

## INFORMATION TO BE PROVIDED IN SALES BROCHURE

### LIC's JEEVAN SANGAM (UIN: 512N295V01)

LIC's Jeevan Sangam is a participating, non-linked, savings cum protection single premium plan wherein the risk cover is a multiple of single premium. The proposer will have an option to choose the Maturity Sum Assured. The single premium payable (exclusive of service tax) shall depend on the chosen amount of Maturity Sum Assured and age of the life assured.

The plan will be open for sale for a maximum period of 90 days from the date of launch.

#### **1. BENEFITS:**

##### a) **Death Benefit:**

On death during first five policy years:

*Before the date of commencement of risk:* Refund of single premium excluding service tax and extra premium, if any, without interest.

*After the date of commencement of risk:* Basic Sum assured i.e. 10 times the tabular single premium shall be payable.

On death after completion of five policy years but before the stipulated Date of Maturity:

Basic Sum assured i.e. 10 times the tabular single premium along with Loyalty Addition, if any, shall be payable.

##### b) **Maturity Benefit:**

On maturity, the Maturity Sum Assured along with Loyalty Addition, if any, shall be payable.

##### c) **Loyalty Addition:**

Depending upon the Corporation's experience, the policy shall participate in the profits in the form of Loyalty Addition. The Loyalty Addition, if any, shall be payable on death or surrender, provided the policy has run for at least five policy years, or on policyholder surviving to the maturity, at such rate and on such terms as may be declared by the Corporation.

#### **2. ELIGIBILITY CONDITIONS AND OTHER RESTRICTIONS:**

- a) Minimum Entry Age : 6 years (completed)
- b) Maximum Entry Age : 50 years (nearest birthday)
- c) Minimum/Maximum Basic Sum Assured : 10 times of tabular single premium
- d) Minimum Maturity Sum Assured : Rs. 75,000/-
- e) Maximum Maturity Sum Assured : No Limit  
(Except for minimum Maturity Sum Assured of Rs.75000/-, higher Maturity Sum Assured than this amount shall be in multiple of Rs. 10000/- only.)
- f) Policy Term : 12 years
- g) Premium payment mode : Single premium only

**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 from one day before the policy anniversary coinciding with or immediately following the age of 8 years.

For those aged 8 years or more, risk will commence immediately.

**3. SAMPLE PREMIUM RATES:**

Specimen tabular Single Premium rates for some of the ages per Rs.1000/- Maturity Sum Assured are as under:

Age at entry (Nearest Birthday)	Tabular Single Premium Rates (Rs.)
10	472.70
20	485.30
30	497.55
40	567.35

Note: Tabular premiums do not include any extra premium or taxes and is before applying high Maturity Sum Assured rebate.

**4. REBATE FOR HIGH MATURITY SUM ASSURED:**

Maturity Sum Assured	Reduction in Tabular premium per 1000/- Maturity Sum Assured
Below Rs.200,000	Nil
Rs.200,000 to Rs. 390,000	Rs. 15
Rs.4,00,000 and above	Rs. 20

**5. LOAN:**

Loan can be availed under this plan at any time after three months from the date of policy issuance and subject to terms and conditions as the Corporation may specify from time to time.

**6. SURRENDER VALUE:**

The policy can be surrendered at any time during the policy year. The Guaranteed Surrender Value allowable shall be as under:

- First year: 70% of the Single premium paid excluding extra premiums paid and taxes, if any.
- Thereafter: 90% of the Single premium paid excluding extra premiums paid and taxes, if any.

The Corporation shall pay Special Surrender Value as applicable as on date of surrender provided the same is higher than Guaranteed Surrender Value.

If the policy is surrendered after completion of five policy years Loyalty Addition, if any, based on surrender value, shall also be payable.

**7. Tax:**

Taxes, including Service Tax, shall be as per the Tax laws and the rate of tax shall be as applicable from time to time.

The amount of tax as per the prevailing rates shall be payable by the policyholder on single premium including extra premium, if any. The amount of Tax paid shall not be considered for the calculation of benefits payable under the plan.

**8. COOLING- OFF 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 reason of objections. On receipt of the same the Corporation shall cancel the policy and return the amount of single premium deposited after deducting the proportionate risk premium for the period on cover, stamp duty charges and any charges incurred on medical examination and special reports.

**9. EXCLUSIONS:**

**Suicide:** The policy shall be void if the Life Assured (whether sane or insane at the time) commits suicide at any time within 12 months from the date of commencement of the risk, an amount which is higher of 90% of the single premium paid (excluding taxes and extra premium, if any) or Surrender Value shall be payable. The Corporation will not entertain any other claim under this policy.

This clause shall not apply in case of Life Assured whose age at the time of entry is below 8 years.

**Benefit Illustration:**

**Statutory warning**

*"Some benefits are guaranteed and some benefits are variable with returns based on the future performance of your life insurance company. 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 investment returns. These assumed rates of return are not guaranteed and they are not upper or lower limits of what you might get back as the value of your policy is dependant on a number of factors including future investment performance."*

Benefit Illustration						
Age At Entry	30				UIN: 512N295V01	
Policy Term	12					
Mode of premium payment	Single					
Single Premium (Rs.)	37316					
Maturity Sum Assured	75000					
Basic Sum Assured	373160					
End of Policy Year	Total Premium Paid till end of year	Amount Payable on Death				
		Guaranteed	Variable		Total	
			Scenario 1	Scenario 2	Scenario 1	Scenario 2
1	37316	373160	0	0	373160	373160
2	37316	373160	0	0	373160	373160
3	37316	373160	0	0	373160	373160
4	37316	373160	0	0	373160	373160
5	37316	373160	0	0	373160	373160
6	37316	373160	0	0	373160	373160
7	37316	373160	0	0	373160	373160
8	37316	373160	0	0	373160	373160
9	37316	373160	0	0	373160	373160
10	37316	373160	0	0	373160	373160
11	37316	373160	0	0	373160	373160
12	37316	373160	0	0	373160	373160
End of Policy Year	Total Premium Paid till end	Amount Payable on Maturity				
		Guaranteed	Variable		Total	
			Scenario 1	Scenario 2	Scenario 1	Scenario 2
1	37316	0	0	0	0.00	0.00
2	37316	0	0	0	0.00	0.00
3	37316	0	0	0	0.00	0.00
4	37316	0	0	0	0.00	0.00
5	37316	0	0	0	0.00	0.00
6	37316	0	0	0	0.00	0.00
7	37316	0	0	0	0.00	0.00
8	37316	0	0	0	0.00	0.00
9	37316	0	0	0	0.00	0.00
10	37316	0	0	0	0.00	0.00
11	37316	0	0	0	0.00	0.00
12	37316	75000	0	0	75000.00	75000.00

**Notes:**

- i) The single premium shown above is exclusive of service tax.
- ii) This illustration is applicable to a standard (from medical, life style and occupation point of view) life.
- iii) The non-guaranteed benefits (1) and (2) 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**.*

- iv) Under Scenario 1 and 2 where interest rate earned by the Corporation is assumed to be 4% and 8% p.a. respectively throughout the term, the projected Loyalty Addition is nil.*
- v) 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 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 Insurance Laws (Amendment) Ordinance dtd 26.12.2014 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 policywhichever 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 policywhichever 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 amendments of Insurance Laws (Amendment) Ordinance, 2014 and only a simplified version prepared for general information. Policy Holders are advised to refer to Original Ordinance Gazette Notification dated December 26 , 2014 for complete and accurate details. ]

#### **PROHIBITION OF REBATES (SECTION 41 OF INSURANCE ACT, 1938):**

- 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.

#### **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.

**“Insurance is the subject matter of solicitation.”**

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Registration Number: 512