



Island Flexible Savings Plan

THE CONCEPT

The Island Flexible Savings Plan is an investment linked plan designed to encourage individuals to save for their future. This plan provides a surrender benefit, a maturity benefit and a guaranteed death benefit.

THE PRACTICE

The Flexible Savings Plan can be set up by a single life or joint lives. The minimum age at entry is 18 years and maximum is 60 years provided age at maturity does not exceed 65 years.

This is an investment savings product that has both single premium and regular premium contributions. The net amount of the premium will be invested and the Company will declare investment return on the investment which will accumulate. The value of the policy at any time will be referred to as the Personal Private Account, PPA.

POLICY TERM AND PREMIUM

The term of the plan are determined at the outset and the plan is subject to a minimum premium which is illustrated below.

Mode of payment	Single	Regular
Minimum Premium	Rs 50,000/-	Rs 1,000/-

Premiums are payable during the full term of the selected period and it is based on the age(s), selected term and the sum assured at inception and may be reviewed

PERSONAL PRIVATE ACCOUNT

The PPA will be the accumulation of:

- The investment premiums paid; less;
- The management charges*; less;
- Benefit paid out or amount partially withdrawn, if any; plus;
- Declared investment return

**These are stated in the policy document*

THE BENEFITS

Upon Death before the maturity date:

- a) Under the single premium option: A guaranteed death benefit of Rs 100,000 plus PPA as at date of death becomes payable
- b) Under the regular premium option:
 - 1) If death occurs within the first 2 years, a guaranteed death benefit of Rs 100,000 is payable;
 - 2) Thereafter, the guaranteed sum assured plus PPA as at date of death is payable

Upon survival up to the maturity date, the PPA becomes payable

CASH WITHDRAWAL

For policies with term exceeding 15 years, the Company will offer the option for policyholders to have a partial cash withdrawal once the policy has been in force for at least 10 years. This option will be available once every 5 years and the partial withdrawal will be limited to 15% of the PPA

FLEXIBLE MATURITY DATE

The default maturity date is set at age 65. However, the policyholder can opt for an earlier maturity date provided the policy has been in force and premiums have been paid for at least 10 years. The full PPA will be paid if the policyholder decides to discontinue the policy as from the 10th policy anniversary.

OTHER OPTIONAL SUPPLEMENTARY BENEFITS

Total & Permanent Disability (TPD)

The Total & Permanent Disability benefit will pay an amount selected at the outset in the event if you (or your spouse, in case of a joint policy) should become totally & permanently disabled as defined in the policy conditions and the policy ends.

Additional Death Benefit (ADB)

The Additional Death Benefit will pay an amount selected at the outset upon death of the policyholder on top of the guaranteed death benefit of Rs 100,000 as defined in the policy conditions and the policy ends.

EXAMPLE OF BENEFITS

Scenario:

- 1) Main Life – 35 years (Age Next Birthday)
- 2) Gender – Female
- 3) Term of policy – 30 years
- 4) Basic monthly premium – Rs 3,000/-
- 5) Guaranteed Death Benefit – Rs 100,000/-
- 6) Optional Benefits – (1) Total and Permanent Disability (TPD) – Sum assured of Rs 200,000/-
(2) Additional Death Benefit (ADB) – Sum assured of Rs 200,000/-

➤ Below is an illustration of the maturity benefits based on the above scenario:

Estimated PPA as at maturity date* (Rs)		
Conservative	Moderate	Assertive
1,580,852	1,856,539	2,193,565

*The above projection does not represent the minimum nor maximum values.

The final amount payable will depend on the actual investment return earned throughout the policy term.

- Upon death of life assured after 2 years from commencement date, total sum assured payable will amount to Rs 300,000 plus PPA as at date of death will be paid
- In the event of a TPD claim, a sum assured of Rs 200,000 plus PPA as at the claim date will become payable.

Our Flexible plan offers you an opportunity to benefit from the market returns and financial planning all in one policy. It also allows you the flexibility of date in which you wish to cash the benefit.