

INFORMATION TO POLICYHOLDERS ABOUT POLICY PAYMENT BY NEFT

The payment under your policy/ies will be to be credited, directly to your Bank account through electronic mode of payment only. For this purpose, we require your bank details for making the policy payment through NEFT (National Electronic Fund Transfer). The details of NEFT are described below. You are requested to submit the NEFT mandate along with necessary enclosures to settle the payment under your policy through NEFT. Kindly note, it is not possible for us to settle the policy payment in any other mode of payment like cheque.

1. **What is a NEFT ?**

It is a nationwide system that facilitates to transfer a fund from one account of any bank branch to another account of any bank branch. This system is operated by Reserve Bank of India. For transfer of funds the participating banks have to be NEFT enabled. At present around 74000 Banks all over India are participating under NEFT system. For details please refer to RBI website on <http://www.rbi.org.in/scripts/neft.aspx>

2. **Advantages of NEFT system for LIC Policy holders / Annuitants :**

- a) The policy holder / claimant will get the credit in his own account irrespective of the location of his bank on the same day of the due date.
- b) NEFT will ensure speedier and secure mode of payment.
- c) There will be no extra charges to the policy holders / claimant.
- d) SMS and E-mail alert facility may also be provided by our bank whenever the fund is transferred to the policy holder /claimant's account through the NEFT system.
- e) Each payment from LIC through NEFT will create one UID(Unique Identity No). If there is any problem in credit to the account, policy holders / claimant can confirm from their bank by quoting this UID no. In other words it is easy to track a transaction of NEFT.

3. **important information to the Policy holder / claimants opting for NEFT :**

- a) All the items mentioned in the enclosed mandate form should be filled correctly. This mandate can be used for 6 different policy numbers.
- b) The application for NEFT should be sent to our Branch servicing at least one of the policies, listed in the mandate.
- c) The policy holder / claimant should also submit either a cancelled blank cheque leaf or the photo copy of the page of the passbook / cheque book where details of the account are mentioned.
- d) If within two days of the due date the amount is not credited to the account of the policy holder, then contact should be made to contact our branch from where payment under the policy is due.
- d) The account of the policy holder / annuitant should be operational at the time of receipt of policy payment.
- e) Before submitting the mandate form, the policyholder/ claimant should confirm from his bank that it is NEFT enabled.
- f) Policy holder's name under the policy should match with that of Bank A/c, else it is likely to be rejected by Reserve Bank of India.
- g) As NRI accounts are guided by FEMA regulations, LIC has decided not to include NRI accounts for fund transfer. So policy holders / annuitants are requested not to submit their NRI account details.
- h) After submission of NEFT details, if there is any change in bank details then fresh mandate form will be required to be submitted.
- i) If you are getting the annuity payments through ECS mode from our IPP cells, you may opt for payment by NEFT by submitting the mandate or continue to receive the annuity payment in the existing ECS mode.