

## LIC's MARKET PLUS ( UIN: 512L238V01)

### **Benefit Illustration :**

**"IN THIS POLICY, THE INVESTMENT RISK IN INVESTMENT PORTFOLIO IS BORNE BY THE POLICYHOLDER"**

### **Introduction :**

This is a unit linked deferred pension plan. You can take the plan with or without risk cover. You can also choose the level of cover within the limits, which will depend on whether the policy is a Single premium or Regular premium contract and on the level of premium you agree to pay.

The allocated premiums will be applied to purchase units as per the Fund type chosen. Your Unit Account will be subject to deduction of charges as specified in the Policy Conditions. The value of the units in the Unit Fund may increase or decrease, depending on the investment return of the assets representing the chosen Fund.

**1. Payment of Premiums:** You may pay premiums regularly at yearly, half-yearly or quarterly intervals over the term of the policy. The minimum annual premium will be Rs.5,000/- increasing thereafter in multiples of Rs.1,000/-. Alternatively, a Single premium can be paid subject to a minimum of Rs.10,000 and thereafter in multiples of Rs.1,000.

### **2. Benefits:**

#### **A) Death Benefit:**

If the Life cover is opted for, the Sum Assured under the Basic Plan together with the Fund Value of units either as a lump sum or as pension. In case the policy is taken without life cover, then the Fund Value of the units held in the Policyholder's Unit Account shall be payable either as a lump sum or as a pension.

The amount of pension will depend on the then prevailing immediate annuity rates under the annuity option chosen.

#### **B) Benefit on Vesting:**

On your surviving to the date of vesting, the Fund Value of the units held in your Unit Account will compulsorily be utilised to provide a pension based on the then prevailing immediate annuity rates under the relevant annuity option. However, you may opt to commute up to one-third of the Benefit to be paid as a lump sum. Further, you may choose to purchase pension from LIC or other life insurance company.

### **3. Accident Benefit Option :**

If you have opted for life cover, you may opt for Accident Benefit equal to life cover subject to minimum Rs. 25,000 and maximum Rs. 50 lakh (taken all policies with LIC of India and other insurers). In case of death by Accident, an additional sum equal to Accident benefit will be payable.

**4. Eligibility Conditions And Other Restrictions:**

**Basic Plan:**

- (a) Minimum Age at entry - 18 years completed
- (b) Maximum Age at entry - 70 years (age nearer birthday). However if life cover is opted for, then 65 years
- (c) Minimum Age at vesting - 40 years (age last birthday)
- (d) Maximum Vesting Age - 75 years (age last birthday)
- (e) Minimum Deferment Term - 5 years
- (f) Minimum Sum Assured - Rs. 25,000 for Single premium  
Rs. 50,000 for Regular premium
- (g) Maximum Sum Assured-  
Single Premium - Equal to single premium  
Regular Premium - 20 times of the annualized premium

**5. Investment of Funds:** The premiums allocated to purchase units will be strictly invested according to the investment pattern committed in various fund types. Various types of fund and their investment pattern will be as under:

Fund Type	Investment in Government / Government Guaranteed Securities / Corporate Debt	Short-term investments such as money market instruments (including Govt. Securities & Corporate Debt)	Investment in Listed Equity Shares	Risk Profile
(i) Bond Fund	Not less than 80%	100%	Nil	Low Risk
(ii) Secured Fund	Not less than 65%	Not more than 85%	Not less than 15% & Not more than 35%	Low to Medium Risk
(iii) Balanced Fund	Not less than 50%	Not more than 70%	Not less than 30% & not more than 50%	Medium Risk
(iv) Growth Fund	Not less than 20%	Not more than 40%	Not less than 60% & not more than 80%	High Risk

The Policyholder has the option to choose any ONE of the above 4 funds. In case no fund has been opted for, the allocated premiums shall, by default, be invested in the SECURED FUND.

**6. Method of Calculation of Unit price:** Units will be allotted based on the Net Asset Value (NAV) of the respective fund as on the date of allotment. There is no Bid-Offer spread (the Bid price and Offer price of units will both be equal to the NAV). The NAV will be computed on daily basis and will be based on investment performance, Fund Management Charge and whether fund is expanding or contracting under each fund type.

## 7. Charges under the Plan:

A) **Premium Allocation Charge:** This is the percentage of the premium appropriated towards charges from the premium received. The balance known as allocation rate constitutes that part of the premium which is utilized to purchase (Investment) units for the policy. The allocation charges are as below:

**For Single premium policies: 3.3%**

**For Regular premium policies:**

Premium Band (per annum)	Allocation charge	
	First Year	Thereafter
5,000 to 75,000	16.50%	2.50%
75,001 to 1,50,000	15.75%	2.50%
1,50,001 to 3,00,000	15.00%	2.50%
3,00,001 to 5,00,000	14.25%	2.50%
5,00,001 and above	13.50%	2.50%

**Allocation charge for Top-up: 1.25%**

### B) Charges for Risk Covers:

- i) Mortality Charge - This is the cost of insurance cover. These are age specific and will be taken every month.
- ii) Accident Benefit charge: This is the cost of Accident Benefit rider and will be levied every month at the rate of Rs. 0.50 per thousand Accident Benefit Sum Assured per policy year.

### C) Other Charges:

- i) Policy Administration charge: Rs. 60/- per month during the first policy year and Rs. 20/- per month thereafter, throughout the term of the policy.
- ii) Fund Management Charge - This is the charge levied as a percentage of the value of units and shall be appropriated by adjusting NAV at following rates:
  - 0.75% p.a. of Unit Fund for "Bond" Fund
  - 1.00% p.a. of Unit Fund for "Secured" Fund
  - 1.25% p.a. of Unit Fund for "Balanced" Fund
  - 1.50% p.a. of Unit Fund for "Growth" Fund

- iii) Switching Charge - This is the charge levied on switching of monies from one fund to another. Within a given policy year 4 switches will be allowed free of charge. Subsequent switches in that year shall be subject to a switching charge of Rs. 100 per switch.
  - iv) Bid/Offer Spread - Nil.
  - v) Surrender Charge - Nil
  - vi) Service Tax Charge - A service tax charge shall be levied on the Mortality and Accident Benefit rider charge, if any, on a monthly basis. The level of this charge will be as per the rate of service tax as applicable from time to time. Presently, the rate of Service Tax is 12% with an educational cess at the rate of 2% thereon and hence effective rate is 12.24%.
  - vii) Miscellaneous Charge - This is a charge levied for an alteration within the contract, such as reduction in policy term, change in premium mode, etc. An alteration may be allowed subject to a charge of Rs. 50/-.
- D) Right to revise charges:** The Corporation reserves the right to revise all or any of the above charges except the premium allocation charge and charges for risk covers, with the prior approval of IRDA .

Although the charges are reviewable, they will be subject to a cap for which please refer to the policy document.

#### **8. Surrender:**

The surrender value, if any, is payable only after the completion of the third policy anniversary both under Single and Regular premium Contract.

No partial withdrawal of units will be allowed under this plan.

#### **9. Other Features:**

**i) Top-up (Additional Premium) :** The policyholder can pay additional premium in multiples of Rs.1,000 without any limit at anytime during the term of the policy. In case of yearly, half-yearly or quarterly mode of premium payment such Top-up can be paid only if all premiums have been paid under the policy.

**ii) Switching:** You can switch between any fund types during the policy term subject to switching charges, if any.

**iii) Discontinuance of premiums and revival:** If premiums are payable either yearly, half-yearly or quarterly and the same have not been duly paid within the days of grace under the Policy, the Policy will lapse. A lapsed policy can be revived during the period of two years from the due date of first unpaid premium.

If you have opted for life cover, under Regular premium policies where at least 3 years' premiums have been paid, and the subsequent premiums are not paid, the life cover and accident benefit cover, if any, will be compulsorily available under the policy and the

charges for the same if any, shall be taken, in addition to other charges, by cancelling an appropriate number of units out of the Policyholder's Unit Account every month subject to the following :

- i. two years from the due date of first unpaid premium, or
- ii. the date of vesting, or
- iii. till such period that the Policyholder's Unit Account reduces to one annualized premium,

whichever is earlier.

*iv) Increase / decrease of benefits:* No increase (except to the extent of Top-up stated above) or decrease of benefits will be allowed under the plan.

*v) Conversion to annuity at Vesting date:* The rate at which the amount at vesting date will be converted to an annuity is not guaranteed and will be based on the prevailing immediate annuity rates under the relevant annuity option at the vesting date.

**10. Reinstatement:**

A policy once surrendered cannot be reinstated.

**11. Risks borne by the Policyholder:**

- i) Unit Linked Life Insurance products are different from the traditional insurance products and are subject to the risk factors.
- ii) The premium paid in Unit Linked Life Insurance policies are subject to investment risks associated with capital markets and the NAVs of the units may go up or down based on the performance of fund and factors influencing the capital market and the insured is responsible for his/her decisions.
- iii) Life Insurance Corporation of India is only the name of the Insurance Company and LIC's Market Plus is only the name of the unit linked life insurance contract and does not in any way indicate the quality of the contract, its future prospects or returns.
- iv) Please know the associated risks and the applicable charges, from your Insurance agent or the Intermediary or policy document of the insurer.
- v) The various funds offered under this contract are the names of the funds and do not in any way indicate the quality of these plans, their future prospects and returns.
- vi) All benefits under the policy are also subject to the Tax Laws and other financial enactments as they exist from time to time.

**12. Cooling off period:**

If you are not satisfied with the "Terms and Conditions" of the policy, you may return the policy to us within 15 days.

**13. Loan:**

No loan will be available under this plan.

**14. Assignment:**

Assignment will not be allowed under this plan.

**15. Exclusions:**

In case the Life Assured commits suicide at any time within one year, the Corporation will not entertain any claim by virtue of the policy except to the extent of the Fund Value of the units held in the Policyholder's Unit Account on death.

**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								
BASIC PLAN WITH LIFE COVER								
FREQUENCY OF PREMIUM PAYMENT		ANNUAL PREMIUM		PREMIUM SUM ASSURED UNDER BASIC PLAN			10000	
AGE AT ENTRY	35 years			ACCIDENT BENEFIT SUM ASSURED			200000	
TERM	20 years						0	
TYPE OF FUND	Secured Fund							
DEATH BENEFIT PAYABLE AT END OF YEAR OF DEATH							SURRENDER/ MATURITY VALUE	
END OF POLICY YEAR	TOTAL PREMIUM PAID	GUARANTEED	VARIABLE	VARIABLE	Total	Total	VARIABLE	VARIABLE
			SCENARIO 1	SCENARIO 2	SCENARIO 1	SCENARIO 2	SCENARIO 1	SCENARIO 2
1	10000	200000	7624	7932	207624	207932	0	0
2	20000	200000	17560	18569	217560	218569	0	0
3	30000	200000	27955	30121	227955	230121	27955	30121
4	40000	200000	38827	42664	238827	242664	38827	42664
5	50000	200000	50196	56282	250196	256282	50196	56282
6	60000	200000	62072	71057	262072	271057	62072	71057
7	70000	200000	74480	87091	274480	287091	74480	87091
8	80000	200000	87452	104503	287452	304503	87452	104503
9	90000	200000	101013	123411	301013	323411	101013	123411
10	100000	200000	115178	143935	315178	343935	115178	143935
11	110000	200000	129963	166205	329963	366205	129963	166205
12	120000	200000	145385	190361	345385	390361	145385	190361
13	130000	200000	161460	216558	361460	416558	161460	216558
14	140000	200000	178208	244962	378208	444962	178208	244962
15	150000	200000	195646	275756	395646	475756	195646	275756
16	160000	200000	213796	309138	413796	509138	213796	309138
17	170000	200000	232677	345323	432677	545323	232677	345323
18	180000	200000	252313	384547	452313	584547	252313	384547
19	190000	200000	272725	427066	472725	627066	272725	427066
20	200000	200000	293938	473158	493938	673158	293938	473158

BENEFIT ILLUSTRATION								
BASIC PLAN WITHOUT LIFE COVER								
FREQUENCY OF PREMIUM PAYMENT		Single Premium		PREMIUM SUM ASSURED UNDER BASIC PLAN		100000		
AGE AT ENTRY	35	years		ACCIDENT BENEFIT SUM ASSURED		0		
TERM TYPE OF FUND	20	years				0		
	Secured Fund							
DEATH BENEFIT PAYABLE AT END OF YEAR OF DEATH							SURRENDER/ MATURITY VALUE	
END OF POLICY YEAR	TOTAL PREMIUM PAID	GUARANTEED	VARIABLE	VARIABLE	Total	Total	VARIABLE	VARIABLE
			SCENARIO 1	SCENARIO 2	SCENARIO 1	SCENARIO 2	SCENARIO 1	SCENARIO 2
1	100000	0	100743	104557	100743	104557	0	0
2	100000	0	102015	110022	102015	110022	0	0
3	100000	0	106813	119569	106813	119569	106813	119569
4	100000	0	111848	129965	111848	129965	111848	129965
5	100000	0	117132	141287	117132	141287	117132	141287
6	100000	0	122678	153617	122678	153617	122678	153617
7	100000	0	128498	167045	128498	167045	128498	167045
8	100000	0	134605	181669	134605	181669	134605	181669
9	100000	0	141015	197595	141015	197595	141015	197595
10	100000	0	147742	214940	147742	214940	147742	214940
11	100000	0	154801	233829	154801	233829	154801	233829
12	100000	0	162209	254400	162209	254400	162209	254400
13	100000	0	169984	276803	169984	276803	169984	276803
14	100000	0	178143	301201	178143	301201	178143	301201
15	100000	0	186705	327771	186705	327771	186705	327771
16	100000	0	195691	356708	195691	356708	195691	356708
17	100000	0	205121	388222	205121	388222	205121	388222
18	100000	0	215018	422541	215018	422541	215018	422541
19	100000	0	225404	459917	225404	459917	225404	459917
20	100000	0	236303	500622	236303	500622	236303	500622

Notes:

i) *This illustration is applicable to a non-smoker male/female standard (from medical, life style and occupation point of view) life.*

ii) *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 6% p.a.(Scenario 1) and 10% 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 6% p.a. or 10% p.a., as the case may be. The Projected Investment Rate of Return is **not guaranteed**.*

iii) *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.*

A) *“LIC does not authorize its agents/intermediaries, staff and officials to express their opinion about the future performance of the “ULIP” fund, excepting IRDA prescribed illustrative rate of 6% and 10% growth (before and after deduction of charges)”*

B) *“Market Plus is a ULIP plan which is different from the traditional policy. In this plan, sum assured is guaranteed in case of death, if risk cover is opted for, but not in case of maturity.”*

#### **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 subsection 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 punishable with fine which may extend to five hundred rupees.

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