

**LIFE INSURANCE CORPORATION OF INDIA
CENTRAL OFFICE**

Dept: Product Development

"Yogakshema"
Jeevan Bima Marg
Mumbai – 400 021

Ref: CO/PD/117

Date: 03/08/2019

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

Re: INTRODUCTION OF LIC's JEEVAN AMAR (Plan No.855)

1. INTRODUCTION:

It has been decided to introduce **LIC's JEEVAN AMAR** (Plan No.855) with effect from 5th August, 2019.

The Unique Identification Number (UIN) for LIC's JEEVAN AMAR plan is **512N332V01**. This number has to be quoted in all relevant documents furnished to the Policyholders and other users (public, distribution channels).

LIC's JEEVAN AMAR plan is a Non-Linked, Without Profit, pure protection plan. Under this plan there is flexibility to choose from two death benefit options viz. Level Sum Assured and Increasing Sum Assured.

Under this plan, there are two categories of premium rates viz. (1) Non-Smoker rates and (2) Smoker rates. The Proposer/Life to be assured has an option to choose between Non-Smoker and Smoker category. However, in order to choose Non-Smoker category (for which the premium rates are lower than Smoker category), Life to be assured will have to undergo an additional medical test- Urinary Cotinine test. Based on the findings of the Urinary Cotinine test, Non-Smoker/Smoker premium rates shall be applicable. **In case Life to be assured does not undergo Urinary Cotinine test, Smoker rates shall be applicable.**

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

2. ELIGIBILITY CONDITIONS AND RESTRICTIONS FOR BASE PLAN:

- a) Minimum Age at entry : 18 years (Last Birthday)
- b) Maximum Age at entry : 65 years (Last Birthday)
- c) Maximum age at Maturity : 80 years (Last Birthday)
- d) Minimum Basic Sum Assured : Rs. 25,00,000/-.
- e) Maximum Basic Sum Assured : No Limit

The Basic Sum Assured shall be in multiples of amounts specified below:

Sum Assured range	Sum Assured Multiple
Rs. 25,00,000/- to Rs. 40,00,000/-	Rs. 1,00,000/-
Above Rs 40,00,000/-	Rs. 10,00,000/-

- f) Policy Term : 10 to 40 years
- g) Premium Paying Term :
 Regular Premium : Same as policy term
 Limited Premium : [Policy Term minus 5] years for Policy Term 10 to 40 years
 : [Policy Term minus 10] years for Policy Term 15 to 40 years
 Single Premium : NA
- h) Minimum Premium : The minimum instalment premium will be Rs. 3,000/- for Regular/ Limited premium policies and Rs. 30,000/- for Single premium policies.

Date of commencement of Risk: 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:

a) Death Benefit:

Death benefit, payable in case of admissible death claim, before the stipulated Date of Maturity, provided the policy is inforce, shall be "**Sum Assured on Death**".

For Regular premium and Limited premium payment policy, "Sum Assured on Death" is defined as the highest of:

- 7 times of annualised premium; or
- 105% of all the premiums paid as on the date of death; or
- Absolute amount assured to be paid on death.

For Single premium policy, "Sum Assured on Death" is defined as the higher of:

- 125% of Single Premium.
- Absolute amount assured to be paid on death.

Premiums referred above shall not include any extra amount chargeable under the policy due to underwriting decision and rider premium(s), if any.

Absolute amount assured to be paid on death shall depend on Death Benefit Option chosen at the time of taking this policy and is as under:

- **Option I: Level Sum Assured:** "**Absolute amount assured to be paid on death**" shall be an amount equal to Basic Sum Assured, which shall remain the same throughout the policy term.
- **Option II: Increasing Sum Assured:** "**Absolute amount assured to be paid on death**" shall remain equal to Basic Sum Assured till completion of fifth policy year. Thereafter, it increases by 10% of Basic Sum Assured each year from the sixth policy year till fifteenth policy year till it becomes twice the Basic Sum Assured. This increase will continue under an inforce policy till the end of policy term; or till the Date of Death; or till the fifteenth policy year, whichever is earlier. From sixteenth policy year and onwards, the "**Absolute amount assured to be paid on death**" remains constant i.e. twice the Basic Sum Assured, till the policy term ends.

The proposer has to **choose one of the Death Benefit Options at proposal stage itself** and mention the same in the Proposal Form clearly. **The option once chosen cannot be altered subsequently.**

Examples for “Absolute Amount Assured to be paid on death” under Option II (Increasing Sum Assured) for Basic Sum Assured of Rs. 1,00,00,000 opted at inception for different Policy Terms.

(In Rs.)				
Policy year	Policy Term=10 years	Policy Term=12 years	Policy Term=15 years	Policy Term=20 years
1	1,00,00,000	1,00,00,000	1,00,00,000	1,00,00,000
2	1,00,00,000	1,00,00,000	1,00,00,000	1,00,00,000
3	1,00,00,000	1,00,00,000	1,00,00,000	1,00,00,000
4	1,00,00,000	1,00,00,000	1,00,00,000	1,00,00,000
5	1,00,00,000	1,00,00,000	1,00,00,000	1,00,00,000
6	1,10,00,000	1,10,00,000	1,10,00,000	1,10,00,000
7	1,20,00,000	1,20,00,000	1,20,00,000	1,20,00,000
8	1,30,00,000	1,30,00,000	1,30,00,000	1,30,00,000
9	1,40,00,000	1,40,00,000	1,40,00,000	1,40,00,000
10	1,50,00,000	1,50,00,000	1,50,00,000	1,50,00,000
11	-	1,60,00,000	1,60,00,000	1,60,00,000
12	-	1,70,00,000	1,70,00,000	1,70,00,000
13	-	-	1,80,00,000	1,80,00,000
14	-	-	1,90,00,000	1,90,00,000
15	-	-	2,00,00,000	2,00,00,000
16	-	-	-	2,00,00,000
17	-	-	-	2,00,00,000
18	-	-	-	2,00,00,000
19	-	-	-	2,00,00,000
20	-	-	-	2,00,00,000

*Note: Policy year is the period between two consecutive policy anniversaries. This period includes the first day and excludes the next policy anniversary day.

b) Maturity Benefit:

On survival of the life assured to the end of the policy term, no maturity benefit is payable.

4. OPTIONAL RIDER BENEFITS:

The following rider shall be available under this plan.

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

LIC's Accident Benefit Rider shall be available under Regular and Limited Premium Payment policies as an optional rider by payment of additional premium. This rider shall not be available under Single Premium policies. Under an inforce policy, this Rider can be opted for at inception or at any time within the premium paying term of the Base Plan provided, the outstanding premium paying term of the Base Plan is atleast five years and age of Life Assured does not exceed 65 years (nearer birthday). The benefit cover under this rider shall be available **only during the premium paying term of the base plan or before the policy anniversary, on which the age nearest birthday is 70 years, whichever is earlier.**

If this benefit is opted for and if Life Assured is involved in an accident, leading to death and such incident shall occur 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 in force at the time of accident irrespective of whether or not it is in force at the time of death.

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.

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.

Eligibility conditions:

- 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 during the Base Plan is at least 5 years. However, in any case the maximum age at entry shall not exceed 65 years (nearest birthday).
- c) Maximum Cover Ceasing Age: :70 years (nearest birthday)
- d) Minimum Accident Benefit Sum Assured : Rs. 20,000/-
- e) Maximum Accident Benefit Sum Assured : An amount equal to the Basic Sum Assured under the Base Plan subject to the maximum of Rs.100 lakhs overall limit taking all existing policies (excluding additional limit of Rs 100 lakhs under policies taken under 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.

Even considering the additional Accident Benefit Sum Assured limit of Rs. 100 lakh above this, allowed under LIC's Jeevan Shiromani only, the maximum Accident Benefit cover offered to an individual in any case including the policies taken under LIC's Jeevan Shiromani will not exceed Rs. 200 lakh.

The Accident Benefit Sum Assured shall be in multiples of Rs. 5,000/- only.

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/36 dated 9th November, 2013 and CO/PD/102 dated 16/12/2017.

Note: (1) The premium pertaining to LIC's Accident Benefit Rider shall not exceed 100% of the premium under the base plan and Accident Benefit Rider Sum Assured shall not exceed the Basic Sum Assured opted under the plan.

(2) 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.

5. OPTION AVAILABLE UNDER THE BASE PLAN:

Option to take Death Benefit in Instalments:

This is an option to receive Death Benefit in instalments over the chosen period of 5 or 10 or 15 years instead of lump sum amount under an in force policy. This option can be exercised by the Life Assured during his/her life time; for full or part of Death benefits payable under the policy. The amount opted for 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.

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

Mode of Instalment payment	Minimum instalment amount
Monthly	Rs. 5,000/-
Quarterly	Rs. 15,000/-
Half-Yearly	Rs. 25,000/-
Yearly	Rs. 50,000/-

If the net claim amount is less than the required amount to provide the minimum instalment 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 instalment 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 at proposal stage or 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.

6. MODE OF PREMIUM PAYMENT:

Premiums can be paid either under Regular Premium, Limited Premium or Single Premium payment options under this plan. In case of Regular and Limited Premium payment, the premium can be paid regularly during the Premium Paying Term with modes of premium payment yearly or half-yearly.

7. PREMIUM RATES:

- i. Base Plan: The tabular Premium rates per thousand Basic Sum Assured for each of the following combinations in respect of Option I and Option II are enclosed as **Annexure I** (Page 1 to 32).

S. No.	Category	Option I	Option II
	Regular Premium		
1)	Male, Non-Smoker	Page 1 of 32	Page 17 of 32
2)	Male, Smoker	Page 2 of 32	Page 18 of 32
3)	Female, Non-Smoker	Page 3 of 32	Page 19 of 32
4)	Female, Smoker	Page 4 of 32	Page 20 of 32
	Limited Premium (Policy Term minus 5 years)		
5)	Male, Non-Smoker	Page 5 of 32	Page 21 of 32
6)	Male, Smoker	Page 6 of 32	Page 22 of 32
7)	Female, Non-Smoker	Page 7 of 32	Page 23 of 32
8)	Female, Smoker	Page 8 of 32	Page 24 of 32
	Limited Premium (Policy Term minus 10 years)		
9)	Male, Non-Smoker	Page 9 of 32	Page 25 of 32
10)	Male, Smoker	Page 10 of 32	Page 26 of 32
11)	Female, Non-Smoker	Page 11 of 32	Page 27 of 32
12)	Female, Smoker	Page 12 of 32	Page 28 of 32
	Single Premium		
13)	Male, Non-Smoker	Page 13 of 32	Page 29 of 32
14)	Male, Smoker	Page 14 of 32	Page 30 of 32
15)	Female, Non-Smoker	Page 15 of 32	Page 31 of 32
16)	Female, Smoker	Page 16 of 32	Page 32 of 32

- ii. Class – I extra: The Class-I extra calculations , which are applicable for both New Business as well as Revival stage, for various combinations shall be calculated as below:

- 1) **Option I:** Class-I extra premium rates for each of the 16 combinations specified as Item 1 to 16 are enclosed in **Annexure II** (Page 1 to 16).

2) **Option II: Single Premium policy**

Class-I extra premium rates for Single Premium policy for each of the 4 combinations are enclosed in **Annexure II** (Page 17 to 20).

3) **Option II: Regular and Limited Premium Payment Policy**

The Class-I extra premium rates for Regular and Limited Premium Payment under Option II will be arrived at by using the Class-I extra per Rs. 1000/- Basic Sum Assured under Option I for corresponding equivalent policy and a multiplicative factor. For calculating class I extra at NB stage, the multiplicative factor will depend on the Original Policy Term, whereas for calculating class I extra at revival stage, the multiplicative factor will depend on the Original Policy Term as well as the Outstanding Policy Term at Revival.

Class-I extra in such cases shall be calculated using the following formula:

Class I Extra rate under Option II = [Class I Extra Premium rate under Option I] * [Multiplicative Factor]

The extra premium so arrived at will be rounded off to two decimal places to the nearest one hundredth paisa.

Note: The Table to be used at NB stage and Revival stage to calculate the Class-I extra under Option I is same. Hence while referring to the Table at NB stage, the Policy Term/Premium Paying Term is to be used and while referring at the Revival stage, the outstanding Policy Term/Premium Paying Term is to be referred to.

The multiplicative factors to arrive at Class-I extra under Regular and Limited Premium Payment for Option II are enclosed as **Annexure III**.

S. No.	Category Regular Premium	Option I	Option II
1)	Male, Non-Smoker	Page 1 of Annx. II	Refer Annexure III
2)	Male, Smoker	Page 2 of Annx. II	
3)	Female, Non-Smoker	Page 3 of Annx. II	
4)	Female, Smoker	Page 4 of Annx. II	
	Limited Premium (Policy Term minus 5 years)		
5)	Male, Non-Smoker	Page 5 of Annx. II	
6)	Male, Smoker	Page 6 of Annx. II	
7)	Female, Non-Smoker	Page 7 of Annx. II	
8)	Female, Smoker	Page 8 of Annx. II	
	Limited Premium (Policy Term minus 10 years)		
9)	Male, Non-Smoker	Page 9 of Annx. II	
10)	Male, Smoker	Page 10 of Annx. II	
11)	Female, Non-Smoker	Page 11 of Annx. II	
12)	Female, Smoker	Page 12 of Annx. II	
	Single Premium		
13)	Male, Non-Smoker	Page 13 of Annx. II	Page 17 of Annx. II
14)	Male, Smoker	Page 14 of Annx. II	Page 18 of Annx. II
15)	Female, Non-Smoker	Page 15 of Annx. II	Page 19 of Annx. II
16)	Female, Smoker	Page 16 of Annx. II	Page 20 of Annx. II

Various Examples for calculation of Class-I extra premium rate for Rs. 1000/- B.S.A.

A) Under Regular Premium Payment policy

A Male, Non-Smoker aged 30 years (LBD) has taken a Regular Premium policy for Policy Term 25 years with Premium Paying Term 25 years.

Case (1): At NB Stage:

a) For Option I:

Class I Extra Premium rate at NB Stage (Proposal Stage) per Rs. 1000/- B.S.A = 0.29 (Refer Page 1 of Annexure II)

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b) For Option II:

Class I Extra Premium rate at NB Stage (Proposal Stage) per Rs. 1000/- B.S.A

= Class I Extra Premium rate, per Rs. 1000/- B.S.A, applicable for Option I * Applicable multiplicative factor (Original policy term and Outstanding Policy Term of 25 years)

=0.29 (As above) * 1.62 (Refer Annexure III)

=0.4698 = 0.47 (Rounded off to 2 decimal places)

Case (2): At Revival Stage: (During 10th policy year)

Age at revival (LBD) : 40 years

Original Policy Term : 25 years

Outstanding Policy Term : 15 years (In completed years)

Outstanding Premium Paying Term : 15 years (In completed years)

a) For Option I:

Class I Extra Premium rate, per Rs. 1000/- B.S.A for Outstanding Policy Term of 15 Years = 0.45 (Refer Page 1 of Annexure II)

b) For Option II:

Class I Extra rate per Rs. 1000/- B.S.A.

= Class I Extra Premium rate per Rs. 1000/- B.S.A, applicable for Option I * Applicable multiplicative factor (Original Policy Term of 25 years and Outstanding Policy Term at revival of 15 years)

=0.45 (As above) * 1.93 (Refer Annexure III)

=0.8685 = 0.87 (Rounded off to 2 decimal places)

B) Under Limited Premium Payment policy (with PPT = Policy Term minus 10 years)

A Female, Smoker aged 30 years (LBD) has taken a Limited Premium policy for Policy Term 35 years with Premium Paying Term 25 years.

Case (1): At NB Stage:

a) For Option I:

Class I Extra Premium rate at NB Stage (Proposal Stage) per Rs. 1000/- B.S.A = 0.53 (Refer Page 12 of Annexure II)

b) For Option II:

Class I Extra Premium rate at NB Stage (Proposal Stage) per Rs. 1000/- B.S.A

= Class I Extra Premium rate, per Rs. 1000/- B.S.A, applicable for Option I * Applicable multiplicative factor (Original Policy Term and Outstanding Policy Term of 35 years)

=0.53 (As above) * 1.73 (Refer Annexure III)

=0.9169 = 0.92 (Rounded off to 2 decimal places)

Case (2): At Revival Stage: (During 12th policy year)

Age at revival (LBD) : 42 years

Original Policy Term : 35 years

Outstanding Policy Term : 23 years (In completed years)

Outstanding Premium Paying Term : 13 years (In completed years)

a) For Option I:

Class I Extra Premium rate with Option I (Level Sum Assured) per Rs. 1000/- B.S.A for Outstanding Premium Paying Term of 13 years = 1.11 (Refer Page 12 of Annexure II)

b) For Option II:

Class I Extra rate per Rs. 1000/- B.S.A

= Class I Extra Premium rate, per Rs. 1000/- B.S.A, applicable for Option I * Applicable multiplicative factor (Original Policy Term of 35 years and Outstanding Policy Term at revival of 23 years)

=1.11 (As above) * 1.99 (Refer Annexure III)

=2.2089 = 2.21 (Rounded off to 2 decimal places)

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8. GRACE PERIOD (APPLICABLE FOR REGULAR AND LIMITED PREMIUM PAYMENT POLICIES):

A grace period of 30 days shall be allowed for payment of yearly or half-yearly premiums from the date of first unpaid premium.

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 premiums falling due before the next policy anniversary.

The above grace period will also apply to rider premium if opted, as the rider premiums are to be paid along with premium for the Base plan.

If the premium is not paid before the expiry of the days of grace, the Policy lapses. Under such policies, all the benefits shall cease after the expiry of grace period and nothing shall be payable.

In case of death of Life Assured under an Inforce policy wherein all the premiums due till the date of death have been paid and where the mode of payment of premium is other than yearly, balance premium(s), if any, falling due from the date of death and before the next policy anniversary shall be deducted from the claim amount.

In case of death due to Suicide, provision of Para 18 shall be applicable.

9. REBATES/EXTRA LOADING:

The rebates / loadings for base plan are as under:

- (i) **Rebate for Higher Sum Assured:** : The rebates for Option I and Option II applicable for all the premium payment modes i.e. Regular Premium, Limited Premium as well as Single Premium are as under:

a) Under Option I: Level Sum Assured

Age Band (LBD)	High SA rebate as a % of Tabular Annual/Single Premium		
	Less than Rs 50 Lakh	Rs 50 Lakh to less than Rs 1 Crore	Rs 1 Crore and above
Upto 30 years	Nil	12%	20%
31 to 50 years	Nil	10%	15%
51 years and above	Nil	5%	7%

b) Under Option II: Increasing Sum Assured

Age Band (LBD)	High SA rebate as a % of Tabular Annual/Single Premium		
	Less than Rs 50 Lakh	Rs 50 Lakh to less than Rs 1 Crore	Rs 1 Crore and above
Upto 30 years	Nil	10%	18%
31 to 50 years	Nil	8%	13%
51 years and above	Nil	4%	6 %

- (ii) **Modal Loading (applicable for Regular and Limited Premium payment):**

Mode	Loading as a % of tabular annual premium
Yearly	Nil
Half-Yearly	2%

10. CORPORATION EMPLOYEES INSURANCE SCHEME (CEIS) REBATE:

Policy completed under Corporation's Employee Insurance Scheme (CEIS) will be eligible for CEIS rebate as a percentage of tabular premium for the base plan as well as the rider premium if opted for, provided policy is not taken through any intermediary such as Agent / Corporate Agent /

Broker/Direct Sales Executive etc and is as under:

Premium Paying Term	Percentage of tabular premium
5 to 14 years	5%
15 years and above	10%
Single Premium	2%

11. COMMISSION PAYABLE TO INTERMEDIARIES & CREDIT TO DEVELOPMENT OFFICERS:

a) Commission payable to Agents, Corporate Agents, Brokers and Insurance Marketing Firms (IMFs):

i. Regular/Limited Premium:

Commission rates (as percentage of premium net of taxes, if any) payable during the Premium Paying Term are as under:

Premium Paying Term	1st Year	2nd & 3rd Year	Subsequent Years
5 to 9 years	10%	5%	5%
10 to 14 years	20%	7.5%	5%
15 years and above	25%	7.5%	5%

Bonus Commission: 40% of 1st year commission.

ii. Single Premium:

Commission shall be @ 2% of the Single Premium paid (net of any applicable taxes). No bonus commission shall be payable under Single Premium policy.

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

Premium Paying Term	Credit (as a % of the first year premium net of taxes)
5 to 9 years	30%
10 to 14 years	60%
15 years and above	100%

12. PAID-UP VALUE UNDER REGULAR AND LIMITED PREMIUM :

The policy will not acquire any paid-up value.

13. SURRENDER VALUE:

No surrender value will be available under this Plan.

However on surrender of policy in the following cases (for both Level Sum Assured (Option I) as well as Increasing Sum Assured (Option II) options), an amount shall be refunded as under:

a) Regular Premium policies: Nothing shall be refunded.

b) Single Premium Policies:

Refund shall be payable anytime during the Policy Term. The amount of refund payable shall be calculated by using the following formula:

$$K * (100 - R) \% * [(n - t) / n] * Ps * (\text{Basic Sum Assured} / 1000)$$

Where; K is as given below:

Policy Year in which the policy is surrendered	K
1	75%
2	80%
3	85%
4 & thereafter	90%

- R = High Sum Assured rebate applied to the original policy at inception
 n = Original Policy Term
 t = Policy year from inception during which the policy is surrendered
 Ps = Tabular single premium per Rs. 1000/- Basic Sum Assured for the original single premium policy for original policy term n years

c) Limited Premium Payment:

Refund shall only be payable if full premiums have been paid for at least:

- i) Two consecutive years in case of policies with premium paying term of less than 10 years.
- ii) Three consecutive years in case of policies with premium paying term of 10 years or more.

In case of a lapsed policy, refund shall be payable only if the policy is surrendered during the revival period. On expiry of revival period, the refund shall be paid to the policyholder and the policy shall terminate.

The amount of refund payable shall be calculated by using the following formula:

During Premium Paying Term

$$Z * (100 - R) \% * d * (Pppt - Pn) * (\text{Basic Sum Assured} / 1000)$$

After Premium Paying Term

- i) If all due premiums have been paid:

$$Z * (100 - R) \% * ppt * (Pppt - Pn) * [(n - t) / (n - ppt)] * (\text{Basic Sum Assured} / 1000)$$
- ii) If all due premiums have not been paid:

$$Z * (100 - R) \% * d * (Pppt - Pn) * (\text{Basic Sum Assured} / 1000)$$

Where,

- Z = 65% for refund during 2nd policy year to 9th policy year
 70% for refund during 10th policy year to 14th policy year
 75% for refund thereafter
- R = High Sum Assured rebate applied to the original policy at inception
- t = Policy year from inception during which the policy is surrendered (in case of fully paid up policies)
- d = Number of full years for which premiums have been paid
- ppt = Premium Paying Term of the original Policy
- Pppt = Tabular annual premium per Rs. 1000/- Basic Sum Assured in respect of the original policy i.e. based on the life assured's age at entry, original policy term and premium paying term
- Pn = Tabular annual premium per Rs. 1000/- Basic Sum Assured for regular premium policy corresponding to the life assured's age at entry and original policy term n years

The premium mentioned above is exclusive of taxes, rider premium and underwriting extra, if any.

The above calculated amount of refund is payable only if it is positive; and if negative, nothing shall be recovered from the policyholder.

LIC's Accident Benefit Rider will not acquire any surrender value.

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Case I

Single Premium

Sum Assured Option	Increasing	Formula for Refund calculation (Single Premium) $K * (100 - R)\% * [(n - t)/n] * P_s * \text{Basic Sum Assured} / 1000$		
Gender	Male			
Smoking Status	Smoker			
Age (LBD)	35 (at inception)			
Original Policy Term (n)	35			
Basic Sum Assured (BSA)	Rs. 1,00,00,000			
Tabular Single Premium (P _s)	94.84 / per 1000 BSA			
High Sum Assured Rebate applied at inception (R)	13%			
Date of Commencement	15.07.2019			
Date of Surrender	Policy year from inception during which the policy is Surrendered (t)	K	Calculation of Refund	Refund Amount
10.01.2020	1 Year	75%	$=75\% * (100 - 13)\% * [(35 - 1)/35] * 94.84 * 1,00,00,000/1000$	Rs. 6,01,150.11
04.03.2021	2 Years	80%	$=80\% * (100 - 13)\% * [(35 - 2)/35] * 94.84 * 1,00,00,000/1000$	Rs. 6,22,367.18
22.06.2022	3 Years	85%	$=85\% * (100 - 13)\% * [(35 - 3)/35] * 94.84 * 1,00,00,000/1000$	Rs. 6,41,226.79
06.05.2029	10 Years	90%	$=90\% * (100 - 13)\% * [(35 - 10)/35] * 94.84 * 1,00,00,000/1000$	Rs. 5,30,426.57
12.06.2049	30 Years	90%	$=90\% * (100 - 13)\% * [(35 - 30)/35] * 94.84 * 1,00,00,000/1000$	Rs. 1,06,085.31

Case II Limited Premium Payment (Policy Term minus 10 years)

Sum Assured Option	Level	<div>Formula for Refund calculation</div> <div>During Premium Paying Term</div> $Z * (100 - R)\% * d * (P_{ppt}-P_n) * \text{Basic Sum Assured} /1000$ <div>After Premium Paying Term</div> <div>i) If all due premiums have been paid:</div> $Z * (100 - R)\% * ppt * (P_{ppt}-P_n) * [(n-t)/(n-ppt)] * \text{Basic Sum Assured} /1000$ <div>ii) If all due premiums have not been paid:</div> $Z * (100 - R)\% * d * (P_{ppt}-P_n) * \text{Basic Sum Assured} /1000$				
Gender	Female					
Smoking Status	Non-Smoker					
Age (LBD)	25 (at inception)					
Original Policy Term (n)	30					
Original Premium Paying Term (ppt)	20					
Basic Sum Assured (BSA)	Rs. 1,00,00,000					
Tabular Annual Premium for Original Policy (P _{ppt})	1.41 / per 1000 BSA					
Tabular Annual Premium for corresponding Regular Premium Policy (P _n)	1.19 / per 1000 BSA (Age 25, Policy Term 30, Female, Non-Smoker)					
High Sum Assured Rebate applied at inception (R)	20%					
Date of Commencement	01.08.2019					
Premium Payment Mode	Half-Yearly					
Date of Surrender	No. of full years for which premium have been paid (d)	Policy year from inception during which the policy is Surrendered, in case of fully paid-up policy (t)	Z	Calculation of Refund (If all due premiums have been paid till date of surrender)	Refund Amount	
10.03.2020	1 Year	N/A	N/A	No refund as premiums for 3 consecutive years have not been paid.	-	
20.04.2021	2 Years	N/A	N/A	No refund as premiums for 3 consecutive years have not been paid.	-	
15.10.2021	2 Years	N/A	N/A	No refund as premiums for 3 consecutive years have not been paid.	-	
20.05.2022	3 Years	N/A	65%	=65% * (100-20)% * 3 * (1.41 - 1.19) * (1,00,00,000/1000)	Rs. 3,432.00	
16.06.2029	10 Years	N/A	70%	=70% * (100-20)% * 10 * (1.41 - 1.19) * (1,00,00,000/1000)	Rs. 12,320.00	
15.11.2033	14 Years	N/A	70%	=70% * (100-20)% * 14 * (1.41 - 1.19) * (1,00,00,000/1000)	Rs. 17,248.00	
12.04.2034	15 Years	N/A	75%	=75% * (100-20)% * 15 * (1.41 - 1.19) * (1,00,00,000/1000)	Rs. 19,800.00	
20.07.2044	Fully Paid-up	25 Years	75%	=75% * (100-20)% * 20 * (1.41 - 1.19) * [(30-25)/(30-20)] * (1,00,00,000/1000)	Rs. 13,200.00	
18.06.2049	Fully Paid-up	30 Years	75%	=75% * (100-20)% * 20 * (1.41 - 1.19) * [(30-30)/(30-20)] * (1,00,00,000/1000)	Nil	

Surrender of Discontinued Policy in above example

Date of First Unpaid Premium	Date of Surrender / Expiry of Revival Period	No. of full years for which premium have been paid (d)		Calculation of Refund	Refund Amount
01.02.2025	10.03.2026	5 Years	65%	$=65\% * (100-20)\% * 5 * (1.41 - 1.19) * (1,00,00,000/1000)$	Rs. 5,720.00
01.02.2025	01.02.2027 (On expiry of 2 years Revival period)	5 Years	65%	$=65\% * (100-20)\% * 5 * (1.41 - 1.19) * (1,00,00,000/1000)$	Rs. 5,720.00
01.08.2038	15.06.2040	19 Years	75%	$=75\% * (100-20)\% * 19 * (1.41 - 1.19) * (1,00,00,000/1000)$	Rs. 25,080.00

14. REVIVALS (Applicable for Regular and Limited Premium payment only):

If premiums are not paid within the grace period then the policy will lapse. A lapsed policy may be revived during the lifetime of the Life Assured, but within a period of 5 consecutive years from the date of first unpaid premium or as is allowed under applicable Product Regulations, and before the date of maturity as the case maybe, on 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. In addition, additional proof of continued insurability such as DGH, medical report, special reports etc may be required.

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.

Revival of lapsed policies can be considered with the following requirements:

Period from First Unpaid Premium	Requirements for revival
31 days to 60 days	Arrears of premiums with interest thereon and DGH.
61 days and above	Arrears of premiums with interest thereon alongwith underwriting requirements as per the underwriting rules prevailing at the time of revival.

The cost of the medical reports, including special reports, if any, required for the purposes of revival of the policy, shall be borne by the Life Assured.

If a lapsed policy is not revived within the revival period, the policy will automatically terminate. In case of Regular Premium policies, nothing shall be payable. However, in case of Limited Premium Payment policies, the amount as payable in case of surrender shall be refunded and the policy will terminate.

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

15. 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 lump sum death benefit / final instalment of death benefit is paid; or
- b) The date on which refund, if applicable, is settled, in case of surrender of policy; or
- c) The date of maturity; or
- d) On expiry of revival period, if the policy has not been revived; or
- e) On payment of free look cancellation amount.

16. LOAN:

No Loan will be granted under this plan.

17. UNDERWRITING, AGE PROOF AND MEDICAL REQUIREMENTS:

NB & R department will issue instructions in this regard.

18. SUICIDE CLAUSE:

i) Under Regular/Limited Premium Policy:

This policy shall be void if the Life Assured (whether sane or insane) commits suicide at any time within 12 months from the date of commencement of risk, provided the policy is in force or within 12 months from the date of revival, the Corporation will not entertain any claim except for 80% of the premiums paid (excluding any extra amount if charged under the policy due to underwriting decisions and rider premiums, if any) till the date of death.

This clause shall not be applicable for a lapsed policy as nothing is payable under such policies.

ii) Under Single Premium Policy:

This policy shall be void if the Life assured (whether sane or insane at the time) commits suicide at any time within 12 months from the date of commencement of risk, the Corporation will not entertain any claim except 90 % of the Single Premium paid excluding any extra amount if charged under the policy due to underwriting decisions and rider premiums, if any.

19. 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.

20. PAYMENT OF CLAIMS:

No claim concession and extended claim concession shall be applicable under this plan.

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. FREE LOOK 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 31st December, 2013.

23. BACK-DATING:

Back-dating shall not be allowed under this plan.

24. POLICY STAMPING:

For Base Plan, policy stamping charges will be at the rate of 20 paise per thousand **Sum Assured on Death, where "Sum Assured on Death" shall be as under;**

For policies taken Under Option I: Basic Sum Assured

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For policies taken Under Option II: The policy stamping charges shall be dependent on the policy term and is given as under:

Policy Term	% of Basic Sum Assured
10 years	150 %
11 years	160 %
12 years	170 %
13 years	180 %
14 years	190 %
15 years and above	200 %

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.

25. REINSURANCE:

The death benefit under this plan will be reinsured under an Individual Life Reinsurance Treaty, where the excess (if any) of the Sum at risk above retention limit specified below is reinsured with GIC Re.

The retention limits of reinsurance shall be as under:

Treaty	Retention Limit
Standard Lives	Rs. 30,00,000
Sub-std Lives	Rs. 20,00,000

The reinsurance in respect of the Accident Benefit rider shall be as per applicable reinsurance treaty.

26. 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.

27. NORMAL REQUIREMENTS FOR A CLAIM:

- a) **Death 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, medical treatment prior to the death (if any), 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.

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 genuine 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.

- b) Surrender Claim: In case of surrender of the 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.

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:

Proposal Form No. 511 and 512 as applicable under this plan is enclosed as **Annexure IV** and **Annexure V** respectively.

30. POLICY DOCUMENT AND SALES BROCHURE:

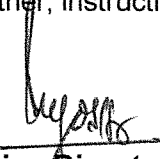
The specimen Policy Document and Sales Brochure will be sent by the Corporate Communications Department, Central Office.

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

31. 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 (Mktg. / PD / SBA)

Encl: Annexure I, II, III, IV & V

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