

**LIFE INSURANCE CORPORATION OF INDIA  
CENTRAL OFFICE**

Dept: Actuarial

“Yogakshema”  
Jeevan Bima Marg  
Mumbai – 400 021

Ref: CO/PD/211

24<sup>th</sup> November, 2023

To,  
All HODs of Central Office  
All Zonal Offices  
All Divisional Offices  
All P&GS Units  
All Branch Offices and Satellite Offices  
Audit & Inspection Depts, MDC, ZTCs, STCs

**Re: INTRODUCTION OF LIC’s JEEVAN UTSAV (Plan No. 871)**

**1. INTRODUCTION:**

It has been decided to introduce **LIC’s Jeevan Utsav** (Plan No. **871**) with effect from **29<sup>th</sup> November, 2023**.

The Unique Identification Number (UIN) for LIC’s Jeevan Utsav is **512N363V01**. This number has to be quoted in all relevant documents furnished to the Policyholders and other users (public, distribution channels etc).

LIC’s Jeevan Utsav is a Non-Linked, Non-Participating, Individual, Savings, Whole Life Insurance plan. It is a Limited Premium plan with Guaranteed Additions throughout Premium Paying Term.

The proposer shall have following two options to choose at inception which are detailed in Para 3(B). The benefits shall vary as per the option chosen.

- **Option I - Regular Income Benefit**
- **Option II – Flexi Income Benefit**

However, the policyholder can change the option exercised by him at the inception of the policy at any time up to six months before the beginning of the policy year in which the first Regular Income Benefit or Flexi Income Benefit becomes due.

This Plan can be purchased Offline through Licensed agents, Corporate agents, Brokers, Insurance Marketing Firms as well as Online directly through website [www.licindia.in](http://www.licindia.in). However, it is not available for sale through Point of Sales Persons-Life Insurance (POSP-LI) / Common Public Service Centers (CPSC-SPV).

The benefits and other details of the plan are given below:

## 2. ELIGIBILITY CONDITIONS AND RESTRICTIONS FOR BASE PLAN:

i.	Premium Paying Term	5 to 16 Years		
ii.	Minimum and Maximum Age at Entry	Premium Paying Term	Minimum Age at Entry (Completed)	Maximum Age at Entry (Nearer Birthday)
		5	8 years	65 years
		6	8 years	65 years
		7	8 years	65 years
		8	8 years	65 years
		9	7 years	65 years
		10	6 years	65 years
		11	5 years	64 years
		12	4 years	63 years
		13	3 years	62 years
		14	2 years	61 years
		15	1 years	60 years
		16	90 days	59 years
iii.	Maximum Premium ceasing age	75 Years (Nearer Birthday)		
iv.	Minimum Age at the beginning of Policy Year in which first Regular Income Benefit/ Flexi Income Benefit becomes due as per Option	18 Years (Completed)		
v.	Minimum Basic Sum Assured	Rs 5,00,000/-		
vi.	Maximum Basic Sum Assured	No Limit. However, the maximum Basic Sum Assured allowed to each individual will be subject to underwriting decision as per the Board Approved Underwriting Policy.		
vii.	Basic Sum Assured Multiples	The Basic Sum Assured shall be in multiples of amounts specified below:		
		Basic Sum Assured Range	Basic Sum Assured Multiples	
		Rs 5,00,000 to Rs 24,00,000	Rs 25,000	
		Above Rs 24,00,000	Rs 1,00,000	

### Note:

**Age at Entry** of Life assured is to be taken as Age Nearer Birthday (nbd) except for Minimum Age at Entry which shall be taken as shown under Para 2.ii above.

**Date of commencement of risk:** In case the age at entry of the Life Assured is less than 8 years, the risk under this plan will commence either 2 years from the date of commencement

of policy or from the policy anniversary coinciding with or immediately following the attainment of 8 years of age, whichever is earlier. For those aged 8 years or more, risk will commence immediately from the date of issuance of policy.

**Date of issuance of policy** is a date when a proposal after underwriting is accepted as a policy and the contract gets effected.

**Date of Vesting under the plan (Applicable only if the Life Assured is below 18 years on the date of commencement of policy)**: If the Life Assured is alive on the vesting date and if a request in writing for surrendering the policy has not been received by Corporation before such vesting date from the person entitled to the policy moneys, the policy shall automatically vest in the Life Assured on such vesting date i.e. on the policy anniversary coinciding with or immediately following the completion of 18 years of age and shall on such vesting be deemed to be a contract between the Corporation and Life Assured. The Life Assured shall become the absolute owner of the policy and proposer or his estate shall cease to have any right or interest therein.

### **3. BENEFITS UNDER THE BASE PLAN:**

The benefits payable under an in-force policy are as under:

#### **A. Death Benefit:**

On death of the Life Assured after the date of commencement of risk, Death Benefit equal to **“Sum Assured on Death”** along with accrued Guaranteed Additions shall be payable, provided the policy is in-force.

This Death Benefit shall not be less than 105% of total premiums paid up to the date of death.

**“Sum Assured on Death”** is defined as higher of ‘Basic Sum Assured’ or ‘7 times of Annualized Premium’.

Where,

- i. “Annualized Premium” shall be the premium amount payable in a year chosen by the policyholder, excluding the taxes, rider premiums, underwriting extra premiums, loadings for modal premiums, High Sum Assured Rebate and Rebate for CIS/ Online sale, if any.
- ii. “Total Premiums Paid” means total of all the premiums received, excluding any extra premium, any rider premium and taxes.

However, in case of minor Life Assured, whose age at entry is below 8 years on death before the commencement of Risk (as specified in Para 2 above) the death benefit shall be refund of premium(s) paid (excluding taxes, any extra premium, rider premium(s), if any), without interest.

#### **B. Survival Benefit:**

Survival Benefit in form of Regular Income Benefit or Flexi Income Benefit as per the option chosen shall be as under:

##### **Option I - Regular Income Benefit:**

On survival of Life Assured, Regular Income Benefit equal to 10% of Basic Sum Assured shall be payable at the end of each policy year starting from the year as specified in Table 1 below, provided all due premium have been paid.

**Option II - Flexi Income Benefit:**

On survival of Life Assured, the policyholder shall be eligible for Flexi Income Benefit equal to 10% of Basic Sum Assured at the end of each policy year starting from the year as specified in Table 1 below, provided all due premium have been paid.

Policyholder shall have the flexibility to defer and accumulate such Flexi Income Benefits.

The Corporation shall pay interest on the deferred and accumulated Flexi Income Benefits at the rate of 5.5% p.a. compounding yearly for completed months from its due date till the date of withdrawal or surrender or death, whichever is earlier. Fraction of months will be ignored for the purpose of calculation of interest.

Policyholder on written request can withdraw once in a policy year, a maximum of 75% of balance accumulated Flexi Income Benefit(s) including interest, if any, which has not already been withdrawn and the net amount after withdrawal will continue to accumulate as mentioned above.

The accumulated Flexi Income Benefit(s) due and not withdrawn along with interest (if any) shall be payable on death or surrender, whichever is earlier.

Table 1 placed below indicates the policy year at the end of which first Regular Income Benefit / Flexi Income Benefit becomes due on survival of Life Assured:

<b>Table 1</b>	
<b>Premium Paying Term</b>	<b>Regular Income Benefit / Flexi Income Benefit Start Year</b>
5 years	11 <sup>th</sup> policy year
6 years	11 <sup>th</sup> policy year
7 years	11 <sup>th</sup> policy year
8 years	11 <sup>th</sup> policy year
9 years	12 <sup>th</sup> policy year
10 years	13 <sup>th</sup> policy year
11 years	14 <sup>th</sup> policy year
12 years	15 <sup>th</sup> policy year
13 years	16 <sup>th</sup> policy year
14 years	17 <sup>th</sup> policy year
15 years	18 <sup>th</sup> policy year
16 years	19 <sup>th</sup> policy year

**C. Maturity Benefit:**

Maturity Benefit is not available under this plan.

**D. Guaranteed Additions:**

Under an inforce policy, the Guaranteed Additions shall accrue at the rate of Rs. 40 per thousand Basic Sum Assured at the end of each policy year during the Premium Paying Term. There shall be no further accrual of Guaranteed Additions after Premium Paying Term.

In case the premiums are not duly paid, the Guaranteed Additions shall cease to accrue under a policy.

Under an inforce policy on death of Life Assured during the Premium Paying Term, the Guaranteed Addition in the year of death shall be payable for full policy year.

In case of surrender of an inforce policy during the Premium Paying Term, the Guaranteed Additions for the policy year in which the policy is surrendered will be added on proportionate basis in proportion to the completed months for the Policy Year in which policy is surrendered.

#### 4. OPTIONAL RIDER BENEFIT:

The following five optional riders are available under this plan. However, the policyholder can opt for **either** LIC's Accidental Death and Disability Benefit Rider **or** LIC's Accident Benefit Rider and/or the remaining three riders subject to the eligibility as detailed below:

##### i. LIC's Accidental Death and Disability Benefit Rider (UIN: 512B209V02):

LIC's Accidental Death and Disability Benefit Rider is available as an optional rider by payment of additional premium. Under an inforce policy, this Rider can be opted for at any time within the Premium Payment Term of the Base Policy provided the outstanding Premium Payment Term of the Base Policy is atleast 5 years but before the policy anniversary on which the age nearer birthday of the life assured is 65 years. The benefit cover under this Rider shall be available (upto the policy anniversary on which the age nearer birthday of Life Assured is 70 years).

If this Rider is opted for, an amount equal to the Accident Benefit Sum Assured is payable on death due to accident (within 180 days from the date of accident), provided the Rider is inforce at the time of accident. In case of accidental permanent disability (within 180 days from the date of accident), an amount equal to the Accident Benefit Sum Assured will be paid in equal monthly instalments spread over 10 years and future premiums, if any, shall also be waived in respect of this Rider and the premium for Base Policy corresponding to Basic Sum Assured equal to Accident Benefit Sum Assured. The premiums for other Rider(s), if opted for and premium for Base Policy corresponding to the difference in the Basic Sum Assured and Accident Benefit Sum Assured (if Basic Sum Assured exceeds the Accident Benefit Sum Assured) shall continue to be paid. If the policy becomes a claim by way of death or maturity before the expiry of the said period of 10 years, the disability benefit instalments which have not fallen due will be paid along with the claim amount.

LIC's Accidental Death and Disability Benefit Rider shall not acquire any paid-up value and the Rider benefit will cease to apply, if policy is in lapsed condition.

Beyond the specific details as mentioned in this Circular in respect of this Rider, any additional details like refund to be made in respect of this rider on surrender of Base Policy, requirements of claim, definition of disability etc., may be referred from the Rider Circular Ref: CO/PD/44 dated 2<sup>nd</sup> January, 2014 and CO/PD/102 dated 16<sup>th</sup> December 2017.

##### Eligibility conditions and restrictions:

a) Minimum Entry Age	18 years (completed)
b) Maximum Entry Age	The cover can be opted for at inception or at any policy anniversary thereafter, provided the outstanding Premium Payment Term under the Base Policy is at least 5 years. However, in any case maximum age at entry shall not exceed 65 years (nearer birthday).

c) Rider Term	70 minus Age at entry
d) Premium Payment Term	Same as the outstanding Premium Paying Term under the Base Policy
e) Premium Payment Mode	Same as Base Policy
f) Maximum Cover ceasing Age	70 years (nearer birthday)
g) Minimum Accident Benefit Sum Assured	Rs. 10,000/-
h) Maximum Accident Benefit Sum Assured	An amount equal to the Sum Assured on Death under the Base Policy subject to the maximum of Rs.100 lakhs overall limit taking all existing policies (excluding additional limit of Rs.100 lakhs under policies taken under LIC's Jeevan Shiromani) of the Life Assured under individual as well as group policies including policies with inbuilt accident benefit taken with Life Insurance Corporation of India and the Accident Benefit Sum Assured under the new proposal into consideration.  Even considering the additional Accident Benefit Sum Assured limit of Rs. 100 lakhs above this, allowed under LIC's Jeevan Shiromani only, the maximum Accident Benefit cover offered to an individual in any case including the policies taken under LIC's Jeevan Shiromani will not exceed Rs. 200 lakh.

The Accident Benefit Sum Assured shall be in multiples of Rs. 5,000/- only.

ii. **LIC's Accident Benefit Rider (UIN: 512B203V03):**

LIC's Accident Benefit Rider is available as an optional rider by payment of additional premium.

Under an inforce policy, this rider can be opted for at any time within the Premium Paying Term of the Base Policy provided the outstanding Premium Paying Term of the Base Policy is at least 5 years but before the policy anniversary on which the age nearer birthday of the life assured is 65 years. The benefit cover under this rider shall be available only during the Premium Paying Term of the base plan. Thereafter the cover shall cease.

If this benefit is opted for and if the Life Assured is involved in an accident leading to death within 180 days from the date of accident then an amount equal to the Accident benefit Sum Assured is payable. However, the policy shall have to be in-force at the time of accident irrespective of whether or not it is in-force at the time of death.

LIC's Accident Benefit Rider shall not acquire any paid-up value and the rider benefit will cease to apply, if policy is in lapsed condition.

Beyond the specific details as mentioned in this Circular in respect of this Rider, any additional details like requirements of claim etc., may be referred from the Rider Circular Ref: CO/PD/36 dated 9<sup>th</sup> November, 2013 and CO/PD/102 dated 16<sup>th</sup> December 2017.

**Eligibility conditions and restrictions:**

a)	Minimum Entry Age	18 years (completed)
b)	Maximum Entry Age	The cover can be opted for at inception or at any policy anniversary thereafter, provided the outstanding Premium Paying Term under the Base Policy is at least 5 years. However, in any case maximum age at entry shall not exceed 65 years (nearer birthday).
c)	Rider Term	Outstanding Premium Payment Term of the Base Policy or (70 minus Age at entry), whichever is lower.
d)	Minimum Accident Benefit Sum Assured	Rs. 20,000/-
e)	Maximum Accident Benefit Sum Assured	An amount equal to the Sum Assured on Death under the Base Policy subject to the maximum of Rs.100 lakhs overall limit taking all existing policies (excluding additional limit of Rs 100 lakhs under policies taken under LIC's Jeevan Shiromani) of the Life Assured under individual as well as group policies including policies with inbuilt accident benefit taken with Life Insurance Corporation of India and the Accident Benefit Sum Assured under the new proposal into consideration.  Even considering the additional Accident Benefit Sum Assured limit of Rs. 100 lakhs above this, allowed under LIC's Jeevan Shiromani only, the maximum Accident Benefit cover offered to an individual in any case including the policies taken under LIC's Jeevan Shiromani will not exceed Rs. 200 lakh.

The Accident Benefit Sum Assured shall be in multiples of Rs. 5,000/-only.

**Note :The overall limit of Accident Benefit Sum Assured shall be inclusive of Sum Assured under all the Accident Benefit Riders i.e. the LIC's Accidental Death and Disability Benefit Rider, LIC's Accident Benefit Rider, LIC's Group Accident Benefit Rider and LIC's Linked Accidental Death Benefit Rider.**

**iii. LIC's New Term Assurance Rider (UIN: 512B210V01):**

LIC's New Term Assurance Rider is available as an optional rider at the inception of the policy by payment of additional premium. The premium for this rider will need to be paid along with the premium of the Base Plan and any other rider(s), if opted for, during the Premium Paying Term of the policy. The benefit cover under this rider shall be available for a term of 35 years or till the policy anniversary on which the age nearer birthday of the Life assured is 75 years, whichever is earlier. Thereafter the cover shall cease.

If this rider is opted for, an amount equal to Term Assurance Rider Sum Assured shall be payable on death of the life assured, provided the rider cover is in-force.

LIC's New Term Assurance Rider shall not acquire any paid-up value and the rider benefit will cease to apply, if policy is in lapsed condition.

Beyond the specific details as mentioned in this circular in respect of this rider, any additional details like refund to be made in respect of this rider on surrender of base plan etc., may be referred from the rider circular Ref: CO/PD/59 dated 3<sup>rd</sup> November, 2014.

**Eligibility conditions and restrictions:**

a)	Minimum Entry Age	18 years (completed)										
b)	Maximum Entry Age	Same as Base Plan or 60 years (nearer birthday), whichever is lower.										
c)	Premium paying term	Same as Base plan										
d)	Maximum Rider Term	35 years or (75 minus Age at entry), whichever is earlier.										
e)	Maximum cover ceasing Age	75 years (nbd)										
f)	Minimum Term Assurance Rider Sum Assured	1,00,000/-										
g)	Maximum Term Assurance Rider Sum Assured	An amount less than or equal to the Sum Assured on Death under the Base plan, but not exceeding the overall limit of Rs.25 lakhs taking all Term Assurance Rider Sum Assured under all existing policies of the Life Assured including the new proposal into consideration.										
h)	Mode Rebate	<table border="0"> <thead> <tr> <th><u>Mode</u></th> <th><u>Rebate</u></th> </tr> </thead> <tbody> <tr> <td>Yearly</td> <td>2% of tabular premium</td> </tr> <tr> <td>Half-Yearly</td> <td>1% of tabular premium</td> </tr> <tr> <td>Quarterly</td> <td>Nil</td> </tr> <tr> <td>Monthly(NACH)&amp; SSS</td> <td>Nil</td> </tr> </tbody> </table>	<u>Mode</u>	<u>Rebate</u>	Yearly	2% of tabular premium	Half-Yearly	1% of tabular premium	Quarterly	Nil	Monthly(NACH)& SSS	Nil
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Yearly	2% of tabular premium											
Half-Yearly	1% of tabular premium											
Quarterly	Nil											
Monthly(NACH)& SSS	Nil											

The Term Assurance Rider Sum Assured shall be in multiples of Rs. 5,000/- only.

**iv. LIC's New Critical Illness Benefit Rider (UIN: 512A212V01):**

LIC's New Critical Illness Rider is available as an optional rider at the inception of the policy by payment of additional premium. The additional premium for this rider will need to be paid along with the premium of the Base Plan and any other rider(s), if opted for, during the premium paying term of the policy. The cover under this rider shall be available for a term of 35 years or till the policy anniversary on which the age of the Life Assured is 75 years, whichever is earlier. Thereafter the cover shall cease.

If this rider is opted for, on first diagnosis of any one of the 15 critical Illness covered under this rider, the Critical Illness Sum Assured shall be payable subject to the conditions specified in the rider circular Ref: CO/PD/90 dated 19<sup>th</sup> December, 2016.

LIC's New Critical Illness Rider shall not acquire any paid-up value and the rider benefit will cease to apply, if policy is in lapsed condition.

Beyond the specific details as mentioned in this circular in respect of this rider, any



additional details like refund to be made in respect of this rider on surrender of base plan etc., may be referred from the rider circular Ref: CO/PD/90 dated 19<sup>th</sup> December, 2016.

**Eligibility conditions and restrictions:**

a)	Minimum Entry Age	18 years (completed)										
b)	Maximum Entry Age	Same as Base Plan or 65 years (last birthday), whichever is lower.										
c)	Maximum cover ceasing Age	75 years (last birthday)										
d)	Maximum Rider Term	35 years or (75 minus Age at entry), whichever is earlier.										
e)	Premium paying term	Same as Base plan										
f)	Minimum Critical Illness Sum Assured	Rs. 1,00,000/-										
g)	Maximum Critical Illness Sum Assured	An amount equal to the Sum Assured on Death under the Base plan but not exceeding an overall limit of Rs.25 lakh Critical Illness Sum Assured taking all existing policies of the Life Assured under this rider and the Critical Illness Sum Assured under the new proposal into consideration.										
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Yearly	2% of tabular premium											
Half-Yearly	1% of tabular premium											
Quarterly	Nil											
Monthly(NACH)& SSS	Nil											

Age at entry for the Policyholder is to be taken as age last birthday.

The Critical Illness Sum Assured shall be in multiples of Rs 25,000/- only.

v. **LIC's Premium Waiver Benefit Rider (UIN: 512B204V03):**

LIC's Premium Waiver Benefit Rider shall be allowed under a proposal / policy wherein the Life Assured is minor (i.e. up to age 17 years (nbd)) at the time of opting this Rider.

This Rider is allowed on the life of eligible Proposer on payment of an additional premium. This Rider can be opted for at any time during the Premium Payment Term of the Base policy (ie. on the Policy Anniversary coinciding with or the next Policy Anniversary following the date of acceptance of application) provided the outstanding Premium Payment Term of the Base policy and the Rider is at least 5 years. However, in any case the Rider Term shall be outstanding Premium Payment Term of Base Policy as on date of opting this Rider or (25 minus Age of the minor Life Assured at the time of the opting the Rider), whichever is lower.

**On death of Proposer of Base Policy:**

If this Rider is opted for, on death of Proposer of the Base Policy (on whose life this Rider has been opted for) during the Rider Term, premiums payable in respect of Base Policy, falling due on and after the date of death till the expiry of Rider Term, shall be waived.

If any other Rider(s) is(are) also attached with the Base Policy, the premiums in respect of such Rider(s) shall not be waived and hence shall continue to be paid as per respective Rider conditions.

Further, if Premium Paying Term of the Base Policy exceeds the Rider Term, all the premiums due under the Base Policy from the date of expiry of this Premium Waiver Benefit Rider shall be payable by the Life Assured as per the terms and conditions of the Base Policy. On non-payment of such premium, the policy would become paid-up.

The additional premium charged in respect of PWB Rider shall not be taken into account in arriving at the amount to be refunded in calculating the surrender value of the policy.

The medical report and special reports, if required, at proposal stage or on revival, shall be at the proposer's own expense from the Corporation's appointed Medical Examiner.

LIC's Premium Waiver Benefit Rider shall not acquire any paid-up value and the rider benefit will cease to apply, if policy is in lapsed condition.

Beyond the specific details as mentioned in this Circular in respect of this Rider, additional details like refund during free look period, policy stamping etc., may be referred from the Rider Circular Ref: CO/PD/127 dated 31<sup>st</sup> January, 2020.

**Eligibility conditions and restrictions:**

<b>a)</b>	Minimum Entry Age	18 years (completed)										
<b>b)</b>	Maximum Entry Age	55 years (Nearer Birthday)										
<b>c)</b>	Maximum cover ceasing Age	70 years (Nearer Birthday) (i.e. if the Rider Term plus Age of Proposer is more than 70 years Rider shall not be allowed)										
<b>d)</b>	Rider Term	Outstanding Premium Payment Term of the Base Policy as on the date of opting this Rider or (25 minus Age of minor as on the date of opting this Rider), whichever is lower, subject to the minimum outstanding Rider Term of 5 years. The date of opting i.e. Date of Commencement of this Rider shall be <ul style="list-style-type: none"> <li>– Date of Commencement of Base Policy, if Rider is opted for at inception; or</li> <li>– Policy anniversary coinciding with or next policy anniversary, following the date of acceptance of application, if Rider is opted for at the later stage as an alteration</li> </ul>										
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Yearly	2% of tabular premium											
Half-Yearly	1% of tabular premium											
Quarterly	Nil											
Monthly(NACH)& SSS	Nil											

Age at entry for the proposer is to be taken as age nearer birthday except for the minimum age at entry i.e. 18 years.

**Note:**

- **The premium under LIC's Accident Benefit Rider or LIC's Accidental Death and Disability Benefit Rider and LIC's New Critical Illness Benefit Rider shall not exceed 100% of premium under the base product, the premiums under all other life insurance riders put together shall not exceed 30% of premiums under the base product.**
- **Any benefit arising under each of the riders shall not exceed the Sum Assured on Death under Base policy.**

**5. OPTION TO TAKE DEATH BENEFIT IN INSTALMENTS:**

This is an option to receive Death Benefit in instalments over the chosen period of 5 or 10 or 15 years instead of lump sum amount under an in-force as well as paid-up policy. This option can be exercised by the Policyholder during minority of the Life Assured or by Life Assured aged 18 years and above during his/her lifetime; for full or part of Death benefits payable under the policy. The amount opted by the Life Assured (i.e. Net Claim Amount) can be either in absolute value or as a percentage of the total claim proceeds payable.

The instalments shall be paid in advance at yearly or half-yearly or quarterly or monthly intervals, as opted for, subject to minimum instalment amount for different modes of payments being as under:

<b>Mode of Instalment payment</b>	<b>Minimum instalment amount</b>
Monthly	Rs. 5,000/-
Quarterly	Rs. 15,000/-
Half-Yearly	Rs. 25,000/-
Yearly	Rs. 50,000/-

If the Net Claim Amount is less than the required amount to provide the minimum instalment amount as per the option exercised by the Policyholder/Life assured, the claim proceeds shall be paid in lumpsum only.

The interest rates applicable for arriving at the instalment payments under this option shall be as fixed by the Corporation from time to time.

For exercising option to take Death Benefit in instalments, the Policyholder during minority of the Life Assured or the Life Assured, if major, can exercise this option during his/her lifetime while in currency of the policy, specifying the period of Instalment payment and net claim amount for which the option is to be exercised. The death claim amount shall then be paid to the nominee as per the option exercised by the Policyholder/Life Assured and no alteration whatsoever shall be allowed to be made by the nominee.

Any further instructions including applicable interest rates shall be issued by Actuarial Department, Central Office.

**6. MODE OF PREMIUM PAYMENT:**

The modes of premium payment allowable are Yearly, Half Yearly, Quarterly, and Monthly (through NACH only) or through salary deductions (SSS).

## 7. PREMIUM RATES:

Premium amount for this plan can be calculated through the calculator given in LIC's website, NB Module as well as through various LIC Apps.

Class-I extra premium rates in respect of Base Plan and tabular premium rates as well as Class-I extra premium rates in respect of available Riders are enclosed as tabulated below:

<b>Annexure</b>	<b>Particulars</b>
<b>Annexure 1</b>	Class- I Extra premium rates per Rs. 1000/- Basic Sum Assured for Base Plan
<b>Annexure 2</b>	Tabular Premium rates per Rs. 1000/- Rider Sum Assured for <b>LIC's Accidental Death and Disability Benefit Rider</b> . There are two categories for Accident benefit premium rates. Category-I rates are applicable to all the life assured except those falling under Category –II. Category-II rates are applicable to Life Assureds engaged in police duty in any police organisation other than paramilitary forces and opt for this cover while engaged in police duty.
<b>Annexure 3</b>	Tabular Premium rates per Rs. 1000/- Term Assurance Rider Sum Assured for <b>LIC's New Term Assurance Rider</b>
<b>Annexure 4</b>	Class- I Extra premium rates per Rs. 1000/- Term Assurance Rider Sum Assured for <b>LIC's New Term Assurance Rider</b>
<b>Annexure 5</b>	Tabular Premium rates per Rs. 1000/- Critical Illness Sum Assured for <b>LIC's New Critical Illness Benefit Rider</b>
<b>Annexure 6</b>	Class- I Extra premium rates per Rs. 1000/- Critical Illness Sum Assured for <b>LIC's New Critical Illness Benefit Rider</b>
<b>Annexure 7</b>	Tabular Premium rates per Rs. 100/- Base Plan Premium for <b>LIC's Premium Waiver Benefit Rider</b>
<b>Annexure 8</b>	Class- I Extra premium rates per Rs. 100/- Base Plan Premium for <b>LIC's Premium Waiver Benefit Rider</b>

The premium rate for **LIC's Accident Benefit Rider** is as under;

- i. Rs. 0.50 per thousand Accident Benefit Sum Assured irrespective of age.
- ii. Rs. 1.00 per thousand Accident Benefit Sum Assured, if the Life Assured is engaged in police duty in any police organization other than paramilitary forces and opt for this cover while engaged in police duty.

The above premium rates are exclusive of taxes.

## 8. GRACE PERIOD FOR PAYMENT OF PREMIUM:

A grace period of 30 days will be allowed for payment of yearly or half-yearly or quarterly premiums and 15 days for monthly mode of premium payment. If premium is not paid before the expiry of the days of grace, the Policy lapses.

The above grace period will also apply to Rider premiums, if opted, as the Rider premiums are to be paid along with premium for Base Plan.

If the death of the Life Assured occurs within the grace period but before the payment of premium then due, the policy will be treated as in-force and the benefits will be paid after deduction of the said unpaid premium and also the balance premium(s) falling due before the next policy anniversary.

In case of death of Life Assured under an in-force policy wherein all the premiums due till the date of death have been paid and where the mode of payment of premium is other than yearly, balance premium(s), if any, falling due from date of death and before the next policy anniversary shall be deducted from the claim amount.

## 9. REBATES/ LOADINGS:

The following rebates/Loadings for Base plan shall be applicable:

### i. High Basic Sum Assured Rebate:

Rebate on tabular premium per Rs 1000 Basic Sum Assured				
Premium Paying (PPT)	Term	Basic Sum Assured (in Rs)		
		10,00,000 to 24,00,000	25,00,000 to 49,00,000	50,00,000 and above
5		2.50	4.50	5.75
6		2.30	4.25	5.50
7		2.20	4.00	5.25
8		2.10	3.75	5.00
9		2.00	3.60	4.75
10		1.90	3.50	4.50
11		1.80	3.40	4.25
12		1.70	3.30	4.00
13		1.60	3.20	3.75
14		1.50	3.10	3.50
15		1.40	3.00	3.25
16		1.30	2.90	3.00

### ii. Rebate under Corporation's Insurance Scheme (CIS):

Proposals completed under Corporation's Insurance Scheme (CIS) with regard to employees of the Corporation and its Subsidiaries/Step Down Subsidiaries/Associates Companies, as per the prevailing policy of the Corporation in this regard, shall be eligible for CIS rebate of 10% on the tabular premium for Base Plan as well as Rider(s) premium, if opted for, provided policy is not taken through any Agents, Corporate Agents, Brokers, Insurance Marketing Firms (IMF) and online Sale.

Instructions in this regard, as applicable from time to time, shall be issued by Actuarial Department, Central Office.

### iii. Rebate under Online Sale:

For proposal to be completed under online sale without any assistance of Agent / intermediary shall be eligible for a rebate of 10% on tabular premium for Base Plan as well as Rider(s) premium, if opted for.

### iv. Modal Loading for premium payment:

Mode	Loading as a % of Tabular annual premium
Yearly	Nil
Half-Yearly	1.75%
Quarterly	2.50%
Monthly	3.25%

## 10. COMMISSION / REMUNERATION PAYABLE TO THE AGENTS AND OTHER INSURANCE INTERMEDIARIES & CREDIT TO DEVELOPMENT OFFICERS:

### a) For Offline sale:

Commission payable to licensed Agent, Corporate agents, Brokers and Insurance Marketing Firms (IMFs) during the Premium Paying Term shall be as under:

Premium Payment Term	1 <sup>st</sup> year	2 <sup>nd</sup> year & 3 <sup>rd</sup> year	Subsequent years
5 to 9	10%	5%	5%
10 to 14	20%	7.50%	5%
15 years & above	25%	7.50%	5%

**Bonus Commission:** 40% on 1<sup>st</sup> year Commission.

### b) For Online sale:

Agents / Insurance Intermediary shall not be involved and hence commission payment is not applicable. In case of Online sale, the product shall be sold through Insurer's Website only.

### c) Development Officer's Credit (D.O. Credit):

Credit to Development Officers shall be 100% of the First Year Premium paid (net of any applicable taxes).

## 11. PAID-UP VALUE:

If less than two full years' premiums have been paid in respect of this policy and any subsequent premium be not duly paid, all the benefits under this policy shall cease after the expiry of grace period from the date of First Unpaid Premium and nothing shall be payable and the Premiums paid thitherto are also not refundable.

If, after at least two full years' premiums have been paid and any subsequent premiums be not duly paid, this policy shall not be wholly void, but shall subsist as a paid-up policy till the life assured survives or policy terminates, whichever is earlier.

The "**Sum Assured on Death**" under a paid-up policy shall be reduced to a sum called **Death Paid-up Sum Assured** and shall be equal to **Sum Assured on Death** multiplied by the ratio of the total period for which premiums have already been paid bears to the maximum period for which premiums were originally payable.

The Basic Sum Assured under a paid-up policy shall be reduced to such a sum, called '**Paid-up Sum Assured**' and shall be equal to 'Basic Sum Assured' multiplied by the ratio of the total period for which premiums have already been paid bears to the maximum period for which premiums were originally payable.

The Guaranteed Addition accrued under the policy for the period for which premiums have been paid will remain attached where the policy becomes paid-up by non payment of premium. No Guaranteed Addition shall accrue once the policy becomes paid-up.

The Guaranteed Additions for the policy year in which less than full year premium have been paid before the policy becomes paidup shall accrue on proportionate basis in proportion to the premium(s) paid for that policy year. Hence, under a paid-up policy, the Guaranteed Addition for the policy year in which the last premium is received will be added on proportionate basis

in proportion to the premium received for that year. For example, if two months' premiums have been received for that policy year, then 1/6th of Guaranteed Addition for that policy year shall be added.

The benefits payable under a Paid-up policy shall be as under:

(a) Under a Paid-up Policy where 'Paid-up Sum Assured' is less than Rs 2,00,000:

On death of the Life Assured, Death Benefit equal to 'Death Paid-up Sum Assured' along with accrued Guaranteed Additions shall be payable to the Nominee/Beneficiary.

On survival of Life Assured, Regular Income Benefits or Flexi Income Benefits shall not be payable under a Paid-up Policy where Paid-up Sum Assured is less than Rs 2,00,000.

(b) Under a Paid-up Policy where 'Paid-up Sum Assured' is equal to or greater than Rs 2,00,000:

i. Under Option I- Regular Income Benefit:

On death of the Life Assured, Death Benefit equal to 'Death Paid-up Sum Assured' along with accrued Guaranteed Additions shall be payable to the Nominee/Beneficiary.

On survival of Life Assured, Regular Income Benefit as specified below shall be payable at the end of each policy year starting from the year as mentioned in Table 1 of Para 3.B:

<b>Paid-up Sum Assured</b>	<b>Regular Income Benefit</b>
Rs 2,00,000 and above but less than Rs 3,00,000	5% of Paid-up Sum Assured
Rs 3,00,000 and above but less than Rs 4,00,000	6% of Paid-up Sum Assured
Rs 4,00,000 and above but less than Rs 5,00,000	7% of Paid-up Sum Assured
Rs 5,00,000 and above	10% of Paid-up Sum Assured

ii. Under Option II –Flexi Income Benefit:

On death of the life assured, Death Benefit equal to 'Death Paid-up Sum Assured' along with accrued Guaranteed Additions shall be payable to the Nominee/ Beneficiary.

On survival of Life Assured, the policyholder shall be eligible for Flexi Income Benefit as specified below at the end of each policy year starting from the year as mentioned in Table 1 of Para 3.B :

<b>Paid-up Sum Assured</b>	<b>Flexi Income Benefit</b>
Rs 2,00,000 and above but less than Rs 3,00,000	5% of Paid-up Sum Assured
Rs 3,00,000 and above but less than Rs 4,00,000	6% of Paid-up Sum Assured
Rs 4,00,000 and above but less than Rs 5,00,000	7% of Paid-up Sum Assured
Rs 5,00,000 and above	10% of Paid-up Sum Assured

All terms and conditions regarding interest on and withdrawal of above Flexi Income Benefit(s) (due and not withdrawn) shall be as applicable to in-force policies.

The accumulated Flexi Income Benefit(s) due and not withdrawn along with interest (if any), shall be payable on death or surrender, whichever is earlier.

Notwithstanding what is stated above, if at least 3 full years' premiums have been paid in respect of this policy, and any subsequent premium be not duly paid, in the event of the death of the Life Assured within six months from the due date of first unpaid premium, "Sum Assured on Death" along with Guaranteed Additions, if any, will be paid after deduction of (a) the unpaid premium(s) for the base policy with interest thereon up to the date of death on the same terms as for revival of the Policy during such period, and (b) the balance premium(s) for the base policy falling due from the date of death and before the next Policy anniversary. This provision shall not apply in case of death due to suicide.

Notwithstanding what is stated above, if at least 5 full years' premiums have been paid in respect of this policy, and any subsequent premium be not duly paid, in the event of death of the Life Assured within 12 months from the first unpaid premium, "Sum Assured on Death" along with accrued Guaranteed Additions, if any, will be paid after deduction of (a) the unpaid premium(s) for the base policy with interest thereon up to the date of death on the same terms as for revival of the Policy during such period, and (b) the balance premium(s) for the base policy falling due from the date of death and before the next Policy anniversary. This provision shall not apply in case of death due to suicide.

All of the above mentioned Paid-up Value provisions do not apply to riders as the riders do not acquire any paid up value. The rider benefits cease to apply, if policy is in lapsed condition.

## **12. SURRENDER VALUE:**

The policy can be surrendered by the policyholder at any time provided two full years' premiums have been paid. On surrender of the policy, higher of Guaranteed Surrender Value (GSV) or Special Surrender Value (SSV) shall be payable.

### **Guaranteed Surrender Value:**

The Guaranteed Surrender Value (GSV) shall be as under:

#### **• Option I - Regular Income Benefit**

The Guaranteed Surrender Value shall be the sum of [total premiums paid *multiplied* by the GSV factor applicable to total premiums] and [Accrued Guaranteed Additions *multiplied* by GSV factor applicable to accrued Guaranteed Additions] reduced by Regular Income Benefits due and paid till date of surrender, if any.

#### **• Option II – Flexi Income Benefit**

The Guaranteed Surrender Value shall be the sum of [total premiums paid *multiplied* by the GSV factor applicable to total premiums] and [Accrued Guaranteed Additions *multiplied* by GSV factor applicable to accrued Guaranteed Additions] reduced by Flexi Income Benefits due till date of surrender, if any.

In addition, any accumulated Flexi Income Benefit(s) due and not withdrawn along with interest (if any) till the date of surrender shall also be payable.

Premiums referred above shall not include any taxes, extra amount chargeable under the policy due to underwriting decision and rider premium(s), if any.

The **Guaranteed Surrender Value (GSV) Factors applicable to total premiums paid** are expressed as percentages and depend on the policy year in which the policy is surrendered and are enclosed as **Annexure 9**.



The **Guaranteed Surrender Value (GSV) Factors applicable to Guaranteed Additions** are expressed as percentages and depend on the policy year in which the policy is surrendered and are enclosed as **Annexure 10**.

**Special Surrender Value:**

The Special Surrender Value under the plan shall be as under:

**a. SSV payable in respect of policies which are fully paid-up i.e. for policies where all the premiums payable for the entire premium paying term have been paid:**

The Special Surrender Value shall be equal to (sum of Sum Assured on Death and Accrued Guaranteed Additions) *multiplied* by the applicable SSV Factor.

**b. SSV payable for policies which are not fully paid-up i.e. for policies where all the premiums payable for the entire premium paying term have not been paid:**

The Special Surrender Value shall be equal to (sum of Death Paid-up Sum Assured and Accrued Guaranteed Additions) *multiplied* by applicable SSV Factor.

In case of Option II- Flexi Income Benefit, any accumulated Flexi Income Benefit(s) due not withdrawn along with interest (if any) till the date of surrender shall also be payable.

SSV Factors shall depend on the premium payment term and the duration elapsed as on date of surrender since commencement of the policy. The Special Surrender Value factors are enclosed as **Annexure 11**. However, if policy is surrendered on or after completion of 100 years of age the applicable SSV Factor shall be equal to 1.

Upon payment of Surrender value, the Policy terminates and no further benefits shall be payable.

LIC's Accidental Death and Disability Benefit Rider, LIC's New Term Assurance Rider and LIC's New Critical Illness Benefit Rider will not acquire any surrender value. However, refund of additional rider premiums charged in respect of cover after premium paying term shall be refunded in respect of these riders and shall be as prescribed in their respective introductory circulars.

**13. REVIVALS:**

If the premium is not paid within the days of grace, the policy lapses. The lapsed policy may be revived during the lifetime of the Life Assured, but within a period of 5 consecutive years from the date of first unpaid premium. The revival shall be effected on payment of all the arrears of premium(s) together with interest (compounding half yearly) at such rate as may be fixed by the Corporation from time to time and on satisfaction of Continued Insurability of the Life Assured and/or Proposer (if LIC's Premium Waiver Benefit Rider is opted for) on the basis of information, documents and reports that are already available and any additional information in this regard if and as may be required in accordance with the Underwriting Policy of the Corporation at the time of revival, being furnished by the Policyholder/Life Assured/Proposer.

The Corporation, however, reserves the right to accept at original terms, accept at modified terms or decline the revival of a discontinued policy. The revival of discontinued policy shall take effect only after the same is approved, accepted and revival receipt is issued by the Corporation.

If the paid-up policy is revived after the due date(s) of Regular Income Benefit / Flexi Income Benefit, then:-

**Under Option I- Regular Income Benefit**

- i. In case of paid-up policy wherein the Paid-up Sum Assured is less than Rs 2 lakhs, on revival, Regular Income Benefit already fallen due, if any, shall become payable.
- ii. In case of paid-up policy wherein the Paid-up Sum Assured is equal to or greater than Rs 2 lakhs, on revival, the difference between Regular Income Benefit on full Basic Sum Assured and Regular Income Benefit on Paid-up Sum Assured already paid, shall become payable.

**Under Option II- Flexi Income Benefit**

- i. In case of paid-up policy wherein the Paid-up Sum Assured is less than Rs 2 lakhs, on revival, Flexi Income Benefit upto the date of revival shall become due and the interest shall accrue at the rate of 5.5% p.a. compounding yearly as mentioned in Para 3.B from the date of revival.
- ii. In case of paid-up policy wherein the Paid-up Sum Assured is equal to or greater than Rs 2 lakhs, on revival, the difference between Flexi Income Benefit on full Basic Sum Assured and Flexi Income Benefit on Paid-up Sum Assured (either deferred and accumulated or withdrawn till date of revival) shall also become due and the interest on such difference shall accrue at the rate of 5.5% p.a. compounding yearly as mentioned in Para 3.B from the date of revival. Further, balance of accumulated Flexi Income Benefit with interest, if any, fallen due before revival shall continue to accrue interest at the rate of 5.5% p.a. compounding yearly as mentioned in Para 3.B.

Revival of Rider(s), if opted for, will be considered only along with revival of the Base Policy, and not in isolation.

Instructions regarding the applicable interest rate shall be issued by Actuarial Department, Central Office.

**14. ALTERATIONS:**

The following alterations shall be allowed:

- a) Any change not involving change in Base premium rates and corresponding benefit structure.
- b) Inclusion of LIC's Accidental Death and Disability Benefit Rider, LIC's Accident Benefit Rider and LIC's Premium Waiver Benefit Rider.
- c) Option originally chosen can be changed at any time upto 6 months before the beginning of the policy year in which the first Regular Income Benefit or Flexi Income Benefit becomes due.

Conditions regarding alterations shall be as per the instructions issued by CRM department, Central Office, from time to time.

**15. LOAN:**

Loan facility shall be available under this plan after at least 2 full years' premiums have been paid.

1. The maximum permissible amount of loan shall be as under:

- (i) If loan is availed before beginning of the policy year in which the first Regular Income Benefits / Flexi Income Benefit becomes due:

The maximum loan permissible as a percentage of surrender value under both options shall be as under:

- For in-force policies- upto 75%
- For paid-up policies- upto 50%

- (ii) If loan is availed from the beginning of the policy year in which the first Regular Income Benefits / Flexi Income Benefit becomes due:

Option I

The maximum permissible amount of loan (where no previous loan is outstanding) for policies which are entitled for Regular Income Benefits shall be arrived at in such a way that the effective annual interest amount payable on loan does not exceed 50% of the annual Regular Income Benefit payable under the policy subject to maximum of 75% of Surrender value in case of inforce policies and 50% of Surrender value in case of paidup policies.

Option II

The maximum permissible amount of loan (where no previous loan is outstanding) for policies which are entitled for Flexi Income Benefits shall be arrived at in such a way that the effective annual interest amount payable on loan does not exceed 50 % of the annual Flexi Income Benefit eligible under the policy subject to maximum of 75% of Surrender value in case of inforce policies and 50% of Surrender value in case of paidup policies. In addition, loan upto 50% of Flexi Income Benefits due and not withdrawn is also permissible.

2. Interest on Loan shall be paid on compounding half-yearly basis to the Corporation at the rate to be specified by the Corporation at the time of taking loan under this policy.
3. Under Option I, outstanding loan interest, if any, shall be recovered from the annual Regular Income Benefit and the balance amount shall be payable.

Under Option II, outstanding loan interest, if any, shall be recovered from annual Flexi Income Benefit on its due date and the balance amount shall accumulate at the rate of 5.5% p.a. compounding yearly as mentioned in Para 3.B.

4. The loan during the minority of Life Assured can be availed by the proposer provided the loan is raised for the benefit of the minor Life Assured.
5. Under Option I :

In the event of failure of payment of interest on the due dates and when the outstanding loan amount along with the interest is to exceed the Surrender Value, then the policy shall be forfeited to the Corporation. The difference of Surrender Value and the loan outstanding amount along with interest, if any, shall be payable to the Policyholder and the policy shall be terminated.

Under Option II:

In the event of failure of payment of interest on the due dates and when the outstanding loan amount along with the interest is to exceed the sum of Surrender Value and any accumulated Flexi Income Benefits with interest, then the policy shall be forfeited to the

Corporation. Any excess after adjustment shall be payable to the Policyholder and the policy shall be terminated.

6. Any outstanding loan and loan interest shall be recovered from claim proceeds at the time of exit.

Instructions regarding the applicable interest rate shall be issued by Actuarial Department, Central Office.

**16. TERMINATION OF POLICY:**

The policy shall immediately and automatically terminate on the earliest occurrence of any of the following events:

- a) The date on which lumpsum death benefit/final instalment of death benefit is paid; or
- b) The date on which surrender benefits are settled under the policy; or
- c) In the event of default in payment of loan interest as specified in Para 15; or
- d) On expiry of Revival Period if the policy, which has not acquired paid up status, has not been revived within the revival period; or
- e) On payment of free look cancellation amount; or
- f) In the event of forfeiture as specified in Para 20 below.

**17. ONLINE SALE OF POLICIES:**

Instructions relating to online sale of policies, if any, will be issued by Digital Marketing Department, Central Office.

**18. UNDERWRITING, AGE PROOF AND MEDICAL REQUIREMENTS :**

NB & R department will issue instructions in this regard.

**19. SUICIDE CLAUSE:**

Notwithstanding the provision of benefits payable on death mentioned anywhere in this Circular, the provisions related to claim payment in case of death due to Suicide shall be subject to the conditions as specified herein under:

- a) If the Life Assured (whether sane or insane) commits suicide at any time within 12 months from the date of commencement of risk, the nominee or beneficiary of the Life Assured shall be entitled to 80% of the total premiums paid excluding any taxes, extra premium and rider premiums, if any, provided the policy is in-force. This clause shall not be applicable in case age at entry of the Life Assured is below 8 years.
- b) If the Life Assured (whether sane or insane) commits suicide within 12 months from date of revival, an amount which is higher of 80% of the total premiums paid till the date of death (excluding any taxes, extra premium and rider premiums , if any), or the surrender value available as on the date of death, shall be payable. The nominee or beneficiary of the Life Assured shall not be entitled to any other claim under the policy.

This clause shall not be applicable:

- i. In case the age of the life assured is below 8 years at the time of revival; or
- ii. For a policy lapsed without acquiring paid-up value and nothing shall be payable under such policies.

The relaxation (claim concession) mentioned above under Paid-up Value provisions (Para.11) shall not be applicable in case of death due to suicide.

The total premiums paid mentioned above shall exclude any taxes, extra premium and Rider premiums other than Term Assurance Rider premium, if any.

Premium Waiver Benefit Rider is applicable on the life of the proposer and hence the applicable proportion of the PWB rider premium shall be paid back on suicide by the Proposer.

## **20. FORFEITURE IN CERTAIN EVENTS:**

In case it is found that any untrue or incorrect statement is contained in the proposal (including proposal for Premium Waiver Benefit Rider, if opted for), personal statement, declaration and connected documents or any material information is withheld, then and in every such case the policy shall be void and all claims to any benefit by virtue thereof shall be subject to the provisions of Section 45 of the Insurance Act, 1938 as amended from time to time.

## **21. TAXES:**

Statutory Taxes, if any, imposed on such insurance plans by the Government of India or any other constitutional tax Authority of India shall be as per the Tax laws and the rate of tax as applicable from time to time.

The amount of applicable taxes as per the prevailing rates, shall be payable by the policyholder on premiums (for base policy and Rider(s), if any) including extra premiums, which shall be collected separately over and above in addition to the premiums payable by the policyholder. The amount of tax paid shall not be considered for the calculation of benefits payable under the plan.

The instructions regarding issues related to taxes will be issued by Taxation Department, Central office, separately, as applicable from time to time.

## **22. FREE LOOK PERIOD:**

If a Policyholder is not satisfied with the "Terms and Conditions" of the policy, he/she may return the policy to the Corporation stating the reasons of objections, within 30 days from the date of receipt of Policy Document (from receipt of first of the electronic/physical mode).

The refund of premium to the Policyholder shall be subject to following deductions:

1. Stamp duty on policy;
2. Actual cost of medical examination (including special reports, if any);
3. Proportionate risk premium (in respect of Base policy and Rider, if opted for) for the period of cover as per C.O. Circular Ref: CO/ PD/ 39 dated 31<sup>st</sup> December, 2013 and Circular Ref: CO/ PD/ 90 dated 19<sup>th</sup> December, 2016.

## **23. BACK-DATING INTEREST:**

The policies can be dated back within the same financial year but not before the Date of Introduction of this Plan. Back-dating interest as applicable at the time of completion of the policy (at the rate as fixed by the Corporation from time to time) will be charged for the period in excess of one month. However, if the policy is back dated to lean months, viz. April, May, July & August, interest is to be charged for period in excess of three months. The period up to 14 days is to be ignored and 15 days or more is to be rounded to a month for this calculation.

Any further instructions shall be issued by Actuarial Department, Central Office, as applicable from time to time.

## **24. POLICY STAMPING:**

For Base Plan, policy stamping charges will be at the rate of 20 paise per thousand of "**Sum Assured on Death**".

For Rider, policy stamping charges will be at the rate of 20 paise per thousand Rider Sum Assured, if opted for.

Any updates in this regard shall be issued by Legal Department, Central Office.

## **25. REINSURANCE:**

Normal procedure for Reinsurance shall apply as per applicable Reinsurance Treaty.

## **26. ASSIGNMENTS/NOMINATIONS:**

- a) Assignments:** Assignment is allowed under this plan as per Section 38 of Insurance Act, 1938, as amended from time to time.

The notice of assignment should be submitted for registration to the office of the Corporation, where the policy is serviced.

- b) Nominations:** Nomination by the holder of a policy of life assurance on his/her own life is required as per Section 39 of the Insurance Act, 1938, as amended from time to time.

The notice of nomination or change of nomination should be submitted for registration to any Branch/Satellite office of the Corporation. In registering nomination the Corporation does not accept any responsibility or express any opinion as to its validity or legal effect.

## **27. NORMAL REQUIREMENTS FOR CLAIM:**

- a) Death Claim:** The normal documents which the claimant shall submit while lodging the claim in case of death of the Life Assured shall be claim forms, as prescribed by the Corporation, accompanied with original policy document, NEFT mandate from the claimant for direct credit of the claim amount to the bank account, proof of title, proof of death, medical treatment prior to the death (if any), school/college/employer's certificate, whichever is applicable, to the satisfaction of the Corporation. If the age is not admitted under the policy, the proof of age of the Life assured shall also be submitted.

In case of unnatural death or death on account of or arising from an accident, the Corporation may call for the copies of First Information Report (FIR), Panchnama and Post Mortem report. The Corporation may also call for additional documents as may be required by them.

Within 90 days from the date of death, intimation of death along with death certificate must be notified in writing to the office of the Corporation where the policy is serviced for any claim to be admissible. However delay in intimation of the genuine claim by the claimant, if any, may be condoned by the Corporation on merit and where delay is proved to be for reasons beyond his/her control.

- b) Survival Benefit / Surrender Claim:** In case of survival benefit (in form of Regular Income Benefit or Flexi Income Benefit) / surrender of the policy, the Life Assured / Proposer shall submit the discharge form along with the original policy document, NEFT mandate from the claimant for direct credit of the claim amount to the bank account besides proof of age, if the age is not admitted earlier.
- c) Claim under Rider(s):** In case of claim under Rider(s), the respective rider's circular may be referred to.

In addition to above, any requirement mandated under any statutory provision or as may be required as per law or any instructions issued by CRM department in this regard shall also be required to be submitted.

## **28. ACCOUNTING OF INCOME AND OUTGO:**

Instructions regarding the accounting procedure to be followed under the plan shall be issued separately by Finance & Accounts Department, Central office.

## **29. PROPOSAL FORM :**

Revised Proposal Form No. 300, 340 and 360 to be used under this plan are attached as **Annexures- 12(a), 12(b) and 12(c)** respectively. In addition to the proposal form, addendum to proposal form shall also be used and is enclosed as **Annexure-12 (d)**.

## **30. POLICY DOCUMENT AND SALES BROCHURE:**

The specimen Policy Document and Sales Brochure will be sent by the Corporate Communications Department, Central Office.

This Circular has to be read in conjunction with the Policy Document and Sales Brochure.

## **31. DISCLOSURES:**

At the time of sale, a customized Benefit Illustration shall be provided to the prospective Policyholder. Such Benefit Illustration shall be signed by both the prospective policyholder and intermediary and shall form part of the Policy Document.

Suitability information to be collected, including recommendations to be made, shall be a part of the policy records.

Separate instructions on the above shall be issued by Marketing Department, Central Office.

## **32. ADDRESS OF OMBUDSMAN:**

At the stage of issuance of policy the address and contact details of the nearest Insurance Ombudsman is to be mentioned in the Policy Document. In case of any change in address by policyholder, the address and contact details of the nearest Insurance Ombudsman from the transferring in branch has to be informed to the policyholder along with confirmation of change in address.

Further instructions in this regard to be issued by CRM Department, Central office.



**Product Actuary**

Encl – Annexure 1 to 12

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