

# RELIANCE

Nippon Life Insurance

“I want the best for my child. That’s why, whether it’s cricket, music, health or education, I always go to a specialist.”

### Reliance Nippon Life Education Plan

A specialist life insurance plan that gives you the flexibility to choose payouts as per your child’s education needs, even if you are not around.

## Reliance Nippon Life Education Plan

A non-linked, non-participating, child insurance plan

You put all your effort in raising your children and want them to achieve 100% success in every challenge that life throws at them. You need a suitable financial plan that ensures you don’t compromise on your goals for your child’s future and provides you with funds when you need them.

Reliance Nippon Life Education Plan helps you save with certainty and allows you to choose your payouts depending on your child’s future needs.

## With Reliance Nippon Life Education Plan



## Key benefits

### Guarantee your child's future

Receive guaranteed benefits at maturity of the policy, even in your absence.



### Choose your benefit Payout Option

- **Self Starter:** A single lump sum payout to fuel your child's ambition
- **Post Graduation Degree:** 2 annual payouts for your child's post graduation degree
- **Professional Degree:** 4 annual payouts for your child's professional degree
- **Career Starter:** 5 annual payouts to fund your child's higher education and provide a career launch pad



### Protect your child's future even in your absence

- Choose between two Death Benefit options:
  - Option I** - 100% of Death Benefit as an immediate lump sum on death
  - Option II** - 50% of Death Benefit as a lump sum on death and remaining as an income for the next 10 years
- On death, all future premiums are waived and the plan benefits continue
- Enhance protection through riders at a minimal cost



### Pay as you like

Choose how long you want to pay – 5, 7, 10 years or Regular Premium.



### Liquidity

Avail loan facility to meet unforeseen needs.



### Tax benefits

Avail tax benefits, as per the applicable Income Tax Laws.



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## How does the plan work?

### Let's take an example

Rohan, aged 30 years, opts for Reliance Nippon Life Education Plan to start planning for his 10-month old infant, Rahul.

Rohan understands that his son, Rahul, needs a comprehensive education plan to take care of all education related expenses such as initial admission, tuition fees in subsequent academic years and funds to cover expenses after completion of education. This is how his future plan looks like

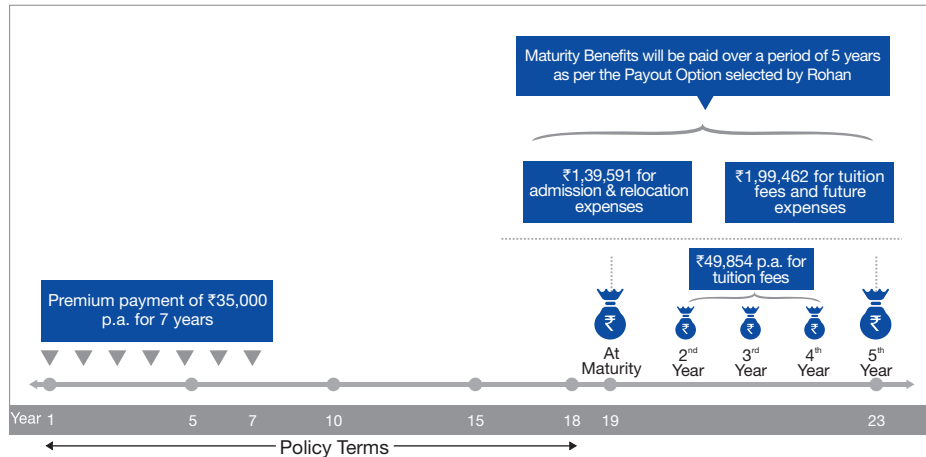
Policy Term	Premium Payment Term	Base Sum Assured	Death Benefit Option	Payout Option
18 years	7 years	₹2,49,270	Option II	Career Starter

- ▶ Pays an annual premium of ₹35,000 p.a. (exclusive of taxes), assuming that he is in good health
- ▶ Gets Base Sum Assured, accrued Guaranteed Additions and accrued Guaranteed Maturity Additions after end of the Policy Term as per the Payout Option selected

**Scenario I:** Rohan, i.e. Life Assured, survives till maturity of the policy and his son, Rahul, attains an age of 18 years. Now, Rohan is prepared to fulfill his son's dream of studying in a reputed university for a 5 year degree course.

With "Career Starter" Benefit Payout Option, Rahul will receive the following amount to pay for his educational expenses

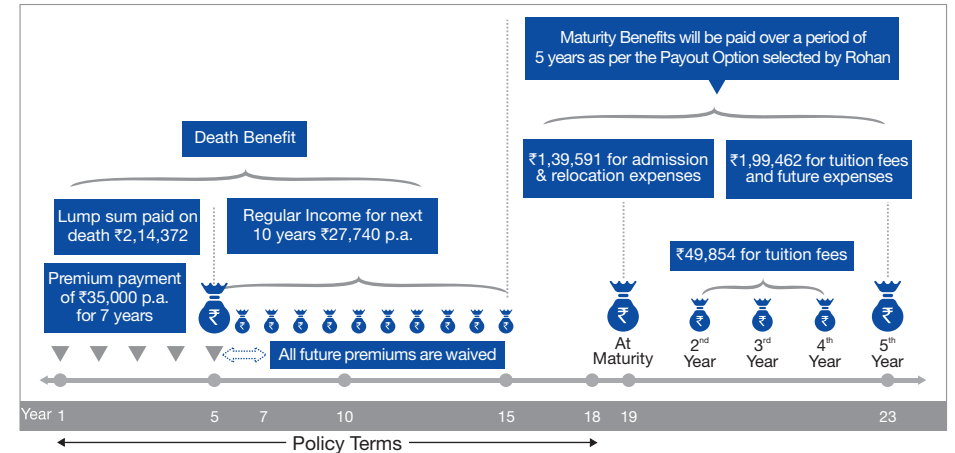
Payout Option	At Maturity	2 <sup>nd</sup> Year	3 <sup>rd</sup> Year	4 <sup>th</sup> Year	5 <sup>th</sup> Year	Total
Career Starter	20% of the BSA + GA	20% of the BSA	20% of the BSA	20% of the BSA	(20% of the BSA + GMA) x 132.76%	₹4,88,615
	₹1,39,591	₹49,854	₹49,854	₹49,854	₹1,99,462	



**Scenario II:** In case of Rohan's unfortunate demise during the 5<sup>th</sup> Policy Year, the Death Benefit amount payable is ₹4,28,744. Rohan opted for Death Benefit Option II, hence this amount can be utilised to support his family in the following manner

- ▶ 50% of Death Benefit as an immediate lump sum on Death i.e. ₹2,14,372
- ▶ Remaining Death Benefit amount will be paid as an annual income for next 10 years, with each installment equal to 12.94% of 50% of total Death Benefit, i.e. ₹27,740 p.a.
- ▶ Rahul will also receive all policy benefits to complete his education as planned by his father

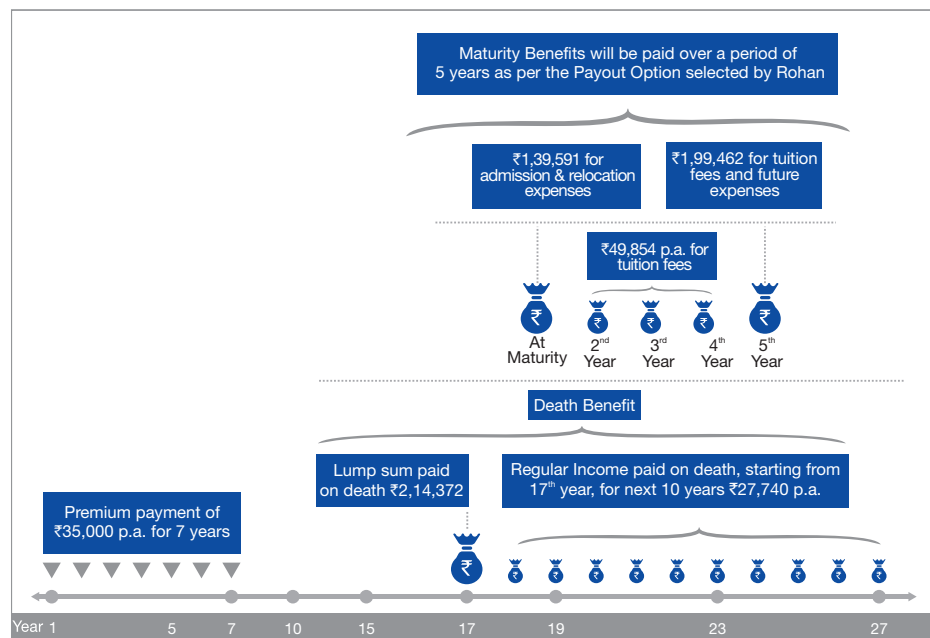
Benefits to Rohan's Nominee		Amount (₹)
Death Benefit	50% of Death Benefit as a lump sum	2,14,372
	50% of Death Benefit will be paid every year for next 10 years	27,740
	<b>Total Death Benefit (A)</b>	<b>4,91,772</b>
Maturity Benefit for Career Starter Payout Option	At Maturity: 20% of the BSA + GA	1,39,591
	2 <sup>nd</sup> Year: 20% of the BSA	49,854
	3 <sup>rd</sup> Year: 20% of the BSA	49,854
	4 <sup>th</sup> Year: 20% of the BSA	49,854
	5 <sup>th</sup> Year: (20% of the BSA + GMA) x 132.76%	1,99,462
	<b>Total Maturity Benefit (B)</b>	<b>4,88,615</b>
<b>Total Benefits (A+B)</b>		<b>9,80,387</b>



**Scenario III:** In case of Rohan's unfortunate demise during the 17<sup>th</sup> Policy Year, Death Benefit amount payable is ₹4,28,744. Rohan opted for Death Benefit Option II. Hence, this amount can be utilised to support his family in the following manner

- ▷ 50% of Death Benefit as an immediate lump sum on Death i.e. ₹2,14,372
- ▷ Remaining Death Benefit amount will be paid as an annual income for next 10 years, with each installment equal to 12.94% of 50% of total Death Benefit, i.e. ₹27,740 p.a.
- ▷ Rahul will also receive all policy benefits to complete his education as planned by his father

Benefits to Rohan's Nominee		Amount (₹)
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Maturity Benefit for Career Starter Payout Option	At Maturity: 20% of the BSA + GA	1,39,591
	2 <sup>nd</sup> Year: 20% of the BSA	49,854
	3 <sup>rd</sup> Year: 20% of the BSA	49,854
	4 <sup>th</sup> Year: 20% of the BSA	49,854
	5 <sup>th</sup> Year: (20% of the BSA + GMA) x 132.76%	1,99,462
	<b>Total Maturity Benefit (B)</b>	<b>4,88,615</b>
<b>Total Benefits (A+B)</b>		<b>9,80,387</b>



## Plan at a glance

Parameters		Minimum	Maximum
Policy Term (Years)	Premium Payment Term		
	5	9	20
	7		
	10	12	
Regular	9		
Age at Entry (Years)	Parent	20	50
	Child	0	18
Age at Maturity (Years)	Parent	29	65
	Child	9	30
Base Sum Assured (₹)		50,000	No limit, subject to underwriting rules
Premium Payment Term (Years) (PPT)		Limited Pay: 5/7/10 Regular Pay: Equal to Policy Term	
Premium (₹)		PPT 5&7 Years: 35,000 PPT 9&10 Years: 30,000 PPT over 11 Years+: 20,000	No Limit
Premium Payment Modes		Yearly, Half-yearly, Quarterly and Monthly	

Note: All the reference to age is based on age last birthday. To be eligible for this policy, the Policyholder must have a child aged between 0 to 18 years at inception of this policy and the maximum age at maturity for the child is 30 years.

## Benefits in detail

### ► Maturity Benefit

At the end of the Policy Term, irrespective of your survival, Guaranteed Maturity Benefit (GMB) will be payable based on the Payout Option selected at inception of the policy.

GMB = BSA + Sum of GAs + Guaranteed Maturity Additions (GMA)

#### ▷ Base Sum Assured (BSA)

BSA is the minimum benefit amount as opted at the inception of the policy.

#### ▷ Guaranteed Addition (GA)

GA of 2% of the Base Sum Assured will be accrued to your Policy at the end of each Policy Year till the end of the Policy Term, provided the Policy is in-force.

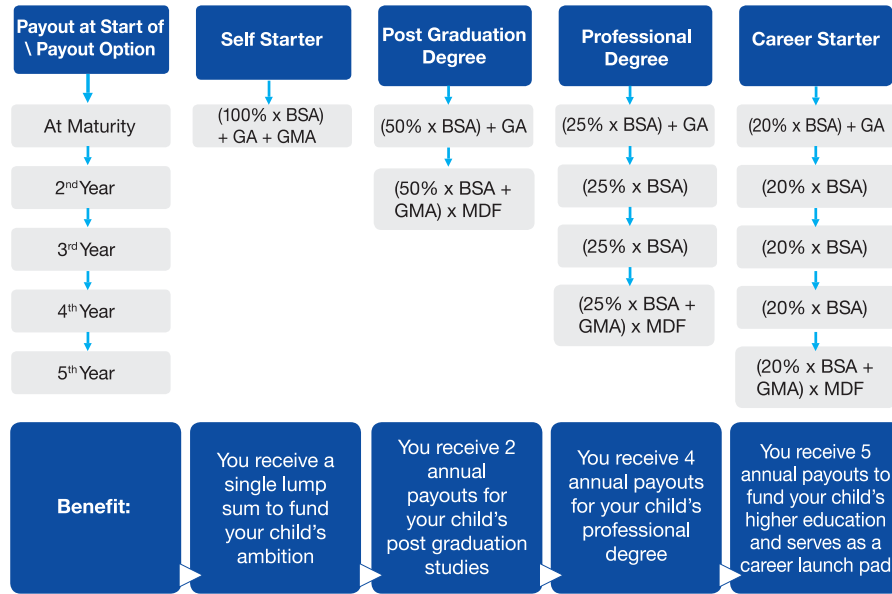
#### ▷ Guaranteed Maturity Addition (GMA)

GMA is payable on maturity of the policy provided the Policy is in-force.

GMA is defined as  $GMA = 2\% \times BSA \times \text{Policy Term}$

### ► Payout Options

Based on your child's future education goal, you can choose one of the following Payout Options at inception of the policy as mentioned below. Once selected, the Payout Option cannot be modified.



BSA = Base Sum Assured; MDF = Maturity Deferment Factor<sup>TAC9</sup>

### ► Death Benefit

Primary purpose of this plan is to fund for your child's future education. In the event of your unfortunate demise, provided the Policy is in-force, immediate lump sum benefits will be paid to the nominee as per the Death Benefit Option selected at the inception of the policy, payment of future premiums will cease immediately and all benefits under the plan will continue to be paid, as per the Payout Option selected.

#### ► Death Benefit Payout Options

At inception of the policy, you are required to select one of the following Death Benefit Payout options

- Option I – 100% of Death Benefit amount is paid immediately, to the nominee, on death of the Life Assured
- Option II – 50% of total Death Benefit amount is paid immediately on death and the balance amount is paid yearly in equal installments over the period of next 10 years starting from the date of death. Each installment is equal to 12.94% of the 50% of total Death Benefit amount. The factor of 12.94% is calculated at interest rate of 6.25% p.a.

#### ► Death Benefit Amount

On death of Life Assured during the Policy Term, provided the Policy is in-force as on the date of death, the nominee shall be entitled to the Death Benefit amount. Death Benefit amount is higher of the Sum Assured on Death or 105% of the premiums paid (excluding the underwriting premiums as on date of death).

The Sum Assured on Death is as explained below:

Policy Term/Age at Entry	Less than 45 years	45 years and above
Less than 10 years	Highest of: i. 5 times of the AP* ii. Base Sum Assured iii. Guaranteed Maturity Benefit	Highest of: i. 5 times of the AP* ii. Base Sum Assured iii. Guaranteed Maturity Benefit
Greater than or equal 10 years	Highest of: i. 10 times of the AP* ii. Base Sum Assured iii. Guaranteed Maturity Benefit	Highest of: i. 7 times of the AP* ii. Base Sum Assured iii. Guaranteed Maturity Benefit

\*AP is Annualised Premium and is defined in later part of this brochure.

### Other features

#### ► Loan

Loan will be available under the policy for up to 80% of the Surrender Value under the Base Plan<sup>TAC2</sup>. The interest on loan is payable at the prevailing rate of interest. The current rate of interest on policy loans is 10.50% p.a. and is subject to change from time to time depending on the economic environment, experience and other factors, subject to the approval from the Regulator, i.e. IRDA of India.

#### ► Riders

To safeguard yourself and your family members against certain unfortunate events, we offer the following riders with this plan at a nominal cost.

- 1. Reliance Nippon Life Term Life Insurance Benefit Rider (UIN: 121B009V02)** Provides an additional Death Benefit depending on the Sum Assured selected under the rider.
- 2. Reliance Nippon Life Major Surgical Benefit Rider (UIN: 121B014V02)** Provides a lump sum amount to cover surgical expenses from a list of 33 surgeries including open heart surgery, kidney transplant, cornea transplantation, transplant of lungs and many more.
- 3. Reliance Nippon Life Critical Conditions (25) Rider (UIN: 121B012V02)** Provides a lump sum amount to take care of 25 critical conditions including cancer, heart attack, paralysis, major organ transplant and many more.
- 4. Reliance Nippon Life Family Income Benefit Rider (UIN: 121B015V02)** Provides a monthly benefit of 1% of Sum Assured every month (i.e. 12% per annum). The benefit is payable from the date of death till the end of the rider Policy Term or 10 years whichever is later, in the event of death/total and permanent disablement due to accident or sickness, before the maturity of the policy.
- 5. Reliance Nippon Life Accidental Death Benefit and Total and Permanent Disablement Rider (Regular Premium) (UIN: 121B002V02)** Provides an additional death/disablement benefit if death/disablement occurs directly as a result of an accident. Also, the waiver of premium benefit under the rider continues in the plan in case of disability.
- 6. Reliance Nippon Life Accidental Death Benefit and Total and Permanent Disablement Rider (Limited Premium) (UIN: 121B001V02)** Provides an additional death/disablement benefit if death/disablement occurs directly as a result of an accident. Also, the waiver of premium benefit under the rider continues in the plan in case of disability.

For further details on all the conditions, exclusions related to the insurance riders, please read the rider terms and conditions and rider sales brochure carefully or contact our insurance advisor.

#### ► Flexible Premium Payment Modes

You have an option to pay premiums either Yearly, Half-yearly, Quarterly or Monthly modes. Quarterly and monthly modes are allowed only if the premiums are paid electronically. For monthly mode, first two months premiums will be collected in advance at the time of issuance of the Policy.

Loading on premium will be applicable as per the table below:

Mode	Yearly	Half-yearly	Quarterly	Monthly
Modal loading	Nil	1%	2%	4%

#### ► Indicative Premium Rates

Sample premium rates per ₹1000 of Sum Assured for a healthy male are as below:

Premium Payment Term (Years)	Death Benefit Multiple	5	7	10	15	20
Age/Policy Term (Years)		10	10	12	15	20
30	10	245.23	176.62	123.63	84.82	60.22
40	10	260.58	185.19	130.09	90.75	67.26
50	7	279.78	199.86	146.97	106.58	87.50

#### ► Grace Period for Payment of Premiums

If you are unable to pay the due premium by the due date, you will be given a grace period of 30 days (15 days for monthly mode). During the grace period the policy shall continue to remain in-force along with all benefits under this policy and claim, if any, shall be payable subject to deduction of the unpaid due premium.

#### ► Premium Discontinuance

The policy shall acquire a Surrender Value on payment of

- ▷ At least two full years' premium if the premium payment term is less than 10 years
- ▷ At least three full years' premium if the premium payment term is 10 years or more

If you discontinue the payment of premiums before your Policy has acquired a Surrender Value, your Policy will lapse at the end of the grace period and the Death Benefit and Rider Benefits, if any, will cease immediately and no benefits will be paid when the policy is in a lapsed status.

If the policy has acquired a Surrender Value and no future premiums are paid, you may choose to continue your Policy on Paid-up basis.

On your Policy becoming Paid-up, the benefits under the plan will be reduced as given below:

Benefit	When is it payable	Payout
Death Benefits	Death during Policy Term	Sum Assured on Death x Paid-up Factor <sup>#</sup>
Maturity Benefit	Payable irrespective of survival or death of the life assured	Guaranteed Maturity Benefit x Paid-up Factor <sup>#</sup>

<sup>#</sup> Paid-up Factor = Number of premiums paid / Total number of premiums payable

All Rider benefits will cease immediately once the policy acquires Paid-up status. The policy will be terminated once the benefit is paid i.e., on surrender or at maturity.

#### ► Surrender

If your Policy has acquired a Surrender Value and you choose to discontinue your Policy, you will be entitled to the Surrender Value, which is higher of the Guaranteed Surrender Value (GSV) or Special Surrender Value (SSV) of the policy. The details of GSV Factors and SSV Factors are provided in the Policy Document. The policy will be terminated once it is surrendered and cannot be reinstated.

#### ► Revival

You can revive your lapsed/Paid-up policy and the riders for its full coverage within two years from the due date of the first unpaid premium but before policy maturity, by paying all outstanding premiums together with the interest, as declared by us from time to time. The current rate of interest is 9% p.a. and is subject to change from time to time, depending on the economic environment, experience and other factors. Revival of the policy and riders, if any, is subject to the Board approved underwriting policy, i.e. the Life Assured may have to undergo medical test, financial underwriting etc.

### Terms and Conditions<sup>(T&C)</sup>

#### 1. Alterations

The Sum Assured, Policy Term, premium payment term, Maturity Benefit Payout Option and Death Benefit Payout Option cannot be altered after commencement of the policy.

#### 2. Loan

For Paid-up policies, if at any time during the term of the policy, the sum of loan outstanding and interest on loan outstanding exceeds the 95% of Surrender Value at that time; the policy will be terminated by recovering the loan outstanding and unpaid interest amount from the Surrender Value.

Before payment of any benefit (death, maturity or surrender) to the policyholder for a policy against which loan is availed of, the loan outstanding and the interest on loan outstanding will be recovered first and the balance if any will be paid to the Policyholder or nominee, as applicable.

No in-force or fully Paid-up policy shall be foreclosed due to non-payment of loan installments.

#### 3. Tax Benefit

Premiums paid under Reliance Nippon Life Education Plan and rider(s) opted, if any, are eligible for tax exemptions, subject to the applicable tax laws and conditions. Income Tax benefits under this plan and rider benefits shall be applicable as per the prevailing Income Tax Laws and are subject to amendments from time to time. Kindly consult a tax expert.

#### 4. Service Tax

The Service Tax and applicable cess will be charged over and above the base premium and rider(s) premium, if any, as per the applicable rates declared by the Government from time to time.

#### 5. 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.

#### 6. Suicide Exclusion

In case of death due to suicide within 12 months from the date of commencement of risk under the policy or from the date of revival of the policy, the nominee/claimant of the policyholder shall be entitled to 80% of the premiums paid or Surrender Value as on the date of death, whichever is higher.

#### 7. Riders

You can opt for rider(s) only during the premium payment term on payment of additional premium over and above the base premium provided the conditions on riders (entry age, Policy Term, premium payment term and Sum Assured) are satisfied. These rider benefits can be selected on commencement of the policy or on any policy anniversary during the premium payment term.

The Rider Sum Assured cannot be higher than the Sum Assured on Death under the Base Plan. The sum of rider premiums should not exceed 30% of the premiums paid under the Base Plan. The frequency of rider premiums will be same as frequency of premiums under Base Plan. The attached rider(s) terminate immediately when the Base Plan is lapsed, surrendered or forfeited.

## 8. Annualised Premium

The Annualised Premium is the amount payable in a year with respect to the Base Sum Assured chosen by you under the Base Plan, excluding the underwriting extra premiums and loading for premiums, if any and taxes and/or levies. Mode of premium payment can be changed only on the policy anniversary.

Substandard lives with medical conditions or hazardous occupation or other impairments will be charged appropriate additional premiums in accordance with the Board approved underwriting policy of the Company. For heavy smokers, Company may charge appropriate additional premiums in accordance with the Board approved underwriting policy of the Company.

## 9. Maturity Deferment Factors (MDF)

The MDF depend on the Policy Term and Payout Option selected at inception of the Policy. MDF are calculated at 6.25% p.a., are as follows

Maturity Deferment Factors			
Policy Term/Payout Option	Post Graduation Degree	Professional Degree	Career Starter
9	106.25%	132.01%	150.20%
10	106.25%	131.48%	149.06%
11	106.25%	130.98%	148.03%
12	106.25%	130.53%	147.10%
13	106.25%	130.12%	146.24%
14	106.25%	129.73%	145.46%
15	106.25%	129.38%	144.74%
16	106.25%	129.05%	144.07%
17	106.25%	128.74%	143.46%
18	106.25%	128.45%	142.89%
19	106.25%	128.18%	142.35%
20	106.25%	127.93%	141.86%

## 10. Free Look Period

In the event, you disagree with any of the terms and conditions of this policy, you may cancel this policy by returning the Policy Document to the Company within 15 days (applicable 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 of the proportionate risk premium for the time that the Company has provided you life cover up to the date of cancellation and for the expenses incurred by the Company on medical examination, if any, and stamp duty charges.

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

- Voice mode, which includes telephone-calling
- Short Messaging Services (SMS)
- Electronic mode which includes e-mail, internet and interactive television (DTH)
- Physical mode which includes direct postal mail and newspaper and magazine inserts and
- Solicitation through any means of communication other than in person

## 11. Nomination

Nomination is allowed as per Section 39 of the Insurance Act, 1938, as amended from time to time. It is advisable to make your child the nominee under this policy.

## 12. Assignment and Transfer

Assignment is allowed under this plan as per Section 38 of the Insurance Act, 1938, as amended from time to time.

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

- 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.
- 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. For further details on all the conditions, exclusions related to Reliance Nippon Life Education 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. <sup>1</sup>Since inception. <sup>2</sup>Includes agent offices and premium collection outlets. <sup>3</sup>Voted as one of the 'Most Trusted Brands' in the Life Insurance category according to Brand Equity's Most Trusted Brands Survey, 2015. <sup>4</sup>The claim settlement ratio of 95.01% for the FY 2015-16 is arrived at as a percentage of the total number of claims settled and total number of claim decided by the Company during the year. <sup>5</sup>Voted as one of the top corporate brands according to The Economic Times Best Corporate Brands Survey, 2015.

**Beware of spurious phone calls and fictitious/fraudulent offers.** IRDAI clarifies to public that 1. IRDAI or its officials do not involve in activities like sale of any kind of insurance or financial products nor invest premiums. 2. IRDAI does not announce any bonus. Public receiving such phone calls are requested to lodge a police complaint along with details of phone call, number.

## Reliance Nippon Life Insurance Company Limited (formerly known as Reliance Life Insurance Company Limited) (IRDAI Registration No. 121)



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