

PART A
Forwarding Letter

Date: < >

<<Name of the Policyholder>>
<<Address of the Policyholder>>

Dear Sir/Madam

Sub : Your Rider Policy Number <<_____>>

Welcome to Star Union Dai-ichi Life Insurance (SUD Life) family.

We, at SUD Life, thank you for trusting us as your financial partner and in helping you to financially secure lives of your loved ones.

We are enclosing herewith your Rider Policy Document, a copy of your proposal form and other related documents, for your records. We request you to check your personal details, terms and conditions and the privileges under this rider policy, carefully. If you find any discrepancy in the Rider Policy Document, please get in touch with us for the required corrections.

In case you do not agree to any of the provisions stated in the Rider policy or the Rider policy details, you may return the rider policy to us, specifying reasons thereof, within 15 days (30 days, if this Rider Policy has been taken through Distance Marketing mode) from receipt of this letter. You will need to send us the original Plan document and a written request stating your reasons for cancellation, post which we will refund your Premium after deducting the pro rata risk Premium, stamp duty and charges for medical examination, if any.

If the Policy is opted through Insurance Repository ('IR'), the computation of the said Free Look Period will be as stated below:-

For existing e-Insurance Account: Computation of the said Free Look Period will commence from the date of delivery of the e mail confirming the credit of the Insurance Policy by the IR.

For New e-Insurance Account: If an application for e-Insurance Account accompanies the proposal for insurance, the date of receipt of the 'welcome kit' from the IR with the credentials to log on to the e-Insurance Account (eIA) or the delivery date of the email confirming the grant of access to the eIA or the delivery date of the email confirming the credit of the Insurance policy by the IR to the eIA, whichever is later, shall be reckoned for the purpose of computation of the free look period.

Please quote your Base Policy Number for which the rider is attached in all your future correspondence with us, as this will help us to serve you better. In case you require any information about our other life insurance products, please get in touch with our executive, who has advised you to take this rider policy.

For any assistance relating to your rider policy or any claims enquiry, you may get in touch with us via Toll Free No: 18002668833 or Land line No: 022 71966200 or email us on customer@sudlife.in

We thank you once again for your patronage and look forward to your continued support in future as well.

Yours Sincerely,

Authorized Signatory

Policy Document
SUD Life Family Income Benefit Rider - Traditional
Individual Non Linked Non Participating Term Rider
UIN – [142B007V01]

Corporate Agent/ Agent/ Broker/ Sales Representative Name:	
Specified Person / Name:	
Specified Person / Agent/ Broker Code:	
Specified Person / Agent / Broker Registration Code:	
Specified Person/ Agent/ Broker Tel. No.:	
Specified Person / Agent/ Broker Mobile No.:	
Specified Person / Agent/ Broker Email ID :	
Specified Person / Agent/ Broker Address:	

PREAMBLE

This rider contract comprising of these terms and conditions ("**Rider**") forms part of the ("**Base Policy**") issued by Star Union Dai-ichi Life Insurance Company Limited ("**Company**") to the Policyholder as specified in the Schedule/ endorsement. In addition to the terms and conditions of this Rider contract, this Rider contract shall also be governed by the terms and conditions of the Base Policy and other rider contracts, if any, annexed to the Base Policy. In case there is any discrepancy in the provisions of the Base Policy and this Rider contract, the provisions of this Rider contract shall prevail in relation to the matters as specified in this Rider contract. The words and phrases used in or referred to but not defined in this Rider contract shall have the meaning as assigned to them in the Base Policy.

SCHEDULE

Rider Policy Details

Date of Application:	< >	Application Number:	< >
Policy Number	< >	Client ID:	< >
Date of Commencement of Rider Policy:	< >	Date of Commencement of Risk	< >
Expiry / Maturity Date of Rider Policy	dd/mm/yy	Rider Premium (Excluding GST):	< >
Rider Policy Term	< >	Rider Premium Paying Term	<< >> Years
Premium Payment type	<<Regular/Limited/ Single Premium>>	Premium Payment Mode	<<Yearly/Half Yrly/Qtly/Monthly>>
Rider Sum Assured (Rs.)	Instalment Premium (Rs.) (a)	Applicable Taxes (b)	Total Instalment Premium plus applicable taxes, if any (Rs.) (a+b)

Life Assured Details

Name of the Life Assured		Age Admitted	
Date of Birth of the Life Assured		Age	
Gender		Address	
Telephone No.		Mobile No.	
Email		Identification Proof	

Special Provisions (if any) :<< >>

Signed for and on behalf of Star Union Dai-ichi Life Insurance Company Limited.

Stamp Duty of Rs. _____ is paid for this Policy by pay order, vide challan no XXX dated dd/mm/yyyy

Authorized Signatory
IRDA Regn: 142 | CIN - U66010MH2007PLC174472

Note:

The Rider Contract and the Base Policy shall be subject to and be governed by the policy document including the terms and conditions of the Base Policy and this Rider Contract, Schedules and endorsements issued by the Company and shall together form a single contract.

On examination of this Rider Contract and/or the Base Policy, if the Policyholder notices any mistake, then, the policy document should be returned to the Company for correction

PART B

POLICY TERMS AND CONDITIONS

1. Definitions

Unless excluded by or repugnant to the context or defined to the contrary, the words and phrases mentioned below shall have the following meaning:

- a) **"Age"** means the age as at last birthday of the Life Assured and or the Beneficiary, as the case may be.
- b) **"Beneficiary"** means a person nominated by the Life Assured to receive the death benefit as specified under the Base Policy and this Rider and whose name is registered with the Company.
- c) **"Company"** means Star Union Dai-ichi Life Insurance Company Limited.
- d) **"Claimant"** means the Policyholder (if different from the Rider Life Assured) or the Nominee or the legal heirs to whom the Rider Benefit will be payable
- e) **"Life Assured"** means a person named in the Schedule/ endorsement, who is covered under the Base Policy and this Rider and on whose life, the Company agrees to provide life insurance cover.
- f) **"Monthly Income Benefit"** means an amount equal to (10% of Rider Sum Assured) divided by 12 and will be paid at the end of every policy month following the date of death of the Life Assured and will continue to be paid for a fixed period of 10 Years
- g) **"Policyholder"** or **"Proposer"** means the person, as specified in the Base Plan Schedule, who has taken this Rider along with the Base Policy from the Company.
- h) **"Rider Expiry Date"** means the date as specified in the Schedule, on which the Rider Policy Term expires and this Rider terminates.
- i) **"Rider Policy Term"** means the term of this Rider as selected by the Policyholder in the proposal form and as specified in the Schedule. This is the duration for which the Life Assured is provided the cover under the rider policy. The Rider Policy Term shall be equal to the Policy Term of the Base Plan if taken at the inception of the Base Plan. If the Rider Policy has been opted at any of the Policy Anniversary/ies of the Base Plan, the Rider Policy Term shall be equal to the outstanding Policy Term of the Base Plan.
- j) **"Rider Sum Assured"** means an amount as specified in the Schedule and payable on the occurrence of the Death of the Life Assured, in accordance with Section 2.
- k) **"Schedule"** means the schedule, annexures, addendums, endorsements issued by the Company in relation to the Base Policy and/or this Rider, as the case may be, and annexed with the Base Policy. If the Company has issued more than one Schedule, then, the latest Schedule in time.

PART C

2. Benefits

a. Death Benefits

During the Rider Policy Term and provided this Rider and the Base Policy are in force, then, subject to the terms and conditions of this Rider, in case of Death of the Life Assured, the Nominee/ Beneficiary/Legal Heir shall be paid a Monthly Income Benefit for a fixed period of 10 Years after the date of death of the Life Assured. **The rider benefit is payable over and above the benefit payable under the base plan.**

The Monthly Income Benefit is equal to (10% of Rider Sum Assured) divided by 12 and will be paid at the end of every policy month following the date of death of the Life Assured and will continue to be paid for a fixed period of 10 years. The Rider will automatically terminate after the payment of final installment of Monthly Income Benefits and no further benefits will become payable thereafter under this Rider.

b. Maturity Benefits

No maturity benefit is payable by the Company under this Rider.

c. Surrender Benefits

The Rider Policy can be surrendered alone or along with the Base plan at any point of time during the rider policy term provided the rider policy has acquired a surrender value. However, Rider Policy once surrendered cannot be opted again at anytime during the outstanding policy term of the base plan. If the base policy is surrendered, the rider benefits will also be terminated immediately by payment of Surrender Value, if any.

The surrender benefits under this Rider for different premium paying modes are as follows:

- i. Regular Pay: No surrender value is payable
- ii. Limited Pay: Policy will acquire surrender value provided the premiums have been paid for at least first two full years.

Once the rider policy is surrendered, the surrender value, if any as defined below will become payable and the rider contract ceases immediately

Surrender Value = 70% of the Total Premiums paid (excluding extra premium and GST, if any) x [Unexpired Rider Policy Term (in days)/ Total Rider Policy Term (in days)] x (No of premiums paid / Total No of premiums payable)

iii. Single Pay:

The Rider Policy can be surrendered at any time during the rider policy term.

Once the rider policy is surrendered, the surrender value, if any as defined below will become payable and the contract ceases immediately

Surrender Value = 70% x Single Premium paid (excluding GST and extra rider premium, if any) x [Unexpired Rider Policy Term (in days)/ Total Rider Policy Term (in days)].

During the Rider Policy Term, the Policyholder who has opted for Single premium payment and Limited Premium Payment Term for the Rider, has an option to surrender the Rider Policy by submitting a written request to the Company.

On receipt of such a written request, the Company will terminate the Rider immediately following the date of receipt of such request for discontinuance of the Rider. Upon discontinuance of the Rider, the Rider will automatically terminate and the Company will pay the Surrender Value as mentioned in point no 2(c) (ii) & (iii).

Rider Benefits once discontinued voluntarily by the policyholder cannot be revived. However, rider benefits discontinued due to discontinuance of base policy can be revived along with the base policy, subject to Board approved underwriting guidelines and terms & conditions of the rider and Base plan.. When the base policy is surrendered, the rider benefits will also be terminated immediately.

d. Reduced Paid Up Benefits

Regular Premium and Single Premium Payment Term - The policy will not acquire reduced paid-up status.

Limited Premium Payment Term - The policy will acquire reduced paid-up status if the premiums are paid for at least first two full years and the subsequent premiums are not paid.

Benefits payable under the reduced paid-up policies are as follows:-

On death of the Life Assured during the Rider Policy term when the rider policy is in Paid-up status, the Nominee/ Beneficiary/Legal heir will be paid a Monthly Income Benefit for a fixed period of 10 Years. The Monthly Income Benefit is equal to (10% of Rider Paid-Up Sum Assured) divided by 12 and will be paid at the end of every policy month following the date of death of the Life Assured and will continue to be paid for fixed period of 10 Years.

The Reduced Paid Up Benefit will be payable as under

$$\frac{\text{Total number of premiums paid}}{\text{Total number of premiums payable}} \times \text{RiderSumAssured}$$

3. Payment of Premium

- a) Under this Rider Contract, the Policyholder has an option to pay the premium to the Company either through single premium or annual or half-yearly or quarterly or monthly mode in accordance with the premium payment mode selected by the Policyholder for the Base Policy, as specified in the Schedule.
- b) A grace period of 30 days is allowed for the payment of due unpaid premium to the Company under this Rider Contract, where the premium payment mode is yearly or half-yearly or quarterly mode and a grace period of 15 days shall be allowed where the premium payment mode is monthly.
- c) If the due but unpaid premium is not paid to the Company by the Policyholder on or before the expiry of the grace period, then, this Rider Contract will lapse and no benefit shall be payable by the Company under this Rider Contract.
- d) If the Death of the Life Assured happens during the grace period, then, the Monthly Income benefit for a fixed period of 10 years under this Rider Contract will be payable only after deduction of the premiums then due and all the premiums falling due and unpaid during that policy year of death.
- e) If the Base Policy and/or this Rider Contract is terminated by either of the parties, then, the insurance coverage under this Rider Contract shall automatically terminate. The Company shall refund the proceeds as per the terms and conditions mentioned in this Policy Document.

PART D

4. Rider Policy Term

The Rider will be effective from the date of commencement of Policy as specified in the Schedule and shall remain valid till the Rider Expiry Date. The Rider policy term will always be equal to the Policy Term of the Base Policy to which the rider is attached. In case where the rider is not attached at the inception of the policy, but is added at a later Policy Anniversary, the Rider policy term will be equal to the outstanding policy term under the Base Policy.

5. Termination

This Rider Cover shall terminate automatically on occurrence of the earlier of any one of the following events:

- a) On the date of intimation of death of the Life Assured
- b) Lapse or Surrender of the base policy
- c) Completion of rider policy term
 - a. Lapse of Rider Policy

This Rider Policy shall terminate automatically on the earlier of the happening of any of the following:

- a) The date on which the final Monthly Income Benefit is paid
- b) The date on which the base policy is Surrendered
- c) Completion of rider policy term
- d) On Cancellation or Surrender of the Rider Policy
- e) On death of the Life Assured covered under this Rider and the subsequent settlement of the claim by the Company
- f) Under any of the circumstances leading to the termination/cancellation of the Base Policy to which this Rider is attached, in accordance with the terms and conditions of the Base Policy;
- g) When the coverage under the Base Policy to which this Rider is attached expires due to maturity/settlement of a claim.

6. Suicide Exclusion

In the event the Life Insured commits suicide, whether sane or insane within 12 months:

From the Date of commencement of risk or from the date of revival of this policy, the Policyholder/ Beneficiary/ Nominee, shall be entitled to an amount which is higher of 80% of the Total premiums paid till the date of death of the Life Insured or the Surrender Value available as on date of death of the Life Insured, provided the policy is in force.

7. Lapsation and Reinstatement

Rider premium should be paid along with the base premium applicable for the base individual policy.

- a) Single Premium Rider Plan cannot lapse and cannot be revived.
- b) Regular Premium and Limited Premium:

If the policyholder has not paid the due Rider premium within the grace period for the first two full Years, the Rider policy becomes lapsed and Rider cover ceases immediately after the completion of grace period. No benefits will be paid under the lapsed Rider policy.

Rider Policy once lapsed and not revived during the revival period cannot be opted again at anytime during the outstanding policy term of the base plan.

If the Rider policy alone is lapsed by the policyholder, the rider policy cannot be revived/reinstated during the outstanding term of the base plan. However, if the rider policy is lapsed along with the base policy, the rider policy can be revived along with the base policy within a revival period of 5 years from the due date of the first unpaid premium by payment of all arrears of premium with the applicable interest rate at the time of payment and on submission of the satisfactory medical evidence as per the board approved underwriting guidelines applicable at that time.

The company reserves the right to accept or reject the revival /reinstatement of the lapsed/ Reduced Paid-up rider policy as per the board approved underwriting guidelines.

Once the rider policy is revived/reinstated, all the benefits will be restored to original benefits level. (i.e. level of benefits payable/paid as if the policy is in force.)

However, revival/reinstated of the rider benefit will be subject to the terms and conditions applicable to the Rider policy and the base policy to which this rider is attached.

8. Free Look Period

- a) The Policyholder has a period of 15 days or 30 days* (if this Rider has been acquired through distance marketing mode*) from the date of the receipt of this Rider to review the terms and conditions of this Rider Policy. If the Policyholder disagrees with any of the terms or conditions of this Rider Policy, then, the Policyholder has the option to return the Rider Policy to the Company by submitting a written request stating the reasons/ objections for the same along with the Rider Policy.
- b) In such an event, this Rider shall terminate and the Policyholder shall be entitled to a refund of the rider premium paid after excluding the expenses incurred by the Company for stamp duty, proportionate risk premium including extra rider premium, if any, for the period of coverage and expenses incurred on the medical examination of the Life Assured, if any.

**Distance marketing includes every activity of solicitation (including lead generation) and sale of insurance products through the following modes: (i) Voice mode, which includes telephone-calling (ii) Short messaging service (SMS) (iii) Electronic mode which includes e-mail and interactive television (DTH) (iv) Physical mode which includes direct postal mail and newspaper & magazine inserts and (v) Solicitation through any means of communication other than in person.*

9. Loan

No loan will be granted by the company against this policy.

PART E

Charges

Not Applicable as this is a Non-Linked Non-Participating Rider plan.

SAMPLE

Part F

10. Payment of Benefits

- a) All claims must be notified to the Company in writing by the Policyholder or the Beneficiary or any person claiming benefit under the Base Policy due to the Death of the Life Assured, in the prescribed format provided by the Company along with all the documents as required under the Base Policy and the following documents:
 - i. claimant's statement/ claim form;
 - ii. a copy of the death certificate duly attested by the competent authority;
 - iii. Rider Policy Document
 - iv. a copy of the police panchnama, police inquest report and first information report;
 - v. post mortem report/coroners verdict;
 - vi. attending Medical Practitioner's certificate;
 - vii. a copy of photo-identity proof of the claimant and supporting documents evidencing the rights of claimants; and
 - viii. a copy of address proof of the claimant
 - ix. A copy of bank pass book of the claimant / cancelled cheque (with pre-printed name) of the claimant
 - x. any additional information and documents required by the Company for assessing the validity of a claim and for processing a claim request.
- b) Upon receipt of satisfactory proof of the Life Assured's Death from the person claiming any benefit under this Rider, the Company will process the claim request under this Rider.
- c) All benefits payable under this Rider will be paid by the Company in Indian currency only.
- d) A discharge or receipt by the Beneficiary shall be a good, valid and sufficient discharge to the Company's liability in respect of any payment made by the Company hereunder.
- e) In case of any force majeure events (like earth quake, cyclone, flood, etc.), if the Claimant cannot produce any/all documents as stated above, the Company may undertake any investigation and the decide to pay the claim, if the Company is satisfied of the same.

11. Assignment

Assignment of this rider policy will be in accordance to Section 38 of The Insurance Act 1938 as amended from time to time and be subject to the terms and conditions as applicable to the Base policy to which this rider would be attached. A Leaflet containing the simplified version of the provisions of Section 38 is enclosed in Annexure – 1 for reference.

12. Nomination

Nomination is allowed as per the provisions of Section 39 of the Insurance Act 1938 as amended from time to time. A Leaflet containing the simplified version of the provisions of Section 39 is enclosed in Annexure – 2 for reference.

13. Fraud and Misrepresentation & Forfeiture

Fraud, Misrepresentation and forfeiture would be dealt with in accordance with provisions of Section 45 of the Insurance Act 1938 as amended from time to time. A Leaflet containing the simplified version of the provisions of Section 45 is enclosed in Annexure – 3 for reference

14. Review during the policy year

In the event of any misrepresentation of facts or suppression of material facts in the proposal form or in any of the documents leading to the issue of this Rider, the Company may alter the terms and conditions of this Rider to such extent and in such manner as it may deem fit, after giving due notice to the Policyholder.

15. Special Provisions

Any special provisions subject to which this Rider has been entered into and endorsed on the Base Policy or in any separate instrument shall be deemed to be part of the Base Policy and shall have effect accordingly.

16. Variation of the Rider

The Company shall have the right to vary, from time to time and at any time, the terms and conditions of this Rider. Such variations shall apply to the Life Assured with effect from the date of such variation as may be mutually agreed between the Company and the Policyholder.

17. Notices

Any notice, direction or instruction given under this Rider Contract shall be in writing and delivered by hand, post, facsimile or e-mail to the contact details mentioned in the Base Policy.

"It is very important that the Policyholder immediately communicates any change of address or nomination to enable the Company to service this Rider Contract effectively."

18. Governing Laws & Jurisdiction:

The terms and conditions of this Rider shall be governed by and subject to the laws of Republic of India. The parties shall be subject to the jurisdiction of the law courts as prescribed in the relevant laws/ acts, for all matters and disputes arising from or relating to or concerning the proposal form and this Rider.

19. Other Matters

- a) The Policyholder shall at the request of the Company produce the Base Policy and/ or the Rider Policy whenever required by the Company for the purpose of stamping, reference or inspection.
- b) The Company shall not be liable for any action taken in good faith upon any statements and particulars furnished by the Policyholder, which shall be, or shall be proved to have been erroneous. Such of the Policyholders' records in original, as in the opinion of the Company have a bearing on the benefits provided or the premiums payable hereunder shall be open for inspection by the Company whenever required.
- c) Where the Company is liable to deduct any tax, levy or any other duties on the benefits to be paid under this Rider pursuant to any directive from the Government or any competent authority, the Company shall deduct appropriate amounts for that purpose from the respective benefits and shall not be liable to the Beneficiaries for the sums so deducted.

PART G

Grievance Redressal Procedure

The Grievance Redressal Procedure has been mentioned in detail in the Base Policy Document. Please refer to the Base Policy Document for details of the contact points and Ombudsman Centres.

SAMPLE

Section 38- Assignment and Transfer of Insurance Policies.

Annexure 1

Assignment or transfer of a policy should be in accordance with Section 38 of the Insurance Act, 1938 as amended from time to time. The extant provisions in this regard are as follows:

1. This policy may be transferred/assigned, wholly or in part, with or without consideration.
2. An Assignment may be effected in a policy by an endorsement upon the policy itself or by a separate instrument under notice to the Insurer.
3. The instrument of assignment should indicate the fact of transfer or assignment and the reasons for the assignment or transfer, antecedents of the assignee and terms on which assignment is made.
4. The assignment must be signed by the transferor or assignor or duly authorized agent and attested by at least one witness.
5. The transfer of assignment shall not be operative as against an insurer until a notice in writing of the transfer or assignment and either the said endorsement or instrument itself or copy thereof certified to be correct by both transferor and transferee or their duly authorized agents have been delivered to the insurer.
6. Fee to be paid for assignment or transfer can be specified by the Authority through Regulations.
7. On receipt of notice with fee, the insurer should Grant a written acknowledgement of receipt of notice. Such notice shall be conclusive evidence against the insurer of duly receiving the notice.
8. If the insurer maintains one or more places of business, such notices shall be delivered only at the place where the policy is being serviced.
9. The insurer may accept or decline to act upon any transfer or assignment or endorsement, if it has sufficient reasons to believe that it is
 - a. not bonafide or
 - b. not in the interest of the policyholder or
 - c. not in public interest or
 - d. is for the purpose of trading of the insurance policy.
10. Before refusing to act upon endorsement, the Insurer should record the reasons in writing and communicate the same in writing to Policyholder within 30 days from the date of policyholder giving a notice of transfer or assignment.
11. In case of refusal to act upon the endorsement by the Insurer, any person aggrieved by the refusal may prefer a claim to IRDAI within 30 days of receipt of the refusal letter from the Insurer.
12. The priority of claims of persons interested in an insurance policy would depend on the date on which the notices of assignment or transfer is delivered to the insurer; where there are more than one instruments of transfer or assignment, the priority will depend on dates of delivery of such notices. Any dispute in this regard as to priority should be referred to Authority.
13. Every assignment or transfer shall be deemed to be absolute assignment or transfer and the assignee or transferee shall be deemed to be absolute assignee or transferee, except
 - a. where assignment or transfer is subject to terms and conditions of transfer or assignment OR
 - b. where the transfer or assignment is made upon condition that
 - i. the proceeds under the policy shall become payable to policyholder or nominee(s) in the event of assignee or transferee dying before the insured OR
 - ii. the insured surviving the term of the policySuch conditional assignee will not be entitled to obtain a loan on policy or surrender the policy. This provision will prevail notwithstanding any law or custom having force of law which is contrary to the above position.
14. In other cases, the insurer shall, subject to terms and conditions of assignment, recognize the transferee or assignee named in the notice as the absolute transferee or assignee and such person
 - a. shall be subject to all liabilities and equities to which the transferor or assignor was subject to at the date of transfer or assignment and
 - b. may institute any proceedings in relation to the policy
 - c. obtain loan under the policy or surrender the policy without obtaining the consent of the transferor or assignor or making him a party to the proceedings
15. Any rights and remedies of an assignee or transferee of a life insurance policy under an assignment or transfer effected before commencement of the Insurance Act, 1938 as amended from time to time shall not be affected by this section.

[Disclaimer: This is not a comprehensive list of amendments of Insurance Act 1938 and only a simplified version prepared for general information. Policy Holders are advised to refer to Original Ordinance Gazette Notification dated December 26 , 2014 for complete and accurate details.]

Section 39- Nomination by policyholder

Annexure 2

Nomination of a life insurance Policy is as below in accordance with Section 39 of the Insurance Act, 1938 as amended from time to time. The extant provisions in this regard are as follows:

1. The policyholder of a life insurance on his own life may nominate a person or persons to whom money secured by the policy shall be paid in the event of his death.
2. Where the nominee is a minor, the policyholder may appoint any person to receive the money secured by the policy in the event of policyholder's death during the minority of the nominee. The manner of appointment to be laid down by the insurer.
3. Nomination can be made at any time before the maturity of the policy.
4. Nomination may be incorporated in the text of the policy itself or may be endorsed on the policy communicated to the insurer and can be registered by the insurer in the records relating to the policy.
5. Nomination can be cancelled or changed at any time before policy matures, by an endorsement or a further endorsement or a will as the case may be.
6. A notice in writing of Change or Cancellation of nomination must be delivered to the insurer for the insurer to be liable to such nominee. Otherwise, insurer will not be liable if a bonafide payment is made to the person named in the text of the policy or in the registered records of the insurer.
7. Fee to be paid to the insurer for registering change or cancellation of a nomination can be specified by the Authority through Regulations.
8. On receipt of notice with fee, the insurer should grant a written acknowledgement to the policyholder of having registered a nomination or cancellation or change thereof.
9. A transfer or assignment made in accordance with Section 38 shall automatically cancel the nomination except in case of assignment to the insurer or other transferee or assignee for purpose of loan or against security or its reassignment after repayment. In such case, the nomination will not get cancelled to the extent of insurer's or transferee's or assignee's interest in the policy. The nomination will get revived on repayment of the loan.
10. The right of any creditor to be paid out of the proceeds of any policy of life insurance shall not be affected by the nomination.
11. In case of nomination by policyholder whose life is insured, if the nominees die before the policyholder, the proceeds are payable to policyholder or his heirs or legal representatives or holder of succession certificate.
12. In case nominee(s) survive the person whose life is insured, the amount secured by the policy shall be paid to such survivor(s).
13. Where the policyholder whose life is insured nominates his
 - a. parents or
 - b. spouse or
 - c. children or
 - d. spouse and children
 - e. or any of themthe nominees are beneficially entitled to the amount payable by the insurer to the policyholder unless it is proved that policyholder could not have conferred such beneficial title on the nominee having regard to the nature of his title.
14. If nominee(s) die after the policyholder but before his share of the amount secured under the policy is paid, the share of the expired nominee(s) shall be payable to the heirs or legal representative of the nominee or holder of succession certificate of such nominee(s).
15. The provisions of sub-section 7 and 8 (13 and 14 above) shall apply to all life insurance policies maturing for payment after the commencement of Insurance Act 1938 as amended from time to time.
16. If policyholder dies after maturity but the proceeds and benefit of the policy has not been paid to him because of his death, his nominee(s) shall be entitled to the proceeds and benefit of the policy.
17. The provisions of Section 39 are not applicable to any life insurance policy to which Section 6 of Married Women's Property Act, 1874 applies or has at any time applied except where before or after Insurance Act 1938 as amended from time to time, a nomination is made in favor of spouse or children or spouse and children whether or not on the face of the policy it is mentioned that it is made under Section 39. Where nomination is intended to be made to spouse or children or spouse and children under Section 6 of MWP Act, it should be specifically mentioned on the policy. In such a case only, the provisions of Section 39 will not apply.

[Disclaimer : This is not a comprehensive list of amendments of Insurance Act 1938 and only a simplified version prepared for general information. Policy Holders are advised to refer to Original Ordinance Gazette Notification dated December 26 , 2014 for complete and accurate details.]

Section 45 – Policy shall not be called in question on the ground of mis-statement after three years.

Annexure 3

Provisions regarding policy not being called into question in terms of Section 45 of the Insurance Act, 1938, amended from time to time are as follows:

1. No Policy of Life Insurance shall be called in question on any ground whatsoever after expiry of 3 yrs from
 - a. the date of issuance of policy or
 - b. the date of commencement of risk or
 - c. the date of revival of policy or
 - d. the date of rider to the policywhichever is later.
2. On the ground of fraud, a policy of Life Insurance may be called in question within 3 years from
 - a. the date of issuance of policy or
 - b. the date of commencement of risk or
 - c. the date of revival of policy or
 - d. the date of rider to the policywhichever is later.

For this, the insurer should communicate in writing to the insured or legal representative or nominee or assignees of insured, as applicable, mentioning the ground and materials on which such decision is based.

3. Fraud means any of the following acts committed by insured or by his agent, with the intent to deceive the insurer or to induce the insurer to issue a life insurance policy:
 - a. The suggestion, as a fact of that which is not true and which the insured does not believe to be true;
 - b. The active concealment of a fact by the insured having knowledge or belief of the fact;
 - c. Any other act fitted to deceive; and
 - d. Any such act or omission as the law specifically declares to be fraudulent.
4. Mere silence is not fraud unless, depending on circumstances of the case, it is the duty of the insured or his agent keeping silence to speak or silence is in itself equivalent to speak.
5. No Insurer shall repudiate a life insurance Policy on the ground of Fraud, if the Insured / beneficiary can prove that the misstatement was true to the best of his knowledge and there was no deliberate intention to suppress the fact or that such mis-statement of or suppression of material fact are within the knowledge of the insurer. Onus of disproving is upon the policyholder, if alive, or beneficiaries.
6. Life insurance Policy can be called in question within 3 years on the ground that any statement of or suppression of a fact material to expectancy of life of the insured was incorrectly made in the proposal or other document basis which policy was issued or revived or rider issued. For this, the insurer should communicate in writing to the insured or legal representative or nominee or assignees of insured, as applicable, mentioning the ground and materials on which decision to repudiate the policy of life insurance is based.
7. In case repudiation is on ground of mis-statement and not on fraud, the premium collected on policy till the date of repudiation shall be paid to the insured or legal representative or nominee or assignees of insured, within a period of 90 days from the date of repudiation.
8. Fact shall not be considered material unless it has a direct bearing on the risk undertaken by the insurer. The onus is on insurer to show that if the insurer had been aware of the said fact, no life insurance policy would have been issued to the insured.
9. The insurer can call for proof of age at any time if 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 of age of life insured. So, this Section will not be applicable for questioning age or adjustment based on proof of age submitted subsequently.

[Disclaimer : This is not a comprehensive list of amendments of Insurance Act 1938 and only a simplified version prepared for general information. Policy Holders are advised to refer to Original Ordinance Gazette Notification dated December 26 , 2014 for complete and accurate details].