



Future Generali Group Leave Encashment Plan

An Overview

In today's time many of the employers are providing Leave Encashment benefit in addition to other retirement benefits to their employees which is a lump sum amount payable to the employees. The actual amount payable depends on the number of encashable leave an employee has at retirement or other exit and the per day salary at retirement. The Group Leave Encashment Plan has been designed to provide funding for these liabilities of all employers. A group life insurance cover is also provided for the employees. The scheme is generally administered by the employer.

Future Generali Group Traditional Leave Encashment Plan

It is a Non-Participating Group Traditional Leave Encashment Plan. Under this plan, the contributions paid continue to accumulate on traditional platform of investments and at the end of the financial year; an investment income is credited to your Leave Encashment policy account.

This Product offers Fund Management of employers' liability and life cover to the employees.

Future Generali India Life Insurance Company's liability at any time will be limited to the balance in the policy account.

Basket of Benefits

- We offer you value by providing a platform of a large pooled fund providing smooth returns and safety through diversification backed by our in-house investment expertise.
- Absorption of exit penalty charged by the previous insurer up to a maximum of 3%.
- Flexibility in payment of contribution: you can pay annual contributions yearly, half-yearly, quarterly or monthly.
- Capital Guarantee on Fund Under Management
- Death benefit, optional additional death benefit and other benefits: **The plan has a death cover of Rs. 1000 for which a premium is charged.**

Tax Benefits

As per the applicable tax laws.

Eligibility Criteria

- All groups with a minimum size of 10 members.
- Regular (or Annual) Contribution:
 - Minimum : Zero
 - Maximum : No limit
- Minimum Initial Contribution : Zero
(Can be paid as lump sum at the outset or in installments over a period not exceeding 5 years in case of a newly set-up scheme.)
- Minimum contribution at inception: Rs. 200,000/-. This can be through either initial contribution or annual contribution.



Capital Guarantee

Capital guarantee implies that a non-negative investment income will be credited to your Leave encashment account at the end of each financial year.

Surrender Penalty

Policy can be surrendered any time after completion of one policy year subject to three months notice in writing to Future Generali India Life. The following surrender charges would apply.

- In case of Surrender or partial withdrawal where no exit penalty has been absorbed by us
 - Year 1: Surrender is not allowed
 - Year 2: 1% of the fund on date of surrender
 - Year 3: 0.75% of the fund on date of surrender
 - Year 4: 0.50% of the fund on date of surrender
 - Year 5 onwards : No surrender penalty
- In case where exit penalties have been absorbed and the surrender / any other withdrawal request is received, additional surrender penalties will apply as follows. These penalties are in addition to the surrender penalties mentioned above:
 - Year 1: Surrender is not allowed
 - Year 2: 100% of the exit penalty absorbed
 - Year 3: 75% of the exit penalty absorbed
 - Year 4 : 50% of the exit penalty absorbed
 - Year 5 : 40% of the exit penalty absorbed
 - Year 6 onwards: no surrender Penalty

Termination

The policy will be terminated if the balance in the policy account goes below Rs 100,000 and the balance in the policy account will be paid after deducting the applicable surrender penalties.

Nomination

Nomination is allowed as per section 39 of the Insurance Act, 1938 for receipt of the insurance benefit in the event of the death of a member.

Free Look Period

The Master Policyholder has a period of 15 days from the date of the receipt of the policy document to review the terms and conditions of the policy and where the Policyholder disagrees to any of the terms and conditions, he has the option to return the policy stating the reasons for his/her objection. Future Generali will refund the initial contribution and premium paid subject to the deduction of proportionate risk premium and expenses incurred by us towards the stamp duties.



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Section 41 of Insurance Act 1938 states: No person shall allow or offer to allow, either directly or indirectly, as an inducement to any person to take out 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 rebates as may be allowed in accordance with the published prospectuses or tables of the insurer

Section 45 of Insurance Act, 1938: "No policy of life insurance effected before the commencement of this Act shall after the expiry of two years from the date of commencement of this Act and no policy of life insurance effected after the coming into force of this Act shall, after the expiry of two years from the date on which it was effected be called in question by an insurer on the ground that statement made in the proposal or in any report of a medical officer, or referee, or friend of the insured, or in any other document leading to the issue of the policy, was inaccurate or false, unless the insurer shows that such statement was on a material matter or suppressed facts which it was material to disclose and that it was fraudulently made by the policy-holder and that the policy-holder knew at the time of making it that the statement was false or that it suppressed facts which it was material to disclose:
Provided that nothing in this section shall prevent the insurer from calling for proof of age at any time if he is entitled to do so, and no policy shall be deemed to be called in question merely because the terms of the policy are adjusted on subsequent proof that the age of the life insured was incorrectly stated in the proposal".