

# With You, Through Life.



## **Exide Life** **New Fulfilling Life**

- Life Cover till Age 85
- Tax Free<sup>1</sup> Wealth Creation
- Get Money Back as You Pay Premium
- Consistent Bonus Track Record\*

\*Conditions apply

<sup>1</sup>As per prevailing income tax laws

# Exide Life New Fulfilling Life

## A non-linked Participating Life Insurance Plan

### What Exide Life New Fulfilling Life is all about?

When it comes to financial planning, we need to prepare for many needs. Our financial plan should have the following essential elements:

- Protection against any emergency or unforeseen events,
- Accumulation of inheritance to be passed on for the next generation,
- Systematic and disciplined method of saving,
- Arranging for small sums of money to meet your short term needs,
- Safe returns, and
- Tax efficiency of the financial plan

It is often difficult to get all these in one plan. However, Exide Life New Fulfilling Life brings all of the essentials to you as one package. This plan helps you create wealth to be passed on to the younger generation while giving you small sums of money in periodic intervals. In addition, it also provides a substantial life insurance cover with income tax benefits. This plan is your ideal savings tool for long term financial goals.

This product is oriented towards combination of savings as well as protection. This is a participating endowment assurance plan which means that Exide Life Insurance will invest money on your behalf and you will have a share in the profits of company's participatory fund which comes to you through bonuses declared by the Company. This plan is best suited for anyone who wants moderate but steady and guaranteed benefits and is generally of risk averse nature.

### Key benefits

- Periodic survival benefits
- Lifelong cover
- Double Sum Assured
- Safe returns
- Income tax benefits

### How the plan works

Step 1	Choose the Premium payment term, Sum Assured and premium payment frequency
Step 2	Based on the chosen parameters and your age, the premium will be arrived at. Alternatively, based on premium and other parameters chosen, Sum Assured will be determined.
Benefits	At pre decided frequency, survival benefits will be paid. In case of maturity of the policy, Maturity Benefit will be paid. In case of unfortunate demise, Death Benefit will be paid.

### Eligibility conditions

Minimum Age at Entry	15 years age last birthday
Maximum Age at Entry	50 years age last birthday (for PPT 12, 16 or 20 years) 46 years age last birthday (for PPT 24 years)
Minimum Sum Assured	For 12 PPT:- ₹115,942 For 16 PPT:- ₹75,642 For 20 PPT:- ₹96,339 For 24 PPT:- ₹148,331
Maturity Age	85 years age last birthday
Maximum Premium Cessation Age	70 Years age last birthday
Policy Term	85 years minus age at entry
Premium Payment Term (PPT)	12, 16, 20 or 24 years

Minimum Premium (₹)	PPT/Mode	Annual (₹)	Monthly** (₹)
		12 Years 16, 20 or 24 Years	24,000 12,000
Maximum Premium (₹)	No Limit, subject to underwriting		
Premium modes	Annual and Monthly		

## Plan benefits

### Survival benefit:

Exide Life New Fulfilling Life provides for a survival benefit every few years. This amount ensures you are able to take care of any short term financial goals. The frequency of these benefits depends on the Premium Payment Term chosen as mentioned in the table below:

Percentage of sum assured paid	End of year			
	12 year PPT	16 year PPT	20 year PPT	24 year PPT
20%	3	4	5	6
20%	6	8	10	12
20%	9	12	15	18
40%	12	16	20	24

Thereby, a total of 100% of Sum Assured is paid to you during the premium payment term chosen by you. After the completion of premium payment term, the policy continues with full life cover and the policy continues to accumulate bonuses till policy maturity date.

### Maturity benefit:

On Survival to maturity, i.e. after attaining 85 years of age, the following sums are paid as Maturity Benefit:

Sum Assured (Guaranteed)
+
Vested Bonus, if any (Non Guaranteed)
+
Terminal Bonus, if any (Non Guaranteed)

Thus, Exide Life New Fulfilling Life ensures you get double Sum Assured. 100% of Sum Assured is paid as survival benefit during the premium payment term and another 100% of Sum Assured is paid on policy maturity along with bonuses, if any. Subject to payment of all the due premiums, the Maturity Benefit including survival benefits already paid will never be less than 105% of the premiums paid.

### Death benefit:

This plan provides you lifelong cover (85 years). In case of death of life assured before policy maturity date, following sums are paid as death benefit subject to policy being in force:

Guaranteed Death Benefit (Guaranteed)
+
Vested Bonus, if any (Non Guaranteed)
+
Terminal Bonus, if any (Non Guaranteed)

This is in addition to any survival benefits you would have already received. Under all circumstances, the Death Benefit will never be less than 105% of total premiums paid till date of death excluding GST and premiums paid for extra mortality loadings, if any.

**Guaranteed death benefit** is higher of Sum Assured or 10 times the annualised premium for Base Policy, excluding GST and premiums paid for extra mortality loading, if any.

## Other benefits

### Bonus:

Bonuses represent your share in the profits of company's participating fund. Bonus is calculated on the Sum Assured in the policy. Bonuses are therefore not guaranteed and are based on fund's performance. Exide Life New Fulfilling Life provides two kinds of bonuses:

- **Simple reversionary bonus:** Exide Life Insurance may declare bonus as a percentage of Sum Assured which will be attached to your policy and will be paid at death or maturity of the policy whichever is earlier.
- **Terminal bonus:** Exide Life Insurance may also declare a terminal bonus from 25th policy year and is payable at maturity of policy or death of the life assured.

Exide Life Insurance has declared healthy bonuses in the past and will endeavor to do so in the future. The track record of bonus for Exide Life Insurance's products is available for reference on the Company website.

### Loan benefit:

Under this plan, you can also avail a loan under the Policy if you have an urgent need for cash. The loan will be available after the completion of your Premium Payment Term.

### Income tax benefit:

Policyholder may be eligible for tax benefits under following sections of the Income Tax Act, 1961, subject to provisions contained therein

- U/S 80C of the Income Tax Act 1961 on your premiums
- U/S 10(10D) of the Income Tax Act 1961 on the survival benefits received
- U/S 10(10D) of the Income Tax Act 1961 on the maturity proceeds of your policy\*

\*The aforesaid tax benefits are subject to change in tax laws and to the terms set out in the said Sections. We therefore urge you to carefully analyze in consultation with your tax advisor the benefits/tax implications, if any that may arise on investing in this policy.

### Discount for high premiums:

With Exide Life New Fulfilling Life, we reward you with a premium discount if you pay higher premiums. The applicable premiums slabs and discount rates are mentioned below:

Annualised premium	Discount rate
First ₹24,000	0%
Next ₹12,000	4%*
Next ₹12,000	6%
Next ₹12,000	8%
Any excess over the above	9%

\*For 12 year premium payment term, the slab with discount rate of 4% is not applicable.

## Benefit illustration

This is an indicative Illustration of how your money could grow with Exide Life New Fulfilling Life.

Age at entry (yrs.)	Policy term (yrs.)	Annual premium (₹)	Sum assured (₹)	Maturity benefit (₹) including survival benefit assuming investment return of 4%**	Maturity benefit (₹) including survival benefit assuming investment return of 8%**
35	12	48,000	3,52,206	7,04,413	24,83,054
35	16	36,000	3,39,073	6,78,146	23,90,465
35	20	30,000	3,54,516	7,09,033	24,99,341
35	24	24,000	3,34,331	6,68,662	2,357,032

**Please note:** GST and applicable cess shall be charged extra as per applicable rates.

\*\*The values depicted with assumed rate of returns @ 4% and 8% p.a. are not guaranteed and they are not the upper or lower limits of returns of what one can expect and that the returns are subject to number of factors including future investment performance.

## Terms and conditions

### Grace period:

Grace Period is an extra time period after the premium payment due date which is provided to you for your convenience in paying the premium. Grace period is 30 days for annual premium payment frequency and 15 days for monthly premium payment frequency.

### Lapse:

If the Regular Premium is not paid within the grace period, the Policy shall lapse and have no further value except as described below.

If at least one full year's premium has been paid and less than three full years' premiums have been paid, the nominee will be eligible for death benefit which will be equal to surrender value as applicable and the Policy terminates.

### Reduced paid-up:

If at least three full years' premiums have been paid and further premiums are unpaid and the policy is not surrendered, the policy will acquire a reduced paid-up state on the date of expiry of grace period. Once the policy becomes reduced paid-up, the benefit under the policy will be reduced as per the formulas mentioned below:

Reduced Paid-Up Death Benefit	=	$\frac{\text{Number of premiums paid}}{\text{Total Number of premiums payable}}$	x (Guaranteed Death Benefit) + Accumulated Bonus, if any
Reduced Paid-Up Survival Benefit	=	$\frac{\text{Number of premiums paid}}{\text{Total Number of premiums payable}}$	x (Sum assured of basic policy) + Survival Benefits already paid
Reduced Paid-Up Maturity Benefit	=	$\frac{\text{Number of premiums paid}}{\text{Total Number of premiums payable}}$	x (Sum assured of basic policy) + Accumulated Bonus, if any

A reduced paid-up policy will not be eligible for bonuses declared after premium discontinuance.

### Reinstatement:

Policy can be reinstated during the policy term but within a period of two years from the date of first unpaid premium by submitting the proof of continued insurability to the satisfaction of the board approved underwriting policy and making the payment of all due premiums together with payment of reinstatement charge at such rate as may be prevailing at the time of the payment. The reinstatement charge is a percentage of the due premiums and the current reinstatement charge is 9% per annum compounded semi-annually. If needed the company may refer it to its medical examiner in deciding on reinstatement of lapsed policy.

### Surrender:

In order to honour unexpected commitments or needs, a Surrender option is available. This policy can be surrendered if at least one full year's premium is paid. The surrender benefits are payable immediately on surrender or at the end of the third policy year, whichever is later. All benefits under the policy shall automatically terminate upon payment of surrender benefit.

The surrender benefit is higher of the Special Surrender Value (SSV) or the Guaranteed Surrender Value (GSV), after deduction of any loans under the Policy. GSV and SSV are as follows:

### Guaranteed Surrender Value (GSV)

If at least one full year's premium has been paid, the policy acquires a GSV. GSV depends on the year of Surrender. GSV is the sum of the following:

1. GSV Factor 1 multiplied by the total amount of premiums paid excluding the applicable taxes and premium for extra mortality rating, if any minus survival benefits already paid.
2. GSV Factor 2 multiplied by the total vested bonus accrued to the policy, if any.

The GSV Factors increase with the policy duration and are provided in the table below:

Policy year	GSV factor 1 (As a percentage of premiums paid)	GSV factor 2 (As a percentage of vested bonus)	Policy year	GSV factor 1 (as a percentage of premiums paid)	GSV Factor 2 (as a percentage of vested bonus)
1	10.00%*	00.00%*	9	55.00%	15.00%
2	20.00%*	00.00%*	10	55.00%	15.00%
3	30.00%	10.00%	11	60.00%	20.00%
4	50.00%	15.00%	12	60.00%	20.00%
5	50.00%	15.00%	13	60.00%	20.00%
6	50.00%	15.00%	14	65.00%	20.00%
7	50.00%	15.00%	15 Onwards	70.00%	30.00%
8	55.00%	15.00%			

\*If all premiums have not been paid for at least 3 full years then the applicable GSV Factor 1 would be 10% for one full year premium paid and 20% for two full years' premiums paid irrespective of the policy year in which the policy is surrendered. GSV Factor 2 would be fixed 0% irrespective of the policy year in which the policy is surrendered.

## Special Surrender Value (SSV):

If at least three full years' premiums have been paid the policy may acquire a Special Surrender Value. SSV, at no point of time, will be lesser than the GSV. SSV will be declared by Company from time to time.

For e.g. for a policyholder with entry age of 35 years; Premium of ₹36,000 annually, premium payment term of 16 years and Sum Assured of ₹3,39,073, the surrender value (assuming that he has paid 7 premiums and surrenders at the end of 7th policy year and assuming that simple reversionary bonus of 7.5% p.a. has been declared since policy inception) is calculated as follows:

GSV as a percentage of premiums paid = 50% of all the premiums paid minus survival benefits already paid = 50% of (₹36,000 × 7) – 67,815 = ₹58,185, plus

GSV as a percentage of vested bonus = 15% of vested bonus = 15% of (₹3,39,073 × 7.5% × 7 years) = ₹26,702.

Total GSV = ₹58,185 + ₹26,702 = ₹84,887

SSV = Applicable SSV factor × (Sum Assured + Vested Bonus)/1000 = 232.36 × (₹3,39,073 + ₹1,78,013)/1000 = ₹1,20,150.

The surrender value is higher of GSV or SSV and hence is equal to ₹1,20,150.

All benefits under the policy shall automatically terminate upon payment of Surrender Value.

## Free look period:

In case you disagree with any of the terms and conditions of the policy, you have the option to cancel the policy by writing to the company stating the reasons for disagreement with the policy terms and conditions and return the original policy document to the company within 15 days of the receipt of the Policy Document. In case of such cancellation, the premiums you have paid will be refunded after deducting the medical examination fees (if any), stamp duty charges and proportional charges towards Insurance risk cover. In case the policy is sourced through Distance Marketing<sup>#</sup> the free look period is 30 days from the receipt of the policy document.

<sup>#</sup>Distance marketing includes solicitation through all modes other than in person.

## Suicide:

If the Life Assured commits suicide for any reason whether sane or insane within one year from date of commencement or within one year from the date of reinstatement of the policy, the company will not be liable to pay the benefits under the policy other than what is specified below:

Death occurs within one year from date of commencement: 80% of premium paid, excluding GST.

Death occurs within one year from date of reinstatement: Higher of 80% of Premium paid excluding GST or Surrender Value as on date of death.

## Modal factors:

You may choose to pay your premiums annually or by the monthly mode.

Following factors are applied to premium for different premium paying modes.

Mode of premium	Multiplicative factor
Monthly	1
Yearly	11.01

<sup>#</sup>For monthly mode: 3 Monthly premiums to be collected on the date of commencement of the policy. We will ensure compliance with respect to the Section 15 of the "Clarifications on IRDAI (Non-Linked products) Regulations, 2013" circular or any other regulation applicable from time to time.

## Alterations:

No alterations are allowed to the benefits payable under this Policy.

## Assignment:

Assignment should be in accordance with provisions of sec 38 of the Insurance Act 1938 as amended from time to time.

**[A Leaflet containing the simplified version of the provisions of Section 38 is enclosed in Annexure - (1) for reference]**

## Nomination:

Nomination should be in accordance with provisions of sec 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]**

## Other provisions:

The policy can be proposed by the natural parents or legal guardian, who has an insurable interest on the child. In case of death of the proposer during the minority of the Life Assured, the premiums can continue to be paid by the natural parents or legal guardian, who has insurable interest in the child and the policy will continue. In case no further premiums are being paid the normal policy norms are applicable and the proceeds of the policy, if any, shall be payable to the legal guardian of the minor.

## Risk factors

- a) Exide Life New Fulfilling Life is a Non-Linked, Participating Life Insurance Product.
- b) Exide Life Insurance Company Limited is only the name of the Insurance Company and Exide Life New Fulfilling Life is only the name of the product and does not in any way indicate the quality of the product, its future prospect or returns.
- c) This product guarantees the survival benefit, maturity benefit, surrender benefit and death benefit. However the benefits are subject to all premiums being paid on time and bonuses are not guaranteed and depend on availability of sufficient surplus in participating fund.
- d) Past performance is not an indication for the future performance.
- e) The purpose of this brochure is to provide a general overview about this policy. The information herein is indicative of the terms, conditions, warranties and exceptions contained in the policy terms and conditions of Exide Life New Fulfilling Life. Please refer to the policy terms and conditions to understand in detail the associated risks, benefits, etc.
- f) In the event of any inconsistency/ ambiguity between the terms contained herein and the policy terms and conditions, the policy terms and conditions will prevail.
- g) The acceptance of the proposal shall be subject to prevailing board approved underwriting policy.

### Section 41: Prohibition of Rebate

Under the provisions of Section 41 of the Insurance Act, 1938

- (1) No person shall allow or offer to allow, either directly or indirectly, as an inducement to any person to take 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:
- (2) Any person making default in complying with the provisions of this section shall be punishable with fine which may extend to ten lakh rupees.

### Fraud, Misrepresentation and forfeiture:

Fraud, Misrepresentation and forfeiture would be dealt with in accordance with provisions of Sec 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]**

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## About Exide Life Insurance Company Limited (As on 31<sup>st</sup> March 2018)

Exide Life Insurance Company Limited, an established and profitable life insurance company, commenced operations in 2001-02 and is headquartered in Bengaluru. The company is 100% owned by Exide Industries Limited. The company serves over 15 lakh customers and manages assets of over ₹12,500 Crores. During the financial year 2017-18, the company achieved Total Premium Income of over ₹2,500 crores and delivered ₹60 crores in Profits (PBT).

Exide Life Insurance distributes its products through multi-channels viz. Agency, Banc assurance, Corporate Agency & Broking, Direct Channel and Online. The Agency channel comprises of 45,000+ advisors who are attached to over 200 company offices across the country. The company also offers group life insurance solutions.

The company is focused on providing long term protection and savings solution plans and has a strong traditional product portfolio with a consistent bonus track record.

The company has ISO 9001:2008 quality certification for all Customer Service processes and the ISO/IEC 27001:2013 for information security management.

For more information, please visit our website [exidelife.in](http://exidelife.in)

## Our Shareholders

**About Exide Industries Limited** - Exide is India's largest manufacturer of electric storage batteries and its biggest power-storage solutions provider with a market capitalization of over ₹20,000 crores\*. Since its introduction in India more than a hundred years ago, Exide remains the foremost and the most trusted battery brand in India. The century old brand equity is backed by a robust nation-wide network of 48,000-plus outlets and 180 plus sales & service touch points. (\*As on 31<sup>st</sup> March 2018).

With 7 world-class battery manufacturing factories across India, the range of products offered by the company covers everything from the smallest batteries required in motorcycles to the giant batteries powering submarines. After all, India moves on Exide.

To know more about this product, please contact our nearest Branch Office.  
Or call us at 1800 419 8228 or visit [exidelife.in](http://exidelife.in)

Exide Life New Fulfilling Life UIN: 114N024V03. For more details on risk factors, terms and conditions, please read the sales brochure of the mentioned product carefully before concluding the sale. Exide Life Insurance Company Limited is a wholly owned subsidiary of Exide Industries Limited. The trademark "Exide" is owned by Exide Industries Limited and licensed to Exide Life Insurance vide Trademark license agreement dated 30th October 2014. Exide Life Insurance Company Limited. IRDAI Registration number: 114, CIN: U66010KA2000PLC028273, Registered Office: 3rd Floor, JPTechno Park, No.3/1, Millers Road, Bengaluru - 560001; Toll Free: 1800 419 8228; Visit: [exidelife.in](http://exidelife.in); ARN : EXL/2018-19/COLL/127.

**Beware of Spurious/ Fraud Phone Calls: IRDAI is not involved in activities like selling insurance policies, announcing bonus or investment of premiums. Public receiving such phone calls are requested to lodge a police complaint.**



### Section 38 - Assignment and Transfer of Insurance Policies:

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:

01. This policy may be transferred/assigned, wholly or in part, with or without consideration.
02. 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.
03. 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.
04. The assignment must be signed by the transferor or assignor or duly authorized agent and attested by at least one witness.
05. 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 there of certified to be correct by both transferor and transferee or their duly authorised agents have been delivered to the insurer.
06. Fee to be paid for assignment or transfer can be specified by the Authority through Regulations.
07. 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.
08. 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.
09. 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 policy

Such 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 Laws (Amendment) Ordinance, 2014 shall not be affected by this section.

**[Disclaimer: This is not a comprehensive list of amendments. Policyholders are advised to refer to Section 38 of the Insurance Act, 1938, as amended from time to time for complete and accurate details.]**

**Section 39 - Nomination by policyholder:**

Nomination of a life insurance policy should be 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:

01. 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.
02. 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.
03. Nomination can be made at any time before the maturity of the policy.
04. 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.
05. 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.
06. 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.
07. Fee to be paid to the insurer for registering change or cancellation of a nomination can be specified by the Authority through Regulations.
08. 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.
09. 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 them

the 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 Laws (Amendment) Ordinance, 2014 (i.e 26.12.2014).
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 Laws (Ordinance) 2014, 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.

**[Disclaimer: This is not a comprehensive list of amendments. Policyholders are advised to refer to Section 39 of the Insurance Act, 1938, as amended from time to time for complete and accurate details.]**

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

Nomination of a life insurance policy should be 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:

01. 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 policy

whichever is later.

02. 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 policy

whichever 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.

03. 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.

04. 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.

05. 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.

06. 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.

07. 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.

08. 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.

09. 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. Policyholders are advised to refer to Section 39 of the Insurance Act, 1938, as amended from time to time for complete and accurate details.]**