



Island Retirement Savings Plan

THE CONCEPT

The Island Retirement Savings Plan is an investment linked plan designed to encourage individuals to save for their retirement. This plan provides a retirement benefit once the individual reaches age 65.

THE PRACTICE

The Retirement Savings Plan can be set up by a single life only. 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 single, regular or a combination of both contributions. The net amount of the premium will be invested and the Company will declare 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*; plus;
- Declared investment return

**These are stated in the policy document*

THE BENEFITS

- Upon Death before the retirement date, the PPA as at date of death becomes payable.
- Upon survival up to the retirement date, the PPA is converted into either of the following:
 - 1) A full monthly pension; or
 - 2) A lump sum (25% of the PPA) and a reduced monthly pension.

An Open Market Option will be available at retirement and policyholders may choose the option that gives them optimal pension benefits, whereby 25% of the PPA will be paid in form of a lump sum at retirement date and 75% of the PPA will be bought out in form of an immediate annuity plan with a service provider licensed and authorised by the FSC.

OTHER OPTIONAL SUPPLEMENTARY BENEFITS

Total & Permanent Disability (TPD)

The Total & Permanent Disability benefit will pay a fixed sum assured selected at the outset in the event if you should become totally & permanently disabled as defined in the policy conditions and the policy ends provided waiver of premium has not been opted for.

Additional Death Benefit (ADB)

The Additional Death Benefit will pay a fixed sum assured selected at the outset upon death of the policyholder as defined in the policy conditions and the policy ends.

Waiver of Premium (WoP) on TPD

Future premiums will be waived and the policyholder will be entitled to the retirement benefits upon reaching retirement date.

EXAMPLE OF BENEFITS

Scenario:

- 1) Main Life – 30 years (Age Next Birthday)
- 2) Gender – Male
- 3) Term of policy – 35 years
- 4) Basic monthly premium – Rs 2,500/-
- 5) 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/-
(3) Waiver of Premium on TPD

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

	Conservative (Rs)	Moderate (Rs)	Assertive (Rs)
PPA*	1,666,418	2,019,787	2,468,133
Either Full monthly pension**	11,719	14,204	17,357
Or Lump sum +	416,604	504,947	617,033
Reduced monthly pension**	8,789	10,653	13,018

*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.

**The annuity rates applicable to compute the pension will be determined at the point of inception of the pension and are not guaranteed upfront.

- Upon death of life assured before retirement date, a sum assured of Rs 200,000 plus PPA as at date of death is payable.
- In the event of a TPD claim before retirement date, a sum assured of Rs 200,000 shall be paid and all future premiums shall be waived.

Our Retirement Savings plan offers you an opportunity to benefit from the market returns while saving for your retirement.