



AVIVA GROUP LEAVE ENCASHMENT PLAN

STANDARD TERMS & CONDITIONS

Note: You bear the investment risk of the investment portfolio established by the Master Policy

Your proposal is the basis of the insurance provided by, and is a part of, the Master Policy Document, which means these Standard Terms & Conditions, the Register of Members, the Schedule and any Annexure attached to it.

1) Interpretations & Definitions

- a) The terms defined below have the meanings ascribed to them wherever they appear in this Master 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 include subsequent changes to the same:
 - i) Age means a Member's age last birthday.
 - ii) Allocation Proportion means the proportion specified in the Schedule (as may be amended per Article 7) in which We will apply the Contribution received to the purchase of Units and the proportion in which We will deduct charges.
 - iii) Commencement Date means the date specified in the Schedule on which this Master Policy commenced.
 - iv) Compulsory Free Sum Assured means the sum specified in the Schedule.
 - v) Contribution means the amount payable by You to Us as calculated in accordance with Article 3)b) and to be paid in regular instalments in the manner and at the intervals (Premium Frequency) specified in the Schedule.
 - vi) Funds means internal investment funds established and run in accordance with Articles 8 to 13, subject always to Our right to add, close or amend any Fund as provided for in Article 10.
 - vii) Fund Value means the total number of Units held in the Unit Account multiplied by their respective Unit Price.

- viii) Insured Event means a Member's retirement, death, or termination of service, whichever is earlier.
- ix) Leave Encashment Benefit means the amount We shall calculate in accordance with Your Leave Encashment Policy which was disclosed to Us prior to the Commencement Date or as the same is amended from time to time per Article 15)b).
- x) Master Policy means the arrangements effected by the Master Policyholder as evidenced by this Master Policy Document.
- xi) Member means any person who satisfies and continues to satisfy the eligibility criteria at Article 2)a) and whose name appears in the Register of Members.
- xii) Member Effective Date means the date on which a particular Member's name is last recorded in the Register of Members corresponding to the date of joining.
- xiii) Policy Anniversary means the annual anniversary of the Commencement Date.
- xiv) Policy Year means a one year period commencing on the Commencement Date or on any Policy Anniversary thereof.
- xv) Register of Members means a register maintained by Us containing details of each Member, including but not limited to name, Age, sex, salary, accumulated leave, his retirement date, the Member Effective Date, and any special conditions applicable to a Member.
- xvi) Schedule means the schedule and any endorsements thereto issued by Us to evidence this Master Policy, and, if more than one, then the latest in time.
- xvii) Top-up Contribution means any amount, in addition to the Contribution, that You may pay Us in accordance with Article 3)a).
- xviii) Unit means a notional and proportionate part of a Fund created solely for the purpose of determining the benefits under this Master Policy.
- xix) Unit Account means an account created on the Commencement Date in which Units are held and managed by Us solely for the purpose of providing the benefits under this Master Policy.
- xx) Unit Price means the price at which We allocate or redeem Units in the Funds per Article 12.

- xxi) Valuation Date means the date on which the assets attributed by Us to the Funds are valued.
- xxii) We/Us/ Our means the Aviva Life Insurance Company India Private Limited.
- xxiii) You/Your means the person or entity named in the Schedule who has concluded this Master Policy with Us and who is the Master Policyholder.

2) Eligibility Criteria for Membership

- a) A person shall be eligible to become a Member upon the following conditions being satisfied:
 - i) The person is not younger than Age 18 and not older than Age 69 or the normal retirement age of persons employed by You, which ever is lower, at the proposed Member Effective Date unless We specifically agree otherwise; and
 - ii) The person is employed by You; and
 - iii) You satisfy Us in all respects as to that person's eligibility to become a Member.
- b) A person shall become a Member when all of the foregoing conditions have been satisfied and his name is entered in the Register of Members.
- c) A Member shall automatically cease to be a Member upon the earlier of:
 - i) failing to satisfy any of the eligibility criteria as per Article 2)a), or
 - ii) the occurrence of an Insured Event, or
 - iii) Your written request and Our acceptance of the same, or
 - iv) the termination of the Master Policy.
- d) You shall provide any information and/or documentation We request in respect of any actual or prospective Member. If We do not receive the documentation and/or information for that Member within 30 days of it having been requested, then that Member's name shall be deemed to have been removed from the Register of Members effective from the date of Our request for such information and/or documentation.

3) Payment of Contribution

- a) You may pay Top Up Contribution.
- b) You must pay Contribution which We shall calculate based upon Your Leave Encashment Policy and details of all persons who satisfy the eligibility criteria at Article 2)a). You must provide Us with details of all such persons at least 30 days prior to the next Policy Anniversary. Contribution is payable in the amounts and frequency specified in the Schedule. Contribution 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 Contribution shall become due on the day corresponding with the Commencement Date in every half-year, 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.
- c) We may verify the amount of any Contribution paid at any time, and You shall promptly provide Us with such documentation and/or information as We may request in connection with the calculation of the Contribution paid or payable.
- d) If We determine that there has been an under-payment of Contribution, We shall inform You of the under-payment and You shall pay Us the amount due, failing which, the provisions of Article 4 below shall apply. If We determine that excess Contribution has been paid, We shall adjust the excess amount against future Contribution payable.

4) Reinstatement

- a) If You fail to pay the Contribution or any part thereof within 30 days of its due date, the Master Policy shall remain in force for the Reinstatement Period, which shall be the earlier of 5 years from the due date of first unpaid Contribution or the date upon which the Fund Value is insufficient to cover the charges specified in the Schedule, which shall continue to be deducted.
- b) The Master Policy may be reinstated by the payment of all unpaid Contribution within the Reinstatement Period. If the Master Policy is not reinstated then it shall stand immediately terminated and the Fund Value after deduction of a Surrender Charge as specified in the Schedule, if any, will be paid to You.
- c) If any Insured Event occurs during the period specified in Article 4)a), then the benefit per Article 5 shall continue to be payable under the Master Policy, provided the Fund Value of Units in the Unit Account is sufficient for the purpose.

5) Benefits

- a) We will make payment of the Leave Encashment Benefit on Your informing Us of the occurrence of an Insured Event in respect of a Member, as long as the value of Units in the Unit Account is sufficient for the purpose.
- b) We shall redeem Units from the Unit Account in an amount equivalent to the Leave Encashment Benefit to be paid. We will redeem the Units in the Allocation Proportion, unless You specify some other proportion in writing to Us.
- c) If the Insured Event is the death of the Member, We shall make payment of the Leave Encashment Benefit per Article 5)a) and We shall also pay the Compulsory Free Sum Assured.
- d) Our maximum liability to make any payment of Leave Encashment Benefit under this Master Policy in respect of all Members shall at all times be limited to the Fund Value.

6) Surrender Value

- a) This Master Policy will acquire a Surrender Value (calculated in accordance with the Schedule) as soon as Contribution is paid at the Commencement Date.
- b) You may surrender this Master Policy by giving Us at least 90 days prior written notice. Upon the expiry of the notice period, the Surrender Value shall become payable.

7) Contribution Redirection

- a) At Your written request, We will amend the Allocation Proportion provided that such amendment is in accordance with Our rules in force from time to time. The amended Allocation Proportion will take effect from the date of Our acceptance.

8) Investment Objectives of the Funds

- a) As at the Commencement Date, the only Funds available for You to invest in (subject to Article 10)a)) and the investment objectives of each Fund are described in the Annexure 1 of the Schedule.
- b) The value of Units in each Fund will fluctuate depending upon the performance of the assets held and the values are not guaranteed by Us. We reserve the right to change the minimum and maximum limits on various asset categories of each Fund subject to the prior approval of the same by the Insurance Regulatory and Development Authority (or any such body authorised by the Government of India to approve such changes). We shall inform You of any such change in writing.

9) Unit Switches

- a) You can switch Units between available Funds at any time by informing Us in writing of the switch proposed to be made. The first 24 switches in a Policy Year are free of Switching Charge. Subsequent switches will attract the Switching Charge specified in the Schedule. We will process a switch after receiving a written request from You and only if We are satisfied that the proposed switch is in line with Our rules applicable at that time for switching.
- b) We will make the switch by redeeming Units from the Fund You wish to switch out and then allocating units in the Fund You wish to switch in, equivalent to the amount You wish to switch. Thereafter, We will redeem Units for an amount equivalent to the Switching Charge, if any, from the Fund You have switched in. For each transaction, We will use the Unit Price of the respective Fund.

10) Funds:

- a) We reserve the right to establish further Funds or to consolidate, sub-divide or close any existing Fund or to alter the investment objectives of any Fund subject to the prior approval of the same by the Insurance Regulatory and Development Authority (or any such body authorised by the Government of India to approve such changes). We will send You prior written notice of at least 30 days of any such consolidation, sub-division or closure and request You to indicate another Fund from amongst the available Funds to which Units presently held in the Fund to be closed, subdivided or consolidated can be transferred. We will effect a transfer to the Funds as specified by You in writing within the scheduled date of closure or consolidation, failing which We shall, without liability, effect a transfer to the most conservative fund available at that time, determined at Our sole and absolute discretion.
- b) 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.
- c) Units may only be created in a Fund when assets equal in value to the Units created are added to the portfolio of assets to which the Fund is referenced.
- d) Assets may only be withdrawn from the portfolio of assets to which the Funds are referenced, except as provided in Article 11)c) if Units equal in value to those assets are redeemed in the Funds.
- e) We do not guarantee the price of the Units of the Funds. Depending on market risk and the performance of the Funds to which the Units are referenced, the value of Units may fall, rise or remain

unchanged. There can be no assurance that the objectives of any of the Funds will be achieved and We give no such assurance and assume no liability for non-achievement of the Fund objectives.

- f) The allocation of Units to the Unit Account shall be notional and shall operate solely for the purpose of determining the value of benefits under the Master Policy.
- g) The assets to which the Funds are referenced and any income arising from these assets shall remain Our property at all times. Accordingly, the Master Policy does not confer any title to or any beneficial interest in Our business or any of Our profits or assets, or to any income from these assets including but not limited to any assets to which any Fund is referenced or income there from.

11) Valuation of Funds & Unit Price

- 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 shall be determined daily as per the regulations/guidelines issued by the Insurance Regulatory and Development Authority or any such body authorised by the Government of India to issue such regulations /guidelines 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 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 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 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 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.

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.
- b) Subject to any changes notified by the Insurance Regulatory & Development Authority or any such body authorised by the Government of India to notify such changes, Contribution or Top Up Contribution, or switching request or any other valid request for payment received by Us (including at any of Our branch offices):
 - i) at or before 3:00 pm on a particular day will be processed at the closing Unit Price on that day, and
 - ii) after 3:00 pm 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) Unit Account & Charges

- a) On the Commencement Date, We will open a Unit Account. We will apply Your Contribution and Top Up Contribution, if any, to the allocation of Units to that Unit Account by reference to the Funds chosen by You in the Allocation Proportion specified, after adjusting for the applicable Allocation Rate (as defined in the Schedule). The allocation of Units will be carried out at the Unit Price.
- b) We reserve the right to review the Charges payable in consideration of the Master 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 such body authorised by the Government of India to notify such changes. We shall give You 30 days prior notice of the outcome of any such review if this results in a change to any charges.

14) Payment Conditions

- a) You shall, at Your own expense:
 - i) Provide Us with written notice of the happening of an Insured Event as soon as reasonably practicable, and
 - ii) Provide Us with such information and/or documentation that We may request in relation to the Insured Event.
- b) We assume no liability for the payment of any amount to the Member or for Your payment of any amount to the Member including the timing of payment or adequacy of payment made by You to any Member or adequacy of payment under this Master Policy being sufficient to discharge Your obligations to Members. You agree to hold Us harmless and indemnify Us against any claim (and expense or loss occasioned thereby) by, from or on behalf of, the Member or his legal heirs or executors or personal representatives or next of kin or any other interested person (whether or not in fact interested) that may be made against or incurred by or involve Us arising out of or in connection with any payment in fact or allegedly due in respect of any Insured Event made by Us to You or attributable to any actual or alleged failure or delay by You in providing or not providing any benefits (whether under this Master Policy or otherwise) to a Member or his legal heirs or executors or personal representatives or next of kin or any other interested person (whether or not in fact interested).
- c) All monies payable by Us shall be paid to You at Your designated offices against a discharge in a form We specify given by You or on Your behalf by any person duly authorised in writing by You and this shall be a valid discharge to Us in respect of any such payment.

15) Amendments

- a) We reserve the right to amend the Master Policy Document if We consider this to be either necessary or desirable (to be evidenced by and effective from the date of an endorsement on the Schedule), but agree not to do so without first having obtained the Insurance Regulatory and Development Authority's consent to the amendment.
- b) You must inform Us of all amendments to Your Leave Encashment Policy as soon as reasonably practicable.

16) Taxation

We are entitled to make such deductions which, in Our opinion, are necessary and appropriate, from any of the benefits receivable under the Master Policy on account of any tax or other payment which may be imposed by any legislation, order, regulation or otherwise upon Us or You.

17) **Benefits not Assignable**

A Member cannot assign, charge or dispose of his beneficial interest under the Scheme.

18) **Entire Contract**

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

19) **Loan**

No Loan is available under this Master Policy.

20) **Governing Law**

Any and all disputes or differences arising out of or in respect of this Master Policy shall be governed and determined in accordance with Indian Law.

21) **Territorial Limits and Currency**

This Master Policy is denominated in Indian Rupees. Benefits will only be payable within India and in Indian Rupees.

22) **Notices**

- a) All notices meant for Us whether under this Master Policy or otherwise (including all instructions and notifications) must be in writing and delivered to Us at Our address shown in the Schedule or at any of Our branch offices.
- b) All notices meant for You will be in writing and will be sent by Us to Your address shown in the Schedule. Any change of address must be notified to Us immediately.

23) **Loss of Master Policy Documentation**

- a) If the Master Policy Document is lost or destroyed, (subject to Article 23)c)) at Your request We will issue a duplicate Master Policy Document. We have the right to charge a fee for the issue of a duplicate Master Policy Document.
- b) We reserve the right to make such investigations into and to call for such evidence of the loss of the Master Policy Document at Your expense, as We consider necessary before issuing a duplicate Master Policy Document.

- c) If a duplicate is issued, the original will cease to be of any legal effect and You shall indemnify and keep indemnified and hold Us harmless from any costs, expenses, claims, awards or judgments arising out of or howsoever connected to the original Master Policy Document.

24) Fraud

If You or anyone acting at Your direction or with Your knowledge makes or advances any claim under this Master Policy knowing it to be false, fraudulent or dishonest in any respect, then this Master Policy shall be void and any benefit actually paid or potentially payable shall be forfeited.

25) Agent's Authority

- a) The insurance agent is only authorised by Us to arrange the completion and submission of the Proposal Form.
- b) The insurance agent is not authorised to collect money in any form that is meant for Us. If You pay money in any form or for any purpose to an insurance agent that is meant for Us, the insurance agent shall be acting only as Your representative and at Your sole risk.

26) Section 45 of the Insurance Act 1938

In accordance with Section 45 of the Insurance Act 1938:

- a) No Master Policy shall after the expiry of two years from the Commencement Date be called into question by Us on the ground that a statement made in the Proposal or in any report of a medical officer or referee, or Your friend, or in any other document leading to the issue of the Master 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 You and that You knew at the time of making it that the statement was false or that it suppressed facts which it was material to disclose.
- b) Nothing in Article 26)a) shall prevent Us from calling for proof of Age at any time if We are entitled to do so, and no Master Policy shall be deemed to be called in to question merely because the terms of the Master Policy Document are adjusted on subsequent proof that the age of the Member 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 Master Policy shall be as per the change in or amendment to the law on the date when the Master Policy is called into question.