

INFORMATION TO BE PROVIDED IN SALES BROCHURE

LIC's Bima Shree (UIN: 512N316V01)

(A non-linked, with-profit, limited premium payment money back life insurance plan)

LIC's Bima Shree plan offers a combination of protection and savings. This plan is specially designed for High Net-worth Individuals. This plan provides financial support for the family in case of unfortunate death of the policyholders during the policy term. Periodic payments shall also be made on survival of the policyholder at specified durations during the policy term and a lump sum payment to the surviving policyholder at the time of maturity.

This plan also takes care of liquidity needs through loan facility.

1. Benefits payable under an inforce policy (where all due premiums have been paid):

a) Death Benefit:

On death during first five years: Death Benefit defined as sum of "**Sum Assured on Death**" and accrued Guaranteed Addition shall be payable.

On death after completion of five policy years but before the date of maturity: Death Benefit defined as sum of "**Sum Assured on Death**" and accrued Guaranteed Addition and Loyalty Addition, if any, shall be payable.

Where "**Sum Assured on Death**" is defined as the highest of

- 10 times of annualised premium; or
- Sum Assured on Maturity as defined in 1. c) below; or
- Absolute amount assured to be paid on death, i.e. 125% of Basic Sum Assured.

This death benefit shall not be less than 105% of all the premiums paid as on date of death.

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

b) Survival Benefit:

On the life assured surviving to each of the specified durations during the policy term, provided all due premiums have been paid, a fixed percentage of Basic Sum Assured shall be payable. The fixed percentage for various policy terms is as below:

For policy term 14 years:

30% of Basic Sum Assured on each of 10th and 12th policy anniversary.

For policy term 16 years:

35% of Basic Sum Assured on each of 12th and 14th policy anniversary.

For policy term 18 years:

40% of Basic Sum Assured on each of 14th and 16th policy anniversary.

For policy term 20 years:

45% of Basic Sum Assured on each of 16th and 18th policy anniversary.

c) Maturity Benefit:

On the life assured surviving to the end of the policy term, provided all due premiums have been paid, "**Sum Assured on Maturity**" along with accrued Guaranteed Additions and Loyalty Addition, if any, shall be payable.

Where "**Sum Assured on Maturity**" is as under:

40% of Basic Sum Assured for policy term 14 years

- 30% of Basic Sum Assured for policy term 16 years
- 20% of Basic Sum assured for policy term 18 years
- 10% of Basic Sum assured for policy term 20 years

2. **Guaranteed Additions:**

Guaranteed Additions shall accrue at the end of each policy year during the Premium Paying Term (PPT), provided all due premiums have been paid till date. The rate of Guaranteed Additions shall be as follows:

- Rs. 50 per thousand Basic Sum Assured for first five years
- Rs. 55 per thousand Basic Sum Assured from 6th policy year till end of PPT

In case of a paid-up policy or on surrender of a 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.

3. **Participation in profits:**

Provided the policy has completed five policy years and atleast 5 full years' premium have been paid, then depending upon the Corporation's experience the policies under this plan shall be eligible for Loyalty Addition at the time of exit in the form of Death during the policy term or Maturity, at such rate and on such terms as may be declared by the Corporation. Under a paid-up policy, Loyalty Addition shall be payable for the completed policy years for which the policy was inforce.

In addition, Loyalty Addition, if any, shall also be considered in Special Surrender Value calculation on surrender of policy during the policy term, provided the policy has completed five policy years and atleast 5 full years' premium have been paid. In case of surrender of policy, Loyalty Addition shall be payable for the completed policy year for which the policy was inforce.

4. **Optional Benefit:**

I. Rider Benefits:

The following five optional riders are available under this plan by payment of additional premium.

However, the policyholder can opt between either of the LIC's Accidental Death and Disability Benefit Rider or LIC's Accident Benefit Rider. Therefore, a maximum of four riders can be availed under a policy.

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

This rider can be opted for at any time within the premium paying term of the Base plan provided the outstanding premium paying term is atleast 5 years. The benefit cover under this rider shall be available during the policy term. If this rider is opted for, in case of accidental death, the Accident Benefit Rider Sum Assured will be payable as lumpsum along with the death benefit under the base plan. In case of accidental disability arising due to accident (within 180 days from the date of accident), an amount equal to the Accident Benefit Sum Assured will be paid in monthly instalments spread over 10 years and future premiums for Accident Benefit Sum Assured as well as premiums for the portion of Basic Sum Assured which is equal to Accident Benefit Sum Assured under the policy, shall be waived.

b) LIC's Accident Benefit Rider (UIN:512B203V03)

This rider can be opted for at any time within the premium paying term of the Base plan provided the outstanding premium paying term is atleast 5 years. The benefit cover under this rider shall be available during the premium paying term. If this rider is opted for, in case of accidental death, the Accident Benefit Rider Sum Assured will be payable as lumpsum along with the death benefit under the base plan.

- c) LIC's New Term Assurance Rider (UIN: 512B210V01)
This rider is available at inception of the policy only. The benefit cover under this rider shall be available during the policy term. If this rider is opted for, an additional amount equal to Term Assurance Rider Sum Assured shall be payable on death of the Life Assured during the policy term.
- d) LIC's New Critical Illness Benefit Rider (UIN: 512A212V01)
This rider is available at the inception of the policy only. The cover under this rider shall be available during the policy term. If this rider is opted for, on first diagnosis of any one of the specified 15 Critical Illnesses covered under this rider, the Critical Illness Sum Assured shall be payable.
- e) LIC's Premium Waiver Benefit Rider (UIN: 512B204V02)
This rider shall be available on the life of Proposer of the plan where the life assured is a minor. This rider can be opted for at any time within the premium paying term of the Base plan provided the outstanding premium paying term is atleast 5 years. If this rider is opted for, the payment of the premiums in respect of the base plan falling due after the date of death of the proposer shall be waived.

The premium for 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 plan and the premiums under all other life insurance riders put together shall not exceed 30% of premiums under the base plan.

Each of above Rider sum assured cannot exceed the Basic Sum Assured.

For more details on the above riders, refer to the rider brochure or contact LIC's nearest Branch Office.

II. Option to defer the Survival Benefit(s):

The policyholder shall have an option to defer the Survival Benefit(s) and take the increased Survival Benefits (i.e. deferred original Survival Benefit(s) along with interest) at any time on or after its due date but during the currency of the policy. If the increased survival benefit(s) are not taken by the policyholder during the currency of the policy the same shall be payable along with benefit payable at the time of termination of the policy in the form of death or maturity or surrender. This option can be availed under an inforce as well as paid-up policy.

The annual compound interest rate payable on each deferred Survival Benefit shall be equal to the Yield corresponding to 5 years G-Sec Rate minus 150 basis points. Where, 5 year G-Sec Rate shall be as at 31st March preceding the date of exercise of deferment option. This rate shall be fixed for the entire duration of deferment of that Survival Benefit.

This option can be exercised for either or both of the Survival Benefits separately and is to be intimated in writing to the servicing branch office of the Corporation at least six months before the due date of the Survival Benefit. Else the survival benefits would be paid on their due dates as per the terms of the policy.

III. Settlement Option (for Maturity Benefit):

Settlement Option is an option to receive Maturity Benefit in installments over the chosen period of 5 or 10 or 15 years instead of lump sum amount. This option can be exercised only by the Life Assured aged 18 years or above, for full or part of the maturity proceeds payable under the policy. The amount opted for this option by the Life Assured can be either in absolute value or as a percentage of the total claim proceeds payable (including the payment of deferred Survival Benefit(s), if any).

The installments shall be paid in advance at yearly or half-yearly or quarterly or monthly intervals, as opted for, subject to minimum installment amount as under:

Mode of Installment payment	Minimum installment amount
Monthly	Rs. 5000/-
Quarterly	Rs. 15000/-
Half-Yearly	Rs. 25000/-
Yearly	Rs. 50000/-

If the net claim amount is less than the required amount to provide the minimum installment amount as per the option exercised by the Life Assured, the claim proceed shall be paid in lump sum only.

The interest rates applicable for arriving at the installment payments under Settlement Option shall be as fixed by the Corporation from time to time.

For exercising the settlement option against Maturity Benefit, the Life Assured shall be required to exercise option for payment of net claim amount in installments at least 3 months before the due date of maturity claim.

After the commencement of Installment payments under Settlement Option against Maturity Benefit:

- If a Life Assured, who has exercised Settlement Option against Maturity Benefit, desires to withdraw this option and commute the outstanding instalments the same shall be allowed on receipt of written request from the Life Assured. In such case, the lumpsum amount, which is higher of the following shall be paid and the policy shall terminate.
 - discounted value of all the future installments due; or
 - (the original amount for which settlement option was exercised) **less** (sum of total installments already paid);
- The interest rates applicable for discounting the future installment payments shall be as fixed by the Corporation from time to time.
- After the Date of Maturity, in case of death of the Life Assured, who has exercised Settlement Option, the outstanding installments will continue to be paid to the nominee as per the option exercised by the Life Assured and no alteration whatsoever shall be allowed to be made by the nominee.

IV. Option to take Death benefit in installments:

This is an option to receive Death Benefit in installments over the chosen period of 5 or 10 or 15 years instead of lump sum amount. This option can be exercised only by the Life Assured aged 18 years or above, for full or part of the Death proceeds payable under the policy. The amount opted for this option by the Life Assured can be either in absolute value or as a percentage of the total claim proceeds payable (including the payment of deferred Survival Benefit(s), if any).

The installments shall be paid in advance at yearly or half-yearly or quarterly or monthly intervals, as opted for, subject to minimum installment amount as under:

Mode of Installment payment	Minimum installment amount
Monthly	Rs. 5000/-
Quarterly	Rs. 15000/-
Half-Yearly	Rs. 25000/-
Yearly	Rs. 50000/-

If the net claim amount is less than the required amount to provide the minimum installment amount as per the option exercised by the Life Assured, the claim proceed shall be paid in lump sum only.

The interest rates applicable for arriving at the installment 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 Life Assured 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 Life Assured and no alteration whatsoever shall be allowed to be made by the nominee.

5. Eligibility Conditions and Other Restriction :

- a) Minimum Basic Sum Assured : Rs. 10,00,000
- b) Maximum Basic Sum Assured : No limit
(The Basic Sum Assured shall be in multiples of Rs. 100,000/-)
- c) Policy Term : 14, 16 , 18 and 20 years
- d) Premium Paying Term : (Policy term - 4) years
- e) Minimum Age at entry : 8 years (completed)

- f) Maximum Age at entry : 55 years (nearer birthday) for policy term 14 years
51 years (nearer birthday) for policy term 16 years
48 years (nearer birthday) for policy term 18 years
45 years (nearer birthday) for policy term 20 years

- g) Maximum Age at Maturity : 69 years (nearer birthday) for policy term 14 years
67 years (nearer birthday) for policy term 16 years
66 years (nearer birthday) for policy term 18 years
65 years (nearer birthday) for policy term 20 years

Date of commencement of risk: Under this plan the risk will commence immediately from the date of acceptance of the risk including minor lives.

Date of vesting under this plan: The policy shall automatically vest on the Life Assured 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.

6. Payment of Premiums:

Premiums can be paid regularly at yearly, half-yearly, quarterly or monthly intervals (monthly premiums through NACH only) or through salary deductions during the Premium Paying Term of the policy.

However, a grace period of one month but not less than 30 days will be allowed for payment of yearly or half-yearly or quarterly mode and 15 days for monthly mode of premium payment.

7. Sample Premium Rates:

Following are some of the sample tabular annual premium rates (in Rs.) (exclusive of applicable tax) per Rs. 1000/- Basic Sum Assured:

Age (Nearer Birthday)	Policy Term (Premium Paying Term)			
	14(10)	16(12)	18(14)	20(16)
20	110.25	92.60	79.70	70.80
30	110.80	93.20	80.45	71.70
40	113.15	95.85	83.35	74.90
50	119.70	102.65	-	-

8. Mode and High Basic Sum Assured Rebates:

Mode Rebate:

Yearly mode	-	2% of Tabular Premium
Half-yearly mode	-	1% of Tabular premium
Quarterly, Monthly (NACH) & Salary deduction	-	NIL

High Basic Sum Assured Rebate:

<u>Basic Sum Assured (BSA)</u>	<u>Rebate on tabular premium (Rs.)</u>
10, 00,000 to 19, 00,000	Nil
20, 00,000 to 49, 00,000	0.30 ‰ BSA
50, 00,000 and above	0.50 ‰ BSA

9. Paid-up:

If less than two years' premiums have been paid and any subsequent premium be not duly paid, all the benefits under the policy shall cease after the expiry of grace period and nothing shall be payable.

However, after atleast two full years' premiums have been paid and any subsequent premiums be not duly paid, the policy shall not be void but shall continue as a paid-up policy till the end of policy term.

The **Sum Assured on Death** under a paid-up policy shall be reduced to such a sum, called '**Death Paid-up Sum Assured**' and shall be equal to [**Sum Assured on Death** * (Number of premiums paid / Total Number of premiums payable)]. In addition to the Death Paid-up Sum Assured the Guaranteed Additions accrued upto the date of First Unpaid Premium along with Loyalty Addition, if any, shall also be payable on death.

The **Sum Assured on Maturity** under a paid-up policy shall be reduced to such a sum called '**Maturity Paid-up Sum Assured**' and shall be equal to [**Sum Assured on Maturity** * (Number of premiums paid / Total Number of premiums payable)]. In addition to the Maturity Paid-up Sum Assured, the Guaranteed Additions accrued upto the date of First Unpaid Premium along with Loyalty Addition, if any, shall also be payable on maturity.

The survival benefits payable under a paid-up policy shall be equal to [(survival benefit payable under inforce policy) * (Number of premiums paid / Total Number of premiums payable)] and shall be payable on Life Assured surviving to each of the specified durations during the policy term.

However, if option to defer the Survival Benefit(s) has been exercised and payment of such Survival Benefit(s) have not yet been made, these increased Survival Benefit(s) as specified in Para 4.II above shall be payable on termination of policy in the form of death or maturity or surrender.

Under a Paid-up policy, Loyalty Addition, if any, shall be payable for the completed policy years for which the policy was inforce, provided the premiums have been paid for atleast 5 full years and after completion of 5 policy years.

Rider(s) shall not acquire any paid-up value and the rider benefit(s) cease to apply, if policy is in lapsed condition.

10.Revival:

If premiums are not paid by the end of the grace period then the policy will lapse. A lapsed policy can be revived within a period of 2 consecutive years from the date of first unpaid premium by paying all the arrears of premium together with interest (compounding half-yearly) at such rate as fixed by the Corporation at the time of the payment, subject to submission of satisfactory evidence of continued insurability.

The Corporation 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 by the Corporation and is specifically communicated in writing to the Life Assured.

If the revival period falls beyond the premium paying term and the policy is revived after the due date of survival benefit, then the difference between full Survival Benefit payable under inforce policy and Survival Benefit already paid considering paid-up policy shall be paid.

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

11.Surrender Value:

The policy can be surrendered at any time provided two full years’ premiums have been paid. On surrender of the policy, the Corporation shall pay the Surrender Value equal to higher of Guaranteed Surrender Value and Special Surrender Value.

The Special Surrender Value is reviewable and shall be determined by the Corporation from time to time subject to prior approval of IRDAI.

The Guaranteed Surrender Value payable during the policy term shall be equal to the total premiums paid multiplied by the Guaranteed Surrender Value factor applicable to total premiums paid less any survival benefits already due and payable under the policy. These Guaranteed Surrender Value factors expressed as percentages will depend on the policy term and policy year in which the policy is surrendered and are as specified below:

Guaranteed Surrender value factors applicable to total premiums paid																					
		Policy Year ---->																			
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Policy Term-->	14	0.00%	30.00%	30.00%	50.00%	50.00%	50.00%	50.00%	55.00%	60.00%	65.00%	70.00%	75.00%	80.00%	80.00%	-	-	-	-	-	-
	16	0.00%	30.00%	30.00%	50.00%	50.00%	50.00%	50.00%	53.75%	57.50%	61.25%	65.00%	68.75%	72.50%	76.25%	80.00%	80.00%	-	-	-	-
	18	0.00%	30.00%	30.00%	50.00%	50.00%	50.00%	50.00%	53.00%	56.00%	59.00%	62.00%	65.00%	68.00%	71.00%	74.00%	77.00%	80.00%	80.00%	-	-
	20	0.00%	30.00%	30.00%	50.00%	50.00%	50.00%	50.00%	52.50%	55.00%	57.50%	60.00%	62.50%	65.00%	67.50%	70.00%	72.50%	75.00%	77.50%	80.00%	80.00%

Premiums referred above shall not include any taxes, extra amount if charged under the policy due to underwriting decision and rider premiums, if any.

In addition, surrender value of accrued Guaranteed Additions, shall also be payable, which is equal to the accrued Guaranteed Additions multiplied by Guaranteed Surrender Value factor applicable to accrued Guaranteed Additions.

The Guaranteed Surrender Value factors applicable to accrued Guaranteed Additions expressed as percentages will depend on the policy term and policy year in which the policy is surrendered and are as specified below:

Guaranteed Surrender value factors applicable to accrued Guaranteed Additions																					
		Policy Year ---->																			
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Policy Term-->	14	4.25%	8.85%	17.85%	18.16%	18.60%	19.18%	19.93%	20.85%	21.99%	23.38%	25.05%	27.06%	30.00%	35.00%	-	-	-	-	-	-
	16	4.10%	8.58%	17.58%	17.66%	17.85%	18.16%	18.60%	19.18%	19.93%	20.85%	21.99%	23.38%	25.05%	27.06%	30.00%	35.00%	-	-	-	-
	18	3.85%	8.03%	17.03%	17.58%	17.58%	17.66%	17.85%	18.16%	18.60%	19.18%	19.93%	20.85%	21.99%	23.38%	25.05%	27.06%	30.00%	35.00%	-	-
	20	3.45%	7.22%	16.22%	16.58%	17.03%	17.58%	17.58%	17.66%	17.85%	18.16%	18.60%	19.18%	19.93%	20.85%	21.99%	23.38%	25.05%	27.06%	30.00%	35.00%

In addition to the payable Surrender Value, if the option to defer the Survival Benefit(s) has been exercised and payment of such Survival Benefit(s) which were due but have not yet been made, these increased Survival Benefit(s) as specified in Para 4.II above, shall also be paid.

12. Policy Loan:

Loan can be availed during the policy term provided the policy has acquired a surrender value and subject to the terms and conditions as the Corporation may specify from time to time.

The interest rate to be applied for policy loan and as applicable for full term of the loan shall be determined at periodic intervals. For loan sanctioned in Financial Year 2017-18, the applicable interest rate is 9.5% p.a. payable half-yearly for entire loan term.

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

- For inforce policies- upto 90%
- For paid-up policies- upto 80%

Any loan outstanding along with interest shall be recovered from the survival benefits or claim proceeds at the time of exit.

13. Taxes:

Statutory Taxes, if any, imposed on such insurance plans by the Govt. 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 payable under the policy, 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.

14. Free look period:

If the Policyholder is not satisfied with the "Terms and Conditions" of the policy, the policy may be returned to the Corporation within 15 days from the date of receipt of the policy bond stating the reasons of objections. On receipt of the same the Corporation shall cancel the policy and return the amount of premium deposited after deducting the proportionate risk premium (for base plan and rider(s), if any) for the period on cover, expenses incurred on medical examination, special reports, if any and stamp duty charges.

15. Exclusion:

Suicide: This policy shall be void

- If the Life Assured (whether sane or insane) commits suicide at any time within 12 months from the date of commencement of risk, the Corporation will not entertain any claim except for 80% of the premiums paid, provided the policy is inforce.
- 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 premiums paid till the date of death or the surrender value as available on the date of death shall be payable. The Corporation will not entertain any other claim under this policy.

This clause shall not be applicable for a policy lapsed without acquiring paid-up value and nothing shall be payable under such policies.

Note: Premiums referred above shall not include any taxes, extra amount if charged under the policy due to underwriting decision and any rider premium(s) other than Term Assurance Rider, if any.

BENEFIT ILLUSTRATION:

Statutory warning:

"Some benefits are guaranteed and some benefits are variable with returns based on the future performance of your Insurer carrying on life insurance business. If your policy offers guaranteed returns then these will be clearly marked "guaranteed" in the illustration table on this page. If your policy offers variable returns then the illustrations on this page will show two different rates of assumed future investment returns. These assumed rates of return are not guaranteed and they are not the upper or lower limits of what you might get back, as the value of your policy is dependent on a number of factors including future investment performance."

Product Name: **LIC's Bima Shree**

Particulars	
Age at entry	30
Mode of premium payment	Yearly
Basic Sum Assured	1000000
Policy Term	14
Premium Paying Term	10
Amount of annualised premium *	108584.00

Variable scenario 1: Gross Investment return @4% p.a.

Variable scenario 2: Gross Investment return @8% p.a.

End of year	Total premiums paid till end of year	Amount payable Death during the year			Total Death Benefit payable during the year		Amount payable on Surrender during the year**
		Guaranteed	Variable Scenario 1	Variable Scenario 2	Variable Scenario 1	Variable Scenario 2	Guaranteed surrender value
(1)	(2)	(3)	(4)	(5)	(6)=(3)+(4)	(7)=(3)+(5)	(8)
1	108584	1300000	0	0	1300000	1300000	0
2	217168	1350000	0	0	1350000	1350000	74000
3	325752	1400000	0	0	1400000	1400000	124501
4	434336	1450000	0	0	1450000	1450000	253488
5	542920	1500000	0	0	1500000	1500000	317960
6	651504	1555000	0	30000	1555000	1585000	384251
7	760088	1610000	0	45000	1610000	1655000	451792
8	868672	1665000	0	60000	1665000	1725000	564297
9	977256	1720000	0	80000	1720000	1800000	689707
10	1085840	1775000	0	105000	1775000	1880000	828541
11	1085840	1775000	0	130000	1775000	1905000	591601
12	1085840	1775000	0	155000	1775000	1930000	656445
13	1085840	1775000	0	185000	1775000	1960000	426172
14	1085840	1775000	0	215000	1775000	1990000	452422

Policy Anniversary	Total premiums paid till end of year	Amount payable as Survival Benefit on the specific Policy Anniversary / Maturity Benefit				
		Guaranteed	Variable		Total	
			Scenario 1	Scenario 2	Scenario 1	Scenario 2
(1)	(2)	(3)	(4)	(5)	(6)=(3)+(4)	(7)=(3)+(5)
10	1085840	300000	0	0	300000	300000
12	1085840	300000	0	0	300000	300000
14	1085840	925000	0	215000	925000	1140000

* The annual premium shown above is exclusive of applicable Tax, extra premium and rider(s) premiums, if any.

** Guaranteed Surrender Values are given considering that all the due premiums have been paid. Special surrender value may however be payable, if it is more favourable to the Policyholder.

Product Name: **LIC's Bima Shree**

Particulars	
Age at entry	30
Mode of premium payment	Yearly
Basic Sum Assured	1000000
Policy Term	20
Premium Paying Term	16
Amount of annualised premium *	70266.00

Variable scenario 1: Gross Investment return @4% p.a.

Variable scenario 2: Gross Investment return @8% p.a.

End of year	Total premiums paid till end of year	Amount payable Death during the year			Total Death Benefit payable during the year		Amount payable on Surrender during the year**
		Guaranteed	Variable Scenario 1	Variable Scenario 2	Variable Scenario 1	Variable Scenario 2	Guaranteed surrender value
(1)	(2)	(3)	(4)	(5)	(6)=(3)+(4)	(7)=(3)+(5)	(8)
1	70266	1300000	0	0	1300000	1300000	0
2	140532	1350000	0	0	1350000	1350000	49380
3	210798	1400000	0	0	1400000	1400000	87569
4	281064	1450000	0	0	1450000	1450000	173692
5	351330	1500000	0	0	1500000	1500000	218240
6	421596	1555000	0	15000	1555000	1570000	264417
7	491862	1610000	0	25000	1610000	1635000	309219
8	562128	1665000	0	35000	1665000	1700000	368406
9	632394	1720000	0	50000	1720000	1770000	431712
10	702660	1775000	0	65000	1775000	1840000	499370
11	772926	1830000	0	85000	1830000	1915000	571636
12	843192	1885000	0	105000	1885000	1990000	648788
13	913458	1940000	0	130000	1940000	2070000	731265
14	983724	1995000	0	160000	1995000	2155000	819346
15	1053990	2050000	0	190000	2050000	2240000	913713
16	1124256	2105000	0	230000	2105000	2335000	1014985
17	1124256	2105000	0	270000	2105000	2375000	607370
18	1124256	2105000	0	310000	2105000	2415000	652661
19	1124256	2105000	0	350000	2105000	2455000	255905
20	1124256	2105000	0	390000	2105000	2495000	298655

Policy Anniversary	Total premiums paid till end of year	Amount payable as Survival Benefit on the specific Policy Anniversary / Maturity Benefit				
		Guaranteed	Variable		Total	
			Scenario 1	Scenario 2	Scenario 1	Scenario 2
(1)	(2)	(3)	(4)	(5)	(6)=(3)+(4)	(7)=(3)+(5)
16	1124256	450000	0	0	450000	450000
18	1124256	450000	0	0	450000	450000
20	1124256	955000	0	390000	955000	1345000

* The annual premium shown above is exclusive of applicable Tax, extra premium and rider(s) premiums, if any.

** Guaranteed Surrender Values are given considering that all the due premiums have been paid. Special surrender value may however be payable, if it is more favourable to the Policyholder.

Notes:

- The non-guaranteed (variable) benefits in above illustration are calculated so that they are consistent with the Projected Investment Rate of Return assumption of 4% p.a. (Scenario 1) and 8% p.a. (Scenario 2) respectively. In other words, in preparing this benefit illustration, it is assumed that the Projected Investment Rate of Return that LIC will be able to earn **throughout the term of the policy** will be 4% p.a. or 8% p.a., as the case may be. The Projected Investment Rate of Return is **not guaranteed**.
- The main objective of the illustration is that the client is able to appreciate the features of the product and the flow of benefits in different circumstances with some level of quantification.

SECTION 45 OF THE INSURANCE ACT, 1938

The provision of Section 45 of the Insurance Act, 1938 shall be as amended from time to time. The simplified version of this provision is as under:

Provisions regarding policy not being called into question in terms of Section 45 of the Insurance Act, 1938 as amended by the Insurance Laws (Amendment) Act, 2015 are as follows:

1. No Policy of Life Insurance shall be called in question on any ground whatsoever after expiry of 3 yrs from

- a. the date of issuance of policy or
 - b. the date of commencement of risk or
 - c. the date of revival of policy or
 - d. the date of rider to the policy
- whichever is later.

2. On the ground of fraud, a policy of Life Insurance may be called in question within 3 years from

- a. the date of issuance of policy or
 - b. the date of commencement of risk or
 - c. the date of revival of policy or
 - d. the date of rider to the policy
- whichever is later.

For this, the insurer should communicate in writing to the insured or legal representative or nominee or assignees of insured, as applicable, mentioning the ground and materials on which such decision is based.

3. Fraud means any of the following acts committed by insured or by his agent, with the intent to deceive the insurer or to induce the insurer to issue a life insurance policy:

- a. The suggestion, as a fact of that which is not true and which the insured does not believe to be true;
- b. The active concealment of a fact by the insured having knowledge or belief of the fact;
- c. Any other act fitted to deceive; and
- d. Any such act or omission as the law specifically declares to be fraudulent.

4. Mere silence is not fraud unless, depending on circumstances of the case, it is the duty of the insured or his agent keeping silence to speak or silence is in itself equivalent to speak.

5. No Insurer shall repudiate a life insurance Policy on the ground of Fraud, if the Insured / beneficiary can prove that the misstatement was true to the best of his knowledge and there was no deliberate intention to suppress the fact or that such mis-statement of or suppression of material fact are within the knowledge of the insurer. Onus of disproving is upon the policyholder, if alive, or beneficiaries.

6. Life insurance Policy can be called in question within 3 years on the ground that any statement of or suppression of a fact material to expectancy of life of the insured was incorrectly made in the proposal or other document basis which policy was issued or revived or rider issued. For this, the insurer should communicate in writing to the insured or legal representative or nominee or assignees of insured, as applicable, mentioning the ground and materials on which decision to repudiate the policy of life insurance is based.

7. In case repudiation is on ground of mis-statement and not on fraud, the premium collected on policy till the date of repudiation shall be paid to the insured or legal representative or nominee or assignees of insured, within a period of 90 days from the date of repudiation.

8. Fact shall not be considered material unless it has a direct bearing on the risk undertaken by the insurer. The onus is on insurer to show that if the insurer had been aware of the said fact, no life insurance policy would have been issued to the insured.
9. The insurer can call for proof of age at any time if he is entitled to do so and no policy shall be deemed to be called in question merely because the terms of the policy are adjusted on subsequent proof of age of life insured. So, this Section will not be applicable for questioning age or adjustment based on proof of age submitted subsequently.

[Disclaimer: This is not a comprehensive list of Section 45 of the Insurance Act, 1938 as amended by the Insurance Laws (Amendment) Act, 2015 and only a simplified version prepared for general information. Policy Holders are advised to refer to the Insurance Laws (Amendment) Act, 2015, for complete and accurate details.]

PROHIBITION OF REBATES (SECTION 41 OF THE INSURANCE ACT, 1938 AS AMENDED BY THE INSURANCE LAWS (AMENDMENT) ACT, 2015):

- 1) 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: provided that acceptance by an insurance agent of commission in connection with a policy of life insurance taken out by himself on his own life shall not be deemed to be acceptance of a rebate of premium within the meaning of this sub-section if at the time of such acceptance the insurance agent satisfies the prescribed conditions establishing that he is a bona fide insurance agent employed by the insurer.
- 2) Any person making default in complying with the provisions of this section shall be liable for a penalty which may extend to ten lakh rupees.

Note: "Conditions apply" for which please refer to the Policy document or contact our nearest Branch Office.

BEWARE OF SPURIOUS PHONE CALLS AND FICTITIOUS / FRAUDULENT OFFERS

IRDAI clarifies to public that

- **IRDAI or its officials do not involve in activities like sale of any kind of insurance or financial products nor invest premiums.**
- **IRDAI does not announce any bonus.**

Public receiving such phone calls are requested to lodge a police complaint along with details of phone call, number.

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Mumbai - 400021.
Website: www.licindia.in
Registration Number: 512