

# **LIC's OYRGTA II Sales Brochure**

## **LIC's NEW ONE YEAR RENEWABLE GROUP TERM ASSURANCE PLAN-II (UIN: 512N276V04)**

**(A Non-Par, Non-Linked, Life, Group, Pure Risk Plan)**

**LIC's New One Year Renewal Group Term Assurance Plan-II** is a Non-Par, Non-Linked, Life, Group, Pure Risk Plan. It provides valuable life cover to the employees/members of a homogeneous group at attractive premium rates. The plan can be offered to Employer-Employee groups as well as Non-Employer - Employee groups.

The amount of life cover in respect of each member shall be guided by the scheme rules of the group. Increase in the Sum Assured in respect of a member shall be allowed during the Policy Term or on Annual Renewal Date as per the Scheme rules. The total premium payable at commencement and subsequent renewals shall be equal to the sum of premium in respect of individual members of the group.

The prospective policyholders are hereby informed that while making a buying decision reference may be made to the similar available products for informed decision making to choose and select the Options/Product which best suits their needs such as under annuities, ULIPs etc.

### **1. Salient Features:**

- Ensures financial security for member's family at very attractive rates.
- Premium rates dependant on the size and risk profile of the group.
- Scope of reviewability of premium through profit sharing arrangement.

### **2. Benefits:**

#### **Death Benefit:**

On death of the Member during the policy term provided the policy is in-force, Sum Assured on death in respect of that Member shall be payable as per the Scheme Rules. Where "Sum Assured on Death" is defined as:

#### **For age less than 50 years:**

Higher of Sum Assured or 7 times of annualised premium (excluding taxes, rider premiums, underwriting extra premiums and loadings for modal premiums) in respect of the member.

### **For age 50 years and above:**

Higher of Sum Assured or 5 times of annualised premium (excluding taxes, rider premiums, underwriting extra premiums and loadings for modal premiums) in respect of the member.

The minimum death benefit shall be 105% (one hundred and five percent) of the total premiums paid up to the date of occurrence of covered contingency. "Total Premiums Paid" means the total of all premiums paid under the Base product in respect of the member during the policy year excluding any extra premium and taxes, if collected explicitly.

However, on death (other than Accidental Death) of a Member within 30 days from the Date of Commencement of the Policy or Entry Date of the member in to the scheme, 80% of the Premium Paid (exclusive of Taxes and extra premium, if any) in respect of that member shall be payable. (However, in case of employer-employee groups where the participation is compulsory, this clause shall not be applicable).

The Sum assured on Death shall be payable in lumpsum to the nominee(s)/ beneficiary. In case the insurance is effected to cover the outstanding loan balance amount provided by the Financial Institution who is the Master Policyholder, the part of the claim proceeds will be utilized to repay the loan to the Master policyholder and the balance amount, if any, shall be paid to the nominee(s).

### **Maturity Benefit:**

No Survival/ Maturity benefit shall be payable under this policy.

## **3. Eligibility Conditions And Other Restrictions:**

- |                           |                                                                                                      |
|---------------------------|------------------------------------------------------------------------------------------------------|
| a) Minimum Entry Age      | : 8 years (completed)                                                                                |
| b) Maximum Entry Age      | : 75 years (nearest birthday)                                                                        |
| c) Maximum Age at renewal | : 80 years (nearest birthday)                                                                        |
| d) Minimum Sum Assured    | : Rs. 10,000/-                                                                                       |
| e) Maximum Sum Assured    | : No limit. However, the maximum Sum Assured shall be as per the Board Approved Underwriting Policy. |

- f) Policy Term : Annually Renewable
- g) Minimum group size for employer-employee group : 25
- h) Minimum group size for non employer-employee group : 50

#### 4. Payment Of Premiums:

##### i. Mode of Premium Payment:

The Policyholder may pay the premium in yearly, half-yearly, quarterly and monthly mode.

Where the mode of payment of premium is other than yearly, the tabular premium for a year shall be multiplied by the factor given below to arrive at the corresponding instalment premium:

| Mode of payment | Factor |
|-----------------|--------|
| Half yearly     | 0.5108 |
| Quarterly       | 0.2582 |
| Monthly         | 0.0867 |

##### ii. Proportionate premium for new entrants:

If a member joins in between, the Policyholder would need to pay the proportionate amount of premium. This proportionate premium shall be determined on the basis of the mode of premium payment under the Policy and premium per Member for the period from the Entry Date to the next Premium Due Date (in case of other than yearly mode of premium payment) or Annual Renewal Date as applicable, along with applicable taxes. Thereafter, premium in respect of such Member shall be payable along with the total premium payable under the Policy.

##### iii. Refund of overpaid premium:

In the event of a Member leaving the service of the Master Policyholder on attaining the retirement age, on resignation, on early retirement or on ill health retirement during the Policy Term, the Corporation shall refund to the Master Policyholder or the member as applicable an amount equal to proportionate premium paid in respect of the Member from the date of leaving service to the next following Premium Due Date (in case of other than yearly mode of premium payment) or Annual Renewal Date as applicable. Appropriate recovery in respect of expenses and taxes, if any, shall also be made.

## 5. Profit Sharing :

Under this plan, the policy will be eligible for profit sharing. The profit will be calculated on the premiums collected under the policy after deduction of total claims during the period and allowing for expenses and contingency reserves, adjusted for credibility of experience, and carried forward losses, if any. A percentage of this profit depending on the group size will be shared as adjustment against the next renewal premium. In case of losses, the same will be carried forward to the following year.

## 6. Optional Rider:

LIC's Group Accident Benefit Rider (UIN: 512B213V01) shall be available under this plan.

If the member(s) is involved in an accident, which is defined as "a sudden, unforeseen and involuntary event caused by external, visible and violent means", leading to death and such incident shall occur within 180 days from the date of accident then, an amount equal to Accident Benefit Sum Assured as specified in the Scheme Rules shall be payable. However, the Rider shall have to be in force at the time of accident irrespective of whether or not it is in force at the time of death.

Sum Assured under the Rider shall not exceed the three times of Sum Assured under the Base Product. The premium under the Rider shall not exceed 30% of premium under the Base product.

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

## 7. Loan:

No loan is available under this plan.

## 8. Surrender Value:

A policy under this plan will not acquire any surrender value or paid-up value. However, in case of surrender of the group policy by the Master Policyholder, the insurance cover of an individual Member shall be continued for the period towards which premiums have already been paid before date of surrender for the Member who expressly convey to continue the policy/ cover in writing.

## 9. 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 Master policyholder/member as the case may be on premiums payable under the policy, which shall be collected separately over and above in addition to the premiums payable by the Master policyholder/member. The amount of tax paid shall not be considered for the calculation of benefits payable under the plan.

## 10. Grace Period For Premium Payment:

A grace period of 30 days from due date of premium will be allowed for payment of premiums for yearly, half-yearly and quarterly mode of premium payment. For monthly mode of premium payment, the grace period shall be 15 days. Upon non-payment of premium within the grace period the Policy shall be treated as lapsed and nothing shall be payable in the event of death. If any death occurs during the grace period, the Sum Assured shall be payable after deduction of due but unpaid premium.

## 11. Revival Of Policy:

If the policy has lapsed, it may be revived within a period of 3 months from the date of first unpaid premium or the next Annual Renewal Date whichever is earlier, on payment of arrears of premium together with interest (compounding half-yearly) at such rate as may be prevailing at the time of the payment.

The rate of interest applicable for revival under this product for every 12 months' period from 1st April to 31st March shall not exceed 10 year G-sec rate p.a. compounding half yearly as at the last trading day of previous financial year plus 300 basis points. For the period of 1st April 2024 to 31st March 2025, the interest rate applicable for revival is 9.50% p.a.

The Corporation reserves the right to accept or decline

the revival of a discontinued policy. The revival of a discontinued policy shall take effect only after the same is approved, accepted and revival receipt is issued by the Corporation.

## **12. Suicide Clause:**

In case of death of a member due to suicide, within 12 months from the date of commencement or date of revival of the policy or date of entry of the member into the scheme whichever is later, nominee or beneficiary of the Member shall be entitled to 80% of the total premiums paid (excluding extra premium, rider premium and taxes if collected explicitly) during that policy year in respect of that member, provided the policy is in force. However, in case of employer-employee groups where the participation is compulsory, this clause shall not be applicable.

## **13. Free Look Period:**

a. Applicable to Master Policyholder:

If the Master Policyholder is not satisfied with the “Terms and Conditions” of the policy, the policy may be returned to the Corporation within 30 days from the date of receipt of electronic or physical mode of the Policy Document, whichever is earlier, stating the reasons for objections. On receipt of the same, the Corporation shall cancel the policy and refund the amount of premium deposited to the Master Policyholder after deducting the proportionate risk premium for the period of cover, and charges for stamp duty.

b. Applicable to Member:

If the Member is not satisfied with the “Terms and Conditions” of the Certificate of Insurance, the Certificate of Insurance may be returned to the Corporation through the Master Policyholder within 30 days from the date of receipt of electronic or physical mode of the Certificate of Insurance, whichever is earlier, stating the reasons for objections. On receipt of the same, the Corporation shall cancel the Certificate of Insurance and refund the amount of premium deposited for the member after deducting

the proportionate risk premium for the period of cover, and charges for stamp duty. The Life Insurance cover shall be terminated for the Member on payment of Free Look cancellation amount.

#### **14. Forfeiture in certain events:**

##### Forfeiture Regulations:

In case it is found that any untrue or incorrect statement is contained in the proposal, personal statement, declaration and connected documents or any material information is withheld by the Master Policyholder/Member, then and in every such case the policy shall be void and all claims to any benefit by virtue thereof shall be subject to the provisions of Section 45 of the Insurance Act, 1938 as amended from time to time.

##### Non-forfeiture Regulations:

Not applicable as there is no paid up value available under this plan.

#### **15. Grievance Redressal Mechanism:**

##### **Of the Corporation:**

The Corporation has Grievance Redressal Officers (GROs) at Branch/ Divisional/ Zonal/ Central Office to redress grievances of customers. The customers can visit our website (<https://licindia.in/web/guest/grievances>) for names and contact details of the GROs and other information related to grievances

For ensuring quick redressal of customer grievances the Corporation has introduced Customer friendly Integrated Complaint Management System through our Customer Portal (website) <http://www.licindia.in>, where a registered policy holder can directly register complaint/ grievance and track its status. Customers can also contact at e-mail id [co\\_complaints@licindia.com](mailto:co_complaints@licindia.com) for redressal of any grievances.

Claimants not satisfied with the decision of death claim repudiation have the option of referring their cases for review to Zonal Office Claims Dispute Redressal Committee or Central Office Claims Dispute Redressal Committee. A retired High Court/ District Court Judge is Member of each of the Claims Dispute Redressal Committees.

## Of IRDAI:

In case the customer is not satisfied with the response or do not receive the response from us within 15 days, then the customer may approach the Policyholder's Protection and Grievance Redressal Department through any of the following modes:

- i) Calling Toll Free Number 155255 / 18004254732 (i.e. IRDAI Grievance Call Centre (BIMA BHAROSA SHIKAYAT NIVARAN KENDRA))
- ii) Sending an email to [complaints@irdai.gov.in](mailto:complaints@irdai.gov.in)
- iii) Register the complaint online at <https://bimabharosa.irdai.gov.in/>
- iv) Address for sending the complaint through courier/ letter: General Manager, Policyholders Protection and Grievance Redressal Department, Insurance Regulatory and Development Authority of India, Survey No.115/1, Financial District, Nanakramguda, Gachibowli, Hyderabad-500032, Telangana

## Of Ombudsman:

For redressal of Claims related grievances, claimants can also approach Insurance Ombudsman who provides for low cost and speedy arbitration to customers.

## **SECTION 45 OF INSURANCE ACT, 1938:**

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

- (1) No policy of life insurance shall be called in question on any ground whatsoever after the expiry of three years from the date of the policy, i.e. from the date of issuance of the policy or the date of commencement of risk or the date of revival of the policy or the date of the rider to the policy, whichever is later.
- (2) A policy of life insurance may be called in question at any time within three years from the date of issuance of the policy or the date of commencement of risk or the date of revival of the policy or the date of the rider to the policy,

whichever is later on the ground of fraud:

Provided that the insurer shall have to communicate in writing to the insured or the legal representatives or nominees or assignees of the insured the grounds and materials on which such decision is based.

Explanation I- For the purposes of this sub-section, the expression “fraud” means any of the following acts committed by the 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 specially declares to be fraudulent.

Explanation II- Mere silence as to facts likely to affect the assessment of the risk by the insurer is not fraud, unless the circumstances of the case are such that regard being had to them, it is the duty of the insured or his agent, keeping silence to speak, or unless his silence is, in itself, equivalent to speak.

- (3) Notwithstanding anything contained in subsection (2), no insurer shall repudiate a life insurance policy on the ground of fraud if the insured can prove that the misstatement of or suppression of a material fact was true to the best of his knowledge and belief or that there was no deliberate intention to suppress the fact or that such misstatement of or suppression of a material fact are within the knowledge of the insurer:

Provided that in case of fraud, the onus of disproving lies upon the beneficiaries, in case the policyholder is not alive.

Explanation – A person who solicits and negotiates a contract of insurance shall be deemed for the purpose

of the formation of the contract, to be the agent of the insurer.

- (4) A policy of life insurance may be called in question at any time within three years from the date of issuance of the policy or the date of commencement of risk or the date of revival of the policy or the date of the rider to the policy, whichever is later, on the ground that any statement of or suppression of a fact material to the expectancy of the life of the insured was incorrectly made in the proposal or other document on the basis of which the policy was issued or revived or rider issued:

Provided that the insurer shall have to communicate in writing to the insured or the legal representatives or nominees or assignees of the insured the grounds and materials on which such decision to repudiate the policy of life insurance is based:

Provided further that in case of repudiation of the policy on the ground of misstatement or suppression of a material fact, and not on the ground of fraud the premiums collected on the policy till the date of repudiation shall be paid to the insured or the legal representatives or nominees or assignees of the insured within a period of ninety days from the date of such repudiation.

Explanation - For the purposes of this sub-section, the misstatement of or suppression of fact shall not be considered material unless it has a direct bearing on the risk undertaken by the insurer, the onus is on the insurer to show that had the insurer been aware of the said fact no life insurance policy would have been issued to the insured.

- (5) Nothing in this section shall prevent the insurer from calling 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 that the age of the life insured was incorrectly stated in the proposal.

## **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.
- 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.

Various Sections of the Insurance Act, 1938, applicable to LIC to apply as amended from time to time.

This product brochure gives only salient features of the plan. For further details please refer to the Policy document on our website [www.licindia.in](http://www.licindia.in) or contact our nearest Branch Office.

### **BEWARE OF SPURIOUS PHONE CALLS AND FICTITIOUS / FRAUDULENT OFFERS**

IRDAI or its officials do not involve in any activities of insurance business like selling insurance policies, announcing bonus or investment of premiums, refund of amounts. Policyholders or the prospects receiving such phone calls are requested to lodge a police complaint.

### **LIFE INSURANCE CORPORATION OF INDIA**

“Life Insurance Corporation of India” was established on 1st September, 1956 under Life Insurance Corporation Act, 1956, with the objective of spreading life insurance more widely, in particular to the rural areas with a view to reaching all insurable persons in the country and providing them adequate financial cover against insured events. LIC continues to be the important life insurer even in the liberalized scenario of Indian insurance and is moving fast on a new growth trajectory surpassing its own past records. In its existence of over six decades, LIC has grown from strength to strength in various areas of operation.



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