

# Future Generali NAV Insure Plan

IN THIS POLICY, THE INVESTMENT RISK IN INVESTMENT PORTFOLIO IS BORNE BY THE POLICY HOLDER

## **Now a double headed coin to make you a Guaranteed Winner.**

Now life insurance comes with safety net to take care of downside when markets turn volatile. Is it too unrealistic to dream of an insurance plan which gives you benefit of investing conservatively in markets? Not really any more. The Future Generali NAV Insure Plan ensures that your investments always stand on your side to benefit, no matter how the markets are.

### **1. KEY FEATURES OF FUTURE GENERALI NAV INSURE PLAN**

- Investment cum Insurance plan to provide financial security to your family and at the same time providing upside of the market related returns with safety net to guard your investments.
- 4.25% Premium Allocation Charge and 4% Policy Admin Charge for Rs. 25,000 Regular Premium in the first year.
- Guarantee of the highest of daily NAVs tracked during the first seven years payable on Maturity
- Flexi plan where you can decide your premium amount, premium payment term , frequency of premium payment , extent of life cover to match your convenience

### **2. HOW DOES IT WORK?**

#### **Step 1: Decide your premium amount**

You have to first decide the amount you want to invest as premiums under the policy.

#### **Step 2: Decide your suitable frequency of Premium payment and Premium Paying Term**

Depending on your financial planning, you may decide a premium payment term and frequency of premium payment most ideal to you

#### **Step 3: Decide the extent of life cover (Sum Assured) you want**

Choose your sum assured multiple as desired from the table

The Premium paid by you, after deduction of applicable charges is automatically invested into the NAV Guarantee Fund. The objective of this fund is to provide protection to your assets through systematic asset allocation & dynamic rebalancing and thereby provide you the best possible returns. Guaranteed

maturity NAV will be offered by Future Generali India Life Insurance Co. Ltd. based on the highest of daily business day NAVs tracked from the date of launch of the product till the end of seven years from the completion of the subscription period.

### 3. **YOUR BENEFITS.**

#### 3.1 **Maturity Benefit:**

On maturity of the Policy the Fund Value of NAV Guarantee Fund as on the date of maturity is payable to the life assured.

Fund value of NAV Guarantee Fund will be calculated based on NAV which is Higher of

- NAV as on date of maturity or
- The Guaranteed Maturity NAV (Based on the highest of daily business day NAVs tracked from the date of launch of the product till the end of seven years from the completion of the subscription period)

#### 3.2 **Loyalty Additions**

- Loyalty additions are available under NAV Insure – Single Premium only.
- 3% of the fund value calculated at prevailing NAV will be added as loyalty additions to the policy at the end of the sixth policy year. Loyalty additions henceforth become part of the fund value which is available to customer in case of death, surrender or maturity of the policy.

#### 3.3 **Death Benefit**

In case of demise of the life assured the Sum Assured *plus* fund value is payable, subject to a minimum of 105% of the total premiums paid till date. The same is payable in case of demise of the life assured during the revival period.

If the proposer predeceases the life assured during the minority of the life assured, no benefit will be payable. A new Proposer may be appointed. However in rare situation where a proposer is not available then the policy proceeds would be paid as per the laws of the succession. The policy proceeds in case of discontinuance of policy, will be paid as per the Non Forfeiture Clause mentioned below

### 4 **YOUR INVESTMENTS**

Your premium is invested in NAV Guarantee Fund.

## NAV Guarantee Fund

**Objective:** To provide capital protection and optimum returns based on model involving systematic asset allocation and dynamic rebalancing

Composition	Min.	Max.	Risk Profile
Fixed Income including Money Market Instruments	0%	100%	Low to Medium
Equity Instruments	0%	100%	

The fund offered under this contract is only the name of the fund, and does not in any way indicate the quality of fund, its future prospect and expected returns.

The Company shall select the investments, including derivatives and units of mutual funds, by each fund at its sole discretion subject to the investment objectives for the respective plan and the relevant IRDA regulations.

### 5 **FLEXIBILITY UNDER YOUR PLAN:**

- 5.1 Increase / Decrease in Sum Assured:** The sum assured may be increased at any stage subject to maximum multiples and underwriting criteria applicable. The sum assured may also be decreased at any stage subject to the minimum limits as stated below. However the premium will not be changed and remain same as at inception of the policy.
- 5.2 Surrender :** The policy can be surrendered any time during the policy term. If the policy is surrendered before the completion of 5 policy years, the surrender value equal to fund value less applicable discontinuance charge (if any) will be kept in Discontinued Policy Fund & no subsequent charges will be deducted. The surrender value will accrue a minimum interest rate of 3.5% p.a. while it is in Discontinued Policy Fund and is paid after the lock in period of 5 years from the policy commencement date. In case of surrender of policy after loyalty additions have been infused into the fund, the total fund value becomes payable as Surrender Value.
- 5.3 Partial Withdrawal:** Not allowed under this policy.
- 5.4 Loan:** Not allowed under the policy.
- 5.5 Top-ups:** Not allowed under this policy.

## 6 CHARGES UNDER YOUR POLICY

### 6.1 Premium Allocation Charge

The premium allocation charge will be deducted from the premium amount at the time of premium payment and the remaining premium will be used to purchase units in investment fund.

#### Regular Premium:

Policy Year	Allocation charge as a % of Regular Premium ( for Premium Payment Term of 5 yrs & 7 yrs)	
	For Rs. 25,000 Regular Premium	For Rs. 100,000 Regular Premium
Year 1	4.25%	7.5%
Year 2 - year 5	3%	5%
Year 6 onwards	2%	2%

#### Single Premium:

Premium Amount (Rs.)	Allocation Charges as % of Single Premium
1,00,000 and above	5%

### 6.2 Fund Management Charge

Fund Management Charge will be charged at the time of computation of the NAV, which will be done on a daily basis. This will be charged as a percentage of the value of the assets and will be adjusted towards the NAV.

Fund Management Charge (% p.a.)	
NAV Guarantee Fund	1.25%

Fund Management Charges are deducted on daily basis at 1/365th of the annual charge in determining the unit price

The company may change the fund management charges from time to time subject to regulatory provisions and approval.

### 6.3 Charge towards NAV Guarantee

A charge of 0.75% p.a. of fund value towards NAV guarantee will be charged at the time of computation of the NAV, which will be done on a daily basis. This will be charged as a percentage of the value of the assets and will be adjusted towards the NAV.

This charge will be deducted on a daily basis at 1/365th of the annual charge in the determining the unit price.

#### 6.4 Policy Administration Charge

For Regular Premium Policies:

For Rs. 25,000 Regular Premium :

Policy Year	Policy Administration Charges as % of annualised premium
Year 1	4.0%
Year 2 onwards	3.5%

For Rs. 100,000 Regular Premium :

Policy Year	Policy Administration Charges as % of annualised premium
Year 1	2.52%
Year 2 onwards	1.68%

For Single Premium Policies:

Policy Year	Policy Administration Charges
Year 1	Rs. 4,000
Year 2 onwards	Nil

The policy administration charges are determined using 1/12<sup>th</sup> of the annual charges given above and are deducted from the unit account monthly at the beginning of each monthly anniversary of a policy by cancellation of units.

6.5 **Insurance Charge** - Below mentioned are the sample insurance charges for various age groups for Rs.1000 of sum at risk

Age as on last birthday	25 years	35 years	45 years	55 years
Insurance Charge	1.14	1.39	3.27	9.05

#### 6.6 Discontinuance Charge

For Regular Premium Policies

In case of discontinuance of the policy during first 4 policy years, the following charges will apply

Discontinuance during the policy year	Discontinuance Charge For Rs. 25,000 Regular Premium

1	20% of annualized premium or Fund Value whichever is lower, subject to a maximum of Rs. 3,000
2	15% of annualized premium or Fund Value whichever is lower, subject to a maximum of Rs. 2,000
3	10% of annualized premium or Fund Value whichever is lower, subject to a maximum of Rs. 1,500
4	5% of annualized premium or Fund Value whichever is lower, subject to a maximum of Rs. 1,000

Discontinuance during the policy year	Discontinuance Charge For Rs. 100,000 Regular Premium
1	6% of annualized premium or Fund Value whichever is lower, subject to a maximum of Rs. 6,000
2	4% of annualized premium or Fund Value whichever is lower, subject to a maximum of Rs. 5,000
3	3% of annualized premium or Fund Value whichever is lower, subject to a maximum of Rs. 4,000
4	2% of annualized premium or Fund Value whichever is lower, subject to a maximum of Rs. 2,000

#### For Single Premium Policies

There is no Discontinuance Charges on Single Premium policies

#### 6.7 Miscellaneous Charge:

This charge is levied for any alterations within the insurance contract. The charge is expressed as a flat amount levied by cancellation of units. This charge is levied only at the time of alteration and is equal to Rs.250 per alteration.

Service tax will be applicable on charges as per the prevailing tax rules.

#### 7 **ELIGIBILITY CRITERIA:**

<b>Base Plan</b>	
<b>Minimum - Maximum Entry Age</b>	Minimum: 8 years (as on last birthday) Maximum: 60 years (as on last birthday)
<b>Minimum - Maximum Age at Maturity</b>	Minimum: 18 years (as on last birthday) Maximum: 70 years (as on last birthday)
<b>Premium Paying Frequency</b>	Single Premium; For Rs. 25,000 Regular Premium : Yearly & Half-Yearly;

	For Rs. 100,000 Regular Premium : Yearly														
<b>Policy Term</b>	10 years														
<b>Premium Paying Term</b>	Single Premium, 5 years & 7 years														
<b>Minimum Assured Sum</b>	<ul style="list-style-type: none"> <li>➤ For Single Premium: <ul style="list-style-type: none"> <li>○ 1.25 times of Single Premium</li> </ul> </li> <li>➤ For Regular Premium: <ul style="list-style-type: none"> <li>○ For age less than 45 years - 10 of times annualized premium</li> <li>○ For age 45 years &amp; above - 7 of times annualized premium</li> </ul> </li> </ul>														
<b>Maximum Assured Sum</b>	<ul style="list-style-type: none"> <li>➤ For Single Premium: <math>M * \text{Single Premium}</math>, where M is a factor which depends upon the age at entry (of the life assured)</li> </ul> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Age at entry</th> <th>Multiple Factor</th> </tr> </thead> <tbody> <tr> <td>8 to 55 years</td> <td>5</td> </tr> <tr> <td>56 to 60 years</td> <td>3</td> </tr> </tbody> </table> <ul style="list-style-type: none"> <li>➤ For Regular Premium: <math>M * \text{Annualized Premium}</math>, where M is a factor which depends upon the age at entry (of the life assured)</li> </ul> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Age at entry</th> <th>Multiple Factor</th> </tr> </thead> <tbody> <tr> <td>8 to 35 years</td> <td>25</td> </tr> <tr> <td>36 to 44 years</td> <td>15</td> </tr> <tr> <td>45 to 60 years</td> <td>10</td> </tr> </tbody> </table>	Age at entry	Multiple Factor	8 to 55 years	5	56 to 60 years	3	Age at entry	Multiple Factor	8 to 35 years	25	36 to 44 years	15	45 to 60 years	10
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<b>Minimum / Maximum Premium</b>	<ul style="list-style-type: none"> <li>➤ For Single Premium: <ul style="list-style-type: none"> <li>Minimum Premium: Rs. 100,000</li> <li>Maximum Premium: No limit</li> </ul> </li> <li>➤ For Rs. 25,000 Regular Premium <ul style="list-style-type: none"> <li>Yearly - Rs. 25,000/-</li> <li>Half Yearly - Rs 12,500/-</li> </ul> </li> <li>➤ For Rs. 100,000 Regular Premium <ul style="list-style-type: none"> <li>Yearly - Rs. 100,000/-</li> </ul> </li> </ul>														

## 8 **OTHER FEATURES:**

- 8.1 Free Look period:** If you are not satisfied with the terms and conditions under your policy, you may cancel the policy within the free look period of 15 days from the date of receipt of the policy document. We will refund the premium paid subject to the deduction of the proportionate risk premium for the period of cover, the expenses incurred by us towards medical examination, if any, and stamp duties. Where premiums have been allocated to units, the Fund Value as on the date of cancellation will be payable.
- 8.2 Grace Period:** A grace period of 30 days from the premium due date will be allowed for payment of yearly & half yearly premium. The policy will remain in force during the grace period.
- 8.3 Revival:** If any premium remains unpaid at the end of the grace period, then FGILI will send the notice to the policy holder within a period of 15 days from the end of the grace period. The policy holder can revive the policy within 30 days (Revival Period) from the receipt of such notice. All efforts will be made to reach out to policyholder to make sure that he/she receives the notice. However, if he/she is not reachable despite all efforts, it will be deemed as he/she doesn't have any intention to revive the policy.

The revival will be considered on receipt of written application from the policyholder along with the proof of continued insurability of life assured and on payment of all overdue premiums. The revival will be effected on company's discretion and subject to such conditions as the company in its discretion may decide. If the policy is not revived during the revival period, the risk cover on the base policy will cease immediately

- 8.4 Non Forfeiture:** "Discontinuance" means the state of a policy that could arise on account of non-payment of the contracted premium due before the expiry of the revival period as explained above.

The policy will be considered to be in force during the revival period. In case of death of the Life Assured during the revival period, the death benefit as mentioned in "Your Benefits" becomes payable.



- All charges will continue to be deducted till the end of the revival period.
- In case the policy holder does not revive the policy during the stipulated time and the policy is discontinued as complete withdrawal, then the risk cover on the policy ceases immediately.

**Discontinuance of due premiums before completion of 5 policy years:**

- If the policy is discontinued within the first 5 policy years, the Company will then withdraw the fund value of the policy from the segregated funds & credit it to the “Discontinued Policy Fund” of the company after deduction of Discontinuance Charge as mentioned in point 8.5 below. No further charges will be deducted on the policy. The proceeds of the discontinued policy will be paid to the policy holder only after the lock in period of 5 policy years from the policy commencement date along with additions of interest computed at the minimum interest rate of 3.50% p.a. compounded annually.

**Discontinuance of due premiums after completion of 5 policy years:**

- If the policy is discontinued after first 5 policy years, the proceeds of the discontinued policy will be paid to the policy holder after discontinuance.

**8.5 The Date of Discontinuance** is the date on which we receive the intimation from the life assured or policyholder about discontinuance of the policy or on the expiry of notice period whichever is earlier.

**8.6 Lock in Period** means the period of 5 consecutive years from the date of policy commencement date, during which the proceeds of discontinued policy cannot be paid by the insurer to the insured / policy holder except in case of death or upon any contingency covered under the policy

**8.7 Nomination & Assignment:** Provided the policyholder is the life assured, he / she may, at any time before the policy matures for payment, nominate a person or persons as per Sec 39 of the Insurance Act 1938, to receive the policy benefits in the event of his / her death. It is ensured that the nominee has insurable interest in the life of the assured.

The Policyholder can also assign the Policy to a party by filing a written notice to us along with the original Policy document. The assignment should either be endorsed upon the Policy itself or documented by a separate instrument signed in either case by the Assignor stating specifically the fact of assignment. Only the entire policy can be assigned and not individual benefits or any part thereof. Any assignment shall automatically cancel a nomination except the assignment in favour of the Company.

## 8.8 Net Asset Value (NAV) calculation:

**Unit Price:** A unit in each fund has its own price called the Net Asset Value (NAV). The NAV of each fund is calculated on daily basis with the following formula:

### **When Appropriation (Purchasing) price is applied:**

NAV = (Market Value of Investment + Expenses incurred in the purchase of the assets + Current Assets + Accrued Income net of Fund Management Charges and charge towards NAV Guarantee- Current Liabilities - Provisions) / Number of Units outstanding (before any new units are allocated)

### **When Expropriation (Selling) price is applied:**

NAV = (Market Value of Investment - Expenses incurred in the sale of the assets + Current Assets + Accrued Income net of Fund Management Charges and charges towards NAV Guarantee- Current Liabilities - Provisions) / Number of Units outstanding (before any units are redeemed)

### **Allocation / redemption of units:**

In respect of premiums received up to 3.00 p.m. under a local cheque or a demand draft payable at par or by way of cash, the closing NAV of the day on which the premium is received shall be applicable. In respect of premiums received after 3.00 p.m., the closing NAV of the next business day shall be applicable.

In respect of premiums received under outstation cheques/demand drafts, the closing NAV of the day on which the cheques/demand draft is realized shall be applicable

All requests for surrender received up to 3.00 p.m. will be processed at the closing NAV of the day on which the request is received. All such requests received after 3:00 p.m. will be processed at the closing NAV of the next business day.

## 8.9 Tax Benefits

Tax benefits are available as per prevailing tax laws. Please consult your tax advisor for the same

## 9 **EXCLUSIONS & OTHER RESTRICTIONS**

### **Suicide Exclusion**

If the life assured commits suicide within one year from the risk commencement date or revival date, (applicable in case the policy is revived), whether sane or insane at that time, the Company will limit the death benefit to the Fund Value and no insurance benefit will be payable.

However, for certain hazardous occupations and / or pastimes exclusions may be made in specific cases as per company's underwriting policy. Further, such exclusions will be subject to the consent of the policyholder.

## 10 **VARIABILITY OF THE CHARGES**

- The Premium Allocation Charge, & Insurance Charge is guaranteed through out the policy term.
- The Policy Administration Charge can be increased by not more than 5% per annum since inception.
- Discontinuance Charge is subject to change subject to regulatory provision and approval.
- The company may change the fund management charges from time to time subject to regulatory provisions and approval.
- **Charges deducted are subject to Service Tax as per prevailing tax laws.**

A month's notice will be given to the policyholder in case of an increase of charges whenever charges can be increased. The increase, if any, will apply from the policy anniversary coinciding with or following the increase.

Any change in amount or rate of charges as stated above will be subject to IRDA approval.

## 11 **NOTE ON THE RISK OF INVESTMENT IN THE UNITS OF THIS POLICY**

- 1) Unit Linked Life Insurance products are different from the traditional insurance products as in the former, the investment risks in the investment portfolio is borne by the policyholder.
- 2) 'Future Generali India Life Insurance Company' is only the name of the insurance Company and 'Future Generali NAV Insure Plan' is only the name of the unit linked life insurance contract and does not in anyway indicate the quality of the contract, or its future prospects of return.
- 3) Please know the associated risks and the applicable charges, from your Insurance agent or the Intermediary or policy document of the insurer.
- 4) The fund offered under this contract is the name of the fund and do not in any way reflect their quality, their future prospects and returns.
- 5) The premium paid in unit linked life insurance policies are subject to market risks associated with the capital markets. The unit prices are not guaranteed and may go up and down depending on market conditions.

- 6) Past performance of the funds is no indication of future performance which may be different.
- 7) All premiums/benefits payable under this plan are subject to applicable laws and taxes including service tax, as they exist from time to time.

**Prohibition on Rebates:**

**Section 41 of the Insurance Act, 1938 states:**

(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:

**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 subsection if at the time of such acceptance the insurance agent satisfies the prescribed conditions establishing that he is a *bona fide* insurance agent employed by the insurer.

(2) Any person making default in complying with the provisions of this section shall be punishable with fine which may extend to five hundred rupees.

**Non-Disclosure:**

**Section 45 of Insurance Act, 1938 states:**

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 statement made in the proposal 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 policy-holder and that the policy-holder 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.

Future Generali India Life Insurance Company Limited  
Regn. No.: 133