

JEEVAN VISHWAS



Table No. 136

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LIC has introduced a new plan “JEEVAN VISHWAS” for the benefit of the physically/mentally handicapped dependents. Through Karavalamban newsletter, we wish to give hereunder the salient features of the plan for the benefit of those who wish to take this plan for their disabled dependants.

INTRODUCTION

For the benefit of handicapped dependants “JEEVAN AADHAR” plan was introduced with effect from 17th January 1996. The plan was specially designed so that an individual or member of Hindu Undivided Family can take an assurance on his/her own life to provide for lump sum and an annuity to the handicapped dependant. The provision is in the nature of a limited payment whole life assurance policy. The payment is made to the nominee under the policy, who will be either the handicapped dependent or any other person or a trust, to be utilized for the benefit of the handicapped dependant.

The premiums under Jeevan Aadhar are eligible for tax benefit under Sec. 80DD of Income Tax Act, 1961. The definition disability under rule 11A of Income Tax Rules, 1962 for this purpose is rather stringent in Jeevan Aadhar as such is thus not catering to the needs of those handicapped dependents whose degree of handicap is lower than the specified levels.

Keeping in mind the guardians of such lives who may be willing to provide for the dependents even without the benefit under Sec. 80DD of Income Tax Act, it is decided to introduce JEEVAN VISHWAS with effect from 1st December, 1999. While developing the plan, feedback received from various sources on the benefit structure of Jeevan Aadhar is taken into account. The plan is guaranteed and loyalty additions.

ELIGIBILITY

Under this plan, an individual or member of Hindu Undivided Family can take an assurance on his/her own life to provide for payment of a lump sum and an annuity to the handicapped dependent. The payment will be made to the nominee under the policy, who will be either the handicapped dependent or any other person, The proposer can even create a trust under Marriage Women Property (MWP) Act.

BENEFITS

- A) **Maturity Benefits:** Basic sum assured together with accrued guaranteed additions and loyalty addition if any will be payable on the life assured (proposer) surviving the life date of maturity of the policy.
- B) **Death Benefit:** On death of the life assured during the term of the policy, Basic sum assured together with accrued guaranteed additions and loyalty addition, if any will be payable.
- C) **Guaranteed additions:** Guaranteed additions at the rate of Rs.60 per thousand of basic sum assured will accrue at the end of each completed policy year while the policy is in force for full sum assured and will be payable on the date of maturity or on earlier death of the life assured.
- D) **Loyalty addition:** On the life assured surviving the date of maturity, or on earlier death after five years, Loyalty addition, if any may be paid at such rates and on such terms as may be declared by the Corporation.

ACCIDENT BENEFIT

Accident benefit can be allowed only under annual premium policies, subject to underwriting restrictions. The accident and disability benefits will be paid as per the usual LIC practice. Bifurcation of the benefits in to 20% and 80% will not be applicable to these benefits.

MANNER OF BENEFIT PAYMENT

Twenty percent of the total of sum assured, accrued guaranteed additions and loyalty addition, if any will be paid in lump sum. The balance eighty percent will compulsorily be utilized to provide an immediate annuity on the life of handicapped dependent, payable as per the chosen mode. The annuity will be at the rates prevailing at the time of claim. The following are the annuity options under the plan.

- i. Annuity for life.
- ii. Annuity certain for 5 or 10 or 15 years and life thereafter.
- iii. Annuity for life with return of national purchase price (which is 80% of the total of basic sum assured, accrued guaranteed additions and loyalty addition, if any).

MISCELLANEOUS PROVISIONS

- a) Minimum age at entry of the proposer birthday : 20 years nearest
- b) Maximum age at entry of the proposer birthday : 65 years nearest
- c) Maximum age at maturity of the proposer birthday : 75 years nearest
- d) Minimum policy term : 10 years

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| e) Maximum policy term | : 40 years |
| f) Maximum premium paying term | : 25 years |
| g) Minimum Sum Assured | : Rs.50,000 and in multiples
of Rs.25,000 thereafter |
| h) Modes of premium | : Yrly, Hly, Qly, Single |
| i) Minimum installment premium | : Rs.800 yearly
: Rs.400 half-yearly
: Rs200 quarterly |

REBATES

Mode Rebates:

Mode	Yly	Hly	Qly
Rebate as % of Tabular premium	3.00	1.50	Nil

High Sum Assured Rebates:

Sum assured range	Rebate per Rs.1000 sum assured	
	Annual Premium Policies	Single Premium Policies
1. Less than Rs.1 lakh	No rebate	No rebate
2. Rs.1 lakh and above but Less than 2.5 lakhs	Rs.1.00	No rebate
3. Rs.2.5 lakhs and above but Less than 5 lakhs	Rs.2.00	No rebate
4. Rs.5 lakhs and above but Less than 20 lakhs	Rs.3.00	Rs.1.00
5. Rs.20 lakhs and above but Less than 50 lakhs	Rs.4.00	Rs.1.50
6. Rs.50 lakhs and above	Rs.5.00	Rs.2.00

BACK DATING

The policy can be backdated within the same financial year on payment of interest at the rate of 12% p.a. No waiver of interest for backdating will be allowed. Period up to 14 days is to be rounded to a month under Annual Premium Policies. Interest calculation under Single Premium Policies will be for the exact number of days without any rounding off.

Single premium policy can be surrendered for cash at any time after the policy has run for at least three years. The surrender value allowable under this policy will be equal to 90% of the total amount of premiums, if any. On surrender, cash value of accrued guaranteed additions also will be allowed.

DECLARATION

(To be made by the Proposer under Jeevan Vishwas Plan)

Proposal No. _____

Proposal Dated: _____

I hereby declare that _____

aged _____ years is physically/ mentally handicapped and is dependent on me.

Place:

Date:

(Signature of the Proposer)

Name and address of the proposer:

LOANS

No loan facility is available under this plan.

REVIVALS

Rules as applicable for revival of lapsed policies under Endowment Assurance Plan (Table No. 11) will apply to this plan as well.

GUARANTEED SURRENDER VALUE

Annual premium paying policy under this plan can be surrendered for cash at any time after the premiums have been paid for at least three years. The surrender value allowable under this policy will be equal to 30% of the total amount of premiums paid excluding the premiums for the first year and all extra premiums, if any. On surrender, cash value of accrued guaranteed additions also will be allowed.

PAID UP VALUE AND SPECIAL SURRENDER VALUE

The provisions for paid up value and factors for calculation of special Surrender Value will be same as for Endowment Assurance without profits (Table No. 11/47). On surrender, cash value of accrued Guaranteed additions also will be allowed.

EXECUTIVE DIRECTOR (ACTL)

Tabular rates per Rs.1000 S.A.

Age	Annual Premium			Policy Term			
	10	15	20	25	30	35	40
20	119.95	77.35	54.10	39.90	31.95	26.15	22.10
25	119.95	77.45	54.30	40.25	32.50	26.95	23.15
30	120.15	77.75	54.75	41.00	33.50	28.35	24.95
35	120.55	78.45	55.75	42.35	35.35	30.70	27.95
40	121.35	79.60	57.40	44.60	38.25	34.45	
45	122.75	81.65	60.15	48.25	42.95		
50	125.00	84.80	64.45	54.05			
55	128.20	89.65	71.40				
60	134.05	98.60					
65	145.05						

Age	Single Premium			Policy Term			
	10	15	20	25	30	35	40
20	728.90	577.45	450.70	350.55	274.80	219.60	180.80
25	728.95	577.80	451.80	353.00	279.15	226.30	190.25
30	729.25	578.95	454.50	358.15	287.45	238.30	206.45
35	729.95	581.30	459.80	367.45	301.60	258.10	232.45
40	731.20	585.50	468.60	382.25	323.75	288.60	
45	733.50	602.85	482.55	405.30	357.70		
50	737.00	618.20	503.25	439.70			
55	742.00	643.85	534.70				
60	750.40						
65	765.15						

For more details, contact your nearest LIC Office or LIC Agent.
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