

LIC's BIMA NIVESH 2005 (Table No. 171)

1. BENEFITS

1.1 **Guaranteed Additions:** The Policy provides Guaranteed Additions at the following compound rates:

- Rs.50 per thousand of the Sum Assured under the Basic Plan for each completed policy year per annum for the policy with term of 5 years
- Rs.55 per thousand of the Sum Assured under the Basic Plan for each completed policy year per annum for the policy with term of 10 years.

The above Guaranteed Addition will accrue to the policy at the end of each completed policy year.

1.2 **Loyalty Addition:** Depending upon the Corporation's experience with regard to mortality, interest and expenses and based on the term of the policy, Loyalty addition, if any, as declared by the Corporation may be paid on maturity.

1.3 **Maturity Benefit:** At the Maturity Date, Sum Assured under the Basic Plan along with accrued Guaranteed Additions will be payable. Loyalty addition, if any, will also be added to this Benefit.

1.4 **Death Benefit:** In case of death of the Life Assured during the term of the policy Sum Assured under the Basic Plan along with accrued Guaranteed Additions will be payable.

1.5 **Surrender Value:** The Surrender Value (GSV or SSV) will be available after the policy has run for at least one year.

Guaranteed Surrender Value:

The Guaranteed Surrendered Value (GSV) allowable is equal to 90% of the Single premium paid excluding all extra premiums and the premium for the Term Assurance Rider for policy with 5 years term and 80% of the Single premium paid excluding all extra premiums and the premium for the Term Assurance Rider for policy with 10 years term.

Surrender value will not be available on Term Assurance Rider premium.

Special Surrender Value:

Special Surrender Value (SSV) is payable at the following rate:-

<i>TERM: 5 YEARS</i>		<i>TERM: 10 YEARS</i>			
Completed duration in years	SSV as % of (SA + GAs)	Completed duration in years	SSV as % of (SA + GAs)	Completed duration in years	SSV as % of (SA + GAs)
1.00	90.500%	1.00	81.000%	5.50	90.000%
1.25	91.000%	1.25	81.500%	5.75	90.500%
1.50	91.500%	1.50	82.000%	6.00	91.000%

1.75	92.000%	1.75	82.500%	6.25	91.500%
2.00	92.500%	2.00	83.000%	6.50	92.000%
2.25	93.125%	2.25	83.500%	6.75	92.500%
2.50	93.750%	2.50	84.000%	7.00	93.000%
2.75	94.375%	2.75	84.500%	7.25	93.500%
3.00	95.000%	3.00	85.000%	7.50	94.000%
3.25	95.625%	3.25	85.500%	7.75	94.500%
3.50	96.250%	3.50	86.000%	8.00	95.000%
3.75	96.875%	3.75	86.500%	8.25	95.625%
4.00	97.500%	4.00	87.000%	8.50	96.250%
4.25	98.125%	4.25	87.500%	8.75	96.875%
4.50	98.750%	4.50	88.000%	9.00	97.500%
4.75	99.375%	4.75	88.500%	9.25	98.125%
		5.00	89.000%	9.50	98.750%
		5.25	89.500%	9.75	99.375%

Special Surrender Value will be paid based on completed quarter years.

2. ELIGIBILITY CONDITIONS

For Basic Benefit

- a. Minimum age at entry - 13 years completed
- b. Maximum age at entry - 70 years
- c. Maximum age at maturity - 75 years
- d. Terms allowed - 5 years and 10 years
- e. Mode of premium - Single premium
- f. Minimum Sum Assured - Rs.25,000
- g. Maximum Sum Assured - No limit

Sum Assured will be allowed in multiples of Rs.5000 only.

3. PREMIUM RATES

Single Premium rates for Rs.1000 Sum Assured are
Rs.995 for 5 years term, and
Rs.976 for 10 years term

4. REBATE:

High Premium Rebate under the Basic Plan

Single Premium	Rebate
Up to and including Rs.50,000	Nil
Rs.50,001 to Rs.1,00,000	1% of Premium under the Basic Plan in excess of Rs.50,000
Above Rs.1,00,000	Rs.500 plus 1.5% of Premium under Basic Plan in excess of Rs.1,00,000

Premium Rebate under Term Assurance Rider

No rebate is available on the Term Assurance Rider Premium.

5. OPTIONAL BENEFIT:

A Term Assurance Rider Benefit is available by payment of an additional Single premium at the choice of the proposer and subject to fulfilment of certain terms and conditions. If this option is availed, then an amount equal to the Term Assurance Rider Sum Assured is payable on death of the Life Assured before maturity along with the Death Benefit under the Basic Plan. The eligibility conditions and restrictions for this optional benefit are –

Minimum Age at entry:	18 years completed
Maximum Age at entry:	50 years
Minimum Sum Assured:	Rs.1,00,000/-

Maximum Sum Assured: Equal to Sum Assured under the Basic Plan subject to an overall limit of Rs.25,00,000/- taking Term Assurance Rider Sums Assured under all policies on the Life of the Life Assured with the Corporation.

The Term Assurance Rider Sum Assured will be allowed in multiples of 5000 only. The Term Assurance Rider Premium depends on the age nearer birthday and the term of the policy.

6. LOAN

Loan will be available to the policyholder under this plan within the Surrender Value.

7. COOLING OFF PERIOD

If the policyholder is not satisfied with the “Terms and Condition” of the policy, he/she may return the policy to us within 15 days from the date of receipt of the Policy Bond.

8. EXCLUSIONS:

Suicide: The Term Assurance Rider Benefit, if chosen, shall be void if the Life Assured commits suicide (whether sane or insane at the time) at any time on or after the date on which the risk on the policy has commenced but before the expiry of one year from the date of the policy and the Corporation will not entertain any claim by virtue of this policy except to the extent of a third party’s bonafide beneficial interest acquired in the policy for valuable consideration of which notice has been given in writing to the office in which the policy is being serviced, at least one calendar month prior to death.

9. BENEFIT ILLUSTRATION:

9.1 Statutory warning

“Some benefits are guaranteed and some benefits are variable with returns based on the future performance of your life insurance company. If your policy offers guaranteed returns then these will be clearly marked “guaranteed” in the illustration table on this page. If your policy offers variable returns then the illustrations on this page will show two different rates of assumed investment returns. These assumed rates return are 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.”

9.2 **Illustration 1**

Age at entry: 35 years

Term: 5 years

Sum Assured: Rs.1,00,000/-

Single Premium: Rs.99,005/-

Death during Policy Year	Total Premium Paid (Rs)	Guaranteed Death Benefit
1	99,005	1,00,000
2	99,005	1,05,000
3	99,005	1,10,250
4	99,005	1,15,763
5	99,005	1,21,551

There is no variable benefit in case of death during the term of the policy.

Maturity Benefit:

End of Policy Year	Total Premium Paid (Rs.)	Guaranteed Benefit	Variable Benefit		Total	
			Scenario 1	Scenario 2	Scenario 1	Scenario 2
5	99,005	1,27,628	0	24,500	1,27,628	1,52,128

In case Term Assurance Rider is opted for, the death benefit will increase by the Term Assurance Rider Sum Assured.

Illustration 2

Age at entry: 35 years

Term: 10 years

Sum Assured: Rs.1,00,000/-

Single Premium: Rs.97,124/-

Death during Policy Year	Total Premium Paid (Rs)	Guaranteed Death Benefit
1	97,124	1,00,000
2	97,124	1,05,500
3	97,124	1,11,303
4	97,124	1,17,424
5	97,124	1,23,882
6	97,124	1,30,696
7	97,124	1,3,7884
8	97,124	1,45,468
9	97,124	1,53,469
10	97,124	1,61,909

There is no variable benefit in case of death during the term of the policy.

Maturity Benefit:

End of Policy Year	Total Premium Paid (Rs.)	Guaranteed Benefit	Variable Benefit		Total	
			Scenario 1	Scenario 2	Scenario 1	Scenario 2
10	97,124	1,70,814	0	59,000	1,70,814	2,29,814

In case Term Assurance Rider is opted for, the Death Benefit will increase by the Term Assurance Rider Sum Assured.

Note :

- I) This illustration is applicable to a non-smoker male/female standard (from medical, life style and occupation point of view) life.
- II) The non-guaranteed benefits in the above illustrations are calculated so that they are consistent with the Projected Investment Rate of Return assumption of 6% p.a. (scenario 1) and 10% p.a. (scenario 2) respectively. In other words, in preparing 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 6% p.a. (scenario 1) or 10% p.a. (scenario 2), as the case may be. The Projected Investment Rate of Return is not guaranteed.
- III) 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.

10. Prohibition of Rebates (Section 41 of INSURANCE ACT, 1938):

- (1) No person shall allow or offer to allow, either directly or indirectly, as an inducement to any person to take out or renew or continue an insurance in respect of any kind of risk relating to lives or property in India, any rebate of the whole or part of the commission payable or any rebate of the premium shown on the policy nor shall any person taking out or renewing or continuing a policy accept any rebate except such rebates as may be allowed in accordance with the published prospectuses or tables of the insurer provided that acceptance by an insurance agent of commission in connection with a policy of life insurance taking out by himself on his own life shall not be deemed to be acceptance of a rebate of premium within the meaning of this sub-section if at the time of such acceptance the insurance agent satisfies the prescribed conditions establishing that he is a bona fide insurance agent employed by the insurer.
- (2) Any person making default in complying with the provision of this Section shall be punishable with a fine, which may extend to 500 rupees.

Note: Conditions apply for which please refer to the Policy document or contact our nearest Branch Office.