

# LIC's SIIP Sales Brochure

## COVER

## LIC's SIIP (UIN: 512L334V02)

(A Non-Par, Linked, Life, Individual, Savings Plan)

**IN THIS POLICY, THE INVESTMENT RISK IN INVESTMENT PORTFOLIO IS BORNE BY THE POLICYHOLDER.**

**THE UNIT LINKED INSURANCE PRODUCTS DO NOT OFFER ANY LIQUIDITY DURING THE FIRST FIVE YEARS OF THE CONTRACT. THE POLICYHOLDERS WILL NOT BE ABLE TO SURRENDER OR WITHDRAW THE MONIES INVESTED IN UNIT LINKED INSURANCE PRODUCTS COMPLETELY OR PARTIALLY TILL THE END OF FIFTH YEAR.**

LIC's SIIP is a Non-Par, Life, Individual, Savings plan which offers insurance cum Savings during the term of the policy.

LIC's SIIP is a non-participating product and hence the policy is not entitled for any share in surplus (profits) during the term of the policy.

You can buy this plan offline through Licensed agents, Corporate agents, Brokers, Insurance Marketing Firms as well as online. To purchase this plan online, kindly log on to [www.licindia.in](http://www.licindia.in)

You have a choice of investing premiums in one of the four types of investment funds available. Each premium paid, after deduction of Premium Allocation Charge, will purchase units of the Fund type chosen. The Unit Fund is subject to various charges and value of units may increase or decrease, depending on Net Asset Value (NAV).

### KEY FEATURES:

- Benefits:
  - Life insurance cover throughout the policy term.
  - Refund of mortality charges in respect of life insurance cover excluding any extra amount chargeable under the policy due to underwriting decision and tax charges levied on the mortality charges on survival till maturity as specified in Para 2 C) below.
  - Guaranteed Additions as a percentage of Annual Premium shall be added to the Unit Fund at the end of specified policy durations and shall be utilized to purchase units.

- Flexibility to choose:
  - Type of investment fund to invest the premiums as per your risk appetite.
  - Basic Sum Assured as 7 or 10 times of Annualized Premium subject to Age at entry as specified in Para 1 below.
  - Amount of Premium payable, Policy Term subject to minimum and maximum limits of Premium, Policy Term and Maturity Age as specified in Para 1 below.
  - Method of settlement of death benefits either in lump sum or in instalments.
- Partial withdrawals allowed to take care of liquidity needs as specified in Para 4.II below.
- Option to enhance coverage by opting for LIC's Linked Accidental Death Benefit Rider.

### 1. Eligibility conditions and other restrictions:

i	Basic Sum Assured	<b>Age at Entry</b>	<b>Basic Sum Assured</b>
		From [30] Days (completed) To [54] years (nearer birthday)	10 times of Annualized Premium
		From [55] years (nearer birthday) To [65] years (nearer birthday)	7 times of Annualized premium
ii	Minimum Premium	<b>Mode/Premium Payment frequency</b>	<b>Amount (in ₹ )</b>
		Yearly	42,000/-
		Half-yearly	21,000/-
		Quarterly	10,500/-
		Monthly (NACH)	3,500/-
		Premiums shall be payable in multiples of Rs. 1,000 for all modes other than monthly. For monthly (NACH), the premium shall be in multiples of Rs. 250/-.	
iii	Maximum Premium	No Limit. The maximum premium allowed to each individual will be subject to underwriting decision as per the Board Approved Underwriting Policy.	

<b>iv</b>	Mini- mum Age at entry	[30] Days (completed)	
<b>v</b>	Maxi- mum Age at entry	<b>Basic Sum Assured</b>	<b>Maximum Age at entry</b>
		10 times of Annualized Premium	[54] years (nearer birthday)
		7 times of Annualized Premium	[65] years(nearer birthday)
<b>vi</b>	Mini- mum Policy Term	10 Years	
<b>vii</b>	Maxi- mum Policy Term	25 Years	
<b>viii</b>	Pre- mium Paying Term	Same as Policy Term	
<b>ix</b>	Pre- mium Paying Mode	Yearly/Half Yearly/Quarterly/Monthly (NACH)	
<b>x</b>	Mini- mum Matu- rity Age	[18] years (Completed)	
<b>xi</b>	Maxi- mum Matu- rity Age	[85] years (nearer birthday)	

#### **Date of commencement of risk under the plan:**

In case the age at entry of the Life Assured is less than 8 years, the risk under this plan will commence either on the completion of 2 years from the date of commencement of policy or on policy anniversary coinciding with or immediately following the completion of 8 years of age, whichever is earlier. In case the age at entry of Life Assured is 8 years or more, risk will commence immediately from the

date of acceptance of risk i.e. date of commencement of policy.

### **Date of vesting:**

If the policy is issued on the life of a minor, the policy shall automatically vest in the Life Assured on such vesting date i.e. on the policy anniversary coinciding with or immediately following the completion of 18 years of age and shall on such date of vesting be deemed to be a contract between the Corporation and the Life Assured.

## **2. Benefits payable under a policy:**

**A) Death Benefit:** On death of the Life Assured before the Date of Maturity (including during Grace Period), provided policy is in-force, then

On death of the Life Assured before the Date of Commencement of Risk: An amount equal to the Unit Fund Value as on date of intimation of death shall be payable.

On death of the Life Assured after the Date of Commencement of Risk: An amount equal to the highest of the following shall be payable

- Basic Sum Assured reduced by Partial Withdrawals, if any, made during the two years period immediately preceding the date of death; or,
- Unit Fund Value as on date of intimation of death; or
- 105% of the total premiums received upto the date of death reduced by Partial Withdrawals, if any, made during the two years period immediately preceding the date of death.

Where Basic Sum Assured and Partial Withdrawal are as specified in Para 1(i) and Para 4(II) respectively.

Mortality charge, Accident Benefit charge, Policy Administration charge and Tax charges thereon recovered subsequent to the date of death shall be added back to the Unit Fund Value available on the date of intimation of death and shall be paid back to the nominee or beneficiary along with death benefit.

Any Guaranteed Addition added subsequent to the date of death shall be recovered from the Unit Fund.

The death benefit shall be paid either in lump sum as specified above or in instalments, if Settlement Option is

opted for, as mentioned in Para 4.IV below as per option exercised by the Policyholder/Life Assured

- B) Maturity Benefit:** On Life Assured surviving the date of maturity, an amount equal to Unit Fund Value as on the date of maturity shall be payable.
- C) Refund of Mortality Charges:** On Life Assured surviving the stipulated date of maturity provided all due premiums under the policy have been paid, an amount equal to the total amount of mortality charges deducted in respect of life insurance cover shall be payable along with the Maturity Benefit. The total amount of Mortality charges shall not include any extra amount chargeable under the policy due to underwriting decision and tax charges levied on the mortality charges, if any. Refund of Mortality Charge shall not be payable in case of surrendered or discontinued policy.

### 3. Guaranteed Additions:

Guaranteed Additions as a percentage of one Annualized Premium, as mentioned in the table below shall be added to the Unit fund on completion of specific duration of policy years provided all due premiums have been paid and the policy is in-force.

End of Policy Year	Guaranteed Additions (as percentage of one Annualized Premium)
6	5%
10	10%
15	15%
20	20%
25	25%

The 'Annual Premium' or 'Annualized Premium' for all modes of premium payment shall be calculated as installment (periodic) premium amount multiplied by frequency of premium payment in a policy year.

The allocated Guaranteed Addition shall be converted to number of units based on NAV of the underlying Fund type as on the date of such addition and shall be credited to the Unit Fund of the opted Fund on the due date of payment of Guaranteed Additions. For policies which are not in-force but revived subsequently, Guaranteed Addition from the date of Discontinuance till the date of Revival shall be credited on the date of revival of the policy.

**However, any Guaranteed Additions added subsequent to the date of death shall be recovered from the Unit Fund.**

Note: Guaranteed Additions shall not be payable if the policy is in reduced paid-up status.

**Special cases where the Guaranteed Additions shall be reduced on pro-rata basis:**

In case of an in-force policy where **Partial Withdrawal(s)** have been availed by the policyholder as specified in Para 4.IV, the Guaranteed Additions to be attached after the date of Partial Withdrawal(s) shall be reduced on pro-rata basis. The modified rate of Guaranteed Additions in each of the **future policy years** under such policies shall be calculated by using the formula:

$$\left\{ \frac{\text{(Original rate of Guaranteed Additions applicable for the respective year) multiplied by (Fund Value at the end of the year)}}{\text{(Fund Value at the end of the year) plus (amount of total Partial Withdrawal(s))}} \right\}$$

#### **4. Optional benefits:**

##### **I. Rider Benefits:**

You have an option of availing LIC's Linked Accidental Death Benefit Rider (UIN: 512A211V02).

This rider can be opted for at any policy anniversary provided the outstanding policy term is at least 5 years but on or before the policy anniversary on which the age nearer birthday of the Life Assured is 65 years. The benefit cover under this rider shall be available till the Date of Maturity or till the policy anniversary on which the age nearer birthday of the Life Assured is 70 years, whichever is earlier, provided the Policy is in force as on date of accident. If this rider is opted for, in case of accidental death, the Accident Benefit Sum Assured shall be payable in lumpsum. This Rider will not be available under the policy on the life of minor, during minority of the Life Assured. The Accident Benefit Sum Assured cannot exceed the Basic Sum Assured.

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

**II. Partial Withdrawals:**

You may partially withdraw the units at any time after the fifth policy anniversary and provided all due premiums till date of Partial Withdrawal have been paid, subject to the following:

- i. In case of minors, partial withdrawals shall be allowed only after Life Assured is aged 18 years or above.
- ii. Partial withdrawals may be in the form of fixed amount or in the form of fixed number of units
- iii. The Maximum amount of Partial Withdrawal as a percentage of fund during each policy year shall be as under:

Policy Year	Percent of Unit Fund
6 <sup>th</sup> to 10 <sup>th</sup>	20%
11 <sup>th</sup> to 15 <sup>th</sup>	25%
16 <sup>th</sup> to 20 <sup>th</sup>	30%
21 <sup>st</sup> to 25 <sup>th</sup>	35%

The above Partial withdrawal shall be allowed subject to minimum balance remaining after allowing for partial withdrawal is not less than 3 annualized premiums. The partial withdrawals which would result in termination of a contract shall not be allowed.

- iv. Partial withdrawal charge as specified in Para 9(E) (iii) shall be deducted from the Unit Fund Value.
- v. The Guaranteed Additions to be attached after the date of Partial withdrawal shall be reduced on pro rata basis as specified in Para 3 above.

If partial withdrawal has been made then for two years’ period immediately from the date of withdrawal, the Basic Sum Assured or Paid-up Sum Assured, whichever is applicable, shall be reduced to the extent of Partial Withdrawals made. On completion of two years’ period from the date of withdrawal the original Basic Sum Assured/Paid-up Sum Assured shall be restored.

**III. Switching:**

You have an option to switch between the four fund types as specified in Para 7 during the policy term. On switching, the entire Fund Value shall be switched to the new Fund opted for. During a given policy year, 4 switches will be allowed free of charge. Subsequent switching shall be



subject to Switching Charges as specified in Para 9(E) (ii). .

#### **IV. Settlement Option:**

This is the option to receive the Death Benefit in instalments. This option can be exercised by the Policyholder during minority of the Life Assured or by Life Assured aged 18 years and above during the lifetime while in currency of the policy, specifying the mode of paying the Death Benefit to the nominee (i.e. yearly, half yearly, quarterly or monthly) spread over a period of not more than 5 years from the date of intimation of death of Life Assured, in writing, along with the death certificate. The death claim amount shall then be paid to the nominee as per the option exercised and no alteration whatsoever shall be allowed to be made by the nominee.

The Unit Fund under such policy will continue to be invested as per the fund type existing as on the date of intimation of death.

Each instalment (in number of units) shall be the total number of units as on the date of intimation of death divided by total number of instalments (i.e. 5, 10, 20 and 60 for yearly, half-yearly, quarterly and monthly instalments in 5 year period respectively).. The number of units arrived at in respect of each instalment will be multiplied by the NAV of the applicable fund type as on the date of instalment payment to arrive at the amount paid out in each instalment. The instalment payment shall be made by redeeming the units from the Unit Fund. The first payment will be made corresponding to the date of intimation of death and thereafter based on the mode opted i.e. every month or three months or six months or annual from the date of intimation of death, as the case may be.

During the Settlement Option period no charges other than the Fund Management Charge shall be deducted. The value of instalment payable on the date specified shall be subject to investment risk i.e. the NAV may go up or down depending upon the performance of the fund. The investment risk during the settlement period shall be borne by the Nominee/Beneficiary. There will not be any risk cover or guaranteed benefits during the settlement period.

On death of the nominee after the commencement of the Settlement Option period, the value of the outstanding units held in the Unit Fund shall become payable to the legal heir in lump sum.

No partial withdrawal or switching of fund by the nominee shall be allowed during the subsistence of the period of settlement period.

## 5. Payment of premiums:

You may choose mode of premium payment as yearly, half-yearly, quarterly or monthly (through NACH only) for premium payment over the term of the policy.

The mode of premium payment has to be chosen at commencement although the same can be changed (between various premium payment modes) at any subsequent policy anniversary during the term of the policy subject to the provisions of Minimum Premium and Premium multiples as mentioned under Para 1 above.

## 6. Grace Period:

A grace period of 30 days will be allowed for payment of yearly or half-yearly or quarterly premiums and 15 days for monthly (NACH) premiums from the date of first unpaid premium.

## 7. Investment of Funds:

**Unit Fund:** You will have the option to choose any one of the following four funds to invest your premiums initially and at the time of switching. Each premium paid, after deduction of Premium Allocation Charge, shall be utilized to buy units as per the fund type opted by You out of the four fund types options available.

The Unit Fund shall be subject to deduction of various other charges either as cancellation of number of units or by adjusting the Net Asset Value (NAV). The value of units may increase or decrease, depending on Net Asset Value (NAV)

The details of the available funds and broadly their investment patterns are as under:

<b>Fund Type</b>	<b>Investment in Government/ Government Guaranteed Securities/ Corporate Debt</b>	<b>Short-term investments such as money market instruments</b>	<b>Investment in Listed Equity Shares</b>	<b>Objective</b>	<b>Risk Profile</b>	<b>SFIN</b>
<b>Bond Fund</b>	Not less than 60%	Not more than 40%	Nil	To provide relatively safe and less volatile investment option mainly through accumulation of income through investment in fixed income securities.	Low risk	ULIF001 24/12/18 LICU LIP BND512
<b>Secured Fund</b>	Not less than 45% & Not more than 85%	Not more than 40%	Not less than 15% & Not more than 55%	To provide steady income through investment in both equities and fixed income securities.	Lower to Medium risk	ULIF002 24/12/18 LICU LIP SEC512
<b>Balanced Fund</b>	Not less than 30% & Not more than 70%	Not more than 40%	Not less than 30% & Not more than 70%	To provide balanced income and growth through similar proportion investment in both equities and fixed income securities	Medium risk	ULIF003 24/12/18 LICU LIP BAL512
<b>Growth Fund</b>	Not less than 20% & Not more than 60%	Not more than 40%	Not less than 40% & Not more than 80%	To provide long term capital growth through investment primarily in equities	High risk	ULIF004 24/12/18 LICU LIP GRW 512

**Discontinued Policy Fund (SFIN: ULIF001201114LICDPFN-LIF512):** The investment pattern of the Discontinued Policy Fund shall be a unit fund with the following asset categories:

- i) Money market instruments: 0% to 40%
- ii) Government securities: 60% to 100%

If any of the following funds, which are attached to this Product and are approved by the Board of the Corporation, do not comply with **Regulation 8 of Annexure INV-I of the IRDAI (Actuarial, Finance and Investment) Regulations, 2024 read with the Master Circular – Investment issued there under**, the policyholder will be given a free switch to the other available fund as detailed below.

**1. Fund Name: Bond Fund, SFIN No: ULIF00124/12/18LICULIPBND512 (Low Risk)**

Free Switch shall be allowed to the following funds:

Fund Name	SFIN	Risk Profile
<b>Secured Fund</b>	ULIF00224/12/18LICULIPSEC512	Lower to Medium Risk
<b>Balanced Fund</b>	ULIF00324/12/18LICULIPBAL512	Medium Risk

**2. Fund Name: Secured Fund, SFIN No:ULIF00224/12/-18LICULIPSEC512 (Lower to Medium Risk)**

Free Switch shall be allowed to the following funds:

Fund Name	SFIN	Risk Profile
<b>Bond Fund</b>	ULIF00124/12/18LICULIPBND512	Low Risk
<b>Balanced Fund</b>	ULIF00324/12/18LICULIPBAL512	Medium Risk

**3. Fund Name: Balanced Fund, SFIN No: ULIF00324/12/-18LICULIPBAL512 (Medium Risk)**

Free Switch shall be allowed to the following funds:

Fund Name	SFIN	Risk Profile
<b>Secured Fund</b>	ULIF00224/12/18LICULIPSEC512	Lower to Medium Risk
<b>Growth Fund</b>	ULIF00424/12/18LICULIPGRW512	High Risk

**4. Fund Name: Growth Fund, SFIN No:ULIF00424/12/-18LICULIPGRW512 (High Risk)**

Free Switch shall be allowed to the following funds:

Fund Name	SFIN	Risk Profile
<b>Secured Fund</b>	ULIF00224/12/ 18LICULIPSEC512	Lower to Medium Risk
<b>Balanced Fund</b>	ULIF00324/12/ 18LICULIPBAL512	Medium Risk

### **Fund Closure:**

Although the Funds are open ended, we may close any of the existing funds with appropriate approval from the IRDAI. You will be notified at least 3 months prior to the closure of the Fund. You can switch to other existing Fund option without switching charges during these 3 months. In case you do not switch during this period, Corporation shall switch the units to any other Funds with similar asset allocation and risk profile considering NAV as on the date of Switch.

### **8. Method of calculation of Unit Price:**

Units will be allotted based on the Net Asset Value (NAV) of the respective fund as on the date of allotment. There is no Bid-Offer spread (the Bid price and Offer price of units will both be equal to the NAV). The NAV will be computed on daily basis and will be based on investment performance and Fund Management Charge of each type of fund and shall be computed as:

Market Value of investment held by the fund + Value of Current Assets – Value of Current Liabilities & Provisions, if any

.....  
Number of Units existing on Valuation Date (before creation / redemption of Units)

### ***Applicability of Net Asset Value (NAV):***

- The allocation and redemption of units for various transaction will be at the NAV as described below:

<b>Type of Transaction</b>	<b>Applicable NAV (Where transaction is received before cut off Time)</b>
First Premium received a. In case of Offline sale : by way of a local cheque or a demand draft payable at par at the place where premium is received. b. In case of Online sale : by any digital Payment mode.	NAV of Date of underwriting acceptance of risk i.e. Date of commencement of policy.

Renewal premium received through NACH or by any digital payment mode.	NAV of the date of our receipt of instruction or transaction realization date or the due date of premium whichever is later.
Renewal premium received by way of a local cheque or a demand draft payable at par at the place where the premium is received.	NAV of the date of our receipt of instrument or the due date of premium, whichever is later.
Partial withdrawal, Switching between available Fund types, or Free-look cancellation	NAV of the date of our receipt of the request online or in writing.
Surrender	NAV of the date of our receipt of surrender request in writing
Death claim	NAV of the date of our receipt of the intimation of death in writing along with death certificate.
Revival	NAV as on date of revival, where date of revival is the date of adjustment of all due premiums after underwriting acceptance has been received.
Settlement Option	NAV of date of installment payment under settlement option.
Maturity Benefit	NAV of the date of maturity.
Discontinuance	NAV as on the date of discontinuance.
Termination	NAV of date of termination.
Policy Alteration	NAV of date of alteration in the policy.
Guaranteed Addition	NAV of the date of allocation

ii. Currently, the cut-off time is 3.00 p.m. as per the existing IRDAI guidelines and changes in this regard shall be as per the instructions from IRDAI. In case of new business the cut-off time of 3 p.m. for determination of NAV shall be in reference to the date of acceptance of risk i.e. date of commencement of Policy.

iii. If the transaction request is received before the cut-off time in respect of:

- a) Premium Payments, at any branch office of the Corporation or other authorized office for premium collection or by any digital

payment mode or through NACH; or;

- b) Other transaction, by servicing branch of the Corporation; or;
- c) Successful Registration of Service Requests as and when made available on LIC's Customer Portal

The closing NAV of that day shall be applicable.

iv. If the transaction request is received after the cut-off time in respect of:

- a) Premium Payments, at any branch office of the Corporation or other authorized office for premium collection or by any digital payment mode or through NACH; or;
- b) Other transaction, by servicing branch of the Corporation; or;
- c) Successful Registration of Service Requests as and when made available on LIC's Customer Portal

The closing NAV of the next business day shall be applicable

v. In case of offline sale, Premium paid by CTS 2010 cheque/demand draft drawn on a bank which is participating in local/CTS/speed clearing house shall only be accepted. Cheques /demand draft not coming under above category shall not be accepted.

## 9. Charges under the Plan:

The details of charges are as under:

**A) Premium Allocation Charge:** This is the percentage of the premium appropriated towards charges from the premium received. The balance known as allocation rate constitutes that part of the premium which is utilized to purchase units of the chosen fund for the policy.

The premium allocation charges as a % of Instalment Premium are as below:

Premiums	Off line sale	Online sale
1st Year	8.00%	3%
2nd to 5th Year	5.50%	2%
6th Year and Thereafter	3.00%	1%

Instalment Premium is a Premium to be paid by Policyholder as per the premium payment frequency opted by the Policyholder.

The cap on Premium Allocation Charge shall be as per Para 9.F below

**B) Policy administration charge:** This Charge shall be levied at the beginning of each policy month from 6th policy year till the end of policy term at the rate of Rs 150 per month escalating at the rate of 5% p.a. from 7th year onwards and shall be subject to maximum of Rs 500 per month (i.e. Rs 6000 p.a.) from the Unit Fund by cancelling units for equivalent amount as specified in Para 9.F below.

**C) Mortality Charge:** Mortality Charge is the cost of life insurance cover, which is age specific and this will be taken at the beginning of each policy month by canceling appropriate number of units out of the Unit Fund Value. The monthly charges will be one twelfth of the annual Mortality Charges. This charge shall depend upon the Sum at Risk.

The Sum at risk during the policy term=

Highest of

- Basic Sum Assured in case of in-force policies or Paid-up Sum Assured in case of reduced paid-upolicies
- Unit Fund Value
- 105% of total Premium Received

Less

- Unit Fund Value

The Unit Fund value shall be taken as on the date of deduction of charge, after deduction of Accident Benefit charges, Policy Administration Charge and Tax charge on Accident Benefit Charges. The Mortality Charge shall be deducted only if, the Basic Sum Assured/Paid-up Sum Assured, whichever is applicable, is more than the Unit Fund Value as on the date of deduction. The total premiums received shall be reckoned as on date of deduction of Mortality Charge.

In case of partial withdrawals, the Basic Sum assured or Paid up Sum Assured, whichever is applicable and 105% of the total premiums received, shall be reduced to the extent of all Partial Withdrawals made during the two years period immediately preceding the date of deduction of Mortality Charge.



The rate of Mortality Charge per annum per Rs. 1000/- Sum at Risk for some of the ages in respect of a healthy life are as under:

Age	25	35	45	50	60
₹	1.26	1.62	3.48	5.99	15.07

In case where the Policy is converted into a reduced paid-up policy, the Mortality Charge in respect of Sum at Risk under a paid-up Policy shall be deducted from the policy month following the due date of first unpaid premium. On revival of policy, the risk cover under the policy shall be restored immediately and the Mortality Charge in respect of Sum at Risk under an in-force policy shall be deducted from the policy month following the date of revival along with proportionate mortality charge for the period from the date of revival to the following policy month.

**D) Accident Benefit Charges ( if LIC's Linked Accidental Death Benefit Rider( is opted for):**

Accident Benefit Charge is the cost of LIC's Linked Accidental Death Benefit Rider if opted for. This charge will be taken at the beginning of each Policy month by canceling appropriate number of units out of Unit Fund Value while the policy is in-force (i.e. all due premiums have been paid) and shall be at the rate of Rs. 0.40 per thousand Accident Benefit Sum Assured per policy year. If the Life Assured is engaged in police duty in any police organization other than paramilitary forces and opted for this cover while engaged in police duty, then the level annual charge shall be at the rate of Rs 0.80 per thousand Accident Benefit Sum Assured per policy year. The monthly charges will be one-twelfth of the annual Accident Benefit Charge.

**E) Other Charges: The following charges shall be deducted during the term of the policy:**

i) **Fund Management Charge** – This is a charge levied as a percentage of the value of the assets and shall be appropriated by adjusting the Net Asset Value. Fund Management Charge (FMC) shall be as under:

- 1.35% p.a. of Unit Fund for all the four fund types available under an inforce policy i.e. Bond Fund, Secured Fund, Balanced Fund and Growth Fund
- 0.50% p.a. of Unit Fund for “Discontinued Policy Fund”

This is a charge levied at the time of computation of NAV, which will be done on daily basis. The NAV thus declared will be net of FMC.

- ii) **Switching Charge** – This is a charge levied on switching from one segregated fund to another available within the product. The charge per switch, if any, shall be levied at the time of effecting a switch. During a given policy year 4 switches shall be allowed free of charge. Subsequent switches in that year shall be subject to a Switching Charge of Rs. 100 per switch. This charge will be recovered by canceling appropriate number of units out of the Unit Fund Value.
- iii) **Partial Withdrawal Charge** - This is a charge levied on the Unit Fund at the time of each partial withdrawal of the fund during the contract period. A flat amount of Rs. 100/- shall be deducted by canceling appropriate number of units out of the Unit Fund Value on the date on which partial withdrawal takes place.
- iv) **Discontinuance Charge** – This is a Charge levied by cancelling appropriate number of units out of the Unit Fund value as on the date of discontinuance of Policy. The Discontinuance charge applicable is as under:

Where the policy is discontinued during the policy year	Discontinuance Charges for the policies having Annualized Premium up to Rs 50,000	Discontinuance Charges for the policies having Annualized Premium above Rs 50,000
1	Lower of 20% * (AP or FV) subject to maximum of Rs. 3,000/-	Lower of 6% * (AP or FV) subject to maximum of Rs. 6000/-
2	Lower of 15% * (AP or FV) subject to maximum of Rs. 2,000/-	Lower of 4% * (AP or FV) subject to maximum of Rs. 5000/-
3	Lower of 10% * (AP or FV) subject to maximum of Rs. 1,500/-	Lower of 3% * (AP or FV) subject to maximum of Rs. 4000/-
4	Lower of 5% * (AP or FV) subject to maximum of Rs. 1,000/-	Lower of 2% * (AP or FV) subject to maximum of Rs. 2000/-

5 and onwards	NIL	NIL
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Where

AP – Annualized Premium

FV – Unit Fund Value on the date of discontinuance of policy

**“Date of discontinuance of the policy”** shall be the date on which the intimation is received from the Life Assured / Policyholder about the surrender of the policy or on the expiry of the Grace Period (in case of non-payment of contractual premium due during the Grace period), whichever is earlier.

- v) **Tax Charge** – Tax Charge, if any, shall be levied on all or any of the charges applicable to this plan at the rate of tax as per the prevailing Tax laws/notification etc. as issued by Government of India or any other Constitutional tax Authority of India from time to time in this regard without any reference to the policyholder.
- vi) **Miscellaneous Charge** – This is a charge levied for an alteration during the contract, such as change in premium mode and Grant of Accident Benefit Rider after the issue of the policy, and shall be a flat amount of Rs. 100/- which will be deducted by cancelling appropriate number of units out of Unit Fund Value and the deduction shall be made on the date of alteration in the policy.

The Corporation reserves the right to accept or decline an alteration in the policy. The alteration shall take effect from the policy anniversary coincident with or following the alteration only after the same is approved and accepted by the Corporation and is specifically communicated in writing to the Policyholder.

**F) Right to revise charges:** The Corporation reserves the right to revise all or any of the above charges except the Mortality Charge and Accident Benefit Charge. The

modification in charges will be done with prospective effect with the appropriate approval after giving the policyholders a notice of 3 months which shall be notified through our website.

Although the charges are reviewable, they will be subject to the maximum charges as declared by IRDAI from time to time. The current cap on charges is as under:

- Premium Allocation charges shall not exceed 12.5% of Annualized Premium in any year
- The Policy Administration Charge shall not exceed ₹ 500 per month.
- The Fund Management charge shall not exceed the limit specified by IRDAI which are currently same as Para 9.(D) above
- Partial withdrawal charge shall not exceed ₹500/- on each withdrawal.
- Switching Charge shall not exceed ₹ 500/- per switch.
- Discontinuance charges shall not exceed the limits specified by IRDAI, which are currently same as specified under Para 8.D.iv above
- Miscellaneous Charge shall not exceed ₹ 500/- each time when an alteration is requested.

In case you do not agree with the revision of charges you shall have the option to withdraw the Unit Fund Value. If such revision in charges is made during the lock-in-period of 5 years, withdrawal shall be allowed only after the expiry of 5 years' lock-in-period.

## 10. Surrender:

A policy can be surrendered anytime during the policy term. The surrender value, if any, shall be payable as under:

**If the policy is Surrendered during the 5 years' lock-in-period:**

If you apply for surrender of the policy during the 5 years' lock-in-period, then the Unit Fund Value after deducting the applicable Discontinuance Charge shall be converted in to monetary terms as specified in Para 12.A below. This monetary amount shall be transferred to the Discontinued Policy Fund as specified in Para 12.B below.

The policy shall continue to be invested in the Discontinued Policy Fund till the end of the lock-in period. Only Fund Management Charge (FMC) as specified in Para 9.E.i) shall be deducted from this fund and no risk cover (including rider cover, if any) shall be available on such policy during this period.

The Proceeds of the Discontinued Policy Fund in respect of the Policy as on the date of expiry of the lock-in period, shall be payable at the end of lock-in-period and the policy shall terminate.

In case of death of the Life Assured after the date of surrender but before the expiry of the 5 years' lock-in-period, the Proceeds of the Discontinued Policy Fund in respect of the Policy shall be payable to the nominee/legal heir immediately and the policy shall terminate.

**If the policy is Surrendered after the 5 years' lock-in-period:** If you apply for surrender of the policy after lock-in-period, then the Unit Fund Value as on the date of intimation of surrender shall be payable to the Policyholder and the policy shall terminate. There will be no Discontinuance Charge under the policy.

Further, Reinstatement of a surrendered policy shall not be allowed even if a request for reinstatement is received from the policyholder during the 5 years' lock-in-period.

## 11. Discontinuance of premiums:

If you fail to pay premiums under the policy before the expiry of Grace Period, then the policy shall be in a state of discontinuance.

During the Grace Period the policy shall be treated as in-force and the charges for Mortality and Accident Benefit

cover, if any, shall be deducted in addition to other applicable charges.

The benefits payable under the policy during the grace period shall be same as that under an inforce policy, except Partial Withdrawal, which shall not be allowed if all due premiums have not been paid.

**The treatment of discontinued policy shall be as under:**

**1) If the policy is discontinued during the 5 years' lock-in-period**

Upon expiry of the grace period, the Unit Fund Value after deducting the applicable Discontinuance Charge as specified in Para 9.E.iv) shall be converted into monetary terms as specified in Para 12.A. This monetary amount shall be transferred to the Discontinued Policy Fund as specified in Para 12.B below and the risk cover and rider cover, if any, shall cease. Only Fund Management Charges of 50 basis points per annum shall be deducted from the Discontinued Policy Fund

On such discontinuance, a communication shall be sent to the policyholder within three months of the date of first unpaid premium, communicating the status of the policy and the option to revive available during the revival period of three years from the date of First Unpaid Premium.

Under such cases

- A. If you opt to revive and thereafter exercise the option to revive the policy at any time during the revival period of 3 years, then the policy shall be revived as specified in Para 13 iii below.
- B. In case you opt to revive but do not revive the policy during the revival period of 3 years, then the proceeds of the Discontinued Policy Fund in respect of the policy, as specified in Para 12.C, shall be payable to you at the end of the revival period or lock-in period, whichever is later and the policy shall terminate. In respect of Revival period ending after the lock-in period, the policy will remain in the Discontinued Policy Fund till

the end of the Revival period.

- C. In case you do not exercise the option to revive the policy, the policy shall continue without any risk cover and rider cover, if any, and the policy fund shall remain invested in the Discontinued Policy Fund. The Proceeds of the Discontinued Policy Fund in respect of the policy as on the date of expiry of lock-in period as specified in Para 12C below shall be paid to you at the end of lock-in period and the policy shall terminate.
- D. However, you have an option to surrender the policy anytime and Proceeds of the Discontinued Policy Fund in respect of the policy as on the date of expiry of lock-in period or as on the date of surrender as specified in Para 12C shall be payable to you at the end of lock-in period or date of surrender whichever is later and the policy shall terminate.

Irrespective of what is stated above, in case of death of the Life Assured during the revival period or 5 years' lock-in-period, as the case may be, the Proceeds of the Discontinued Policy Fund of the Policy as on the date of intimation of death, as per in Para 12C below, shall be payable immediately to the Nominee or Beneficiary.

**II) If the policy is discontinued after the expiry of 5 years' lock-in- period:**

Upon expiry of the grace period, in case of discontinuance of policy due to non-payment of premium, the policy shall be converted into a reduced paid-up policy. The Basic Sum Assured under the policy shall be reduced to such a sum called Paid-Up Sum Assured and shall be equal to { Basic Sum Assured multiplied by the ratio of total number of premiums paid to the original number of premiums payable as per the terms and conditions of the Policy}. The policy shall continue to be in reduced paid up status without rider cover, if any i.e. no Accident Benefit cover shall be available under reduced paid up policy. The reduced risk cover and hence the mortality charges in respect of the paid up policy shall be applicable from the next policy month following the date of first unpaid premium. Further, all other charges (except Accident

Benefit Charge) as specified in Para 9. E above shall also continue to be deducted.

On such discontinuance, a communication shall be sent to you within three months of the date of first unpaid premium, communicating the status of the policy and the options (a) to revive the policy (along with the rider, if opted for) within the revival period of three years from the date of first unpaid premium or up to the date of maturity, whichever is earlier; or (b) complete withdrawal of the Policy.

In such case, the following situations may arise:

- A. In case you opt to revive and thereafter exercise the option to revive the policy anytime during this revival period or up to the date of maturity, whichever is earlier then the policy shall be revived as per Para 14 (iii) below.
- B. If you opt to revive but do not revive the policy within this revival period or up to the date of maturity, whichever is earlier, or do not exercise any option, then the policy shall subsist as a reduced paid up policy till the end of the revival period or up to the date of maturity, whichever is earlier.

In such case, the Unit Fund Value as on the date of expiry of Revival Period or as on the date of Maturity, whichever is earlier, shall be payable at the end of the revival period or date of maturity, whichever is earlier, and the Policy shall be terminated.

- C. In case you opt for complete withdrawal or surrender the policy at any time, in such case the amount in the Unit Fund Value shall be refunded to you and the policy shall be terminated.
- D. In case of death of the Life Assured before the end of Revival Period or date of Maturity, whichever is earlier, highest of the following shall be payable
  - Paid up Sum Assured reduced by Partial Withdrawal, if any, made during the two year period immediately



preceding the death of the Life Assured (Partial Withdrawal is as defined in Para 4.II above); or

- Unit Fund Value as on the date of intimation of death ; or
- 105% of total premiums received excluding Partial Withdrawals made during the two year period immediately preceding the death of the Life Assured.

## **12.Treatment of the policy while the policy money is in Discontinued Policy Fund:**

If the policy is surrendered or discontinued on or before 5 years' lock-in-period, then the policy money shall undergo following procedure:

### **A. Conversion of Unit Fund Value into monetary amount:**

The NAV as on the date of discontinuance i.e. date of application for surrender (if surrendered during the 5 years' lock-in period) or as on the date of expiry of grace period as the case may be, multiplied by the number of units in the Unit Fund (i.e. after deduction of Discontinuance Charge, if any) as on that date, will be the monetary amount.

### **B. Transferring the monetary amount into the Discontinued Policy Fund:**

The monetary amount as calculated under (A) above shall be transferred to the Discontinued Policy Fund by converting the monetary amount into the units. The number of units of the Discontinued Policy Fund shall be allocated to the Policy considering the NAV of the Discontinued Policy Fund as on the date of transfer.

### **C. Calculation of Proceeds of the Discontinued Policy Fund:**

The Discontinued Policy Fund (SFIN:ULIF001201114 LICDPFNLI512) is a segregated unit fund and shall comprise of all the Discontinued Policy Fund of all the policies offered under the Unit Linked Life Insurance

plans. Only Fund Management Charges (FMC) as specified in Para 9. E. i) shall be applicable on this fund.

The Proceeds of the Discontinued Policy Fund in respect of the Policy shall be higher of Unit Fund Value of Discontinued Policy Fund or the Guaranteed Monetary Amount.

Where, Unit Fund Value shall be calculated by multiplying the NAV with the number of units of Discontinued Policy Fund on the date of exit of the Policy from the Discontinued Policy Fund.

The Guaranteed Monetary Amount is the accumulation of monetary amount transferred into the Discontinued Policy Fund at the guaranteed interest rate. The guaranteed interest rate shall accrue from the date when the monetary amount is transferred to the Discontinued Policy Fund to the date when the policy exits from the Discontinued Policy Fund either by death, surrender, revival, policy termination at the end of 5 years' lock-in-period or on completion of 3 years revival period (if revival period extends beyond the 5 years lock-in- period) whichever is applicable. Currently this guaranteed interest rate is 4% p.a. and shall be subject to change from time to time as declared by IRDAI.

### 13. Compulsory Termination:

If the policy has run for at least 5 years provided 5 full years' premiums have been paid and the balance in the Unit Fund is not sufficient to recover the relevant charges, the policy shall be compulsorily terminated and the balance amount in the Unit Fund, if any, shall be refunded to the Policyholder. This shall be applicable irrespective of whether the policy is in-force or paid-up during the revival period.

### 14. Other features:

- i) **Top-up:** No Top-up shall be allowed under the plan.
- ii) **Increase / Decrease of risk covers:**

No increase / decrease of Basic Sum Assured will be allowed under the plan. Under an in-force policy, the policyholder can, however, cancel the LIC's Linked Accidental Death Benefit Rider at anytime during the policy term. However, once the rider is cancelled, the same cannot be subsequently restored.

### **iii) Revival of discontinued policies:**

#### **A. Revival of a Discontinued Policy during lock-in Period:**

In case the Policyholder opts to revive the policy during the Revival Period, the policy shall be revived subject to the following:

- a. On payment of all due and unpaid premium without interest. All outstanding applicable Premium Allocation Charges and Tax charges thereon due since the date of discontinuance shall be deducted from the Unit Fund.
- b. Discontinuance Charge deducted from the Unit Fund, if any, at the time of discontinuance of the policy along with the Proceeds of the Policy's Discontinued Policy Fund, if any, shall be added back to the Unit Fund.

#### **B. Revival of a Discontinued Policy after lock-in Period:**

In case the Policyholder opts to revive the policy during the Revival Period or up to the date of Maturity, whichever is earlier, and then the policy shall be revived subject to the following:

- a. On payment of all due and unpaid premium without interest.
- b. All outstanding applicable Premium Allocation Charges, Policy Administration charges and Tax charge thereon due since the date of discontinuance shall be deducted from the Unit Fund.

The Corporation reserves the right to accept at

original terms, accept with modified terms or decline the revival of a discontinued policy as per the “Underwriting Policy” of the Corporation. The Revival shall be subject to satisfaction of Continued Insurability of the Life Assured on the basis of information, documents and reports that are already available and any additional information in this regard if and as may be required in accordance with the “Underwriting Policy” at the time of revival, being furnished by the Policyholder/Proposer / Life Assured. The revival of a discontinued policy shall take effect only after the same is approved, accepted and revival receipt is issued by the Corporation.

Units of the segregated fund originally chosen by the Policyholder or as chosen in the last switch, or the fund chosen at the time of revival, as the case may be, shall be allotted based on the NAV as on the date of revival.

The Guaranteed Additions from the date of Discontinuance till the date of Revival shall be credited on the date of revival of the policy.

Irrespective of what is stated above, if the Unit FundValue is not sufficient to recover the charges during the revival period, the policy shall terminate and thereafter revival will not be allowed.

LIC’s Linked Accidental Death Benefit Rider, if opted for, can be revived along with the Base Policy and not in isolation.

## **15. Reinstatement:**

**Reinstatement of a surrendered policy shall not be allowed even if a request for reinstatement is received from the policyholder during 5 years’ lock in period.**

## **16. Risk factors and Disclaimers:**

- i) LIC’s SIIP is a Unit Linked Life Insurance product, which is different from the traditional insurance products.

- ii) The premiums paid in Unit Linked Life Insurance policies are subject to investment risks associated with capital markets and the NAVs of the units may go up or down based on the performance of fund and factors influencing the capital market and the insured is responsible for his/her decisions.
- iii) Life Insurance Corporation of India is only the name of the Insurance Company and LIC's SIIP is only the name of the unit linked life insurance contract and does not in any way indicate the quality of the contract, its future prospects or returns.
- iv) Please know the associated risks and the applicable charges, from your Insurance agent or the Intermediary or policy document of the insurer.
- v) It is recommended that you read and understand this brochure & customized benefit illustration and understand what the plan is, how it works and the risks involved before you purchase.
- vi) The various fund types offered under this contract are the names of the funds and do not in any way indicate the quality of these plans, their future prospects and returns.
- vii) All benefits under the policy are also subject to the Tax Laws and other financial enactments as applicable from time to time.
- viii) The actual value of units under your policy in the IRDAI prescribed FORM D02 can be viewed through a secured login on LIC's Customer Portal provided on the Corporation's website ([www.licindia.in](http://www.licindia.in))

## **17. Policy Alteration:**

During the contract, alteration in premium payment mode subject to provisions of Minimum Premium and Premium Multiples allowed as per terms and conditions of the plan and grant of Accident Benefit rider after the issue of policy may be allowed subject to a miscellaneous charge of Rs. 100/- which will be deducted by cancelling appropriate

number of units out of the Unit Fund Value and the deduction shall be made on the date of alteration in the policy. The alteration will be effective from the policy anniversary coincident or following the alteration.

The Corporation reserves the right to accept or decline the alteration in the policy as per the Underwriting Policy of the Corporation. The alteration shall take effect only after the same is approved by the Corporation and is specifically communicated in writing to the Proposer/Life Assured.

#### **18. Loan:**

No loan shall be allowed under this plan.

#### **19. Termination of Policy:**

The policy shall immediately and automatically terminate on the earliest occurrence of any of the following events:

- a) The date on which death benefit is paid if Settlement Option for death is not exercised; or
- b) The date on which surrender benefits are settled under the policy; or
- c) The date of maturity ;or
- d) On payment of final installments under Settlement Option if opted in case of death; or
- e) On death of the Nominee/Beneficiary after the commencement of the Settlement Option Period; or
- f) On payment of free look cancellation amount; or
- g) On compulsory termination as specified in Para 13 above; or
- h) In case of discontinuance of policy as specified in Para 11 above; or.
- i) In the event of forfeiture as specified in Para 20.

## 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 in virtue of this policy 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 charges of 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.

Regarding Income tax benefits/implications on premium(s) paid and benefits payable under this plan, please consult your tax advisor for details.

## 22. Free look period:

If you are not satisfied with the “Terms and Conditions” of the policy, the policy may be returned to us within 30 days from the date of receipt of the electronic or physical mode of Policy Document ,whichever is earlier, stating the reasons of objections. On receipt of the same the Corporation shall cancel the policy and the amount to be refunded shall be as under:

Value of units in the Unit Fund as on the date of receipt of request

**Plus** Unallocated Premium (equal to Allocation Charge multiplied by Premium received)

**Plus** Proportionate Mortality Charges and Accident Benefit charge, if any, for the balance period from the date of opting for Free-Look to the end of the policy month for which the respective charges have been deducted

**Plus** Tax Charges deducted thereon

**Less** Actual cost of medical examination (including and special reports, if any),

**Less** Stamp duty@ Rs.0.20 per thousand Basic Sum Assured and Accident Benefit Sum Assured, if any..

## 23. Nomination and Assignment:

Nomination shall be as per Section 39 of the Insurance Act, 1938, as amended from time to time.

Assignment shall be as per Section 38 of the Insurance Act, 1938, as amended from time to time.

## 24. Exclusions:

### **Suicide Clause:**

Notwithstanding the provision of benefits payable on death mentioned in Para 2.A., the provisions related to claim payment in case of death due to Suicide shall be subject to the conditions as specified herein under:

- If Life Assured commits suicide, within 12 months from the date of commencement of policy or from the date of revival of the policy, the Nominee or Beneficiary of the policyholder shall be entitled to the Unit Fund Value available as on the date of intimation of death along with death certificate. The Corporation will not entertain any claim under the policy and the policy shall terminate.
- Any charges and Tax levied thereon other than Fund Management Charges (FMC) and Tax levied on FMC recovered subsequent to the date of death shall be added back to the Unit Fund Value as available on the date of intimation of death.
- Any Guaranteed Additions added subsequently to the date of death shall be recovered from the Unit fund.

This clause shall not be applicable in case age at entry/ age at Revival of the Life Assured is below 8 years and death benefit as mentioned in Para 2.A shall be payable



## 25. Sample Benefit Illustration:

### Benefit Illustration :

Illustration 1:

Age of Life Assured (in years)	35
Policy Term (in years)	15
Premium paying mode	Yearly
Premium ( ₹ )	60,000
Basic Sum Assured ( ₹ )	6,00,000
Mode of purchase	Offline
Type of Fund	Bond

### Benefits under Plan:

	<b>Benefits @ 4% p.a. ( ₹ )</b>	<b>Benefits @ 8% p.a. ( ₹ )</b>
<b>Total Maturity Benefit (Fund Value)</b>	10,24,189	14,20,867
		<b>Net Yield 6.01%</b>

			<b>Benefits @ 4% p.a. ( ₹ )</b>		<b>Benefits @ 8% p.a. ( ₹ )</b>	
End of Policy Duration (Year)	Cumulative premium ( ₹ )	Guaranteed Additions ( ₹ )	Fund Value ( ₹ )	Death Benefit ( ₹ )	Fund Value ( ₹ )	Death Benefit ( ₹ )
6	3,60,000	3,000	3,60,582	6,00,000	4,13,172	6,00,000
10	6,00,000	6,000	6,36,255	6,36,255	7,92,546	7,92,546
15	9,00,000	9,000	10,24,189	10,24,189	14,20,867	14,20,867

### Disclaimer

- This illustration is applicable to a non-smoker male/female standard (from medical, life style and occupation point of view) life for a policy purchased offline, wherein LIC's linked Accidental Death Benefit rider is not opted.
- In this benefit illustration it is assumed that the Projected

Investment Rate of Return that LIC will be able to earn throughout the term of the policy will be 4% p.a. or 8% p.a., as the case may be. The Projected Investment Rate of Return is not guaranteed and they are not upper or lower limits of what you might get back as the value of your policy is dependent on a number of factors including future investment performance.”

- iii) The above illustration has been given considering the prevailing Tax Charge (GST) of 18% which is subject to change from time to time.
- iv) The main objective of the illustration is that the client is able to appreciate the features of the product and the flow of benefits in different circumstances with some level of quantification.
- v) LIC does not authorize its agents/intermediaries, staff and officials to express their opinion on the future performance of the “ULIP” fund, excepting the above illustrative rate of 4% and 8% growth.

## 26. Grievance Redressal Mechanism:

### Of the Corporation:

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

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

Claimants not satisfied with the decision of death claim repudiation have the option of referring their cases for

review to Zonal Office Claims Dispute Redressal Committee or Central Office Claims Dispute Redressal Committee. A retired High Court/ District Court Judge is member of each of the Claims Dispute Redressal Committees.

### **Of IRDAI:**

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

- i) Calling Toll Free Number 155255/18004254732(i.e. IRDAI Grievance Call Centre-(BIMA BHAROSA SHIKAYAT NIVARAN KENDRA))
- ii) Sending an email to [complaints@irdai.gov.in](mailto:complaints@irdai.gov.in)
- iii) Register the complaint online at <https://bimabharosa.irdai.gov.in/>
- iv) Address for sending the complaint through courier/letter:

General Manager, Policyholders Protection and Grievance Redressal Department, Insurance Regulatory and Development Authority of India, Survey No. 115/1, Financial District, Nanakramguda, Gachibowli, Hyderabad-500032, Telangana.

### **Of Ombudsman:**

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

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

The provision of Section 45 of the Insurance Act, 1938 as amended from time to time shall be applicable. The current version 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 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](http://www.licindia.in) or contact our nearest Branch Office.

To purchase the policy online please log on to [www.licindia.in](http://www.licindia.in).

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

IRDAI or its officials do not involve in activities of insurance business like selling insurance policies, announcing bonus or investment of premiums, refund of amounts. Policyholders or 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 1<sup>st</sup> September, 1956 under Life Insurance Corporation Act, 1956, with the objective of spreading life insurance more widely, in particular to the rural areas with a view to reaching all insurable persons in the country and providing them adequate financial cover against insured events. LIC continues to be the important life insurer even in the liberalized scenario of Indian insurance and is moving fast on a new growth trajectory surpassing its own past records. In its existence of over six decades, LIC has grown from strength to strength in various areas of operation.



Registered Office:

**Life Insurance Corporation of India**

Central Office,

Yogakshema, Jeevan Bima Marg, Mumbai – 400021.

Website: [www.licindia.in](http://www.licindia.in)

Registration Number: 512