

## **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.