

**IDBI Federal Incomesurance Guaranteed Money Back Insurance Plan**  
**UIN 135N031V01**

**1. Definitions**

“**Commencement date**” means the commencement date of this policy shown in the schedule.

“**Death Sum Assured**” means the Death Sum Assured shown in the policy schedule, which is the minimum amount guaranteed to be paid on death of the insured person during the term of the policy. The Death Sum Assured is highest of 10 times of annual premium (exclusive of service tax and mortality loadings) or 105% of all premiums paid or maturity sum Assured

“**Guaranteed Annual Payout**” means payout declared at the outset as a percentage of the annual premium (exclusive of service tax and mortality loadings if any) paid. This is paid at the end of every policy year for five years starting from the sixth policy year.

“**Insured person**” means the insured person shown in the schedule.

“**Maturity date**” means the maturity date shown in the schedule.

“**Maturity Sum Assured**” is equal to the sum of all guaranteed annual payouts.

“**Policy**” means the arrangements established by the policy document.

“**Policy document**” means your statements and warranties in the proposal form including amendments thereto, these Terms and Conditions, the General Terms and Conditions, the schedule and any other information as may be provided from time to time for issue of this policy.

“**Policy owner**” means the person within the meaning of Section 2(2) of the Insurance Act, 1938.

“**Policy year**” means the first and every subsequent 12 month period after the commencement date.

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

“**We/Our/Us**” means IDBI Federal Life Insurance Company Limited.

“**You/Your**” means the policy owner named in the schedule or his or her legal personal representative.

## 2. Benefits

### 2.1 Survival Benefit:

We will pay you a guaranteed annual payout on each of the guaranteed annual payout dates from the end of the sixth policy year. The guaranteed amount payable each year is shown in the policy schedule.

### 2.2 Death Benefit:

On death of the insured person, provided the policy is in force, we will pay to the beneficiary Death Sum Assured shown in the schedule irrespective of the survival benefit paid out.

#### 2.2.1 Suicide claim provision

We will pay 80% of the premiums paid as the death benefit if the insured person, whether sane or insane, commits suicide within 12 months from the date of commencement of the policy or from the date of policy issue whichever is later.

We will pay 80% of the premiums paid or surrender value as available on the date of death, whichever is higher, in case the insured person commits suicide within 12 months from the date of revival of this policy,

#### 2.2.2 Fraud or misrepresentation

In case of fraud or misrepresentation, the policy shall be cancelled immediately by paying the surrender value, subject to the fraud or misrepresentation being established by the insurer in accordance with section 45 of the Insurance Act, 1938.

## 3 Premiums

The amount and frequency of your premium payment are shown in the schedule. The first premium is due on the commencement date and your subsequent premiums are due during the premium payment term as shown in the schedule.

## 4 Surrender value

The policy can be surrendered at any time after payment of two full years' premiums, from the date of commencement of the policy. The surrender value is higher of Guaranteed Surrender Value (GSV) and Special Surrender Value (SSV).

### 4.1 Guaranteed Surrender Value (GSV)

GSV is calculated as:

Total premiums paid till date of surrender \* Guaranteed Surrender Value Factor - Guaranteed annual payouts till date of surrender

Policy Year	GSV Factor
1	-
2	30%
3	30%
4	50%
5	50%
6	50%
7	50%
8	62%
9	73%
10	85%

#### **4.2 Special Surrender Value (SSV)**

The Company, at its discretion, may also pay a Special Surrender Value which may be higher than the Guaranteed Surrender Value. The SSV is not guaranteed and may be changed at any time, subject to the prior approval of the IRDA.

The policy terminates on surrender and no further benefits are payable under the policy.

Surrender values are available only after two full year's premiums have been paid. The surrender value will be paid in a lump sum.

#### **5 Grace period**

We allow a grace period of 30 days. Should an otherwise valid claim arise under the policy during the grace period, but before payment of the due premium, we will still admit the claim. In the event of such a claim, we will deduct any premiums due from the benefits payable.

#### **6 Lapse**

If the policy owner does not pay the premiums due, during the first two years before the end of the grace period from the premium due date, the policy will lapse and we will not pay any benefits during the lapsed state.

#### **7 Paid up**

Paid up values are available only after two full year's premiums have been paid. And thereafter, if any premium, which is due, is not paid before the end of the grace period, the policy will be made paid-up with reduced benefits.

Reduced Guaranteed Annual Payouts =  $\frac{\text{Guaranteed Annual Payouts} \times \text{Number of full years' premiums paid}}{\text{Total number of full years premiums payable during the entire policy term}}$

The reduced Death Sum Assured is  $(\text{Death Sum Assured}) * \left(\frac{\text{Number of full year's premiums paid}}{\text{Total number of full year's premiums payable during the entire policy term}}\right)$

On death during the policy term, reduced Death Sum Assured will be paid out.

#### **8 Revival:**

If your policy has lapsed or acquired paid-up value, we may revive it subject to the following conditions:

- a) you must make an application for revival within two years from the due date of the first unpaid premium
- b) the insured person must furnish us with satisfactory evidence of health and satisfy other requirements according to Board approved underwriting guidelines at that time
- c) you must pay all arrears of premium together with interest at such a rate as decided by us from time to time. We charge 3% more than the 10 year government securities rate. However for the ease of administration, the rates will be reviewed every 6 month only
- d) If your policy has acquired a paid up value then the application for revival must be made before the due date of the first guaranteed annual payout

When a policy is revived after payment of all due premiums together with interest, the guaranteed annual payouts will be revived as shown in the schedule.

Once a policy has been revived, thereafter the policy is entitled to receive all benefits. If you have not revived a lapsed policy and where the policy has not acquired a paid up value, the premiums already received by us are forfeited and the policy cannot be revived thereafter.

## 9 Changes in taxes

In the event that any government or authority introduces any form of tax, surcharge, cess, levy, duty, or impose on the premiums, charges, fees, benefits or investment returns of your policy, then we may pass the same on to you directly as charges, fees or benefits payable under your policy.

## 10 Claim requirements

We have requirements to establish the validity of any claim that you may make under this policy before we can make any benefit payment. We will ask you for:

- a) the original policy
- b) proof of death
- c) a claim discharge signed by nominee or in absence of nominee then by the party to whom the benefits are payable
- d) copies of First Information Report (FIR), Police Inquest Report (PIR), Post Mortem Report or Final Inquest Report duly attested by police officials, in case of unnatural deaths including accidents etc
- e) any further documentation or information as we may require for processing the death claim

We may conduct any investigation we consider necessary before we process the claim.

## 11 Termination of your policy

This policy will terminate and our obligations will cease on the earliest of

- a) On lapse at the end of revival period
- b) In case of loan availed, where the amount of loan plus accumulated interest is equal to or greater than the surrender value as specified by us except for premium paying and fully paid up policies
- c) Payment of surrender value
- d) On payment of the Death Sum Assured, in case of a valid claim in the event of death of the insured person
- e) On payment of last guaranteed annual payout
- f) In case of fraud or misrepresentation, the policy shall be cancelled immediately by paying the surrender value, subject to the fraud or misrepresentation being established by the insurer in accordance with section 45 of the Insurance Act, 1938.

## 12 Loans

Loan facility will be available once the policy acquires surrender value.

- a) Loan amount granted will be limited to 85% of Guaranteed Surrender Value available under the policy subject to a minimum loan amount of Rs 5000. The policy will be assigned absolutely to and kept with us as security for the repayment of the loan, interest on the loan and expenses incurred in connection with the loan.
- b) Interest rate applicable for the outstanding loan would be determined from time to time. We will charge interest of 3% more than the 10 year government security for the money paid as loan. The interest rate will be reviewed every 6 months.
- c) For policies where the premium has not been paid for five years and they have become paid up and , where the amount of loan plus accumulated interest is equal to or greater than the surrender value as specified by us, the policy will be forfeited by us, after intimation to the policy holder by way of notice from the company . We will be entitled to apply the surrender value allowable in respect of the policy towards the payment of loan and interest. For policies where all the five premiums have been paid or in case of premium paying policies, we will not do any foreclosure for the loans even if the loan plus accumulated interest is equal to or greater than the surrender value.
- d) In case you have taken a loan, the guaranteed annual payout will be first used to offset the loan amount and accrued interest. In case the guaranteed annual payout in that year is greater than the loan amount and accrued interest, we will pay out the balance amount.
- e) In the event of death, maturity or surrender of the policy, where the amount of loan or any portion thereof remains outstanding, we will be entitled to deduct the same together with all interest up to the date of claim from the policy proceeds before settling the claim.

### **General Terms and Conditions**

This policy is subject to our General Terms and Conditions which is part of our policy contract for conducting business with our policy owners. These are binding on you and us. We may amend the General Terms and Conditions with the approval of the IRDA where required for the sake of compliance, good governance, the security of our policy owners, and for administrative efficiency. We may also be required by law to change the General Terms and Conditions and we may do so with. We will advise you of any changes to the General Terms and Conditions which are also available on request from any of our official branches and offices.

#### **1. Nomination by policy owner**

Nomination will be allowed as per provisions of section 39 of the Insurance Act, 1938 as amended from time to time. Please refer Annexure B for further details.

#### **2. Assignment and transfer**

Assignment and transfer of insurance policies will be allowed as per provisions of section 38 of the Insurance Act, 1938 as amended from time to time. Please refer Annexure A for further details.

#### **3. Endorsements**

The terms and conditions of this policy cannot be waived or changed except by an endorsement approved and signed by our authorised officials.

#### **4. Travel, residence and occupation**

This policy is free from all restrictions as to travel, residence and occupation unless specifically restricted in the schedule.

#### **5. Fraud or misrepresentation**

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. Please refer Annexure C for further details.

#### **6. Currency and place of payment**

Indian Rupee is the currency of this policy. We will make or accept payments at any of our offices in India.

#### **7. Changes in applicable law**

Notwithstanding anything contained in this policy, the provisions herein shall stand altered, amended, modified or superseded to such extent and in such manner as may be required by any change in the applicable law (including but not limited to any regulations made or directions or instructions or guidelines issued by the IRDA or any other statutory bodies) or as may be necessary under a judgement or order of a court of law or of the government.

#### **8. Loss of policy document**

If the policy document is lost then we will, on a written request by you and upon us being satisfied as to the fact and cause of the loss, provide a copy. If a copy is issued, the original policy document will cease to be of any legal effect. You must agree to keep us indemnified and hold us harmless from any costs, expenses, claims, awards or judgments arising out of or howsoever connected with the original policy document.

#### **9. Governing law & jurisdiction**

Indian law shall govern this policy and the relationship between you and us. The Parties shall be subject to the exclusive jurisdiction of the courts in India for all matters and disputes arising from, relating to or concerning the policy.

#### **10. Notices**

All notices meant for the policyholder will be in writing and will be sent by us to the address of the policyholder as shown in the schedule. If you change your address, you must notify us immediately.

Please notify the Company immediately in case of any change in postal/permanent address/contact details along with relevant KYC documents. This will enable the Company to send you regular updates on your policy.

#### **11. Free look period**

You are entitled to a free look period of 15 days from the date of receipt of this document to review the terms and conditions of the policy. In case you do not agree with any of the terms and conditions, you have the option to return the policy to us for cancellation by communicating the same in writing stating the reasons for objections. We will refund you the premium amount after deducting the proportionate risk premium for the cover provided during that time plus any medical examination cost and stamp duty charges incurred by us in respect of the policy. All the benefits under the policy will stand extinguished immediately on the cancellation of the Policy under the free look. For electronic policies and the policies solicited through Distance Marketing mode\*, free-look period of 30 days from the date of receipt of your policy document is applicable. \*Distance mode includes every activity of solicitation (including lead generation) and sale of insurance products through the following modes:

- Voice mode, which includes telephone-calling
- Short Messaging Service (SMS)
- Electronic mode which includes e-mail and interactive television (DTH)
- Physical mode which includes direct postal mail, newspaper and magazine inserts.

#### **12. Grievances**

- a) In case you have any query or complaint/grievance, you may approach us at our registered office at the following address:  
Manager-Customer & Sales Support  
IDBI Federal Life Insurance Co Ltd  
22nd Floor, A Wing, Marathon Futurex,  
N. M. Joshi Marg, Lower Parel – East,  
Mumbai – 400013  
Contact No:  
Toll free Nos 1800 209 0502  
Email ID: support@idbifederal.com
- b) In case you are not satisfied with the decision of the above office, or have not received any response within 10 days, you may contact the following official for resolution:  
Chief Operating Officer  
IDBI Federal Life Insurance Company Limited  
22nd Floor, A Wing, Marathon Futurex,  
N. M. Joshi Marg, Lower Parel – East,  
Mumbai – 400013  
Contact No: 022 23029200  
Email ID: grievance@idbifederal.com
- c) In case you are not satisfied with the decision/resolution of IRDAI, you may approach the Insurance Ombudsman at the address given below.

#### **Address of Insurance Ombudsman**

CONTACT DETAILS	JURISDICTION
<p><b>AHMEDABAD</b> Office of the Insurance Ombudsman, 2nd floor, Ambica House, Near C.U. Shah College, 5, Navyug Colony, Ashram Road, Ahmedabad – 380 014 Tel.:- 079-27546150/139 Fax:- 079-27546142 Email:- <a href="mailto:bimalokpal.ahmedabad@ecoi.co.in">bimalokpal.ahmedabad@ecoi.co.in</a></p>	<p>State of Gujarat and Union Territories of Dadra &amp; Nagar Haveli and Daman and Diu.</p>
<p><b>BENGALURU</b> Office of the Insurance Ombudsman, Jeevan Soudha Building, PID No.57-27-N-19, Ground Floor, 19/19, 24th Main Road, JP Nagar, 1st Phase, Bengaluru-560 078. Tel.:- 080-26652048 / 26652049 Email:- <a href="mailto:bimalokpal.bengaluru@ecoi.co.in">bimalokpal.bengaluru@ecoi.co.in</a></p>	<p>Karnataka.</p>
<p><b>BHOPAL</b> Office of the Insurance Ombudsman, Janak Vihar Complex, 2nd Floor, 6, Malviya Nagar, Opp.Airtel Office, Near New Market, Bhopal – 462 033. Tel.:- 0755-2769200/201/202 Fax:- 0755-2769203 Email:- <a href="mailto:bimalokpalbhopal@ecoi.co.in">bimalokpalbhopal@ecoi.co.in</a></p>	<p>States of Madhya Pradesh and Chattisgarh.</p>
<p><b>BHUBANESHWAR</b> Office of the Insurance Ombudsman, 62, Forest park, Bhubneshwar – 751 009. Tel.:- 0674-2596461 / 2596455 Fax:- 0674-2596429 Email:- <a href="mailto:bimalokpal.bhubaneswar@ecoi.co.in">bimalokpal.bhubaneswar@ecoi.co.in</a></p>	<p>State of Orissa.</p>
<p><b>CHANDIGARH</b> Office of the Insurance Ombudsman, S.C.O. No. 101, 102 &amp; 103, 2nd Floor, Batra Building, Sector 17 – D, Chandigarh – 160 017. Tel.:- 0172-2706196/5861 / 2706468 Fax:- 0172-2708274 Email:- <a href="mailto:bimalokpal.chandigarh@ecoi.co.in">bimalokpal.chandigarh@ecoi.co.in</a></p>	<p>States of Punjab, Haryana, Himachal Pradesh, Jammu &amp; Kashmir and Union territory of Chandigarh.</p>
<p><b>CHENNAI</b> Office of the Insurance Ombudsman, Fatima Akhtar Court, 4th Floor, 453 (old 312), Anna Salai, Teynampet, CHENNAI – 600 018. Tel.:- 044-24333668 / 24335284</p>	<p>State of Tamil Nadu and Union Territories - Pondicherry Town and Karaikal (which are part of Union Territory of Pondicherry).</p>

<p>Fax:- 044-24333664 Email:- <a href="mailto:bimalokpal.chennai@ecoi.co.in">bimalokpal.chennai@ecoi.co.in</a></p>	
<p><b>DELHI</b> Office of the Insurance Ombudsman, 2/2 A, Universal Insurance Building, Asaf Ali Road, New Delhi – 110 002. Tel.:- 011-23239611/7539/7532 Fax:- 011-23230858 Email:- <a href="mailto:bimalokpal.delhi@ecoi.co.in">bimalokpal.delhi@ecoi.co.in</a></p>	<p>State of Delhi</p>
<p><b>ERNAKULAM</b> Office of the Insurance Ombudsman, 2nd floor, Pulinat Building, Opp. Cochin Shipyard, M.G. Road, Ernakulum - 682 015. Tel.:- 0484-2358759/2359338 Fax:- 0484-2359336 Email:- <a href="mailto:bimalokpal.ernakulum@ecoi.co.in">bimalokpal.ernakulum@ecoi.co.in</a></p>	<p>Kerala, Lakshadweep, Mahe-a part of Pondicherry</p>
<p><b>GUWAHATI</b> Office of the Insurance Ombudsman, 'Jeevan Nivesh', 5th Floor, Nr. Panbazar over bridge, S.S. Road, Guwahati – 781001(ASSAM). Tel.:- 0361- 2132204 / 2132205 Fax:- 0361-2732937 Email:- <a href="mailto:bimalokpal.guwahati@ecoi.co.in">bimalokpal.guwahati@ecoi.co.in</a></p>	<p>States of Assam, Meghalaya, Manipur, Mizoram, Arunachal Pradesh, Nagaland and Tripura.</p>
<p><b>HYDERABAD</b> Office of the Insurance Ombudsman, 6-2-46, 1st floor, "Moin Court" Lane Opp. Saleem Function Palace, A. C. Guards, Lakdi-Ka-Pool, Hyderabad - 500 004. Tel.:- 040-65504123/23312122 Fax:- 040-23376599 Email:- <a href="mailto:bimalokpal.hyderabad@ecoi.co.in">bimalokpal.hyderabad@ecoi.co.in</a></p>	<p>States of Andhra Pradesh, Telangana and Union Territory of Yanam - a part of the Union Territory of Pondicherry.</p>
<p><b>JAIPUR</b> Office of the Insurance Ombudsman, Jeevan Nidhi-II Bldg., Ground Floor, Bhawani Singh Marg, Jaipur - 302005. Tel.:- 0141-2740363 Email:- <a href="mailto:bimalokpal.jaipur@ecoi.co.in">bimalokpal.jaipur@ecoi.co.in</a></p>	<p>State of Rajasthan.</p>
<p><b>KOLKATA</b> Office of the Insurance Ombudsman, Hindustan Building Annexe, 4th floor, 4, CR Avenue, Kolkata - 700 072. Tel.:- 033-22124339 / 22124340 Fax:- 033-22124341 Email:- <a href="mailto:bimalokpal.kolkata@ecoi.co.in">bimalokpal.kolkata@ecoi.co.in</a></p>	<p>States of West Bengal, Bihar, Sikkim and Union Territories of Andaman and Nicobar Islands.</p>



<p><b>LUCKNOW</b> Office of the Insurance Ombudsman, 6th Floor, Jeevan Bhawan, Phase-II, Nawal Kishore Road, Hazratganj, Lucknow-226 001. Tel.:- 0522-2231330 / 2231331 Fax:- 0522-2231310. Email:- <a href="mailto:bimalokpal.lucknow@ecoi.co.in">bimalokpal.lucknow@ecoi.co.in</a></p>	<p>District of Uttar Pradesh: Lalitpur, Jhansi, Mahoba, Hamirpur, Banda, Chitrakoot, Allahabad, Mirzapur, Sonbhadra, Fatehpur, Pratapgarh, Jaunpur, Varansi, Gazipur, Jalaun, Kanpur, Lucknow, Unnao, Sitapur, Lakhimpur, Bahraich, Barabanki, Raebareli, Sravasti, Gonda, Faizabad, Amethi, Kaushambi, Balrampur, Basti, Ambedkarnagar, Sulampur, Maharajganj, Santkabirnagar, Azamgarh, Kaushinagar, Gorkhpur, Deoria, Mau, Chandauli, Ballia, Sidharathnagar.</p>
<p><b>MUMBAI</b> Office of the Insurance Ombudsman, 3rd Floor, Jeevan Seva Annexe, S. V. Road, Santacruz (W), Mumbai - 400 054. Tel.:- 022-26106928/360/889 Fax:- 022-26106052 Email:- <a href="mailto:bimalokpal.mumbai@ecoi.co.in">bimalokpal.mumbai@ecoi.co.in</a></p>	<p>States of Goa, Mumbai Metropolitan Region excluding Navi Mumbai &amp; Thane.</p>
<p><b>NOIDA</b> Office of the Insurance Ombudsman, Bhagwan Sahai Palace, 4th Floor, Main Road, Naya Bans, Sector-15, Gautam Budh Nagar, Noida Email:- <a href="mailto:bimalokpal.noida@ecoi.co.in">bimalokpal.noida@ecoi.co.in</a></p>	<p>States of Uttaranchal and the following Districts of Uttar Pradesh: Agra, Aligarh, Bagpat, Bareilly, Bijnor, Budaun, Bulandshehar, Etah, Kanooj, Mainpuri, Mathura, Meerut, Moradabad, Muzaffarnagar, Oraiyya, Pilibhit, Etawah, Farrukhabad, Firozabad, Gautam Budh Nagar, Ghaziabad, Hardoi, Shahjahanpur, Hapur, Shamli, Rampur, Kashganj, Sambhal, Amroha, Hathras, Kanshiramnagar, Saharanpur.</p>
<p><b>PATNA</b> Office of the Insurance Ombudsman, 1st Floor, Kalpana Arcade Building, Bazar Samiti Road, Bahadurpur, Patna - 800 006. Email:- <a href="mailto:bimalokpal.patna@ecoi.co.in">bimalokpal.patna@ecoi.co.in</a></p>	<p>States of Bihar and Jharkhand.</p>
<p><b>PUNE</b> Office of the Insurance Ombudsman, Jeevan Darshan Building, 3rd Floor, CTS Nos. 195 to 198, NC Kelkar Road, Narayan Peth, Pune - 411 030 Tel: 020 -32341320 Email:- <a href="mailto:bimalokpal.pune@ecoi.co.in">bimalokpal.pune@ecoi.co.in</a></p>	<p>States of Maharashtra, Area of Navi Mumbai and Thane excluding Mumbai Metropolitan Region.</p>

**The Ombudsman shall receive and consider complaints or disputes relating to—**

- (a) delay in settlement of claims, beyond the time specified in the regulations, framed under the Insurance Regulatory and Development Authority of India Act, 1999;

- (b) any partial or total repudiation of claims by the life insurer;
- (c) disputes over premium paid or payable in terms of insurance policy;
- (d) misrepresentation of policy terms and conditions at any time in the policy document or policy contract;
- (e) legal construction of insurance policies in so far as the dispute relates to claim;
- (f) policy servicing related grievances against insurers and their agents and intermediaries;
- (g) issuance of life insurance policy, which is not in conformity with the proposal form submitted by the proposer;
- (h) non-issuance of insurance policy after receipt of premium in life insurance; and
- (i) any other matter resulting from the violation of provisions of the Insurance Act, 1938 or the regulations, circulars, guidelines or instructions issued by the IRDAI from time to time or the terms and conditions of the policy contract, in so far as they relate to issues mentioned at clauses (a) to (f).

Any person who has a grievance against an insurer, may himself or through his legal heirs, nominee or assignee, make a complaint in writing to the Insurance Ombudsman within whose territorial jurisdiction the branch or office of the insurer complained against or the residential address or place of residence of the complainant is located.

The complaint shall be in writing, duly signed by the complainant or through his legal heirs, nominee or assignee and shall state clearly the name and address of the complainant, the name of the branch or office of the insurer against whom the complaint is made, the facts giving rise to the complaint, supported by documents, the nature and extent of the loss caused to the complainant and the relief sought from the Insurance Ombudsman.

No complaint to the Insurance Ombudsman shall lie unless—

- (a) the complainant makes a written representation to the insurer named in the complaint and—
  - (i) either the insurer had rejected the complaint; or
  - (ii) the complainant had not received any reply within a period of one month after the insurer received his representation; or
  - (iii) the complainant is not satisfied with the reply given to him by the insurer;
- (b) The complaint is made within one year—
  - (i) after the order of the insurer rejecting the representation is received; or
  - (ii) after receipt of decision of the insurer which is not to the satisfaction of the complainant;
  - (iii) after expiry of a period of one month from the date of sending the written representation to the insurer if the insurer named fails to furnish reply to the complainant .

No complaint before the Insurance Ombudsman shall be maintainable on the same subject matter on which proceedings are pending before or disposed of by any court or consumer forum or arbitrator.

## Annexure A

### **A. Section 38 - Assignment and Transfer of Insurance Policies**

Assignment or transfer of a policy will 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:

1. This policy may be transferred/assigned, wholly or in part, with or without consideration.
2. An Assignment may be effected in a policy by an endorsement upon the policy itself or by a separate instrument under notice to the Company
3. 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.
4. The assignment must be signed by the transferor or assignor or duly authorized agent and attested by at least one witness.
5. The transfer of assignment shall not be operative as against the company 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 authorised agents have been delivered to the Company
6. Fee to be paid for assignment or transfer can be specified by the Authority through Regulations.
7. On receipt of notice with fee, we will grant a written acknowledgement of receipt of notice. Such notice shall be conclusive evidence against the Company of duly receiving the notice.
8. The policyholder may send such notice to our office address as mentioned in the policy document where the policy is being serviced.
9. We 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, we will 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 Company, any person aggrieved by the refusal may prefer a claim to IRDAI within 30 days of receipt of the refusal letter from the Company
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 Company; 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 shall 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, we will, 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) Act, 2015 shall not be affected by this section.

***Please note: This is not a comprehensive list of amendments of Insurance Laws (Amendment) Act, 2015 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.***

SAMPLE

## Annexure B

### **B. 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:

1. 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.
2. 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.
3. Nomination can be made at any time before the maturity of the policy.
4. Nomination may be incorporated in the text of the policy itself or may be endorsed on the policy communicated to the company and can be registered by the company in the records relating to the policy.
5. 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.
6. A notice in writing of Change or Cancellation of nomination must be delivered to the Company for the Company to be liable to such nominee. Otherwise, we will not be liable if a bonafide payment is made to the person named in the policy or in the registered records of the company.
7. Fee to be paid to the Company for registering change or cancellation of a nomination can be specified by the Authority through Regulations.
8. On receipt of notice with fee, we will grant a written acknowledgement to the policyholder of having registered a nomination or cancellation or change thereof.
9. A transfer or assignment made in accordance with Section 38 shall automatically cancel the nomination except in case of assignment to the Company 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 the Company'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 Company 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) Act, 2015.

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 (MWP Act) applies or has at any time applied except where before or after Insurance Laws (Amendment) Act, 2015 a nomination is made in favour 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

***Please note: This is not a comprehensive list of amendments of Insurance Laws (Amendment) Act, 2015 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.***

## Annexure C

### 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:

1. 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.

2. 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, we will 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.

3. Fraud means any of the following acts committed by insured or by his agent, with the intent to deceive the Company or to induce the Company 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.
4. 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.
5. We will not 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 Company. Onus of disproving is upon the policyholder, if alive, or beneficiaries.
6. 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 Company will 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 is based.
7. 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.
8. Fact shall not be considered material unless it has a direct bearing on the risk undertaken by the Company. The onus is on the Company to show that if the Company had been aware of the said fact, no life insurance policy would have been issued to the insured.

9. The insurer can call 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 of age of life insured. So, this Section will not be applicable for questioning age or adjustment based on proof of age submitted subsequently.

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