

## SALES BROCHURE

### LIC's Jeevan Nidhi

#### 1. SALIENT FEATURES

- a. **Guaranteed Additions:** Guaranteed Additions @ Rs.50/- per thousand Sum assured for each completed year, for the first five years.
- b. **Participation in profits :** The policy shall participate in profits of the Corporation from the 6<sup>th</sup> year onwards and shall be entitled to receive bonuses declared as per the experience of the Corporation
- c. **Benefit On Vesting :**
  1. **Option to commute** up to 1/3<sup>rd</sup> of the amount available on vesting, which shall include the Sum Assured under the Basic Plan together with accrued Guaranteed Additions, simple Reversionary Bonuses and Terminal Bonus, if any.
  2. **Annuity as per the option selected:** Annuity on the balance amount if commutation is exercised, otherwise annuity on the full amount.
- d. **Death Benefit on death before annuity vests:** On the death of the Life Assured during the deferment period of the policy, i.e. before the annuity vests, an amount equal to the Sum Assured under the Basic plan along with the accrued Guaranteed Additions, simple Reversionary Bonuses and Terminal Bonus, if any, will be paid in a lump sum to the appointed nominee, provided the policy is in force for full Sum Assured. Nominee will also have the option to purchase an annuity with this amount.
- e. **Annuity Options:**

On vesting, the annuity instalment, mode of annuity payment and type of annuity which shall be made available to the Life Assured (Annuitant) / Nominee will depend upon the then prevailing Immediate Annuity plan of the Life Insurance Corporation of India and its terms and conditions.

Currently the following options are available under LIC's immediate annuities:

1. ***Annuity for life:*** The annuity is paid to the life assured as long as he/she is alive.
2. ***Annuity Guaranteed for certain periods:*** The annuity is paid to the life assured for periods of 5 or 10 or 15 or 20 years as chosen by him/her, whether or not he/she survives that period. After the chosen period, the annuity is paid to the life assured as long as he/she is alive.
3. ***Annuity with return of purchase price on death:*** The annuity is paid to the life assured as long as he/she is alive. On the death of the life assured, the purchase price of the annuity is paid as death benefit. The purchase price includes the Sum Assured under the Basic Plan, the accrued Guaranteed Additions and any accrued bonuses, excluding the commuted value, if any.
4. ***Increasing annuity:*** The annuity is paid to the life assured as long as he/she is alive. The amount of annuity increases every year at a simple rate of 3% per annum.
5. ***Joint Life Last Survivor Annuity:*** The annuity is paid to the life assured as long as he/she is alive. On death of the life assured, 50% of the annuity is payable to the nominated spouse as long as the spouse is alive.

**f. Guaranteed Surrender Value:**

Before the annuity vests, the policy can be surrendered at any time after the completion of 3 policy years. For a regular premium policy, the Guaranteed Surrender value is available provided 3 years' premiums are paid, and it is 30% of the premiums paid excluding premiums paid in the first year. For a Single Premium policy, the Guaranteed Surrender Value available after completion of 3 policy years is 90% of the Single Premium. Any extra premiums and premiums for Term Assurance Rider Option, Critical Illness Rider option and Accident Benefit, if any will be excluded.

The cash value of any existing vested Guaranteed Additions and vested Simple Reversionary Bonuses, if any, will be allowed in the surrender value.

**g. Grace Period:** A grace period of 30 days will be available for payment of yearly, half-yearly or quarterly premiums and 15 days for monthly premiums.

**h. 15 – days Cooling-off period:** If policyholder is not satisfied with the "Terms and Conditions" of the policy, he/she may return the policy to us within 15 days.

**i. Paid-up Value:** The policy will acquire paid-up value after at least 3 full year's premiums have been paid.

**j. Revival:** The policyholder can revive his lapsed policy by paying arrears of premium together with interest within a period of five years from the date of first unpaid premium subject to satisfactory evidence of health. The rate of interest for this purpose will be decided by the Corporation from time to time. The present rate of interest is 9% pa.

**k. Options:**

**1. Accidental Death and Disability Benefit:**

In case of death due to accident (within 180 days) an additional amount equal to the Accident Benefit Sum assured will be payable. In case of Total and Permanent disability arising due to accident an amount equal to accident benefit sum assured will be payable over a period of 10 years in monthly instalments. However, the payment of accident benefit will be subject to an overall limit of Rs.25 lakh under all policies of the Life Assured with the Corporation taken together.

The disability due to accident should be total and such that the Life Assured is unable to carry out any work to earn a living. Following disabilities due to accident are also covered –

- a) irrevocable loss of the entire sight of both eyes or
- b) amputation of both hands at or above the wrists or
- c) amputation of both feet at or above ankles, or
- d) amputation of one hand at or above the wrist and one foot at or above the ankle.

No benefit will be paid in case of accidental death or disability due to accident in case of

- a) intentional self-injury, attempted suicide, insanity or immorality or the Life Assured is under the influence of intoxicating liquor, drug or narcotic,
- b) engagement in aviation or aeronautics other than that of a passenger in any air craft.
- c) injuries resulting from riots, civil commotion, rebellion, war, invasion, hunting, mountaineering, steeple chasing or racing of any kind

- d) accident resulted from committing any breach of law.
- e) accident arising from employment in armed forces or military services or police organisation.

2. **Term Assurance Rider Option:** Term Assurance as optional rider will be available under this plan. Premiums for this option are payable during the premium paying term and an amount equal to Term Assurance Sum Assured will be payable on death during the policy term. The maximum cover for this rider will be Rs.25 lakh under all policies of the Life Assured with the Corporation taken together.

3. **Critical Illness Rider Option:** An amount equal to the Critical Illness Rider Sum Assured as optional rider will be payable in case of diagnosis of defined categories of Critical Illness subject to certain terms and conditions. The maximum cover for this rider will be Rs.5 lakh under all policies of the Life Assured with the Corporation taken together.

If opted for Premium Waiver Benefit, then in case the Life Assured is diagnosed with any of the Critical Illnesses covered under the policy, the total future premiums in respect of the policy will be waived. Sum Assured under all such policies with the Corporation taken together will not exceed Rs.5 lakh.

## 2. ELIGIBILITY CONDITIONS AND OTHER RESTRICTIONS UNDER THIS PLAN:

### For Basic Benefit

- a) Minimum age at entry: 18 years (completed)
- b) Maximum age at entry: 65 years
- c) Minimum age at vesting: 40 years
- d) Maximum age at vesting: 75 years
- e) Policy terms: 6 to 35 years under Single Premium policies and 5 to 35 years under Regular Premium policies
- f) Modes of premium payment: Yearly, Half-yearly, Quarterly, SSS & Single Premium
- g) Sums Assured allowed: Rs.50,000/- and in multiples of Rs.5,000/- thereafter, with no upper limit.
- h) Minimum Annual Premium: Rs.3,000/-
- i) Minimum Single premium: Rs.10,000/-

### For Term Assurance Rider Option:

- a) Minimum age at entry: 18 years (completed)
- b) Maximum age at entry: 50 years
- c) Maximum age at vesting: 60 years
- d) Policy terms: 6 to 35 years under Single Premium mode and 10 to 35 years under regular premium mode
- e) Minimum Sum Assured: Rs.1,00,000/-
- f) Maximum Sum Assured: An amount equal to the Sum Assured under the Basic plan subject to a limit of Rs.25,00,000/- taking all Term Assurance Rider Sum Assured under all policies of a life assured
- g) Multiples of Sum Assured: Rs.25,000/-

**For Critical Illness Rider Option**

- a) Minimum age at entry: 20 years (completed)
- b) Maximum age at entry: 50 years
- c) Maximum age at vesting: 60 years
- d) Policy terms: 10 to 35 years
- e) Minimum Sum Assured: Rs.50,000/-
- f) Maximum Sum Assured: An amount equal to the Sum Assured under the Basic plan subject to a limit of Rs.5,00,000/- taking all Critical Illness Rider Sum Assured under all policies of a life assured
- g) Multiples of Sum Assured: Rs.10,000/-

**3. REBATES**

**Rebate for Mode of Premium Payment:**

Yearly	...	2% of tabular premium
Half-Yearly	...	1% of tabular premium
Quarterly	...	Nil
Monthly	...	5% extra of tabular premium

**Large Sum Assured Rebates:**

**For Regular Premium policies:**

<u>Sum Assured</u>	<u>Rebate</u>
50,000 to 1,00,000	Nil
1,05,000 to 3,00,000	1%o S.A.
3,05,000 and above	2%o S.A.

**For Single Premium Policies:**

<u>Sum Assured</u>	<u>Rebate</u>
50,000 to 1,00,000	Nil
1,05,000 to 3,00,000	5%o S.A.
3,05,000 and above	10%o S.A.

**6. LOAN / ASSIGNMENT**

No Loan/Assignment will be available by the Corporation to the policyholders under this plan.

**EXCLUSIONS:**

**Suicide:** This policy shall be void if the Life Assured commits suicide (whether sane or insane at the time) at any time on or after the date on which the risk under the policy has commenced but before the expiry of one year from the date of commencement of risk under the policy and the Corporation will not entertain any claim by virtue of this policy except to the extent of a third party's bonafide beneficial interest acquired in the policy for valuable consideration of which notice has been given in writing to the office in which the policy is being serviced, at least one calendar month prior to death.

**Specimen Premium Rates per Rs.1000/- Sum Assured  
Single Premiums**

Age at entry	Policy term					
	10	15	20	25	30	35
20	-	-	616.40	523.40	446.55	384.35
25	-	727.30	617.30	525.35	450.30	390.70
30	856.45	728.05	619.25	529.40	457.45	401.85
35	857.10	730.10	623.70	537.50	470.35	420.80
40	858.40	733.85	631.60	550.95	490.95	450.35
45	860.70	740.35	644.15	571.80	522.35	-
50	864.55	750.40	663.30	603.10	-	-
55	869.95	764.85	691.20	-	-	-
60	878.30	787.25	-	-	-	-
65	892.25	-	-	-	-	-

**Annual Premiums**

Age at entry	Policy term						
	5	10	15	20	25	30	35
20	-	-	-	52.45	40.30	32.35	26.90
25	-	-	72.75	52.55	40.55	32.75	27.45
30	-	113.05	72.90	52.90	41.05	33.45	28.40
35	231.90	113.40	73.45	53.60	42.05	34.80	30.15
40	232.35	114.05	74.40	54.95	43.80	37.05	33.05
45	233.05	115.25	76.10	57.15	46.65	40.70	-
50	234.45	117.40	78.85	60.75	51.30	-	-
55	236.55	120.45	83.05	66.40	-	-	-
60	239.55	125.40	90.15	-	-	-	-
65	245.00	134.55	-	-	-	-	-

**Benefit Illustration :****Statutory warning :**

*"Some benefits are guaranteed and some benefits are variable with returns based on the future performance of your insurer carrying on life insurance business. If your policy offers guaranteed returns then these will be clearly marked "guaranteed" in the illustration table on this page. If your policy offers variable returns then the illustrations on this page will show two different rates of assumed future investment returns. These assumed rates of return are not guaranteed and they are not the upper or lower limits of what you might get back as the value of your policy is dependent on a number of factors including future investment performance."*

**Illustration 1:**

Age at entry: 35 years

Policy Term: 25 years

Premium paying term: 25 years

Mode of premium payment: Yearly

Annual Premium : Rs.4,121/-

Sum Assured: Rs.1,00,000/-

End of year	Total premiums paid till end of year	Benefit payable on death / Amount available on survival up to the date of vesting for purchase of annuity				
		Guaranteed	Variable		Total	
			Scenario 1	Scenario 2	Scenario 1	Scenario 2
1	4,121	1,00,000	-	-	100000	100000
2	8,242	1,05,000	-	-	105000	105000
3	12,363	1,10,000	-	-	110000	110000
4	16,484	1,15,000	-	-	115000	115000
5	20,605	1,20,000	-	-	120000	120000
6	24,726	1,25,000	2300	7300	127300	132300
7	28,847	1,25,000	4600	14600	129600	139600
8	32,968	1,25,000	6900	21900	131900	146900
9	37,089	1,25,000	9200	29200	134200	154200
10	41,210	1,25,000	11500	36500	136500	161500
15	61,815	1,25,000	23000	73000	148000	198000
20	82,420	1,25,000	48500	157500	173500	282500
25	1,03,025	1,25,000	63500	206000	188500	331000

**Illustration 2:**

Age at entry: 35 years  
 Policy Term: 25 years  
 Premium paying term: 1 year  
 Single Premium: Rs. 53,750/-  
 Sum Assured: Rs.1,00,000/-

End of year	Total premiums paid till end of year	Benefit payable on death / Amount available on survival up to the date of vesting for purchase of annuity				
		Guaranteed	Variable		Total	
			Scenario 1	Scenario 2	Scenario 1	Scenario 2
1	53,750	1,00,000	-	-	100000	100000
2	53,750	1,05,000	-	-	105000	105000
3	53,750	1,10,000	-	-	110000	110000
4	53,750	1,15,000	-	-	115000	115000
5	53,750	1,20,000	-	-	120000	120000
6	53,750	1,25,000	2500	12400	127500	137400
7	53,750	1,25,000	5000	24800	130000	149800
8	53,750	1,25,000	7500	37200	132500	162200
9	53,750	1,25,000	10000	49600	135000	174600
10	53,750	1,25,000	12500	62000	137500	187000
15	53,750	1,25,000	25000	124000	150000	249000
20	53,750	1,25,000	53500	268000	178500	393000
25	53,750	1,25,000	70000	350500	195000	475500

- i) The above illustration is applicable to a non-smoker male/female standard (from medical, life style and occupation point of view) life.
- ii) The non-guaranteed benefits (1) and (2) in above illustration are calculated so that they are consistent with the Projected Investment Rate of Return assumption of 6% p.a.(Scenario 1) and 10% p.a. (Scenario 2) respectively. In other words, in preparing this benefit illustration, it is assumed that the Projected Investment Rate of Return that LIC will be able to earn **throughout the term of the policy** will be 6% p.a. or 10% p.a., as the case may be. The Projected Investment Rate of Return is **not guaranteed**.
- iii) The main objective of the illustration is that the client is able to appreciate the features of the product and the flow of benefits in different circumstances with some level of quantification.
- iv) Future bonus will depend on future profits and as such is not guaranteed. However, once bonus is declared in any year and added to the policy, the bonus so added is guaranteed.
- v) The amount available on survival up to the date of vesting for purchase of annuity is shown at the end of the policy term.

**Prohibition of Rebates (Section 41 of INSURANCE ACT ,1938) :**

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 the 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.

Any person making default in complying with the provisions of this section shall be punished with fine, which may extend to five hundred Rupees.

**This is not meant to be a prospectus. This is only a gist of the salient features. For further details and conditions please contact your nearest LIC office or Agent.**