Canara HSBC
LIFE INSURANCE

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SMART GUARANTEED PENSION

A Non - Linked Non- Par Individual Deferred Annuity Plan

UIN: 136N086V02

For any further details on the product, please refer the product brochure available on company’s website.
Version - Sep’24

Key Highlights of the Plan

- Guaranteed lifelong income by locking the current annuity rate
- Option to choose from 4 Annuity options basis client specific need
- Flexibility to choose from different Premium Payment Terms
- Option to receive annuity payouts Annually, Half-yearly, Quarterly or Monthly
- Option to choose a Deferment Period equal to PPT, PPT+3 years, or PPT+5 years
- Option to extend the plan benefits to the loved one by way of Joint life Annuity
- Enhanced Annuity with higher Annualized Premium

Annuity Options

01 Single Life Annuity with Return of Premiums

02 Single Life Annuity with Return of Premiums on Critical Illness (CI) or Accidental Total & Permanent Disability (ATPD) or Death

03 Single Life Annuity

04 Joint Life Annuity with Return of Premiums

Annuity Option 1 - Survival Benefit (Annuity)

Single Life Annuity with Return of Premiums

Annuity is payable

- At a constant annuity rate in arrears post Deferment Period
- Throughout the life of Annuitant.
- At the chosen frequency (yearly / half-yearly/ quarterly/ monthly)


Photo by Oleksandr Latkun from Noun Project

Annuity Option 1 - Death Benefit

Single Life Annuity with Return of Premiums

On death of the Annuitant, all future annuity payouts cease immediately, and the following benefit shall be payable:

- <u>**During Deferment Period, higher of:**</u>
  - Total Premiums Paid till the date of death + Guaranteed Additions (GAs)
  - 105% of Total Premiums Paid till the date of death
- <u>**After Deferment Period, higher of:**</u>
  - Total Premiums Paid + Guaranteed Additions (GAs) - total Annuity payouts till date of death
  - Total Premiums Paid

Annuity Options

01 Single Life Annuity with Return of Premiums

02 Single Life Annuity with Return of Premiums on Critical Illness (CI) or Accidental Total & Permanent Disability (ATPD) or Death

03 Single Life Annuity

04 Joint Life Annuity with Return of Premiums

Annuity Option 2 - Survival Benefit (Annuity)

Single Life Annuity with Return of Premiums on Critical Illness (CI) or Accidental Total & Permanent Disability (ATPD) or Death

Annuity is payable

- At a constant annuity rate in arrears post Deferment Period
- Throughout the life of Annuitant subject to claim paid upon diagnosis of CI/ ATPD before age 85 last birthday or on death of the Annuitant, whichever occurs earlier.
- At the chosen frequency (yearly / half-yearly/ quarterly/ monthly)

Annuity Option 2 - Death / Morbidity (CI / ATPD) Benefit

Single Life Annuity with Return of Premiums on Critical Illness (CI) or Accidental Total & Permanent Disability (ATPD) or Death

Upon the Annuitant being diagnosed with any of the covered Critical Illnesses (CI) or Accidental Total & Permanent Disability (ATPD) before age 85 or on death of the Annuitant, whichever occurs earlier

- All future annuity payouts cease immediately, and the following benefit shall be payable:

<u>During Deferment Period, higher of:</u>

- Total Premiums Paid till Date of death / diagnosis of CI / ATPD + Guaranteed Additions
- 105% of Total Premiums Paid till the date of death/ diagnosis of CI/ ATPD

<u>After Deferment Period, higher of</u>

- Total Premiums Paid **+** Guaranteed Additions (GAs)**-** total Annuity payouts till date of death/ diagnosis of critical illness/ ATPD
- Total Premiums Paid

Annuity Options

01 Single Life Annuity with Return of Premiums

02 Single Life Annuity with Return of Premiums on Critical Illness (CI) or Accidental Total & Permanent Disability (ATPD) or Death

03 Single Life Annuity

04 Joint Life Annuity with Return of Premiums

Annuity Option 3 - Survival Benefit

Single Life Annuity

Annuity is payable

- At a constant annuity rate in arrears post Deferment Period
- Throughout the life of Annuitant.
- At the chosen frequency (yearly / half-yearly/ quarterly/ monthly)

Annuity Option 3 - Death Benefit

Single Life Annuity

On death of the Annuitant, all future annuity payouts cease immediately, and the following benefit shall be payable:

During Deferment Period, higher of:

- Total Premiums Paid till the date of death + Guaranteed Additions (GAs)
- 105% of Total Premiums Paid till the date of death

After Deferment Period

No Death Benefit would be payable

Annuity Options

01 Single Life Annuity with Return of Premiums

02 Single Life Annuity with Return of Premiums on Critical Illness (CI) or Accidental Total & Permanent Disability (ATPD) or Death

03 Single Life Annuity

04 Joint Life Annuity with Return of Premiums

Annuity Option 4 - Survival Benefit

Joint Life Annuity with Return of Premiums

Annuity is payable

- At a constant annuity rate in arrears post Deferment Period
- Till the time the last survivor is alive
- At the chosen frequency (yearly / half-yearly/ quarterly/ monthly)


Photo by Oleksandr Latkun from Noun Projec

Annuity Option 4 - Death Benefit

Joint Life Annuity with Return of Premiums

- On death of any one of the Annuitants during or after the Deferment Period, no death Benefit is payable.
- On death of the surviving Annuitant, all future annuity payouts cease immediately, and the following benefit shall be payable:

During Deferment Period higher of:

- Total Premiums Paid till the date of death + Guaranteed Additions (GAs)
- 105% of Total Premiums Paid till the date of death

After Deferment Period

- Total Premiums Paid + Guaranteed Additions (GAs) - Total Annuity payouts till date of death
- Total Premiums Paid

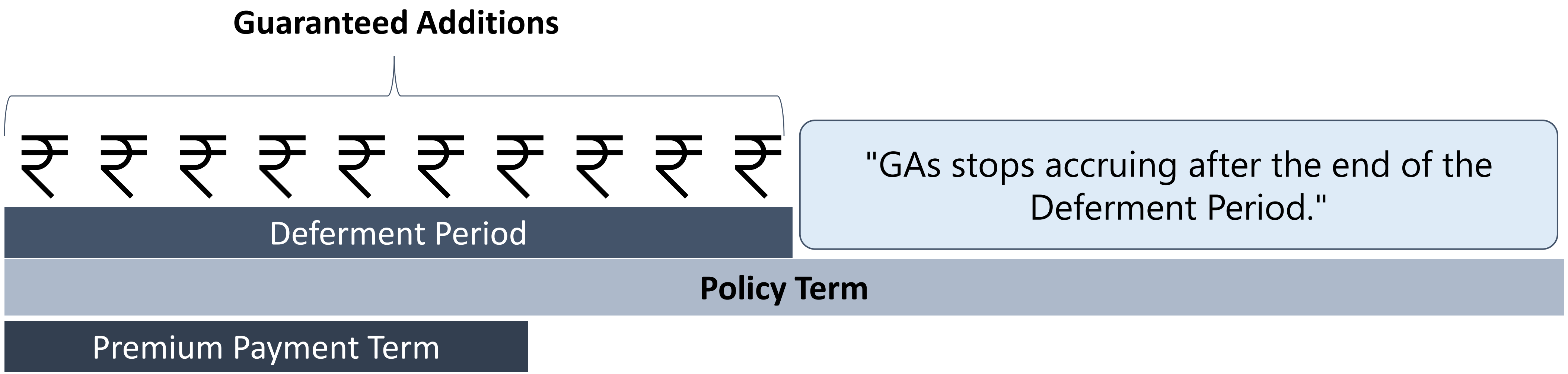
Annuity Option 4 – Secondary Annuitant

Joint Life Annuity with Return of Premiums

- In case of Joint Life, the Secondary Annuitant can be spouse, child, parent, parent-in-law, sibling of the Primary Annuitant.
- Other relationships maybe considered as long as there is an insurable interest between the Annuitants.
- In case of Joint life, premium would be paid as long as one of the two Annuitants is alive.

Guaranteed Additions

- Guaranteed Additions (GAs) accrue during the Deferment Period at the end of every month
- $\text{Monthly Guaranteed Additions} = \dfrac{6\%\ of\ Total\ Premiums\ Paid\ till\ Date}{12}$



High Premium Incentive

The annuity rates vary by

- Annualized Premium band
- higher annuity rates corresponding to higher Annualized Premium as specified below

Annualized Premium Band	High Premium Incentive
Minimum to less than ₹ 1.00 Lakh	Nil
₹ 1.00 Lakh to less than ₹ 2.50 Lakhs	1.50%
₹ 2.50 Lakhs to less than ₹ 5.00 Lakhs	2.25%
Greater than or equal to ₹ 5.00 Lakhs	3.00%

Staff Discount

Staff Discount (By reducing the first-year premium) is applicable on the policies sold to Staff members.

- Staff includes employees (including their spouse, children and parents) of
  - Canara HSBC Life Insurance Co. Ltd
  - Its shareholder banks (Canara Bank and Punjab National Bank), HSBC Bank
  - Other distribution partners; including their group / associate companies
  - Staff Discount shall be applicable on first year premium for all channels as detailed below:

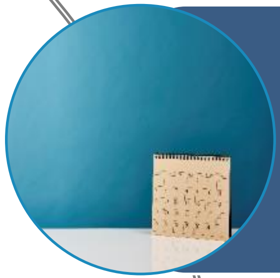
Premium Payment Term (Years)	Staff Discount (as % of first year premium)
All	3.75%

Policy Loan

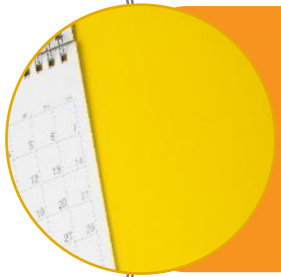
Loan facility is available in this product **during the Deferment Period** provided that the Policy has acquired the Special Surrender Value.

- Minimum loan amount - Rs. 50,000
- Maximum loan amount - Up to 80% of the Surrender Value
- The prevailing rate of interest on loan for FY 24-25 is 8.50% per annum compounded yearly on policy anniversary.

Survivorship Certificate:



The Survivorship Certificate for the applicable Annuitant shall be submitted every year to the Company



Certificate to be submitted at least 15 days prior to the Policy Anniversary date but not before 60 days prior to the Policy Anniversary date.

In case the Survivorship Certificate is not received by the Company, the payment of Annuity Installments shall cease immediately.

- Upon receipt of the due Survivorship Certificate, the payment of Annuity Installments shall resume and all the arrears, without any interest on the same, shall be settled.

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Boundary Conditions

Boundary Conditions

Minimum Entry Age

30 years
(age last birthday)

Maximum Entry Age

80 years
(age last birthday)

Policy Term - Single Life

Till the death of the Annuitant, or till the diagnosis of covered CI or ATPD (as applicable), whichever is earlier

Policy Term - Joint Life

Till the death of the last survivor.

Boundary Conditions

Premium Payment Term

4 to 10 years

Deferment Period

- PPT years
- PPT + 3 years
- PPT + 5 years

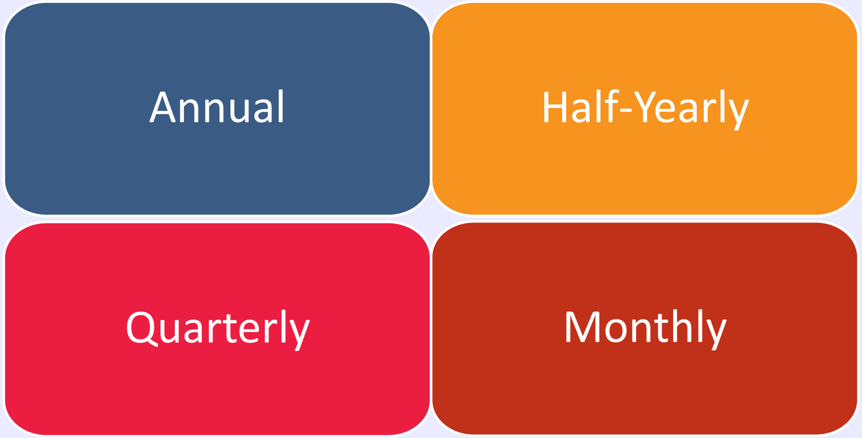
Minimum Annuity Amount

Yearly - 12,000
Half-Yearly - 6,000
Quarterly - 3,000
Monthly - 1,000

Annuity Instalment is dependent upon Entry Age, Gender, Premium, Annuity Option, Annuity Frequency, Deferment Period and Premium Payment Term subject to minimum annuity installment amount

Premium Payment Mode

- Premium Payment Frequency cannot be changed once selected at policy inception
- The Modal Factors
  - Annual - 1.00
  - Half-Yearly - 0.51
  - Quarterly - 0.26
  - Monthly mode - 0.09



Annuity Frequency

- The frequency of payment of Annuity Installment can be altered anytime however, the same shall be effective from the subsequent policy anniversary date (subject to giving at least 60 days prior notice to the Company), provided that the minimum Annuity Installment post change of payment mode is at least Rs. 1,000 per month.
- Modal Factors of annuity payment:
  - Annual - 1.00
  - Half-Yearly - 0.98
  - Quarterly - 0.97
  - Monthly mode - 0.96

Annual	Half-Yearly
Quarterly	Monthly

Plan at a Glance

<table>
<tr><th>Parameter</th><th colspan="5">Description</th></tr>
<tr><td>Entry Age
(Age as attained on last birthday)</td><td colspan="5">30 years to 80 years</td></tr>
<tr><td>Premium</td><td colspan="5">Minimum: Subject to minimum annuity Installment II Maximum: No Limit</td></tr>
<tr><td>Premium Payment Term (PPT)</td><td colspan="5">4 to 10 years</td></tr>
<tr><td>Deferment Period</td><td colspan="5">PPT; PPT+3 Years; PPT+5 Years</td></tr>
<tr><td rowspan="3">Premium Payment Frequency
& modal factors</td><td colspan="5">Annual; Half-yearly; Quarterly; Monthly</td></tr>
<tr><td>Premium Payment Frequency</td><td>Annual</td><td>Half Yearly</td><td>Quarterly</td><td>Monthly</td></tr>
<tr><td>Modal Factors</td><td>1.00</td><td>0.51</td><td>0.26</td><td>0.09</td></tr>
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& Modal Factors</td><td colspan="5">Annual; Half-yearly; Quarterly; Monthly</td></tr>
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<tr><td>Modal Factors</td><td>1.00</td><td>0.98</td><td>0.97</td><td>0.96</td></tr>
<tr><td rowspan="2">Minimum Annuity (₹)</td><td>Annuity Instalment Frequency</td><td>Annual</td><td>Half-Yearly</td><td>Quarterly</td><td>Monthly</td></tr>
<tr><td>Minimum Annuity (Rs.)</td><td>12,000</td><td>6,000</td><td>3,000</td><td>1,000</td></tr>
<tr><td>Maximum Annuity</td><td colspan="5">No Limit (As per BAUP)</td></tr>
</table>

Deferment Period is the period, in years, commencing from the date of commencement of the Policy to the date of vesting where date of vesting is the date post which the first annuity payment is made to the annuitant in arrears.

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Annexure

- Free look period
- Grace Period
- Nomination and Assignment
- Suicide exclusion
- Lapse
- Tax Benefits
- Surrender
- Revival
- Paid-Up
- ATPD
- Critical Illness

Free look period

- If the Policyholder does not agree with the terms and conditions of the Policy or otherwise & has not made any claim they shall have the option to request for cancellation of the Policy by returning the Policy Document (if issued physically upon request) along with a written request stating the reasons for non-acceptance to the Company within the free-look period of 30 days from the date of receipt of the Policy Document, whether received electronically or otherwise (whichever is earlier).
- If the Policyholder cancels the Policy during the free look period, the Company will cancel the Policy and refund the amount calculated as Total Premiums Paid less stamp duty charges.

Grace Period

- You are required to pay premium on or before the premium payment due date. However, You are provided with a Grace Period of 30 days for Annual, Half-yearly and Quarterly modes and 15 days for monthly mode from Premium due date to pay due premium. In case of death of the Annuitant during the grace period, the Company will pay the applicable death Benefit post deduction of due unpaid premium

Nomination and Assignment

- Nomination should be in accordance with provisions of Section 39 of the Insurance Act, 1938, as amended from time to time.
- Assignment should be in accordance with provisions of Section 38 of the Insurance Act, 1938, as amended from time to time

Suicide exclusion

- If the Annuitant / Primary Annuitant / Secondary Annuitant (whether sane or insane at the time) commits suicide at any time within 12 months from the date of commencement of risk, provided the Policy is in-force or from the date of revival of the Policy, as applicable, higher of 80% of the Total Premiums Paid till the date of death or the surrender value as available on the date of death will be paid. Upon payment of the above benefit, the Policy will terminate.
- There are no exclusions other than suicide clause (as mentioned above) for Death Benefit.

Lapse

- A Policy shall acquire Lapse status at the expiry of grace period if the Policyholder fails to pay due Premiums within the grace period in the first policy year.
- If Policyholder does not revive the lapsed policy by the end of revival period, it will terminate after paying any Surrender Value, if applicable.

Tax benefits

- You are entitled for tax benefits in accordance with the provision of Income Tax Act, 1961 as amended from time to time. Please consult your independent tax advisor for tax related queries.

Paid-up

- After payment of at least first full year’s Premium, if any subsequent due Premium is not paid within the grace period, the Policy shall acquire a Paid-up status.

Once a Policy attains Paid-up status:

- **The annuity instalment amount** will reduce. Paid-up annuity amount to be calculated as:
  - Original annuity amount X {number of months for which premiums are paid / (12 X Premium Payment Term)}.
  - If the Paid-up annuity instalment amount calculated as above is less than the minimum annuity allowed under the product, the Policy will cease and the Surrender Value will be paid as a lump sum at the end of the revival period of 5 years from the due date of first unpaid premium.
- **Guaranteed Additions (GAs)** will accrue as:
  - Original Guaranteed Additions X {number of months for which premiums are paid / (12 X Premium Payment Term)}.

Surrender

This plan intends to meet your income requirements after retirement. Therefore, we strongly advise that you should continue with the Policy till the end.

The surrender value payable is higher of Guaranteed Surrender Value (GSV) and Special Surrender Value (SSV) subject to a minimum of zero and maximum of Death Benefit applicable.

- For Annuity Option 3, Surrender Value is nil post Deferment Period.
- Guaranteed Surrender Value (GSV) - Policy acquires a GSV, on payment of at least 2 full years premiums. GSV is determined based on a defined percentage of the Total Premiums Paid. GSV will be applicable for all the Annuity Options.
- Special Surrender Value (SSV)
    - The Special Surrender Value (SSV) shall become payable after completion of first policy year provided one full policy years' Premium has been received.

Revival

Customers can make a request for revival of policy if the policy is in Lapse or Paid-up status.

- The request for revival can be made anytime during the revival period of 5 years from the due date of first unpaid premium.
- Revival shall be as per the Board Approved Underwriting Policy of the Company.
- Payment of all un-paid Premiums along with interest (as notified by the Company from time to time), calculated on simple interest basis..
- On revival of a lapsed or paid-up policy, the benefits under the policy before the date of lapse or Paid-up will be reinstated.
- In addition, on revival of a Paid-up policy, the difference between the Paid-up benefits already paid out during the revival period and the original benefits payable will also be paid to you.
- If a policy in lapse state is not revived within the revival period, it shall terminate upon expiry of the revival period.

Accidental Total & Permanent Disability (ATPD)

The following definition of ‘Accidental Total & Permanent Disability Benefit’ is used within this plan:

- **“Accident”** means sudden, unforeseen and involuntary event caused by external, violent and visible means which occurs after the risk commencement date of the Policy and before the termination of the Policy.
- **“Accidental bodily injury”** means bodily injury of the annuitant caused solely and directly from an Accident and independently of any other intervening causes AND which occurs within 180 days of the date of Accident.
- **“Accidental Total & Permanent Disability” (ATPD)** shall mean the occurrence of any of the following conditions as a result of Accidental bodily injury:
    - Loss of use or Loss by severance of two or more limbs at or above wrists or ankles.
    - Loss of Sight
    - Loss of Speech
    - Loss of Hearing

- The above disability must have persisted for at least 6 consecutive months (except for “Loss of Speech” where the disability must be established for a continuous period of 12 months) and must, in the opinion of a registered Medical Practitioner appointed by the Company, be deemed total and permanent.
- The above mentioned 180 days period will not be applicable for disabilities due to Loss by severance.

Accidental Total & Permanent Disability (ATPD) Exclusions

No benefit will be payable in respect of any of the conditions covered under the ATPD Cover, arising directly or indirectly from, through or in consequence of the following exclusions:

1. The annuitant taking part in any hazardous sport or pastimes (including hunting, mountaineering, racing, steeple chasing, bungee jumping, etc., any underwater or subterranean operation or activity and racing of any kind other than on foot.
2. The annuitant flying in any kind of aircraft, other than as a bonafide passenger (whether fare-paying or not) on an aircraft of a licensed airline.
3. Self-inflicted injury, suicide or attempted suicide-whether sane or insane
4. Under the influence or abuse of drugs, alcohol, narcotics or psychotropic substance not prescribed by a registered medical practitioner*.
5. Service in any military, air force, naval or paramilitary organization.
6. War, civil commotion, invasion, terrorism, hostilities (whether war be declared or not).
7. The annuitant taking part in any strike, industrial dispute, riot.
8. The annuitant taking part in any criminal or illegal activity with criminal intent or committing any breach of law including involvement in any fight or affray.
9. Exposure to Nuclear reaction, Biological, radiation or nuclear, biological or chemical contamination.
10. Physical handicap or mental infirmity.

- In case ATPD benefit is claimed however is not admissible due to any of the exclusion clause(s) applicable for ATPD, then the ATPD would not be payable. However, the benefit payable in the event of Death/CI will continue.

Critical Illness Benefit (CI)

- 7 Critical Illnesses covered under CI Benefit are given in the table below:

1. CANCER OF SPECIFIED SEVERITY
2. MYOCARDIAL INFARCTION
3. OPEN CHEST CABG
4. KIDNEY FAILURE REQUIRING REGULAR DIALYSIS
5. STROKE RESULTING IN PERMANENT SYMPTOMS
6. MAJOR ORGAN /BONE MARROW TRANSPLANT
7. PERMANENT PARALYSIS OF LIMBS

- Waiting Period of 90 days will be applicable from the risk commencement date. The benefit shall not apply or be payable in respect of any of the listed conditions of which you were diagnosed within the waiting period
- In case CI benefit is claimed, however is not admissible due to any of the exclusion clause(s) applicable for CI, then the CI would not be payable. However, the benefit payable in the event of Death/ ATPD will continue
- Please refer product brochure available on company website for further details.

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