

Annexure - II

SBI Life Insurance Company Limited
*Regd. Office : State Bank Bhavan, Corporate Centre,
Nariman Point, Madame Cama Road, Mumbai – 400 021.*

GROUP LEAVE ENCASHMENT CUM LIFE COVER SCHEME FOR THE EMPLOYEES OF THE XYZ CO.

MASTER POLICY NO.

WHEREAS

- i) The SBI Life Insurance Company Ltd (hereinafter called ‘the Company’) has received a proposal from the Trustees of XYZ Co. Leave Encashment Scheme (hereinafter called ‘Grantees’), requesting for Group Leave Encashment Policy for providing leave encashment benefits as described in the Rules of the aforesaid Leave encashment Scheme.
- ii) The Company has received from the Grantees statements and particulars of the Members as defined in Schedule I;
- iii) The Grantees have agreed to furnish such statements and particulars of Members as may be required by the Company from time to time for effecting the assurances;
- iv) The Grantees have also declared and agreed that the said proposal and the statements and particulars shall be the basis of this Policy; and
- v) The Grantees have paid the first premium amount of Rs. (Rupees only), in respect of Members for a total Sum Assured of Rs. (Rupees only), and have further agreed to pay the premium as provided in Schedule II hereinafter, as and when they fall due.

NOW THIS POLICY WITNESSETH AS FOLLOWS:-

1. Subject to the payment of the appropriate premiums specified herein and on proof of the happening of the contingencies stated herein in respect of the Members, the Company shall pay to the Grantees or Beneficiary as shall be authorised by the Grantees, as the case may be, the benefits as specified in Schedule IV.
2. All monies payable to or by the Company hereunder shall be paid at the Mumbai office of the Company. A discharge or receipt by the Grantees or Beneficiary or on their behalf by any person duly authorised in writing by the Grantees shall be a good, valid and sufficient discharge to the Company in respect of any payment to be made by the Company hereunder.
3. Any amendment in the terms and conditions of this Policy shall be given effect to by an endorsement to the Policy or by suitable exchange of documents signed by an authorised officer of the Company.
4. The provisions hereinafter contained under “General Conditions” and the Schedules shall form part of this Policy as fully as if recited over the signature affixed hereto.

Signed for and on behalf of **SBI Life Insurance Company Limited** at **Mumbai** this
....., **2006**.

Authorised Signatory

SCHEDULE I

Expressions	Meaning
1. SCHEME	: XYZ Co. Group Leave encashment cum life cover Scheme.
2. RULES	: The Rules of the Scheme, certified copy of which, has been filed with the Company.
3. GRANTEES	: The Trustees for the time being of the Scheme, their address being.....
4. MEMBER	: A member of the Scheme who is admitted to the benefits of this Policy.
5. ANNUAL RENEWAL DATE	: 1 st day of every year subsequent to the date of commencement of this Policy.
6. NORMAL RETIREMENT DATE	: The date on which the Member attains the age of years or as prescribed in terms of employment.
7. NOMINEE	: A person nominated by the Members to receive the benefits under the Scheme in the event of death.
8. ACCUMULATION YEAR	: A period of twelve months ending on 31 st day of March 200... or any anniversary thereof, provided that if the Policy commence on a date other than 1 st April, the first Accumulation Year shall be reckoned from the date of commencement to the immediately next following 31 st March.
9. SUM ASSURED	: In relation to the Term Assurance, the life assurance benefit and in relation to the cash accumulation part, the principal amount assured by the Policy in respect of each Member which shall be equal to the premiums paid therefor up to any point of time.
10. EFFECTIVE DATE	: 1 st2006
11. ELIGIBLE ACCUMULATED LEAVE:	Period of leave eligible for encashment to the credit of participating member on the Date of Retirement/ Withdrawal / Death.

SCHEDULE II
PREMIUMS

1. The premium amount due under this Policy shall fall due on every Annual Renewal Date and the Grantees shall pay to the Company such premiums to secure the benefits to the Members as described in Schedules III and IV. The payment of the premiums shall be continued until the Normal Retirement Date of each Member unless otherwise specified under the Policy. The premium payable hereunder shall comprise:
 - i) Amounts as required to secure the life assurance benefits to the Members from year to year as described in the Schedule III.
 - ii) Initial Contribution to secure the leave encashment benefits relating to the eligible accumulated leave of the Members, which shall be wholly paid on the date of the entry and
 - iii) Amounts payable every year as are required to secure the balance leave encashment in respect of the Members.

2. The Company shall issue to the Grantees as at the end of each Accumulation Year a statement showing the sum assured in respect of the cash accumulation part and interest credited and debited to the account.

When leave encashment become payable to a Member on his retirement or cessation of service, the Company shall pay to the Grantees the benefits according to Schedule IV of this Policy out of the accumulated balance in the account. Upon death of the Member, the necessary amount drawn by the company from the running account together with the sum assured under the term assurance plan in respect of the member will make up the leave encashment payable to the nominee.

SCHEDULE III

1. As per the condition of this Policy, an Assurance is effected on the life of each Member under One Year Renewable Term Assurance Plan, as proposed by the Grantees and accepted by the company.

The Sum Assured under the Assurance on the date of entry of a Member or on the Annual Renewal Date, as the case may be, will be an amount equal to the Sum Assured under the life cover.

2. The Company shall restrict the grant of Sum Assured to the Member in case the evidence of health submitted in respect of the Member is not satisfactory to the Company.
3. The Assurance will be renewed on the Annual Renewal Dates for appropriate Sum Assured.
4. The Sum Assured under the Assurance will become payable upon death of the Member whilst the Assurance is in force. The Assurance will terminate on discontinuance of the premium or on the Member reaching the Normal Retirement Date or on his ceasing to be in the service of the Company.

SCHEDULE IV

BENEFITS

1. BENEFITS ON RETIREMENT AT OR AFTER NORMAL RETIREMENT DATE

On Retirement of a member on Normal Retirement Date, the benefit payable will be equal to number of days of accumulated leave to the members credit at the time of retirement times eligible daily leave salary, subject to a maximum number of days allowed to be encashed, as proposed by the company

2. BENEFITS ON DEATH BEFORE NORMAL RETIREMENT DATE:

Upon death of a Member while in service before Normal Retirement Date, the benefit payable will be equal to number of days of accumulated leave to the members credit at the time of death times eligible daily leave salary, subject to a maximum number of days allowed to be encashed as per the rules in addition to the Sum Assured as proposed by the company.

3. BENEFITS ON LEAVING SERVICE:

On Resignation of a member before Normal Retirement Date, but on rendering minimum years of service as required by his terms of Employment, the benefit payable will be equal to number of days of accumulated leave to the member's credit at the time of Resignation times eligible daily leave salary, subject to a maximum number of days allowed to be encashed, as per the company leave encashment rules

4. AMOUNTS PAYABLE LIMITED TO BENEFITS INSURED:

The Company's liability to the Grantees under this Policy shall be limited to the benefits assured under the Term Assurance effected in respect of the Members subject to the terms and conditions applicable to them and the accumulated balance standing to the credit of the Grantees in the running account at the time of settlement of claim.

5. DISCONTINUANCE OF PREMIUMS:

The Grantees may surrender the Policy after giving three month's prior notice in writing to the Company. In that event, the Term Assurance in respect of the Members shall terminate forthwith and the total amount remaining in the running account on the date of surrender shall, subject to the deduction of such sums as shall be decided by the Company having regard to the number of years for which the Policy was in force, become payable to the Grantees and the Company shall refund the Surrender Value in one single installment.

If total premium including life cover premium is not paid on the due date the policy will lapse. The leave encashment fund will be maintained and the policy will have to be reinstated within 5 years. The policy can be revived by paying unpaid contributions along with the life cover premiums. The life cover will be effective from the date of reinstatement

GENERAL CONDITIONS

1. An eligible employee shall be admitted as a Member of this Policy from the date of commencement of the Scheme and all future employees of the Employer shall become Member hereof when they become eligible in accordance with the Rules.
2. The Company may require satisfactory evidence of age of the Member to be produced before any benefits in respect to him are paid under this Policy.
3. Each member shall produce satisfactory evidence of his/her health in the form and manner prescribed at the commencement of his/her membership for granting life assurance benefits under Term Assurance Plan.
4. The Grantees shall pay to the Company on the first day of i.e., the date of commencement of the Policy and the first day of every year thereafter the premium according to Schedule II.
5. The premiums are payable on the due dates specified hereunder and if they are not paid on the due dates, the Grantees shall, unless the Company otherwise agrees, be deemed to have discontinued payment of the premium and they shall not be entitled to resume payment except with the consent of the Company and on such terms and conditions as the Company may prescribe in this regard.
6. The Grantees shall furnish the Company with all particulars relevant to the Scheme and to the operation of this Policy and the particulars so furnished may be accepted by the Company as conclusive.
7. Any amendment or modification of the Scheme shall have effect for the purpose of this Policy only to such extent as the Company shall in writing agree and the consequential changes in the relevant provisions hereof shall be given effect to by endorsements to the Policy. Execution of relevant documents by the concerned parties and approval of Commissioner of Income Tax.
8. Variations in the total benefits assured hereunder as on the Annual Renewal Dates shall be given effect to by endorsements to the Policy.
9. As soon as a Member or Nominee becomes entitled to receive the benefits under the Scheme, the Grantees shall send the relevant particulars regarding the identity of the Member and other details to the Company whereupon the Company shall pay to the Grantees appropriate benefits.
10. Where the Company is liable to deduct any tax, levy or any other duties on the benefits to be made under this Policy pursuant to any directive from the Government or any competent authority, the Company shall deduct appropriate amounts for that purpose from the respective benefits and shall not be liable to the Grantees for the sums so deducted.
11. If the Grantees are not satisfied with the features of the policy, the policy can be returned within 15 days from the date of receipt of the policy stating the reasons for the objection. The premium and contributions paid will be refunded after deducting the stamp duty.

12. All monies payable by the Company hereunder shall be paid to the Grantees at its Office at And a discharge given by the Grantees, or on their behalf by any person duly authorized in writing by the Grantees, shall be a valid discharge to the Company in respect of any such payment.
13. Any dispute which may arise in connection with this Policy shall be submitted to the appropriate Court or Courts having competent jurisdiction over the City of Mumbai.

“Section 45 of Insurance Act, 1938: No Policy of life insurance effected before the commencement of this Act shall after the expiry of two years from the date of commencement of this Act and no policy of life insurance effected after the coming into force of this Act shall, after the expiry of two years from the date on which it was effected, be called in question by an insurer on the ground that a statement made in the proposal for insurance or in any report of a medical officer, or referee, or friend of the insured, or in any other document leading to the issue of the policy, was 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 do 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.”