

**POLICY DOCUMENT
TERMS AND CONDITIONS**

**LICI UK
STEADY GROWTH WITH PROFIT ISA**



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

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.

LICI UK Steady Growth With Profit ISA

The Life Insurance Corporation of India (hereinafter known as LICI UK) has received an Application and Declaration from the Assured named in the Policy Schedule.

The said Application and Declaration with the statements contained therein is agreed to by the Assured and LICI UK as the basis of this Assurance.

It is hereby declared that this Policy of Assurance shall be subject to the Terms & Conditions as are stated in the Policy and the enclosed Policy Schedule and any endorsement placed on the Policy by LICI UK shall be deemed part of this Policy.

Issued by

Signed on behalf of the Life Insurance Corporation of India

Chief Manager

IMPORTANT – This Policy should be examined to ensure it meets with your requirements and should be kept in a place of security.

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1. INTRODUCTION

Your Policy is in two parts:

- (a) This Policy Document which gives all the general information about your Policy and
- (b) The Policy Schedule which shows your personal details.

2. DEFINITIONS

Within this Policy the following expressions shall have the following meanings except where inconsistent with the subject matter or content:

“Actuary” shall mean the With Profits Actuary of LICU UK.

“Commencement Date of the Policy” shall mean the date as recorded in the Schedule.

“Investment content” shall mean the amount being available for investment in units including any additional allocation and after any deduction of the initial charge from the Contribution.

“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 is the Life Insurance Corporation of India (LICU UK).

“Minimum partial withdrawal” shall mean the minimum amount as determined by LICU UK and in force at the time of such withdrawal.

“Minimum value of remaining units” shall mean the minimum value as determined by LICU UK and in force at the time of withdrawal or cessation of regular contributions.

“Notice” shall mean written instructions given by the Assured or his/her Executors or Administrators and received by LICU 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 the Contribution/s recorded in the Schedule.

“The Assured” shall mean the person named in the Schedule or his/her successors in title.

“The Life Assured” shall mean the person named in the Schedule and upon whose life payment of the death benefit depends.

“Schedule” shall mean the Schedule enclosed with this Policy.

“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.

“You” and “your” shall mean the Assured stated in the Policy Schedule.

3. THE CONTRACT

The Policy forms part of your LICI UK Individual Savings Account. In the event that the Policy ceases to form part of your LICI Individual Savings Account, the Policy will be surrendered for its Policy Value.

The Policy cannot be transferred to the Assured in the event that it ceases to form part of your Individual Savings Account, or if the Individual Savings Account closes. In such circumstances, the Policy will be surrendered for its Policy Value.

As a condition forming part of your Individual Savings Account, the Policy cannot be assigned, and LICI UK will not recognise any purported assignment, although in the event of your death, the rights shall vest in your personal representatives.

The Policy is further subject to the LICI UK Individual Savings Account Terms & Conditions., In the event of any conflict between the two, the latter shall prevail.

4. PAYMENT OF CONTRIBUTIONS

The Contribution/s are payable in accordance with the Schedule.

The minimum monthly contribution for regular contribution will be £100 monthly and £1,200 yearly by Direct Debit.

The minimum lump sum contribution will be £4,000 by cheque. This may change from time to time.

Increases in the amount of regular, annual and single contributions may be made at any time while the Policy remains in force. Such increases are subject to the maximum ISA contribution limits in force at the time and the Assured remaining eligible to subscribe to the Individual Savings Account and to the minimum amount in force at the time of such increase.

Regular contributions may be reduced at any time but not below the minimum in force at the time of the reduction. There is no contractual obligation to pay regular contributions

5. CESSATION OF REGULAR CONTRIBUTIONS

Should a regular contribution not be paid then regular contributions shall be deemed to have ceased as at the due date of the first unpaid regular contribution. Providing the fund holding has not fallen below the minimum value of remaining units in force at the time of the unpaid regular contribution then the Policy will subsist with the units allocated as at the date of the first unpaid contribution. If the fund holding has fallen below the minimum then the Policy will be terminated for its Policy Value.

6. THE FUND, UNITS AND PRICING

The contributions paid into the Policy form part of the With Profits Fund of LICI UK and are used to buy units in the LICI UK Steady Growth With Profit Fund.

The Fund is divided into Units equal in value to each other Unit of the Fund.

The unit price is increased on a daily basis throughout the year in line with the bonus rate.

A regular bonus rate is determined during the calendar year by LICI UK on the advice of the Actuary. The bonus rate can be reviewed and updated at any time.

A Policy does not confer upon the Assured any legal or beneficial interest in any part of the Fund or in the Units. The division of the Fund into Units and the allocation of Units is notional and is for the sole purpose of calculating the value of Policies granted by LICI UK.

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 Profit Fund over the period since the Commencement Date of the Policy.

8. MARKET VALUE REDUCTION

LICI 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, LICI 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 Assured, a market value reduction is to be applied, then LICI UK shall give notice to the Assured that such a reduction is to be applied.

LICI UK guarantees that such a market value reduction will not be applied to withdrawals only on the tenth anniversary of the Commencement Date of the Policy and on every fifth anniversary thereafter or on payment of the death benefit.

9. CHARGES

(a) Initial Charge – LICI UK will make no deduction the following deductions. The full contributions amount will be allocated for purchase of units.

(b) Early Encashment Charge – LICI UK will apply an early encashment charge if the Policy is partially or totally withdrawn at any time before the end of the third anniversary of the Commencement Date of the Policy. The early encashment charge is determined with reference to the amount withdrawn and the number of complete or partial years since the Commencement Date of the Policy in accordance with the following table.

Years since Commencement Date of the Policy	Early encashment charge as a % of the amount withdrawn
Less than 1 year	5%
1 year to less than 2 years	3%
2 years to less than 3 years	1%

(c) Implicit Charges – The Policy Value will reflect the performance of the assets in the With Profits Fund, expenses, tax and any other charges.

10. ALLOCATION

On payment of the Contribution as set out in the Schedule, 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.

11. DEATH BENEFIT

In the event of the death of the Life Assured named in the Schedule 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 LICU 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. TOTAL WITHDRAWAL

On production of the Schedule and satisfactory evidence of proof of title, whilst the Policy is in force and Notice being given at any time before the death of the Life Assured named in the Schedule, all of the units may be surrendered for their Policy Value.

13. PARTIAL WITHDRAWALS

On Notice, some of the units may be surrendered for their Policy Value, provided the amount payable shall not be less than the minimum partial withdrawal amount and provided the value of the remaining units held shall not fall below the minimum value of remaining units. If the remaining units held falls below the minimum the Policy will be terminated for its Policy Value.

14. TRANSFER TO INDIA

Transfer of the Policy is not permitted.

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

15. RIGHT OF CANCELLATION OF THE POLICY

If for any reason the Assured is not satisfied with the Terms and Conditions of this Policy, he may return the Policy to the Registered Office of the Administrator for cancellation within 30 days from the date on which the Policy is received by him. In that case, LICU UK shall return all contributions paid under the Policy. This right will cease to exist after 30 days from receipt of this Policy. If the Assured 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. GENERAL

The provisions of this Policy should be read together with the relevant Policy Schedule. Each Policy Schedule together with this Policy document makes up a separate policy. The Schedule sets out the details of each Policy including the contribution and benefits payable under the relevant Policy.

Any Notice served by LICU UK in relation to this Policy will be sent to the last known correspondence address of the Assured according to the records of LICU UK.

Any enactment in substitution or amendment or endorsement placed on the Policy Schedule will be deemed as part of this Policy.

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.

LICU UK and the Assured are the parties to this contract. Except where otherwise expressly stated in this Policy including any Policy endorsement, it is not intended to benefit any other person, nor is there any intention to confer directly or indirectly contractual rights on any other than the parties to this contract.

In the event of any change in the laws affecting this contract, LICU 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, LICU UK shall have the right to make such adjustments to the terms of this contract as the Actuary in his absolute discretion deems appropriate.

The Policy will be governed in accordance with the law of England & Wales and the parties hereto submit to the jurisdiction of the English courts.

LICI 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. The United Kingdom branch of LICI (trading as LICI UK) is regulated by the appropriate authority in the United Kingdom. This policy is issued by the United Kingdom branch of LICI.