

Future Generali Group Gratuity Plan

A Group, Non Linked, Non-Participating (without profits), Savings, Life Insurance Plan

UIN: 133N045V03



About the plan...



Future Generali Group Gratuity Plan is a Group, Non Linked, Non-Participating (without profits), Savings, Life Insurance Plan 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*.



The Future Generali Group Gratuity Plan brings you a host of features that can assist you in meeting your obligation in a systematic and cost effective manner



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

Key features...



Platform of large
pooled fund

This plan offers you value by providing a platform of a large pooled fund providing smooth returns, safety through diversification backed by our in-house investment expertise.



Flexibility

Flexibility in payment of premium: you can pay contributions yearly, half-yearly or quarterly



Liquidity

Liquidity management - Allows liquidity; money available anytime to meet benefit payout



Tax Benefit

Tax benefits are subject to change in law from time to time. You are advised to consult your tax consultant..

An Overview for Gratuity Plan

Gratuity is a statutory benefit governed by Payments of Gratuity Act, 1972. Under the Act, it is an additional statutory benefit payable by the employer to their employees after completion of minimum years of service.

The minimum level of benefit paid is 15 days pay for each completed number of years. The employee is eligible for gratuity benefit, either on:



Retirement



Permanent Total Disablement during service



Death during service



Resignation from service

The employer can also structure a gratuity benefit that is higher than stipulated in the statutory requirements.

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 trustees on the date when such contributions were received by the Company;
- Amounts transferred in from a former gratuity 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 charge (penalty) if any
- Mortality charges for life cover

Boundary conditions

Minimum Group Size	All employer – employee 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	Minimum : Rs. 5,000 per member Maximum : 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 1/12th of annual charge.

Below mentioned are the sample annual 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 the 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 gratuity 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 gratuity benefits to the Employer or Policyholder. In case the gratuity 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

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- 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 and Generali Group'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 | ARN:ADVT/Comp/2020-21/Oct/365

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.

*Provided policy is in force

Thank You