

# SHRI VIKASH



## THE PLAN – 128L013V01

This is a limited payment unit linked plan which makes large savings to meet specific needs of an individual, besides getting adequate insurance cover, through investment in different types of unit funds. Each year, units in the chosen unit fund will be allotted, and defined charges will be deducted by cancellation of units till the policy becomes a claim.

## PLAN AT A GLANCE

Eligibility	Persons aged between 20 and 60 years last Birthday
Minimum Annualized Premium	Rs 25000/-
Premium Paying Period	3 years
Duration of the Plan	5 to 15 years
Minimum Sum Assured	0.5*t*Annualized Premium or 1, 25,000/- (i.e., 5*Annualized Premium), whichever is higher, where t is the policy term.
Maximum Sum Assured	Subject to underwriting considerations.
Death Benefit	Sum Assured or the value of the units whichever is higher in the Life assured's account, is payable to the nominee.
Maturity Benefit	On surviving up to the end of the term, value of the units to the credit will be payable.
Settlement Option	On surviving up to the end of the policy term, instead of the maturity value, the Policyholder can opt to withdraw the units in his credit in not more than 5 installments, within a period of five years from the date of maturity, at the prevailing Net Asset Value at the time of each installment.
Premium Paying Frequency	Yearly, Half yearly or Quarterly.
Tax Benefits	Under Section 10(10 D) of the Income Tax Act, 1961.

#### Unique Features

- Two Investment Fund options: Protector, Wealth Creator.
- Option to choose a fixed percentage of any of the above funds.
- Facility to pay additional premiums to increase the number of units to the credit.
- The first partial withdrawal is allowed only after the third policy anniversary.

### INVESTMENT FUND PORTFOLIO

Name of the fund	Equity	Debt	Short term liquid assets
Protector	Nil	Not less than 95%	Not more than 5%
Wealth Creator	Not less than 95%	Nil	Not more than 5%

Equity comprises of listed equities:

Debt comprises of investment in fixed income securities such as Government Bonds, Rated corporate Bonds (AA and above) etc.

Short-term liquid assets comprise of investment in commercial paper, certificates of deposit, Bank Deposits, Money market instruments.

The value of these investments may go up or down depending upon the performance of the individual investments and market conditions. Consequently, the net asset value of the fund may go up or down.



### UNIT PRICE

The unit price under each fund will be computed as under:

(Market Value of investments held by the fund +/- the expenses incurred in the purchase / sale of the assets + the value of any current assets+ any accrued income, net of fund management charges - the value of any current liabilities less provisions, if any) / (The number of units existing at the valuation date)

### CHARGES

#### PREMIUM ALLOCATION CHARGES

The Premium allocation charges are an upfront charge and varies as per the policy year as given below:

First Year

For term less than 10 years - 20% of annual premium

For term 10 to 14 years - 25% of the annual premium

For term 15 - 30% of the annual premium

Renewal - 5% of the annual premium

The Premium Allocation charge will be charged at the beginning of the year from the premium.

The following charges will be deducted by cancellation of units on a monthly basis, at the prevailing unit price.

### **MORTALITY CHARGES**

The annual mortality charges per thousand sum at risk for specimen ages for healthy lives are,

Age	20	30	40	50	60
Annual mortality charges per 1000 Sum at risk	1.25	1.50	2.60	6.60	16.35

### **SERVICE TAX CHARGES**

The Service Tax on Mortality Charges and Rider Charges (if any) will be levied on a monthly basis by cancellation of units of the policyholder at the prevailing unit price.

### **POLICY ADMINISTRATION CHARGES**

Rs.35 /- per month in the 1st year

Rs.45/- per month in the 2nd year

Rs.55/- per month in the third year

Increased by 3% p.a. for inflation from 4th year onwards, throughout the policy term till the policy becomes a claim.

### **FUND MANAGEMENT CHARGES**

An Investment management charge as detailed below will be charged by adjustment of the Net Asset Values of the units of the fund on a daily basis.

Fund	Fund Management charges
Protector	1% p.a.
Wealth Creator	1.75% p.a.

### **SURRENDER CHARGES**

Surrender charge will be levied as detailed below depending upon the year of surrender from the date of commencement.

Premium paid	Year of surrender	Surrender charges
Less than 1 year premium	Nil	100 % of the value of the units
At least one year but less than 2 years	At the end of revival period	10% of the value of the units
At least two years but less than three years	At the end of the third year	5% of the value of the units
	At the end of the revival Period	Nil

## **PARTIAL WITHDRAWAL**

The first partial withdrawal is allowed only after the third policy anniversary. The minimum value of the units withdrawn should be at least Rs.10000/- and this facility is available twice in a year. For further withdrawals, a withdrawal charge of Rs.100/- will be levied. Surrender charges will be levied on the units to be withdrawn depending upon the duration of withdrawal from the date of commencement.

After any partial withdrawal, at least an amount equal to annual premium should be available in the policyholder's account. The sum assured payable on death shall not be reduced at any point of time during the term of the policy except to the extent of partial withdrawals made within two years preceding date of death if death occurs before attaining age 60; all the partial withdrawals made during two year period before attaining age 60 and all partial withdrawals made after attaining age 60, if death occurs after age 60.

## **DAYS OF GRACE**

A grace period of one month but not less than 30 days will be allowed for payment of yearly, half-yearly and quarterly premiums. If death occurs within this period but before the payment of the premium then due, the policy shall be valid and the death benefit will be paid. If the premium is not paid before the grace period, the policy lapses.

## **REVIVALS**

If the policy lapses, by not paying all the due premiums for at least three years from the date of commencement of the policy, the insurance cover under this policy will cease immediately. However the policy can be revived within 2 years from the date of lapse subject to continued insurability to the satisfaction of the company, together with the arrears of premiums. The revival will be effective from the date the same has been accepted by the Company and informed the life Assured. During the revival period the policy administration charge will be collected by canceling the units. For reviving such a policy, arrears of premiums will be required to be paid. Out of this, premium allocation charge in respect of each year's premium will be deducted and the balance will be utilized to allocate units to the policyholder's account at the NAV prevailing at the time of revival. If the policyholder dies within the revival period, the value of the units on the date of death at the prevailing NAV will be paid. If the policy is not revived within the revival period, the value of the units at the prevailing NAV will be paid at the end of the revival period or at the 3rd year whichever is later with appropriate surrender charges. The rider will not be in force during the revival period.

## **LOANS**

No loans will be granted under the policy.

## **TOP-UP PREMIUM**

The policyholder has got an option to contribute in lump sum any time before the end of the policy term, to increase the number of units to his credit, if the policy is in force. A premium allocation charge of 2% of Top up premium will be deducted from such lump sum and the balance will be allocated for units. Further, the mortality charges, if applicable, as detailed below will be charged by canceling units at the NAV appropriate at the time of payment of lump sum. However, such lump sum payment should be at least Rs.5, 000/- per payment.

Such an additional payment will be considered as a single premium and if it remains within the 25% of the total basic regular premiums paid up to the date, the top-up premium will not have any insurance cover, and if it is more than 25% of the total basic regular premiums paid up to the date, such balance amount of the top-up premium shall have insurance cover at 125% of such balance subject to underwriting conditions. The insurance cover shall remain constant during the period of the contract till the value of units exceeds the sum assured and shall be maintained by canceling the units to the extent of mortality charges on Sum at risk, if any.

A lock in period of three years shall apply for each top up premium, except during the last three years of the policy term.

In respect of Top-up Premiums/Funds received up to 3 p.m. by the insurer along with a local cheque or a demand draft payable at par at the place where the premium is received, the closing NAV of the day on which premium is received shall be applicable.

In respect of Top-up premiums / funds received after 3 p.m. by the insurer along with a local cheque or a demand draft payable at par at the place where the premium is received, the closing NAV of the next business day shall be applicable.

## **SWITCHING OF FUNDS**

The Policyholder can switch from one fund to another fund out of the funds mentioned above, during the policy term, after the first year. The application for switch should come to the office of the Company where the policy is being serviced, before at least one year from the end of the term of the policy. The policyholder can switch two times in a year without any charge. However, for each additional switch, Rs.100/- will be levied. On receipt of the application, the net asset value of the units in the policyholder's account after deducting the appropriate charges for switches (if any) will be utilized to allocate units in the fund chosen by the policyholder based on the unit price of that particular fund at the time of switch.

In respect of Premiums/Funds switched received up to 3 p.m. by the insurer along with a local cheque or a demand draft payable at par at the place where the premium is received, the closing NAV of the day on which premium is received shall be applicable.

In respect of premiums / funds switches received after 3 p.m. by the insurer along with a local cheque or a demand draft payable at par at the place where the premium is received, the closing NAV of the next business day shall be applicable.

The policyholder has got the option to select the following rider to be attached to the policy.

## **ACCIDENT SHIELD RIDER BENEFIT**

In the event of the death of the life assured due to an accident or in the event of the life assured becoming totally and permanently disabled due to an accident within the policy term, sum assured under the rider will become payable.

The death due to an accident is defined as that which caused by violent, accidental, and external and visible means and independently of any physical or mental illness. Accidental injuries, solely, directly and independently of all other causes resulting in death of the life assured within 180 days from the date of accident, shall be considered as death due to accident.

The disability referred above should be disability, which is the result of an accident and must be total and permanent and such that the life assured then or at a later date, shall not undertake any work, occupation or profession to earn or obtain any wages or compensation or profit. Accidental injuries, excluding due to other causes and within 180 days from the date of accident result in irrevocable loss of the entire eye sight of both eyes or the amputation of both hands above the wrists, or in the amputation of both feet at or above the ankles or in the amputation of one hand at or above the wrist and one leg at or above the ankle, shall be deemed to be total and permanent disability.

## ELIGIBILITY CONDITIONS FOR RIDER

CONDITION	LIMIT
Minimum age at entry	20 (age last birthday)
Maximum age at entry	60 (age last birthday).
Maximum age at maturity	65
Duration 5 to 25 years	5 to 15 Years
Premium Amount	0.90 per thousand

## RIDER CHARGES

The charges for rider together with service tax charge, at the appropriate rate will be collected on monthly basis by cancellation of units at prevailing unit price.

### NOTE

1. The sum assured under the rider should be the sum assured under the basic policy subject to a maximum of Rs.25 lakhs under all policies on single life.
2. Granting of the disability benefit automatically cancels the accident benefit option under the policy.
3. No surrender value or paid up value will be available under the rider.

## EXCLUSIONS UNDER RIDER

The benefits under the riders are not payable, if total and permanent Disability or death occurs as a result of:

1. Intentional self injury, attempted suicide, insanity, immorality or while the life assured is under the influence of alcohol, drugs or Narcotics
2. An Accident while the life assured is engaged in aviation or aeronautics other than as a fare paying passenger
3. Injuries caused by riots, civil commotion, rebellion, war (whether war is declared or not) invasion, hunting, mountaineering, steeple chasing or racing of any kind.
4. The life Assured committing any breach of law.

## SUICIDE

If the life assured commits suicide, whether sane or insane, within one year from the date of acceptance of the policy, the value of units in life assured's account will be payable. Further, No benefits would be payable under the rider, if the life assured commits suicide during the policy term.

## COOLING OFF PERIOD

If you are not satisfied with the 'Terms and conditions' of the policy, the policy can be returned to the Company within 15 days. However, the company reserves the right to deduct Mortality Charges and rider charge (if any) for the time the company has provided life cover up to the date of cancellation and Medical Examination fees and stamp duty charges for issue of the policy.

**EXTRACT FROM SECTION 41 OF INSURANCE ACT, 1938**

- (1) 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 any person taking out or renewing or continuing a policy accept any rebate except such rebates 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 insurance taken out by himself on his own life shall not be deemed to be acceptance provided the insurance agent satisfies the prescribed conditions establishing that he is a bone fide insurance agent employed by the insurer.
- (2) Any person making default in complying with the provisions of this section shall be punishable with a fine which may extend to Rs.500/-