

Annexure I

Extrapolated LIC (94-96) Ultimate Table - Ages 7 - 13

Age	Qx
7	0.002900
8	0.002551
9	0.002201
10	0.001852
11	0.001503
12	0.001153
13	0.000804

Note: These mortality rates are before rating up.

69

Annexure II

**Profit Testing Assumptions**

List of Profit Testing Basis and Valuation Basis and method

Financial Assumptions  
 Gross Investment Return 7.35% 7.70% 7.80%

Discount rate 17.00 %  
 Inflation 3.50 %

Expenses 780.00 210.00  
 5 years 7 years 10 years  
 Commission 1.00 1.50 2.00

Premium related expenses 5 years 7 years 10 years  
 0.25 0.50 0.50

Tax 13.125 %

Demographic Assumptions  
 Mortality

LIC 94-96 Ultimate mortality table rated up by 3 years  
 Year 1 Year 2&3 Thereafter  
 0.00 2.50 1.00

Lapse rates (by year)

Reserving

Method

Gross Premium valuation

Basis (interest, mortality, bonus, etc)

6.45 %

Solvency margin

4.00 0.30

Others

Average Sum Assured

75,000



Sample Profit Test Cash Flows and Profiles

Age	20 term Premium	Investment Income	Expense	10 Sum Assured Commission	75,000 Surrender	Anticipated Payments	Death Claims	Mortality	Change in Reserves	Tax	Surplus
Y1	75000.00	5648.31	1155.00	1500.00	0.00	0.00	84.20	0.00	77703.15	27.03	178.91
Y2	0.00	5572.22	217.91	0.00	1413.30	4982.06	90.57	0.00	-2222.86	143.23	948.02
Y3	0.00	5411.46	218.65	0.00	1385.53	4852.11	88.71	0.00	-2182.29	137.39	908.38
Y4	0.00	5290.77	222.96	0.00	546.84	4725.45	88.21	0.00	-1048.43	99.06	655.88
Y5	0.00	5213.54	228.19	0.00	547.77	4672.83	89.14	0.00	-1059.20	96.44	636.37
Y6	0.00	5135.45	233.55	0.00	552.08	4620.74	86.67	0.00	-1070.88	93.36	617.93
Y7	0.00	5056.41	239.02	0.00	556.22	4569.20	87.99	0.00	-1083.72	90.28	597.44
Y8	0.00	4976.35	244.63	0.00	563.60	4518.21	87.00	0.00	-1097.73	86.71	573.93
Y9	0.00	4895.15	250.37	0.00	570.74	4467.80	86.11	0.00	-1113.38	83.15	550.37
Y10	0.00	4812.61	256.23	0.00	663.95	4417.94	87.33	0.00	-1132.84	88.25	451.75
Y11	0.00	0.00	0.00	0.00	0.00	0.00	0.00	65691.83	-65691.83	0.00	0.00

*Handwritten signature or mark*

**Profitability (Base Case)**

*Discounted present value of shareholders share of future profits at 17%, expressed as a percentage of the first year premium.*

Term	5	7	10
Age 20	0.80%	1.16%	1.47%
30	0.80%	1.16%	1.45%
40	0.78%	1.12%	1.38%
50	0.72%	1.01%	1.21%
60	0.58%	0.76%	0.78%



**Internal Rate of Return, Initial Strain and Payback**

*IRR to shareholder fund*

Age	5	10	15
20	1000	1000	485
30	1000	1000	425
40	1000	1000	277
50	1000	605	141
60	264	137	60

*Initial Strain*  
Expressed as % of annual premium, measured in month 1

Age	5	10	15
20	0.00%	0.00%	0.43%
30	0.00%	0.01%	0.47%
40	0.03%	0.11%	0.62%
50	0.21%	0.38%	1.02%
60	0.63%	1.02%	1.97%

*Payback*  
Accumulated with interest at fund earning rate, in months

Age	5	10	15
20	1	1	9
30	1	2	9
40	2	3	12
50	5	8	16
60	12	16	26



**Sensitivity**

*Discounted present value of future profits at (Achieved Profits Rate), expressed as a percentage of the first year premium.*

**Base Case**

Term	5	7	10
Age 20	0.80%	1.16%	1.47%
Age 30	0.80%	1.16%	1.45%
Age 40	0.78%	1.12%	1.38%
Age 50	0.72%	1.01%	1.21%
Age 60	0.58%	0.76%	0.78%

**Lapses Doubled**

Term	5	7	10
Age 20	0.98%	1.43%	1.83%
Age 30	0.98%	1.42%	1.81%
Age 40	0.96%	1.38%	1.75%
Age 50	0.89%	1.27%	1.57%
Age 60	0.75%	1.03%	1.16%

**Mortality increased by 25%**

Term	5	7	10
Age 20	0.80%	1.16%	1.46%
Age 30	0.80%	1.15%	1.44%
Age 40	0.78%	1.11%	1.37%
Age 50	0.70%	0.99%	1.17%
Age 60	0.54%	0.71%	0.70%

**Initial Expense increased by 100%**

Term	5	7	10
Age 20	0.45%	0.67%	0.91%
Age 30	0.45%	0.67%	0.89%
Age 40	0.43%	0.63%	0.82%
Age 50	0.37%	0.52%	0.65%
Age 60	0.23%	0.27%	0.22%

**Investment Rate -2%**

Term	5	7	10
Age 20	-0.56%	-0.78%	-1.24%
Age 30	-0.56%	-0.79%	-1.25%
Age 40	-0.58%	-0.82%	-1.31%
Age 50	-0.63%	-0.90%	-1.44%
Age 60	-0.74%	-1.10%	-1.77%

**Renewal Expense increased by 100%**

Term	5	7	10
Age 20	0.66%	0.93%	1.10%
Age 30	0.66%	0.92%	1.09%
Age 40	0.64%	0.88%	1.02%
Age 50	0.57%	0.78%	0.85%
Age 60	0.44%	0.54%	0.45%

**Annexure III(a)**  
**Sales Literature**

Welcome to ICICI Prudential. Welcome to life.

We're a joint venture between ICICI, the leading financial services provider in India and prudential plc of U.K., one of the foremost insurance companies in the world. Together, we aim to provide you with an extensive range of insurance products to suit your various needs. Because, we know that while life is full of risks and uncertainties, these should not be greater than life itself. At every step in life you should live, and not just exist. That is why we keep you covered. Throughout your life, we shield you from life's troubles. Leaving you free to live.

**ICICI PRU ReAssure**

**Your years of hard work have yielded rich dividends -- bonuses, performance packages, and retirement monies. The challenge now is to invest these prudently so that the future years are safe and secure.... In terms of returns and protection.**

**ICICI Prudential offers ICICI Pru ReAssure, an ideal insurance policy that gives you regular income along with protection, ensuring you enjoy the coming springs of life with no worries at all.**

**What is ICICI PRU ReAssure?**

ICICI PRU ReAssure is a life insurance policy that lets you invest your money at one go and offers you the benefit of regular income. Moreover it also offers protection in the event of unfortunate death.

**What are the benefits?**

The policy is available for a term of 5 or 7 or 10 years

**Survival benefits:**

ICICI PRU ReAssure pays out between 6.65% and 7.55% of the single premium (depending on the premium amount and term) as survival benefit on each policy anniversary commencing from the first policy anniversary after the date of commencement upto the policy anniversary preceding the maturity date.

**Maturity benefit:** On maturity the entire amount of single premium is paid to the policyholder.

**What happens on death during the term of the policy?**

If death occurs after the first year, the nominee will receive 110 per cent of the single premium paid. In the event of death during the first policy year and if the cause of death is accident\*, 110% of the single be premium will be payable; otherwise on death due to other causes the amount of single premium will be payable.

The moneys paid out as survival benefit will not be deducted from the death benefit.

**Who can apply?**

Anyone in the age group of 7-62 years can apply for the ICICI PRU ReAssure policy. Typically the policy comprises of a one-time lump sum premium payment.

**Are there are any limits on policy value?**

You can choose a policy from a value ranging from Rs 50,000 all the way up to Rs 50 lakh.

**What conditions do I have to fulfill before I can buy this policy?**

An over the counter product, there are no documents to submit, no cumbersome paperwork to deal with.

All you have to do is fill in the proposal form and make the one time premium payment.

**What are the tax benefits available?**

The initial premium is eligible for tax exemption under sec 88.

**Can I discontinue my policy? Do I lose all my benefits in this case?**

Yes. Your policy acquires guaranteed surrender value after the first year.

**Why should I choose the ICICI PRU ReAssure policy over others?**

The ICICI PRU ReAssure product combines the best of many worlds:

- Insurance cover from day one.
- Survival benefits starting from the end of first year.
- No proof of age, bank statements or any other documents required.
- No underwriting charges.
- A one time premium payment which can be as low as Rs 50,000.

**For further details please contact our advisor. He will tell you more on how to cover your life and even about other policies you did not know about!**

**Call today on xxxxxxxxxxxx**

**Then get ready for life**

\* The conditions under which the benefits payable on death due to accident in the first year are:

- (a) the death due to accident must be caused by violent, external and visible means;
- (b) the death due to accident is not caused -
  - i) attempted suicide or self inflicted injuries while sane or insane, or whilst the Life Assured is under the influence of any narcotic substance or drug or intoxicating liquor; or
  - ii) by engaging in aerial flights ( including parachuting and skydiving) other than as a fare paying passenger on a licensed passenger-carrying commercial aircraft (being a multi-engined aircraft) operating on a regular scheduled route; or
  - iii) by the Life Assured committing any breach of law; or
  - iv) due to war, whether declared or not or civil commotion; or



- v) by engaging in hazardous sports / pastimes, i.e. taking part in (or practising for) boxing, caving, climbing, horse racing, jet skiing, martial arts, mountaineering, off piste skiing, pot holing, power boat racing, underwater diving, yacht racing or any race, trial or timed motor sport.
- (c) the accident shall result in bodily injury or injuries to the Life Assured independently of any other means and
- (d) such injury or injuries shall, within 180 days of it's occurrence, directly and independently of any other means cause the death of the Life Assured.

6

Annexure III(b)

ICICI PRU ReAssure  
BENEFITS ILLUSTRATIONS

So what is so unique about this policy?

It is hard to be different when it comes to creating Life Insurance products... Or so it is believed. We, at ICICI Prudential Life Insurance Company, think differently. We believe in providing not only life cover, but also financial security.

Here are some unique features you can avail of, if you decide to become a part of our family.

- Guaranteed annual survival benefits
- No deduction of annual survival benefits *from death/maturity benefits.*
- Sec 88 benefits

SAMPLE ILLUSTRATION

Term	10 years
Single Premium	100,000

SURVIVAL / MATURITY BENEFITS (RS.)			BENEFITS ON DEATH DURING THE POLICY YEAR (RS.)		
Policy Year	Survival Benefits	Maturity Benefit*	Policy Year	Due to Accident	Any Other Cause
Beginning of 2 <sup>nd</sup> policy year	6,650	-	1	110,000	100,000
Beginning of 3 <sup>rd</sup> policy year	6,650	-	2	110,000	110,000
Beginning of 4 <sup>th</sup> policy year	6,650	-	3	110,000	110,000
Beginning of 5 <sup>th</sup> policy year	6,650	-	4	110,000	110,000
Beginning of 6 <sup>th</sup> policy year	6,650	-	5	110,000	110,000
Beginning of 7 <sup>th</sup> policy year	6,650	-	6	110,000	110,000
Beginning of 8 <sup>th</sup> policy year	6,650	-	7	110,000	110,000
Beginning of 9 <sup>th</sup> policy year	6,650	-	8	110,000	110,000
Beginning of 10 <sup>th</sup> policy year	6,650	-	9	110,000	110,000
On maturity	-	100,000	10	110,000	
Total	59,850	100,000			

\* payable on survival to the date of maturity

Notes:

(i) The Sum Assured under this plan is equal to the Single Premium

(ii) This outline is for illustration purposes. Please feel free to contact us for any clarification

(iii) The Single Premium paid for ReAssure is eligible for Sec 88 Benefits

Insurance is the subject matter of solicitation  
the product brochure

Details on product are available on

## ICICI Pru ReAssure

ICICI Prudential Life Insurance Company Limited ("the Company") having received a Proposal and Declaration and Personal Statement and the single premium from the Proposer and / or the Life Assured named in the Policy Certificate referred to hereinbelow and the said Proposal and Declaration together with any statement, report or other document leading to the issue of this Policy and referred to therein having been accepted and agreed to by the Company and the Proposer / Life Assured as the basis of this assurance / contract do, by this Policy agree, as set out in the Schedule with all its Parts, ("Policy Document") and further, is subject to the terms and conditions contained in this Policy.

**Name of Life Assured :** «LIFE\_NAME01»

**Address :** «LIFE\_ADDR101»  
 «LIFE\_ADDR201»  
 «LIFE\_ADDR301»  
 «LIFE\_ADDR401»  
 «LIFE\_ADDR501»  
 «LIFE\_PCODE01»

**Date of Birth :** «LIFE\_DOB01» **Age ( Years ) :** «LIFE\_AGE01» **Age Admitted:**

**Name of the Proposer :** «COWN\_NAME»

<b>Policy No :</b> «CHDRNUM»	<b>Policy term (years) :</b> « »	<b>Policy Commencement Date</b>
<b>Sum Assured:</b>		
<b>Single premium Paid (Rs.) :</b>	«LAST_PAYDATE»	<b>Maturity / Termination Date :</b>
<b>Nominee / s (Name) :</b>	«BENF_NAME01»	

BENEFIT	SUM ASSURED	PREMIUM (RS.)
Single Premium		
Accident & Disability Rider		
Level Term Rider		

**Periodicity of payment of premium shall be** «BILLFREQ\_DESC» **Amount (Rs)**

**Benefits payable :** as specified in the policy document.

**Survival benefits payable:**

End of Year	Rate (%)	End of Year	Rate (%)	End of Year	Rate (%)
1		4		7	
2		5			
3		6			

**To whom the benefits are payable:** To the Proposer, Life Assured, or the assign (s) where a valid assignment / endorsement has been recorded, or the nominee(s) where a valid nomination has been registered by the Company (in accordance with section 39 of the Insurance Act, 1938), or the executors, administrators or other legal representatives who should take out representation to the estate of the Life Assured, as the case may be, or to such person as directed by a court of competent jurisdiction in India, limited at all times to the monies payable under this Policy.

The Company do hereby agree, that on proof to the satisfaction of the Company of the Benefits having become payable as set out in the Schedule and of the title of the said person or persons claiming payment and of the correctness of the age of the Life Assured stated in the Proposal (if not previously admitted) or upon the happening of an event upon which one or more benefits become payable under this Policy, the appropriate benefits will be paid by the Company.

**"The policy shall be subject to and be governed by this schedule and the terms and conditions of the policy document enclosed herewith including every endorsement by the Company and shall together form a single contract."**

**Where the first premium is paid by cheque, the assumption of risk by the Company under the Policy is subject to encashment of the Cheque.**

Signed for and on behalf of the ICICI Prudential Life Insurance Company Limited, at «BRANCH\_NAME» on «ISSUE\_DTE»

Authorised Signatory

(Ver VRA:2)

## Policy Document

### 1. Benefits Payable

#### i) Death Benefit

##### First Policy Year

On the death of the life assured during the first policy year due to any cause other than due to accident the sum assured shall be payable. However, if the death is due to accident an amount equal to 110% of the sum assured shall be payable.

The conditions under which the benefits payable on death due to accident are:

- (a) the death due to accident must be caused by violent, external and visible means;
- (b) the death due to accident is not caused -
  - i) by attempted suicide or self inflicted injuries while sane or insane, or whilst the Life Assured is under the influence of any narcotic substance or drug or intoxicating liquor; or
  - ii) by engaging in aerial flights ( including parachuting and skydiving) other than as a fare paying passenger on a licensed passenger-carrying commercial aircraft (being a multi-engined aircraft) operating on a regular scheduled route; or
  - iii) by the Life Assured committing any breach of law; or
  - iv) due to war, whether declared or not or civil commotion; or
  - v) by engaging in hazardous sports / pastimes, i.e. taking part in (or practising for) boxing, caving, climbing, horse racing, jet skiing, martial arts, mountaineering, off piste skiing, pot holing, power boat racing, underwater diving, yacht racing or any race, trial or timed motor sport.
- (c) the accident shall result in bodily injury or injuries to the Life Assured independently of any other means and
- (d) such injury or injuries shall, within 180 days of it's occurrence, directly and independently of any other means cause the death of the Life Assured.

##### Subsequent Policy Years

On the death of the life assured after the first policy year but before the date of maturity of the policy an amount equal to 110% of the sum assured shall be payable.

#### ii) Survival Benefit

On the Life Assured surviving each policy anniversary after the date of commencement, survival benefits, as indicated in the policy certificate shall be paid

on each such policy anniversary commencing from the first policy anniversary upto the policy anniversary preceding the maturity date.

iii) Maturity Benefit

On survival of the Life Assured to the date of maturity the Sum Assured as specified in the policy certificate shall be payable.

2. Guaranteed Surrender Value

Guaranteed Surrender Values equal to 75% of the amount of single premium shall be payable after the first policy year.

3. General Provisions

Where the policy has been issued on the life of a minor, the policy will automatically vest on him on his attaining majority.

6

## GENERAL CONDITIONS

### 1 Age

If the correct age is found to be such as would have made the Life Assured uninsurable under the plan of assurance specified in the Policy Certificate, the plan of assurance shall stand altered to such plan of assurance as is generally granted by the Company for the correct age of the Life Assured, subject to the terms and conditions as are applicable to that plan of assurance. If it is not possible to grant any other plan of assurance or the life assured does not desire to have any other plan of assurance, the policy shall stand cancelled from the date of issue of the policy and the premium paid shall be refunded subject to the deduction of the expenses incurred by the Company on the policy.

### 2. Assignment and nomination

- (i) An assignment of this policy may be made by an endorsement upon the policy itself or by a separate instrument signed in either case by the assignor specifically stating the fact of assignment and duly attested. The first assignment may be only made by the Life Assured or the Proposer. Such assignment shall be effective, as against the Company, from and upon the service of a written notice upon the Company and the Company recording the assignment in its books.
- (ii) The Life Assured, where he is the holder of the policy, may, at any time before the Maturity Date of policy, make a nomination for the purpose of payment of the moneys secured by the policy in the event of his death. Where the nominee is a minor, he may also appoint a person to receive the money during the minority of the nominee. Nomination may be made by an endorsement on the policy and by communicating the same in writing to the Company. Any change of nomination, which may be effected before the Maturity Date of policy, shall also be communicated to the Company.

The Company does not express itself upon the validity or accept any responsibility on the assignment or nomination in recording the assignment or registering the nomination or change in nomination.

### 3. Special Provisions

Any special provisions subject to which this Policy has been entered into and endorsed in the Policy or in any separate instrument shall be deemed to be part of this Policy and shall have effect accordingly.

### 4. Incontestability

In case it is found that any untrue or incorrect statement is contained in the proposal/ personal statement, declaration and connected documents or any material information has been withheld then, but subject to the provision of Sec.45 of the Insurance Act, 1938, the policy shall be void and no benefit shall be payable thereunder.

#### 5. Notices

Any notice, direction or instruction given under this Policy shall be in writing and delivered by hand, post, facsimile or e-mail to

In case of the Policy holder/ Life Assured:

As per the details specified by the policy holder/life assured in the Proposal Form / Change of Address intimation submitted by him.

In case of the Company:

Address:  
Telephone:  
Facsimile:  
E-mail:

Notice and instructions will be deemed served 7 days after posting or immediately upon receipt in the case of hand delivery, facsimile or e-mail.

#### 6. Payment of Claim

Before payment of any death or maturity claim under the policy, the Company shall require the delivery of the original of this Policy document and the following documents establishing the right of the claimant or claimants to receive payment.

##### Documentation for claim

The following documents would be required to be submitted to the Company at the time of claim.

1. Original Insurance Policy
2. Claimant's statement
3. Death certificate issued by the local and medical authority in case of death claim
4. Medical evidence in case of health and disability rider claims.
5. Any other documents or information as may be required by the Company for processing of the claim depending on the cause of the claim.

#### 7. Electronic Transactions

The Customer shall adhere to and comply with all such terms and conditions as the Company may prescribe from time to time, and all transactions effected by or

through facilities for conducting remote transactions including the Internet, World Wide Web, electronic data interchange, call centres, teleservice operations (whether voice, video, data or combination thereof) or by means of electronic, computer, automated machines network or through other means of telecommunication, established by or on behalf of the Company, for and in respect of the Policy or its terms, or the Company's other products and services, shall constitute legally binding and valid transactions when done in adherence to and in compliance with the Company's terms and conditions for such facilities, as may be prescribed from time to time.

## 8. Customer Service

(a) For any clarification or assistance, the policyholder may contact our agent or call our Customer Service Representative at Telephone Number xxx-xxxxxxx during office hours (xx hours to xx hours).

Alternatively you may communicate with us:

By mail at:

*ICICI Prudential Life Insurance Co. Ltd.,  
<full address to be identified> or,*

By fax at xxx-xxxxxxx or,

By email to [xxxxxx@iciciprulife.com](mailto:xxxxxx@iciciprulife.com)

## (b) Grievance Redressal Committee

The Company has a grievance redressal mechanism for resolution of any dispute and any grievance or complaint in respect of this policy may be addressed to:-

Grievance Redressal Committee,  
ICICI Prudential Life Insurance Company Limited  
ICICI PruLife Towers,  
1089, Appasaheb Marathe Marg, Prabhadevi,  
Mumbai- 400 025

## (c) Ombudsman

The Central Government has established an office of the Insurance Ombudsman for redressal of grievances with respect to life insurance policies. For details of the Ombudsman log on to our website [www.iciciprulife.com](http://www.iciciprulife.com) or contact our Customer Service Desk.

"The policy shall be subject to and governed by the terms of the policy document and all the terms and schedule contained therein (enclosed) shall together form a single agreement" (VRA: 2)



**CERTIFICATION BY THE APPOINTED ACTUARY**

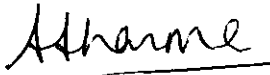
I, V. Rajagopalan, the appointed actuary of the life insurer ICICI Prudential Life Insurance Company Ltd, hereby solemnly declare that the information furnished above is true and certify that, in my opinion, the premium rates, advantages, terms and conditions of the product ICICI Pru ReAssure, ~~which is a new insurance product to be launched in the market /~~ which is an existing product but being modified now, are workable and sound, the assumptions are reasonable and premium rates are fair.



*Signature of the Appointed Actuary.*

Place: Mumbai

Date: 05.08.2002



Counter Signature of the principal officer.