.

b) 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 from time to time (the 'Valuation Date'). As per the current guidelines issued by the Insurance Regulatory and Development Authority, We 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 NAV can be calculated in either of the following two (2) methods:

i) When appropriation price is applied: The NAV of a 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 including Service Tax thereon less the value of any current liabilities and provisions, if any. This is applicable when We are required to purchase assets to allocate Units at the Valuation Date.

ii) When expropriation price is applied: The NAV of a 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 including Service Tax thereon less the value of any current liabilities and provision, if any. This is applicable when We are required to sell assets to redeem Units at the Valuation Date.

The Unit Price of Units of a Fund will be rounded by not less than three (3) decimal places.

c) We shall deduct all expenses, costs and duties related to the purchase and sale of assets of the Funds.

d) We will make all decisions about the selection and valuation of the assets to which a Fund is referenced.

11) Nomination & Assignment

a) This Policy has been created for the specified purpose of the Beneficiary, who is also the nominee in accordance with Section 39 of the Insurance Act 1938. Once nominated, the Beneficiary cannot be changed under the Policy, other than in accordance with Article 2)j).

b) The Policyholder may assign this Policy. An assignment of the Policy shall automatically cancel all nominations. No assignment shall be effective against Us, until We have received a written notice of the assignment in accordance with Section 38 of the Insurance Act 1938.

c) In registering an assignment or nomination, We do not accept any responsibility or express any opinion as to its validity or legality.

d) Notwithstanding any law or custom having the force of law to the contrary, an assignment in favour of a person made with the condition that it shall be inoperative or that the interest shall pass to some other person on the happening of a specified event during the lifetime of the Insured and an assignment in favour of the survivor or survivors of a number of persons, shall be valid.

12) Systematic Transfer Plan (STP)

a) If the Schedule shows that the Premium Frequency for the payment of Regular Premium is yearly, the Policyholder may at any time before the commencement of the last three (3) Policy Years of the Policy Term (i.e the last thirty six (36) months of the Policy Term) opt for Our Systematic Transfer Plan, by giving us a written notice at least thirty (30) days prior to any Policy Anniversary from which this option shall be effective.

b) Under this option, on each monthly/weekly anniversary of the last Policy Anniversary, Units from the Protector Fund-II shall be switched automatically into the Enhancer Fund-II during the full Policy Year in the following manner:

In case the Policyholder has opted for a ***monthly STP***, then:

Duration completed from the last Policy Anniversary	Units to be switched from Protector Fund-II to Enhancer Fund-II
Month 1	1/12th of the Units available at the end of Month 1
Month 2	1/11th of the Units available at the end of Month 2
……	…..
Month 6	1/7th of the Units available at the end of Month 6
……	…..
Month 11	1/2 of the Units available at the end of Month 11
Month 12	Balance Units available at the end of Month 12

In case the Policyholder has opted for a ***weekly STP***, then:

Duration completed from the last Policy Anniversary	Units to be switched from Protector Fund-II to Enhancer Fund-II
Week 1	1/52nd of the Units available at the end of Week 1
Week 2	1/51st of the Units available at the end of Week 2
……	…..
Week 26	1/27th of the Units available at the end of Week 26
……	…..
Week 51	1/2 of the Units available at the end of Week 51
Week 52	Balance Units available at the end of Week 52

c) Notwithstanding the provisions of Article 12)b), if the Systematic Transfer Plan is in force, during the last (two) 2 Policy Years of the Policy Term (i.e the last 24 months of the Policy Term) the following proportion of Units in the Enhancer Fund-II will be switched automatically from the Enhancer Fund-II into the Protector Fund-II on a monthly basis irrespective of whether a monthly or weekly STP has been chosen:

Duration before Maturity Date	Units to be switched from Enhancer Fund-II to Protector Fund-II
Month 1	1/24th of the Units available at the start of 24th month before the Maturity Date.
Month 2	1/23th of the Units available at the start of 23th month before the Maturity Date.
……	…..
Month 12	1/13th of the Units available at the start of 12th month before the Maturity Date.
……	…..
Month 23	1/2 of the Units available at the start of 2nd month before the Maturity Date.
Month 24	Balance Units available at the start of last month before the Maturity Date.

d) All the 12/52 automatic switches in a Policy Year will be free of cost and the conditions under Article 7)c) and 7)d) applicable to normal switches shall not be applicable to switches made pursuant to Article 12)b) and 12)c).

e) The Policyholder may discontinue the Systematic Transfer Plan by giving Us a written notice at least thirty (30) days prior to any Policy Anniversary from which he wishes to discontinue Systematic Transfer Plan.

f) The Policyholder may at any time write to Us opting to resume the Systematic Transfer Plan by giving Us a written notice at least thirty (30) days prior to the Policy Anniversary from which he wishes to recommence the Systematic Transfer Plan, even if he has discontinued Systematic Transfer Plan in the past.

g) No other switches into or from the Protector Fund-II shall be allowed while the Systematic Transfer Plan is applicable. No other switches into or from the Enhancer Fund-II will be allowed in the last two (2) Policy Years, if the Systematic Transfer Plan is applicable.

h) No Systematic Transfer Plan (STP) shall be available if the Automatic Asset Allocation (AAA) Plan in accordance with Article 13) is in force.

13. <u>Automatic Asset Allocation (AAA) Plan</u>

Notwithstanding anything to the contrary contained in Article 7), if the Schedule shows that the Premium Frequency for the payment of Regular Premium is yearly and specifies that the Policyholder has opted for the Automatic Asset Allocation plan at the Commencement Date, then:

a) On the Commencement Date, We will apply the Regular Premium received in the first Policy Year to the allocation of Units in the Enhancer Fund-II and Bond Fund-II only, in the allocation proportion specified in the Schedule, after adjusting for the applicable Allocation Rate.

b) The allocation of all the Regular Premium received from the second Policy Year onwards shall be first made into the Enhancer Fund-II in accordance with the following formula, with the balance being invested in the Bond Fund-II:

$$\text{Allocation to Enhancer Fund - II} = \text{X\%} - \left(\frac{\text{X\%}}{\text{Policy Term}}\right) * (Z - Y)$$

Where:

- 'X' means the initial allocation proportion to the Enhancer Fund-II as specified in the Schedule;
- 'Y' means the Age of the Insured as at the Commencement Date;
- 'Z' means the current Age of the Insured.

c) At each Policy Anniversary, We will adjust the total value of Units pertaining to Regular Premium in the Enhancer Fund-II and the Bond Fund-II by automatic switching between the Enhancer Fund-II and the Bond Fund-II so that the proportion in which the value of Units are invested in the Enhancer Fund-II and the Bond Fund-II, is the same as the allocation proportion in which the Regular Premium due on each Policy Anniversary will be applied, as at that Policy Anniversary.

d) All the automatic switches carried out per Article 13)c) will be free of cost and the conditions under Article 7)c) and 7)d applicable for normal switches shall not be applicable to these switches.

e) No other switches into or from the Bond Fund-II and the Enhancer Fund-II shall be allowed while the Automatic Asset Allocation Plan is applicable.

f) The Policyholder or the Beneficiary, after the death of the Policyholder, provided he has attained eighteen (18) years of Age may discontinue the Automatic Asset Allocation Plan by giving Us a written notice at least thirty (30) days prior to any Policy Anniversary, from which he wishes to discontinue the Automatic Asset Allocation Plan. If the Automatic Asset Allocation Plan is discontinued the Policyholder shall also specify the allocation proportion which will apply for all Regular Premium received after the Automatic Asset Allocation Plan is discontinued. Once discontinued, the Automatic Asset Allocation plan cannot be recommenced.

g) No Automatic Asset Allocation (AAA) Plan shall be available if the Systematic Transfer Plan (STP) in accordance with Article 12) is in force.

14) <u>Settlement Option</u>

a) The Policyholder or the Beneficiary, after the death of the Policyholder, provided he has attained eighteen (18) years of Age may opt for the Settlement Option provided We have received from the Policyholder at least seven (7) days prior to the Maturity Date, a written notice choosing the Settlement Option and agreeing to comply to the terms of this Article 14), along with any information and documentation that We may request, including but not limited to:

   i) The term during which the benefits under the Settlement Option are payable, as specified by Us in consultation with the Insurance Regulatory and Development Authority from time to time (the "Payout Term"). Currently, this can be any duration between one (1) to five (5) years.

   ii) Payout frequency, which may be yearly, half-yearly, quarterly or monthly.

   iii) Payout mode i.e. whether by cheque, direct credit / ECS (required for quarterly / monthly payment mode).

   iv) Payout option, i.e., either a) a fixed number of Units per payout; or b) a fixed amount per payout.

   v) The proportion of the Maturity Benefit payable per Article 3)b) which the Policyholder or the Beneficiary, after the death of the Policyholder, provided he has attained eighteen (18) years of Age (as applicable) shall opt to receive during the Payout Term. The minimum proportion for opting for Settlement Option is 25% of the Maturity Benefit payable in accordance with Article 3)b).

b) During the Payout Term, all investment risk in the investment portfolio shall continue to be borne by the Policyholder or the Beneficiary, after the death of the Policyholder, provided he has attained eighteen (18) years of Age (as applicable).

c) The Settlement Option shall be administered in accordance with Our Settlement Option guidelines in force from time to time.

d) The Policyholder or the Beneficiary, after the death of the Policyholder, provided he has attained eighteen (18) years of Age (as applicable) cannot opt for the Settlement Option after the Maturity Date and this option will only be available only if all due instalments of Regular Premiums are paid.

e) If at any time during the Payout Term, the Fund Value falls below an amount equal to the Annualised Regular Premium for the first Policy Year, then the Fund Value shall be paid to the Policyholder or the Beneficiary, after the death of the Policyholder, provided he has attained eighteen (18) years of Age (as applicable) and the Policy shall automatically terminate.

f) No Partial Withdrawals per Article 4) or switches per Article 7)c) shall be permitted during the Payout Term.

g) The Policy can be terminated any time during the Payout Term by a surrender of the Policy and payment of the Fund Value.

h) Only the Fund Management Charge as specified in the Schedule shall be levied during the Payout Term.

i) Upon the death of the Insured during the Payout Term, only the Fund Value as at the date of notification of death shall become payable as a lump sum and the Policy shall automatically terminate.

15) <u>Unit Encashment Conditions</u>

a) Units will be redeemed or created at their Unit Price on the date of redemption or creation of those Units.

b) Subject to IRDA Regulations, receipt of premium or valid requests for unit switching or benefit payments (excluding outstation cheques or demand drafts) received at Our address specified in the Schedule or at any of Our branch offices:
   i) at or before 3:00 p.m. on a particular day will be processed at the closing Unit Price on that day, and
   ii) after 3:00 p.m. on a particular day will be processed at the closing Unit Price on the next business day,

   unless in either case the payment comprises outstation cheques or demand drafts, in which case the payment will be processed at the closing Unit Price on the day of realisation.

16) <u>Miscellaneous</u>

a) Loss of the Policy Document
   i) We will replace a lost Policy Document when satisfied that it is lost. However, We reserve the right to make such investigations into and to call for such evidence of the loss of the Policy Document, at the Policyholder's expense, as We consider necessary before issuing a duplicate Policy Document. We have the right to charge a fee for the issue of a duplicate Policy Document.
   ii) It is hereby understood and agreed that the Policyholder will protect Us and hold Us harmless against any claims, costs, expenses, awards or judgments arising out of or howsoever connected with the original Policy Document or arising out of issuance of a duplicate Policy Document.

b) Correspondence
   i) The Policyholder must give Us all notices, instructions and correspondence, including notices of transfer, nomination or other transactions in writing at Our address specified in the Schedule or at any of Our branch offices.
   ii) The Policyholder should notify Us of any change in his/her address or the Beneficiary's address, failing which notices or correspondence sent to the last recorded address are agreed to be legally effective and valid.
   iii) All notices meant for the Policyholder will be in writing and sent by Us to the Policyholder's address shown in the Schedule.

c) Fraud

   If the Policyholder or Beneficiary anyone acting for any of them or with their knowledge or consent makes any misleading, false or fraudulent claim then this Policy shall be void and any benefits hereunder shall be forfeited.

d) Currency & Territorial Limits

   All premiums and benefits are payable within India and in the currency of the Policy as specified in the Schedule.

e) Governing Law & Jurisdiction

   This Policy and any disputes or differences arising under or in relation to the Policy are subject to and shall be construed in accordance with Indian law and by the Indian Courts.

f) Entire Contract

   The Policy Document comprises the entire contract between the Policyholder and Us and it cannot be changed or altered unless We approve it in writing by endorsement on the Schedule. The insurance agent is not authorised by Us to amend the Policy Document, or to accept any notice on Our behalf.

g) Agent's Authority
   i) The insurance agent is only authorised by Us to arrange the completion and submission of the Proposal Form.
   ii) No insurance agent is authorised to amend the Policy Document, or to accept any notice on Our behalf or to accept payments on Our behalf. If any payment meant for Us in any form is paid to an insurance agent then such payment is made at the Policyholder's risk and the agent will be acting only as his representative.

h) Section 45 of the Insurance Act, 1938

   In accordance with Section 45 of the Insurance Act, 1938:
   i) No Policy shall after the expiry of two (2) years from the Commencement Date be called into question by Us on the ground that a statement made in the Proposal Form or in any report of a medical officer or referee, or the Policyholder's friend, or in any other document leading to the issue of the Policy Document was inaccurate or false unless We show 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.
   ii) Nothing in Article 16)h)i) shall prevent Us from calling for proof of age at any time if We are entitled to do so, and no Policy shall be deemed to be called into question merely because the terms of the Policy Document are adjusted on subsequent proof that the Insured's age was incorrectly stated in the Proposal. If there is a change in or amendment to Section 45 of the Insurance Act, 1938, then it is agreed that Our 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.