

Product Summary

LICI UK

**Steady Growth With Profit
Individual Saving Account
(ISA)**

2013-2014 tax year

Seven important features

- ◆ **Tax efficient**- With ISA you do not pay any Income Tax or Capital Gains Tax. There is no personal tax liability when it is paid out/encashed but Inheritance Tax may apply. ISA fund receives UK dividend income net of Corporation Tax.
- ◆ **Affordable**- You can start from a minimum of £100 a month, £1,200 a year or £4000 lump sum and can invest up to £11,520 during the tax year 2013-14.
- ◆ **Potential of good returns**- The investment is done through our With Profits fund in 50:50 ratio of equities and fixed investment securities offering good growth potential.
- ◆ **Professional fund management**- Fund is professionally managed and invested in a diversified portfolio.
- ◆ **Smoothed returns**- While you enjoy the potential benefits of stock market investments you do not feel the fluctuations as we smooth your returns by spreading the returns from good years to bad years.
- ◆ **Flexible**- You can continue to pay as long as you want up to the prescribed limit of £11,520 during the tax year 2013-14 and take out anytime you want, though you must remember that surrender penalty applies in the first three years.
- ◆ **Finally, Security**- The value of your investment increased in line with the declared bonus is guaranteed on the 10th anniversary from when you first started the policy and on every 5th anniversary thereafter.

You can also transfer your existing ISA from another provider to our Steady Growth With Profit ISA. Simply complete and sign our transfer form and we will do the rest. However, you should keep in mind that the charges may be deducted by your existing provider.

Seven important points you should note

- ◆ **Eligibility**- You must be a UK resident and be at least 18 years old.
- ◆ **How long you should hold it for**- It is a medium to long term investment and should be held for **at least for 5 years**, ideally for 10 years and beyond.
- ◆ **Charges**-It is important that you understand our charges clearly. You should read the Key Features Document of our Steady Growth With Profit ISA and the terms and conditions carefully and ask us for clarification if there is any doubt.
- ◆ **Market Value Reduction**- In case you decide to withdraw at a time the stock market is performing badly we may apply Market Value Reduction. Please read the Key Features Document carefully for full details. It will however be not applied on the 10th anniversary from when you first started the policy and on every 5th anniversary thereafter.
- ◆ **Inflation**- Please note that inflation will erode the value of your investments in future.
- ◆ **Tax position**- The favourable tax treatment of the plan may change in future that could adversely impact the returns.
- ◆ **If you become resident abroad**- The policy can continue but no further contribution can be made.

How we invest your money

Your money along with those of other policyholders is pooled into our With Profits fund. You can read about how we manage our With Profits fund at <http://www.liciuuk.com/site/pdf/LICICFPPFM10.pdf> or we can provide you with a copy of the document upon request.

As on 31st March, 2012 the size of our With Profits fund was more than £ 57 million.

The following table shows the asset allocation of our With Profits fund as on 31st March 2012.

	Values in £	%
Cash	178,478	0.31
Fixed Interest	38,289,272	66.90
UK Equities and Funds	14,945,303	26.11
International Equities	3,823,167	6.68

The asset share of Steady Growth With Profit ISA will be based upon the actual performance of the bonds and equities in the main With Profits fund but on the assumption that the mixture of assets backing the ISA was 50% in equities (both UK and overseas) and 50% in fixed interest securities.

Options for you to invest in ISA during tax year 2013-14

The maximum you can invest is £11,520, during the tax year 2013-14 of which a maximum of £5,760 could be in Cash ISA and the balance in Stocks and Shares ISA. You can also invest the full amount in Stocks and Shares ISA.

You can only invest in one Cash ISA and one Stocks and Shares ISA in a tax year.

You can transfer your investments in Cash ISA to Stocks and Shares ISA.

Steady Growth With Profit ISA of LIC UK is a Stocks and Shares ISA.

Lastly ...

Applying is quick and easy. Read our 'Key Features Document' and ensure suitability of investing in our Steady Growth With Profit ISA. You can read about how we manage our With Profits fund at <http://www.liciuk.com/site/pdf/LICICFPPFM10.pdf>. On request we can provide you a copy of the document as well.

Should you decide to go ahead with investing in our Steady Growth With Profit ISA, complete the application form and then send it to us. If you are investing by lump sum payment, your application should be accompanied by a cheque for the amount. If you wish to pay monthly or annually, the Direct Debit advice section of the application form needs to be completed.

NOTE: If you are unsure of the suitability of investing in **Steady Growth With Profit ISA** offered by LICI UK, you should contact your independent financial adviser or seek expert advice. Should you have any queries or require any further information, you can contact us by telephone or email your queries.

Free Phone **08000 685 712**

Our lines are open from 9am to 5pm,

Monday to Friday

Please be aware that calls may be recorded and monitored.

Email us at

enquiry@liciuk.com

Alternatively you can write to us at

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LICI UK, authorised and regulated by the Financial Services Authority for protection, pensions, savings and investment products. Entered on the FSA Register, Registration No. 110379.

LICI UK is a trading name of the Life Insurance Corporation of India which is registered in England and Wales, Company No FC005008.

Visit us at www.liciuk.com

SGWP ISA-NON-ADV Version # 5 - April. 2013 (sys v#5)