MONEY BACK PLAN – (Table No. 93)

Benefit Illustration:

Introduction:

Insurance Regulatory & Development Authority (IRDA) requires all life insurance companies operating in India to provide official illustrations to their customers. The illustrations are based on the investment rates of return set by the Life Insurance Council (constituted under Section 64C(a) of the Insurance Act 1938) and is not intended to reflect the actual investment returns achieved or may be achieved in future by Life Insurance Corporation of India (LICI).

For the year 2004-05 the two rates of investment return declared by the Life Insurance Council are 6% and 10% per annum.

Product summary:
This is a Money Back type Assurance plan that provide financial protection against death throughout the term of plan along with the periodic payments on survival at specified durations during the term.

Premiums:
Premiums are payable yearly, half-yearly, quarterly, monthly or through salary deductions as opted by you throughout the term of the policy, or till the earlier death.

Bonuses: This is a with-profit plan and participate in the profits of the Corporation's life insurance business. It gets a share of the profits in the form of bonuses. Simple Reversionary Bonuses are declared per thousand Sum Assured annually at the end of each financial year. Once declared, they form part of the guaranteed benefits of the plan. Final (Additional) Bonus may also be payable provided policy has run for certain minimum period.

***Death Benefit*:**
The Sum Assured plus all bonuses to date is payable in a lump sum upon the death of the life assured during the policy term irrespective of the Survival benefit /benefits paid earlier.

Survival and Maturity Benefit: The percentage of Sum Assured as mentioned below will be paid on survival to the end of specified durations:

% of Sum Assured paid at the end of specified duration	
	Plan
Duration	**93**
5	15%
10	15%
15	15%
20	15%
25	40%

All bonuses declared upto the maturity date will also be paid along with the final survival benefit.

***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 values are available under 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 and all survival benefits paid earlier.

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 is 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 premiums 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.*

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."

Illustration (Table 93)
Age at entry : 35 years
Policy Term : 25 Years
Mode of premium payment : Yearly
Sum Assured : Rs. 1,00,000 /-
Annual Premium : Rs. 5507 /-

End of year	Total premiums paid till end of year	**Benefit on death during the year**					
			Variable		Total		
		Guaranteed	Scenario 1	Scenario 2	Scenario 1	Scenario 2
1	5507	100000	2700	5800	102700	105800
2	11014	100000	5400	11600	105400	111600
3	16521	100000	8100	17400	108100	117400
4	22028	100000	10800	23200	110800	123200
5	27535	100000	13500	29000	113500	129000
6	33042	100000	16200	34800	116200	134800
7	38549	100000	18900	40600	118900	140600
8	44056	100000	21600	46400	121600	146400
9	49563	100000	24300	52200	124300	152200
10	55070	100000	27000	58000	127000	158000
15	82605	100000	40500	87000	140500	187000
20	110140	100000	54000	116000	154000	216000
25	137675	100000	67500	145000	167500	245000

End of year	Total premiums paid till end of year	**Benefit on survival / maturity at the end of year**				
			Variable		Total	
		Guaranteed	Scenario 1	Scenario 2	Scenario 1	Scenario 2
1	5507	0	0	0	0	0
2	11014	0	0	0	0	0
3	16521	0	0	0	0	0
4	22028	0	0	0	0	0
5	27535	15000	0	0	15000	15000
6	33042	0	0	0	0	0
7	38549	0	0	0	0	0
8	44056	0	0	0	0	0
9	49563	0	0	0	0	0
10	55070	15000	0	0	15000	15000
15	82605	15000	0	0	15000	15000
20	110140	15000	0	0	15000	15000
25	137675	40000	74500	161000	114500	201000

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.