

LIC's CHILD FUTURE (Table No. 185)

Benefit Illustration:

1. Introduction:

This plan is specially designed to meet the increasing educational, marriage 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.:

For 6 years' Premium paying term					
Age	Maturity Age				
	23	24	25	26	27
0	112.55	108.00	103.65	99.45	95.45
4	132.35	127.00	121.85	116.90	112.15
8	156.20	149.90	143.85	138.05	132.45
12	184.20	176.85	169.75	162.95	156.40

For Premium paying term = Policy Term less 5 years					
Age	Maturity Age				
	23	24	25	26	27
0	53.10	49.45	46.20	43.25	40.60
4	71.80	66.90	61.65	57.00	52.95
8	107.80	96.30	86.75	78.75	71.90
12	184.20	155.40	133.90	117.25	108.05

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 - 25% of the Sum Assured

4 years before the date of expiry of policy term - 10% of the Sum Assured

3 years before the date of expiry of policy term - 10% of the Sum Assured

2 years before the date of expiry of policy term - 10% of the Sum Assured

1 years before the date of expiry of policy term - 10% of the Sum Assured

On the date of expiry of policy term - 50% of the Sum Assured along with vested Simple Reversionary Bonuses and Final (Additional) Bonus, if any.

B) Death Benefit:

On death (after the Date of Commencement of Risk) - Sum Assured along with vested Simple Reversionary Bonuses and Final (Additional) Bonus, if any shall be 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 year's 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 installments of premiums with interest can be paid without submission of evidence of health. On payment of one or more of the arrears of installment 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, 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.

Corporation may, however, pay Special Surrender value as the discounted value of Paid up value and existing vested bonus, 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. *Exclusion:*

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 12th 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.”

Benefit Illustration

Age of LA (Yrs.)	0	Term(Yrs.)	25	Extd Term(Yrs.)	7
Age At Maturity (Yrs.)	25	PPT(Yrs.)	20		
Sum Assured(Rs.)	100000	Premium(Rs.)	4528		

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	4528	4664	0	0	4664	4664	0	0	0	0	0
2	9056	9468	0	0	9468	9468	0	0	0	0	0
3	13584	14415	0	0	14415	14415	0	0	0	0	0
4	18112	19512	0	0	19512	19512	0	0	0	0	0
5	22640	24761	0	0	24761	24761	0	0	0	0	0
6	27168	100000	12000	39000	112000	139000	0	0	0	0	0
7	31696	100000	14000	45500	114000	145500	0	0	0	0	0
8	36224	100000	16000	52000	116000	152000	0	0	0	0	0
9	40752	100000	18000	58500	118000	158500	0	0	0	0	0
10	45280	100000	20000	65000	120000	165000	0	0	0	0	0
11	49808	100000	22000	71500	122000	171500	0	0	0	0	0
12	54336	100000	24000	78000	124000	178000	0	0	0	0	0
13	58864	100000	26000	84500	126000	184500	0	0	0	0	0
14	63392	100000	28000	91000	128000	191000	0	0	0	0	0
15	67920	100000	39000	127500	139000	227500	0	0	0	0	0
16	72448	100000	41600	136000	141600	236000	0	0	0	0	0
17	76976	100000	44200	144500	144200	244500	0	0	0	0	0
18	81504	100000	46800	153000	146800	253000	0	0	0	0	0
19	86032	100000	49400	161500	149400	261500	0	0	0	0	0
20	90560	100000	52000	170000	152000	270000	25000	0	0	25000	25000
21	90560	100000	54600	178500	154600	278500	10000	0	0	10000	10000
22	90560	100000	57200	187000	157200	287000	10000	0	0	10000	10000
23	90560	100000	59800	195500	159800	295500	10000	0	0	10000	10000
24	90560	100000	62400	204000	162400	304000	10000	0	0	10000	10000
25	90560	100000	65000	212500	165000	312500	50000	65000	212500	115000	262500
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 10158

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	10158	10463	0	0	10463	10463	0	0	0	0	0
2	20316	21239	0	0	21239	21239	0	0	0	0	0
3	30474	32339	0	0	32339	32339	0	0	0	0	0
4	40632	43772	0	0	43772	43772	0	0	0	0	0
5	50790	55548	0	0	55548	55548	0	0	0	0	0
6	60948	100000	13200	54000	113200	154000	0	0	0	0	0
7	60948	100000	15400	63000	115400	163000	0	0	0	0	0
8	60948	100000	17600	72000	117600	172000	0	0	0	0	0
9	60948	100000	19800	81000	119800	181000	0	0	0	0	0
10	60948	100000	22000	90000	122000	190000	0	0	0	0	0
11	60948	100000	24200	99000	124200	199000	0	0	0	0	0
12	60948	100000	26400	108000	126400	208000	0	0	0	0	0
13	60948	100000	28600	117000	128600	217000	0	0	0	0	0
14	60948	100000	30800	126000	130800	226000	0	0	0	0	0
15	60948	100000	42000	180000	142000	280000	0	0	0	0	0
16	60948	100000	44800	192000	144800	292000	0	0	0	0	0
17	60948	100000	47600	204000	147600	304000	0	0	0	0	0
18	60948	100000	50400	216000	150400	316000	0	0	0	0	0
19	60948	100000	53200	228000	153200	328000	0	0	0	0	0
20	60948	100000	56000	240000	156000	340000	25000	0	0	25000	25000
21	60948	100000	58800	252000	158800	352000	10000	0	0	10000	10000
22	60948	100000	61600	264000	161600	364000	10000	0	0	10000	10000
23	60948	100000	64400	276000	164400	376000	10000	0	0	10000	10000
24	60948	100000	67200	288000	167200	388000	10000	0	0	10000	10000
25	60948	100000	70000	300000	170000	400000	50000	70000	300000	120000	350000
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.