

LIC's SPGI Sales Brochure

LIC's Single Premium Group Insurance Plan (UIN: 512N298V02)

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

LIC's Single Premium Group Insurance is a Non-Par, Non-Linked, Life, Group, Pure Risk plan. This plan offers life cover on death of the group member during the Period of Coverage. An employer willing to cover their employees or a non-employer-employee homogeneous group may take this plan for their members.

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. Key Features:

- Insurance cover at very attractive rates.
- Premium rates dependant on the risk profile of the group.
- Option to choose Period of Coverage from 2 years to 7 years

2. Benefits:

Death Benefit:

On death of the Member during the Period of Coverage, Sum Assured on Death in respect of the Member shall be payable as per the Scheme Rules of the Master Policyholder. Where "Sum Assured on Death" shall be higher of Sum Assured or 1.25 times of Single Premium paid (excluding extra premium and taxes, if collected explicitly) in respect of the member.

The "Sum Assured on Death" shall become payable in lump sum to the nominee(s)/ beneficiaries. 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)/ beneficiary.

Maturity Benefit:

On survival to the end of the policy term nothing shall be payable.

3. Eligibility Conditions And Other Restrictions:

- a) Minimum Entry Age : 18 years (completed)
- b) Maximum Entry Age : 60 years (nearest birthday)
- c) Maximum Age at Maturity : 65 years(nearest birthday)
- d) Minimum Sum Assured : Rs. 10,000/-
- e) Maximum Sum Assured : Rs. 10,00,000/-
- f) Policy Term/ Period of Coverage for Member : 2 to 7 years
- g) Minimum group size for : 50 members
- h) Premium payment mode : Single premium only

4. Payment Of Premiums:

The Single Premium shall be payable for the insurance cover in respect of each of the Member of the group on the Entry Date. The Single Premium payable for insurance cover in respect of new Member(s) joining the Scheme after the date of commencement of Policy shall depend on the actual past experience of the Scheme.

5. Option to Member to continue the insurance cover in case of surrender by Master Policyholder:

In case of surrender of the policy by the Master Policyholder, the insurance cover of the individual members of the group who are not interested in surrendering the insurance cover and expressly conveyed to continue the insurance cover shall have an option to continue as an individual policy till their coverage is terminated.

6. Surrender Value:

a) On Surrender of insurance cover by a member:

No Surrender Value shall be available under this plan. However, surrender of insurance cover by a member shall be allowed at any time after the entry of the member into the policy. On surrender, an amount equal to Unexpired Risk Premium Value in respect of that member, if any, shall be payable provided such value is at least Rs 100. Such

surrender request shall be submitted through the Master Policyholder.

The Unexpired Risk Premium Value payable to a member shall be equal to applicable Surrender Value Factor multiplied by Single Premium paid (excluding extra premium and taxes, if collected explicitly) in respect of that member.

b) On Surrender of policy by the Master Policyholder:

No Surrender Value shall be available under this plan. However, the policy can be surrendered by the Master Policyholder at any time after the date of commencement of the policy with the prior notice as decided by the Corporation. Currently, the notice period is 30 days. On surrender, an amount equal to Sum Total of Unexpired Risk Premium Value of the members opting to surrender their insurance cover shall be payable provided such value is at least Rs 100.

The Unexpired Risk Premium Value for a member shall be equal to applicable Surrender Value Factor multiplied by Single Premium paid (excluding extra premium and taxes, if collected explicitly) in respect of that member.

However, in case of surrender of the policy by the Master Policyholder, the insurance cover of the individual members of the group who are not interested in surrendering the insurance cover and expressly conveyed to continue the policy shall have an option to continue as an individual policy till their coverage is terminated.

The applicable Surrender Value Factors shall depend on the Period of Coverage and duration elapsed since the entry date of the member and are as under:

Surrender Value Factors						
Duration elapsed	Period of Coverage					
	2	3	4	5	6	7
0.0	21.96%	30.42%	35.13%	38.05%	39.96%	41.40%
0.5	11.21%	23.17%	29.84%	33.96%	36.66%	38.70%
1.0	0.46%	15.93%	24.55%	29.87%	33.36%	36.00%
1.5	0.23%	7.98%	18.73%	25.37%	29.72%	33.01%
2.0	0.00%	0.03%	12.91%	20.87%	26.09%	30.02%

2.5		0.01%	6.57%	15.96%	22.11%	26.75%
3.0		0.00%	0.24%	11.05%	18.13%	23.48%
3.5			0.12%	5.72%	13.81%	19.92%
4.0			0.00%	0.40%	9.49%	16.36%
4.5				0.20%	4.82%	12.50%
5.0				0.00%	0.14%	8.64%
5.5					0.07%	4.49%
6.0					0.00%	0.34%
6.5						0.17%
7.0						0.00%

7. Policy Loan :

No loan is available under this plan.

8. Forfeiture and Non-forfeiture Regulations:

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.

9. Termination of Insurance Cover:

The insurance cover of a Member shall terminate on the happening of any of the following events:

- On payment of Death Benefit
- On expiry of the Period of Coverage in respect of that member
- On payment of free look cancellation amount
- Surrender of cover by the member during the Period of Coverage
- If the Policy is surrendered by the Master Policyholder,

unless the member decides to continue his/her cover as an individual policy under group business.

- f. On event of Forfeiture as specified in Para 8 above.

10. Taxes:

Statutory Taxes, if any, imposed on such insurance plans by the Government 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/ Members on premiums including extra premiums, if any, 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.

11. Free Look Period:

(i) 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 the electronic or physical mode of 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 after deducting the proportionate risk premium for the period of cover, and charges for stamp duty.

(ii) 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 the electronic or physical mode of 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 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.

12. Suicide Clause:

In case of death of a Member (whether sane or insane) due to suicide within 12 months from the Date of Commencement of the Policy or Entry date, whichever is later, the nominee/beneficiary shall be entitled to 80% of the Single Premium paid (excluding extra premium and taxes, if collected explicitly) in respect of the member. The Corporation will not entertain any other claim and the life insurance cover shall terminate for the Member.

This clause is applicable for voluntary Schemes under employer-employee groups and all the Schemes under Non employer employee groups.

13. 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 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
- 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 THE INSURANCE ACT, 1938 (AS AMENDED FROM TIME TO TIME)

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

PROHIBITION OF REBATES (SECTION 41 OF THE INSURANCE ACT, 1938) as amended from time to time:

- 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 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

Registration Number: 512