

Reliance SIP Insure

Reliance SIP Insure facility is an add on feature of **life insurance cover under Group Term Insurance** to individual investors opting for SIP in the designated schemes.

It helps to encourage individual investors to save & invest regularly through Systematic Investment Plan (SIP) and help achieve their financial objective without any hindrance

What is the Facility?

Reliance SIP Insure provides **life insurance cover** to investors **at no extra cost** (i.e free of cost, as the insurance premium is borne by the AMC). In the unfortunate event of the demise of an investor during the tenure of the SIP, the insurance cover will take care of the unpaid installments.

Thus, the nominee is compensated with the sum assured without having to make any further contribution. Investor's long term financial planning and objective of investing through SIP could still be fulfilled as per the targeted investment amount, even if he/she dies prematurely. *(Nominee would mean designated nominee on the application form, in case of single holding & second or joint holder in case of Joint Holding)*

Reliance SIP Insure- Benefits to the investor

- ☞ The benefit of Systematic Investment Plan:
 - Inculcates Investment Habit
 - Rupee Cost Averaging & Eliminates the need to time the market
- ☞ Free Life Insurance Cover at no extra cost (Since Insurance premium borne by AMC)
 - Free life insurance cover upto 21 lakhs per investor across all schemes / plans and folios across all frequencies and options
 - Helps to complete the planned investments
 - Maturity Proceeds at NAV based prices
- ☞ The benefit of Long Term Equity Investment
 - Equities provide market linked returns over a longer period of time
- ☞ Choice of different type of schemes to consider various financial goals such as
 - Long term growth potential of equities
 - Tax saving benefit through ELSS schemes & Reliance Retirement Fund
 - Asset allocation for Retirement Planning through specific dedicated retirement fund

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☞ Convenience

- OTM mandate
- Auto Debit from 17 banks

Designated Schemes in which Reliance SIP Insure will be offered

- Reliance Growth Fund
- Reliance Vision Fund
- Reliance Tax Saver (ELSS) Fund
- Reliance Retirement Fund – Wealth Creation Plan
- Reliance Retirement Fund – Income Generation Plan

Amount of Life Insurance Cover Available:

Under Reliance SIP Insure, the investors are provided with life insurance cover **without any extra cost** (i.e free of cost) under a Group Term Insurance scheme. The cost of the insurance premia will be borne by the AMC.

The Life Insurance Cover under 'Reliance SIP Insure' facility will be as per the following clause across all options / frequencies

- Year 1 – 10 Times the equivalent # Monthly SIP Installment
- Year 2 – 50 Times the equivalent # Monthly SIP Installment
- Year 3 onwards – 120 Times the equivalent # Monthly SIP Installment

Limits above are subject to maximum coverage of Rs. 21 lakhs per investor **

**Since the limit is per investor, all his existing investments in Reliance SIP Insure across all eligible schemes will be considered for calculating the maximum sum assured limit.

Illustration for Calculation of Life Insurance Cover

Suppose a person has enrolled for SIP under quarterly frequency with Min installment amount of Rs 3000 per quarter for a period of 3 years and also for yearly frequency with Min installment amount of Rs 12000 per year for a period of 3 years

Following is the way he should calculate the eligible life insurance cover for different years

Step 1- Before he calculates as per the formula, he should find out the equivalent monthly installment for his SIP amount.



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For Quarterly frequency,, , it is $3000/3 = \text{Rs } 1000$ becomes his equivalent monthly SIP installment

For Yearly frequency, it is $12000/12 = \text{Rs } 1000$ becomes his equivalent monthly SIP installment

Step 2 – Now he can refer to the formula for calculation of eligible insurance cover (under quarterly as well as yearly frequencies each) which is as follows;

The Life Insurance Cover under ‘Reliance SIP Insure’ facility will be as per the following clause;

- Year 1 – 10 Times the equivalent # Monthly SIP Installment = $10 * 1000 = \text{Rs } 10,000$
- Year 2 – 50 Times the equivalent # Monthly SIP Installment = $50 * 1000 = \text{Rs } 50,000$
- Year 3 onwards – 120 Times the equivalent # Monthly SIP Installment = $120 * 1000 = \text{Rs } 1,20,000$

The Life Insurance Cover under “Reliance SIP Insure” facility shall be as per the above terms and conditions, subject to a maximum of Rs 21 lakhs per investor across all schemes / plans and folios, in lumpsum, which will be paid/credited to the Nominee's bank account directly by the insurance company, in the event of the death of the Unit Holder (subject to the terms and conditions of the insurance, read along with the Certificate of Insurance, of the Group Term Insurance policy).

Note: Investors are requested to note the terms and conditions of the respective lock in period clause that shall be applicable for each SIP Insure installment under the respective Scheme(s) e.g. 3 years in case of Reliance Tax Saver (ELSS) Fund and 5 years in case of Reliance Retirement fund – (Wealth Creation Scheme & Income Generation Scheme)

Insurance cover would cease, if investor redeems (fully / partially) or switches out^{^^} (fully / partially) units before completion of the Reliance SIP Insure tenure or discontinues his SIP before completion of minimum period of contribution (Monthly –36 installments; Quarterly –12 installments; Yearly – 3 installments) of the opted SIP tenure ^{^^}Switch out / Auto transfer between Reliance Retirement Fund - Wealth Creation Scheme to Reliance Retirement Fund -Income Generation Scheme or vice a versa will not be considered for Cessation of Insurance Cover.

However, the insurance cover will continue if the SIP stops after the minimum period of contribution (Monthly –36 installments; Quarterly –12 installments; Yearly – 3 installments) of the opted SIP tenure & the sum assured, in such a scenario, will be equivalent to the fund value* subject to maximum of 120 times the equivalent # Monthly SIP Installment or max sum assured limit i.e 21 Lakhs whichever is lower. The insurance cover will be continued till the committed tenure is completed or till 55 yrs of age whichever is earlier.

* Fund Value = Value of units, accumulated under SIP Insure, at the last successfully executed SIP date seen from the day on which SIP is discontinued.

The insurance amount as per the above sum assured clause under revised features subject to a maximum of Rs. 21 lakhs in a lumpsum will be paid/credited to the Nominee's bank account directly by the insurance company, in the event of the death of the Unit Holder (subject to the terms and conditions of the insurance, read along with the Certificate of Insurance, of the Group Term Insurance policy).

Example on Max Sum Assured Calculation for more details (amount in lakhs)

Sum Assured for old SIP registration (A) Rs. (Max Cover – 10 lakhs)	Sum Assured for new SIP insure registration (B)Rs. (Max Cover – 21 lakhs)	C = (A + B)Rs.	Sum Assured Eligibility Lower of C or Rs.21 lacs
10	4	14	14
10	20	30	21
7	20	27	21
7	13	20	20

Since the limit is per investor, all his existing investments in Reliance SIP Insure across all eligible schemes will be treated as per existing features and will also be considered for calculating the maximum sum assured limit , if investor is also registered under revised Reliance SIP Insure facility. In case the investor is not registered under revised Reliance SIP Insure facility the old provision shall be applicable to them.

For Eg;

Type of Investors	Registrations done before Effective Date	Registrations done after Effective Date	Max Sum Assured Applicable (amt in lakhs)
Existing Investors	Yes	Yes	21
Existing Investors	Yes	No	10
New Investors	No	Yes	21

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Eligibility

- All individual investors enrolling for investments via SIP and opting for 'Reliance SIP Insure'
- Frequencies/options: Monthly, Quarterly and/or Yearly
- Only individual investors whose entry age is 18 years & more and less than 51 years at the time of investment
- In case of multiple holders in the any scheme, only the first unit holder will be eligible for the insurance cover.

Investment Details

- Minimum Investment per installment:
 - Monthly - Rs.1000 per month & in multiples of Re 1[^] thereafter
 - Quarterly - Rs.3000 per quarter & in multiples of Re 1[^] thereafter
 - Yearly - Rs.12000 per year & in multiples of Re Re 1[^] thereafter
- In the schemes of Reliance Tax Saver (ELSS) Fund & Reliance Retirement Fund where minimum installment shall be in multiples of Rs 500 thereafter. There is no upper limit.
- Minimum Period of Contribution: Monthly –36 installments; Quarterly –12 installments; Yearly – 3 installments)
- Maximum Period of Contribution: No upper limit for SIP tenure. The investor can opt for Perpetual SIP also. However the insurance cover ceases when the investor attains 55 years of age or upon the completion of the SIP insure tenure whichever is earlier.
- Mode of payment of SIP installments is only through OTM and Direct Debit (Post Dated Cheques shall not be accepted)

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Reliance SIP Insure – How does this work?



An investor does a monthly SIP of Rs.10,000 for 5 years in Reliance Growth Fund

If he dies after a period of 3 yrs, then his Sum Assured= 120 times * monthly sip installment = 120 X 10, 000
= Rs 12,00,000 (12 lacs)

This amount will be paid/credited to the Nominee's bank account directly by the insurance company, in the event of the death of the Unit Holder (subject to the terms and conditions of the insurance, read along with the Certificate of Insurance, of the Group Term Insurance policy).

Commencement of Insurance Cover: The Insurance cover shall commence after “waiting period” of 45 days from the commencement of SIP installments. However, the waiting period will not be applicable in respect of accidental deaths.

Cessation of Insurance Cover:

The insurance cover shall cease upon occurrence of any of the following:

1. At the end of mandated Reliance SIP Insure tenure. i.e., upon completion of payment of all the installments as registered or till attaining 55 years of age whichever is earlier
2. Discontinuation of SIP installments before completing the minimum period of contribution (Monthly –36 installments; Quarterly –12 installments; Yearly – 3 installments) of the opted SIP tenure
3. Partial or Full Redemption / switch-out^ of units purchased under Reliance SIP Insure before completion of the mandated SIP tenure / installments or till attaining 55 years of age, whichever is earlier
4. In case of default in payment of two consecutive monthly /quarterly /yearly SIP installments or four separate occasions of such defaults during the tenure of the SIP duration chosen or till attaining 55 years of age, whichever is earlier.



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^^Switch out / Auto transfer between Reliance Retirement Fund - Wealth Creation Scheme to Reliance Retirement Fund -Income Generation Scheme or vice a versa will not be considered for Cessation of Insurance Cover.

Exclusions for Insurance cover

No insurance cover shall be admissible in respect of death of the SIP-Insure unitholder (the insured person) on account of -

- Death due to suicide shall be dealt with as per IRDAI Regulations
- Death within 45 days from the commencement of SIP installments. However the waiting period will not be applicable in respect of accidental deaths.
- Death due to pre-existing illness, disease(s) or accident which has occurred prior to the start of cover.

Load Structure

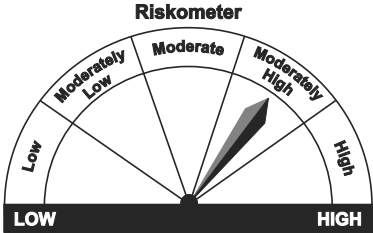
Exit load structure as prevailing at the time of investment /registration of SIP in the respective eligible schemes of Reliance SIP Insure shall be applicable.

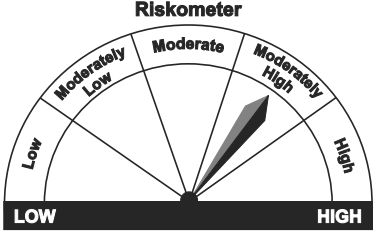
RODUCT LABEL -Reliance Growth Fund (an open ended equity growth scheme)	
This product is suitable for investors who are seeking*:	
<ul style="list-style-type: none"> • long term capital growth • investment in equity and equity related instruments through a research based approach <p>*Investors should consult their financial advisors if in doubt about whether the product is suitable for them.</p>	<p>Investors understand that their principal will be at Moderately High risk</p>

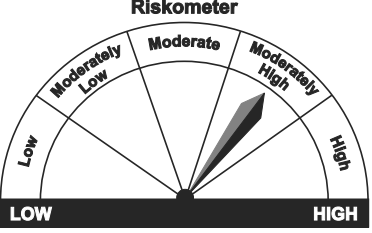
PRODUCT LABEL - Reliance Tax Saver (ELSS) Fund (An open ended Equity Linked Savings Scheme)	
This product is suitable for investors who are seeking*:	
<ul style="list-style-type: none"> • long term capital growth • investment in equity and equity related securities <p>*Investors should consult their financial advisors if in doubt about whether the product is suitable for them</p>	<p>Investors understand that their principal will be at Moderately High risk</p>



Mutual Fund

PRODUCT LABEL- Reliance Retirement Fund – Wealth Creation Scheme (An open ended notified tax savings cum pension scheme with no assured returns)	
<p>This product is suitable for investors who are seeking*:</p> <ul style="list-style-type: none"> • long term growth and capital appreciation • investment primarily in equity and equity related instruments and balance in fixed income securities so as to help the investor in achieving the retirement goals <p>*Investors should consult their financial advisors if in doubt about whether the product is suitable for them.</p>	 <p>Investors understand that their principal will be at Moderately High risk</p>

PRODUCT LABEL - Reliance Retirement Fund – Income Generation Scheme Scheme (An open ended notified tax savings cum pension scheme with no assured returns)	
<p>This product is suitable for investors who are seeking*:</p> <ul style="list-style-type: none"> • Income over long term along with capital growth • Investment primarily in fixed income securities and balance in equity and equity related instruments so as to help the investor in achieving the retirement goals <p>*Investors should consult their financial advisors if in doubt about whether the product is suitable for them.</p>	 <p>Investors understand that their principal will be at Moderately High risk</p>

PRODUCT LABEL -Reliance Vision Fund (an open ended equity growth scheme)	
<p>This product is suitable for investors who are seeking*:</p> <ul style="list-style-type: none"> • long term capital growth • investment in equity and equity related instruments through a research based approach <p>*Investors should consult their financial advisors if in doubt about whether the product is suitable for them.</p>	 <p>Investors understand that their principal will be at Moderately High risk</p>

Disclaimer:
 Free life insurance cover provided as a part of an add on feature called as ‘Reliance SIP Insure’ is arranged and funded by Reliance Capital Asset Management Limited through “Reliance Group Term Assurance Plus Plan” (UIN 121N104V01) of Reliance Life Insurance Company Limited (IRDAI Reg. No. 121). On exercising an option to become a member of insurance scheme, the death benefits (subject to the terms and conditions of the insurance, read along with the Certificate of Insurance, of the Group Term Assurance Plus Policy), shall be paid/ credited directly to investor's nominee by Reliance Life Insurance



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Company Limited. The investor is advised to refer to detailed sales brochure of Reliance Group Term Assurance Plus Plan before deciding to opt for insurance cover. There is no compulsion whatsoever that this insurance cover has to be taken together with SIP. SIP is also available without insurance cover

Reliance SIP Insure is a special feature available under selected schemes of Reliance Mutual Fund and is subject to such limits, operating guidelines, terms and conditions. Investors are requested to refer to the Scheme Information Document (SID), Statement of Additional Information (SAI), Key Information Memorandum (KIM) cum Application Form for further details.

The information herein above is meant only for general reading purposes and the views being expressed only constitute opinions and therefore cannot be considered as guidelines, recommendations or as a professional guide for the readers. Before making any investments, the readers are advised to seek independent professional advice, verify the contents in order to arrive at an informed investment decision.

None of the Sponsor, the Investment Manager, the Trustee, their respective directors, employees, affiliates or representatives shall be liable in any way for any direct, indirect, special, incidental, consequential, punitive or exemplary damages, including on account of lost profits arising from the information contained in this material.

Mutual Fund investments are subject to market risks, read all scheme related documents carefully.