

Annexure 3



**SBI LIFE INSURANCE CO. LTD**

**Corporate Office: Turner Morrison Bldg., 2nd floor, G. N. Vaidya Marg Fort, Mumbai – 400 023.**

*Phone: 022-6639 2000 Fax: 022-6639 2025*

**Registered Office: State Bank Bhavan, Madam Cama Road, Nariman Point, Mumbai-400 021.**

*(Hereinafter called "the Insurer")*

In consideration of the Application for this Policy made by

The Trustees of \_\_\_\_\_ Employees Group Superannuation Scheme

*(Hereinafter called "the Policyholder")*

**Group Superannuation Policy**

**SBI Life Insurance Company Ltd** (which expression includes its assigns and successors, hereinafter called (the 'Company') has received a proposal from the Proposer named in the **Schedule-I** hereto, together with a statement and particulars of the Members, the **Superannuation Trust Deed and Rules of the Superannuation Scheme** duly executed by the Employer and the Trustees and has received the initial contribution and contribution amount as mentioned in **Policy Operatives** for grant of the benefits detailed in **Schedule III**.

The Policyholder has agreed to furnish such statements and particulars of Members as may be required by the Company from time to time and also have agreed to pay further contribution as provided in **Schedule IV** as and when they fall due. The Company and the Policyholder have agreed that the proposal and the statement together with any report or document leading to the issue of this Master Policy including but not limited to the Rules of the Superannuation Scheme shall form the basis of this contract.

It is agreed that in consideration of the contribution received, and subject to receipt of future contributions as herein stated, the Company will pay the appropriate benefits as herein stated to the Beneficiary (hereafter defined), on proof to the complete satisfaction of the Company of the benefit having become payable, and provided that the Schedules, terms and conditions contained in this document are complied with.

This Policy including the contribution and benefits under this policy will be subject to taxes and other statutory levies as may be applicable from time to time, and such taxes, levies etc. will be recovered, directly and completely from the Policyholder.

Any amendment to the terms and conditions of this Policy shall be given effect to by an endorsement to this Policy subsequent to a Deed of Variation being executed by the Trustees and a duly authorised official of the Employer and submission of the same to the Commissioner of Income Tax having jurisdiction over the fund for approval. The provisions hereinafter contained viz. 'Definitions, General Conditions and the Schedule' form part of this Policy as fully as if recited over the signature affixed hereto.

**INDEX**

<b>Schedule I</b>	.....	<b>NAME OF THE PROPOSER, POLICYHOLDER &amp; DEFINITIONS</b>	<b>3-4</b>
<b>Schedule II</b>	.....	<b>MEMBER PARTICIPATION</b>	<b>5</b>
		Section A – Eligibility Conditions	
<b>Schedule III</b>	.....	<b>PAYMENT OF BENEFITS &amp; NON ENCUMBERABLE NATURE OF THE FUND</b>	<b>6</b>
		Section A – Payment of Benefits	6
		Section B – Non – Encumberable nature of the Fund	7
<b>Schedule IV</b>	.....	<b>PAYMENT OF CONTRIBUTIONS</b>	<b>9</b>
<b>Schedule V</b>	.....	<b>Discontinuance of Contribution &amp; Life Cover Premium and Reinstatement of a Paid-up Policy</b>	<b>10</b>
<b>Schedule VI</b>	.....	<b>PROVISIONS REGARDING INVESTMENT OF SUPERANNUATION FUNDS &amp; VALUATION</b>	<b>11</b>
		Section A – The Superannuation Fund & investment Powers of the Insurer	
		Section B – Valuation	11
<b>Schedule VII</b>	.....	<b>MISCELLAENOUS PROVISIONS</b>	<b>12</b>
		Section A – About the Policy	12
		Section B – Change of Rules	12
		Section C – Clerical Error	12
		Section D – Benefits not tradable	12
		Section E – Policy holders obligation to furnish required data and prefer claim	12
		Section F – Member's right not prejudiced	13
		Section G – Misstatement	13
		Section H – Applicable Law	13
		Section I – Legal Proceedings	13
		Section J – Non participating nature of Policy	14
		Section K – Cooling-Off Period	14
		Section L – Deduction of sums due to Income Tax Authorities	14
		Section L – Suicide Exclusion applicable for life cover	14
<b>Schedule VIII</b>		<b>POLICY OPERATIVES</b>	<b>15</b>

**Schedule -I  
Miscellaneous**

Master Policy No:

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**Proposer:** \_\_\_\_\_

**Policyholder: The Trustees** \_\_\_\_\_

**Policyholder's Address:** \_\_\_\_\_  
\_\_\_\_\_

**PIN** \_\_\_\_\_

**Employer:** \_\_\_\_\_

**Definitions**

In this Policy, where consistent with the contents the singular shall include the plural and the plural the singular, masculine gender shall include the feminine gender and the vice versa shall also hold good. Each of the following words and expressions shall have the following/usual meanings unless defined to the contrary

1. "Company" shall mean \_\_\_\_\_.
2. "Employer" shall mean the Company as defined in (1) above and subject to the prior approval of the Commissioner of Income Tax shall include any Firm, Agency or body corporate which may by purchase, amalgamation or otherwise take over the whole or substantially the whole of the business of the Company and which may enter into a Deed in such a form as the Trustees shall require, undertaking to continue the obligations of the Company under this Deed and releasing the Company from all further liabilities thereof.
3. "Employees" shall mean the permanent employees other than personal and domestic servants and shall be deemed to include the Directors who are whole-time bonafide employees of the Company and do not Beneficially own shares carrying more than 5% voting rights in the Company.
4. "Member" shall mean an employee who has been admitted to the membership of the Scheme
5. "Nominee" shall mean the person nominated by the Member to receive the benefits under the Scheme in the event of his death.
6. "Normal Retirement Age" shall mean the age at which an employee is expected to retire from the service of his employer and is specified in the Policy Schedule.
7. "Superannuation Fund" shall mean the aggregate amount of Superannuation contributions and the Net Investment Income thereon at any time of the policy year, while the policy is in full force, held by the Insurer for the Policyholder reduced by the amount of claims paid till that point of time
8. "Policy" shall mean this agreement, any supplementary contracts or endorsements made thereon any amendments thereto agreed to and signed by the Insurer, the Master

Proposal attached hereto of the Policy holder, the Rules describing the Superannuation benefits, and the individual enrollment forms, if any, of the participating Members, which together constitute the entire contract between the parties.

9. "Policy Effective Date" shall mean the date from which the Policy becomes effective, as specified in the Policy Schedule.
10. "Policy Anniversary Date" shall mean the anniversary of the Policy Effective Date or the date otherwise specified in the Policy Operatives
11. "Policy Year" shall mean a period of twelve (12) consecutive months beginning with the Policy Effective Date in the first year and subsequent Policy Anniversaries thereafter.
12. "Rules" shall mean the Superannuation Rules of the Employer describing the Superannuation benefits applicable to the employees, certified copy of which has been filed with the Insurer.
13. "Scheme" shall mean \_\_\_\_\_ Employees' Group Superannuation Scheme.
14. "Salary" shall mean Basic and include Dearness Allowance if the terms of employment so provide but excludes all other allowances & perquisites if so specified by the employer
15. "Trustees" shall mean the Trustees for the time being of the Scheme.
16. "Surplus Account" shall mean an account to which sums forfeited by the Trustees in accordance with the Rules are credited. Such sums may be used to offset future contributions or may be refunded to the Trustees for investment in accordance to Rule 85 of the Income Tax Rules, 1962.
17. "Members' Account" shall mean the outstanding balance of each Member at any given time.
18. "Beneficiary" shall primarily mean the participating member, in case of death the nominee, if a valid nomination is subsisting, otherwise a family member of the deceased.
19. "Earnings" shall mean the monetary amount credited to the Members' Account in accordance with the provisions of the relevant Rules.
20. "Net Investment Income" means the gross investment income including interest income, coupons, any increases or decreases of realised and/or unrealised capital gains or losses, after deduction of any custodian fees, audit fees, investment transaction fees, stamp duties and taxes or duties that may be imposed under Indian Law.

## **SCHEDULE II**

### **MEMBER PARTICIPATION**

#### **Section A-Eligibility Conditions**

1. "Permanent Employees who are aged not less than 18 years and not more than 65 years shall be eligible to participate in the Scheme".

Employees in the above category who are in the service of the Employer on the Effective Date shall join the Scheme as from that date. Present employees who are not in the above category on the Effective date and employees appointed by the Employer after the Effective Date shall join the Scheme from the date on which they become eligible.

## **SCHEDULE III**

### **PAYMENT OF BENEFITS**

1. The payment of benefits arising under the Policy shall be made only in India in Indian Rupees.
2. All benefit payments under this Policy shall be made to the order of the Trustees or to the Member or the Nominee at the request of the Trustees for disbursement in accordance with the Rules.
3. Payment of any sum made by the Insurer in relation to benefits arising under the Policy shall be a full and final discharge to the Insurer and shall release the Insurer of all claims and demands whatsoever in respect thereto.

#### **Section A – Payment of Benefits**

Upon the retirement of the Member from employment or on cessation of employment for any reason,

- a) In case of Defined Contribution Scheme, the amount standing to the credit of the Member in the Members' Account &
- b) In case of Defined Benefit Scheme the amount equal to the purchase price ( subject to availability of the fund, in the Running Account ) required to purchase the benefits as per the rules of the scheme, shall, be utilised in the following manner:

#### **Upon Retirement:**

To provide for payment, if any, of the commuted value relating to the portion of the pension which the Member may, in accordance with the Rules, elect to commute subject to a maximum of one third of the pension; and / or

To purchase an annuity in accordance with the Rules.  
SBI Life's liability will be limited to the Fund available only.

#### **Upon Death:**

To provide annuity/pension payable on the life of the Beneficiary. In case the amount standing to the credit of the Member is insufficient to purchase an annuity of Rs. 100 per annum, the said

amount will be paid to the beneficiary in lump sum, subject to the provision of the Income Tax Act and Rules.

SBI Life's liability will be limited to the Fund available only.

#### **Upon Withdrawal**

- a) To transfer the value of accrued benefits to another approved Superannuation Scheme provided the rules of both schemes provide for the same  
Or
- b) To retain the accrued value under the Policy and provide for a pension from the Normal Retirement Date or, in case of death of the member before attainment of Normal Retirement date to the beneficiary/nominee.
- c) To provide for payment of the commuted value, (subject to a maximum of one third of the pension) and pension, effective from the date of withdrawal. In case the amount standing to the credit of the Member is insufficient to purchase an annuity of Rs. 100 per annum, the said amount will be paid to the beneficiary in lump sum, subject to the provision of the Income Tax Act and Rules  
SBI Life's liability will be limited to the Fund available only.

#### **NOTES:**

1. Any sum payable to a Member that is forfeited/not vested under the Rules shall be applied by the Insurer in the manner the Policyholder shall direct.
2. In the event of the purchase of the annuity contract as elected by the Member or Beneficiary, the amount of annuity benefit will depend upon (1) in case of Defined contribution scheme, (i) the amount standing to the credit of the Member in the Members' Account (ii) the age of the person or persons to whom the annuity is payable (iii) the type of annuity contract to be purchased and (iv) the annuity rate of the Annuity Provider in force from time to time and (2) in case of Defined benefit scheme, the benefits payable as per the rules and all other parameters mentioned as at 1(ii), 1(iii) and 1(iv) above.
3. The Policyholder will have the opportunity to arrange the annuity with the Insurer or alternatively, select another insurance company/annuity provider so approved and suited for the purpose.
4. The Policyholder shall notify the Insurer of the type of annuity contract elected by the Member or the Beneficiary immediately but not later than thirty days following the Member's retirement, cessation of service or death as the case may be.
5. Members may commute annuity subject to the provisions of Rule 90 of the Income Tax Rules.

#### **Section C-Non-Encumberable nature of the Fund**

1. The Insurer shall hold the Superannuation Fund on trust for all Policyholders. Save and except to the extent of any charges due and payable hereunder to the Insurer, no part of the Superannuation Fund shall constitute or become assets of the Insurer beneficially and nor shall

any part of the Superannuation Fund belong to any Member or his Nominee or be subject to withdrawal, claim, assignment or encumbrance by him.

2. The Superannuation Fund shall be free from all or any claims of creditors to the fullest extent permitted by the laws of India.

#### **SCHEDULE IV**

##### **PAYMENT OF CONTRIBUTIONS**

1. The Policyholder may pay to the Insurer by way of Past Service Contribution ("PSC") in respect of such Member who, on the date of entry into the Scheme, has past service with the Employer to his credit, such amount as the Policyholder may decide. The PSC may be paid wholly on the entry date or in instalments, not exceeding five on the entry date
2. Amounts required to secure the Group Term Life Insurance benefits to the Members from year to year as described in Schedule – III Payment of Benefits hereof, to be paid within the grace period of 30 days reckoned from the day next to the Renewal date .
3. Contribution
  - (a) For any future employment rendered by the Member after the Policy Effective Date, the Policyholder is required to pay to the Insurer, Future Service Contributions ("FSC") in accordance with the Rules.
  - (b) In addition to the Contributions made, the Policyholder shall bear the Fund Management Charge in accordance as specified in the Policy Operatives.
  - (c) If the Members are contributing to the Scheme as well, a Member shall not suspend his own contributions in accordance with the Rules or withdraw his own contributions in whole or in part unless he leaves the service of his employer and ceases to be a Member of the Scheme.
  - (d) Member and Policyholder Contributions shall cease on the Member's last day of employment.
4. Any contribution, (except the amount as mentioned at 2 above), made by the Policyholder, received and accepted by the Insurer shall be credited to the Superannuation Fund
5. The Insurer shall deliver to the Policyholder as soon as practicable at the end of each Financial Year
  - 1) In case of Defined Contribution scheme an annual statement summarising the Member Account balances of each Member in the Scheme
  - 2) In case of Defined Benefit scheme, an Account showing the balance under the Pooled fund.
6. The contributions paid under the scheme are guaranteed.

## SCHEDULE V

### Discontinuance of Contribution & Life Cover Premium and Reinstatement of a Paid-up Policy

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1. Paid-up policy:

If the Trustees discontinue payment of contributions and life cover premium, if any, hereunder and request the Insurer to retain the monies under the Policy, the policy will become paid-up. The accumulations standing to the credit of the Running Account will be maintained status quo to secure Superannuation benefits for the Members or the Nominees, when payable, in the manner described in Schedule III. However, Fund Management Charges/ levies will continue to be payable to the Insurer and charged against the Running Account. In such circumstances, the Trustees will be deemed to have elected payment of the above charges by way of deduction from the Running Account at the end of each financial year or interest allocation whatever the case may be.

2. Policy Termination:

This Policy shall be terminated as of the date (hereinafter referred to as the "Termination Date") specified in a written notice from the Trustees to the Insurer that the Policy is to be terminated. The written notice stating the reason for termination must be received by the Insurer not less than three (3) months prior to the Termination Date.

3. Upon termination of the Policy, the following provisions shall apply in sequential order:

- i) There shall be immediately payable from the Running Account to the Insurer a Surrender Charge which is equal to a percentage of the total value of the Running Account as at the Termination Date. The percentage shall be as set out in the Policy Schedule.
- ii) The remaining balance of the Running Account after appropriating the Surrender Charge shall be returned by the Insurer or to the Trustees or transferred to another Superannuation scheme as instructed by the Trustees and agreed by the Insurer subject to the approval of the Commissioner of Income Tax, having jurisdiction over the Fund

4. Reinstatement:

A Policy that has become paid up as described at point (1) can be reinstated within 5 years. The policy can be reinstated by paying unpaid contributions along with the life cover premiums. The life cover (if any) will be effective from the date of reinstatement. In the event of the Policy not being reinstated by the Policyholder as described above, the balances under the Running Account, net of Surrender charges will be paid to the Policyholder and the Policy will stand terminated.



## **SCHEDULE VI**

### **PROVISIONS REGARDING INVESTMENT OF SUPERANNUATION FUNDS & VALUATION**

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#### **Section A-The Superannuation Fund & Investment Powers of the Insurer**

1. The Insurer will invest the Policyholder's contributions in the Superannuation Fund and make benefit payments from the Superannuation Fund in accordance with the Rules. The investments made by the Insurer in the Superannuation Fund are held on trust by the Insurer.
2. Notwithstanding the fact that the Superannuation Fund is a trust fund the Insurer shall be entitled to receive the charges as set out herein.
3. The Insurer shall have full power and be at liberty to invest monies paid into the Superannuation Fund in any investments which the Insurer deems fit for any period and in any proportion decided upon by the Insurer. The Insurer shall be relieved from all or any personal liability in respect of any investment made by it provided that the Insurer has at all times acted honestly and reasonably.

#### **Section B-Actuarial Valuation (for Defined Benefit Superannuation schemes)**

##### **1. Valuation Date**

This Means the day of each calendar month at the close of business thereof or such other frequency as the Insurer shall specify or as occasioned by the prevailing circumstances such as mass exits or sudden depletion of the Funds.

## **SCHEDULE VII**

### **MISCELLANEOUS PROVISIONS**

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#### **Section A- About the Policy**

This Policy and the Application, a copy of which is attached hereto and made a part hereof, constitute the entire contract. No change in this Policy shall be valid unless evidenced by an endorsement hereon signed by an authorized representative of the Insurer.

#### **Section B-Change of Rules**

The Rules are subject to change by the Policyholder with the consent of the Insurer and the approval of the Commissioner of Income Tax, provided that any such change shall not reduce in any way the value of any benefit already secured prior to the effective date of the change. Consent of any Member or Nominees shall not be a requisite to any change in these Rules.

### **Section C-Clerical Error**

Clerical error in keeping the records shall not enhance or reduce any benefit payable but upon the discovery of such error an equitable adjustment of contributions and benefits, if necessary, shall be made.

### **Section D-Benefits not tradable**

The benefits payable hereunder are strictly personal and cannot be assigned, charged or alienated in any way by the Members or the Nominees or encumbered in any way.

### **Section E-Policy holders obligation to furnish required data and prefer claim**

1. The Policyholder shall maintain a record with respect to each Member under this Policy, showing the Member's name, sex, age or date of birth, amount of contribution, the entry date, the exit date, changes of classification with the effective dates, Nomination and the subsequent changes made thereto, designation and other pertinent information as may be necessary to carry out the terms of this Policy.
2. The Policyholder shall furnish the Insurer with all particulars running to the operation of the Policy and the particulars so furnished may be accepted by the Insurer as conclusive.
3. It shall be the responsibility of the Policyholder to ensure that all information provided to the Insurer is accurate. The Policyholder shall indemnify and keep indemnified the Insurer against any and all losses, costs, expenses, actions, proceedings suffered by the Insurer as a result of the Policyholder's failure to carry out the aforesaid.
4. As soon as a Member or a Nominee becomes entitled to receive the benefits under the Scheme, the Policyholder shall send the relevant particulars to the Insurer whereupon the Insurer shall pay to the Trustees or the Member or Nominee at the Trustee's request, the appropriate benefits.
5. Evidence of age, proof of existence and identity of the Member or the Nominee, as the case may be shall be furnished to the Insurer before the payment of benefits is made.

### **Section F -Members right not prejudiced**

1. The rights of the Policyholder or of any Member or of any Nominee under the Policy shall not be affected by any provision other than those contained in this Policy or in the copy of the Policyholder's Application attached hereto, or in the individual enrolment form of the Member, or in any other document which constitutes part of the entire contract.
2. No agent is authorized to alter or amend this Policy, to accept contribution in arrears or to extend the due date of any contribution, to waive any notice or proof of claim required by this Policy, or to extend the date before which any such notice or proof must be submitted. No change in this Policy shall be valid unless approved by the Insurer and evidenced by endorsement hereon, or

by amendment hereto signed by the Policyholder and by the Insurer documented by execution of requisite Legal Documents.

**Section H-Applicable Law**

This Policy, and all rights, obligations and liabilities arising hereunder, shall be construed and determined and may be enforced in accordance with the laws of India. Any dispute that may arise in connection with this Policy shall be submitted to the appropriate court having jurisdiction in the Place of Issue.

**Section I -Non participating nature of Policy**

This Policy shall not participate in any surplus distribution by the Insurer.

**Section J-Cooling off period**

By giving written notice to the Insurer, the Policyholder has the right to cancel the Policy and obtain a refund of contributions paid less charges like medical expenses under life cover option, if any and stamp duty, to be deducted. Such notice must be signed by the Policyholder and received by the Insurer within 15 days of the Effective Date of this Policy.

**Section L- Deduction of Income Tax where due**

In case, the Insurer is liable to account to the Income Tax Authorities for income tax or any other taxes or duties on the benefits to be paid under the Policy, the Insurer shall be entitled to deduct the appropriate amounts for that purpose from the respective payments and shall not be liable to the Policyholder or Member or Nominee for the sums so deducted.

**Section M- Suicide Exclusion applicable for life cover:**

If the Life Assured commits Suicide, whether sane or insane, within one year from the Date of Commencement of Risk under the Policy, the Assurance on the Life of the deceased shall be void. In such event, the premiums paid towards life cover under the Policy shall be refunded, without interest, after deducting the expenses towards stamp duty.

**PART VIII**  
**POLICY OPERATIVES**

**Scheme** : \_\_\_\_\_  
**Employees' Group Superannuation Scheme**

**Policy Effective Date** : The 1<sup>st</sup> Day of \_\_\_\_\_, 200\_.

**Policy Anniversary** : The First Day of \_\_\_\_ - of each year

**Member Normal Retirement Age** : \_\_\_\_\_ - years

**Fund Management Charge** : \_\_\_\_\_ % of the Annual Contribution  
 Deducted from the Running Account

**Total Superannuation Contribution**

**Received for the Policy Year** : Rs. \_\_\_\_\_/-

**Mode of Contribution Payment** : Annually/Semi-Annually/Quarterly/Monthly

**Contribution Due Dates** : 1<sup>st</sup> Day of \_\_\_\_\_ each year

**Surrender Charges** : The surrender charges will depend upon the duration of the policy and are as follows:

Policy year	Surrender Charges
First year	5% of the Superannuation Fund
Second year	4% of the Superannuation Fund
Third year	3% of the Superannuation Fund
Fourth year	2% of the Superannuation Fund
Fifth year and onwards	1% of the Superannuation Fund

**Place of Issue** :

**Issuing Office** :

**Date of Issue** : \_\_\_\_\_ 200\_

**Amount of Stamp Duty paid** : Rs \_\_\_\_\_

**For SBI LIFE INSURANCE COMPANY LTD.**

\_\_\_\_\_  
**Name:**  
**Designation:**