

## Max Amsure Future Builder

### Child Endowment (Participating) Insurance Plan

#### Plan Details

	<b>Minimum</b>	<b>Maximum</b>
Entry Age	91 days	14 years
Plan Tenor	10 years	24 years
Maturity Age	10 years	24 years
Sum Assured	Rs 50,000	Subject to underwriting / Rs 5 lacs, if Payor Benefit selected
Premium Payment options	Annual, Monthly (through direct debit)	

#### Benefits

##### **Maturity Benefit**

Upon maturity of the Policy we shall pay you the Sum Assured together with accrued bonuses, if any.

##### **Death Benefit**

If the Life Insured dies before the maturity of this Policy, we shall pay the premiums received by us together with interest at the rate of four (4) percent per annum, compounded annually, together with accrued bonuses, if any.

##### **Option to buy a permanent insurance policy**

Upon maturity, the policyholder will have the option to buy a permanent life insurance policy on the life of Life Insured without fresh medical underwriting (irrespective of the state of health of the Life Insured at that time), as may then be offered by the Company for an amount up to the Sum Assured under this Policy. Such option may be exercised within six months from the date of maturity on such terms and conditions as are applicable at that time.

#### Bonus

After this policy is in force for two years it is entitled to bonus, if any, declared by the Company. Bonus is payable on the Policy anniversary, from the surplus, if any, arising out of the actuarial valuation of the participating life insurance fund, if all premiums due before then have been paid. Bonuses are always non-guaranteed.

The bonus will be applied as per one of the following options elected by the Policy Holder in the Proposal Form:

1. **Paid in Cash:** The Bonus declared will be paid to the Policy Holder in cash.
2. **Premium Offset:** This entitles the Policy Holder to offset the premium payable under the Policy against the bonuses, if any. In the event the bonus is in excess of the premium payable under the policy, the excess will be paid to the Policy Holder in cash. However, if the bonus is not sufficient, the shortfall should be paid in full to keep the policy in force.

- 3. Left on Deposit:** Bonus declared by the Company can be left to accumulate with interest, at rates declared by the Company from time to time, at least once every year. The interest credited will be compounded once every year. The accumulated amount will be paid on maturity or death of the Life Insured.

### **Vesting on attaining majority**

The Policy shall automatically vest in Life Insured on his/her attaining majority (eighteen years) and upon such vesting the Policy shall be deemed to be a contract between the Company and the Life Insured, who shall be regarded as the Policy Holder and the Company shall deal directly with him.

### **Tax Benefits**

The premiums for all life insurance products offered are eligible for tax benefits under Section 80C of the Income Tax Act, 1961, if applicable. Furthermore, all maturity payments and claims are also tax exempt under Section 10(10D).

### **Cash Value**

This Policy will acquire cash value if it has been in force for at least three years and provided all the Premiums that have fallen due have been received. The guaranteed cash value of this policy will be thirty per cent (30%) of the Premium(s) (excluding the first year's Premium) received.

### **Surrender Value**

After the Policy has acquired Cash Value, you may surrender this Policy. The Surrender Value payable will be equal to Cash Value less any loan including interest accrued to the date of surrender. Once a request for surrender of the policy is received by us, no other benefit under this policy is payable.

### **Loan(s)**

After the Policy has acquired a Cash Value the policyholder may avail loan not exceeding 90% of the cash value under the base plan or such other percentage as the Company may determine from time to time. You will be liable to pay interest at such rates, as may be determined by the Company on a quarterly basis, not exceeding five per cent points above the bank rate prevailing at the time when the loan application is sanctioned by us and also comply with all other terms and conditions as stipulated by us. Interest on loan will be compounded once every year.

Any loan/s granted will be a first charge on the Policy proceeds and will be deducted from the proceeds before any payment is made on the Policy.

At any point in time, should the loan and accumulated interest exceed the Cash Value, whether or not the loan is recalled, the Policy will lapse. The minimum amount of loan that can be granted at any time will be Rupees ten thousand only.

### **Automatic Premium Loan ("APL")**

In case you have elected APL option in the Proposal form and the Policy has Surrender Value that is sufficient to take a loan for paying the overdue premium, we will provide you with an automatic loan to pay the overdue premium within the grace period. In case premiums have been paid through APL for two years in a row, the next premium cannot be paid through APL. However, if at any time Surrender Value is not sufficient to take a loan for paying full overdue premium, you will be liable to pay the full premium, failing which the Policy will lapse and the Surrender Value, if any, will be paid to you. All other conditions regarding APL will be those as specified under "Loans".

You may either opt, if not already elected, or cancel this election for future premiums, by giving a notice in writing to us.

### **Non-Forfeiture Benefit**

At any time after the Policy has acquired Surrender Value, you may surrender the policy for cash or utilize the surrender value to purchase a reduced paid up insurance. The reduced paid up insurance will acquire cash value. The option to purchase reduced paid up insurance must be exercised by you in the Proposal Form or by a subsequent election in writing which must be received by us before the due date of payment of premium.

### **Lapse and Revival of Policy**

If the due premiums are not paid within the grace period of 30 days (15 days for monthly mode of premium payment) from due date, the policy will lapse. However, if the policy has cash value, it is eligible for Non forfeiture option or APL option as chosen by you.

Within three years after the Policy has lapsed you may apply in writing for revival of the Policy, if you have not surrendered it. We may upon written request from you, and on production of evidence of insurability acceptable to us (cost of which to be borne by you), and at our discretion revive the Policy on such terms and conditions as are applicable at the time of revival. All overdue Premiums must be paid together with interest at such rates as may be declared by us from time to time. The revival of the Policy shall take effect only after revival is approved by us and communicated to you in writing.

At the time of revival, any unpaid loan and any loan deducted when we determined the non-forfeiture benefit, must also be repaid. Interest on the loan outstanding will be compounded once every year and will be based on loan interest rate that were in effect at the time of lapse.

All or part of overdue Premiums can be availed as a new unpaid loan if there is sufficient cash value available after the revival of the Policy to cover the loan. We do not need evidence of insurability if we receive the required payment within 30 days after the expiry of the grace period, but the insured must be living when we receive it. If the Policy has been surrendered, this Policy cannot be revived.

The cost of providing evidence of insurability shall be the actual medical examination fee, plus an administrative fee, which shall not be more than Rs.2000/-. The maximum administrative fee may be revised depending upon the annual inflation rates.

We also draw your attention to **Section 45** of the Insurance Act, 1938 which states as follows: -

No policy of life insurance 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 policy-holder and that the policy-holder 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.

**Registered Office**

Max House, 1 Dr Jha Marg, Okhla, New Delhi 110 020

Insurance is the subject matter of the solicitation

Section 41 of Insurance Act 1938 states:

No person shall allow or offer to allow, either directly or indirectly, as an inducement to any person to take out or renew or continue an insurance in respect of any kind of risk relating to lives or property in India, any rebate of the whole or part of the commission payable or any rebate of the premium shown on the policy, nor shall any person taking out or renewing or continuing a policy accept any rebate, except such rebates as may be allowed in accordance with the published prospectuses or tables of the insurer.