

INFORMATION TO BE PROVIDED IN SALES BROCHURE

LIC's ONE YEAR RENEWABLE GROUP MICRO TERM ASSURANCE PLAN (UIN: 512N335V01) (A Non-Par, Non-Linked, Group, Pure Risk, Life Micro Insurance Plan)

LIC's One Year Renewable Group Micro Term Assurance Plan is a Non-Par, Non-Linked,, Group, Pure Risk Life Micro Insurance Plan. This is a one year renewable group micro term insurance plan. It provides financial support for the family in case of unfortunate death of the members of the group covered under the policy. This plan aims to cover the target group, which mainly comprise of the people from the weaker sections of the society. This plan can be offered to Employer-Employee Group and Non-Employer-Employee Group (including Financial Institutions).

The amount of life cover in respect of each member shall be guided by the Scheme Rules of the group. The total premium payable at commencement and subsequent renewals shall be equal to the sum of premiums in respect of individual members of the group.

1. KEY FEATURES

- Ensures financial security for insured member's family.
- Premium rates dependent on the size and risk profile of the group.
- Scope of reviewability of premium rates at each Annual Renewal Date (ARD).

2. DEATH BENEFIT:

On death of the Member during the policy term provided the policy is in-force by payment of all due premiums, **Sum Assured on Death** shall be payable as per the Scheme Rules.

Where "**Sum Assured on Death**" is defined as higher of Basic Sum Assured or 7 times of Annualised Premium (excluding taxes, extra premium, rider premiums, and loadings for modal premiums).

This death benefit shall not be less than 105% of Total Premiums Paid upto the date of death. "**Total Premiums Paid**" means the total of all premiums paid under the Base product excluding any extra premium and taxes, if collected explicitly

However, in case of death (other than Accidental death) of a Member within 30 days from the date of commencement or date of revival of the policy or date of entry of the Member into the Scheme, whichever is later, 80% of the total premiums paid during the current policy year in respect of that Member shall be payable. This clause is applicable for Voluntary Schemes under Employer-Employee groups and all the Schemes under Non Employer Employee groups.

The "**Sum Assured on Death**" shall become payable to the nominee (s)/ beneficiaries through Master Policyholder. In case the insurance is effected to cover the outstanding loan balance amount provided by the Financial institutions , the part of the claim proceeds will be utilized to repay the loan to the Master policyholder and the balance amount, if any, shall be paid to the nominee(s)/ beneficiary.

Apart from the Benefits mentioned above, the Corporation shall not pay any other Benefits.

3. ELIGIBILITY CONDITIONS AND OTHER RESTRICTIONS

- a) Minimum Entry Age : 18 years (completed)
- b) Maximum Entry Age : 64 years (nearest birthday)
- c) Maximum Age at renewal : 64 years (nearest birthday)
- d) Minimum Basic Sum Assured : Rs. 5000/- per member.
- e) Maximum Basic Sum Assured : Rs. 200,000/- per member.
- f) Policy Term : Annually Renewable
- g) Minimum group size : 25

The Basic Sum Assured shall be allowed in the multiple of Rs. 1000/-

4. PAYMENT OF PREMIUMS :

a. Modes of premium payment:

The Policyholder may pay the premiums in yearly, half-yearly, quarterly and monthly mode. If a member joins in between, the Policyholder would need to pay the proportionate amount of premium based on the yearly premium for the unexpired period in respect of that member.

b. Loadings/ discount applicable for different modes of premium payment:

The mode of payment of premiums is other than yearly, the tabular premium which is applicable for annual mode shall be multiplied by the factor given below to arrive at the corresponding instalment premium:

<u>Mode of payment</u>	<u>Factor</u>
Half yearly	0.5108
Quarterly	0.2582
Monthly	0.0867

“Upon non-payment of premium within the grace period the Policy shall be treated as lapsed and nothing shall be payable in the event of death of a member.

However, in case of failure of the Master Policyholder to account for the business to the insurer, if premium was paid by the member and proper receipt is produced, the risk cover shall be available in respect of that Member.”

5. GRACE PERIOD:

A grace period of 30 days from due date of premium will be allowed for payment of premiums for half-yearly and quarterly mode of premium payment. For monthly mode of premium payment, the grace period shall be 15 days. Upon non-payment of premium within the grace period the Policy shall be treated as lapsed and nothing shall be payable in the event of death. For annual modes of policies, there will be no grace period.

In case if death of any Member occurs during the grace period, the **Sum Assured on Death** in respect of that Member shall be payable after deduction of due but unpaid premium.

6. Optional Rider:

LIC's Group Accident Benefit Rider (UIN: 512B213V01) shall be available under this plan.

If the member(s) is involved in an accident, which is defined as “a sudden, unforeseen and involuntary event caused by external, visible and violent means”, leading to death and such incident shall occur within 180 days from the date of accident then, an amount equal to Accident Benefit Sum Assured as specified in the Scheme Rules shall be payable. However,

the Rider 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.

Sum Assured under the Rider shall not exceed three times of the Sum Assured under the Base Product. The premium under the Rider shall not exceed 30% of premium under the Base product.

For more details on the above rider, refer to the rider brochure or contact LIC's nearest Branch Office.

7. RENEWAL OF POLICY:

This being an annually renewable plan, the same is to be renewed on or before each Annual Renewal Date. The premium at each Annual Renewal Date will be reviewed based on the past experience of the policy. The premium rates may be adjusted upward or downward based on past experience in accordance with the Board Approved Underwriting Policy of the Corporation.

8. REVIVAL OF POLICY:

If the policy has lapsed, it may be revived within a period of 3 months from the date of first unpaid premium within the Grace Period or the next Annual Renewal Date, whichever is earlier, on payment of arrears of premium together with interest (compounding half-yearly) at such rate as may be prevailing at the time of the payment.

The Corporation reserves the right to accept 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.

9. POLICY LOAN:

No loan is available under this plan.

10. PAID-UP:

There is no paid-up value available under this plan.

11. SURRENDER:

A policy under this plan will not acquire any surrender value. In case of surrender of the group policy by the Master Policyholder, the life cover of an individual member shall be continued for the period towards which premiums have already been paid before date of surrender for the member who expressly conveys to continue the policy/ cover in writing.

12. FORFEITURE AND NON-FORFEITURE REGULATIONS:

Forfeiture Regulations:

In case any condition herein contained or endorsed hereon be contravened or 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 this 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.

Non -forfeiture Regulations:

Not applicable as there is no paid up value available under this plan.

13. TERMINATION OF INSURANCE COVER:

- i. The insurance cover of a Member shall terminate on the happening of any of the following events:
- ii. Discontinuance of payment of premium after Grace Period
- iii. On non-payment of premium on or before Annual Renewal Date
- iv. On ceasing the group membership of a Member
- v. On death of the Member
- vi. On reaching maximum cover ceasing age
- vii. On surrender of policy by Master Policyholder
- viii. On payment of free look cancellation amount.

14. TAXES:

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

This applicable tax shall payable by the Master policyholder and the same shall not be considered for the calculation of benefits payable under the product.

15. FREE LOOK PERIOD:

(i) Applicable to Master Policyholder:

If the Master 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 for objections. On receipt of the same, the Corporation shall cancel the policy and refund the amount of premium deposited after deducting the proportionate risk premium for the period of cover, and charges for stamp duty.

(ii) Applicable to Member:

If the Member is not satisfied with the "Terms and Conditions" of the Certificate of Insurance, the Certificate of Insurance may be returned to the Corporation through the Master Policyholder within 30 days from the date of receipt of the electronic or physical mode of Certificate of Insurance, stating the reasons for objections. On receipt of the same, the Corporation shall cancel the Certificate of Insurance and refund the amount of premium deposited after deducting the proportionate risk premium for the period of cover, and charges for stamp duty. The Life Insurance cover shall be terminated for the Member on payment of Free Look cancellation amount.

16. EXCLUSION:

Suicide Claim provisions: In case of death of a Member (whether sane or insane) due to suicide, at any time within 12 months from the date of commencement or date of revival of the policy or date of entry of the Member into the scheme, whichever is later, nominee or beneficiary of the Member shall be entitled to 80% of the total premiums paid (excluding extra premium and taxes if collected explicitly) during that policy year in respect of that member, provided the policy is in-force. If the member due to any reason exits from the scheme and re-enters the scheme at a later date, the suicide claim provisions shall apply from the date of re-entry into the scheme.

This clause is applicable for voluntary schemes under employer-employee groups and all the schemes under Non employer employee groups.

17. Grievance Redressal Mechanism:

Of the Corporation:

The Corporation has Grievance Redressal Officers (GROs) at Branch/ Divisional/ Zonal/ Central Office to redress grievances of customers. The customers can visit our website (<https://licindia.in/web/guest/grievances>) for names and contact details of the GROs and other information related to grievances.

For ensuring quick redressal of customer grievances the Corporation has introduced Customer friendly Integrated Complaint Management System through our Customer Portal (website) <http://www.licindia.in>, where a registered policy holder can directly register complaint/ grievance and track its status. Customers can also contact at e-mail ic_co_complaints@licindia.com for redressal of any grievances.

Claimants not satisfied with the decision of death claim repudiation have the option of referring their cases for review to Zonal Office Claims Dispute Redressal Committee or Central Office Claims Dispute Redressal Committee. A retired High Court/ District Court Judge is Member of each of the Claims Dispute Redressal Committees.

Of IRDAI:

In case the customer is not satisfied with the response or does not receive a response from us within 15 days, then the customer may approach the Grievance Cell of the IRDAI through any of the following modes:

- Calling Toll Free Number 155255 / 18004254732 (i.e. IRDAI Grievance Call Centre (BIMA BHAROSA SHIKAYAT NIVARAN KENDRA))
- Sending an email to complaints@irdai.gov.in
- Register the complaint online at <https://bimabharosa.irdai.gov.in/>
- Address for sending the complaint through courier / letter:

General Manager, Policyholders Protection and Grievance Redressal Department, Insurance Regulatory and Development Authority of India, Survey No.115/1, Financial District, Nanakramguda, Gachibowli, Hyderabad-500032, Telangana.

Of Ombudsman:

For redressal of Claims related grievances, claimants can also approach Insurance Ombudsman who provides for low cost and speedy arbitration to customers.

Section 45 of the Insurance Act, 1938

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

(1) No policy of life insurance shall be called in question on any ground whatsoever after the expiry of three years from the date of the policy, i.e. from the date of issuance of the policy or the date of commencement of risk or the date of revival of the policy or the date of the rider to the policy, whichever is later.

(2) A policy of life insurance may be called in question at any time within three years from the date of issuance of the policy or the date of commencement of risk or the date of revival of the policy or the date of the rider to the policy, whichever is later on the ground of fraud:

Provided that the insurer shall have to communicate in writing to the insured or the legal representatives or nominees or assignees of the insured the grounds and materials on which such decision is based.

Explanation I- For the purposes of this sub-section, the expression "fraud" means any of the following acts committed by the insured or by his agent, with the intent to deceive the insurer or to induce the insurer to issue a life insurance policy:-

- (a) the suggestion, as a fact of that which is not true and which the insured does not believe to be true;
- (b) the active concealment of a fact by the insured having knowledge or belief of the fact;
- (c) any other act fitted to deceive; and
- (d) any such act or omission as the law specially declares to be fraudulent.

Explanation II- Mere silence as to facts likely to affect the assessment of the risk by the insurer is not fraud, unless the circumstances of the case are such that regard being had to them, it is the duty of the insured or his agent, keeping silence to speak, or unless his silence is, in itself, equivalent to speak.

(3) Notwithstanding anything contained in subsection (2), no insurer shall repudiate a life insurance policy on the ground of fraud if the insured can prove that the misstatement of or suppression of a material fact was true to the best of his knowledge and belief or that there was no deliberate intention to suppress the fact or that such misstatement of or suppression of a material fact are within the knowledge of the insurer:

Provided that in case of fraud, the onus of disproving lies upon the beneficiaries, in case the policyholder is not alive.

Explanation – A person who solicits and negotiates a contract of insurance shall be deemed for the purpose of the formation of the contract, to be the agent of the insurer.

(4) A policy of life insurance may be called in question at any time within three years from the date of issuance of the policy or the date of commencement of risk or the date of revival of the policy or the date of the rider to the policy, whichever is later, on the ground that any statement of or suppression of a fact material to the expectancy of the life of the insured was incorrectly made in the proposal or other document on the basis of which the policy was issued or revived or rider issued:

Provided that the insurer shall have to communicate in writing to the insured or the legal representatives or nominees or assignees of the insured the grounds and materials on which such decision to repudiate the policy of life insurance is based:

Provided further that in case of repudiation of the policy on the ground of misstatement or suppression of a material fact, and not on the ground of fraud the premiums collected on the policy till the date of repudiation shall be paid to the insured or the legal representatives or nominees or assignees of the insured within a period of ninety days from the date of such repudiation.

Explanation - For the purposes of this sub-section, the misstatement of or suppression of fact shall not be considered material unless it has a direct bearing on the risk undertaken by the insurer, the onus is on the insurer to show that had the insurer been aware of the said fact no life insurance policy would have been issued to the insured.

(5) Nothing in this section shall prevent the insurer from calling for proof of age at any time if he is entitled to do so, and no policy shall be deemed to be called in question merely because the terms of the policy are adjusted on subsequent proof that the age of the life insured was incorrectly stated in the proposal.

UNDER SECTION 41 of INSURANCE ACT, 1938(as amended)

Prohibition of Rebates (Section 41 of the Insurance Act, 1938)

- 1) No person shall allow or offer to allow, either directly or indirectly, as an inducement to any person to take out or renew or continue an insurance in respect of any kind of risk relating to lives or property in India, any rebate of the whole or part of the commission payable or any rebate of the premium shown on the policy, nor shall any person taking out or renewing or continuing a policy accept any rebate, except such rebate as may be allowed in accordance with the published prospectuses or tables of the insurer.
- 2) Any person making default in complying with the provisions of this section shall be liable for a penalty which may extend to ten lakh rupees.

Various Sections of the Insurance Act, 1938, applicable to LIC to apply as amended from time to time.

This product brochure gives only salient features of the plan. For further details please refer to the Policy document on our website www.licindia.in or contact our nearest P&GS units.

BEWARE OF SPURIOUS PHONE CALLS AND FICTITIOUS / FRAUDULENT OFFERS

IRDAI or its officials do not involved in any activities of insurance business like selling insurance policies, announcing bonus or investment of premiums, refund of amounts. Policyholders or the prospects receiving such phone calls are requested to lodge a police complaint alongwith details of phone call and number.

LIFE INSURANCE CORPORATION OF INDIA

“Life Insurance Corporation of India” was established on 1st September, 1956 under Life Insurance Corporation Act, 1956, with the objective of spreading life insurance more widely, in particular to the rural areas with a view to reaching all insurable persons in the country and providing them adequate financial cover against insured events. LIC continues to be the important life insurer even in the liberalized scenario of Indian insurance and is moving fast on

a new growth trajectory surpassing its own past records. In its existence of over six decades, LIC has grown from strength to strength in various areas of operation.

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