

Whole Life By Limited Payments (Table 02)

Why State Life

State Life offers complete satisfaction to our valued policyholders from issuance of policy, providing after sales service and optimizing return on Life Fund through a quality culture and to maintain ourselves leading life insurer in Pakistan. The sum assured and declared bonuses payable on maturity or death (God Forbid) are guaranteed by the Government of Pakistan.

What is Whole Life by Limited Payments Plan (Table 02)?

Whole Life Plan by limited payment is a modification to whole life plan where the premiums are payable for selected term at affordable rates. It offers a significant combination of protection and saving till the age of 85 years. At the expiry of the selected term, the premium payments ceases but the policy continues to participate in SLIC surplus. The sum assured and bonuses becomes payable at death during or after the premium payment term or if the insured survives till the age of 85 years.

Based on current bonus rates 2022

Scenario 1

Policyholder's age at issue	36
Selected Sum Assured	1,000,000
Premium paying term	30
Annual Premium	27,580
Total Premium payable	827,400

Mr. Zaid is a salaried man who was searching for the life protection plan and to save for the better future of family after his retirement. He desired to pay reasonable premium amount for the selected term till he was on job.

After 10 years, he wanted to purchase a car and was short of money as the prices has been increased due to inflation. He avails loan facility from SLIC (80% of cash value). He received around 3 lakh which was almost 10% of the total paid in 10 years. He manages to repay the loan and all the 30 premiums. The premium paying term expires but the policy continues.

Unfortunately, he was not able to survive till the age of 85 years and died at the age of 76 years. His family received 7.7 million as death claim (almost 9 times of his premium paid).

Scenario 2

Policyholder's age at issue	25
Selected Sum Assured	750,000
Premium paying term	25
Annual Premium	16,023
Total Premium payable	400,575

Sara is a young mother and plans to save for the better future of her kids at very economical premium in specified period.

After 15 policy years, her house accidentally caught fire and she decided to avails loan facility from SLIC (80% of cash value) to support her husband. She received 5.7 lac from which she was able to renovate her house and decorate it again. She was able to repay the loan and all the due premium in 25 years.

As the premium payment term expires but the policy continues. Unfortunately, her husband died when she was 60 years. To manage her expense, she terminates her policy and received 2.1 million which is approx. 5 times of his total premium paid in 25 years.

Scenario 3

Policyholder's age at issue	40
Selected Sum Assured	1,000,000
Term of Policy	20
Annual Premium (with H&S)	38,080
Total Premium payable	761,600

Mr. Ahmed is a shop owner who plans to save for any contingencies or financial needs in future.

At the age of 45 years, he had an accident and was hospitalized for some period. The expenses incurred were reimbursed by SLIC as per the approved rates under Hospital and Surgical (H&S) rider attached to the policy.

He paid all the premiums in 20 years and the policy continues to participate in SLIC surplus.

At the age of 85 years, the policy terminates and the received total of 8.5 million (which is approx. 11 times of his total premium paid) and he finances his kids for the expansion of his shop.

Why Buy and what needs does this fulfill?

- To ensure that your immediate family has some financial support in the event of your demise
- To secure future from early stages at lower premium rate
- To have a savings plan for the future so that you have a source of income after retirement
- To help secure the future but paying for only the specified period
- To have best investment option as it offers higher returns than other plans

The benefits under the plan can be further increased by attaching supplementary contract.

Plan Features	Description
Plan Type	Whole life with surplus participation of 97.5%
Minimum/Maximum Age at Entry	20-55 Years
Minimum/Maximum term	10, 15, 20, 25, 30 or premium ceasing at the age of 70 years
Bonus participation	State Life announces a bonus every year according to its actuarial valuation and 97.5% of surplus is distributed as bonuses to all with-profit policies. The bonuses declared by State Life are guaranteed by the Government of Pakistan.

Where are the funds invested	State Life has a comprehensive investment policy and tactically invests its funds in Government Securities, Blue Chip Equities, Banks, etc.
Death Benefit	Basic Sum Assured plus accrued Bonuses are payable on death (God forbid) of the life assured under this plan
Surrender/ Early Withdrawal	The policyholder has the option to surrender the policy after 2 years' premium have been paid.
Maturity Benefit	Basic Sum Assured plus accrued Bonuses are payable upon survival of the life assured to maturity date.
Loan Facility	Under this plan, after the payment of third premium, if the policy holder immediately needs money, he/she can avail a maximum loan of 80% of the net surrender value of the policy.
Free-Look Period	The policy can be cancelled at the option of the policyholder within (14) fourteen days of its commencement date.
Grace period:	Policyholders can pay the premium to state life within a grace period of 31 days after it falls due.
Underwriting Requirements	The plan will be subject to underwriting as per standard practice of State Life
Add-Ons	Description
Accidental Death Benefit (ADB)	If this supplementary contract is availed, then on his/her accidental death (God forbid) during the term of policy, an amount equal to basic sum assured becomes payable.
Term Insurance Rider (TIR)	If this supplementary contract is availed, then on his/her death (God forbid) during the term of contract, an amount equal to basic sum assured becomes payable.
Accidental Indemnity Benefit (AIB)	If this supplementary contract is availed, then on his/her accidental death (God forbid) during the term of policy, an amount equal to basic sum assured becomes payable. Proportionate amount of sum assured is payable in the event of loss of two or more limbs or loss of sight in both eyes. For other injuries, weekly indemnities for total or partial disability are paid. Thereafter, an annuity will be payable upto maximum of 10 years.
Family Income Benefit (FIB)	If this supplementary contract is availed, then on his/her death (God forbid) during the term of contract, an annuity of 10% to 50% per annum of the basic sum assured is payable under the main policy till the expiry of rider.
Waiver of Premium (WP)	If this supplementary contract is availed, then on his/her total or permanent disability due to accident, the premium on the policy is waived.
Special Waiver of Premium (SWP)	If this supplementary contract is availed, then the premium on the policy to be waived during total or permanent disability when he/she is unable to engage in any occupation.
Guaranteed Insurability	If this supplementary contract is availed, SLIC gives the right to purchase additional life insurance upto specified maximum amounts on specific further dates at standard rates, without evidence of insurability being required at such later dates.
Hospital and Surgical (H&S)	If this supplementary contract is availed, then it provides benefits in case of his/her hospitalization in SLIC's approved hospitals, as result of sickness or accident.

Refund of Premium Rider (RPR)	If this supplementary contract is availed, then on his/her death (God forbid) during the term of contract, it provides refund of premium paid.
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Sample Premium Rates at term 20 years,

Age	Main Plan Premium Rate (Rs 1000 Sum Cover)	Add-ons	
		FIB (Rs 1000 Sum Cover)	ADB (Rs 1000 Sum Cover)
20	23.10	3.07	1.25
25	26.14	3.56	1.25
30	29.60	4.37	1.25
35	33.48	5.86	1.25
40	38.15	8.70	1.25
45	43.98	13.95	–
50	51.50	–	–
55	–	–	–

- *for rates specific to your age and term please contact our representative*
- *policy fee will be applicable on premium*
- *Rebate of 0.5 applicable on main plan premium for sum assured greater than equal to Rs. 300,000/-*

Disclaimers

This product is underwritten by State Life Insurance Corporation of Pakistan. The past performance of State Life Insurance Corporation of Pakistan is not necessarily a guide to future performance. A personalized illustration of benefits will be provided to you by our representative. Please refer to the notes in the illustration for detailed understanding of the various terms and conditions. A description of how the contract works is given in the policy privileges and conditions. This products brochure only gives a general outline of the product features and benefits and the figures used above are indicative and for illustration purposes only.

FAQ's

Whom is a death claim payable?

Death claim is usually payable to the nominee/ assignee or the legal successor, as the case may be. However, if the deceased policyholder has not nominated/ assigned the policy or not made a will, the claim is payable to the holder of a succession certificate or such evidence of title from a Court of Law.

What is Bonus?

State Life distributes its profits @ 97.5% (highest in the insurance industry) among its policyholders every year in the form of bonuses. Bonuses are credited to the account of the policyholders and paid at the time of maturity or at the time of death (if earlier). Bonus is declared as a certain amount per thousand of sum assured.

What are Medical and Non-Medical Schemes?

Life insurance is normally offered after a medical examination of the life to be insured. However, to facilitate greater spread of insurance and also as a measure of relaxation, State Life has been extending insurance cover without any medical examination, subject to certain conditions. This facility is called Non-medical Scheme.

What is underwriting?

Underwriting of a risk involves consideration of material facts on the basis of which a decision will be taken whether to accept the risk and if so at what rate of premium.

What is Surrender Value?

The amount payable by State Life on termination of the policy contract at the desire of the policyholder before the expiry of policy term is known as the surrender value of the policy.

Can a life insurance policy be sold?

It is not possible to raise money against your life insurance policy. However, there is a provision available by way of assignment or mortgaging the policy provided the policy has been in force for a minimum stipulated period.

How are premiums on life policies calculated?

The calculation of life insurance premiums is primarily based on age of the person to be insured, sum insured and term of the policy.

What is the procedure to get a Loan?

The policyholder has to apply for loan in a prescribed form and submit the policy document with the form duly completed.

How to repay the loan amount?

A policyholder can repay the loan amount either in part or in full anytime during the term of the policy.

What is Automatic Non-Forfeiture Options?

If the policy has acquired a surrender value and a premium has remained unpaid beyond the grace period, the policyholder will be entitled to benefits under one of the following two options given hereinafter, depending on the option exercised (if any) in his Proposal for this policy:

A – Automatic paid-up Option

This policy will be converted into a paid-up policy. The paid-up Sum Insured will be specially calculated to allow for the clearance of all outstanding dues of State Life against the policy.

B – Automatic Premium Loan Option

So long as the net surrender value of the policy equals or exceeds any due premium remaining unpaid beyond its grace period, State Life will continue to keep this policy in full force, and treat the said premium as paid by creating an automatic premium loan against the net surrender value of the policy.