

**LIFE INSURANCE CORPORATION OF INDIA  
CENTRAL OFFICE**

Dept: Product Development

"Yogakshema"  
Jeevan Bima Marg  
Mumbai – 400 021

Ref: CO/PD/103

Date: 16<sup>th</sup> December, 2017

To,  
All HODs of Central Office  
All Zonal Offices  
All Divisional Offices  
All Branch Offices (through DOs)  
MDCs, ZTCs, STCs, NIA and  
Audit & Inspection Depts. of Zonal Offices.

**Re: INTRODUCTION OF LIC's JEEVAN SHIROMANI (Plan No.847)**

**1. INTRODUCTION:**

It has been decided to introduce LIC's Jeevan Shiromani Plan (Plan No.847) with effect from 19<sup>th</sup> December, 2017.

The Unique Identification Number (UIN) for LIC's Jeevan Shiromani Plan is **512N315V01**. This number has to be quoted in all relevant documents furnished to the Policyholders and other users (public, distribution channels).

LIC's Jeevan Shiromani plan is a non-linked, with-profits, limited premium payment money back life insurance plan especially designed for targeted segment of High Net-worth Individuals. This plan provides financial support for the family not only in case of death of Life Assured during the policy term but also provides for payment of a lumpsum amount on diagnosis of any of the specified Critical Illnesses.

Under this plan Guaranteed Additions shall accrue at the rate of Rs.50 per thousand Basic Sum Assured for the first five years and Rs.55/- per thousand Basic Sum Assured from 6<sup>th</sup> policy year till the end of premium paying term as detailed in Para 4 below.

In addition, the policy shall participate in the profits in form of Loyalty Additions as detailed in Para 5 below.

The benefits and other details of the plan are given below.

**2. ELIGIBILITY CONDITIONS AND RESTRICTIONS FOR BASE PLAN:**

- a) Minimum Basic Sum Assured : Rs. 100,00,000/-
- b) Maximum Basic Sum Assured : No Limit
  - (The Basic Sum Assured shall be in multiples of Rs. 500,000/-)
- c) Policy Term : 14, 16 , 18 and 20 years
- d) Premium Paying Term (PPT) : (Policy term less 4) years
- e) Minimum Age at entry : 18 years (completed)
- f) Maximum Age at entry : 55 years (nearer birthday) for policy term 14 years  
51 years (nearer birthday) for policy term 16 years  
48 years (nearer birthday) for policy term 18 years  
45 years (nearer birthday) for policy term 20 years

|                                   |  |
|-----------------------------------|--|
| <b>g) Maximum Age at Maturity</b> | : 69 years (nearer birthday) for policy term 14 years<br>67 years (nearer birthday) for policy term 16 years<br>66 years (nearer birthday) for policy term 18 years<br>65 years (nearer birthday) for policy term 20 years |
|-----------------------------------|--|

Age at entry for the Policyholder is to be taken as age nearer birthday (nbd) except for the minimum age at entry i.e. 18 years, where it is completed years.

**Date of Commencement of Risk:** Under this plan the risk will commence immediately from the Date of issuance of policy.

**Date of issuance of policy** is a date when a proposal after underwriting is accepted as a policy and the contract gets effected.

### **3. BENEFITS UNDER THE BASE PLAN:**

The benefits payable under an inforce policy are as under:

#### **a) Death Benefit:**

On death during first five years: "**Sum Assured on Death**" along with accrued Guaranteed Additions shall be payable.

On death after completion of five policy years but before the date of maturity: "**Sum Assured on Death**" along with accrued Guaranteed Additions and Loyalty Addition, if any, shall be payable.

Where "**Sum Assured on Death**" is defined as the higher of

- 10 times of annualised premium or
- Absolute amount assured to be paid on death, i.e. 125% Basic Sum Assured

This death benefit shall not be less than 105% of all the premiums paid as on date of death. Premiums referred above shall not include any taxes, extra amount chargeable under the policy due to underwriting decision and rider premiums, if any.

#### **b) Survival Benefit:**

On the life assured surviving to each of the specified durations during the policy term, a fixed percentage of Basic Sum Assured shall be payable. The fixed percentage for various policy terms is as below:

For policy term 14 years: 30% of Basic Sum Assured on each of 10<sup>th</sup> and 12<sup>th</sup> policy anniversary

For policy term 16 years: 35% of Basic Sum Assured on each of 12<sup>th</sup> and 14<sup>th</sup> policy anniversary

For policy term 18 years: 40% of Basic Sum Assured on each of 14<sup>th</sup> and 16<sup>th</sup> policy anniversary

For policy term 20 years: 45% of Basic Sum Assured on each of 16<sup>th</sup> and 18<sup>th</sup> policy anniversary

#### **c) Maturity Benefit:**

On the life assured surviving to the end of the policy term, "**Sum Assured on Maturity**" along with accrued Guaranteed Additions and Loyalty Addition, if any, shall be payable.

Where "**Sum Assured on Maturity**" is as under:

For policy term 14 years: 40% of Basic Sum Assured

For policy term 16 years: 30% of Basic Sum Assured

For policy term 18 years: 20% of Basic Sum Assured

For policy term 20 years: 10% of Basic Sum Assured

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**d) Inbuilt Critical Illness Benefit:**

**I. Benefit:**

On first diagnosis of any one of the 15 Critical Illnesses as specified below, provided the policy is inforce on the date of diagnosis, the following benefits/ facilities shall be available:

- i) **Lumpsum Benefit:** Inbuilt Critical Illness Benefit equal to 10% of Basic Sum Assured shall be payable subject to the following:
  - Conditions and Restrictions as mentioned in Para 3.d.II below
  - Claim is incurred before the termination of Inbuilt Critical Illness benefit as mentioned in Para 3.d.II.G below
  - The claim is proved as admissible to the satisfaction of the Corporation
- ii) **Option to defer the payment of premiums if a claim under Inbuilt Critical Illness Benefit is paid:** When a claim under Inbuilt Critical Illness Benefit is admitted, life assured will have an option to defer the payment of premiums falling due within 2 years from the date of admission of Critical Illness claim under the policy (including rider premiums). The deferment of premiums shall be allowed for a period of 2 years from the date of admission of Critical Illness claim and subsequent premiums, if any, shall be payable on their due dates. No interest shall be charged from the life assured for deferred premiums within the period of such deferment. During this period, if any outstanding premium(s) are not paid, and any of the benefits payable under the base policy and/or rider(s) become due, the applicable benefit(s) shall be payable as under an inforce policy after the deduction of all the premiums due under the policy.
- iii) **Medical Second Opinion:** The policyholder will have facility of taking Medical Second Opinion, through the available LIC Empanelled healthcare providers or through reputed hospitals in India or through specialist doctors available in different places depending on the arrangement in this regard by the Corporation. This facility shall be available only once during the policy term with no extra cost to policyholder, irrespective of whether the claim in respect of the diagnosed Critical Illness is paid or not. The policyholder will be allowed to avail this facility immediately on claim intimation without the need of verification whether the claim is admissible or not. The Medical Second Opinion shall not include the cost of any diagnostic tests. The Corporation will not be responsible for the opinion provided by Medical Second Opinion. This provision for all or either of the options of Medical Second Opinion is subject to availability of the facility and arrangements made by the Corporation and as intimated in this regard.

Any further instructions would be issued by CRM Department, Central Office.

**II. Conditions and restrictions under Inbuilt Critical Illness Benefit:**

- (A) Inbuilt Critical Illness Benefit will be payable only after the Corporation is satisfied on the basis of available medical evidence that the specified illness has occurred. However, in some illnesses covered under this benefit, a specific deferment period applies to establish permanence of the illness covered.
- (B) The benefits under Inbuilt Critical Illness Benefit shall be payable only once during the currency of the policy. If a claim under the Lumpsum benefit is proved of less severity i.e. if the claim submitted is not fulfilling the definition, the claim will not be admissible/payable and the Inbuilt Critical Illness Benefit cover will continue..

Under a paid-up policy proportionate benefit amount shall be payable as mentioned in Para 14.

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**(C) The list of the 15 Critical Illnesses conditions covered under this benefit are:**

- i. Cancer of specified severity:
- ii. Open chest CABG
- iii. Myocardial infarction
- iv. Kidney failure requiring regular dialysis
- v. Major organ /bone marrow transplant (as recipient)
- vi. Stroke resulting in permanent symptoms
- vii. Permanent paralysis of limbs
- viii. Multiple sclerosis with persisting symptoms
- ix. Aortic surgery
- x. Primary (idiopathic) pulmonary hypertension
- xi. Alzheimer's disease/ dementia
- xii. Blindness
- xiii. Third degree burns
- xiv. Open heart replacement or repair of heart valves
- xv. Benign brain tumor

The definitions of the Critical Illnesses covered are as applicable under LIC's New Critical Illness Benefit Rider (UIN: 512A212V01) and the same are as below:

**1. CANCER OF SPECIFIED SEVERITY:**

- I. A malignant tumor characterized by the uncontrolled growth and spread of malignant cells with invasion and destruction of normal tissues. This diagnosis must be supported by histological evidence of malignancy. The term cancer includes leukaemia, lymphoma and sarcoma.
- II. The following are excluded –
  - i. All tumors which are histologically described as carcinoma in situ, benign, pre-malignant, borderline malignant, low malignant potential, neoplasm of unknown behavior, or non-invasive, including but not limited to: Carcinoma in situ of breasts, Cervical dysplasia CIN-1, CIN -2 and CIN-3.
  - ii. Any non-melanoma skin carcinoma unless there is evidence of metastases to lymph nodes or beyond;
  - iii. Malignant melanoma that has not caused invasion beyond the epidermis;
  - iv. All tumors of the prostate unless histologically classified as having a Gleason score greater than 6 or having progressed to at least clinical TNM classification T2N0M0
  - v. All Thyroid cancers histologically classified as T1N0M0 (TNM Classification) or below;
  - vi. Chronic lymphocytic leukaemia less than RAI stage 3
  - vii. Non-invasive papillary cancer of the bladder histologically described as TaN0M0 or of a lesser classification,
  - viii. All Gastro-Intestinal Stromal Tumors histologically classified as T1N0M0 (TNM Classification) or below and with mitotic count of less than or equal to 5/50 HPFs;
  - ix. All tumors in the presence of HIV infection.

**2. OPEN CHEST CABG**

- I. The actual undergoing of heart surgery to correct blockage or narrowing in one or more coronary artery(s), by coronary artery bypass grafting done via a sternotomy (cutting through the breast bone) or minimally invasive keyhole coronary artery bypass procedures. The diagnosis must be supported by a coronary angiography and the realization of surgery has to be confirmed by a cardiologist.

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- II. The following are excluded:  
Angioplasty and/or any other intra-arterial procedures

### **3. MYOCARDIAL INFARCTION**

(First Heart Attack of specific severity)

- I. The first occurrence of heart attack or myocardial infarction, which means the death of a portion of the heart muscle as a result of inadequate blood supply to the relevant area. The diagnosis for Myocardial Infarction should be evidenced by all of the following criteria:
- i. A history of typical clinical symptoms consistent with the diagnosis of acute myocardial infarction (For e.g. typical chest pain)
  - ii. New characteristic electrocardiogram changes
  - iii. Elevation of infarction specific enzymes, Troponins or other specific biochemical markers.
- II. The following are excluded:
- i. Other acute Coronary Syndromes
  - ii. Any type of angina pectoris
  - iii. A rise in cardiac biomarkers or Troponin T or I in absence of overt ischemic heart disease OR following an intra-arterial cardiac procedure.

### **4. KIDNEY FAILURE REQUIRING REGULAR DIALYSIS**

End stage renal disease presenting as chronic irreversible failure of both kidneys to function, as a result of which either regular renal dialysis (haemodialysis or peritoneal dialysis) is instituted or renal transplantation is carried out. Diagnosis has to be confirmed by a specialist medical practitioner.

### **5. MAJOR ORGAN /BONE MARROW TRANSPLANT (as recipient)**

- I. The actual undergoing of a transplant of:
- i. One of the following human organs: heart, lung, liver, kidney, pancreas, that resulted from irreversible end-stage failure of the relevant organ, or
  - ii. Human bone marrow using haematopoietic stem cells. The undergoing of a transplant has to be confirmed by a specialist medical practitioner.

- II. The following are excluded:

- i. Other stem-cell transplants
- ii. Where only islets of langerhans are transplanted

### **6. STROKE RESULTING IN PERMANENT SYMPTOMS**

- I. Any cerebrovascular incident producing permanent neurological sequelae. This includes infarction of brain tissue, thrombosis in an intracranial vessel, haemorrhage and embolisation from an extracranial source. Diagnosis has to be confirmed by a specialist medical practitioner and evidenced by typical clinical symptoms as well as typical findings in CT Scan or MRI of the brain. Evidence of permanent neurological deficit lasting for at least 3 months has to be produced.
- II. The following are excluded:
- i. Transient ischemic attacks (TIA)
  - ii. Traumatic injury of the brain
  - iii. Vascular disease affecting only the eye or optic nerve or vestibular functions.

### **7. PERMANENT PARALYSIS OF LIMBS**

Total and irreversible loss of use of two or more limbs as a result of injury or disease of the brain or spinal cord. A specialist medical practitioner must be of the opinion that the paralysis will be permanent with no hope of recovery and must be present for more than 3 months.

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## **8. MULTIPLE SCLEROSIS WITH PERSISTING SYMPTOMS**

- I. The unequivocal diagnosis of Definite Multiple Sclerosis confirmed and evidenced by all of the following:
  - i. investigations including typical MRI findings which unequivocally confirm the diagnosis to be multiple sclerosis and
  - ii. there must be current clinical impairment of motor or sensory function, which must have persisted for a continuous period of at least 6 months.
- II. Other causes of neurological damage such as SLE and HIV are excluded.

## **9. AORTIC SURGERY**

The actual undergoing of major surgery to repair or correct an aneurysm, narrowing, obstruction or dissection of the aorta through surgical opening of the chest or abdomen. For the purpose of this definition, aorta shall mean the thoracic and abdominal aorta but not its branches.

Surgery performed using only minimally invasive or intra-arterial techniques are excluded.

## **10. PRIMARY (IDIOPATHIC) PULMONARY HYPERTENSION**

- I. An unequivocal diagnosis of Primary (Idiopathic) Pulmonary Hypertension by a Cardiologist or specialist in respiratory medicine with evidence of right ventricular enlargement and the pulmonary artery pressure above 30 mm of Hg on Cardiac Cauterization. There must be permanent irreversible physical impairment to the degree of at least Class IV of the New York Heart Association Classification of cardiac impairment.
- II. The NYHA Classification of Cardiac Impairment are as follows:
  - i. Class III: Marked limitation of physical activity. Comfortable at rest, but less than ordinary activity causes symptoms.
  - ii. Class IV: Unable to engage in any physical activity without discomfort. Symptoms may be present even at rest.
- III. Pulmonary hypertension associated with lung disease, chronic hypoventilation, pulmonary thromboembolic disease, drugs and toxins, diseases of the left side of the heart, congenital heart disease and any secondary cause are specifically excluded.

## **11. ALZHEIMER'S DISEASE/ DEMENTIA**

Deterioration or loss of intellectual capacity as confirmed by clinical evaluation and imaging tests, arising from Alzheimer's Disease or irreversible organic disorders, resulting in significant reduction in mental and social functioning requiring the continuous supervision of the Life Assured for a minimum period of 6 months from date of diagnosis. This diagnosis must be supported by the clinical confirmation of an appropriate Registered Medical practitioner who is also a Neurologist and supported by the Corporation's appointed doctor.

The following are excluded:

- i. Non-organic disease such as neurosis and psychiatric illnesses; and
- ii. Alcohol-related brain damage.

## **12. BLINDNESS**

- I. Total, permanent and irreversible loss of all vision in both eyes as a result of illness or accident.
- II. The Blindness is evidenced by:
  - i. corrected visual acuity being 3/60 or less in both eyes or ;
  - ii. the field of vision being less than 10 degrees in both eyes.
- III. The diagnosis of blindness must be confirmed and must not be correctable by aids or surgical procedure.



### **13. THIRD DEGREE BURNS**

There must be third-degree burns with scarring that cover at least 20% of the body's surface area. The diagnosis must confirm the total area involved using standardized, clinically accepted, body surface area charts covering 20% of the body surface area.

### **14. OPEN HEART REPLACEMENT OR REPAIR OF HEART VALVES**

The actual undergoing of open-heart valve surgery is to replace or repair one or more heart valves, as a consequence of defects in, abnormalities of, or disease-affected cardiac valve(s). The diagnosis of the valve abnormality must be supported by an echocardiography and the realization of surgery has to be confirmed by a specialist medical practitioner. Catheter based techniques including but not limited to, balloon valvotomy/valvuloplasty are excluded.

### **15. BENIGN BRAIN TUMOR**

I. Benign brain tumor is defined as a life threatening, non-cancerous tumor in the brain, cranial nerves or meninges within the skull. The presence of the underlying tumor must be confirmed by imaging studies such as CT scan or MRI.

II. This brain tumor must result in at least one of the following and must be confirmed by the relevant medical specialist.

- i. Permanent Neurological deficit with persisting clinical symptoms for a continuous period of at least 90 consecutive days or
- ii. Undergone surgical resection or radiation therapy to treat the brain tumor.

III. The following conditions are excluded:

Cysts, Granulomas, malformations in the arteries or veins of the brain, hematomas, abscesses, pituitary tumors, tumors of skull bones and tumors of the spinal cord.

(D) **Waiting period:** A waiting period of 90 days will apply from the date of commencement of risk or date of revival of risk cover, whichever is later, to the first diagnosis of the Critical Illness under consideration. This would mean that this benefit shall terminate if any of the contingencies mentioned in Para 3.d.II.C above occurs:

- (i) at any time on or after the date on which the risk under the Policy has commenced but before the expiry of 90 days reckoned from that date or
- (ii) before the expiry of 90 days from the date of Revival.

However, waiting period will not apply to conditions arising directly out of accident.

(E) **Survival period:** A survival period of 30 days is applicable from the date of diagnosis of Critical Illness listed above. If death occurs within the survival period, no inbuilt critical illness benefit shall be payable.

### **(F) Exclusions:**

The Corporation shall not be liable to pay any of the benefits under Inbuilt Critical Illnesses Benefit if the critical illness has occurred directly or indirectly as a result of any of the following:

- Any of the listed critical illness conditions where death occurs within 30 days from the date of diagnosis
- Any sickness condition related to the critical illnesses listed above manifesting itself within 90 days of the commencement of risk or revival of risk cover, whichever is later.
- Intentionally self-inflicted injury or attempted suicide, irrespective of mental condition.
- Alcohol or solvent abuse, or the taking of drugs except under the direction of a registered medical practitioner.

- War, invasion, hostilities (whether war is declared or not), civil war, rebellion, revolution or taking part in a riot or civil commotion.
- Taking part in any act of a criminal nature.
- Any Pre-existing medical condition.
- HIV or AIDS
- Failure to seek medical or follow medical advice (i.e. failure to undergo tests or treatments that a prudent person would normally undergo as recommended by a Medical Practitioner).
- Radioactive contamination due to nuclear accident.

**(G) Termination of Inbuilt Critical Illness Benefit:**

The Inbuilt Critical Illness Benefit will terminate on the earliest occurrence of any of the following events:

- The date on which the claim is paid in respect of this benefit; or
- The date of expiry of policy term; or
- The date on which surrender benefit is settled under the base policy; or
- On cancellation/termination of the policy for any reason; or
- On cancellation/termination of the policy by the Corporation on grounds of misrepresentation, fraud or non-disclosure established in terms of Section 45 of the Insurance Act, 1938, as amended from time to time; or
- On diagnosis of a Critical Illness within the waiting period

Any critical illness manifesting itself during the waiting period is not admissible. The first admissible critical illness which is manifested, diagnosed and lodged after waiting period and during the currency of policy, once admitted for, shall preclude any further critical illness and therefore the benefit will terminate.

**4. GUARANTEED ADDITIONS:**

Provided the policy is inforce, a Guaranteed Addition at the rate of Rs.50 per thousand Basic Sum Assured for the first five years and Rs.55/- per thousand Basic Sum Assured from 6<sup>th</sup> policy year till the end of premium paying term will accrue at the end of each policy year for which full year's premiums have been paid. In case the premiums are not duly paid, the Guaranteed Additions shall cease to accrue under a policy.

In case of a paid-up policy or on surrender of a policy the Guaranteed Addition for the policy year in which the last premium is received (i.e. wherein full year's premiums have not been received) will be added on proportionate basis in proportion to the premium received for that year.

**5. PARTICIPATION IN PROFITS:**

Provided the policy has completed five policy years and atleast 5 full years' premium have been paid, then depending upon the Corporation's experience the policies under this plan shall be eligible for Loyalty Addition at the time of exit in the form of Death during the policy term or Maturity, at such rate and on such terms as may be declared by the Corporation.

In addition, Loyalty Addition, if any, shall also be considered in Special Surrender Value calculation on surrender of policy during the policy term, provided the policy has completed five policy years and atleast 5 full years' premium have been paid. In case of surrender of policy, Loyalty Addition shall be corresponding to the completed policy year for which the policy was inforce.

**6. OPTIONAL RIDER BENEFITS:**

The following four optional riders are available under this plan. However, the policyholder can opt between either of LIC's Accidental Death and Disability Benefit Rider or LIC's Accident Benefit Rider. Therefore, a policyholder can opt for a maximum of three riders under this plan.

Under LIC's Jeevan Shiromani, there is an additional limit of Accident cover of Rs. 100 lakhs and hence a maximum of Rs. 200 lakhs of Accident Benefit Sum Assured can be taken under this plan as mentioned in circular Ref: CO/PD/102 dated 18<sup>th</sup> December, 2017.

i) **LIC's Accidental Death and Disability Benefit Rider UIN (512B209V02):**

LIC's Accidental Death and Disability Benefit Rider is available as an optional rider by payment of additional premium. This rider can be opted for at any time within the premium paying term of the Base Plan provided the outstanding premium paying term is atleast 5 years. The benefit cover under this rider shall be available during the policy term.

If this benefit is opted for, an additional amount equal to the Accident Benefit Sum Assured is payable on death due to accident, provided the rider is inforce at the time of accident. In case of accidental permanent disability (within 180 days from the date of accident), an amount equal to the Accident Benefit Sum Assured will be paid in equal monthly installments spread over 10 years and future premiums for Accident Benefit Sum Assured as well as premiums for the portion of Basic Sum Assured which is equal to Accident Benefit Sum Assured under the policy, shall be waived. The premium for the portion of Basic Sum Assured which exceeds the Accident Benefit Sum Assured and premium(s) in respect of other Rider(s), if opted for, shall continue to be paid. If the policy becomes a claim by way of death before the expiry of the said period of 10 years, the disability benefit instalments which have not fallen due will be paid along with the claim amount.

The premium for this rider will not be required to be paid after the premium paying term of the base plan.

LIC's Accidental Death and Disability Benefit Rider shall not acquire any paid-up value and the rider benefit will cease to apply, if policy is in lapsed condition.

Beyond the specific details as mentioned in this circular in respect of this rider, any additional details like refund to be made in respect of this rider on surrender of base plan, requirements of claim, definition of disability etc., may be referred from the rider circular Ref: CO/PD/44 dated 2<sup>nd</sup> January, 2014.

**Eligibility conditions and restrictions:**

- a) Minimum Entry Age : 18 years (completed)
- b) Maximum Entry Age : The cover can be opted for at inception or at any policy anniversary thereafter, provided the outstanding premium paying term under the base plan is at least 5 years.
- c) Cover ceasing Age : Same as the base plan
- d) Minimum Accident Benefit Sum Assured: Rs. 10,000/-
- e) Maximum Accident Benefit Sum Assured: Under this plan an additional limit of 100 lakhs shall be available. Therefore, an amount equal to the Basic Sum Assured under the Base Plan subject to the maximum of Rs.200 lakhs overall limit taking all existing policies (including LIC's Jeevan Shiromani) of the Life Assured under individual as well as group policies including policies with inbuilt accident benefit taken with Life Insurance Corporation of India and the Accident Benefit Sum Assured under the new proposal into consideration. The Accident Benefit Sum Assured shall be in multiples of Rs. 10,000/-only.

ii) **LIC's Accident Benefit Rider UIN (512B203V03):**

LIC's Accident Benefit Rider is available as an optional rider by payment of additional premium.

This rider can be opted for at any time within the premium paying term of the Base Plan provided the outstanding premium paying term is atleast 5 years. The benefit cover under this rider shall be available only during the premium paying term of the base plan. Thereafter the cover shall cease.

If this benefit is opted for and if the Life Assured is involved in an accident leading to death within 180 days from the date of accident then an additional amount equal to the Accident benefit Sum Assured is payable. However, the policy shall have to be inforce at the time of accident irrespective of whether or not it is inforce at the time of death.

LIC's Accident Benefit Rider shall not acquire any paid-up value and the rider benefit will cease to apply, if policy is in lapsed condition.

Beyond the specific details as mentioned in this circular in respect of this rider, any additional details like requirements of claim etc., may be referred from the rider circular Ref: CO/PD/36 dated 9<sup>th</sup> November, 2013 .

**Eligibility conditions and restrictions:**

- a) Minimum Entry Age : 18 years (completed)
- b) Maximum Entry Age : The cover can be opted for at inception or at any policy anniversary thereafter, provided the outstanding premium paying term under the base plan is at least 5 years.
- c) Cover ceasing Age : Age at the end of PPT of the base plan
- d) Minimum Accident Benefit Sum Assured: Rs. 20,000/-
- e) Maximum Accident Benefit Sum Assured: Under this plan an additional limit of 100 lakhs shall be available. Therefore, an amount equal to the Basic Sum Assured under the base plan subject to the maximum of Rs.200 lakhs overall limit taking all existing policies (including LIC's Jeevan Shiromani) of the Life Assured under individual as well as group policies including policies with inbuilt accident benefit taken with Life Insurance Corporation of India and the Accident Benefit Sum Assured under the new proposal into consideration. The Accident Benefit Sum Assured shall be in multiples of Rs. 5,000/-only.

**Note :**The overall limit of Accident Benefit Sum Assured shall be inclusive of Sum Assured under all the Accident Benefit riders i.e. the LIC's Accidental Death and Disability Benefit Rider, LIC's Accident Benefit Rider and LIC's Linked Accidental Death Benefit Rider.

**iii)LIC's New Term Assurance Rider (UIN 512B210V01):**

LIC's New Term Assurance Rider is available as an optional rider at the inception of the policy by payment of additional premium. The additional premium for this rider will need to be paid along with the premium of the Base Plan and any other rider(s), if opted for, during the premium paying term of the policy. The benefit cover under this rider shall be available during the policy term.

If this benefit is opted for, an additional amount equal to Term Assurance Rider Sum Assured shall be payable on death of the Life Assured during the policy term, provided the rider cover is inforce.

Beyond the specific details as mentioned in this circular in respect of this rider, any additional details like refund to be made in respect of this rider on surrender of base plan etc., may be referred from the rider circular Ref: CO/PD/59 dated 3<sup>rd</sup> November, 2014.



**Eligibility conditions and restrictions:**

- a) Minimum Entry Age : 18 years (completed)
  - b) Maximum Entry Age : Same as the Base plan
  - c) Policy term/PPT : Same as Base plan
  - d) Minimum Term Assurance Rider Sum Assured: Rs. 1,00,000/-
  - e) Maximum Term Assurance Rider Sum Assured: Rs.25 lakhs taking all Term Assurance Rider Sum Assured under all existing policies of the Life Assured including the new proposal into consideration.
- The Term Assurance Rider Sum Assured shall be in multiples of Rs. 5,000/-only.

**iv) LIC's New Critical Illness Rider (UIN 512A212V01):**

LIC's New Critical Rider is available at the inception of the policy on payment of additional premium. The additional premium for this Rider will need to be paid along with the premium of the Base Plan and any other rider(s), if opted for, during the premium paying term of the policy. The cover under this rider shall be available during the policy term.

If this rider is opted for, on first diagnosis of any one of the 15 Critical Illnesses covered under this rider, the Critical Illness Sum Assured shall be payable subject to the conditions specified in the rider circular Ref: CO/PD/90 dated 19<sup>th</sup> December, 2016.

LIC's New Critical Illness Rider shall not acquire any paid-up value and the rider benefit will cease to apply, if policy is in lapsed condition.

Beyond the specific details as mentioned in this circular in respect of this rider, additional details like refund to be made in respect of this rider on surrender of base plan etc., may be referred from the rider circular Ref: CO/PD/90 dated 19<sup>th</sup> December, 2016.

**Eligibility conditions and restrictions:**

- a) Minimum Entry Age : 18 years (last birthday)
  - b) Maximum Entry Age : 55 years (last birthday) for policy term 14 years  
51 years (last birthday) for policy term 16 years  
48 years (last birthday) for policy term 18 years  
45 years (last birthday) for policy term 20 years
  - c) Policy term/PPT : Same as Base plan
  - d) Minimum Critical Illness Sum Assured : Rs. 1,00,000/-
  - e) Maximum Critical Illness Sum Assured : Rs.25 lakh taking all existing policies of the Life Assured under this rider and the Critical Illness Sum Assured under the new proposal into consideration.
- The Critical Illness Sum Assured shall be in multiples of Rs 25,000/- only.

**Note:**

The premium under LIC's Accident Benefit Rider or LIC's Accidental Death and Disability Benefit Rider and LIC's New Critical Illness Benefit Rider shall not exceed 100% of premium under the base product, the premiums under all other life insurance riders put together shall not exceed 30% of premiums under the base product. Any benefit arising under each of the riders shall not exceed the Sum Assured under Base product.

**7. OPTION AVAILABLE UNDER THE BASE PLAN:**

**i) Option to defer the Survival Benefit(s):**

The policyholder shall have an option to defer the Survival Benefit(s) and take the increased Survival Benefits (i.e. deferred original Survival Benefit(s) along with interest) at any time on or after its due date but during the currency of the policy. If the increased survival benefit(s) are not taken by the policyholder during the currency of the policy the same shall be payable along with benefit payable at the time of termination of the policy in form of death or maturity or surrender. This option can be availed under an inforce as well as paid-up policy.

The annual compound interest rate payable on each deferred survival benefit shall be at the rate as applicable on the due date of survival benefit as specified by the Corporation. This rate shall be fixed for the entire duration of deferment of that survival benefit.

This option can be exercised for either or both of the Survival Benefits separately and is to be intimated in writing to the servicing Branch Office of the Corporation at least six months before the due date of the Survival Benefit. Else the survival benefits would be paid on their due dates as per the terms of the policy.

Any further instructions including applicable interest rates would be issued by Actuarial Department, Central Office.

**ii) Settlement Option (for Maturity Benefit):**

Settlement Option is an option to receive Maturity Benefit in installments over the chosen period of 5 or 10 or 15 years instead of lump sum amount. This option can be exercised **only** by the Life Assured, for full or part of the Maturity proceeds payable under the policy. The amount opted by the Life Assured (i.e. net claim amount) can be either in absolute value or as a percentage of the total claim proceeds payable (including the payment for deferred Survival Benefit(s), if any).

The installments shall be paid in advance at yearly or half-yearly or quarterly or monthly intervals, as opted for, subject to minimum installment amount for different modes of payments being as under:

| Mode of Installment payment | Minimum installment amount |
|-----------------------------|----------------------------|
| Monthly                     | Rs. 5000/-                 |
| Quarterly                   | Rs. 15000/-                |
| Half-Yearly                 | Rs. 25000/-                |
| Yearly                      | Rs. 50000/-                |

If the net claim amount is less than the required amount to provide the minimum installment amount as per the option exercised by the Life Assured, the claim proceed shall be paid in lump sum only.

The interest rates applicable for arriving at the installment payments under Settlement Option shall be as fixed by the Corporation from time to time.

For exercising the settlement option against Maturity Benefit, the Life Assured shall be required to exercise option for payment of net claim amount in installments at least 3 months before the due date of maturity claim.

**After the commencement of Installment payments under Settlement Option against Maturity Benefit:**

- If a Life Assured, who has exercised Settlement Option against Maturity Benefit, desires to withdraw this option and commute the outstanding instalments the same shall be allowed on receipt of written request from the Life Assured. In such case, the lumpsum amount, which is higher of the following shall be paid and the policy shall terminate.
  - discounted value of all the future installments due; or
  - (the original amount for which settlement option was exercised) **less** (sum of total installments already paid);

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- The interest rates applicable for discounting the future installment payments shall be as fixed by the Corporation from time to time.
- After the Date of Maturity, in case of death of the Life Assured, who has exercised Settlement Option, the outstanding installments will continue to be paid to the nominee as per the option exercised by the Life Assured and no alteration whatsoever shall be allowed to be made by the nominee.

Any further instructions including applicable interest rates would be issued by Actuarial Department, Central Office.

### **iii) Option to take Death Benefit in Instalments:**

This is an option to receive Death Benefit in installments over the chosen period of 5 or 10 or 15 years instead of lump sum amount. This option can be exercised only by the Life Assured during his/her lifetime; for full or part of the Death proceeds payable under the policy. The amount opted by the Life Assured (i.e. net claim amount) can be either in absolute value or as a percentage of the total claim proceeds payable (including the payment for deferred Survival Benefit(s), if any).

The installments shall be paid in advance at yearly or half-yearly or quarterly or monthly intervals, as opted for, subject to minimum installment amount for different modes of payments being as under:

| Mode of Installment payment | Minimum installment amount |
|-----------------------------|----------------------------|
| Monthly                     | Rs. 5000/-                 |
| Quarterly                   | Rs. 15000/-                |
| Half-Yearly                 | Rs. 25000/-                |
| Yearly                      | Rs. 50000/-                |

If the net claim amount is less than the required amount to provide the minimum installment amount as per the option exercised by the Life Assured, the claim proceed shall be paid in lump sum only.

The interest rates applicable for arriving at the installment payments under this option shall be as fixed by the Corporation from time to time.

For exercising option to take Death Benefit in instalments, the Life Assured can exercise this option during his/her lifetime while in currency of the policy, specifying the period of Instalment payment and net claim amount for which the option is to be exercised. The death claim amount shall then be paid to the nominee as per the option exercised by the Life Assured and no alteration whatsoever shall be allowed to be made by the nominee.

Any further instructions including applicable interest rates would be issued by Actuarial Department, Central Office.

## **8. MODE OF PREMIUM PAYMENT:**

The modes of premium payment allowable are Yearly, Half Yearly, Quarterly, and Monthly (NACH only) or through salary deductions.

## **9. PREMIUM RATES:**

- i. Base Plan: The tabular annual premium rates per thousand Basic Sum Assured are enclosed as Annexure 1.  
The Class – I extra premium rates per thousand Basic Sum Assured applicable at NB and Revival stage are enclosed as Annexure 2.



- ii. LIC's Accidental Death and Disability Benefit Rider: The tabular premium rates per thousand Accident Benefit Sum Assured are enclosed as **Annexure 3**. There are two categories for Accident benefit premium rates. Category-I rates are applicable to all the life assureds except those falling under Category -II. Category-II rates are applicable to Life Assureds engaged in police duty in any police organisation other than paramilitary forces and opt for this cover while engaged in police duty.
- iii. LIC's Accident Benefit Rider: The premium rate for this rider is as under:
  - Rs. 0.50 per thousand Accident Benefit Sum Assured irrespective of age.
  - Rs. 1.00 per thousand Accident Benefit Sum Assured, if the Life Assured is engaged in police duty either in any military, naval or police organisation and opts for this cover while engaged in the police duty.
- iv. LIC's New Term Assurance Rider: The tabular premium rates per thousand Term Assurance Rider Sum Assured are enclosed as **Annexure 4**.  
The Class – I extra premium rates per thousand Term Assurance Rider Sum Assured applicable at NB and Revival stage is enclosed as **Annexure 5**.
- v. LIC's New Critical Illness Benefit Rider: The tabular premium rates per thousand Critical Illness Sum Assured for are enclosed as **Annexure 6**.  
The Class – I extra premium rates per thousand Critical Illness Sum Assured applicable at NB and Revival stage are enclosed as **Annexure 7**.

The above premium rates are exclusive of taxes.

#### **10. GRACE PERIOD FOR PAYMENT OF PREMIUM:**

A grace period of one calendar month but not less than 30 days will be allowed for payment of yearly or half-yearly or quarterly premiums and 15 days for monthly mode of premium payment.

If the death of the Life Assured occurs within the grace period but before the payment of premium then due, the policy will be treated as inforce and the benefits will be paid after deduction of the said unpaid premium and also the unpaid premium/s falling due before the next policy anniversary.

If a Inbuilt Critical Benefit claim is intimated within the grace period but before the payment of the premium then due, the policy will still be valid and the benefits shall be paid after deductions of the said unpaid premium.

If premium is not paid before the expiry of the days of grace, the policy lapses.

If the Policy has not lapsed and the claim is admitted in case of death under the policy where the mode of payment of premium is other than yearly, unpaid premium(s), if any, falling due before the next policy anniversary shall be deducted from the claim amount.

In case of claim under Inbuilt Critical Illness Benefit is paid and option to defer the payment of premiums is availed, during this deferment period of two years from the date of admission of Inbuilt Critical Illness Benefit claim if any of the benefits payable under the base policy and/or rider(s) become due, the applicable benefit(s) shall be payable as under an inforce policy after the deduction of all the premiums due under the policy. If the due premiums are not paid before the expiry of the deferment period of two years from the date of admission of Inbuilt Critical Illness Benefit claim, the Policy lapses.

The above grace period will also apply to rider premiums as the rider premiums are to be paid along with the premium of the base plan.

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**11. REBATES:**

The rebates for base plan are as under:

**Mode Rebate:**

| <u>Mode</u>                           | <u>Percentage</u>       |
|---------------------------------------|-------------------------|
| Yearly mode                           | : 2% of tabular premium |
| Half-yearly mode                      | : 1% of tabular premium |
| Quarterly, Monthly & Salary deduction | : NIL                   |

**High Basic Sum Assured Rebate:**

| <u>Basic Sum Assured (BSA)</u> | <u>Rebate on tabular premium (Rs.)</u> |
|--------------------------------|--|
| 100,00,000 to 195,00,000       | Nil                                    |
| 200,00,000 to 495,00,000       | 0.030 % BSA                            |
| 500,00,000 and above           | 0.050 % BSA                            |

**12. CORPORATION EMPLOYEES INSURANCE SCHEME (CEIS) REBATE:**

Policy completed under Corporation's Employee Insurance Scheme (CEIS) will be eligible for the following CEIS rebate in tabular premium for the base plan as well as on rider(s) premium, if opted for, provided policy is not taken through any intermediary such as Agent/ Corporate Agent/Broker/Direct Sales Executive etc.

| <u>Premium Paying Term</u> | <u>CEIS rebate</u> |
|----------------------------|--------------------|
| 10, 12 and 14 years        | 5%                 |
| 16 year                    | 10%                |

**13. COMMISSION PAYABLE TO INTERMEDIARIES & CREDIT TO DEVELOPMENT OFFICERS:**

- a) Commission rates (as a percentage of premiums net of taxes) during the premium paying term are as under:

**Agents and Corporate Agents:**

| <u>PPT</u>          | <u>1<sup>st</sup> Year</u> | <u>2<sup>nd</sup> &amp; 3<sup>rd</sup> Year</u> | <u>4<sup>th</sup> Year to one year before PPT</u> | <u>Last year of PPT</u> |
|---------------------|----------------------------|---|---|-------------------------|
| 10, 12 and 14 years | 20%                        | 7.5%  | 5%  | 7.5%                    |
| 16 years            | 25%                        | 7.5%  | 5%  | 7.5%                    |

Bonus Commission: 40% of 1<sup>st</sup> year commission.

**Brokers and Insurance Marketing Firms (IMFs):**

| <u>PPT</u>          | <u>1<sup>st</sup> Year</u> | <u>2<sup>nd</sup> &amp; 3<sup>rd</sup> Year</u> | <u>Subsequent Years</u> |
|---------------------|----------------------------|---|-------------------------|
| 10, 12 and 14 years | 25%                        | 5%  | 5%                      |
| 16 years            | 30%                        | 5%  | 5%                      |

Bonus Commission: No bonus commission is payable to brokers.

- b) **Development Officer's Credit (D.O. Credit):** Credit (as a % of the first year premium net of taxes) are as under:

| <u>Premium Paying Term</u> | <u>Credit</u> |
|----------------------------|---------------|
| 10,12 and 14 years         | 60%           |
| 16 years                   | 100%          |

**14. PAID-UP VALUE:**

If atleast one full year's premium has been paid and on completion of one policy year and any subsequent premiums be not duly paid, this policy shall not be wholly void, but shall subsist as a paid-up policy.

The **Sum Assured on Death** under a paid-up policy shall be reduced to such a sum, called '**Death Paid-up Sum Assured**' and shall be equal to [**Sum Assured on Death** \* (Number of premiums paid / Total number of premiums payable)]. In addition to the Death Paid-up Sum Assured the Guaranteed Additions accrued upto the date of first unpaid premium along with Loyalty Addition, if any, shall also be payable on death.

The **Sum Assured on Maturity** under a paid-up policy shall be reduced to such a sum called '**Maturity Paid-up Sum Assured**' and shall be equal to [**Sum Assured on Maturity** \* (Number of premiums paid / Total number of premiums payable)]. In addition to the Maturity Paid-up Sum Assured, the Guaranteed Additions accrued upto the date of first unpaid premium along with Loyalty Addition, if any, shall also be payable on maturity.

The survival benefits payable under a paid-up policy shall be equal to (survival benefit payable under inforce policy) \* (Number of premiums paid / Total number of premiums payable) and shall be payable on Life Assured surviving to each of the specified duration during the policy term.

However, if the option to defer the Survival Benefit(s) has been exercised and payment of such Survival Benefit(s) which were due but have not yet been made, these increased Survival Benefit(s) as mentioned in Para 7.(i) shall be payable along with the benefit payable on termination of the policy in form of death or maturity or surrender.

The inbuilt critical illness benefit under a paid-up policy, provided the same has not been admitted earlier under the policy, shall be equal to (10% of Basic Sum Assured) \*(Number of premiums paid / Total number of premiums payable) and shall be payable on first diagnosis of any of the critical illnesses as mentioned in Para 3.d.II.C.

Under a Paid-up policy, Loyalty Addition, if any, shall be payable for the completed policy years for which the policy was inforce, provided the premiums have been paid for atleast 5 full years and after completion of 5 policy years. This Loyalty Addition shall correspond to the completed policy years as on the date of first unpaid premiums.

The accrued Guaranteed Additions under a paid-up policy shall include the Guaranteed Addition for the policy year during which the policy becomes paid-up on proportionate basis in proportion to the premium received for that year.

Notwithstanding what is stated above, if atleast 3 full years' premiums have been paid in respect of this policy, and any subsequent premium be not duly paid, in the event of the death of the Life Assured within six months from the due date of first unpaid premium, "Sum Assured on Death" along with accrued Guaranteed Additions will be paid after deduction of (a) the premium(s) for the base policy unpaid with interest thereon upto the date of death on the same terms as for revival of the Policy during such period, and (b) the balance premium(s) for the base policy falling due from the date of death and before the next Policy anniversary. This provision does not apply to Inbuilt Critical Illness Benefit.

Notwithstanding what is stated above, if at least 5 full years' premiums have been paid in respect of this policy, and any subsequent premium be not duly paid, in the event of death of the Life Assured within 12 months from the first unpaid premium, "Sum Assured on Death" along with accrued Guaranteed Additions and Loyalty Addition, if any, will be paid after deduction of (a) the premium(s) for the base policy unpaid with interest thereon upto the date of death on the same terms as for revival of the Policy during such period, and (b) the balance premium(s) for the base policy falling due from the date of death and before the next Policy anniversary. This provision does not apply to Inbuilt Critical Illness Benefit.

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These provisions do not apply to optional Rider(s) as they do not acquire any paid up value and the rider benefit ceases to apply, if policy is in lapsed condition.

**15. SURRENDER VALUE:**

The policy can be surrendered at any time provided one full year's premium has been paid and after completion of one policy year. On surrender of the policy, the Corporation shall pay the Surrender Value equal to higher of Guaranteed Surrender Value and Special Surrender Value.

**Guaranteed Surrender Value:**

The Guaranteed Surrender Value payable during the policy term shall be equal to the total premiums paid multiplied by the Guaranteed Surrender Value factor applicable to total premiums paid **less** any survival benefits already due and payable under the policy.

Premiums referred above shall not include any taxes, extra amount if charged under the policy due to underwriting decision and rider premiums, if any.

The Guaranteed Surrender Value factors applicable to total premiums paid will depend on the policy term and policy year in which the policy is surrendered and are enclosed as **Annexure 8**.

In addition, surrender value of accrued Guaranteed Additions, shall also be payable, which is equal to the accrued Guaranteed Additions multiplied by Guaranteed Surrender Value factor applicable to accrued Guaranteed Additions. The Guaranteed Surrender Value factors applicable to accrued Guaranteed Additions will depend on the policy term and policy year in which the policy is surrendered and are enclosed as **Annexure 9**.

**Special Surrender Value:**

Corporation may however, pay Special Surrender Value as applicable as on the date of surrender, provided the same is higher than Guaranteed Surrender Value.

The Special Surrender Value (SSV) will be the Special Surrender Value factor multiplied by [Maturity Paid-up Sum Assured (as specified in Para.14) + accrued Guaranteed Additions] **plus** Loyalty Addition, if any, **less** any survival benefits already due and payable under the policy.

These Special Surrender Value factors shall depend on the policy term and the duration elapsed as on date of surrender since commencement of the policy. The Special Surrender Value factors are enclosed as **Annexure 10**.

Further, if a policy is surrendered during the last policy year the surrender value payable shall be the discounted value of maturity claim.

Where the maturity claim shall be as under:

- In case of inforce policy: Sum Assured on Maturity along with accrued Guaranteed Additions and Loyalty Addition, if any. Loyalty Addition, if any, shall be corresponding to the full term of the policy.
- In case of paid-up policy: Maturity Paid-up Sum Assured as mentioned in Para 14 above and accrued Guaranteed Additions.

In case of Paid-up policy, in addition to discounted value of maturity claim, Loyalty Addition, if any, corresponding to the completed policy years as on the date of first unpaid premiums shall be payable.

The accrued Guaranteed Additions shall include Guaranteed Addition for the policy year in which the last premium is received on proportionate basis in proportion to the premium received for that year.

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In addition to the payable Surrender Value, if the option to defer the Survival Benefit(s) has been exercised and payment of such Survival Benefit(s) which were due but have not yet been made, these increased Survival Benefit(s) as mentioned in Para 7.(i) above, shall also be paid.

LIC's Accidental Death and Disability Benefit Rider, LIC's New Term Assurance Rider and LIC's New Critical Illness Benefit Rider will not acquire any surrender value. However, refund of additional rider premiums charged in respect of cover after premium paying term shall be refunded in respect of these riders and shall be as prescribed in their respective introductory circulars.

**16. REVIVALS:**

If the policy has lapsed, it may be revived during the lifetime of the Life Assured, but within a period of 2 consecutive years from the date of first unpaid premium on submission of proof of continued insurability to the satisfaction of the Corporation and the payment of all the arrears of premium together with interest (compounding half-yearly) at such rate as may be decided 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. 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.

If the revival period falls beyond the premium paying term and the policy is revived after the due date of survival benefit, then the difference between full Survival Benefit payable under inforce policy and Survival Benefit already paid considering paid-up policy shall be paid to the policyholder.

Revival of Rider(s), if opted for, will only be considered along with the revival of the Base policy and not in isolation.

**17. LOAN:**

Loan facility shall be available under this plan, provided atleast one full year's premium has been paid and on completion of one policy year subject to following conditions:

- a) The maximum loan that can be granted as a percentage of surrender value are as under:
  - For inforce policies – upto 90%
  - For paid-up policies – upto 80%
- b) The rate of interest to be charged for the loan amount would be determined from time to time by the Corporation.
- c) In the event of default in payment of loan interest on the due dates and when the outstanding loan amount along with interest is to exceed the surrender value, the Corporation would be entitled to foreclose such policies. Such policies when being foreclosed shall be entitled to payment of the difference of surrender value and the outstanding loan amount along with interest, if any.
- d) In case the policy shall mature or become due for survival benefits or surrendered or becomes a claim by death, the amount of outstanding Loan together with all interest shall be recovered from the claim benefit payment.

**18. UNDERWRITING, AGE PROOF AND MEDICAL REQUIREMENTS:**

NB & R department will issue instructions in this regard.

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**19. SUICIDE CLAUSE:**

This policy shall be void

- a) If the Life Assured (whether sane or insane) commits suicide at any time within 12 months from the date of commencement of risk, the Corporation will not entertain any claim under this policy except for 80% of the premiums paid excluding any taxes, extra amount if charged under the policy due to underwriting decisions and rider premium(s) other than term assurance rider, if any, provided the policy is inforce.
- b) If the Life Assured (whether sane or insane) commits suicide within 12 months from date of revival, an amount which is higher of (i) 80% of the premiums paid till the date of death excluding any taxes, extra amount if charged under the policy due to underwriting decisions and rider premium(s) other than term assurance rider, if any, or (ii) the surrender value as available on the date of death, shall be payable. The Corporation will not entertain any other claim under this policy. This clause shall not be applicable for a policy lapsed without acquiring paid up value and hence nothing shall be payable under such policies.

**20. FORFEITURE IN CERTAIN EVENTS:**

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, 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.

**21. 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 shall be as applicable from time to time.

The amount of applicable taxes, as per the prevailing rates shall be payable by the policyholder on premiums payable under the policy, which shall be collected separately over and above in addition to the premiums payable by the policyholder. The amount of Tax paid shall not be considered for the calculation of benefits payable under the plan.

The instructions regarding issues related to taxes will be issued separately by Finance & Accounts Department, Central office.

**22. NORMAL REQUIREMENTS FOR CLAIM:**

The normal documents which the claimant shall submit while lodging the claim in case of death of the Life Assured shall be claim forms, as prescribed by the Corporation, accompanied with original policy document, NEFT mandate from the claimant for direct credit of the claim amount to the bank account, proof of title, proof of death, proof of accident/disability/Critical Illness (as mentioned in the rider circular), medical treatment prior to the death, School/College/employer's certificate, whichever is applicable, to the satisfaction of the Corporation. If the age is not admitted under the policy, the proof of age of the Life assured shall also be submitted.

Where the policy results into a maturity claim or results into a survival benefits claim or in case of surrender of a policy, the Life Assured shall submit the discharge form along with the original policy document, NEFT mandate from the claimant for direct credit of the claim amount to the bank account besides proof of age, if the age is not admitted earlier.

In addition to above, any requirement mandated under any statutory provision or as may be required as per law shall also be required to be submitted.

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Within 90 days from the date of death, intimation of death along with death certificate must be notified in writing to the office of the Corporation where the policy is serviced. However, delay in intimation of the claim by the claimant, if any, may be condoned by the Corporation, on merit, where delay is proved to be for reasons beyond his/her control.

**Normal requirements for a claim under Inbuilt Critical Illness Benefit:**

Within 120 days from the date on which any of the contingencies mentioned under definitions of Critical Illnesses herein above has occurred, full particulars hereof must be notified in writing to the office of the Corporation where this Policy is serviced together with the then address and whereabouts of the Life Assured. Proof satisfactory to the Corporation of the contingency that has occurred, shall be furnished in the manner required as below:

1. Claim Form duly signed by the insured along with NEFT mandate from the Claimant for direct credit of the claim amount to the bank account;
2. Original Policy document;
3. Treating doctor certificate filled by the doctor treating the Life Assured for the diagnosed ailment. The treating doctor should be a Medical Practitioner registered in India/other country as approved by the Corporation, not being the policyholder, Life Assured or the respective partner or spouse or relatives.
4. Hospital certificate/Discharge Summary duly filled by the hospital where Life Assured was admitted.
5. Confirmatory investigations including, but not limited to, clinical, radiological, histological & laboratory evidence;
6. If the insured event requires the surgical procedure to be performed, the procedure must be the usual treatment for the condition and be medically necessary;
7. The Critical Illness benefit shall be payable only on confirmation of the diagnosis by a registered Medical Practitioner appointed/approved by the Corporation;
8. In case of Critical Illness directly arising out of an Accident, claimant is required to submit the following documents:
  - a) Certified copies of First Information Report (FIR) and the Final Police Closure Report
  - b) Any associated newspaper cutting
9. Any other document or information as asked for by the Corporation depending on the facts & circumstances of each case.

**23. FREE LOOK (COOLING – OFF) PERIOD:**

If a Policyholder is not satisfied with the "Terms and Conditions" of the policy, he/she may return the policy to the Corporation stating the reasons of objections, within 15 days from the date of receipt of the policy.

The refund of premium to the Policyholder shall be subject to following deductions:

1. Stamp duty on policy;
2. Actual cost of medical examination and special reports, if any;
3. Proportionate risk premium (in respect of Base policy and Rider, if opted for) for the period on cover as per C.O. Circular Ref: CO/ PD/ 39 dated 31<sup>st</sup> December, 2013 and Ref: CO/PD/90 dated 19<sup>th</sup> December, 2016.

**24. BACK-DATING INTEREST:**

The policies can be dated back within the same financial year. Back-dating interest as applicable at the time of completion of the policy (at the rate as fixed by the Corporation from time to time) will be charged for the period in excess of one month. However, if the policy is back dated to lean months, viz. April, May, July & August, interest is to be charged for period in excess of three months. The period upto 14 days is to be ignored and 15 days or more is to be rounded to a month for this calculation.

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Any further instructions would be issued by Actuarial Department, Central Office, as applicable from time to time.

**25. POLICY STAMPING:**

For Base Plan, policy stamping charges will be at the rate of 20 paise per thousand **Sum Assured on Death**.

For Rider, policy stamping charges will be at the rate of 20 paise per thousand Rider Sum Assured, if opted for.

Any updates in this regard shall be issued by Legal Department, Central Office.

**26. REINSURANCE:**

Normal procedure for Reinsurance shall apply as per applicable Reinsurance Treaty. Under the base plan, only Death Benefit shall be reinsured.

The reinsurance in respect of the riders shall be as specified in their respective introductory circular.

**27. ASSIGNMENTS/NOMINATIONS:**

a) **Assignments:** Assignment is allowed under this plan as per Section 38 of Insurance Act, 1938, as amended from time to time.

The notice of assignment should be submitted for registration to the office of the Corporation, where the policy is serviced.

b) **Nominations:** Nomination by the holder of a policy of life assurance is required as per Section 39 of the Insurance Act, 1938, as amended from time to time.

The notice of nomination or change of nomination should be submitted for registration to the office of the Corporation, where the policy is serviced. In registering nomination the Corporation does not accept any responsibility or express any opinion as to its validity or legal effect.

**28. ACCOUNTING OF INCOME AND OUTGO:**

Instructions regarding the accounting procedure to be followed under the plan shall be issued separately by Finance & Accounts Department, Central office.

**29. PROPOSAL FORM:**

Revised Proposal Form No. 300 and 340 shall be used under this plan. The addendum to the Proposal Form to be furnished by the Life Assured for exercising the Settlement Option (for Maturity) and Option to take Death Benefit in Instalment are enclosed as **Annexure 11** and **Annexure 12** respectively.

**30. POLICY DOCUMENT AND SALES LITERATURE:**

The specimen Policy Document and Sales Literature will be sent by the Corporate Communications Department, Central Office.

This circular has to be read in conjunction with the Policy Document and Sales Literature.

**31. DISCLOSURES:**

At the time of sale, a client specific Benefit Illustration shall be provided to the Policyholder. Such Benefit Illustration shall be signed by both the prospective policyholder and intermediary and shall form part of the policy document.

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**32. ADDRESS OF OMBUDSMAN:**

At the stage of issuance of policy the address and contact details of the nearest Insurance Ombudsman is to be mentioned in the Policy Document. In case of any change in address by policyholder, the address and contact details of the nearest Insurance Ombudsman from the transferring in branch has to be informed to the policyholder along with confirmation of change in address.

Further, instructions in this regard to be issued by CRM Department, Central office.



**Executive Director (Marketing & Product Development)**



Encl – Annexure 1 to 12