

**LIFE INSURANCE CORPORATION OF INDIA
CENTRAL OFFICE**

Dept.: Actuarial

“Yogakshema”,
Jeevan Bima Marg,
Mumbai – 400 021

Ref: CO/PD/297

2nd December, 2025

To,

All HODs of Central Office
All Zonal Offices
All Divisional Offices
All P&GS Units
All Branch Offices & Satellite Offices
MDC, ZTCs, STCs
Audit & Inspection Deptts. of Zonal Offices.

Re: Introduction of LIC's Protection Plus (Plan No. 886)

1. INTRODUCTION:

It has been decided to introduce LIC's Protection Plus (Plan No. 886) with effect from 3rd December 2025.

The Unique Identification Number (UIN) for LIC's Protection Plus is **512L361V01**. This number has to be quoted in all relevant documents furnished to the policyholders and other users (public, distribution channels etc.).

LIC's Protection Plus is a Non-Par, Linked, Life, Individual, Savings plan which offers life insurance cum savings during the term of the policy. This plan can be purchased **Offline** through agents/other intermediaries as well as **Online** directly through website **www.licindia.in**.

The Proposer shall have options to choose the amount of premium he/she desires to pay, Basic Sum Assured Multiple, Premium Paying Term and Policy Term subject to minimum and maximum limits as specified in Para 2. The policyholder shall have option to pay Base Premium as Regular Pay or Limited Pay. Policyholder shall also have an option to pay Top-up premium subject to terms and conditions specified in Para 12.D. The Top-up Premium shall be allowed in the same segregated fund as that of Base Premium.

“Base Premium” is the amount of contractual premium payable under the policy.

“Top-up Premium” is an amount that is paid voluntarily by the policyholder besides contractual premium.

The policyholder has a choice of investing premiums in one of the six types of funds available. Each premium paid (i.e. Regular/ Limited premium and Top-up premium, if any) by the policyholder shall be subject to Premium Allocation charge as per details given in Para 6.I. The

Premium net of allocation charges shall be utilized to allocate the units of the fund chosen by the policyholder in the policy.

Each policy shall have **Base Premium Fund** and **Top-up Premium Fund**, if any. The **Base Premium Fund Value** shall be the total value of the units in respect of Base Premiums at a point of time in a segregated fund i.e. total number of units under a policy in respect of Base Premiums *multiplied by* the Net Asset Value (NAV) per unit of that fund. The **Top-up Premium Fund Value** shall be the total value of the units in respect of Top-up Premium, if any, at a point of time in a segregated fund i.e. total number of units under a policy in respect of Top-up Premiums *multiplied by* the Net Asset Value (NAV) per unit of that fund. The **Unit Fund Value** shall be the sum of the **Base Premium Fund Value** and **Top-up Premium Fund Value**, if any.

The Base Premium Fund Value and Top-up Premium Fund Value shall be subject to deduction of other charges either as cancellation of number of units or by adjusting the NAV as specified in the Para 6.

Basic Sum Assured shall be equal to Annualized Premium *multiplied by* **Basic Sum Assured Multiple** (minimum and maximum Basic Sum Assured Multiple shall be as given in Para 2).

Each Top-up premium shall have **Top-up Sum Assured** equal to 1.25 times of the Top-up Premium paid.

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

2. ELIGIBILITY CONDITIONS AND OTHER RESTRICTIONS:

| | | | | | | |
|------|---|--|---------------------|-------------------|---------------------|----------------|
| i. | Premium Paying Term (PPT) and Policy Term | The following combination of Premium Paying Term (PPT) and Policy Term shall be available under the product: | | | | |
| | | PPT (years) | Policy Term (years) | | | |
| | | 5 | 10, 15, 20, 25 | | | |
| | | 7 | 10, 15, 20, 25 | | | |
| | | 10 | 10, 15, 20, 25 | | | |
| | | 15 | 15, 20, 25 | | | |
| ii. | Premium Paying Mode | Yearly/Half Yearly/Quarterly/Monthly (NACH) | | | | |
| iii. | Minimum Premium | Minimum premium shall depend on Premium Paying Term and shall be as under: | | | | |
| | | PPT (years) | Minimum Premium | | | |
| | | | Monthly Premium | Quarterly Premium | Half-yearly Premium | Yearly Premium |
| | | 5, 7 & 10 | Rs. 5,000 | Rs. 15,000 | Rs. 30,000 | Rs. 60,000 |
| | | 15 | Rs. 3,000 | Rs. 9,000 | Rs. 18,000 | Rs. 36,000 |
| | | Premium shall be in multiples of Rs.1000/- for Yearly mode, Rs 500/- for Half-yearly mode and Rs 250/- for Quarterly and Monthly (NACH). | | | | |
| | | Minimum Top-up Premium shall be Rs. 1000 per Top up and Top-up premium shall be in multiple of Rs. 1000/-. | | | | |

| iv. | Maximum Premium | No Limit. However, the maximum premium allowed to each individual will be subject to underwriting decision as per the Board Approved Underwriting Policy. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|---------------------------|--|---|------------------------------------|----|------------------------------------|---------------|----------------|----|----------------|--------------------------------|----------------|----|----------------|----|----------------|---|----------------|----|----------------|----|----|----|----|----------------|----|----|----|----|----------------|----|----|----|----|----------------|---|---|---|----|----------------|----|---|---|----|----------------|----|---|---|---|
| v. | Minimum Age at entry | 18 Years (completed) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| vi. | Maximum Age at entry | Maximum age at entry shall depend on the Premium Paying Term and shall be as under: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Premium Paying Term | Maximum Age at entry (nearer birthday) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | 5 years | 50 years | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | 7, 10 & 15 years | 65 Years | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| vii. | Maximum Maturity Age | Policy Term (years) | Maximum Age (nearer birthday) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | 10 | 75 years | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | 15 | 80 years | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | 20 | 85 years | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | 25 | 90 years | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| viii. | Minimum Basic Sum Assured | The minimum Basic Sum Assured shall be as under: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Age at entry less than 50 years (nearer birthday) | Age at entry 50 years and above (nearer birthday) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | 7 times the Annualized Premium | 5 times the Annualized Premium | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ix. | Maximum Basic Sum Assured | Basic Sum Assured shall be equal to Annualized Premium <i>multiplied by</i> Basic Sum Assured Multiple. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Maximum Basic Sum Assured Multiple shall depend upon the Premium Payment Term (PPT), Premium and Age and shall be as under: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | (a) For Annualized Premium equal to or higher than Rs. 60,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | <table><tr><th colspan="5">Maximum Basic Sum Assured Multiple</th></tr><tr><th rowspan="2">Age at entry (nearer birthday)</th><th colspan="4">PPT (years)</th></tr><tr><th>5</th><th>7</th><th>10</th><th>15</th></tr><tr><td>18 to 30 years</td><td>20</td><td>22</td><td>22</td><td>40</td></tr><tr><td>31 to 40 years</td><td>12</td><td>12</td><td>12</td><td>25</td></tr><tr><td>41 to 45 years</td><td>12</td><td>12</td><td>12</td><td>20</td></tr><tr><td>46 to 50 years</td><td>8</td><td>8</td><td>8</td><td>10</td></tr><tr><td>51 to 55 years</td><td>NA</td><td>7</td><td>7</td><td>10</td></tr><tr><td>56 to 65 years</td><td>NA</td><td>7</td><td>7</td><td>7</td></tr></table> | | | | Maximum Basic Sum Assured Multiple | | | | | Age at entry (nearer birthday) | PPT (years) | | | | 5 | 7 | 10 | 15 | 18 to 30 years | 20 | 22 | 22 | 40 | 31 to 40 years | 12 | 12 | 12 | 25 | 41 to 45 years | 12 | 12 | 12 | 20 | 46 to 50 years | 8 | 8 | 8 | 10 | 51 to 55 years | NA | 7 | 7 | 10 | 56 to 65 years | NA | 7 | 7 | 7 |
| | | Maximum Basic Sum Assured Multiple | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Age at entry (nearer birthday) | PPT (years) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | 5 | 7 | 10 | 15 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | 18 to 30 years | 20 | 22 | 22 | 40 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | 31 to 40 years | 12 | 12 | 12 | 25 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | 41 to 45 years | 12 | 12 | 12 | 20 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 46 to 50 years | 8 | 8 | 8 | 10 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 51 to 55 years | NA | 7 | 7 | 10 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 56 to 65 years | NA | 7 | 7 | 7 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (b) For Annualized Premium less than Rs. 60,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <table><tr><th colspan="2">Maximum Basic Sum Assured Multiple</th></tr><tr><th>Age at entry (nearer birthday)</th><th>PPT- 15 years</th></tr><tr><td>18 to 30 years</td><td>30</td></tr><tr><td>31 to 40 years</td><td>20</td></tr><tr><td>41 to 45 years</td><td>15</td></tr><tr><td>46 to 50 years</td><td>10</td></tr><tr><td>51 to 55 years</td><td>7</td></tr><tr><td>56 to 65 years</td><td>7</td></tr></table> | | | | Maximum Basic Sum Assured Multiple | | Age at entry (nearer birthday) | PPT- 15 years | 18 to 30 years | 30 | 31 to 40 years | 20 | 41 to 45 years | 15 | 46 to 50 years | 10 | 51 to 55 years | 7 | 56 to 65 years | 7 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Maximum Basic Sum Assured Multiple | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Age at entry (nearer birthday) | PPT- 15 years | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 18 to 30 years | 30 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 31 to 40 years | 20 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 41 to 45 years | 15 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 46 to 50 years | 10 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 51 to 55 years | 7 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 56 to 65 years | 7 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| | | |
|--|--|--|
| | | Maximum Basic Sum Assured allowed to each individual will be subject to underwriting decision as per the Board Approved Underwriting Policy. |
| | | Age at entry for the policyholder is to be taken as age nearer birthday except for age 18 years for which it has to be 18 years completed. |

Date of Commencement of Risk:

Risk will commence immediately from the date of acceptance of risk i.e. date of commencement of policy.

3. BENEFITS:

a) Death Benefits:

Benefits payable on death of the Life Assured before the stipulated Date of Maturity, provided the policy is in-force (including during Grace Period) shall be as under:

Highest of:

- Basic Sum Assured *reduced by* Partial Withdrawals, if any, made during the two years period immediately preceding the date of death; or
- Base Premium Fund Value; or
- 105% of the Total Base Premiums paid upto the date of death.

In addition to the above, if Top-up Premium(s) have been paid under the policy, the highest of the following shall also be payable:

- Total Top-up Sum Assured; or
- Top-up Premium Fund Value; or
- 105% of the Total Top-up Premiums paid upto the date of death.

Where,

Base Premium Fund Value shall be the total value of the units in respect of Base Premiums at a point of time in a segregated fund i.e. total number of units under a policy in respect of Base Premiums *multiplied by* the Net Asset Value (NAV) per unit of that fund.

Top-up Premium Fund Value shall be the total value of the units in respect of Top-up Premium, if any, at a point of time in a segregated fund i.e. total number of units under a policy in respect of Top-up Premiums *multiplied by* the Net Asset Value (NAV) per unit of that fund.

Total Base Premiums paid means total of all Base premiums received under the base product.

Total Top-up Premiums paid means total of all Top-up premiums received under the policy.

Total Top-up Sum Assured means total of all Top-up Sum Assured in respect of Top-up Premiums received under the policy.

The liability of admissible claim shall be booked effective from the date of receipt of intimation of death along with death certificate. Mortality Charge, Accident Benefit Charge, Policy Administration charges and Tax Charge thereon recovered subsequent to the date of death shall be added back to Unit Fund Value as available on the date of intimation of death and shall be paid back to the nominee or beneficiary along with death benefit.

The death benefit shall be payable either in lumpsum amount or in instalments, if Settlement Option is opted for, as mentioned in Para 12.B below.

b) Maturity Benefit:

On Life Assured surviving the stipulated Date of Maturity, an amount equal to the **Unit Fund Value** as on date of maturity is payable.

Unit Fund Value shall be the sum of the **Base Premium Fund Value** and **Top-up Premium Fund Value**, if any.

c) Refund of Mortality Charge:

The total amount of mortality charges deducted from Base Premium Fund and from Top-up Premium Fund, if any, in respect of life insurance cover shall be payable along with the maturity benefit.

The total amount of mortality charges mentioned above shall not include any extra amount chargeable under the policy due to underwriting decision and tax charges levied on the mortality charges, if any.

Note: Refund of mortality charges shall not be payable in case of surrendered or discontinued policy.

4. LIC'S LINKED ACCIDENTAL DEATH BENEFIT RIDER:

LIC's Linked Accidental Death Benefit Rider (UIN: 512A211V02) is available as an optional rider. This rider can be opted for at the inception or at any policy anniversary during the policy term provided the outstanding policy term is at least 5 years but on or before the policy anniversary on which the age nearer birthday of the Life Assured is 65 years. The eligibility conditions and restrictions for the rider are as mentioned below. Whenever this Rider is opted for, the Accident Benefit Charges, as specified in Para 6.III will be deducted at the beginning of each policy month during the period of cover.

The benefit cover under this rider shall be available till the Date of Maturity or till the policy anniversary on which the age nearer birthday of the Life Assured is 70 years, whichever is earlier, provided the policy is in-force as on date of accident.

If this benefit is opted for, and if the Life Assured is involved in an accident leading to death within 180 days from the date of accident then an amount equal to Accident Benefit Sum Assured is payable.

The policyholder has the option to cancel this rider at any time during the policy term. However, once the rider is cancelled, it cannot be re-opted.

Beyond the specific details as mentioned in this Circular in respect of this Rider, additional details, i.e. exclusions, requirements of claim etc. may be referred from the Rider Circular Ref: CO/PD/228 dated 30/09/2024.

Eligibility conditions and restrictions:

- a) Minimum Entry Age: 18 years (completed)
- b) Maximum Entry Age: 65 years (nearer birthday) or (Age at Maturity minus 5) years, whichever is lower.

- c) Rider term : Outstanding Policy Term of the Base Plan or (70 minus age at entry), whichever is lower
- d) Minimum Accident Benefit Sum Assured: Rs. 10,000/-
- e) Maximum Accident Benefit Sum Assured: An amount equal to Basic Sum Assured under the base plan subject to maximum of Rs. 100 Lakhs overall limit taking all existing policies (excluding additional limit of Rs. 100 Lakh under policies taken under LIC's Jeevan Shiromani) of the life assured under individual as well as group policies including policies with inbuilt accident benefit taken with Life Insurance Corporation of India and the Accident Benefit Sum Assured under the new proposal into consideration.

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

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

5. INVESTMENT FUND TYPES:

A) Unit Fund:

Each premium (including Top-Up) paid by the policyholder shall be subject to Premium Allocation Charge as per details given in Para 6.I. The policyholder will have the option to choose any **one** of the following six funds to invest his/her premiums initially and at the time of switching. The allocated premiums shall be utilized to purchase units as per the chosen fund type. Units will be allotted based on the Net Asset Value (NAV) of the respective fund as on the date of allotment. There is no Bid-Offer spread (both the Bid price and Offer price of units will be equal to the NAV).

The details of the available funds and broadly their investment pattern are as under:

| Fund Type | Investment in Government / Government Guaranteed Securities/ Corporate Debt | Short-term investments such as money market instruments | Investment in Listed Equity Shares | Objective | Risk profile | SFIN |
|--------------|---|---|------------------------------------|---|----------------------|--|
| Bond Fund | Not less than 60% | Not more than 40% | Nil | To provide relatively safe and less volatile investment option mainly through accumulation of income through investment in fixed income securities. | Low risk | ULIF001 24/12/18 LICULIP BND512 |
| Secured Fund | Not less than 45% & | Not more than 40% | Not less than 15% & | To provide steady income through investment in | Lower to Medium risk | ULIF002 24/12/18 |

| | | | | | | |
|-------------------------|---------------------------------------|-------------------|---------------------------------------|--|----------------|---------------------------------|
| | Not more than 85% | | Not more than 55% | both equities and fixed income securities. | | LICULIP SEC512 |
| Balanced Fund | Not less than 30% & Not more than 70% | Not more than 40% | Not less than 30% & Not more than 70% | To provide balanced income and growth through similar proportion investment in both equities and fixed income securities | Medium risk | ULIF003 24/12/18 LICULIP BAL512 |
| Growth Fund | Not less than 20% & Not more than 60% | Not more than 40% | Not less than 40% & Not more than 80% | To provide long term capital growth through investment primarily in equities | High risk | ULIF004 24/12/18 LICULIP GRW512 |
| Flexi Growth Fund | 0% to 20% | 0% to 40% | 40% to 100% | To provide long term capital appreciation through investment primarily in select stocks which are a part of NSE Nifty 100 Index. | Very High Risk | ULIF005 10/11/23 LICULIP FLX512 |
| Flexi Smart Growth Fund | 0% to 20% | 0% to 40% | 40% to 100% | To provide long term capital appreciation through investment primarily in select stocks which are a part of NSE Nifty 50 Index. | Very High Risk | ULIF006 10/11/23 LICULIP FSG512 |

As the above six segregated funds are existing funds, the prevailing NAV of the respective funds shall be considered under this plan.

The investment as per the above pattern shall conform to the IRDAI (Actuarial, Finance and Investment Functions) Regulations, 2024 Circulars and Guidelines issued from time to time.

B) Discontinued Policy Fund (SFIN: ULIF001201114LICDPFNLI512):

This fund shall be a segregated Unit Fund and shall comprise of all the Discontinued Policy Funds of all the policies offered under the Unit Linked Life Insurance products.

The investment pattern of the Discontinued Policy Fund shall have the following asset mix:

- i. Money market instruments: 0% to 40%
- ii. Government securities: 60% to 100%

C) Computation of NAV:

The NAV of all segregated funds and Discontinued Policy Fund will be computed on daily basis and will be based on investment performance and Fund Management Charge of each type of fund and shall be computed as under:

Market value of investment held by the fund + Value of Current Assets – Value of Current Liabilities & Provisions, if any

Number of Units existing on Valuation Date (before creation / redemption of Units)

Where, Valuation Date is the date of calculation of NAV.

D) Force Majeure Conditions:

1. Corporation will declare a 'Single' Net Asset Value (NAV) for each segregated fund on a day-to-day basis.
2. In the event of certain force majeure conditions as specified below, the declaration of NAV on a day-to-day basis may be deferred and could include other actions as a part of investment strategy (e.g. taking exposure of any Segregated Fund (SFIN) upto 100% in Money Market Instruments).
3. The Corporation shall include the following as a part of force majeure clause in the Customized Benefit Illustration which is a part of policy document to be signed by the policyholder:
 - a. Corporation shall value the Funds (SFIN) on each day for which financial markets are open. However, the Corporation may value the SFIN less frequently in extreme circumstances external to the Corporation i.e. in force majeure events, where the value of the assets is too uncertain. In such circumstances, the Corporation may defer the valuation of the assets for up to 30 days until the Corporation is certain that the valuation of SFIN can be resumed.
 - b. The Corporation will inform IRDAI of such deferment of the valuation of assets. During the continuance of the force majeure events, all requests for servicing the policy including policy related payment shall be kept in abeyance. The Corporation will continue to invest as per the investment pattern Fund Type opted by the policyholder. However, the Corporation reserves the right to change the exposure of all or any part of the Fund to Money Market Instruments (as defined under Regulations 1(8) Schedule III of IRDAI (Actuarial, Finance and Investment functions) Regulations, 2024) in circumstances mentioned under points (a and b) above. The exposure of the fund as per the fund mandates mentioned in Para 5.A above shall be reinstated within reasonable timelines once the force majeure situation ends.
 - c. Few examples of such circumstances as mentioned (in Para a & b) above are:
 - When one or more stock exchanges which provide a basis for valuation of the assets of the Fund are closed otherwise than for ordinary holidays.
 - When, as a result of political, economic, monetary or any circumstances which are not in the control of the Corporation, the disposal of the assets of the Fund would be detrimental to the interests of the continuing policyholders.
 - In the event of natural calamities, strikes, war, civil unrest, riots and bandhs.
 - In the event of any force majeure or disaster that affects the normal functioning of the Corporation.

- d. In such an event, an intimation of such force majeure event shall be uploaded on the Corporation's website for information.

E) Fund Closure:

Although the Funds are open ended, we may close any of the existing funds with appropriate approval. The policyholder shall be notified at least 3 months prior to the closure of the Fund. The policyholder can switch to other existing Fund options without switching charges during these 3 months. In case the policyholder does not switch during this period, Corporation shall switch the units to any other Funds with similar asset allocation and risk profile considering NAV on the date of switch.

6. CHARGES AND FREQUENCY OF CHARGES:

The details of Charges are as under. These Charges are subject to Tax Charge as mentioned in Para 6.X below.

I. Premium Allocation Charge:

This is the percentage of the premium appropriated towards charges from the premium received including Top-up premium, if any. The balance known as allocation rate constitutes that part of the premium which is utilized to purchase units of the chosen fund in the policy.

The Premium Allocation Charges as a percentage of instalment premiums (Regular /Limited premiums) shall be as below:

| Policy Year | For Offline sale | For Online sale | Corporation's Insurance Scheme (CIS) (Either offline or online) |
|------------------|------------------|-----------------|--|
| First Year: | 8.00% | 3.00% | NIL |
| 2nd to 5th Year: | 5.50% | 2.00% | NIL |
| Thereafter: | 3.00% | 1.00% | NIL |

Instalment Premium is a Premium to be paid by policyholder as per the premium payment frequency opted by the policyholder.

Premium Allocation charge on top-up premiums shall be as under:

- Policies completed through Offline Sale: 2.50%
- Policies completed through Online Sale: 1.50%
- Policies completed through CIS: Nil

The cap on Premium Allocation Charge shall be as specified in Para 6.XII.

II. Mortality Charge:

Mortality Charge is the cost of life insurance cover which is age specific and this will be taken at the beginning of each policy month by cancelling appropriate units out of the Unit Fund. The monthly charge will be one twelfth of the annual Mortality Charges.

The Mortality Charge in respect of the Base policy shall be deducted by cancelling appropriate units out of the Base Premium Fund. In case of Top-up, the mortality charge shall be deducted from the Top-up Premium Fund. If the Base Premium Fund Value is insufficient, then mortality charge will be deducted from the Top-up Premium Fund, if any and vice-versa.

This charge shall depend upon the **Sum at Risk**.

Where Sum at Risk for the Base policy during the policy term shall be

- Highest of:
- Basic Sum Assured in case of in-force policies or Paid-up Sum Assured in case of reduced paid-up policies; or
 - Base Premium Fund Value; or
 - 105% of total Base Premiums paid
- Less
- Base Premium Fund Value

In case of Top-up, the Sum at Risk during the policy term shall be

- Highest of:
- Top-up Sum Assured; or
 - Top-up Premium Fund Value; or
 - 105% of total Top-up Premiums paid
- Less
- Top-up Premium Fund Value

Note:

- For Sum at Risk in respect of Base policy, Base Premium Fund value shall be taken as on the date of deduction of charge, after deduction of Accident Benefit charges, Policy Administration charges, Tax charge on Accident Benefit charges and Policy Administration charges.
- For Sum at Risk in respect of Top-up, Top-up Premium Fund value shall be taken as on the date of deduction of charge.
- Where Basic Sum Assured & Top-Up Sum Assured and Paid up Sum Assured are as mentioned in Para 1 and Para 8.II respectively.
- The total Base Premiums paid /total Top-up Premiums paid shall be reckoned as on date of deduction of Mortality Charge.
- In case of Partial Withdrawals, the Basic Sum assured or Paid up Sum Assured, whichever is applicable, shall be reduced to the extent of all Partial Withdrawals made from Base Premium Fund during the two years period immediately preceding the date of deduction of Mortality Charge.

In case where the policy is converted into a reduced paid up policy, the Mortality Charge in respect of Sum at Risk under a paid-up policy shall be deducted from the policy month following the due date of first unpaid premium. On revival of the policy, the risk cover under the policy shall be restored immediately and the Mortality Charge in respect of Sum at Risk under in-force policy shall be deducted from the policy month following the date of revival along with proportionate Mortality Charge for the period from date of revival to the following policy month.

In case of Top-up, the risk cover in respect of Top-up under the policy shall be effective immediately from the date of acceptance of Risk and the Mortality Charge in respect of Top-up Sum Assured shall be deducted from the policy month following the date of acceptance of risk along with proportionate Mortality Charge for the period from date of acceptance of risk to the following policy month.

In case, the option to increase the Basic Sum Assured has been exercised by the policyholder, the increased Basic Sum Assured shall be effective from the subsequent policy

month from the date of acceptance of the Risk and accordingly mortality charge on the increased Basic Sum Assured shall be deducted from such policy month.

Any decrease in Basic Sum Assured under the plan shall be effective from the subsequent policy month and accordingly mortality charge on the decreased Basic Sum Assured shall be deducted from such policy month.

Mortality charges, during a policy year, will be based on the age nearer birthday of the Life Assured as on the policy anniversary coinciding with or immediately preceding the due date of cancellation of units and hence may increase every year on each policy anniversary.

The annual Mortality Charge per Rs. 1,000/- Sum at Risk for standard lives are given in **Annexure I**.

The Class I extra charge for Life Cover shall be 25% of the Mortality charge for standard lives. Charge for higher EMR shall be multiples of the Class I extra charge as applicable in other plans. This extra charge will be included in the Mortality charges.

III. Accident Benefit Charge:

This is the charge to cover the cost of LIC's Linked Accidental Death Benefit Rider (UIN:512A211V02), if opted for, levied at the beginning of each policy month by cancelling appropriate number of units out of the Base Premium Fund while the policy is in-force (i.e. all due premiums have been paid). A level annual charge shall be at the rate of Rs. 0.40 per thousand Accident Benefit Sum Assured per policy year. If the Life Assured is engaged in police duty in any police organization other than paramilitary forces and opted for this cover while engaged in police duty, then the level annual charge shall be at the rate of Rs 0.80 per thousand Accident Benefit Sum Assured per policy year.

The monthly Accident Benefit Charge will be one twelfth of the annual Accident Benefit Charge.

IV. Fund Management Charge :

This is a charge levied as a percentage of the value of assets and shall be appropriated by adjusting the NAV. Fund Management Charge (FMC) shall be as under:

- 1.35% p.a. of Unit Fund for all the 6 Fund types i.e. Bond Fund, Secured Fund, Balanced Fund, Growth Fund, Flexi Growth Fund and Flexi Smart Growth Fund.
- 0.50% p.a. of Unit Fund for "Discontinued Policy Fund".

This charge is levied at the time of computation of NAV, which will be done on daily basis. The NAV thus declared will be net of FMC.

V. Policy Administration Charge:

This Charge (as mentioned below) shall be levied at the beginning of each policy month starting from 6th policy year till the end of policy term by cancelling units for equivalent amount.

| Policy Year | Policy Administration Charges |
|--------------------|--|
| First 5 Years | NIL |
| Year 6 | <ul style="list-style-type: none">• Annualized Premium less than Rs. 60,000: Rs. 85 per month• Annualized Premium equal to greater than Rs. 60,000: Rs. 100 per month |

| | |
|---|--|
| Thereafter from 7 th policy year onwards | Applicable Policy Administration Charges in 6 th year escalating at the rate of 5% p.a. |
|---|--|

Policy Administration charges shall be subject to maximum of Rs 500 per month (i.e. Rs 6000 p.a.)

Unit deduction will first be made from the Base Premium Fund Value, and if insufficient, then from Top-up Premium Fund.

VI. Switching Charge:

This is a charge levied on switching from one segregated fund to another available within the product and shall be levied at the time of effecting a switch by cancelling appropriate number of units out of Base Premium Fund. During a given policy year, 4 switches shall be allowed free of charge. Subsequent switches, if any, in that year shall be subject to a Switching Charge of Rs. 100 per switch.

VII. Partial Withdrawal Charge:

This is a charge levied at the time of each partial withdrawal of the Fund and shall be a flat amount of Rs. 100/- which shall be deducted by cancelling appropriate number of units out of Base Premium Fund on the date on which partial withdrawal takes place.

VIII. Bid/Offer Spread: Nil.

IX. Discontinuance Charges:

This charge shall be levied by cancelling appropriate number of units out of Base Premium Fund as on the date of discontinuance of the policy. The discontinuance charge applicable is as under:

| Where the policy is discontinued during the policy year | Discontinuance Charges for the policies having annualized premium up to Rs 50,000 | Discontinuance Charges for the policies having annualized premium above Rs 50,000 |
|---|---|---|
| 1 | Lower of 20% <i>multiplied by</i> (AP or FV) subject to maximum of Rs. 3000/- | Lower of 6% <i>multiplied by</i> (AP or FV) subject to maximum of Rs. 6000/- |
| 2 | Lower of 15% <i>multiplied by</i> (AP or FV) subject to maximum of Rs. 2000/- | Lower of 4% <i>multiplied by</i> (AP or FV) subject to maximum of Rs. 5000/- |
| 3 | Lower of 10% <i>multiplied by</i> (AP or FV) subject to maximum of Rs. 1500/- | Lower of 3% <i>multiplied by</i> (AP or FV) subject to maximum of Rs. 4000/- |
| 4 | Lower of 5% <i>multiplied by</i> (AP or FV) subject to maximum of Rs. 1000/- | Lower of 2% <i>multiplied by</i> (AP or FV) subject to maximum of Rs. 2000/- |
| 5 and onwards | NIL | NIL |

Where

AP – Annualized Premium.

FV – Base Premium Fund Value as on the date of discontinuance of policy.

“Date of discontinuance of the policy” shall be the date on which the intimation is received from the Life Assured/ Policyholder about the surrender of the policy or on the expiry of the

Grace period (in case of non-payment of contractual premium due during the Grace Period), whichever is earlier.

X. Tax Charge:

Tax Charge, if any, shall be levied on all or any of the charges applicable to this plan at the rate of tax as per the prevailing Tax Laws/notification etc. as issued by Government of India or any other Constitutional Tax Authority of India from time to time in this regard without any reference to the policyholder.

The instructions regarding amount of Tax Charge to be charged under this plan will be issued by Finance & Accounts Department, Central Office, separately.

XI. Miscellaneous Charge:

This is a charge levied for an alteration during the contract such as change in premium mode, Increase/Decrease in Basic Sum Assured and grant of Accident Benefit Rider after the issue of the policy and shall be a flat amount of Rs. 100/- which shall be deducted by cancelling appropriate number of units out of Base Premium Fund and the deduction shall be made on the date of alteration in the policy.

XII. Right to revise charges:

The Corporation reserves the right to revise all or any of the above charges except Mortality Charge and Accident Benefit Charge. The modification in charges will be done with prospective effect with appropriate approval and after giving the policyholders a notice of 3 months which shall be notified through our website.

Although the charges are reviewable, they will be subject to the maximum charges as declared by IRDAI from time to time. The current cap on charges is as under:

- a) Premium Allocation charges shall not exceed 12.5% of Annualized Premium in any year.
- b) Policy Administration Charge shall not exceed Rs. 500 per month.
- c) The Fund Management Charge shall not exceed the limit specified by IRDAI which are currently same as Para 6.IV above.
- d) Partial withdrawal charge shall not exceed Rs. 500/- on each withdrawal.
- e) Switching Charge shall not exceed Rs. 500/- per switch.
- f) Discontinuance charges shall not exceed the limits specified by IRDAI, which are currently same as Para 6.IX above
- g) Miscellaneous Charge shall not exceed Rs. 500/- each time when an alteration is requested.

In case the policyholder does not agree with the revision of charges the policyholder shall have the option to withdraw the Unit Fund Value. If such revision in charges is made during the lock-in-period of 5 years, withdrawal shall be allowed only after the expiry of lock-in-period.

7. APPLICABILITY OF NET ASSET VALUE (NAV):

- i. The allocation and redemption of units for various transaction will be at the NAV as described below:

| Type of Transaction | Applicable NAV (Where transaction is received before cut off Time) |
|--|---|
| First Premium received: a) In case of Offline sale: by way of a local cheque or a demand draft payable at par at the place where premium is received. | NAV of Date of underwriting acceptance of risk i.e. Date of commencement of policy. |

| | |
|--|---|
| b) In case of Online sale: by any digital Payment mode. | |
| Renewal premium received through NACH or by any digital payment mode. | NAV of the date of our receipt of instruction or transaction realization date or the due date of premium, whichever is later. |
| Renewal premium received by way of a local cheque or a demand draft payable at par at the place where the premium is received. | NAV of the date of our receipt of instrument or the due date of premium, whichever is later. |
| Top-up Premium | NAV of the date of our receipt of instruction/ instrument or transaction realization date or the date of acceptance after underwriting, whichever is later. |
| Partial withdrawal, Switching between available Fund types, or Free-look cancellation. | NAV of the date of our receipt of the request online or in writing. |
| Surrender | NAV of the date of our receipt of surrender request in writing |
| Death claim | NAV of the date of our receipt of the intimation of death in writing along with death certificate. |
| Revival | NAV as on date of revival, where date of revival is the date of adjustment of all due premiums after underwriting acceptance has been received. |
| Settlement Option | NAV of date of instalment payment under settlement option. |
| Maturity Benefit | NAV of the date of maturity. |
| Discontinuance | NAV as on the date of discontinuance. |
| Termination | NAV of date of termination. |
| Policy Alteration | NAV of date of alteration in the policy. |

ii. Currently, the cut-off time is 3.00 p.m. as per the existing IRDAI guidelines and changes in this regard shall be as per the instructions from IRDAI. In case of New Business the cut off timings of 3 p.m. for determination of NAV shall be in reference to date of acceptance of risk i.e. Date of commencement of policy.

iii. If the transaction request is received before the cut-off time in respect of:

- a) Premium Payments, at any branch office of the Corporation or other authorised office for premium collection or by any digital payment mode or through NACH;
- b) Other transaction, by servicing branch of the Corporation;
- c) Successful Registration of Service Requests as and when made available on LIC's Customer Portal

the closing NAV of that day shall be applicable.

iv. If the transaction request is received after the cut-off time in respect of:

- a) Premium Payments, at any branch office of the Corporation or other authorised office for premium collection or by any digital payment mode or through NACH;
- b) Other transaction, by servicing branch of the Corporation;
- c) Successful Registration of Service Requests as and when made available on LIC's Customer Portal

the closing NAV of the next business day shall be applicable.

- v. Premium paid by CTS 2010 cheque/demand draft drawn on a bank which is participating in local/CTS/speed clearing house shall only be accepted. Cheques /demand draft not coming under above category shall not be accepted.

8. DISCONTINUANCE OF PREMIUMS:

If Base premiums under the policy have not been paid before the expiry of Grace Period, then the policy shall be in a state of discontinuance.

During the grace period the policy shall be treated as in-force and the charges for Mortality and Accident Benefit cover, if any, shall be deducted in addition to other applicable charges as specified in Para 6. The benefits payable under the policy during the grace period shall be same as that under an in-force policy.

The treatment of discontinued policy shall be as under:

I. If the policy is discontinued during the 5 years' lock-in-period:

Upon expiry of the grace period, the Base Premium Fund Value after deducting the applicable Discontinuance Charge in respect of Base Premium as specified in Para 6.IX along with the Top-up Premium Fund Value, if any, shall be transferred to the Discontinued Policy Fund as specified in Para 9.A and the risk cover and rider cover, if any, shall cease. There shall be no discontinuance charge in respect of Top-up Premium Fund Value. Only Fund Management Charges as specified in 6.IV shall be deducted from the Discontinued Policy Fund.

On such discontinuance, a communication shall be sent to the policyholder within three months of the first unpaid premium, communicating the status of the policy and the **option to revive the policy** during the revival period of three years from the date of First Unpaid Premium.

In such cases, the following provisions shall apply:

- a) If the policyholder **opts to revive** and thereafter revives the policy at any time during the Revival Period of 3 years, the policy shall be revived subject to terms and conditions as specified in Para 20.
- b) In case the policyholder **opts to revive but does not revive** the policy during the Revival Period of 3 years, then the proceeds of the Discontinued Policy Fund in respect of the policy (as specified in Para 9.B below), shall be payable at the end of the revival period or lock-in period, whichever is later and the policy shall terminate. In respect of Revival period ending after the lock-in period, the policy will remain in the Discontinued Policy Fund till the end of the Revival period.
- c) In case the policyholder **does not exercise the option to revive the policy**, the policy shall continue without any risk cover and rider cover, if any, and the policy fund shall remain invested in the Discontinued Policy Fund. The Proceeds of the Discontinued Policy Fund in respect of the policy (as specified in Para 9.B below), as on the date of expiry of lock-in period shall be paid to the policyholder at the end of lock-in period and the policy shall terminate.
- d) However, the policyholder has an **option to surrender** the policy anytime and Proceeds of the Discontinued Policy Fund in respect of the policy (as specified in Para 9.B below), as on the date of expiry of lock-in period or as on the date of surrender, as applicable, shall be payable at the end of lock-in period or date of surrender, whichever is later, to the policyholder and the policy shall terminate.

- e) **In case of death of the Life Assured** during the Revival Period or lock-in-period, as the case may be, the Proceeds of the Discontinued Policy Fund in respect of the policy (as specified in Para 9.B below), shall be payable to the nominee/beneficiary.

II. If the policy is discontinued after 5 years' lock-in- period:

In case of discontinuance of policy due to non-payment of Base premium after the 5 years' lock-in- period, upon expiry of the grace period, the policy shall be converted into a reduced paid-up policy. The Basic Sum Assured shall be reduced to such a sum called **Paid-Up Sum Assured** and shall be equal to Basic Sum Assured *multiplied by the ratio* of 'total period for which premiums have already been paid' to the 'maximum period for which premiums were originally payable'. The policy shall continue to be in reduced paid-up status without rider cover, if any i.e. no Accident Benefit cover shall be available under a reduced paid-up policy.

In respect of the Base Premium, the reduced risk cover and hence the mortality charges in respect of the paid-up policy shall be applicable from the next policy month following the date of first unpaid premium. However, risk cover in respect of Top-up premium(s) shall remain in-force and applicable mortality charges shall continue to be deducted. Further, all other applicable charges (except Accident Benefit charge) as specified in Para 6 shall also continue to be deducted.

On such discontinuance, a communication shall be sent to the policyholder within three months of the first unpaid premium, communicating the status of the policy and the options (a) to revive the policy (along with the rider, if opted for) within the revival period of three years from the date of first unpaid premium or upto the date of maturity, whichever is earlier; or (b) complete withdrawal of the policy.

In such case, the following situations may arise:

- a) If policyholder **opts to revive and revives** the policy anytime during the Revival Period or upto the date of maturity, whichever is earlier, then the policy shall be revived subject to the terms and conditions as specified in Para 20.
- b) In case the policyholder **opts to revive but does not revive** the policy during the Revival period or upto the date of Maturity, whichever is earlier, or **does not exercise any option**, then the policy shall subsist as a reduced paid-up policy till the end of the revival period or upto the date of maturity, whichever is earlier. In such case, the Unit Fund Value as on the date of expiry of Revival Period or as on the date of Maturity, whichever is applicable, shall be payable at the end of the revival period or date of maturity, whichever is earlier, and the policy shall be terminated.
- c) If policyholder **opts for Complete withdrawal** or **surrenders** the policy at any time, in such case the Unit Fund Value shall be payable to the policyholder and the policy shall be terminated.
- d) **In case of death of the Life Assured** before the end of Revival Period or date of Maturity, whichever is earlier, highest of the following shall be payable:
 - Paid up Sum Assured *reduced by* Partial Withdrawals, if any, made during the two years period immediately preceding the date of death; or
 - Base Premium Fund Value; or
 - 105% of Total Base Premiums paid upto the date of death.

In addition, if Top-up Premium(s) have been paid under the policy, the highest of the following shall also be payable:

- Total Top-up Sum Assured; or

- Top-up Premium Fund Value; or
- 105% of the Total Top-up Premiums paid upto the date of death.

9. METHOD OF CALCULATION OF MONETARY AMOUNT AND PROCEEDS OF THE DISCONTINUED POLICY FUND:

During the 5 years' lock-in-period if a policyholder applies for surrender or in case of non-payment of premium before the expiry of the Grace Period, the policy shall be in a state of discontinuance.

A) Conversion of Unit Fund into monetary amount and allocation of units in Discontinued Policy Fund:

On discontinuance of the policy, the **Base Premium Fund Value** as on the date of discontinuance of policy after deducting the applicable Discontinuance Charges in respect of Base Premium as specified in Para 6.IX, along with the **Top-up Premium Fund Value**, if any, shall be transferred to the **Discontinued Policy Fund** and the risk cover (including rider cover, if any) shall cease. There shall be no discontinuance charge in respect of Top-up Premium Fund Value.

The number of units of Discontinued Policy Fund shall be allocated to the policy considering the applicable NAV of the Discontinued Policy Fund as on the date of discontinuance.

“Date of Discontinuance of the Policy” shall be the date on which the intimation is received from the Life Assured/Policyholder about the surrender of the policy or on the expiry of the Grace Period (in case of non-payment of contractual premium due during the Grace Period), whichever is earlier.

B) The Proceeds of the Discontinued Policy Fund:

The Discontinued Policy Fund (SFIN: ULIF001201114LICDPFNLIF512) is a segregated unit fund and shall comprise of all the Discontinued Policy Fund of all the policies offered under the Unit Linked Life Insurance plans. Only Fund Management Charges (FMC) as specified in Para 6.IV shall be applicable on this fund.

The Unit Fund Value which is transferred to the Discontinued Policy Fund as mentioned in Para 9.A above shall continue to be invested therein from the date of discontinuance till the Policy exits from the Discontinued Policy Fund either by death, surrender, revival, policy termination at the end of 5 years' lock-in-period or on completion of 3 years' revival period (if revival period extends beyond the 5 years' lock-in- period), whichever is applicable.

The Proceeds of the Discontinued Policy Fund in respect of the policy shall be higher of:

- Unit Fund Value of the Discontinued Policy Fund; or
- Guaranteed amount calculated using minimum guaranteed interest rate.

Where, Unit Fund Value shall be calculated by multiplying the NAV with the number of units of Discontinued Policy Fund on the date of exit of the policy from the Discontinued Policy Fund.

The Guaranteed amount is the accumulation of amount transferred into the Discontinued Policy Fund at the guaranteed interest rate from the date of discontinuance till the policy exits from the Discontinued Policy Fund.

The minimum guaranteed interest rate applicable to the 'Discontinued Policy Fund' shall be as per the prevailing Regulations. Currently this guaranteed interest rate is 4% p.a. and shall be subject to change from time to time as declared by IRDAI.

10. SURRENDER:

A policy can be surrendered anytime during the policy term. The surrender value, if any, shall be payable as under:

I. If the policy is Surrendered during the 5 years' lock-in-period:

If a policyholder applies for surrender of the policy during the 5 years' lock-in-period, then the Base Premium Fund Value after deducting the applicable Discontinuance Charge in respect of Base Premium along with the Top-up Premium Fund Value, if any, shall be transferred to the Discontinued Policy Fund as specified in Para 9.A above. There is no discontinuance charge in respect of Top-up Premium Fund Value.

The policy shall continue to be invested in the Discontinued Policy Fund till the end of the lock-in period. Only Fund Management Charge (FMC) as specified in Para 6.IV shall be deducted from this fund and no risk cover (including rider cover, if any) shall be available on such policy during this period.

The Proceeds of the Discontinued Policy Fund in respect of policy as on the date of expiry of lock-in period, as specified in Para 9.B, shall be payable to the policyholder at the end of 5 years' lock-in-period and policy shall terminate.

However, in case of death of the Life Assured after the date of surrender but before the end of the 5 years' lock-in-period, the Proceeds of the Discontinued Policy Fund in respect of policy shall be payable to the nominee/ beneficiary and the policy shall terminate.

II. If the policy is Surrendered after 5 years' lock-in-period:

If a policyholder applies for surrender of the policy after 5 years' lock-in-period, then the Unit Fund Value as on the date of intimation of surrender shall be payable to the policyholder and the policy shall terminate. There will be no Discontinuance Charge under the policy.

Further, reinstatement of a surrendered policy shall not be allowed even if a request for reinstatement is received from the policyholder during the 5 years' lock-in-period.

11. COMPULSORY TERMINATION:

If the policy has run for at least 5 years provided 5 full years' premiums have been paid and the balance in the Unit Fund is not sufficient to recover the relevant charges, the policy shall be compulsorily terminated and the balance amount in the Unit Fund, if any, shall be refunded to the policyholder. This shall be applicable irrespective of whether the policy is in force or paid-up or during the revival period.

12. OPTIONS AVAILABLE UNDER THE BASE PLAN:

A) Switching:

During the Policy term, the policyholder can switch between the fund types as specified under Para 5.A above. On switching, the entire amount is switched to the new Fund opted for. During a given policy year, four switches will be allowed free of charge. Subsequent switches shall be subject to a Switching Charge of Rs.100 per switch as specified under Para 6.VI.

On receipt of the policyholder's application for a switch from one fund type to another, the Unit Fund Value after deducting Switching Charge, if applicable, shall be transferred to the New Fund type opted for by the policyholder and shall be utilized to allocate Fund Units at the NAV under the new Fund type on the said date of switch.

B) Settlement Option:

This option shall be available to the policyholder to receive the death proceeds in instalments.

This option can be exercised by the Life Assured during his/her lifetime while in currency of the policy, specifying the mode of paying the death benefit to the nominee (i.e. yearly, half yearly, quarterly or monthly instalments) spread over the period of not more than 5 years from the date of intimation of death of Life Assured, in writing, along with death certificate. The death claim amount shall then be paid to the nominee as per the option exercised by the policyholder and no alteration whatsoever shall be allowed to be made by the nominee.

The Unit Fund under such policy will continue to be invested as per the fund type existing as on the date of intimation of death.

Each instalment (in number of units) shall be the total number of units as on the date of intimation of death divided by total number of instalments (i.e. 5, 10, 20 and 60 for yearly, half-yearly, quarterly and monthly instalments in 5 year period respectively). The number of units arrived at in respect of each instalment will be multiplied by the NAV of the applicable fund type as on the date of instalment payment to arrive at the amount paid out in each instalment. The instalment payment shall be made by redeeming the units from the Unit Fund. The first payment will be made corresponding to the date of intimation of death and thereafter based on the mode opted by the policyholder i.e. every month or three months or six months or annual from the date of intimation of death, as the case may be.

During the Settlement Option period no charges other than the Fund Management Charge shall be deducted. The value of instalment payable on the date specified shall be subject to investment risk i.e. the NAV may go up or down depending upon the performance of the fund. The investment risk during the settlement period shall be borne by the Nominee/Beneficiary. There will not be any risk cover or guaranteed benefits during the settlement period.

On death of the nominee after the commencement of the Settlement Option period, the value of the outstanding units held in the Unit Fund shall become payable to the legal heir in lump sum.

No partial withdrawal or switching of fund by the nominee shall be allowed during the subsistence of the period of settlement option.

C) Partial Withdrawals:

A policyholder can partially withdraw the units at any time after the 5 years' lock-in period (i.e. a period of 5 years from the date of commencement of policy) subject to the following:

- i. Partial withdrawals may be in the form of fixed amount or in the form of fixed number of units.
- ii. The Partial withdrawals shall be allowed from the fund built up from the top-up premiums, if any, as long as such fund supports the partial withdrawal and subsequently, the partial withdrawals may be allowed from the fund built up from the base premium.
- iii. For the purpose of partial withdrawal, each Top-up premium (if any) shall have a lock-in period of 5 years from the date of payment of each Top Up premium except in case

of complete withdrawal of the policy. Hence, Partial Withdrawals shall be allowed first from the Top-up Fund Value which has completed 5 years lock-in period, then from the Base Premium Fund Value, if Top-up Fund is insufficient for such withdrawal.

- iv. The maximum Partial withdrawal from Top-up Premium Fund Value shall be allowed to the extent the eligible Top-up Premium Fund Value (funds in respect of Top-up premiums which have completed 5 years lock-in period) exceeds the corresponding Top-up Sum Assured.
- v. No partial withdrawal shall be allowed if the amount payable on such Partial Withdrawal is less than Rs. 1000/-.
- vi. Maximum amount of Partial Withdrawal as a percentage of fund during each policy year shall be as under:

| Policy Year | Percent of Unit Fund |
|--------------------------------------|----------------------|
| 6 th to 10 th | 15% |
| 11 th to 15 th | 20% |
| 16 th to 20 th | 25% |
| 21 st to 25 th | 30% |

The above Partial withdrawal shall be allowed subject to minimum balance remaining after allowing for partial withdrawal is not less than 4 Annualized Premiums (for Annual Premium less than Rs. 60,000/-) and in all other cases not less than 3 Annualized Premiums.

- vii. The partial withdrawals which would result in termination of a contract shall not be allowed.
- viii. Partial withdrawal charge as specified in Para 6.VII shall be deducted from the Base Premium Fund.
- ix. If partial withdrawal(s) have been made, then for two years' period from the date of withdrawal(s), the Basic Sum Assured or Paid-up Sum Assured, whichever is applicable, shall be reduced to the extent of the amount of partial withdrawals made from Base Premium Fund Value. On completion of two years' period from the date of withdrawal the original Basic Sum Assured or Paid-up Sum Assured, as applicable, shall be restored.

D) Top-up Premium:

A policyholder shall have an option to pay Top-up premium which is an amount that is paid voluntarily besides contractual premium, provided the policy is in-force, subject to following conditions:

- i) Top-up premium shall be accepted subject to prevailing Board Approved Underwriting Policy of the Corporation.
- ii) Top-up premiums can be paid at any time during the term of the policy, except during the last 5 policy years, provided the policy is in-force (i.e. all due premiums have been paid).
- iii) Top-up premium shall not be accepted while the policy is in discontinuance.
- iv) The Top-up premium(s) paid shall be treated as Single Premium for the purpose of providing Insurance cover.
- v) Each Top-up premium paid shall have Top-up Sum Assured equal to 1.25 times of the Top-Up Premium paid. The Top-up Sum Assured in respect of each Top-up Premium received shall be effective immediately from the date of acceptance of Risk in respect of Top-up Premium.
- vi) Minimum Top- up premium payable is Rs. 1000 and shall be in multiple of Rs. 1000.
- vii) Top-up premiums are subject to charges as specified in Para 6.
- viii) Top-up premiums shall be allocated in the same fund as chosen by the policyholder for the base premium.

- ix) Each Top-up premium once paid cannot be withdrawn from the Top-up fund for a period of 5 years from the date of receipt of the Top-up premium, except in case of complete surrender of the policy.

E) Increase in Basic Sum Assured:

Under an in-force policy, the policyholder shall have option to increase the Basic Sum Assured in respect of Base Premium as per the his/her life cycle needs subject to following:

- This option can be exercised by the policyholder within twelve months from the date of key life stage events such as marriage of the life assured, birth/legal adoption of child or any other such event as allowed by the Corporation in this regard.
- The increased Basic Sum Assured under the policy shall be subject to Board Approved Underwriting Policy of the Corporation. Maximum Basic Sum Assured Multiple allowed (as specified in Para 2) shall be corresponding to the age of the policyholder at the time of exercising this option, and original PPT/Policy Term under the policy.
- Maximum age of the life assured at the time of exercise of this option should not exceed 45 years (nearer birthday).
- On acceptance of the Risk for increased Basic Sum Assured, this alteration shall be effective from the subsequent policy month and accordingly mortality charges as specified in Para 6 on the revised Basic Sum Assured shall be deducted from such policy month.
- The cost of medical report and special reports, if any, shall be borne by the policyholder.
- Once increased, the Basic Sum Assured cannot be decreased even to the extent of the original Basic Sum Assured.
- Miscellaneous Charge as specified in Para 6.XI shall be applicable for this alteration.

This option can be exercised multiple times however this shall be subject to the terms and conditions mentioned above.

F) Decrease in Basic Sum Assured:

Under an in-force policy, any decrease in Basic Sum Assured in respect of Base Premium under the plan shall be allowed subject to the restrictions mentioned in Para 2 and shall be effective from the subsequent policy month. The mortality charges as specified in Para 6 shall be based on the revised Basic Sum Assured from the next policy month.

Once reduced, the Basic Sum Assured cannot be increased even to the extent of the original Basic Sum Assured. Miscellaneous Charge as specified in Para 6.XI will be applicable for this alteration.

G) Plan Changes:

No alterations in the plan (i.e. from this plan to any other plan) will be allowed.

13. MODES OF PREMIUM PAYMENT:

Policy holder may pay premiums regularly at yearly, half-yearly, quarterly or monthly (through NACH only) intervals over the premium paying term of the policy. There will be no mode specific charges.

The mode of premium payment has to be chosen at commencement although the same can be changed at any subsequent policy anniversary during the premium paying term of the policy subject to the eligibility conditions of Minimum premium and Premium multiples specified under Para 2 above.

14. COMMISSION PAYABLE TO AGENTS/ CORPORATE AGENTS/ BROKERS /INSURANCE MARKETING FIRMS (IMFs) AND DEVELOPMENT OFFICER'S CREDIT:

A) Offline sale:

• Commission to Agents, Corporate Agents, Brokers and IMF:

Commission rate (as a % of the premium) during the premium paying term are as under:

| Policy year | Commission as % of Instalment premium | | | |
|---|---------------------------------------|---------------------------------------|--------------------------------------|----------------------------|
| | Annualized Premium range (Rs) | | | |
| | From Rs 36,000 to less than Rs 72,000 | From Rs 72,000 to less than Rs 96,000 | From Rs 96,000 less than Rs 1,20,000 | From Rs 1,20,000 and above |
| First Year | 2.50% | 4.00% | 5.25% | 5.75% |
| 2nd & 3rd Year | 3.50% | 4.50% | 4.50% | 4.50% |
| Subsequent years | 4.50% | 4.50% | 4.50% | 4.50% |

• **Bonus Commission:** 40% on the first year commission.

• **Commission on Top-up Premium-** 2.00% of Top-up Premium. No bonus commission shall be payable on top-up premium.

• **Development Officer's Credit under Regular /Limited Premium:**

| Annualized Premium range (Rs) | Percentage of First Year Premium |
|---|----------------------------------|
| From Rs 36,000 to less than Rs 72,000 | 20% |
| From Rs 72,000 to less than Rs 96,000 | 30% |
| From Rs 96,000 to less than Rs 1,20,000 | 40% |
| From Rs 1,20,000 and above | 50% |

Instructions regarding clawback of commission from Agents and other Insurance Intermediaries shall be issued by Marketing Department, Central Office.

B) Online sale: No commissions/ Development Officer's credit is payable in case of Online Sale.

15. CIS REBATE:

Proposals completed under Corporation's Insurance Scheme (CIS) with regard to the employees of the Corporation and its Subsidiaries/Step Down Subsidiaries /Associate Companies, as per the prevailing policy of the Corporation in this regard shall be eligible for the CIS rebate in the form of **Nil Premium Allocation Charge** as specified in Para 6.I provided policy is not taken through any intermediary such as Agent, Corporate Agent, Broker and Insurance Marketing Firms. No rebate on premium is allowed to proposals completed under this scheme.

All other charges shall be as specified in Para 6.II to 6.XII.

Instructions in this regard, as applicable from time to time, shall be issued by Actuarial Department, Central Office.

16. POLICY LOAN:

No loan facility shall be available under this plan.

17. ONLINE SALE OF POLICIES:

Instructions relating to online sale of policies, if any, will be issued by Digital Marketing Department, Central Office.

18. UNDERWRITING, AGE PROOF & MEDICAL REQUIREMENTS:

Instructions will be issued separately by New Business and Reinsurance Department, Central Office.

19. DAYS OF GRACE FOR PAYMENT OF PREMIUM:

A grace period of 30 days will be allowed for payment of yearly or half-yearly or quarterly premiums and 15 days for monthly (through NACH) premiums from the date of First Unpaid Premium. If the death of Life Assured occurs during the grace period but before the payment of premium then due, the policy will still be valid and the death benefits shall be paid after deduction of all the relevant charges, if not recovered.

If the premium is not paid within the days of grace period, the benefits shall be paid as per details given in Para 8 under Discontinuance of premiums.

20. REVIVALS:**A. Revival of a Discontinued Policy during lock-in Period:**

In case the policyholder opts to revive the policy during the Revival Period of 3 years from the date of First Unpaid Premium, the policy shall be revived subject to the following:

- a. On payment of all due and unpaid premiums without interest.
- b. Proceeds of Discontinued Policy Fund in respect of the policy shall be transferred back to Base Premium Fund and Top-up Premium Fund, if any, in the same proportion as the Base Premium Fund Value (after deducting the Discontinuance Charges) bears to the Top-up Premium Fund Value as on the date of Discontinuance.
- c. Discontinuance Charge deducted from the Base Premium Fund, if any, at the time of discontinuance of the policy shall be added back to the Base Premium Fund.
- d. All outstanding Policy Administration charges, if any, and Tax charges thereon due since the date of discontinuance shall be deducted from the Base Premium Fund.

B. Revival of a Discontinued Policy after lock-in Period:

In case the policyholder opts to revive the policy during the Revival Period of 3 years from the date of First Unpaid Premium up to the date of Maturity, whichever is earlier, then the policy shall be revived subject to the following:

- a. On payment of all due and unpaid premium without interest.
- b. All outstanding applicable Policy Administration charges, if any and Tax charge thereon due since the date of discontinuance shall be deducted from the Unit Fund.

The Premium Allocation Charges (as specified in Para 6.I) shall also be applicable on premiums received.

The Corporation reserves the right to accept at original terms, accept with modified terms or decline the revival of a discontinued policy as per the "Board Approved Underwriting Policy" of the Corporation. The Revival shall be subject to satisfaction of Continued Insurability of the Life Assured 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 "Board Approved Underwriting Policy" at the time of revival, being furnished by the

Policyholder/Proposer / Life Assured. The revival of a discontinued policy shall take effect only after the same is approved, accepted and revival receipt is issued by the Corporation.

Units of the segregated fund originally chosen by the policyholder or as chosen in the last switch, or the fund chosen at the time of revival, as the case may be, shall be allotted based on the NAV as on the date of revival.

Irrespective of what is stated above, if the Unit Fund Value is not sufficient to recover the charges during the revival period, the policy shall terminate and thereafter revival will not be allowed.

LIC's Linked Accidental Death Benefit Rider, if opted for, can be revived along with the Base Policy and not in isolation.

21. TERMINATION OF POLICY:

The policy shall immediately and automatically terminate on the earliest occurrence of any of the following events:

- a) The date on which death benefit is paid if Settlement Option for death is not exercised; or
- b) The date on which surrender benefits are settled under the policy; or
- c) The date of maturity; or
- d) On payment of final instalments under Settlement Options if opted in case of death; or
- e) On death of the Nominee/Beneficiary after the commencement of the Settlement Option Period; or
- f) On payment of free look cancellation amount; or
- g) On compulsory termination as specified in Para 11; or
- h) In case of discontinuance of policy as specified in Para 8; or
- i) In the event of forfeiture as specified in Para 24.

22. POLICY ALTERATION:

During the contract, alteration in premium payment mode subject to provisions of Minimum Premium and Premium multiples allowed as specified in Para 2.ii and grant of Accident Benefit rider after the issue of policy may be allowed subject to a miscellaneous charge of Rs. 100/- which will be deducted by canceling appropriate number of units out of the Base Premium Fund and the deduction shall be made on the date of alteration in the policy. The alteration will be effective from the policy anniversary coincident or following the alteration.

The Corporation reserves the right to accept or decline the alteration in the policy as per the Underwriting Policy of the Corporation. The alteration shall take effect only after the same is approved by the Corporation and is specifically communicated in writing to the Proposer/Life Assured.

Conditions regarding alterations shall be as per the instructions issued by Central Office CRM/PS Department from time to time.

23. SUICIDE CLAUSE:

Notwithstanding the provision of benefits payable on death mentioned anywhere in this document, the provisions related to claim payment in case of death due to Suicide shall be subject to the conditions as specified herein under:

In case of death due to suicide within 12 months from the date of commencement of policy, or from the date of revival of the policy, the nominee or beneficiary of the policyholder shall be entitled to the Unit Fund Value available on the date of intimation of death along with death certificate. The Corporation will not entertain any other claim under the policy and the policy shall terminate.

Any charges and tax levied thereon, other than Fund Management charges (FMC) and tax levied on FMC, recovered subsequent to the date of death shall be added back to the Unit Fund Value as available on the date of intimation of death.

24. FORFEITURE IN CERTAIN EVENTS:

In case it is found that any untrue or incorrect statement is contained in the proposal, personal statement, declaration and connected documents or any material information is withheld, then and in every such case the policy shall be void and all claims to any benefit in virtue of this policy shall be subject to the provisions of Section 45 of the Insurance Act, 1938, as amended from time to time.

25. 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 30 days from the date of receipt of the electronic or physical mode of policy document, whichever is earlier, stating the reasons of objections. On receipt of the same the Corporation shall cancel the policy and the amount to be refunded shall be as under:

Unit Fund Value as on the date of receipt of request:

Plus Unallocated Premium (equal to Allocation Charge multiplied by Premium received)

Plus Proportionate Mortality and Accident Benefit charge, if any, for the balance period from the date of opting for Free-Look to the end of the policy month for which the respective charges have been deducted

Plus Tax Charges deducted thereon

Less Actual cost of medical examination and special reports, if any,

Less Stamp duty@ Rs.0.20 per thousand Basic Sum Assured, Top up Sum Assured and Accident Benefit Sum Assured, if any.

In case the policy is returned during the Free Look period, Commission shall be recovered from the concerned Agent and the Development Officer's credit allowed shall be withdrawn.

26. BACK DATING:

Back dating of policy will not be allowed.

27. POLICY STAMPING:

Policy Stamping will be at the rate of Rs.0.20 per thousand Basic Sum Assured, Top-up Sum Assured, if any, and Accident Benefit Sum Assured, if LIC's Linked Accidental Death Benefit Rider, is opted for.

In case policyholder opts for increase in Basic Sum Assured, the policy stamping shall also be applicable for increased Basic Sum Assured.

Any updates in this regard shall be issued by Legal Department, Central Office.

28. ASSIGNMENTS / NOMINATION:

a) **Assignments:** Assignment is allowed under this plan as per Section 38 of the Insurance Act, 1938 as amended from time to time. The notice of assignment should be submitted for registration to the office of the Corporation, where the policy is serviced.

b) **Nominations:** Nomination by the holder of a policy of life assurance is required as per Section 39 of the Insurance Act, 1938, as amended from time to time. The notice of nomination or change of nomination should be submitted for registration to any Branch

Office/Satellite Office of the Corporation. In registering nomination the Corporation does not accept any responsibility or express any opinion as to its validity or legal effect.

29. NORMAL REQUIREMENTS FOR CLAIM:

- a) **Death Claim:** The normal documents which the claimant shall submit while lodging the claim in case of death of the Life Assured shall be claim forms, as prescribed by the Corporation, accompanied with original policy document, NEFT mandate from the claimant for direct credit of the claim amount to the bank account, proof of title, proof of death, medical treatment prior to the death (if any), school/ college/ employer's certificate, whichever is applicable, to the satisfaction of the Corporation. If the age is not admitted under the policy, the proof of age of the Life Assured shall also be submitted.

In case of unnatural death or death on account of or arising from an accident, the Corporation may call for the copies of First Information Report (FIR), Panchnama, Post mortem report or any additional documents as may be required.

Policyholder or the Life Assured or the claimant, as applicable, is required to intimate the Corporation, about the happening of the insured event resulting into a claim under the insurance policy, at the earliest possible time.

- b) **On termination of policy other than Death Claim:** In case of termination of a policy for any reason other than Death Claim, the Life Assured shall submit the discharge form along with the original policy document, NEFT mandate from the claimant for direct credit of the claim amount to the bank account besides proof of age, if the age is not admitted earlier.

- c) **Claim under Rider:** In case of claim under Rider, the respective Rider circular shall be referred to.

In addition to above, any requirement mandated under any statutory provision or as may be required as per law or any instructions issued by Central Office CRM/Claims Department in this regard shall also be required to be submitted.

30. REINSURANCE:

For reinsurance purposes, the retention limits under this plan will be those applicable to 'Other than Term Assurance Plans' for the Sum at Risk. The Sum at risk shall be as specified in Para 6.II.above.

31. 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.

32. DISCLOSURES:

At the time of Sale, a customized Benefit Illustration shall be provided to the prospective policyholder. Such Benefit Illustration shall be signed by both the prospective policyholder and intermediary and shall form part of the policy document.

Suitability information to be collected, including recommendations to be made and such Need Analysis document, shall be a part of the policy document.

Separate instructions on the above shall be issued by Marketing Department, Central Office.

33. UNIT STATEMENT:

- a) The periodical statements of accounts have to be issued to policyholders each year disclosing the actual charges levied and the fund value at the beginning and end of the year as follows:
- i) Unit statement account shall form a part of the policy document
 - ii) Unit statement account shall make a reference to the terms and conditions applicable under the respective policy document.
 - iii) Unit statement account shall be issued on every policy anniversary and also as and when a transaction takes place.
- b) Daily disclosure / reconciliation of Product and Fund information shall be required as follows:
- i) The premium received (net of charges and benefits paid) under each product (Unique Identification Number – UIN) has to be reconciled through the system, with value of all the segregated fund(s) (Segregated Fund Identification Number – SFIN) net of fund management charges, held under a single UIN, on a day to day basis, as per Form D01 (Daily reconciliation of ULIP portfolio).
 - ii) Through a portal, policyholder should be enabled to know, through a secured login, the value of policy wise units held by him, as per FORM D02 (Statement of Product Value).

Instructions in this regard to be issued by CRM/PS Department, Central Office.

34. PROPOSAL FORM:

The Proposal Form as issued by NB&R department shall be used under this Plan.

35. POLICY DOCUMENT, CUSTOMER INFORMATION SHEET AND SALES BROCHURE:


The specimen Policy document, Customer Information Sheet and Sales Brochure will be sent by the Corporate Communications Department, Central Office.

This Circular has to read in conjunction with the Policy Document and Sale Brochure.

36. ADDRESS OF OMBUDSMAN:

At the stage of issuance of policy, the address and contact details of the nearest Insurance Ombudsman is to be mentioned in the Policy Document. In case of any change in address by policyholder, the address and contact details of the nearest Insurance Ombudsman from the transferring in branch has to be informed to the policyholder along with confirmation of change in address.

Further instructions in this regard to be issued by CRM/Claims Department, Central office.

 Digitally signed by
AJAY KUMAR
SRIVASTAVA
Date: 2025.12.02
13:01:26 +05'30'

EXECUTIVE DIRECTOR (Actuarial)

Enclosures – **Annexure I**

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