

## Benefits

**Death Benefit** – In the event of death of the member, provided the policy is in force, the sum assured for such member shall be payable to the nominee.

**Maturity Benefit** – No benefit is payable at maturity.

**Surrender Benefit** - In case of surrender of the policy before the completion of the term, an amount equal to the premium for the unexpired term of the discontinuing members, less appropriate deduction for expenses, commission and taxes and levies as applicable would be payable. In case of such surrenders, the individual members of the group, will be given an option to continue the policy as an individual policy till the expiry of the term of the group policy.

## Terms and Conditions

A) **SUICIDE EXCLUSIONS** (1) Exclusions On Basic Death Benefit - In case of employer-employee schemes, Sum Assured will be payable to the nominee in case of death due to suicide. In case of other schemes, if the member dies due to suicide within 12 months from the date of joining the scheme, the nominee shall be entitled to get at least 80% of the total premiums paid till the date of death or the surrender value available as on the date of death whichever is higher.

B) **Taxes** - (1) **INDIRECT TAXES** - Taxes and levies as applicable shall be levied as applicable. Any taxes, statutory levy becoming applicable in future may become payable by you by any method including by levy of an additional monetary amount in addition to premium and or charges. (2) **DIRECT TAXES** - Tax will be deducted at the applicable rate from the payments made under the policy, as per the provisions of the Income Tax Act, 1961 as amended from time to time.

C) **Nomination: Sec 39 of insurance Act 1938 as amended from time to time**

(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) 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.

(9) 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 Laws (Amendment), Bill 2015, a nomination is made in favour 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.

D) **SECTION 41 OF THE INSURANCE ACT, 1938 AS AMENDED FROM TIME TO TIME:** The extant provisions in this regard are as follows : No person shall allow or offer to allow, either directly or indirectly, as an inducement to any person to take out or renew or continue an insurance in respect of any kind of risk relating to lives or property in India, any rebate of the whole or part of the commission payable or any rebate of the premium shown on the policy, nor shall any person taking out or renewing or continuing a policy accept any rebate, except such rebate as may be allowed in accordance with the published prospectuses or tables of the insurer. Provided that acceptance by an insurance agent of commission in connection with a policy of life insurance taken out by himself on his own life shall not be deemed to be acceptance of a rebate of premium within the meaning of

this sub-section if at the time of such acceptance the insurance agent satisfies the prescribed conditions establishing that he is a bonafide insurance agent employed by the insurer. Any person making default in complying with the provisions of this section shall be liable for a penalty which may extend to ten lakh rupees.

E) NON-DISCLOSURE: SECTION 45 OF THE INSURANCE ACT, 1938 AS AMENDED FROM TIME TO TIME: The extant provisions in this regard are as follows:

(1) No policy of life insurance shall be called in question on any ground whatsoever after the expiry of three years from the date of the policy, i.e., from the date of issuance of the policy or the date of commencement of risk or the date of revival of the policy or the date of the rider to the policy, whichever is later.

(2) A policy of life insurance may be called in question at any time within three years from the date of issuance of the policy or the date of commencement of risk or the date of revival of the policy or the date of the rider to the policy, whichever is later, on the ground of fraud: Provided that the insurer shall have to communicate in writing to the insured or the legal representatives or nominees or assignees of the insured the grounds and materials on which such decision is based.

(3) Notwithstanding anything contained in sub-section (2), no insurer shall repudiate a life insurance policy on the ground of fraud if the insured can prove that the mis-statement of or suppression of a material fact was true to the best of his knowledge and belief or that there was no deliberate intention to suppress the fact or that such misstatement of or suppression of a material fact are within the knowledge of the insurer: Provided that in case of fraud, the onus of disproving lies upon the beneficiaries, in case the policyholder is not alive.

(4) A policy of life insurance may be called in question at any time within three years from the date of issuance of the policy or the date of commencement of risk or the date of revival of the policy or the date of the rider to the policy, whichever is later, on the ground that any statement of or suppression of a fact material to the expectancy of the life of the insured was incorrectly made in the proposal or other document on the basis of which the policy was issued or revived or rider is sued: Provided that the insurer shall have to communicate in writing to the insured or the legal representatives or nominees or assignees of the insured the grounds and materials on which such decision to repudiate the policy of life insurance is based: Provided further that in case of repudiation of the policy on the ground of misstatement or suppression of a material fact, and not on the ground of fraud, the premiums collected on the policy till the date of repudiation shall be paid to the insured or the legal representatives or nominees or assignees of the insured within a period of ninety days from the date of such repudiation.

(5) 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.