

FUTURE GENERALI GUARANTEE ADVANTAGE PLAN

Life inspires us to look ahead, for a better future, for better investments.

Change is the rule of life. Times change and with each passing phase, needs keep getting bigger, the list of desires keep getting longer.

We understand the demands of changing times. So we ensure that you get most out of your hard earned money. Unpredictable market conditions should not decide the returns from your investments. That's why we strive hard, so that you have assurance of accelerated guaranteed returns while you enjoy the moments of life.

We offer you "Future Generali Guarantee Advantage Plan" which offers host of flexibilities to change your insurance plan with your ever changing needs.

1. **KEY FEATURES**

- This is a non linked, non participating plan.
- Provides Assured Loyalty Additions ranging from 60% to 325% of the first year annual premium payable on maturity or at earlier death if occurs after 8 years from policy commencement, provided all due premiums are paid.
- On death other than accidental, sum assured + Policy Account Value + Assured Loyalty Additions (if eligible) is payable to the nominee.
- On death due to accident provided life assured is above age 18, 3 times sum assured + Policy Account Value + Assured Loyalty Additions (if eligible) is payable to the nominee.
- On maturity, Policy Account Value + Assured Loyalty Additions (if eligible) is payable to the life assured.
- Separate account namely Policy Account will be maintained at policyholder level.
- Investment Return will be declared in advance by the company every quarter.
- Partial withdrawal can be made after 3rd policy year. No partial withdrawals will be allowed in the last 5 years of the policy.

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. The minimum amount of annual premium is Rs 6,000.

Step 2: Decide your Sum Assured

Your Sum Assured depends on the amount of premium that you decide to pay. The minimum Sum Assured is 5 * annualized premium.

Step 3: Decide your policy term

You have to decide the policy term of 10 yrs, 15 yrs, 20 yrs, 25 yrs or 30 yrs for which you would like to avail the benefits of the policy. You have to pay the premium through out the policy term. Depending upon your financial planning, you can decide the policy term.

3. **YOUR BENEFITS.**

3.1 Maturity Benefit:

On the maturity of the policy the Policy Account Value as on the date of Maturity plus the Assured Loyalty Additions are payable to the life assured

3.2 Death Benefit

Prior to Risk Commencement

In an unfortunate demise of the life assured either natural or due to accident, prior to the commencement of risk under the policy, we will pay the Policy Account Value plus Assured Loyalty Additions (if eligible) to the nominee.

After Risk Commencement

Death other than accidental

In an unfortunate demise of the life assured after the commencement of risk,

- the Sum Assured plus the Policy Account Value plus Assured Loyalty Additions (if eligible) are payable to the nominee.

Death due to accident

In an unfortunate demise of the life assured due to an accident after attaining age 18 years,

- 3 times Sum Assured plus the Policy Account Value plus Assured Loyalty Additions (if eligible) are payable to the nominee.

Note:

- No additional accidental death benefit is payable under the policy if the life assured is a minor at the time of death
- 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.
- The Date of Commencement of Risk would be the date of issue of first premium receipt. If life assured is below age 10 at the time of policy issuance, risk under the policy will commence from the later of
 - The policy anniversary falling after life assured attains 10 years of age
 - 2 policy years after commencement of the policy

3.3 Assured Loyalty Additions

On maturity of the policy, the life assured receives the Assured Loyalty Additions as a percentage of first year premium depending upon the policy term. Assured Loyalty Addition is available at maturity if the policy is in force. After the 8th policy anniversary, if death occurs anytime before the maturity date and the policy is in force at time of death, assured loyalty addition is available. The Assured Loyalty Additions are as under

Policy Term	Assured Loyalty Additions (as % of First year Premium)
10 years	60%
15 years	110%
20 years	165%
25 years	265%
30 years	325%

Eligibility Condition; The Assured Loyalty Additions are payable on in-force policy at maturity or at earlier death after 8 years from policy commencement.

4 **INVESTMENT RETURN**

Interest rate will be declared for each quarter in advance for the next 3 months i.e. January to March, April to June, July to September and October to December. The interest applying the declared rate will be accrued to the Policy Account every month.

The interest rate is guaranteed for the quarter for which it is declared, for existing Policy Account Value. However for new premiums, (Whether from existing policies or new policies), it is not guaranteed and can change in case of extreme fluctuations in interest rate. In that case the company will declare a new rate applicable to the new premiums for the rest of the quarter.

5 **POLICY ACCOUNT VALUE (PAV)**

From the premium paid, the allocation fee gets deducted and the balance Premium is invested in Policy Account Value. All applicable fees will be deducted from the PAV at every monthly anniversary of the policy.

6 **FLEXIBILITY UNDER YOUR PLAN:**

6.1 Surrender: Surrender can be made any time during the policy term. If policy is surrendered before the end of 3 policy years, the surrender value equal to Policy Account Value less applicable surrender penalty and Market Value Reduction (MVR) if applicable will be kept frozen on date of surrender & no subsequent fees will be deducted & that surrender value will be paid at completion of 3 years. Assured Loyalty Additions are not payable on surrender.

6.2 Partial Withdrawal: The policy holder can make partial withdrawals only after completion of 3 full policy years. One partial withdrawal is allowed per policy year. The minimum amount that can be withdrawn is Rs.2,000/- (in multiple of '000). The maximum amount that can be withdrawn per year is 10% of the Policy Account Value. Partial withdrawals are not allowed in the last 5 years of the policy.

Partial withdrawal can be made if the attained age of the life assured at the time of withdrawal is 18 years or above, or by the proposer during his/her lifetime if the life assured is a minor. The PAV after a partial withdrawal should be at least equal to one year's annualized premium.

Partial withdrawal is subject to surrender penalty & Market Value Reduction (MVR), if applicable.

6.3 Decrease in Sum Assured: A decrease in sum assured is allowed subject to minimum conditions under the plan. However, the premium will not be reduced and remain same.

7 **FEES/ PENALTY UNDER YOUR POLICY**

7.1 Allocation Fees

The allocation fees are deducted from the premium amount at the time of premium payment and the remaining premium will be invested in the Policy Account for Accrual

The allocation fees is as per the table below

Policy Term	1st year	2nd & 3rd year	4th - 10th year	11th year onwards
10	15%	8%	2%	Nil
15	60%			
20	78%			
25	78%			
30	78%			

The allocation fee is subject to service tax (if any).

7.2 Investment Management Fees

An account administration fees is levied @1.25% p.a. on policy account. It is applied using 1/12th of the annual fees and is deducted from the Policy Account on each monthly anniversary. The fee is subject to service tax (if any).

7.3 Policy Administration Fees

For first policy year - Rs.480 per annum

From the second policy year onwards: Rs 720 per annum

It is levied using 1/12th of the annual fees and is deducted from the Policy Account on each monthly anniversary

The fee is subject to service tax (if any).

7.4 Insurance Fees - Below mentioned are the sample insurance fees for lives for 1000 sum assured.

Age	25	35	45	55
Insurance fees	2.53	2.88	5.36	13.06

7.5 Partial Withdrawal Fees: One partial withdrawal is allowed per policy year. And is subject to surrender penalty and MVR as applicable at the time of withdrawal.

7.6 Surrender Penalty: On Surrender of the Policy Account Value, the Surrender value shall be obtained after applying the surrender Penalty as under

No of Completed Policy Years	Surrender Penalty as a % of Policy Account Value
Year 1 or less	100%
More than 1 but less than or equal to 2 yrs	50%
More than 2 but less than or equal to 3 yrs	35%
More than 3 but less than or equal to 4 yrs	20%
More than 4 but less than or equal to 5 yrs	10%
More than 5 years	Nil

The surrender value is subject to **Market Value Reduction factor**.

Fluctuations in market interest rate bring in volatility in value of assets in the portfolio of this plan. Surrender of policies after erosion in portfolio value affects the interests of continuing policyholders. To avoid this, Market Value Reduction (MVR) will be applied on surrender, if required.

The **Market Value Factor (MVR)** factor is given by the formula as under,

$$\text{MVR} = 1 - \text{Market value} / \text{Book Value}$$

7.7 Miscellaneous Fees: A fee of Rs 250 per alteration is levied on any alterations such as change in premium mode etc. The fee is expressed as flat amount and deducted from the Policy Account at the time of alterations. The fee is subject to service tax (if any)

8 **ELIGIBILITY CRITERIA:**

Minimum - Maximum Entry Age	Minimum: 0 years (as on last birthday) Maximum: 60 years (as on last birthday)										
Minimum - Maximum Age at Maturity	18 years to 70 Years										
Premium Paying Frequency	Yearly & Half-Yearly										
Policy Term	10 yrs, 15 yrs, 20 yrs, 25yrs & 30yrs. The policy term shall be such that the life assured is a major at the time of maturity of the policy										
Premium Paying Term	Equal to Policy Term										
Minimum Sum Assured	5 times Annual Premium										
Maximum Sum Assured	M*First Year Annual Premium, where M is a factor which depends upon the age at entry (of the life assured) <table border="1" data-bbox="721 1136 1432 1327"> <thead> <tr> <th>Age at Entry (last birthday)</th> <th>Multiple Factor</th> </tr> </thead> <tbody> <tr> <td>0 to 40 years</td> <td>25</td> </tr> <tr> <td>41 to 45 years</td> <td>15</td> </tr> <tr> <td>46 to 50 years</td> <td>10</td> </tr> <tr> <td>51 to 60 years</td> <td>5</td> </tr> </tbody> </table> <p>The maximum sum assured that can be opted for under this plan is Rs 25 lakhs.</p>	Age at Entry (last birthday)	Multiple Factor	0 to 40 years	25	41 to 45 years	15	46 to 50 years	10	51 to 60 years	5
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0 to 40 years	25										
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46 to 50 years	10										
51 to 60 years	5										
Minimum/ Maximum Premium	Minimum Yearly - Rs 6,000/- Half yearly - Rs 3,000/- Maximum Annual Premium - Rs 5 lakhs										

9 **OTHER FEATURES:**

9.1 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.

9.2 Grace Period: A grace period of 30 days from the premium due date will be allowed for payment of yearly, half yearly premiums. The policy will remain in force during the grace period. If any premium remains unpaid at the end of the grace period, the policy shall lapse. The policy benefit thereafter would have no further value except as provided under the non-forfeiture provisions.

9.3 Premium Discontinuance: If premiums are not paid in the days of grace, a policy lapses. The following will apply based on the number of years' premiums paid before lapse.

Discontinuance of due premiums before completion of 3 policy years:

If all the due premiums have not been paid within the days of grace, the insurance cover & inbuilt accidental death benefit shall cease immediately. The policy will continue to accrue interest as and when due and all fees other than insurance fees will continue to be deducted.

A policy may be revived within the revival period of 2 years from the due date of first unpaid premium.

In case the policy is not revived during this period, the policy shall be terminated and the surrender value, if any, shall be paid at the end of the period allowed for revival.

If a policyholder surrenders a policy before the end of 3 years from the date of commencement, the surrender value will be calculated as on the date of surrender and the amount will be kept frozen with the insurer and the same will be payable on completion of three policy years. The policy will take no further part in the investment performance. No subsequent fees will be deducted for such a policy.

Treatment of such policies in valuation of liabilities:

During the revival period, a provision will be made for liabilities arising out of likely future revivals of these policies.

Discontinuance of due premiums after payment of at least 3 years' premiums:

If all the due premiums have been paid for at least three consecutive years and subsequent premiums are unpaid, a policy may be revived within the revival period of 2 years from the due date of first unpaid premium.

During this limited period for revival, the insurance cover under the base plan shall be continued by levying appropriate fees. The cover under the inbuilt accidental death benefit will also continue. The policy will continue to accrue interest as and when due. All applicable fees will continue to be deducted

At the end of the allowed period for revival, if the policy is not revived, the policy shall be terminated by paying the surrender value. However, the life insurance cover and in built accidental death cover under the plan may continue, if so opted to by the policyholder, by levying appropriate fees until the surrender value does not fall below an amount equivalent to one full year's premium. The policy will continue to accrue interest as and when due.

When the PAV reaches an amount equivalent to one full year's premium, the policy shall be terminated by paying the PAV.

Assured loyalty Additions are not payable in any payment made to a policy in which premium is discontinued.

9.4 Revival: If premiums are not duly paid within the period of grace and the policy is not surrendered, the policy may be revived for full benefits within a period of two years from the due date of first unpaid premium and before the date of maturity while the life assured is still alive. The revival will be considered on receipt of

- A written application from the policyholder along with the proof of continued insurability of the life assured as specified by the Company from time to time and
- On payment of all due premiums.

The revival will be effected at company's discretion and subject to such terms and conditions as the company in its discretion may decide. On revival all the due premiums shall be payable subject to any underwriting requirement.

A lapsed policy shall continue to participate in the Quarterly Investment Return for the existing amount in the PAV.

9.5 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

The Policyholder can also assign the Policy to a party by filing in a written notice to us. 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 any assignment in favour of the Company.

9.6 Tax Benefits

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

10 EXCLUSIONS & OTHER RESTRICTIONS

No benefit will be payable in respect of any condition arising directly or indirectly through or in consequence of the following exclusions and restrictions -

Suicide Exclusion

If the life assured commits suicide within one year from the risk commencement date or revival date, if revived, whether sane or insane at that time, the Policy shall be void and the Company will not pay any claim by virtue of this Policy.

For benefit under Accidental Death

No benefit will be payable in respect of any condition leading to accidental death arising directly or indirectly from, through or in consequence of the following exclusions:

- (i) Arising out of self inflicted injury, suicide, or death whilst under the influence of intoxicating alcohol, or narcotic substances;
- (ii) Arising out of riots, civil commotion, rebellion, war (whether war be declared or not), invasion, hunting, mountaineering, steeple chasing or racing of any kind, bungee jumping, river rafting, scuba diving, paragliding or any such adventurous sports or hobbies;

- (iii) As a result of the *life assured* committing any breach of law;
- (IV) Arising from employment of the *life assured* in the armed forces or military service of any country at war (whether war be declared or not) or from being engaged in duties of any para-military, security, naval or police organization; and
- (V) As a result of accident while the *life assured* is engaged in aviation or aeronautics in any capacity other than that of a fare-paying, part-paying or non-paying passenger, in any aircraft which is authorized by the relevant regulations to carry such passengers and flying between established aerodromes.

11 **VARIABILITY OF THE FEES**

- The allocation fees are guaranteed.
- The policy administration fee can be increased by not more than 5% per annum since inception.
- The company may change the investment management fees from time to time.
- Insurance fees are guaranteed.
- The surrender penalties are guaranteed.
- The 10% cap on partial withdrawal is subject to change, subject to IRDA approval.

A month's notice will be given to the policyholder in case of an increase of fees whenever fees 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 fees as stated above will be subject to IRDA approval.

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 sub-section 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.