

INFORMATION TO BE PROVIDED IN SALES BROCHURE OF
LIC's BHAGYA LAKSHMI PLAN – MICRO INSURANCE PRODUCT

(UIN: 512N292V01)

1. Introduction:

LIC's Bhagya Lakshmi is a non-par limited payment protection oriented plan with return of 110% of total amount of premiums payable on maturity where the premium paying term is 2 years lesser than the policy term.

The benefits and other features are as under:

2. Benefits :

a. Maturity Benefit:

Provided the policy is in force, on surviving to the date of maturity, "Sum Assured on Maturity" shall be payable which is equal to 110% of total amount of premiums payable during the term of the contract (excluding taxes and extra premium, if any)

b. Death Benefit:

On Life Assured's death before the stipulated Date of Maturity, provided the policy is in full force by paying up-to-date premiums, "Sum Assured on Death" equal to Sum Assured under the policy shall be payable.

3. Eligibility Conditions and Other Restrictions:

- a) Minimum Sum Assured : Rs. 20,000/-
- b) Maximum Sum Assured : Rs. 50,000/-
(The Sum Assured shall be in multiples of Rs. 1,000/-)
- c) Minimum age at entry : 18 years (completed)
- d) Maximum age at entry : 55 years (nearest birthday)
- e) Minimum Premium Paying Term : 5 years
- f) Maximum Premium Paying Term : 13 years
- g) Policy Term : Premium Paying Term + 2 years
- h) Maximum age at maturity : 65 years (nearest birthday)

4. Payment of Premiums:

The modes of premium payment allowable are yearly, half-yearly, quarterly, monthly or through salary deductions.

However, a grace period of two calendar months but not less than 60 days will be allowed for all modes of payments.

5. Sample Premium Rates:

Following are some of the sample annual tabular premium rates (exclusive of service tax) per Rs. 1000/- Sum Assured:

AGE In years	TERM (PPT) in years		
	7(5)	10(8)	15(13)
20	127.45	64.35	37.20
30	129.30	65.80	38.55
40	138.30	72.80	44.25
50	164.10	91.40	57.15
55	179.90	103.05	-

6. Mode and High Sum Assured Rebates:

Mode Rebate:

Yearly mode	-	2% of Tabular Premium
Half-yearly mode	-	1% of Tabular premium
Other modes	-	NIL

High Sum Assured Rebate: Nil

7. Paid-up Value:

For policies with premium paying term less than 10 years if after at least two full years' premiums have been paid and for policies with premium paying term 10 years or more if after at least three full years' premiums have been paid and any subsequent premium be not duly paid, this policy shall not be wholly void, but shall subsist as a paid-up policy.

The amount payable on death under a paid-up policy shall be reduced to such a Sum, called Death Paid-up Sum Assured and shall bear the same ratio to the **Sum Assured on Death** as the number of premiums paid bears to the total number of premiums payable i.e. **Death Paid-up Sum Assured = Sum Assured on Death * (number of premiums paid/number of premiums payable during the policy term)**.

The amount payable at Maturity under a paid-up policy shall be reduced to such a Sum, called Maturity Paid-up Sum Assured and shall bear the same ratio to the **Sum Assured on Maturity** as the number of premiums paid bears to the total number of premiums payable i.e. **Maturity Paid-up Sum Assured = Sum Assured on Maturity * (number of premiums paid/number of premiums payable during the policy term)**.

The policy so reduced shall thereafter be free from all liabilities for payment of the within mentioned premium.

8. Revival:

If premiums are not paid within the grace period then the policy will lapse. A lapsed policy can be revived within a period of two consecutive years from the date of first unpaid premium but before the date of maturity, as the case may be, on submission of proof of continued insurability as per "Board approved underwriting policy" and the payment of all the arrears of premium together with interest (compounding half-yearly) at such rate as fixed by the Corporation from time to time.

The Corporation reserves the right to accept at original terms, accept with modified terms or decline the revival of a discontinued policy as per “Board approved underwriting policy”. The revival of a discontinued policy shall take effect only after the same is approved by the Corporation and is specifically communicated in writing to the Life Assured.

9. Surrender Value:

The policy can be surrendered at any time during the policy term provided premiums have been paid for atleast two consecutive years if premium paying term is less than 10 years and for atleast three consecutive years if premium paying term is 10 years or more.

The Guaranteed Surrender Value is equal to Guaranteed Surrender Value factor multiplied by total premiums paid (excluding taxes and extra premium, if any). The Guaranteed Surrender Value factor will depend on the policy term and policy year in which the policy is surrendered and is as under:

GSV factors applicable to total premiums paid									
Duration/Term	7	8	9	10	11	12	13	14	15
1	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
2	30.00%	30.00%	30.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
3	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%
4	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%
5	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%
6	80.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%
7	80.00%	80.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%
8		80.00%	80.00%	65.00%	60.00%	57.50%	56.00%	55.00%	54.29%
9			80.00%	80.00%	70.00%	65.00%	62.00%	60.00%	58.57%
10				80.00%	80.00%	72.50%	68.00%	65.00%	62.86%
11					80.00%	80.00%	74.00%	70.00%	67.14%
12						80.00%	80.00%	75.00%	71.43%
13							80.00%	80.00%	75.71%
14								80.00%	80.00%
15									80.00%

However, under this policy, **Special Surrender Value** will be payable to the Policyholder if it is more favorable than Guaranteed Surrender Value. The Special Surrender Value will be the discounted value of the Maturity Paid-up Sum Assured. These discounting factors applicable to this policy may change from time to time with prior approval of IRDA.

10. Loan:

No loan facility will be available under this plan.

11. Taxes:

Taxes including service tax, if any, 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 the premium including extra premium and rider premium, if any. The amount of Tax paid shall not be considered for the calculation of benefits payable under the plan.

12. 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 stating the reason 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 the period on cover and charges for stamp duty.

13. Exclusions:

a) 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 and the Corporation will not entertain any claim under this policy except to the extent of 80% of the premiums paid excluding any taxes and extra premium, if any, 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 (excluding any taxes and extra premium, if any) or the surrender value, shall be payable. The Corporation will not entertain any other claim under this policy.

SECTION 45 OF INSURANCE ACT, 1938:

No policy of life insurance shall after the expiry of two years from the date on which it was effected, be called in question by an insurer on the ground that a statement made in the proposal for insurance or in any report of a medical officer, or referee, or friend of the insured, or in any other document leading to the issue of the policy, was inaccurate or false, unless the insurer shows that such statement was on a material matter or suppressed facts which it was material to disclose and that it was fraudulently made by the policyholder and that the policyholder knew at the time of making it that the statement was false or that it suppressed facts which it was material to disclose.

Provided that 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 assured was incorrectly stated in the proposal.

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 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.

BEWARE OF SPURIOUS PHONE CALLS AND FICTITIOUS/FRAUDULENT OFFERS

IRDA clarifies to public that

- **IRDA or its officials do not involve in activities like sale of any kind of insurance or financial products nor invest premiums.**
- **IRDA 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”

Registered Office:

Life Insurance Corporation of India
Central Office, Yogakshema,
Jeevan Bima Marg,
Mumbai - 400021.

Website: www.licindia.in

Registration Number : 512