



LIC

भारतीय जीवन बीमा निगम
LIFE INSURANCE CORPORATION OF INDIA

Terms & Conditions – LIC Steady Growth With Profit ISA

1) Definitions

Within this Policy the following expressions shall have the following meanings except where inconsistent with the subject matter or content: 'We', 'us', 'our' means LIC UK.

'You', 'your', 'yours', 'yourself' means the person on whose life the policy would be taken as specified in the application form as applicant.

"Investor" means the individual who is named in the application form as the applicant.

We will treat you as a 'retail client' and accordingly you will receive information in a straightforward way and the highest level of regulatory investor protection.

"Actuary" shall mean the With Profits Actuary of LIC UK.

"Commencement date of the policy" shall mean the date as on which the policy will be issued by us.

"Investment content" shall mean the amount being available for investment in units including any additional allocation.

"ISA" means Individual Savings Account.

"Individual Savings Account" shall mean an account issued to you by the ISA Manager governed by the Individual Savings Account Regulations 1998 (Statutory Instrument 1998 No 1870) as from time to time amended and in force.

"ISA Manager" shall mean the manager of the Individual Savings Account of which this Policy forms a part. The ISA Manager for Steady Growth With Profit ISA is the Life Insurance Corporation of India (LIC UK) which is authorised and regulated by the Financial Services Authority

"Minimum partial withdrawal" shall mean the minimum amount as determined by LIC UK and in force at the time of such withdrawal. "Minimum value of remaining units" shall mean the minimum value as determined by LIC UK and in force at the time of withdrawal or cessation of regular contributions.

"Notice" shall mean written instructions given by the investor or his/her Executors or Administrators and received by LIC UK at its Registered Office.

"Policy Conditions" shall mean the terms and conditions set out in this Policy.

"Policy Value" shall mean the value of units allocated to the Policy valued at the price immediately following Notice after deduction of any early encashment charge and/or any market value reduction and inclusion of any terminal bonus.

"Contribution/s" shall mean your subscription to LIC UK Steady Growth With Profit ISA

"The Assured" shall mean the person applying for the policy or his/her successors in title.

"The Life Assured" shall mean the person upon whose life payment of the death benefit depends.

"Valuation Date" shall mean the date, being a business working day, on which the Unit Price is calculated.

"Working day" shall mean any day, excepting a Saturday, Sunday or Bank Holiday in England.

"Business Day" means any day, except a Saturday, Sunday or Bank Holiday in England

"Dealing Deadline" means 12.00 noon on a Business Day.

"Tax Year" means the Tax Year in which the Investor subscribes to an ISA, beginning on 6 April in any one year and ending on 5 April in the following year.

"Regulations" means The Individual Savings Account Regulations 1998 (Statutory Instrument 1998 Number 1870) as from time to time amended and in force.

2) Investment

The Investor may subscribe to only one stocks and shares ISA in any Tax year.

The Investor must complete and return a direct debit-instruction to the ISA Manager for contributions made by regular monthly/annual payments or by cheque for Lump sum payment.

The total of contributions to be invested in any Tax Year will not be more than the maximum permitted to be invested in the stocks and shares component by the Regulations for that Tax Year.

The Investor will invest in an LIC UK Unitised With Profits Life ISA policy known as Steady Growth With Profit ISA

The ISA shall start on the day that the ISA Manager receives a fully completed application form and the first investment paid by cheque or Direct Debit (subject to any proof of identify required). If the date of receipt is not a Business Day or receipt is after the Dealing Deadline, the ISA shall start on the next Business Day.

The ISA Manager reserves the right to reject an application and, in particular, may do so if it is not tendered using the latest application form.

3) Allocation

On payment of the contribution, the total Investment Content shall be applied to secure an allocation of units. The number of units allocated shall be obtained by dividing the Investment Content of the Contribution by the unit price on the valuation date following receipt of the Contribution, the allocation being calculated to the next lower one hundredth part of a unit.

4) Beneficial Ownership & Custody

The life policy within the ISA will be held in the name of the Investor and will be, and must remain, beneficially owned by the Investor and not used as security for a loan.

5) Accounts and Statements

The ISA Manager will send a statement to the Investor, every six months, containing the following information as at the close of business on the statement due date:-

- i. the number of units allocated to the policy
- ii. the value of those units
- iii. a list of all transactions carried out in the period including all contributions made by the Investor

6) Notice of ISA Charges

The contributions paid into the policy form part of LIC UK With Profit fund and are used to buy units. There is no initial charge in the Steady Growth With Profit ISA. There will be an on going management charge of 1.5% to be deducted on a monthly basis. The ISA Manager will not impose any charge without notice to the Investor and in any event will not apply any charges for the Tax Year in which the notice is given.

7) Terminal Bonus

A terminal bonus may be applied on withdrawal and death. Whether there will be a terminal bonus and the amount will depend upon, amongst other things, the performance of the underlying assets in the With Profits Fund over the period since the Commencement date of the policy.

8) Market Value Reduction

LIC UK aims to operate a fair policy regarding the use of a market value reduction, balancing the needs of those leaving the fund with those remaining. On the advice of the Actuary, LIC UK reserves the right to apply a factor to reduce the unit price used when a partial or total withdrawal is made if considered necessary to protect the interest of the remaining policyholders. If on receipt of a Notice of withdrawal from the Investor, a market value reduction is to be applied, then LIC UK shall give notice to the Investor that such a reduction is to be applied. LIC UK guarantees that such a market value reduction will not be applied to withdrawals on the 10th anniversary from when you first started the policy and thereafter on every 5th anniversary or on payment of the death benefit

9) Void Contracts

The ISA Manager will notify the Investor in writing if by reason of any failure to satisfy the provisions of the Regulations, the ISA has or will become void for the purposes of the Regulations.

10) Transfer to India

Transfer of the Policy is not permitted.

If the Investor leaves the United Kingdom contributions may remain invested but no further contributions may be made.

11) Termination and Withdrawal

Upon giving written notice to the ISA Manager, the Investor may make a withdrawal from or terminate the ISA and the ISA Manager will make such payments as the Investor directs.

On termination the LICI UK Steady Growth With Profit ISA policy will be cancelled and the proceeds paid to the Investor.

On withdrawal the amount payable will be determined in accordance with the LICI UK Steady Growth With Profit ISA Policy Terms and Conditions.

On Notice, some of the units may be surrendered for their Policy Value, provided the amount payable shall not be less than £ 500. The ISA Manager will be entitled to terminate the ISA policy at any time if the value of units in the ISA is less than £500. When giving instructions for a withdrawal the Investor may stipulate a time within which such withdrawal should take place. The period specified must be no less than thirty days. In the event of the death of the Investor the ISA will lose its ISA status and all monies will be transferred to a Cash account until such time as the amount becomes payable to the estate.

In the event of the death of the Life Assured and whilst the policy is still in force, LICI UK shall, subject to receipt of satisfactory evidence of the death of the Life Assured, the title of the claimant and any other documentary evidence or information LICI UK considers necessary, pay an amount equal to 101% of the value of the units as calculated at the unit price at the valuation date on or immediately preceding the date of death.

12) Transfer to another Individual Savings Account

The Investor will have the right at any time by notice in writing to the ISA Manager to transfer the ISA to another Individual Savings Account Manager. The ISA Manager charges a transfer administration fee of £30 which may be increased only upon three months' written notice to the Investor. When giving instructions for a transfer the Investor may stipulate a time within which such withdrawal should take place. The period specified must be no less than thirty days.

13) The investor's Eligibility

The Investor shall immediately notify the ISA Manager at any time he ceases to qualify as an Investor under the Regulations. No further ISA contributions will be accepted if the Investor ceases to be entitled under the Regulations to invest in an Individual Savings Account.

14) The ISA Manager's Liability

No warranty is given by the ISA Manager as to the performance or profitability of the ISA.

15) The Investor's Cancellation Rights

The Investor has the right to cancel the ISA policy within 30 days from receipt of the cancellation notice. This right is conferred by the Financial Services and Markets Act 2000.

In the event of such cancellation the Investor will receive back, in full, any money paid when the request to cancel is received by LICI UK. This right will cease to exist after 30 days from receipt of this policy. If the investor does not exercise this right of cancellation it shall be presumed that he has understood and accepted the Terms and Conditions of this policy.

16) The ISA Manager's Rights

The ISA Manager shall be entitled to arrange for a third party to carry out some or all of its administration functions. Where administrative functions are delegated, the ISA Manager will satisfy himself that any person to whom it delegates any of its functions or responsibilities under the Terms agreed with the Investors is competent to carry out those functions and responsibilities.

The ISA Manager shall be entitled in its absolute discretion to terminate the ISA if it considers it impracticable to continue the ISA having regard to the Regulations, or if the Investor is in breach of any provisions hereof. The ISA Manager shall not be liable for any loss, liability claim or damages suffered by the Investor as a result of the exercise by the ISA Manager of such discretion.

The ISA Manager has the right to amend any of the Terms and Conditions contained herein upon giving written notice to the Investor provided that such variation or amendment does not result in the ISA ceasing to qualify under the Regulations.

17) Assignment

The ISA cannot be assigned, ie transferred to another person.

18) General

You must be aged 18 or over to invest in our Steady Growth With profit ISA. There is no minimum length to this contract but please remember that early encashment charge will apply if you cash in part or whole of the Steady Growth With Profit ISA in the first three years.

We will not provide, and you do not expect, personal financial advice about the suitability of this policy or the investments you hold within it. If you are unsure whether our Steady Growth With profit ISA is suitable for you and meets your financial needs, please consult your independent financial adviser or seek expert advice.

All investments can go down in value as well as up and we are not responsible for any losses or any personal tax liability.

Telephone calls to and from us may be recorded and monitored and may be used in evidence if there is a disagreement.

The terms are based on our understanding of the current tax rules and regulations which can change over time and their value will depend on your circumstances.

Please Note

- i. The ISA will automatically continue each year for regular monthly or annual contributions unless the investor cancels the direct debit instructions and informs the ISA Manager accordingly.
- ii. All notices and instructions to be given by the Investor to the ISA Manager should be in writing and sent to LICI UK, York House, Empire Way, Wembley, Middlesex, HA9 0PX.
- iii. Any contract between the ISA Manager and the Investor shall be construed according to the law of England and the Investor and ISA Manager submit to the exclusive jurisdiction of the English Courts. We will use English language while communicating with you.
- iv. The Terms and Conditions should be read in conjunction with the Key Features Document of which they form part.
- v. The information contained in the Key Features Document is based upon our understanding of current law and the HMRC practice.
- vi. Within this Policy, unless the context requires otherwise, references to the masculine shall include the feminine, references to the singular shall include the plural and vice versa.
- vii. In the event of any change in the laws affecting the contract, LICI UK's freedom to invest, its ability to vary its investments, the rate or basis of taxation applicable to a company transacting life insurance business or any other material change of circumstances which, in the opinion of the Actuary renders it impossible, impractical or grossly inequitable between policyholders to fully comply with all the terms of this contract or to pursue any stated or established practice with respect to operation of the fund or its valuation, LICI UK shall have the right to make such adjustments to the terms of this contract as the Actuary in his absolute discretion deems appropriate.
- viii. Life Insurance Corporation of India is incorporated in India. It was established by an Act of the Parliament of India in 1956 and operates in the United Kingdom through a branch. LICI UK is a trading name of Life Insurance Corporation of India which is registered in England and Wales, Company Number FC005008.