LIFE INSURANCE CORPORATION OF INDIA
CENTRAL OFFICE

Dept.: Actuarial

"Yogakshema"
Jeevan Bima Marg
Mumbai – 400 021

Ref: CO/PD/309

Date: 7th August, 2026

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

Re: INTRODUCTION OF LIC's NEW BIMA JYOTI (Plan No.890)

1. INTRODUCTION:

It has been decided to introduce LIC's New Bima Jyoti (Plan No. 890), with effect from 10th August**, 2026.**

The Unique Identification Number (UIN) for LIC's New Bima Jyoti Plan is 512N395V01. This number has to be quoted in all relevant documents furnished to the Policyholders and other users (public, distribution channels etc.).

LIC's New Bima Jyoti is a Non-Par, Non-Linked, Life, Individual, Savings Plan. This is a Limited Premium Payment Endowment Assurance plan with Guaranteed Additions. Under an in-force policy, Guaranteed Additions as a percentage of Total Annualized Premium in respect of premiums paid (as specified in **Para 4** below) shall accrue annually at the end of each policy year, throughout the policy term. The Premium Payment Terms under the product shall be Policy term *less* 5 years.

This plan can be purchased Offline through Agents, Corporate Agents, Brokers, Insurance Marketing Firms (IMF), Common Public Service Centres – Special Purpose Vehicle (CPSC-SPV), Point of Sales Persons – Life Insurance (POSP-LI) as well as Online directly through website www.licindia.in.

The eligibility conditions and other terms and conditions for purchase of plan through POSP-LI/Common Public Service Centre (CPSC-SPV) have been detailed separately in **Para 7** below.

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

2. ELIGIBILITY CONDITIONS AND RESTRICTIONS FOR BASE PLAN IF PROCURED THROUGH INTERMEDIARIES OTHER THAN POSP-LI/CPSC-SPV:

a) Minimum Age at entry for Life Assured : 30 days (completed)
b) Maximum Age at entry for Life Assured : 60 years (nearer birthday)
c) Minimum Age at Maturity for Life Assured : 18 years (completed)
d) Maximum Age at Maturity for Life Assured : 75 years (nearer birthday)
e) Policy Term : 15 to 20 years
f) Premium Payment Term (PPT) : (Policy term ***less*** 5) years

g) Minimum Basic Sum Assured : Rs. 1,25,000/-
h) Maximum Basic Sum Assured : No Limit. The maximum Basic Sum Assured allowed to each individual will be subject to underwriting decision as per the Board Approved Underwriting Policy.

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

Basic Sum Assured Range	Sum Assured multiple
From Rs. 1,25,000/- to Rs. 2,75,000/-	Rs. 5,000/-
Above Rs. 2,75,000/-	Rs. 25,000/-

Age at entry of the Life Assured is to be taken as the age nearer birthday (nbd) except for age 0 year for which it has to be 30 days completed. The period between Date of Birth and Date of Issuance of policy should not be less than 30 days.

Date of Commencement of Risk: In case, the age at entry of the Life Assured is less than 8 years, the risk under this plan will commence either 2 years from the date of commencement or from the policy anniversary coinciding with or immediately following the attainment of 8 years of age, whichever is earlier. For those aged 8 years or more, risk will commence immediately.

Date of issuance of policy is a date when a proposal after underwriting is accepted as a policy and the contract gets effected.

Date of Vesting under the plan (Applicable only if the Life Assured is below 18 years on the date of commencement of policy): If the Life Assured is alive on the vesting date and if a request in writing for surrendering the policy has not been received by Corporation before such vesting date from the person entitled to the policy moneys, this policy shall automatically vest in the Life Assured on such vesting date i.e. on the policy anniversary coinciding with or immediately following the completion of 18 years of age and shall on such vesting be deemed to be a contract between the Corporation and Life Assured. The Life Assured shall become the absolute owner of the policy and proposer or his estate shall cease to have any right or interest therein.

3. BENEFITS UNDER THE BASE PLAN:

The benefits payable under an in-force policy (where all due premiums have been paid) are as under:

a) Maturity Benefit:

On the life assured surviving to the end of the policy term, provided all due premiums have been paid, "Sum Assured on Maturity" along with accrued Guaranteed Additions for in-force policy (as specified in Para 4), shall be payable; where "Sum Assured on Maturity" is equal to the Basic Sum Assured.

b) Death Benefit:

Death benefit payable on death of the life assured during the policy term after the date of commencement of risk but before the date of maturity, provided all due premiums have been paid, shall be "**Sum Assured on Death**" alongwith accrued Guaranteed Additions for in-force policy (as specified in Para 4); where, "**Sum Assured on Death**" is defined as higher of 125% of Basic Sum Assured or 7 times of Annualized Premium.

This Death Benefit shall not be less than 105% of the "Total Premiums Paid" upto the date of death.

Where,

i. "Annualized Premium" shall be the premium amount payable in a year, excluding the taxes, rider premiums, underwriting extra premiums and loadings for modal premiums.

ii. "Total Premiums Paid" means total of all the premiums paid under the base product, excluding any extra premium, and taxes, if collected explicitly. In case LIC's Premium Waiver Benefit Rider is opted for, in the event of death of Proposer, any subsequent Premiums which are waived shall be deemed to have been received and be included in the Total Premiums Paid.

However, in case of minor Life Assured, whose age at entry is below 8 years, on death before the commencement of Risk (as specified in Para 2 above), the Death Benefit payable shall be return of Total Premiums paid (excluding taxes, underwriting extra premium and rider premiums, if any), without interest.

4. Guaranteed Additions for In-force Policy:

Under an in-force policy (where all the due premiums have been paid), the Guaranteed Additions during the policy term shall accrue at the end of each policy year.

The Rate of Guaranteed Additions for an in-force policy shall be 6% of Total Annualized Premiums in respect of Premiums Paid.

In case, any policy is eligible for any incentive(s) in terms of increase in Rate of Guaranteed Additions as specified in Para 11 (viz. Incentive for High Basic Sum Assured and/or CIS /Online Sale), the above mentioned Rate of Guaranteed Additions shall be enhanced by the respective incentive(s) to arrive at the applicable rate of Guaranteed Additions under the policy. Such incentive are additive in nature hence if a policy is eligible for more than one incentives, all such incentives will be added to above mentioned Rate of Guaranteed Additions.

The Guaranteed Additions applicable for an in-force policy in a policy year shall be equal to applicable Rate of Guaranteed Additions for an in-force policy (as specified above) *multiplied* by Total Annualized Premiums in respect of Premiums Paid.

On death of Life Assured during the Policy Term under an in-force policy, the Guaranteed Additions in the year of death shall be payable for full policy year.

In case of fully paid-up policy, Guaranteed Additions shall continue to accrue at the end of each policy year and the same shall be as applicable for an in-force policy.

5. OPTIONAL RIDER BENEFITS:

The following five optional riders are available under this plan by payment of additional premium subject to the eligibility. However, the eligible policyholder can opt between **either of** LIC's Accidental Death and Disability Benefit Rider **or** LIC's Accident Benefit Rider and/or the remaining three riders subject to the eligibility as detailed below:

i) <u>LIC's Accidental Death and Disability Benefit Rider (UIN: 512B209V02)</u>:

LIC's Accidental Death and Disability Benefit Rider is available as an optional Rider by payment of additional premium. Under an in-force policy, this Rider can be opted for at any time within the Premium Paying Term of the Base Policy provided the outstanding Premium Paying Term of the Base Plan as well as the Rider is atleast 5 years. The benefit cover under this Rider shall be available upto the policy anniversary on which age nearer birthday of Life Assured is 70 years or till the end of Policy Term, whichever is earlier.

If this rider is opted for, an amount equal to the Accident Benefit Sum Assured is payable on death due to accident within 180 days from the date of accident, provided the Rider is in-force at the time of accident. In case of accidental permanent disability (within 180 days from the date of accident), an amount equal to the Accident Benefit Sum Assured will be paid in equal monthly instalments spread over 10 years and future premiums, if any, shall also be waived in respect of this Rider and the premium for Base Policy corresponding to Basic Sum Assured equal to Accident Benefit Sum Assured. The premiums for other Rider(s), if opted for and premium for Base Policy corresponding to the difference in the Basic Sum Assured and Accident Benefit Sum Assured (if Basic Sum Assured exceeds the Accident Benefit Sum Assured) shall continue to be paid. If the policy becomes a claim by way of death or maturity before the expiry of the said period of 10 years, the disability benefit instalments which have not fallen due will be paid along with the claim amount.

The premium for this Rider will not be required to be paid after all premiums under the Base Plan have been paid or after the cover ceasing age in respect of this Rider, whichever is earlier.

LIC's Accidental Death and Disability Benefit Rider shall not acquire any paid-up value and the Rider benefit will cease to apply, if policy is in lapsed condition.

Beyond the specific details as mentioned in this Circular in respect of this Rider, any additional details like refund to be made in respect of this rider on surrender of Base Policy, requirements of claim, definition of disability etc., may be referred from the Rider Circular Ref: CO/PD/226 dated 30th September, 2024.

<u>Eligibility conditions and restrictions</u>:

a) Minimum Entry Age	**:** 18 years (completed)
b) Maximum Entry Age	**:** The cover can be opted for at inception or at any policy anniversary thereafter, provided the outstanding Premium Paying Term under the Base Policy as well as Rider is at least 5 years. In any case the maximum age at entry shall not exceed 65 years (nearer birthday).
c) Rider Term	**:** Outstanding Policy Term of the Base Plan or (70 *minus* age at entry), whichever is lower
d) Maximum Cover ceasing Age	**:** 70 years (nearer birthday)
e) Minimum Accident Benefit Sum Assured	**:** Rs. 10,000/-

f) Maximum Accident Benefit Sum Assured **:** An amount equal to the Basic Sum Assured under the Base Policy subject to the maximum of Rs.100 lakhs overall limit taking all existing policies (excluding additional limit of Rs.100 lakhs under policies taken under LIC's Jeevan Shiromani) of the Life Assured under individual as well as group policies including policies with inbuilt accident benefit taken with Life Insurance Corporation of India and the Accident Benefit Sum Assured under the new proposal into consideration.

Even considering the additional Accident Benefit Sum Assured limit of Rs. 100 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.

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

ii) <u>LIC's Accident Benefit Rider (UIN: 512B203V03)</u>:

LIC's Accident Benefit Rider is available as an optional Rider by payment of additional premium.

Under an in-force policy, this Rider can be opted for at any time within the Premium Paying Term of the Base Policy provided the outstanding Premium Paying Term of the Base Plan as well the rider is atleast 5 years. The benefit cover under this Rider shall be available only during the Premium Paying Term of the Base Policy. Thereafter, the cover shall cease.

If this rider 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 the Accident Benefit Sum Assured is payable. However, the policy shall have to be in-force at the time of accident irrespective of whether or not it is in-force at the time of death.

LIC's Accident Benefit Rider shall not acquire any paid-up value and the Rider benefit will cease to apply, if policy is in lapsed condition.

Beyond the specific details as mentioned in this Circular in respect of this Rider, any additional details like requirements of claim etc., may be referred from the Rider Circular Ref: CO/PD/224 dated 30th September, 2024.

<u>Eligibility conditions and restrictions</u>:

a) Minimum Entry Age **:** 18 years (completed)

b) Maximum Entry Age **:** The cover can be opted for at inception or at any policy anniversary thereafter, provided the outstanding Premium Paying Term under the Base Policy as well as Rider is at least 5 years. In any case, the maximum age at entry shall not exceed 65 years (nearer birthday)

c) Rider Term **:** Outstanding Premium Paying Term of the Base Plan or (70 *minus* age at entry) whichever is lower

d) Maximum Cover ceasing age **:** 70 years (nearer birthday)

d) Minimum Accident Benefit Sum Assured **:** Rs. 20,000/-

e) Maximum Accident Benefit Sum Assured **:** An amount equal to the **three times** of Basic Sum Assured under the Base Policy subject to the maximum of Rs.100 lakhs overall limit taking all existing policies (excluding additional limit of Rs.100 lakhs under policies taken under LIC's Jeevan Shiromani) of the Life Assured under individual as well as group policies including policies with inbuilt accident benefit taken with Life Insurance Corporation of India and the Accident Benefit Sum Assured under the new proposal into consideration.

Even considering the additional Accident Benefit Sum Assured limit of Rs. 100 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.

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

Note: The overall limit of Accident Benefit Sum Assured shall be inclusive of Sum Assured under all the Accident Benefit Riders i.e. the LIC's Accidental Death and Disability Benefit Rider, LIC's Accident Benefit Rider, LIC's Group Accident Benefit Rider and LIC's Linked Accidental Death Benefit Rider.

iii) LIC's New Term Assurance Rider (UIN 512B210V02):

LIC's New Term Assurance Rider is available as an optional Rider at the inception of the policy by payment of additional premium. The additional premium for this Rider will need to be paid along with the premium of the Base Policy and any other Rider(s), if opted for, during the Premium Paying Term of the policy. The benefit cover under this Rider shall be available during the Policy Term.

If this rider is opted for, an amount equal to 'Term Rider Sum Assured on Death' shall be payable on death of the Life Assured during the Rider Term, provided the Rider cover is inforce.

LIC's New Term Assurance Rider shall not acquire any paid-up value and the Rider benefit will cease to apply, if policy is in lapsed condition.

Beyond the specific details as mentioned in this Circular in respect of this Rider, any additional details like refund to be made in respect of this Rider on surrender of Base Plan etc. may be referred from the Rider Circular Ref: CO/PD/227 dated 30th September, 2024.

Eligibility conditions and restrictions:

a) Minimum Entry Age : 18 years (completed)
b) Maximum Entry Age : 60 years (nearer birthday)
c) Rider Term/PPT : Same as Base Plan
d) Minimum Term Assurance Rider Sum Assured: : Rs. 1,00,000/-
e) Maximum Term Assurance Rider Sum Assured : An amount equal to Basic Sum Assured under the Base Policy subject to the maximum of Rs.25 lakhs overall limit taking all Term Assurance Rider Sum Assured under all existing policies of the Life Assured including the new proposal into consideration.

The Term Assurance Rider Sum Assured shall be in the multiples of Rs. 5,000/- only.

f) Modal Loading: To arrive at the Rider Premium for different modes of premium payments, the Tabular Rider premium shall be multiplied by 0.98 to arrive at the Annualized Rider Premium and then further multiplied by the Premium Conversion Factor as applicable under the Base Plan for the chosen mode of premium payment.

iv) LIC's Premium Waiver Benefit Rider (UIN: 512B204V04)

LIC's Premium Waiver Benefit Rider shall be allowed under a proposal / policy wherein the Life Assured is minor (i.e. upto age 17 years (nearer birthday)) at the time of opting this Rider.

This Rider is allowed on the life of eligible Proposer on payment of additional premium. This Rider can be opted for at any time during the Premium Paying Term of the Base policy (i.e. on the Policy Anniversary coinciding with or the next Policy Anniversary following the date of acceptance of application) provided the outstanding Premium Paying Term of the Base policy and the Rider is at least 5 years. However, in any case the Rider Term shall be outstanding Premium Paying Term of Base Policy as on date of opting this Rider or (25 minus age of the minor Life Assured at the time of the opting the Rider), whichever is lower.

On death of Proposer of Base Policy:

If this Rider is opted for, on death of Proposer of the Base Policy (on whose life this Rider has been opted for) during the Rider Term, premiums payable in respect of Base Policy, falling due on and after the date of death till the expiry of Rider Term, shall be waived.

If any other Rider(s) are also attached with the Base Policy, the premiums in respect of such Rider(s) shall not be waived and hence shall continue to be paid as per respective Rider conditions.

Further, if Premium Paying Term of the Base Policy exceeds the Rider Term, all the premiums due under the Base Policy from the date of expiry of this Premium Waiver Benefit Rider shall be payable by the Life Assured as per the terms and conditions of the Base Policy.

The additional premium charged in respect of PWB Rider shall not be taken into account in arriving at the amount to be refunded in calculating the surrender value of the policy.

The medical report and special reports, if required, at proposal stage or on revival, shall be at the proposer's own expense from the Corporation's appointed Medical Examiner.

LIC's Premium Waiver Benefit Rider shall not acquire any paid-up value and the Rider benefit will cease to apply, if policy is in lapsed condition.

Beyond the specific details as mentioned in this Circular in respect of this Rider, additional details like refund during free look period, policy stamping etc., may be referred from the Rider Circular Ref: CO/PD/225 dated 30th September, 2024.

<u>Eligibility conditions and restrictions</u>:

a) Minimum Entry Age **:** 18 years (completed)

b) Maximum Entry Age **:** 55 years (Nearer Birthday)

c) Rider Term **:** Outstanding Premium Paying Term of the Base Policy as on the date of opting this Rider or (25 *minus* age of minor as on the date of opting this Rider), whichever is lower, subject to the minimum outstanding Rider term of 5 years. The date of opting i.e. Date of Commencement of this Rider shall be
- Date of Commencement of Base Policy, if Rider is opted for at inception; or
- Policy anniversary coinciding with or next policy anniversary, following the date of acceptance of application, if Rider is opted for at the later stage as an alteration

d) Maximum cover ceasing age **:** 70 years (Nearer Birthday)
(i.e. if the age of the Proposer plus Rider term exceeds 70 years then the Rider shall not be allowed)

e) Modal Loading**:** To arrive at the Rider Premium for different modes of premium payments, the Tabular Rider premium shall be multiplied by 0.98 to arrive at the Annualized Rider Premium and then further multiplied by the Premium Conversion Factor as applicable under the Base Plan for the chosen mode of premium payment.

Age at entry for the proposer is to be taken as age nearer birthday except for the minimum age at entry i.e. 18 years.

v) <u>LIC's Critical Illness Health Rider (UIN: 512B227V01)</u>

LIC's Critical Illness Health Rider is available at the inception of the policy on payment of additional premium. The additional premium for this Rider will need to be paid along with the premium of the Base Plan and any other Rider(s), if opted for, during the Premium Paying Term of the policy. The cover under this Rider shall be available during the Rider Term.

The Policyholder can choose any one out of the two options available under the rider at the inception only. The options are as under:

Option 1:15 Major Critical Illnesses
Option 2: 40 Major Critical Illnesses inclusive of Assisted Living Benefit (ALB).

If this rider is opted for, on diagnosis of any one of the specified critical illnesses covered under this rider (as per the option chosen), subject to Conditions and restrictions, the Critical Illness Sum Assured shall be payable. However, under Option 2, if diagnosed for any of the specified 7 Critical Illnesses, an additional benefit (ALB) of monthly payouts of 1% of Critical Illness Sum Assured shall be payable on each policy month following the payment of lump sum, for a fixed period of next 36 months irrespective of the survival of the Life Assured and even if this period of 36 months goes beyond the policy term. In case of death of the Life Assured while receiving ALB, the remaining instalments, if any, will be paid to his/her nominee / beneficiary as a lump sum.

LIC's Critical Illness Health Rider shall not acquire any paid-up value and the Rider benefit will cease to apply, if policy is in lapsed condition.

Beyond the specific details as mentioned in this Circular in respect of this Rider, conditions and restrictions, waiting period, survival period, exclusions, additional details like refund to be made in respect of this Rider on surrender of Base Plan etc., may be referred from the Rider Circular Ref: CO/PD/286 dated 3rd July, 2025.

Eligibility conditions and restrictions:

a) Minimum Entry Age : 18 years (completed)
b) Maximum Entry Age : Same as Base Policy.
c) Rider Term/PPT : Same as Base Policy.
d) Minimum Critical Illness Sum Assured : Rs. 1,00,000/-
e) Maximum Critical Illness Sum Assured : An amount equal to Basic Sum Assured under the Base Policy subject to the maximum of Rs.1 Crore overall limit taking all existing policies of the Life Assured under LIC's New Critical Illness benefit Rider (UIN: 512A212V01 and 512A212V02) and LIC's Critical Illness Health Rider (UIN: 512B227V01) including the Critical Illness Sum Assured under the new proposal into consideration.

Age at entry for the Policyholder is to be taken as age nearer birthday except for Minimum age at Entry which shall be 18 years completed.

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

Note:

- **The premium under LIC's Critical Illness Health Rider shall not exceed 100% of the premium under the Base Product. The premium under all the life insurance riders put together shall not exceed 30% of premium under the base product.**
- **The Rider Sum Assured in respect of LIC's Accident Benefit Rider shall not exceed three times of Basic Sum Assured under the Base product and any benefit arising under each of all other riders (LIC's Accidental Death and Disability Benefit Rider, LIC's New Term Assurance Rider, LIC's Premium Waiver Benefit Rider, LIC's Critical illness Benefit Rider) shall not exceed the Basic Sum Assured under Base Policy.**
- **No rider shall be available in case of the policies procured through POSP-LI/CPSC-SPV.**

6. OPTIONS AVAILABLE UNDER THE BASE PLAN:

i) <u>Settlement Option (for Maturity Benefit)</u>:

Settlement Option is an option to receive Maturity Benefit in instalments over the chosen period of 5 or 10 or 15 years instead of lump sum amount under an in-force as well as Paid-up policy. This option can be exercised by the Policyholder during minority of the Life Assured or by the Life Assured aged 18 years and above, for full or part of the Maturity proceeds payable under the policy. The amount opted by the Policyholder/Life Assured (i.e. Net Claim Amount) can be either in absolute value or as a percentage of the total claim proceeds payable.

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

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

If the Net Claim Amount is less than the required amount to provide the minimum instalment amount as per the option exercised by the Policyholder/Life Assured, the claim proceeds shall be paid in lumpsum only.

The interest rates applicable for arriving at the instalment payments under this option shall be as fixed by the Corporation from time to time.

<u>For exercising the Settlement Option against Maturity Benefit</u>, the Life Assured shall be required to exercise option for payment of Net Claim Amount in instalments at least 3 months before the due date of maturity claim.

The first payment will be made on the date of maturity and thereafter, based on the mode of instalment payment opted for by the policyholder, every month or three months or six months or annually from the date of maturity, as the case may be.

After the commencement of Instalment payments under Settlement Option:

- If a Life Assured, who has exercised Settlement Option against Maturity Benefit, desires to withdraw this option and commute the outstanding instalments the same shall be allowed on receipt of written request from the Life Assured. In such case, the lumpsum amount, which is higher of the following shall be paid and the policy shall terminate.
  - discounted value of all the future instalments due; or
  - (the original amount for which settlement option was exercised) **less** (sum of total instalments already paid);
- The interest rates applicable for discounting the future instalment payments shall be as fixed by the Corporation from time to time.
- After the Date of Maturity, in case of death of the Life Assured, who has exercised Settlement Option, the outstanding instalments will continue to be paid to the nominee as per the option exercised by the Life Assured and no alteration whatsoever shall be allowed to be made by the nominee.

Any further instructions including applicable interest rates would be issued by Actuarial Department, Central Office.

ii) **Option to take Death Benefit in Instalments:**

This is an option to receive Death Benefit in instalments over the chosen period of 5 or 10 or 15 years instead of lump sum amount under an in-force as well as paid-up policy. This option can be exercised by the Policyholder during the minority of the Life Assured or by the Life Assured aged 18 years and above, during his/her lifetime; for full or part of the Death benefits payable under the policy. The amount opted by the Policyholder/Life Assured (i.e. Net Claim Amount) can be either in absolute value or as a percentage of the total claim proceeds payable.

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

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

If the Net Claim Amount is less than the required amount to provide the minimum instalment amount as per the option exercised by the Policyholder/Life Assured, the claim proceeds shall be paid in lump sum only.

The interest rates applicable for arriving at the instalment payments under this option shall be as fixed by the Corporation from time to time.

For exercising option to take Death Benefit in instalments, the Policyholder during the minority of the Life Assured or the Life Assured, if major, can exercise this option during his/her lifetime while in currency of the policy, specifying the period of Instalment payment and Net Claim Amount for which the option is to be exercised. The death claim amount shall then be paid to the nominee as per the option exercised by the Policyholder/Life Assured and no alteration whatsoever shall be allowed to be made by the nominee.

Any further instructions including applicable interest rates shall be issued by Actuarial Department, Central Office.

7. ELIGIBILITY AND OTHER CONDITIONS FOR PLAN PURCHASED THROUGH POSP-LI/CPSC-SPV:

This plan can be purchased through POSP-LI and CPSC-SPV. However in such case the eligibility conditions and other terms and conditions shall be as per the applicable Guidelines, Regulations, Circulars etc. issued by IRDAI applicable to POSP plans and POSP-LI/CPSC-SPV.

Currently, the parameters/eligibility and other conditions applicable to this plan if purchased through POSP-LI and CPSC-SPV are as follows:

a) **Minimum Basic Sum Assured:** Rs. 1,25,000

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

Basic Sum Assured Range	Sum Assured multiple
From Rs. 1,25,000/- to Rs. 2,75,000/-	Rs. 5,000/-
Above Rs. 2,75,000/-	Rs. 25,000/-

b) **Maximum Limit on Sum Assured on Death:** The maximum allowable Sum Assured on Death to each individual will be decided as per the non-medical limits under this plan in accordance with the Underwriting policy of the Corporation in respect of this plan.

LIC's New Bima Jyoti (Plan No. 890) falls under the category of Non Linked, Non-Participating, Endowment category of POS-Life products if the same is purchased through POSP-LI or CPSC-SPV. The maximum allowable Sum Assured on Death to each individual in respect of all policies under all plans in this category of Non-Linked, Non-Participating, Endowment products, if purchased through POSP-LI and CPSC-SPV channel (both inclusive) shall be Rs. 25 lakhs. The plans introduced in above category, as of now are as under:

S.No.	Plan Name (Plan Number)
1.	LIC's Bima Jyoti (Plan No. 760)
2.	LIC's Bima Ratna (Plan No. 764)
3.	LIC's Jeevan Azad (Plan No. 768)
4.	LIC's Amritbaal (Plan No. 774)
5.	LIC's Bima Jyoti (Plan No. 860)
6.	LIC's Dhan Rekha (Plan No. 863)
7.	LIC's Bima Ratna (Plan No. 864)
8.	LIC's Dhan Sanchay (Plan No. 865)
9.	LIC's Dhan Varsha (Plan No. 866)
10.	LIC's Jeevan Azad (Plan No. 868)
11.	LIC's Dhan Vriddhi (Plan No. 869)
12.	LIC's Amritbaal (Plan No. 874)
13.	LIC's Jan Suraksha (Plan No. 880)
14.	LIC's New Bima Jyoti (Plan No. 890)
15.	LIC's Nav Jeevan Shree – Single Premium (Plan No. 911)
16.	LIC's Nav Jeevan Shree (Plan No. 912)

As and when new plans or the modified version of these plans falling in the above category are introduced, the total limit of Sum Assured on Death of Rs. 25 Lakhs per life shall include such plans also.

Detailed instructions in this regard will be issued by NB&R Department, Central Office.

c) **Minimum Age at entry:** 30 days (completed)

d) **Maximum Age at entry:** 65 years (nbd) *minus* Policy Term

e) **Minimum Maturity Age:** 18 years (completed)

f) **Maximum Maturity Age:** 65 years (nearer birthday)

g) **Minimum Policy Term:** 15 years

h) **Maximum Policy Term:** 20 years

i) **Premium Payment Term:** (Policy Term *minus* 5) years

j) **Waiting Period:**
In case the Plan is purchased through POSP-LI or CPSC-SPV, on death of the Life Assured within the first 90 days from the date of commencement of risk, the Corporation shall refund

the total premiums paid, provided the policy is in force and death is not on account of an accident. However, in case of death due to accident during waiting period Death Benefit as specified under Para 3.b). shall be payable. This clause shall not be applicable in case age at entry of the Life Assured is below 8 years.

k) Riders:
No Rider shall be available in case the policy is purchased through POSP-LI/ CPSC-SPV.

l) Key Features Document (KFD)-cum-Proposal Form:
Key Features Document (KFD)-cum-Proposal Forms to be used in case of sale through POSP-LI and CPSC-SPV shall be as issued by NB&R department.

Detailed administrative instructions in respect of POSP-LI and CPSC-SPV shall be issued by Marketing Department and MBAC Department, Central Office respectively.

8. MODE OF PREMIUM PAYMENT:

The mode of premium payment allowed are yearly, half-yearly, quarterly and monthly (through e-NACH/NACH only) or through salary deductions (SSS). However, the allowable mode of premium payment under this plan shall depend on the Basic Sum Assured opted for as detailed below:

Basic Sum Assured opted for	Allowable mode of Premium payment
Less than Rs. 1,50,000	Yearly and half-yearly
Rs. 1,50,000 and above	Yearly, half-yearly, quarterly and monthly (through e-NACH/NACH only) or through salary deductions

In case of Monthly premiums through e-NACH/NACH, 3 Months premiums shall be collected in advance. In case e-NACH/NACH is not validated within 3 months from the date of Commencement of policy, the mode of premium payment shall be automatically converted into Quarterly mode of premium payment.

This provision shall continue to be followed till further instructions with regard to e-NACH/ NACH are issued separately.

9. PREMIUM RATES:

The Tabular Annual Premium rates as well as Class – I extra premium rates in respect of Base Plan and tabular premium rates as well as Class – I extra premium rates in respect of available Riders are enclosed and tabulated below:

Annexure	Particulars
Annexure 1	Tabular Annual Premium rates per Rs. 1000/- Basic Sum Assured for **Base Plan**
Annexure 2	Class-I Extra premium rates per Rs. 1000/- Basic Sum Assured for **Base Plan**
Annexure 3	Tabular Annual Premium rates per Rs. 1000/- Accident Benefit Sum Assured for **LIC's Accidental Death and Disability Benefit Rider** for Category I & II lives. There are two categories for Accident Benefit premium rates. Category-I rates are applicable to all the life assured except those falling under category-II. Category-II rates are applicable to Life Assureds engaged in police duty in any police organization other than paramilitary forces and opt for this cover while engaged in police duty.
Annexure 4	Tabular Annual Premium rates per Rs. 1000/- Term Assurance Rider Sum Assured for **LIC's New Term Assurance Rider**
Annexure 5	Class-I Extra premium rates per Rs. 1000/- Term Assurance Rider Sum Assured

	for **LIC's New Term Assurance Rider**
Annexure 6	Tabular Annual Premium rates per Rs. 100/- Base Plan Premium for **LIC's Premium Waiver Benefit Rider**
Annexure 7	Class- I Extra premium rates per Rs. 100/- Base Plan Premium for **LIC's Premium Waiver Benefit Rider**
Annexure 8	Tabular Annual Premium rates per Rs. 1000/- Critical Illness Sum Assured for **LIC's Critical Illness Health Rider**
Annexure 9	Class- I Extra premium rates per Rs. 1000/- Critical Illness Sum Assured for **LIC's Critical Illness Health Rider**

The premium rate for **LIC's Accident Benefit Rider** is as under;

i. Rs. 0.50 per thousand Accident Benefit Sum Assured irrespective of age.
ii. Rs. 1.00 per thousand Accident Benefit Sum Assured, if the Life Assured is engaged in police duty in any police organization other than paramilitary forces and opts for this cover while engaged in police duty.

The above premium rates are exclusive of taxes.

10. GRACE PERIOD 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 mode of premium payment from the date of First Unpaid Premium. If premium is not paid before the expiry of the days of grace, the Policy lapses.

The above grace period will also apply to Rider premium(s), if opted, as the Rider premiums are to be paid along with the premium of the Base Plan.

If the death of the Life Assured occurs within the grace period but before the payment of premium then due, the policy will be treated as in-force and the benefits will be paid after deduction of the said unpaid premium and also the balance premium(s) falling due before the next policy anniversary.

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

In case of death due to suicide, provision of Para 21 shall be applicable.

11. INCENTIVE/REBATES:

The incentive / rebates applicable under the plan are as under:

a) **<u>Incentive for High Basic Sum Assured:</u>** The incentive for higher Basic Sum Assured (B.S.A.) shall be allowed in form of increase in Rate of Guaranteed Additions. The incentive in terms of Guaranteed Additions as a percentage of Total Annualized Premium in respect of premiums paid shall be as under:

Incentive for High Basic Sum Assured Rate of Guaranteed Addition (as a % of Total Annualized Premium in respect of premiums paid)				
PPT (years)	Basic Sum Assured (Rs.)			
	1,25,000 to less than 3,00,000	3,00,000 to less than 5,00,000	5,00,000 to less than 10,00,000	10,00,000 and above
10 to 14	Nil	0.50%	0.85%	1.00%
15	Nil	0.75%	1.10%	1.25%

b) Incentive / Rebate under Online Sale:

Incentive for Base Plan:

Proposal to be completed under online sales without any assistance of Agent / intermediary shall be eligible for incentive under Base Plan. The Incentive shall be in the form of increase in Rate of Guaranteed Additions. The incentive in terms of Guaranteed Additions as a percentage of Total Annualized Premium in respect of premiums paid shall be as under:

Premium Paying Term (PPT) (years)	Incentive under online Sale Rate of Guaranteed Addition (as a % of Total Annualized Premium in respect of premiums paid)
10 to 14	1.25%
15	1.50%

Rebate for Rider(s):

Proposal to be completed under Online Sale without any assistance of Agent / Intermediary shall be eligible for rebate on tabular premium for Rider(s), if opted for, at the following rate:

Premium Paying Term (PPT) (years)	Rebate as % of Tabular Rider Premium
5 to 9	5.00%
10 to 14	7.50%
15	10.00%

c) INCENTIVE/REBATE UNDER CORPORATION'S INSURANCE SCHEME (CIS):

Incentive for Base Plan:

Proposals to be completed under Corporation's Insurance Scheme (CIS) with regard to 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 incentive under CIS for the Base plan provided policy is not taken through any intermediary such as Agent, Corporate Agent, Broker, Insurance Marketing Firms, POSP-LI and CPSC-SPV channel.

The Incentive shall be in the form of increase in Rate of Guaranteed Additions. The incentive in terms of Guaranteed Additions as a percentage of Total Annualized Premium in respect of premiums paid shall be as under:

Premium Paying Term (PPT) (years)	Incentive under online Sale Rate of Guaranteed Addition (as a % of Total Annualized Premium in respect of premiums paid)
10 to 14	1.25%
15	1.50%

Rebate for Rider(s):

Proposals to be completed under Corporation's Insurance Scheme (CIS) with regard to 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 rebate under CIS at the following rate on the tabular premium for Rider(s), if opted for, provided policy is not taken through any intermediary such as Agent, Corporate Agent, Broker, Insurance Marketing Firms, POSP-LI and CPSC-SPV channel.

Premium Paying Term (PPT) (years)	Rebate as % of Tabular Rider Premium
5 to 9	5.00%
10 to 14	7.50%
15	10.00%

Incentive / Rebate under CIS shall be allowed to policies purchased either offline or online. However, in such cases of online purchase, only incentive / rebate under CIS shall be allowed.

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

d) **Premium Conversion factors:**

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

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

For other than yearly mode of premium payment, the applicable instalment premium shall be arrived at by multiplying the applicable Premium Conversion factor with yearly premium derived.

Example for Term Assurance Rider premium calculation (Policy sold through Online/CIS channel) **For base policy detail as under:** **Age = 30 years, BSA = Rs. 5 Lakhs, Policy Term = 20 years, PPT = 15 years, Mode of premium payment = Half-yearly, Rider Sum Assured = Rs. 5 Lakhs**		
Instalment Premium for Base Plan =	Tabular Annual Premium rate * Basic Sum Assured / 1000 * Premium Conversion Factor for Half-Yearly 83.40 * (5,00,000 / 1000) * 0.5090 =	Rs. 21,225.30
Tabular premium rate for Term Assurance Rider =		3.13
Rebate for CIS or Online, applicable for Rider =	10% * Tabular Rider Premium =	0.313
Annualized Rider Premium rate =	0.98 * Tabular Rider Premium – Rebate for CIS or Online, if any =	2.7544
Premium conversion factor =	For Half-Yearly	0.5090
Instalment premium for Term Assurance Rider =	Annualized Rider Premium rate x (Rider Sum Assured / 1000) x (Premium Conversion Factor) =	Rs. 700.99
Total instalment premium =	Instalment Premium for Base Plan + Instalment premium for Term Assurance Rider =	Rs. 21,926.29
	(Rounded to)	Rs. 21,926

12. **COMMISSION / REMUNERATION PAYABLE TO AGENTS & OTHER INSURANCE INTERMEDIARIES AND CREDIT TO DEVELOPMENT OFFICERS:**

a) **Commission:**

i) **For Offline Sale:**

Commission payable (as a percentage of premiums net of taxes) to Agents, Corporate Agents, Brokers and Insurance Marketing Firms (IMF) during the Premium Payment Term (PPT) are as under:

PPT	1st Year	2nd to 6th Year	Thereafter
10 to 14 years	15%	7.50%	5%
15 years	20%	7.50%	5%

Bonus Commission: 40% of 1st year Commission

ii) **Commission payable to POSP-LI / CPSC-SPV channel:**
For the POSP-LI engaged directly by the Corporation and CPSC-SPV, same commission as mentioned in Para 12.a).i) above under Offline sale shall be payable. However, no Bonus Commission shall be payable.

iii) **Commission payable to POSP-LI engaged by Intermediaries:**
For the POSP-LI engaged by Intermediaries, no commission is payable to POSP-LI by the Corporation.

iv) **For Online Sale:**
Agents /Insurance Intermediary shall not be involved and hence no commission is payable.

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

Premium Paying Term	Credit
10 to 14 years	60%
15 years	100%

Instructions regarding claw back commission from Agents and other Insurance intermediaries shall be issued by Marketing Department, Central office.

13. **PAID-UP VALUE:**

If less than one full year's premium(s) has been paid in respect of the policy and any subsequent premium be not duly paid, all the benefits under the policy shall cease after the expiry of grace period from the date of First Unpaid Premium and nothing shall be payable.

If, after atleast one full year's premium(s) has been paid and any subsequent premiums be not duly paid, on completion of first policy year, the policy shall not be wholly void, but shall subsist as a paid-up policy till the end of the policy term.

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** multiplied by the ratio of the total period for which premiums have already been paid bears to the maximum period for which premiums were originally payable. The Death Benefit payable under a paid-up policy, on death of the Life Assured, shall be Death Paid-Up Sum Assured along with accrued Guaranteed Additions for Paid-up policy (as specified below). This Death benefit, shall not be less than 105% of total premiums paid upto the date of death

However, in case of minor life, wherein the policy becomes Paid-up before the date of commencement of risk, the Death Benefit payable under such policy shall be the Return of Total Premiums paid (excluding taxes, underwriting extra premiums and rider premium(s), if any) without interest.

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** multiplied by the ratio of the total period for which premiums have already been paid bears to the maximum period for which premiums were originally payable. The Maturity Benefit payable under the paid-up policy, on expiry of the policy term, shall be Maturity Paid-Up Sum Assured along with accrued Guaranteed Additions for Paid-up policy (as specified below).

Guaranteed Additions for Paid-up policy:

The Guaranteed Additions under a paid-up policy shall be the sum of the following:

a) For the period for which full years' premiums have been paid: The Guaranteed Additions accrued under the policy with the rate as applicable for an in-force policy, shall remain attached under the policy.

b) For the policy year for which the full years' premiums have not been paid (the year in which the policy becomes paid-up) and for subsequent policy years: The Guaranteed Additions shall be as under:

   (i) For the policy year for which the full years' premiums have not been paid, Guaranteed Additions shall accrue at the end of that policy year and shall be sum of proportionate Guaranteed Additions for in-force period, with the rate as applicable for an in-force policy and proportionate Guaranteed Additions for the period policy is paid-up, with the Rate of Guaranteed Additions applicable for paid-up policy (as mentioned below).

   (ii) For subsequent policy years during the policy term, the Guaranteed Additions shall accrue at the end of each completed policy year with the Rate of Guaranteed Additions applicable for paid-up policy (as mentioned below).

   The Rate of Guaranteed Additions applicable for paid-up policy shall be equal to applicable Rate of Guaranteed Additions for an in-force policy (as specified in Para 4) *multiplied by ratio* of total period for which premiums have already been paid *to* the maximum period for which premiums were originally payable.

   This rate of Guaranteed Additions applicable for paid-up policy shall remain same under a paid-up policy.

   The Guaranteed Additions applicable for a paid-up policy that shall accrue at the end of each policy year shall be equal to Rate of Guaranteed Additions applicable for a paid-up policy (as specified above) *multiplied* by Total Annualized Premiums in respect of Premiums Paid. This Guaranteed Additions shall remain same during the period the policy continues as a paid-up policy.

In case of Death under a paid-up policy, the applicable Guaranteed Additions for the policy year in which the policy resulted in Death claim will be added on proportionate basis in proportion to the completed months for the policy year in which policy resulted in death claim (i.e. the period upto the date of death). For example, if a paid-up policy resulted in death claim after five months and 17 days in a particular policy year, then applicable

Guaranteed Additions on proportionate basis for five months i.e. 5/12th of applicable Guaranteed Additions for that policy year shall be added.

Notwithstanding what is stated above, if atleast 3 full years' premiums have been paid in respect of this policy, and any subsequent premium be not duly paid, in the event of the death of the Life Assured within six months from the due date of First Unpaid Premium, "Sum Assured on Death" along with accrued Guaranteed Additions for in-force policy shall be paid after deduction of (a) unpaid premium(s) for the base policy with interest thereon upto the date of death on the same terms as for revival of the Policy during such period, and (b) the balance premium(s) for the base policy falling due from the date of death and before the next Policy anniversary. This provision shall not apply in case of death due to suicide.

Notwithstanding what is stated above, if at least 5 full years' premiums have been paid in respect of this policy, and any subsequent premium be not duly paid, in the event of death of the Life Assured within 12 months from the due date of the First Unpaid Premium, "Sum Assured on Death" along with accrued Guaranteed Additions for in-force policy shall be paid after deduction of (a) unpaid premium(s) for the base policy with interest thereon upto the date of death on the same terms as for revival of the Policy during such period, and (b) the balance premium(s) for the base policy falling due from the date of death and before the next Policy anniversary. This provision shall not apply in case of death due to suicide.

All the above mentioned Paid-up value provisions do not apply to Rider(s), as Rider(s) do not acquire any paid up value.

The Rider(s) benefit ceases to apply, if policy is in lapsed condition.

14. SURRENDER VALUE:

The policy can be surrendered by the policyholder after completion of first policy year provided one full year premium has been paid.

On surrender of an in-force or paid-up policy, the Corporation shall pay the Surrender Value higher of

a) Guaranteed Surrender Value (GSV) and surrender value of any accrued Guaranteed Additions; or
b) Special Surrender Value (SSV).

The Guaranteed Surrender Value, surrender value of any accrued Guaranteed Additions and Special Surrender Value shall be as under:

a) <u>Guaranteed Surrender value (GSV) and surrender value of any accrued Guaranteed Additions:</u>

The policy shall acquire a Guaranteed Surrender Value on payment of premium for atleast two consecutive years.

The Guaranteed Surrender Value shall be the total premiums paid *multiplied* by the GSV factor applicable to total premiums paid.

i.e. GSV = (GSV factor applicable to total premiums paid * total premiums paid.).

Premiums referred above shall not include any extra premium, any premium for rider(s), if opted for & taxes.

The Guaranteed Surrender Value factor applicable to total premiums paid are expressed as percentages and depend on the policy term and policy year in which the policy is surrendered and are enclosed as **Annexure 10**.

The Surrender Value of any accrued Guaranteed Additions shall be added to the Guaranteed Surrender Value.

The accrued Guaranteed Additions shall include the Guaranteed Additions for each of the completed policy year and the Guaranteed Additions on proportionate basis in proportion to the completed months for the Policy Year in which policy is surrendered. For example, if a policy is surrendered after five months and 17 days in a particular policy year, then Guaranteed Additions on proportionate basis for five months i.e. $5/12^{th}$ of Guaranteed Additions for that policy year shall be considered for accrued Guaranteed Additions. The applicable Guaranteed Additions shall be as specified in Para 4 and Para 13.

The surrender value of any accrued Guaranteed Additions shall be the accrued Guaranteed Additions *multiplied* by GSV factor applicable to the accrued Guaranteed Additions.

i.e. Surrender value of any accrued Guaranteed Additions = (GSV factor applicable to accrued Guaranteed Additions * accrued Guaranteed Additions)

The Guaranteed Surrender Value factors applicable to accrued Guaranteed Additions are expressed as percentages and shall depend on the policy term and policy year in which the policy will be surrendered and are enclosed as **Annexure – 11**.

b) <u>Special Surrender Value (SSV):</u>
The Special Surrender Value calculated as below shall become payable after completion of first policy year provided one full year premium has been received.

The Special Surrender Value payable shall be as under.

The Special Surrender Value will be the *sum* of [(Death Paid-Up Sum Assured plus accrued Guaranteed additions) *multiplied* by Factor 1] and (Future Annual applicable Guaranteed Additions *multiplied by* Factor 3) and [(Maturity Paid-Up Sum Assured plus accrued Guaranteed Additions plus sum of Guaranteed Additions for future period) multiplied by Factor 2].

i.e. Special Surrender Value = [(Death Paid-Up Sum Assured + accrued Guaranteed Additions) * Factor 1] + (Future Annual applicable Guaranteed Additions * Factor 3) + [(Maturity Paid-Up Sum Assured + accrued Guaranteed Additions + sum of Guaranteed Additions for future period) * Factor 2]

However, in case of minor life wherein the policy becomes Paid-up before the date of commencement of risk, the Special Surrender value shall be sum of (Total Premiums paid (excluding taxes, any underwriting extra premiums and rider premium(s), if any) *multiplied by* Factor 1) and [(Maturity Paid-Up Sum Assured plus accrued Guaranteed Additions plus sum of Guaranteed Additions for future period) *multiplied by* Factor 2].

For the calculation of SSV, the **accrued Guaranteed Additions** shall include the Guaranteed Additions for each of the completed policy year prior to the surrender and the Guaranteed Additions on proportionate basis in proportion to the duration elapsed during the policy year in which policy is surrendered. The applicable Guaranteed Additions shall be at the Guaranteed Additions rate as specified in Para 4 and Para 13.

Future Annual applicable Guaranteed Additions shall be the Guaranteed Additions for a policy year and shall be determined considering the policy is paid-up (irrespective of the status whether the policy is in-force or paid-up) and shall be equal to Rate of Guaranteed Additions applicable for a paid-up policy (as specified in Para 13 and is as mentioned below) *multiplied* by Total Annualized Premiums in respect of Premiums Paid.
Where,

The Rate of Guaranteed Additions applicable for paid-up policy shall be equal to applicable Rate of Guaranteed Additions for an in-force policy (as specified in Para 4) *multiplied by ratio* of total period for which premiums have already been paid *to* the maximum period for which premiums were originally payable.

The **sum of Guaranteed Additions for future period** shall include all the future Guaranteed Additions (from surrender) which would have been applicable had the policy continued till maturity, considering the policy continued as a paid-up policy (irrespective of the status whether the policy is in-force or paid-up). The Guaranteed Additions for each of future policy year shall be equal to Rate of Guaranteed Additions applicable for a paid-up policy (as specified in Para 13) *multiplied* by Total Annualized Premiums in respect of Premiums Paid.

The Death Paid-Up Sum Assured and Maturity Paid-Up Sum Assured shall be as specified in Para 12.

In case of fully paid-up policies, in determination of SSV as mentioned above:

- Death Paid-Up Sum Assured and Maturity Paid-Up Sum Assured shall be equal to Sum Assured on Death and Sum Assured on Maturity respectively.
- Future Annual applicable Guaranteed Additions shall be the Guaranteed Additions as applicable for in-force policy as specified in Para 4. Accordingly, the sum of Guaranteed Additions for each of future policy years shall be taken.

The Factor 1, Factor 2 and Factor 3 shall depend on the policy term and the duration elapsed since commencement of the policy and are enclosed as **Annexure - 12, Annexure - 13** and **Annexure - 14** respectively. These factors have been provided for half-year duration and the duration elapsed shall be taken to the nearest half-year. These factors shall be reviewed annually and instructions in this regard shall be issued by Actuarial Department, Central Office.

Further, if a policy is surrendered during the last policy year before the date of maturity, the surrender value payable shall be the discounted value of maturity claim.

Where the maturity claim shall be as under:

- In case of in-force policy: **Sum Assured on Maturity** along with accrued Guaranteed Additions (as specified in Para 4), corresponding to the full term of the policy.
- In case of paid-up policy: **Maturity Paid-up Sum Assured** along with accrued Guaranteed Additions (as specified in Para 13), corresponding to the full term of the policy.

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

Instructions regarding discounting of maturity claim along with applicable interest rate shall be issued by Actuarial Department, Central Office.

Riders will not acquire any surrender value. However, refund of additional rider premiums charged in respect of cover after Premium Paying Term shall be refunded in respect of LIC's Accidental Death and Disability Benefit Rider, LIC's New Term Assurance Rider and LIC's Critical Illness Health Rider and shall be as prescribed in their respective introductory circulars.

Example for SSV calculation:

Example for SSV calculation in different scenarios (Policy sold through Offline channel) For base policy detail as under: Age = 30 years, BSA = Rs. 5 Lakhs, Policy Term = 20 years, PPT = 15 years		
Case 1: Mode of premium payment = Yearly, 3 full years' premiums have been paid and policy is surrendered after 2 years and 11 months.		
Instalment Premium =		Rs. 41,700
Annualized Premium =		Rs. 41,700
Applicable GA rate =	Base rate (6.00%) + Incentive for high sum assured (1.10%) =	7.10%
Total Annualized Premium in respect of premiums paid =	41,700 * 3 =	Rs. 1,25,100
Sum Assured on Death =	Max of (7 * 41,700 or 125% * 5,00,000) =	Rs. 6,25,000
Death paid up sum assured =	(3/15) * Sum Assured on Death =	Rs. 1,25,000
Maturity paid up sum assured =	(3/15) * 5,00,000 =	Rs. 1,00,000
Accrued GA =	GA for 2 completed years and 11 months [41,700 * 7.10%] + [83,400 * 7.10%] + [(11/12) * (1,25,100 * 7.10%)] =	Rs. 17,024.03
Future annual applicable GA =	1,25,100 * (3/15) * 7.10% =	Rs. 1,776.4200
Sum of GA for future periods =	(20 years - 2 years 11 months) * 1,776.4200 =	Rs. 30,347.1750
SSV Factor 1 =	For applicable duration 3	2.94%
SSV Factor 2 =	For applicable duration 3	28.66%
SSV Factor 3 =	For applicable duration 3	28.28%
SSV =	[(1,25,000 + 17,024.03) * (Factor 1)] + [1,776.4200 * (Factor 3)] + [(1,00,000 + 17,024.03 + 30,347.1750) * (Factor 2)] =	Rs. 46,914
Case 2: Mode of premium payment = Half-yearly, 5 instalment premiums have been paid		
Instalment Premium =		Rs. 21,225
Annualized Premium =		Rs. 41,700
Applicable GA rate =	Base rate (6.00%) + Incentive for high sum assured (1.10%) =	7.10%
Total Annualized Premium in respect of premiums paid =	41,700 * 2.5 =	Rs. 1,04,250
Sum Assured on Death =	Max of (7 * 41,700 or 125% * 5,00,000) =	Rs. 6,25,000
Death paid up sum	(5/30) * Sum Assured on Death =	Rs. 1,04,167

assured =		
Maturity paid up sum assured =	(5/30) * 5,00,000 =	Rs. 83,333
Accrued GA =	GA for 2 completed years and 6 months + Paid up GA for 2 months [41,700 * 7.10%] + [83,400 * 7.10%] + [(6/12) * (1,04,250 * 7.10%)] + [(2/12) * (1,04,250 * (5/30) * 7.10%)] =	Rs. 12,788.58
Future annual applicable GA =	1,04,250 * (5/30) * 7.10% =	Rs. 1,233.6250
Sum of GA for future periods =	(20 years - 2 years 8 months) * 1,233.6250 =	Rs. 21,382.8333
SSV Factor 1 =	For applicable duration 2.5	2.91%
SSV Factor 2 =	For applicable duration 2.5	27.68%
SSV Factor 3 =	For applicable duration 2.5	28.75%
SSV =	[(1,04,167 + 12,788.58) * (Factor 1)] + [1,233.6250 * (Factor 3)] + [(83,333 + 12,788.58 + 21,382.8333) * (Factor 2)] =	Rs. 36,283
Case 3: Mode of premium payment = Half-yearly, 5 instalment premiums have been paid and Policy is surrendered after 3 years and 4 months.		
Instalment Premium =		Rs. 21,225
Annualized Premium =		Rs. 41,700
Applicable GA rate =	Base rate (6.00%) + Incentive for high sum assured (1.10%) =	7.10%
Total Annualized Premium in respect of premiums paid =	41,700 * 2.5 =	Rs. 1,04,250
Sum Assured on Death =	Max of (7 * 41,700 or 125% * 5,00,000) =	Rs. 6,25,000
Death paid up sum assured =	(5/30) * Sum Assured on Death =	Rs. 1,04,167
Maturity paid up sum assured =	(5/30) * 5,00,000 =	Rs. 83,333
Accrued GA =	GA for 2 completed years and 6 months + Paid up GA for 6 months + Paid up GA for 4 months [41,700 * 7.10%] + [83,400 * 7.10%] + [(6/12) * (1,04,250 * 7.10%)] + [(6/12) * (1,04,250 * (5/30) * 7.10%)] + [(4/12) * (1,04,250 * (5/30) * 7.10%)] =	Rs. 13,611.00
Future annual applicable GA =	1,04,250 * (5/30) * 7.10% =	Rs. 1,233.6250
Sum of GA for future periods =	(20 years - 3 years 4 months) * 1,233.6250 =	Rs. 20,560.4167
SSV Factor 1 =	For applicable duration 3.5	2.97%
SSV Factor 2 =	For applicable duration 3.5	29.72%
SSV Factor 3 =	For applicable duration 3.5	27.75%
SSV =	[(1,04,167 + 13,611.00) * (Factor 1)] + [1,233.6250 * (Factor 3)] + [(83,333 + 13,611.00 + 20,560.4167) * (Factor 2)] =	Rs. 38,763

15. REVIVALS:

If the premium is not paid within the days of grace, the policy lapses. The lapsed policy may be revived during the lifetime of the Life Assured, but within a period of 5 consecutive complete years from the date of First Unpaid Premium and before the date of maturity, as the case may be. The revival shall be effected on payment of all the arrears of premium(s) together with interest (compounding half yearly) at such rate as may be fixed by the Corporation from time to time and on satisfaction of Continued Insurability of the Life Assured and/or Proposer (if LIC's Premium Waiver Benefit Rider is opted for) on the basis of information, documents and reports that are already available and any additional information in this regard if and as may be required in accordance with the Underwriting Policy of the Corporation at the time of revival, being furnished by the Policyholder/Life Assured/Proposer.

The Corporation, however, reserves the right to accept at original terms, accept at modified terms or decline the revival of a discontinued policy. The revival of a discontinued policy shall take effect only after the same is approved, accepted and revival receipt is issued by the Corporation.

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

Instructions regarding the applicable interest rate shall be issued by Actuarial Department, Central Office.

16. ALTERATIONS:

The following alterations shall be allowed:

- Any change not involving change in Base premium rates and corresponding benefit structure.
- Reduction in Term of the policy subject to restrictions as per **Para 2(e)** above
- Inclusion of LIC's Accidental Death & Disability Benefit Rider / LIC's Accident Benefit Rider and/or LIC's Premium Waiver Benefit Rider. However, inclusion of riders is not applicable in case of plan sold though POSP-LI/CPSC-SPV.

Condition regarding alteration shall be as per instructions issued by CRM/PS department, Central Office from time to time.

17. LOAN:

Loan facility is available under the plan, within the surrender value of the policy, subject to the following terms and conditions:

(i) The Loan can be availed after completion of first policy year provided at least one full years' premium has been paid.

(ii) The maximum Loan as a percentage of surrender value that can be granted shall be as under :

Policy Status	Before payment of two full year's premiums	After payment of two full year's premiums
Under In-force policies	50%	80%
Under Paid-up policies	40%	75%

(iii) The loan during the minority of Life Assured can be availed by the Proposer provided the loan is raised for the benefit of the minor Life Assured.

(iv) The rate of interest to be charged for the loan amount would be determined by the Corporation from time to time.

(v) In the event of default in payment of loan interest on the due dates and when the outstanding loan amount along with interest is to exceed the surrender value, the Corporation would be entitled to foreclose such policies. Such policies when being foreclosed shall be entitled to payment of the difference of surrender value and the outstanding loan amount along with interest, if any.

(vi) In case the policy shall mature or surrendered or becomes a claim by death, the amount of outstanding Loan together with all interest shall be recovered from the claim benefit payment.

Further conditions regarding loan shall be as per instructions issued by CRM/PS Department, Central Office from time to time.

Instructions regarding the applicable interest rate shall be issued by Actuarial Department, Central Office.

18. 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 lumpsum death benefit/final instalment of death benefit is paid; or
b) The date on which surrender benefits are settled under the policy; or
c) The date of maturity if settlement option is not exercised; or
d) On payment of final instalments under Settlement Option; or
e) In the event of default in payment of loan interest as specified in **Para 17**; or
f) On expiry of Revival Period if the policy which has not acquired paid-up status, has not been revived within the revival period; or
g) On payment of free look cancellation amount; or
h) In the event of forfeiture as specified in **Para 22** below.

19. ONLINE SALE OF POLICIES:

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

20. UNDERWRITING, AGE PROOF AND MEDICAL REQUIREMENTS:

NB&R department, Central Office will issue instructions in this regard.

21. SUICIDE CLAUSE:

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

In case of death of the Life Assured due to suicide within 12 months from the date of commencement of risk under the policy or from the date of revival of the policy, as applicable, the nominee or beneficiary shall be entitled to 80% of the total premiums paid till the date of death or the surrender value available as on the date of death whichever is higher, provided the policy is in force.

Note:

i) This clause shall not be applicable in case age at entry/ age at the time of revival of the Life Assured is below 8 years.
ii) This clause shall also be applicable for paid-up policies.
iii) For a policy lapsed without acquiring paid-up value, nothing shall be payable under such policies.
iv) Premiums referred above shall not include any taxes, extra amount chargeable under the policy due to underwriting decision and rider premium(s) other than Term Assurance Rider premium, if any.
v) The relaxation (claim concession) mentioned above under Paid-up Value provisions (**Para 13**) shall not be applicable in case of death due to suicide.

In case, LIC's Premium Waiver Benefit Rider is opted for and in case of death of the Proposer due to suicide anytime within 12 months from the date of commencement of risk under this rider or within 12 months from the date of revival, 80% of the premiums paid for LIC's Premium Waiver Benefit Rider (excluding taxes and extra premium, if any), shall be refunded provided the policy is in-force. However, premiums under the Base Policy as well as in respect of any Riders, if opted for, other than this Rider shall not be waived and continued to be paid as per respective terms and conditions.

22. FORFEITURE IN CERTAIN EVENTS:

In case it is found that any untrue or incorrect statement is contained in the proposal (including proposal for Premium Waiver Benefit Rider, if opted for), personal statement, declaration and connected documents or any material information is withheld, then and in every such case the policy shall be void and all claims to any benefit by virtue thereof shall be subject to the provisions of Section 45 of the Insurance Act, 1938 as amended from time to time.

23. TAXES:

Statutory Taxes, if any, imposed on such insurance plans by the Government of India or any other constitutional Tax Authority of India shall be as per the Tax laws and the rate of tax shall be as applicable from time to time.

The amount of applicable taxes, as per the prevailing rates, shall be payable by the policyholder on premiums [for base policy and Rider(s), if any] including extra premiums, which shall be collected separately over and above in addition to the premiums payable by the policyholder. The amount of Tax paid shall not be considered for the calculation of benefits payable under the plan.

The instructions regarding issues related to taxes will be issued by Finance & Accounts Department, Central Office, separately, as applicable from time to time.

24. . FREE LOOK PERIOD:

If a Policyholder is not satisfied with the "Terms and Conditions" of the policy, he/she may return the policy to the Corporation stating the reasons of objections, within 30 days from the date of receipt of the electronic or physical mode of the Policy Document, whichever is earlier.

The refund of premium to the Policyholder shall be subject to following deductions:
1. Stamp duty on policy;
2. Actual cost of medical examination (including special reports, if any);
3. Proportionate risk premium (in respect of Base policy and Rider, if opted for) for the period of cover as per C.O. Circular Ref: CO/ PD/ 39 dated 31st December, 2013 and Circular Ref: CO/ PD/ 286 dated 3rd July, 2025.

25. BACK-DATING INTEREST:

The policies can be dated back within the same financial year but not before the date of introduction of this plan. Back-dating interest as applicable at the time of completion of the policy (at the rate as fixed by the Corporation from time to time) will be charged for the period in excess of one month. However, if the policy is back dated to lean months, viz. April, May, July & August, interest is to be charged for period in excess of three months. The period upto 14 days is to be ignored and 15 days or more is to be rounded to a month for this calculation.

For proposals completed under this plan, where the age of the Life Assured is 30 days completed as on the date of issuance of the policy, the policy can be dated back to any date upto the Date of Birth of the Life Assured subject to conditions mentioned above. In any case, the back-dated date i.e. Date of commencement of policy cannot be prior to the Date of Birth of the Life Assured and the period between Date of Birth and Date of Issuance of policy shall not be less than 30 days.

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

26. POLICY STAMPING:

For Base Plan, policy stamping charges will be at the rate of 20 paise per thousand **Sum Assured on Death.**

For Rider, policy stamping charges will be at the rate of 20 paise per thousand Rider Sum Assured, if opted for. In case of Premium Waiver Benefit Rider, PWB Sum Assured shall be total premiums to be waived under the Base Policy during the PWB rider term.

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

27. REINSURANCE:

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

28. ASSIGNMENTS / NOMINATIONS:

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

b) Nominations: Nomination by the holder of a policy of life assurance on his/her own life 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/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) <u>Death Claim</u>: The normal documents which the claimant shall submit while lodging the claim in case of death of the Life Assured or proposer (applicable if LIC's Premium Waiver Benefit Rider is opted for) 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 and Post Mortem report. The Corporation may also call for additional documents as may be required by them.

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

b) Maturity / Surrender Claim: In case of maturity/surrender of the policy, the Life Assured/Proposer 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(s): In case of claim under Rider(s), the respective rider circular may 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 CRM/Claim department, Central Office in this regard shall also be required to be submitted.

30. 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.

31. PROPOSAL FORM:

Proposal Form No. 300 (Rev 2025), 340 (Rev 2025) and 360 (Rev 2025) as issued by NB&R Department shall be used under this plan.

For sale initiated by Point of Sales Persons (POSP-LI)/CPSC-SPV, Key Features Document (KFD)-cum-Proposal Forms as issued by NB&R department shall be used.

32. 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 be read in conjunction with the Policy Document and Sales Brochure.

33. 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.

34. 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.

Executive Director (Actuarial)

Encl – Annexure 1 to 14