

**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.

Please read this policy document carefully.

**IRDA PRIOR APPROVAL**

Unless specifically stated otherwise, we reserve the right to increase each charge applicable to your policy at any time. We, however, need to get prior approval from the Insurance Regulatory and Development Authority (IRDA) before such charge increase is effective.

**Free look period**

You will have the right to return your policy to us within 15 days 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 expenses incurred by us on medical examination (if any) and stamp duty charges while issuing your policy.

**DEFINITIONS**

“**fiscal year**” means the period starting on April 1<sup>st</sup> and ending on the following Mar 31<sup>st</sup>.

“**policy account**” means the number of separate records the master policyholder wants to maintain in the policy.

“**policy issue date**” is the date this policy is issued and your rights, and benefits 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.

“**policy anniversary**” and “**monthly processing date**” correspond to the first day of a policy year and the first day of a policy month, respectively.

“**premium**” under this policy means and includes contribution as defined under the applicable taxation laws.

“**market value adjustment**” means deduction from benefit payments under specified circumstances .

“**member(s)**” refers to the person(s) who are member(s) of the master policyholder’s scheme and are covered by this policy.

“**surrender value**” the amount payable on surrender of the policy, as explained later in this document.

Additional definitions are given in this policy document.

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**POLICY VALUE PROVISIONS**

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**Policy Premium**

Your Policy Details shows initial premium and premium paying mode. This policy is effective once the initial premium has been credited to one of our bank accounts.

Premiums will be credited to one or more policy accounts. Based on our then current administrative rules, you can provide written instructions regarding which policy account(s) the particular premium is to be credited. If you require individual member accounts to be maintained in the policy, then there will be a policy account for each member.

Annual premium of Re 1 per member for a built-in life insurance cover of Rs 1,000 per member will be collected from you directly or deducted from your Policy Account Value.

For modes other than annual mode, all due premiums are required to be paid within that policy year in order to maintain the policy and accept further renewal premiums. If the master policyholder fails to pay the due premiums within the policy term of one year then the master policyholder has the option to continue without accepting any renewal premiums till the surrender value falls to Rs. 100,000 and start a new policy to provide the benefits to the group.

**Interest additions to the policy account**

At the end of each fiscal quarter (June 30<sup>th</sup>, September 30<sup>th</sup>, December 31<sup>st</sup> and March 31<sup>st</sup>) we shall add interest (as calculated below) to each policy account,

$$\text{Interest Rate (p.a.)} = (1 + \text{Minimum Floor Rate}) \times (1 + \text{Additional Interest Rate}) - 1$$

Where:

- i **Minimum Floor Rate** - Your Policy Detail page shows the Minimum Floor Rate applicable to your policy. This rate is guaranteed from inception for the lifetime of the policy.
- ii **Additional Interest Rate** - This is non-negative and we will declare this rate at the start of each fiscal quarter. Such declared additional interest rate would be guaranteed for at least a fiscal quarter.  
Beginning on the fifth policy anniversary, non-negative residual additions, if any shall be credited to the policy account in order to meet the maximum reduction in yield as specified by IRDA.

**Policy Account Value**

The Policy Account Value is the sum of contributions and quarterly interest additions less benefit payments in a policy account and deduction towards the insurance cover if any.

**Termination of Policy**

If at any time the Surrender Value falls below Rs. 1,00,000, then you will be given 90 days to pay sufficient additional premiums to increase the Surrender Value above Rs. 1,00,000 again. If you are unable to pay sufficient additional premiums to increase the Surrender Value above Rs. 1,00,000 the policy will be terminated and the Surrender Value shall be paid.

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**POLICY BENEFIT PROVISIONS**

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All the benefits under this policy must be in accordance with the rules of the Scheme as mentioned in "Your Policy Details". We shall make all due payments to the master policyholder unless specifically instructed otherwise by the master policyholder and in writing.

Except for benefits payable on exits in accordance with the Scheme rules, no other withdrawal shall be permitted.

We are not liable to meet the master policyholder's financial obligations to the members. Our liabilities lie with the master policyholder and are limited to the Policy Account Value plus Sum Assured at all times.

**Benefits payable on Member Exit**

We will pay a benefit under this policy provided the master policyholder informs us in a format prescribed by us and furnishes evidence satisfactory to us that a corresponding benefit on member exit is due as per the rules of the Scheme.

The benefit payable on a member exit shall be in accordance with the Scheme rules but limited to a maximum of the Policy Account Value, after any applicable market value adjustment (MVA).

If individual member accounts are maintained in the policy, the maximum benefit payable from the policy account on a member's exit shall be the Policy Account Value of that member, after any applicable MVA, for each exiting member separately.

In addition if the member's exit is due to death of a member the company will pay the Sum Assured of Rs. 1,000.

The benefit payable on a member exit will have Interim Interest added for the period from the end of the last fiscal quarter to the exit date. The Interim Interest rate for this purpose will be the last declared Interest Rate.

**Bulk Exits**

For each policy, a running total of all exit payments made during each policy year will be recorded. If at any point this total exceeds 25% of the policy account value at the start of the policy year, we say that a Bulk Exit has occurred. Upon Bulk Exit, all payments, other than Benefit Payments, will be subject to an MVA for the remaining policy year. For the purpose of this provision, Benefit Payments are:

- Death of a member
- Approved disability of a member
- Retirement on or after the normal retirement date

The Market Value Adjustment shall be applied on the amount payable in excess of the Bulk Exit threshold of 25% of the policy account value at the start of the policy year, on non Benefit Payments or full surrender of the policy. The MVA is a reduction to payments based on any decrease in the market value of assets held for this product by the company.

For Bulk Exits, the master policyholder may choose in accordance with the Scheme rules whether the Market Value Adjustment is deducted from the amount payable or from the remaining Policy Account Value, provided the remaining Policy Account Value is sufficient to support the deduction of MVA. For individual accounts, the Market Value Adjustment will be adjusted in the amount payable itself. No other charges will be levied other than the MVA in case of bulk exits

**Surrender Benefit**

At any time you can request to surrender this policy for its Surrender Benefit by providing us 30 days advance notice about the intention to surrender.

The Surrender Value will be the higher of

- (a) Guaranteed Surrender Value or
- (b) Policy Account Value less applicable surrender charge and less the Market Value Adjustment (MVA) if any.

The Guaranteed Surrender Value is 70% of contributions, less the total amounts paid in respect of member exits.

The surrender charge is 0.05% of Policy Account Value, subject to a maximum of Rs.5,00,000, in the first 3 policy years and nil thereafter. After the third policy anniversary, there is no surrender charge except the Market Value Adjustment (MVA), if any.

Prior to the payment of the Surrender Value, the company will credit interest to the Policy Account Value for the period from the end of the last fiscal quarter to the date of receipt of the surrender request. This interest rate used is the last declared Additional Interest Rate plus the Minimum Floor Rate.

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## **GENERAL PROVISIONS**

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### **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 members data list provided, declarations given by the master policyholder /member 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.

Any change or amendment to this policy shall become effective 30 days after the master policyholder has received our written notice. The master policyholder is however entitled to object to any change or amendment within 30 days of the receipt of notice.

This contract does not provide for participation in the distribution of profits or surplus declared by us.

### **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.

### **Nomination**

The member may at any time during the policy term, nominate a person or persons as per section 39 of the Insurance Act 1938 to receive the benefit payable under the policy if the Member dies.

It is responsibility of the master policyholder to maintain the nominee details under this policy and to pay the benefit amount to the nominee. We will not recognize a nomination unless we receive nominee details along with the claim forms. 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

### **Assignment**

Other than as provided in the policy, the benefits under the policy cannot be assigned or made subject to any lien or charge by any member.

### **Claim Procedures**

When the Master Policyholder requests a benefit payment from the Policy Account, the following documents should be submitted to us in support of the request:

- Proof that the benefit is payable according to the Scheme rules.
- Proof of the amount of the benefit payable according to the Scheme rules.
- Death Certificate, in case of the death of a member

Acceptance of these documents in support of a request for payment from the Policy Account is at our sole discretion. You shall also provide us with any other information/ document as may be required by us and within the time specified by us

### **Member Register**

The master policyholder is responsible to maintain a register of members covered in prescribed format. We reserve the right to inspect the register of members at any time.

### **Discharge Receipt**

A receipt signed by the master policyholder or any person authorized in writing by the master policyholder shall be good, valid and sufficient discharge with respect to any payments made by us under this policy.

### **Governing Laws**

This policy shall be interpreted in accordance with and governed by the laws of India and only competent courts at the place of issue of this policy shall have jurisdiction to entertain legal action.

### **Taxation**

The income tax benefits on your policy would be as per the prevailing Income Tax laws in India and any amendment(s) made thereto from time to time. The master policyholder shall ensure compliance with tax laws prevailing from time to time in connection with this policy, withholding tax on the benefits payable under this policy and any other compliance 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.

### **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 members under this policy have an obligation to disclose every fact material to our assessment of the risk of issuing this policy. Failure to disclose or misrepresentation of a material fact will allow us to terminate the contract ab initio, forfeit the premiums paid and/or deny the claim, subject to the provisions of Section 45 of the Insurance Act, 1938.

### **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.

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.

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**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 1-800-22-7000 or email: [Bsli.grouphelpline@birlasunlife.com](mailto:Bsli.grouphelpline@birlasunlife.com)

In case you are dissatisfied with the decision of the above office or have not received any response within 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](mailto:grievances@birlasunlife.com).

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**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](http://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.
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**Risk Factors / Disclaimers**

This policy is underwritten by Birla Sun Life Insurance Company Limited (BSLI). This is a non-participating non linked group plan. Birla Sun Life Insurance, BSLI Group CapSecure Plan are only the names of the Company and Policy respectively and do not in any way indicate their quality, future prospects or returns. 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. Tax benefits are subject to changes in the tax laws.

**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**