NIPPON LIFE INSURANCE

A RELIANCE CAPITAL COMPANY

My employees may retire but our relationship will not.

Reliance Nippon Life Traditional Group Superannuation Plan

A non-linked, non-par variable fund based insurance product that provides fund management services to secure your employees.

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As an employer, you want to provide the best opportunity to your employees while ensuring the interest of your Company. It is important to strike a balance between these twin objectives without compromising on either.

Presenting, Reliance Nippon Life Traditional Group Superannuation Plan that provides you with Superannuation benefits and fund management services to meet your liabilities towards your employees based on your Scheme Rules.

With Reliance Nippon Life Traditional Group Superannuation Plan

1. Avail expert professional fund management services
2. Get guaranteed* returns with an upside
3. Opt for additional protection at competitive rates
4. Get free of administrative hassles of the scheme
5. Avail tax benefits as per applicable tax laws

Reliance Nippon Life Traditional Group Superannuation Plan is a yearly renewable fund based group product. It enables employers to outsource fund management and related administration to Reliance Nippon Life Insurance Company Limited for their superannuation scheme.

The benefits payable under this product are governed by the scheme rules of the individual employer's superannuation scheme.

Key benefits

Expert Fund Management Services

We will assist you to manage your fund liabilities for your superannuation schemes.

Guaranteed Interest Rate

Get a Minimum Floor Rate, guaranteed* at 2.50% p.a. on your Policy Account for the entire Policy Term.

Tax Benefits

Get tax benefits as per applicable tax laws.

Additional Protection

You may opt for rider coverage. For details refer to the section on riders.

Additional Interest Rate

Receive Additional Interest Rate, if any, on your Policy Account in the beginning of every financial quarter during the Policy Term.

*as mentioned under MFR & AIR

Reliance Nippon Life Traditional Group Superannuation Plan at a glance

Parameters	Minimum	Maximum
Size of the Group	10 members	No limit
Age at Entry (Years)	18	69
Age at Maturity (Years)	19	70
Contribution/Premium* (₹)	2,00,000	No limit
Contribution Frequency	Yearly, Half-yearly, Quarterly, Monthly	
Policy Term (Years)	1 year (yearly renewable)	

#All references to age are as on last birthday.

*Contribution and premium have the same meaning, i.e. the amount paid by the trustee/administrators towards the Superannuation liability of the Master Policyholder.

How does the plan work?

How to enroll for Reliance Nippon Life Traditional Group Superannuation Plan?

- Sparsh India Solutions (SIS) is a manufacturing Company. They want to outsource their group superannuation fund management to Reliance Nippon Life Insurance Company Limited (RNLIC). For this, they shared the scheme details and employee data in the prescribed format
- The employer, SIS, is the Master Policyholder for this Master Policy
- RNLIC accepted the contribution amount based on the actuarial valuations, provided by an independent qualified actuary. The contributions can be made in Monthly, Quarterly, Half-yearly or Yearly mode or as a lump sum at periodic intervals as agreed with RNLIC, depending on the funding requirements. Also, the past service liability contribution can be paid either in a lump sum or in installments. Contributions are accepted only through the employer, SIS
- SIS has opted for a cover of their employees under Group Accidental Additional Death Benefit rider (UIN: 121B007V02) & Group Accidental Total and Permanent Disablement rider (UIN: 121B005V02) for their employees. The rider premiums will be deducted on a monthly basis from the Policy Account and it is the responsibility of SIS to ensure sufficient funds are available for the same
- RNLIC undertakes fund management and administration of the SIS's group superannuation scheme
- SIS is able to manage their superannuation funds without any administrative hassles
- Employees who exit the group receive their superannuation amount within a given timeframe

How does the Policy Account work?

- **Policy Account**
  - » The Policy Account will be credited with
    1. Regular contributions paid by the Master Policyholder, at inception and subsequent intervals.
    2. Guaranteed interest amount derived from the Minimum Floor Rate (MFR) of 2.50% p.a.
    3. Additional interest amount derived from applicable rate **(AIR)** after allowing Fund Management Charge (FMC) along with applicable Service Tax and education cess on FMC, if any, which is over and above the minimum floor rate. AIR once declared, becomes guaranteed for that financial quarter.
    4. Non-zero positive residual additions, if any, at the end of each Policy Year from year 5.

    MFR and **AIR** shall be credited to the Policy Account on a pro-rata basis at the beginning of each financial quarter and inception/renewal of the policy. In case of surrender of the scheme or exit of members before the end of the quarter, the unearned investment income, if any, would be recovered from the Policy Account. Non-zero positive residual additions would not be applicable under the proposed charging structure.

  - » The Policy Account will be debited by
    1. Benefits paid as and when these arise (except payment of rider benefits).
    2. Taxes, duties or surcharges levied by any statutory authority.
    3. Rider charges, if any.
- **Policy Account Management**
  - » The Company will earmark assets for this product separately and the Policy Account under the product shall be disclosed on a daily basis on the Company's website through Specifically Assigned Identification Number (SAIN) for the fund for this product.
  - » Shadow Policy Account Value shall be maintained on daily basis. Such Shadow Policy Account shall be computed based on the actual accruals of all income elements like contributions, income from investments as and when received and all actual debits from the Policy Account Value as and when debited, to arrive at the actual gross investment return and reduction in yield to the Policy Account Value, at the end of each Policy Year.
- **Policy Renewal**
  - » The policy will be renewed annually on annual renewal date through an endorsement, subject to the Company's Board approved underwriting norms. A communication about the renewal will be sent to the Employer.
  - » Periodically, we will intimate the employer on the status of the Policy Account Value and request for funding, if required.

    Where the Policy Account is overfunded/in surplus as per the AS 15 (Revised) certificate submitted by the Employer, we may allow 'nil contributions/premiums' under the Master Policy, until such time that further contributions are required under the policy.

Plan features in detail

- **Benefits payable based on the scheme rules**

  The exact benefits under a scheme are governed by the trust deed and rules of the individual employer's superannuation scheme. Generally, the contingencies for benefit payments will be as given below:

  1. Death of the employee in service.
  2. Disability of the employee in service.
  3. Retirement of the employee.
  4. Resignations/terminations of service of the employee.

  At the time of benefit payout, Reliance Nippon Life Insurance Company shall provide the following options to the members/beneficiaries of the scheme subject to the Trust deed and rules of the individual employer's superannuation scheme:-

  - » To commute to the extent allowed under Income Tax Act and the remainder of the balance amount must be applied to purchase an immediate annuity, which shall be guaranteed for life from Reliance Nippon Life Insurance Company Limited at the then prevailing annuity rate. However, upon benefit payout for death of the employee, the nominee shall be entitled to withdraw the entire proceeds from the policy or utilise the entire proceeds from the policy or part thereof for purchasing an immediate annuity from RNLIC only. When the Master Policyholder maintains superannuation funds with more than one insurer, the Master Policyholder shall have the option to choose the insurer to purchase the immediate annuity for the group members.
  - » To utilise the entire proceeds to purchase a Single Premium deferred pension product from Reliance Nippon Life Insurance Company Limited, if any.
  - » Transfer the entire proceeds to any other approved superannuation fund.
  - » Retain the entire proceeds within Policy Account until retirement or till the Policy is in-force if applicable as per the trust deed and rules.

  The members/beneficiaries shall have the following annuity options:

  1. A life annuity.
  2. A life annuity with return of purchase price on death of the annuitant.
  3. An annuity guaranteed for 5, 10 or 15 years and payable for life thereafter.

Currently, RNLIC offers the above options under Reliance Nippon Life Immediate Annuity Plan (UIN: 121N012V02) which may be revised from time to time with the approval from the regulatory authority, i.e. IRDAI. If the Company launches a new annuity plan to replace the current annuity plan on or before the vesting date for any member, then such a member will be eligible for annuity under the new annuity plan only.

For more details on immediate annuity, you can refer to our website www.reliancenipponlife.com and visit the "Products" section.

- **Accounts Statement**

  Policy Account statement shall be issued at the end of each financial year to the employer giving the breakup of the opening balance, premium received, deductions towards charges, minimum floor interest earned, additional interest earned and closing balance in the prescribed format.

- **Surrender of the policy by the Employer**

  If the employer/trustees decide to surrender their policy, we will pay a surrender benefit subject to the Market Value Adjustment (MVA) as described below.

  The Surrender Value will be the Policy Account Value, less the MVA amount (if any), Unearned investment income and the surrender charges (if any) including Service Tax and education cess.

  If the policy is being surrendered within 3 years of policy inception, then surrender charge is 0.05% of the fund, with a maximum of ₹5,00,000. The calculation of MVA amount is provided in the section below.

  There is no other charge on surrender except the surrender charge and the MVA.

- **Market Value Adjustment (MVA)**

  MVA shall be applied only on the amount which is over and above the amount representing the bulk exit and in case of complete surrender of the Master Policy. If the amount to be paid on total exits in any event exceeds 25% of the total Policy Account Value of the scheme at the beginning of the Policy Year, such transactions shall be treated as bulk exits, where exit shall be as per the scheme and exit shall mean exit of the member from the group as per the scheme rule exit.

  MVA Calculation:

  MVA Amount is given by the following formula:

  MVA Amount = MVA Factor x Amount over and above the 25% of the Policy Account Value at the beginning of the Policy Year

  Where, MVA Factor = Maximum (0, Account Value – Market Value)/Account Value

  Where Market Value is derived from the revaluation of assets earmarked separately for the product at the time of market value adjustment is carried out.

  MVA Amount, if any, will be deducted from Policy Account Value.

Other features

- **Payment Options**

  The contributions may be made Monthly, Quarterly, Half-yearly, Yearly or as a lump sum at periodic intervals as agreed with RNLIC, depending on the scheme requirements under AS 15 (Revised).

  Top-ups are not allowed, unless required as per the actuary's certificate in accordance with the AS 15 (Revised), to address the underfunding of the scheme. It is the responsibility of the employer to provide regular contribution in order to ensure adequate funding of the scheme. If the scheme is overfunded, as per the actuary's certificate, the insurer may allow 'nil contributions' under the policy.

- **Renewal of the Policy**

  The policy may be renewed on the next policy anniversary date by giving intimation to RNLIC, at the then existing terms and conditions, provided there is sufficient balance in the Policy Account as per the scheme rules, subject to the Company's Board approved underwriting norms.

- **Past service Superannuation contribution**

  The past liability contribution can be paid either in a lump sum or in installments spread over not more than 5 years.

- **Rider Benefit**

  This product provides two optional riders that can be attached to enhance coverage benefit. Riders available are as follows:

  » Reliance Nippon Life Group Accidental Additional Death Benefit Rider (UIN: 121B007V02)

  » Reliance Nippon Life Group Accidental Total and Permanent Disablement Rider (UIN: 121B005V02)

  The Sum Assured under any rider shall not exceed the Policy Account Value at the time of rider attachment for each member.

  These rider(s) are annually renewable and can be selected on commencement of the policy or on any policy anniversary during the Policy Term. The frequency of rider premium will be same as frequency of premium under Base Plan. When the base policy terminates, the rider benefits attaching to the basic policy will also terminate. Refer to the rider policy documents for rider specific terms and conditions.

- **Grace Period**

  A grace period of 30 days for payment of contribution will be allowed for all modes other than the annual mode within the Policy Term. The policy will lapse if the contributions are not received within the grace period.

- **Revival/reinstatement of the Policy**

  Revival or reinstatement is allowed within the Policy Term, as per the Board approved underwriting policy of the Company.

Charges

- **Rider Premium**

  Rider premium will be deducted on a monthly basis along with other charges, if any. The rider premium payment term will be either equal to or lower than the premium payment term of this policy. If the Policy Account Value falls below the minimum amount required for the deduction of rider charges, if any, the insurance benefits shall cease immediately, the policy will be terminated and the remaining Policy Account Value, if any, will be paid back to the Master Policyholder.

- **Surrender Charges**

  If the policy is being surrendered within 3 years of policy inception, then surrender charge is 0.05% of the fund, with a maximum of ₹5,00,000.

  After the third policy anniversary, there is no surrender charge except the Market Value Adjustment (MVA), if any.

- **Fund Management Charge**

  A Fund Management charges will apply as per the table given below:

Policy Account Value	Fund Management Charge (FMC) (p.a.) exclusive of Service Tax & Education cess
Up to ₹5 crores	1.00%
More than ₹5 crores but less than or equal to ₹10 crores	0.75%
More than ₹10 crores but less than or equal to ₹15 crores	0.65%
More than ₹15 crores but less than or equal to ₹20 crores	0.60%
More than ₹20 crores but less than or equal to ₹25 crores	0.55%
More than ₹25 crores but less than or equal to ₹50 crores	0.50%
More than ₹50 crores but less than or equal to ₹100 crores	0.40%
More than ₹100 crores but less than or equal to ₹200 crores	0.30%
More than ₹200 crores	0.25%

Terms and Conditions(T&C)

1. Loans

No loan facility is available under this plan.

2. Nomination as defined under section 39 of the Insurance Act 1938, as amended from time to time.

Nomination by individual members is allowed as per Section 39 of the Insurance Act, 1938, as amended by The Insurance Laws (Amendment) Ordinance, 2014 or any further amendments affected by the IRDAI of India or other appropriate governmental authorities from time to time.

3. Assignment and Transfer (Section 38 of the Insurance Act, 1938, as amended by The Insurance Laws (Amendment) Act, 2015)

Assignment is not allowed under this plan.

4. New Members

New members will be allowed to join at any time during the tenure of the policy. The rider benefits, if any, in respect of members will start from the date of joining. Notice of new members must be signed by the employer. All members are invited to join the Policy at the Employers' invitation. If any new member is added post inception of the policy, the mortality charges and rider premiums, if any, will be deducted on a pro-rata basis for remaining period of the Policy Term.

We will provide the necessary administration forms to assist you in notifying our office when a new member is admitted to the policy.

5. Goods & Service Tax

Goods & Service tax and cess, if any, will be levied on the Fund Management Charges, Rider Charges, if any and Surrender Charge. The level of the rate of Goods & Service Tax will be declared by the Government from time to time.

6. Taxes levied by the Government in future

In future, the Company shall pass on any additional taxes levied by the Government or any statutory authority to the policyholder. The method of collection of these taxes shall be informed to the policyholders under such circumstances.

7. Tax Benefits

Tax benefits under the policy will be as per the prevailing Income Tax laws. Tax laws are subject to amendments from time to time and interpretations. Employers are advised to consult a tax expert.

8. Suicide Exclusions

The benefits payable will be as specified in the trust deed and rules of the individual employer's superannuation scheme. The liability of the insurer will be limited to the maximum of the Policy Account Value or the premiums/contributions accumulated (on pro-rata basis) at the minimum guaranteed interest rate.

9. Free Look Period

In the event, the employer/Master Policyholder disagree with any of the terms and conditions of this policy, the Master Policyholder may cancel this policy by returning it to the Company within 15 days of receiving it, for all distribution channels except for Distance Marketing* channel, which will have 30 days of receiving it, subject to stating your objections. The Company will refund the Premiums paid by you, less a deduction for the proportionate risk premium for the time that the Company has provided cover up to the date of cancellation and for the expenses incurred by the Company on medical examination and stamp duty charges.

*Distance Marketing includes every activity of solicitation (including lead generation) and sale of insurance products through the following modes:

i. Voice mode, which includes telephone-calling

ii. Short Messaging Services (SMS)

iii. Electronic mode which includes e-mail, internet and interactive television (DTH)

iv. Physical mode which includes direct postal mail and newspaper and magazine inserts and

v. Solicitation through any means of communication other than in person

10. Section 41 of the Insurance Act, 1938, as amended from time to time

(1) No person shall allow or offer to allow, either directly or indirectly, as an inducement to any person to take or renew or continue an insurance in respect of any kind of risk relating to lives or property in India, any rebate of the whole or part of the commission payable or any rebate of the premium shown on the Policy, nor shall any person taking out or renewing or continuing a Policy accept any rebate, except such rebate as may be allowed in accordance with the published prospectuses or tables of the insurer.

(2) Any person making default in complying with the provisions of this section shall be liable for a penalty which may extend to ten lakh rupees.

Tax laws are subject to change, consulting a tax expert is advisable. This product brochure gives only the salient features of the plan and it is only indicative of terms, conditions, warranties and exceptions. This brochure should be read in conjunction with the benefit illustration and policy exclusions. In the event of conflict, if any, between the terms and conditions contained in the brochure and those contained in the policy document, the terms and conditions contained in the policy document shall prevail. For further details on all the conditions, exclusions related to Reliance Nippon Life Traditional Group Superannuation Plan, please contact our insurance advisors. Trade logo displayed above belongs to Anil Dhirubhai Ambani Ventures Private Limited & Nippon Life Insurance Company and used by Reliance Nippon Life Insurance Company Limited under license.

Beware of Spurious / Fraud Phone calls: IRDAI is not involved in activities like selling insurance policies, announcing bonus or investment of premiums. Public receiving such phone calls are requested to lodge a police complaint.

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