

## **Glossary & Definitions**

### **Actuary:**

An actuary is a professional dealing with the assessment and management of risk for financial investments, insurance policies, and any other ventures involving a measure of uncertainty.

### **Adhoc Premium/Top Up Premium**

Additional premiums paid by the Policyholder in his Unit Account other than the regular Basic Premiums due

### **Agent:**

An agent is a person who represents an insurance firm and sells insurance policies on its behalf.

### **Allocation:**

With respect of products certain percentage applies on Premium and this amount will be invested in multiple funds selected by client. This percentage known as allocation percentage

### **Cash Value:**

The aggregate value, at Bid Price, of Units in the Unit Account of the Policy, on the relevant day to which it applies determined by multiplying the number of Units in the Unit Account by the applicable Bid Price.

### **Bid/offer Spread:**

The difference between the prices quoted for an immediate sale (offer) and an immediate purchase (bid) of a Unit.

**Claim:**

In the case of an amount being paid on the death of an Insured Person under the terms of this Policy, you, your Nominated Beneficiary or appointed Executor shall, at their own expense submit the claim to the Company.

**Commission**

Incentive amount which is provided to agent by company on successful selling of insurance product and this vary product to product.

**Death Benefit/Sum Assured/Basic Sum Assured**

On the death of the Insured Person before the Maturity Date and whilst the Policy is in full force, the Company shall pay the higher of the Sum Assured or Cash Value as defined in the Policy Schedule and Provisions contained herein. The Bid Price to determine the Cash Value for the purpose of this clause is that determined on the Valuation Date on or after the first Business Day following receipt by the Company of the written notification of the death of the Insured Person.

Provided that if the death is by suicide within two years of the Inception Date, or the date of reinstatement if the Policy is reinstated subsequently, the liability of the Company shall be limited to the Net Cash Surrender Value as at the date of death.

The amount of any Indebtedness as well as any premiums due but unpaid will be deducted from the Death Benefit.

**Entry Age**

The age at which an insured can become eligible to insurance product; usually this is age 18

**Free Look Period:**

The time (i.e. 14 days) during which the Policyholder may return the policy, if he or she is not satisfied with the terms and conditions of the policy. This time period start when policy Owner/insured received the policy document.

**Funds:**

Unitised Investment Linked Statutory Business Fund maintained by the Company, and being a pool of assets and liabilities divided into units of equal value with an appropriate number of units attributed to each unit linked policy participating in the Fund.

**Funds Switch**

Option of transferring and / or apportioning the Cash Value of the Unit Account of the Policy between Funds maintained by the Company

**Grace Period:**

A **grace period** is the provision in most insurance contracts that allows payment to be received for a certain **period** of time after the actual due date. During this **period**, no late fees are charged, and the late payment does not result in default . A typical **grace period** is 30 days.

**Insured/Life Assured**

Life assured or insured is the person(s) whose life is covered in the insurance contract.

**Lapsation :**

Premium due but not paid will result suspension of all policy benefits.

**Maturity:**

On survival of the Insured Person to the Maturity Date stated in the Policy Schedule and whilst the Policy is in full force, the Company shall pay, as a lump sum, the Cash Value less any Indebtedness.

**Maturity Age:**

Age where all policy benefits will be finished.

**Maturity Date:**

Means the date specified in the Policy Schedule as the Maturity Date.

**Maturity Term:**

Policy age where all benefits expire.

**Nominee/Beneficiary:**

The person(s), who has been nominated by policy owner/insured to receive the benefit on your death, provided you are the Main Insured Person.

**Partial Withdrawal:**

Unit Linked Policies provide flexibility to its policyholders to “partially” **withdraw** some amount of money from his own accumulated Fund Value before the policy tenure is over.

The Company will, upon receipt of such a request, deduct a Surrender Charge from the partial withdrawal amount, as specified in the policy term and condition. When a partial withdrawal is made, the amount of partial withdrawal will be deducted from the Net Cash Surrender Value.

Partial withdrawals cannot be taken until any loan on the Policy has been fully settled.

**Policy Holder**

The person who owns a life insurance policy, this is usually the insured person, but it may also be a relative of the insured, a partnership or a corporation. In addition, if a policy holder is not the Main Insured Person then he/she needs to have been given permission by the Main Insured Person to take out a policy on the life of the Main Insured Person.

**Policy Schedule**

means the schedule issued by the Company outlining the main features of the Policy to which it is attached.

**Policy Year**

means a year commencing on the Commencement Date or an anniversary thereof.

**Premium/Basic Premium:**

The premium that is paid towards the Basic Policy.

**Riders:**

A contract attached to the Basic Policy and providing additional benefits in consideration for additional premium. Also known as a "Rider". Riders have their own terms and conditions which are attached to and form part of the Policy if contracted.

**Surrender/Full Surrender**

The Cash Value on the date of Surrender less a Surrender Charge as stated in the term & condition.

**Sum at Risk**

under this Policy is Sum Assured minus Basic Cash Value subject to the minimum value of zero. Sum at Risk for Supplementary Contract (s) would be dependent on nature of their benefits.

**Sum Assured**

as specified in the Policy Schedule is the amount which represents the Benefit Assured on the date the Policy is issued. The amount of Sum Assured for the first Policy Year is specified in the Policy Schedule. Subsequent Years' Sum Assured may increase due to Indexation