

# EXIDE LIFE REASSURING LIFE ENDOWMENT PLAN

## CONDITIONS APPLICABLE ONLY TO THE BASIC POLICY

**1. Benefit:** This Policy provides that the Company, in consideration of the payment of premiums as mentioned in the Schedule and subject to the terms and conditions mentioned in the Policy, shall pay the Sum Assured under this Basic Policy upon death of the Life Assured at any time after the Date of Risk Commencement but before the Date of Policy Maturity or upon survival of the Life Assured on the Date of Policy Maturity. The Sum Assured under Basic Policy, the Date of Risk Commencement, the date of Policy Commencement, the Premium Term of the Basic Policy and the Date of Policy Maturity are as shown in the Schedule.

**2. Minor Lives:** If the Policy is issued on the life of a minor, the Policy will automatically vest in the Life Assured on his attaining majority.

**3. Participation in Profits:** The Company shall determine yearly, as a Bonus, that part of the divisible surplus if any, as may be distributed to this Policy. Payment of such bonuses shall be as per norms described in the Policy Bonuses provision of this Policy.

**4. Policy Bonuses:** Cash bonuses, if any declared under this Policy, will become payable on policy anniversary following declaration of bonus, provided the Policy is in force for the full Sum Assured. Depending upon the option exercised by the Policyholder, the Cash Bonus is either payable in cash or adjusted towards future premiums or left to accumulate with non-guaranteed interest at the rate set by the Company from time to time.

**5. Guaranteed Cash Surrender Value:** If at least three full years' premiums have been paid, the Policy may be surrendered for cash surrender value, which shall be determined by the Company from time to time.

The minimum cash surrender values, which are the Guaranteed Cash Surrender Values are calculated as 30% of the total premiums paid, excluding the first year's premium and any extra premiums in case of surrender after three full years of premiums have been paid. The above percentage will increase by one percentage point, for each additional full year of premium paid after the third year, up to a maximum addition of 20%.

The Guaranteed Cash Surrender Value for the fractional number of years of premiums paid shall be calculated by interpolation.

The net cash surrender value payable shall be the cash surrender value less any indebtedness under the Policy, including any Policy loans, interest due on such loans and any premiums due but unpaid. Any remaining bonus accumulation at the time of surrender is payable together with the net cash surrender value. The Policy terminates upon the payment of the net cash surrender value.

**6. Non-Forfeiture Provisions:** If at least three full years' premiums have been paid and if any subsequent premium due has not been received by the Company and the Policy has acquired a cash surrender value, the Policy shall be continued without further premiums as non-participating paid-up assurance for the remaining duration of the Policy with a reduced paid-up Sum Assured obtained by converting the cash surrender value available at the then attained age of the Life Assured and on the terms and conditions prevailing and ascertained at that time.

The minimum amount of such reduced paid-up assurance shall be calculated as follows:

$$\text{The reduced paid-up assurance amount} = \frac{\text{Number of installments of premium paid}}{\text{Total Number of installments of premiums payable under the policy}} \times \text{Sum Assured of Basic Policy On Lapse Date}$$

The reduced paid-up assurance amount is payable on survival of Life Assured at the Date of Policy Maturity or on the Life Assured's death, if earlier, provided that such reduced paid up amount is not less than Rs.100/-. A reduced paid-up policy shall cease to participate in the profits of the Company from the earliest date at which the premium was due and not paid. Any remaining bonus accumulation at the time of conversion into paid-up assurance, may be withdrawn by the Policyholder or left to accumulate until the Date of Policy Maturity, when it becomes payable.

Any loan under the Policy along with any accrued interest due on such loan will be deducted from the benefits paid under the Policy.

The Surrender values and Non-forfeiture provisions apply only to the Basic Policy mentioned in the Schedule and not to any Riders.

**7. Policy Loan:** At any time after three full years' premiums have been paid, if any net cash surrender value is available under the Policy, the Policyholder may obtain a loan on the sole security of the Policy and on its proper assignment to the Company. The maximum amount of loan that will be advanced will not exceed 90% of the available cash surrender value and provided that the amount of loan is not less than Rs.1000/-. The rates of interest payable on the loan and other terms and conditions of the loan shall be as determined by the Company from time to time. Any further loan will be given after deducting any previous loan with interest. All outstanding loan and interest thereon, shall be deducted from any benefits payable under the Policy. If at any point of time, the loan along with outstanding accrued interest exceeds the value of benefits payable under the Policy, the policy will be forfeited and no benefits will be payable. The company will retain the right to call for re-payment of the loan along with interest by giving a notice to the Policyholder at least one month in advance.

## CONDITIONS APPLICABLE TO BASIC POLICY AND RIDERS

1. **Preamble:** This life insurance policy (hereinafter called "the Policy") is granted by Exide Life Insurance Company Private Limited (hereinafter called "the Company") to the person described in the Schedule as Proposer on the life of the person mentioned therein as the Life Assured. The Policy is issued upon receipt of the first premium and the Proposal and Declaration from the Proposer and the Life Assured and upon the Company and the Proposer agreeing that the said Proposal and Declaration and any statements made or referred to therein shall be the basis of the Policy.

2. **Payment of Benefits:** Payment of the Sums Assured under the Basic Policy and the Riders as shown in the Schedule shall be subject to deduction of any indebtedness or lien under the Policy. Payment of all such sums shall be subject to receipt by the Company of proof to its satisfaction,

- a. of the Benefits having become payable as set out in the Policy;
- b. of the title of the person or persons claiming payment and
- c. of the correctness of the age of the Life Assured as stated in the Proposal, if not previously admitted.

3. **Beneficiaries:** Benefits will be paid to the Policyholder or to his nominees or assignees or proving executors or other legal representatives.

4. **Entire Contract:** The Schedule, the Basic Policy, the Riders, the Policy Conditions and the Endorsements applicable to the Policy shall together form the entire contract evidenced by the Policy. The liability of the Company is at all times subject to the Conditions of the Basic Policy and the Riders and to any Endorsements contained herein.

5. **Payment of Premiums and Grace Period:** After the Date of Policy Commencement, any premium due must be paid not later than 30 days from its due date. Any unpaid premium is deductible from the benefits that may arise during the 30-day grace period. If the premiums due are not paid within the grace period, the Policy lapses. The date of lapse shall be the due date of the earliest unpaid premium. The Company shall immediately thereon, cease to be liable to pay the Sums Assured under such lapsed Policy, except as stated under the non-forfeiture provisions of this Policy, until and unless the Policy has been fully reinstated. A lapsed Policy shall cease to participate in the profits of the Company from the lapse date.

6. **Reinstatement:** Subject to the approval of the Company, this Policy may be reinstated within five years from the due date of the first unpaid premium provided,

I. the Policy has not been surrendered for cash and

II a written application for reinstatement is received from the Policyholder by the Company, together with evidence of insurability and health of the Life Assured, if required, to the satisfaction of the Company and

III all amounts necessary to reinstate the Policy, as per the then prevailing rules of the Company, are received by the Company.

The Company reserves the right to accept the reinstatement of a lapsed Policy on its original terms or on modified terms or to reject the reinstatement. The reinstatement shall come into effect on the date when it is specifically communicated to the Policyholder by the Company. Since the Company shall be totally relying on the statements made by the Policyholder/ Life Assured to the Company and to its medical

examiner in deciding on reinstatement of a lapsed policy, if any incorrect or untrue statement has been made or any material fact has been suppressed, the Company shall be entitled to cancel the reinstatement of the Policy or repudiate the claim, if any, arising out of such reinstatement and the entire amount paid towards such reinstatement shall be forfeited.

7. **Age:** The age of the Life Assured has been admitted on the basis of the declaration made by the Life Assured/ Proposer in the proposal and/ or in any relevant statement based on which this Policy has been accepted. In cases where age has not been admitted, the company reserves the right to call for proof of age, at any time, on or before the maturity date of the Policy. If the age of the Life Assured is found to be different from that declared, the Company shall alter the plan or term and/ or adjust the premiums or benefits under the Policy as it deems fit. If the age of the Life Assured at the Date of Policy Commencement is found to be higher than the maximum or lower than the minimum entry age that was permissible under the plan of the Policy at the time of its issue and where no adjustment is possible, the Policy shall become void from commencement and the premiums paid under the Policy will be refunded, after deducting any amounts paid under the Policy and all expenses incurred and the indebtedness under the Policy, if any, and no other benefits under this Policy shall become payable.

8. **Suicide:** If the Life Assured commits suicide for any reason, while sane or insane, within one year from the Date of Risk Commencement as shown in the Schedule, the Policy shall be treated as null and void, no benefit shall be payable under the Policy and all the premiums paid on the Policy shall stand forfeited to the Company.

9. **Nomination and Assignment:** Notice of any nomination or assignment must be submitted in writing to the Company at its office issuing the Policy or at the office servicing the Policy as communicated to the Policyholder from time to time. In registering a nomination or an assignment, the Company neither accept any responsibility nor expresses any opinion as to its validity or legal effect.

10. **Forfeiture in certain events:** In case the premiums have not been duly paid or in case any conditions mentioned under this Policy have been contravened or violated or in case it is found that any untrue or incorrect statement is contained in the Proposal, declaration or any personal statement and connected documents or that any material information is withheld or misrepresented, then in every such case but subject to the provisions of Section 45 of the Insurance Act 1938, the Policy shall become null and void and the Company shall immediately thereon, cease to be liable for any benefits payable under the Policy and the moneys paid under the Policy shall belong to the Company.

11. **Modification:** Any modification, based upon a prior agreement between the Company and the Policyholder, made on this Policy, shall not be valid unless such modification is in writing and duly signed and attested by the officials of the Company who have been authorised to do so.

12. **Jurisdiction:** For resolution of any dispute that may arise on the Policy, the aggrieved party shall approach only the courts of law within whose territorial jurisdiction the office of the Company in which the Policy is serviced is situated.