

GENERAL

In this contract, “you” or “your” will refer to the owner of this policy and “we”, “us”, “our”, “insurer” or “the company” will refer to Birla Sun Life Insurance Company Limited, or any of its successors.

Free-Look Period

You will have the right to return your policy to us within 15 days (30 days in case the policy issued under the provisions of IRDA Guidelines on Distance Marketing ⁽¹⁾ of Insurance products) from the date of receipt of the policy. We will refund the premium paid once we receive your written notice of cancellation (along with reasons thereof) together with the original policy documents. We will deduct proportionate risk premium for the period of cover and expenses incurred by us on medical examination and stamp duty charges while issuing your policy in accordance to IRDA (Protection of Policyholders Interest) Regulations, 2002.

⁽¹⁾ Distance Marketing includes every activity of solicitation (including lead generation) and sale of insurance products through voice mode, SMS electronic mode, physical mode (like postal mail) or any other means of communication other than in person.

Please read this policy document carefully.

DEFINITIONS

“*policy issue date*” is the date this policy is issued and your rights, benefits and risk cover begin, as shown in Your Policy Details.

“*policy year*” and “*policy month*” are measured from the policy issue date and are periods of twelve calendar months and one calendar month, respectively.

“*IRDA*” – means the Insurance Regulatory and Development Authority.

Additional definitions are given in this policy document.

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Birla Sun Life Insurance Company Limited

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Reg. No. 109 – E-mail: clientservices@birlasunlife.com – Call Center: 1-800-270-7000 – Website: www.insurance.birlasunlife.com

Corporate Identity Number: U99999MH2000PLC128110

PREMIUM PROVISIONS

Policy Premium

Your Policy Details shows the annual premium, the rider premium, the premium paying term, the premium paying mode, the installment premium and its due dates. Subject to the Premium Discontinuance provision, we must receive policy premiums when due in order for this contract to be valid and remain in effect.

Premium Discontinuance

If you are unable to pay the installment premium by the due date, you will be given a grace period of 30 days (15 days for monthly mode) during which time all benefits under the policy will continue.

(a) Until 3 full year installment premiums are paid:

If we do not receive the entire installment premium by the end of the grace period, this policy will be deemed lapsed and all benefits will cease immediately. The lapse date is the date the first unpaid premium was due. You will be given a period of two years from the lapse date to reinstate your policy.

(b) Once 3 full year installment premiums have been paid:

If we do not receive the entire installment premium by the end of the grace period, this policy will be deemed paid-up and benefits will continue as per the Policy Paid-Up provision. The paid-up date is the date the first unpaid premium was due. You will be given a period of two years from the paid-up date to reinstate the policy for its full benefits.

To reinstate the policy, you must pay all unpaid instalment premiums due till date plus interest thereon. We will charge the interest for policy reinstatement at a rate declared by us determined as $(x+2\%)/12$ rounded to the nearest 0.5%, where x is the base rate of the State Bank of India. The revival will be effected on receipt of the evidence of insurability satisfactory to us with respect to the life insured. We may call for additional information /documents to process the revival request. We reserve the right not to revive the policy on original terms based on the underwriting decision. The effective date of reinstatement is when these requirements are met and approved by us, at our sole discretion

POLICY BENEFIT PROVISIONS

The below mentioned benefits are payable if your policy is still in effect at the time the benefit is payable and for its full value (not paid-up). The benefits in this section will be altered if and when your policy is made paid-up as per the Policy Paid-Up provision.

Bonuses

This policy will participate in the surplus emerging from the participating business in the form of a bonus. The bonus will be allocated annually as per the bonus distribution policy of the company as compounded reversionary bonus on the basis of the actuarial valuation of assets and liabilities at the end of the financial year. The bonus will be added to the policy on the relevant policy anniversary or on date of death or surrender and shall accrue till policy maturity or date of death.

Additionally based on the experience under participating business terminal bonus may also be payable on policy surrender, maturity, or death of the life insured; if earlier.

Accrued bonuses cannot be withdrawn or encashed but bonuses once attached to the policy are guaranteed to be payable along with the death, survival & maturity benefit as applicable. In case of surrender, the surrender value of the attached bonuses will be payable.

Survival Benefit

Your Policy Details shows the Guaranteed Survival Benefit applicable to your policy. Starting from the 5th policy anniversary and on every policy anniversary till maturity you shall receive

- (a) Guaranteed Survival Benefit; plus
- (b) Non-guaranteed Survival Benefit equivalent to 6.25% of the accrued bonuses till date

Death Benefit

Your Policy Details shows the Sum Assured applicable to your policy.

In the unfortunate event the life insured dies before the policy maturity date, we will pay to the nominee / legal heir:

- (a) Sum Assured on death; plus
- (b) Accrued bonuses as of date of death

Sum Assured on death is the maximum of Sum Assured shown in the Your Policy Details without any deduction or 10 times the annual premium payable.

The death benefit payable shall never be less than 105% of total premiums paid to date excluding premiums paid towards underwriting extra and any attached riders.

Maturity Benefit

On the policy maturity date we shall pay you

- (a) Accrued bonuses; less
- (b) Non-guaranteed Survival benefits paid till date

Surrender Benefit

Your policy will acquire a surrender value after all due instalment premiums for at least three policy years are paid. At any time thereafter you can request to surrender this policy for its Surrender Benefit.

The Guaranteed Surrender Value is a percentage of premiums paid (excluding any premiums paid towards rider/s benefit, underwriting extras and service tax) plus surrender value of accrued bonuses less any Survival Benefits already paid. The Guaranteed Surrender Value as shown under Schedule A will vary based on the year you surrender the policy.

Your policy also acquires a Special Surrender Value. To know the Special Surrender Value for your policy you can get in touch with your advisor, or the nearest Branch Office or our Customer Service Team.

Your surrender benefit is the higher of:

- (a) Guaranteed Surrender Value; or
- (b) Special Surrender Value.

POLICY PROVISIONS

Policy Paid-Up

You may choose to stop paying premiums at any time once all due instalment premiums for at least three policy years have been paid and continue this policy on a paid-up basis. Your policy will automatically be deemed paid-up if we do not receive your installment premium within a grace period, as explained in para (b) under the Premium Discontinuance provision section.

Under the paid-up status, your policy will continue with the following modifications:

- (a) Sum Assured and Sum Assured on death shall be reduced in proportion to the installment premiums actually paid to the total

installment premiums payable during policy term and will be payable on death of the life insured.

- (b) Accrued bonuses to date till due date of first unpaid premium shall not be reduced and remain attached to the policy. Any bonus payable in the year of premium discontinuance shall be reduced proportionately to the unpaid premiums payable in the policy year and there shall be no further accrual. The attached bonuses shall be paid on death or maturity. The accrued bonuses payable on maturity will be reduced by the Non-guaranteed Survival benefits paid till date.
- (c) If premiums have been paid for less than five complete policy years, your Guaranteed Survival Benefit will be equal to the Guaranteed Survival Benefit applicable in the 5th policy year (as shown in the Policy Details section) reduced by the proportion of number of premiums paid by five and shall continue to be paid for the rest of the policy term.
- (d) If premiums have been paid for at least five complete policy years, Guaranteed Survival Benefit last paid shall continue to be paid for the rest of the policy term
- (e) Rider benefit, if any, will cease.

Policy Loan

You are eligible to take a loan against your policy at any time after your policy acquires a surrender value. The minimum policy loan is Rs. 5,000 and the maximum is 85% of the then Surrender Benefit less any outstanding policy loan balance as of date.

Your outstanding policy loan balance on any date shall equal all policy loans made to date, including accrued and unpaid interest thereon, less any policy loan repayments you have made to date.

We will charge the interest on the outstanding policy loan balance at a rate declared by us on June 1st of each calendar year determined as $(x+2\%)$, where x is the base rate of the State Bank of India. The interest charged by us on any outstanding policy loan balance accrues on a daily basis. We shall be issuing the loan re-payment schedule at the time you opt for the loan against your policy. You are free to repay all or part of your outstanding policy loan balance at any time, subject to our then current administration guidelines.

If your policy is in reduced paid up status and your outstanding policy loan balance equals or exceeds the Surrender Benefit then on that date, all benefits under your policy will cease immediately and policy will terminate. Any benefit payable under this policy will first be reduced by any outstanding policy loan balance at that time and only the residual value will be paid to you or your nominee as the case may be.

Termination of Policy

Your policy will terminate at the earliest of:

- (a) the date of settlement of the death benefit; or
(b) the date of payment of the surrender value, if any; or
(c) the policy maturity date; or
(d) the date on which the reinstatement period ends after your policy has lapsed as per Premium Discontinuance provision (a).
(e) the date when outstanding loan value exceeds the surrender benefit for reduced paid up policy.

GENERAL PROVISIONS

Contract

Your contract includes this policy document, the application for the policy and any amendments agreed upon in writing after the policy is issued. The contract also includes declarations given by the policy owner, any medical report form and written statements and answers furnished as evidence of insurability. We are bound only by statements that are part of the contract. Only our authorized officers can agree to any change in the contract and then only in writing.

Currency and Place of Payment

All payments to or by us will be in accordance with the prevailing Exchange Control regulations and other relevant laws and regulations of India.

Indian Rupee (Rs.) is the currency of this policy. We will make or accept payments relating to this policy at any of our offices in India or such other locations as determined by us from time to time.

Assignment

You (assignor) may assign this policy to any party (assignee) by filing a written notice along with the original policy contract, in the presence of a witness, at any of our servicing offices. The assignment would either be endorsed on the original policy contract or documented by a separate instrument and in either case signed by the assignor, stating specifically the fact of assignment. We will not express any opinion on the validity or legality of the assignment. Only the entire policy can be assigned. Any assignment shall automatically cancel a nomination except an assignment in our favor.

Assignment made under this provision is as per Section 38 of the Insurance Act, 1938.

Nomination

Where the policy owner is also the life insured, you may at any time before the policy matures for payment, nominate a person or persons to receive the benefit payable under the Death Benefit provision. You may also appoint any person, who is a major to receive the death proceeds on behalf of the nominee during the nominee's minority. We will not recognize a nomination or change in nomination until we receive your notice in writing in the prescribed format at our Servicing Office. We will not express any opinion on the validity or legality of the nomination.

If there is no nominee or nominee is not alive at the time of death of the life insured then the legal heir/s of the deceased member as per the court directions shall be the beneficiaries.

Nomination made under this provision is as per Section 39 of the Insurance Act, 1938.

Claim Procedures

This policy document is required to settle a claim under the Death Benefit, Surrender Benefit and Maturity Benefit provisions. In case of a claim under the Death Benefit provision, the Death Certificate of the life insured and the claimant's statement are also necessary. If the life insured and the policyholder is different the benefit shall be paid to the policyholder or else, it shall be payable to the nominee/legal heir.

You shall also provide us with any other information/ document as may be required by us and within the time specified by us.

Taxation

The income tax benefits on your policy will be as per prevailing Income Tax laws in India and any amendment(s) made thereto from time to time. As per the applicable laws and any amendments made thereto from time to time, we reserve the right to:

- deduct or withhold tax as the case may be; and
- recover levies, taxes, cesses and duties including but not limited to service tax from you or adjust the same from the amounts paid by you or accrued or payable to you under the policy.

Misstatement of Age

If the date of birth of the life insured has been misstated, any amount payable shall be increased or decreased to the amount that would have been provided, as determined by us, given the correct age.

If at the correct age, the life insured was not insurable under this policy according to our requirements, we reserve the right to pay the surrender value and terminate the policy in accordance with Section 45 of the Insurance Act, 1938.

Suicide

If the life insured under this policy dies by committing suicide, whether medically sane or insane, within one year from the policy issue date or reinstatement date, we shall pay to the nominee the premiums paid to date or the surrender value, if higher.

Validity and Non-Disclosure

This policy is issued in utmost good faith based on the declarations and statements made by you and we cannot be held responsible in any manner for any action taken by us based on these declarations and statements. You and the life insured under this policy have an obligation to disclose every fact material to our assessment of the risk of issuing this policy. In case of any fraud or misrepresentation, the policy shall be cancelled immediately by paying the surrender value, if any, in accordance with Section 45 of the Insurance Act, 1938.

Grievance or Complaint

You may register your grievance or complaint with our **Head Customer Response & Resolution** at Customer Care Unit / Birla Sun Life Insurance Company Ltd. / One Indiabulls Centre, Tower 1, 16th Floor, Jupiter Mill Compound, 841, Senapati Bapat Marg, Elphinstone Road, Mumbai – 400013. You may also call our toll free no. 1-800-270-7000 or email: customerservice@birlasunlife.com.

In case you are dissatisfied with the decision of the above office or have not received any response with 10 days, you may contact **Head Service Assurance** at Customer Care Unit / Birla Sun Life Insurance Company Ltd. / One Indiabulls Centre, Tower 1, 16th Floor, Jupiter Mill Compound, 841, Senapati Bapat Marg, Elphinstone Road, Mumbai – 400013. You may also call our toll free no. 1-800-270-7000 or email: grievances@birlasunlife.com.

The complaint should be made in writing duly signed or through email by the complainant or by his/her legal heirs with full details of the complaint and the contact information of complainant.

Risk Factors / Disclaimers

This policy is underwritten by Birla Sun Life Insurance Company Limited (BSLI) and is a traditional participating endowment plan. All terms & conditions are guaranteed throughout the policy term, except for the bonuses which will vary from policy year to policy year depending on prevailing economic conditions. BSLI reserves the right to recover levies such as the Service Tax levied by the authorities on insurance transactions. If there be any additional levies, they too will be recovered from you. Insurance is the subject matter of the solicitation.

NOTWITHSTANDING ANYTHING CONTAINED IN THIS POLICY DOCUMENT, THE PROVISIONS HEREIN SHALL STAND ALTERED, AMENDED, MODIFIED OR SUPERCEDED TO SUCH EXTENT AND IN SUCH MANNER AS MAY BE REQUIRED BY ANY CHANGE IN THE APPLICABLE LAW (INCLUDING BUT NOT LIMITED TO ANY REGULATIONS MADE OR DIRECTIONS / INSTRUCTIONS OR GUIDELINES ISSUED BY THE IRDA) OR ANY OTHER COMPETENT AUTHORITY OR AS MAY BE NECESSARY UNDER A JUDGEMENT OR ORDER /DIRECTION/ INSTRUCTION OF A COURT OF LAW.

Section 45 of the Insurance Act, 1938

As per Section 45, no policy of life insurance effected after the coming into force of this act shall, after the expiry of two years from the date on which it was effected be called in question by an insurer on the ground that statement made in the proposal or in any report of a medical officer, or referee, or friend of the life insured, or in any other document leading to the issue of the policy, was inaccurate or false, unless the insurer shows that such statement was on a material matter or suppressed facts which it was material to disclose and that it was fraudulently made by the policyholder and that the policyholder knew at the time of making it that the statement was false or that it suppressed facts which it was material to disclose.

Provided that nothing in this section shall prevent the insurer from calling for proof of age at any time if s/he is entitled to do so, and no policy shall be deemed to be called in question merely because the terms of the policy are adjusted on subsequent proof that the age of the life insured was incorrectly stated in the application.

Insurance Ombudsman

In case you are dissatisfied with the decision/resolution of the company, you may approach the Insurance Ombudsman located nearest to you (please refer to Appendix I or visit our website www.birlasunlife.com) if your grievance pertains to:

- insurance claim that has been rejected or dispute of a claim on legal construction of the policy;
- delay in claim settlement;
- dispute with regard to premium; or
- non-receipt of your policy document.

As per provision 13(3) of the Redressal of Public Grievances Rules 1998, the complaint to the Ombudsman can be made:

- only if the grievance has been rejected by the grievance redressal machinery of the insurer;
- within a period of one year from the date of rejection by the insurer; and
- if it is not simultaneously under any litigation.

Schedule A - The percentages for Guaranteed Surrender Value as a percentage of premiums paid and as a percentage of accrued regular bonuses are as given below -

As a percentage of premiums paid*			
Year of Surrender	as % of premium	Year of Surrender	as % of premium
3	30	14	68
4-7	50	15	70
8	53	16	73
9	55	17	75
10	58	18	78
11	60	19	80
12	63	20	80
13	65		

*excluding any premiums paid towards underwriting extra, rider benefit or service tax

As a percentage of accrued regular bonuses			
Year of Surrender	% of accrued bonus	Year of Surrender	% of accrued bonus
3	2%	12	9%
4	2%	13	11%
5	3%	14	13%
6	3%	15	16%
7	4%	16	19%
8	4%	17	23%
9	5%	18	28%
10	6%	19	33%
11	8%	20	40%