

INFORMATION TO BE PROVIDED IN SALES BROCHURE OF
LIC's BHAGYA LAKSHMI PLAN – MICRO INSURANCE PRODUCT

(UIN: 512N292V02)

LIC's Bhagya Lakshmi is a limited premium paying, non-linked, non-participating protection oriented plan with return of 110% of total amount of premiums payable on maturity.

1. Benefits :

a. Maturity Benefit:

On Life Assured surviving to the date of maturity, "Sum Assured on Maturity" equal to 110% of total amount of premiums payable during the term of the contract shall be payable provided all due premiums have been paid.

The premium referred above shall not include any taxes and extra amount chargeable under the policy due to underwriting decision, if any.

b. Death Benefit:

On Life Assured's death before the stipulated Date of Maturity, provided the policy is in full force by paying up-to-date premiums, "Sum Assured on Death" equal to Sum Assured under the policy shall be payable.

2. Eligibility Conditions and Other Restrictions:

- a) Minimum Sum Assured : Rs. 20,000/-
- b) Maximum Sum Assured : Rs. 50,000/-
(The Sum Assured shall be in multiples of Rs. 1,000/-)
- c) Minimum age at entry : 18 years (completed)
- d) Maximum age at entry : 55 years (nearer birthday)
- e) Minimum Premium Paying Term : 5 years
- f) Maximum Premium Paying Term : 13 years
- g) Policy Term : Premium Paying Term + 2 years
- h) Maximum age at maturity : 65 years (nearer birthday)

3. Payment of Premiums:

Premiums can be paid regularly at yearly, half-yearly, quarterly or monthly mode during the premium paying term of the policy.

However, a grace period of two calendar months but not less than 60 days will be allowed for all modes of payments.

4. Sample Premium Rates:

Following are some of the sample annual tabular premium rates (in Rs.) (exclusive of service tax) per Rs. 1000/- Sum Assured:

| AGE In years | TERM (PPT) in years | | |
|-----------------|---------------------|--------|--------|
| | 7(5) | 10(8) | 15(13) |
| 20 | 127.45 | 64.35 | 37.20 |
| 30 | 129.30 | 65.80 | 38.55 |
| 40 | 138.30 | 72.80 | 44.25 |
| 50 | 164.10 | 91.40 | 57.15 |
| 55 | 179.90 | 103.05 | - |

5. **Mode and High Sum Assured Rebates:**

Mode Rebate:

| | | |
|------------------|---|-----------------------|
| Yearly mode | - | 2% of Tabular Premium |
| Half-yearly mode | - | 1% of Tabular premium |
| Other modes | - | NIL |

High Sum Assured Rebate: Nil

6. **Revival:**

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

The Corporation reserves the right to accept at original terms, accept at revised 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 Policyholder.

7. **Paid-up Value:**

If at least one full policy year's premiums have been paid and any subsequent premium be not duly paid, this policy shall not be wholly void, but shall continue as a paid-up policy.

The **Sum Assured on Death** under a paid-up policy shall be reduced to such a sum, called '**Death Paid-up Sum Assured**' and shall be equal to [**Sum Assured on Death** * (no. of premiums paid / no. of premiums payable during the premium paying term)].

The **Sum Assured on Maturity** under a paid-up policy shall be reduced to such a sum called '**Maturity Paid-up Sum Assured**' and shall be equal to [**Sum Assured on Maturity** * (no. of premiums paid / no. of premiums payable during the premium paying term)].

In any case, the Death Paid-up Sum Assured or Maturity Paid-up Sum Assured mentioned above shall not be less than the total premiums paid under the policy.

8. **Surrender Value:**

The policy can be surrendered provided atleast one full policy year's premiums have been paid. The Guaranteed Surrender Value shall be percentage of total premiums paid. This percentage will depend on the policy term and policy year in which the policy is surrendered and are specified as below:

| GSV factors applicable to total premiums paid | | | | | | | | | |
|--|----------|----------|----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Policy year/ Policy Term | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 |
| 1 | 30.00% | 30.00% | 30.00% | 30.00% | 30.00% | 30.00% | 30.00% | 30.00% | 30.00% |
| 2 | 30.00% | 30.00% | 30.00% | 30.00% | 30.00% | 30.00% | 30.00% | 30.00% | 30.00% |
| 3 | 30.00% | 30.00% | 30.00% | 30.00% | 30.00% | 30.00% | 30.00% | 30.00% | 30.00% |
| 4 | 50.00% | 50.00% | 50.00% | 50.00% | 50.00% | 50.00% | 50.00% | 50.00% | 50.00% |
| 5 | 50.00% | 50.00% | 50.00% | 50.00% | 50.00% | 50.00% | 50.00% | 50.00% | 50.00% |

| | | | | | | | | | |
|----|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| 6 | 80.00% | 50.00% | 50.00% | 50.00% | 50.00% | 50.00% | 50.00% | 50.00% | 50.00% |
| 7 | 80.00% | 80.00% | 50.00% | 50.00% | 50.00% | 50.00% | 50.00% | 50.00% | 50.00% |
| 8 | - | 80.00% | 80.00% | 65.00% | 60.00% | 57.50% | 56.00% | 55.00% | 54.29% |
| 9 | - | - | 80.00% | 80.00% | 70.00% | 65.00% | 62.00% | 60.00% | 58.57% |
| 10 | - | - | - | 80.00% | 80.00% | 72.50% | 68.00% | 65.00% | 62.86% |
| 11 | - | - | - | - | 80.00% | 80.00% | 74.00% | 70.00% | 67.14% |
| 12 | - | - | - | - | - | 80.00% | 80.00% | 75.00% | 71.43% |
| 13 | - | - | - | - | - | - | 80.00% | 80.00% | 75.71% |
| 14 | - | - | - | - | - | - | - | 80.00% | 80.00% |
| 15 | - | - | - | - | - | - | - | - | 80.00% |

Premium referred above shall not include any taxes & extra amount if charged under the policy due to underwriting decision, if any.

Corporation may, however, pay Special Surrender value, if it is more favorable to the Policyholder.

9. Policy Loan:

No loan facility will be available under this plan.

10. 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 as applicable from time to time.

The amount of Service Tax payable 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.

11. Free Look period:

If the Policyholder is not satisfied with the "Terms and Conditions" of the policy, the policy may be returned to the Corporation within 15 days from the date of receipt of the policy bond 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 the proportionate risk premium for the period on cover and charges for stamp duty

12. Exclusions:

a) Suicide :

This policy shall be void

- i. If the Life Assured (whether sane or insane) commits suicide at any time within 12 months from the date of commencement of risk, the Corporation will not entertain any claim except for 80% of the premiums paid, provided the policy is in force.
- ii. If the Life Assured (whether sane or insane) commits suicide within 12 months from date of revival, an amount which is higher of 80% of the premiums paid till the date of death or the surrender value, shall be payable. The Corporation will not entertain any other claim.

Note: Premiums referred above shall not include any taxes and extra amount if charged under the policy due to underwriting decision.

SECTION 45 OF THE INSURANCE ACT, 1938:

The provision of Section 45 of the Insurance Act, 1938 shall be applicable as amended from time to time. The simplified version of this provision is as under:

Provisions regarding policy not being called into question in terms of Section 45 of the Insurance Act, 1938 as amended by Insurance Laws (Amendment) Act, 2015 are as follows:

1. No Policy of Life Insurance shall be called in question on any ground whatsoever after expiry of 3 yrs from
 - a. the date of issuance of policy or
 - b. the date of commencement of risk or
 - c. the date of revival of policy or
 - d. the date of rider to the policywhichever is later.
2. On the ground of fraud, a policy of Life Insurance may be called in question within 3 years from
 - a. the date of issuance of policy or
 - b. the date of commencement of risk or
 - c. the date of revival of policy or
 - d. the date of rider to the policywhichever is later.

For this, the insurer should communicate in writing to the insured or legal representative or nominee or assignees of insured, as applicable, mentioning the ground and materials on which such decision is based.

3. Fraud means any of the following acts committed by 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 specifically declares to be fraudulent.
4. Mere silence is not fraud unless, depending on circumstances of the case, it is the duty of the insured or his agent keeping silence to speak or silence is in itself equivalent to speak.
5. No Insurer shall repudiate a life insurance Policy on the ground of Fraud, if the Insured / beneficiary can prove that the misstatement was true to the best of his knowledge and there was no deliberate intention to suppress the fact or that such mis-statement of or suppression of material fact are within the knowledge of the insurer. Onus of disproving is upon the policyholder, if alive, or beneficiaries.
6. Life insurance Policy can be called in question within 3 years on the ground that any statement of or suppression of a fact material to expectancy of life of the insured was incorrectly made in the proposal or other document basis which policy was issued or revived or rider issued. For this, the insurer should communicate in writing to the insured or legal representative or nominee or assignees of insured, as applicable, mentioning the ground and materials on which decision to repudiate the policy of life insurance is based.
7. In case repudiation is on ground of mis-statement and not on fraud, the premium collected on policy till the date of repudiation shall be paid to the insured or legal representative or nominee or assignees of insured, within a period of 90 days from the date of repudiation.

8. Fact shall not be considered material unless it has a direct bearing on the risk undertaken by the insurer. The onus is on insurer to show that if the insurer had been aware of the said fact, no life insurance policy would have been issued to the insured.
9. The insurer can call 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 of age of life insured. So, this Section will not be applicable for questioning age or adjustment based on proof of age submitted subsequently.

[Disclaimer: This is not a comprehensive list of Section 45 of the Insurance Act, 1938 as amended by Insurance Laws (Amendment) Act, 2015 and only a simplified version prepared for general information. Policy Holders are advised to refer to the Insurance Laws (Amendment) Act, 2015, for complete and accurate details.]

PROHIBITION OF REBATES SECTION 41 OF THE INSURANCE ACT, 1938 AS AMENDED BY INSURANCE LAWS (AMENDMENT) ACT, 2015:

- 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: provided that acceptance by an insurance agent of commission in connection with a policy of life insurance taken out by himself on his own life shall not be deemed to be acceptance of a rebate of premium within the meaning of this sub-section if at the time of such acceptance the insurance agent satisfies the prescribed conditions establishing that he is a bona fide insurance agent employed by the insurer.
- 2) Any person making default in complying with the provisions of this section shall be liable for a penalty which may extend to ten lakh rupees.

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

BEWARE OF SPURIOUS PHONE CALLS AND FICTITIOUS / FRAUDULENT OFFERS

IRDAI clarifies to public that

- **IRDAI or its officials do not involve in activities like sale of any kind of insurance or financial products nor invest premiums.**
- **IRDAI does not announce any bonus.**

Public receiving such phone calls are requested to lodge a police complaint along with details of phone call, number.

Registered Office:

Life Insurance Corporation of India
Central Office, Yogakshema,
Jeevan Bima Marg,
Mumbai – 400021.
Website: www.licindia.in
Registration Number: 512