

Future Freedom Plus

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

As a responsible individual, your priority has always been to secure the well-being of your family. Not just for today, but also for tomorrow. With Future Freedom Plus, you can start building your savings today and ensure that your family remains financially independent, even when you are not around. The plan provides valuable protection to your family in case you are not around and gives you with an outstanding investment opportunity to maximise your hard earned savings by providing you a choice of thoroughly researched and selected investments.

The Advantages of Future Freedom Plus are,

- Protection – In case of any unforeseen event, the life insurance cover will provide financial protection to your family.
- Savings – It works as an attractive tool for long term saving by paying the premiums for a shorter term or for regular term and obtain attractive tax savings.
- Investment – Since the premium paid by you will be invested in the unit linked funds chosen by you, the policy offers scope for investment value appreciation.

1. **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 premium is Rs 25,000. Depending on the amount of premium you choose to pay, we offer you the following plan options

Plan Option	Premium Amount (Rs.)
Gold	25,000 to 99,999
Platinum	1,00,000 & above

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/premium payment term

You have to decide the premium payment term for which you would like to invest in the policy. You may choose to pay the premiums for limited/regular period under the policy. Depending upon your financial planning, you can decide the policy term.

Step 4: Choose your investment funds

You choose the funds in which you would like to invest depending upon your preferences and risk profile.

Future Freedom Plus

2. **YOUR BENEFITS.**

2.1 Maturity Benefit:

On maturity i.e. on survival of the life assured till end of policy term, the Fund Value as on the date of maturity becomes payable as maturity benefit & the policy terminates.

2.2 Death Benefit

Prior to Risk Commencement

If the death of the life assured occurs prior to the commencement of risk under the policy, we will refund the fund value.

After Risk Commencement

If the death of the life assured occurs after the commencement of risk, then the Sum Assured plus Fund Value is payable under the policy

Within first three policy years, after the risk commencement, if the premiums are discontinued and the life assured dies during the revival period, we will pay the Fund Value as on date of death.

Note: If life assured is a minor under age at issue below 10 years, 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 **YOUR INVESTMENTS**

Your premium is invested in unit funds of your choice. Currently you have a choice of three investment funds, providing you the flexibility to direct your investments in any of the following unit linked funds of the Company. The funds invest in a mix of cash/other liquid investments, fixed interest securities and equity investments in line with their risk profile.

Future Secure

Strategy: Investment in low risk assets such as money market investments

Objective: To provide stable returns by investing in relatively low risk assets. The fund will invest exclusively in treasury bills, bank deposits, certificate of deposits, other money market instrument and short duration govt. securities.

Composition	Min.	Max.	Risk Profile
Money Market, Cash and Short Term Debt	NIL	100%	Low
Equity Instruments	NIL	NIL	

17/9/09

Future Freedom Plus

Future Income

Strategy: Investments in assets of low or moderate risk

Objective: To provide stable returns by investing in assets of relatively low to moderate level of risk. The interest credited will be a major component of the fund's return. The fund will invest primarily in fixed interest securities, such as Govt. securities of medium to long duration and Corporate Bonds etc and money market instruments for liquidity.


Composition	Min.	Max.	Risk Profile
Fixed Income Investments and Money Market Instruments	NIL	100%	Low
Equity Instruments	NIL	NIL	

Future Dynamic Growth

Strategy: Investments in equities and debt instruments

Objective: To maximize the participation in an actively managed well-diversified equity portfolio of fundamentally strong blue chip companies while using debt instruments to Safeguard the interest of the policyholder.

Composition	Min.	Max.	Risk Profile
Fixed Income Investments and Money Market Instruments	0%	100%	High
Equity Instruments	0%	100%	

 17/9/09

Future Freedom Plus

4 **FLEXIBILITY UNDER YOUR PLAN:**

4.1 Premium Reduction: You have the option of reducing the premium from the second year onwards without any change in the initial risk coverage. The reduced premium should not be less than 75% of the 1st year premium

4.2 Riders: The following optional riders are available to enhance the insurance coverage

- ✓ Accidental Death Rider (UIN: 133C001V01) – An additional amount, equal to the sum assured selected under this benefit is paid, in case of death due to accident
- ✓ Accidental Total and Permanent Disability Rider (UIN:133C002V01) – In case of life assured becoming totally and permanently disabled due to accident, the rider sum assured is paid in 10 equal annual installments. In case of death of the life assured, surrender or maturity of the policy occurring before the payment of all installments, the balance of installment is payable in lump-sum

4.3 Top-up Premium: Anytime during the tenure of the plan, you can pay top-up premium over & above regular premium, provided all regular premium is paid as and when due. The minimum top-up premium amount is Rs.5, 000/- .There is no limitation on number of top-ups made in a single policy year. Every top-up made during the tenure of the policy has a lock-in period of three years.

Note: Additional top-up single premiums can be paid over the policy term while the policy is in force.

4.4 Top-up Sum Assured: If the total top-up premium is more than 25% of the total regular premiums paid till date, then such top-up premium will be accepted with an additional Sum Assured or Top-up Sum Assured to the extent of 110% of the top-up single premium in excess of the 25% of the total regular premiums paid till date and will be subject to the underwriting norms of the company.

4.5 Premium Redirection: At any time after completion of one year, you may instruct us in writing to redirect all future premiums in an alternative proportion to the various unit funds available.

4.6 Switching between the Funds: Switch your existing premium to another fund option available and thus actively manage your own investment. Six switches are free in a policy year, thereafter Rs.100/- is charged per switch. Minimum amount that can be switched is Rs. 5,000/-.

4.7 Surrender: Policy will acquire surrender value only after the payment of one full year's premium and will be payable only after the completion of three policy years. The surrender value will be the Fund Value less the surrender penalty, as applicable.

Future Freedom Plus

4.8 Partial Withdrawal

Partial Withdrawal is allowed after the completion of 3rd policy year if life assured is a major or during the lifetime of the proposer if the life assured is minor. The minimum amount that can be withdrawn is Rs.5,000. In a policy year, four partial withdrawals are allowed free of cost and any partial withdrawal thereafter will be subject to charge as mentioned below.

After each withdrawal the Fund Value should be at least the higher of:

- One year's annualized premium
- The top-up single premiums paid in the last 3 years

For the purpose of partial withdrawals, all top-up premiums, whether or not associated with insurance cover, except top-up premiums paid during last three years of the policy, shall be treated as Single Premium. For a top-up premium made during the period of the policy, a lock-in period of three years shall apply from the date of payment of that top-up premium.

4.9 Settlement option*

You may also opt for the settlement option for your maturity benefit. Under Settlement Option, the maturity benefit may be taken in installments spread over a period up to five years from the date of maturity.

In order to opt for the settlement option, a notice must be given at least 30 days before the maturity date. During this period, there will be no life cover. On death of the life assured during the settlement period, the Fund Value will be payable.

5 CHARGES UNDER YOUR POLICY

5.1 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 various investment funds according to the fund allocation specified by you.

The allocation charge for the first policy year is as per the table below

Premium Payment Term	Gold	Platinum
3 yrs	6%	5%
5 yrs	7.5%	5%
10yrs to 14yrs	10%	7.5%
15yrs to 20yrs	15%	10%

From the second policy year onwards, 2% will be charged under both the plan options

Future Freedom Plus

5.2 Fund Management Charge

FMC 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.)	
Future Secure Fund	1.10%
Future Income Fund	1.35%
Future Dynamic Growth Fund	1.35%

5.3 Policy Administrative Charge

The policy administrative charge under the policy is,

1st year: Rs.15 per 1,000 sum assured for first Rs.50,000 and Rs.2 per 1,000 sum assured for the balance sum assured

2nd year onwards: Rs 50/month

This charge will be recovered by canceling units on a monthly basis proportionately from each investment fund.

5.4 Switching Charge

This is the charge deducted on switching from one fund to another within the plan. Six free switches are allowed in a policy year; thereafter switches are subject to charge of Rs. 100 per switch. Unused free switches cannot be carried forward to the next policy year.

5.5 Partial Withdrawal Charge

A total of four withdrawals are free in a policy year, thereafter an amount of Rs. 200, is deducted from the withdrawal amount.

5.6 Mortality Charge - Below mentioned are the sample mortality charges for lives for 1000 of sum assured

Mortality Charge per Rs.1,000/- Sum at risk	
Age as on Last Birthday	Mortality Charges
20 Years	1.00
25 Years	1.14
30 Years	1.17
40 Years	2.16
50 Years	5.51

[Signature]
17/9/09

Future Freedom Plus

5.7 Rider Charges – Rider charge (s) will be deducted from the Fund Value every month by way of cancellation of units.

50 paisa per Rs. 1000 Sum Assured per annum for all ages will be charged if Accidental Death Rider is selected.


40 paisa per Rs. 1000 Sum Assured per annum for all ages will be charged if Accidental Total and Permanent Disability Rider is selected.

5.8 Surrender Penalty

Number of completed Policy years	Surrender penalty as a % of fund value
1 year or less	15%
More than 1 but less than or equal to 2	10%
More than 2 but less than or equal to 3	5%
More than 3	Nil

6 ELIGIBILITY CRITERIA:

Minimum - Maximum Entry Age	Policy Term 10 years: 8 years – 65 Years Last Birthday Policy Term 20 years: 0 years – 55 Years Last Birthday For policy term other than 10 years & 20 years: The entry age for other policy terms, age plus term is greater than or equal to 18 years but less than or equal to 75 years										
Maximum Age at Maturity	75 Years										
Premium Paying Frequency	Yearly / Half-Yearly / Quarterly / Monthly (ECS)										
Policy Term	Minimum - All terms between 10 years – 20 years both inclusive										
Premium Paying Term	Limited Premium Payment: 3 / 5 years Regular Premium Payment: Policy term										
Minimum Sum Assured	5*Annual Premium										
Maximum Sum Assured	M*First Year Annual Premium, where M is the multiple which depends upon the age at entry. <table border="1" style="margin-left: 20px;"> <thead> <tr> <th>Age at Entry (last birthday)</th> <th>Maximum Multiple - M</th> </tr> </thead> <tbody> <tr> <td>up to 35 years</td> <td>30</td> </tr> <tr> <td>36 years to 45 years</td> <td>25</td> </tr> <tr> <td>46 years to 55 years</td> <td>10</td> </tr> <tr> <td>56 years to 65 years</td> <td>5</td> </tr> </tbody> </table> Sum Assured related to top-up single premiums will be subject to maximum limits stated above	Age at Entry (last birthday)	Maximum Multiple - M	up to 35 years	30	36 years to 45 years	25	46 years to 55 years	10	56 years to 65 years	5
Age at Entry (last birthday)	Maximum Multiple - M										
up to 35 years	30										
36 years to 45 years	25										
46 years to 55 years	10										
56 years to 65 years	5										
Minimum Premium	<table border="1" style="margin-left: 20px;"> <thead> <tr> <th>Premium Mode</th> <th>Amount (Rs)</th> </tr> </thead> <tbody> <tr> <td>Yearly</td> <td>25,000</td> </tr> <tr> <td>half Yearly</td> <td>13,000</td> </tr> <tr> <td>Quarterly</td> <td>7,000</td> </tr> <tr> <td>Monthly</td> <td>3,000</td> </tr> </tbody> </table>	Premium Mode	Amount (Rs)	Yearly	25,000	half Yearly	13,000	Quarterly	7,000	Monthly	3,000
Premium Mode	Amount (Rs)										
Yearly	25,000										
half Yearly	13,000										
Quarterly	7,000										
Monthly	3,000										


 19/5/09

Future Freedom Plus

For the Riders	
Minimum – Maximum Sum Assured	Accidental Death Rider - Rs. 75,000 – Basic SA subject to a max of Rs. 30 lakhs on a single life Accidental Total and Permanent Disability Rider - Rs. 75,000 – Basic SA subject to a max of Rs. 40 lakhs on a single life
Minimum – Maximum Entry Age	Accidental Death Rider and Accidental Total and Permanent Disability Rider: 18 – 60 Years Last Birthday
Maximum Age at Maturity	65 Years Last Birthday
Minimum – Maximum Policy Term	Accidental Death Rider and Accidental Total and Permanent Disability Rider: 10 – 20 Years

7 **OTHER FEATURES:**

- 7.1 Free Look-in 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.
- 7.2 Grace Period:** 30 days for all premium payment frequencies other than monthly where it is 15 days. If, the premiums are not paid during the grace period, the policy lapses. The policy benefit thereafter would have no further value except for surrender value less of surrender penalties.
- 7.3 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 are paid before lapse.

Discontinuance of due premiums before completion of 3 policy years:

Any time during the first three years of the policy, if the premiums are not paid, then the insurance cover shall cease at the end of the grace period. The policy will continue to participate in the performance of the funds. All the relevant charges (except mortality charges) will continue to be deducted.

Such policies may be revived within the revival period of 3 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. Further, during the period allowed for revival, if the fund value falls below the Rs. 25, 000/-, the policy shall be terminated and the fund value will be payable.

If a policy is surrendered before the completion of three policy years, the Fund Value as on the date of surrender shall be frozen and will then cease to participate in the performance of the funds. Surrender penalties, as applicable will be deducted from the Fund Value at the

Future Freedom Plus

time of payment. The payment will be made only on completion of three policy years from inception.

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 not paid, the policy lapses and can be revived within the revival period of 3 years from the due date of first unpaid premium.

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 under the base plan may continue, if so opted for by the policyholder, by levying appropriate charges until the surrender value does not fall below an amount equivalent to one full year's premium.

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

7.4 Revival: If premiums are not paid within the period of grace and the policy is not surrendered, the policy may be revived for full benefits within three years from the date of the first unpaid premium and before the date of maturity while the life assured is still alive. 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. Any revival of riders will be considered along with the revival of the basic policy, and not in isolation.

7.5 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 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.

7.6 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:

$$\text{NAV} = (\text{Market Value of Investment} + \text{Expense incurred in the purchase of the assets} + \text{Current Assets} + \text{Accrued Income net of Fund Management Charges} - \text{Current Liabilities} - \text{Provisions}) / \text{Number of Units outstanding (before any new units are allocated)}$$

When Expropriation (Selling) price is applied:

$$\text{NAV} = (\text{Market Value of Investment} - \text{Expense incurred in the sale of the assets} + \text{Current Assets} + \text{Accrued Income net of Fund Management Charges} - \text{Current Liabilities} - \text{Provisions}) / \text{Number of Units outstanding (before any units are redeemed)}$$

Allocation / redemption of units:

Future Freedom Plus

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 switch, surrender or partial withdrawal 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.

7.7 Suicide Exclusion

If the life assured, whether sane or insane, commits suicide within one year from the Date of Issue of the Policy or from one year from any subsequent revival of the policy, the policy shall become null and void. In such event, the Fund Value will be refunded and all benefits under the policy cease.

7.8 Tax Benefits

Premiums paid under this plan are eligible for tax benefits under Section 80C of the Income Tax Act, 1961. Any sum received under this plan is exempt from tax under section 10(10D) of the Income Tax Act, 1961. The above is based on the current tax laws and is subject to change.

8 **VARIABILITY OF THE CHARGES**

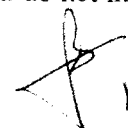
- The premium allocation charges are guaranteed.
- The monthly administration charge can be increased by not more than 5% per annum since inception
- The switching charges are subject to increase up to Rs.250 per switch.
- ~~The company may change the Fund Management charges from time to time.~~
- The mortality charges and rider charges (if any) are guaranteed for the term of a policy.
- Surrender penalties are guaranteed
- All charge will be subject to a service tax as applicable.

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.

9 **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 Freedom Plus' 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) The various funds offered under this contract are the names of the funds and do not in any way reflect their quality, their future prospects and returns.

 17/9/09

Future Freedom Plus

- 4) 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.
- 5) Past performance of the funds is no indication of future performance which may be different.
- 6) All premiums/benefits payable under this plan are subject to applicable laws and taxes including service tax, as they exist from time to time.

**The policy administration charges and fund management charges will continue to be deducted. Partial withdrawals and Switching will not be allowed in the settlement period. During the settlement period, the investment risk in investment portfolio will continue to be borne by the policyholder.*

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.

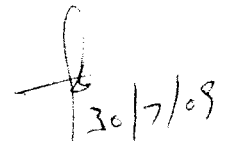
(2) Any person making default in complying with the provisions of this section shall be punishable with fine which may extend to five hundred rupees.

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.


30/7/09