

## **RULES FOR PRADHAN MANTRI JEEVAN JYOTI BIMA YOJANA**

### **DETAILS OF THE SCHEME:**

The scheme will be a one year cover, renewable from year to year, Insurance Scheme offering life insurance cover for death due to any reason. The scheme would be offered / administered through LIC and other Life Insurance companies willing to offer the product on similar terms with necessary approvals and tie ups with Banks for this purpose. Participating banks will be free to engage any such life insurance company for implementing the scheme for their subscribers.

**Scope of coverage:** All savings bank account holders in the age 18 to 50 years in participating banks will be entitled to join. In case of multiple saving bank accounts held by an individual in one or different banks, the person would be eligible to join the scheme through **one** savings bank account only. Aadhar would be the primary KYC for the bank account.

**Enrolment period:** Initially on launch for the cover period 1<sup>st</sup> June 2015 to 31<sup>st</sup> May 2016, subscribers will be required to enroll and give their auto-debit consent by 31<sup>st</sup> May 2015. Late enrollment for prospective cover will be possible up to 31<sup>st</sup> August 2015, which may be extended by Govt. of India for another three months, i.e. up to 30<sup>th</sup> of November, 2015. Those joining subsequently may be able to do so with payment of full annual premium for prospective cover, with submission of a self-certificate of good health in the prescribed proforma.

**Enrolment Modality:** The cover shall be for the one year period stretching from 1<sup>st</sup> June to 31<sup>st</sup> May for which option to join / pay by auto-debit from the designated savings bank account on the prescribed forms will be required to be given by 31<sup>st</sup> May of every year, with the exception as above for the initial year. Delayed enrollment with payment of full annual premium for prospective cover may be possible with submission of a self-certificate of good health.

Individuals who exit the scheme at any point may re-join the scheme in future years by submitting a declaration of good health in the prescribed proforma.

In future years, new entrants into the eligible category or currently eligible individuals who did not join earlier or discontinued their subscription shall be able to join while the scheme is continuing, subject to submission of self-certificate of good health.

**Benefits:** Rs.2 lakhs is payable on member's death due to any reason

**Premium:** Rs.330/- per annum per member. The premium will be deducted from the account holder's savings bank account through 'auto debit' facility in one installment, as per the option given, on or before 31<sup>st</sup> May of each annual coverage period under the scheme. Delayed enrollment for prospective cover after 31<sup>st</sup> May will be possible with full payment of annual premium and submission of a self-certificate of good health. The premium would be reviewed based on annual claims experience. However, barring unforeseen adverse outcomes of extreme nature, efforts would be made to ensure that there is no upward revision of premium in the first three years.

### **Eligibility Conditions:**

- a) The savings bank account holders of the participating banks aged between 18 years (completed) and 50 years (age nearer birthday) who give their consent to join / enable auto-debit, as per the above modality, will be enrolled into the scheme.
- b) Individuals who join after the initial enrollment period extending up to 31<sup>st</sup> August 2015 or 30<sup>th</sup> November 2015, as the case may be, will be required to give a self-certification of good health and that he / she does not suffer from any of the critical illnesses as mentioned in the applicable Consent cum Declaration form as on date of enrollment or earlier.

**Master Policy Holder:** Participating Banks will be the Master policy holders. A simple and subscriber friendly administration & claim settlement process shall be finalized by LIC / other insurance company in consultation with the participating bank.

**Termination of assurance:** The assurance on the life of the member shall terminate on any of the following events and no benefit will become payable there under:

- 1) On attaining age 55 years (age near birth day) subject to annual renewal up to that date (entry, however, will not be possible beyond the age of 50 years).
- 2) Closure of account with the Bank or insufficiency of balance to keep the insurance in force.
- 3) In case a member is covered under PMJJBY with LIC of India / other company through more than one account and premium is received by LIC / other company inadvertently, insurance cover will be restricted to Rs. 2 Lakh and the premium shall be liable to be forfeited.
- 4) If the insurance cover is ceased due to any technical reasons such as insufficient balance on due date or due to any administrative issues, the same can be reinstated on receipt of full annual premium and a satisfactory statement of good health.
- 5) Participating Banks shall remit the premium to insurance companies in case of regular enrolment on or before 30<sup>th</sup> of June every year and in other cases in the same month when received.

**Administration:**

The scheme, subject to the above, will be administered by the LIC P&GS Units / other insurance company setups. The data flow process and data proforma will be informed separately.

It will be the responsibility of the participating bank to recover the appropriate annual premium in one installment, as per the option, from the account holders on or before the due date **through 'auto-debit' process.**

Members may also give one-time mandate for auto-debit every year till the scheme is in force.

Enrollment form / Auto-debit authorization / Consent cum Declaration form in the prescribed proforma shall be obtained and retained by the participating bank. In case of claim, LIC / insurance company may seek submission of the same. LIC / Insurance Company reserves the right to call for these documents at any point of time.

The acknowledgement slip may be made into an acknowledgement slip-cum-certificate of insurance.

The experience of the scheme will be monitored on yearly basis for re-calibration etc., as may be necessary.

**Appropriation of Premium:**

- 1) Insurance Premium to LIC / insurance company : Rs.289/- per annum per member
- 2) Reimbursement of Expenses to BC/Micro/Corporate/Agent : Rs.30/- per annum per member
- 3) Reimbursement of Administrative expenses to participating Bank: Rs.11/- per annum per member

The proposed date of commencement of the scheme will be 1<sup>st</sup> June 2015. The next Annual renewal date shall be each successive 1<sup>st</sup> of June in subsequent years.

The scheme is liable to be discontinued prior to commencement of a new future renewal date if circumstances so require.

**Frequently Asked Questions (FAQs)**

Enclosed on next page

## **FAQs on PRADHAN MANTRI JEEVAN JYOTI BIMA YOJANA**

### **Q1. What is the nature of the scheme?**

The scheme will be a one year cover Term Life Insurance Scheme, renewable from year to year, offering life insurance cover for death due to any reason.

### **Q2. What would be the benefits under the scheme and premium payable?**

Rs.2 lakhs is payable on a subscriber's death due to any reason. The premium payable is Rs.330/- per annum per subscriber.

### **Q3. How will the premium be paid?**

The premium will be deducted from the account holder's savings bank account through 'auto debit' facility in one installment, as per the option to be given on enrolment. Members may also give one-time mandate for auto-debit every year till the scheme is in force, subject to re-calibration that may be deemed necessary on review of experience of the scheme from year to year.

### **Q4. Who will offer / administer the scheme?**

The scheme would be offered / administered through LIC and other Life Insurance companies willing to offer the product with necessary approvals on similar terms, in collaboration with participating Banks. Participating banks will be free to engage any such life insurance company for implementing the scheme for their subscribers.

### **Q5. Who will be eligible to subscribe?**

All savings bank account holders in the age 18 to 50 years in participating banks will be entitled to join. In case of multiple saving bank accounts held by an individual in one or different banks, the person would be eligible to join the scheme through **one** savings bank account only.

### **Q6. What is the enrolment period and modality?**

Initially on launch for the cover period from 1<sup>st</sup> June 2015 to 31<sup>st</sup> May 2016 subscribers are expected to enroll and give their auto-debit option by 31<sup>st</sup> May 2015, extendable up to 31<sup>st</sup> August 2015. Enrolment subsequent to this date will be possible prospectively on payment of full annual payment and submission of a self-certificate of good health.

Subscribers who wish to continue beyond the first year will be expected to give their consent for auto-debit before each successive May 31<sup>st</sup> for successive years. Delayed renewal subsequent to this date will be possible on payment of full annual premium and submission of a self-certificate of good health.

### **Q7. Can eligible individuals who fail to join the scheme in the initial year join in subsequent years?**

Yes, on payment of premium through auto-debit and submission of a self-certificate of good health. New eligible entrants in future years can also join accordingly.

### **Q8. Can individuals who leave the scheme rejoin?**

Individuals who exit the scheme at any point may re-join the scheme in future years by paying the annual premium and submitting a self declaration of good health.

### **Q9. Who would be the Master policy holder for the scheme?**

Participating Banks will be the Master policy holders. A simple and subscriber friendly administration & claim settlement process shall be finalized by LIC / chosen insurance company in consultation with the participating bank.

**Q10. When can the assurance on life of the member terminate?**

The assurance on the life of the member shall terminate / be restricted accordingly on any of the following events:

- i. On attaining age 55 years (age near birth day), subject to annual renewal up to that date (entry, however, will not be possible beyond the age of 50 years).
- ii. Closure of account with the Bank or insufficiency of balance to keep the insurance in force.
- iii. In case a member is covered through more than one account and premium is received by LIC / insurance company inadvertently, insurance cover will be restricted to Rs. 2 Lakh and the premium shall be liable to be forfeited.

**Q11. What will be the role of the insurance company and the Bank?**

- i. The scheme will be administered by LIC or any other Life Insurance company which is willing to offer such a product in partnership with a bank / banks.
- ii. It will be the responsibility of the participating bank to recover the appropriate annual premium in one installment, as per the option, from the account holders on or before the due date through 'auto-debit' process and transfer the amount due to the insurance company.
- iii. Enrollment form / Auto-debit authorization / Consent cum Declaration form in the prescribed proforma, as required, shall be obtained and retained by the participating bank. In case of claim, LIC / insurance company may seek submission of the same. LIC / Insurance Company also reserve the right to call for these documents at any point of time.

**Q12. How would the premium be appropriated?**

- a. Insurance Premium to LIC /other insurance company: Rs.289/- per annum per member;
- b. Reimbursement of Expenses to BC/Micro/Corporate/Agent : Rs.30/- per annum per member;
- c. Reimbursement of Administrative expenses to participating Bank: Rs.11/- per annum per member.

**Q13. Will this cover be in addition to cover under any other insurance scheme the subscriber may be covered under?**

Yes.

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