

Education
Solutions

 **SmartKid**
New Unit-linked
Regular Premium



 **ICICI PRUDENTIAL**
L I F E I N S U R A N C E

As a responsible parent, you would not like to compromise your child's career, regardless of rising costs of education. You need an investment plan that is designed to provide money at key educational milestones and take care of your loved ones even if you are not around.

With this objective in mind, ICICI Prudential Life Insurance now presents SmartKid New Unit-linked Regular Premium policy. With this policy, you can invest your money in unit-linked funds which allow you to withdraw money to meet expenses at key educational milestones of your child. Additionally, the life insurance cover offered under this policy ensures that your loved ones stay financially secure in your absence.

Key benefits of SmartKid New Unit-linked Regular Premium Policy

- Lump sum payment of Sum Assured plus company contributes future premiums in the unfortunate event of death of parent (life assured).
- With Income Benefit Rider, the child (beneficiary) would receive an annual allowance every year till maturity, in the unfortunate event of death of parent.
- Withdrawal facility to provide money at key educational milestones of your child.
- Potentially higher returns over the long-term by investing in unit-linked funds.
- Cover Continuance option to ensure continuance of life insurance cover, if you wish to stop paying premiums.
- Avail tax benefit⁸ on premiums paid and benefits received under the Income Tax Act, 1961.

Benefits in detail

➤ Death Benefit

In the unfortunate event of death of the parent (life assured) during the term of the policy, the benefits under the policy are as follows:

- Sum Assured would be paid out immediately.

- Future premiums will be waived and the premiums would be paid by the company till maturity of the policy (Payor waiver benefit).
- The policy benefits continue for your child's educational and developmental needs, as planned by you.



In this policy, the investment risk in investment portfolio is borne by the policyholder.

➤ Maturity Benefit

Based on the term chosen for this policy, you will be entitled to receive the Fund Value at the time of maturity. Alternatively, you can opt for the Settlement Options.

➤ Choice of Investment Funds

We offer you a choice of 6 funds. You can choose to invest fully in any one fund or allocate your premiums into the various funds in a proportion that suits your investment needs. Given below are the investment objectives and asset allocation of each of the funds:

➤ Switching Option

With this option you can switch between the investment funds at any time (provided the policy is in force), depending on your financial priorities and investment decision. In any policy year, 4 switches are free of charge. The minimum switch amount is Rs.2,000.

➤ Settlement Option

On maturity of the policy, you can choose to take the Fund Value as a structured benefit. With this facility, you can opt to receive payments on a yearly, half-yearly, quarterly or monthly (through ECS) basis, for a period

of 1,2,3,4 or 5 years (Settlement Period) post maturity¹. At any time during the settlement period, you can withdraw the entire Fund Value.

➤ Money at Key Educational Stages

You can make partial withdrawals from your Fund Value at key educational stages. Partial withdrawals will be allowed after completion of five policy years. You will be entitled to make one partial withdrawal in a policy year upto a maximum of 25% of the Fund Value, subject to a maximum of 5 withdrawals during the entire term of the policy. The minimum partial withdrawal amount is Rs. 2,000².

➤ Increase/ Decrease your Sum Assured

Depending upon your protection needs, the policy holder can increase or decrease the Sum Assured any time during the policy term³.

➤ Cover Continuance Option

This option ensures that your life insurance cover continues in case you are unable to pay premiums, anytime after payment of first three years² premium. All applicable charges will be automatically deducted from the units available in your fund. You need to opt for cover continuance, if you wish to avail of this benefit².

Fund name and its objective	Asset allocation	Min.	Max.	Potential Risk-Reward
Flexi Growth II: Long term returns from an equity portfolio of large, mid and small cap companies.	Equity & Equity Related Securities Debt, Money Market & Cash	80% 0%	100% 20%	High
Maximiser II: Long term capital appreciation from an equity portfolio.	Equity & Equity Related Securities Debt, Money Market & Cash	75% 0%	100% 25%	High
Flexi Balanced II: Balance of capital appreciation and stable returns from an equity (large, mid & small cap companies) & debt portfolio.	Equity & Equity Related Securities Debt, Money Market & Cash	0% 40%	60% 100%	Moderate
Balancer II: Balance of growth and steady returns from an equity & debt portfolio.	Equity & Equity Related Securities Debt, Money Market & Cash	0% 60%	40% 100%	Moderate
Protector II: Accumulate steady income at a lower risk.	Debt Instruments, Money Market & Cash	100%	100%	Low
Preserver: Protection of capital through very low risk investments. Investments up to 40% can be allocated to this fund.	Debt Instruments Money Market & Cash	0% 50%	50% 100%	Capital preservation

The proportion of money market instruments of your total Fund Value will not exceed 40%

► Additional Protection with Riders

You can further customize your policy with optional riders, to enjoy additional protection at a nominal extra cost, as given below:

Riders	Benefit
Income Benefit Rider (IBR)	In the event of death, this rider pays out 10% of rider Sum Assured to the beneficiary every year till the maturity of the policy
Accidental Death and Disability Benefit Rider (ADBR)	In the event of death or disability due to an accident, the rider benefit amount would be paid accordingly.
Waiver of Premium Rider (WOPR)	In the event of total and permanent disability due to an accident, all further premiums till the end of rider term, would be paid by the company.

Rider charges for opted riders will be recovered by cancellation of units. For further details on the Rider benefits, exclusions and conditions, please ask for the Rider brochure.

Benefit Illustration

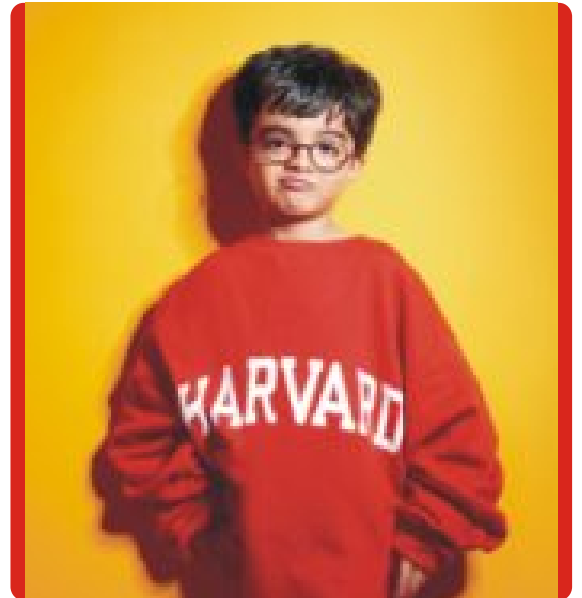
Annual Premium: Rs.25,000 Sum Assured: Rs.2,50,000
Entry Age: 30 years

Term 10 years	
Returns @ 6% p.a.	Returns @ 10% p.a.
Rs. 2,98,586	Rs. 3,72,223
Term 15 years	
Returns @ 6% p.a.	Returns @ 10% p.a.
Rs. 5,18,165	Rs. 7,26,575

The above illustrations are for a healthy male and 100% investment in the Protector II fund. The above are illustrative returns, net of all charges. Since your policy offers variable returns, the above illustration shows two different rates (6% p.a. & 10% p.a. as per the guidelines of Life Council) of assumed future investment returns¹³.

Policy at-a-glance

Minimum / Maximum Entry Age (Parent)	20 - 60 years
Minimum / Maximum Entry Age (Child)	0 - 15 years
Maximum Age at Maturity (Parent)	75 years
Minimum / Maximum Age at Maturity (Child)	18-25 years
Minimum / Maximum Term	10-25 years
Premium Payment Frequency	Yearly, Half-yearly, Monthly
Minimum Premium	Rs.12,000 per annum
Minimum sum assured	Annual Premium x Term/2 subject to a minimum of Rs. 1,00,000
Tax Benefits ⁹	Premiums paid for the policy will be eligible for tax benefit under section 80C. Any benefit amount received under this policy will be eligible for the tax benefit under section 10(10D)



Can I surrender my policy?

Yes, you can surrender your policy. Surrender values are available to you after deducting surrender charges and would depend on the number of completed policy years.

a) Following are surrender values applicable where 3 full years' premiums have not been paid:

Completed policy years for which premiums are paid	Surrender Value as a % of Fund Value
Less than one year	0%
One year	25%
Two years	40%

However, this surrender value would be payable only after completion of three policy years or whenever the policy is surrendered thereafter. In case premium payments are discontinued within the first three years all benefits and options will cease after the expiry of the days of grace for payment of first unpaid premium.

b) Following are surrender values applicable after payment of 3 full years' premium.

No. of completed policy years	Surrender Value as a % of fund value
3 policy years	96%
4 policy years	98%
5 policy years & above	100%

What are the charges under the policy?

➤ Premium allocation charge

This will be deducted from the premium amount at the time of premium payment and units will be allocated thereafter:

Annual Premium (Rs.)	% of premium			
	Year 1	Year 2-5	Year 6-10	Year 11 onwards
12,000 -19,999	20%	5%	2%	1%
20,000 - 49,999	19%	5%	2%	1%
50,000 and above	18%	5%	2%	1%

➤ Switching charge

4 free switches allowed every policy year. Subsequent switches will be charged at Rs. 100 per switch*.

➤ Policy administration Charge

There would be a fixed policy administration charge of Rs. 60 per month*.

➤ Mortality charge and Payor waiver benefit charge

Mortality charges will be deducted on a monthly basis on the Sum Assured*. Indicative charges per thousand Sum Assured for a healthy male life per annum are shown in the table:

Age (yrs.)	20	30	40	50
Rs.	1.33	1.46	2.48	5.91

Additionally, Payor waiver benefit charge* would be charged on a monthly basis which would depend on age, gender, policy term & premium amount.

➤ Fund management charge

The annual fund management charge, which will be adjusted from the Net Asset Values (NAV) of various funds, are as follows:

Fund	Flexi Growth II	Maximiser II	Flexi Balanced II	Balancer II	Protector II	Preserver
Charge	1.50% p.a	1.50% p.a	1.00% p.a	1.00% p.a	0.75% p.a	0.75% p.a

* These charges will be deducted by cancellation of units

Terms and Conditions

1. You will be paid out a proportional number of units (based on the payment option and period chosen). The value of the payments will depend on the number of units and the respective fund Net Asset values (NAV) as on the date of each payment. At any time during this period, you can take the remaining Fund Value as a lump sum payment. Partial withdrawals and switches are not allowed during this period. If you wish to exercise the Settlement Option at the time of maturity, you need to inform the company 3 months before the maturity of the policy. Death or Rider Benefit will not be available during the settlement period. During the Settlement Period, the investment risk in the investment portfolio is borne by the policyholder.
2. In case you have not opted for Cover Continuance option, then your life cover continues for a period of 2 years from the last premium paid (by levying applicable charges), after which your policy will be foreclosed and applicable surrender value would be paid.
3. Increase in Sum Assured is allowed if all due premiums till date have been paid subject to underwriting. Any medical costs for this purpose would be borne by the policyholder and will be levied by cancellation of units. Decrease in Sum Assured is allowed only up to minimum Sum Assured allowed under this policy.
4. If premium is discontinued in the first three policy years and if the policy is not revived within the period of two years from the due date of the last unpaid premium, the policy will be surrendered. During this period, the policyholder will only have the benefit of investment in the respective unit funds.
5. On discontinuation of due premiums after paying at least three consecutive years premium, the policy will continue subject to all applicable charges and foreclosure condition for a revival period of two years. On non-resumption of payment during this period the policyholder can opt for cover continuance option failing which the policy will be surrendered.
6. Foreclosure condition - If premiums have been paid for three full policy years and after three policy years have elapsed, if the Fund Value falls below 110% of one full year's premium, the policy shall be terminated by paying the surrender value subject to payment of a minimum of one full year's premium.
7. If premium has been paid for three full policy years and after three policy years have elapsed; and the Fund Value across all funds under the policy falls below 110% of one full year's premium, the policy shall be terminated by paying the Fund Value after applying surrender charges, if applicable. This condition will also apply during the Cover Continuance period.
8. Tax benefits under the policy are subject to conditions under section 80C, 80D and 10(10D) of the Income Tax Act, 1961. Service tax and education cess will be charged extra by cancellation of units, as per applicable rates. The tax laws are subject to amendments from time to time.
9. Assets are valued daily on a mark to market basis.
10. Unit Pricing: When Appropriation/Expropriation price is applied the Net Asset Value (NAV) of a Unit Linked Life Insurance Product shall be computed as, market value of investment held by the fund plus/less the expenses incurred in the purchase/sale of the assets plus the value of any current assets plus any accrued income net of fund management charges less the value of any current liabilities less provisions, if any. This gives the net asset value of the fund. Dividing by the number of units existing at the valuation date (before any new units are allocated/redeemed), gives the unit price of the fund under consideration.
11. First premium will be allocated the NAV of the date of commencement of the policy. The premium received by outstation cheques, the NAV of the clearance date or due date, whichever is later, will be allocated.
12. Transaction requests (including renewal premiums by way of local cheques, demand draft; switches; etc.) received before the cutoff time will be allocated the same day's NAV and the ones received after the cutoff time will be allocated next day's NAV. The cutoff time

will be as per IRDA guidelines from time to time, which is currently 3:00 p.m.

13. The assumed returns shown in the benefit illustration are not guaranteed and they are not the upper or lower limits of what you might get back, as the value of your policy depends on a number of factors including future investment performance.
14. A period of 15 days is available to the policyholder during which the policy can be reviewed. If the investor does not find the policy suitable, the company will return the Fund Value by repurchasing the units after deducting the Insurance Stamp Duty on the policy and any expenses borne by the company on medicals.
15. In accordance to the Section 41 of the Insurance Act, 1938, no person shall allow or offer to allow, either directly or indirectly, as an inducement to any person to take or renew or continue an insurance in respect of any kind of risk relating to lives or property in India, any rebate of the whole or part of the commission payable or any rebate of the premium shown on the policy, nor shall any person taking out or renewing or continuing a policy accept any rebate, except such rebate as may be allowed in accordance with the published prospectuses or tables of the insurer.
16. In accordance to the Section 45 of the Insurance Act, 1938, no policy of life insurance shall after the expiry of two years from the date on which it was effected, be called in question by an insurer on ground that a statement made in proposal of insurance or any report of a medical officer or a referee, or friend of the insured, or in any other document leading to the issue of the policy, was inaccurate or false, unless the insurer shows that such statements was on material matter or suppressed facts which it was material to disclose and that it was fraudulently made by the policyholder and that the policyholder knew at the time of making it that the statement was false or that it suppressed facts which it was material to disclose.
17. For further details, refer to the policy document and detailed benefit illustration.

➤ **Revision of Charges**

- The company reserves the right to revise the following charges at any time during the term of the policy. Any revision will be with prospective effect subject to prior approval from Insurance Regulatory & Development Authority (IRDA) and after giving a notice to the policyholders.
- The following limits would be applicable in light of the above.
 - Fund management charge may be increased to a maximum of 2.50% per annum of the net assets for each of the funds.
 - Policy administration charge may be increased to a maximum of Rs. 180 per month.
 - Switching charge may be increased to a maximum of Rs. 200 per Switch.
- The policyholder who does not agree with the above shall be allowed to withdraw the units in the funds at the then prevailing fund value, without any application of surrender charges and terminate the policy.
- Mortality charges, Payor Waiver Benefit charges, Premium allocation charge and Surrender charges are guaranteed for the term of the policy.
- WOPR, IBR and ADBR rider charges are guaranteed for the policy term.

➤ **Risks of investment in the Units of the Funds**

The Proposer / Life Assured should be aware that SmartKid New Unit-linked Regular Premium is an endowment Unit-Linked Insurance Policy (ULIP) and is different from traditional products. Investments in ULIPs are subject to market risks. The Net Asset Value (NAV) of the units may fluctuate based on the performance of fund and factors influencing the capital market and the policyholder is responsible for his / her decisions. ICICI Prudential Life Insurance Company Limited, SmartKid New Unit-linked Regular Premium, Flexi Growth II, Maximiser II, Flexi Balanced II, Balancer II, Protector II and Preserver are only names of the company, policy, funds respectively and do not in any way indicate the quality of the policy and funds or their future prospects or returns. The funds do not offer a guaranteed or assured return.



About ICICI Prudential Life Insurance

ICICI Prudential Life Insurance Company Limited - a joint venture between ICICI Bank and Prudential plc. - was one of the first companies to commence operations when the insurance industry was opened in year 2000. Since inception, it has written over 5 million policies and has a network of over 680 offices, 235,000 advisors and 23 bank partners. It is also the only life insurer in India to be assigned AAA (ind) credit rating by Fitch Ratings.

**For more information call our Customer Service Toll Free Number on 1800-22-2020 from your MTNL or BSNL line.
(Call Centre Timings: 9.00 A.M. to 9.00 P.M. Monday to Saturday, except National Holidays)
Visit us at www.iciciprulife.com.**

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