

DRAFT
LIFE INSURANCE CORPORATION OF INDIA
CENTRAL OFFICE

Dept.: Product Development

"Yogakshema",
Jeevan Bima Marg,
Mumbai – 400 021

Ref: CO/PD/

May, 2015

All HODs of Central Office
All Zonal Offices
All Divisional Offices
All Branch Offices (through DOs)
MDC, ZTCs, STCs, NIA and
Audit & Inspection Depts. of Zonal Offices.

Re: INTRODUCTION OF LIC's JEEVAN TARUN (Plan No. 834)

1. Introduction:

It has been decided to introduce **LIC's JEEVAN TARUN** (Plan No.834), which would be open for sale from ----- May, 2015.

The Unique Identification Number (UIN) for LIC's Jeevan Tarun Plan is 512N 299V01. This number has to be quoted in all relevant documents furnished to the Policyholders and other users (public, distribution channels, etc.).

LIC's Jeevan Tarun Plan is a non-linked, with-profits, limited premium payment plan specially designed to meet the educational and other needs of growing children. This is a flexible plan wherein depending on the requirement, the proposer can choose any of the four options for Survival Benefit payments from ages 20 to 24 years. Maturity Benefit is payable at the age of 25 years only.

The four options are as below:

Option	Survival Benefit	Maturity Benefit
Option 1	No survival benefit	100% of Sum Assured
Option 2	5% of Sum Assured every year for 5 years	75% of Sum Assured
Option 3	10% of Sum Assured every year for 5 years	50% of Sum Assured
Option 4	15% of Sum Assured every year for 5 years	25% of Sum Assured

The option need to be chosen by the proposer at proposal stage only.

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

2. Benefits:

The benefits payable under an inforce policy are as under:

a) Death Benefit:

On death before the Date of Commencement of Risk:

An amount equal to the total amount of premium(s) paid excluding taxes, extra premium and rider premium, if any, shall be payable.

On death after the Date of Commencement of Risk:

Death Benefit, defined as sum of "**Sum Assured on Death**" and vested Simple Reversionary Bonuses and Final Additional Bonus, if any, shall be payable. Where "**Sum Assured on Death**"

is defined as Higher of 10 times of annualized premium or Absolute Amount Assured to be paid on Death i.e. 125% of Sum Assured.

This death benefit shall not be less than 105% of the total premiums paid as on date of death.

The premiums mentioned above exclude taxes (including service tax), extra premium and rider premium, if any.

- b) Survival Benefit:** On the Life Assured surviving on each of the respective policy anniversaries, a fixed percentage of Sum Assured shall be payable every year starting from policy anniversary coinciding with or following the completion of 20 years of age and thereafter on each of next four policy anniversaries. These fixed percentages shall depend on the Option chosen at the proposal stage and for various Options the percentages are as given below:

Policy Anniversary coinciding with/ following completion of ages	Percentage of Sum Assured to be paid as Survival Benefit			
	Option 1	Option 2	Option 3	Option 4
20 to 24 years	Nil	5% each year	10% each year	15% each year

Once an Option is chosen at proposal stage, the same shall not be altered.

- c) Maturity Benefit:** On the Life Assured surviving to the end of the policy term, the **Sum Assured on Maturity** along with vested Simple Reversionary Bonuses and Final Additional Bonus, if any, shall be payable. Where the **Sum Assured on Maturity** as a fixed percentage of the Sum Assured for various Options are as below:

Option 1: 100% of Sum Assured

Option 2: 75% of Sum Assured

Option 3: 50% of Sum Assured

Option 4: 25% of Sum Assured.

- d) Participation in profits:**

The policy shall participate in profits of the Corporation and shall be entitled to receive Simple Reversionary Bonuses declared as per the experience of the Corporation, provided the policy is in full force.

Final Additional Bonus may also be declared under the policy which will be payable on the expiry of the policy term or on earlier death.

Final Additional Bonus shall not be payable under reduced paid-up policies.

3. LIC's Premium Waiver Benefit Rider (UIN: 512B204V01):

LIC's Premium Waiver Benefit Rider is available on payment of additional premium. This rider can be opted for along with the basic plan at the inception or at any time as an alteration during the premium paying term of the basic plan (i.e. on the policy anniversary coinciding with or the next policy anniversary following the date of receipt of application) provided the outstanding premium paying term of the basic plan is at least 5 years.

- a) If this rider is opted for, in case of death of the proposer, the payment of the premiums falling due after the date of death shall be waived;
- b) The Premium Waiver Benefit shall be granted on the basis of the proposer's age, personal declaration and other related documents. In case it is found that any untrue or incorrect statement is contained therein or any material information is withheld, then and in every such case but subject to the provisions of Section 45 of the Insurance Laws (Amendment) Act, 2015;

- c) The Premium Waiver Benefit shall not operate if the proposer (whether sane or insane) commits suicide within 12 months from the date of opting this Rider or within 12 months from the date of revival;
- d) The additional premium paid in respect of this rider shall not be taken into account in arriving at the benefit paid on death of the Life Assured and in calculating the surrender value of the policy;
- e) The Premium Waiver Benefit shall cease to apply if policy is in lapsed/paid-up condition;
- f) The medical report and special reports from the Corporation's appointed Medical Examiner, if required, at proposal stage or on revival, shall be at the proposer's own expense;
- g) The revival of the rider will be considered along with the revival of the basic policy. The rider can be revived at any time but within a period of two consecutive years from the due date of the said unpaid premium or before the date of expiry of policy term, whichever is earlier, subject to evidence of health and habits of the proposer to the satisfaction of the Corporation and on term and conditions based on underwriting decision;

4. Eligibility Conditions and Restrictions:

For Basic Plan

- a) Minimum Sum Assured : Rs. 75,000
- b) Maximum Sum Assured : No Limit
(The Sum Assured shall be in multiples of Rs. 5,000 from Sum Assured Rs. 75,000 to Rs. 100,000 and Rs. 10,000/- for Sum Assured above Rs 100,000)
- c) Minimum Age at entry : [90] days (completed)
- d) Maximum Age at entry : [12] years (last birthday)
- e) Minimum/ Maximum Maturity Age : [25] years (last birthday)
- f) Policy Term : [25 – Age at entry] years
- g) Premium Paying Term (PPT) : [20 – Age at entry] years

Date of commencement of risk under the plan:

In case the age at entry of the Life Assured is less than 8 years (last birthday), the risk under this plan will commence either one day before the completion of 2 years from the date of commencement of policy or one day before the policy anniversary coinciding with or immediately following the completion of 8 years of age, whichever is earlier. For those aged 8 years (last birthday) or more, risk will commence immediately.

Date of vesting under the plan:

The policy shall automatically vest in 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.

For LIC's Premium Waiver Benefit (PWB) Rider – optional:

- a) Minimum Entry Age : [18] years (completed)
- b) Maximum Entry Age : [55] years (Nearer Birthday)
- c) Term of the Rider : [20 - Age of the child at the time of opting the rider]
- d) Maximum cover ceasing age : [70] years (Nearer Birthday)

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.

If PWB Rider is not opted for, the maximum entry age & the maximum cover ceasing age of proposer, as mentioned above, shall not be a requirement for Base Policy.