

## FEATURES:

### “IN THIS POLICY, THE INVESTMENT RISK IN INVESTMENT PORTFOLIO IS BORNE BY THE POLICYHOLDER”

LIC's Wealth Plus is a unit linked plan that safeguards your investment from market fluctuations, so that your investments are protected in financially volatile times. This plan offers payment of Fund Value at the end of policy term, based on highest Net Asset Value (NAV) over the first 7 years of the policy, or the NAV as applicable at the end of the policy term, whichever is higher. NAV of the fund will be subject to a minimum of Rs. 10/-. The policy term is 8 years with an extended life cover for 2 years after the completion of policy term. This plan will be available for sale for a limited period.

You can pay the premium either in a single lump sum or for 3 years. You can choose the level of cover within the limits, which will depend on your age whether the policy is a Single premium or Limited premium contract and on the level of premium you agree to pay.

Premiums paid after allocation charge will purchase units of the Fund. The Unit Fund is subject to various charges and value of units may increase or decrease, depending on the Net Asset Value (NAV).

1. **Payment of Premiums:** You may pay premiums regularly at yearly, half-yearly, quarterly or monthly (through ECS mode only) intervals over the 3 years premium paying term. Alternatively, a Single premium can be paid.
2. **Guaranteed NAV:** In this product there is a guarantee of the highest NAV recorded on a daily basis, in the first 7 years of the policy, subject to a minimum of Rs. 10. This means the payment at the end of the policy term will be based on highest Net Asset Value (NAV) recorded over the first 7 years of the policy, or the NAV as applicable on the end of the policy term, whichever is higher. The guarantee will be applicable only for payment made at the end of the policy term irrespective of any partial withdrawals made during the policy term. The period of 7 years starts from the date of commencement of policy.

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

- |  |   |   |
|--|---|---|
| (a) Minimum Age at entry   | - | 10 (age last birthday)                      |
| (b) Maximum Age at entry   | - | 65 years (age nearer birthday)              |
| (c) Policy Term  | - | 8 years                                     |
| (d) Extended Life Cover  | - | 2 years after the completion of policy term |
| (e) Minimum Premium:   |   |   |
| 3 years Premium Paying policies<br>(Other than monthly (ECS) mode) | - | Rs. [20,000] p.a.                           |
| Monthly (ECS) mode   | - | Rs. [2,000] p.m.                            |
| Single premium policies  | - | Rs. [40,000] p.a.                           |
| (f) Sum Assured under the Basic Plan                               | - |   |
| Minimum Sum Assured:   |   |   |

3 years Premium Paying Term: 5 times the annualized premium  
Single Premium: 1.25 times the single premium.  
Maximum Sum assured:

3 years Premium Paying Term:

10 times the annualized premium if age at entry is upto 50 years

5 times the annualized premium if age at entry is 51 years and above

Single Premium:

5 times the Single premium if age at entry is upto 40 years.

2.5 times the Single premium if age at entry is 41 to 50 years.

1.25 times the Single premium if age at entry is 51 years and above.

Where the minimum Sum Assured is not in the multiples of Rs. 5,000, it will be rounded off to the next multiple of Rs. 5,000. Annualized Premiums shall be payable in multiple of Rs. 1,000 for other than ECS monthly. For monthly (ECS), the premium shall in multiples of Rs. 500/-.

#### 4. ***Other Features:***

***i) Partial Withdrawals:*** You may encash the units partially after the third policy anniversary subject to the following:

1. In case of minors, partial withdrawals shall be allowed from the policy anniversary coinciding with or next following the date on which the life assured attains majority (i.e. on or after 18th birthday).
2. Partial withdrawals will be allowed twice in a policy year.
3. Partial withdrawals may be in the form of fixed amount or in the form of fixed number of units subject to a minimum amount of Rs. 2000/-.
4. Under 3 years Premium Paying Term policies where less than 3 years' premiums have been paid and further premiums are not paid, the partial withdrawals shall not be allowed.
5. Under 3 years Premium Paying Term policies where all the' premiums have been paid, partial withdrawal will be allowed subject to Policyholder's Fund Value being at least one annualized premium
6. Under Single Premium policies, the partial withdrawal will be allowed subject to a minimum balance of 25% of the single premium in the Policyholder's Fund Value.

***ii) Increase / Decrease of risk covers:*** No increase or decrease of benefits will be allowed.

***iii) Discontinuance of premiums:*** If premiums are payable either yearly, half-yearly, quarterly or monthly (ECS) and the same have not been duly paid within the days of grace under the Policy, the Policy will lapse. A lapsed policy can be revived during the period of two years from the due date of first unpaid premium.

If the policy lapses, the Life Cover and Accident Benefit rider cover, if any, shall cease and no charges for these benefits shall be deducted. However, deduction of all the other charges shall continue. The benefits under such a lapsed policy shall be payable as under:

7. **In case of Death:** The Policyholder's Fund Value.
8. **In case of death due to accident:** Only, the amount as under A above.
9. **In case of Surrender (including Compulsory Surrender):** Policyholder's Fund Value / monetary value of units as the case may be, shall be payable after the completion of the third policy anniversary. No amount shall be payable within 3 years from the date of commencement of policy.
10. **In case of Partial withdrawal:** Partial Withdrawals shall not be allowed under such a policy even after completion of 3 years period.

*iv) Revival:* If due premium is not paid within the days of grace, the policy lapses. A lapsed policy can be revived during the period of two years from the due date of first unpaid premium. The period during which the policy can be revived will be called "Period of revival" or "revival period".

The policy may be revived within two years from the due date of first unpaid premium. The revival shall be made on submission of proof of continued insurability to the satisfaction of the Corporation and the payment of all the arrears of premium without interest. The mortality charge thereafter shall be based on the age nearest birthday as on the date of revival. There will be a charge of Rs. 500/- at the time of revival.

The Corporation reserves the right to accept the revival at its own terms or decline the revival of a lapsed policy. The revival of a lapsed policy shall take effect only after the same is approved by the Corporation and is specifically communicated in writing to the Proposer / Life Assured.

Irrespective of what is stated above, if the Policyholder's Fund Value is not sufficient to recover the charges, the policy shall be terminated and thereafter revival will not be entertained.

5. **Reinstatement:**

A policy once surrendered cannot be reinstated.

6. **Risks borne by the Policyholder:**

7. LIC's Wealth Plus is a Unit Linked Life Insurance products which is different from the traditional insurance products and are subject to the risk factors.
8. The premium paid in Unit Linked Life Insurance policies are subject to investment risks associated with capital markets and the NAVs of the units may go up or down based on the performance of fund and factors influencing the capital market and the insured is responsible for his/her decisions.

9. Life Insurance Corporation of India is only the name of the Insurance Company and LIC's Wealth Plus is only the name of the unit linked life insurance contract and does not in any way indicate the quality of the contract, its future prospects or returns.
10. Please know the associated risks and the applicable charges, from your Insurance agent or the Intermediary or policy document of the insurer.
11. The various funds offered under this contract are the names of the funds and do not in any way indicate the quality of these plans, their future prospects and returns.
12. All benefits under the policy are also subject to the Tax Laws and other financial enactments as they exist from time to time.

**13. *Cooling off period:***

If you are not satisfied with the "Terms and Conditions" of the policy, you may return the policy to us within 15 days. The amount to be refunded in case the policy is returned within the cooling-off period shall be determined as under:

	Value of units in the Policyholder's Fund
	<i>Plus</i> unallocated premium.
	<i>Plus</i> Policy Administration charge deducted
<i>Less</i>	<i>charges</i> @ Rs.0.20 per thousand Sum Assured under Basic plan
	<i>Less</i> Actual cost of medical examination and special reports, if any.

• ***Loan:***

No loan will be available under this plan.

• ***Assignment:***

Assignment will be allowed under this plan.

• ***Exclusions:***

In case the Life Assured commits suicide at any time within one year, the Corporation will not entertain any claim by virtue of the policy except to the extent of the Policyholder's Fund Value on death.

**BENEFITS:**

**A) Death Benefit:**

In case of death during the policy term, the nominee shall receive Sum Assured under the basic

plan together with the Policyholder's Fund Value as death benefit.

In case of death of the Life assured after the policy term, but before the expiry of extended period, the nominee shall receive the Sum Assured under the Basic Plan.

**B)Benefit at the end of Policy term:**

On the Life Assured surviving the end of the policy term of the contract, an amount equal to the Policyholder's Fund Value based on highest Net Asset Value (NAV) recorded over the first 7 years of the policy, or the NAV as applicable on the end of the policy term, whichever is higher is payable.

**1. Option:**

**Accident Benefit Option:**

If you are between 18 and 62 years of age, you may opt for Accident Benefit equal to the amount of life cover subject to minimum of Rs. 50,000 and maximum of Rs. 50 lakh (taken all policies with LIC of India and other insurers). In case of death by Accident, an additional sum equal to Accident Benefit sum assured shall be payable.

**2. Investment of Funds:** The fund detail is as below:

<b>Fund Type</b>	<b>Investment in Government / Government Guaranteed Securities / Corporate Debt</b>	<b>Short-term investments such as money market instruments</b>	<b>Investment in Listed Equity Shares</b>	<b>Details and objective of the fund for risk / return</b>
<b>Wealth Plus Fund</b>	0% to 100%	0% to 100%	0% to 100%	Medium Risk

In the period during which this product is open for sale, all premiums received shall be invested in Money Market instruments of applicable duration i.e. the period from the date of sale to the date of closure of the plan. After the date of closure of the plan the above investment pattern shall be followed.

**3. Method of Calculation of Unit price:** Units will be allotted based on the Net Asset Value (NAV) of the fund as on the date of allotment. There is no Bid-Offer spread (the Bid price and Offer price of units will both be equal to the NAV). The NAV will be computed on daily basis and will be based on investment performance, Fund Management Charge, Guarantee Charge and whether fund is expanding or contracting under each fund type and shall be calculated as under:

**Appropriation price is applied (when fund is expanding):**

Market value of investments held by the fund plus the expenses incurred in the purchase of the assets plus the value of any current assets plus any accrued income net of fund management charges including Guarantee Charge less the value of any current liabilities less provisions, if

any divided by the number of units existing at the valuation date (before any new units are allocated).

**Expropriation price is applied (when fund is contracting):**

Market value of investments held by the fund less the expenses incurred in the sale of assets plus the value of any current assets plus any accrued income net of fund management charges including Guarantee Charge less the value of any current liabilities less provisions, if any divided by the number of units existing at the valuation date (before any units redeemed).

**Applicability of Net Asset Value (NAV):**

The premiums received up to a particular time (presently 3 p.m.) by the servicing branch of the corporation through ECS or by way of a local cheque or a demand draft 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. The premiums received after such time by the servicing branch of the corporation through ECS or by way of a local cheque or a demand draft payable at par at the place where the premium is received, the closing NAV of the next business day shall be applicable.

Similarly, in respect of the valid applications received for surrender, partial withdrawal, death claim etc up to such time by the servicing branch of the Corporation closing NAV of that day shall be applicable. For the valid applications received in respect of surrender, partial withdrawal, death claim etc after such time by the servicing branch of the Corporation the closing NAV of the next business day shall be applicable

In respect of payment at the end of policy term, the Policyholders fund value shall be based on the highest NAV over the first 7 years of the policy or the NAV as applicable at the end of the policy term, which ever is higher.

The timing given is as per the existing guidelines and changes in this regard shall be as per the instruction from IRDA.

**4. Charges under the Plan:**

**A) Premium Allocation Charge:**

This is the percentage of the premium deducted towards charges from the premium received. The balance constitutes that part of the premium which is utilized to purchase (Investment) units for the policy. The allocation charges are as below:

**Single premium policies:**

<b>Premium Band</b>	<b>Allocation Charge</b>
<b>Up to 4,00,000</b>	<b>5.00%</b>
<b>4,00,001 and above</b>	<b>4.50%</b>

### **3 years Premium Paying Term:**

<b>Premium Band (per annum)</b>	<b>Allocation charge</b>	
	<b>First year</b>	<b>thereafter</b>
<b>20,000 to 2,00,000</b>	<b>12.00%</b>	<b>2.50%</b>
<b>2,00,001 to 4,00,000</b>	<b>11.75%</b>	<b>2.50%</b>
<b>4,00,001 to 7,00,000</b>	<b>11.50%</b>	<b>2.50%</b>
<b>7,00,001 and above</b>	<b>11.25%</b>	<b>2.50%</b>

### **B) Charges for Risk Covers:**

i) Mortality Charge – This is the cost of life insurance cover. A level mortality charge based on the age at entry will be taken every month during the policy term by canceling the Policyholder's Fund Value appropriately.

The level charges per Rs. 1000/- Basic Sum Assured for some of the ages in respect of a healthy life are as under:

<b>Age</b>	25	35	45	55
<b>Rs.</b>	1.65	2.75	6.85	17.25

1. Accident Benefit charge - It is the cost of Accident Benefit rider (if opted for) and will be levied every month at the rate of Rs. 0.50 per thousand Accident Benefit Sum Assured per policy year.

### **C) Other Charges:**

1. Policy Administration charge - Rs. 60/- per month during the first policy year, Rs 25/- per month during the second year and thereafter, from the third year onwards till the end of the policy term Rs. 25/- per month escalating at 3% p.a. These charges will be deducted on monthly basis by canceling appropriate number of units out of Policyholder's Fund Value.
2. Fund Management Charge – This is a charge levied as a percentage of the value of assets and shall be appropriated by adjusting the Net Asset Value (NAV) at 1.00% p.a. of Fund Value.

This is a charge levied at the time of computation of NAV, which will be done on daily basis.

3. Guarantee Charge – A charge of 0.35% p.a. of the Fund Value shall be levied for the cost of investment guarantee.

This is a charge levied at the time of computation of NAV, which will be done on daily

basis.

4. Bid/Offer Spread – Nil.
5. Surrender Charge – Nil.
6. Miscellaneous Charge – This is a charge levied for revival and alteration within the contract, such as change in mode of payment to higher frequency within the premium paying term decided in the beginning of the contract, Grant of Accident Benefit after the issue of the policy etc..

The flat charges for revival shall be Rs. 500/- and for alteration shall be Rs. 250/- which will be deducted by canceling the Policyholder's Fund Value appropriately and the deduction shall be made on the date of revival/alteration in the policy.

7. Service Tax Charge – A service tax charge, if any, shall be levied on the following charges

- a) Policy Administration, Mortality and Accident Benefit rider, if any – by canceling appropriate number of units out of the Policyholder's Fund Value on a monthly basis as and when the corresponding Policy Administration, Mortality and Accident Benefit rider charges are deducted.
- b) Premium allocation - at the time of allocation.
- c) Fund Management – at the time of deduction of Fund Management Charge.
- d) Guarantee – at the time of deduction of Guarantee Charge.
- e) Miscellaneous charge - on the date of revival/alteration in the policy.

The level of this charge will be as per the rate of service tax as applicable from time to time. Presently, the rate of Service Tax is 10% with an educational cess at the rate of 3% thereon and hence effective rate is 10.3%.

**D) Right to revise charges:** The Corporation reserves the right to revise all or any of the above charges except the Premium Allocation charge and Mortality charge. The modification in charges will be done with prospective effect with the prior approval of IRDA.

Although the charges are reviewable, they will be subject to the following maximum limit:

- Policy Administration Charge

Rs. 150/- per month during the first policy year, Rs. 50/- per month during the second year and thereafter, from the third year onwards till the end of the policy term Rs. 50/- per month escalating at 3% p.a.

- Fund Management Charge: The Maximum for each Fund will be 1.30% p.a. of Fund Value

- Guarantee Charge shall not exceed 0.50% p.a. of the Fund Value.

- Miscellaneous Charge shall not exceed Rs. 750/- for revival and Rs. 350/- for alteration each time when an revival/alteration is requested.



The above mentioned maximum limits are exclusive of service tax.

In case the policyholder does not agree with the revision of charges the policyholder shall have the option to withdraw the Policyholder's Fund Value. No Guarantee shall apply in such case.

## **5. Surrender:**

The policy can be surrendered only during the policy term. The surrender value, if any, is payable only after the completion of the third policy anniversary both under Single and 3 years Premium Paying Term contract. The surrender value will be the Policyholder's Fund Value at the date of surrender. There will be no Surrender charge. The policy can not be surrendered during the extended life cover period.

If you apply for surrender of the policy within 3 years from the date of commencement of policy, then the Policyholder's fund value of units shall be converted into monetary terms. No charges shall be deducted thereafter and this monetary value shall be paid on completion of 3 years from the date of commencement of policy.

In case of death of life assured after the date of surrender but before the completion of 3 years from the date of commencement of policy the monetary value payable on the completion of 3 years shall be payable to the nominee/ legal heir immediately on death.

### Compulsory Surrender:

The policy shall be surrendered compulsorily in following cases:

- i) where the policy is not revived during the period of revival, the policy shall be terminated after completion of 3 years from the date of commencement of the policy or on expiry of revival period, whichever is later.
- ii) where single premium has been paid or premiums have been paid for less than 3 years and the policy is in force and the balance in policyholder's fund value is not sufficient to recover the relevant charges;
- iii) where 3 full years' premium are paid and the balance in policyholder's fund value falls below 50% of one annualized premium.

### The conversion in monetary value shall be as under:

The NAV on the date of application for surrender or on the date when revival period is over (in case of compulsory surrender), as the case may be, multiplied by the number of units in the Policyholder's Fund as on that date.