

FEATURES:

Jeevan Surabhi plan is similar to other money back plans. However main differences in regular money back plans and Jeevan Surabhi are as under

Maturity term is more than premium paying term.

Early and higher rate of survival benefit payment.

Risk cover increases every five years.

The actual term and the premium paying term for these plans are as under.

Plan no.	Policy Term	Premium Paying Term
106	15 years	12 years
107	20 years	15 years
108	25 years	18 years

Full sum assured is paid back as survival benefit by the end of premium paying term. However, the risk cover and additional risk cover continue and the policy participates in profits till the end of policy term.

Accident Benefit is restricted to the premium paying period and to the overall limit of Rs.5 lakhs on a single life.

Suitable For:

This plan holds special interest to people who besides wishing to provide for their old age and family feel the need for lump sum benefits at periodical intervals.

BENEFITS:

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 (LIC).

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 with-profits plan available for three different terms of 15, 20 and 25 years with

corresponding premium paying terms of 12, 15 and 18 years. The plan provides a specified percentage of Sum Assured on survival up to specified durations. A life insurance cover is available throughout the term of the plan which increases after every five yearly intervals.

Premiums :

Premiums are payable yearly, half-yearly, quarterly, monthly or through salary deductions as opted by you throughout the premium paying 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. A Final (Additional) Bonus may also be payable provided policy has run for certain minimum period.

Death Benefit:

The Sum Assured alongwith the additional cover, if any, plus all bonuses declared till death is payable in a lump sum upon the death of the life assured during the policy term. The survival benefits paid prior to death will not be deducted from the claim amount.

If death occurs at anytime during the term of a policy (provided the policy has been kept in force by payment of all premiums that had fallen due), the basic sum assured along with the vested bonus will be paid. The survival benefits already paid, if any, will not be deducted from this claim amount. An additional amount (depending on the duration of the policy) will also be paid on death under such a policy. The additional amounts payable, at various stages are shown in the table given below.

Policy	1st year Policy	policy year 6th-10th	11th-15th policy year	16th-20th policy year	21st-26th policy year
106	NIL	500	1000	NIL	NIL
107	NIL	500	1000	1500	NIL
108	NIL	500	1000	1500	2000

Survival Benefits:

A percentage of sum assured as mentioned below will be paid on your survival to the end of specified durations:

Percentage of Sum Assured payable at the end of specified duration			
Plan and Term (Premium Paying Term)			
Duration	Plan		
	106/15(12)	107/20(15)	108/25(18)
4	30%	25%	20%

5	-		-
8	30%	25%	20%
10	-	-	-
12	40%	25%	20%
15	-	25%	20%
18	-		20%

Plan no	Survival Benefits	% of basic Sum Assured.	Risk Cover upto
106	at the end of 4 years	30	15 years
	at the end of 8 years	30	
	at the end of 12 years	40	
	at the end of 15 years	Bonus	
107	at the end of 4 years	25	20 years
	at the end of 8 years	25	
	at the end of 12 years	25	
	at the end of 15 years	25	
	at the end of 20 years	Bonus	
108	at the end of 4 years	20	25 years
	at the end of 8 years	20	
	at the end of 12 years	20	
	at the end of 15 years	20	
	at the end of 18years	20	
	at the end of 25years	Bonus	

Maturity Benefit :

The policy matures on your survival to the end of the policy term. All bonuses declared up to maturity date will be paid in a lump sum.

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 in case no survival benefit payment has already fallen due. Where one or more survival benefits have fallen due, the guaranteed surrender value will be 30% of the premiums paid on or after the due date of payment of latest survival benefit.

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 number of premiums paid and the duration at which surrender value is calculated. 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 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 1:

Age at entry : 35 years

Policy Term : 15 Years

Premium Paying Term : 12 Years

Mode of premium payment : Yearly

Sum Assured : Rs. 1,00,000 /-

Annual Premium : Rs. 10963 /-

End of year	Total premiums paid till end of year	Benefit on death during the year				
		Guaranteed	Variable		Total	
			Scenario 1	Scenario 2	Scenario 1	Scenario 2
1	10963	100000	2400	4800	102400	104800
2	21926	100000	4800	9600	104800	109600
3	32889	100000	7200	14400	107200	114400
4	43852	100000	9600	19200	109600	119200
5	54815	100000	12000	24000	112000	124000
6	65778	150000	14400	28800	114400	178800
7	76741	150000	16800	33600	116800	183600
8	87704	150000	19200	38400	169200	188400
9	98667	150000	21600	43200	171600	193200
10	109630	150000	24000	48000	174000	198000
12	131556	200000	28800	57600	228800	257600
15	131556	200000	36000	72000	236000	272000

End of year	Total premiums paid till end of year	Benefit on survival / maturity				
		Guaranteed	Variable		Total	
			Scenario 1	Scenario 2	Scenario 1	Scenario 2
1	10963	0	0	0	0	0
2	21926	0	0	0	0	0
3	32889	0	0	0	0	0
4	43852	30000	0	0	30000	0
5	54815	0	0	0	0	20000
6	65778	0	0	0	0	0
7	76741	0	0	0	0	0
8	87704	30000	0	0	30000	0
9	98667	0	0	0	0	0
10	109630	0	0	0	0	20000
12	131556	40000	0	0	40000	20000

15	131556	0	36000	72000	36000	72000
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Illustration 2:

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 (Rs.)				
		Guaranteed	Variable		Total	
			Scenario 1	Scenario 2	Scenario 1	Scenario 2
1	9581	100000	2100	4600	102100	104600
2	19162	100000	4200	9200	104200	109200
3	28743	100000	6300	13800	106300	113800
4	38324	100000	8400	18400	108400	118400

5	47905	100000	10500	23000	110500	123000
6	57486	150000	12600	27600	162600	177600
7	67067	150000	14700	32200	164700	182200
8	76648	150000	16800	36800	166800	186800
9	86229	150000	18900	41400	168900	191400
10	95810	150000	21000	46000	171000	196000
12	114972	200000	25200	55200	225200	255200
15	143715	200000	31500	69000	231500	269000
20	143715	250000	42000	92000	292000	342000

End of year	Total premiums paid till end of year	Benefit on survival / maturity at the end of year				
		Guaranteed	Variable		Total	
			Scenario 1	Scenario 2	Scenario 1	Scenario 2
1	9581	0	0	0	0	0
2	19162	0	0	0	0	0
3	28743	0	0	0	0	0
4	38324	25000	0	0	25000	25000
5	47905	0	0	0	0	0
6	57486	0	0	0	0	0
7	67067	0	0	0	0	0
8	76648	25000	0	0	25000	25000
9	86229	0	0	0	0	0
10	95810	0	0	0	15000	15000

15	114972	25000	0	0	25000	25000
20	143715	25000	0	0	25000	25000
25	143715	0	56000	122000	56000	122000

Illustration 2:

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 (Rs.)				
		Guaranteed	Variable		Total	
			Scenario 1	Scenario 2	Scenario 1	Scenario 2
1	8776	100000	2800	6500	102800	106500
2	17552	100000	5600	13000	105600	113000
3	26328	100000	8400	19500	108400	119500
4	35104	100000	11200	26000	111200	126000

5	43880	100000	14000	32500	114000	132500
6	52656	150000	16800	39000	166800	189000
7	61432	150000	19600	45500	169600	195500
8	70208	150000	22400	52000	172400	202000
9	78984	150000	25200	58500	175200	208500
10	87760	150000	28000	65000	178000	215000
12	105312	200000	33600	78000	233600	278000
15	131640	200000	42000	97500	242000	297500
18	157968	250000	50400	117000	300400	367000
20	157968	250000	56000	130000	306000	380000
25	157968	300000	70000	162500	370000	462500

End of year	Total premiums paid till end of year	Benefit on survival / maturity at the end of year				
		Guaranteed	Variable		Total	
			Scenario 1	Scenario 2	Scenario 1	Scenario 2
1	9581	0	0	0	0	0
2	19162	0	0	0	0	0
3	28743	0	0	0	0	0
4	38324	20000	0	0	20000	20000
5	47905	0	0	0	0	0
6	57486	0	0	0	0	0
7	67067	0	0	0	0	0
8	76648	20000	0	0	20000	20000

9	86229	0	0	0	0	0
10	95810	0	0	0	20000	20000
15	114972	20000	0	0	20000	20000
20	143715	20000	0	0	20000	20000
25	143715	0	93000	220500	93000	220500

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 LIC 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.

	Minimum	Maximum
Entry age	14 (last birthday)	plan 106 55 plan 107 50 plan 108 45
Sum assured (Rs.)	50,000	NO LIMIT
Term (years)	15 years	Fixed Term

Mode of Payment	Maximum Maturity Age	Policy loan available
Yearly, Half-yearly, Quarterly, Monthly, Salary Saving Scheme	70 years	Yes

