

Bancassurance

BOP-Retirement Plan

The best you can give to
Your Old Age





To compliment the privileges of your retired life, The Bank of Punjab introduces BOP Retirement Plan, in collaboration with EFU Life Assurance Ltd. which provides an effective saving opportunity for achieving financial independence in retirement.

In addition to the retirement benefits, BOP Retirement Plan also provides a range of protection benefits enabling the plan to be tailored to needs of your retired life.

Unit Accumulation and Investment Fund

Every contribution paid towards the plan is invested in an internal investment fund of EFU Life selected by the customer. The contributions are utilized to buy units of the fund at the prevailing offer price. The objective of the funds is to maximize capital growth by investing in a balanced portfolio spread across a wide range of investment opportunities. The funds are managed by investment experts who adjust the mix of the underlying investments in light of economic conditions and investment opportunities.

Fund Selection Option

Under this option the new policyholders of The Bank of Punjab have an option to select a unit fund based on their risk appetite and investment objective at the inception of their policies. The policyholders will have an option (conditions apply) to select from the following three unit funds:

- EFU Managed Growth Fund
- EFU Guaranteed Growth Fund
- EFU Aitemad Growth Fund

A Range of Benefit Options

The plan allows one to choose from a whole range of options. During the plan term, one may select to withdraw the full or partial fund value. At retirement age of 60 and onwards, there is an option to select a pension option from the options given below (provided the policy had been in force for at least five policy years):

1. Guaranteed pension for 10 years, and thereafter for life of the customer
2. Life pension payable as long as the customer is alive
3. Joint Life pension payable to the customer, and on his/her death 50% continues to be paid to the spouse

In case funds are also needed at retirement, 25% of the retirement fund value can be withdrawn as a lumpsum amount, and the remaining 75% can be used to provide pension under any of the options selected.

Guaranteed Loyalty Bonus

The longer the plan is continued, the higher the rewards. The plan offers generous loyalty bonuses in the form of extra units in the fund if it is continued without any breaks beyond a period of 10 years. The bonus is allocated to the plan every 5 years and will increase the underlying accumulated fund value rapidly.

Built-in Accidental Death and Disability Benefit

The plan provides immediate funds in case the life assured dies due to accidental cause or suffers a disability. The amount of payout is 10 to 20 times the basic annual premium with a maximum payout limited to Rs. 5 million.

Fund Acceleration Premiums

This is a regular contribution plan but also gives the flexibility to top-up the savings by depositing surplus funds as lump sum contributions in the plan. These lump sum contributions, called "Fund Acceleration Premium" (FAP) payments can be made at any time during the policy term.

Death Benefit

The moment one starts saving with the Retirement Plan he will enjoy life assurance protection. This cover means that in case of death the dependants will receive

- The greater of the sum assured or the cash value of the plan at the date of death, AND
- Any cash value of the FAP payments

Sum Assured

This is the guaranteed amount payable on death. The sum assured may be selected from a range depending on the age at entry. The sum assured is determined as the Basic plan annual premium multiplied by the "Protection Multiple" which can be selected from the following table:

Age	Protection Multiple Range
18 to 49	5 to 35
50 to 60	10 to (70 - age)

Maturity Benefit

The amount payable at maturity is equal to the cash value of the fund at the time of maturity. This amount can be utilized to purchase pension as mentioned in the section 'A Range of Benefit Options'

Access to Savings at all Times

The plan provides complete access to the accumulated fund value at all times. After the contributions have been paid for two full years, the fund can be withdrawn for its full or partial value with specific conditions.

Additional Benefits

Various additional benefit riders are available which may be attached to the basic plan to enhance the coverage level. These riders are:

- Waiver of Premium Benefit
- Additional Term Assurance
- Family Income Benefit

Unit Allocation

The proportion of Basic Plan regular contribution allocated to investment is as follows:

Policy Year	Allocation Percentage
1	40%
2	80%
3	90%
4 to 10	100%
11 onwards	100% plus Loyalty Bonus allocation

Loyalty Bonus Allocation

A Loyalty Bonus Unit Allocation applies every 5 years, starting from the 11th policy year. The bonus allocation is a percentage of the average Basic Plan contribution paid up to the policy year immediately prior to the year in which Loyalty Bonus is to be allocated.

The extra unit allocation, in addition to the basic plan contribution is as follows:

Policy Year	Extra Unit Allocation
11	30%
16	45%
21	60%
26	75%
31	90%
And so on in later years	

Sample Illustration

For a 35 year old male, BOP-Retirement Plan with a term of 30 years, an annual basic plan premium of Rs. 20,000 and protection multiple of 30, the sum assured / insurance cover will be Rs. 600,000 and the expected cash values would be as follows:

Policy Year	* @ 6% p.a. rate of return		* @ 8% p.a. rate of return		* @ 10% p.a. rate of return	
	Main Plan Death Benefit	Cash Value of Regular Premium	Main Plan Death Benefit	Cash Value of Regular Premium	Main Plan Death Benefit	Cash Value of Regular Premium
5	600,000	75,714	600,000	79,707	600,000	83,877
10	600,000	189,609	600,000	210,466	600,000	233,736
15	600,000	337,396	600,000	397,133	600,000	468,586
20	600,000	526,703	662,362	662,362	833,868	833,868
25	774,941	774,941	1,034,685	1,034,685	1,389,287	1,389,287
30	1,088,666	1,088,666	1,548,705	1,548,705	2,228,732	2,228,732

The benefit on natural death will be the greater of the sum assured or cash value.

*The rate of return assumptions mentioned in the above table are before deduction of the Fund Investment Management charges. These charges have been deducted from the rate of return assumptions prior to determining the Illustrative Values in the tables.

Eligibility

The minimum and maximum ages at entry are 18 and 60 years next birthday respectively.

Term

The minimum savings term available is 10 years while the maximum is 45 years. The savings term has to be selected in such a way that the age of the customer at the end of the savings term is between 60 to 70 years.

Premium Contribution

The minimum annual basic plan premium is Rs. 9,000.

Monthly premium payment mode is only valid for policies with annual basic plan premium of Rs. 18,000 and above.

Premium for the built-in rider shall be charged on top of the basic plan premium.

For Fund Acceleration Premium payments - Minimum contribution is Rs.9,000

Maximum FAP contribution in a year is 5 times the current year's annual regular contribution.

Charges

The following charges apply on the plan

Investment Management Charge: 0.125% of the fund value per month

Bid/offer spread: 5% of the net regular contribution

Administration Charge: Rs. 50 per month

Disclaimer

- This product is underwritten by EFU Life Assurance Ltd. It is not guaranteed or insured by The Bank of Punjab or its affiliates and is not The Bank of Punjab product.

- The contributions in the plan are invested in any one of the mentioned growth fund as chosen by the policyholder.
- The cash values have been worked out at rate of return assumptions of 6%, 8% and 10% per annum.
- Depending upon the performance of the underlying investments in the fund, the actual values may be higher or lower than the ones shown in the table.
- The past performance of fund is not necessarily a guide to future performance. Any forecast made is not necessarily indicative of future or likely performance of the funds and neither EFU Life Assurance Ltd nor The Bank of Punjab will incur any liability for the same.
- A personalized illustration of benefits will be provided to you by our sales representative. Please refer to the notes in the illustration for detailed understanding of the various Terms and Conditions.
- Service charges and taxes will be applicable as per the bank's "Schedule of Charges" and taxation laws as stipulated by the relevant authorities.
- A description of how the contract works is given in the policy provisions and conditions. This product brochure only gives a general outline of the product features and benefits and the figures used above are indicative and for illustration purposes only.



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