

**LIFE INSURANCE CORPORATION OF INDIA
CENTRAL OFFICE**

Dept: Product Development

"Yogakshema"
Jeevan Bima Marg
Mumbai – 400 021

Ref: CO/PD/ 51

31st January, 2014

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

Re: INTRODUCTION OF LIC's ANMOL JEEVAN - II (Plan No. 822)

1. INTRODUCTION:

It has been decided to introduce LIC's Anmol Jeevan - II Plan (Plan No. 822) with effect from 3rd February, 2014.

The Unique Identification Number (UIN) for LIC's Anmol Jeevan - II Plan is **512N285V01**. This number has to be quoted in all relevant documents furnished to the Policyholders and other users (public, distribution channels).

This is a regular premium paying conventional without profit pure protection plan. The benefits and other details of the plan are given below.

2. BENEFITS:

The benefits payable under an inforce policy are as under:

a) Benefits payable on death:

On death of the Life Assured during the policy term Sum Assured shall be payable.

b) Benefits payable on maturity:

On survival to the end of the policy term, no benefits shall be payable.

3. ELIGIBILITY CONDITIONS AND RESTRICTIONS:

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|---|-------------------------------|
| 1) Minimum Age at entry for Life Assured | : 18 years (completed) |
| 2) Maximum Age at entry for Life Assured | : 55 years (nearest birthday) |
| 3) Minimum Policy Term | : 5 years |
| 4) Maximum Policy Term | : 25 years |
| 5) Minimum Sum Assured | : Rs. 6,00,000/- |
| 6) Maximum Sum Assured | : Rs. 24,00,000/- |
| 7) Maximum cover ceasing Age for Life Assured | : 65 years (nearest birthday) |

The Sum Assured shall be in multiples of Rs. 100,000/-.
Age at entry for the Policyholder is to be taken as age nearest birthday except for the minimum age at entry i.e. 18 years (completed).

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4. MODE OF PREMIUM PAYMENT:

The premium can be paid regularly during the policy term with Yearly and Half-yearly modes of premium payment.

5. PREMIUM RATES:

The tabular annual premium rates per thousand Sum Assured are enclosed as **Annexure 1**.
The Class – I extra premium rates per thousand Sum Assured are enclosed as **Annexure 2**.

The above premium rates are exclusive of taxes.

6. GRACE PERIOD FOR PAYMENT OF PREMIUM:

A grace period of one calendar month but not less than 30 days will be allowed.

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

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

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

7. REBATES / ADDITIONAL PREMIUM:

Additional premium for Half-yearly Mode: 2% of tabular annual premium rates

High Sum Assured Rebate: Nil

8. CORPORATION EMPLOYEES INSURANCE SCHEME (CEIS) REBATE:

Policy completed under Corporation's Employee Insurance Scheme (CEIS) will be eligible for the CEIS rebate as a percentage of tabular annual premium at the following rates provided policy is not taken through any intermediary such as Agent/ Corporate Agent/ Broker/Direct Sales Executive etc.

Policy Term	Percentage of tabular annual premium
5 to 14 years	5%
15 years or more	10%

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

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

Agents and Corporate Agents:

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

Bonus Commission: 40% of 1st year commission.

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Brokers:

<u>Policy Term</u>	<u>1st Year</u>	<u>Subsequent Years</u>
5 to 9 years	12%	5%
10 to 14 years	20%	5%
15 years & above	30%	5%

Bonus Commission: No bonus commission is payable to brokers.

b) Development Officer's (DO's) Credit:

<u>Policy Term</u>	<u>Credit</u> (as a % of the first year premium net of taxes)
5 to 9 years	30%
10 to 14 years	60%
15 years & above	100%

10. PAID-UP VALUE:

The policy will not acquire any paid-up value.

11. SURRENDER VALUE:

No surrender value will be available under this plan.

12. REVIVALS:

If premiums are not paid within the grace period then the policy will lapse. A lapsed policy may be revived during the life time of the Life Assured, but within a period of 2 consecutive years from the date of first unpaid premium and before the date of maturity as the case may be, on submission of proof of continued insurability to the satisfaction of the Corporation and the payment of all the arrears of premium together with interest (compounding half-yearly) at such rate as fixed by the Corporation from time to time.

The Corporation reserves the right to accept at original terms, accept at modified terms or decline the revival of a discontinued policy. The revival of discontinued policy shall take effect only after the same is approved by the Corporation and is specifically communicated to the Proposer / 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
61 days and above	Arrears of premiums with interest thereon subject to submission of proof of continued insurability to the satisfaction of the Corporation as per underwriting rules prevailing at the time of revival.

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

13. LOAN:

No loan will be granted under this plan.

14. UNDERWRITING, AGE PROOF AND MEDICAL REQUIREMENTS :

U & R department will issue instructions in this regard.

15. SUICIDE CLAUSE:

This policy shall be void if the Life Assured (whether sane or insane) commits suicide within 12 months from the date of commencement of risk or from the date of revival, an amount

equal to 80% of the premiums paid till the date of death (excluding any taxes and extra premium, if any), provided the policy is in force, shall be payable. The Corporation will not entertain any other claim under this policy.

16. FORFEITURE IN CERTAIN EVENTS:

In case of fraud or misrepresentation, the policy shall be cancelled immediately and nothing shall be payable, subject to the fraud or misrepresentation being established by the Corporation in accordance with Section 45 of the Insurance Act, 1938.

17. TAXES:

Taxes including Service Tax, if any, shall be as per the Tax laws and the rate of tax shall be as applicable from time to time.

The amount of tax as per the prevailing rates shall be payable by the Policyholder on premiums including extra premiums, if any. 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 by Finance & Accounts Department, Central office, separately, as applicable from time to time.

18. NORMAL REQUIREMENTS FOR CLAIM:

The normal documents which the claimant shall submit while lodging the claim in case of death of the Life Assured shall be claim forms, as prescribed by the Corporation, accompanied with original policy document, NEFT mandate from the claimant for direct credit of the claim amount to the bank account, proof of title, proof of death, medical treatment prior to the death, 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.

19. COOLING-OFF PERIOD:

If a Policyholder is not satisfied with the "Terms and Conditions" of the policy, he/she may return the policy to the Corporation 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 for the period on cover as per C.O. Circular Ref: CO/ PD/39 dated 31st December, 2013.

20. BACK-DATING INTEREST:

The policies can be dated back within the same financial year. No dating back interest shall be charged.

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

21. PAYMENT OF CLAIMS

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

22. POLICY STAMPING:

Policy stamping charges will be 20 paise per thousand of Sum Assured under this Plan.

23. REINSURANCE:

Normal procedure for Reinsurance shall apply as per applicable Reinsurance Treaty.

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24. ASSIGNMENTS/NOMINATIONS:

It should be ensured that a nomination is made in the policy at the proposal stage as per Section 39 of Insurance Act, 1938. Further efforts should be made at the underwriting stage as well as on subsequent registration so as to eliminate the possibility of presence/involvement of moral hazard to a maximum extent. It should generally be insisted that the nominee should be spouse, children or very close relative of the Life Assured.

On a subsequent assignment as per Section 38 of Insurance Act, 1938 or change of nomination, the notice of assignment or change of nomination should be submitted for registration to the office of the Corporation, where the policy is serviced.

25. 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.

26. PROPOSAL FORM :

Proposal Form No. 300 & 340 as applicable shall be used under this plan.

27. POLICY DOCUMENT :

The specimen Policy Document will be sent by the Corporate Communication Department, Central Office.


Executive Director (Marketing & Product Development)

Encl - Annexure 1 & 2