

(UIN: 133L015V01)

## Policy Preamble

Future Generali India Life Insurance Company Ltd (hereinafter called the Company), having received a proposal and declarations along with the required documents, statements, applicable medical evidences and other information leading to the issue of this Policy, which form the basis of the contract, and the first premium from the Policyholder and the Life Assured named in the Schedule, has contracted to provide the benefits under the Policy determined in accordance with the Policy Schedule and the Policy Provisions and any endorsement placed by the Company on the Policy.

The Company hereby agrees that, in consideration of the payment to it of the premiums specified in the Policy Schedule, it shall pay at its Head Office or any other office so notified to the person(s) entitled to thereto, the said benefits, on proof to the satisfaction of the Company of the benefits having become payable as set out in the Policy Schedule and of the title of the person(s) claiming payment.

It is hereby declared that this Policy of Assurance shall be subject to the Terms and Conditions as laid down in the Policy Provisions and the attached Policy Schedule and every endorsement placed on the Policy by the Company shall be deemed to be part of the Policy.

## Policy Provisions

### 1. DEFINITIONS

In this Policy, “**you**”, “**your**”, or “**yours**” refers to the Policy owner or the Policyholder.

“**We**”, “**us**”, “**our**”, or “**the Company**” refers to Future Generali India Life Insurance Company Limited, or any of its successors.

The words '**he**', '**him**' and '**his**' should read '**she**', '**her**' and '**hers**' where appropriate.

“**Age**” at any time is the age last birthday, that is, the age in completed years since birth at that time.

“**Allocation**” is creating units at the prevailing unit price. This applies in case of premium payment and switches.

“**Commencement Date**” is the start date of the Policy and is shown in the Policy Schedule.

“**Endorsement**” is a change agreed in writing by us in any of the terms of the Policy.

“**Fund Value**” at any time is the total value of units under the policy at that time, i.e. it is the number of units multiplied by their price per unit.

“**Installment Premium**” is the amount of regular premium payable under the Policy at the desired frequency / mode of payment.

“**Life assured**” is the person in relation to whom the Life / other insurance covers are granted under the Policy.

“**Maturity Date**” is the date on which the Policy benefits, if not previously invoked due to the contingencies covered (e.g. death), terminate on the expiry of the Policy Term, except where a benefit becomes payable on that date.

“**Net Asset Value**” of the Fund calculated using appropriation (expropriation) pricing means the Market Value of the underlying Investments plus (minus) the expenses incurred in the purchase (sale) of assets plus any accrued income net of fund management charges plus Current Assets less Current Liabilities and Provisions of the Fund. Appropriation pricing shall be used when the Company is purchasing the assets in order to meet the day to day transactions of unit allocations and unit redemptions. Expropriation pricing shall be used when the Company is selling the assets in order to meet the day to day transactions of unit allocations and unit redemptions.

“**Nominee**” shall mean the person or persons appointed by the policyholder to receive the admissible benefits, in the event of death of the life Assured during the Policy term.

“**Policy Anniversary**” refers to the same date each year during the Policy term, as the Commencement date.

“**Policy Term / Term / Benefit Term**” is the number of years from the *Commencement Date* to the *Maturity Date*.

“**Policyholder**” is the person who takes out the Policy, is the owner of the Policy and is referred to as the 'proposer' in the proposal form. The policyholder need not necessarily be the same person as the life assured.

“**Premium Due Date**” are dates on which the installment premiums fall due as stated in the Policy Schedule.

“**Proposal Form**” is the form filled in by you in utmost good faith giving various particulars and declarations and will form the basis for providing the insurance cover under this policy. It is also referred to as the Application Form.

“**Redemption**” is encashing of units at the prevailing unit price. This involves the cancellation of units. This is applicable in case of switches, maturity, surrender, death etc.

“**Revival Date**” is the date on which a Policy which lapsed due to non-payment of premium and was not surrendered is revived by payment of all unpaid premiums due as per our rules given in the Policy Provisions while the life assured is alive. If revival has taken place more than once, then revival date is the date of the latest revival.

“**Risk Commencement Date**” is the date from which the benefits arising out of the contingencies (e.g. death) as stated in the Policy Schedule, apply. The Risk Commencement date is shown in the Policy Schedule.

“**Schedule**” means the policy schedule issued by us for this policy, together with any amendments to the schedule which may be issued from time to time.

“**Surrender Value**” means the amount payable to the Policyholder upon early and voluntary termination of the Policy by the policyholder. It is usually expressed as the Fund Value less the surrender penalty.

“**Switch**” is a facility allowing you to change the investment pattern by redeeming some or all units in one or more funds and allocating the redemption proceeds in other fund(s) offered under this plan.

“**Top-up Single Premium**” is an amount paid at irregular intervals during the term of this policy. This is an additional amount of premium over and above the contractual basic premium stated in the Schedule and is treated as a single premium.

“**Valuation of Funds**” is the determination of the value of the underlying assets of the fund.

“**Value of a unit**” means the unit price or price per unit of each fund will be the unit value calculated on a daily basis

$$\text{Unit Value} = \frac{\text{Net Asset Value}}{\text{Total number of units on issue (before any new units Allocation/redemption of units)}}$$

“**Vesting date**” is the Policy anniversary coinciding with or immediately following the 18<sup>th</sup> birthday of the Life Assured. This applies where the policy has been taken on the life of a minor.

## INTRODUCTION

This document provides details of the terms & conditions of the Policy named in your Policy Schedule. This Policy is provided to you by the Future Generali India Life Insurance Company Ltd. Taken together with your Policy Schedule and any endorsement/s thereon, this document forms the terms of the contract between

you and us. The information contained in the Proposal Form and in any other supplementary documents / questionnaires answered and signed by you, forms the basis of the contract.

### **1.1. Policy Benefits**

This policy is a unit-linked endowment assurance plan. The allocated portion of premiums under the policy is used to purchase units in the unit-linked funds as chosen by you and stated in the Proposal Form.

The policy enables you to participate in the investment performance of the fund(s) to the extent of allocated units in the fund(s) and does not in any way confer any right whatsoever on you to otherwise share in the profits or surplus of the business of the Company.

The benefit amounts provided by your Policy as well as the premiums payable by you and the duration for which such premiums are payable are as indicated on the Policy Schedule.

The nature of the various benefits subsisting under the Policy is given in Part B of this document. The benefits that apply to your Policy are those that are stated in your Policy Schedule.

The terms and conditions of any Endorsement attaching to and forming part of this policy supersede any conflicting provisions of the Policy.

## **PART -A**

### **2. GENERAL PROVISIONS**

#### **2.1. Forfeiture in certain events and Incontestability**

In case any of the terms and conditions of the Policy document is contravened or it is found that any untrue or incorrect statement is contained in the proposal form or any declaration/s signed by you, or any material information is withheld, in such cases but subject to Section 45 of the Insurance Act, 1938, this Policy shall be void and all claims to benefits under this Policy will cease and all moneys paid into the Policy will be forfeited except for such relief that would be lawfully granted by the Company.

Section 45 of the Insurance Act, 1938 states that no Policy of life insurance, after the expiry of two years from the risk commencement date or the revival date if revival has been effected, shall be called in question by the Company on the ground that a statement made in the proposal for insurance or in any report of a medical officer, or referee, or friend of the insured (policyholder / life assured), or any other document leading to the issue of the Policy, was inaccurate or false, unless the Company shows that such statement was on a material matter or suppressed fact which was material to disclose and that it was fraudulently made by the policyholder and that the policyholder 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 above shall prevent the Company from calling for proof of age at any time if it 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 age of the life assured was incorrectly stated in the proposal.

#### **2.2. Statement of Age**

This Policy is issued at the age shown on the Policy Schedule which is the life assured's declared age last birthday at the commencement date of the Policy.

In the event the age so admitted (the correct age) is found to be different from the age declared in the Proposal, without prejudice to the Company's other rights and remedies including those under the Insurance Act, 1938, one of the following actions shall be taken:

- a. If the correct age is such as would have made the Life Assured uninsurable under the plan of insurance specified in the Policy document, the plan of insurance shall stand altered to such plan of insurance as is generally granted by the Company for the correct age of the Life Assured, which will be subject to the terms and conditions as are applicable to that plan of insurance. If it is not possible to grant any other plan of insurance, the Policy shall stand cancelled from the date of issue of the Policy and the premium paid shall be refunded subject to the deduction of the expenses incurred by the Company on the Policy. Where premiums have been allocated to units, the Fund Value as on the date of cancellation will be payable.

- b. If the correct age is higher than the age declared in the Proposal, the insurance charges payable under the Policy shall be altered corresponding to the correct age of the Life Assured (the corrected insurance charges) from the date of commencement of the Policy and the Policyholder/Life Assured shall pay to the Company the accumulated difference between the corrected insurance charges and the original insurance charges from the commencement of the Policy up to the date of such payment with interest. If the Policyholder/Life Assured fails to pay such accumulated difference, together with interest, the same shall be recovered by cancellation of Units.
- c. If the correct age of the Life Assured is lower than the age declared in the Proposal, the insurance charges payable under the Policy shall be altered corresponding to the correct age of the Life Assured (the corrected insurance charges) from the date of commencement of the Policy and the Company may, at its discretion, allocate without interest, the accumulated difference between the original insurance charges paid and the corrected insurance charges into units.

### **2.3. The Policyholder's rights**

You are the Policyholder and beneficiary under this Policy and its benefits as shown in the Policy Schedule, until changed. Only you can, during the lifetime of the life assured, exercise all rights, privileges and options provided under this Policy.

### **2.4. Nomination / Assignment**

#### **2.4.1. Nomination**

If you are also the life assured under this Policy and if no nomination has been made, you may, at any time before the maturity date of this Policy, nominate a person or persons as per Section 39 of the Insurance Act, 1938, to receive the Policy benefits in the event of the death of the life assured. Where the nominee is a minor, you will need to appoint a person who is a major as an appointee, to receive the Policy benefits while the nominee is a minor.

During the Term of the Policy, you may change the nominee / appointee by filing a written notice to us. Such change is valid only if recorded by us during the lifetime of the life assured and endorsed on this Policy.

We will not recognize a nomination or a change in nomination on this Policy until we receive notice of the nomination or change in nomination in writing at our Servicing Office. We will also not express any opinion on the validity or legality of the nomination. The nomination is to be made for the entire Policy benefit and not for individual benefits or any part thereof.

If no nomination has been made, or all nominees predecease you, the benefits on your death, will be payable to your legal heirs or legal representatives. In case there are more than one nominee and one or more of the nominees die, the benefits will be paid to the surviving nominees.

#### **2.4.2. Assignment**

You (referred to as 'Assignor') can assign this Policy to a party (referred to as 'Assignee') by giving a written notice at our servicing office 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. We will not express any opinion on the validity or legality of the assignment. Only the entire Policy can be assigned and not individual benefits or any part thereof. Any assignment shall automatically cancel a nomination.

### **2.5. Suicide exclusion**

If the life assured, whether sane or insane, commits suicide within one year from the risk commencement date or revival date if revival has been affected, the Company shall limit the death benefit to the Fund Value and no insurance benefit will be payable.

### **3. Premiums**

#### **3.1. Payment of Premium**

Installment premiums are required to be paid on the premium due dates until such time as stipulated in the Policy Schedule.

The premiums shall be deemed to have been paid only when they have been received at the Company's head office or any other office authorized by it for that purpose.

The premiums shall be adjusted on the due date where they have been received on or before the due date. If received after the due date, they will be adjusted on the date of such receipt.

#### **3.2. Amount of Premium**

The premium payable in the first year is as stated in the policy schedule.

Provided full premium has been paid in the first year, the subsequent premiums may be reduced to any amount up to Rs.10,000/- in a year. The insurance cover shall continue for the Sum Assured as shown in the Policy Schedule even after such reduction in premium.

#### **3.3. Premium change**

You may change the frequency or mode of premium payments by a written request, subject to our minimum premium requirements and the availability of the desired mode under this product.

#### **3.4. Grace Period**

A Grace Period of 30 days from the premium due date is allowed for payment of yearly, half yearly or quarterly premiums and 15 days for monthly 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 and cease to be in-force. The Policy / Benefit thereafter would have no further value except as provided under the Non-Forfeiture Provisions.

#### **3.5. Premium allocation**

Premiums will be allocated to units as follows:

1<sup>st</sup> Year 1: 95% of the premium paid

2<sup>nd</sup> and 3<sup>rd</sup> Years: 98% of the premium paid

Top-up Single Premium: 98% of the premium paid

### **4. Non-forfeiture provisions**

#### **4.1. Discontinuance of due premiums**

If all the due premiums have not been paid, the life cover shall cease immediately on the expiry of the grace period. However, the policy will continue to participate in the performance of the fund till the end of revival period. The policy administration charges will continue to be deducted.

The policy may be revived within the revival period of 3 years from the due date of first unpaid premium or up to maturity, if earlier.

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

During the period allowed for revival, if the fund value reaches an amount equivalent to Rs.10,000/-, the policy shall be terminated by paying the fund value.

#### **4.2. Surrender of Policy**

This policy can be surrendered any time during the policy term. However, the surrender value is payable only after completion of three policy years.

If the policy is surrendered before the end of three policy years, the surrender value will be kept in suspense till the end of three policy years, and will be payable at that time. No subsequent insurance or policy administration charges after the date of surrender will be deducted for such a policy. No insurance cover is available after surrender of the policy. On death of the life assured after surrender but before the payment of the surrender value, the surrender value is payable. The policy terminates thereafter on payment of the surrender value.

#### **4.2.1. Surrender Value**

The surrender value under a policy will be the Fund Value net of applicable surrender penalty, if any.

#### **4.2.2. Surrender Penalty**

The surrender penalty as a % of Fund Value is given below:

<b>Number of completed policy years</b>	<b>Surrender penalty as % of Fund Value</b>
1 year or less	25%
More than 1 year but less than or equal to 2 years	15%
More than 2 years but less than or equal to 3 years	10%
More than 3 years but less than or equal to 5 years	5%
More than 5 years	Nil

### **5. Revival of lapsed policy**

If a premium is in default beyond the Grace Period and provided that the Policy is not surrendered, the Policy may be revived within three years from the due date of the first premium in default but before the maturity date and within the lifetime of the life assured.

At the end of the period allowed for revival, if the policy is not revived, the policy shall be terminated by paying the surrender value. Provided further that at any time before the revival of a lapsed policy, if the fund value falls below the minimum premium of Rs.10,000/-, the policy will be terminated and the fund value will be payable.

The Company reserves the right to accept the revival on the same terms or on modified terms or to decline the revival. Such revival is subject to:

- (a) Your written application for revival;
- (b) Production of satisfactory evidence of good health of the life assured;
- (c) Payment of all overdue premiums;

Provided always the allocation rate shall continue from the last allocation where it last stopped in accordance with the allocation rates applicable; and any revival shall only cover the loss or insured event which occurs after the revival date. The insurance cover will recommence on revival and charges for the insurance cover will also be deducted from the date of revival.

### **6. Schedule of investment funds**

#### **6.1. Types of fund**

The following four funds are available: Future Secure, Future Income, Future Balance and Future Maximize.

#### **6.2. Valuation date**

The valuation date shall be the date as determined by the Company from time to time for the purpose of determining unit prices.

#### **6.3. Funds managed by**

The Company or such party / person as the Company may appoint,

#### **6.4. Investment objective**

##### **6.4.1. Future Secure Fund**

The investment objective of this fund is 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 Government Securities.

Investment strategy: Low risk investment such as money market investments

Portfolio allocation: 100% in money market, cash and short term debt

Risk Profile: low risk

##### **6.4.2. Future Income Fund**

The objective of this fund is 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 Government Securities of medium to long duration and Corporate Bonds etc and money market instruments for liquidity.

Investment strategy: Investments in assets of low or moderate risk

Portfolio allocation: 100% in Fixed Income investments, cash and money market instruments

Risk Profile: low risk

##### **6.4.3. Future Balance Fund**

The objective of the fund is to provide a balanced return from investing in both fixed interest securities as well as in equities so as to balance stability of return through the former and growth in capital value through the latter. The fund will also invest in money market instruments to provide liquidity.

Investment Strategy: Balance of high return and risk balanced by stability provided by fixed interest instruments

Portfolio allocation: Investment in equity instruments between 30% and 90% and the balance, that is, 10% to 70% in Fixed Income Securities including cash and money market instruments.

Risk Profile: medium risk

##### **6.4.4. Future Maximise Fund**

The investment objective of this fund is to provide potentially high returns to unit holders by investing primarily in equities to target growth in capital value of assets. The fund will also invest to a certain extent in Government Securities, Corporate Bonds and money market instruments.

Investment strategy: Investment in a spread of equities. Diversification by sector, industry and risk

Portfolio allocation: Investment in equity instruments between 50% and 90% and the balance, that is, 10% to 50% in Fixed Income Securities including cash and money market instruments.

Risk Profile: high risk

#### **6.5. Investment restriction**

Allocation of investments under money market instruments in Future Income, Future Balance and Future Maximize will be limited to 20%. Further, a policyholder's exposure to Future Secure Fund (Liquid Fund) will be limited to a maximum of 25% of his total portfolio so as to ensure that the total exposure to money market investments does not exceed 40%. This is as per current IRDA guidelines, and is subject to change from time to time.

#### **7. Fund Provision**

### 7.1. Purpose of the funds

The Company has established the funds set out in the schedule of Investment funds hereto from which part or all of the benefits under this policy will be payable.

### 7.2. Investment of the funds

The Company shall select the underlying investments of each fund at its sole discretion subject to the investment objective of the respective funds and the IRDA Regulations on investment of the funds.

All assets relating to the fund shall be and shall remain in the absolute beneficial ownership of the company. There is no trust created, whether expressly or impliedly, by the company in respect of the investments.

### 7.3. New funds / closure of funds

The Company may in future offer you additional unit linked funds with prior approval of IRDA. The Company by giving you reasonable notice may withdraw existing unit linked funds either for future premiums or for existing unit account balances in which case we will ask you for instructions for the future direction of your premiums.

## 8. Valuation of funds

The value of the fund shall be equal to the number of units multiplied by the Net Asset Value (NAV) of each unit in the fund.

The computation of NAV shall be based on whether the Company is purchasing (appropriation price) or selling (expropriation price) the assets in order to meet the day to day transactions of unit allocations and unit redemptions i.e. the Company shall be required to sell/purchase the assets if unit redemptions/allocations exceed unit allocations/redemptions at the valuation date.

The **Appropriation price** shall apply in a situation when the Company is required to purchase the assets to allocate the units in a Fund at the valuation date. This shall be the amount of money that the company should put into the fund in respect of each unit it allocates in order to preserve the interests of the existing policyholders.

The **Expropriation price** shall apply in a situation when the Company is required to sell assets to redeem the units in a Fund at the valuation date. This shall be the amount of money that the company shall take out of the fund in respect of each unit it cancels in order to preserve the interests of the continuing policyholders.

#### **Computation of Net Asset Value(NAV):**

**When Appropriation price is applied:** The NAV shall be computed as: Market value of investments held by the fund plus the expenses incurred in the purchase of the assets plus the value of any current assets plus any accrued income net of fund management charges less the value of any current liabilities less provisions, if any. This gives the net asset value of the fund. Dividing by the number of units existing at the valuation date (before any new units are allocated), gives the unit price of the fund under consideration.

**When Expropriation price is applied:** The NAV shall be computed as: Market Value of investment held by the fund less the expenses incurred in the sale of the assets plus the value of any current assets plus any accrued income net of fund management charges less the value of any current liabilities less provisions, if any. This gives the net asset value of the fund. Dividing by the number of units existing at the valuation date (before any units are redeemed), gives the unit price of the fund under consideration.

The valuation of assets underlying the unit linked funds will take place on a daily basis. In case the valuation day falls on a holiday, then the exercise will be done the following working day.

In case of market uncertainties where it is difficult to value some of the assets, the valuation shall be done on a less frequent basis. Examples of such circumstances are:

- When one or more stocks exchanges which provide a basis for valuation for a substantial portion of the assets of the fund are closed otherwise than for ordinary holidays.
- When, as a result of political, economic, monetary or any circumstances out of our control, the disposal of the assets of the unit fund are not reasonable or would not reasonably be practicable without being detrimental to the interests of the remaining unit holders.
- During periods of extreme volatility of markets during which surrenders and switches would, in our opinion, be detrimental to the interests of the existing unit holders of the fund.



- In the case of natural calamities, strikes, war, civil unrest, riots and bandhs.
- In the event of any 'force majeure' or disaster that affects our normal functioning.
- If so directed by the IRDA.

## 9. Risk of investment in unit-linked funds

You are aware that the investment in the units is subject to the following, among others, risks and agree that you are making the investments in units with full knowledge of the same:

- Unit Linked Life Insurance products are different from the traditional insurance products and are subject to the risk factors.
- The premium paid in unit linked life insurance policies are subject to investment risks associated with capital markets and NAVs of the units may go up or down based on the performance of fund and factors influencing the capital market and the life assured/policyholder is responsible for his/her decisions.
- Future Generali India Life Insurance Company Limited is the name of the insurance company and Future Freedom ULIP is only the name of the policy and does not in any way indicate the quality of the policy, its future prospects or returns.
- Future Secure Fund, Future Income Fund, Future Balance Fund and Future Maximise Fund are the names of the funds offered currently with Future Freedom ULIP Plan, and in any manner do not indicate the quality of the respective funds, their future prospects or returns.
- The investments in the Units are subject to market and other risks and there can be no assurance that the objectives of any of the funds will be achieved.
- Future Secure Fund, Future Income Fund, Future Balance Fund and Future Maximise Fund do not offer a guaranteed or assured return.
- All benefits payable under the Policy are subject to the tax laws and other financial enactments, as they exist from time to time.
- The past performance of these or any other funds of the company is not necessarily indicative of the future performance of any of these funds.

## 10. Units

The face value of each unit is Rs 10/-. Units are allocated under the policy depending on the amount of premium paid, the allocation rate as set out below and the prevailing price of each unit.

### 10.1. Creation of units

Units in any of the Funds of the Company may be created only if there is, added to that Fund, assets equal in value to the value of the Units created.

### 10.2. Uniform cut-off timings for applicability of Net Asset Value:

The allotment of units to a policy shall be done only after the receipt of premium proceeds as stated below. Any amount less than the due stipulated regular premium payable stated in the policy will not be accepted.

#### 10.2.1. Allocations (premium allocations, switch in)

In case of new business, units shall be allocated on the day proposal is completed and results into a policy by adjustment of application money towards premium.

In respect of due premiums / top-up single premiums/funds switch request received up to 3:00 p.m. (or such other time as stipulated by IRDA) by the Company along with a local cheque or a demand draft payable at par at the place where the premium is received, the closing NAV of the day on which premium is received shall be applicable.

In respect of due premiums / top-up single premiums/funds switch request received after 3:00 p.m. (or such other time as stipulated by IRDA) by the Company along with a local cheque or a demand draft payable at par at the place where the premium is received, the closing NAV of the next business day shall be applicable.

In respect of due premiums / top-up single premiums received with outstation cheques/demand drafts at the place where the premium is received, the closing NAV of the day on which cheques/demand draft is realized shall be applicable.

### **10.2.2. Redemptions:**

In respect of valid applications received (e.g. surrender, maturity claim, switch out etc) up to 3:00 p.m. (or such other time as stipulated by IRDA) by the Company, the same day's closing NAV shall be applicable.

In respect of valid applications received (e.g. surrender, maturity claim, switch etc) after 3:00 p.m. (or such other time as stipulated by IRDA) by the Company, the closing NAV of the next business day shall be applicable.

### **10.3. Allocation and cancellation of units**

The company may delay the allocation or cancellation of units to allow for the orderly purchase or sale of assets in the case of high value transactions either for a particular policy or for a unit linked fund as a whole. High value transactions are transactions of more than Rs.1 Crore in case of a policy and Rs.5 Crore in case of a Unit Linked fund.

### **10.4. Publication of NAVs:**

The NAVs of the various unit funds will be published on the company's website [www.futuregeneralali.in](http://www.futuregeneralali.in).

## **11. Options**

While the policy is in force, you may, subject to the approval of the Company, exercise any of the following options by using the prescribed application form and meeting the conditions set out in them.

### **11.1. Switches**

At any time you may instruct us in writing to switch some or all of your units from one fund to another. We will give effect to this switch by canceling units in the old fund and allocating units in the new fund.

You are entitled to four free switches in a policy year. For subsequent switches during any policy year, the company shall charge Rs.100/- per switch. Unused free switches cannot be carried forward to the following year(s). The minimum switch amount is Rs.10,000/-.

### **11.2. Top – Up Single Premiums**

You may pay additional top-up single premiums at irregular intervals besides basic regular premium payments specified in the policy.

Top-up premiums can be remitted to the Company during the policy term only when all the due basic regular premiums are paid up to date. Further, the minimum amount that can be paid as a top-up at any time is Rs 5,000/- and in multiples of Rs 100/- thereafter.

At any point of time during the term of the policy, so long as the total amount of top-up single premiums remains within 25% of the basic premiums paid to that date, the top-up single premium will not be required to have any insurance cover attached. The top-up single premiums exceeding this 25% limit shall have an insurance cover of 110% of such excess premiums paid.

### **11.3. Partial Withdrawals**

You may encash / withdraw a part of the fund during the policy term by way of a partial withdrawal. Partial withdrawals are allowed only after the completion of three policy years.

In case of a minor life assured, partial withdrawals may be made only after the life assured completes age 18 years or after completion of three policy years, whichever is later.

For the purpose of partial withdrawals, all top-up single premiums will have a lock-in period of three years from the date of payment of each top-up single premium. This condition shall not apply for the top-up single premiums that are paid during the last 3 years of the policy.

After each partial withdrawal, the fund value should be at least the higher of

- Rs.15,000/- and

- The sum of top-up single premiums paid in the last three policy years.

The minimum amount of partial withdrawal is Rs.5,000/-.

Four partial withdrawals are allowed free of any partial withdrawal charge. The charge for any partial withdrawals after the fourth in a policy year shall be 0.5% of the amount withdrawn subject to a minimum charge of Rs.200/- which is deducted from the withdrawal amount.

If a partial withdrawal takes place before completion of 5 policy years, surrender penalty will apply on the amount withdrawn in addition to the partial withdrawal charge, if any, mentioned hereunder.

For each partial withdrawal, units are cancelled from the unit linked funds according to the proportions that the policyholder specifies.

#### **11.4. Settlement Option**

This option enables you to take the maturity proceeds in periodical payments after the maturity date instead of a lump sum on maturity. The units in the unit fund can be redeemed any time up to 5 years from the date of maturity. You must give a notice at least 30 days before the maturity date if you wish to opt for this option. During this period after the maturity date, there will be no life cover. The policy administration charges and fund management charges will continue to be deducted. On death of the life assured during the settlement period, the fund value will be payable. 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 you.

#### **11.5. Alterations in Sum Assured**

You may request the Company in writing to alter the Sum Assured under this policy subject to minimum / maximum Sum Assured allowed under the policy.

Any increase in the Sum Assured will be subject to the life assured satisfying our underwriting requirements and any other conditions the Company may apply at the time of the alteration.

### **12. Charges and Penalties**

#### **12.1. Insurance Charges**

The insurance charges are determined using 1/12th of the annual insurance charges and are deducted from the Fund Value at the beginning of each monthly anniversary of the policy. The standard insurance charges per Rs.1000/- Sum at Risk for different ages are given in Table 1 below. However, the actual charges shall depend on the underwriting decision of the Company based on occupation, lifestyle and health of the life assured. The monthly charges shall be taken for the age last birthday of the life assured and Sum at Risk at each time they are deducted. The Sum at Risk at any point of time is the excess of Sum Assured over the Fund Value.

#### **12.2. Fund Management Charge**

- Future Secure Fund – at the rate of 1.10 % per annum of the total value of assets
- Future Income Fund – at the rate of 1.35 % per annum of the total value of assets
- Future Balance Fund – at the rate of 1.45 % per annum of the total value of assets
- Future Maximise Fund – at the rate of 1.50% per annum of the total value of assets

The fund management charge on each day is one upon three hundred and sixty fifth (1/365) of the annual charge and will be deducted from the assets of the unit linked fund as and when the NAV is declared.

#### **12.3. Policy Administrative Charges**

This charge is expressed as a fixed amount levied at the beginning of each policy month from the policy fund by canceling units of appropriate amount. The charge is as given below:

First Year: Rs.15/- per annum per Rs.1,000/- Sum Assured for Sum Assured up to Rs.50,000/- and Rs.2/- per annum per Rs.1000/- Sum Assured for Sum Assured above Rs.50,000/-.

Second Year onwards: Rs.600 per annum.

#### **12.4. Switching Charge**

The first four switches in any policy year are free of cost. For subsequent switches we shall charge Rs.100/- per switch.

#### **12.5. Premium Allocation Charge**

This is a percentage of the premium appropriated towards charges from the premium received. The balance known as allocation rate constitutes that part of premium that is utilized to purchase (investment) units for the policy. This is a charge levied at the time of receipt of premium and is as follows:

First year : 5% of premium  
2nd and 3<sup>rd</sup> year: 2% of premium

Top-up single premium: 2% of premium

#### **12.6. Partial withdrawal Charge**

Partial withdrawals are subject to surrender penalty if the partial withdrawals take place at durations when the surrender penalties apply.

In addition to the surrender penalty, a partial withdrawal charge will apply.

Four partial withdrawals are allowed free of partial withdrawal charge in a policy year. The charge for each partial withdrawal thereafter shall be 0.5% of the amount withdrawn subject to a minimum charge of Rs.200/- which is deducted from the withdrawal amount.

#### **12.7. Miscellaneous Charge**

This charge is levied for any alteration within the contract, such as alteration in Sum Assured etc. Rs.100/- will be charged per alteration and this will be deducted by cancellation of units.

#### **12.8. Service tax etc on charges**

Service tax and other related taxes at the applicable rates will be charged separately on all the charges stated above.

#### **12.9. Recovery of Charges:**

The allocation charges along with the applicable service tax and other related taxes are recovered at the time of payment of premium.

The Fund Management charges along with the applicable service tax and other related taxes will be charged in the Unit Value of the Fund.

The Insurance charges, Policy Administration charges and miscellaneous charges, along with the applicable service tax and other related taxes, would be recovered by cancellation of Units at the Unit Value. In the event that the Units are held in more than one Fund, the cancellation of Units will be effected in the same proportion as the Value of Units held in each Fund. In case the fund value in any fund goes down to the extent that it is not sufficient to support the proportionate monthly charges, then the same shall be deducted from the fund value of the other funds.

The partial withdrawal charge will be deducted from the withdrawal amount.

The policy will be terminated if the Fund Value is insufficient to meet the applicable charges. The Fund Value will be payable on such a termination.

#### **12.10. Change in Rate of Charges and Penalties**

The allocation and insurance charges are guaranteed for the policy term.

The Company reserves the right to change the Fund Management charges from time to time but guarantees that such charges will not exceed 2% per annum for Future Secure Fund and 2.5% per annum for Future Income, Future Balance and Future Maximise funds.

The switching charges are subject to increase up to Rs.200 per switch.

The monthly policy administration charge can be increased by not more than 5% per annum since inception.

The surrender penalties and partial withdrawal charges are guaranteed.

The Company will give a notice of one month to you for any of the above-mentioned increases in charges. If you do not agree with the modified charges you shall be allowed to withdraw the units in the funds at the then prevailing unit value and terminate the Policy.

Further, any change in the charges within the specified upper limit will be subject to approval by IRDA.

### **13. Policy Loan**

Policy loans are not allowed under this plan.

### **14. If the Life Assured is minor at the commencement of policy**

#### **14.1. Vesting of the Policy**

If the Policy is in force or otherwise has acquired Surrender Value on the vesting date, this Policy shall vest in the life assured on that date. Upon such vesting, the Policy will be deemed to be a contract between the life assured (also the policyholder henceforth) as the owner of the Policy and the Company. The erstwhile policyholder or his estate shall cease to have any right or interest in the policy.

#### **14.2. Death of Proposer while the life assured is a minor**

On the death of the Proposer while the life assured is a minor, the surrender value, if any, under the policy would be paid to the Legal Representatives of the Proposer who would take out representation for the moneys under the policy from any Court of any State or Territory of the Union of India. The policy will be terminated thereafter. However, the policy may be continued by the appointment of a new Proposer for the policy.

### **15. Claim Procedure**

#### **15.1. Notice of Claim**

The death of the life assured must be notified immediately to us in writing.

#### **15.2. Filing Proof of Claim**

##### **15.2.1. Death Claim**

Affirmative proof of death and any appropriate documents as required by us must be completed and furnished to us, preferably within 90 days from the date of death.

Without prejudice, the following documents may be necessary to establish the claim to the satisfaction of the Company:-

- Original Policy Document;
- Original Death Certificate;
- Post Mortem Report / First Investigation Report of the police, where applicable;
- Claim Forms duly filled in as required by the Company;
- Certificate from physician last attended / Hospital last admitted showing cause of death;
- Legal evidence of title of the claimant where no valid nomination or assignment under the Policy exists or in cases where the title is in dispute;

- Age proof of the life assured, if the age is not admitted earlier.

We may, however, call for additional documents, if found necessary, in support of the claim.

### **15.2.2. Maturity of Policy**

On survival of the life assured to the maturity date, you shall submit the discharge form along with original Policy document besides proof of age of the life assured, if the age is not admitted earlier.

### **16. Electronic Transaction**

You will adhere to and comply with all such terms and conditions as prescribed by the Company from time to time and hereby agree and confirm that all transactions effected by or through facilities for conduction of remote transactions including the Internet, World Wide Web, electronic data interchange, call centres, teleservice operations (whether voice, video, data or combination thereof) or by means of electronic, computer, automated machines network or through other means of telecommunication, established by or on behalf of the Company, for and in respect of the Policy or its terms, or the Company's other products and services, shall constitute legally binding and valid transactions when done in adherence to and in compliance with the Company's terms and conditions for such facilities, as may be prescribed from time to time.

### **17. Currency:**

All amounts payable either to or by the Company shall be payable in India and in Indian Currency.

### **18. Legislative Changes**

The Terms and Conditions including the premiums and benefits payable under this policy are subject to variation in accordance with the relevant Legislation and Regulations.

Service Tax and other related taxes as mentioned above shall be charged at the prevailing tax rates.

### **19. Free-look period**

You have a period of 15 days from the date of receipt of the Policy document to review the terms and conditions of the Policy. If you are not satisfied with or disagree with any of the terms and conditions, you have the option to cancel / withdraw and return the Policy along with a letter (dated and signed) stating your intention to cancel the Policy and reasons for the objections / cancellation, within this period. Cancellation of Policy and refund of premium is allowed under this provision, with a deduction for reasonable cost of insurance cover for the period and expenses towards Policy stamp duty and medical examination, if any. Where premiums have been allocated to units, the Fund Value as on the date of cancellation will be payable.

### **20. Grievance Redressal**

In case you have any complaint / grievance, you may approach Grievance Redressal Cell / Insurance Ombudsman whose particulars are as under:

Customer Services Officer  
Future Generali India Life Insurance Co. Ltd.  
001, Trade Plaza, 414, Veer Savarkar Marg, Prabhadevi, Mumbai -400025

Phone: +91-22-40976699/6655 • Email: [care@futuregenerali.in](mailto:care@futuregenerali.in)

To attend to grievance of Policyholders with respect to their insurance policies, the Central Government has established offices of insurance ombudsman.

For an updated list of Ombudsman along with their contact details, please visit [www.irda.gov.in](http://www.irda.gov.in).

## **PART -B**

The nature of various benefits under the Policy is explained below. The benefits are payable to you or your Assigns or Nominees under Section 39 of the Insurance Act 1938 or proving Executors or Administrators or

other Legal Representatives who should take out representation to your estate or limited to the moneys payable under this policy from any Court of any State or Territory of the Union of India.

**20.1. Death Benefit**

The higher of

- Sum Assured less deductible partial withdrawals, if any, and
- Fund Value

is payable if the life assured dies before the maturity date. The policy terminates thereafter.

Deductible partial withdrawals are partial withdrawals made in the 2 years prior to the date of death of the life assured. On the life assured completing 60 years of age, all partial withdrawals made within the two years before completing age 60 years and all the partial withdrawals made after completing age 60 years would constitute the deductible partial withdrawals.

**20.2. Maturity of Policy**

The policy matures on survival of the life assured to the maturity date of the policy. On maturity, the Fund Value shall be payable to you. The policy terminates thereafter.

This benefit applies if it is in force, or otherwise the non-forfeiture provisions would apply.

**Table 1:**

**21.** The standard insurance charges under this policy per Rs 1000/- sum at risk for different ages are as given below:

Age last birthday	Risk premium	Age last birthday	Risk premium
12	0.48	44	2.70
13	0.59	45	2.96
14	0.65	46	3.27
15	0.70	47	3.63
16	0.75	48	4.04
17	0.79	49	4.49
18	0.83	50	4.99
19	0.87	51	5.53
20	0.90	52	6.13
21	0.93	53	6.77
22	0.96	54	7.45
23	0.99	55	8.19
24	1.01	56	8.97
25	1.02	57	9.78
26	1.04	58	10.48
27	1.05	59	11.36
28	1.05	60	12.42
29	1.06	61	13.68
30	1.06	62	15.11
31	1.06	63	16.74
32	1.09	64	18.55
33	1.13	65	20.54
34	1.18	66	21.59
35	1.25	67	24.34
36	1.34	68	27.39
37	1.44	69	30.76
38	1.55	70	34.48
39	1.68		
40	1.96		
41	2.14		
42	2.30		
43	2.48		