



KEY FEATURES
CAPITAL WITH PROFIT BOND PLAN

The Financial Conduct Authority is the independent financial services regulator. It requires us, LIC UK, to give you this important information to help you decide whether our **CAPITAL WITH PROFIT BOND Plan** is right for you. You should read this document carefully so that you understand what you are buying, and then keep it in a safe place for future reference.

This Key features Document is for a UK savings plan and is for use by residents ordinarily resident in the UK, Channel Islands or the Isle of Man.

Helping you decide!

This Key Features Document will give you information on the main features, benefits and risks of the **CAPITAL WITH PROFIT BOND PLAN**.

You should read this document carefully so that you understand what you are buying, and keep it in a safe place for future reference. A personal illustration will be provided upon request to show you how much you may get back in the future and outline any associated costs and charges.

Your Key Features document and personal illustration should be read together so that you gain a clear understanding of the product, its features, benefits and risks together with any associated costs and charges.

If you require any further information about the LIC UK **CAPITAL WITH PROFIT BOND PLAN**, or if you have any questions or queries, please call us free on **0800 068 5712**.

We will clarify any queries you have about the features of the CAPITAL WITH PROFIT BOND PLAN although we will NOT be able to advise you about its suitability for you.

Its aims

- To increase the value of your lump sum investment growing steadily over the medium to long term.
- To provide guaranteed cash sum if you die during the savings period.

Your commitment

- To invest a single lump sum of at least £5,000 (or £2,000 if a reinvestment or if you already have a Capital With-Profits Bond) over a term of at least 5 years.
- The Capital With-Profits Bond should be regarded as a medium to long term investment. Once the initial investment is made, there is no further commitment.

Risk factors

- The growth achieved may be less than that shown in your personal illustration, which would mean that you would receive less than you had expected.
- Our charges may turn out to be higher than shown in your personal illustration.
- Inflation will reduce the 'real value' of your savings, and what you could buy in the future, and the impact on the figures shown in the personalized illustrations provided before sale.
- If you cash in early you may not get back the amount invested.
- If you are in any doubt as to whether this policy is suitable for your needs, please contact your financial adviser or seek expert advice.

Warning:
**If you cash in your Bond before the end of the term,
you may get back less than you invested.**

An Example:

Based on a male, aged 30 investing a lump sum of £10,000 over 10 years.

If the investment grew at 1.5% a year, you could get back	£10,965
If the investment grew at 4.5% a year, you could get back	£13,300
If the investment grew at 7.5% a year, you could get back	£17,500

- These figures are only examples and are not guaranteed - they are not minimum or maximum amounts. What you will get back depends on how your investments grow and the tax treatment of the investments.
- You could get back more or less than this, but the minimum amount you could get back, on maturity or earlier death, is the Guaranteed Cash Amount.
- All regulated firms use a standardised method for illustrations but their rates of return and charges may vary. The figures provided are purely for illustration purposes and the projected returns will vary as these figures include deductions for firm specific charges.
- Do not forget that inflation would reduce what you could buy in the future with the amounts shown.

Questions and Answers

What is the Capital With-Profits Bond?

- It is a “with-profits” endowment plan. Your investments are pooled with that of other investors in the With-Profits fund which invests in a range of carefully selected investments including stocks and shares. It is an investment designed for capital growth over the medium to long term.
- You must be aged between 18 and 59 years at the start of the Bond.
- The minimum term of the Bond is 5 years and the maximum term is 20 years with a maximum age at maturity of 74 years.

Can my spouse/civil partner and I have a joint Plan?

- No, you can not take out the Plan jointly with your husband, wife or civil partner.

What is payable at the end of the savings period?

- The Capital With-Profits Bond provides a Guaranteed Cash amount at the end of the savings period.
- You may also receive a share of the profits of LICl’s UK with-profits fund in the form of bonuses.
- Bonuses may be added every year and an additional bonus may be added at maturity or earlier death subject to the provisions in Section 9 of the Policy Document, a copy of which is available on request.
- Bonuses depend on investment performance and are not guaranteed.

What if I die during the term?

- If you die during the term of the Bond, the Guaranteed Cash Amount together with any bonuses already added will be paid to your estate and may be subject to inheritance tax, unless the Plan is placed in a suitable trust.

What about charges?

- Deductions used in your personal illustration are our best estimates based on current experience. They could, however, vary in the future..

What about tax?

- Tax is paid on income and capital gains from within the Bond equivalent to basic rate tax.
- Death, maturity or surrender of the Bond gives rise to a chargeable event and you may incur a tax liability. If it is not subject to a trust, the amount payable on death is added to the value of your estate for inheritance tax purposes.
- If you are in any doubt about your tax position, we recommend that you seek appropriate advice.

Can I cash in the Plan early?

- Yes, you can cash in your Bond whenever you like, but if you cash in early the amount you will get back is not guaranteed and may be less than you have invested.

Based on an example of a male aged 30 investing £10,000 over 10 years, the table below shows the amount he is likely to get back. The last two columns assume that investment will grow at 4.5% a year.

WARNING:
If you cash in during the early years you could get back less than you have paid in.

Guaranteed Cash Amount (Sum Assured): £10,965

At the end of year	Total paid in to date £	Total Actual deductions to date £	Effect of Deductions to Date £
1	10,000	1,030	9,140
2	10,000	1,190	9,720
3	10,000	1,350	10,000
4	10,000	1,520	10,300
5	10,000	1,710	10,700
The later years			
10	10,000	2,150	13,300

What are the deductions for?

- The deductions include the cost of life cover, expenses incurred in administering the plan, charges, any surrender penalties and other adjustments.
- The last line in the table shows that over the term shown, the effect of total deductions could amount to £2,150.
- Putting it another way, leaving out the cost of life cover this would have the same effect as bringing investment growth from 4.5% a year down to 3% a year.

Who manages the fund?

Currently **Investec Wealth & Investment Limited** is managing the fund under the guidance of LICU UK

Can I change my mind?

After your proposal is accepted, you will receive a notice of your legal right to cancel. You then have 30 days from receipt in which you can change your mind. If you wish to cancel, you must return the 'Cancellation Notice' to the address given on the form and you will receive back in full any contributions you have made. If we do not receive a Cancellation Notice your Plan will continue.

Further Information

Terms and Conditions

This Key Features document only gives a summary of the terms and conditions of your investment. For full terms and conditions that apply to this plan, you should read the LICl Capital With Profits Bond Policy Document, which can be sent to you on receipt of a request.

Can I keep my Plan in the UK if I move to India?

It depends on the foreign exchange regulations in India and the UK at the time of the transfer. Currently an Indian national under certain circumstances can keep the Plan in the UK by arranging to make contributions in Sterling from funds outside India.

Principles and Practices of Financial Management (PPFM)

The Capital With-Profit Bond is invested in our "With-Profits" Fund.

For your information we are able to provide you with a copy of our PPFM, the objective of which is to enable our current and potential "With-Profit" policy holders to better understand how "With-Profit" works and also what to expect from "With-Profit" policies. Should you require a copy please visit: <http://www.liciuk.com>

Complaints

If you are not satisfied with what we do for you, please let us know by writing to **LICI UK, 10th Floor, York House, Wembley, Middlesex HA9 0PX**.

If you prefer, you can telephone our Customer Helpline on **0800 068 5712 (Freephone)** or email us at **customer.service@liciu.com**.

We aim to deal promptly and fairly with all complaints. If you are not happy with the outcome you may be able to refer to the **Financial Ombudsman Service, South Quay Plaza, 183 Marsh Wall, London E14 9SR** about this if you need it. Copies of our complaints handling procedures are available on request. This will not affect your legal rights.

Compensation

We are covered by the Financial Services Compensation Scheme. You may be entitled to compensation from the scheme if we cannot meet our obligations. This depends on the type of business and the circumstances of the claim. Most types of investment business are covered for maximum compensation of **£50,000**. You can find more about the Financial Services Compensation Scheme, including eligibility to claim by visiting its website www.fscs.org.uk or calling them on **0800 678 1100**.

Law

If any legal dispute arises the Law of England and Wales will apply.

This document is based on our understanding of current law and HM Revenue and Customs practice.

Full details are contained in the policy document which is the legally binding contract between you and the Life Insurance Corporation of India.

Language

The English language will be used in all documents and future correspondence.

How to contact us.

If you have any queries please call our Customer Services Helpline on **0800 0685712** (free phone). Our lines are open from 9 am to 5 pm Monday to Friday. Alternatively you can email us at : **customer.service@liciu.com**

We would like to make you aware that calls may be recorded and monitored.

Office Address: LICI UK, 10th Floor, York House, Empire Way, Wembley, Middlesex HA9 0PX

Authorised and regulated by the Insurance Regulatory and Development Authority (IRDA) of India.
Authorised by the Prudential Regulation Authority. Subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. Details about the extent of our regulation by the Prudential Regulation Authority are available from us on request. Financial services registration number 110379. LICI UK is a trading name of the Life Insurance Corporation of India which is registered in England and Wales, Company No. FC005008.