



Aviva LifeBond Advantage (Non-participating Life insurance plan)

[UIN : 122L086V01]

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 Single 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) Commencement Date means the date on which the Policy commences, as specified in the Schedule.
 - iv) Complete Withdrawal means the discontinuance of the Policy in accordance with Article 6).
 - v) Date of Complete Withdrawal means the date on which We receive the Policyholder's notice for Complete Withdrawal under Article 6).
 - vi) Discontinued Policy Fund means Our segregated fund which is constituted by the fund value of all discontinued policies.
 - 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 Single Premium and Top Up Premium, if any, held in the unit account multiplied by their respective Unit Price.
 - ix) Insured means the person named in the Schedule, on whose life this Policy is effected.
 - x) Income Earned means the income earned based on the interest rate declared by Us after deducting the Fund Management Charges for Discontinued Policy Fund as specified in the Schedule, provided that the interest rate declared by Us shall not be less than the Minimum Interest Rate.
 - xi) Lock-In-Period means the period of five (5) consecutive Policy Years from the Commencement Date.
 - xii) Maturity Benefit means the Fund Value as at the Maturity Date, payable in accordance with Article 3)b).
 - xiii) Maturity Date means the date specified in the Schedule on which the Maturity Benefit becomes payable.
 - xiv) Minimum Interest Rate means the minimum rate of interest as applicable to savings bank accounts of the State Bank of India or any other rate as may be prescribed by the Insurance Regulatory and Development Authority from time to time.
 - xv) Nominee means a person named in the Schedule who has been nominated by the Policyholder in accordance with Article 11).
 - xvi) Policy means the arrangements established by this Policy Document.
 - xvii) Policy Anniversary means the annual anniversary of the Commencement Date.
 - xviii) Policy Term means the period between the Commencement Date and the Maturity Date.
 - xix) Policy Year means the year commencing on the Commencement Date or an anniversary thereof.
 - xx) Policyholder means the adult or the entity named in the Schedule who has concluded this Policy with Us.
 - xxi) Proceeds of the Discontinued Policy Fund means the Fund Value as on the Date of Complete Withdrawal after the addition of the Income Earned.
 - xxii) Proposal Form means the signed, completed and dated proposal form submitted by the Policyholder to Us, including any declarations and statements annexed to it.
 - 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 13). 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) Single Premium means the amount of premium paid by the Policyholder prior to the Commencement Date, in the form of a single payment.
 - xxvi) Sum Assured means the amount specified in the Schedule.
 - xxvii) Top Up Premium means payments (apart from Single Premium) received from the Policyholder in the form of a single payment.
 - xxviii) Top Up Sum Assured means 1.25 times of the Top Up Premium deposited by You from time to time.
 - xxix) Unit means a notional and proportionate part of the unit account created by the allocation of Single 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 Top Up Premium and Dealings with the Policy**

a) Payment of Top Up Premium shall be allowed during the Policy Term subject to the following:

- i) The minimum amount that can be paid as a single payment of Top Up Premium is Rs.5,000.
- ii) Top Up Premium received under the Policy will result in an increase of the Top Up Sum Assured.
- iii) No Top up Premium shall be accepted in the last five (5) Policy Years.

b) **Auto Vesting**

Vesting on Insured

If the Insured is less than Age 18 on the Commencement Date then immediately and automatically upon the Insured attaining Age18:

- (1) The Policy shall vest in the Insured.
- (2) The Insured shall solely become entitled to exercise any and all rights of the Policyholder in relation to the Policy.
- (3) The Insured shall solely become obliged to accept and discharge any and all responsibilities of the Policyholder in relation to the Policy.

c) No loan shall be available under this Policy.

3) **Benefits**

a) **Death Benefit**

- i) Subject to Article 3)a)iii) and Article 6) if the Insured dies during the Policy Term, when the Policy is in force then We will pay:
 - (1) the higher of the Sum Assured or the value of Units pertaining to the Single Premium at the date of notification of death; and
 - (2) the higher of the Top Up Sum Assured or the value of Units pertaining to Top Up Premium at the date of notification of deathto the Policyholder and if the Policyholder is not alive, to the Nominee.

ii) If the accidental death of the Insured occurs after the Insured has attained Age 18 and before the Insured has attained Age 60 while the Policy is in force and prior to or on the accidental death cover expiry date specified in the Schedule, then in addition to any amounts payable under Article 3)a)i), We will pay the Accidental Death Sum Assured specified in the Schedule, provided that the Insured's death is not caused or aggravated directly or indirectly by:

- (1) Alcohol or drug abuse including drug taking other than prescribed by a medical practitioner, any crime committed by the Insured, wilful self inflicted injury, suicide or attempted suicide or unreasonable failure to seek or follow medical advice.
- (2) Failure to seek and follow medical treatment and advice from a registered and qualified medical practitioner immediately following an accident. The word "immediately" in this exclusion does not mean that the Insured should instantly approach a medical practitioner in case of an accident, but that he/she should not avoid the treatment knowingly
- (3) Aviation other than as a passenger in a commercially licensed passenger aircraft.
- (4) Engaging in racing of any kind other than athletics or swimming.
- (5) Any form of war, invasion, hostilities (whether war be declared or not), civil war, rebellion, riots, social disorder, insurrection, military or usurped power, or wilful participation in acts of violence.
- (6) Radioactive contamination due to a nuclear accident.
- (7) Participation in sports or pastimes of a hazardous nature including (but not limited to) parachuting, potholing, mountaineering and hot air ballooning.
- (8) Subject to Section 45 of the Insurance Act, 1938 any condition existing prior to the Commencement Date unless it has been previously disclosed to Us before or at the time of application for this insurance.

iii) No amount other than the Fund Value as at the date of notification of death shall be payable under Article 3)a)i) or 3)a)ii) if the Insured's death occurs due to suicide or attempted suicide within twelve (12) months of the Commencement Date.

b) **Maturity Benefit**

If the Policy is not terminated for any reason prior to the Maturity Date, then, We will pay the Maturity Benefit to the Policyholder.

c) **Loyalty Additions**

- i) We will add a loyalty addition at the end of the tenth (10th) Policy Year from the Commencement Date and thereafter at the end of every tenth (10th) Policy Year in accordance with the table below.

Date of entitlement to loyalty addition	Loyalty additions as % of the value of Units pertaining to Single Premium and excluding Units pertaining to Top-Up Premium (if any)
At the end of 10 th Policy Year	4%
At the end of every subsequent 10 th Policy Year	2%

- ii) If the loyalty addition is applicable in accordance with Article 3)c)i), then the amount equal to the applicable loyalty addition shall be credited in the Funds at the allocation proportion pertaining to the Single Premium and shall not be deductible by Us.

d) The Policy will immediately and automatically terminate upon the benefits outlined in Articles 3)a) or 3)b) becoming payable.

4) **Partial Withdrawals**

- a) After the commencement of the sixth Policy Year and provided that the Insured has attained Age eighteen (18), the Policyholder may make upto four (4) partial withdrawals 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.
- b) The proposed partial withdrawal will first be met from the cancellation of Units pertaining to Top Up Premium (if any) that have been in existence for at least five (5) years.
- c) If no Units pertaining to Top Up Premium are available or if available, their value is less than the proposed amount of the 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 Single Premium, subject to the following:

- i) If the Insured is less than Age fifty eight (58) on the date of the proposed partial withdrawal, the total amount of all the partial withdrawals made from Units pertaining to Single Premium in any Policy Year shall not exceed 25% of the value of Units pertaining to Single Premium as at the commencement of that Policy Year.
- ii) If the Insured dies during the Policy Term and before attaining Age sixty (60), the amount payable in accordance with Article 3)a) shall stand reduced by an amount equal to the sum of all the partial withdrawals made from the Units pertaining to Single Premium within the two (2) years immediately prior to the date of his death. If the Insured dies during the Policy Term and on or after attaining Age sixty (60), the amount payable in accordance with Article 3)a) shall stand reduced by an amount equal to the sum of all partial withdrawals made from the Units pertaining to Single Premium from the date the Insured attained Age fifty eight (58) till the date of his death.
- iii) Any partial withdrawal from Units pertaining to Single Premium shall only be allowed to the extent that the value of the Units pertaining to Single Premium, after the proposed partial withdrawal, does not fall below Rs.15,000 or any other minimum amount specified by Us from time to time with prior approval of the Insurance Regulatory and Development Authority (IRDA).

5) Systematic Partial Withdrawal

- a) From the commencement of the sixth Policy Year and before the commencement of the last five (5) Policy Years of the Policy Term, the Policyholder may opt for the Systematic Partial Withdrawal option by which a fixed percentage of the Single Premium shall be payable in arrears to the Policyholder in the form of structured payouts provided that:
 - i) a written notice has been given to Us at least fifteen (15) days prior to the month from which the Policyholder intends to start the Systematic Partial Withdrawal option specifying the payout term, payout amount and payout frequency. The payout term may be any whole number greater than 3 and less than the number of Policy Years in the remainder of the Policy Term, the payout amount may be any amount between 0.5% to 1% of the Single Premium per month multiplied by the payout frequency opted by the Policyholder and the payout frequency may be yearly, half-yearly, quarterly and monthly. The Policyholder may choose to receive the payouts either through direct credit / ECS/ cheque, provided that payment through cheque is available only for yearly and half yearly payout modes, and
 - ii) the Single Premium amount received before the Commencement Date is at least Rs.2,50,000.
- b) This option shall be effective from the date that We have issued an endorsement to the Schedule specifying the payout term, payout frequency, payout mode and payout amount for the Systematic Partial Withdrawal option.
- c) During the payout period, all investment risks shall continue to be borne by the Policyholder.
- d) The Policyholder may discontinue or recommence this option at any time during the Policy Term, subject to the satisfaction of Article 5).

6) Complete Withdrawal Proceeds

- a) The Policyholder may request Us for Complete Withdrawal at any time during the Policy Term by giving Us prior written notice.
- b) If the Policyholder opts for Complete Withdrawal under Article 6)a) before the completion of the Lock-In-Period, then the Fund Value as on the Date of Complete Withdrawal will be transferred to the Discontinued Policy Fund. On the expiry of the Lock-In-Period, the amount transferred to the Discontinued Policy Fund on the Date of Complete Withdrawal after addition of the Income Earned till the expiry of the Lock-In-Period will be payable to the Policyholder. If an Insured dies after the amount has been transferred to the Discontinued Policy Fund but before it becomes payable, then the amount transferred to the Discontinued Policy Fund after addition of the Income Earned on the date of death will be payable to the Policyholder. On payment the Policy shall terminate immediately and automatically.
- c) If the Policyholder opts for Complete Withdrawal under Article 6)a) after the completion of the Lock-In-Period, We shall pay the Fund Value as on the Date of Complete Withdrawal. On payment the Policy shall terminate immediately and automatically.

7) Units & Unit Account

- a) On the Commencement Date, We will open a unit account. We will apply the Policyholder's Single 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 can switch Units between available Funds at any time by informing Us in writing of the switch proposed to be made. The first twelve (12) 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 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.
- c) We will make the switch by redeeming Units from the Fund from which the Policyholder wishes to make the switch out and allocating Units in the Fund the Policyholder 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 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) Funds

- 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) Payment of Benefits

- 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 or information We request.
 - iii) Claim intimation after ninety (90) days is acceptable provided reasons for the delay are found satisfactory to Us

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 except the Discontinued Policy 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 except the Discontinued Policy Fund daily as per the following formula: -

$$\frac{\text{Market value of investment held by the fund} + \text{Value of current assets} - \text{Value of current liabilities and provisions, if any}}{\text{Number of Units existing on valuation date (before creation / redemption of Units)}}$$

Number of Units existing on valuation date (before creation / redemption of Units)

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) The Policyholder may nominate a Nominee or change an existing Nominee by giving Us written notice.
- b) Any nomination and any change in nomination will take effect only when We register the same in Our records and We send an endorsement confirming the identity of the Nominee.
- c) If there are no Nominees or all Nominees have pre-deceased the Insured then We will pay the legal heirs or legal representatives of the Policyholder.
- d) 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.
- e) In registering an assignment or nomination, We do not accept any responsibility or express any opinion as to its validity or legality.

12) Unit Encashment Conditions

- a) Units will be redeemed or created at their Unit Price on the date of redemption or creation of those Units.
 - i) Subject to IRDA Regulations, receipt of premium or valid requests for unit switching or any other payments (excluding outstation cheques or demand drafts) received at Our address specified in the Schedule or at any of Our branch offices:
 - ii) at or before 3:00 p.m. on a particular day will be processed at the closing Unit Price on that day, and
 - iii) 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.

13) Settlement Option

- a) The Policyholder may opt for the Settlement Option provided, We have received from the Policyholder at least fifteen (15) days prior to the Maturity Date, a written notice choosing the Settlement Option and agreeing to comply with the terms of this Article 13) along with any information and documentation that We may request which includes but is not limited to:
 - i) The term during which the benefits under the Settlement Option are payable which shall be in accordance with the guidelines, 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) The payout frequency, which may be yearly, half-yearly, quarterly or monthly.

- iii) The payout mode i.e. whether by cheque, direct credit / ECS (required for quarterly / monthly payment mode)
 - iv) The 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 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.
- c) The Settlement Option shall be administered in accordance with Our Settlement Option guidelines in force from time to time.
- d) If at any time during the Payout Term, the Fund Value falls below Rs. 5,000, then the Fund Value shall be paid to the Policyholder and the Policy shall automatically terminate.
- e) No Partial Withdrawals per Article 4) or switches per Article 7)b) shall be permitted during the Payout Term.
- f) The Policy can be terminated any time during the Payout Term by a surrender of the Policy and payment of the Fund Value.
- g) Only the Fund Management Charge shall be levied during the Payout Term.
- h) 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 to the Nominee/ legal heirs of the Policyholder as a lump sum and the Policy shall automatically terminate.

14) **Miscellaneous**

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 original shall cease to be of any legal effect and the Policyholder shall indemnify and keep Us indemnified and hold Us harmless from and against any claims, costs, expenses, awards or judgments arising out of or howsoever connected with the original Policy Document or arising out of the issuance of a duplicate Policy Document.

b) **Notices & 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 Nominee's address, failing which notices or correspondence sent to the last recorded address are agreed to be legally effective and valid.
- iii) Any Policy Document or any other communication sent to You by Us through speed post or courier or any other legally recognized mode of posting, at the address provided in the Schedule shall be deemed to have been received by You within 7 days from the date of dispatch.

c) **Fraud**

If the Policyholder or Nominee or anyone acting on their behalf or at their direction makes or advances any claim under this Policy knowing it to be dishonest, misleading, false or fraudulent in any respect, then this Policy shall be void and any amount actually paid or potentially payable shall be forfeited.

d) **Taxation**

We are entitled to make such deductions and/ or levy such charges, present and future which in Our opinion are necessary and appropriate, from and/ or on the premium payable or fee/ charge payable or benefit receivable under the Policy on account of any income, withholding, service tax, sales tax, value added or other tax, cess, duty or other levy which is or/ may be imposed in relation to the Policy by any legislation, order, regulation or otherwise upon Us, the Policyholder or the Nominee. Further, we shall not be liable for any taxes on any personal income of the Policyholder or the Nominee.

e) **Currency & Territorial Limits**

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

f) **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.

g) **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.

h) **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.

i) **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 14)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 Insured's age was incorrectly stated in the Proposal Form. 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.