

Documentation

Type of policy to be selected as Partnership Insurance in the application form.

Partnership Firm:

- PAN Card of the firm
- PAN & AADHAAR of Authorised Signatory
- Address Proof
- Endorsement Letter on the letter head of the firm duly signed by all the partners on taking Partnership Insurance mentioning the names of partners to be insured and coverage applied for
- Partnership Insurance supplementary questionnaire
- Partnership Deed and Registration Certificate (if registered)
- Audited balance sheet of last three years
- Audited profit and loss statements for last three years
- Capital accounts record of last three years
- Copies of three year's IT assessment orders of the partnership firm
- Beneficial Owner Declaration on firm's letter head (ABSLI Format)
- AML/Fatca/CRS declaration (If not part of the application form) (ABSLI Format)
- Legal Person Declaration (ABSLI Format)
- CKYC form completely filled and signed by Authorised Signatory
- Buy-Sell agreement (if any)

Partner/s:

- PAN Card & AADHAAR Card of partner whose life is to be insured
- Address Proof
- Copy of last three years individual income tax return along with computation of income

Life Insurance

Aditya Birla Sun Life Insurance Company Limited



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Aditya Birla Sun Life Insurance Company Limited (Formerly Birla Sun Life Insurance Company Limited)

Registered Office: One Indiabulls Centre, Tower 1, 16th Floor, Jupiter Mill Compound, 841, Senapati Bapat Marg, Elphinstone Road, Mumbai - 400 013. IRDAI Reg No.109 CIN: U99999MH2000PLC128110 www.adityabirlasunlifeinsurance.com
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IRDAI is not involved in activities like selling insurance policies, announcing bonus or investment of premiums. Public receiving such phone calls are requested to lodge a police complaint.

For more details on risk factors, terms and condition please read the sales brochure carefully before concluding the sale.



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Vrushali & Ashutosh Vaidya / Entrepreneurs

PROTECTING the promise of a never-ending partnership

Aditya Birla Sun Life Insurance Partnership Insurance Scheme

- Ensures that working capital requirements are not compromised to buy out the share of the deceased partner
- Risk mitigation & business continuity

Life Insurance

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If any of the partners suffer from an unforeseen eventuality, it may have major repercussions on the future of your partnership firm. It may cause immediate financial hardship for the firm, possibly jeopardise the future of your business and may even have major financial implications for the surviving partners. Partnership Insurance ensures that the continuity of the business is maintained even in the eventuality of losing a partner. Partnership Insurance should be given to all the partners of the firm. The most important benefit offered by Partnership Insurance is that on the death of the insured partner, the firm will have liquidity available to purchase the deceased partner's share.

Benefits of Partnership Insurance

- Ensures that working capital requirements are not compromised to buy out the share of the deceased partner
- Risk mitigation & business continuity
- Reduces the risk of partners having to bring additional funds to purchase the share of the deceased partner
- Tax benefit are subject to changes in the tax law, please consult your tax advisor for more details

Eligibility

- All profit making partnership firms that are not corporate entities
- Partnership insurance cannot be given to a firm that has incurred losses in the preceding three years
- Partnership firm should apply insurance on life of all the partners simultaneously. However if any of the partners of the firm is uninsurable on medical grounds, product specification or already adequately insured, he may be excluded
- The amount of insurance cover in Partnership Insurance depends on the firms net worth. net worth is evaluated taking below points into consideration:
 - Share of capital of partner, and
 - Share of profit among the partners and
 - Partner's share in the goodwill of the firm, at the time of death
- Allowable Age, Sum Assured, Death Benefit, Policy Term, Pay Term and other product specific features depends on the product opted for under the scheme
- Maximum Sum Assured allowed depends on the financial & medical underwriting of the proposal

Taxation

- Premiums paid by the partnership firm under Partnership Insurance Policy can be claimed as deduction under section 37⁽¹⁾ of the Income Tax Act, 1961
- For all payouts under Partnership Insurance Policy, tax benefit under section 10(10D) shall not be available therefore ABSLI will deduct TDS as per prevailing rates u/s 194 D A (Currently 1%) provided the total payout to the payee is ₹1 lakh or above in a financial year

⁽¹⁾Tax benefits and rates are subject to changes in the tax laws

Clients are advised to consult their Tax Consultant on above tax positions.

Points to Remember

- Nominations are not allowed for policies under Partnership Insurance
- Absolute assignment is allowed in favour of the Life Insured only
- Post absolute assignment all the payouts will go to the nominee/s of the assignee

Product Offered

Only term plans can be offered under Partnership Insurance.