

LIFE GOALS. DONE.



Bajaj Allianz Life Group Superannuation Secure

A Traditional Group Savings Insurance Plan



Bajaj Allianz Life Group Superannuation Secure

Assure your employees a financially secured, stable and independent post retirement life.

Group Superannuation Secure is a non-linked, pension, non-participating group savings product covering Group Superannuation Scheme which can be taken by you (an employer) to manage pension fund for your employees. This scheme helps in building a substantial retirement fund, to ensure a secure regular income flow after retirement.

How does the scheme work?

- The policy can be maintained as per your requirements under the following two options:
 - Option 1 – Pooled-level or
 - Option 2 – Member-level (individual account)
- From each contribution of yours as per the scheme rules premium allocation charge, applicable Goods and Service tax/any other applicable tax levied, subject to changes in tax laws, will be deducted and the balance will be credited to the individual/pooled policy account
- A Life Cover (if opted for) will be provided under the scheme, as defined by you under the scheme rules. If Life Cover is opted for, mortality charge and applicable Goods and Service tax/any other applicable tax levied, subject to changes in tax laws, will be deducted from the individual/pooled policy account
- At the end of each financial year, the company shall credit an investment return and charge expenses to the policy account based on gross return earned in the underlying fund
 - The interest credit to the individual/pooled policy account, will only be to the extent and duration for which the money was invested with the company in a financial year.
 - Individual/pooled policy account, is the contributions received, net of premium allocation fee & mortality fee (if any) including Goods & Service Tax/any other applicable tax levied, subject to changes in tax laws, accumulated at the crediting interest rate.

Benefits

Benefits under Option 1 – Pooled level

Events	How and when Benefits would be payable	Size of such Benefits/Policy monies
Death of a member	Payable immediately on death of the member, as allowed in the scheme rules	An amount as decided by you in accordance with the Scheme Rules plus sum assured, if any will be paid
On Vesting (Retirement of a member)	Payable immediately on retirement of the member, as allowed in the scheme rules	An amount as decided by you in accordance with the Scheme Rules
On Exits (As per scheme rules)	Payable as allowed in the scheme rules	An amount as decided by you in accordance with scheme rules

On death or vesting, a minimum benefit of 101% of the member's contribution shall be payable. This benefit shall be applicable on the entire fund available with us.

Benefits under Option 2 – Member level (individual account)

Events	How and when Benefits would be payable	Size of such Benefits/Policy monies
Death of a member	Payable immediately on death of the member, as allowed in the scheme rules	Individual policy account value or 101% * member's contributions, whichever is higher, plus Sum Assured, if any will be paid
On Vesting (Retirement of a member)	Payable immediately on retirement of the member, as allowed in the scheme rules	Individual policy account value or 101% * member's contributions, whichever is higher
On Exits (As per scheme rules)	Payable as allowed in the scheme rules	Individual policy account value

In case of bulk exit due to any event, the benefit payable will further be subject to the application of Market Value Adjustment.

Note - All the policy benefits are subject to policy being in-force

Bulk Exit

If the total amount, due to exits, as defined in the scheme rules, in the policy year including the current amount on exit, exceeds 25% of the balance in the total of all individual/pooled policy account at the beginning of that policy year, such an exit shall be termed as a bulk exit. Market Value Adjustment (MVA) shall be applied only to the amount which is over & above the amount representing bulk exit.

MVA losses (if any) shall be adjusted from your pooled/individual policy account. The value payable under such exits would be:

- **For Option 1 - Pooled Level:** An amount as requested by you, provided the grossed up amount after adjusting for the Market Value Adjustment (if any), does not exceed the balance in the pooled policy account in the pooled policy account. However, if such grossed up value exceeds the balance in the pooled policy account then balance in the pooled policy account less Market Value Adjustment (if any) shall be payable.
The grossed up amount means the amount as payable divided by (1-Market Value Adjustment factor).
- **For Option 2 - Individual Account:** The amount payable under such exits would be the balance in the individual policy account/s of exiting member/s after adjusting each account proportionately for the amount of MVA. The proportion will be based on the balance in each exiting individual policy account.

Investment Return

In Bajaj Allianz Life Group Superannuation Secure, Assets will be earmarked under Group Non Participating Controlled Fund.

At the end of each financial year, the company shall credit an investment return and charge expenses to the policy account in accordance with Board approved policy of the insurer. The rate of crediting will be based on the gross return earned in the backing fund. The formula to arrive at the crediting rate will be: $\text{Max} [x\% * \text{Gross Return}, 1\%]$;

- where x% will be a fixed percentage in any one financial year, ranging from 100% to 95%; but restricted such that $(1-x\%) * \text{Gross Return}$ is not more than 90 bps; and
- 1% will be the minimum guaranteed crediting rate in any financial year

Market Value Adjustment

The market value adjustment is a factor to cover the market value losses of the underlying investment in relation to the balance in the total of all the individual/ pooled policy account.

For example, let's assume, that the book value of your individual/ pooled policy account at the beginning of the year is ₹ 1,00,00,000 while its market value is ₹90,00,000, i.e., at a 10% lower than the book value.

Suppose that, a request for an exit amount of ₹30,00,000 from you is received by us and that no earlier request for exits had been made by you during the policy year. In this case, the market value adjustment will be made only to the amount which is over & above the amount representing bulk exit, i.e., on ₹5,00,000 (₹30,00,000- 25%* 1,00,00,000). Hence, an amount equal to 30,00,000 + 55,555= 30,55,555 will be withdrawn post application of market value adjustment

Amount withdrawn	30,55,555
MVA	(55,555)
Amount received by you	30,00,000

Detailed calculation of MVA -

Particular	Details
Book Value(BV) of your pooled/ individual policy account at the beginning of the year	1,00,00,000
Market Value(MV) of pooled/ individual policy account	90,00,000
Market Value loss	10%
Amount Requested for exit	30,00,000
Amount representing bulk exit (MVA applicable on this amount)	30,00,000 - 25% * 1,00,00,000 = 5,00,000
Market Value Adjustment (MVA)	$\frac{MV \text{ loss} \%}{(MV \div BV)} \times 5,00,000 =$ $\frac{10\%}{(90,00,000 \div 1,00,00,000)} \times 5,00,000 = 55,555$
Fund post MVA loss adjustment	555,555
Amount withdrawn from pooled/individual policy account	30,00,000 + 55,555 = 30,55,555

Note - All figures are in rupees wherever relevant.

Surrender

You may do a complete surrender of your policy by giving an advance notice of three (3) months.

- Upon receipt of such request, the balance in pooled policy account/ total of all individual policy account less Market Value Adjustment (if any) shall be paid and the policy will terminate.

How to set- up Group Superannuation Scheme?

The Bajaj Allianz Life Group Superannuation Secure Scheme can be set-up in any of the following ways:

- 1) Draft trust deed and rules (Bajaj Allianz Life Insurance Company provides you with expert guidance on the same), execute and appoint Trustees for administering the scheme.
- 2) Apply for approval to Commissioner of Income Tax under Part B of the Fourth Schedule of the Income Tax Act, 1961.
- 3) Submit the Master Proposal Form signed by Trustees, the complete employee data in the prescribed format, copies of trust deed and rules, with the contribution.
- 4) Pay the future contributions as defined in the rules.

Important Details of the 'Bajaj Allianz Life Group Superannuation Secure' Scheme

Parameter	Details
Minimum Size of the Group	10 members
Minimum Entry Age	18 years
Maximum Entry Age	79 years
Maximum Age at Maturity	80 years
Minimum Policy Term	Annually renewable
Regular Contribution Frequency	Yearly/ Half Yearly/Quarterly/Monthly
Minimum Pooled /individual policy account Balance	₹ 1,00,000
Maximum pooled /total of all individual policy account Balance	No Limit

Non-Forfeiture

If regular contributions from you in any policy year are not received by the Company in time (within the grace period) as the fund is sufficient as per the independent actuarial valuation certificate, then, individual/pooled policy account shall keep on accumulating, at the credited rate of investment return, allowing for deduction of applicable GST/ any other applicable tax levied, subject to changes in tax laws, till the balance in pooled policy/ the total of all individual policy account falls to the level of Rs. 1,10,000 due to payment of benefits for the reason of death, retirement and withdrawal as per scheme rules.

If the balance in the pooled policy/total of all individual/policy account falls below Rs. 1,10,000, the company will intimate you to make contribution. However, if the balance in pooled policy/ total of all individual policy account falls below Rs. 1,00,000, the policy will be terminated and the surrender value as on date of termination shall be paid to you.

Notwithstanding this, if the fund is sufficient as per the independent actuarial valuation certificate, the policy will be continued.

If Life Cover has been opted for –

- a) If the fund has insufficient balance to deduct the mortality charge in respect of the policy within the grace period, the insurance cover under the policy shall cease
- b) The Life Cover can be revived within the revival period, subject to underwriting (if any)
- c) At the expiry of the revival period, if the cover is not reinstated, then no benefit in respect of Life Cover shall be payable
- d) Notwithstanding this, if the fund is sufficient in pooled policy account/ total of all individual policy account, to deduct the Mortality charge, we will renew the policy at every policy anniversary
 - a. If the fund in the pooled policy account is not sufficient to deduct the due Mortality charge, the company will intimate you to make contribution. If the contribution is not received the policy will be terminated and the surrender value as on date of termination shall be paid to you.
 - b. If the fund in few individual policy accounts are not sufficient to deduct the due Mortality charge, the company will intimate you to make contribution. If the contribution is not received the surrender value (net of any MVA) as on date of termination shall be paid to and the policy will continue for other members.

What are the Charges under the Plan?

Charges	Details
Premium Allocation Fee*	0.5% of the contribution or Rs. 10 lakh, whichever is lower shall be deducted at the time of each contribution Direct Sales - Nil
Mortality Charge	Re. 1 per Rs 1000 Sum Assured, per member Mortality charge is guaranteed for the entire term of the policy
Fund Management Charge	Nil
Surrender Charge	Nil

* This charge would be aligned to the commission payable

Revision of Charges

After taking due approval from the Insurance Regulatory and Development Authority, the Company reserves the right to revise the above mentioned charges:

- The Company will give a notice of three (3) months to the policyholders for any changes in charges. The Policyholder who does not agree with the modified charges shall be allowed to withdraw immediately and terminate the Policy.

Loans

No loans are available under the scheme.

Top-Up Premiums / Contributions

Top-Up Premiums / Contributions are not allowed under the scheme.

New Entrants and Leavers

At the commencement, on each annual renewal date and on any movement of the member, you will have to send us all the members data (only under option 2) and the contribution to the respective unit of Bajaj Allianz Life Insurance Company

Suicide Clause

No Suicide exclusions. On death of the member due to suicide, the death benefit as stated under the benefit section above shall be payable.

Nomination

The company will pay the policy proceeds to you. The individual members can nominate the person(s) to whom the policy proceeds will be payable by you upon their death. Nomination is effected as per section 39 of the Insurance Act, 1938.

Tax Benefits

As per applicable Tax Laws

Free Look Period

Within 15 days from the date of receipt of the Policy / Certificate of Insurance, the Policyholder has the option to review the terms and conditions of the Policy and if the Policyholder disagrees to any of the terms & conditions, the Policyholder will have an option to return the policy stating the reasons for objections. The Policyholder shall be entitled to a refund of the contribution paid, subject to deduction of the stamp duty expenses, the proportionate risk premium, if any, for the period the member/s was/were on cover and the expenses incurred on medical expenses, if any.

Applicability of Goods & Service Tax

Goods and Service Tax is charged based on type of Policy communication address of the Policyholder. This may change subject to change in rate/state in address of the Policyholder as on date of adjustment

Why Bajaj Allianz Life Insurance?

Bajaj Allianz is a joint venture between Bajaj Finserv Limited and Allianz SE. Both enjoy a reputation of expertise, stability and strength. This joint venture company incorporates global expertise with local experience. The comprehensive, innovative solutions combine the technical expertise and experience of the 119 year old Allianz SE, and in-depth market knowledge and goodwill of "Bajaj brand" in India. Competitive pricing and quick honest response have earned the company the customer's trust and market leadership in a very short time.

Disclaimer

This product sales literature gives the salient features of the plan only. The policy document is the conclusive evidence of the contract, and provides in detail all the conditions, exclusions related to the "Bajaj Allianz Life Group Superannuation Secure".

Prohibition of Rebate: Section 41 of the Insurance Act, 1938

"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 prospectuses or tables of the insurer.

Any person making default in complying with the provisions of this section shall be punishable with a fine which may extend to five hundred rupees."

Fraud & Misrepresentation: Section 45 of the Insurance Act, 1938

"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 inaccurate or false, unless the insurer shows that such statement was on a 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 to disclose."

Contact Details

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Bajaj Allianz Life Group Superannuation Secure

UIN: 116N115V04

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For More Information: Kindly consult our "Insurance Consultant" or call us today on the TOLL FREE numbers mentioned above. This Sales Literature should be read in conjunction with the Benefit Illustration and Policy Exclusions. Please ask for the same along with the quotation.

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