

# Bharti AXA Life Shining Stars -

## A Non Linked Non-Participating Individual Life Insurance Savings Plan

### Sales Literature ✓

We understand that as a responsible individual you want to ensure that your children achieve 100% success in every challenge that life throws at them. You want to ensure that they are well protected from any financial instability. You want to ensure that you and your children's future needs are taken care of. But life is uncertain and how do you make sure that you do not compromise on your goals of securing your children's future and keeping them protected in every circumstance?

We understand this and have decided to act. We present to you Bharti AXA Life Shining Stars- a Life Insurance plan that provides life insurance coverage in case of your sad demise to take care of financial security of your family. The plan offers the flexibility to choose from multiple premium paying terms and policy terms and allows you to choose the benefit payout options depending on your child's needs. The premiums are payable for a limited period of time. The plan gives you the flexibility to choose between two Maturity Payout options which can be chosen at policy inception or at the time of Maturity. The Maturity Benefit can be taken either as a lumpsum amount at Maturity or at the end of any year in the Maturity payout period or as five equal annual payouts at the end of every year starting from Maturity. Under Annual Payout option, the plan also offers to take the present value of any outstanding annual payouts as a lumpsum amount at the end of the year. The plan comes with an inbuilt benefit where the policy shall continue even after the death of the policyholder with no further premiums to be paid and the Maturity benefit shall continue to be payable at the time of Maturity.

## What are my features and benefits with Bharti AXA Life Shining Stars?

### 1. Policy Terms & Premium Payment Terms

The plan offers the choice of multiple policy terms with limited premium payment terms.

The Policy Terms & applicable premium payment terms are as given below



Premium Payment Terms	Policy Terms
7 years	12 years
8 years	13 years
9 years	14 years
10 years	15 years
11 years	16 years
12 years	17 years
13 years	18 years
14 years	19 years
15 years	20 years



## 2. Maturity Benefit

In case the Life Insured survives till Maturity Date and all due premiums have been paid, the Maturity Benefit will be payable to the Policyholder on the date of Maturity.

Maturity Benefit is the Sum Assured on Maturity, which is equal to the Sum Assured under the policy and will be paid as lump sum.

The Policyholder has the flexibility to choose any one option from the two Maturity Payout Options, as defined below, to receive this Maturity Benefit during the Maturity Payout Period. Maturity Payout period is the period of 4 years from the date of maturity. The choice of the options can be taken either at policy inception or at least 90 days before the date of maturity.

- a. Flexi Payout Option:** Flexibility to receive Maturity Benefit as a lumpsum amount at the end of any year during the Maturity Payout period. Depending on the year of payout chosen, the benefit will be determined as Flexi Payout Factor \* Sum Assured, where the Flexi Payout Factors are as defined below:

Year of Payout	Flexi Payout Factors
One Year after maturity date	105%
Two Years after maturity date	110%
Three Years after maturity date	116%
Four Years after maturity date	122%



- b. Annual Payout Option:** Maturity Benefit to be paid as five equal annual payouts at the end of every year during the Maturity Payout period starting from the date of maturity. Each annual payout will be equal to 22% of the Sum Assured.

The policyholder may choose to take the present value of outstanding annual payouts as a lumpsum amount. The lump sum shall be calculated as a net present value of outstanding annual payouts at a rate of 5% p.a.

### 3. Death Benefit

In case of death of the Life Insured during the policy term, provided the policy is in force and all due premiums till the date of death have been paid, the Death Benefit will be payable immediately on death.

Death Benefit is the Sum Assured on Death, which is the highest of:

- 11 times Annualized Premium\*
- 105% of all premiums paid as on date of death
- Absolute amount assured to be paid on death equal to the Sum Assured
- Sum Assured on Maturity, equal to the Sum Assured under the policy

*\*Annualized Premium shall be the premium payable in a year chosen by the Policyholder, excluding the taxes, rider premiums, underwriting extra premiums and loadings for modal premiums, if any.*

In addition to the death benefit mentioned above, the policy shall continue after the death of the Life Insured till the end of the Policy Term with no further premiums to be paid and the Maturity Benefit shall continue to be payable to the nominee at the time of Maturity as per the Maturity Payout Option chosen by the Policyholder. The nominee will not have any rights or obligations except to receive the benefits under the Policy.

In case of the death of the life insured during the Maturity Payout Period, the maturity benefit will continue to be paid out to the nominee according to the Maturity Payout Option chosen by the Policyholder.

In case of the death of the Life Insured during the Grace Period the Death Benefit after deducting the unpaid due Premium shall be payable. The policy shall continue after the death of the Life Insured till the end of the Policy Term with no further premiums to be paid and the Maturity Benefit shall continue to be payable to the nominee at the time of Maturity as per the Maturity Payout Option chosen by the Policyholder at the time of inception.

In case of the death of the Life Insured while the Policy is in lapse status, no benefit shall be payable and the Policy will terminate.

### 4. Tax Benefits

You may be eligible for tax benefits on the premiums paid as well as the benefits received as per the prevailing tax laws. The tax benefits are subject to change as per change in tax laws from time to time.



**Product at a Glance**



<b>Parameter</b>	<b>Eligibility Criteria</b>		
Minimum age at entry	18 years age last birthday for all Policy terms		
Maximum age at entry	60 years age last birthday for all Policy terms.		
Maximum age at Maturity	<b>Policy Term</b>	<b>Premium Payment Term</b>	<b>Maximum Age at Maturity</b>
	12 years	7 years	72 years
	13 years	8 years	73 years
	14 years	9 years	74 years
	15 years	10 years	75 years
	16 years	11 years	76 years
	17 years	12 years	77 years
	18 years	13 years	78 years
	19 years	14 years	79 years
20 years	15 years	80 years	
Policy Term & Premium Payment Term	<b>Policy Term</b>	<b>Premium Payment Term</b>	
	12 years	7 years	
	13 years	8 years	
	14 years	9 years	
	15 years	10 years	
	16 years	11 years	
	17 years	12 years	
	18 years	13 years	
	19 years	14 years	
20 years	15 years		
Minimum Sum Assured(₹)	₹50,000		
Maximum Sum Assured(₹)	No Limit, subject to underwriting		
Minimum Premium(₹)	<b>Premium Payment Term</b>	<b>Policy Term</b>	<b>Minimum Annual Premium</b>
	7 years	12 years	5,791
	8 years	13 years	4,913
	9 years	14 years	4,330
	10 years	15 years	3,744
	11 years	16 years	3,312
	12 years	17 years	2,930
	13 years	18 years	2,625
	14 years	19 years	2,375
15 years	20 years	2,169	
Premium Payment Modes	Annual, semi- annual, quarterly* & monthly*		

\*Through auto play only

# Case study

Anil works in an MNC and is a 35 year old married man. His family consists of his wife and his 2 year old son. He wants to start planning for his son and needs a comprehensive plan to take care of all education related expenses of his son and accumulate sufficient funds which can be utilized for his child's marriage or for any other purposes in future. He also wants to ensure that his family's needs are taken care of in case of his death.

## How does the plan work?

Anil does not want to be constrained by the payout options that he chooses at the time of inception of the policy, hence, he decides to purchase Bharti AXA Life Shining Stars where he can choose to change the benefit options even at the time of Maturity.

He decides to take a policy term of 15 years for which the premium payment term is 10 years. He decides to pay a premium of ₹50,000 p.a. (exclusive of taxes) for which the Sum Assured is ₹7,42,501.

He pays the premium for 10 years.

Let us look at the benefits that Anil would receive in the below payout options so as to fulfil his future goals

**a. Flexi Payout Option:** Under this option, Anil is entitled to receive the entire Maturity Benefit as 100% of the Sum Assured i.e ₹7,42,501 at the end of the 15<sup>th</sup> year. However, Anil decides to receive the Maturity Benefit as a lumpsum amount at the end of the 16<sup>th</sup> year, so that he can pay for his child's higher education expenses when his child turns 18 year old.

Hence, Anil would receive the Maturity Benefit amount as 105% of the Sum Assured at the end of the 16<sup>th</sup> year as given below :

Benefits Payable	Benefit Amount (₹)
Maturity Benefit at the end of 16 <sup>th</sup> Year	7,79,626

**b. Annual Payout Option:** When Anil decides to receive annual payouts for 5 consecutive years to support the yearly educational expenses which may occur due to rising inflation or for any other purpose



Benefits Payable	Benefit Amount (₹)
Maturity Payout at the end of 15th Year	163,350
Maturity Payout at the end of 16th Year	163,350
Maturity Payout at the end of 17th Year	163,350
Maturity Payout at the end of 18th Year	163,350
Maturity Payout at the end of 19th Year	163,350
<b>Total Benefit Payable</b>	<b>816,751</b>

In case of death of Anil during the policy term, his family would receive death benefit as higher of:

- 11 times Annualized Premium
- 105% of all premiums paid as on date of death
- Absolute amount assured to be paid on death equal to the Sum Assured
- Sum Assured on Maturity, equal to the Sum Assured under the policy

In case Anil dies during the premium payment term, Anil's nominee would receive Death Benefit and the Maturity Benefit would also be payable at the time of Maturity with no further premiums to be paid.

The above example is for illustration purpose only.

## What premiums do I need to pay?

Premium applicable to you will depend on your age, gender, Sum Assured and the premium payment term. Please note that the premiums applicable will be different for standard as well as substandard lives.

### Premium payment mode

You may choose monthly\*, quarterly\*, semi-annual or annual premium payment mode. The factors applicable for each mode are as given below:

Modal Factor	Mode
1 of Annualized Premium	Annual
0.0867 of Annualized Premium	Monthly*
0.26 of Annualized Premium	Quarterly*
0.51 of Annualized Premium	Semi-Annual

\*Through auto play only



# Advance Premium



For monthly premium payment mode policies the Company may accept 3 months premium in advance only on the date of commencement of the policy.

In case of advance premium:

- Collection of advance premium shall be allowed within the same financial year for the premium due in that financial year
- The premium so collected in advance shall only be adjusted on the due date of the premium.
- The commission shall only be paid after adjustment of premium on due date

## What happens if I am unable to pay premiums?

While we recommend that all your premiums be paid on the respective due dates, we also understand that sudden changes in lifestyle like an increase in responsibility or an unexpected increase in household expenses may affect your ability to pay future premiums. You have following flexibilities in order to ensure that your benefits under the policy continue in full or part.

### Grace Period

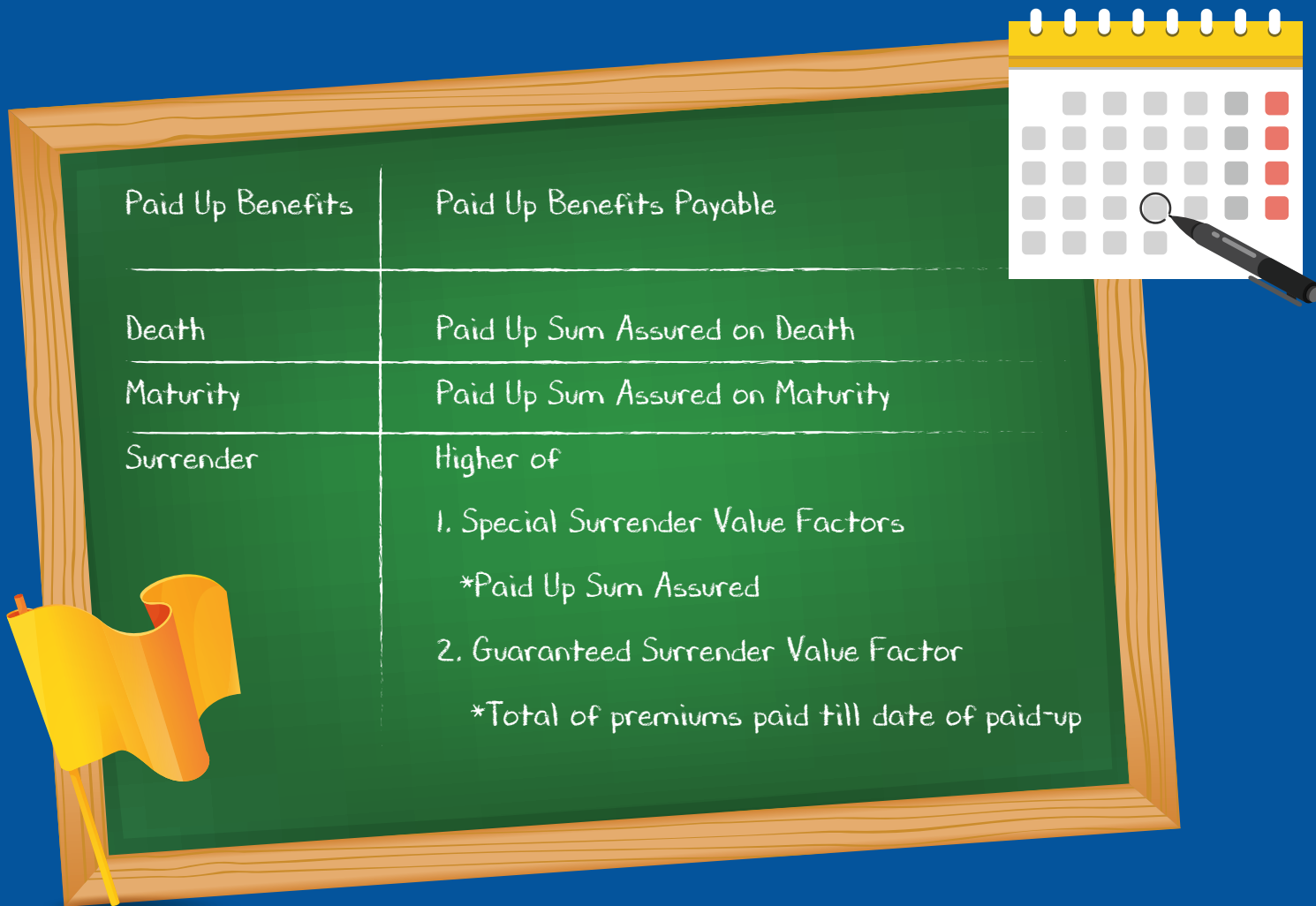
Grace period is the period after the premium due date, during which you may pay your premiums without any impact on the policy benefits. The grace period is 15 days for monthly mode and 30 days for annual/ semi-annual/ quarterly premium payment modes.

### If the Policy has not acquired Surrender Value

In case you do not pay the premiums within the Grace Period, your policy will lapse and your insurance cover will cease to exist. You can revive the policy within the period allowed for revival of the policy. At the end of the revival period if the policy is not revived then the policy will be terminated and no benefits will be payable.

# If the Policy has acquired Surrender Value

In case you do not pay the premiums within the Grace Period, your policy will be converted into paid up, and all the benefits under the Policy would be reduced and calculated as given below. You have the option to revive the policy within the period given for revival of the policy. At the end of the revival period if the policy is not revived then the policy will continue in paid up status and the paid up benefits will be payable.



Paid Up Benefits	Paid Up Benefits Payable
Death	Paid Up Sum Assured on Death
Maturity	Paid Up Sum Assured on Maturity
Surrender	Higher of <ol style="list-style-type: none"><li>1. Special Surrender Value Factors<ul style="list-style-type: none"><li>*Paid Up Sum Assured</li></ul></li><li>2. Guaranteed Surrender Value Factor<ul style="list-style-type: none"><li>*Total of premiums paid till date of paid-up</li></ul></li></ol>

Where,

**Paid up Sum Assured on Death = (No of premiums paid / No of Premiums payable) X Sum Assured on Death;**

**Paid up Sum Assured on Maturity = (No of premiums paid / No of Premiums payable) X Sum Assured on Maturity**

**Paid up Sum Assured = (No of premiums paid / No of Premiums payable) X Sum Assured;**

**The timing of reduced benefits under a Paid up Policy remains unaltered**



## Revival

You have the flexibility to revive your lapsed/paid-up policy within the revival period of five years after the due date of the first unpaid premium, subject to the terms and conditions the Company may specify from time to time.

For Revival, you will need to pay all the outstanding premiums and interest on the outstanding premiums and applicable taxes. The revival interest rate may be changed by the Company from time to time, subject to prior approval from IRDAI. The revival interest rate will be calculated on the 1st of April every year and will be derived as average of last six months 10 year G.Sec\* yield of the immediate last financial year plus 0.5%. The revival rate for FY 19-20 is 8.04%. Once the policy is revived, you are entitled to receive all benefits under your policy.

## Can I surrender my policy?

We would want you to pay premiums regularly till the end of your premium payment term to get maximum benefits under the policy. However in case you are not able to pay all premiums and want to exit the policy earlier then only surrender value will be payable to you.

## Surrender Value

The policy acquires a surrender value provided if at least two annualized regular premiums have been paid. The Guaranteed Surrender Value is Guaranteed Surrender Value Factor \* Total of premiums paid will be paid.

Your policy will also be eligible for a Special Surrender Value. The surrender value payable will be the higher of Guaranteed Surrender Value or Special Surrender Value. The policy shall be terminated once the Surrender Value is paid. The Guaranteed Surrender Value factors are as mentioned in the table below:

	Guaranteed Surrender Value Factor (as a % of Premiums Paid)								
Premium Payment Term	7 years	8 years	9 years	10 years	11 years	12 years	13 years	14 years	15 years
Policy Term	12 years	13 years	14 years	15 years	16 years	17 years	18 years	19 years	20 years
1	0%	0%	0%	0%	0%	0%	0%	0%	0%
2	30%	30%	30%	30%	30%	30%	30%	30%	30%
3	35%	35%	35%	35%	35%	35%	35%	35%	35%
4	50%	50%	50%	50%	50%	50%	50%	50%	50%
5	55%	55%	55%	50%	50%	50%	50%	50%	50%
6	60%	55%	55%	50%	50%	50%	50%	50%	50%
7	65%	60%	60%	55%	55%	55%	55%	55%	55%
8	65%	65%	65%	60%	55%	55%	55%	55%	55%
9	70%	70%	70%	65%	65%	60%	60%	60%	60%
10	75%	75%	75%	70%	70%	65%	65%	60%	60%
11	90%	80%	80%	75%	75%	70%	70%	70%	65%
12	90%	90%	85%	80%	80%	75%	75%	75%	75%
13		90%	90%	85%	85%	80%	80%	80%	80%
14			95%	95%	95%	85%	85%	80%	80%
15				105%	100%	95%	95%	85%	85%
16					105%	100%	95%	90%	85%
17						105%	100%	95%	90%
18							105%	100%	90%
19								105%	100%
20									105%





The Company shall declare Special Surrender Values at such other rates not less than the Guaranteed Surrender Values specified above. These rates are non-guaranteed and may be changed from time to time, subject to prior approval from IRDAI.

The Surrender Value payable will be subject to any statutory or any other restrictions as may be applicable. Surrender of the policy shall extinguish all the rights and benefits under the Policy.



## Other Benefits under the Plan:

### Rider Benefits

For added protection the following riders can be availed by paying additional premium along with Bharti AXA Life Shining Star

#### **Bharti AXA Life Hospi Cash Rider**

This rider allows payment of a fixed benefit for each day of hospitalization and also provides lump sum benefit in case of surgery.

**UIN: 130B007V04**

#### **Bharti AXA Life Accidental Death Benefit Rider**

Under this rider you will receive additional sum assured as chosen in case of unfortunate event of death due to an accident.

**UIN: 130B008V02**

#### **Bharti AXA Life Term Rider**

Under this rider the policyholder can increase the life insurance coverage for a nominal premium.

**UIN: 130B009V02**

Please refer to rider brochure for complete details on terms and conditions and exclusions before opting for the rider.

In case the Policyholder opts for a Rider, the outstanding term of the Base Policy will be at least equal to 5 years. The Policy Term of the Rider shall be less than or equal to the Premium Payment Term of the Base Policy.

The Premium pertaining to health related or critical illness riders shall not exceed 100% of premium under the Base Policy, the Premiums under all other life insurance Riders put together shall not exceed 30% of premiums under the Base Policy and any benefit arising under each of the above mentioned Riders shall not exceed the Sum Assured under the Base Policy.

## Loans against Policy

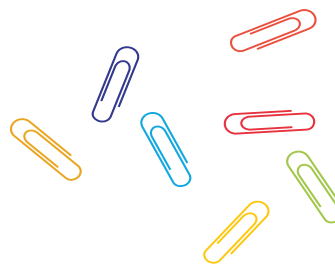
Financial burdens cannot be predicted and may arise any time. Thus this Policy gives flexibility to take loan from the Company. This is only possible if your Policy is in force and has acquired surrender value and shall be subject to the following terms and conditions:

1. The loan shall carry interest at the rate specified by the Company at the time of advancing the loan. The loan interest rate will be equal to the 10 year GSec\* rate prevailing on 1st April each year plus 3% and will remain applicable for new as well as existing loans for that financial year. The interest rate in a Policy loan is not guaranteed and could be reviewed by the Company on 1st of April every year. The current rate of interest for FY 19 - 20 chargeable on Policy loans is 10.35% p.a.
2. The Policyholder shall assign the Policy absolutely to the Company and the Policy will be held by the Company as security for repayment of the loan and interest thereon.
3. The interest shall be calculated on a daily basis and the Policyholder can choose the method and frequency of billing of the loan interest amount.
4. The loan amount plus the outstanding interest will be adjusted against any benefits payable to the Policyholder.
5. In case the Policy results in a claim before the repayment of the loan in full with interest, the Company shall be entitled to recover the outstanding loan and interest from any monies payable under the Policy.
6. In case the Policy is in Paid Up status, then the outstanding loan amount together with the interest shall not be equal to or exceed the Surrender Value of the Policy at any point of time. In case the outstanding loan amount with interest is greater than or equal to the Surrender Value, the Policy shall stand terminated and all future benefits will cease to exist. In-force premium paying/fully Paid Up Policy will never be cancelled for any contingencies arising from Policy loan payments.
7. The minimum amount of loan under this Policy is Rs.15, 000.
8. The loan amount will not exceed 70% of the Surrender Value.



\*The source of 10 year G-sec is The Clearing Corporation of India Ltd (ccilindia.com) Negotiated Dealing System – Order Matching (NDS-OM) Platform.

# Terms and conditions



## Free-look option

The Policyholder has a period of 15 days from the date of receipt of the policy document in case of offline policy and within 30 days of receipt of the Policy in case of Policy sourced through distance marketing (i.e. online sales) to review the terms and conditions of the policy and if Policyholder disagrees with any of the terms and conditions of the Policy, there is an option to return the original Policy along with a letter stating reasons for objection. The Policy will accordingly be cancelled and the policyholder shall be entitled to a refund of the Premium paid, subject only to a deduction of a proportionate risk premium for the period on cover and the expenses incurred by the Company on medical examination of the proposer and the stamp duty charges. All rights under this Policy shall stand extinguished immediately on cancellation of the Policy under the free look option.

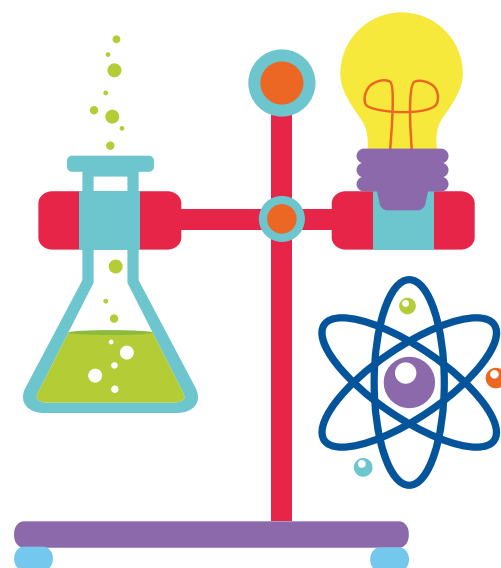
If the Policy is opted through Insurance Repository (IR), the computation of the said Free Look Period will be as stated below:-

## For existing e-Insurance Account

Computation of the said Free Look Period will commence from the date of delivery of the e-mail confirming the credit of the Insurance Policy by the IR.

## For New e-Insurance Account

If an application for e-Insurance Account accompanies the proposal for insurance, the date of receipt of the 'welcome kit' from the IR with the credentials to log on to the e-Insurance Account(e IA) or the delivery date of the email confirming the grant of access to the eIA or the delivery date of the email confirming the credit of the Insurance policy by the IR to the eIA, whichever is later shall be reckoned for the purpose of computation of the free look period.



## **Suicide**

In case of death due to suicide within 12 months from the date of commencement of risk under the policy or from the date of revival of the policy, as applicable, the nominee or beneficiary of the policyholder shall be entitled to at least 80% of the total premiums paid till the date of death or the surrender value available as on the date of death whichever is higher, provided the policy is in force.

# Assignment and Nomination

## **Assignment**

Assignment shall be in accordance with the provisions of sec 38 of the Insurance Act 1938 as amended from time to time.

## **Nomination**

Nomination shall be in accordance with the provisions of sec 39 of the Insurance Act 1938 as amended from time to time.



## **SECTION 41 OF INSURANCE ACT 1938 as amended from time to time**

1. “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:
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 INSURANCE ACT 1938 as amended from time to time**

**Fraud, Misrepresentation and forfeiture would be dealt with in accordance with provisions of Sec 45 of the Insurance Act 1938 as amended from time to time. [A Leaflet containing the simplified version of the provisions of Section 45 is enclosed in appendix – I for reference]**

## **Disclaimers**

- Bharti AXA Life Shining Stars is only the name the traditional non-participating life insurance policy and does not in any way represent or indicate the quality of the policy or its future prospects
- This product brochure is indicative of the terms, conditions, warranties and exceptions contained in the insurance policy bond
- Life Insurance Coverage is available under this policy
- Riders are optional and available at an extra cost
- Tax benefits are as per the Income Tax Act, 1961, and are subject to any amendments made thereto from time to time

**Appendix I: 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 from time to time are as follows:**

1. 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 reinstatement of Policy or
  - d. the date of rider to the Policywhichever is later.
2. 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 reinstatement of Policy or
  - d. the date of rider to the Policywhichever 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.

3. 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.
4. 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.
5. 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.

6. 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.
7. 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.
8. 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.
9. 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.

[Disclaimer: This is not a comprehensive list of amendments of Insurance Laws (Amendment) Ordinance, 2014 and only a simplified version prepared for general information. Policy Holders are advised to refer to Original Ordinance Gazette Notification dated December 26, 2014 for complete and accurate details.]

