

## LIC's CHILD CAREER (Table No. 184)

### **Benefit Illustration:**

**1. Introduction:**

This plan is specially designed to meet the increasing educational and other needs of growing children. It provides the risk cover on the life of child not only during the policy term but also during the extended term (i.e. 7 years after the expiry of policy term). A number of Survival benefits are payable on surviving by the life assured to the end of the specified durations.

**2. Options:**

You may choose Sum Assured (S.A.), Maturity Age, Policy Term, Mode of Premium payment and Premium Waiver Benefit.

**3. Payment of Premiums:**

You may pay the premiums regularly at yearly, half-yearly, quarterly or through Salary deductions over the term of policy. Premiums may be paid either for 6 years or upto 5 years before the policy term.

**4. Sample Premium Rates:**

Following are some of the sample premium rates per Rs. 1000/- S.A.:

<b>For 6 years' Premium paying term</b>					
<b>Age</b>	<b>Maturity Age</b>				
	<b>23</b>	<b>24</b>	<b>25</b>	<b>26</b>	<b>27</b>
<b>0</b>	111.25	107.25	103.35	99.60	95.95
<b>4</b>	128.35	123.80	119.35	115.05	110.90
<b>8</b>	148.15	143.05	138.05	133.20	128.50
<b>12</b>	170.20	164.55	159.05	153.65	148.40

<b>For Premium paying term = Policy Term less 5 years</b>					
<b>Age</b>	<b>Maturity Age</b>				
	<b>23</b>	<b>24</b>	<b>25</b>	<b>26</b>	<b>27</b>
<b>0</b>	52.50	49.10	46.05	43.30	40.80
<b>4</b>	69.65	65.25	60.40	56.15	52.35
<b>8</b>	102.25	91.90	83.30	76.00	69.75
<b>12</b>	170.20	144.60	125.45	110.55	102.50

**5. Mode and High S.A. Rebates:**

Mode Rebate:

Yearly mode	-	2% of Tabular Premium
Half-yearly mode	-	1% of the tabular premium
Quarterly & Salary deduction	-	NIL

Sum Assured Rebate:

<u>Sum Assured</u>	<u>Rebate (Rs.)</u>
1,00,000 to 2,99,999	Nil
3,00,000 to 4,99,999	1.5 %o S.A.
5,00,000 and above	2 %o S.A.

**6. Benefits:**

A) Survival Benefit: On life assured surviving to the end of the specified durations an amount specified below is payable:

5 years before the date of expiry of policy term - 30% of the Sum Assured along with vested Simple Reversionary Bonuses

4 years before the date of expiry of policy term - 15% of the Sum Assured

3 years before the date of expiry of policy term - 15% of the Sum Assured

2 years before the date of expiry of policy term - 15% of the Sum Assured

1 years before the date of expiry of policy term - 15% of the Sum Assured

On the date of expiry of policy term - 15% of the Sum Assured along with Final (Additional) Bonus, if any.

B) Death Benefit:

On death (after the Date of Commencement of Risk) -

(i) *If death occurs within the period from date of commencement of risk to 5 years before the date of expiry of policy term:* Sum Assured along with Vested Simple Reversionary Bonuses and Final (Additional) bonus (if any) is payable.

(ii) *If death occurs within 5 years before the date of expiry of policy term:* Sum Assured along with Final (Additional) bonus (if any) is payable.

On death during the Extended Term - Sum Assured is payable.

On death (before the Date of Commencement of Risk) - All the premiums paid (excluding extra premium and premium for premium waiver benefit, if any,) along with interest of 3% p.a compounding yearly shall be payable.

**7. Auto Cover:**

If after at least two full years' premiums have been paid, and any subsequent premium be not duly paid, full death cover shall continue for a period of two years from the due date of the First Unpaid Premium (FUP). During this Auto Cover Period, one or more instalments of premiums with interest can be paid without submission of evidence of health. On payment of one or more of the arrears of instalment premiums with interest, the Auto Cover Period of 2 years shall be extended from the due date of new FUP. Premium Waiver Benefit shall remain inforce during the Auto Cover period.

**8. Premium Waiver Benefit:**

The proposer can opt for this benefit if aged between 18 and 55 and is medically fit. It provides waiver of premiums on death of proposer. Further the benefit shall remain in force during the Auto cover period. Any premiums that have fallen due and not paid during the Auto Cover period shall also be waived. This benefit shall not be available in case of suicide by the proposer within one year of policy. Further, revival of the policy shall be subject to medical fitness of the proposer.

**9. Eligibility Conditions and Other Restrictions:**

(a) Minimum Entry Age	:	0 years (last birthday)
(b) Maximum Entry Age	:	12 years (last birthday)
(c) Minimum Maturity Age	:	23 years (last birthday)
(d) Maximum Maturity Age	:	27 years (last birthday)
(e) Minimum Sum Assured	:	Rs. 1,00,000
(f) Maximum Sum Assured	:	Rs. 100,00,000
(g) Policy term	:	11 to 27 years
(h) Premium Paying term	:	6 years and Policy term less 5 years

**10. Participation in Profits of the Corporation:**

Simple Reversionary Bonuses shall be declared per thousand Sum Assured annually at the end of each financial year depending upon the Corporation's experience, provided the policy is in full force. In case of a paid up policy, bonuses shall be payable only if, at least, 3 full years' premiums have been paid. On surrender, the discounted value of vested bonuses, if any, (if not paid earlier) will be payable. Final (Additional) Bonus may also be declared in addition.

**11. Paid-up Value:**

Notwithstanding the death benefit provided under the Auto Cover period, if at least three full years' premiums have been paid and any subsequent premium be not duly paid, this policy shall not be wholly void but shall become paid-up.

If policy becomes paid-up before the commencement of risk, then the policy shall be entitled to receive the Guaranteed Surrender Value. If the policy is not surrendered, this Guaranteed Surrender Value shall be payable on the expiry of policy term or on death of Life Assured, if earlier.

If policy becomes paid-up after the commencement of risk, then the sum assured of policy shall be reduced to such a sum, called paid-up value, as shall bear the same proportion to the full Sum Assured as the number of premiums actually paid bears to the total number of premiums stipulated for in the policy. This reduced value (called paid up value) along with vested bonuses, if any, shall be payable on the date of expiry of policy term or at Life Assured's prior death. No survival benefit shall be payable under a reduced paid-up policy. Extended Term cover shall cease to apply if the policy is in lapsed/ Paid-up condition

**12. Surrender Value:**

You may surrender the policy for cash after at least three full years' premiums have been paid. The Guaranteed Surrender Value will be as under:

- i.) Before commencement of risk: 90% of the total amount of premiums (excluding premiums for the first year ) paid.

- ii.) After commencement of risk: 90% of the total amount of premiums (excluding premium for the first year) paid before commencement of risk and 30% of premiums paid on and after the commencement of risk.

The Guaranteed Surrender value calculated above will be subject to the deduction of the total amount of survival benefits that might have become due on or before the date of surrender. Further all extra premiums and/or any other premium including premium for Premium Waiver Benefit shall not be considered in the premiums refunded.

The cash value of any existing vested bonuses, if any, will also be paid if not paid earlier.

Corporation may, however, pay Special Surrender value as the discounted value of Paid up value and existing vested bonus, if not paid earlier, as applicable on date of surrender. The Special Surrender value will be subject to the deduction of the survival benefits which have become due on or before the date of surrender.

The Special Surrender value will be payable provided the same is higher than Guaranteed Surrender value.

**13. Grace Period:**

A grace period of one calendar month but not less than 30 days will be allowed for payment of premiums.

**14. Revival:**

If the policy is lapsed it can be revived by paying arrears of premium together with interest within a period of five years, subject to production of satisfactory evidence of continued insurability. The rate of interest applicable will be as fixed by the Corporation from time to time.

**15. Cooling-off period:**

If you are not satisfied with the "Terms and Conditions" of the policy you may return the policy to us within 15 days.

**16. Exclusions:**

Suicide is excluded for Premium Waiver Benefit for first year. No other exclusions.

**17. Miscellaneous Provisions:**

**Date of commencement of risk :** If age of Life Assured is upto 10 years, risk shall commence either after 2 years from the date commencement of policy or from the policy anniversary coinciding with or immediately following the completion of 5 years of age of Life assured, whichever is later. In other cases, risk shall commence from the policy anniversary coinciding with or next following 12<sup>th</sup> birthday of the Life Assured.

**Date of Vesting:** The policy shall automatically vest in the Life Assured on the policy anniversary coinciding with or immediately following the completion of 18 years of age and shall on such vesting be deemed to be a contract between the Corporation and the Life Assured.

## **BENEFIT ILLUSTRATION :**

### **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 the 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.”*

<b>Benefit Illustration</b>
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<b>Age of LA (Yrs.)</b>	0	<b>Term(Yrs.)</b>	25	<b>Extd Term(Yrs.)</b>	7
<b>Age At Maturity (Yrs.)</b>	25	<b>PPT(Yrs.)</b>	20		
<b>Sum Assured(Rs.)</b>	100000	<b>Premium</b>	4513		

END OF YEAR	TOTAL PREMS PAID	BENEFIT ON DEATH DURING THE YEAR					BENEFIT ON SURVIVAL / MATURITY AT THE END OF YEAR				
		GUARANTEED	VARIABLE		TOTAL		GUARANTEED	VARIABLE		TOTAL	
			SCENARIO 1	SCENARIO 2	SCENARIO 1	SCENARIO 2		SCENARIO 1	SCENARIO 2	SCENARIO 1	SCENARIO 2
1	4513	4648	0	0	4648	4648	0	0	0	0	0
2	9026	9436	0	0	9436	9436	0	0	0	0	0
3	13539	14368	0	0	14368	14368	0	0	0	0	0
4	18052	19447	0	0	19447	19447	0	0	0	0	0
5	22565	24679	0	0	24679	24679	0	0	0	0	0
6	27078	100000	12000	33000	112000	133000	0	0	0	0	0
7	31591	100000	14000	38500	114000	138500	0	0	0	0	0
8	36104	100000	16000	44000	116000	144000	0	0	0	0	0
9	40617	100000	18000	49500	118000	149500	0	0	0	0	0
10	45130	100000	20000	55000	120000	155000	0	0	0	0	0
11	49643	100000	22000	60500	122000	160500	0	0	0	0	0
12	54156	100000	24000	66000	124000	166000	0	0	0	0	0
13	58669	100000	26000	71500	126000	171500	0	0	0	0	0
14	63182	100000	28000	77000	128000	177000	0	0	0	0	0
15	67695	100000	39000	105000	139000	205000	0	0	0	0	0
16	72208	100000	41600	112000	141600	212000	0	0	0	0	0
17	76721	100000	44200	119000	144200	219000	0	0	0	0	0
18	81234	100000	46800	126000	146800	226000	0	0	0	0	0
19	85747	100000	49400	133000	149400	233000	0	0	0	0	0
20	90260	100000	52000	140000	152000	240000	30000	40000	110000	70000	140000
21	90260	100000	12600	31500	112600	131500	15000	0	0	15000	15000
22	90260	100000	13200	33000	113200	133000	15000	0	0	15000	15000
23	90260	100000	13800	34500	113800	134500	15000	0	0	15000	15000
24	90260	100000	14400	36000	114400	136000	15000	0	0	15000	15000
25	90260	100000	15000	37500	115000	137500	15000	15000	37500	30000	52500
26		100000	0	0	100000	100000					
27		100000	0	0	100000	100000					
28		100000	0	0	100000	100000					
29		100000	0	0	100000	100000					
30		100000	0	0	100000	100000					
31		100000	0	0	100000	100000					
32		100000	0	0	100000	100000					

**Benefit Illustration**

Age of LA (Yrs.) 0 Term(Yrs.) 25 Extd Term(Yrs.) 7  
 Age At Maturity (Yrs.) 25 PPT(Yrs.) 6  
 Sum Assured(Rs.) 100000 Premium 10128

END OF YEAR	TOTAL PREMS PAID	BENEFIT ON DEATH DURING THE YEAR					BENEFIT ON SURVIVAL / MATURITY AT THE END OF YEAR				
		GUARANTEED	VARIABLE		TOTAL		GUARANTEED	VARIABLE		TOTAL	
			SCENARIO 1	SCENARIO 2	SCENARIO 1	SCENARIO 2		SCENARIO 1	SCENARIO 2	SCENARIO 1	SCENARIO 2
1	10128	10432	0	0	10432	10432	0	0	0	0	0
2	20256	21177	0	0	21177	21177	0	0	0	0	0
3	30384	32244	0	0	32244	32244	0	0	0	0	0
4	40512	43643	0	0	43643	43643	0	0	0	0	0
5	50640	55384	0	0	55384	55384	0	0	0	0	0
6	60768	100000	13200	45000	113200	145000	0	0	0	0	0
7	60768	100000	15400	52500	115400	152500	0	0	0	0	0
8	60768	100000	17600	60000	117600	160000	0	0	0	0	0
9	60768	100000	19800	67500	119800	167500	0	0	0	0	0
10	60768	100000	22000	75000	122000	175000	0	0	0	0	0
11	60768	100000	24200	82500	124200	182500	0	0	0	0	0
12	60768	100000	26400	90000	126400	190000	0	0	0	0	0
13	60768	100000	28600	97500	128600	197500	0	0	0	0	0
14	60768	100000	30800	105000	130800	205000	0	0	0	0	0
15	60768	100000	42000	150000	142000	250000	0	0	0	0	0
16	60768	100000	44800	160000	144800	260000	0	0	0	0	0
17	60768	100000	47600	170000	147600	270000	0	0	0	0	0
18	60768	100000	50400	180000	150400	280000	0	0	0	0	0
19	60768	100000	53200	190000	153200	290000	0	0	0	0	0
20	60768	100000	56000	200000	156000	300000	30000	44000	150000	74000	180000
21	60768	100000	12600	52500	112600	152500	15000	0	0	15000	15000
22	60768	100000	13200	55000	113200	155000	15000	0	0	15000	15000
23	60768	100000	13800	57500	113800	157500	15000	0	0	15000	15000
24	60768	100000	14400	60000	114400	160000	15000	0	0	15000	15000
25	60768	100000	15000	62500	115000	162500	15000	15000	62500	30000	77500
26		100000	0	0	100000	100000					
27		100000	0	0	100000	100000					
28		100000	0	0	100000	100000					
29		100000	0	0	100000	100000					
30		100000	0	0	100000	100000					
31		100000	0	0	100000	100000					
32		100000	0	0	100000	100000					

Notes :

(i) *This illustration is applicable to a 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.*

**EXTRACT from Section 41 of the Insurance Act :**

No person shall allow or offer to allow, either directly or indirectly, as an inducement to any person to take out or renew or continue an insurance in respect of any kind of risk relating to lives or property in India, any rebate of the whole or part of the commission payable or any rebate of the premium shown on the policy, nor shall any person taking out or renewing or continuing a policy accept any rebate, except such rebate as may be allowed in accordance with the published prospectuses or tables of the insurer : provided that acceptance by an insurance agent of commission in connection with a policy of life insurance taken out by himself on his own life shall not be deemed to be acceptance of a rebate of premium within the meaning of this sub-section if at the time of such acceptance the insurance agent satisfies the prescribed conditions establishing that he is a bonafide insurance agent employed by the insurer.

Any person making default in complying with the provisions of this Section shall be punishable with a fine which may extend to Rs.500 / -

**Note :** “Conditions apply” for which please refer to the Policy document or contact our nearest Branch Office.