

### 3. Cooling off period

If the Policyholder is not satisfied with the 'Terms and conditions' of the policy, the policy can be returned to the Company within 15 days from the date of receipt of the policy for its cancellation with reasons thereof. If you cancel the policy during this Free look period, the Company will refund the fund value on the date of cancellation plus the un-allocated premium (if any) plus any charge deducted by cancellation of units, after deducting administration expenses, a proportionate mortality, rider (if any) charges and expenses incurred on medicals and stamp duty for issue of the policy.

### 4. Cut-off timings

In respect of Premium / Top-up premiums / request for fund switches received up to 3 p.m. by the insurer along with a local cheque or a demand draft payable at par at the place where the premium is received, the closing NAV of the day on which premium is received shall be applicable.

In respect of Premium / Top-up premiums / request for fund switches received after 3 p.m. by the insurer along with a local cheque or a demand draft payable at par at the place where the premium is received, the closing NAV of the next business day shall be applicable.

In respect of Premium / Top-up premiums received by the insurer along with outstation cheque or demand draft at the place where the premium is received, the closing NAV of the day on which Cheque / Demand Draft is realized shall be applicable.

Cut-off timings are subject to change by IRDA.

### 5. No loans are granted under the policy.

### 6. Occupation Exclusions

Hazardous occupations such as steeple chasing, sea diving, mountaineering, hunting, and racing of any kind are excluded. No death benefit except the value of units will be paid if the insured event occurs when the Life Assured is engaged in any of these activities. However, there are no restrictions on travel and future occupation.

### 7. Closure of an Existing Unit Linked Fund

Although the Unit Linked Funds are open ended, the Company may, with prior approval from the IRDA, close any of the funds available under this policy. The Policyholder shall at least be given four weeks prior written notice of the Company's intention to close any of the Unit Linked Funds. In such an event the Policyholder needs to inform the Company his/her preferred Unit Linked Fund to which the Fund Value is to be switched before the Unit Linked Fund closure date. If the Policyholder does not inform the Company before this date, the Company will switch the Fund Value of the Fund being closed to the available Fund which is the most similar to the Fund being closed. No Fee will be charged for the switching of funds in the case of the closure of a Unit Linked Fund.

### 8. Introduction of a New Unit Linked Fund

New Unit Linked Fund(s) may be established by the Company from time to time with the prior approval of the IRDA and the Policyholder shall be notified of such new Funds if they are made available to this policy. The Company may offer the Policyholder the option to switch to the new Fund(s) at such a price and subject to such terms and conditions as may be imposed by the Company at that time.

### 9. Changes to Terms and Conditions

The Company reserves the right to change these Terms and Conditions, the Rules for the Unit Linked Funds and the benefits covered by the policy if there is a change in the law, legislation or taxation affecting the Company or the Unit Linked Funds or the Policy, or if there is a change in circumstances which makes it impossible or impractical to follow these Terms and Conditions with prior approval from the IRDA.

The Company will intimate the Policyholder any changes in the Terms and Conditions, Rules of the Unit Linked Funds and benefits thereof within four weeks from the date of the such change.

If the policyholder does not confirm the acceptance of the change within four weeks from the date of receipt of the intimation he/she will be deemed to have accepted the change.

If the policyholder does not accept the change and intimate to the Company within four weeks from the date of receipt of intimation from the Company, he/she will be allowed to surrender and terminate the policy without any charge or penalty.

### 10. Nomination and Assignments

Notice of nomination or assignment or change of nomination should be sent to the Divisional office of the Company where the policy is being serviced, in registering the Nomination or Assignment the Company does not accept any responsibility or express any opinion as to its validity.

### DEFINITIONS

- (a) **Premium Allocation charges:** This is the percentage of the premium deducted towards charges from the premium received. The balance constitutes that part of the premium which is utilized to purchase (investment) units for the policy.
- (b) **Mortality charges:** This is the cost of life insurance cover and charged at the beginning of each month till the policy becomes a claim by surrender or by death or by maturity or by discontinuance whichever is earlier.
- (c) **Fund Management charges:** It is a charge levied as a percentage of fund value.
- (d) **Administration charges:** This is a fixed charge levied at the beginning of each policy month from the policy fund by cancelling units for equivalent amount.
- (e) **Switching charge:** This is a charge levied on switching of units from one fund to another.
- (f) **Miscellaneous charge:** This is a charge levied for an alteration within the contract.
- (g) **Fund value:** The value of units in Policyholders unit account (including top-up units)

### DISCLOSURE

- 1. Unit Linked Life Insurance products are different from traditional life insurance products and are subject to the risk factors.
- 2. The premium paid in Unit Linked Life Insurance policies are subject to investment risks associated with capital markets and the NAVs of the units may go up or down based on the performance of fund and factors influencing the capital market and the insured is responsible for his / her decisions.
- 3. Shriram Life is only the name of the insurance Company and Shriram Fortune Builder Insurance plan is only the name of the unit linked insurance contract and does not in any way indicate the quality of the contract, its future prospects or returns.
- 4. Please know the associated risks and the applicable charges, from your insurance agent or the intermediary or policy document of the insurer.
- 5. The various funds offered under this contract are the names of the funds and do not in any way indicate the quality of these plans, their future prospects and returns.
- 6. The past performance of the funds of the Company is not necessarily an indication of the future performance of any of the funds.

### EXTRACT FROM SECTION 41 OF INSURANCE ACT, 1938

- i. 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 rebates of the premium shown on the policy nor 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.
- ii. Any person making default in complying with the provisions of this Section shall be punishable with a fine which may extend to ₹ 500/-.

### SECTION 45 OF THE 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 policy, was inaccurate or false, unless the insurer shows that such statement was on a material matter or suppressed fact which it was material to disclose and that it was fraudulently made by the Policyholder and that the Policyholder knew at the time of making it that the statement was false or that it suppressed facts which it was material to disclose.

### ABOUT THE COMPANY

A pan India presence with over 200 Offices, Shriram Life is your trusted partner for prosperity. At Shriram Life we strive to provide our customers with elegant solutions tailored to individual needs.

The name and address of the ombudsman to whom this policy can be referred to is being attached with the policy bond.

For further details, please contact our Insurance Advisors or our nearest Branch Office.



IN PARTNERSHIP WITH Sanlam

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Insurance is the subject matter of solicitation.



Shriram **FORTUNE BUILDER** INSURANCE PLAN

## Shriram Fortune Builder Insurance Plan – UIN No.128L038V01

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

If you are thinking of investing, the first thing you need to do is work out what your personal and financial goals are.

Identifying the things in life that are important to you – like owning a house, starting a family or having enough for the kids' education – will help you work out the lifestyle you want, and the amount of money you'll need to achieve it. Understanding your goals will give you the basis for developing your investment or financial plan.

By answering these questions, Shriram Life can help you get started with Shriram Fortune Builder Insurance Plan, a single premium unit linked insurance plan.

### IS IT DESIGNED FOR INDIVIDUALS

- Who do not have a regular cash flow to sustain a premium payment each year on due date.
- Who travel a lot, for with this plan you would not need to remember premium due dates.
- Who have a lump sum amount available to complete their insurance requirement in one time.

### FEATURES OF THE PLAN

- Transparency** Policyholder can see exactly where his / her money goes and how it's being used.
- Diversification** Invest across a range of asset classes.
- Liquidity** Gives you access to the fund in the form of partial withdrawals
- Tax Benefit** Tax benefit under Income Tax Act, 1961.
- Flexibility**
  - Option to invest surplus fund as top-ups during the policy term
  - Option to switch your unit fund from time to time as per your risk appetite
  - Option to continue investment growth after maturity by selecting settlement option

### ELIGIBILITY

Parameters	Description
Entry age	0 to 65 years age last birthday
Exit Age	75 years age last birthday
Policy Term	10 / 15 / 20 years (fixed)
Premium Paying Term	Single
Minimum / Maximum Premium	₹25,000/- / No limit for maximum
Minimum Sum Assured per life	1.25* Single Premium - For age below 45 years 1.10* Single Premium - For age 45 years & above
Maximum Sum Assured per life	Subject to underwriting considerations

### BENEFITS PAYABLE UNDER THIS PLAN

#### Death Benefit

In case of death of Life Assured – Higher of Sum Assured or the value of the units in Life Assured's unit account, Subject to a minimum of 105% of total premiums paid till the time of death is payable to the nominee and the policy will terminate.

# Sum Assured under Death Benefit is defined as the basic Sum Assured plus additional Sum Assured (if any) due to top-up premiums.

#### Maturity Benefit

On survival of the Life Assured up to the end of the policy term, the Fund Value (including top-up fund value) will be payable.

#### Tax Benefit

As per current tax regulations, Premiums paid under this plan are eligible for tax benefits under Section 80C of the Income Tax Act, 1961, subject to the conditions mentioned therein. Any Sum Assured received under this plan is exempt from tax under

Section 10(10D) of the Income Tax Act, 1961. As the tax laws are subject to change from time to time, the Policyholder is advised to consult his/her tax advisor for details of tax benefits and applicable rules.

#### Fund options and its investment portfolio

Policyholder has an option to choose any one of the below funds or a combination of the following funds in a fixed percentage.

Fund Name	Asset Allocation		Risk Profile & Return of the fund
	Equity	Debt, Money Market & cash	
Preserver SRN ULF01507/01 10 PRESERPRND128	0%	100%	Very Low risk with steady returns
Defender SRN ULF01607/01 10 DEFENDORND128	0%-35%	65%-100%	Low risk with good returns
Balancer SRN ULF01707/01 10 BALANCERNND128	40%-60%	40%-60%	Moderate risk with potentially better returns
Maximas SRN ULF00301/07 05 MAXIMASND128	0%-70%	30%-100%*1*	High risk with higher returns
Accelerator SRN ULF00401/03 07 ACCELERATOR128	90%-100%	0%-10%*2*	Very high risk with significantly higher returns
Tyaseer SRN ULF01401/05 03 TYASERND128	90%-100%	0%-10%*2*	Very high risk with significantly higher returns from investments in stocks and shares other than listed NBFCs, breweries, distilleries, alcohol based chemicals, Cigarettes, tobacco, entertainment, leather, sugar and hatcheries,

\*1\* - fund does not allow more than 20% in Money Market & Cash.

\*2\* - fund does not allow investment in Debt instruments.

**Note:** Equity refers to investment in listed equities. Debt instruments refer to investment in fixed income securities such as Government Bonds, Rated Corporate Bonds (AA and above) etc. **Money Market and Cash** include investment in instruments like Commercial paper, Certificate of Deposits, Short term Bank Deposits and Money market instruments.

### CHARGES UNDER THE PLAN

**Premium Allocation Charge:** 5% of the single premium at inception.

#### Policy Administration Charge

First policy year to fifth policy year : 1.25% p.a. on the single premium & Top-up premiums paid

Sixth Year onwards : Nil

These charges are deducted monthly from the unit fund by cancelling appropriate number of units.

#### Fund Management Charges

An Investment management charge as detailed below will be charged by adjustment of the Net Asset Values of the units of the fund on a daily basis.

Name of the fund	FMC
Preserver, Defender	1.25%
Balancer, Maximus, Accelerator & Tyaseer	1.35%

**Surrender Charge:** No surrender charge

#### Mortality Charge

These charges will be deducted monthly by cancelling appropriate number of units from the unit account. Sample mortality charge based on per annum per 1000 Sum at risk for healthy lives given below:

Life Assured Age	10	15	20	25	30	35	40
Mortality Charge	0.50	1.00	1.25	1.45	1.50	1.75	2.60

\* Where Sum at Risk is defined as "Sum Assured less Fund Value (including top-up fund) less Partial withdrawals made during the last 2 years".

#### Discontinuance Charge:

No discontinuance charge

#### Service Tax Charge

The Service Tax as per Regulations in force from time to time will be levied on a monthly basis by cancellation of units at the prevailing unit price. Currently, the service tax is applicable on mortality, rider (if any) and fund management charges.

Note: The administration charges, mortality and rider (if any) charges will be collected monthly by cancelling requisite number of units from the Life Assured's unit account till the policy becomes a claim by death / by maturity / by surrender / by discontinuance, whichever comes first.

### OPTIONS UNDER THE PLAN

#### 1. Settlement Option

On surviving up to the end of the policy term, instead of the maturity value, Policyholder can opt to withdraw either wholly or partly at any time the units in his credit in not more than 5 installments, within a period of five years from the date of maturity, at the prevailing Net Asset Value at the time of each installment. During this period fund management charge will be deducted. Since no cover is extended after the policy term, death benefit during this period is only fund value as on date of death.

Investment risk should be borne by the policyholder during the settlement period. Partial withdrawals and fund switching are not allowed during this period.

#### 2. Auto Transfer Option (ATO)

This option reduces the risk of investing the full premium into a fund with a volatile NAV, by allowing premiums to be invested in a low risk fund "Preserver" and gradually transferring the money into chosen investment portfolio.

Policyholder can choose 6 or 12 month Auto Transfer Option at free of cost to invest premium. If the Policyholder opts 12 month Auto Transfer Option, 1/12th of allocated premium will be invested in the chosen fund and the balance will be invested in the Preserver Fund. One month later 1/11th of the fund in the Preserver fund will be transferred to the chosen fund and this process will be continued until all the funds in the Preserver Fund are transferred.

#### 3. Alterations

Alterations are allowed under the policy on receipt of a written request from the Policyholder. Alterations allowed are

- Reduction of sum assured and
- Addition of riders (if any) during the policy term.

The Sum Assured can be reduced up to applicable minimum Sum Assured limits under the plan.

Once the Sum Assured is reduced, no alteration is allowed to increase the Sum Assured again. Also the basic premium cannot be altered.

Addition of riders (if any) is allowed when a minor life assured attains majority during the policy term. However an alteration fee of ₹ 200 will be levied from fund by cancelling appropriate number of units in the credit.

#### 4. Partial Withdrawals

Any part of the fund that is encashed / withdrawn by the Policyholder during the period of contract is referred to as partial withdrawal.

This facility is allowed only if the life insured is above 18 years of age. The minimum amount withdrawn each time should be at least ₹ 10000/-.

For every partial withdrawal, a partial withdrawal charge of ₹ 100/- will be levied. After any partial withdrawal, at least an amount equal to ₹ 10,000/- plus Top-up premiums (if any) paid during 5 years preceding the date of withdrawal should be available in the policyholders' unit account.

Death Benefit will be reduced by the amount of Partial Withdrawals made during the last 2 years immediately preceding date of death.

#### 5. Switching

The Policyholder can switch units from one Fund to another Fund out of the funds

mentioned above, during the policy term. The Policyholder can switch units 2 times in a year without any charge. For each additional switch ₹ 100/- will be levied. Fund switches are not allowed during the settlement period.

#### 6. Top-up premiums

Top-up premium is an additional premium over and above the contractual basic premiums.

A premium allocation charge of 2% of Top-up premium will be deducted from such lump sum and the balance will be allocated for units in policyholders' unit account. However, such lump sum payment should be at least ₹ 5,000/- per payment.

Such an additional payment will be considered as a single premium, and shall have insurance cover at 125% of top-up premium subject to underwriting conditions. Insurance cover under the top-up premium will be added to the Sum Assured of the plan and mortality charges will be deducted monthly based on age last birthday as specified in charges.

A lock in period of five years shall apply for each top-up premium, however, top-ups are not allowed during the last five years of the contract.

#### 7. Surrender

The Policyholder can surrender his/her policy at any time during the policy term.

If the policy is surrendered after completion of five policy years i.e. after lock in period, the unit fund value of the Policyholder will be paid without any penalty.

If the policy is surrendered before completion of five policy years i.e. within the lock in period, the unit fund value in the credit will be transferred to the Discontinuance policy fund and the policy will be treated as discontinued policy. The discontinued fund value under the policy with an addition of minimum interest @ 3.5 %pa compounded yearly will be paid only after the fifth policy year is completed. In case of death of the life assured after surrender, the discontinued fund value will be paid to the nominee immediately.

### CONDITIONS, CLAUSES AND DEFINITION

#### 1. Suicide clause

If the Life Assured commits suicide for any reason, whether sane or insane, within one year from the date of acceptance of the policy, no benefits shall be payable under this Policy, other than the Life Assured's value of units as on date of death.

#### 2. NAV Computation and unit price

**When Appropriation price is applied:** NAV under each fund will be computed as under, (Market Value of investments held by the fund + the expenses incurred in the purchase of the assets + the value of any current assets + any accrued income, net of fund management charges -the value of any current liabilities - provisions, if any). This gives the Net Asset Value of the fund. Dividing this 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.

**When Expropriation price is applied:** NAV under each fund will be computed as under, (Market Value of investments held by the fund - the expenses incurred in the sales of the assets + the value of any current assets+ any accrued income, net of fund management charges -the value of any current liabilities - provisions, if any). This gives the Net Asset Value of the fund. Dividing this by the number of units existing at the valuation date (before any new units are redeemed) gives the unit price of the fund under consideration.

The unit Prices 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.

The appropriation price shall apply in a situation when the Company is required to purchase the assets to allocate units at the valuation date. The Expropriation price shall apply in a situation when the Company is required to sell the assets to redeem units at the valuation date.