

FEATURES:

Product summary:

This is an Endowment Assurance plan offering the choice of many convenient premium paying terms. It provides financial protection against death throughout the term of plan with the payment of maturity amount on survival to the end of the policy term.

Premiums:

Premiums are payable yearly, half-yearly, quarterly or through Salary deductions, as opted by you, throughout the premium paying term or till earlier death. Alternatively premium may be paid in one lump sum (Single premium).

Guaranteed Additions:

The policy provides for the Guaranteed Additions at the rate of Rs. 50/- per thousand Sum Assured for each completed year for first five years of the policy. The Guaranteed Additions are payable along with the Basic Sum Assured at the time of claim.

Bonuses:

The policy participates in the profits of the Corporation's life insurance business from the 6th year onwards. It will get a share of the profits in the form of bonuses. Simple Reversionary Bonuses will be declared per thousand Basic Sum Assured annually at the end of each financial year. Once declared, they will form part of the guaranteed benefits of the plan.

BENEFITS:

Death Benefit:

The Sum Assured alongwith guaranteed additions and vested bonuses, if any, is payable in a lump sum on death of the life assured during the policy term.

Maturity Benefit:

The Sum Assured alongwith guaranteed additions and reversionary bonuses, if any is payable in a lump sum on survival to the end of the policy term.

Supplementary/Extra Benefits:

These are the optional benefits that can be added to your basic plan for extra protection/option. An additional premium is required to be paid for these benefits.

Surrender Value:

Buying a life insurance contract is a long-term commitment. However, surrender value is available on the plan on earlier termination of the contract.

Guaranteed Surrender Value:

The policy may be surrendered after it has been in force for 3 years or more. The guaranteed surrender value is 30% of the basic premiums paid excluding the first year's premium. In case of a single premium policy the guaranteed surrender value is 90% of the single premium paid excluding any extra premium.

Corporation’s policy on surrenders:

In practice, the Corporation will pay a Special Surrender Value – which is either equal to or more than the Guaranteed Surrender Value. The benefit payable on surrender reflects the discounted value of the reduced claim amount that would be payable on death or at maturity. This value will depend on the duration for which premiums have been paid and the policy duration at the date of surrender. In some circumstances, in case of early termination of the policy, the surrender value payable may be less than the total premium paid.

The Corporation reviews the surrender value payable under its plans from time to time depending on the economic environment, experience and other factors.

Note: The above is the product summary giving the key features of the plan. This is for illustrative purpose only. This does not represent a contract and for details please refer to your policy document.

Statutory warning

“Some benefits are guaranteed and some benefits are variable with returns based on the future performance of your insurer carrying on life insurance business. If your policy offers guaranteed returns then these will be clearly marked “guaranteed” in the illustration table on this page. If your policy offers variable returns then the illustrations on this page will show two different rates of assumed future investment returns. These assumed rates of return are not guaranteed and they are not upper or lower limits of what you might get back as the value of your policy is dependent on a number of factors including future investment performance.”

Age at entry: 35 years

Policy term: 25 years

Premium Paying Term: 16 years

Sum Assured: Rs. 5,00,000/-

Yearly Premium: Rs. 25,186/-

End of year	Total premiums paid till end of year	Benefit payable on death / maturity at the end of year				
		Guaranteed	Variable		Total	
			Scenario 1	Scenario 2	Scenario 1	Scenario 2
1	25186	500000	0	0	500000	500000
2	50372	525000	0	0	525000	525000
3	75558	550000	0	0	550000	550000
4	100744	575000	0	0	575000	575000
5	125930	600000	0	0	600000	600000

6	151116	625000	9500	36500	634500	661500
7	176302	625000	19000	73000	644000	698000
8	201488	625000	28500	109500	653500	734500
9	226674	625000	38000	146000	663000	771000
10	251860	625000	47500	182500	672500	807500
12	377790	625000	95000	365000	720000	990000
15	402976	625000	104500	401500	729500	1026500
20	402976	625000	189500	729500	814500	1354500
25	402976	625000	253000	973000	878000	1598000

(i) *This illustration is applicable to a non-smoker male/female standard (from medical, life style and occupation point of view) life.*

(ii) *The non-guaranteed benefits (1) and (2) in above illustration are calculated so that they are consistent with the Projected Investment Rate of Return assumption of 6% p.a.(Scenario 1) and 10% p.a. (Scenario 2) respectively. In other words, in preparing this benefit illustration, it is assumed that the Projected Investment Rate of Return that LICI will be able to earn **throughout the term of the policy** will be 6% p.a. or 10% p.a., as the case may be. The Projected Investment Rate of Return is **not guaranteed**.*

(iii) *The main objective of the illustration is that the client is able to appreciate the features of the product and the flow of benefits in different circumstances with some level of quantification.*

(iv) *Future bonus will depend on future profits and as such is not guaranteed. However, once bonus is declared in any year and added to the policy, the bonus so added is guaranteed.*

(v) *The Maturity benefit is the amount shown at the end of the Policy term.*