

Bajaj Allianz Max Advantage  
Insurance Plan**Contact Details**

**Bajaj Allianz Life Insurance Company Limited,**  
**G.E. Plaza, Airport Road, Yerawada, Pune - 411 006.**  
**Tel: (020) 6602 6777. Fax: (020) 6602 6789.**  
**www.bajajallianz.com**

**SMS LIFE@56070**

For any queries please contact:

BSNL/MTNL (Toll Free)	Any Mobile & Landline (Toll Free)	Other (Chargeble)
1800 22 5858	1800 209 5858	<Prefix City Code> 3030 5858

email: [life@bajajallianz.co.in](mailto:life@bajajallianz.co.in)

chat: [bajajallianzlife.co.in/chat](http://bajajallianzlife.co.in/chat)

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

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 provision of this section shall be punishable with a fine that may extend to five hundred rupees.

**SECTION 45 of the Insurance Act, 1938 states**

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.

**Disclaimer**

Bajaj Allianz Max Advantage Insurance Plan is a Unit Linked Insurance Plan (ULIP). Investment in ULIPs is subject to risks associated with the capital markets. The policyholder is solely responsible for his/her decisions while investing in ULIPs. Bajaj Allianz Life Insurance and Bajaj Allianz Max Advantage Insurance Plan are the names of the company and the product respectively and do not in any way indicate the quality of the product and its future prospects or returns. All Charges applicable shall be levied. The policy document is the conclusive evidence of contract and provides in details all the conditions and exclusions related to Bajaj Allianz Max Advantage Insurance Plan.

**For More Information:** For more details, kindly consult our "Insurance Care Consultant" or call us today on the numbers mentioned above.

**Please draw your cheques/ demand drafts in favour of "Bajaj Allianz Life Insurance Company Limited".**

Bajaj Allianz Max Advantage Insurance Plan (UIN) : 116L095V01

- vii) Participation in aviation, gliding or any form of aerial flight other than as a fare paying passenger of a recognized airline on regular routes and on a scheduled timetable;
- viii) Failure to seek or follow medical advice;
- ix) War, invasion, civil war, rebellion, riot.

**Revision of Charges**

- After taking due approval from the IRDA, the Company reserves the right to revise the above mentioned charges.
- If you do not agree with the modified charges you shall be allowed to withdraw the units at the prevailing unit price and the policy shall terminate thereafter. However, if such modification in charges occurs during the first 5 Policy Years, you shall be allowed to discontinue the policy and avail the accumulated discontinuance value only at the end of the 5th Policy Year.

**Risks of Investment in the Units of the Plan**

The Proposer/Life Assured should be aware of that the investment in the unit linked fund is subject to the following, amongst other risks and should fully understand the same before entering into any unit linked insurance contract with the Company.

- Unit Linked Life Insurance products are different from the traditional insurance products and are subject to the risk factors.
- The premium paid in unit linked life insurance policies are subject to investment risks associated with capital markets and the Unit Price of the units may go up or down based on the performance of the fund and factors influencing the capital market and the insured/policyholder is responsible for his/her decisions.
- Bajaj Allianz Life Insurance is only the name of the insurance company and Bajaj Allianz Max Advantage Insurance Plan is only the name of the plan and does not in any way indicate the quality of the plan, its future prospects or returns.
- Please know the associated risks and the applicable charges from your policy document.
- Equity Index Fund II, Asset Allocation Fund, Bond Fund, Max Gain Fund II and Liquid Fund are the names of the funds offered with Bajaj Allianz Max Advantage Insurance Plan currently, and in any manner do not indicate the quality of the respective funds, their future prospects or returns.
- The investments in the Units are subject to market and other risks and there can be no assurance that the objectivities of any of the funds will be achieved.
- The Max Gain Fund II guarantees highest unit price achieved during the tenure of the policy at maturity.- The Equity Index Fund II, Asset Allocation Fund, Bond Fund and Liquid fund do not offer a guaranteed or assured return.
- All benefits payable under the Policy are subject to the tax laws and other financial enactments, as they exist from time to time.
- The past performance of the funds of the company is not necessarily an indication of the future performance of any of these funds.

**Why Bajaj Allianz Life Insurance?**

Bajaj Allianz Life Insurance Company Limited is a union between Allianz SE, the world's leading insurer and Bajaj Finserv, one of India's most respected names. Allianz SE is a leading insurance conglomerate globally and one of the largest asset managers in the world. At Bajaj Allianz, we realize that you seek an insurer you can trust your hard earned money with. Allianz SE has more than 119 years of financial experience in over 70 countries and Bajaj Finserv demerged from Bajaj Auto, trusted for over 65 years in the Indian market, are committed to offering you financial solutions that provide all the security you need for your family and yourself.

At Bajaj Allianz, customer delight is our guiding principle. Ensuring world class solutions by offering you customized products with transparent benefits supported by the best technology is our business philosophy.

Fund Management Charge (FMC)	Fund name		Fund Management Charge per annum		
	Asset Allocation Fund		1.25%		
	Equity Index Fund II		1.25%		
	Liquid Fund		0.95%		
	Bond Fund		0.95%		
Max Gain Fund II		1.25%			
This charge would be adjusted in unit price.					
Guarantee Charge	The guarantee charge of 0.25% per annum is applicable to Max Gain Fund II. This charge would be adjusted in the unit price.				
Switching Charge	Nil, the plan offers unlimited free switches				
Discontinuance Charge	Discontinued during the policy year		Discontinuance Charge		
	1	Lower of 6% * (Annual Premium or Regular Premium Fund Value) subject to maximum of Rs. 6,000			
	2	Lower of 4% * (Annual Premium or Regular Premium Fund Value) subject to maximum of Rs. 5,000			
	3	Lower of 3% * (Annual Premium or Regular Premium Fund Value) subject to maximum of Rs. 4,000			
	4	Lower of 2% * (Annual Premium or Regular Premium Fund Value) subject to maximum of Rs. 2,000			
5 & above	Nil				
Miscellaneous Charge	Rs.100/- per transaction in respect of change in premium payment term, partial withdrawal or issuance of copy of policy document shall be charged.				
Mortality Charge	Mortality Charge will be deducted at each monthly anniversary by cancellation of units. Sample mortality charges per annum per thousand of Sum at risk (i.e. Sum assured under the policy) for a healthy male life is shown below:				
	Age (yrs)	20	30	40	50
	Rs.	2.57	2.74	3.82	7.53
Service tax on charges	Service tax will be applicable to mortality charge, fund management charge and guarantee charge.				

**Exclusions****General Exclusion:**

In case the life assured commits suicide within one year of the date of commencement of the policy, the amount payable would be the fund value.

**Exclusions for the payment of additional sum assured on death due to accident:** The additional sum assured on accidental death shall not be payable in the following cases, if death is directly or indirectly caused by, related to, or arises from:

- i) Committing any breach of law;
- ii) Being under the influence of alcohol or drugs other than prescribed by and taken in accordance with the directions of a registered medical practitioner;
- iii) Self-inflicted injuries whilst sane or insane;
- iv) Participation in any naval, military or air force operation;
- v) Participating in or training for any dangerous or hazardous sport or competition or riding or driving in any form of race or competition;
- vi) Suicide;

immediately.

**Revival**

Revival or reinstatement of the discontinued policy is not allowed.

**Days of Grace**

A grace period of 30 days is allowed under the policy.

**Termination Conditions**

This Policy shall automatically terminate on the earlier occurrence of either of the following events:

- The units in the policy are fully surrendered;
- Upon death of the life assured;
- On Maturity Date
- Upon payment of discontinuance value

**Fund Access - Loan**

Loan is not available under this Plan.

**Free Look Period**

Within 15 days from the date of receipt of the policy, you have the option to review the terms and conditions and return the policy, if you disagree to any of the terms & conditions, stating the reasons for your objections. You will 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 on medical examination and stamp duty charges. The refund paid to you will also be reduced or increased (as applicable) by the amount of any reduction or increase in the fund value, if any, due to a fall or rise in the unit price between the date of allocation and redemption of units (without reference to any premium allocation rate or charges).

**Tax Benefits**

Premium Paid are eligible for tax benefits under section 80C and maturity Benefit, death benefit and surrender value are eligible for Tax benefits under Section 10(10)D of the Income Tax Act subject to the provision stated therein.

**What are the Charges under the Plan?**

Charges	Details		
Premium Allocation Charge	Premium Allocation Charge in Policy Year		
	1	2 - 5	6 & above
	10%	3.75%	0%
All Top ups have a premium allocation charge of 2%.			
Policy Administration Charge	Policy Year		Policy Administration Charge
	1	Nil	
	2 onwards	3.0% p.a of annual premium	
This charge will be deducted at each monthly anniversary by cancellation of units at the prevailing unit price.			

request are paid. Such option should be exercised before the expiry of the existing premium paying term.

**Important Details of the Plan**

Parameter	Details
Minimum Entry Age	8 years
Maximum Entry Age	60 years
Minimum Age at Maturity	18 years
Maximum Age at Maturity	70 years
Policy Term	10 years
Premium Payment Term	5 to 7 years
Minimum Regular Premium	Rs. 25,000 per yearly installment
Premium Payment Frequency	Annual Only
Maximum Regular premium	Rs. 200,000
Minimum Top Up Premium	Rs. 5,000
Maximum Top Up Premium	No Limit
Minimum Sum Assured	10 times of Annualized Premium for age below 45 years
	7 times of Annualized Premium for age 45 years and above
Maximum Sum Assured	10 times of Annualized Premium

**What happens if you are unable to pay your regular premiums?**

If you are unable to pay your regular premium before the expiry of the grace period then a notice will be sent to you within fifteen days after the expiry of the grace period. You can choose one of the following options within 30 days of the receipt of such notice:

- (i) Pay all due regular premiums and revive the policy OR
- (ii) Discontinue the policy without any risk cover.
- If you opt to discontinue the policy or we do not get any response from you in writing within the stipulated period of 30 days from the date of receipt of such notice, your policy shall be converted to a discontinued policy and all the risk cover shall cease with immediate effect.
- Till the discontinuance action is taken, your policy shall continue with full risk cover, levying all appropriate charges.
- If the date of discontinuance of the policy falls before the fifth policy anniversary the discontinuance value shall be transferred to the discontinued policy fund on the date of discontinuance of the policy and the discontinuance value shall accumulate at the interest rate credited to the discontinued policy fund. Such accumulated discontinuance value shall be paid to you after the fifth policy year. In case of death of the life assured before the fifth policy anniversary the accumulated discontinuance value as on date of intimation of death shall be payable.
- If the date of discontinuance of the policy falls on or after the end of the fifth policy year the fund value as on date of discontinuance of the policy shall be paid to you and the policy shall terminate

“IN THIS POLICY, THE INVESTMENT RISK IN INVESTMENT PORTFOLIO IS BORNE BY THE POLICYHOLDER”

#### Bajaj Allianz Max Advantage Insurance Plan

Bajaj Allianz Max Advantage Insurance Plan is a unique limited premium payment unit-linked insurance plan that aims to maximize your benefits.

The plan offers you an opportunity to invest in Max Gain Fund II which gives you the guarantee to encash your units at maturity at the highest unit price achieved by the fund over the 10 years term of your policy. Your investment in Max Gain Fund II provides upside benefit of unit price with complete downside protection from the fall in the equity market.

#### Key Benefits of Bajaj Allianz Max Advantage Insurance Plan

The plan offers you the key benefits of:

- Highest unit price guaranteed at maturity for all the units held in the Max Gain Fund II.
- Refund of 60% of total allocation charge at maturity as Guaranteed Addition.
- Option to select premium payment term of 5 to 7 years at inception.
- Option to change the premium payment term
- Payment of an additional sum assured in case of accidental death.
- Choice of 5 investment funds to invest in as per your risk appetite
- Flexibility to pay top-up premium and make partial withdrawals.
- Unlimited free switches in funds other than Max Gain Fund II.

#### How does Bajaj Allianz Max Advantage Insurance Plan work?

Bajaj Allianz Max Advantage Insurance Plan is a simple to understand unit-linked life insurance plan.

- Premiums paid by you, net of premium allocation charge, are invested in the fund(s) of your choice and units are allocated to your policy account at the prevailing unit price of the fund.
- The mortality charge and the policy administration charge are deducted monthly through cancellation of units. Fund Management Charge and guarantee charge, if any is adjusted in the unit price.
- 60% of the total allocation charge shall be paid to you as guaranteed addition at maturity.
- On maturity you will receive the sum of the regular premium fund value, top up premium fund value (if any) plus guaranteed addition. The fund value at maturity date for the units held in the Max Gain Fund II shall be determined at the highest unit price achieved by the fund over the term of your policy.

#### Where is my money invested?

Bajaj Allianz Max Advantage Insurance Plan gives you an opportunity to choose from the following 5 investment funds as per your risk appetite:

##### a) Max Gain Fund II

The objective of the fund is to provide a participation in the upside of the equity market while guaranteeing the highest unit price recorded during the policy term at maturity. The investment

strategy consists of dynamic asset allocation between equities, debt and cash. It ensures that the gains of the fund are locked-in so as to guarantee the highest unit price recorded during the policy term at maturity.

##### Indicative Portfolio Allocation:

Equity & Equity Derivatives\* :0% - 100%  
Debt & Debt Derivatives\* :0% - 100%  
Mutual Funds<sup>(a)</sup> and Money market instruments :0% - 100%

<sup>(a)</sup>Mutual fund exposure will be as mandated by the IRDA guidelines \*as & when allowed by the IRDA

The Max Gain Fund II will remain open till 31/03/2011. The renewal premium and the top up premium can be invested in the Max Gain Fund II as per the chosen premium apportionment rate provided the fund has been chosen at the policy inception. The highest unit price achieved by the fund during the term of the policy is guaranteed at maturity. Any redemption of units before the maturity date shall be encashed at the prevailing unit price. The Max Gain Fund II shall be managed by the Company using the Constant Proportion Portfolio Insurance (CPPI) technique. The mix of debt and equity investments at any point of time, shall depend upon the highest unit price achieved by the fund in the past, the prevailing interest rate, the outstanding term to the maturity date and the volatility in the equity market. Apart from that, in certain extreme scenarios of fall in the equity market, as decided by the Company, the 100% of the investment in the Max Gain Fund II can be moved to the debt securities

##### b) Asset Allocation Fund - Risk Profile – High

The objective of this fund will be to realize a level of total income, including current income and capital appreciation, which is consistent with reasonable investment risk. The investment strategy will involve a flexible policy for allocating assets among equities, bonds and cash. The fund strategy will be to adjust the mix between these asset classes to capitalize on the changing financial markets and economic conditions. The fund will adjust its weights in equity, debt and cash depending on the relative attractiveness of each asset class.

##### Indicative Portfolio Allocation:

Equity : 0% - 100%  
Debt & Money market instruments : 0% - 100%

The exposure to money market securities may be increased to 100%, keeping in view market conditions, market opportunities, and political, economic and other factors, depending on the perception of the Investment Manager. All changes in the asset allocation will be with the intention of protecting the interests of the policy-holders.

##### c) Liquid Fund- Risk Profile – Low

The objective of this fund is to have a fund that aims to protect the invested capital through investments in liquid money market and short-term instruments.

##### Indicative Portfolio Allocation:

Money market instruments: 0% - 100%

##### d) Bond Fund- Risk Profile – Moderate

The objective of this fund is to provide accumulation of income through investment in high quality fixed income securities.

##### Indicative Portfolio Allocation:

Debt and Money market instruments: 100%

##### e) Equity Index Fund II- Risk Profile – High

The objective of this fund is to provide capital appreciation through investment in equities forming part of NSE NIFTY.

##### Indicative Portfolio Allocation:

Equity: Not less than 60%

Bank deposit and Money market instruments: Not more than 40%  
The exposure to money market securities may be increased to 100%, keeping in view market conditions, market opportunities, and political, economic and other factors, depending on the perception of the Investment Manager. All changes in the asset allocation will be with the intention of protecting the interests of the policyholders.

#### Death Benefit

In case of death of the life assured we shall pay the sum assured and the fund value (as on date of intimation of death) to the nominee. Apart from the above an additional sum assured shall be payable if the cause of death is an accident, subject to the policy being in force.

#### Maturity Benefit

On maturity of your policy, you will receive the regular and top premium fund value under the Max Gain Fund II plus the regular and top premium fund value under all other funds plus the guaranteed addition. The regular and top premium fund value under the Max Gain Fund II on maturity date shall be calculated at the highest unit price achieved by the fund during the term of the policy.

#### Surrender Benefit

You have the option to surrender your policy from the 6th (sixth) policy year. The surrender value payable will be equal to the regular premium fund value plus the top up premium fund value, if any as on date of surrender of the policy. The policy shall thereafter terminate upon payment of full surrender value. However, on discontinuance of the policy, the discontinuance value will be equal to the fund value less discontinuance charge, if any as on date of discontinuance.

#### Guaranteed Addition

If you have paid all due regular premiums, then at maturity we shall pay guaranteed addition to you for an amount equivalent to 60% of the total allocation charge in respect of regular premium.

#### Definitions

**Fund value:** is equal to the number of units under this policy multiplied by the respective unit price on the relevant valuation date.

**Regular Premium Fund Value:** is equal to the number of units pertaining to regular premium under this policy multiplied by the respective unit price on the relevant valuation date.

**Top Up Premium Fund Value:** is equal to the number of units pertaining to top up premium under this policy multiplied by the respective unit price on the relevant valuation date.

**Unit Price:** of each fund is arrived at by dividing the Net Asset Value (NAV) of the fund by the number of units existing in the fund at the valuation date.

All requests received for any unit transaction till the cut-off time of a day shall be processed at the unit price of the same day. The requests received after the cut-off time of a day shall be processed at the unit price of the next day. The request for unit transaction can be premium payment/surrender/partial withdrawal/switching/death claim. Currently the cut-off time is 3.00pm for applicability of unit price for a particular day.

**Discontinued Policy Fund:** is the fund maintained by the Company to manage the proceeds of the discontinued policy as per the “IRDA (Treatment of Discontinued Linked Insurance Policies) Regulation, 2010” As per this IRDA regulation the minimum guaranteed return on this fund is 3.5% per annum which may change from time to time as per the IRDA guidelines.

**Valuation Date:** We aim to value the funds on each day the financial markets are open. However, we may value the funds less frequently in extreme circumstances, where the values of assets are too uncertain. In such circumstances, we may defer the valuation of assets for up to 30 days until we feel that certainty as to the value of assets is resumed. The deferment of valuation of assets will be with prior consultation with the IRDA.

#### Computation of NAV:

**When Appropriation price is Applied:** The NAV of a fund shall be computed as the market value of investment held by the fund plus the expenses incurred in the purchase of the assets plus the value of any current assets plus any accrued income net of fund management charges (including any charge for investment guarantee) less the value of any current liabilities less provision, if any. This gives the net asset value of the fund. Dividing 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. This is applicable when the company is required to purchase assets to allocate units at the valuation date.

**When Expropriation price is applied:** The NAV of a fund shall be computed as the market value of investment held by the fund less the expenses incurred in the sale of the assets plus the value of any current assets plus any accrued income net of fund management charges (including any charge for investment guarantee) less the value of any current liabilities less provision, if any. This gives the net asset value of the fund. Dividing by the number of units existing at the valuation date (before any units are redeemed), gives the unit price of the fund under consideration. This is applicable when the company is required to sell assets to redeem units at the valuation date.

#### Sample Illustration\*

Age	25	35	40
Maturity Age	35	45	50
Policy Term	10	10	10
Premium Paying Term	5	5	5
Premium p.a.	50,000	50,000	50,000
Sum Assured	500,000	500,000	500,000
Fund Value at maturity @ 6%	319,482	312,876	303,928
Fund Value at maturity @ 10%	433,601	425,907	415,279

\*This is an indicative projection on basis of prescribed growth rate by the regulator. The above projection is based on 100% investment in Bond Fund for male healthy lives and after service tax.

#### Flexibilities

This plan provides you with the following flexibilities to suit your changing requirements:

##### Option to make lump sum investment

- You can make lump sum investments at any time except in the last five policy years by paying unlimited top up premiums to enhance your fund value, provided all due regular premiums are paid. The minimum top up premium is Rs. 5,000.
- The amount of top up premium paid by you would determine the top up sum assured. On payment of top up premium, you have the option to choose the top up sum assured as per the following table depending upon your age:

Current Age	Top-Up Sum Assured Multiplier
Less than 45 years	1.25 to 5 times
Greater than or equal to 45 years	1.1 to 5 times

for other ages)

- Each top up premium paid by you will have a lock-in period of 5 (five) years and the lock in would apply from the date of payment of each top up premium. However, top up premiums are not allowed in the last five years of the contract.

- The company reserves the right to call upon for any information / documentation to verify the good health of the life assured which may require the life assured to undergo any medical examination for this purpose and may refuse to accept the top up premium.

#### Switching Option

- You can switch units from one fund to another by a giving written notice to the company.
- Switching in to Max Gain Fund II is not allowed. However switching out of Max Gain Fund II is allowed anytime after the 5th (fifth) policy year.
- The minimum switching amount is Rs. 5000 or the fund value whichever is lower.
- The company shall effect the switch by redeeming units from the fund to be switched from and allocating new units in the fund being switched to at their respective unit price.

#### Partial Withdrawal Option

You have the option to make unlimited number of partial withdrawals, anytime after the fifth policy year, provided all due regular premiums have been paid and:

- The minimum amount of partial withdrawal is Rs. 5,000 and the regular premium fund value after each withdrawal is at least two times of the annual premium.
- All partial withdrawals will be first made from eligible top up premium fund value, if any and would be en-cashed first on First in First out (FIFO) basis. Once the eligible top up premium fund value is exhausted, further partial withdrawals will be made from the regular premium fund value.
- In case of minor life, partial withdrawal is allowed after attaining age 18 years

#### Premium Apportionment

- You have the choice to apportion the allocated premium to any of the five fund(s) offered under the plan by specifying the premium apportionment percentage. The premium apportionment percentage to any fund in which you wish to invest must at least be 5% of the premium.
- You may at any policy anniversary change the premium apportionment to the funds subject to giving us the notice of at least 30 days in advance. However any change in premium apportionment to Max Gain Fund II shall be allowed only if you have chosen the Max Gain Fund II at policy inception.
- The company reserves the right to revise the minimum proportion of premium to any fund upon giving a written notice of not less than three months, subject to obtaining prior approval from the IRDA.

#### Option to change the premium paying term

You have the option to change your premium paying term at any time subject to the minimum and maximum premium paying term allowed under the product, provided all due regular premium till the date of such