

NON-PARTICIPATING TRADITIONAL ENDOWMENT PLAN [UIN: 140N027V01]

POLICY STANDARD TERMS & CONDITIONS

PRAMERICA LIFE FUTURE IDOLS GOLD

POLICY DOCUMENT

**Section One: Definitions & Interpretation**

Words or phrases appearing in the Policy Document in initial capitals will have the meanings given to them below wherever they appear in the Policy Document:

**Accidental Total and Permanent Disability or ATPD** is as defined in Section Four (f) below.

**Annual Guaranteed Addition** means the amount that will be payable as per Section Four (c) below.

**Annual Regular Addition** means the amount that will be payable as per Section Four (d) below.

**Application Form** means the application form and any other information given by the Policyholder to the Company before the inception of this Policy.

**Appointee** means the person that the Policyholder has named to receive payment under this Policy if the Nominee is a minor at the time when the payment becomes due under this Policy.

**Coverage Monthly Payout** means the amount specified in the Schedule and is defined in Section Four (a) ii) below.

**Coverage Sum Assured** means the amount specified in the Schedule for the Policy and for each Rider attached to this Policy. Eligibility for the Coverage Sum Assured is determined according to the terms and conditions of this Policy or the Rider as the case may be.

**Financial Year** means the period starting 1<sup>st</sup> April and ending on the following 31<sup>st</sup> March.

**Grace Period** means a period of 30 days from the Premium due date.

**IRDA** means the Insurance Regulatory and Development Authority.

**Life Insured** means the person on whose life this Policy is effected, and is the person named in the Schedule.

**Maturity Benefit** is the benefit payable on the Maturity Date as defined under section Four (b) below.

**Maturity Date** means the Policy Expiry Date as specified in the Schedule.

**Nominee** means the person named in the Schedule who has been nominated by the Policyholder in accordance with Section Ten below.

**Policy** means the arrangements established by this Policy Document.

**Policy Anniversary** means the anniversary of the Policy Commencement Date.

**Policy Commencement Date** means the date of commencement of the Policy as specified in the Schedule.

**Policy Document** means these Standard Terms & Conditions, the Application Form and the Schedule as amended from time to time.

**Policy Expiry Date** means the date as specified in the Schedule. This is the date on which coverage under the Policy ends.

**Policy Term** means the period between the Policy Commencement Date and the Policy Expiry Date.

**Policy Year** means a period of twelve months commencing on the Policy Commencement Date or Policy Anniversary.

**Policyholder** means the person named in the Schedule who has effected this Policy with the Company.

**Premium** means the amount payable by the Policyholder. The Schedule details the amount of each installment of Premium (**Policy Installment Premium**), how frequently the Premium is to be paid (**Premium Frequency**) and the term over which the Premium is to be paid (**Premium Paying Period**).

**Rider** means a rider issued by the Company. A Rider will be deemed to be attached to and forms an integral part of this Policy Document.

**Schedule** means the schedule (including any annexure attached to it from time to time and any endorsements the Company has made) and, if more than one, then the latest in time.

**Surrender Value** means the benefit payable in accordance with Section Eight below.

Where appropriate, references in this Policy Document to the singular include references to the plural, references to the male include references to the female and references to any statute include references to any subsequent changes to that statute.

**Section Two: Termination of the Policy**

This Policy shall immediately and automatically terminate on the occurrence of the first of the following events:

- a. The Policy Expiry Date.
- b. The date of occurrence of death or ATPD of the Life Insured.
- c. The date on which the Policy lapses as per Section Six (a) below.
- d. The date of surrender of the Policy as per Section Eight below.

- e. The Policyholder fails to repay the loan and / or interest thereon if any, in accordance with Section Nine below.

### Section Three: Suicide

Notwithstanding anything to the contrary in Section Four below:

If the Life Insured's death occurs due to suicide or attempted suicide, whether sane or insane, within one year of the Policy Commencement Date or the effective date of any revival of this Policy, then the Company's only obligation shall be to refund to the beneficiary the Premium paid excluding underwriting extra (if any), service tax and education cess, without interest.

### Section Four: Policy Benefits

#### (a) Benefit Payable on Death or ATPD, whichever is earlier

Subject to Section Three above, on occurrence of death or ATPD of the Life Insured whichever is earlier, at any time on or before the Policy Expiry Date, provided all due Premium has been paid, the Company will pay the Beneficiary in case of death and the Policyholder in case of ATPD as follows:

- i) Upon acceptance of the death or ATPD claim by the Company, an amount equal to 50% of the Coverage Sum Assured under the Policy, plus the Annual Regular Addition accrued till the date of death or ATPD, plus the Annual Guaranteed Addition accrued till the date of death or ATPD shall be paid; *plus*
- ii) Coverage Monthly Payout shall be paid for each Policy month, commencing from the Policy month of death or ATPD of the Life Insured, up to the Policy Expiry Date; *plus*
- iii) At the Policy Expiry Date, a sum equal to the Coverage Sum Assured under the Policy shall be paid.

#### (b) Benefit Payable on Maturity

If the Policy has not terminated as per Section Two above on or before the Maturity Date and all due Premium has been paid, the Company will pay to the Policyholder the Coverage Sum Assured under the Policy along with the Annual Regular Addition accrued till the Maturity Date and the Annual Guaranteed Addition accrued till the Maturity Date.

#### (c) Annual Guaranteed Addition

Annual Guaranteed Addition at the rate of Rs. 35 per thousand of Coverage Sum Assured under the Policy will accrue at the end of each completed Policy Year provided all due Premium has been paid, and will be payable on death or ATPD or maturity. No prorated Annual Guaranteed Addition will accrue for a Policy Year that is not complete.

#### (d) Annual Regular Addition

Annual Regular Addition per thousand of Coverage Sum Assured under the Policy will accrue at the end of each completed Policy Year provided all due Premium has been paid, and will be payable on death or ATPD or maturity whichever is earlier. The rate of Annual Regular Addition applicable for a Policy Year will be determined by the Company in advance at the start of each Financial Year, and this rate will be applicable to the Policy Year which commences in that Financial Year. No prorated Annual Regular Addition will accrue for a Policy Year that is not complete. Annual Regular Addition once accrued will become guaranteed. The Annual Regular Addition is subject to a minimum of zero.

The Annual Regular Addition will depend on the Benchmark Rate at the beginning of each Financial Year and will be determined using the formula given below:

$65 + (\text{Benchmark Rate} - 7.50\%) * F * 100$ , rounded down to a rupee, where F is a factor based on the Policy Term as stated below:

Benchmark Rate	Policy Term			
	10 Years	11 Years	12 Years	13 Years
$\geq 7.50\%$	9.23	9.65	10.06	10.48
$< 7.50\%$	8.30	8.57	8.84	9.11

Benchmark Rate	Policy Term			
	14 Years	15 Years	16 Years	17 Years
$\geq 7.50\%$	10.90	11.32	11.91	12.50
$< 7.50\%$	9.38	9.65	10.00	10.35

Benchmark Rate	Policy Term			
	18 Years	19 Years	20 Years	21 Years
$\geq 7.50\%$	13.08	13.67	14.26	14.68
$< 7.50\%$	10.70	11.05	11.41	11.74

Benchmark Rate	Policy Term			
	22 Years	23 Years	24 Years	25 Years
$\geq 7.50\%$	15.10	15.52	15.94	16.35
$< 7.50\%$	12.08	12.41	12.75	13.08

The Benchmark Rate for each Financial Year is an average of the daily yield on Benchmark 10-Year Government Security (Benchmark 10-Year G-Sec) recorded over the three years period immediately preceding the 1st January prior to the start of the Financial Year.

Any change in the aforesaid factors or formula or benchmark used for determining the rate of Annual Regular Addition applicable for a Policy Year will be done only with prior approval from the IRDA.

#### (e) Coverage under Rider

If any Rider is in force, then subject to the Rider Terms and Conditions, the Company will also pay an amount equal to the Coverage Sum Assured, if applicable, under such Rider as specified in the Schedule.

#### (f) Accidental Total and Permanent Disability or ATPD

Accidental Total and Permanent Disability or ATPD shall mean the occurrence of any of the following conditions as a result of accidental bodily injury:

- a) Total and irrecoverable loss of sight of both eyes, which must be confirmed by an Ophthalmologist.
- b) Loss by severance of two or more limbs at or above wrists or ankles.
- c) Total and irrecoverable loss of sight of one eye and loss by severance of one limb at or above wrist or ankle.

The loss of use of two limbs as a result of accidental bodily injury shall also meet the definition of Accidental Total and Permanent Disability or ATPD, provided such loss of use involves total and permanent loss of function of the limbs affected, as determined by the Company.

For Accidental Total and Permanent Disability or ATPD benefit to be payable, such disability must have persisted for at least six consecutive months and must, in the opinion of a registered medical practitioner appointed by the Company, be deemed permanent.

Accidental Total and Permanent Disability or ATPD arising directly or indirectly from any of the following are specifically excluded:

- a) The Life Insured taking part in any hazardous sport or pastimes (including hunting, mountaineering, racing, steeple chasing, bungee jumping, etc.)
- b) The Life Insured flying in any kind of aircraft, other than as a bonafide passenger (whether fare-paying or not) on an aircraft of a licensed airline
- c) HIV or antibodies to such a virus.
- d) Self-inflicted injury, suicide or attempted suicide - whether sane or insane
- e) Under the influence or abuse of drugs, alcohol, narcotics or psychotropic substance not prescribed by a registered medical practitioner
- f) Service in any military, airforce, naval, police, paramilitary or similar organisation
- g) War, civil commotion, invasion, terrorism, hostilities (whether war be declared or not)
- h) The Life Insured taking part in any strike, industrial dispute, riot, etc.
- i) The Life Insured taking part in any criminal or illegal activity
- j) Nuclear reaction, radiation or nuclear or chemical contamination.

#### Section Five: Payment Conditions

It is a condition precedent to the Company's liability to make any payment under the Policy that:

- a) The Company is immediately notified of the Life Insured's death or ATPD in writing, and in any event within 90 days of death or ATPD.
- b) The Company is provided with the opportunity of establishing to its satisfaction that a claim is payable.
- c) The Company shall be entitled to receive all reasonable cooperation and to seek any documentation and information, including but not limited to:
  - (1) The Company's claim form duly completed.
  - (2) The Policy Document in original.

- (3) Evidence of the date of birth of the Life Insured if the Company has not admitted the age of the Life Insured.
- (4) The original or a legalised copy of the death certificate showing the circumstances, cause and the date of death of the Life Insured.
- (5) The last medical attendant certificate / report.
- (6) All medical / hospital records, including admission notes, test records and discharge summary.
- (7) Certificate of hospital treatment (where applicable).

#### Section Six: Payment of Premium & Discontinuation of Premium Payments

If the Premium Frequency is annual, the Premium must be paid on each Policy Anniversary till the end of the Policy Term. If the Premium Frequency is semi-annual, quarterly or monthly, the Premium must be paid on the date corresponding with the Policy Commencement Date in every half-year, quarter or month respectively. If the date corresponding with the Policy Commencement Date does not exist in a particular calendar month, then the last day of that calendar month shall be deemed to be the due date for payment.

- a) During the first two Policy Years, if any Premium is not paid by its due date or within the Grace Period, then the Policy shall automatically lapse without any value at the end of the Grace Period. If the death or ATPD of the Life Insured occurs during the Grace Period, the Company shall deduct any Premium due from the amount payable as per Section Four (a) above.
- b) After the completion of first two Policy Years, and provided first two years' Premium has been paid in full, if any Premium is not paid by its due date or within the Grace Period, then the Policy shall automatically become reduced paid-up.

After the Policy becomes reduced paid-up, the Policy shall not be entitled to any future Annual Regular Addition and any future Annual Guaranteed Addition.

After the Policy becomes reduced paid-up, the benefits payable under the Policy will be reduced as follows:

- i) In case the Policy becomes reduced paid-up, the Benefit Payable on Death or ATPD, whichever is earlier, shall be calculated as:
  - a) Upon acceptance of the death or ATPD claim by the Company, an amount equal to  $\{(T / N * 50\% \text{ of Coverage Sum Assured under the Policy}) + \text{Annual Regular Addition accrued till the date on which the Policy becomes reduced paid-up} + \text{Annual Guaranteed Addition accrued till the date on which the Policy becomes reduced paid-up}\}$ ; plus
  - b) Coverage Monthly Payout calculated at the rate of  $\{T / N * 1.5 \text{ per cent of the Coverage Sum Assured under the Policy}\}$  for each Policy month, commencing from the Policy month of death or ATPD of the Life Insured, up to the Policy Expiry Date; plus

- c) At the Policy Expiry Date, a sum equal to  $\{T / N * \text{Coverage Sum Assured under the Policy}\}$ .
- ii) In case the Policy becomes reduced paid-up, the Benefit Payable on Maturity shall be calculated as:

A sum equal to  $\{T / N * \text{Coverage Sum Assured under the Policy} + \text{Annual Regular Addition accrued till the date the Policy becomes reduced paid-up} + \text{Annual Guaranteed Addition accrued till the date the Policy becomes reduced paid-up}\}$ .

Where:

T = Total number of Premium paid under the Policy.

N = Total number of Premium payable under the Policy for the entire Policy Term.

### Section Seven: Revival

Revival is available up to three years from the date of first unpaid Premium and before the Policy Expiry Date.

Notwithstanding anything to the contrary, there shall be no revival unless:

- The Policyholder gives the Company written notice for revival at any time within three years from the date of first unpaid Premium and before the Policy Expiry Date.
- The Company agrees to the revival, for which purpose the Policyholder shall comply with any requests for information and documentation made by the Company.
- The Policyholder makes payment of all unpaid Premium from the date of default to the proposed date of revival, along with interest at the rate specified by the Company from time to time.

The revival of the Policy shall only be effective from the date on which the Company has issued a written endorsement confirming the revival of the Policy. The Policyholder understands and agrees that there is no obligation on the Company to revive the Policy or to revive it on the same terms, and that the revival is subject to the underwriting requirements of the Company as applicable from time to time. The medical costs, if any, shall be borne by the Policyholder. Only upon the Policy being revived by the Company, the Policyholder will be entitled to any Annual Regular Addition and Annual Guaranteed Addition for the period during which the Policy was in reduced paid-up state or in lapse state.

### Section Eight: Surrender of Policy

At any time after the commencement of the third Policy Year, and as long as the Premium due for at least first two Policy Years has been received by the Company, the Policyholder may surrender the Policy and a Surrender Value will be payable. The Surrender Value will not be less than 30% of all Premium paid excluding the first year's Premium, without interest, and excluding underwriting extra (if any), service tax and education cess. The Surrender Value will be calculated as follows:

$\text{Surrender Value Factor} * \{T / N * \text{Coverage Sum Assured under the Policy} + \text{accrued Annual Regular Addition} + \text{accrued Annual Guaranteed Addition}\}$

Where:

T = Total number of Premium paid under the Policy.

N = Total number of Premium payable under the Policy for the entire Policy Term.

The Surrender Value Factor shall be determined by the Company from time to time.

After a Policy has been surrendered, the Policy shall terminate and all benefits under the Policy shall cease.

### Section Nine: Loan

The Policyholder may avail of a loan only after the completion of three Policy Years, provided Premium for the first three Policy Years has been received by the Company. The total amount of loan that can be availed shall be limited to a maximum of 90 per cent of the Surrender Value at any time. The Policyholder shall be required to pay interest on the outstanding loan at a rate as determined by the Company from time to time. Any Policy Benefits which are payable as specified in Section Four above shall be adjusted for any outstanding loan amount and any unpaid interest thereon at the date of benefit payment. The Policyholder agrees that such loan is also subject to the term & conditions of the Company as applicable from time to time.

At any time during the Policy Term, if the outstanding loan amount along with the unpaid interest exceeds the Surrender Value, the Company will send a notice to the Policyholder to pay an amount as required by the Company towards loan repayment and / or interest within 30 days from the date of the notice, failing which the Policy shall automatically terminate without any value on the expiry of the notice period.

### Section Ten: Nomination & Assignment

- The Policyholder may change any existing nomination by giving prior written notice to the Company. No change in nomination shall become effective before it is registered in the Company's records and the Company has sent an endorsement confirming the change of Nominee.
- If the Policyholder dies without making a nomination, or if all Nominees die before a payment becomes due under the Policy, then all amounts will be payable to the legal heirs or legal representatives of the Policyholder, subject to necessary documentation and information being made available to the Company, as specified from time to time.
- If the Nominee is a minor on the date of the Life Insured's death then the Company will pay all benefits to the Appointee, and if no Appointee exists then all amounts will be payable to the legal guardian of the minor, subject to the necessary documentation and information being made available to the Company, as specified from time to time.
- The Policyholder may assign the Policy at any time before the Policy Expiry Date as long as the

assignment is made in accordance with the Company's policy on assignment (as amended from time to time). No assignment shall become effective against the Company until the Company has received a written notice of the assignment along with a copy of the Policy Document, and the Company has sent an endorsement confirming that the assignment has been recorded.

- e) In registering an assignment, nomination or appointment, the Company does not accept any responsibility or expresses any opinion as to its validity or legality.

## **Section Eleven: Miscellaneous**

### **a) Loss of the Policy Document**

- i) If the Policy Document is lost or destroyed then the Company reserves the right to make such investigations into and call for such evidence of the loss of the Policy Document, at the Policyholder's expense, as the Company considers necessary before issuing a duplicate Policy Document.
- ii) If the Company agrees to issue a duplicate Policy Document then:
  1. The Policyholder agrees to first pay the Company's fee for the issue of a duplicate Policy Document, and
  2. The original Policy Document will cease to be of any legal effect and the Policyholder shall indemnify and keep the Company indemnified and hold the Company harmless from and against any costs, expenses, claims, awards or judgments arising out of or howsoever connected to the original Policy Document.

### **b) Notices**

- i) All notices meant for the Company whether under this Policy or otherwise must be in writing and delivered to the Company at the address mentioned in Section Eleven (h) below.
- ii) All notices meant for the Policyholder will be in writing and will be sent by the Company to the Policyholder's address shown in the Schedule.
- iii) The Company shall not be responsible for any consequences related to or arising out of non-intimation of changes to the Policyholder's address.

### **c) Fraud**

If the Policyholder or the Life Insured or the Nominee or the Appointee, or anyone acting at their direction or with their knowledge, makes or advances any claim knowing it to be false, fraudulent, misleading or dishonest in any respect, then this Policy and any Riders in force shall be void and any amount actually paid or potentially payable shall be forfeited.

### **d) Currency & Territorial Limits**

All Premium and any amounts payable under the Policy are payable within India, and in the Currency of the Policy as specified in the Schedule.

### **e) Governing Law & Jurisdiction**

Any and all disputes or differences arising out of or in respect of this Policy shall be governed by and determined in accordance with Indian law and shall be subject to the jurisdiction of Indian Courts.

### **f) Entire Contract & Agent's Authority**

The Policy Document comprises the entire contract between the Policyholder and the Company, and it cannot be changed or altered unless the Company approves it in writing by endorsement on the Schedule and, where required, the approval of the IRDA has been obtained.

The insurance agent is authorised to arrange the completion and submission of the Policyholder's Application Form. No insurance agent is authorised to amend the Policy Document, or to accept any notice on the Company's behalf or to accept payments on the Company's behalf. If any money meant for the Company in any form is paid to an insurance agent then such payment is made at the Policyholder's risk and the agent will be acting only as the Policyholder's representative.

### **g) Section 45 of the Insurance Act, 1938**

No policy of life insurance effected before the commencement of this Act shall after the expiry of two years from the date of commencement of this Act and no policy of life insurance effected after the coming into force of this Act shall after the expiry of two years from the date on which it was effected, be called in question by an insurer on the ground that a statement made in the proposal for insurance or in any report of a medical officer, or referee, or friend of the insured, or in any other document leading to the issue of the policy, was inaccurate or false, unless the insurer shows that such statement was on a material matter or suppressed facts which it was material to disclose and that it was fraudulently made by the 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 in this section shall prevent the insurer from calling for proof of age at any time if he is entitled to do so, and no policy shall be deemed to be called in question merely because the terms of the policy are adjusted on subsequent proof that the age of the Life Insured was incorrectly stated in the proposal.

### **h) Customer Service**

- For any clarification, service request, query or complaints, the Company may be contacted at:
- a. Customer Service Help Line: 1800-102-7070 (Toll Free) (9.00 am to 7.00 pm from Monday to Saturday)
  - b. Email: [contactus@pramericalife.in](mailto:contactus@pramericalife.in)
  - c. Website: [www.pramericalife.in](http://www.pramericalife.in)
  - d. Communication Address:  
Customer Service, Pramerica Life Insurance Ltd., (Erstwhile DHFL Pramerica Life Insurance Company Ltd.) 4<sup>th</sup> Floor, Building No. 9 B, Cyber City, DLF City Phase III, Gurgaon – 122002  
Office hours: 9.00 am to 6.00 pm from Monday to

Friday

is not simultaneously under any litigation.

### **i) Grievance Redressal**

#### **i) Head - Grievance Redressal Officer:**

If the response received from the Company is not satisfactory or no response is received within two weeks (Business Days) of contacting the Company, the matter may be escalated to:

- a. Email: [customerfirst@pramericalife.in](mailto:customerfirst@pramericalife.in)
- b. Communication Address:  
Head - Grievance Redressal Officer,  
Pramerica Life Insurance Ltd., (Erstwhile  
DHFL Pramerica Life Insurance Company Ltd.)  
4th Floor, Building No. 9 B, Cyber City,  
DLF City Phase III, Gurgaon - 122 002

#### **ii) IRDA - Grievance Redressal Cell:**

If after contacting the Company, the Policyholder's query or concern is not resolved satisfactorily or within timelines, the Grievance Redressal Cell of the IRDA may be contacted at:

- a. Call Center Toll Free number: 155255
- b. Email: [complaints@irda.gov.in](mailto:complaints@irda.gov.in)
- c. Complaints against Life Insurance Companies:  
Insurance Regulatory and Development  
Authority, Consumer Affairs Department, United  
India Tower, 9th floor, 3-5-817/818,  
Basheerbagh, Hyderabad - 500 029

#### **iii) Insurance Ombudsman:**

The office of the Insurance Ombudsman has been established by the Government of India for the redressal of any grievance in respect of life insurance policies.

In case you are not satisfied with the decision of the Company or the resolution provided by the Company, you may approach the Insurance Ombudsman if your grievance pertains to:

- ✓ Insurance claim that has been rejected, or dispute of a claim in view of the legal construction of the policy
- ✓ Delay in settlement of claim
- ✓ Dispute with regard to Premium
- ✓ Non-receipt of your Policy Document

The address of the Insurance Ombudsman may be obtained from the following link on the internet:

Link: [http://www.irdaindia.org/ins\\_ombusman.htm](http://www.irdaindia.org/ins_ombusman.htm)

The complaint should be made in writing duly signed by the complainant, or by his legal heirs, with full details of the complaint and the contact information of the complainant.

As per provision 13(3) of the Redressal of Public Grievances Rules 1998, the complaint to the Insurance Ombudsman can be made only if the grievance has been rejected by the Grievance Redressal Machinery of the Insurer, within a period of one year from the date of rejection by the insurer, if it

### **j) Taxes**

In respect of any payment made or to be made under this Policy, the Company shall deduct or charge taxes (including service tax) and other levies as applicable from time to time, at such rates as notified by the Government of India or a body authorised by the Government of India from time to time.