



To,
The Sr. Divisional Manager
LIC of India
Divisional Office

Dear Sir,

Re: Salary Savings Scheme P.A. Code No. _____

1. In order to make the benefits of your salary savings scheme available to our employees, we agree to make the payroll deductions authorized in writing by our employees, in amounts sufficient to pay the premiums included under your Salary Savings Scheme.
2. It is understood that you will send us for convenience in accounting every month, in duplicate, a statement showing the premium payable under each policy (or only a statement of additions if so agreed upon) and that we are to remit to you an amount equal to the total of the premiums shown in the statement, subject to such adjustments as may be necessary on account of any additions to or subtractions from the items listed in your statement. It is also agreed that along with the remittance a reconciliation statement as to how the amount remitted is arrived by addition to, and subtraction from, the total of the premiums shown in your statement, will also be sent to you and a copy of your statement will be returned to you after showing therein the individual items added to or subtracted from those listed there in together with the reasons for such additions or subtractions.
3. It is further agreed that only one consolidated amount accompanied by the premium demand invoice copy and reconciliation statement as mentioned herein above, should be remitted to you and no stray remittance towards premia in respect of individual policies covered by the Scheme should be made by us unless specifically called for by you.
4. It is also understood that no amount such as policy loan and / or interest on loan etc., (other than the premium) should be deducted from the salary and remitted to the LIC either separately or along with the premiums under the Scheme, unless specifically requested by you.
5. It is agreed that the amount so deducted from the salaries of our employees towards premiums, should be remitted to the LIC of India within seven days from the date of deduction.
6. It is also agreed that in case for special reasons the amount so deducted from the salaries are not remitted to the LIC within seven days, interest at the prevailing market rate calculated for the period from the date of deduction to the date of remittance of the consolidated amount should also be paid to you along with such delayed remittance, showing such interest amount separately in the reconciliation statement.
7. It is also understood that no form of individual premium due notice or receipt will be issued by you.
8. It is further understood that the employees coming under the Scheme will give an undertaking that they will not revoke the letter of authority for a period of 36 months from the date of commencement of the policy and accordingly we agree not to take notice of any letter of revocation within the said period of three years.
9. It is also understood that the employee-policy holder shall have the right to discontinue participation in the Scheme at any time subject to the Terms and Conditions of letter of authority. If an employee exercises this right or if he is terminated, we will notify to you in writing at the office where the remittance is forwarded and thereafter we will not be responsible for collecting his premium.

10. It is also understood that the Salary Savings Scheme should be introduced only if, in an institution where the total number of employees is less than 100, the minimum number of employees joining the Scheme is atleast 15 in one office, and, where the total number of employees is more than 100, the minimum number of employees joining the scheme is 25 in one office. Should the total number of employees holding policies under the Scheme fall below 15/25, the LIC has the option to discontinue or withdraw the Scheme from the Institution.
11. It is further understood and agreed that the Scheme may be modified or discontinued either by you or by us upon sixty days notice in writing.
12. If this agreement is terminated or if an employee for any other reason ceases to be a participant, in the Scheme, the payment of premium thereafter will be a matter of accounting between him and you.
13. In all transactions made by us pertaining to this Scheme and any policies issued by you there under, we shall not act as the agent of our employees and not as your agent for any purpose.

Place _____

Yours faithfully

Date: _____
Employer)

(Signature of

Seal of office :

Countersigned by the Life Insurance Corporation of India

Sr./Branch Manager
Branch Office _____

N.B.: The above letter is to be completed in **Triplicate** under signature of the Chief of the Organisation indicating thereby acceptance of the conditions on behalf of the Organisation.