



**SBI Life Insurance Company Limited**  
Regulated by IRDAI

# Policy Document

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PRADHAN MANTRI JEEVAN  
JYOTI BIMA YOJANA

UIN : 111G102V01

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Group Life Insurance Plan

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Registered & Corporate Office: Natraj, M. V. Road, & Western Express Highway Junction, Andheri (East),  
Mumbai - 400 069. IRDAI Registration No. 111 | Website: [www.sbilife.co.in](http://www.sbilife.co.in) | Email: [info@sbilife.co.in](mailto:info@sbilife.co.in) |  
CIN: U99999MH2000PLC129113 | Toll Free: 1800 22 9090 (Between 9.00 am & 9.00 pm)

## Part A

### Your Policy

Welcome to your group life insurance policy, **SBI Life – Pradhan Mantri Jeevan Jyoti Bima Yojana** and thank you for choosing **SBI Life Insurance Company Limited**. The UIN allotted by Insurance Regulatory and Development Authority of India (IRDAI) for this product is 111G102V01. This product is categorized as a 'Non-par' product and hence does not participate in the profits of the Company.

SBI Life Insurance Company Limited (includes its assigns and successors, hereinafter called 'the **Company**') has received an **application** (proposal) from the group administrator (hereinafter called the '**Master Policyholder**') and duly signed by the authorized signatory of the master policyholder, statement and particulars of the members to be covered (census data), evidence of insurability of the members wherever required, the requisite premium amount along with taxes as levied by various statutory authorities. Such application, statements, documents and information furnished and to be furnished by the members and by the master policyholder from time to time, shall be the basis of this Policy. All schedules, annexures and addendums to this policy as well as all **endorsements** placed / that would be placed on this policy from time to time and the pricing terms accepted shall be deemed to be a part of this policy. The commencement and continuation of this policy is conditional upon the payment by the policyholder of the premiums in full computed and payable as provided hereinafter at the office of the company.

The Policy Schedule may change on each Annual Renewal Date if there is any change in the scheme rules under the Master Policy or if there are some other changes in the basic features of the cover granted. However, the rest of the terms and conditions of the Master shall remain unaltered till they are altered by an endorsement.

The company hereby agrees to pay the benefits hereinafter specified, subject to all the provisions and conditions hereinafter set forth, which are hereby made part of this Policy. The Company will pay the appropriate benefits as herein stated to **the beneficiary**, on submission of proof to the complete satisfaction of the Company that the benefit has become payable, and provided that the schedules, **terms and conditions** contained in this document are complied with.

This policy may be renewed at the end of the term for one year at a time depending on the instructions/notifications by the Government of India in this behalf, subject to the payment of such renewal premium by the member/ Master Policyholder, at such premium rates, and on such terms and conditions as prescribed by the Company at that time. SBI Life reserves the right to review all the terms and conditions at the time of renewal. SBI Life may not accept the renewal of the Master Policy for any reason whatsoever and the renewal of the Master Policy is not automatic.

Any amendment to the terms and conditions of this policy shall be given effect to by an endorsement on the policy subsequent to the requisite changes being made in the rules of the scheme (as approved by the Government of India) signed by an authorized official of the master policyholder & accepted by the Company.

This policy has been effected in accordance with the provisions of the rules of the scheme as on the **policy commencement date** and in the event of any amendment to the rules, in so far as any

such amendment has an effect on the operation of the Policy, it shall be operative only if the amendment is specifically approved by the Company in writing and not otherwise.

It shall be the responsibility of the Master Policyholder to inform the terms and conditions of the Master policy or any subsequent amendments or modifications to the Master Policy or the renewal or non-renewal of the policy, to its members from time to time. Any communication with regard to the Master Policy and the administration of the Scheme under the Master Policy shall be sent to the Master Policy Holder only. The Company is not liable to send any individual communications of whatsoever nature to any individual member of the Master Policy.

SAMPLE

**Part A**
**Policy Schedule**
**The Master Policy Holder**

1. Proposal Form dated	<< dd/mm/yyyy >>
2. Client ID	<< allotted by systems>>
3. Type of Group	Non Employer Employee group
4. Master Policy Number	<< allotted by Operations >>
5. Name of the Master Policyholder	<< Legal name of the master policyholder in full >>
6. Address	<< full mailing address of the master policyholder >>

**Policy Information**

1. Type of Business	New Business
2. Date of Commencement of Policy	<<DD/MM/YYYY>>
3. Date of Commencement of this Policy Schedule	<<DD/MM/YYYY>>
4. Policy Year	<< DD/MM/YYYY – DD/MM/YYYY>>
5. Annual Renewal Date (ARD)	1 <sup>st</sup> June every year
6. Death Benefit	Rs. 200,000 per member
7. Premiums to be paid by	The Master Policyholder / Members / Partly by the Master policyholder, Central or State Government and Members, as the case may be
8. Level of Participation	Voluntary

**The Group, as on date of commencement**

1. Number of members	
2. Entry age range covered	18 years to 50 years (nearest birthday)
3. Maximum Cover ceasing age	55 years (nearest birthday)
4. Total sum assured (INR)	
5. Underwriting Requirements	As per scheme rules, as revised by the Government of India from time to time.

**Premium for Death Benefit**

1. Mode of payment	Annual
2. Due dates of premium	1 <sup>st</sup> June, every year

**Exclusions & Clauses Applicable**

Lien Period	45 days from the entry date/date of commencement of insurance cover
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**Part A**

Abbreviations	
1. IRDAI	Insurance Regulatory and Development Authority of India
2. MPH	Master Policyholder
3. UIN	Unique Identification Number
4. CoI	Certificate of Insurance
5. ARD	Annual Renewal Date

SAMPLE

**Part A**

Premium Payment Summary (All amounts in INR)	
1. Premium for the product	<< INR _____ >>
2. Applicable taxes*	<< INR _____ >>
3. Total of Base Product Premium and service tax and cess	<< INR _____ >>

\*Service Tax/Cess/GST (currently only in case of J&K residents) and/or any other statutory levy/ duty/ surcharge on your premiums, as notified by the Central and/or State Government from time to time as per the provisions of the prevalent tax law

Signed for and on behalf of **SBI Life Insurance Company Limited**, at Mumbai.

Authorised Signatory			
Name			
Designation			
Date		Place	

The stamp duty of Rs <<.....>> (Rupees.....only) paid by pay order, vide receipt no. <<.....>> dated << ...>>. Government notification Revenue and Forest Department No. Mudrank <<.....>> dated <<.....>>

NOTE: The total premium payable may change in accordance with the changes in the applicable rates of taxes and cesses of whatsoever nature as introduced or amended from time to time.

<< Digital Signature >>

(Signature)  
Proper Officer

Policyholder shall read the Policy Schedule in conjunction with the Policy Booklet. Policy Schedule shall reflect the features as opted for. If any errors or mistakes are found, the policy should be returned to the company for effecting corrections.

\*\*\*\*\* End of Policy Schedule \*\*\*\*\*

**Part B**
**Definitions**

For the purpose of this Master Policy where consistent with the contents, the singular shall include the plural and the plural shall include the singular; words importing the masculine gender shall include the feminine gender and vice versa; and each of the following words and expressions shall have the following meanings:

<b>1. Annual Renewal Date (ARD)</b>	shall mean the same date at the end of each policy anniversary as the Date of commencement of policy.
<b>2. Beneficiary</b>	means the person or entity named to receive the insurance proceeds upon the insured's death or any other event leading to the payment of the benefits.
<b>3. Certificate of Insurance (Col)</b>	shall mean the document issued by the Company for the Insured Member which shall specify the details of coverage for the Insured member.
<b>4. Coverage</b>	shall mean the group life insurance offered in respect of the eligible member of the Master Policyholder under this master policy.
<b>5. Date of commencement of policy</b>	shall mean the date from which the Coverage under this Master Policy becomes effective for the first time when the Master Policy is issued.
<b>6. Date of Entry or Date of enrolment</b>	shall mean the date on which an Eligible Member becomes an Insured Member. This would be the date of debit of first premium from the insured member's account for joining the scheme.
<b>7. Date of Revival/Reinstatement</b>	the date on which the policy is restored for full benefits under the policy which are otherwise not available due to non-payment of premium on due date, resulting in the discontinuance of the policy.
<b>8. Eligible Members</b>	shall mean members who, having met all the requirements mentioned in the chapter 'Eligibility Conditions' are entitled to participate in the insurance plan under this policy.
<b>9. Endorsement</b>	means change(s) to the terms and conditions of the master policy shown in the policy.
<b>10. Group</b>	means a group / association of people accepted by the Company as constituting a Group for the purposes of this policy. Such Group shall have clearly evident relationship, and shall have been formed for a lawful purpose other than for availing insurance.
<b>11. Insured Member</b>	shall mean Eligible Member who, having met all the requirements set out in the chapter 'Participation' of this Policy and having paid the requisite premium and whose life has been insured under this Master Policy and in whose favour a Certificate of Insurance may be issued.

<p><b>12. Member</b></p>	<p>means a person of the constituent group which is undertaking similar activity or has been formed for commonality of purpose and is eligible for taking an insurance cover under the policy. A member does not automatically become an insured member unless he/she fulfils the eligibility criteria and complies with all the requisite formalities for grant of insurance cover, pays the requisite premium and the Company grants him an insurance cover and issues a certificate of insurance.</p>
<p><b>13. Master Policy</b></p>	<p>shall mean this document, all schedules and any addendums or endorsements therein, any amendments thereto signed by the company and the master policyholder, the application attached hereto of the master policyholder, and the individual enrolment forms, which together constitute the entire contract between the parties.</p>
<p><b>14. Master Policyholder</b></p>	<p>the group administrator who would administer the scheme on behalf of the insured members</p>
<p><b>15. Policy Year</b></p>	<p>shall mean a period starting from the date of commencement of the then applicable policy schedule and ending with a day prior to Annual Renewal Date.</p>
<p><b>16. Revival/Reinstatement</b></p>	<p>is the process of restoring the benefits under the policy which are otherwise not available due to non-payment of premium on due date, resulting in the discontinuance of the policy.</p>
<p><b>17. Sum Assured</b></p>	<p>shall mean the amount of insurance benefit payable on happening of the insured event as per the benefit description.</p>
<p><b>18. Scheme rules</b></p>	<p>Scheme rules are the set of rules governing the benefit structure, eligibility of membership &amp; other terms of the scheme as notified by the Government of India under Pradhan Mantri Jeevan Jyoti Bima Yojana from time to time. The scheme rules will provide the details of benefits such as type and size of benefits, how and when benefits are payable, eligibility and enrolment conditions.</p>
<p><b>19. Underwriting</b></p>	<p>refers to the process of initial selection undertaken by the Company so as to ensure suitability of the Eligible Member for insurance with regard to his mortality and / or morbidity / other risks so as to charge appropriate premiums for the risks posed.</p>



## Part C

### 1. Policy Benefits

**a. Maturity Benefit:** There is no maturity benefit payable under this plan.

**b. Death Benefit:** A Death benefit of Rs. 200,000 shall be payable to the nominee /beneficiary or legal heir, as the case may be, on the death of the Insured member during the policy term and subject to the following:

- i. The maximum death benefit on any individual life under this Yojana shall not exceed Rs. 200,000 [Rupees two lakhs only].
- ii. In case a member is covered with SBI life and / or with multiple insurers through a single or multiple bank accounts and premium is received in respect of all covers, the insurance cover will be restricted to Rs. 200,000 (Rupees two lakhs) only by admitting the claim on the first application based on the date of enrolment. The premium on the subsequent enrolments shall be liable to be forfeited. In case, a death claim has already been settled by any other insurer in respect of any insured member, SBI Life shall not have any liability to admit any claim on the member and shall forfeit the premium(s) received in respect of the said deceased member.
- iii. In case of death of the insured member during the grace period, the death benefit would be payable to the nominee /beneficiary or legal heir, as the case may be, subject to deduction of due premium along with applicable taxes, provided the master policy is renewed.
- iv. In case the Master Policy is not renewed for any reason whatsoever, the individual insured members shall not have any right whatsoever to demand renewal of the master policy.

**c. Surrender Benefits:** There is no Surrender Benefit payable.

### 2. Eligibility conditions

**a.** All savings bank account holders will be entitled to join the scheme, subject to the following:

- i. The individual should have completed at least 18 years of age
- ii. At the time of initial enrolment the individual should not be more than 50 years of age (nearest birthday)
- iii. At the time of renewal the individual should not be more than 55 years of age (nearest birthday)

**b.** In case of multiple saving bank accounts held by an individual in one or different banks, the person would be eligible to join the scheme through one savings bank account only.

## Part C

- c. If an individual member's insurance cover has been terminated due to non payment of premium on account of closure of designated account with the Bank or due to insufficient balance in his/her savings bank account, such a member, if eligible can rejoin the scheme by making a fresh application as per scheme rules.

### 3. Premium payment conditions

- a. Members joining the scheme after the policy commencement date/Annual Renewal Date but before the date as per Scheme rules will be able to do so by submitting requisite documents/declaration, if any, as specified by scheme rules and on payment of the full year's premium even though they will be covered only from the date of premium debit till the end of the Policy year.
- b. Premium amount payable and submission of requisite documents/declaration, if any, would be as specified by the Government of India from time to time and would be in accordance with the scheme rules.

### 4. Grace Period

- a. A grace period of thirty (30) days from the Annual Renewal date will be allowed for eligible members.
- b. The insurance cover for eligible members will remain in force during the grace period, provided the policy is renewed.
- c. If any premium for any eligible member remains unpaid at the end of the grace period, the insurance cover shall be terminated for that member. The policy benefit shall cease automatically on the date of expiry of the grace period. However the insurance cover can be fully revived/reinstated from the date of revival/reinstatement by paying the full year's premium along with requisite documents/declaration, if any, as specified by scheme rules.
- d. It shall be the responsibility of the insured member to ensure that his/her insurance premium is remitted to the Company. SBI Life shall not take any responsibility for non receipt of premium in respect of any member and shall have no liability whatsoever in respect of such members whose premiums are not received.

## Part C

### 5. Termination of insurance cover

The insurance cover for a member will be terminated on the earliest occurrence of any of the following events:

- a. The date the member attains 55 years of age (nearest birthday), on annual renewal date
- b. On death of the insured member
- c. On non-payment of premium within the grace period of 30 days
- d. Closure of designated account with the Bank or insufficiency of balance to keep the insurance in force
- e. the date on which the claim on insured member is settled
  - i. by another insurer in case the member was insured through more than one bank or
  - ii. in case the insured member is covered under more than one savings bank account with the same bank.

### 6. Termination of Master Policy

The Policy may be terminated as at any Annual Renewal Date by either the Master Policyholder or the Company by mailing written notice of termination to the other party, not less than thirty days before the Annual Renewal Date on which such termination shall be effective. However, Termination shall be without prejudice to any claim occurring prior to the effective date of termination. However, the Master Policy shall automatically terminate if it is not renewed by the Master Policy Holder on the Annual Renewal Date within the grace period. In case the Master Policy is terminated for any reason whatsoever, while the insurance cover is still in force, we will continue to service the insured members up to the immediate following Annual Renewal date.

## Part D

### 7. Surrender

No Surrender value is available under this product both at the Master Policyholder level and at the individual member level.

### 8. Change in Sum Assured & other terms and conditions

Change in Sum Assured or any of the terms and conditions is not allowed under this plan unless there is any change in the scheme rules by the Government of India or any regulatory change as required by IRDAI. Further, any such change will be done through an endorsement to this policy.

### 9. Death Claims

- a. The Master Policyholder, nominee or the legal heir, as the case may be, should intimate us about the death of the insured member in writing.
- b. We require the following documents/ information to process any death claim request:
  - i. Original COI
  - ii. Original Death Certificate issued by a local government body like Municipal Corporation / Village Panchayat
  - iii. Application Form for Death Claim (Claimant's Statement)
  - iv. Hospital records including discharge summary, etc
  - v. Any other documents including Post mortem report, First Information report where applicable
  - vi. Claim under the policy may be filed with us within 90 days of date of claim event.
- c. However, without prejudice, in case of delay in intimation or submission of claim documents beyond the stipulated period in the policy document or in the statutes, We may condone such delay and examine the admissibility or otherwise of the claim, if such delay is proved to be for reasons beyond the control of the nominee/claimant.

### 10. Exclusion-

For new members enrolling into the scheme the risk will not be covered during the first 45 days from the date of enrollment into the scheme (lien period) and in case of death (other than due to accident) during lien period, no claim would be admissible.

**Part E**

**11. Charges**

Being a Non-linked group term insurance product there are no explicit charges under this policy.

SAMPLE

## Part F

### 12. Nomination

- a. The member may, when effecting the insurance cover or at any time before the cover term ends, nominate a person or persons, as per provisions of Section 39 of the Insurance Act, 1938 as amended from time to time; to whom the money secured by the insurance cover shall be paid in the event of the death of the insured member.
- b. If the nominee is a minor, the member may appoint a person competent to contract, as an appointee in the manner laid down by us, to receive the money secured by the insurance cover in the event of death of the life assured during the minority of the nominee.
- c. The member may cancel or change the existing nomination.
- d. The nomination should be registered in our records to make it binding on us.
- e. For complete details about nomination, please refer to Section 39 of the Insurance Act, 1938; as amended from time to time.

[For simplified version of Section 39 of the Insurance Act, 1938; please refer Annexure I]

### 13. Assignment

Assignment is not allowed under this policy.

### 14. Non-disclosure

- a. We have issued your policy based on your statements in your master proposal form and other documents provided by you including but not limited to requisite documents/declaration, if any, submitted by the insured members and other Declarations at the end of the Proposal forms/Membership Forms. If we find that any of this information is inaccurate or false or you have withheld any material information, or in case of fraud, we shall declare your policy null and void but subject to section 45 of the Insurance Act, 1938, as amended from time to time.
- b. We have issued the COI based on your/ member's statements in membership form, personal statement and any other relevant documents. If we find that any of this information is inaccurate or false or the member has withheld any material information, or in case of fraud, we shall declare the member's insurance cover null and void but subject to section 45 of the Insurance Act, 1938; as amended from time to time.

[For simplified version of Section 45 of the Insurance Act, 1938; please refer Annexure II]

### 15. Mis-statement of Age

If we find that the insured member's correct age is different from that mentioned in the membership form, we will check the member's eligibility for the insurance cover as on the cover start date. If the age stated is incorrect and if the member is not eligible,

- a. We will terminate the member's insurance cover and we will not pay any benefit to the member.
- b. The premium paid by the insured member would be forfeited.

**Part F**

**16. Taxation**

- a. You/the member is liable to pay the Service Tax/Cess/GST and/or any other statutory levy/duty/surcharge, at the rate notified by the State Government or Central Government of India from time to time, as per the applicable tax laws on your premium.
- b. The member is eligible for Income Tax benefits/exemptions as per the applicable income tax laws in India, which are subject to change from time to time. You may visit our website for details: [http://www.sbilife.co.in/sbilife/content/21\\_3672#5](http://www.sbilife.co.in/sbilife/content/21_3672#5). Please consult your tax advisor for further details.

**17. Date format**

Unless otherwise stated, all dates described and used in the policy schedule are in dd/mm/yyyy formats.

**18. Electronic transactions**

We shall accept premiums only through auto debit from the member's savings bank account and pay benefits through any approved modes including electronic transfers.

**19. Communication**

- a. We will communicate with you in writing and deliver the correspondence by hand, post, facsimile, e-mail or any other approved mode.
- b. We will send correspondence to the mailing address you have provided in the proposal form or to the changed address communicated to us subsequently.
- c. You should also communicate with us in writing and deliver the correspondence by hand, post, facsimile, e-mail or any other approved mode.
- d. You should address all your communication to:  
SBI Life Insurance Company Limited,  
Central Processing Centre,  
7th Level (D Wing) & 8th Level, Seawoods Grand Central,  
Tower 2, Plot No. R-1, Sector 40, Seawoods,  
Nerul Node, Navi Mumbai - 400 706  
Dist. Thane, Maharashtra  
Phone : 022 - 6645 6241  
E-mail: [info@sbilife.co.in](mailto:info@sbilife.co.in)
- e. It is important that you keep us informed of your changed address and other communication details.

**20. Duplicate policy:** In case of loss of original policy we would be issuing a duplicate policy to the Master Policy holder.

**Part F**

**21. Provision of Information**

- a. The Master Policyholder shall furnish to the Company all particulars and information the Company may require in respect of Eligible Members necessary to give effect to the provisions of this Policy.
- b. The Master Policyholder shall furnish to the Company Individual Enrolment Forms and evidence of insurability for each Eligible Member in the form, wherever required, prescribed by the Company.
- c. The Company shall not be liable to offer any insurance coverage in respect of any member whose name is not included in the data given by the Master Policy Holder. It shall be the sole responsibility of the Master Policyholder to ensure that the data provided by the Master Policyholder in respect of the members is complete and accurate.



## Part G

### 22. Grievance redressal procedure

- a. In case the Policyholder has any query or complaint/grievance, he/she may approach the Company's Servicing Branch, as stated in the Premium Receipt issued to the Master Policyholder or the nearest SBI Life Office.
- b. In case the Policyholder is not satisfied with the decision of the above office, or has not received any response within 10 days, he/she may contact the following official for resolution:

Head Client Relationship  
SBI Life Insurance Company Limited,  
Central Processing Centre,  
7th Level (D Wing) & 8th Level, Seawoods Grand Central,  
Tower 2, Plot No. R-1, Sector 40, Seawoods,  
Nerul Node, Navi Mumbai - 400 706  
Dist. Thane, Maharashtra  
Telephone No: 022-6645 6241  
Fax: 022 – 6645 665  
Email Id: [info@sbilife.co.in](mailto:info@sbilife.co.in)

- c. In case the Policyholder is not satisfied with the decision/resolution of the Company or do not receive any response from the Company within 15 days, you may approach the Grievance Cell of the IRDAI of the following contact details:

IRDAI Grievance Call Centre (IGCC) **TOLL FREE NO: 155255**  
Email ID: [complaints@irda.gov.in](mailto:complaints@irda.gov.in)  
You can also register your complaint online at <http://www.igms.irda.gov.in/>  
Address for communication for complaints by fax/paper:  
Consumer Affairs Department  
Insurance Regulatory and Development Authority of India  
9th floor, United India Towers, Basheerbagh  
Hyderabad – 500 029, Andhra Pradesh  
Fax No: 91- 40 – 6678 9768

- d. In case the Policyholder is not satisfied with the decision/resolution of the Company, he/she may approach the Insurance Ombudsman if such grievance pertains to:
  - i. Insurance claim that has been rejected or dispute of a claim on legal construction of the Policy
  - ii. Delay in settlement of claim
  - iii. Dispute with regard to premium
  - iv. Non-receipt of insurance document

**Part G**

- e. The Central Government has established an office of the Insurance Ombudsman for redressal of grievance or complaint with respect to Life Insurance Policies. The addresses of the Insurance Ombudsman and the Redressal of Public Grievances Rules, 1998, are, available on the website of IRDA, <http://www.IRDAIndia.org> and in our website <http://www.SBILife.co.in>. The address of the ombudsman at Mumbai is:

Office of the Insurance Ombudsman (Maharashtra and Goa)  
3rd Floor, Jeevan Seva Annexe,  
S.V. Road, Santa Cruz (W),  
Mumbai – 400 054.  
Telephone No.: +91 – 22 – 2610 6928  
Fax No. : +91 – 22 – 2610 6052  
E-mail: [ombudsmanmumbai@gmail.com](mailto:ombudsmanmumbai@gmail.com)

- f. The complaint to the Ombudsman 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.
- g. As per provision 13(3) of the Redressal of Public Grievances Rules 1998, the complaint to the Ombudsman can be made only if:-
- i. The grievance has been rejected by the Grievance Redressal Machinery of the Company
  - ii. The complaint was made within a period of one year from the date of rejection by the Company
  - iii. If the complaint is not simultaneously under any litigation.
- h. The list of addresses of insurance ombudsman has been enclosed along with this document.

## Part G

### 23. Relevant Statutes

#### Governing laws and jurisdiction

This is subject to prevailing Indian Laws. Any dispute that may arise in connection with this shall be subject to the jurisdiction of the competent Indian Courts.

#### **Section 41 of the Insurance Act, 1938, as amended from time to time:**

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 rebate as may be allowed in accordance with the published prospectus or tables of the insurer. Provided that acceptance by an insurance agent of commission in connection with a policy of life insurance taken out by himself on his own life shall not be deemed to be acceptance of a rebate of premium within the meaning of this sub-section if at the time of such acceptance the insurance agent satisfies the prescribed conditions establishing that he is a bona fide insurance agent employed by the insurer.

2. Any person making default in complying with the provisions of this section shall be liable for a penalty which may extend to ten lakh rupees.

#### **Section 45 of the Insurance Act 1938, as amended from time to time:**

[For the simplified version of the provisions of Section 45 please refer Annexure – II.]

#### **Provision 12 (1) of Redressal of Public Grievances Rules, 1998**

The Ombudsman may receive and consider

- (a) Complaints under Rule 13
- (b) Any partial or total repudiation of claims by an insurer
- (c) Any dispute in regard to premium paid or payable in terms of the policy
- (d) Any dispute on the legal construction of the policy, insofar as such disputes relate to claims
- (e) Delay in settlement of claims
- (f) Non-issue of any insurance document to customers after receipt of premium

#### **Provision 13 of Redressal of Public Grievances Rules, 1998**

(1) any person who has a grievance against an insurer, may himself or through his legal heirs make a complaint in writing to the Ombudsman within whose jurisdiction the branch or office of the insurer complained against is located.

(2) the complaint shall be in writing duly signed by the complainant or through his legal heirs and shall state clearly the name and address of the complainant, the name of the branch or office of the insurer against which the complaint is made, the fact giving rise to complaint supported by documents, if any, relied on by the complainant, the nature and extent of the loss caused to the complainant and the relief sought from the Ombudsman.

**Part G**

(3) No complaint to the Ombudsman shall lie unless –

(a) the complainants had before making a complaint to the Ombudsman made a written representation to the insurer named in the complaint and either insurer had rejected the complaint or the complainant had not received any reply within a period of one month after the insurer concerned received his representation or the complainant is not satisfied with the reply given to him by the insurer.

(b) the complaint is made not later than one year after the insurer had rejected the representation or sent his final reply on the representation of the complainant, and

(c) the complaint is not on the same subject matter, for which any proceedings before any Court, or Consumer Forum or Arbitrator is pending or were so earlier.

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## Annexure-I

### Section 39 - Nomination by policyholder

Nomination of a life insurance Policy is as below in accordance with Section 39 of the Insurance Act, 1938 as amended by Insurance Laws (Amendment) Act, 2015. The extant provisions in this regard are as follows:

01. The policyholder of a life insurance on his own life may nominate a person or persons to whom money secured by the policy shall be paid in the event of his death.

02. Where the nominee is a minor, the policyholder may appoint any person to receive the money secured by the policy in the event of policyholder's death during the minority of the nominee. The manner of appointment to be laid down by the insurer.

03. Nomination can be made at any time before the maturity of the policy.

04. Nomination may be incorporated in the text of the policy itself or may be endorsed on the policy communicated to the insurer and can be registered by the insurer in the records relating to the policy.

05. Nomination can be cancelled or changed at any time before policy matures, by an endorsement or a further endorsement or a will as the case may be.

06. A notice in writing of Change or Cancellation of nomination must be delivered to the insurer for the insurer to be liable to such nominee. Otherwise, insurer will not be liable if a bonafide payment is made to the person named in the text of the policy or in the registered records of the insurer.

07. Fee to be paid to the insurer for registering change or cancellation of a nomination can be specified by the Authority through Regulations.

08. On receipt of notice with fee, the insurer should grant a written acknowledgement to the policyholder of having registered a nomination or cancellation or change thereof.

09. A transfer or assignment made in accordance with Section 38 shall automatically cancel the nomination except in case of assignment to the insurer or other transferee or assignee for purpose of loan or against security or its reassignment after repayment. In such case, the nomination will not get cancelled to the extent of insurer's or transferee's or assignee's interest in the policy. The nomination will get revived on repayment of the loan.

10. The right of any creditor to be paid out of the proceeds of any policy of life insurance shall not be affected by the nomination.

11. In case of nomination by policyholder whose life is insured, if the nominees die before the policyholder, the proceeds are payable to policyholder or his heirs or legal representatives or holder of succession certificate.

12. In case nominee(s) survive the person whose life is insured, the amount secured by the policy shall be paid to such survivor(s).

13. Where the policyholder whose life is insured nominates his

- a. parents or
- b. spouse or
- c. children or
- d. spouse and children
- e. or any of them

the nominees are beneficially entitled to the amount payable by the insurer to the policyholder unless it is proved that policyholder could not have conferred such beneficial title on the nominee having regard to the nature of his title.

14. If nominee(s) die after the policyholder but before his share of the amount secured under the policy is paid, the share of the expired nominee(s) shall be payable to the heirs or legal representative of the nominee or holder of succession certificate of such nominee(s).

15. The provisions of sub-section 7 and 8 (13 and 14 above) shall apply to all life insurance policies maturing for payment after the commencement of Insurance Laws (Amendment) Act, 2015.

16. If policyholder dies after maturity but the proceeds and benefit of the policy has not been paid to him because of his death, his nominee(s) shall be entitled to the proceeds and benefit of the policy.

17. The provisions of Section 39 are not applicable to any life insurance policy to which Section 6 of Married Women's Property Act, 1874 applies or has at any time applied except where before or after Insurance Laws (Amendment) Act, 2015, a nomination is made in favour of spouse or children or spouse and children whether or not on the face of the policy it is mentioned that it is made under Section 39. Where nomination is intended to be made to spouse or children or spouse and children under Section 6 of MWP Act, it should be specifically mentioned on the policy. In such a case only, the provisions of Section 39 will not apply.

***[Disclaimer: This is not a comprehensive list of amendments of Insurance Laws (Amendment) Act, 2015 and only a simplified version prepared for general information. Policy Holders are advised to refer to Original Gazette Notification for complete and accurate details.]***

**Annexure-II**

**Section 45 – Policy shall not be called in question on the ground of mis-statement after three years**

Provisions regarding policy not being called into question in terms of Section 45 of the Insurance Act, 1938, as amended by Insurance Laws (Amendment) Act, 2015 are as follows:

01. No Policy of Life Insurance shall be called in question **on any ground whatsoever** after expiry of 3 yrs from

- a. the date of issuance of policy or
- b. the date of commencement of risk or
- c. the date of revival of policy or
- d. the date of rider to the policy

whichever is later.

02. On the ground of fraud, a policy of Life Insurance may be called in question within 3 years from

- a. the date of issuance of policy or
- b. the date of commencement of risk or
- c. the date of revival of policy or
- d. the date of rider to the policy

whichever is later.

For this, the insurer should communicate in writing to the insured or legal representative or nominee or assignees of insured, as applicable, mentioning the ground and materials on which such decision is based.

03. Fraud means any of the following acts committed by insured or by his agent, with the intent to deceive the insurer or to induce the insurer to issue a life insurance policy:

- a. The suggestion, as a fact of that which is not true and which the insured does not believe to be true;
- b. The active concealment of a fact by the insured having knowledge or belief of the fact;
- c. Any other act fitted to deceive; and
- d. Any such act or omission as the law specifically declares to be fraudulent.

04. Mere silence is not fraud unless, depending on circumstances of the case, it is the duty of the insured or his agent keeping silence to speak or silence is in itself equivalent to speak.

05. No Insurer shall repudiate a life insurance Policy on the ground of Fraud, if the Insured / beneficiary can prove that the misstatement was true to the best of his knowledge and there was no deliberate intention to suppress the fact or that such mis-statement of or suppression of material fact are within the knowledge of the insurer. Onus of disproving is upon the policyholder, if alive, or beneficiaries.



06. Life insurance Policy can be called in question within 3 years on the ground that any statement of or suppression of a fact material to expectancy of life of the insured was incorrectly made in the proposal or other document basis which policy was issued or revived or rider issued. For this, the insurer should communicate in writing to the insured or legal representative or nominee or assignees of insured, as applicable, mentioning the ground and materials on which decision to repudiate the policy of life insurance is based.

07. In case repudiation is on ground of mis-statement and not on fraud, the premium collected on policy till the date of repudiation shall be paid to the insured or legal representative or nominee or assignees of insured, within a period of 90 days from the date of repudiation.

08. Fact shall not be considered material unless it has a direct bearing on the risk undertaken by the insurer. The onus is on insurer to show that if the insurer had been aware of the said fact, no life insurance policy would have been issued to the insured.

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

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