

# Future Generali Group Leave Encashment Plan

A non-linked non-participating group leave encashment product offering fund management

UIN: 133N044V03



## About the plan...



Future Generali Group Leave Encashment Plan is a non-linked non-participating group leave encashment product offering fund management.



This plan offers interest income which gets credited to the policy at the end of financial year. The interest amount once credited to the policy account will become guaranteed\*.



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



The liability of Future Generali India Life Insurance Company Limited (FGILICL) at any time will be limited to the balance in the policy account.

\*Provided policy is in force, subject to payment of all due premiums

## Key features...



Platform of large  
pooled fund

It offers 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.



Flexibility to  
make payment

Flexibility in payment of contribution: you can pay annual contributions yearly, half-yearly or quarterly.



Uniform life  
cover

The plan has a uniform life cover of Rs. 5000 per member



Tax Benefit

As per the applicable tax laws. Tax benefit is subject to change in tax laws from time to time.

\*Provided policy is in force

## Contributions & Interest Rate

### Contributions

The contributions made under this plan shall be made in accordance with the funding requirements as per the scheme rules. The trustee or employer or policyholder shall be required to confirm that such funding is required as per extant accounting standard governing the measurement of long term employee benefits.

The plan does not allow any top-ups, unless required to address the underfunding of the scheme as per extant accounting standard governing the measurement of long term employee benefits.

### Interest Rate

An Interest rate will be declared by the company at the end of each financial year. The interest rate will be credited to the policy on a pro-rata basis based on the number of days the fund has been invested with the company. An interim rate shall be declared at the start of each financial year for exits during the financial year for which interest rate is not yet declared. The interest amount once credited to the policy account will be guaranteed.

The interest rate credited to each fund and expenses charged to such funds shall be in accordance with the Board approved policy of the company.

## Policy Account Value

### Policy Account Value

The policy account value depicts the accrual to the policyholder account. The Company shall maintain a Policy Account of the policy to which will be credited:

- All the contributions received from the employer / trustees on the date when such contributions were received by the Company;
- Amounts transferred in from a former leave encashment scheme with effect from the date such amounts were received by the Company; and
- Interest income as on 31st March every year (or on date of surrender in case of surrender of policy), if any.

Further, the policy account will be debited with:

- All benefits as defined in the scheme rules paid in respect of members as on the date when paid by the Company;
- Taxes, duties or surcharges of whatever description levied by any statutory authority;
- Interest or late fee, if any, payable on the benefits
- Surrender penalty if any
- Mortality charges for life cover

## Boundary conditions

Minimum Group Size	All groups with a minimum size of 10 members
Entry Age	Minimum: 18 years (as on last birthday) Maximum: 69 years (as on last birthday)
Maximum Maturity Age	70 years (as on last birthday)
Policy Term	It is a yearly renewable plan
Sum Assured	Rs. 5,000 per member
Minimum contribution at inception	Rs. 500,000/-. On scheme level

## Charges applicable under the policy

### Mortality Charge

These are annual charges. Mortality charges will be deducted at the start of every month from the policy account. Monthly charge would be  $1/12^{\text{th}}$  of annual charge.

Below mentioned are the sample mortality charges for various age groups for Rs. 5000 sum assured for Life Cover.

Age as on last birthday (years)	25	35	45	55
Mortality Charge (Rs.)	5.00	6.60	14.95	40.10

These charges will be subject to applicable tax, if any.

### Surrender Charge (Penalty)

Master Policy Holder can surrender the policy any time by giving written request to Future Generali India Life Insurance Co. Ltd. The surrender penalty will be equal to 0.05% of the total policy account value subject to maximum of Rs 500,000 /- if the policy is surrendered within the third annual renewal of the policy. Hence the surrender value will be equal to the policy account value less the surrender penalty, if any.

If policy is surrendered after the third annual renewal, then there will be no surrender penalty. This charge will be subject to applicable tax, if any. Once the policy is surrendered and the surrender value is paid, the Company shall cease to be liable for any benefit payable under the policy and the policy cannot be reinstated.

### Market Value Adjustment

No Market Value Adjustment is applicable.

## Important things to know

<h3>Free Look Period</h3>	<p>In case the Policyholder disagree with any of the terms and conditions of the policy, then the policy can be returned to the Company within 15 days of its receipt for cancellation, stating the objections. Future Generali will refund the policy account value after the deduction of the policy stamp charges and the cost of insurance for the period on cover up to the date of cancellation.</p>
<h3>Variability of Charges</h3>	<p>The surrender charge (penalty) and mortality charge is guaranteed Any change in amount or rate of charges as stated above will be subject to IRDAI approval.</p>
<h3>Nomination</h3>	<p>Nomination will be allowed as per section 39 of the Insurance Act, 1938, as amended from time to time, for receipt of leave encashment benefits in the event of the death of the member. Any nomination or change of nomination of the beneficiaries will be maintained by the Employer or Policyholder. In the event of death of the member, the Company will pay the leave encashment benefits to the Employer or Policyholder. In case the leave encashment benefits are to be paid directly to the member's beneficiary, the Employer or Policyholder should advise the Company in writing of this request along with the beneficiary details.</p>

\*Provided policy is inforce



## Important things to know (continued...)

### Termination

- The Policyholder should maintain a minimum balance of Rs 1 lakh in the policy account.
- The company will send a notice to the Policyholder if the policy account value falls below Rs 1 lakh.
- The Policyholder can get a valuation done as per extant accounting standard governing the measurement of long term employee benefits to see if the scheme is underfunded or not.
- If the scheme is not underfunded, the policy will continue as it is.
- If the scheme is underfunded, then the company will give the Policyholder 30 day's period to pay additional contributions to address the underfunding of the scheme.
- If additional contributions are not received within the stated period, then the company will terminate the policy and refund the entire amount available in the policy account to the Policyholder.
- Thereafter the Company shall cease to be liable for any benefit payable under the policy.
- Once policy is terminated, it cannot be reinstated.

## Disclaimer

### Future Generali Group Leave Encashment Plan [UIN: 133N044V03]

- Tax benefits are as per Income Tax Act 1961 and are subject to any amendment made thereto from time to time. You are advised to consult your tax consultant.
- For more details on the risk factors and the terms and conditions please read the sales brochure and/ or sample policy document on our website carefully, and/ or consult your advisor before concluding the sale

Future Group's, Generali Group's and IITL's liability is restricted to the extent of their shareholding in Future Generali India Life Insurance Company Limited.

Future Generali India Life Insurance Company Limited (IRDAI Regn. No.: 133) (CIN: U66010MH2006PLC165288). Regd. & Corporate Office address: Future Generali India Life Insurance Co. Ltd, Unit 801 and 802, 8th floor, Tower C, Embassy 247 Park, L.B.S. Marg, Vikhroli (W), Mumbai – 400083 | Fax: 022-4097 6600 | Email: care@futuregenerali.in | Call us at 1800 102 2355 | Website: life.futuregenerali.in  
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### **BEWARE OF SPURIOUS PHONE CALLS AND FICTITIOUS/FRAUDULENT OFFERS**

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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**Thank You**