

**Endowment Plus (Plan No. 802) : a Unit Linked Endowment Plan.
Launch Date: 20.09.2010**

Endowment Plus is a Unit Linked Endowment Plan which offers investment-cum-insurance during the term of the policy.

FUND TYPES:

Fund Type	Investment in Government/Government Guaranteed Securities/ Corporate Debt	Short term investment such as money market instruments	In Listed Equities	Goals
Bond Fund	Not less than 60%	Not more than 40%	NIL	Low Risk
Secured Fund	Not less than 45%	Not more than 40%	Not less than 15% and not more than 55%	Steady income – Low to Medium Risk
Balanced Fund	Not less than 30%	Not more than 40%	Not less than 30% and not more than 70%	Balanced Income and Growth – Medium Risk
Growth Fund	Not less than 20%	Not more than 40%	Not less than 40% and not more than 80%	Long term Capital Growth – High Risk

A policy holder can choose only one of the above four funds at a time.

No top up facility is available in the plan.

The NAV shall be computed on daily basis.

CHARGES:

(i) PREMIUM ALLOCATION CHARGES:

Single Premium		3.3%
Regular Premium	First Year	7.5%

-do-	2 nd to 5 th year	5.0%
-do-	Subsequent years	3.0%

(ii) MORTALITY CHARGE:

This charge shall be recovered every month by canceling appropriate number of units out of the policy holder's fund value. It shall be based on the age nearer birthday of the policy on the policy anniversary coinciding with or immediately preceding the due date of cancellation of units. This charge shall depend on the sum assured less the fund value. (Rates given in the attachment).

(iii) CRITICAL ILLNESS RIDER CHARGE:

This charge also shall be recovered every month by canceling appropriate number of units out of the policy holder's fund value. (Rates given in the attachment.)

(iv) ACCIDENT BENEFIT CHARGE:

The rate is 50 paise per thousand sum assured.

(v) POLICY ADMIN CHARGE;

The rate is Rs.30/- per month escalating @ 3% per year from 2nd year onwards.

(vi) FUND MANAGEMENT CHARGE:

Bond Fund	0.50% of Unit Fund
Secured Fund	0.60% of Unit Fund
Balanced Fund	0.70% of Unit Fund
Growth Fund	0.80 % of Unit Fund

(vii) SWITCHING CHARGE:

The policy holder can switch the fund from one fund type to another during the term of the policy. Four switches in a policy year are free and subsequent switches shall be subject to charge of Rs.100/- per switch.

(vii) BID OFFER SPREAD– NIL

viii) DISCONTINUANCE CHARGE:

Where the policy is discontinued during the policy year	Discontinuance charge for the policies having annualized premium up to Rs.25000/-.	Discontinuance charges for the policies having annualized premium above Rs.25000/-.
1	Lower of 10% of (AP or FV) subject to a maximum of Rs.2500/-.	Lower of 6% of (AP or FV) subject to maximum of Rs.6000/-.
2	Lower of 7% of (AP or FV) subject of a maximum of Rs.1750/-.	Lower of 4% of (AP or FV) subject to maximum of Rs.5000/-.
3	Lower of 5% of (AP or FV) subject to a maximum of Rs.1250/-.	Lower of 3% of (AP or FV) subject to a maximum of Rs.4000/-.
4	Lower of 3% of (AP or FV) subject to a maximum of Rs.750/-.	Lower of 2% of (AP or FV) subject to a maximum of Rs. 2000/-.
5 year onwards	NIL	NIL

Note: AP – Annualised Premium, FV – Fund Value.

There shall be no discontinuance charge for direct business in respect of LIC employees.

ix) SERVICE TAX: As per prevailing tax laws. (10.30% as of now)

x) MISCELLANEOUS CHARGE: Leviable on alteration within the contract, such a reduction in sum assured, change in premium mode to higher frequency, grant of Accident Benefit after issue of policy. The charge per alteration to be Rs.50/-.

APPLICABILITY OF NAV:

As per IRDA guidelines, which are as under:

For premiums received up to 3PM by the Corporation through

- (i) ECS,
- (ii) Local cheque
- (iii) DD payable at par at the place where the premium is received,

the closing NAV of the day on which premium is received shall be applicable. For premiums received after 3PM, the NAV of the next day shall be applicable.

Outstation cheques/DD shall not be accepted.

BENEFITS:

- A) **Benefits payable on Death:** Sum assured or Fund Value which ever is higher subject to deduction of any withdrawals made during the preceding 2 years.
- B) **Benefits payable on Maturity:** Fund Value.

RIDERS:

1. **Accident Benefit Rider:** Rate..50 paise per thousand sum assured. Maximum limit 50,00,000 including all other policies. Min. Age .. 18 years completed.
2. **Critical Illness Rider:** Maximum Limit 10,00,000 including all other policies. Not exceeding sum assured. Minimum age.. 18 years completed.

The benefit will be available only till age 60.

SETTLEMENT OPTION:

To be exercised one month prior to the date of maturity.

In case this option is exercised, the maturity claim under the policy shall not be paid in one lump sum. The policy holder, in that case, shall encash the units held in the Policy Holder's Fund in regular (half yearly/yearly) installments spread over not more than 5 years.

The instalment shall be the total number of units as on the date of maturity divided by total number of instalments (5 and 10 for Yly and Half Yearly instalments in 5 year period respectively) . The number of units arrived at in respect of each instalment will be multiplied by the NAV on the date of instalment payment.

During the settlement option period, no charges other than the Fund Management Charge shall be deducted.

No partial withdrawal or switching of fund shall be allowed after commencement of Settlement Option period.

DISCONTINUANCE OF PREMIUMS:

If premiums under the policy have not been paid within the days of grace, a notice shall be sent to the policy holder within a period of 15 days from the date of expiry of the grace period to exercise on the following options within a period of 30 days of receipt of such notice.

- i) Revival of the policy, or
- ii) Complete withdrawal from the policy.

During the notice period of 30 days, the policy shall be treated as in force and the charges for Mortality, Accident Rider, Critical Rider (wherever applicable) shall be recovered by canceling of appropriate number of units from the Fund Value. Insurance cover shall continue till the date of discontinuance of the policy. (i.e. till the date on which the intimation is received from the policy holder for complete withdrawal of the policy or till the expiry of the notice period.)

The benefits payable under the policy during the notice period shall be same as that under an inforce policy, except Partial Withdrawal, which shall NOT be allowed if all due premiums have not been paid.

Benefits payable when the policy holder exercises the option for complete withdrawal or does not exercise any option during the notice period shall be as under:

i) POLICIES DISCONTINUED WITHIN 5 YEARS FROM DATE OF COMMENCEMENT.

The Fund value on the date of discontinuance, after deduction of discontinuance charge, shall be converted into monetary value and shall be paid to policy holder at the end of 5 years (together with a minimum interest of 3.5% per annum applicable after conversion.)

ii) POLICIES DISCONTINUED after 5 YEARS FROM DATE OF COMMENCEMENT.

The policy shall be terminated and fund value paid.

COMPULSORY TERMINATION:

If the balance in the policy holders Fund Value is, at any time,

- i) not sufficient to recover the relevant charges (in case of partial withdrawals after 5th policy anniversary)
- ii) less than or equal to the loan outstanding (with over due interest),

the policy shall be compulsorily terminated and the balance amount in the fund value shall be refunded to the policy holder.

ELIGIBILITY CONDITIONS:

For Basic Plan

Minimum Sum Assured	<p>Regular Premium Policies: (Policy Term + 1)*annualized premium.</p> <p>Single Premium Policies: Upto age at entry 44: 1.25 times of single premium. From age 45 onwards: 1.10 times of single premium.</p>
Maximum Sum Assured	<p>Regular Premium Policies: Up to age at entry 45: 30 times of annualised premium. From age 46 onwards: 25 times of annualized premium</p> <p>Single Premium Policies: <i>(Without CIR)</i> for Maturity age upto 65: 5 times the single premium. For Maturity ages 66-70: 3 times the single premium.</p> <p><i>(With CIR)</i> for Maturity age upto 55: 5 times the single premium. For Maturity ages 56-70: 3 times the single premium.</p>
Sum assured multiple	5000 (to be rounded to next multiple where it is not multiple of 5000)
Minimum Premium	Regular Premium (ECS) :1750/- pm Regular Premium (others): Rs.20000/- per annum Single: 30,000/-
Maximum Premium	Regular Premium (others): Rs.1,00,000/- per annum Single : no limit
Premium Multiple	ECS.. 250 Annualised Premium.. 1000 Single .. 1000
Minimum Entry Age	7 LBD
Maximum Entry Age	60 NBD
Policy Term	10 to 20
Minimum Maturity Age	18 years completed
Maximum Maturity Age	70 NBD
	Entry ages to be NBD except the minimum 7 when it has to be LBD

For Accident Benefit

Minimum Sum Assured	25000
Maximum Sum Assured	50,00,000 (ALL POLICIES COMBINED – INDIVIDUAL AND GROUP)
Sum assured multiple	5000
Minimum Entry Age	18 LBD
Maximum Entry Age	60 NBD
Policy Term	10 to 20
Maximum Maturity Age	70 NBD

For Critical Illness Benefit

Minimum Sum Assured	50000
Maximum Sum Assured	10,00,000 (ALL POLICIES COMBINED – INDIVIDUAL)
Sum assured multiple	10000
Minimum Entry Age	18 LBD
Maximum Entry Age	50 NBD
Policy Term	10 to 20
Maximum Maturity Age	60 NBD

INCREASE/DECREASE IN BENEFITS:

No increase of benefits will be allowed under the plan. The policy holder can however decrease the risk covers, without reducing the level of premium, once during the policy term, provided all due premiums under the policy have been paid.

When Life cover is reduced, then Accident Benefit and CI benefit shall also be reduced to the extent of reduced cover under the main plan. Further, once reduction in risk cover is allowed, the same cannot be subsequently increased/restored.

PARTIAL WITHDRAWALS:

- i) Available after 5th policy anniversary.
- ii) In case of minors, withdrawals allowed on/after age 18.
- iii) Partial withdrawals may be in the form of fixed amount or in the form of fixed number of units.
- iv) For 2 years period from the date of withdrawal, the SA under the basic plan shall be reduced to the extent of the amount of partial withdrawal.
- v) Partial withdrawal will be allowed subject to a minimum balance of 2 annualised premiums in the fund value (25% of the single premium in the case of single premium).

MODES OF PREMIUM PAYMENT: Yly, Hly, Qly, Mly (ECS), Single.

LOANS:

Loan will be available under this plan subject to the following conditions:

- Loan will be granted under the policy after completion of 3 years and provided all due premiums have been paid.
- Policy loan will be available to the extent of 30% of the policy holder's fund value.
- No partial withdrawal will be allowed if any loan is outstanding.
- If the fund value at any time is less than or equal to the loan outstanding along with the interest thereon, the policy will be compulsorily terminated.

The rate of interest charged for this loan amount would be determined from time to time by the Corporation. Presently the rate of loan interest of 9% p.a. payable half yearly.

COMMISSION:

Agents/Corporate Agents	Regular Premium Policies	1 st year ...6.5% Subsequent.. 2.5%
	Single Premium	2% of premium
	Bonus Commission	On Regular Premium. 40% of First Premium Commission. Not on Single Premium Policies.
Brokers	Regular Premium Policies	1 st year ...9% Subsequent.. 2.5%
	Single Premium	2% of premium
	Bonus Commission	No bonus commission
Development Officers' Credit	Regular Premium Single Premium	20% of FYP 5% of Single premium