Have you planned for your employees gratuity and leave encashment benefits?

**Bharti AXA Life Unit Linked Employee Benefits Plan**

* Setup a separate fund for Gratuity and Leave Encashment benefits of employees.
* Additional benefits on each Policy Anniversary in the form of Loyalty Additions.
* Choose between 4 fund options offering different risk-return potential.
* Life Insurance Coverage is available for members.
Bharti AXA Life
Unit Linked Employee Benefits Plan -
A Non-Participating Group Life Insurance Plan

Sales Literature

As an organization which wants the best interests of your employees, you need to ensure that you have planned for your employees benefits well in advance. At Bharti AXA Life we understand this and have decided to act. We bring to you, Bharti AXA Life Unit Linked Employee Benefits Plan, a Unit Linked Group Insurance Plan, which enables you to plan for your employee benefits and ensures that your employees get appropriate benefits in the form of gratuity and leave encashment. The plan also provides death benefit to employees in case of the unfortunate event of death of the employee.

Who should buy this Plan?

- Employers who want to setup a new Gratuity / Leave Encashment Fund for employee benefits.
- Employers who are planning to shift their funds from an existing Gratuity / Leave Encashment scheme managed by another Life Insurance company or in house.
1. Create separate Funds to meet your future liabilities - You have an opportunity to set up a separate fund for gratuity and leave encashment benefit.

2. Get rewarded with Loyalty Additions - If the Policy is in force, Loyalty Additions will be credited to the Policy on each Policy Anniversary and will accrue at the beginning of the Policy Year.

3. Multiple Fund Options to suit your investment needs - The plan lets you choose from 4 fund options with different risk-return potential to suit your investment needs.

4. Life Insurance Cover - A life cover of ₹5,000 for all members under Leave Encashment and Gratuity will be payable to the beneficiary in case of unfortunate death.

5. Competitive Fund Management Charge - The fund management charge (FMC) is 0.55% p.a. and is the same for all Investment Funds.

6. Freely switch between investment funds - You get the flexibility to switch between the 4 Investment Funds depending on your investment strategy without incurring any charges for switch.
1. Gratuity Benefit

In event of death, resignation, retirement, disability or any such event that may terminate the employment where the policy in is force, we will pay the gratuity benefit in accordance with the scheme rules by cancelling the units of equivalent amount from the unit account at the respective NAV, provided the fund value* is sufficient to pay out such gratuity benefit.

The Company’s maximum liability towards the Gratuity Benefit, whether determined or undetermined, in respect of any Member shall at all times be limited to the Fund Value* in Funds maintained by the Company on behalf of the Policyholder.

2. Leave Encashment Benefit

Benefits payable on leave encashment, while the member is in service

This benefit is payable on member encashing leave while in service as per the scheme rules. The amount calculated as per the rules of the scheme rules will be paid by cancellation of units at the prevailing NAV, provided the fund value* is sufficient to pay out leave encashment benefit.

Benefits payable of the Member’s exit from the employer’s service

On a member’s exit from employer’s service as per the scheme rules (applicable exits may include resignation, retirement, termination or ceasing service due to disability), the amount calculated as per the scheme rules shall be paid by cancellation of units at the prevailing NAV, provided the fund value* is sufficient to pay out such leave encashment benefit.

The Company’s maximum liability towards the Leave Encashment Benefit, whether determined or undetermined, in respect of any Member shall at all times be limited to the Fund Value* in Funds maintained by the Company on behalf of the Policyholder.

3. Death Benefit

In case of death of the member (including death due to suicide), while the policy is in force, the Death Benefit is sum of the following:

a) Sum Assured: A life cover of ₹5000 for all members under Leave Encashment and Gratuity will be payable to the beneficiary/Nominee. No units from the unit account will be redeemed by us for the payment of the Sum Assured.

* Fund Value means the value of the total number of Units held in the Unit Account of the Funds multiplied by the NAV
b) The gratuity / leave encashment benefit will be payable to master policyholder as per the scheme rules by cancelling units of equivalent amount from the fund.

4. Surrender Benefit
If you wish to surrender the policy, a notice period of 3 months has to be given in advance. Such notice period can be waived by the company. If You surrender the policy, We shall pay You the Surrender Value i.e. Fund Value*, as on the date of surrender of the Policy, after deducting the applicable surrender charges. Surrender Benefit will be payable on the expiry of the notice period. On surrender of the policy all rights, benefits and interests under the Policy shall be extinguished.

5. Maturity Benefit
No maturity benefits are payable if this policy is renewed with us. In case you do not renew the policy, we will pay you the fund value* after deducting applicable surrender charges if any.

6. Loyalty Additions
If the policy is in force, loyalty additions will be credited to the policy on each Policy Anniversary. The loyalty additions will be allocated to the Policy by creating additional units across investment funds, in the same proportion as the investment fund allocation instruction then in effect. Once added, they will become payable along with the Fund Value*.

The Loyalty Additions will be calculated in accordance with the table below:

<table>
<thead>
<tr>
<th>Fund Value* as on the last day of the preceding Policy Year (In INR Cr.)</th>
<th>Loyalty Additions (as a % of Fund Value* as on the last day of the preceding Policy Year)</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;= 1</td>
<td>0.15%</td>
</tr>
<tr>
<td>&gt;1 to &lt;= 5</td>
<td>0.20%</td>
</tr>
<tr>
<td>&gt;5 to &lt;= 10</td>
<td>0.25%</td>
</tr>
<tr>
<td>&gt;10 to &lt;= 20</td>
<td>0.30%</td>
</tr>
<tr>
<td>&gt; 20</td>
<td>0.35%</td>
</tr>
</tbody>
</table>

* Fund Value means the value of the total number of Units held in the Unit Account of the Funds multiplied by the NAV
How does this product work?

• Bharti AXA Life Unit Linked Employee benefits plan is for Employer – Employee groups to help create a fund for meeting future gratuity / leave encashment liabilities.

• The master policyholder can pay initial (comprising of past service liability) or annual (comprising of current year liability) premium / contribution in respect of their gratuity/leave encashment schemes into the unit linked funds offered under this group scheme based on an Actuary’s (engaged by the master policyholder) certificate in accordance with the AS 15 (Revised). Each premium / contribution received will be invested in the funds chosen by the master policyholder.

• We offer 4 different fund options based on the risk – return desirability. As per your investment objective, you can either invest in equity based funds with higher risk and higher potential returns or invest in debt based funds with lower risk and relatively lower returns or a combination of risky and less risky funds.

• The invested money will be used to pay out Employee Benefits including gratuity and leave encashment (as per the scheme rules), in the event of Retirement /Resignation/Death/Disability of employee.

• You also get additional benefits in the form of Loyalty Additions which is credited to the Fund on each Policy Anniversary.

• Basic Life Cover under the product is ₹5,000.

• Applicable charges include premium allocation charge, fund management charge, mortality charge and surrender charge.
# Investment Fund Options

Depending on your financial objectives, you have the choice of investing your premiums in any or all of the following four investment funds mentioned below:

<table>
<thead>
<tr>
<th>Investment Fund</th>
<th>Investment Objective</th>
<th>Asset Category and Asset Allocation</th>
<th>Risk-Return Potential</th>
</tr>
</thead>
</table>
| Group Equity Fund SFIN: ULGF00103/08/17GROUPEQUIF130 | To produce better risk adjusted return than the benchmark with priority being given to total return | Debt: NA  
Money Market Instruments: 0% - 20%  
Equities: 80% - 100% | High |
| Group Balance Fund SFIN: ULGF00203/08/17GROUPBALDF130 | To produce better risk adjusted return than the benchmark with priority being given to total return | Debt: 30% - 75%  
Money Market Instruments: 0% - 40%  
Equities: 25% - 60% | Moderate |
| Group Debt Fund SFIN: ULGF00303/08/17GROUPDEBTF130 | To produce better risk adjusted return than the benchmark with priority being given to total return | Debt: 60% - 100%  
Money Market Instruments: 0% - 40%  
Equities: NA | Low |
| Group Liquid Fund SFIN: ULGF00403/08/17GROUPLIQDF130 | To produce better risk adjusted return than the benchmark with priority being given to total return | Debt: 40% - 90%  
Money Market Instruments: 10% - 60%  
Equities: NA | Low |
• **Investment Fund Addition:** The Company may from time to time create and add new Investment Funds with different fees/charges with the approval of the Insurance Regulatory and Development Authority of India (IRDAI) and consequently, new Investment Funds may be made available to master policyholder. All provisions of the Policy will apply to such new Investment Funds unless stated otherwise.

• **Investment Fund Closure:** The Company reserves the right to close any investment fund by giving 3 months’ notice in writing. In such case, option will be given to the master policyholder to change the fund. If the company has not received valid notification from Policyholder for modification of the investment fund allocation by the time of closure of the investment fund, the company will, switch the funds from the closing investment fund to Group Liquid Fund. This switch will be free of charge.
Additional Features and Benefits - Manage your Funds with Switch and Premium / Contribution Redirection facilities:

• Through the features of Switch & Premium / Contribution Redirection, you may manage your asset allocation between equity and debt depending on your need.

• You can make any number of switches in a policy year free of charge, subject to the policy being in force. For Switch, please note the following points –

a) The amount to be switched is at least ₹1,00,000 (One Lakh) unless 100% (One Hundred Percent) of the Units are being switched to another Fund; or

b) On a single day, the amount proposed to be switched does not exceed the higher of 25% (Twenty Five Percent) of the Fund Value* or ₹5,00,00,000 (Five Crores). The minimum investment in any allocated fund should not be less than 5% of the Fund Value* at the time of allocation

• For Premium / Contribution Redirection facilities, the minimum investment in any allocated fund should not be less than 5% of the premium / contribution.

* Fund Value means the value of the total number of Units held in the Unit Account of the Funds multiplied by the NAV

Charges Applicable
Applicable Taxes on Policy Charges as per prevailing regulations will be levied as per prevailing rates

1. Allocation Charge: Allocation charge under the policy is as shown below:

<table>
<thead>
<tr>
<th>Channel</th>
<th>Allocation Charge (as a % of Premium / Contribution)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Marketing</td>
<td>0.00%</td>
</tr>
<tr>
<td>Other than Direct Marketing</td>
<td>2.00%</td>
</tr>
</tbody>
</table>
After deducing this charge from your premium / contribution, the remainder is invested to buy units. These charges are exclusive of applicable taxes.

2. **Policy Administration Charge:** Not Applicable

3. **Mortality Charge:** Mortality charge of Re 1 per annum per ₹1,000 Sum Assured will be recovered from the unit account by cancellation of units on each monthly anniversary of the policy. The rate of mortality charge is guaranteed to remain the same during the Policy Term. These charges are exclusive of applicable taxes.

4. **Fund Management Charge:** This is a charge that is levied on each of the Investment Funds and is adjusted in the unit price calculation on a daily basis. This is a charge levied at the time of computation of NAV, which is usually done on daily basis. The rates of the Fund Management Charge may increase from time to time after approval from the IRDA, but shall not exceed 1.35% of the fund per annum.

<table>
<thead>
<tr>
<th>Fund</th>
<th>Fund Management Charge (as a % of Fund Value*)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group Equity Fund</td>
<td>0.55% p.a.</td>
</tr>
<tr>
<td>Group Balance Fund</td>
<td>0.55% p.a.</td>
</tr>
<tr>
<td>Group Debt Fund</td>
<td>0.55% p.a.</td>
</tr>
<tr>
<td>Group Liquid Fund</td>
<td>0.55% p.a.</td>
</tr>
</tbody>
</table>

These charges are exclusive of applicable taxes.

5. **Surrender Charge:** If the Policy is surrendered before the completion of three Policy Years, a surrender charge of 0.05% of the Fund Value* subject to a maximum of ₹5,00,000 (Five Lakhs) will be applicable. No Surrender Charge is applicable after completion of three Policy Years. These charges are exclusive of applicable taxes.
6. **Premium / Contribution Redirection Charge**: Not Applicable

7. **Miscellaneous Charges**: Not Applicable

* Fund Value means the value of the total number of Units held in the Unit Account of the Funds multiplied by the NAV
Revision of Policy Charges

The Company may at any time revise any/all of the below mentioned charges to the maximum limits as indicated, subject to prior approval from Insurance Regulatory and Development Authority of India (IRDAI):

- **Fund Management Charge:** The maximum charge shall not exceed be the cap as prescribed by IRDAI which is currently 1.35% p.a.

**Units & NAV**

We shall open a unit account as on the effective date of coverage. The premiums/contributions received by us will be allocated to the unit account at the NAV in accordance with the funds chosen by you. The units will be purchased and cancelled at the NAV after deducting the applicable charges. The NAV will be calculated by us for each fund.

The units will be cancelled from the unit account to pay the gratuity benefit, leave encashment benefit, surrender value and for recovering the applicable charges, as specified in the policy.

The price of a unit shall be calculated by us in accordance with the following formula:

\[
\text{Price of a unit} = \frac{\text{Market value of investments held by the segregated Fund} + \text{value of current assets} - \text{value of current liabilities and provisions, if any}}{\text{Number of Units existing on Valuation Date (before creation/redemption of Units)}}
\]

In respect of the premium/contribution received from you, by a local cheque or a demand draft payable at par at the place where the premium/contribution is received before 3:00 p.m. on a business day, the closing NAV of the day on which the premium/contribution is received shall be applicable. In respect of the premium/contribution received after 3:00 p.m. on a business day, the closing NAV of the next business day shall be applicable.

In respect of the premium/contribution received from you by us, by an outstation cheque/demand draft, the closing NAV of the day on which such cheque/demand draft is realized shall be applicable.

All requests for switch or redirection received from you by us up to 3:00 p.m. on a business day will be processed at the closing NAV of the day on which such request is received by us. All such requests received from you by us after 3:00 p.m. on a business day will be processed at the closing NAV of the next business day.

For all transactions including death benefit or gratuity/leave encashment benefit payments that arise on a day which is not a business day, the closing NAV of the next business day shall be applicable.
Termination

Termination of Master Policy

The master policyholder or the company will be entitled to terminate the policy by providing written notice stating its intent to terminate the policy, in which case the policy will stand terminated and will close to new members on the later of:

- The date specified in the notice; or
- End of Notice period of 3 months from the date on which the notice has been received.

In the case of termination of a policy the cover under the policy will cease to exist. On termination of the policy and during the notice period, no new members will be admitted under the policy.

Surrender benefit will be payable on the expiry of the 3 (Three) month notice period. Such notice period can be waived by the company. The Policy will terminate on the date the Surrender Value is paid to the Master Policyholder.

This Policy and the benefits of all Members under the Policy will also terminate on the occurrence of any of the following events:

- Acceptance of Freelook request by the Company.
- On the expiry of the Policy Term or the Annual Date of Renewal if the Policy is not renewed.
- If the Fund Value* falls below ₹1,00,000, then the Policy shall be foreclosed and the Surrender Value as on date of such foreclosure will be paid and the Policy will terminate.

* Fund Value means the value of the total number of Units held in the Unit Account of the Funds multiplied by the NAV

Termination of Member’s Cover under the Policy

A Member’s coverage under this Policy shall terminate on the occurrence of the earliest of the following events:

- the Member ceases to be a Member of the Master Policyholder;
- on the death of the Member; or
- on the payment of the Gratuity Benefit / Leave Encashment Benefit in respect of the Member.
### Boundary Conditions:

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Minimum</th>
<th>Maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td>Premium / Contribution per scheme* (in INR)</td>
<td>₹1,00,000</td>
<td>No Limit</td>
</tr>
<tr>
<td>Age at Entry (Age Last Birthday)</td>
<td>18 years</td>
<td>79 years</td>
</tr>
<tr>
<td>Maximum Age at Maturity (Age Last Birthday)</td>
<td></td>
<td>80 years</td>
</tr>
<tr>
<td>Policy Term</td>
<td></td>
<td>One Year Renewable</td>
</tr>
<tr>
<td>Sum Assured</td>
<td>Flat Sum Assured of ₹5,000 for all members</td>
<td></td>
</tr>
<tr>
<td>Number of Members</td>
<td>10</td>
<td>No Limit</td>
</tr>
</tbody>
</table>

* The premium / contribution shall be as per the Actuary’s certificate in accordance with AS 15 (Revised) only.
Terms and conditions

1. Free-look option: If you disagree with any of the terms and conditions of the Policy, there is an option to return the original Policy along with a letter stating reason/s within 15 days of receipt of the Policy in case of offline policy and within 30 days of receipt of the policy in case of the policy sourced through distant marketing (i.e. online sales). On cancellation of the policy during the free look period, You shall be entitled to an amount which shall be equal to non-allocated premiums plus charges levied by cancellation of units plus Fund Value* at the date of cancellation less Proportionate risk premium for the period on cover, the medical expenses incurred by the insurer and stamp duty charges. All rights under this Policy shall stand extinguished immediately on cancellation of the Policy under the free look option.

2. This is a non-participating Policy, i.e. the Policy does not provide for participation in the distribution of surplus or profits that may be declared by the Company.

3. Non – Payment of Premiums: If the Policy Value is in surplus vis-à-vis the Actuary’s certificate as per AS15 (revised), we shall allow “nil Premiums / Contributions” to this Policy and it shall not be treated as discontinued. As long as there is sufficient balance in the pooled unit fund to cover all the charges due, the Company shall renew the policy at every policy anniversary.

4. Risks of investments: Investments in any of the Investment Funds are subject to the following, amongst other risks:

- The unit price of any investment fund may increase or decrease as per the performance of the financial markets.

- The past performance of these or other investment funds of the company do not indicate the future performance of these investment funds.

- The investment risk in investment portfolio is borne by the master policyholder.

* Fund Value means the value of the total number of Units held in the Unit Account of the Funds multiplied by the NAV
Assignment and Nomination

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

[A Leaflet containing the simplified version of the provisions of Section 38 is enclosed in appendix – (III) for reference]

Nomination: Nomination shall be in accordance with the provisions of sec 39 of the Insurance Act 1938 as amended from time to time.

[A Leaflet containing the simplified version of the provisions of Section 39 is enclosed in appendix – I for reference]

Section 41 of the Insurance Act, 1938 as amended from time to time:
(1) “No person shall allow or offer to allow, either directly or indirectly, as an inducement to any person to take out 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 prospectus or tables of the insurer.

(2) Any person making default in complying with the provisions of this section shall be liable for a penalty which may extend to ten lakh rupees.

Section 45 of Insurance Act, 1938 as amended from time to time:
Fraud, Misrepresentation and forfeiture would be dealt with in accordance with provisions of Sec 45 of the Insurance Act 1938 as amended from time to time. [A Leaflet containing the simplified version of the provisions of Section 45 is enclosed in appendix – II for reference]
About Us

Bharti AXA Life Insurance is a joint venture between Bharti Enterprises, one of India’s leading business groups with interests in telecom, agri business and retail, and AXA, one of the world’s leading company in financial protection and wealth management. The joint venture company has a 51% stake from Bharti and 49% stake of AXA.

As we further expand our presence across the country with a large network of distributors, we continue to provide innovative products and service offerings to cater to specific insurance and wealth management needs of customers. Whatever your plans in life, you can be confident that Bharti AXA Life will offer the right financial solutions to help you achieve them.
Disclaimers

1) Life Insurance Coverage is available

2) Bharti AXA Life Insurance Company is only the name of the insurance company and Bharti AXA Life Unit Linked Employee Benefits Plan is the name of the Unit Linked, Non-Participating Group Life insurance product and it does not in any way indicate the quality of the product or its future prospects.

3) This product brochure is indicative of terms, conditions, warranties and exceptions contained in the Insurance Policy.

4) Bharti AXA Life Unit Linked Employee Benefits Plan is a Unit Linked Insurance Policy and is different from traditional products. Investments in ULIPs are subject to market risks.

5) Tax benefits are as per income tax Act, 1961, and are subject to any amendments made thereto from time to time.

6) Premium paid in the unit linked insurance policies are subject to the investment risks associated with the capital markets and the NAVs of the units may go up or down based on the performance of fund and factors influencing the capital market and the insured is responsible for his/ her decisions.

7) The various funds offered under this contact are the names of the funds and do not in any way indicate the quality of these plans, their future prospects and returns.

8) The names of the Company, Product Names or fund options do not indicate their quality or future guidance on returns.

9) Please know the associated risks and the applicable charges, from your insurance agent or the intermediary or policy document given by the insurer.

10) The funds do not offer a guaranteed or assured return.


12) UIN: 130L074V02

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Appendix I: Section 39 - Nomination by Policyholder

Nomination of a life insurance Policy is as below in accordance with Section 39 of the Insurance Act, 1938 as amended from time to time. The extant provisions in this regard are as follows:

01. The Policyholder of a life insurance on his own life may nominate a person or persons to whom money secured by the Policy shall be paid in the event of his death.

02. Where the nominee is a minor, the Policyholder may appoint any person to receive the money secured by the Policy in the event of Policyholder’s death during the minority of the nominee. The manner of appointment to be laid down by the insurer.

03. Nomination can be made at any time before the maturity of the Policy.

04. Nomination may be incorporated in the text of the Policy itself or may be endorsed on the Policy communicated to the insurer and can be registered by the insurer in the records relating to the Policy.

05. Nomination can be cancelled or changed at any time before Policy matures, by an endorsement or a further endorsement or a will as the case may be.

06. A notice in writing of Change or Cancellation of nomination must be delivered to the insurer for the insurer to be liable to such nominee. Otherwise, insurer will not be liable if a bonafide payment is made to the person named in the text of the Policy or in the registered records of the insurer.

07. Fee to be paid to the insurer for registering change or cancellation of a nomination can be specified by the Authority through Regulations.

08. On receipt of notice with fee, the insurer should grant a written acknowledgement to the Policyholder of having registered a nomination or cancellation or change thereof.

09. A transfer or assignment made in accordance with Section 38 shall automatically cancel the nomination except in case of assignment to the insurer or other transferee or assignee for purpose of loan or against security or its reassignment after repayment. In such case, the nomination will not get cancelled to the extent of insurer’s or transferee’s or assignee’s interest in the Policy. The nomination will get revived on repayment of the loan.
10. The right of any creditor to be paid out of the proceeds of any Policy of life insurance shall not be affected by the nomination.

11. In case of nomination by Policyholder whose life is insured, if the nominees die before the Policyholder, the proceeds are payable to Policyholder or his heirs or legal representatives or holder of succession certificate.

12. In case nominee(s) survive the person whose life is insured, the amount secured by the Policy shall be paid to such survivor(s).

13. Where the Policyholder whose life is insured nominates his
   a. parents or
   b. spouse or
   c. children or
   d. spouse and children
   e. or any of them
      the nominees are beneficially entitled to the amount payable by the insurer to the Policyholder unless it is proved that Policyholder could not have conferred such beneficial title on the nominee having regard to the nature of his title.

14. If nominee(s) die after the Policyholder but before his share of the amount secured under the Policy is paid, the share of the expired nominee(s) shall be payable to the heirs or legal representative of the nominee or holder of succession certificate of such nominee(s).

15. The provisions of sub-section 7 and 8 (13 and 14 above) shall apply to all life insurance policies maturing for payment after the commencement of Insurance Laws (Amendment), 2014 (i.e 26.12.2014).

16. If Policyholder dies after maturity but the proceeds and benefit of the Policy has not been paid to him because of his death, his nominee(s) shall be entitled to the proceeds and benefit of the Policy.

17. The provisions of Section 39 are not applicable to any life insurance Policy to which Section 6 of Married Women’s Property Act, 1874 applies or has at any time applied except where before or after Insurance Laws (Amendment) 2014, a nomination is made in favor of spouse or children or spouse and children whether or not on the face of the Policy it is mentioned that it is made under Section 39. Where nomination is intended to be made to spouse or children or spouse and children under Section 6 of MWP Act, it should be specifically mentioned on the Policy. In such a case only, the provisions of Section 39 will not apply.

[Disclaimer: This is not a comprehensive list of amendments of Insurance Laws (Amendment), 2014 and only a simplified version prepared for general information. Policy Holders are advised to refer to Original Insurance Law (Amendment), 2014.]
Appendix II: Section 45 – Policy shall not be called in question on the ground of mis-statement after three years

Provisions regarding Policy not being called into question in terms of Section 45 of the Insurance Act, 1938, as amended from time to time are as follows:

01. No Policy of Life Insurance shall be called in question on any ground whatsoever after expiry of 3 yrs from
   a. the date of issuance of Policy or
   b. the date of commencement of risk or
   c. the date of revival of Policy or
   d. the date of rider to the Policy
   whichever is later.

02. On the ground of fraud, a Policy of Life Insurance may be called in question within 3 years from
   a. the date of issuance of Policy or
   b. the date of commencement of risk or
   c. the date of revival of Policy or
   d. the date of rider to the Policy
   whichever is later.

   For this, the insurer should communicate in writing to the insured or legal representative or nominee or assignees of insured, as applicable, mentioning the ground and materials on which such decision is based.

03. Fraud means any of the following acts committed by insured or by his agent, with the intent to deceive the insurer or to induce the insurer to issue a life insurance Policy:
   a. The suggestion, as a fact of that which is not true and which the insured does not believe to be true;
   b. The active concealment of a fact by the insured having knowledge or belief of the fact;
   c. Any other act fitted to deceive; and
   d. Any such act or omission as the law specifically declares to be fraudulent.

04. Mere silence is not fraud unless, depending on circumstances of the case, it is the duty of the insured or his agent keeping silence to speak or silence is in itself equivalent to speak.

05. No Insurer shall repudiate a life insurance Policy on the ground of Fraud, if the Insured / beneficiary can prove that the misstatement was true to the best of his knowledge and there was no deliberate intention to suppress the fact or that such mis-statement of or suppression of material fact are within the knowledge of the insurer. Onus of disproving is upon the Policyholder, if alive, or beneficiaries.

06. Life insurance Policy can be called in question within 3 years on the ground that any statement of or suppression of a fact material to expectancy of life of the insured was incorrectly made in the proposal or other document basis which Policy was issued or revived or rider issued. For this, the insurer should communicate in writing to the insured or legal representative or nominee or assignees of insured, as applicable, mentioning the ground and materials on which decision to repudiate the Policy of life insurance is based.
07. In case repudiation is on ground of mis-statement and not on fraud, the premium collected on Policy till the date of repudiation shall be paid to the insured or legal representative or nominee or assignees of insured, within a period of 90 days from the date of repudiation.

08. Fact shall not be considered material unless it has a direct bearing on the risk undertaken by the insurer. The onus is on insurer to show that if the insurer had been aware of the said fact, no life insurance Policy would have been issued to the insured.

09. The insurer can call for proof of age at any time if he is entitled to do so and no Policy shall be deemed to be called in question merely because the terms of the Policy are adjusted on subsequent proof of age of life insured. So, this Section will not be applicable for questioning age or adjustment based on proof of age submitted subsequently.

[Disclaimer: This is not a comprehensive list of amendments of Insurance Laws (Amendment) Ordinance, 2014 and only a simplified version prepared for general information. Policy Holders are advised to refer to Original Ordinance Gazette Notification dated December 26, 2014 for complete and accurate details.]

Appendix III: Section 38 - Assignment and Transfer of Insurance Policies

Assignment or transfer of a Policy should be in accordance with Section 38 of the Insurance Act, 1938 as amended from time to time. The extant provisions in this regard are as follows:

01. This Policy may be transferred/assigned, wholly or in part, with or without consideration.

02. An Assignment may be effected in a Policy by an endorsement upon the Policy itself or by a separate instrument under notice to the Insurer.

03. The instrument of assignment should indicate the fact of transfer or assignment and the reasons for the assignment or transfer, antecedents of the assignee and terms on which assignment is made.

04. The assignment must be signed by the transferor or assignor or duly authorized agent and attested by at least one witness.

05. The transfer of assignment shall not be operative as against an insurer until a notice in writing of the transfer or assignment and either the said endorsement or instrument itself or copy there of certified to be correct by both transferor and transferee or their duly authorized agents have been delivered to the insurer.

06. Fee to be paid for assignment or transfer can be specified by the Authority through Regulations.

07. On receipt of notice with fee, the insurer should Grant a written acknowledgement of receipt of notice. Such notice shall be conclusive evidence against the insurer of duly receiving the notice.

08. If the insurer maintains one or more places of business, such notices shall be delivered only at the place where the Policy is being serviced.

09. The insurer may accept or decline to act upon any transfer or assignment or endorsement, if it has sufficient reasons to believe that it is
   a. not bonafide or
   b. not in the interest of the Policyholder or
c. not in public interest or
d. is for the purpose of trading of the insurance Policy.

10. Before refusing to act upon endorsement, the Insurer should record the reasons in writing and communicate the same in writing to Policyholder within 30 days from the date of Policyholder giving a notice of transfer or assignment.

11. In case of refusal to act upon the endorsement by the Insurer, any person aggrieved by the refusal may prefer a claim to IRDAI within 30 days of receipt of the refusal letter from the Insurer.

12. The priority of claims of persons interested in an insurance Policy would depend on the date on which the notices of assignment or transfer is delivered to the insurer; where there are more than one instruments of transfer or assignment, the priority will depend on dates of delivery of such notices. Any dispute in this regard as to priority should be referred to Authority.

13. Every assignment or transfer shall be deemed to be absolute assignment or transfer and the assignee or transferee shall be deemed to be absolute assignee or transferee, except
a. where assignment or transfer is subject to terms and conditions of transfer or assignment OR
b. where the transfer or assignment is made upon condition that
   i. the proceeds under the Policy shall become payable to Policyholder or nominee(s) in the event of assignee or transferee dying before the insured OR
   ii. the insured surviving the term of the Policy

   Such conditional assignee will not be entitled to obtain a loan on Policy or surrender the Policy. This provision will prevail notwithstanding any law or custom having force of law which is contrary to the above position.

14. In other cases, the insurer shall, subject to terms and conditions of assignment, recognize the transferee or assignee named in the notice as the absolute transferee or assignee and such person
a. shall be subject to all liabilities and equities to which the transferor or assignor was subject to at the date of transfer or assignment and
b. may institute any proceedings in relation to the Policy
c. obtain loan under the Policy or surrender the Policy without obtaining the consent of the transferor or assignor or making him a party to the proceedings

15. Any rights and remedies of an assignee or transferee of a life insurance Policy under an assignment or transfer effected before commencement of the Insurance Laws (Amendment), 2014 shall not be affected by this section.

[Disclaimer: This is not a comprehensive list of amendments of Insurance Laws (Amendment), 2014 and only a simplified version prepared for general information. Policy Holders are advised to refer to Original Insurance Law (Amendment), 2014.]
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