

New Children Plans

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AGENDA

- Existing Plans
- New Plans
- Eligibility Conditions
- Details of Plans
- Attractive Features
- Rebates & Premium Rates
- Launching
- Conclusion

EXISTING PLANS

- **Covering children below 12 yrs' age**
 - Children Deferred Assurance Plans (CDA Table Nos.41 & 50)
 - Jeevan Kishore (Table No.102) – A Children Endowment With-profit Plan
 - Komal Jeevan (Table No.159) – A Guaranteed Addition Money Back Plan
 - Jeevan Tarang (table No.178) – A whole life plan with yearly guaranteed income benefits

EXISTING PLANS

● Covering Parents

- Marriage Endowment (Table No.90)
- Jeevan Chhaya (Table No.103)
- Jeevan Anurag (Table No.168)
- Jeevan Aadhar (Table No.114) – A Plan for needs of disabled children

NEW PLANS

- To provide for professional studies of a child – More suitable for male children (Plan No.184) – **Child Career Plan**
- To provide for higher studies of a child & marriage – more suitable for a female child (Plan 185) – **Child Future Plan**
- **Both** the plans can be sold to **male/female** children

ELIGIBILITY CONDITIONS

- Entry age - 0 to 12 Yrs
- Maturity age - 23 to 27 Yrs
- S.A - One to 50 lakh
- Policy term - 11 to 27 yrs
- PPT - Policy term less 5 yrs
- 6 yrs
- PWB – Proposer – 18 to 50 yrs

DETAILS OF PLANS

- Benefit structure under Plan 184
 - 30% of SA + Bonus 5 yrs before maturity
 - 15% of SA every year thereafter for 5 years (75%)
 - Along with last SB payment FAB payable
 - Total survival payment – 105% of S.A
 - Risk cover for 7 yrs after maturity

DETAIL OF PLANS (Contd)

● Example (184)

Child Age – 5 years, PPT – 13 years

SA – Rs.5,00,000

● Benefit Payment

1st - 1,50,000 + Bonus at age 18

2nd - 75,000 at age 19

3rd - 75,000 at age 20

4th - 75,000 at age 21

5th - 75,000 at age 22

6th - 75,000 at age 23 + FAB

● Total survival payment – 5,25,000 + Bonus

● On death at any time up to age 30 – Rs.5,00,000 (with bonus if dies before age 18)

DETAIL OF PLANS (Contd)

- Benefit structure under Plan 185
 - 25% of SA 5 yrs before maturity
 - 10% of SA every year thereafter for 4 yrs (40%)
 - 50% of SA + Bonus + FAB at maturity
 - Total survival payment – 115% of S.A
 - Risk cover for 7 yrs after maturity

DETAIL OF PLANS (Contd)

● Example (185) :

Child Age – 5 years, PPT – 13 years

SA – Rs.5,00,000

● Benefit Payment

1st - 1,25,000

2nd - 50,000 at age 19

3rd - 50,000 at age 20

4th - 50,000 at age 21

5th - 50,000 at age 22

6th - 2,50,000 + Bonus + FAB at age 23

● Total survival payment – 5,75,000 + Bonus

● On death at any time up to age 30 – Rs.5,00,000 (with bonus if dies before age 23)

ATTRACTIVE FEATURES

- Risk cover after two years or **5 years'** age, whichever is later
- Refund of premium with interest if death occurs before commencement of risk
- No suicide clause
- **Auto cover** of 2 years after payment of 2 years' premium

ATTRACTIVE FEATURES (Contd)

- Intermediaries' Remuneration – Similar to **Endowment**
- PWB
 - During **entire term**
 - Available **during auto cover period**
- Underwriting – **New Rules** applicable (similar to other children plans)
- Parents' insurance requirement
 - Up to 2 lakh, if PWB not taken
 - **Up to 5 lakh, if PWB taken**

REBATES & PREMIUM RATES

● Mode :

- 2% (Yearly)
- 1% (Half yearly)

● Large S.A :

- 1.50 (R to < 5 lakh)
- 2.00 (\geq 5 lakh)

PREMIUM COMPARISON

Premium Rates (Maturity 23)

<u>Child's Age</u>	102	184	185
2	46.55 (21)	60.50 (16)	61.75 (16)
5	55.40 (18)	76.00 (13)	78.15 (13)
8	67.95 (15)	102.40 (10)	107.95 (10)
10	-	125.50 (8)	133.95 (8)

PREMIUM COMPARISON

Premium Rates (Maturity 24)

<u>Child's Age</u>	102	159	184	185
2	44.25 (22)	84.80 (16)	56.25 (17)	57.10 (17)
5	52.10 (19)	104.35 (13)	69.75 (14)	71.90 (14)
8	63.25 (16)	137.15 (10)	92.00 (11)	96.40 (11)
10	-	165.70 (8)	110.60 (9)	117.30 (9)

CONCLUSION

- Benefit structure in the New Plans would take care of the twin care of the twin children needs of Indian society in a better way
- Certain attractive features in comparison to our existing plans
 - 105 & 115% of SA
 - Risk cover from 5 year instead of 7 year
 - Auto Cover
 - PWB during entire term

CONCLUSION (Contd)

- Premium due during Auto Cover to be waived if PWB is there
- Full remuneration to Intermediaries
- Relaxed Underwriting requirements
- Parents' Insurance requirement being relaxed
- 6 years PPT in addition
- Premium rates competitive

THANKS
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