

**LIC's Jeevan Shiromani (UIN: 512N315V01)**

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

LIC's Jeevan Shiromani 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. In addition, this plan also provides for payment of a lumpsum amount equal to 10% of the chosen Basic Sum Assured on diagnosis of any of the specified Critical Illnesses.

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 10<sup>th</sup> and 12<sup>th</sup> policy anniversary.

For policy term 16 years:

35% of Basic Sum Assured on each of 12<sup>th</sup> and 14<sup>th</sup> policy anniversary.

For policy term 18 years:

40% of Basic Sum Assured on each of 14<sup>th</sup> and 16<sup>th</sup> policy anniversary.

For policy term 20 years:

45% of Basic Sum Assured on each of 16<sup>th</sup> and 18<sup>th</sup> 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

d) **Inbuilt Critical Illness Benefit:**

I. **Benefit:**

On first diagnosis of any one of the 15 critical illnesses as mentioned below, provided the policy is in force on the date of diagnosis by payment of all premiums due under the policy, the following benefits/ facilities shall be available:

i) **Lumpsum Benefit:** Inbuilt Critical Illness Benefit equal to 10% of Basic Sum Assured shall be payable provided the claim is admissible.

ii) **Option to defer the payment of premium(s):** When a claim under inbuilt Critical Illness Benefit is admitted, life assured will have an option to defer the payment of premiums falling due within 2 years from the date of admission of Critical Illness claim under the policy (including rider premiums). The deferment of premiums shall be allowed for a period of 2 years from the date of admission of Critical Illness claim and subsequent premiums, if any, shall be payable on their due dates. No interest shall be charged from the life assured for deferred premiums within the period of such deferment. During this period, if any due premium(s) are not paid, and any of the benefits payable under the base policy and/or rider(s) become due, the applicable benefit(s) shall be payable as under an in force policy after the deduction of all the premiums due under the policy.

iii) **Medical Second Opinion:** The policyholder will have facility of taking Medical Second Opinion, through the available healthcare providers, internationally or through reputed hospitals in India or through specialist doctors available in different places depending on the arrangement in this regard by the Corporation. This facility shall be available only once during the policy term with no extra cost. This provision for all or either of the options of Medical Second Opinion is subject to availability of the facility and arrangement made by the Corporation and as intimated in this regard. The details of same shall be furnished to the policyholder along with the policy document.

II. **Conditions and restrictions under Inbuilt Critical Illness Benefit:**

(A) Inbuilt Critical Illness benefit will be payable only after the Corporation is satisfied on the basis of available medical evidence that the specified illness has occurred. However, in some illnesses covered under this benefit, a specific deferment period applies to establish permanence of the illness covered.

(B) This benefit shall be payable only once during the currency of the policy. Under a paid-up policy proportionate benefit amount shall be payable as mentioned in Para 9 below.

**(C) The list and definitions of the 15 Critical Illness conditions covered under this benefit:**

**1. CANCER OF SPECIFIED SEVERITY:**

- I. A malignant tumor characterized by the uncontrolled growth and spread of malignant cells with invasion and destruction of normal tissues. This diagnosis must be supported by histological evidence of malignancy. The term cancer includes leukaemia, lymphoma and sarcoma.
- II. The following are excluded -
  - i. All tumors which are histologically described as carcinoma in situ, benign, pre-malignant, borderline malignant, low malignant potential, neoplasm of unknown behavior, or non-invasive, including but not limited to: Carcinoma in situ of breasts, Cervical dysplasia CIN-1, CIN -2 and CIN-3.
  - ii. Any non-melanoma skin carcinoma unless there is evidence of metastases to lymph nodes or beyond;
  - iii. Malignant melanoma that has not caused invasion beyond the epidermis;
  - iv. All tumors of the prostate unless histologically classified as having a Gleason score greater than 6 or having progressed to at least clinical TNM classification T2N0M0
  - v. All Thyroid cancers histologically classified as T1N0M0 (TNM Classification) or below;
  - vi. Chronic lymphocytic leukaemia less than RAI stage 3
  - vii. Non-invasive papillary cancer of the bladder histologically described as TaN0M0 or of a lesser classification,
  - viii. All Gastro-Intestinal Stromal Tumors histologically classified as T1N0M0 (TNM Classification) or below and with mitotic count of less than or equal to 5/50 HPFs;
  - ix. All tumors in the presence of HIV infection.

**2. OPEN CHEST CABG**

- I. The actual undergoing of heart surgery to correct blockage or narrowing in one or more coronary artery(s), by coronary artery bypass grafting done via a sternotomy (cutting through the breast bone) or minimally invasive keyhole coronary artery bypass procedures. The diagnosis must be supported by a coronary angiography and the realization of surgery has to be confirmed by a cardiologist.
- II. The following are excluded:  
Angioplasty and/or any other intra-arterial procedures

**3. MYOCARDIAL INFARCTION**

(First Heart Attack of specific severity)

- I. The first occurrence of heart attack or myocardial infarction, which means the death of a portion of the heart muscle as a result of inadequate blood supply to the relevant area. The diagnosis for Myocardial Infarction should be evidenced by all of the following criteria:
  - i. A history of typical clinical symptoms consistent with the diagnosis of acute myocardial infarction (For e.g. typical chest pain)
  - ii. New characteristic electrocardiogram changes
  - iii. Elevation of infarction specific enzymes, Troponins or other specific biochemical markers.

II. The following are excluded:

- i. Other acute Coronary Syndromes
- ii. Any type of angina pectoris
- iii. A rise in cardiac biomarkers or Troponin T or I in absence of overt ischemic heart disease OR following an intra-arterial cardiac procedure.

#### **4. KIDNEY FAILURE REQUIRING REGULAR DIALYSIS**

End stage renal disease presenting as chronic irreversible failure of both kidneys to function, as a result of which either regular renal dialysis (haemodialysis or peritoneal dialysis) is instituted or renal transplantation is carried out. Diagnosis has to be confirmed by a specialist medical practitioner.

#### **5. MAJOR ORGAN/BONE MARROW TRANSPLANT (as recipient)**

I. The actual undergoing of a transplant of:

- i. One of the following human organs: heart, lung, liver, kidney, pancreas, that resulted from irreversible end-stage failure of the relevant organ, or
- ii. Human bone marrow using haematopoietic stem cells. The undergoing of a transplant has to be confirmed by a specialist medical practitioner.

II. The following are excluded:

- i. Other stem-cell transplants
- ii. Where only islets of langerhans are transplanted

#### **6. STROKE RESULTING IN PERMANENT SYMPTOMS**

I. Any cerebrovascular incident producing permanent neurological sequelae. This includes infarction of brain tissue, thrombosis in an intracranial vessel, haemorrhage and embolisation from an extracranial source. Diagnosis has to be confirmed by a specialist medical practitioner and evidenced by typical clinical symptoms as well as typical findings in CT Scan or MRI of the brain. Evidence of permanent neurological deficit lasting for at least 3 months has to be produced.

II. The following are excluded:

- i. Transient ischemic attacks (TIA)
- ii. Traumatic injury of the brain
- iii. Vascular disease affecting only the eye or optic nerve or vestibular functions.

#### **7. PERMANENT PARALYSIS OF LIMBS**

Total and irreversible loss of use of two or more limbs as a result of injury or disease of the brain or spinal cord. A specialist medical practitioner must be of the opinion that the paralysis will be permanent with no hope of recovery and must be present for more than 3 months.

#### **8. MULTIPLE SCLEROSIS WITH PERSISTING SYMPTOMS**

I. The unequivocal diagnosis of Definite Multiple Sclerosis confirmed and evidenced by all of the following:

- i. investigations including typical MRI findings which unequivocally confirm the diagnosis to be multiple sclerosis and

- ii. there must be current clinical impairment of motor or sensory function, which must have persisted for a continuous period of at least 6 months.
- II. Other causes of neurological damage such as SLE and HIV are excluded.

## **9. AORTIC SURGERY**

The actual undergoing of major surgery to repair or correct an aneurysm, narrowing, obstruction or dissection of the aorta through surgical opening of the chest or abdomen. For the purpose of this definition, aorta shall mean the thoracic and abdominal aorta but not its branches.

Surgery performed using only minimally invasive or intra-arterial techniques are excluded.

## **10. PRIMARY (IDIOPATHIC) PULMONARY HYPERTENSION**

- I. An unequivocal diagnosis of Primary (Idiopathic) Pulmonary Hypertension by a Cardiologist or specialist in respiratory medicine with evidence of right ventricular enlargement and the pulmonary artery pressure above 30 mm of Hg on Cardiac Catheterization. There must be permanent irreversible physical impairment to the degree of at least Class IV of the New York Heart Association Classification of cardiac impairment.
- II. The NYHA Classification of Cardiac Impairment are as follows:
  - i. Class III: Marked limitation of physical activity. Comfortable at rest, but less than ordinary activity causes symptoms.
  - ii. Class IV: Unable to engage in any physical activity without discomfort. Symptoms may be present even at rest.
- III. Pulmonary hypertension associated with lung disease, chronic hypoventilation, pulmonary thromboembolic disease, drugs and toxins, diseases of the left side of the heart, congenital heart disease and any secondary cause are specifically excluded.

## **11. ALZHEIMER'S DISEASE/ DEMENTIA**

Deterioration or loss of intellectual capacity as confirmed by clinical evaluation and imaging tests, arising from Alzheimer's Disease or irreversible organic disorders, resulting in significant reduction in mental and social functioning requiring the continuous supervision of the Life Assured for a minimum period of 6 months from date of diagnosis. This diagnosis must be supported by the clinical confirmation of an appropriate Registered Medical practitioner who is also a Neurologist and supported by the Corporation's appointed doctor.

The following are excluded:

- i. Non-organic disease such as neurosis and psychiatric illnesses; and
- ii. Alcohol-related brain damage.

## **12. BLINDNESS**

- I. Total, permanent and irreversible loss of all vision in both eyes as a result of illness or accident.
- II. The Blindness is evidenced by:
  - i. corrected visual acuity being 3/60 or less in both eyes or ;
  - ii. the field of vision being less than 10 degrees in both eyes.

III. The diagnosis of blindness must be confirmed and must not be correctable by aids or surgical procedure.

**13. THIRD DEGREE BURNS**

There must be third-degree burns with scarring that cover at least 20% of the body's surface area. The diagnosis must confirm the total area involved using standardized, clinically accepted, body surface area charts covering 20% of the body surface area.

**14. OPEN HEART REPLACEMENT OR REPAIR OF HEART VALVES**

The actual undergoing of open-heart valve surgery is to replace or repair one or more heart valves, as a consequence of defects in, abnormalities of, or disease-affected cardiac valve(s). The diagnosis of the valve abnormality must be supported by an echocardiography and the realization of surgery has to be confirmed by a specialist medical practitioner. Catheter based techniques including but not limited to, balloon valvotomy/valvuloplasty are excluded.

**15. BENIGN BRAIN TUMOR**

I. Benign brain tumor is defined as a life threatening, non-cancerous tumor in the brain, cranial nerves or meninges within the skull. The presence of the underlying tumor must be confirmed by imaging studies such as CT scan or MRI.

II. This brain tumor must result in at least one of the following and must be confirmed by the relevant medical specialist.

- i. Permanent Neurological deficit with persisting clinical symptoms for a continuous period of at least 90 consecutive days or
- ii. Undergone surgical resection or radiation therapy to treat the brain tumor.

III. The following conditions are excluded:

Cysts, Granulomas, malformations in the arteries or veins of the brain, hematomas, abscesses, pituitary tumors, tumors of skull bones and tumors of the spinal cord.

(D) **Waiting period:** A waiting period of 90 days will apply from the date of commencement of risk or date of revival of risk cover, whichever is later, to the first diagnosis of the Critical Illness under consideration. This would mean that this benefit shall terminate if any of the contingencies mentioned in Para 1.d.II. above occurs:

- (i) at any time on or after the date on which the risk under the Policy has commenced but before the expiry of 90 days reckoned from that date or
- (ii) before the expiry of 90 days from the date of Revival.

However, waiting period will not apply to conditions arising directly out of accident.

(E) **Survival period:** A survival period of 30 days is applicable from the date of diagnosis of Critical Illness listed above. If death occurs within the survival period, no inbuilt critical illness benefit shall be payable.

**(F) Exclusions:**

The Corporation shall not be liable to pay any of the benefits under Inbuilt Critical Illnesses Benefit if the critical illness has occurred directly or indirectly as a result of any of the following:

- Any of the listed critical illness conditions where death occurs within 30 days from the date of diagnosis

- Any sickness condition related to the critical illnesses listed above manifesting itself within 90 days of the commencement of risk or revival of risk cover, whichever is later.
- Intentionally self-inflicted injury or attempted suicide, irrespective of mental condition.
- Alcohol or solvent abuse, or the taking of drugs except under the direction of a registered medical practitioner.
- War, invasion, hostilities (whether war is declared or not), civil war, rebellion, revolution or taking part in a riot or civil commotion.
- Taking part in any act of a criminal nature.
- Any Pre-existing medical condition.
- HIV or AIDS
- Failure to seek medical or follow medical advice (i.e. failure to undergo tests or treatments that a prudent person would normally undergo as recommended by a Medical Practitioner.
- Radioactive contamination due to nuclear accident.

(G) **Termination of Inbuilt Critical Illness Benefit:**

The Inbuilt Critical Illness Benefit will terminate on the earliest occurrence of any of the following events:

- The date on which the claim is paid in respect of this benefit; or
- The date of expiry of policy term; or
- The date on which surrender benefit is settled under the policy; or
- On cancellation/termination of the policy for any reason; or
- On cancellation/termination of the policy by the Corporation on grounds of misrepresentation, fraud or non-disclosure established in terms of Section 45 of the Insurance Act, 1938, as amended from time to time; or
- On diagnosis of a Critical Illness within the waiting period

Any critical illness manifesting itself during the waiting period is not admissible. The first admissible critical illness which is manifested, diagnosed and lodged after waiting period and during the currency of policy, once admitted for, shall preclude any further critical illness and therefore the benefit will terminate.

**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 6<sup>th</sup> 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 four 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 three 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.

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 year G-Sec Rate minus 150 basis points. Where, 5 year G-Sec Rate shall be as at 31<sup>st</sup> 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 opted 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:

<b>Mode of Installment payment</b>	<b>Minimum installment amount</b>
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 opted 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:

<b>Mode of Installment payment</b>	<b>Minimum installment amount</b>
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. 100,00,000
- b) Maximum Basic Sum Assured : No limit  
(The Basic Sum Assured shall be in multiples of Rs. 500,000/-)
- c) Policy Term : 14, 16 , 18 and 20 years
- d) Premium Paying Term : (Policy term - 4) years
- e) Minimum Age at entry : 18 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 (nearest 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.

**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	109.15	91.50	78.65	69.75
30	109.75	92.25	79.50	70.75
40	112.35	95.10	82.60	74.15
50	119.30	102.30	-	-

**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>
100,00,000 to 195,00,000	Nil
200,00,000 to 495,00,000	0.030 ‰ BSA
500,00,000 and above	0.050 ‰ BSA

**9. Paid-up:**

If less than one year's premium has 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 one full year's premium has been paid and on completion of one policy year 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 duration 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.

The inbuilt Critical Illness Benefit under a paid-up policy, provided the same has not been admitted earlier, shall be equal to (10% of Basic Sum Assured) \*(number of premiums paid / total number of premiums payable) and shall be payable on first diagnosis of any of the specified critical illnesses.

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 one full year’s premium has been paid and after completion of one policy year. 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	20.00%	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	20.00%	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	20.00%	30.00%	30.00%	50.00%	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	20.00%	30.00%	30.00%	50.00%	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. 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 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%	8.85%	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

- i. 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.

- ii. 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 Jeevan Shiromani**

Particulars	
Age at entry	<b>30</b>
Mode of premium payment	<b>Yearly</b>
Basic Sum Assured	<b>10000000</b>
Policy Term	<b>14</b>
Premium Paying Term	<b>10</b>
Amount of annualised premium *	<b>107550.00</b>

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 on Death during the year			Total Death Benefit payable during the year		Amount payable on Surrender during the year**	Guaranteed Inbuilt Critical Illness Benefit***
		Guaranteed	Variable Scenario 1	Variable Scenario 2	Variable Scenario 1	Variable Scenario 2		
(1)	(2)	(3)	(4)	(5)	(6)=(3)+(4)	(7)=(3)+(5)	(8)	(9)
1	1075550	13000000	0	0	13000000	13000000	236360	1000000
2	2151100	13500000	0	0	13500000	13500000	733830	1000000
3	3226650	14000000	0	0	14000000	14000000	1235745	1000000
4	4302200	14500000	0	0	14500000	14500000	2514300	1000000
5	5377750	15000000	0	0	15000000	15000000	3153875	1000000
6	6453300	15550000	0	300000	15550000	15850000	3811640	1000000
7	7528850	16100000	0	450000	16100000	16550000	4481905	1000000
8	8604400	16650000	0	600000	16650000	17250000	5597695	1000000
9	9679950	17200000	0	800000	17200000	18000000	6841500	1000000
10	10755500	17750000	0	1050000	17750000	18800000	8218525	1000000
11	10755500	17750000	0	1300000	17750000	19050000	5843975	1000000
12	10755500	17750000	0	1550000	17750000	19300000	6487275	1000000
13	10755500	17750000	0	1850000	17750000	19600000	4179400	1000000
14	10755500	17750000	0	2150000	17750000	19900000	4441900	1000000

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	10755500	3000000	0	0	3000000	3000000
12	10755500	3000000	0	0	3000000	3000000
14	10755500	9250000	0	2150000	9250000	11400000

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

\*\* Guaranteed surrender Value shall be payable provided one full year's premium has been paid and after completion of one policy year. 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.

\*\*\* Guaranteed Inbuilt Critical Illness benefit is payable on occurrence of the specified critical illnesses only.



Product Name: **LIC's Jeevan Shiromani**

Particulars	
Age at entry	<b>30</b>
Mode of premium payment	<b>Yearly</b>
Basic Sum Assured	<b>10000000</b>
Policy Term	<b>20</b>
Premium Paying Term	<b>16</b>
Amount of annualised premium *	<b>693350.00</b>

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 on Death during the year			Total Death Benefit payable during the year		Amount payable on Surrender during the year**	Guaranteed Inbuilt Critical Illness Benefit***
		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)	(9)
1	693350	13000000	0	0	13000000	13000000	155920	1000000
2	1386700	13500000	0	0	13500000	13500000	488210	1000000
3	2080050	14000000	0	0	14000000	14000000	867315	1000000
4	2773400	14500000	0	0	14500000	14500000	1718300	1000000
5	3466750	15000000	0	0	15000000	15000000	2159125	1000000
6	4160100	15550000	0	150000	15550000	15700000	2616240	1000000
7	4853450	16100000	0	250000	16100000	16350000	3059605	1000000
8	5546800	16650000	0	350000	16650000	17000000	3644960	1000000
9	6240150	17200000	0	500000	17200000	17700000	4271033	1000000
10	6933500	17750000	0	650000	17750000	18400000	4940163	1000000
11	7626850	18300000	0	850000	18300000	19150000	5654910	1000000
12	8320200	18850000	0	1050000	18850000	19900000	6418055	1000000
13	9013550	19400000	0	1300000	19400000	20700000	7233978	1000000
14	9706900	19950000	0	1600000	19950000	21550000	8105483	1000000
15	10400250	20500000	0	1900000	20500000	22400000	9039375	1000000
16	11093600	21050000	0	2300000	21050000	23350000	10041850	1000000
17	11093600	21050000	0	2700000	21050000	23750000	5961975	1000000
18	11093600	21050000	0	3100000	21050000	24150000	6411170	1000000
19	11093600	21050000	0	3500000	21050000	24550000	2439880	1000000
20	11093600	21050000	0	3900000	21050000	24950000	2867380	1000000

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	11093600	4500000	0	0	4500000	4500000
18	11093600	4500000	0	0	4500000	4500000
20	11093600	9550000	0	3900000	9550000	13450000

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

\*\* Guaranteed surrender Value shall be payable provided one full year's premium has been paid and after completion of one policy year. 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.

\*\*\* Guaranteed Inbuilt Critical Illness benefit is payable on occurrence of the specified critical illnesses only.

### Notes:

- i) 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**.
- ii) 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.

**Registered Office:**

Life Insurance Corporation of India

Central Office, Yogakshema,

Jeevan Bima Marg,

Mumbai - 400021.

Website: [www.licindia.in](http://www.licindia.in)

Registration Number: 512