

Standard Policy Provisions

AEGON Religare Group Leave Encashment Plan UIN 138Lo37Vo2

“IN THIS POLICY, THE INVESTMENT RISK IN INVESTMENT PORTFOLIO IS BORNE BY THE POLICYHOLDER”

1. Definitions

Age means age on last birthday unless specifically otherwise provided.

Base Plan means benefits as mentioned in Clause 3.

Charges means the various charges as mentioned in Clause 9.

Company means AEGON Religare Life Insurance Company Limited.

Cut Off time means the time of a day for the purpose of calculating the Unit price for creation or cancellation of Unit from the Investment Fund. Presently the cut-off time is 3.00 p.m., which could change in future subject to IRDA approval.

Discontinuance Value is the Fund Value of the Policyholder less applicable Discontinuance Charge as on the date the discontinuance request is received by the Company.

Fund or Investment:

Fund means a specific and segregated investment fund managed by the Company for the exclusive interest and benefits of all the Policyholders sharing the same Investment Fund option.

Fund Value means, unless otherwise provides for exclusion/cancellation of Units purchased, the product of the total number of Units under the Policy

Grace Period is a period 30 days starting from the Due Date for payment of Life Insurance Premium and ending at the close of business hours on the 30th day, from the Due Date. If the 30th day, falls on a holiday then the next working day. The grace period is applicable only for Life Insurance Premium.

IRDA means the Insurance Regulatory and Development Authority.

Life Insurance Premium is the premium payable by you for the Death Benefit in respect of Member and is mentioned in the Policy Schedule.

Leave Encashment Contribution means the amount received from the Policyholder towards providing the Leave Encashment benefit.

Leave Encashment Contribution Redirection is the option available to the Policyholder to modify the allocation of the amount of Leave Encashment Contribution into different segregated funds in effect at the time of exercising this option.

Member/ Life Assured is the person in relation to whom the Base Plan is granted by the Company.

Monthly Date is the first day of each Policy Month.

Policy / Plan means the contract of insurance entered into between the Policyholder and the Company as evidenced by this document which sets down the benefits available to the Policyholder and the terms and conditions for availing of such benefit/s.

Policy Anniversary is the date corresponding to the Policy Date occurring after the completion of every Policy Year.

Policy Date is the date of commencement of the Base Plan and is mentioned in the Policy Schedule.

Policy Year and Policy Month are measured from the Policy Date and are periods of twelve calendar months and one calendar month respectively.

Proposal Form is the application form submitted to the Company for purchasing this Policy.

Segregated Fund from the Segregated Fund in effect at the time of exercising this option.

Redemption means the encashing of Units at the prevailing Unit Price and involves cancellation of Units in transactions such as Discontinuance or switches.

Sum Assured means the benefit as specified in the Policy Schedule, which is payable by the Company on death of the Member.

Unit is a portion or a part of the Segregated Fund and is represented by one undivided share in the assets underlying that Fund.

Unit Price is the value per unit of each Segregated Fund calculated in rupees as mentioned below:

The Unit Price will be based on the Appropriation Price when the Company is required to purchase assets to allocate Units at the Valuation Date and on the Expropriation Price when the Company is required to sell the assets to redeem the Units at the Valuation Date.

The Appropriation Price is calculated as follows:

(Market or fair value of Segregated Fund plus expenses incurred in the purchase of assets plus current assets plus any accrued income net of Fund Management Charges minus current liabilities and provisions) divided by number of Units outstanding under the Segregated Fund.

The Expropriation Price is calculated as follows:

(Market or fair value of investments minus expenses incurred in the sale of assets plus current assets plus any accrued income net of Fund Management Charges minus current liabilities and provisions) divided by number of Units outstanding under the Segregated Fund.

Valuation Date is the date on which the assets of the Funds are valued as set out in Clause 7.4.

You or Your means the Policy holder named in the Policy Schedule.

2. General

2.1 Product Description

'AEGON Religare Group Leave Encashment Plan' is the name of a unit linked insurance plan of the Company. This is a unit linked non participating plan.

This Policy will participate in the investment performance of the Segregated Fund(s) of the Company, selected by you, to the extent of allocated units.

The Policy, however, does not in any way give any rights whatsoever to any share in the profits or surplus of the business of the Company.

2.2 Incorrect Information & Non Disclosure

This Policy is issued based on the information/documents/replies furnished to the questions in the Proposal Form and in the report, if any, of the medical examiner and the declarations which have been made to the Company or its representatives and any other information provided by you or

received on your behalf before the Policy Date. If any information/documents/ replies/statements provided by you is found to be incomplete or incorrect or false, the Company notwithstanding with any other applicable provisions, reserves the right to vary/terminate the benefits which may be admissible and declare the policy null and void, if there has been non disclosure of any material fact or if the replies to any of the questions asked in the Proposal Form / report of the medical examiner are false or have been wrongly answered.

Section 45 of the Insurance Act, 1938 is reproduced hereunder for ready reference:

“No policy of life insurance effected before the commencement of this Act shall after the expiry of two years from the date of commencement of this Act and 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 a statement made in the proposal for insurance or in any report of a medical officer, or referee, or friend of the 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 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 proposal.”

2.3 Free Look Option

In case of disagreement with any of the terms and conditions of the Policy, You may return the Policy document along with a letter stating the reasons for disagreement within a period fifteen days of receipt of the Policy document (“the free look period”). The Policy will be cancelled and an amount equal to the following will be paid to You:

(Fund value as on the date of request received by the Company + proportionate life insurance premium for unexpired period) – (stamp duty + cost of medical examination, if any)

The Policy and all the rights under the Policy shall stand extinguished immediately on the cancellation of the Policy under the free look option.

2.4 Misstatement of age or gender

The Life Insurance Premium payable under the Policy has been calculated on the basis of the age and / or gender of the Life Assured as shared by the Policyholder. Without prejudice to the Company's other rights and remedies including those under the Insurance Act, 1938, if the age or gender of the Life Assured has been misstated or incorrectly mentioned, then the Company will re-calculate the Life Insurance Premium using the correct age and gender. This may be done in any of the following manner:

- If the correct age is higher than the age declared in the Proposal Form, the Life Insurance Premium payable under the Policy shall be altered corresponding to the correct age of the Life Assured from the Policy Date and You shall pay to the Company, the difference between the Life Insurance Premium charged at such lower rate and such re-calculated higher rate retrospectively from the Policy Date.
- If the correct age of the Life Assured is lower than the age declared in the Proposal Form, the Life Insurance Premium payable under the Policy shall be altered corresponding to the correct age of the Life Assured from the Policy Date.

Notwithstanding the above the Company may terminate the Policy and refund the Fund Value less all the applicable Charges.

2.5 Payment of Claim

The Policyholder will send the details of the member in respect of whom the claim is lodged with us. The claim amount will be paid to the Policyholder or at the written instructions from the Policyholder, the claim amount can be paid directly to the Member or to the Nominee/legal heir of the Member, as the case maybe. On such payment the liability of the Company towards the Policyholder shall be fully discharged.

2.6 Notices

Any notice, direction or instruction given to the Company under the Policy shall be in writing and delivered by hand, post, facsimile or from registered electronic mail to: AEGON Religare Life Insurance Company Limited, Building No. 3, Third floor, Unit No. 1, NESCO IT Park, Western Express Highway Goregaon (E), Mumbai 400 063 or such other address as may be informed by the Company to You or published in such newspapers in India as may be decided by the Company.

Any notice, direction or instruction to be given by the Company under the Policy shall be in writing and delivered by hand, post, facsimile or registered electronic mail at the updated address in the records of the Company and is deemed to have been received by you within fifteen days of posting or immediately upon receipt in the case of hand delivery, facsimile or electronic mail.

You are requested to communicate any change in address immediately to enable us to serve you promptly.

2.7 Currency and Payment

All payments to or by the Company will be in Indian rupees and shall be in accordance with the prevailing regulations and other relevant laws of India.

2.8 Applicable Law

The Policy is subject to the provisions of the laws of India and more particularly the Indian Contract Act, 1872 as amended, the Insurance Act, 1938, the Insurance Regulatory and Development Authority Act, 1999, the rules and regulations made under these enactments, the directions and guidelines issued by the IRDA from time to time and the tax laws.

3. Benefits

3.1 Leave Encashment benefit payable on resignation, retirement or termination of service

The accrued Leave Encashment benefit is payable on cessation of employment (either by resignation, retirement or termination) or by way of partial encashment of leaves by group member or any other event as advised by the Policyholder in terms of the provisions of the Trust Deed and the Rules, subject to the availability of sufficient funds in the policyholder's account.

3.2 Death Benefit

The accrued Leave Encashment benefit is payable on cessation of employment due to death of a Member, as advised by the Policyholder in terms of the provisions of the Trust Deed and the Rules and subject to the availability of sufficient Funds in the Policyholder's account plus the Sum Assured as applicable for the deceased Member.

Our liability under the Policy will be limited to the Fund Value in the account plus the Sum Assured of the deceased Member.

3.3 Discontinuance Benefit

This Policy may be discontinued by You at any time. On discontinuance, the Discontinuance Value will be the Fund Value. There is no discontinuance charge under this Policy.

3.4 Additional units

The Company may add units into the Policy account of the Policyholder at various times in the Policy Term to comply with the existing IRDA regulations with respect to net yield on the Fund Value.

4. Options

4.1 Increase or Decrease in Sum Assured

Increase or decrease in sum assured is allowed only at the time of renewal of the policy. Decrease in sum assured is subject to the minimum Sum Assured of Rs.1,000/- per Member.

4.2 Leave Encashment Contribution Redirection

You are entitled to change the Leave Encashment Contribution allocation proportion to different Segregated Funds. The new Leave Encashment Contribution allocation proportion will be applicable for all future Leave Encashment Contribution.

5. Premiums

5.1 Leave Encashment Contribution

The Leave Encashment Contribution will be paid by the Policyholder along with the list of Members. In case of members joining the scheme during the Policy Year, the Leave Encashment contribution for such Members can be paid by the Policyholder anytime. The Leave Encashment Contribution may vary from year to year.

5.2 Life Insurance Premium

Life Insurance Premium is payable in addition to the Leave Encashment Contribution payable towards funding of Leave Encashment benefit. The Life Insurance Premium for the group at inception/renewal of the policy will be calculated based on age specific rates and guaranteed for only one Policy Year.

The Life Insurance Premium rate applicable to the new Members joining the Policy during the Policy Year will be calculated on the unit rate applicable for the specific group. This unit rate will be calculated as total Life Insurance Premium divided by total sum assured *1000, at the inception/renewal of the policy. This unit rate will remain constant throughout that Policy Year.

6. Discontinuance of Premium

6.1 Discontinuance of Life Insurance Premium

Sum Assured will discontinue if Life Insurance Premium is not paid upto the expiry of the Grace Period. Policy can be renewed within 2 years from the date of unpaid Life Insurance premium. If death occurs within the Grace Period the Death Benefit is payable, provided all due Life Insurance Premiums are paid before expiry of Grace Period. The investment in the Segregated funds continues even on termination of the Life Cover.

6.2 Revival of the Policy

If the Life Insurance Premium remains unpaid even on expiry of the Grace Period, the Sum Assured will not be available. The same can be revived within 2 years from the date of unpaid Life Insurance Premium. The revival will be subject to the following conditions:

- Satisfactory evidence of insurability of the Members ; and
- Payment in full of an amount equal to Life Insurance Premium applicable as on the date of revival.

The Effective Date of Revival is the date on which the above requirements are met by the Policyholder and approved by the Company. On revival of the policy, all benefits under the policy will become payable to the Policyholder as per the terms and conditions of the Policy from the date of revival.

If the Policy is not revived within the revival period then the Policy will terminate and the Discontinuance Value will be paid to the Policyholder.

7. Segregated Funds

7.1 An Segregated Fund is a specific and separate fund managed for the exclusive interest of all Policyholders sharing the same Segregated Fund. The Company holds legal and beneficial interest in the assets of each Segregated Fund and has sole discretion on the investment and the management of each Segregated Fund within the defined asset portfolio allocation as set out under clause

7.2 The two Segregated Funds currently offered under the product by the Company are:

- Group Equity Fund
- Group Debt Fund

	Segregated Fund Identification Number (SFIN)	Equities	Fixed Interest Securities and Money Market Instruments
Group Debt Fund	ULGF00128/03/11GDEBT0138	0%	100%
Group Equity Fund	ULGF00228/03/11GEQUITY0138	80%-100%	0% - 20%

7.3 Investment Objectives of the Segregated Funds

- Group Debt Fund: This fund will aim to generate investment income by investing in a diversified portfolio of government debt, corporate debt and money market instruments of varying maturities.
- Group Equity Fund: This fund will aim at investing in equities of various sectors to diversify the portfolio and to generate returns in the long term.

The fund will also have the flexibility to invest in fixed interest assets and money market instruments up to 20%.

Note:

- Group Debt Fund and Group Equity Fund are the names of the Segregated Funds and do not in any manner indicate the quality of the assets , their future prospects or returns.
- Investments in the Segregated Funds are subject to market and other risks and the achievement of the objectives of any of the Segregated Funds cannot be guaranteed.
- The Company may from time to time change the asset portfolio allocation in the existing Segregated Funds with the approval of the IRDA.

7.4 Segregated Fund Valuation

The valuation of assets under each Segregated Fund shall be made as per the valuation norms prescribed by the Company and the IRDA. The Company is aiming to value the Segregated Funds on each day of the operation of the financial markets in India and subject to availability of market value of the assets. The Company however, reserves the right to value less frequently in extreme circumstances, where the value of the assets may be subject to extreme volatility and uncertainty. In such circumstances the Company may defer valuation of assets until normalcy returns. Such circumstances are:

- When one or more stock exchanges which provide a basis for valuation for a substantial portion of the assets of the Fund are closed other than for normal holidays.
- When, as a result of political, economic, monetary or any circumstances out of the control of the Company, the disposal of the assets of the Segregated Fund are not reasonable or would not reasonably be practicable without being detrimental to the interests of the remaining Policyholders invested in the Segregated Fund;
- During periods of extreme volatility in financial markets during which discontinuance and switches would, in the opinion of the Company, be detrimental to the interests of the existing Policyholders sharing the same Segregated Fund option;
- In case of natural calamities, strikes, war, civil unrest and riots;
- In the event of any force majeure or disaster that affects normal functioning of the financial markets in India. Force majeure event include war, invasion, act of foreign enemies, hostilities (regardless of whether war is declared), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation, terrorist activities, government sanction, blockage, embargo, labour dispute, strike, lockout or including but not limited to interruption or failure of electricity or telephone service that/those affects our normal functioning;
- If so directed by the IRDA.

7.5 Segregated Fund Addition

The Company may from time to time create and add new Segregated Funds with different Charges with the approval of the IRDA and consequently, new Segregated Funds may be made available to You. All provisions of the Policy will apply to such new Segregated Funds unless stated otherwise.

7.6 Segregated Fund Closure / Modification

The Company reserves the right to close/modify any Segregated Fund at any time by giving a three month written notice of its intention to close/modify the Segregated Fund and from the date of such closure/modification the Company will stop to create or cancel Units in the said Segregated Fund ("Closing Segregated Fund"). Closure/modification of an Segregated Fund will be on the happening of an event which in the sole opinion of the Company requires the said Segregated Fund to be closed/modified and such closure/modification of an Segregated fund shall be subject to prior approval of IRDA. The Company will require the Policyholder who has invested in the Closing Segregated Fund to replace it with another Segregated Fund/s ("Replacing Segregated Fund") in the format specified by the Company and before the date specified in the written notice of the Company. Upon receiving Policy holder's confirmation, Units in the Closing Segregated Fund allocated to this Policy will be cancelled on the last Valuation Date of the Closing Segregated Fund. The Company will create Units in the Replacing Segregated Fund/s, with proceeds from the cancellation of the Units in the Closing Segregated Fund on the last Valuation Date of the Closing Segregated Fund. The tax if any, on the closure/modification shall be borne by the Policyholder.

If the Company has not received any confirmation from You selecting the Replacing Segregated Fund before the closure of the Closing Segregated Fund, the Company will:

- Switch the funds from the Closing Segregated Fund to the most conservative Segregated Fund then available; and
- Change the allocation proportion in such a way that the percentage of allocation of Leave Encashment Contribution to the Closing Segregated Fund is added to the percentage allocated to the most conservative Segregated Fund option then available. Currently the most conservative Segregated Fund option is Group Debt Fund.

The Company would however declare the most conservative Segregated Fund option from time to time depending upon the current Investment profile.

7.7 Switch amongst Segregated Funds

You can apply for Switch of funds from one Segregated Fund to another/ others through a Switch Application Form or the Switch Process as and when available and specified by the Company. The facility of Switch would be subject to the administrative rules of the Company, existing at the time of the Switch application. Switching of funds will be effected at the Unit Price declared on the date the Switch application is received and accepted by the Company before Cut-off time and on the next day's Unit Price declared if the application is received and accepted at the Company after the Cut-off time.

8. Units

8.1 Creation of Units

The Unit Pricing shall be based on whether the Company is purchasing (Appropriation Price) or selling (Expropriation Price) the assets in order to meet the day to day transactions of Unit allocations and Unit redemptions.

When Appropriation Price is applied: The Net Asset Value (the "NAV") of a Unit linked fund will be 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 Charges less the value of any current liabilities less provisions, if any. This gives the NAV of the Fund. Dividing this by the number of Units existing at the valuation date (before any new Units are allocated), gives the Unit Price of the Fund under consideration.

When Expropriation Price is applied: The Net Asset Value (the "NAV") of a Unit linked fund will be 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 Charges less the value of any current liabilities less provisions, if any. This gives the NAV of the Fund. Dividing this by the number of Units existing at the valuation date before any Units are redeemed, gives the Unit Price of the Fund under consideration.

Units will be created in the Segregated Fund/s on receipt by the Company of the Leave Encashment Contribution (except first Leave Encashment Contribution) through a local cheque/demand draft payable at par at the place where the Leave Encashment Contribution/application for switch is accepted by us on the following basis:

- the same day's closing Unit Price shall be applicable if received before the Cut-off time (the "Same Day")
- the next day's closing Unit Price shall be applicable if received after the Cut-off time (the "Next Day")

In respect of Leave Encashment Contribution (except first Leave Encashment Contribution) received through outstation cheques/demand drafts at the place where the Leave Encashment Contribution is accepted by us, the closing unit price of the day on which cheques/demand draft is realized shall be applicable.

In respect of first Leave Encashment Contribution, the applicable Unit Price will be of the date of commencement of Policy or date of realization of the amount by the Company, whichever is later. If the Same Day or the Next Day or the due date of the Leave Encashment Contribution is not a Valuation Date, then the Company shall apply the Unit Price of the next immediate Valuation Date.

Units will be cancelled from the Segregated Funds, when an application (including in respect of claims, discontinuance and switch) is received by the Company:

- At the same day's closing Unit Price (the "Same Day"), if received before the cut-off time.
- At the next day's closing Unit Price (the "Next Day"), if received after the cut-off time.

Company will follow the rounding off rules as given under for the computation of unit price and number of units:

- Unit Price will be computed to four decimal places.
- Number of Units will be computed to six decimal places. Currently, the cut-off time is 3 p.m. as stipulated by IRDA.

9. Charges

9.1 Fund Management Charge (FMC)

This Charge will be deducted from the assets by charging the funds everyday when the Unit linked fund is priced: Group Debt Fund: 0.30% per annum; Group Equity Fund: 0.30% per annum

The FMC rates may increase in future subject to approval of IRDA but shall not exceed 1.35% per annum for any of the above funds. The formula for the deduction of FMC is as under:

Charge = NAV * FMC rate * (No of days from the previous valuation date of the Unit Price / 365)

10. Loans

No Loans will be granted against the Policy.

11. Policy Termination

The Policy will terminate on the earliest of the following:

- The date on which application for Discontinuance of the Policy is received;
- If the Policy is not reinstated during the reinstatement period.

12. Grievance Redressal

Any grievances can be addressed to the Company in any one of the following manner :

- By calling on the Toll Free Number 1800 209 9090 between 8.00 a.m. to 8.30 p.m. any day or
- By writing an e-mail at customer.care@aegonreligare.com or
- By registering the grievance on the website at www.aegonreligare.com or
- By a written notice at the registered office of the Company.

In case of disagreement with the response of the Company or no response the grievance can be made to :

- grievance.manager@aegonreligare.com or
- Writing to the Insurance Ombudsman.

The Procedure for making complaint to Insurance Ombudsman and address of the offices of Insurance Ombudsman can be obtained from the offices of the Company or from the website of the Company at www.aegonreligare.com or from IRDA website at www.irda.gov.in.

13. Disclaimer

A Unit Linked Policy is subject to different risk factors and the investments in the Segregated Funds are subject to fluctuations in financial markets and other risks. The Unit Price can go up or down depending on the factors and forces affecting the financial markets. The name of the concerned Segregated Fund does not indicate the quality and the past performance of the Fund and is not necessarily indicative of its future performance. The Segregated Funds chosen for investment under this Policy do not offer any guaranteed returns. The Investment risk in the investment portfolio is solely borne by the Policyholder.