

# SHRIRAM FUTURE WEALTH

**THE PLAN:** UIN-128L020V01



Shriram Future Wealth is a regular premium unit linked plan; this plan can be used for achieving policy holders long term objectives (Children education, Children marriage, Retirement Planning) with an adequate Income plus Bonus units .Each year, units in the chosen unit fund will be allotted, and declined charges will be deducted by cancellation of units each year till the policy becomes a claim.

The plan can also serve as a systematic saving plan with insurance.

## **SHRIRAM FUTURE WEALTH- Key features**

- Get 20% of your annualized premium as Bonus units in 5<sup>th</sup> and 10<sup>th</sup> policy anniversaries.
- Liquidity in the form of partial withdrawals and surrender benefits.
- Make additional investments in the form of top up premiums.
- Total transparency, so you know the amount of premium invested and you can have a clear idea on your investment return.
- Avail tax benefit on your premiums paid under Income Tax Act, 1961.
- Dual benefit of market linked return and insurance protection.
- Flexibility to choose your Sum Assured with Cover Plus option according to your insurance needs.
- Flexible premium payment option, you can pay your premiums in yearly, half-yearly, quarterly and monthly modes. The plan can also serve as systematic investment plan.
- You have the right to choose your investment portfolio of your premiums with 3 different funds and flexibility to switch from one fund to other at any time during the plan.
- The plan helps you to grow your premiums as you like with best investment strategy of our funds.
- Shriram Future Wealth serves you better with Accident shield Rider and with various options.

## PLAN AT GLANCE:

Minimum age at entry	0 years age last birthday
Maximum age at entry	60 years age last birthday
Maximum maturity age	75 years age last birthday
Minimum policy term	10 years
Maximum policy term	25 years
Premium payment term	Same as policy term
Minimum sum assured	5 * Annualized Premium
Maximum sum assured	Subject to underwriting considerations
Minimum Annualized premium	Rs:12,000/- and no limit for maximum
Premium payment modes	Yearly, Half-yearly, Quarterly and Monthly. (Monthly mode allowed through ECS only).

## SHIRAM FUTURE WEALTH – BENEFITS

### Death Benefit

In case of death before the end of the policy term, Sum Assured or the value of the units whichever is higher in the Life Assured's unit account, is payable to the nominee. If policy holder opts Cover plus, the death benefit equal to "Sum Assured + Value of the units" will be paid.

In case of minor lives risk cover starts from the age of 7 years last birthday or after 2 years from the date of commencement of policy, whichever is later, In case death occurs before commencement of risk the value of units will be paid.

### Maturity Benefit

On surviving up to the end of the policy term, the value of the units will be paid.

### Bonus Units

Bonus units at the rate of 20% of annualized premium will be credited in the form of additional units at prevailing NAV to the policyholders unit account at the end 5<sup>th</sup> and 10<sup>th</sup> policy years provided, all premiums due up to end of 5<sup>th</sup> and 10<sup>th</sup> policy years have been paid.

### Surrender Benefits

The policyholder can surrender his policy after the end of the third policy anniversary. Surrender Value payable depends upon the premiums paid by the time of surrender. Detailed conditions and the charges are given in charges section.

### Fund options and its investment portfolio

The policy holders has an option to choose any one of the below funds or a combination of the following funds in a fixed percentage. The value of these investments may go up or down depending upon the market conditions. Consequently the Net Asset Value of the fund may go up or down.

Name of the fund	Debt	Equity	Short term Liquid assets
Conservator Gold	Not less than 97.5%	Nil	Not more than 2.5%
Maximus Plus	Not more than 30%	Not more than 80%	Not more than 20%
Guardian Plus	Not less than 50%	Not more than 50%	Not more than 20%

Note: Equity refers to investment in listed equities. Debt instruments refer to investment in fixed income securities such as Government Bonds, Rated Corporate Bonds (AA and above) etc. **Short Term liquid Assets** include investment in instruments like Commercial paper, Certificate of Deposits, Short term Bank Deposits and Money market instruments.

The Unit Linked products are different from the traditional life insurance products as they subject to market risks.

## OBJECTIVE AND RISK PROFILE OF THE FUND:

### Conservator Gold

Deposit based investments where capital is secure even if it means giving up potential growth. These accounts generally provide a steady increase and easy access. Low risk.

### Guardian Plus

A balance of investments offering some security with potential for long –term growth/income. The value can go up and down. Medium risk.

### Maximus Plus

Looking to maximize the potential returns from investments in stocks and shares, these funds involve a significantly higher risk.

## CHARGES UNDER THE FUND:

As is the case with unit – linked plans, this plan, too, comes with a set of charges.

- **Premium Allocation charge**  
First year : 40% of the regular premium.  
Renewal : 5% of the regular premium.

The Premium Allocation charge will be charged at the beginning of the year from the premium. The following charges will be deducted by cancellation of units on a monthly basis, at the prevailing unit price.

- **Policy Administration charges**  
Rs.50/- per month in the 1<sup>st</sup> year and increased by 5% p.a. from second year onwards, throughout the policy term till the policy becomes a claim.

- **Fund Management charges**

An investment Management charge as detailed below will be charged by adjusted of the Net Asset Values of the units of the fund on a daily basis.

Fund	Fund Management charges
Conservator Gold	1.25% p.a.
Guardian Plus	1.25% p.a.
Maximus Plus	1.50% p.a.

The company reserves the right to change these charges up to 2.00% for funds Conservator Gold and Guardian Plus, 2.50 % for fund Maximus plus in future with prior approval from IRDA.

- **Switching charges**

Switching between funds will be allowed twice in a year free of charge .However, an amount of Rs.100 will be charged per additional switch during year.

- **Top-up payment charges**

2% of the payment towards Premium Allocation Charges will be levied before allotment of units.

- **Service Tax charges**

Service Tax as per Regulations in force from time to time will be levied on a monthly basis by cancellation of units of the policy holder at the prevailing unit price.

- **Surrender charges**

Premium Paid	Year of Surrender	Surrender Charges
Less than 1 yr premium	Nil	100% of the value of units.
More than 1year, but less than 2yrs	At the end of revival period	50% of the value of units.
More than 2yrs, but less than 3yrs	At the end of the revival period	30% of the value of units.
At least 3yrs premiums and 3 yrs have elapsed from the date of commencement.	During the 4 <sup>th</sup> year from the date of commencement	20% of the value of units
	During the 5 <sup>th</sup> year from the date of commencement	10% of the value of units.
	During and after 6 <sup>th</sup> yr from the date of commencement	5% of the value of units.
	After 6 <sup>th</sup> year	Nil

Revival period is 2 years from the date of lapse.

- **Mortality charges**

**For Base Plan:**

The Mortality charges will be charged on Sum at Risk at the beginning of each month where the Sum at Risk is equal to Sum Assured less the value of units.

**For Base Plan with Cover Plus option:**

Mortality charges will be charged on Sum at Risk at the beginning of each month where the Sum at Risk is equal to Sum Assured.

These charges will be collected by cancelling the requisite number of units from the policyholder's units.

- **Partial withdrawal charge**

Partial withdrawal shall be allowed two times in a year without any charge and for each additional withdrawal, Rs.100/- will be levied.

**Options under the plan:**

**a) Cover Plus Option:**

When this is opted by policyholder, the death benefit is equal to "Sum Assured + Value of the units".

**b) Flexibility in payment of premiums:**

The Policyholder has a flexible option to pay his Premiums yearly, half-yearly, quarterly or monthly as per his convenience.

**c) Switching:**

The policyholder can switch from one fund to another fund out of the funds mentioned above, during the policy term. The policy holder can switch 2 times in a year without any charge.

**d) Partial withdrawals:**

The policyholder has a facility to withdraw his units partially. The minimum value of the units withdrawn should be at least Rs.10000/- and this facility is available twice in a year without any charge. Surrender charges will be levied on the units to be withdrawn depending upon the duration of withdrawal from the date of commencement.

**e) Settlement Option:**

On surviving up to the end of the policy term, instead of the maturity value, the policy holder can opt to withdraw the units in his credit in not more than 5 installments, within a period five years from the date of maturity, at the prevailing Net Asset Value at the time of each installment.

**f) Top- up premium:**

The policyholder has got option to contribute in lump sum any time before the end of the policy term, to increase the number of units to his credit, if the policy is in force. However, such lump sum payment should be Rs.5, 000/- per payment.

Such an additional payment will be considered as a single premium and if it remains within the 25% of the total basic regular premiums paid up to date, the top up premium will not have any insurance cover, and if it is more than 25% of the total basic regular premiums paid up to the date, such balance amount of the top up premium shall have Insurance cover at 125% of such balance subject to underwriting conditions. This insurance cover shall remain constant during

the period of the contract and shall be maintained by canceling the units to the extent of the mortality charges, if any. A lock in period of three years shall apply for each top up premium, except during the last three years of the policy term.

**g) Tax benefits of the plan:**

Premiums paid under this plan are eligible for tax benefits under section 80C of the Income Tax, 1961. Any Sum assured received under this plan is exempt from tax under section 10(10D) of the Income Tax Act, 1961 as applicable from time to time.

**h) Days of grace:**

A grace period of one month but not less than 30 days will be allowed for payment of yearly, half-yearly and quarterly premiums. For monthly mode grace period is 15 days only. If the premium is not paid within the grace period, the policy lapses.

**i) Cooling off Period:**

If the policy holder is not satisfied with the 'Terms and Conditions' of the policy, the policy can be returned to the company within 15 days from the date of receipt of the policy. However, the company reserves the right to deduct Mortality charges and Rider charge (if any) for the time the company has provided cover up the date of cancellation and Medical Examination fees and stamp duty charges issue of the policy.