

POLICYHOLDER	The Trustees of XYZ Fund
POLICY NUMBER	500035005
POLICY EFFECTIVE DATE	
MODE OF CONTRIBUTION	Single / Regular (annual / semi-annual /quarterly/ monthly)
PLACE AND DATE OF ISSUE	Mumbai, India DD/MM/YYYY

This Group Mortgage Term Assurance Policy (hereinafter referred to as ‘the Policy’) is issued by BSLI Company Limited (hereinafter referred to as “BSLI”) pursuant to the application of “The XYZ Company” (hereinafter referred to as “the Policyholder”) dated _____ and in consideration of payment of Contributions as set out in the Policy.

BSLI agrees to accept Contributions and pay benefits in accordance with the terms of the Policy.

The terms printed on this and the following ____ pages form part of the Policy.

BSLI may amend or place endorsement/(s) to the Policy from time to time for any changes agreed to by the Policyholder and BSLI and any such amendments or endorsement/s will form part of the Policy.

Authorised Signatory
Birla Sun Life Insurance Company Limited

1. DEFINITIONS

"Birla Sun Life Insurance Company Limited" / "BSLI" means Birla Sun Life Insurance Company Limited and its successors, legal representatives and permitted assigns.

"Cost and Benefits Particulars" means the information set out in Schedule 'B' to be provided for and determined in respect of each Life Insured.

"Coverage" means the life insurance coverage provided to the Life Insured as per Schedule 'A'.

"Coverage Expiry Date" means the date on which the Coverage in respect of each Life Insured expires and as set out in the Cost and Benefits Particulars.

"Coverage Period" in respect of any Life Insured means the number of years specified by the Policyholder at the time of effecting the Coverage on the life of the Life Insured. The Coverage Period will coincide with the tenure of the loan.

"Coverage Amount" means the amount that BSLI will pay to the Policyholder as per the terms and conditions of the Policy on the happening of the insured event as defined by the relevant Coverage. The Coverage Amount payable will be determined as mentioned in Section 3 of the Policy.

"Coverage Year" means a period of twelve (12) months from the Date of Commencement of Coverage. Subsequent Coverage Years commence at the end of the previous Coverage Year.

"Date of Commencement of Coverage" means the date on which the Coverage commences in respect of a Member admitted to the benefits under the Policy, for whom complete data and premium is received and risk is accepted by BSLI.

"Effective Date" of the Policy is _____.

"Entry Date" means as respects Members who are admitted into the benefits of the Policy on the Effective Date, the said date, and as respects individuals joining the Group subsequent to the Effective Date, the date of their admission into the benefits of the Policy.

"Group" means the group of individuals who are admitted into the benefits under the Policy.

"Joint Coverage" means the Coverage offered to loanees of a joint loan application, being "husband-wife", "siblings" or "parent-child".

"Loan" means the sum advanced by the Policyholder to the Member and which constitutes a debt owed by the Member to the Policyholder.

"Life Insured" refers to a Member whose coverage is in effect and in respect of whom BSLI has determined the Cost and Benefits particulars.

"Member" means an individual who is between the ages of 18 and 60, has taken a loan from the Policyholder and who is thus eligible to be admitted as a Life Insured under the Policy.

"Monthly Processing Date" means the same day of each calendar month following the Effective Date.

"Policy" means the Group Mortgage Term Assurance Policy taken by the Policyholder for providing Coverage to its Members.

"Policyholder" means XYZ Ltd and its successors.

"Premium Due Dates" means the date on which premium becomes payable. Premium Due Dates will be the Effective Date of the Policy and the same day of each following month, quarter, half-year or year depending on the Mode of Premium Payment as Monthly, Quarterly, Semi-annually or Annually respectively.

2. PREMIUMS

A. Calculating Premiums

BSLI will determine the amount of premium in respect of each Member to be admitted into the benefits under the Policy on the Entry Date on the basis of rates established by BSLI. BSLI reserves the right to revise the rate of premium from time to time. BSLI will give a written notice of not less than 30 days to the Policyholder for change in rates. The new rates will be applicable to Members to be admitted after the date of revision of rates.

The premium due on each Premium Due Date will be the total of the installment premiums for all the Life Insured covered under the Policy.

B. Premiums for New Entrants

In the event of new Members becoming eligible to be included in the Policy, the Policyholder shall furnish the details of such Members to BSLI immediately on their becoming so eligible. BSLI will calculate the premium due in respect of such Members and the Policyholder shall pay the premium thereon to BSLI. The Coverage for these Members will commence from the date mentioned in the Costs and Benefits Particulars and is subject to the following being received by BSLI.

- The complete particulars of these Members; and
- Full premium for such Members is received by BSLI; and
- Risk is accepted by BSLI after underwriting, if required.

BSLI shall not be responsible for any errors or omissions committed by Policyholder in furnishing the aforesaid details

BSLI will not be required to ensure:

- Whether any amounts referred to as premiums payable by the Life Insured are in fact contributed by them; or
- Whether any amounts contributed by the Life Insured are used by the Policyholder to make premium payments.

BSLI will not accept part/short payment of premium. BSLI will not be liable to pay any claim in respect of a Life Insured who pays premium to the Policyholder if the premium is not remitted to BSLI.

C. Short/Part Payment of Premium

On each Premium Due Date, the Policyholder will make payment of the full premium in one installment. In case of the regular pay option, if the premium is not paid in full for the Group on any Premium Due Date, the Coverage will terminate for all Lives Insured on expiry of the Grace Period. In case of the Single Pay option, the Coverage will not commence until the premium is received.

In order to ensure continuous Coverage, BSLI shall be entitled to accept a deposit from the Policyholder in accordance with the then prevailing administrative rules of BSLI.

D. Grace Period

A grace period of 30 days for payment of premium due on the Premium Due Date shall be applicable for the regular pay option. There shall be no grace period if the premium payment is in monthly mode.

3. BENEFITS

A. Notice and Proof of Claim

The Policyholder will give written notice and proof of claim to BSLI within a period of ninety (90) days from the date on which a claim arises in respect of any Life Insured.

BSLI may request additional information or requirements to support a proof of claim. If the information or requirements are not provided, benefits will not be payable till such information or requirements are received. However, BSLI may waive any requirement in its sole discretion on such terms and conditions, as it deems appropriate.

The Policyholder shall be responsible for any costs associated with any notice or proof of claim.

B. Proof of Age

BSLI may require proof of age in respect of a Life Insured. BSLI may refuse to consider a claim until the proof is given.

If it is determined that the premium for the Life Insured was computed on the basis of an incorrect age, BSLI will adjust benefits and premiums based on the correct age of the Life Insured. On submission of proof of correct age, if it is found that the Life Insured would not have been eligible for Coverage on the date on which Coverage would normally begin as per the terms of the Policy, no benefits will be payable in respect of such Life Insured.

The standard proofs of age acceptable to BSLI are as follows:

- Birth Certificate issued by Municipal Authority or Gram Panchayat; or
- School Certificate; or

- Baptism Certificate or Marriage Certificate in case of Roman Catholics; or
- Employer's Certificate in case of employees of Government, Semi-Government or Quasi-Government organizations; or
- Passport; or
- Identity card issued to Defence Personnel; or
- Domicile Certificate issued on the basis of one of the above documents

C. Payment of Benefits

All benefits under the Policy shall be paid to the Policyholder. The Life Insured has authorised the Policyholder to receive the Coverage Amount as applicable from BSLI at the time of making the application for the Loan.

BSLI will pay the Coverage Amount as described in the next paragraph. This Coverage Amount will be as per the Schedule chosen by the Policyholder for each Life Insured. BSLI will not be required to determine that the Coverage Amount equals or is greater than the loan amount owed by the Life Insured to the Policyholder.

D. What is Payable?

The Coverage Amount payable on the happening of the insured event i.e. death, depends on the Coverage Year during which the death occurs. The Coverage Amount varies as per the Coverage Year. The Coverage Amount for a particular Coverage Year is a percentage of the Initial Coverage Amount. The percentages applicable for different Coverage Years, for different interest rates and loan tenures are provided in Schedule 'A'. The Initial Coverage Amount is available in the Costs and Benefits Particulars attached as Schedule 'B'.

BSLI's liability is restricted to the Coverage Amount as applicable for that particular Coverage Year in which the insured event (i.e. death) occurs and shall be payable as per the mechanism described above. The Coverage Amount is payable irrespective of the loan outstanding of the Life Insured in the Policyholders' records.

In case of Joint Life Coverage, the Coverage amount is payable only once even if both Members die at the same time.

4. COVERAGE

A. Coverage Amount

Upon the death of the Life Insured while the Coverage is in force, BSLI will pay the Coverage Amount with respect to that Life Insured as determined in Section 3 of the Policy. This benefit will be payable provided BSLI receives evidence satisfactory to it of:

- The death of the Life Insured; and
- Any other facts that BSLI may consider as material and relevant to the claim.

B. Minimum Initial Coverage Amount

The minimum Initial Coverage amount under the Policy will be:

- Rs.50,000 (Rupees fifty thousand only) for any Member who has availed of a personal or auto or education loan from the Policyholder and is covered under the Policy. BSLI shall be entitled to provide Coverage for other loans as per its then prevalent rules.
- Rs.1,00,000 (Rupees one lakh only) for any Member who has availed of a home loan from the Policyholder and is covered under the Policy.

C. Maximum Coverage Amount

The maximum Coverage Amount under the Policy will be Rs.1,00,00,000 (Rupees one crore only) in respect of any Member who has availed of a loan from the Policyholder and is covered under this Policy.

D. Maximum Coverage Period

The maximum Coverage Period in respect of any Member to be covered under the Policy will be lesser of the following:

- Twenty five (25) years or
- The period between the Entry Date and the date of the Policy Anniversary falling immediately before the Member completes the age of 60 years.

E. Termination of Coverage

The Coverage in respect of any Life Insured under the Policy will terminate on the earliest of following dates:

- The Coverage Expiry Date of the Life Insured
- In case of Joint Life Coverage, the Coverage Expiry Date of the elder of the Lives Insured;
- The date of prepayment of the entire loan outstanding with the policyholder;

- The date on which the Grace Period has expired in respect of due premiums for this Coverage or for the policy remaining unpaid;
- The date of death of the Life Insured or in case of a Joint Life Coverage, the date of death of one of the Lives Insured;
- The date the Policy is terminated in accordance with its terms.

Exclusion: The Coverage Amount will not be payable if the cause of the death of the Life Insured, within the first Coverage Year, is suicide.

5. GENERAL TERMS

A. Providing Data; Receiving and Releasing Necessary Information

The Policyholder shall provide to BSLI any information requested by it to ensure that the terms of the Policy have been satisfied.

BSLI will pay claims that may arise only in respect of a Life Insured whose name is included in the list of Members sent by the Policyholder and in respect of whom full premium is received and risk is accepted by BSLI. If the Policyholder does not provide the Member's information or the Member's name does not appear on the List of Member's, mere deduction/collection/payment of premium in respect of that Member by the Policyholder will not entitle him/her to the benefits under the Policy and BSLI will not be liable to pay any claim in respect of such person.

BSLI shall be entitled to inspect records of the Policyholder pertaining to the loan for which the Coverage is in effect. The Policyholder will assist and provide information required by BSLI in connection with the specified loans. BSLI and the Policyholder will comply with all relevant legislations protecting personal information.

B. Health Declaration Form

The Policyholder shall obtain a Health Declaration Form from each Member opting for the Coverage and in case of Joint Life Coverage, from both the Members and send the same to BSLI. Only Members who have submitted the complete and signed Health Declaration Form will be eligible to be covered under the Policy. BSLI may call for additional medical examination reports in respect of any Member to be covered under the Policy subject to its prevalent underwriting rules. The Health Declaration Forms and the medical examination reports shall be in the custody of BSLI

Subject to the provisions of Section 45 of the Insurance Act, 1938, BSLI will not be liable to pay a claim in respect of a Life Insured, if any statement or declaration made by the Life Insured in the Health Declaration Form or in any other document leading to the grant of Coverage in respect of that Life Insured is found incorrect.

The cost of obtaining the Health Declaration Forms and medical examination reports will be borne by the Policyholder.

C. Termination of the Policy

Termination by the Policyholder

If the Policyholder gives written notice to BSLI for termination of the Policy the Policy will terminate on the later of the following dates:

- The date specified in the notice; or
- Expiry of 30 days from the date of receipt of notice by BSLI.

However, in the event of termination in respect of the Life Insured covered under the Policy, no refund of premium would be payable.

Termination by BSLI

BSLI shall be entitled to discontinue coverage of additional Members of the Policyholder by giving thirty (30) days prior written notice to the Policyholder. However, BSLI shall be liable to continue the Coverage to the Life Insured who have already been admitted under the Policy, till the expiry of their Coverage, subsequent to which the Policy shall terminate.

D. Prepayment of the Loan

If any Life Insured covered under the Policy prepays the Loan to the Policyholder before the Coverage Expiry Date, the Coverage for such Life Insured will cease with immediate effect. In case of Joint Coverage, the coverage for both the Lives Insured will cease.

The refund of premium to the Policyholder will be made as per the formula enumerated below only where the premium payment option is Single Premium:

Refund Value = up to 100% $[t/n]$ * single premium

Where t = the complete coverage years left and
 n = the original term of coverage

In case of prepayment of loan, where the premium payment mode is regular, there will be no refund of premium.

D. Surrender

If the Policyholder surrenders the Policy, surrender value shall not be payable.

E. Changes in the Policy

Subject to the belowmentioned paragraph, any amendment to the Policy must be made by giving 60 days' notice in writing and signed by authorised representatives of the Policyholder and BSLI. Any change will be effective from the date of endorsement to the original Policy by BSLI unless provided otherwise.

If either BSLI or the Policyholder did not request the amendment, the party not requesting the amendment will have 30 days from the date of receipt of the notice for change to object to it. If the party not requesting the amendment does not object during this period, the change will be considered effective.

F. Policyholder's acts binding on Life Insured

The Policyholder will act for and on behalf of the Life Insured in any matter relating to the Policy and any action of the Policyholder will be binding on the Life Insured.

G. Change of Coverage from joint to single Coverage

If two members have opted for Joint Life Coverage, then they have the option to change it to a single Coverage only if the policyholder gives a written undertaking to BSLI confirming that the joint loan has been converted into a single loan. In such cases, the premium would be recomputed based on the attained age of the single insured and the current outstanding loan with the Policyholder. In case the premium for the Joint Coverage was originally paid in a single instalment, then the refund value of the premium will be computed and paid as mentioned under paragraph "Prepayment of the loan".

H. Benefits cannot be assigned

The Policy and the benefits assured under the Policy are strictly personal and cannot be assigned or made subject to any lien or charge by any Life Insured or Policyholder.

I. Loan not available

Policyholder/Life Insured shall not be entitled to any loan under the Policy.

J. Non-participation

The Policy is not entitled to participate in any distribution of surplus of BSLI.

K. Currency and Place of Payment

Payments under the Policy will be paid in India in Indian Rupees.

L. Discharge Receipt

A receipt signed by the Policyholder or any person authorized in writing on its behalf will be good, valid and sufficient discharge to BSLI in respect of any payment to be made under the Policy.

M. Governing Laws

The Policy is subject to the tax laws and other applicable legislations prevailing in India. Any dispute under the Policy shall be subject to the applicable laws in India.

N. Policyholder not Agent of BSLI

The Policyholder shall not be construed as an agent of BSLI for any purpose. **(This has to be customized if the Policyholder is our Corporate Agent like Citibank - so it has to be deleted when issued to different Policyholders)**

Please read the Policy carefully to verify that the terms are those that you applied for.

In case of any discrepancy, please write to us within 15 days from the date of receipt of this Policy.

BIRLA SUN LIFE INSURANCE COMPANY LIMITED

Details of Coverage Amounts

1. Schedule for Coverage Amounts for a 8% loan for different durations. Assuming that the Initial Coverage Amount is Rs.100, the Coverage Amounts during the duration of the Coverage for each Life Insured will be a percentage of the Initial Coverage Amount. The percentage can be determined from the table below. E.g. the percentage in the third year of a 5-year loan will be -- . This percentage has to be applied to the Initial Coverage Amount for a Life Insured in whose case the Amount is payable. The Initial Coverage Amount can be determined from Schedule ‘B’.

Cover- age Year	Duration	1	2	3	4	5	6	7	8
1									
2									
3									
4									
5									
6									
7									
8									

Note: Such schedules will be prepared for all interest rates and durations. However, client services will attach only those schedules specifically requested by the client. More schedules can be attached as and when the client introduces loans for different interest rates.

COST AND BENEFIT PARTICULARS

XYZ Ltd

Policy No.: 500035005

As at dd/mm/yyyy

Sr No	Category	Mem ID	Name of the Life Insured	Date of birth	Age	Sex	Initial Coverage Amount	Interest Rate	Coverage Period	Coverage commencement date	Premium
1											
1A	The 'A's will be for those clients where there is a joint life cover										
2											
2A											