INFORMATION TO BE PROVIDED IN SALES BROCHURE

LIC’s New Group Superannuation Cash Accumulation Plan (UIN: 512N274V03)  
(A Non-Linked, Non-Participating Pension Group Savings Plan)

1. **Introduction:** This is a Non-Linked, Non-Participating, Pension, Group Savings plan which aims to manage the Superannuation fund on behalf of employer/trustees. This plan is suitable for employer having Defined Contribution/Defined Benefit Superannuation Scheme for their employees/Members.

The Contributions can be paid at any time during the year. Contributions paid by employer/trustees will be credited to the Group Policy Account maintained in the name of employer/trustees/Master Policyholder. In case of Defined Contribution Scheme, Individual Policy Account in respect of each Member will also be maintained.

2. **Eligibility Criteria:**
   i. Minimum Entry Age: 18 years (completed)
   ii. Maximum Entry Age: 75 years (nearer birthday)
   iii. Maximum Maturity Age: 85 years (nearer birthday)
   iv. Minimum Contribution:

   **Under Defined Benefit Scheme:** Contribution requirement will be determined as per AS 15 (Revised) or IND AS 19 or any other standards applicable for long term Employee Benefits subject to minimum of Rs 10,000/- at the time of inception of the policy.

   **Under Defined Contribution Scheme:** Rs.1200/- per annum per Member.

   v. Maximum Contribution:

   **Under Defined Benefit Scheme:** Contribution requirement will be determined as per AS 15 (Revised) or IND AS 19 or any other standards applicable for long term Employee Benefits.

   **Under Defined Contribution Scheme:** As per Scheme Rules.

   vi. Minimum Group Size for new employer-employee Scheme: 10
   vii. Minimum Group Size for Govt. Sponsored Social Security Scheme: No Restriction
   viii. Maximum Group Size: No Restriction
   ix. Policy Term: Annually renewable

3. **Benefits:**
In case of exit of a Member due to death or resignation or retirement (including normal retirement, voluntary retirement and retirement on medical grounds as per Scheme Rules) or Termination of service, the following benefits are payable under this policy:

- **Under Defined Contribution Scheme:**
   Individual Policy Account Value in respect of that Member shall become payable in accordance with the Superannuation Scheme Rules of the Master Policyholder. The Individual Policy Account shall cease once the benefit is paid.
The Corporation’s total liabilities shall be limited to the amount available in the Individual Policy Account in respect of the Member.

- **Under Defined Benefit Scheme**
  The benefit amount will be payable as per the Scheme Rules of the Master Policyholder from the Group Policy Account.

  In case the balance in the Group Policy Account of the Scheme is insufficient to pay out the benefits as per the Scheme Rules, it will be the responsibility of the Master Policyholder to first make the payment to the Corporation so as to enable the Corporation to pay such benefits. However, the Corporation’s total liability towards the Master Policyholder shall be limited to the Group Policy Account Value.

4. **Policy Account:**
   For a new Scheme, Group Policy Account will be created in respect of a Scheme as soon as the Master Policyholder pays the first Contribution.

   A non-negative Interest Rate subject to a minimum interest rate of 0.5% p.a. shall be declared at the end of each financial year. The minimum interest rate of 0.5% p.a. shall remain guaranteed during the entire term of the contract. At the end of each financial year, the declaration of interest rate in respect of each Scheme shall be based on the actual investment performance of the fund for each financial year after appropriate deductions as per the Interest Declaration and Expenses policy of the Corporation.

**Defined Contribution Scheme:**
Individual Policy Account in respect of each Member shall be maintained. The contribution received in respect of the Member shall be credited to the Individual Policy Account.

Sum of all Individual Policy Account Value shall form the Group Policy Account Value for the Scheme. The liability of the Corporation will be limited to the amount available in the Group Policy Account Value.

Under a Scheme, the interest amount earned as per the Interest Declaration and Expenses policy of the Corporation will be credited to the Individual Policy Account at the end of each financial year or upto the Date of Exit from the Scheme for that Member, if exit happens during the financial year.

**Defined Benefit Scheme:**
A Group Policy Account (GPA) shall be maintained in respect of all Contributions received from employer/trustees/Master Policyholder. The Contributions received from the Master Policyholder shall be credited into GPA.

Under a Scheme, the interest amount earned as per the Interest Declaration and Expenses policy of the Corporation will be credited to the Group Policy Account at the end of each financial year.

5. **Bulk Exits:** All type of exits from the Scheme, excluding complete surrender, as defined in Scheme Rules filed with the Corporation at the outset, will be considered as Bulk Exits. If the amount to be paid on total exits during the policy year exceeds 25% of the total Policy Account Value at the beginning of that policy year and is atleast Rs. 10 crore of the Schemes then it will
be considered as Bulk Exit. Market Value Adjustment (MVA) will be applicable on such Bulk Exit.

6. **Surrender Value:**
The Policy can be surrendered by the Policyholder at any time by giving an advance notice of 3 months. On surrender of the policy, the Corporation shall pay the Surrender Value equal to higher of Guaranteed Surrender Value and Special Surrender Value. The policy will terminate on surrender.

**Guaranteed Surrender Value:**

The Guaranteed Surrender Value shall be equal to the 90% of the total contributions paid less all the benefits paid since the inception of the policy.

**Special Surrender Value:**

The Special Surrender Value shall be equal to the Policy Account Value on the day of surrender less the applicable surrender charges less Market Value Adjustment, if any.

The surrender charge shall be 0.05% of the Group Policy Account Value subject to maximum of Rs.500,000/- if the policy is surrendered within third policy anniversary.

A Market Value Adjustment (MVA) will be applicable on Bulk Exit and complete surrender of the policy. The MVA will be applicable on total withdrawal amount during a policy year which is over and above 25% of the Group Policy Account Value subject to minimum of Rs. 10 crore. The withdrawal amount which is below Rs. 10 Crores shall not be treated as Bulk Exit in such cases MVA shall not apply.

7. **Compulsory Termination:**
The policy may be terminated, after giving the Master Policyholder 3 months’ notice, on the happening of any of the following events:
   a. The balance in the Group Policyholder’s Account falls below Rs. 10000/-;
   b. The numbers of Members covered under the policy are less than 3.

In such a case, the balance in the Policyholder’s Account, if any, shall be refunded to the Policyholder.

8. **Free Look Period:**
If the Master Policyholder is not satisfied with the “Terms and Conditions” of the policy, he may return the policy to the Corporation within 15 days from the date of receipt of the Policy Bond stating the reasons of the objection. On receipt of the policy, the Corporation shall cancel the same and the amount of contribution deposited by Master Policyholder will be refunded to him after deducting the charges for stamp duty, if applicable.

9. **Policy Loan:**
No loan will be available under the policy.

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 shall not be considered for the calculation of benefits payable under the product.

**SECTION 45 OF THE 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 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 policy whichever 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 policy whichever 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 Section 45 of the Insurance Act, 1938 and only a simplified version prepared for general information. Policy Holders are advised to refer to the Insurance Act, 1938, for complete and accurate details.]

PROHIBITION OF REBATES SECTION 41 OF THE 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 ten lakh rupees.

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 P&GS units.

BEWARE OF SPURIOUS PHONE CALLS AND FICTITIOUS / FRAUDULENT OFFERS

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