

Check My Endowment

Your answers

The results printed out here have been compiled from the information you have input into the calculator and the calculations have been carried out on that information.

If you have input inaccurate or incorrect information then the answers given here may be incorrect and you may draw from them the wrong conclusions.

If you think you have made an error and wish to rerun the calculations then you will have to purchase an additional copy of Check My Endowment once you have used up your allocation.

Policyholders name	Mr A N Other		
Date of birth	11/02/1939		
Insurance company	Company Union		
Endowment policy number	ABC1234567	Type of endowment	With profits
Policy sum assured	£40,052.00	Taken out	01/11/1995
Bonuses earned to date	£8,536.65	Matures	01/11/2018

Premiums paid annually	£2,249.97) at date of quotation (30/05/2005)
Total premiums paid to date*	£22,499.70	
Premiums still to pay*	£29,249.61	

* These figures are based on the assumption that your premium payments are up-to-date, i.e. your premiums are not in arrears.

CLAIM VALUE

Approximate claim value of the policy including profits (bonuses) if you died now:

£48,588.65

For which you have already paid premiums of £22,499.70

The figures that follow take no account of any tax you may possibly be liable for on surrender or maturity. See the paragraph below entitled 'Taxation' for brief details.

CONTINUING POLICY MATURITY VALUE Current Estimates

The estimated maturity values quoted by the insurer assume premiums continue to be paid to the maturity date. You have already paid premiums of £22,499.70 and are due to pay a further £29,249.61 up to the maturity date (01/11/2018).

Quoted Growth Rate:	At 4%	At 6%	At 8%
Maturity Proceeds	£61,700.00	£70,900.00	£85,300.00
Premiums paid	£22,499.70	£22,499.70	£22,499.70
Premiums to pay	£29,249.61	£29,249.61	£29,249.61
Total paid out	£51,749.31	£51,749.31	£51,749.31
Profit	£9,950.69	£19,150.69	£33,550.69
Growth required per annum*	3.3%	4.7%	6.6%

* Growth required from surrender value and future premiums to achieve estimated maturity proceeds.

The maturity projections include annual / reversionary bonuses and any terminal bonus.

MATURITY VALUE Original Estimates

The estimated maturity values quote by the insurer at the time you purchased the policy assuming premiums continued to be paid to the maturity date. (If entered by you into the program.)

Quoted Growth Rate:	At 5%	At 7.50%	At 10%
Policy Proceeds	£76,300.00	£100,000.00	£131,000.00

PAID-UP VALUE Current Estimate

£22,450.65

The estimated current paid-up value quoted by the insurer assuming the policy is made paid-up and no further premiums are paid to the maturity date, including the accrued bonuses of £8,537.

PAID-UP POLICY PROCEEDS AT MATURITY DATE

The maturity proceeds is the sum you would receive from the insurance company at the growth rates quoted, when your paid-up policy matures:

Growth rate	At 4%	At 6%	At 8%
Maturity Proceeds	£29,000.00	£33,500.00	£40,600.00
Premiums paid	£22,499.70	£22,499.70	£22,499.70
Premiums to pay	NIL	NIL	NIL
Total paid out	£22,499.70	£22,499.70	£22,499.70
Profit	£6,500.30	£11,000.30	£18,100.30
Growth required per annum*	4.4%	5.6%	7.1%

* Growth required from surrender value to achieve estimated policy proceeds.

The paid-up maturity projections include annual / reversionary bonuses and any terminal bonus.

REDUCTION OF INSURANCE COVER

The effect of making your policy paid-up will reduce the insurance cover on your life from the current sum assured plus bonuses of £48,588.65, to the paid-up value of £22,450.65 which will grow as illustrated if bonuses continue to be payable on a paid-up policy.

CURRENT BONUS RATES

Annual / reversionary bonus rate on sum assured:	1.000%
Annual / reversionary bonus rate on existing bonus:	1.000%
Terminal bonus rate:	0.000%

Bonus rates on paid up policies are the same.

INSURANCE COMPANY CHARGES ON YOUR POLICY AND INVESTED FUNDS

The profits calculations above are after the insurance company has made its charges as follows: (If entered by you in the program.)

Insurance cover charge / mortality charge	1.9%
Policy or administration charge	£1.00 per month
Administration charge as a percentage of the policy value at 1.250% per annum	

GUARANTEES

Brief details of any guarantees (if entered by you in the program):

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SURRENDER VALUE

Surrender Proceeds	£16,197.00
Premiums paid	£22,499.70
Premiums to pay	NIL
Total costs	£22,499.70
Profit / Loss	£-6,302.70
Rate of increase / reduction*	-6.7%

* Rate of annual increase / reduction on premiums paid to date to produce current surrender value.

REDUCTION OF INSURANCE COVER

The effect of surrendering your policy will reduce the insurance cover on your life from the current sum assured plus bonuses of £48,588.65, to NIL, except that you will have the surrender value to hand and could invest it elsewhere.

LOAN AGAINST THE POLICY

The insurance company is willing to offer you a loan of £8,000.00 against the policy at the variable annual interest rate of 8.800%.

NOTE REGARDING INTEREST AND GROWTH RATES

The growth rates quoted by your insurance company may not be achieved or may be exceeded and are therefore only estimates. The projected proceeds are calculated by the insurer allowing for future growth at (or close to) the rates shown less the costs of running your policy and managing your endowment fund.

GROWTH REQUIRED

The growth required is the compound annual interest rate that you would have to earn in future if you surrender the policy and invest the surrender value and future premiums with the target of matching the policy proceeds at maturity. A high value for 'growth required' implies that your investments would have to 'work hard' to achieve the same maturity proceeds if the surrender value and future premiums are invested elsewhere. On the other hand a low value for 'growth required' implies that the surrender value and future premiums, if invested elsewhere, may more readily attain the projected maturity proceeds. The growth required may be understated because it takes no account of the cost of the insurance cover that your policy provides.

The growth required for the paid up maturity proceeds is similarly the compound annual interest rate that you would have to earn in future if you surrender the policy but taking account only of the investment of the surrender value and disregarding future premiums.

TAXATION

Most regular premium policies are qualifying which means that if you pay premiums for a minimum period, usually 10 years, there is no tax charge on surrender or maturity. Otherwise, if you have paid premiums for less than the minimum period, or if the policy is non-qualifying, you may be liable to a charge for tax on any profit made. You should ask your insurance company whether there is a gain which may be chargeable to income tax and, if so, take advice on your tax position before assigning, or surrendering, or making the policy paid up.

CLOSED FUND

You have indicated that your endowment policy is invested in a closed fund. This means that the fund will not be increased by further sales of endowment policies.

The closed fund may still be managed by the insurance company which provided your policy or it may have been sold to another company to manage. It is impossible to measure the effect this may have on your policy.

Check My Endowment does not give financial advice.

The results from the Policy and Personal calculators will provide you with sufficient information about the performance of your policy to help you to make decisions, or, if you prefer, take the results to a financial adviser.

If you require advice you should approach an Independent Financial Adviser who is authorised by the Financial Services Authority. These may include an independent financial adviser, stockbroker, life insurance broker, solicitor, accountant, actuary, or other professionally qualified and authorised person.

If you now want to use the Personal Calculator to assess alternative strategies please click on the "Your calculations" link above and go to the Personal Calculator section.