

**RELIANCE**

**NIPPON LIFE  
INSURANCE**

A RELIANCE CAPITAL COMPANY

IN THIS POLICY, THE INVESTMENT RISK IN INVESTMENT PORTFOLIO IS BORNE BY THE POLICYHOLDER.



# **Reliance Nippon Life Group Gratuity Plus Plan**

Get More out of your investment

A non-participating, fund-based, group unit-linked plan



## Reliance Nippon Life Group Gratuity Plus Plan

This is a unit-linked group gratuity product where the employer can choose

- the past service gratuity to be paid out to each member, and
- the insured death benefit, subject to a minimum insured death benefit of ₹1,000 per member

The benefits payable under this product are governed by the Trust Deed and Rules of the individual employer's gratuity scheme and the quantum of benefits payable may vary for each individual employer. The insurance premium will depend upon the attained age, occupation class and health of each member. The liability of the insurer, at any time, will be limited to the Fund Value, except at death, where the liability of the insurer is limited to death benefit, if opted for, plus the Fund Value.

### Key Benefits

- Protection - Get life cover for the term
- Convenience
  - Enjoy a hassle-free enrollment and decide your premium payment frequency
  - Advantage of switching within fund options to make investment at par with the market
- Flexibility - Choose from four fund options

### Plan Parameters

Particulars	Minimum	Maximum
Annual past service gratuity liability contribution	₹2,00,000	No limit
Entry Age (last birthday)	18 years	65 years
Maturity Age (last birthday)	-	70 years
Policy term	1 year fixed	The policy will be renewed at Policy Anniversary date every year and will be in force unless it is specifically terminated by Master Policyholder or us
Insured death benefit (per member)	₹1,000	No limit
Group Size	10	No limit

## Fund Value of a Group Gratuity Plus Scheme

The company will credit the account with:

- i. Gratuity contributions paid by the trustees from the date these contributions were received and invested by us
- ii. Gratuity benefits transferred in from a former gratuity scheme with effect from the date such benefits were received and invested by us

and debit the account with

- i. benefits paid excluding death benefit paid, as and when these arise
- ii. switching charges, as and when these are processed
- iii. taxes, duties or surcharges of whatever description levied by any statutory authority
- iv. insurance premium

The fund value of a gratuity scheme at any time is the number of units allocated to the policy at that time multiplied by the applicable unit price. If a policyholder holds units in more than one unit-linked fund, then the Fund Value for that policyholder is the total value across all unit-linked funds.

### Key Benefits

The exact benefits in a scheme under this plan will depend on the individual employer's gratuity scheme. Generally, the contingencies for benefit payment and the benefit level will be as given below:

1. Retirement of the employee – Broadly, this benefit is equal to 15 days' salary at the time of retirement for each year of past service of the retiring employee, and 'subject to amendments & change in Payment of Gratuity Act, 1972. (Subject to amendments & change in Payment of Gratuity Act,1972)
2. Death/Disability of the employee in service – Broadly, this benefit is equal to 15 days' salary at the time of death for each year of past service of the employee up to the time of death/disability, and may be subject to a maximum of prescribed by the scheme rules. (Subject to amendments & change in Payment of Gratuity Act,1972)

The death benefit, is subject to a minimum of ₹1,000 for each member. An insurance risk premium will be charged for the death benefit. The death cover ceases immediately on a member leaving a scheme.

3. Resignations/Early termination of service of the employee – Broadly, this benefit is equal to 15 days' salary at the time of resignation of the employee for each year of past service up to the time of his resignation, and may be subject to a maximum of prescribed by the scheme rules. (Subject to amendments & change in Payment of Gratuity Act,1972) provided the employee has completed at least five years of service.
4. Surrender/Discontinuance of policy–If the employer/ trustees decide

to surrender their policy or the policy becomes discontinued because of deficit in the fund, Reliance Nippon Life Insurance Company Ltd. will pay a surrender/discontinued benefit equal to the fund value minus the surrender / discontinuance charges, if any.

## Fund Options

The policy offers four fund options, namely

- Group Balanced Fund 4
- Group Equity Fund 4
- Group Corporate Bond Fund 3
- Group Money Market Fund 2

The asset allocation and investment policy for each of the funds is given below:

Fund Name	Investment Objectives	Asset Category	Asset Allocation Range (%)	Target (%)
Group Balanced Fund 4 (SFIN: ULGF02105 /06/13G BALANCE 04121)	The investment objective of the fund is to provide investment returns that exceed the rate of inflation in the long term while maintaining a low probability of negative returns in the short term. The risk appetite is defined as 'low to moderate'.	Money market instruments incl. liquid mutual funds and bank deposits	0 – 10	0
		Debt Securities such as gilts, corporate debt excluding Money market instruments	0 – 85	80
		Equities	0 – 25	20
Group Equity Fund 4 (SFIN: ULGF02205 /06/13 GEQUITY F04121)	Provide high real rate of return in the long term through high exposure to equity investments, while recognising that there is significant probability of negative returns in the short term. The risk appetite is 'high'.	Corporate bonds and other debt instruments / Bank deposits / Money market instruments.	0 – 10	0
		Equities	0 – 100	100

Fund Name	Investment Objectives	Asset Category	Asset Allocation Range (%)	Target (%)
Group Corporate Bond Fund 3  (SFIN: ULGF 02305/06/13GCOR BOND 03121)	Provide returns that exceed the inflation rate, while taking some credit risk (through investments in corporate debt instruments) and maintaining a moderate probability of negative return in the short term. The risk appetite is 'low to moderate'.	Money market instruments incl. liquid mutual funds and bank deposits	0 – 10	0
		Corporate bonds / debentures and other debt instruments excluding money market instruments	0 – 100	100
Group Money Market Fund 2 (SFIN: ULGF 00930/09/08 GMON MRKT 02121)	Maintain the capital value of all contributions (net of charges) and all interest additions, at all times. The risk appetite is 'low'.	Money market instruments incl. liquid mutual funds and bank deposits	100	100

Within a fund, if the target investment in one asset class is less than 100%, the remaining balance would be invested in the other asset classes mentioned under a fund.

Whilst every attempt would be made to attain target levels prescribed above, it may not be possible to maintain the prescribed 'target' at all times owing to market volatility, availability of market volumes and other related factors. The 'target' may be attained on a 'best effort' basis. However, the asset allocation will fall within the asset allocation range mentioned in respect of each fund except exceptional circumstances where it may deviate.

## Computation of NAV

The NAV for a particular fund shall be computed as: Market Value of investment held by the fund plus the value of current assets less the value of current liabilities and provisions, if any. This gives the net asset value of the fund. Dividing by the number of units existing at the valuation date (before creation/redemption of units), gives the unit price of the fund under consideration.

In case the valuation day falls on a holiday, then the exercise will be done on the following working day.

## Allocation of Units

The company applies premiums/gratuity contributions to allocate units in one or more of the unit-linked funds in the proportions which the master policyholder specifies. The allotment of units to the policyholders will be done only after the receipt of premium/gratuity contribution proceeds as stated below:

In case of New Business, units shall only be allocated on the day the proposal is completed and results into a policy by the application of money towards premium/gratuity contribution. In the case of renewal premiums/gratuity contributions, the premium/gratuity contributions will be adjusted on the due date, whether or not it has been received in advance. (This assumes that the full stipulated premium/gratuity contribution is received on the due date.) Renewal premiums/gratuity contribution received in advance will be kept in the deposit account and will not earn any returns until the renewal premium/gratuity contribution due date on which the same will be applied to the unit funds.

In respect of premiums/gratuity contributions received or funds switched up to 3.00 pm by the company along with a local cheque or a demand draft payable at par at the place where the premium/gratuity contribution is received, the closing NAV of the day on which the premium/gratuity contribution is received or funds switched, shall be applicable. In respect of premiums/gratuity contributions received after 3.00 pm by the company along with a local cheque or a demand draft payable at par at the place where the premium/gratuity contribution is received, the closing NAV of the next business day shall be applicable.

In respect of premiums/gratuity contributions received with outstation cheques or demand drafts at the place where the premium/gratuity contribution is received, the closing NAV of the day on which cheques demand draft is realised shall be applicable.

## Cancellation of Units

To meet fees and charges, and to pay benefits, the company will cancel the units to meet the amount of the payments which are due. If units are held in more than one unit linked fund, then the company will cancel the units in each fund to meet the amount of the payment. The value of units cancelled in a particular fund will be in the same proportion as the value of units held in that fund is to the total value of units held across all funds. The units will be cancelled at the prevailing NAV per unit (unit price).

## Redemptions

In respect of valid applications received (e.g. surrender, benefit payment, switch out etc) up to 3.00 pm by the insurer, the same day's closing NAV shall be applicable. In respect of valid applications received (e.g. surrender, benefit payment, switch out etc) after 3.00 pm by the insurer, the closing NAV of the next business day shall be applicable. The NAV for each segregated fund provided under this product shall be made available to the public in the print media on a daily basis. The NAV will also be displayed in the web portal of the company.

## Delaying Encashment

The Company may delay encashing units from a fund if it is necessary to do so in order to maintain fairness and equity between unit holders remaining in, and unit holders leaving a fund. Where this applies, the Company may delay encashing all or part of the funds for up to 30 days. If the Company delays the encashment, the unit prices that apply on the day on which the encashment actually takes place will be used.

## Special Rules for Large Transactions

For a very large transaction above a threshold level, in order to maintain equity and fairness with all unit holders, the Company may choose to apply special treatment for all transactions, which involve purchase or sale of underlying assets. The number of units allocated may reflect the expenditure incurred in the actual market transactions which occurred. The value of units obtained from encashment may be the actual value obtained as a consequence of the actual market transactions which occurred. Transactions may occur over a number days. The threshold level will vary from time to time, depending on, amongst other matters, the liquidity of the stock markets. Our current threshold for large transactions will be ₹50,000,000 for a fund predominantly investing in Government securities and ₹25,000,000 for a fund investing in highly liquid equities.

The Company reserves the right to value less frequently than daily in extreme circumstances, where the value of the assets may be too uncertain. In such circumstances the Company may defer valuation of assets until normality returns. Examples of such circumstances are:



- a) When one or more stock exchanges which provide a basis for valuation for a substantial portion of the assets of the fund are closed otherwise than for ordinary holidays
- b) When, as a result of political, economic, monetary or any circumstances out of our control, the disposal of the assets of the unit fund are not reasonable or would not reasonably be practicable without being detrimental to the interests of the remaining unit holders
- c) During periods of extreme volatility of markets during which surrenders and switches would, in our opinion, be detrimental to the interests of the existing unit holders of the fund
- d) In the case of natural calamities, strikes, war, civil unrest, riots and bandhs
- e) In the event of any force majeure or disaster that affects our normal functioning
- f) If so directed by the IRDAI

### Discontinuance of Policy

If the fund is at surplus, Reliance Nippon Life will allow "nil/contributions/premiums" under the insurance contracts based on the actuary's certificate in accordance with AS15 (Revised) and such contracts shall not be treated as discontinued contracts.

Even on non-receipt of premium, the policy will automatically get renewed at the then existing terms and conditions on each renewal date, provided there is enough balance in the policy account as per the scheme rules.

### Payment of Gratuity Liability Contributions

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

Top up contribution can be paid only if it is required as per the actuary's certificate in accordance with AS15 (revised), to address under funding of the scheme.

### Additional Death Benefit Option

In addition to the minimum death benefit of ₹1,000 per member, the employer can opt to offer additional death benefit. The additional death benefit can be future service gratuity, flat sum assured, flat sum assured based on grade, fixed multiples of annual salary, etc.

### Switching

The master policyholder will have the flexibility to alter the allocation of his/her investments among the funds offered in order to suit his/her

changing investment needs by easily switching between the funds. At any time during the policy term, the Master policyholder may instruct the Company, in writing, to switch some or all of the units from one unit linked fund to another. The company will give effect to this switch by cancelling units in the old fund and allocating units in the new fund. In respect of switching requisition received up to 3.00 pm by the company, the closing unit price of the day shall be applicable. In respect of switching requisition received after 3.00 pm by the company, the closing unit price of the next business day shall be applicable. The Master policyholder is entitled to four free switches each policy year. Unused free switches cannot be carried forward to a following year.

### Gratuity Contribution Redirection

A Master policyholder may instruct us in writing to redirect all the future gratuity contribution under a policy in an alternative proportion to the various unit funds available. Redirection will not affect the allocation of contributions(s) paid prior to the request.

### Charges Fund Management Charges

Fund	Annual rate
Group Money Market Fund 2 (SFIN: ULGF00930/09/08GMONMRKT02121)	0.75%
Group Balanced Fund 4 (SFIN: ULGF02105/06/13GBALANCE04121)	0.75%
Group Corporate Bond Fund 3 (SFIN: ULGF02305/06/13GCORBOND03121)	0.75%
Group Equity Fund 4 (SFIN: ULGF02205/06/13GEQUITYF04121)	0.75%

The Fund Management charges will be priced in the unit price of each Fund on a daily basis. The fund management charges are not guaranteed. The Fund Management Charges can be increased up to 1.35% per annum. However, any changes to the fund management charges shall be subject to Insurance Regulatory Development Authority of India (IRDAI) approval.

## Switching Charges

Transferring (switching) from one investment fund to another can be done at any time. You can make up to four switches free of charge each year. Any switch above this will attract a charge of 0.1% of the switched amount subject to maximum of ₹5,000 per switch. This charge is recovered by canceling units.

## Surrender/Discontinuance Charges

The surrender/discontinuance charges will be levied in line with IRDAI circular. These charges are mentioned below:

Year	Surrender / Discontinuance Charges (% of Fund Value)
Year 1 to 3	Minimum of 0.05% of Fund Value or ₹500,000
Year 4+	Nil

These charges are levied only if the employer/trustees decide to surrender / discontinue the policy with Reliance Nippon Life Insurance Company Limited.

## Claims Process

Normally, the following documents are required for processing an insured death benefit claim under this policy:

- Certificate of Insurance, in original (if applicable)
- Death Certificate, in original
- Copies of the First Information Report and the Final Investigation Report thereof, duly attested by the concerned police officials in case of death claim arising out of accidents or unnatural deaths or hospitalisation documents (discharge summary along with all investigation reports) if Life Assured has taken treatment for illness leading to his death in any case of death case
- Copy of post-mortem report duly attested by the concerned officials
- Claim Form (A) to be filled in by the nominee
- Claim Form (B) to be filled in by the last treating Doctor
- KYC documents of the claimant as per AML Guidelines. (Address Proof and Identity Proof)
- ECS Mandate form/Cancelled cheque leaf/Self-attested passbook copy of the claimant
- Any other document as may be required

On receipt and scrutiny of the above documents, RNLIC may call for further documents if necessary.

### Insurance Premium

Insurance premium will depend on the attained age at start of policy year, gender, the amount of insured death benefit and occupation class. The insurance premium will be recovered by cancellation of units at the prevailing unit price in advance at the beginning of each month.

### Goods & Service Tax

Goods & Service Tax and cess shall be levied on the Insurance premium, Switching Charge and Fund Management Charges. The level of this charge shall be as per the rate of Goods & Service Tax, declared by the Government from time to time. As per the Goods & service tax norms, the Goods & Service Tax on Fund management charge is applied on actual fund management charge or the maximum fund management charge fixed by the IRDAI, whichever is higher.

Goods & Service Tax shall be collected as below:

- Goods & Service Tax on Fund Management Charge will be priced in the unit price of each Fund on daily basis.
- Goods & Service Tax on Insurance Premium and Switching charge will be recovered by cancellation of units at the prevailing unit price.

### Charges Levied by the Government in Future

In future the Company may decide to pass on any additional charges levied by the governmental or any statutory authority to the master policyholder. Whenever the company decides to pass on the additional charges to the policy holder, the method of collection of these charges shall be informed to them.

In the event that units are held in more than one Fund, the cancellation of units will be effected in the same proportion as the value of units held in each Fund. In case the fund value in any fund goes down to the extent that it is not sufficient to support the proportionate monthly charges, then the same shall be deducted from the fund value of the other funds.

### Revision in Rate of Charges

- The revision in charges if any (except the Goods & Service Tax charge) will take place only after giving three months notice to the policyholders and after obtaining specific approval of the IRDAI
- The Goods & Service Tax charge will be revised as and when notified by the Government
- If the policyholder does not agree with the modified charges,

they shall be allowed to withdraw the units in the plans at the then prevailing unit value after paying surrender charge if any and terminate the Policy

- The Company reserves the right to change the Fund Management charge. However, the maximum FMC on any fund will be 1.35% p.a.
- The fund switching charge (when applied) is guaranteed to be 0.1% of the amount switched, subject to maximum of ₹5,000
- The base insurance premium charges and surrender/discontinuance charges for the additional insurance death benefit are guaranteed for the policy term

### Suicide Claim Provisions

In case of a claim where a member has committed suicide within 12 months from the date of inception of the scheme or revival of the scheme or the employee joining the policy whichever is later, whether sane or insane at that time, the company will limit the death benefit to the past service gratuity benefit (which will be paid from the unit linked fund of the scheme), and will not pay any insured death benefit.

### Payment of Taxes, Stamp Duties

We will deduct from benefits / insurance premium / contribution any taxes, duties or surcharges of whatever description where levied by any statutory authority from time to time. You are recommended to consult your tax advisor.

### Nomination of beneficiary – allowed as per Section 39 amended from time to time.

The Master Policy Holder shall register a nomination of beneficiary, or any change of nomination of any beneficiaries, in the member's records. If the member provides authority for the Company to pay benefits directly to his beneficiary(s), it is the responsibility of the Master Policy Holder to advise us in writing of this request and the authority should include the beneficiary details as decided and agreed by the member and a statement of nomination signed by the member. Nomination, as defined under Section 39 of the Insurance Act 1938, as amended from time to time, will be allowed under this plan.

### New Members

New members will be allowed to join at any time during the tenure of the policy. The insurance cover in respect of members will start from the date of joining. Notice of new members must be signed by the master policy holder. All full-time members are invited to join the Policy at the master policyholders' invitation.

The Company will provide you with the necessary administration forms to assist you in notifying our office when a new member is admitted to the Policy.

### How Safe is Your Investment?

Unit Linked Life Insurance products are different from the traditional insurance products and are subject to the following risk factors.

- i. The premium paid in Unit Linked Life Insurance policies are subject to investment risk and other risks associated with capital markets and NAV per unit (unit price) may go up or down based on the performance of the fund and factors influencing the capital markets and the Policyholder is responsible for his/her decisions.
- ii. "Reliance Nippon Life Insurance Company Limited" is the name of the Company and "Reliance Nippon Life Group Gratuity Plus Plan" is only the name of the linked insurance policy and does not in any way indicate the quality of the Policy, its future prospects or returns.
- iii. The names of the Fund Option(s) do not in any manner indicate the quality of the Fund Option(s) or their future prospects or returns.
- iv. Please understand the associated risks and applicable charges from your insurance advisor or the intermediary or policy document issued by Reliance Nippon Life Insurance Company Limited.
- v. Investment risk in investment portfolio is borne by the Policyholder. There is no assurance that the objectives of the Fund Option(s) shall be achieved.
- vi. NAV per unit (Unit Price) may fluctuate depending on factors and forces affecting the capital markets and the level of interest rates prevailing in the market.
- vii. Past performance of the Fund Options is not indicative of future performance of any of those funds.
- viii. All benefits payable under this policy are subject to tax laws and other fiscal enactments in effect from time to time. The Policyholder is recommended to consult his/her tax advisor.

The Company reserves the right to suspend the Allocation, reallocation, cancellation of Units under extraordinary circumstances such as extreme volatility of assets, extended suspension of trading on stock exchange, natural calamities, riots and other similar events or force majeure circumstances.

### Free Look Period

In the event you disagree with any of the terms and conditions of the Policy, you may return the Policy to the Company within 15 days for all distribution channel, except for Distance Marketing\* channel, which will have 30 days of its receipt for cancellation, stating your objections in which case you shall be entitled to a refund of the non-allocated premium plus charges levied by cancellation of units plus Fund Value at the date of cancellation, subject only to a deduction of a proportionate mortality cover charges risk premium for the period of cover and the

expenses incurred by the insurer on medical examination of the Life Assured along with the 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

### Prohibition of Rebate: 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.

### About Us

Reliance Nippon Life Insurance Company Limited is a licensed life insurance company registered with Insurance Regulatory & Development Authority of India (IRDAI) Registration No: 121, in accordance with provisions of the Insurance Act, 1938.

Reliance Nippon Life Insurance Company Limited offers you products that fulfill your savings and protection needs. Our aim is to emerge as a transnational Life Insurer of global scale and standard.

Reliance Nippon Life Insurance Company Limited is a part of Reliance Capital Limited, under Reliance Group. Reliance Capital is one of India's leading private sector financial services companies, and ranks among the top 3 private sector financial services and banking companies, in terms of net worth. Reliance Capital has interests in asset management and mutual funds, stock broking, life, health and general insurance,

proprietary investments, private equity and other activities in financial services.

Reliance Group also has presence in Communications, Energy, Natural Resources, Media, Entertainment, Healthcare and Infrastructure.

Nippon Life Insurance, also called Nissay, holds 49% stake in Reliance Nippon Life Insurance Company Limited.

Nippon Life Insurance is Japan's largest private life insurer with revenues of ₹412,809 crore (US\$ 65 Billion) and profits of over ₹ 29,249 crore (US\$ 3 billion). The Company has over 31 million policies in Japan, offers a wide range of products, including individual and group life and annuity policies through various distribution channels and mainly uses face-to-face sales channel for its traditional insurance products. The company primarily operated in Japan, North America, Europe and Asia and is headquartered in Osaka, Japan. It is ranked 111th in the Global Fortune 500 firms in 2017.

## Note

This product brochure is indicative of the terms and conditions, warranties and exceptions contained in the insurance policy. This document gives only the salient features of the plan. For further details on all the conditions, exclusions related to Reliance Nippon Life Group Gratuity Plus Plan please contact our Employee Benefits – Relationship Managers.

Tax laws are subject to change, consulting a tax expert is advisable.





The logo for Reliance Nippon Life Insurance, featuring the word "RELIANCE" in white capital letters on a blue rectangular background. A small red triangle is positioned above the letter "I".

**NIPPON LIFE  
INSURANCE**

Reliance Nippon Life Insurance Company Limited. IRDAI Registration No. 121. Registered Office: H Block, 1<sup>st</sup> Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai, Maharashtra - 400710. For more information or any grievance, 1. Call us between 9 am to 6 pm, Monday to Saturday on our Toll Free Number - 1800 102 1010 or 2. Visit us at [www.reliancenipponlife.com](http://www.reliancenipponlife.com) or 3. Email us at: [rnlife.customerservice@relianceada.com](mailto:rnlife.customerservice@relianceada.com). 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. Tax laws are subject to change, consulting a tax expert is advisable. This brochure should be read in conjunction with the benefit illustration and policy exclusions. For more details on risk factors, terms and conditions, please read sales brochure carefully before concluding a sale. \*\*Tax benefit are available under income Tax Act and are subject to change from time to time.

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.

UIN for Reliance Nippon Life Group Gratuity Plus Plan is 121L081V02.

CIN: U66010MH2001PLC167089.

Mktg/GGP Brochure/Version 4/Sept 2018