



भारतीय जीवन बीमा निगम
LIFE INSURANCE CORPORATION OF INDIA

Har Pal Aapke Saath



LIC's
Jeevan Dhara II

UIN: 512N364V01

Plan No. 872

Retire young Retire carefree



Get lifelong guaranteed income for you and your loved ones.

Annuity Plan with a wide range of options to suit your needs

- Guaranteed annuity from inception
- Higher annuity rates at higher ages
- Life cover during deferment period
- Option for regular and single premium payment
- Enhanced benefits for existing LIC policyholders

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A non-linked, non-participating, individual, savings, deferred annuity plan

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LIC/R/1/2023-24/19/ENG/SB

LIC's Jeevan Dhara - II (UIN: 512N364V01) (A Non-Linked, Non-Participating, Individual, Savings, Deferred Annuity Plan)

LIC's Jeevan Dhara - II is a Non-Linked, Non-Participating, Individual, Savings, Deferred Annuity plan. The annuity rates are guaranteed at the inception of the policy and annuities are payable post Deferment Period in arrears throughout the life time of Annuitant(s).

This is a non-participating product under which benefits payable on death or survival are guaranteed and fixed (as per the chosen Annuity Option) irrespective of actual experience. Hence the policy is not entitled to any discretionary benefits like bonus etc. or share in Surplus.

This Plan can be purchased Offline through agents / other intermediaries as well as Online directly through website www.licindia.in.

KEY FEATURES:

- Wide range of annuity options to suit your needs.
- Flexibility to choose from:
 - o Regular Premium and Single Premium.
 - o Single Life Annuity and Joint Life Annuity.
 - o Available Deferment Period [from 5 years to 15 years (in case of Regular Premium) and from 1 year to 15 years (in case of Single Premium)] i.e. when to start annuity payments as per your requirements.
 - o Mode of Annuity payments (yearly, half-yearly, quarterly and monthly).
- High Premium Incentive.
- Incentive for existing Policyholders/ Nominee/Beneficiary of the Corporation.
- Top-up Annuity i.e. Option to increase the annuity by paying additional premium at any time during the Deferment Period.
- Option to take death benefit as Lump-sum, in the form of Annuitisation or in instalments.
- Liquidity Option i.e. option to receive a lump-sum amount in return of reduction in annuity payments and other benefits.
- Advanced Annuity Option in case of Joint Life Annuity Options with Return of Premium i.e. option to the surviving Annuitant [on first death (of either of the covered lives)] to withdraw discounted cash value of annuity payable during the 'Advance Annuity Period' as a lump-sum.

1. Annuity Options:

The available annuity options under this plan are as under:

Premium Payment	Annuity Type	Annuity Options	
Regular Premium	Single Life Annuity	Option-1	Life annuity for Single Life
		Option-2	Life annuity with Return of Premium for Single Life
		Option-3	Life annuity with 50% Return of Premium after attaining age 75 years for Single Life

		Option-4	Life annuity with 100% Return of Premium after attaining age 75 years for Single Life
		Option-5	Life annuity with 50% Return of Premium after attaining age 80 years for Single Life
		Option-6	Life annuity with 100% Return of Premium after attaining age 80 years for Single Life
		Option-7	Life annuity with 5% Return of Premium after attaining age 76 years to 95 years for Single Life
	Joint Life Annuity	Option-8	Life annuity for Joint Life
		Option-9	Life annuity with Return of Premium for Joint Life
Single Premium	Single Life Annuity	Option-10	Life annuity with Return of Purchase Price for Single Life
	Joint Life Annuity	Option-11	Life annuity with Return of Purchase Price for Joint Life

Annuity Option once chosen cannot be altered.

In case of Joint life Annuity Options, the Primary Annuitant shall be the primary person to receive the annuity payments and the Secondary Annuitant shall receive the same annuity only in the event of death of the Primary Annuitant.

2. ELIGIBILITY CONDITIONS & OTHER RESTRICTIONS:

i. Minimum Age at Entry : [20] years (last birthday)
(for Annuitant/Primary/Secondary Annuitant)

ii. Maximum Age at Entry :

For Annuitant/Primary Annuitant

Annuity Option	Age in years (last birthday)
Option: 1, 2, 8, 9, 10 & 11	80 minus Deferment Period
Option: 5, 6 & 7	70 minus Deferment Period
Option: 3 & 4	65 minus Deferment Period

For Secondary Annuitant : [75] years (last birthday) [Option: 8 & 9]

: [79] years (last birthday) [Option: 11]

iii. Minimum Vesting Age : [35] years (last birthday) [Option: 1 to 9]

: [31] years (last birthday) [Option: 10 & 11]

iv. Maximum Vesting Age : For Annuitant/Primary Annuitant

Annuity Option	Age in years (last birthday)
Option: 1, 2, 8, 9, 10 & 11	80
Option: 5,6 & 7	70
Option: 3 & 4	65

- v. Policy Term : Not applicable
- vi. Deferment Period : [5 to 15] years (Option 1 to 9)
: [1 to 15] years (Option 10 & 11)

[Deferment Period (DP) refers to the period, in years, as chosen by the policyholder, commencing from the Date of Commencement of policy to the Date of Vesting.]

- vii. Premium Payment Term:
- Under Regular Premium : Same as Deferment Period
- Under Single Premium : Single Pay

viii. Minimum Premium:

The minimum yearly premium/purchase price for different annuity options and Deferment Period (DP) for age at entry below 55 years (last birthday) and for age at entry greater than or equal to 55 years (last birthday) shall be as under:

a) Minimum yearly Premium (in case of Regular Premium):

Annuity Option	Minimum yearly Premium (Rs.)					
	DP (10 to 15)		DP (7 to 9)		DP (5 to 6)	
	Age 55 years & above	Age below 55 years	Age 55 years & above	Age below 55 years	Age 55 years & above	Age below 55 years
Option-1	11,000	16,000	18,000	25,000	28,000	37,000
Option-2	14,000	17,000	24,000	27,000	37,000	40,000
Option-3	16,000	17,000	27,000	27,000	42,000	41,000
Option-4	18,000	18,000	31,000	29,000	50,000	44,000
Option-5	15,000	17,000	25,000	27,000	39,000	40,000
Option-6	16,000	17,000	27,000	27,000	44,000	40,000
Option-7	15,000	17,000	25,000	27,000	40,000	40,000
Option-8	16,000	17,000	26,000	27,000	39,000	40,000
Option-9	17,000	17,000	27,000	27,000	41,000	41,000

For other modes of premium payment, the applicable minimum instalment premium shall be arrived at by multiplying the applicable Premium Conversion factor (as specified in Para 7 below) with Minimum yearly premium.

For example: If the minimum yearly premium is ₹ 16,000, corresponding minimum premium for other modes of premium payment shall be as under:

Half-yearly	Quarterly	Monthly
₹ 8,144	₹ 4,109	₹ 1,378

The minimum instalment premium payable (for other than yearly mode) in any case shall not be less than ₹ 1,000.

b) Minimum Purchase Price* (in case of Single Premium):

Annuity Option	Purchase Price (₹)					
	DP (10 to 15)		DP (5 to 9)		DP (1 to 4)	
	Age 55 years & above	Age below 55 years	Age 55 years & above	Age below 55 years	Age 55 years & above	Age below 55 years
Option-10	1,00,000	1,25,000	1,50,000	1,65,000	2,05,000	2,10,000
Option-11	1,25,000	1,30,000	1,70,000	1,70,000	2,15,000	2,15,000

*Exceptional case where minimum annuity and minimum Purchase Price as specified above shall not be applicable: If the plan has been purchased for the benefit of dependant person with disability (Divyangjan), as specified in Para 4.V below, the proposal shall be allowed without any restriction on minimum annuity and the minimum Purchase Price under such case shall be ₹ 50,000/-.

c) Minimum additional Premium for each Top-up Annuity: ₹ 50,000

ix. Maximum Premium : No limits, subject to underwriting decision* (*The maximum Regular Premium/Purchase Price allowed will be subject to acceptance as per the Board Approved Underwriting Policy.)

x. Minimum Annuity:

Annuity Mode	Monthly	Quarterly	Half-yearly	Annual
Minimum Annuity	₹ 1,000 per month	₹ 3,000 per quarter	₹ 6,000 per half-year	₹ 12,000 per annum

Joint Life Annuity: The Joint life annuity can be taken between any two lineal descendant/ascendant of a family (i.e. Grandparent, Parent, Children, Grandchildren) or spouse or siblings or Parent-in-law.

3. BENEFITS:

Benefits payable under an in-force policy on Survival/Death of the Annuitant(s) under applicable Annuity Options shall be as under:

Annuity Option	Benefits payable on Survival/Death
Annuity Option-1: Life annuity for Single Life	<p>During Deferment Period:</p> <ul style="list-style-type: none"> On survival of the Annuitant, nothing shall be payable. On death of the Annuitant, death benefit equal to 105% of Total Premiums Paid upto the date of death shall be payable. The policy shall terminate on payment of death benefit. <p>After Deferment Period:</p> <ul style="list-style-type: none"> Annuity payments, as per the chosen mode, shall be made in arrears as long as the Annuitant is alive. On death of the Annuitant, the annuity payments shall cease immediately. No death benefit shall be payable and the policy shall terminate.
Annuity Option-2: Life annuity with Return of Premium for Single Life	<p>During Deferment Period:</p> <ul style="list-style-type: none"> On survival of the Annuitant, nothing shall be payable. On death of the Annuitant, death benefit equal to 105% of Total Premiums Paid upto the date of death shall be payable. The policy shall terminate on payment of death benefit. <p>After Deferment Period:</p> <ul style="list-style-type: none"> Annuity payments, as per the chosen mode, shall be made in arrears as long as the Annuitant is alive. On death of the Annuitant, the annuity payments shall cease immediately and death benefit equal to 100% of Total Premiums Paid up to the date of death shall be payable. The policy shall terminate on payment of death benefit.

<p>Annuity Option-3: Life annuity with 50% Return of Premium after attaining age 75 years for Single Life</p>	<p>During Deferment Period:</p> <ul style="list-style-type: none"> • On survival of the Annuitant, nothing shall be payable. • On death of the Annuitant, death benefit equal to 105% of Total Premiums Paid upto the date of death shall be payable. The policy shall terminate on payment of death benefit. <p>After Deferment Period:</p> <ul style="list-style-type: none"> • Annuity payments, as per the chosen mode, shall be made in arrears as long as the Annuitant is alive. In addition to the annuity payment, an Early Return of Premium of amount equal to 50% of Total Premiums Paid shall be payable on survival of the Annuitant to policy anniversary coinciding with or immediately following the completion of age 75 years. • On death of the Annuitant, the annuity payments shall cease immediately and death benefit equal to 100% of Total Premiums Paid up to the date of death <i>Less</i> Sum of Early Return of Premium already paid till the date of death, if any, shall be payable. The policy shall terminate on payment of death benefit.
<p>Annuity Option-4: Life annuity with 100% Return of Premium after attaining age 75 years for Single Life</p>	<p>During Deferment Period:</p> <ul style="list-style-type: none"> • On survival of the Annuitant, nothing shall be payable. • On death of the Annuitant, death benefit equal to 105% of Total Premiums Paid upto the date of death shall be payable. The policy shall terminate on payment of death benefit. <p>After Deferment Period:</p> <ul style="list-style-type: none"> • Annuity payments, as per the chosen mode, shall be made in arrears as long as the Annuitant is alive. In addition to the annuity payment, an Early Return of Premium of amount equal to 100% of Total Premiums Paid shall be payable on survival of the Annuitant to policy anniversary coinciding with or immediately following the completion of age 75 years. • On death of the Annuitant, the annuity payments shall cease immediately and death benefit equal to 100% of Total Premiums Paid up to the date of death <i>Less</i> Sum of Early Return of Premium already paid till the date of death, if any, shall be payable. The policy shall terminate on payment of death benefit.
<p>Annuity Option-5: Life annuity with 50% Return of Premium after attaining age 80 years for Single Life</p>	<p>During Deferment Period:</p> <ul style="list-style-type: none"> • On survival of the Annuitant, nothing shall be payable. • On death of the Annuitant, death benefit equal to 105% of Total Premiums Paid upto the date of death shall be payable. The policy shall terminate on payment of death benefit. <p>After Deferment Period:</p> <ul style="list-style-type: none"> • Annuity payments, as per the chosen mode, shall be made in arrears as long as the Annuitant is alive. In addition to the annuity payment, an Early Return of Premium of amount equal to 50% of Total Premiums Paid shall be payable on survival of the Annuitant to policy anniversary coinciding with or immediately following the completion of age 80 years.

	<ul style="list-style-type: none"> On death of the Annuitant, the annuity payments shall cease immediately and death benefit equal to 100% of Total Premiums Paid up to the date of death <i>Less</i> Sum of Early Return of Premium already paid till the date of death, if any, shall be payable. The policy shall terminate on payment of death benefit.
Annuity Option-6: Life annuity with 100% Return of Premium after attaining age 80 years for Single Life	<p>During Deferment Period:</p> <ul style="list-style-type: none"> On survival of the Annuitant, nothing shall be payable. On death of the Annuitant, death benefit equal to 105% of Total Premiums Paid upto the date of death shall be payable. The policy shall terminate on payment of death benefit. <p>After Deferment Period:</p> <ul style="list-style-type: none"> Annuity payments, as per the chosen mode, shall be made in arrears as long as the Annuitant is alive. In addition to the annuity payment, an Early Return of Premium of amount equal to 100% of Total Premiums Paid shall be payable on survival of the Annuitant to policy anniversary coinciding with or immediately following the completion of age 80 years. On death of the Annuitant, the annuity payments shall cease immediately and death benefit equal to 100% of Total Premiums Paid up to the date of death <i>Less</i> Sum of Early Return of Premium already paid till the date of death, if any, shall be payable. The policy shall terminate on payment of death benefit.
Annuity Option-7: Life annuity with 5% Return of Premium after attaining age 76 years to 95 years for Single Life	<p>During Deferment Period:</p> <ul style="list-style-type: none"> On survival of the Annuitant, nothing shall be payable. On death of the Annuitant, death benefit equal to 105% of Total Premiums Paid upto the date of death shall be payable. The policy shall terminate on payment of death benefit. <p>After Deferment Period:</p> <ul style="list-style-type: none"> Annuity payments, as per the chosen mode, shall be made in arrears as long as the Annuitant is alive. In addition to the annuity payment, an Early Return of Premium of amount equal to 5% of Total Premiums Paid shall also be payable on survival of the Annuitant on each of the respective policy anniversary coinciding with or immediately following the completion of ages 76 years to 95 years (both inclusive). On death of the Annuitant, the annuity payments shall cease immediately and death benefit equal to 100% of Total Premiums Paid up to the date of death <i>Less</i> Sum of Early Return of Premium already paid till the date of death, if any, shall be payable. The policy shall terminate on payment of death benefit.
Annuity Option-8: Life annuity for Joint Life	<p>During Deferment Period:</p> <ul style="list-style-type: none"> On survival of the Primary Annuitant and/or Secondary Annuitant, nothing shall be payable. On first death (of either of the covered lives), no death benefit shall be payable and the policy shall continue with payment of due Premium, if any. On death of the last survivor, death benefit equal to

	<p>105% of Total Premiums Paid upto the date of death shall be payable. The policy shall terminate on payment of death benefit.</p> <p>After Deferment Period:</p> <ul style="list-style-type: none"> • Annuity payments, as per the chosen mode, shall be made in arrears as long as the Primary Annuitant and/or Secondary Annuitant is alive. • On first death (of either of the covered lives), no death benefit shall be payable and 100% of the annuity amount shall continue to be paid as long as the last survivor is alive. • On death of the last survivor, the annuity payments shall cease immediately. No death benefit shall be payable and the policy shall terminate.
<p>Annuity Option-9: Life annuity with Return of Premium for Joint Life</p>	<p>During Deferment Period:</p> <ul style="list-style-type: none"> • On survival of the Primary Annuitant and/or Secondary Annuitant, nothing shall be payable. • On first death (of either of the covered lives), no death benefit shall be payable and the policy shall continue with payment of due Premium, if any. • On death of the last survivor, death benefit equal to 105% of Total Premiums Paid upto the date of death shall be payable. The policy shall terminate on payment of death benefit. <p>After Deferment Period:</p> <ul style="list-style-type: none"> • Annuity payments, as per the chosen mode, shall be made in arrears as long as the Primary Annuitant and/or Secondary Annuitant is alive. • On first death (of either of the covered lives), no death benefit shall be payable and 100% of the annuity amount shall continue to be paid as long as the last survivor is alive. • On death of the last survivor, the annuity payments shall cease immediately and death benefit equal to 100% of Total Premiums Paid upto the date of death shall be payable. The policy shall terminate on payment of death benefit.
<p>Annuity Option-10: Life annuity with Return of Purchase Price for Single Life</p>	<p>During Deferment Period:</p> <ul style="list-style-type: none"> • On survival of the Annuitant, nothing shall be payable • On death of the Annuitant, death benefit equal to 105% of Purchase Price shall be payable. The policy shall terminate on payment of death benefit. <p>After Deferment Period:</p> <ul style="list-style-type: none"> • Annuity payments, as per the chosen mode, shall be made in arrears as long as the Annuitant is alive. • On death of the Annuitant, the annuity payments shall cease immediately and death benefit equal to 100% of Purchase Price shall be payable. The policy shall terminate on payment of death benefit.
<p>Annuity Option-11: Life annuity with Return of Purchase</p>	<p>During Deferment Period:</p> <ul style="list-style-type: none"> • On survival of the Primary Annuitant and/or Secondary Annuitant, nothing shall be payable. • On first death (of either of the covered lives), no death benefit shall be payable and the policy shall continue.

Price for Joint Life	<ul style="list-style-type: none"> • On death of the last survivor, death benefit equal to 105% of Purchase Price shall be payable. The policy shall terminate on payment of death benefit. <p>After Deferment Period:</p> <ul style="list-style-type: none"> • Annuity payments, as per the chosen mode, shall be made in arrears as long as the Primary Annuitant and/ or Secondary Annuitant is alive. • On first death (of either of the covered lives), no death benefit shall be payable and 100% of the annuity amount shall continue to be paid as long as the last survivor is alive. • On death of the last survivor, the annuity payments shall cease immediately and death benefit equal to 100% of Purchase Price shall be payable. The policy shall terminate on payment of death benefit.
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Where,

‘Total Premiums Paid’ means the total of all premiums received, excluding any extra premium, any rider premium and taxes.

‘Purchase Price’ is an amount as opted by the policyholder which is considered to determine the benefits under the policy. This shall exclude any extra premium, any rider premium and taxes.

‘Total Premiums Paid/ Purchase Price’ shall include the additional premium paid for Top-up Annuity, if any.

4. OPTIONS AVAILABLE:

I. Top-up Annuity:

This is an option to increase the Annuity (Top-up annuity) under the policy by paying additional premium as a Single Premium and shall be subject to the following:

- i) This Option can be exercised at any time during the deferment period only and while the policy is in-force.
- ii) The annuity amount from the additional premium for Top-up annuity shall be based on the available prevailing Annuity rates at the time of payment of additional premium for Top-up annuity and shall also be subject to then prevailing product criteria with respect to minimum and maximum limits for Age at Entry and Deferment period and minimum Additional Premium for each Top-up etc. However, the minimum annuity instalment limits shall not be applicable.
- iii) The Top-up annuity payable for each instance shall be calculated as per the age of the Annuitant(s) at the time of payment of additional premium and the then prevailing annuity rates corresponding to Single Premium Deferred Annuity Option i.e. Life annuity with Return of Purchase Price for Single Life (in case the base annuity type is Single life annuity or in case of Joint life annuity wherein only one of the Annuitant is surviving at the time of payment of Top-up) and Life annuity with Return of Purchase Price for Joint Life (in case the base annuity type is Joint life annuity and wherein both the Annuitants are surviving at the time of payment of Top-up). The prevailing Annuity rate would be derived so as to match the timing of the Top-up Annuity with base annuity e.g. If a policyholder opts for 10 year Deferment Period and opts for Top-up Annuity by paying additional premium after 2.50 years, then prevailing annuity rates

for Deferment Period of 7 years and 8 years would be used to derive the Annuity rates for 7.50 years.

- iv) Each payment of additional premium shall be treated as a Single Premium as independent in its own right. All provisions i.e. Incentive for higher premium, Suicide clause etc. shall be as applicable to Single Premium Deferred Annuity Option.
- v) Benefits payable on Death or Surrender or on Survival (Annuity benefits) shall be calculated separately for the base policy and for each Top-up annuity tranche and the total would be payable.
- vi) The total annuity amount payable shall be the sum of base annuity and Top-up Annuity. The mode of payment of Top-up Annuity shall be same as that of the base annuity.
- vii) Any Top-up Annuity tranche can be surrendered independent of Base policy or other Top-up annuity tranches. However, if the Base policy is surrendered, all Top-up annuity tranches shall also be surrendered at the same time.

II. Liquidity Option:

This is an Option to receive a lump-sum amount in return of reduction in annuity payments and other benefits under a Base Policy and shall not be applied to Top-up Annuity. This Option shall be available under Annuity Options with Return of Premium (Option- 2, 9, 10 and 11). The Option shall be exercised subject to the following:

- i) This Option can be exercised only after completion of 5 years from first annuity payment.
- ii) This option will be allowed for a maximum of 3 times under the policy.
- iii) A policyholder shall receive the lumpsum amount corresponding to the portion of the Total Premium Paid he/she is willing to liquidate e.g. If x% & y% of Total Premium Paid is opted for liquidity option at two different times, x% & y% of the Surrender value of Base Policy (calculated without any liquidation) as applicable on the date of liquidation shall be payable at the time of respective liquidity option.
- iv) Total lumpsum benefits that can be availed under this Option can not exceed 60% of Total Premiums Paid (excluding additional Premium for Top-up Annuity).
- v) After the exercise of this Option, the annuity amount, death benefit and other benefits (if any) shall be revised with effect from the date of withdrawal i.e. If x% & y% of Total Premium Paid is opted for liquidity option at two different times, revised annuity amount, death benefit, surrender value and other benefit shall be reduced to $(100 - x - y)$ % of the original amount payable under the base policy without adjustment of any liquidation options.
- vi) Exercise of the option shall be allowed subject to revised annuity payments being at least equal to the minimum limits defined in IRDAI (Minimum limits for Annuities and other Benefits) Regulations, 2015 as amended from time to time.

III. Advanced Annuity Option:

Under Joint Life Annuity Options with Return of Premium (Option-9 and 11), on first death (of either of the covered lives), the surviving Annuitant shall have an Option to withdraw discounted cash value of annuity payable during the 'Advance Annuity Period' as a lump-sum subject to following:

- i) 'Advance Annuity Period' shall be a maximum period of 5 years from the policy anniversary immediately following the date of exercise of

option to receive annuity in advance in case of first death (of either of the covered lives).

- ii) This Option can be exercised only after the end of the Deferment Period, within 6 months from the date of first death (of either of the covered lives).
- iii) The policyholder (survivor of the covered lives) shall have the option to receive in one lump-sum, the discounted cash value of a maximum of 5 years annuities (or any proportion thereof from 1% to 100%) payable during the 'Advance Annuity Period', discounted upto the policy anniversary date immediately following the date of exercise of the option to receive annuity in advance.
- iv) The annuity payment during the policy year in which the Option is exercised shall continue to be payable as and when due.
- v) On exercise of this Option, the 'Advance Annuity Amount' shall be paid immediately in lump-sum and annuity payment for the 'Advance Annuity Period' shall continue for the balance amount of annuity payable (if any), on their due date. E.g. If a policyholder selects x% of original annuity amount to be received as advanced annuity option, then during the Advance Annuity Period an amount equal to (100-x)% of original annuity shall continue to be paid.
- vi) For the opted 'Advance Annuity Period' and proportion of annuities for advance payment, the 'Advance Annuity Amount' shall be calculated as under:
Advance Annuity Amount = Discounted value of Annuity Instalments payable during 'Advance Annuity Period' x Proportion of annuity for advance
- vii) The Interest rate to determine the Discounted values of annuities shall be arrived at by using the following methodology:
For Advance Annuity options commencing during the 12 months' period from 1st May to 30th April, the interest rate used to discount the annuity for advance shall be per annum compounding half-yearly rate not exceeding 5 year semi-annual G-Sec yield p.a.;
Where, the 5 year semi-annual G-Sec yield shall be as at last trading day of previous financial year.
Accordingly, for 12 months' period commencing from 1st May, 2023 to 30th April, 2024, the maximum applicable interest rate used for determining the discounted value of annuity instalments shall be 7.17% p.a. compounding half-yearly.
Any change in basis of determination of interest rate for discounting shall be subject to approval.
- viii) Once the 'Advanced Annuity Period' ends, the Annuity payment shall resume as per the Original terms and conditions.
- ix) In case, the surviving annuitant surrenders or dies after receiving Advance Annuity amount, the surrender or death benefit shall be reduced by the following amount:
- If the surviving Annuitant surrenders or dies before the start of 'Advanced Annuity Period', the surrender or death benefit will be reduced by the full advanced annuity amount already paid.
 - If the surviving Annuitant surrenders or dies during the 'Advanced Annuity Period', the surrender or death benefit will be reduced by the outstanding advanced annuity amount which shall be equal to :
- [Advanced Annuity amount x (n-t)/n]
- Where,
n = 'Advanced Annuity Period' in months
t = outstanding 'Advanced Annuity Period' in months at the time of surrender or death of the surviving Annuitant

IV. Options available for payment of Death Benefit:

The Annuitant(s) will have to choose one of the following options for the payment of the death benefit to the nominee(s) under an in-force policy as well as paid-up policy. The death claim amount shall then be paid to the nominee(s) as per the option exercised by the Annuitant(s) and no alteration whatsoever shall be allowed to be made by the nominee(s). This option has to be exercised by Annuitant(s) at the proposal stage. However, this option can be subsequently modified by Annuitant(s) during his/her life during the currency of the policy.

- **Lumpsum Death Benefit:** Under this option the entire Death Benefits shall be payable to the nominee(s) in lumpsum.
- **Annuitisation of Death Benefit:** Under this option the benefit amount payable on death shall be utilized for purchasing an Immediate Annuity from the Corporation for nominee(s) effective from the date of death of the annuitant/last survivor. The annuity amount payable to the nominee(s) on the admission of death claim shall be based on the age of nominee(s) and immediate annuity rates prevailing as on the date of death of Annuitant (last survivor in case of Joint Life Annuity). This option can be opted for full or part of the benefit amount payable on death. However, the annuity payments for each nominee(s) shall be subject to the eligibility conditions of the annuity plan available at that time and then prevailing Regulatory provisions on the minimum limits for annuities. In case the eligibility conditions of the annuity plan available at that time are not met or the benefit amount payable on death is insufficient to purchase the minimum amount of annuity, then the said amount shall be paid as a lumpsum to the nominee(s).
- **In Installment:** Under this option the benefit amount payable on death can be received in installments over the chosen period of 5 or 10 or 15 years instead of lumpsum amount under an in-force policy as well as paid-up policy. This option can be exercised for full or part of the Death Benefit payable under the policy. The amount opted by the Annuitant(s) (i.e. net claim amount) can be either in absolute value or as a percentage of the total claim proceeds payable.

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

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

If the Net Claim Amount is less than the required amount to provide the minimum installment amount as per the option exercised by the Annuitant(s), the claim proceed shall be paid in lumpsum only.

For all the instalment payment options commencing during the 12 months' period from 1st May to 30th April, the interest rate applicable for arriving at the instalment amount shall be annual effective rate not lower than the 10 year semi-annual G-Sec yield p.a. minus 2%; where, the 10 year semi-annual G-Sec yield shall be as at last trading day of previous financial year.

Accordingly, for the 12 months' period commencing from 1st May, 2023 to 30th April, 2024, the applicable interest rate for the calculation of instalment amount shall be 5.31% p.a. effective.

V. Option to take the plan for the benefit of dependant person with disability (Divyangjan):

If the Proposer has a dependant person with disability (Divyangjan), the Proposer can purchase Option-10 (Life Annuity with Return of Purchase Price for Single Life), on own life for the benefit of Divyangjan as Nominee, subject to minimum Purchase Price of ₹ 50,000.

In case of death of the Annuitant (Proposer), where the Purchase Price under the policy is less than the minimum Purchase Price as specified in Para 2.viii.b above, the Death Benefit shall not be payable in lumpsum and shall compulsorily be utilized to purchase the then available Immediate Annuity (as per option chosen by the Annuitant) on the life of the Divyangjan who would be the nominee.

In case of Annuitisation, the annuity shall be paid to Divyangjan irrespective of any limit on minimum annuity payment and Purchase Price criteria and the annuity rates applicable shall be then prevailing Immediate Annuity rates.

For deciding the eligible disability of dependant person with disability (Divyangjan) as Nominee, reference is to be made to meaning of "person with benchmark disability" as assigned to it in Section 2(r) of "The Rights of Persons with Disabilities Act, 2016" as amended from time to time or any other applicable Act in this regard.

5. PLAN PURCHASED AS QROPS (Qualifying Recognized Overseas Pension Scheme):

The Annuity Option-10 (Life Annuity with Return of Purchase Price for Single Life) or Annuity Option-11 (Life Annuity with Return of Purchase Price for Joint Life) under this plan can be purchased as QROPS through transfer of UK tax relieved assets subject to listing and terms and conditions prescribed by HMRC (Her Majesty Revenue & Customs) such as:

- i. Minimum Vesting Age shall be 55 years.
- ii. If the policy is cancelled during the Free Look Period, the proceeds from cancellation shall only be transferred back to the fund house from where the money was received.
- iii. Subject to specific Plan features including Minimum Annuity as specified in Para 2.x, all other terms and conditions of HMRC shall also apply as applicable from time to time.

6. PAYMENT OF PREMIUMS:

Regular Premium or Single Premium payment options are available under this plan. In case of Regular Premiums payment, the premium can be paid regularly with mode of premium payment as yearly or half-yearly or quarterly or monthly (through NACH only) or through salary deductions (SSS).

7. PREMIUM CONVERSION FACTOR (applicable for Regular Premium):

Under this plan, policyholder has an option to choose the amount of premium (i.e. Instalment Premium) as per the chosen premium payment mode (Yearly/Half-yearly/Quarterly/Monthly).

The annuity rates and various incentives are expressed in terms of 'Annual Equivalent Premium'.

'Annual Equivalent Premium' is derived by dividing the 'Instalment premium' with Premium Conversion factor for chosen premium payment mode.

The Premium Conversion factors for different modes of Premium Payment are as under:

Mode of Premium Payment	Premium Conversion factor
Yearly	1.0000
Half-yearly	0.5090
Quarterly	0.2568
Monthly	0.0861

8. MODE OF ANNUITY PAYMENT:

The modes of annuity available are yearly, half-yearly, quarterly, and monthly.

The Annuity shall be payable in arrears i.e. the annuity payment shall be after 1 year, 6 months, 3 months and 1 month from the Date of Vesting of annuity depending on whether the mode of annuity payment is Yearly, Half yearly, Quarterly and Monthly respectively. Where, Date of Vesting means the date on which the Deferment Period expires and the annuity becomes payable in arrears as per the mode chosen for annuity payment.

9. GRACE PERIOD (applicable for Regular Premium payment):

A grace period of 30 days will be allowed for payment of yearly or half-yearly or quarterly premiums and 15 days for monthly premiums from the date of First Unpaid Premium. During this period, the policy shall be considered in-force with the risk cover without any interruption as per the terms of the policy. If the premium is not paid before the expiry of the days of grace, the Policy lapses.

10. INCENTIVE/ADJUSTMENT:

The following incentive/adjustment is available under this plan:

a. Incentive for high Premium/Purchase Price:

In case of Annuity Option-1 to 9 (Regular Premium), incentive (in Rs.) for higher Premium by way of increase in the Tabular annual annuity rate per Rs. 1,000 Annual Equivalent Premium is provided for four slabs of Premium, i) ₹ 50,000 to Rs. 74,999, ii) ₹ 75,000 to ₹ 99,999, iii) ₹ 1,00,000 to ₹ 1,99,999 and iv) greater than or equal to ₹ 2,00,000.

In case of Annuity Option-10 & 11 (Single Premium), incentive (in ₹) for higher Purchase Price by way of increase in the Tabular annual annuity rate per ₹ 1,000 Purchase Price is provided for four slabs of Purchase Price, i) ₹ 3,00,000 to ₹ 4,99,999, ii) ₹ 5,00,000 to ₹ 9,99,999, iii) ₹ 10,00,000 to ₹ 24,99,999 and iv) greater than or equal to ₹ 25,00,000.

Further, the incentive for higher Premium/Purchase Price also depends on Deferment Period and age range (i.e. for age at entry up to 54 years and age at entry 55 years & above). The incentive increases as the Premium/ Purchase Price moves from the lower slab to higher slab of the Premium and also with increase in Deferment Period.

b. Incentive for Online Sale by way of increase in the annuity rate:

In case of Online Sale, where policies are procured directly without any involvement of Agent or any other intermediary, following incentive by way of increase in Tabular annuity rate per ₹ 1,000 Annual Equivalent Premium (in case of Regular Premium) or Purchase Price (in case of Single Premium) shall be available.

Regular Premium		Single Premium	
Deferment Period	Incentive (%)	Deferment Period	Incentive (%)
5 years	4.00%	1 to 15 years	2.00%
6 to 10 years	3.50%		
11 to 15 years	3.00%		

c. Adjustment for annuity payment frequency:

The Modal Annuity amount (i.e. annuity amount as per the chosen mode of the annuity payment) shall be calculated by multiplying the Annual annuity amount with Modal Annuity Conversion Factor and dividing by corresponding Frequency of the chosen mode of annuity payment.

Modal Annuity Conversion factor and corresponding frequency for various modes of annuity payment is as under:

Mode	Frequency	Modal Annuity Conversion Factor
Yearly	1	1.00
Half Yearly	2	0.98
Quarterly	4	0.97
Monthly	12	0.96

d. Incentive for existing Policyholders/Nominee/Beneficiary of the Corporation:

The Incentive by way of increase in Tabular annuity rate per ₹ 1,000 Annual Equivalent Premium (in case of Regular Premium) or Purchase Price (in case of Single Premium) for different categories of existing policyholder including the nominee or beneficiary of deceased policyholder provided the product is purchased through any Agent / Corporate Agent / Broker / Insurance Marketing Firm under this plan shall be as under:

Category of Policyholder	Incentive (%)	
	Regular Premium	Single Premium
In case an existing Policyholder having a policy with the Corporation which has matured within one year before the submission of proposal under this product and purchases this plan on his/her life and/or on the life of any of the family members. or If this plan is purchased by Nominee/Beneficiary of the deceased Policyholder where death claim is paid within one year before the submission of proposal under this product. or If this plan is purchased by an existing Policyholder having an in-force policy with the Corporation.	0.50%	0.25%

11. SAMPLE ILLUSTRATIVE ANNUITY :

For Regular Premium:

Annual Premium : ₹ 50,000/- (excluding applicable taxes)
Age of Annuitant at entry : 45 years (Last Birthday)

Age of Secondary Annuitant at entry : 40 years (Last Birthday)
(applicable for Option 8 & 9)

For the above combination of premium amount and age(s) of annuitant, yearly annuity amount for different Deferment period are as under:

Option	Deferment Period		
	5	10	15
Option 1: Life annuity for Single Life	20,545	53,810	1,04,695
Option 2: Life annuity with Return of Premium for Single Life	17,480	45,030	86,740
Option 3: Life annuity with 50% Return of Premium after attaining age 75 years for Single Life	16,845	43,060	82,300
Option 4: Life annuity with 100% Return of Premium after attaining age 75 years for Single Life	16,215	41,090	77,860
Option 5: Life annuity with 50% Return of Premium after attaining age 80 years for Single Life	17,185	44,115	84,680
Option 6: Life annuity with 100% Return of Premium after attaining age 80 years for Single Life	16,890	43,200	82,615
Option 7: Life annuity with 5% Return of Premium after attaining age 76 years to 95 years for Single Life	17,170	44,065	84,570
Option 8: Life annuity for Joint Life	18,610	47,355	89,380
Option 9: Life annuity with Return of Premium for Joint Life	17,120	42,855	79,690

For Single Premium:

Purchase Price : ₹ 5,00,000/- (excluding applicable taxes)

Age of Annuitant at entry : 45 years (Last Birthday)

Age of Secondary Annuitant at entry : 40 years (Last Birthday)
(applicable for Option 11)

For the above combination of purchase price and age(s) of annuitant, yearly annuity amount for different Deferment period are as under :

Option	Deferment Period			
	1	5	10	15
Option 10: Life annuity with Return of Purchase Price for Single Life	32,500	43,400	63,400	95,650
Option 11: Life annuity with Return of Purchase Price for Joint Life	32,100	41,900	58,200	83,150

12. REVIVAL (applicable for Regular Premium policies):

If the due premium is not paid before the expiry of the days of grace, the policy lapses. The lapsed policy may be revived during the lifetime of the Annuitant(s) but within a period of 5 consecutive years from the date of First Unpaid Premium. The revival shall be effected on payment of all the arrears of premium(s) together with interest (compounding half-yearly) at such rate as may be decided by the Corporation from time to time and on satisfaction of Continued Insurability of the Annuitant(s) 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 of the Corporation at the time of revival, being furnished by the Annuitant(s).

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, accepted and revival receipt is issued by the Corporation.

The rate of interest applicable for revival under this product for every 12 months' period from 1st May to 30th April shall not exceed 10 year G-Sec yield p.a. compounding half yearly as at the last trading day of previous financial year plus 3% or the yield earned on the Corporation's Non-Linked Non-Participating fund plus 1%, whichever is higher. For the 12 month period commencing from 1st May, 2023 to 30th April, 2024, the applicable interest rate shall be 9.50% p.a. compounding half yearly.

Any change in basis of determination of interest rate for policy revival shall be subject to approval.

On revival of a lapsed or paid-up policy, all the benefits under the policy which prevailed before the date of lapse or paid-up shall be restored.

On revival of the paid-up policy after the deferment period, the difference between the Annuity payable under an in-force policy and Paid-up Annuity already paid during the revival period, shall also be payable.

In case a lapsed policy is not revived during the revival period of 5 years from the date of first unpaid premium, nothing shall be payable at the end of the revival period and the policy shall terminate subject to the provisions specified in Para 14 below.

13. PAID-UP VALUE (applicable for Regular Premium policies):

If less than two full years' premiums have been paid and any subsequent premium be not duly paid, all the benefits under the policy shall cease after the expiry of grace period from the date of First Unpaid Premium, and nothing shall be payable. However, this shall be subject to the provisions specified in Para 14 below.

If, after at least two full years' premiums have been paid and any subsequent premium be not duly paid, the policy shall not be wholly void, but shall subsist as a Paid-up policy.

Benefits payable under a Paid-up policy shall be as under:

a) **Death Benefit applicable under a Paid-up policy:**

The Death Benefit under a paid-up policy shall be reduced to such a sum, called '**Paid-up Death Benefit**' and shall be payable on death of the Annuitant in case of Single Life Annuity and on death of Last Survivor in case of Joint Life Annuity.

The '**Paid-up Death Benefit**' shall be as under:

On death during Deferment period:

Under All Annuity Options: An amount equal to 105% of Total Premiums Paid shall be payable.

On death after Deferment period:

Under Annuity Options: 1 & 8: Nothing shall be payable.

Under Annuity Options: 2 & 9: An amount equal to 100% of Total Premiums Paid shall be payable.

Under Annuity Options: 3, 4, 5, 6 & 7: An amount equal to 100% of Total Premiums Paid Less Sum of Early Return of Premium already paid (as per the applicable Annuity Option) till the date of death, if any, shall be payable.

On payment of Paid-up Death Benefit, no further benefits shall be payable.

b) **Annuity payable under a Paid-up policy:**

The **Annuity amount** under a Paid-up policy shall be reduced to such a sum called '**Paid-up Annuity**' and shall be equal to Original Annuity amount multiplied by the ratio of the total period for which premiums have already been paid bears to the maximum period for which premiums were originally payable.

The '**Paid-up Annuity**' shall be as under:

i. During Deferment Period: On the survival of the Annuitant/ Primary Annuitant and/or Secondary Annuitant, nothing shall be payable.

ii. After Deferment Period: On the survival of the Annuitant/ Primary Annuitant and/or Secondary Annuitant, '**Paid-up Annuity**' payments shall be made in arrears as long as the Annuitant/ Primary Annuitant and/or Secondary Annuitant is alive, as per the annuity option and mode of annuity payment.

Under a Paid-up policy, in case of Single Life Annuity Option-3, 4, 5, 6 & 7 (i.e. Annuity Options with Early Return of Premium), in addition to the Paid-up annuity, an Early Return of Premium of amount equal to a specified proportion of Total Premiums Paid, as per the applicable Annuity Option shall be payable on survival of the Annuitant to Policy Anniversary coinciding with or immediately following the completion of specified age.

If any additional premium(s) are paid for top-up annuity, the benefits with respect to the top-up annuity shall remain unchanged.

The total annuity amount payable under a Paid-up policy shall be 'Paid-up Annuity' plus Top-up Annuity.

The 'Paid-up Annuity' along with any Top-up Annuity amount shall be subject to the minimum annuity allowed under the product. If the Paid-up annuity along with any Top-up Annuity amount is less than the minimum annuity allowed under the product (as specified in Para 2.x above) and the policy is not revived during the revival period of 5 years from the date of first unpaid premium, applicable surrender value (specified in Para 15) as on the date of expiry of revival period will be paid as a lump sum, at the end of the revival period and the policy shall terminate.

14. POLICY LAPSED WITHOUT ACQUIRING PAID-UP VALUE (applicable for Regular Premium policies):

If less than two full years' premiums have been paid and any subsequent premium be not duly paid, all the benefits under the policy shall cease after the expiry of grace period from the date of First Unpaid Premium, and nothing shall be payable.

However, if the policyholder has paid at least one full year's premium but less than two full years' premiums and Total Premium Paid is at least ₹ 1,25,000/- and the policy is not revived during the Revival Period, then on 7th policy anniversary, an amount equal to 80% of Total Premiums Paid shall be utilized to purchase a Single Premium Life annuity with Return of Purchase Price with 1 year Deferment Period corresponding to the attained age of the Annuitant(s) on that date subject to the availability of the product and satisfying the eligibility conditions of then prevailing Single Premium annuity option.

In case of death of the Annuitant/Last Survivor in case of Joint life annuity, during the above duration, then an amount equal to 80% of Total Premiums Paid shall be paid on 7th policy anniversary to the Nominee/Beneficiary of the deceased Annuitant(s) under the policy.

Further, in the above situation, in case of non-availability of the product or eligibility conditions are not met by the Annuitant(s), then an amount equal to 80% of Total Premiums Paid shall be paid on 7th policy anniversary to the surviving Annuitant(s).

In all other cases, nothing shall be payable.

15. SURRENDER:

Under Regular Premium payment, the policy can be surrendered by the Policyholder at any time during or after Deferment Period, provided two full years' premiums have been paid. Under Single Premium payment, the policy can be surrendered by the policyholder at any time on payment of Purchase Price.

The Surrender Value payable under the policy shall be as under:

- a) **During the deferment period:** Surrender shall be allowed under all the Annuity Options. The Surrender Value payable shall be higher of **Guaranteed Surrender value (GSV)** and **Special Surrender Value (SSV)**.

b) After the deferment period: Surrender shall be allowed only under the Annuity Options with Return of Premiums/Purchase Price (Option: 2, 3, 4, 5, 6, 7, 9, 10 & 11). The Surrender Value payable under these annuity options shall be equal to **Special Surrender Value (SSV)**.

Guaranteed Surrender value (GSV)

The Guaranteed Surrender Value shall be equal to the Total Premiums Paid / Purchase Price multiplied by the applicable GSV factor i.e. $GSV = (\text{Total Premiums Paid/Purchase Price} \times \text{GSV factor})$.

Premiums/Purchase Price referred above shall not include any taxes, any underwriting extra premium, rider premium(s) and additional premiums for Top-up annuity, if any.

The GSV factors shall depend on the Annuity Option chosen, Deferment Period and the Policy year in which the policy is surrendered and are given below for various Annuity Options.

Guaranteed Surrender Value Factors for Option 1 to Option 9:

Policy Year	Deferment Period										
	5	6	7	8	9	10	11	12	13	14	15
1	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
2	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%
3	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%
4	90.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%
5	90.00%	90.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%
6		90.00%	90.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%
7			90.00%	90.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%
8				90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%
9					90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%
10						90.00%	90.00%	90.00%	90.00%	90.00%	90.00%
11							90.00%	90.00%	90.00%	90.00%	90.00%
12								90.00%	90.00%	90.00%	90.00%
13									90.00%	90.00%	90.00%
14										90.00%	90.00%
15											90.00%

Guaranteed Surrender Value Factors for Option 10 & Option 11:

The Guaranteed Surrender Value Factors for all Deferment Period shall be as under:

- During first three policy year : 75%
- Thereafter : 90%

The **Special Surrender Value (SSV)** is reviewable and shall be determined by the Corporation from time to time with approval.

Upon payment of Surrender value, the Policy terminates and no further benefits shall be payable.

Any loan amount outstanding along with interest and/or any other amount recoverable from Annuitant shall be recovered from the surrender value payment.

In case of QROPS, the surrender provisions shall be further subject to any specific provisions regarding procedures as per Rules and Regulations of the HMRC.

For additional Premium for Top-up annuity:

Any Top-up annuity tranche can be surrendered at any time during or after Deferment Period independent of Base policy or other Top-up annuity tranches. However, if the Base policy is surrendered, all Top-up annuity tranches shall also be surrendered at the same time.

The Surrender value for additional Premium for Top-up annuity shall be derived as per methodology as applicable for Single Premium Policies as mentioned above corresponding to the Annuity Option chosen.

If additional premium for Top-up Annuity has been paid under a policy, Total Surrender Value payable shall be the sum of Surrender value applicable for Original Annuity option chosen under the policy (i.e. Base policy) and the Surrender value of Top-up annuity tranches, if any.

Note: The insurance policy being a long term contract should be taken from the long term perspective of continuing the policy. While there is provision for surrender under various annuity options mentioned above, it may be noted that there can be significant loss on surrender of a policy and hence, it is advisable to continue the policy.

16. POLICY LOAN:

Loan facility shall be available during or after the deferment period under annuity options with Return of Premium/ Purchase Price.

In case of regular premium payment, loan facility shall be available after at least two full years premiums have been paid under Options 2, 3, 4, 5, 6, 7 and 9.

In case of single premium payment, loan facility shall be available at any time after three months from the completion of policy (i.e. 3 months from the date of issuance of policy) or after expiry of the free-look period, whichever is later, under Options 10 and 11.

The maximum amount of loan that can be granted under the policy shall be such that the effective annual interest amount payable on loan does not exceed 50% of the annual annuity amount payable under the policy subject to maximum of 80% of Surrender Value (inclusive of Surrender value of Top-up annuity tranches, if any).

Under joint life annuity option, the loan can be availed by the Primary Annuitant and in the absence of Primary Annuitant the same can be availed by the Secondary Annuitant.

During Deferment Period:

The policy loan shall be available subject to the following terms and conditions:

- i) In case if the loan is not repaid during the Deferment Period and if there is no default in the interest payment as of the end of Deferment Period, then Interest on the loan shall be recovered from annuity amount payable after the Deferment Period. After Deferment Period Loan interest will accrue as per the frequency of annuity payment under the policy and it will be due on the due date of annuity.
- ii) In case if the loan is not repaid during the Deferment Period and if there is a default in the interest payment as of the end of the Deferment Period, the difference of Surrender Value and the loan outstanding amount along with interest, if any, shall be payable to the Annuitant/ Primary Annuitant / Secondary Annuitant and the policy shall be terminated.
- iii) During the Deferment Period, in the event of failure of payment of interest payment on the due dates and when the outstanding loan amount along with interest is to exceed the Surrender Value, the policy shall be forfeited to the Corporation. The difference of Surrender Value and the loan outstanding amount along with interest, if any, shall be payable to the Annuitant / Primary Annuitant/ Secondary Annuitant and the policy shall be terminated.
- iv) In case of death or surrender (of base policy or any Top-up Annuity tranches) during the deferment period, any outstanding loan and loan interest shall be recovered from the claim proceeds and the balance amount, if any, shall be payable.

After Deferment Period:

Loan interest will be recovered from annuity amount payable under the policy. The Loan interest will accrue as per the frequency of annuity payment under the policy and it will be due on the due date of annuity. The loan outstanding along with Interest payable, if any shall be recovered from the claim proceeds at the time of exit or from surrender of any Top-up Annuity tranches or from the early Return of Premium amount payable, if any under the policy.

The rate of interest applicable for full loan term, for the loans to be availed for every 12 months' period from 1st May to 30th April, shall not exceed 10 year G-Sec yield p.a. compounding half-yearly as at the last trading date of previous financial year plus 3% or the yield earned on the Corporation's Non-Linked Non-participating fund plus 1%, whichever is higher.

For loan sanctioned during the 12 months' period commencing from 1st May, 2023 to 30th April, 2024, the applicable interest rate shall be 9.50% p.a. compounding half-yearly for entire term of the loan.

Any change in basis of determination of interest rate for policy loan shall be subject to approval.

In case of QROPS, above policy loan provisions shall be subject to Rules and Regulations of HMRC in this regard.

17. ALTERATION:

The following alteration shall be allowed:

- i) Change in Premium Payment Mode during the Deferment Period
- ii) Change in mode of annuity payments

18. TAXES:

Statutory Taxes, if any, imposed on 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.

The amount of applicable taxes (such as GST), as per the prevailing rates, shall be payable by the policyholder on Premium/Purchase Price, which shall be collected separately over and above in addition to the Premium/Purchase Price payable by the policyholder. The amount of tax paid shall not be considered for the calculation of benefits payable under the plan.

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

19. FREE LOOKPERIOD:

If the Policyholder is not satisfied with the "Terms and Conditions" of the policy, the policy may be returned to the Corporation within 30 days from the date of receipt of the electronic or physical mode of the Policy Bond whichever is earlier stating the reasons of objections. On receipt of the same the Corporation shall cancel the policy and return the amount of premium deposited after deducting charges for stamp duty and annuity paid, if any.

The condition of Free Look period shall only be applicable in case of new purchase of Deferred Annuity plan. Free Look cancellation shall not be applicable, where the purchase is from the proceeds of Deferred Pension products or Group Superannuation Schemes of the Corporation where annuitization is compulsory.

Wherever the purchase is from the existing fund the Free Look

cancellation shall not be applicable and the treatment of such policies shall be as below:

- i) If this policy is purchased out of proceeds of a deferred pension plan of any Life Insurance Company: The proceeds from cancellation will be transferred back to that Life Insurance Company.
- ii) If this policy has been purchased as QROPS as detailed in Para 5 above: The proceeds from cancellation shall only be transferred back to the fund house from where the money was received. In case of QROPS, above provisions shall be further subject to any specific provisions regarding procedures as per Rules and Regulations of the HMRC in this regard.

20. SUICIDE EXCLUSION:

Suicide exclusion for base policy:

Under Regular Premium Payment policy (applicable for annuity option 1 to 9):

- i. If the Annuitant or Last Survivor in case of Joint life annuity (whether sane or insane) commits suicide at any time within 12 months from the date of commencement of risk, the Nominee or Beneficiary of the Annuitant or Last Survivor shall be entitled to 80% of the total premiums paid till the date of death provided the policy is in force.
- ii. If the Annuitant or Last Survivor in case of Joint life annuity (whether sane or insane) commits suicide within 12 months from date of revival, an amount which is higher of 80% of the total premiums paid till the date of death or the surrender value available as on date of death, shall be payable. The Nominee or Beneficiary of the Annuitant or Last Survivor shall not be entitled to any other claim under the policy.

This clause shall not be applicable for a policy lapsed without acquiring paid-up value and nothing shall be payable under such policies.

In case of death of the Annuitant or Last Survivor in case of Joint life annuity due to suicide after the Deferral Period, the above suicide clause is not applicable and Death Benefit as per the option chosen will be applicable.

Under Single Premium policy (applicable for annuity option 10 & 11):

If the Annuitant or Last Survivor in case of Joint life annuity (whether sane or insane) commits suicide at any time within 12 months from the date of commencement of risk, the Nominee or Beneficiary of the Annuitant or Last Survivor shall be entitled to an amount which is higher of 80% of the Purchase Price or Surrender value available as on the date of death.

Premium/Purchase Price referred above shall not include any taxes, extra amount chargeable under the policy due to underwriting decision and rider premium(s), if any. Total Premiums Paid /Purchase Price shall not include the additional premium paid for Top-up Annuity, if any.

Suicide exclusion for additional Premium for Top-up annuity:

Suicide clause shall be as applicable under Single Premium Deferred Annuity Option.

21. SAMPLE BENEFIT ILLUSTRATION:

The main objective of the illustrations is that the client is able to appreciate the features of the product and the flow of the benefit with some level of quantification. This illustration is applicable to a standard life (from medical, lifestyle and occupation point of view) for policies procured through agent/intermediary.

Illustration 1:**Option 2- Life annuity with Return of Premium for Single Life**

Age of the Annuitant	45 years	Instalment Premium	₹ 50,000/-
Deferment Period	15 years	GST Rate (1 st year)	4.5%
Premium Payment	Regular	GST Rate (2 nd year onwards)	2.25%
Mode of Premium Payment	Yearly	Note: GST Rate shall be as applicable from time to time.	
Mode of Annuity Payment	Yearly	Annuity Instalment	₹ 86,740/-

Benefit Summary:

(Amount in ₹)

Policy Year ¹ (End of the year)	Annual Equivalent Premium ² (Cumulative)	Survival Benefit/Annuity (in a policy year)	Other Benefit (Early Return of Premium, if any)	Death Benefit
1	50,000	0	0	52,500
2	1,00,000	0	0	1,05,000
3	1,50,000	0	0	1,57,500
4	2,00,000	0	0	2,10,000
5	2,50,000	0	0	2,62,500
6	3,00,000	0	0	3,15,000
7	3,50,000	0	0	3,67,500
8	4,00,000	0	0	4,20,000
9	4,50,000	0	0	4,72,500
10	5,00,000	0	0	5,25,000
11	5,50,000	0	0	5,77,500
12	6,00,000	0	0	6,30,000
13	6,50,000	0	0	6,82,500
14	7,00,000	0	0	7,35,000
15	7,50,000	0	0	7,87,500
16	7,50,000	86,740	0	7,50,000
17	7,50,000	86,740	0	7,50,000
18	7,50,000	86,740	0	7,50,000
19	7,50,000	86,740	0	7,50,000
20	7,50,000	86,740	0	7,50,000
30	7,50,000	86,740	0	7,50,000
40	7,50,000	86,740	0	7,50,000
50	7,50,000	86,740	0	7,50,000
56	7,50,000	86,740	0	7,50,000

Note:

- This illustration is showing the flow of benefits up to 101 years of age of annuitant. For the later years, benefit amounts as shown for last policy year in the above illustration will be applicable. Premium is payable in advance at the start of the year.
- Annual Equivalent Premium excludes underwriting extra premium, frequency loadings on premiums and Goods & Service Tax.

Illustration 2:**Option 10- Life annuity with Return of Purchase Price for Single Life**

Age of the Annuitant	45 years	Purchase Price	₹ 5,00,000/-
Deferment Period	15 years	GST Rate (1 st year)	1.8%
Premium Payment	Single	GST Rate (2 nd year onwards)	Not Applicable
Mode of Premium Payment	Single	Note: GST Rate shall be as applicable from time to time.	
Mode of Annuity Payment	Yearly	Annuity Instalment	₹ 95,650/-

Benefit Summary:

(Amount in ₹)

Policy Year ¹ (End of the year)	Purchase Price ² (Cumulative)	Survival Benefit/Annuity (in a policy year)	Other Benefit (Early Return of Premium, if any)	Death Benefit
1	500,000	0	0	525,000
2	500,000	0	0	525,000
3	500,000	0	0	525,000
4	500,000	0	0	525,000
5	500,000	0	0	525,000
6	500,000	0	0	525,000
7	500,000	0	0	525,000
8	500,000	0	0	525,000
9	500,000	0	0	525,000
10	500,000	0	0	525,000
11	500,000	0	0	525,000
12	500,000	0	0	525,000
13	500,000	0	0	525,000
14	500,000	0	0	525,000
15	500,000	0	0	525,000
16	500,000	95,650	0	500,000
17	500,000	95,650	0	500,000
18	500,000	95,650	0	500,000
19	500,000	95,650	0	500,000
20	500,000	95,650	0	500,000
30	500,000	95,650	0	500,000
40	500,000	95,650	0	500,000
50	500,000	95,650	0	500,000
56	500,000	95,650	0	500,000

Note:

- This illustration is showing the flow of benefits up to 101 years of age of annuitant. For the later years, benefit amounts as shown for last policy year in the above illustration will be applicable. Premium is payable in advance at the start of the year.
- Purchase Price excludes underwriting extra premium, frequency loadings on premiums and Goods & Service Tax.

SECTION 45 OF INSURANCE ACT, 1938:

The provision of Section 45 of the Insurance Act, 1938 as amended from time to time shall be applicable. The current provision 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):

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 or contact our nearest Branch Office.

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LIFE INSURANCE CORPORATION OF INDIA

“Life Insurance Corporation of India” was established on 1st 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

Registration Number: 512