

## **BACKGROUND:**

As a parent you wish for every success of your child and want to fulfill their dream come true. The future is unpredictable but with your wise decision now to save and invest for the future can at least help you to achieve a secure and successful future for your child.

Now, Sanima Bikas Bank has come up with Sanima Muna Bachat Khata (SMBK) in an attempt to help you in fulfilling your wish to make your child's future financially secured. We at Sanima believe that what you do for your child is never wasted, so we want to be your partner in providing financial advice to help you in saving and investment for your child's future.

## **Sanima Muna Bachat Khata:**

SMBK is a flexible investment or saving plan designed to meet your child's future educational expenses at the time when they go to graduate school. So here we are offering three different plans under SMBK to meet your financial need:

### **1. Investment Plan:**

- a. Investment Muna with life insurance coverage

### **2. Recurring Savings Plan:**

- a. Recurring Muna with life insurance coverage
- b. Recurring Muna without life insurance coverage

## **Key Benefit:**

- Planned savings
- Attractive future return
- Life Insurance coverage
- Discounted premium
- Hassel free

## **Plan 1: Investment Muna with Life insurance coverage:**

This is life insurance coverage cum deposit product. To start with, a bank account shall be opened with a lump sum amount based on child age group. At the maturity of insurance policy insured amount along with bonus will be deposited into customer account. Apart from this customer will earn maximum of 8% p.a. cumulative interest on their savings. Refer to **schedule A1** for estimated return on investment based on the sum assured of NPR 1 Lakh:

**Schedule A1**

Age of Child	Term	Deposit Amount	Total Saving
1	18	125,000	505731
2	17	150,000	569732
3	16	150,000	528826
4	15	150,000	490601
5	14	175,000	535621
6	13	175,000	497170
7	12	200,000	527968
8	11	225,000	551270
9	10	230,000	521762
10	9	255,000	538857

**Plan 2: Recurring Muna with Life Coverage**

This is life insurance coverage cum monthly deposit product. The deposit shall be multiple of Rs. 500. Besides the return of 8.00 % p.a. you will be having an insurance policy in the name of your child however, in this option you have to pay the annual insurance premium on your own. The benefit of this plan is that you will be getting discount on the insurance premium rate and have flexibility to add other options in the insurance policy you take. Refer to **schedule A2** for estimated return on your monthly deposit.

**Plan 3: Recurring Muna without life Insurance coverage**

This is similar to plan 2, however the life insurance coverage shall not be available in this plan. The deposit shall be multiple of Rs. 500. The small saving you make today will earn cumulative interest at the rate of 8.00 % p.a. and receive a lump sum amount after the completion of period that you have opted. It is aimed at providing a financial support to your child as per your plan.

**Schedule A2**

Monthly Deposit Amount (Rs.)	Return From Saving Period (Rs.)		
	5 Years	10 Years	15 Years
500	37,312	90,961	169,181
1000	74,625	181,922	338,363
1500	111,938	272,883	507,544
2000	149,251	363,845	676,726

**Eligibility:**

The child as per the detail below depending upon the option you choose can apply for the product.

Criteria	Investment Muna with Life Ins. Coverage	Recurring Muna With Life Ins. Coverage	Recurring Muna Without Life Ins. Coverage
Entry Age(Year)	1 -10 Years	1-10 Years	1-13 Years

**Summary of the Options:**

Criteria	Investment Muna with Life Coverage	Recurring Muna With Life Coverage	Recurring Muna Without Life Coverage
Maturity Age	18 years	18 Years	16
Minimum sum assured	Rs 50,000/-	Rs 50,000/	NA
Minimum Deposit	Rs 62,500/-	Rs 500/+ premium amount*	500/-
Maximum sum assured	Rs 1,000,000/-	Rs 1,000,000/-	NA
Premium Paying term	Annual	Annual	NA
Interest Paying term	Quarterly	Quarterly	Quarterly
Policy Term/Investment term	9-18 Years	8-18 Years	NA
Interest Rate	8.00 % p.a.	8.00 % p.a.	8.00 % p.a.

\*Premium cost varies as per the age of child and other additional options of insurance policy.

**Extra Benefits:**

1. Child up to age of 7 years does not require any medical examination.
2. Corporate Discount on insurance premium charge.
3. Free SMS Banking and i-banking.
4. 50% waiver on locker charges
5. 50% waiver on loan processing charges
6. Added benefit of privilege card which provides discount at various outlets like hospitals, book stores and other kid's stores.

**Disclaimer:**

1. The returns as per above schedules are estimated and cannot be regarded as the final return.
2. The interest rates stated above are subject to change as per market condition at the discretion of the bank. However interest rate will not be less than 4.00% p.a. till the plan period for plan 1 only.
3. This product does not allow customer to withdraw funds from account, however deposit is not restricted.
4. The insurance policy is underwritten by Nepal Life Insurance Company Limited.
5. The contract of life insurance policy shall be between the insurance company and the policy holder. The return from insurance policy shall be as per the terms and condition of the insurance company and bank shall have no influence on such payment. Similarly, reimbursement of insurance solely lies on Insurance company and bank shall have no obligation on the same.
6. Buying a life insurance policy is a long-term commitment. An early termination of the policy usually involves high costs and the surrender value payable may be less than the total premium paid.
7. The brochure is not a contract of deposit and insurance. The precise terms and conditions of the plan are specified in the deposit contract and policy contract respectively.