

POLICY BOND

Bharti AXA Life WealthConfident

In this Policy, the Investment risk in the investment portfolio is borne by the Policyholder

SECTION 1: DEFINITIONS

Age is the age of the insured in (completed years) at last birthday.

Eg. If you were born on 15th December 1975, and if you sign up for this policy on 14th December 2009, your age will be calculated as 33 years.

Allocation is the allotment of units at the prevailing Unit Price in the designated Investment Funds.

Annualised Regular Premium is the total of the premiums payable by You, as per the mode of payment chosen by You, in a Policy Year for the basic plan.

Death Benefit is the benefit payable on the death of the Life Insured as per Section 3.1

Issue Date is the date of commencement of risk under the basic plan. This is specified under Policy Specification. In case of any separate attached supplement or endorsement, the date of issue will be the date of such supplement or endorsement.

Investment Fund is a specific, separate fund managed for the exclusive interest of all Policyholders sharing the same Investment Fund option. A number of Investment Funds earmarked for its unit linked business, are offered by the Company from time to time. Each of these Investment Funds has an asset Allocation mix consisting of various financial instruments.

Investment Fund Allocation Instruction is the instruction given by you for the allocation of premiums. This is the amount available after deduction of all relevant Premium Allocation Charge for the purchase of Units in the Investment Fund decided by you.

Limited Premium Payment Policy is a Policy wherein the Premium Payment Term is limited as compared to the Policy Benefit Period and where the premium is payable at regular intervals as per the mode of payment chosen by You.

Life Insured is the person named in the Policy Specifications and whose life is covered under this Policy.

Maturity Date is the date on which the Policy Benefit Period concludes and is shown as such in the Policy Specifications.

Nominee is the person nominated by the Policy to receive the benefits under the Policy in the event of death of the Life Insured.

Policy means and includes the following:

1. Policy Bond
2. A copy of the proposal for insurance submitted by you
3. The Policy specifications
4. The benefit illustration signed by you. Any attached endorsements or supplements together with the addendums provided/issued by the company from time to time at your request
5. Any other document provided by the company from time to time under notice to you
6. Any other document submitted by you to the company in connection with accepting your proposal for insurance

Policy holder is the owner of the policy who is mentioned in the proposal form. He/she may be a person other than the life insured.

Policy Date is the month, day and year the Policy comes into effect and as shown in the Policy Specifications.

Policy Year is measured from the Policy Date and is a period of twelve consecutive calendar months.

Policy Month is measured from the Policy Date and is a corresponding date falling in the next calendar month.

For example, if the Policy Date is 28 February 2006, the second policy month would be 28 March 2006, third policy month on 28 April 2006 and so on.

Policy Anniversary Date is the date which periodically occurs after every twelve months starting from the Policy Date whilst the Policy is in force.

Policy Charges are the charges associated with the Policy as detailed in Section 7 of the Policy Bond.

Policy Fund Value is the aggregate value of the number of outstanding Units on any day in each Investment Fund allocated under the Policy multiplied by their respective Unit Prices applicable. For example, if a customer holds 100 units of Fund A and 50 units of Fund B, and the NAV of the Fund A is Rs.11 and that of Fund B is Rs.12, the policy fund value of the customer would be calculated as follows:

Fund A:	100 units x Rs.11	= Rs.1100
Fund B:	50 units x Rs.12	= Rs.600
Policy Fund Value:		= Rs.1700

Premium Payment Term means the number of Policy Years for which You are required to pay the Annualised Regular Premium.

Policy Benefit Period is the number of Policy Years for which the Policy continues, starting from the Policy Date and ending on the Maturity Date and is mentioned in the Policy Specifications (e.g. if the date of issue of the policy is 21st September 2009 and the maturity date 20st September 2050, the period between the two dates will be the policy benefit period (including those dates))

Policy Specifications is the cover page to the Policy containing amongst others, the brief description of the Policy, the Policyholder, and forms a part of this Policy Bond.

Switch is the facility allowing the Policyholder to change the investment pattern by moving from one Investment Fund to another Investment Fund(s) amongst the Investment Funds offered under the Policy. The switch will take place on the policy holder giving the required notice as prescribed in the policy, to the insurance company.

Sum Assured is the life insurance cover opted by You for the basic plan is shown in the Policy Specifications.

The Company means Bharti AXA Life Insurance Company Limited.

Top Up Premium is the additional amount of premium paid by You over and above the Annualised Regular Premiums paid till date.

Unit is a portion or a part of the underlying Investment Fund purchased from the premiums under the Policies.

Unit Price is the value per Unit of each Investment Fund calculated in accordance with Section 5.4.

Valuation Date is the date on which the Unit Price of the Investment Fund is determined in accordance with the Valuation provisions of this Policy and as mentioned in Section 5.4

You/Your/Yours is and refers to the Policyholder as mentioned in the proposal form

SECTION 2: GENERAL PROVISIONS

2.1 Product Description

"Bharti AXA Life WealthConfident" is the name of the Limited Premium Payment unit linked insurance product. Unit Linked insurance products are different from traditional products.

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.

The Premium Payment Term of the product is five years and the Policy Benefit Period is ten years.

The benefits payable under the Policy are linked to the Investment Fund/s and the respective Investment Fund performance. Being a unit-linked Policy, the Policyholder has the option to allocate the Annualised Regular Premium and Top Up Premium, if any, among one or more of the Investment Fund(s) as per the conditions of the Policy. You may choose to allocate the premium among a maximum number of Investment Funds at any time during the Policy Benefit Period which is currently limited to six.

Only a duly authorised officer of The Company has the power to change the Policy as per the request of the Policyholder. Neither an agent nor anyone other than a duly authorised officer of The Company has the power

to waive any of the rights or requirements of the Policy.

The name of the product/investment fund(s) does not in any way indicate the quality/performance of the product/fund(s), its future prospects or returns.

2.2 Assignment

The Policyholder can assign the Policy to another person and in that event the Policyholder will be referred to as Assignor and the person to whom the Policy is assigned will be referred to as the Assignee. Assignment of the Policy requires satisfactory written notice in the form specified by The Company accompanied by the original Policy Bond to be sent to The Company at its office. The assignment would either be endorsed upon the Policy Bond or documented by a separate instrument, signed in either case by the Assignor stating specifically the fact of the assignment. The Company will not express any opinion on the validity or legality of the Assignment. Assignment can be done only for the entire Policy. Any assignment shall automatically cancel a nomination made earlier.

2.3 Nomination

Where the Policyholder is also the Life Insured, the Policyholder may at any time before the Policy matures, nominate one or more person/(s) as a Nominee to receive the Death Benefits in the event of the death of the Life Insured before maturity. Where such Nominee is a minor, the Policyholder may also appoint any person who is a major (also referred to as "Appointee"), to so receive the benefits under the Policy while the Nominee is a minor. The Company will not recognize a nomination or a change in nomination for the Policy, until it receives a written notice of the nomination or change in the nomination form from the Policyholder at its office. The Company will not express any opinion on the validity or legality of the nomination. Policyholder can make a nomination only with regard to the entire Policy. If no Nominee is alive at the time of death of the Life Insured, the Policyholder's estate shall be deemed to be the Nominee.

Where the Policyholder and Life Insured are different persons, the Policyholder or Policyholder's estate as the case may be, shall be entitled to receive the Death Benefits in the event of death of the Life Insured.

2.4 Suicide Exclusion

If the Life Insured under the Policy, whether medically sane or insane, commits suicide, within one year of the Issue Date or the date of reinstatement of the Policy, as the case may be, the Policy shall be void and The Company will only be liable to pay the Policy Fund Value as on the Valuation Date following the intimation of death.

2.5 Validity

The Policyholder and the Life Insured under the Policy have an obligation to disclose every fact material to assessment of the risk of issuing the Policy. Failure to disclose or misrepresentation of a material fact, will allow The Company to deny any claim, subject to the provisions of Section 45 of the Insurance Act, 1938.

As per Section 45, 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 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 the statement made in the proposal or in any report of a medical officer, or referee, or friend of the Life Insured, or in any 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 Life Insured and that the Life Insured knew at the time of making it that the statement was false or that it suppressed facts which was material to disclose.

Provided that nothing in this section shall prevent the Insurer from calling for proof of Age at any time if it is entitled to do so, and no Policy shall be deemed to be called in question merely because the terms of the Policy are adjusted on subsequent proof that the Age of the Life Insured was incorrectly stated in the proposal

2.6 Misstatement of age or gender

The charges payable under the Policy, more specifically mentioned under Section 7, have been calculated on the basis of the age and / or gender of the Life Insured as declared in the proposal form.

Without prejudice to The Company's other rights and remedies including those under the Insurance Act, 1938, if the age or gender of the Life Insured has been misstated or incorrectly mentioned, then the Company will determine the Policy Charges as described in Section 7, using the correct age and gender. This may be done in any of the following manner:

- (a) If the correct age is higher than the age declared in the proposal form, the Policy Charges payable under the Policy shall be altered corresponding to the correct age of the Life Insured from the Policy Date and the Proposer/ Life Insured shall pay to The Company, the difference between the Policy Charges charged at such lower rate (more specifically mentioned under Section 7) and such re-calculated higher rate retrospectively from the Policy Date.
- (b) If the correct age of the Life Insured is lower than the age declared in the proposal form, the Policy Charges payable under the Policy shall be altered corresponding to the correct age of the Life Insured from the Policy Date and The Company may adjust the difference by adding Units corresponding to the difference between the Policy Charges charged at such higher rate and the Policy Charges chargeable at such re-calculated lower rate retrospectively from the Policy Date.

Notwithstanding the above The Company may terminate the Policy and refund the Surrender Value if the Life Insured's correct date of birth/ age is such as would have made him/her uninsurable.

2.7 Primary claim documents

The Company would require the following primary documents in support of a claim to enable processing of the claim under the Policy:

- For Surrender/Maturity Benefit:
 - Original Policy Bond;
- For Death Benefit:
 - Original Policy Bond;
 - Death Certificate of the Life Insured; and
 - Claimant's Statement

The Company is entitled to call for additional documents based on the conditions among others the duration of the Policy and the circumstances of the death, accident or illness.

2.8 Notice

Any notice to be given to You under the Policy will be issued by post or electronic mail or telephone facsimile transmission to Your updated address/es in the records of The Company and is deemed to have been received by You within three business days after such dissemination. Any such notice will run from the time You are deemed to have received such notice.

2.9 Free look option

If You disagree with any of the terms and conditions of the Policy, You have the option to return the original Policy Bond along with a letter stating reasons for the objection within 15 days of receipt of the Policy Bond ("the free look period"). The Policy will accordingly be cancelled and an amount equal to the sum of Premium Allocation Charge, Policy Administration Charge, Mortality Charge, deducted from the Policy and the Policy Fund Value less stamp duty and underwriting expenses incurred by The Company, will be refunded to the Policyholder. All the rights under the Policy shall stand extinguished immediately on the cancellation of the Policy under the Free Look Option.

SECTION 3: POLICY BENEFITS

3.1 Death Benefit

On admission of claim upon death of the Life Insured, during the Policy Benefit Period, Death Benefit payable to the Nominee will be the higher of the:

- Policy Fund Value; or
- Sum Assured applicable at the time of death less all withdrawals (other than made out of Top Up

Premium) made in accordance with the Partial Withdrawal provision of the Policy in the 12 months preceding the death of Life Insured.

The payment of Death Benefit is made by cancellation of the outstanding Units under the Policy.

For the cancellation of Units, the applicable Unit Price would be calculated in accordance with the provisions contained in Section 6.2.

3.2 Maturity Benefit

Subject to the Policy being in effect, the Policy shall mature on the Maturity Date and the Policy Fund Value shall be payable to You.

On the Maturity Date, the Policyholder shall be entitled to choose any one of the following options for claiming the Maturity Benefit:

1. Lump sum payment of the Policy Fund Value; or
2. Withdrawals of Policy Fund Value at regular intervals chosen by You during the extended Maturity Benefit Period not later than five years commencing from the Maturity Date. The Policy Fund Value payable at such intervals will be calculated at the Unit Price as on the relevant date; or
3. A combination of the abovementioned two options.

The Extended Maturity Period is the period not exceeding five years commencing from the Maturity Date and is an option available to the Policyholder. The Policyholder is not entitled to any life insurance benefit or option of partial withdrawals or Switches between Investment Funds during this period.

In case of option 2 or 3, the inherent risk of fluctuating markets during the Extended Maturity Period of the Maturity Benefit shall be borne by Policyholder and applicable fund management charge as specified in Section 7.3 will be levied.

If the Life Insured dies during the Extended Maturity Benefit Period, then the existing Policy Fund Value shall be paid to Nominee (where Life Insured and Policyholder are one and the same person) or Policyholder (where Life Insured and Policyholder are different persons) and the Policy will stand terminated.

The Policyholder is required to apply to The Company, in the specified form, intimating of the choice of the Maturity Benefit option, atleast 90 days prior to the Maturity Date. The default option in case of non-receipt of such an application would be Option 1 as mentioned above.

In case option (2) or (3) is chosen, the facility of Top-up Premium is not allowed after the Maturity Date.

3.3 Special Additions

Subject to the Policy being in effect, Special Additions will be credited to the Policy on each Policy Anniversary Date starting from the sixth Policy Anniversary Date to the Maturity Date. This Allocation is done by creating additional Units to the Policy across the Investment Funds, in the same proportion as Your Investment Fund Allocation instruction then in effect. The Special Addition would be as follows:

Policy Anniversary Date falling in	Special Additions as % of Average Policy Fund Value
Sixth, Seventh and Eighth Policy Year	0.5%
Ninth Policy Year; and Tenth Policy Year (Maturity Date)	1.0%

The average Policy Fund Value is equal to the average of the Policy Fund Values as on the last date of each of the preceding 36 policy months prior to the date of crediting of the special additions.

3.4 Partial Withdrawal of Units

The Policyholder has the option to apply for Partial Withdrawal of cash from the Policy Fund Value in the specified form, at any time after the completion of three Policy Years, provided the Policy is in force. This

withdrawal shall be subject to prevalent administrative rules regarding minimum and maximum withdrawal amounts. The current limit on the minimum withdrawal is Rs.1,000. Additionally, the minimum Policy Fund Value after the Partial Withdrawal should be equal to the sum of 120% of Annualised Regular Premium of the basic plan and the applicable Surrender Charges applicable as per the Policy Year.

In a Policy Year You can request for as many Partial Withdrawals as You require, subject to the limit of minimum Partial Withdrawal and the minimum Policy Fund Value, post such Partial Withdrawal. You may make two Partial Withdrawals in a Policy Year free of charge. Every subsequent Partial Withdrawal in a Policy Year is subject to a charge as mentioned in Section 7

For the Partial Withdrawal, the cancellation of Units shall first be done from the Policy Fund Value corresponding to the Top Up Premiums paid till then subject to the Top Up Premium having been invested for three completed Policy Years from the date of payment of such Top Up Premium. However this condition will not apply if the Top Up Premium is paid during the last three years of the Policy Benefit Period.

3.5 Full Withdrawal of Units (Policy Surrender)

The Policyholder has the option to apply for Surrender of the Policy. Surrender of the Policy shall terminate the Policy and extinguish all Your rights, benefits and interests in the Policy.

Surrender Value is at all times equal to the Policy Fund Value less Surrender Charge applicable for the Policy Year on the date of request of surrender. Please refer Section 7.5 for Surrender Charges.

If the Policy is surrendered before the completion of three Policy Years then the surrender value, calculated as at the date the request of such surrender by the Policyholder shall be frozen and become payable after the completion of three Policy Years.

3.6 Decrease in the Annualised Regular Premium of the basic plan

You may apply for decrease of the Annualised Regular Premium of the basic plan from the one stated by You in the proposal form only after the completion of two Policy Years, provided the Policy is in effect, and decrease in the Annualised Regular Premium is in multiples of Rs.1,000. Such a change will be allowed with effect from the Policy Anniversary immediately succeeding the receipt of Your application.

Any decrease in the Annualised Regular Premium of the basic plan will decrease the Sum Assured in the same proportion. During the **3rd policy year**, the Annualised Regular Premium can be reduced such that the revised Annualised Regular Premium is at least higher of:

- **75%** of first year Annualised Regular Premium, or
- Minimum Annualised Regular Premium.

However from 4th Policy Year onwards the reduction in Annualised Regular Premium of the Basic Plan shall be subject to the administrative rules of minimum Annualised Regular Premium. The current limit on the minimum Annualised Regular Premium is Rs.24, 000.

3.7 Change in the Investment Fund Allocation (Premium Redirection)

The Investment Fund Allocation as chosen by You at the time of inception of the Policy can be modified only after the first Policy Year by submitting the Investment Fund Allocation Instruction. Units will be created in each of the prevalent Investment Funds for all the future premiums as per the modified Investment Fund Allocation Instruction.

The Investment Fund Allocation Instruction is subject to a minimum Allocation percentage in a chosen Investment Fund/s, which is currently 5%. Currently, the number of Investment Funds for Allocation are six. The change in the Investment Fund Allocation will be effective from the next premium due date.

SECTION 4: POLICY PREMIUMS

4.1 Total Monthly/ Quarterly/ Half yearly/ Annual Premium is mentioned in the Policy Specifications as the premium payable by the You on the due dates for payment in the mode chosen. Such premium is payable on the due date for payment and in any case not later than the grace period of 30 days from due date.

4.2 Annualised Regular Premium received by The Company (net of the relevant Premium Allocation Charge) is used to create Units in the relevant Investment Funds for Allocation to the Policy Fund in accordance with the Fund Allocation Instruction then in effect under the Policy. The Units will be created on the Valuation Dates of the relevant Investment Fund/s as per the provisions of the section 6 contained herein.

4.3 Top Up Premium: At any time during the Policy Benefit Period after the completion of three Policy Years, You may in addition to Your Annualised Regular Premium, apply for payment of Top-up Premium in the specified form, subject to the following conditions:

- The Policy is in effect; and
- Annualised Regular Premium due till the date of the application has been paid in full; and
- Total of the Top Up Premiums does not exceed an amount equivalent to 25% of the total Annualised Regular Premium of the Basic Plan paid up to the date of the application.

Top Up Premium has no effect on the Sum Assured. As per the applicable administrative rules of The Company, the minimum amount of Top Up Premium to be paid is Rs. 1, 000.

The creation of Units with the Top Up Premium (net of the relevant Premium Allocation Charge) in the relevant Investment Funds will be made in accordance with the Investment Fund Allocation Instructions for that particular Top Up Premium. The Units will be created on the Valuation Dates of the relevant Investment Funds as per the provisions mentioned in Section 6 herein.

Where the instruction for the Investment Fund Allocations is not received for the Top Up Premium, the investment Allocation shall be made in accordance with the then Investment Fund Allocation Instruction then in effect under the Policy for the Annualised Regular Premium.

Top Up Premium is subject to a lock in period of three years from the date of making such a Top Up Premium for Partial Withdrawals. However this condition of the minimum lock in period will not apply if the Top Up Premium is paid during the last three years of the Policy Benefit Period.

4.4 Discontinuance of premium

a. Discontinuance of Annualised Regular Premium within three years of the Policy Date

If any Annualised Regular Premium due within the first three Policy Years remains unpaid even after the grace period of 30 days from the date of unpaid Premium, the benefit of the Sum Assured in the Policy will cease to exist from the date of such unpaid premium (also termed as 'Lapse Date') and the Policy will lapse.

Death Benefit (as in section 3.1) payable during the grace period will be reduced by the outstanding Policy Charges.

Reinstatement of the Policy: The Policyholder can apply for reinstatement of the lapsed Policy within two years from the date of the first unpaid premium ("Reinstatement period"). Such Reinstatement shall be subject to the following conditions:

- Satisfactory evidence of insurability of the Life Insured; and
- Payment in full of an amount equal to all the Annualised Regular Premiums due but unpaid till the Effective Date of reinstatement

The Effective Date of Reinstatement is the date on which the above requirements are met and approved by The Company. On this date, Premium Allocation charge and Policy Administration charge shall be deducted from the above payment for the period between the Lapse Date and the Effective Date of Reinstatement.

In case of surrender of the Policy during the Reinstatement period, the Policy Fund Value as on the date of Surrender net of Surrender Charge applicable on the lapse date shall be payable on the date of request of the Surrender or at the completion of the third Policy Year, whichever is later.

In case of death of the Life Insured during the time allowed for Reinstatement of a lapsed Policy, the Policy Fund Value will be paid.

If the Policy is not reinstated during the Reinstatement period, the Policy will stand terminated and the Policy

Fund Value as at the expiry of Reinstatement period net of Surrender Charge as on the lapse date shall be payable at the completion of the third Policy Year or at the end of the reinstatement period, whichever is later.

b. Discontinuance of premium after three Policy Years

If the due Annualised Regular Premium has been paid for at least three consecutive Policy Years from the Policy Date and subsequent Annualised Regular Premiums are unpaid, You may reinstate the Policy within two years from the date of first unpaid premium. Such reinstatement can only be made by paying all the unpaid premiums and the appropriate Premium Allocation Charge shall be deducted from the abovementioned payment. During the period allowed for reinstatement, the Policy shall continue to be in effect by levying applicable Policy Charges. At the end of the allowed period for reinstatement, if the Policy is not reinstated the Policy shall be terminated by paying the Surrender Value. In the event of death during the given period of reinstatement, the benefits payable shall be as per section 3.1, and the Policy will cease to exist.

You are however entitled to submit a written notice to The Company within the period allowed for the reinstatement of the Policy opting to continue the Policy. The Company will continue deduction of applicable Policy Charges and keep the Policy in effect until the Policy Fund Value does not fall below the amount equivalent to the sum of one Annualised Regular Premium of the Basic Plan and applicable Surrender Charge.

Where the Policy Fund Value falls to the level of an amount equal the sum of one Annualised Regular Premium of the basic plan and applicable Surrender Charge or the Policy Fund Value is inadequate for the deduction of the applicable Policy Charges as per Section 7 whichever is earlier, the Policy shall stand terminated and only Surrender Value shall be paid.

SECTION 5: INVESTMENT FUNDS

5.1 The Company holds legal and beneficial interests in the assets of each Investment Fund and has sole discretion on the investment and the management of each Investment Fund within the defined asset portfolio Allocation as set out under Section 5.2. The six Investment Funds currently offered under the Policy by The Company are - Growth Opportunities Plus Fund, Grow Money Plus Fund, Build India Fund, Save 'n' Grow Money Fund, Steady Money Fund and Safe Money Fund.

5.2 The investment objective, risk profile and asset allocation range for the various funds is as mentioned below:

Investment Fund	Objective	Asset Category and Asset Allocation	Risk-Return Potential
Growth Opportunities Plus Fund	To provide long term capital appreciation through investing in stocks across all market capitalization ranges (Large, Mid or small)	Listed Equities: 80% - 100%, Cash & Money Market Securities: 0% -40%	High
Grow Money Plus Fund	To provide long term capital appreciation through investing across a diversified high quality equity portfolio	Listed Equities: 80% - 100%, Cash & Money Market Securities: 0% -40%	High
Build India Fund	To provide long term capital appreciation, through exposure to equity investments in Infrastructure and allied sectors, and by diversifying investments across various sub-sectors of the infrastructure sector	Listed Equities: 80% - 100%; Corporate Bonds and Bank deposits:0% - 20%; Cash & Money Market Securities: 0% -20%	High
Save'n'grow Money Fund	To provide steady accumulation of income in medium to long term by investing in high quality debt papers and government securities and a limited opportunity of capital appreciation. This would be more of a defensively managed fund	Listed Equities: 0% - 60%, Corporate bonds and bank deposits: 0% - 50%, Government bonds and securities: 0% -40%, Cash & Money Market Securities: 0% -40%	Moderate
Steady Money Fund	To provide steady accumulation of income in medium to long term by investing in high quality debt papers and government securities	Corporate bonds and bank deposits: 20% - 80%, Government bonds and securities: 20%- 80%, Cash & Money Market Securities-0% -40%	Low
Safe Money Fund	To provide capital protection through investments in low-risk money-market & short-term debt instruments with maturity of 1 year or lesser	Corporate bonds and bank deposits: 0% - 60%, Government bonds and securities: 0%-60%, Cash & Money Market Securities -0% -40%	Low

Note:

- Growth Opportunities Plus Fund, Grow Money Plus Fund, Save'n'grow Money Fund, Build India Fund, Steady Money Fund and Safe Money Fund are the names of the Investment Funds and do not in any manner indicate the quality of the Investment Funds, their future prospects or returns.
- Investments in the Investment Funds are subject to market and other risks and the achievement of the Objective of any of the Investment Funds cannot be assured.
- The Company may from time to time change the asset portfolio Allocation in the existing Investment Funds with the approval of the Insurance Regulatory and Development Authority (IRDA).

5.3 Investment Fund Valuation

The valuation of assets under each Investment Fund will be done in accordance with the regulations issued by the Insurance Regulatory and Development Authority ('IRDA') in that regard (and is subject to change in accordance with the changes in regulations) and the internal rules of The Company.

The Unit Price shall be computed based on whether The Company is purchasing (appropriation price) or selling (expropriation price) the assets in order to meet the day to day transactions of Unit Allocations and Unit redemptions i.e. The Company shall be required to sell/purchase the assets if Unit redemptions/Allocations exceed Unit Allocations/redemptions at the Valuation Date.

The Appropriation price shall apply in a situation when The Company is required to purchase the assets to allocate the Units at the Valuation Date. This shall be the amount of money that The Company should put into the fund in respect of each Unit it allocates in order to preserve the interests of the existing Policyholders. The Unit Price will be computed as follows: Market value of investment held by the fund plus the expenses incurred in the purchase of the assets plus the value of any current assets plus any accrued income net of fund management charges less the value of any current liabilities less provisions, if any. This gives the net asset value of the fund. Dividing by the number of Units existing at the Valuation Date (before any new Units are allocated), gives the Unit Price of the fund under consideration.

The Expropriation price shall apply in a situation when The Company is required to sell assets to redeem the Units at the Valuation Date. This shall be the amount of money that The Company should take out of the fund in respect of each Unit it cancels in order to preserve the interests of the continuing Policyholders. The Unit Price will be computed as follows: Market Value of investment held by the fund less the expenses incurred in the sale of the assets plus the value of any current assets plus any accrued income net of fund management charges less the value of any current liabilities less provisions, if any. This gives the net asset value of the fund. Dividing by the number of Units existing at the Valuation Date (before any Units are redeemed), gives the Unit Price of the fund under consideration.

The Company is aiming to value the Investment Funds on each day the financial markets are open. The Company however, reserves the right to value less frequently in extreme circumstances, where the value of the assets may be too uncertain. In such circumstances The Company may defer valuation of assets until normality returns. Examples of such circumstances are:

- a) When one or more stock exchanges which provide a basis for valuation for a substantial portion of the assets of the fund are closed other than for ordinary holidays.
- b) When, as a result of political, economic, monetary or any circumstances out of the control of The Company, the disposal of the assets of the Investment Fund are not reasonable or would not reasonably be practicable without being detrimental to the interests of the remaining Policyholders invested in the Investment Fund;
- c) During periods of extreme volatility of markets during which surrenders and Switches would, in the opinion of The Company, be detrimental to the interests of the existing Policyholders invested in the Investment Fund;
- d) In case of natural calamities, strikes, war, civil unrest, riots and bandhs;
- e) In the event of any force majeure or disaster that affects our normal functioning;
- f) If so desired by the Insurance Regulatory and Development Authority.

5.4 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 and consequently, new Investment Funds may be made available to You. All provisions of the Policy will apply to such new Investment Funds unless stated otherwise.

5.5 Investment Fund Closure

The Company reserves the right to close any Investment Fund at any time by giving three month written notice of its intention to close an Investment Fund and from the date of such closure The Company will cease to create or cancel Units in the said Investment Fund ('Closing Investment Fund'). Closure of an Investment Fund will be on the happening of an event which in the sole opinion of The Company requires the said Investment Fund to be closed and such closure of an Investment Fund shall be subject to prior approval of Insurance Regulatory and Development Authority. The Company will require the Policyholder who has invested in the Closing Investment Fund to replace it with another Investment Fund/s ('Replacing Investment Fund') in the form specified by The Company and before the date specified in such written notice of The Company. Upon receiving Your notification, Units in the Closing Investment Fund allocated to this Policy will be cancelled on the last Valuation Date of the Closing Investment Fund. The Company will replace the Closing Investment Fund with the Replacing Investment Fund/s chosen by You, by creating Units in the Replacing Investment Fund/s, with proceeds from the cancellation of Units in the Closing Investment Fund on the last Valuation Date of the Closing Investment Fund.

If The Company has not received valid notification from You for modification of Your Investment Fund Allocation by the time of closure of the Investment Fund, The Company will:

- Switch Your funds from the Closing Investment Fund to the most conservative Investment Fund then available; and
- Change Your Investment Fund Allocation in such a way that the percentage allocated to the Closing Investment Fund is added to the percentage allocated to the most conservative Investment Fund option then available. Currently the most conservative Investment Fund option is Safe Money Fund. The Company would however declare the most conservative Investment Fund option from time to time depending upon its then current Investment profile.

5.6 Switch amongst Investment Funds

You can apply for Switch of Your Investment Fund/s from one Investment Fund to another through a Switch Application Form prescribed by The Company. The facility of Switch would be subject to the administrative rules of The Company, existing at the time of Your Switch application. Switch of funds will be effected at a Unit Price declared on the date Your Switch application is received and accepted by The Company before 3.00 p.m. and on the next day's Unit Price declared if the application is received and accepted at The Company after 3.00 p.m. You are entitled to make twelve Switches per Policy Year free of charge. Every additional Switch in a Policy Year would be subject to a charge as mentioned in Section 7. Unutilized Switches of any Policy Year cannot be carried forward to the succeeding Policy Years. The minimum amount of a Switch transaction should be Rs.1,000. Switch among Investment Funds during the Extended Maturity Period is not allowed.

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

- The premium paid in Unit Linked Insurance policies are subject to investment risks associated with capital markets and the NAVs (Net Asset Values) of the units may go up or down based on the performance of the fund and factors influencing the capital market and the insured is responsible for his/her decisions.
- 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 Policyholder.

SECTION 6: UNITS

6.1 Creation of Units

The Units shall be created based on the Unit Price.

Units will be created in the Investment Fund/s on receipt by The Company of the premium along with a local cheque/demand draft payable at par at the place where the premium/application for Switch is received on the following basis:

- the same day's closing Unit Price shall be applicable if received by 3.00 p.m.
- the next day's closing Unit-Price shall be applicable if received after 3.00 p.m.

In respect of premiums received with outstation cheques/demand drafts at the place where the premium is

received, the closing Unit Price of the day on which cheques/demand draft is realized shall be applicable.

However units for the first premium shall be allocated on the day the proposal is accepted and results into a policy by adjustment of proposal deposit towards premium.

In case the premium is paid in advance, Units will be created only on the due date. No interest shall be payable on premium paid in advance.

6.2 Cancellation of Units

Units will be cancelled from the Investment Funds, wherein an application (including claims, surrender, Policy closure, Switch request, partial withdrawal) is received by The Company:

- by 3.00 p.m., at the same day's closing Unit-Price shall be applicable.
- after 3.00 p.m., at the next day's closing Unit-Price shall be applicable.

Under extraordinary circumstances, such as extreme volatility of the value of the investments of the Investment Funds, The Company may delay cancellation of Units from an Investment Fund if it is necessary to do so in order to maintain fairness and equity between Policyholders remaining in that Investment Fund and the Policyholders leaving that Investment Fund. Where this applies, The Company may delay cancellation of all or part of the Investment Funds for upto 30 days. If The Company delays the cancellation, The Company will use the Unit Prices that apply on the day on which the cancellation actually takes place.

SECTION 7: POLICY CHARGES

7.1 Premium Allocation Charge

This charge is recovered as a percentage of the premium/ Top Up Premium, as the case may be, received by the Company. The balance known as Allocation amount is utilised to create Units for Your Policy in accordance with the Investment Fund Allocation mentioned by You. This charge is applied as per the following matrix depending upon the premium pertaining to the respective Policy Year, Policy Benefit Period and Premium Band.

	Less than Rs.100,000 of Annualised Regular Premium (Base)	Equal to or greater than Rs.100,000 and less than Rs.200,000 of Annualised Regular Premium (Base)	Equal to or Greater than Rs.200,000 but less than Rs.500,000 of Annualised Regular Premium (Base)	Equal to or greater than Rs.500,000 of Annualised Regular Premium (Base)
Year 1	20%	17%	15%	12%
Year 2 & 3	4%	4%	4%	4%
Year 4 & 5	2%	2%	2%	2%

The Premium Allocation Charge for a Top Up Premium is 1.5%.

Service tax including cess and surcharge will be applicable on all Premium Allocation Charge as per the prevailing rates and will be deducted from the Annualised Regular Premium/ Top Up Premium.

7.2 Policy Administration Charge

The Policy Administration Charge will be deducted by cancellation of Units at the prevailing Unit Price on the corresponding Policy Date in each Policy Month. This charge in any Policy Year shall not be more than an amount equal to compounded value of current charge at a rate of 5% (Applicable from August 2006).

The current Policy Administration Charge is Rs.55 per month. Service tax including cess and surcharge will be applicable on the Policy Administration Charge as per the prevailing rates and will be deducted by cancellation of Units from the Policy Fund Value.

7.3 Fund Management Charge

Fund Management Charge will be charged by adjustment of the Unit Price on the Investment Fund/s on each Valuation Date.

Fund	Fund Management Charge
Growth Opportunities Plus Fund	1.35% per annum
Grow Money Plus Fund	1.35% per annum
Build India Fund	1.35% per annum
Save'n'grow Money Fund	1.25% per annum
Steady Money Fund	1.00% per annum
Safe Money Fund	1.00% per annum

Service tax including cess and surcharge will be applicable on the Fund Management Charge as per the prevailing rates and will be levied at the time of computation of Unit Price and adjusted in the Unit Price calculation.

7.4 Mortality Charge

This charge is levied to provide You the life insurance benefit. This charge is applied on the Sum At Risk (as defined below) and is deducted proportionately by cancellation of Units at the prevailing Unit Price on the corresponding Policy Date in each Policy Month.

Sum At Risk is defined as the excess of Sum Assured over Policy Fund Value as on the corresponding Policy Date in the Policy Month.

The annual Mortality Charge per thousand rupees of Sum at Risk for all Ages for healthy lives is as follows:

Age as on Last Birthday	Male Rate per thousand	Female Rate per thousand	Age as on Last Birthday	Male Rate per thousand	Female Rate per thousand
8	0.48	0.5	40	2.46	1.91
9	0.48	0.46	41	2.7	2.07
10	0.46	0.48	42	2.9	2.24
11	0.54	0.48	43	3.12	2.46
12	0.64	0.48	44	3.4	2.7
13	0.78	0.46	45	3.73	2.9
14	0.86	0.54	46	4.13	3.12
15	0.92	0.64	47	4.58	3.4
16	0.99	0.78	48	5.09	3.73
17	1.05	0.86	49	5.66	4.13
18	1.1	0.92	50	6.29	4.58
19	1.15	0.99	51	6.98	5.09
20	1.2	1.05	52	7.73	5.66
21	1.24	1.1	53	8.54	6.29
22	1.28	1.15	54	9.41	6.98
23	1.31	1.2	55	10.33	7.73
24	1.34	1.24	56	11.32	8.54
25	1.36	1.28	57	12.35	9.41
26	1.38	1.31	58	13.23	10.33
27	1.39	1.34	59	14.34	11.32
28	1.4	1.36	60	15.69	12.35
29	1.4	1.38	61	17.27	13.23
30	1.4	1.39	62	19.08	14.34
31	1.41	1.4	63	21.13	15.69
32	1.44	1.4	64	23.42	17.27
33	1.5	1.4	65	25.94	19.08
34	1.57	1.41	66	27.27	21.13
35	1.66	1.44	67	30.74	23.42
36	1.78	1.5	68	34.59	25.94
37	1.91	1.57	69	38.85	27.27
38	2.07	1.66	70	43.55	30.74
39	2.24	1.78			

These rates in the above table are guaranteed to remain the same during the Policy Benefit Period. Service tax including cess and surcharge will be applicable as per the prevailing rates.

7.5 Surrender Charge

Surrender Charge to be levied may vary based on the duration of the Policy and is levied as a percentage of the

Policy Fund Value at the time of surrender of the Policy. Surrender Charges are as follows:

Policy Year	Surrender Charge
Year 1	91%
Year 2	60%
Year 3	30%
Year 4	10%
Year 5	5%
Year 6 onwards	Nil

Service tax including cess and surcharge will be applicable on the Surrender Charge as per the prevailing rates (only at the time of surrender of the Policy) and will be deducted from the Policy Fund Value on the date when Surrender Value is paid

7.6 Partial Withdrawal Charge

Two Partial Withdrawals are free every Policy Year. Every subsequent Partial Withdrawal is currently subject to a charge of Rs.100 per withdrawal. Service tax including cess and surcharge will be applicable on the Partial Withdrawal Charge as per the prevailing rate.

7.7 Switch Charge

Twelve Switches amongst Investment Funds are free of charge per Policy Year. Every additional Switch in a Policy Year would be subject to a charge which is currently at Rs.100 per Switch; Service tax including cess and surcharge will be applicable on the Switch Charge as per the prevailing rate.

7.8 Revision of Charges:

The Company may at anytime 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 (IRDA):

- Fund Management Charge: The maximum charge will be the minimum of 2% for each of the investment funds, subject to IRDA approval or the cap prescribed by IRDA.
- Switch and Partial withdrawal charge: This charge shall not exceed Rs.300 per switch.
- Policy Administration charge: This charge in any Policy Year shall not be more than an amount equal to compounded value of current charge at a rate of 5% (Applicable from August 2006).

SECTION 8: TERMINATION OF THE POLICY

The Policy will terminate on the earliest of the following:

- The date The Company receives Your application for Surrender of the Policy;
- The Maturity Date of the Policy, as per Section 3.2;
- The date of intimation of the death of the Life Insured;
- The date of happening of the event/s as mentioned in Section 4.4
- The date on which the Policy Fund Value becomes inadequate for the deduction of relevant Policy Charges or becomes equal to the sum of one year's Annualised Regular Premium of the basic plan and applicable Surrender Charge.

SECTION 9: OTHER PROVISIONS

9.1 Taxation

The tax benefits on the Policy would be as per the prevailing provisions of the tax laws in India. If required by the relevant legislations prevailing from time to time, The Company will withhold taxes from the benefits payable under the Policy.

The Company reserves the right to recover statutory levies including service tax by way of adjustment of the premiums paid by You or make necessary recoveries from the Policy Fund Value. As per the current laws, service tax including cess and surcharge at prevailing rates will be levied on all charges and any amount that is not allocated to Investment Funds in this Policy.

9.2 Currency and Place of Payment

All payments to or by The Company will be in Indian rupees and shall be in accordance with the prevailing Exchange Control regulations and other relevant laws of India.

9.3 Unit Statement

Unit Statement is a statement of Units held under the Policy and shall be issued on every Policy Anniversary Date and as and when transactions such as Switch of Investment Funds, Top Up Premium or Partial Withdrawal are affected.

9.4 Customer Service

You can seek clarification or assistance on the Policy from the following:

- The Agent from whom the Policy was bought
- The Customer Service Representative of The Company at toll free no. 1800 102 4444
- SMS "SERVICE" to 56677
- Email: service@bharti-axalife.com
- Mail to: Customer Service
Bharti AXA Life Insurance Company Ltd.
Unit No. 601 & 602, 6th Floor, Raheja Titanium,
Off Western Express Highway,
Goregaon (E), Mumbai-400 063

9.5 Grievance Redressal

1. In case you have any query or complaint/grievance, you may approach our office at the following address:

Bharti AXA Life Insurance Company Ltd.
Unit No. 601 & 602, 6th Floor, Raheja Titanium,
Off Western Express Highway,
Goregaon (E), Mumbai-400 063

Toll free Contact No.: 1800 102 4444
Email ID: complaints.unit@bharti-axalife.com
www.bharti-axalife.com

2. 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:

Complaint Redressal Officer

Toll free Contact No.: 1800 102 4444
Email ID: cro@bharti-axalife.com

3. In case you are not satisfied with the decision/resolution of the Company, you may approach the Insurance Ombudsman at the address given below if your grievance pertains to:

- Insurance claim that has been rejected or dispute of a claim on legal construction of the policy
- Delay in settlement of claim
- Dispute with regard to premium
- Non-receipt of your insurance document

4. 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 complainant.

5. As per provision 13(3) of the Redressal of Public Grievances Rules 1998, the complaint to the 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 is not simultaneously under any litigation.

A detailed list of all ombudsman is also mentioned below:

Office of the Ombudsman	Name of the Ombudsman	Contact Details	Areas of Jurisdiction
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AHMEDABAD	Shri Amitabh	Insurance Ombudsman Office of the Insurance Ombudsman 2 nd floor, Ambica House Nr. C.U.Shah College 5, Navyug Colony, Ashram Road, AHMEDABAD – 380 014 Tel.079- 27546150 Fax:079-27546142 E-mail:insombahd@rediffmail.com	Gujarat , UT of Dadra & Nagar Haveli, Daman and Diu
BHOPAL	Shri N.A.Khan	Insurance Ombudsman Office of the Insurance Ombudsman Janak Vihar Complex, 2 nd floor Malviya Nagar, BHOPAL Tel. 0755-2769201/02 Fax:0755-2769203 E-mail: bimalokpalbhopal@airtelbroadband.in	Madhya Pradesh & Chhattisgarh
BHUBANESHWAR	Shri S.K.Dhal	Insurance Ombudsman Office of the Insurance Ombudsman 62, Forest Park BHUBANESHWAR – 751 009 Tel.0674-2596461(Direct) Secretary No.:0674-2596455 Tele Fax - 0674-2596429 E-mail: ioobbsr@dataone.in	Orissa
CHANDIGARH	Shri K.M.Chadha	Insurance Ombudsman Office of the Insurance Ombudsman S.C.O. No.101, 102 & 103 2 nd floor, Batra Building Sector 17-D , CHANDIGARH – 160 017 Tel.: 0172-2706196 Fax: 0172-2708274 E-mail: ombchd@yahoo.co.in	Punjab , Haryana, Himachal Pradesh, Jammu & Kashmir , UT of Chandigarh
CHENNAI	Shri K.Sridhar	Insurance Ombudsman Office of the Insurance Ombudsman Fatima Akhtar Court , 4th floor, 453 (old 312) Anna Salai, Teynampet, CHENNAI – 600 018 Tel. 044-24333678 Fax: 044-24333664 E-mail: insombud@md4.vsnl.net.in	Tamil Nadu, UT – Pondicherry Town and Karaikal (which are part of UT of Pondicherry)
NEW DELHI	Sri P.K.Mishra	Insurance Ombudsman Office of the Insurance Ombudsman 2/2 A, Universal Insurance Bldg. Asaf Ali Road NEW DELHI – 110 002 Tel. 011-23239611 Fax: 011-23230858 E-mail: iobdelraj@rediffmail.com	Delhi & Rajasthan
GUWAHATI	Shri Sarat Chandra Sarma	Insurance Ombudsman Office of the Insurance Ombudsman Jeevan Nivesh, 5th floor Nr. Panbazar Overbridge , S.S. Road GUWAHATI – 781 001 Tel. : 0361-2131307 Fax:0361-2732937 E-mail: omb_ghy@sify.com	Assam , Meghalaya, Manipur, Mizoram, Arunachal Pradesh, Nagaland and Tripura

HYDERABAD	Shri P.A.Chowdary	<p>Insurance Ombudsman Office of the Insurance Ombudsman 6-2-46 , 1 st floor, Moin Court Lane Opp. Saleem Function Palace, A.C.Guards, Lakdi-Ka-Pool HYDERABAD – 500 004</p> <p>Tel. 040-23325325 Fax: 040-23376599 E-mail: hyd2_insombud@sancharnet.in</p>	Andhra Pradesh, Karnataka and UT of Yanam – a part of the UT of Pondicherry
ERNAKULAM	Shri James Muricken	<p>Insurance Ombudsman Office of the Insurance Ombudsman 2 ND Floor, CC 27/2603, Pulinat Building , Opp. Cochin Shipyard, M.G. Road , ERNAKULAM – 682 015</p> <p>Tel: 0484-2358734 Fax:0484-2359336 E-mail: iokochi@asianetglobal.com</p>	Kerala , UT of (a) Lakshadweep , (b) Mahe – a part of UT of Pondicherry