

### MINOR LIVES AT A GLANCE

Table No.	Name of Table	Sum Assured		Age		Max. Mat. Age	Vesting Date.	Remarks
		MIN	MAX	MIN	MAX			
41	Deffered end. Assurance (vesting age 21 yrs)	30,000	Max 1 Crore With CL76	0yrs	17yrs	60yrs	Policy Annivers ary on whic h age is 21 NBD	<ol style="list-style-type: none"> <li>1. MIN def. Period 4 yrs</li> <li>2. No cash Option</li> <li>3. No medical is required as per C.O circular ref.: Actl/1901/4dt 18.09.2003</li> <li>4. Quinquennia l age only</li> <li>5. La should be major on def date if not policy is to be dated back even upto previous year</li> <li>6. Under plan 101, PWB is A regular feature hence submission of F.No. 300 with M.R. &amp; special report as per rules is required</li> <li>7. STD. Age Proof is must.</li> </ol>
50	Deffered end. Assu. (vesting age 18 yrs)	30,000	Sub to Twice the propo sers Insura nce.	0yrs	14yrs	60yrs	Policy Annivers ary on whic h age is 18 Comp policy annivers ary on whic h age is 21 NBD	
101	Jeevan Balya	25,000		0yrs	17yrs	60yrs		
102	Jeevan Kishore	30,000	Max, upto 50 lakh includi ng all other risk	1 LBD	12 LBD	45 yrs	Policy annivers ary following completi on of 18 yrs of age.	<ol style="list-style-type: none"> <li>1. Risk starts 2 yrs after Doc or from the policy anniversary following attainment of 7 yrs. Of age</li> </ol>

			plan for minor lives but not more than ins. Duly rated up on prop's life					<p>whichever is later (completion of 6yrs)</p> <ol style="list-style-type: none"> <li>2. Clause 10 A should be imposed</li> <li>3. Maturity age after 25 yrs will be quinquennial</li> <li>4. If PWB &amp; or T.R. is required Mr. With special rep (if attracts) is necessary on proposer's life &amp; at his cost.</li> </ol>
109	Jeevan Sukanya	30,000	Max upto 50 lakh including all other risk plan for minor lives but not more than ins duly rated up on prop's life	1 LBD	12 LBD	50 LBD. Prem. ceasing age 20 LBD	Policy Annivers ary following completi on of 18 yrs of age	<ol style="list-style-type: none"> <li>1. Clause 4B need not be impose</li> <li>2. Only for female minor</li> <li>3. Clause 10 a should be imposed</li> <li>4. Joint declaration signed by parents stating that the mental &amp; physical health of the child is sound is required.</li> <li>5. Premium paying term is 20 yrs minus age at entry</li> <li>6. Policy terms is 50 yrs</li> </ol>

								<p>minus age at entry.</p> <p>7. Risk will commence either 2yrs after the doc or from the policy anniversary falling on or immediately after the attainment of 7 yrs of age whichever is later.</p>
159	Komal Jeevan	1 lac	25lacs	0 LBD	10 LBD	26 LBD	Policy anniversary following completion of 18 yrs of age	<ol style="list-style-type: none"> <li>1. Risk starts either after 2 yrs from the D.O.C. of the policy or from the policy anniversary immediately following the completion of 7 yrs of age.</li> <li>2. No medical examination required.</li> <li>3. Standard age proof is must.</li> <li>4. If PWB &amp; or term rider benefit is required M.R. with special reports (if attracts) is necessary on proposer's life &amp; at his cost.</li> </ol>

## INSURANCE ON THE LIFE OF DEPENDENT CHILD

<p>A. Sum assured upto i. – 2 lacs SUC ii. – 5 lacs SUC</p>	<p>Without insisting on insurance on the life of parent.</p> <p>Vide paragraph 6 of our C.O. Cir. Ref. : Act/1854/4 dated 14/02/2003, proposals from minor/major children where parents did not have adequate insurance on their own lives due to advanced age or adverse health conditions were required to be sent to CUS for consideration.</p> <p>It has now been decided that ZUS can underwrite proposals on the lives of minor/major children on the basis of parent's income up to sum under consideration of Rs. 5 lacs without insisting on insurance on the lives of parent's as per the following guidelines.</p> <ol style="list-style-type: none"> <li>a) Such proposals should be accompanied with special MHR from MM or SDM.</li> <li>b) There should be genuine reasons duly supported by evidence as to why the parents cannot take insurance on their own lives (such as advanced age, adverse health etc.)</li> <li>c) The parents should have adequate income and fairly good social standing.</li> <li>d) If there is more than one child, lives of all the children should be covered for equal amount.</li> <li>e) The children to be insured should be school / college going.</li> </ol> <p>If the proposals on the lives of minor/ major children up to sum under consideration of Rs. 5 lacs do not satisfy the above guidelines they should be dropped at ZUS level itself and should not be referred to CUS for further consideration.</p> <p>(C.O. Circular No. Act/1874/4 dt. 23.05.2003)</p>
<p>B. CDA Plans (tables 41, 50 and 101)</p>	<p>Twice the parents (father &amp; mother) insurance but maximum Rs. One Crore, subject to clause 76.</p>
<p>C. Risk plans like plan nos. 14, 75, 106 etc. to minors.</p>	<p>Maximum rated up S.A. of Rs. 50 lacs but not exceeding rated up S.A. on the life of parents subject to the condition that total insurance on the lives of parents and children under all plans put together should not exceed the maximum permissible limit admissible to the person paying premiums as per are related multiple of annual income applicable to financial underwriting for adult life.</p> <p>Maximum S.A. upto Rs. 10 lacs only is admissible to Minor female Life under Plan Nos. 106, 107 &amp; 108.</p> <p>Maximum S.A. upto Rs. 2 lacs only is Admissible to minor female Life under Plan Nos. 150 (inclusive of S.A. Under Plan no 111).</p>
<p>D. Risk plans to major children</p>	<p>Maximum Sum assured of Rs. One crore subject to conditions as above. Details of insurance cover on the life of parent's (father or</p>

<p>aged 18 to 25 years</p>	<p>mother) paying the premium to be obtained alongwith proposal form no. 300.</p> <p>While allowing insurance to major children aged Up to 25 on the basis of parent's income it should be ensured that all members of the family are adequately insured. As far as possible, parents should propose on the lives of all their children and not on the life of any particular child.</p> <p>It may be mentioned that children having their own income can be allowed cover on the basis of their own eligibility as per the existing rules, in addition to insurance allowed on the basis of parent's income.</p> <p>C.O. Cir. Ref.: Actl/1854/4 dtd. 14.02.2003.</p>
<p>E. Insurance cover against educational loan</p>	<p>Not withstanding anything stated in 'D' above, proposals under risk plans on the lives of major children persuing professional studies or higher education in any of the faculty, where loan has been raised for this purpose from a bank or from reputed financial institution can be considered on merits without insisting upon insurance in force on the life of parents (father &amp; mother) provided:</p> <ul style="list-style-type: none"> <li>a) Insurance is intended as collateral security against the loan being raised.</li> <li>b) Amount of insurance has a relation with the amount of loan as prescribed by the lender.</li> <li>c) Certified copies of the loan papers and copies of evidences as to higher studies/ education are submitted.</li> <li>d) Social and financial status of the family revealed in the special MHR by an official ABM(S) &amp; above found satisfactory by Manager (NB). (official giving special MHR will depend upon the sum assured. However, special MHR atleast by ABM(S)BM will be necessary in all cases.</li> </ul> <p>C.O. Cir. Ref.: Actl/1791/4 dtd. 28.02.2003</p>

### **Insurance on Minor Lives: Substandard Lives**

We had not been considering insurance under risk plan on the lives of minors who prove to be sub-standard either on the basis of overweight or underweight as well as health impairments. The practice has been reviewed and it has been decided as under.

Hereafter the minor who has been considered to be 50% overweight having Extra Mortality Rating of Class III or less can be considered under risk plans such as Table No. 14 only subject to the following conditions:

1. The parents of the child should be adequately insured with LIC consistent with income. The present practice with regard to allowable insurance to minors aged 10 years or above remains unaltered.

2. If the life to be assured has elder brother/sister, they are also to be reasonably and adequately insured with LIC.
3. The maturity age should be restricted to 40 years or less.
4. Recheckup of all such minors is to be obtained under the supervision of the HOD/NB at Branch Office level and at Divisional Office level for all cases beyond the authority of the Branch Offices.

The Relaxation is not applicable to 'underweight' minor lives.

**Medical examination /special reports for minor lives: -**

<b>Age (last birthday)</b>	<b>Medical examination requirements</b>	
Below 5 yrs	i.	No medical examination.
	ii.	No Measurements such as height and weight.
Age between and 9 years	i.	NO medical examination, but height and weight should invariably 5 years be mentioned in the ACR.
	ii.	Only School Certificate acceptable as age proof.
Age between 10 years And 17 years	i.	Medical examination and special reports based on SUC.
	ii.	Only school Certificate is acceptable as age proof.

- 1) 'Accident Benefit' is not granted to minor children. However on or after attainment of majority 'Accident Benefit' @ Re. 1/- per thousand S.A. can be added in the policy.
- 2) 'Clause 4-B' is not imposed on the policy of minor females.
- 3) Risk Plans like Table 14, 48, 95, 140 are granted to minors from age 12 (nearer birthday); however Money Back Plans (Table 75 and 93) are granted if the child has completed 13 yrs of age an Jeevan Surabhi Policies (Table 106, 107, and 108) are allowed from 14 years completed of age.
- 4) Minors females can not be given S.A. more than Re. 10 lac under Jeevan Surabhi Policies.
- 5) **Minimum Age at entry: -**

<b>Tables</b>		<b>Minimum Age at entry</b>
1.	Tables 41, 50, 101, 102, 159	0 years n.b.d.
2.	Table 109	1 years l.b.d.
3.	Tables 5, 14, 48 and 95	12 years n.b.d.
4.	Tables 75 and 93	13 years l.b.d.
5.	Tables 106, 107 and 108	14 years l.b.d.
6.	Table 140	12 years l.b.d.
n.b.d. = nearer birthday; l.b.d. = last birthday i.e. completed		

**Note:**

- a) For serial Nos. 3, 4, and 5 for ages 12 to 14 years premiums rates given for age 15 in AGETS' manual will be applicable.
  - b) Table 27 will be issued with Definite conversion Clause only.
  - c) Risk plans like 14 will be issued for maximum term of 40 years only.
- 6) **Premium Waiver Benefit under Table 41, 50, 101, 102 and 109** – Where proposer wants the benefit of **Premium waiver** in case of proposer's death before vesting of the policy on the life of the child life assured, he/she can have this benefit by subjecting himself/herself to medical examination and filling form No. 300 on own life provided-
- i) Proposer is aged 18 (complete to 50 years);
  - ii) The proposer can submit standard age proof for self;
  - iii) The proposer bears the cost of medical exam.:
  - iv) The proposer is a 'standard life' or is substandard only on account of operations, ailments such as ceaserian section, loss of one eye etc., physical deformity falling in group 'A' extra premium will be charged in case of such substandard lives; or
  - v) The proposer is substandard life upto EMR Class III.
  - vi) Consent for clause 20 or 20 (a) as applicable is given by the proposer.

Clause 10 (a): Consent for imposition of Clause 10(a) must be obtained from the proposer in case of insurance of minor life as following:-

Re: Proposal on the life of my son/daughter _____	
With reference to the proposal for Rs. _____ on the life of my son / daughter, I hereby agreed and undertake that if under the policy that may be issued any payment is received by me by way of loan (if admissible), surrender, cash option or for any other reasons whatsoever, before the policy has vested in the life assured, I shall utilise the money thereby received, for the benefit of the minor or his/her estate.	
Signature of witness	Signature of the Proposer
Name :	
Occupation :	
Address :	

7) Clause 76 :-

This clause is imposed in case of Table 41, 50 and 101, the basic condition is that within one month preceding the 'Deferred Date' corporation may require medical report's on the life of the Life Assured (at his/her own cost) and if on the basis of medical report he/she is not found assurable at ordinary rates or if medical report is not submitted, an amount equal of Cash Option or Guaranteed Surrender Value as per the terms of the policy will be paid to the proposer and insurance contract will be terminated. However, if Corporation agrees to continue the contract at ordinary rates (or increased rate of premium with some restrictions and the policy holder is agreeable to that) the agreement may be continued on such terms.

8) Clause 20 or 20A reg. Premium Waiver benefit :-

Wherever PWB is granted this clause is imposed; this clause contains conditions about PWB.

**Note:** Wherever imposition of a clause is required consent therefor must be submitted by the proposer.

**Proposer under all Children's Plans :-**

- a) Father can propose for insurance on the lives of his children.
- b) Where mother falls under female Category I or II (i.e. having own proved earned or unearned income), she can propose.

Mother can also propose for insurance on the life of her child/children in the following situations:

- i) When the father is not in actual charge of the affairs of the minor and the minor is in exclusive custody of the mother.  
  
This can be because of father's indifference or because of agreement between him and the mother such agreement can be oral or in writing.
- ii) When father is by any reason unable to take care of the minor because of his physical and/or mental capacity.
- c) Legal guardian can propose for insurance on the life of child if the child is in his/her possession or custody.
- d) Grand parents can propose on the life of his/her grand child/children under both risk and non risk plans subject to certain condition as per c.o. circular No. Actl./1903/4 dtd. 23.09.2003.



## CREDIT FROM PARENT'S INCOME

In view of income tax provision to allow rebate to parents effecting insurance on the lives of their children, additional insurance cover will be allowed to the proposer on the basis of income of his father and/or mother Credit from parent's income will be as follows:

Age of the life assured	Amount of credit from parent's income
Up to 25 years	Insurance allowed on the basis parent's income, i.e i. to minors lives –up to Rs. 50 lakhs ii. to major children up to age 25 -up to Rs. One crore
26 to 35 years	50 % of the life assured's own eligibility
36 to 45 years	30 % of the life assured's own eligibility
More than 45 years	No credit from parent's income

### Note :

- i) Additional cover as above will depend on the adequacy of income of father and mother. Total insurance that can be funded by them will be 10 times of their three year's average annual income, duly reduced by the total rated up insurance on their own lives and insurance if any on the lives of other family members which is already being financed out of their income.
- ii) A separate addendum in the form of a letter to be signed by the proponent which will form the basis of insurance contract furnishing the details of insurance on the life of all the members of the family and amount of premium financed by parents in respect of each individual should be submitted.
- iii) Copies of ITRs acknowledgement slips in respect of parent's income for preceding 3 years must be attached with the proposal
- iv) S.A. means Actual S.A.
- v) Addendum showing details of family insurance particulars is required to be submitted along with the proposal papers for consideration of insurance on the life of minor.
- vi) Vide C.O. Ref.: Act/1916/4 dt. 24.11.2003 it is clarified that if there is more than one minor/major child, each son/daughter can be allowed maximum insurance cover which will be equal to insurance on the life of the proposer / father/ mother funding the cover provided the income of the father/mother is adequate.
- vii) Insurance on the lives of parents/ proposer allowed by other insurance Co. in India can also be treated as insurance on their lives while considering insurance on the lives of minors with no income vide C.O. Clarification letter dt. 22/7/2003.