

## **INFORMATION TO BE PROVIDED IN SALES BROCHURE**

### **LIC's Bima Ratna (UIN: 512N345V02)**

#### **(A Non-Par, Non-Linked, Life, Individual, Savings Plan)**

LIC's Bima Ratna is a Non-Par, Non-Linked, Life, Individual, Savings Plan which offers a combination of protection and savings. This plan provides financial support for the family in case of unfortunate death of the policyholder during the policy term and also provides for periodical payments on survival of the policyholder at specified durations to meet the various financial needs.

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

This product can be purchased Offline through Licensed Agents, Corporate Agents, Brokers, Insurance Marketing Firms (IMF), Point of Sales Persons-Life Insurance (POSP-LI) / Common Public Service Centers (CPSC-SPV) as well as Online directly through website [www.licindia.in](http://www.licindia.in).

The prospective policyholders are hereby informed that while making a buying decision reference may be made to the similar available products for informed decision making to choose and select the Options/Product which best suits their needs such as under annuities, ULIPs etc.

#### **Key Features:**

- The plan provides for protection and savings.
- Limited premium payment.
- Guaranteed Addition throughout Policy Term for in-force policies.
- Flexibility to
  - Choose the premium payment frequency as per convenience.
  - Choose the period for which protection is required – 15, 20 and 25 years.
  - Opt for payment of benefit in instalments.
- Survival benefits at specified duration during the policy term.
- Option to enhance coverage by opting for Rider Benefits on payment of additional premium for the rider benefits.
- Benefit of attractive High Sum Assured Rebate.
- Takes care of liquidity needs through loan facility.

#### **1. Eligibility Conditions and Other Restrictions:**

a)	Minimum Basic Sum Assured	Rs. 5,00,000
b)	Maximum Basic Sum Assured	No limit
c)	Basic Sum Assured Multiples	Basic Sum Assured shall be in multiples of Rs 25,000/-
d)	Policy Term	15 years, 20 years and 25 years 15 & 20 years (in case of policies procured through POSP-LI/CPSC- SPV)
e)	Premium Paying Term	11 years for Policy Term 15 years 16 years for Policy Term 20 years 21 years for Policy Term 25 years
f)	Minimum Age at entry	5 years (Completed) for Policy Term 15 years 30 days (Completed) for Policy Term 20 & 25 years
g)	Maximum Age at Entry	55 years (Age Nearer Birthday) for Policy Term 15 years 50 years (Age Nearer Birthday) for Policy Term 20 years 45 years (Age Nearer Birthday) for Policy Term 25 years  65 years (Age Nearer Birthday) minus Policy Term (in case of policies procured through POSP-LI/CPSC-SPV)
h)	Minimum Age at Maturity	20 years (Completed) for Policy Term 15 & 20 years 25 years (Completed) for Policy Term 25 years
i)	Maximum Age at Maturity	70 years (Age Nearer Birthday) (65 years (Age Nearer Birthday) in case of policies procured through POSP-LI/CPSC-SPV)

***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 of the policy 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 at entry, risk will commence immediately.

***Date of vesting:***

If the policy is issued on the life of a minor, the policy shall automatically vest on the Life Assured 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 the Life Assured.

**2. Benefits payable under an in-force policy (where all due premiums have been paid):**

**A. Death Benefit:**

Death Benefit payable on death of Life Assured during the policy term after the date of commencement of risk shall be “**Sum Assured on Death**” along with Accrued Guaranteed Additions.

Where “**Sum Assured on Death**” is defined as the higher of 125% of Basic Sum Assured or 7 times of annualized premium.

This Death Benefit payment shall not be less than 105% of total premiums paid upto 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 1above), the Death Benefit payable shall be refund of premium(s) paid (excluding taxes, any extra premium and rider premium(s), if any),without interest.

**B. Survival Benefit:**

On the life assured surviving to each of the specified duration during the policy term, provided policy is in-force, a fixed percentage of Basic Sum Assured shall be payable. The fixed percentage for various policy terms is as below:

<b>Policy Term (in years)</b>	<b>Payment of Survival Benefit</b>
15	25% of the Basic Sum Assured at the end of each of 13 <sup>th</sup> and 14 <sup>th</sup> policy year.
20	25% of the Basic Sum Assured at the end of each of 18 <sup>th</sup> and 19 <sup>th</sup> policy year.
25	25% of the Basic Sum Assured at the end of each of 23 <sup>rd</sup> and 24 <sup>th</sup> policy year.

**C. Maturity Benefit:**

On Life Assured surviving the stipulated Date of Maturity provided the policy is in-force, “**Sum Assured on Maturity**” along with accrued Guaranteed Additions, shall be payable. Where “**Sum Assured on Maturity**” is equal to 50% of Basic Sum Assured.

**D. Guaranteed Additions:**

Provided the policy is in-force, Guaranteed Additions shall accrue at the end of each Policy Year at the rate as specified below:

<b>Policy Year</b>	<b>Guaranteed Additions (per Rs 1000 Basic Sum Assured)</b>
From 1 <sup>st</sup> to 5 <sup>th</sup>	Rs 50
From 6 <sup>th</sup> to 10 <sup>th</sup>	Rs 55
From 11 <sup>th</sup> to 25 <sup>th</sup>	Rs 60

In case of death under an in-force policy, the Guaranteed Addition in the year of death shall be for full policy year. If the premiums are not duly paid, the Guaranteed Additions shall cease to accrue under a policy.

In case of a paid-up policy or on surrender of a policy, the Guaranteed Addition for the policy year in which the last premium is received will be added on proportionate basis in proportion to the premium received for that year.

### 3. *Options available:*

#### **I. Rider Benefits:**

The following four optional rider(s) (or amended versions of these) shall be available under this plan by payment of additional premium. However, the policyholder can opt between either of the LIC's Accidental Death and Disability Benefit Rider or LIC's Accident Benefit Rider and/or the remaining two riders subject to the eligibility as detailed below.

**a) LIC's Accidental Death and Disability Benefit Rider (UIN: 512B209V02)**

This rider can be opted for under an in-force policy at any time within the premium paying term of the Base plan provided the outstanding premium paying term of the Base plan as well as the Rider is at least 5 years. If this rider is opted for, in case of accidental death, the Accident Benefit Sum Assured will be payable in lumpsum along with the death benefit under the base plan. In case of accidental disability arising due to accident (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 for Accident Benefit Sum Assured as well as premiums for the portion of Basic Sum Assured under the Base Policy which is equal to Accident Benefit Sum Assured under the policy, shall be waived. Under the policy on the life of minors, this rider will be available from the policy anniversary following completion of age 18 years on receipt of specific request.

**b) LIC's Accident Benefit Rider (UIN:512B203V03)**

This rider can be opted for at any time under an in-force policy within the premium paying term of the Base plan provided the outstanding premium paying term of the Base plan as well as the Rider is at least 5 years. The benefit cover under this rider shall be available only during the premium paying term. If this rider is opted for, in case of accidental death, the Accident Benefit Sum Assured will be payable in lumpsum along with the death benefit under the base plan. Under the policy on the life of minors, this rider will be available from the policy anniversary following completion of age 18 years on receipt of specific request.

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

This rider is available at inception of the policy only. 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 policy term.

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

Under an in-force policy, this rider can be opted for on the life of Proposer of the policy, at any time coinciding with the policy anniversary but within the premium paying term of the Base Policy provided the outstanding premium paying term of the Base Policy and the rider is at least five years. Further, this rider shall be allowed under the policy wherein the Life Assured is Minor at the time of opting this rider. The Rider term shall be outstanding premium paying term of the base policy as on date of opting this rider or (25 minus age of the minor Life Assured at the time of opting this rider), whichever is lower. If the rider term plus proposer's age is more than 70 years, the rider shall not be allowed.

If this rider is opted for, on death of proposer, payment of premiums in respect of base policy falling due on and after the date of death till the expiry of rider term shall be waived. However, in such case, if the premium paying term of the base policy exceeds the rider term, all the further premiums due under the base policy from the date of expiry of this Premium Waiver Benefit Rider term shall be payable by the Life Assured. On non-payment of such premiums the policy would become paid-up.

The premiums under all the life insurance riders put together shall not exceed 30% of premiums under the base plan.

The Rider Sum Assured in respect of LIC's Accident Benefit Rider shall not exceed three times of **Sum Assured on Death** under the Base product. Any benefit arising under each of all other riders shall not exceed the Sum Assured on Death under the Base plan.

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

**No rider shall be available in case of the policies procured through POSP-LI/CPSC-SPV.**

## II. Settlement Option (for Maturity Benefit):

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 for this option 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 proceed shall be paid in lump sum only.

For all the instalment payment options commencing during the 12 months' period from 1<sup>st</sup> May to 30<sup>th</sup> April, the interest rate used to arrive at the amount of each instalment shall be annual effective rate not lower than 10 year Semi-annual G-Sec yield minus 2%; where, the 10 year Semi-annual G-Sec yield shall be as at last trading day of previous financial year.

Accordingly, for the 12 months' period commencing from 1<sup>st</sup> May, 2024 to 30<sup>th</sup> April, 2025, the applicable interest rate for the calculation of the instalment amount shall be 5.07% p.a. effective.

For exercising the settlement option against Maturity Benefit, the Policyholder /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.

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 against Maturity Benefit:

- a) 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);
- b) The applicable interest rate that will be used to discount the future instalment payments shall be annual effective rate not exceeding 10 year Semi-annual G-Sec yield; where, the 10 year Semi-annual G-Sec yield shall be as at last trading day of previous financial year during which Settlement Option was commenced.

Accordingly, for the 12 months' period commencing from 1<sup>st</sup> May, 2024 to 30<sup>th</sup> April, 2025, the maximum applicable interest rate used for discounting the future instalments shall be 7.07% p.a. effective.

- c) 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.

## III. 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 minority of the Life Assured or by Life Assured aged 18 years and above, during his/her life time; 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 proceed shall be paid in lump sum only.

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

Accordingly, for the 12 months' period commencing from 1<sup>st</sup> May, 2024 to 30<sup>th</sup> April, 2025, the applicable interest rate for the calculation of the instalment amount shall be 5.07% p.a. effective.

For exercising option to take Death Benefit in instalments, the Policyholder during 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.

#### 4. **Payment of Premiums:**

Premiums can be paid regularly at yearly, half-yearly, quarterly or monthly intervals (monthly premiums through NACH only) or through salary deductions.

#### 5. **Grace Period:**

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

The above grace period will also apply to rider premiums which are payable along with premium for Base Policy.

#### 6. **Sample Illustrative Premium:**

The sample illustrative annual premiums for Basic Sum Assured of Rs. 20 lakhs for Standard lives for policies to be sold through Offline sales are as under:

(Amount in Rs)

Age (Nearer Birthday)	Annual Premium		
	Policy Term (Premium Paying Term)		
	15(11)	20(16)	25(21)
20	2,10,454	1,44,598	1,07,652
30	2,11,238	1,45,872	1,09,612
40	2,15,158	1,51,262	1,16,570
50	2,27,212	1,65,766	-

The above premiums are exclusive of taxes.

#### 7. **Rebates:**

Mode Rebate	
Mode	Rebate
Yearly mode	2% of Tabular Premium
Half-yearly mode	1% of Tabular premium
Quarterly, Monthly (NACH) & Salary deduction	NIL

High Sum Assured Rebate	
Basic Sum Assured (BSA)	Rebate on tabular premium per Rs

	<b>1000 BSA (Rs.)</b>
5,00,000 to 9,75,000	Nil
10,00,000 to 14,75,000	0.70
15,00,000 to 19,75,000	1.00
20,00,000 and above	1.25

Proposal to be completed under online sales without any assistance of Agent / intermediary shall be eligible for rebate on tabular premium at the following rates:

<b>Rebate under Online Sale</b>	
<b>Premium Paying Term</b>	<b>Online Sale (Rate of rebate)</b>
11 years	7.5%
16 and 21 years	10%

#### **8. Revival:**

If the premiums are not paid within the grace period, then the policy will lapse. A lapsed policy can be revived within a period of 5 consecutive complete years from the date of First Unpaid Premium but before the date of maturity. 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 reserves the right to accept at original terms, accept with modified terms or decline the revival of a discontinued policy. The revival of a discontinued policy shall take effect only after the same is approved, accepted and revival receipt is issued by the Corporation.

The rate of interest applicable for revival under this plan for every 12 months' period from 1<sup>st</sup> May to 30<sup>th</sup> April shall not exceed 10 year G-Sec yield p.a. compounding half-yearly as at the last trading day of previous financial year plus 3% or the yield earned on the Corporation's Non-Linked Non-Participating fund plus 1%, whichever is higher. For the 12 months period commencing from 1<sup>st</sup> May, 2024 to 30<sup>th</sup> April, 2025, the applicable interest rate shall be 9.5% p.a. compounding half yearly. The basis for determination of interest rate for policy revival is subject to change.

If the revival period falls beyond the premium paying term and the policy is revived after the due date of survival benefit, then the difference between full Survival Benefit payable under in-force policy and Survival Benefit already paid considering paid-up policy shall be paid to the policyholder.

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

#### **9. Plan purchased through Point of Sales Person – Life Insurance (POSP-LI) and CPSC- SPV:**

This plan can be purchased through CPSC-SPV and Point of Sales Persons-Life Insurance (POSP-LI). The eligibility conditions and other terms and conditions shall be as per the Guidelines, Circulars and Regulations etc. issued by the IRDAI applicable to POS Plans and POSP-LI. Currently, the following restrictions are applicable for proposal procured through POSP-LI and CPSC-SPV:

- Maximum Age at Entry: 65 years (Age Nearer Birthday) minus Policy Term
- Maximum Age at Maturity: 65 Years (Age Nearer Birthday)
- Maximum Sum Assured on Death (per life): Rs 25 Lakhs.

LIC's Bima Ratna plan 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.

However, 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.

- No rider shall be available in case of the policies procured through POSP-LI/CPSC-SPV.
- Key Features Document (KFD) cum Proposal Form applicable for LIC's Bima Ratna shall be used if the sale is initiated by POSP-LI & CPSC-SPV.

## 10. 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 policy term.

The **Paid-up Sum Assured** under a paid-up policy shall be equal to **Basic Sum Assured** 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.

- i. If the **Paid-up Sum Assured** is less than the minimum Basic Sum Assured i.e. Rs. 5 lakhs, the benefits payable shall be as under:

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 such paid-up policy, on death of the Life Assured, shall be Death Paid-Up Sum Assured along with Guaranteed Additions accrued up to the date of First Unpaid Premium. 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, any extra amount chargeable under the policy due to underwriting decision 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** plus total amount of Survival Benefits payable under the policy) 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 such paid-up policy, on expiry of the policy term, shall be Maturity Paid-Up Sum Assured along with Guaranteed Additions accrued up to the date of First Unpaid Premium.

No Survival Benefits shall be payable under such paid-up policy.

- ii. If the **Paid-up Sum Assured** is equal to or more than the minimum Basic Sum Assured i.e. Rs. 5 lakhs, the benefits payable shall be as under:

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 such paid-up policy, on death of the Life Assured, shall be Death Paid-Up Sum Assured along with Guaranteed Additions accrued up to the date of First Unpaid Premium. This Death benefit shall not be less than 105% of total premiums paid up to 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, any extra amount chargeable under the policy due to underwriting decision 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 such paid-up policy, on expiry of the policy term, shall be Maturity Paid-Up Sum Assured along with Guaranteed Additions accrued up to the date of First Unpaid Premium.

The survival benefits payable under such a paid-up policy (where Paid-up Sum Assured is equal to or more than 5 Lakhs) shall be equal to survival benefit payable under in-force policy 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 and shall be payable on Life Assured surviving to each of the specified durations during the policy term.

The policy so reduced shall thereafter be free from all liabilities for payment of the within mentioned premiums.

Under a Paid-up policy, accrued Guaranteed Additions, shall be payable for duration for which the policy was in-force i.e. for the duration for which all the premiums have been paid. Hence, under a paid-up policy, the Guaranteed Addition for the policy year in which the last premium is received will be added on proportionate basis in proportion to the premium received for that year.

Rider shall not acquire any paid-up value and the rider benefits cease to apply, if policy is in lapsed condition.

### 11. Surrender:

The policy can be surrendered by the policyholder after completion of first policy year provided one full year's premium(s) has been paid. However, the policy shall acquire Guaranteed Surrender Value on payment of at least two full years' premiums and Special Surrender Value after completion of first policy year provided one full year's premium(s) has been paid. On surrender of an in-force or paid-up policy, the Corporation shall pay the Surrender Value equal to higher of Guaranteed Surrender Value and Special Surrender Value.

The Guaranteed Surrender Value payable during the policy term shall be equal to the (total premiums paid (excluding any extra premium, any premiums for rider(s), if opted for and taxes if collected explicitly) multiplied by the Guaranteed Surrender Value factor applicable to total premiums paid) **plus** (accrued Guaranteed Additions multiplied by Guaranteed Surrender Value factor applicable to accrued Guaranteed Additions) **less** survival benefits already paid, if any.

These Guaranteed Surrender Value factors expressed as percentages will depend on the policy term and policy year in which the policy is surrendered and are given below:

Guaranteed Surrender Value factors applicable to total premiums paid			
Policy Year	Policy Term →		
	15	20	25
1	0.00%	0.00%	0.00%
2	30.00%	30.00%	30.00%
3	35.00%	35.00%	35.00%
4	50.00%	50.00%	50.00%
5	50.00%	50.00%	50.00%
6	50.00%	50.00%	50.00%
7	50.00%	50.00%	50.00%
8	54.29%	52.50%	51.76%
9	58.57%	55.00%	53.53%
10	62.86%	57.50%	55.29%
11	67.14%	60.00%	57.06%
12	71.43%	62.50%	58.82%
13	75.71%	65.00%	60.59%
14	90.00%	67.50%	62.35%
15	90.00%	70.00%	64.12%
16	-	72.50%	65.88%
17	-	75.00%	67.65%
18	-	77.50%	69.41%
19	-	90.00%	71.18%
20	-	90.00%	72.94%
21	-	-	74.71%
22	-	-	76.47%
23	-	-	78.24%
24	-	-	90.00%
25	-	-	90.00%

Guaranteed Surrender Value factors applicable to Accrued Guaranteed Addition			
Policy Year	Policy Term →		
	15	20	25
1	0.00%	0.00%	0.00%
2	0.00%	0.00%	0.00%
3	17.66%	16.22%	15.28%
4	17.85%	16.58%	15.42%
5	18.16%	17.03%	15.55%
6	18.60%	17.58%	15.72%
7	19.18%	17.58%	15.93%
8	19.93%	17.66%	16.22%
9	20.85%	17.85%	16.58%
10	21.99%	18.16%	17.03%
11	23.38%	18.60%	17.58%
12	25.05%	19.18%	17.58%
13	27.06%	19.93%	17.66%
14	30.00%	20.85%	17.85%
15	35.00%	21.99%	18.16%
16	-	23.38%	18.60%
17	-	25.05%	19.18%
18	-	27.06%	19.93%
19	-	30.00%	20.85%
20	-	35.00%	21.99%
21	-	-	23.38%
22	-	-	25.05%
23	-	-	27.06%
24	-	-	30.00%
25	-	-	35.00%

The Special Surrender Value shall be reviewed annually in line with IRDAI Master Circular on Life Insurance Products Ref: IRDAI/ACTL/MSTCIR/MISC/89/6/2024 dated 12<sup>th</sup> June, 2024 and any subsequent circulars issued by IRDAI in this regard.



No surrender value will be available on Rider(s), if any.

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

## 12. Policy Loan:

Loan shall be available, within the surrender value, during the Policy Term subject to the following:

- (i) Loan can be availed under the policy after completion of first policy year provided one full year's premium(s) has been paid.
- (ii) The maximum Loan allowed under the policy as a percentage of surrender value 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%	75%
Under Paid-up policies	40%	65%

- (iii) The rate of loan interest applicable for full loan term, for the loan to be availed under the policy for every 12 months' period from 1<sup>st</sup> May to 30<sup>th</sup> April shall not exceed 10 year G-Sec yield p.a. compounding half-yearly as at the last trading date of previous financial year plus 3% or the yield earned on the Corporation's Non-Linked Non-Participating fund plus 1%, whichever is higher. For loan sanctioned during the 12 months period commencing from 1<sup>st</sup> May, 2024 to 30<sup>th</sup> April, 2025, the applicable interest rate shall be 9.5% p.a. compounding half-yearly for entire term of the loan. The basis for determination of interest rate for Policy Loan is subject to change.
- (iv) During the policy term, in the event of default in payment of interest on the due dates and when the outstanding loan amount along with the 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 loan outstanding amount along with interest, if any.
- (v) Any outstanding loan along with interest shall be recovered from the survival benefits or claim proceeds at the time of exit.

## 13. Forfeiture In Certain Events:

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

## 14. 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 12; 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 13.

## 15. Taxes:

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

The amount of applicable taxes, as per the prevailing rates shall be payable by the policyholder on premiums (for Base Policy and Rider(s), if any) including extra premiums, if any, which shall be collected separately over and above 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.

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

**16. Free Look period:**

If the Policyholder is not satisfied with the “Terms and Conditions” of the policy, the policy may be returned to the Corporation within 30 days from the date of receipt of electronic or physical mode of the Policy Document, whichever is earlier, stating the reasons for objections. On receipt of the same, the Corporation shall cancel the policy and return the amount of premium deposited after deducting the proportionate risk premium (for Base Policy and Rider(s), if any) for the period of cover, expenses incurred on medical examination (including special reports, if any) and stamp duty charges.

**17. Suicide Exclusion:**

- i. If the Life Assured (whether sane or insane) commits suicide at any time within 12 months from the date of commencement of risk, the nominee or beneficiary of the Life Assured shall be entitled to 80% of the total premiums paid till the date of death (excluding any taxes, if collected explicitly, extra premium and rider premium(s) other than Term Assurance Rider, if any), provided the policy is in-force. This clause shall not be applicable in case age at entry of the Life Assured is below 8 years.
- ii. If the Life Assured (whether sane or insane) commits suicide within 12 months from date of revival, an amount which is higher of 80% of the total premiums paid till the date of death (excluding any taxes if collected explicitly, extra premium and rider premium(s) other than term assurance rider, if any), or the surrender value available as on the date of death, shall be payable. The nominee or beneficiary of the Life Assured shall not be entitled to any other claim under the policy.

This clause shall not be applicable:

- In case the age of the life assured is below 8 years at the time of revival; or
- For a policy lapsed without acquiring paid-up value and nothing shall be payable under such policies.

**18. Waiting Period:**

In case the Plan is purchased through Point of Sales Persons-Life Insurance (POSP-LI) / 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 in Para 2.A shall be payable. This clause shall not be applicable in case age at entry of the Life Assured is below 8 years.

## 19. Sample Benefit Illustration:

### Benefit Illustration

Distribution Channel:	Offline	Proposal No:	
Name of the Prospect / Policyholder:		Name of the Product:	LIC's Bima Ratna
Age:		Tag Line:	A Non-Par, Non-Linked, Life, Individual, Savings Plan
Name of the Life Assured:		Unique Identification No:	512N345V02
Age:	35	GST Rate (1st Year):	4.50%
Policy Term:	25	GST Rate (2nd Year onwards):	2.25%
Premium Payment Term:	21	Note: GST rate shall be as applicable from time to time.	
Amount of Instalment Premium:	1,12,258	(Instalment Premium for Base Plan)	
Mode of payment of premium:	Yearly		

This benefit illustration is intended to show year-wise premiums payable and benefits under the policy.

### Policy Details

Policy Option	Basic Sum Assured Rs.	20,00,000
	Sum Assured on Death (at inception of the policy)* Rs.	25,00,000

### Premium Summary

	Base Plan	Riders <sup>1</sup>	Total Instalment Premi
Instalment Premium without GST	1,12,258.00		1,12,258.00
Instalment Premium with GST @ 4.50% (1st year)	1,17,310.00		1,17,310.00
Instalment Premium with GST @ 2.25% (2nd year onwards)	1,14,783.81		1,14,783.81

(Amount in Rupees)

Policy Year (End of the year)	Annualized Premium <sup>2</sup> (Cumulative)	Guaranteed					Non-Guaranteed	Surrender Value payable
		Survival Benefit	Guaranteed Additions	Maturity Benefit	Death Benefit <sup>3</sup>	Guaranteed Surrender Value (GSV)	Special Surrender Value (SSV) <sup>4</sup>	
1	2	3	4	5	6	7	8	9
1	1,12,258	0	1,00,000	0	26,00,000	0	37201	37201
2	2,24,516	0	2,00,000	0	27,00,000	67,355	79623	79623
3	3,36,774	0	3,00,000	0	28,00,000	1,63,711	127793	163711
4	4,49,032	0	4,00,000	0	29,00,000	2,86,196	182394	286196
5	5,61,290	0	5,00,000	0	30,00,000	3,58,395	244181	358395
6	6,73,548	0	6,10,000	0	31,10,000	4,32,666	316343	432666
7	7,85,806	0	7,20,000	0	32,20,000	5,07,599	397264	507599
8	8,98,064	0	8,30,000	0	33,30,000	5,99,464	488448	599464
9	10,10,322	0	9,40,000	0	34,40,000	6,96,677	590463	696677
10	11,22,580	0	10,50,000	0	35,50,000	7,99,489	704381	799489
11	12,34,838	0	11,70,000	0	36,70,000	9,10,285	835491	910285
12	13,47,096	0	12,90,000	0	37,90,000	10,19,144	981447	1019144
13	14,59,354	0	14,10,000	0	39,10,000	11,33,229	1143799	1143799
14	15,71,612	0	15,30,000	0	40,30,000	12,53,005	1324671	1324671
15	16,83,870	0	16,50,000	0	41,50,000	13,79,337	1525362	1525362
16	17,96,128	0	17,70,000	0	42,70,000	15,12,509	1748246	1748246
17	19,08,386	0	18,90,000	0	43,90,000	16,53,525	1995212	1995212
18	20,20,644	0	20,10,000	0	45,10,000	18,03,122	2268926	2268926
19	21,32,902	0	21,30,000	0	46,30,000	19,62,305	2571993	2571993
20	22,45,160	0	22,50,000	0	47,50,000	21,32,395	2908338	2908338
21	23,57,418	0	23,70,000	0	48,70,000	23,15,333	3281090	3281090
22	23,57,418	0	24,90,000	0	49,90,000	24,26,463	3617224	3617224
23	23,57,418	5,00,000	26,10,000	0	51,10,000	25,50,710	3988230	3988230
24	23,57,418	5,00,000	27,30,000	0	52,30,000	24,40,676	3897578	3897578
25	23,57,418	0	28,50,000	38,50,000	53,50,000	21,19,176	3850000	3850000

#### Notes:

The main objective of the illustration is that the client is able to appreciate the features of the product and the flow of the benefit with some level of quantification.

This illustration is applicable to a standard (from medical, life style and occupation point of view) life.

- It includes rider(s) premiums in respect of all the rider(s) opted by the proposer / policyholder at inception of the policy.
- Annualized Premium excludes underwriting extra premium, frequency loadings on premiums, the premiums paid towards the riders, if any, and Goods & Service Tax. Refer Sales literature for explanation of terms used in this illustration.
- In any case the total death benefit at any time shall not be less than 105% of the total premiums paid (excluding GST, extra premium and rider premiums, if any). However, in case of minor lives age below 8 years, before date of commencement of Risk, the death benefit shall be return of total premiums paid (excluding GST, extra premium and rider premiums, if any)
- Surrender value is higher of Guaranteed Surrender Value (GSV) and Special Surrender Value (SSV). SSV shall be reviewed in line with IRDAI Master Circular on Life Insurance Products, Ref: No. IRDAI/ACTL/MSTCIR/MISC/89/6/2024 dated 12th June, 2024 and any subsequent circulars issued by IRDAI in this regard. Guaranteed Surrender Value (GSV) and Special Surrender Value (SSV) shown above is before the payment of Survival Benefit due at that duration.

\* In case of minor lives age below 8 years, Sum Assured on Death (at inception of the policy) shown above is applicable after date of commencement of Risk.

## **20. 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](mailto: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 do not receive the response from us within 15 days, then the customer may approach the Policyholder's Protection and Grievance Redressal Department through any of the following modes:

- i) Calling Toll Free Number 155255/18004254732(i.e. IRDAI Grievance Call Centre-(BIMA BHAROSA SHIKAYAT NIVARAN KENDRA))
- ii) Sending an email to [complaints@irdai.gov.in](mailto:complaints@irdai.gov.in)
- iii) Register the complaint online at <https://bimabharosa.irdai.gov.in/>
- iv) 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 shall be as amended from time to time. The current provision is as under:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

#### **PROHIBITION OF REBATES (SECTION 41 OF 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](http://www.licindia.in) or contact our nearest Branch Office.

#### **BEWARE OF SPURIOUS PHONE CALLS AND FICTITIOUS / FRAUDULENT OFFERS**

IRDAI or its officials do not involve 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.

**LIFE INSURANCE CORPORATION OF INDIA**

“Life Insurance Corporation of India” was established on 1<sup>st</sup> 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](http://www.licindia.in)  
Registration Number: 512