

CANARA HSBC LIFE INSURANCE



SARAL PENSION

A Non-Linked, Non-Participating Single Premium, Individual Immediate Annuity Plan

Product UIN : 136N076V03

This document is strictly for training purpose only. Please refer product broacher on company website for further clarity
Final Version : August'24



Need for Saral Pension

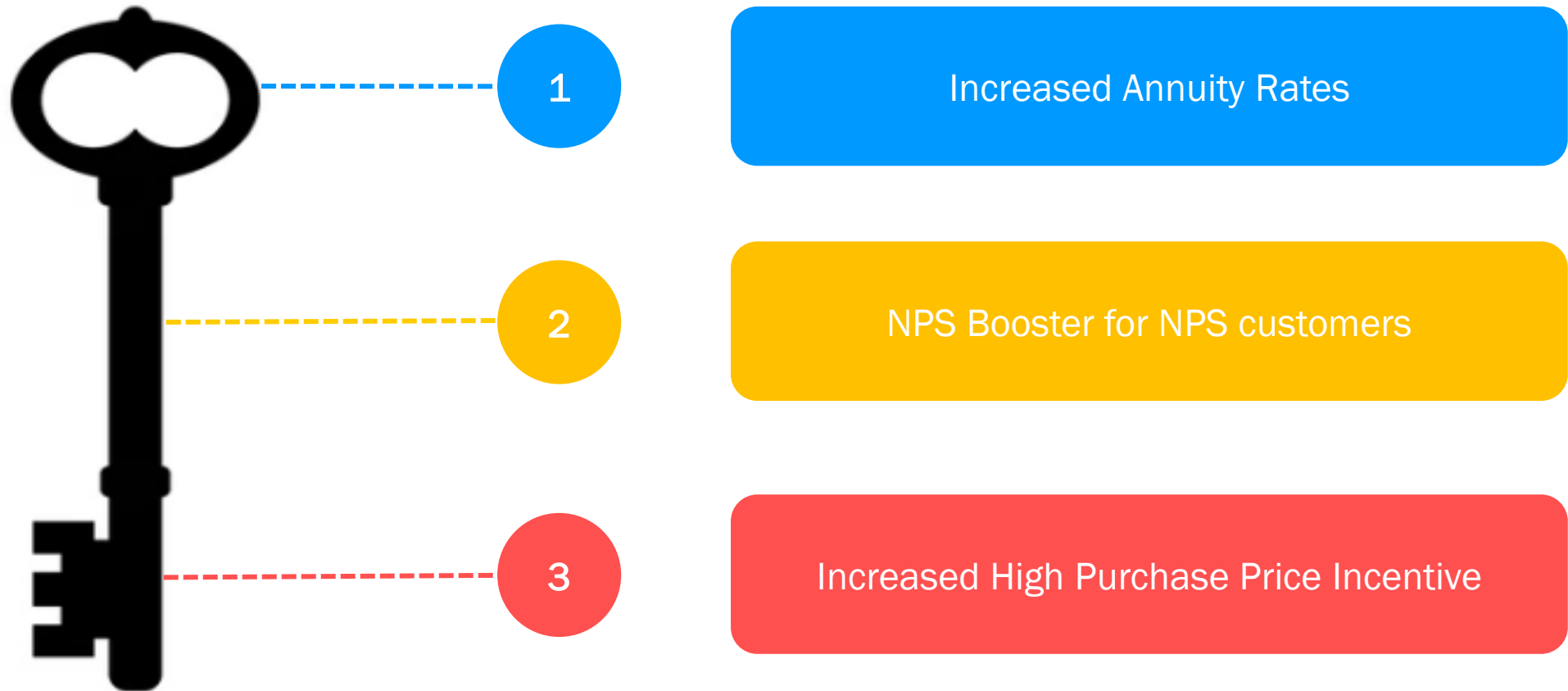
☐ Standard individual immediate annuity plan mandated by Regulator

☐ Simple features with standard terms and conditions

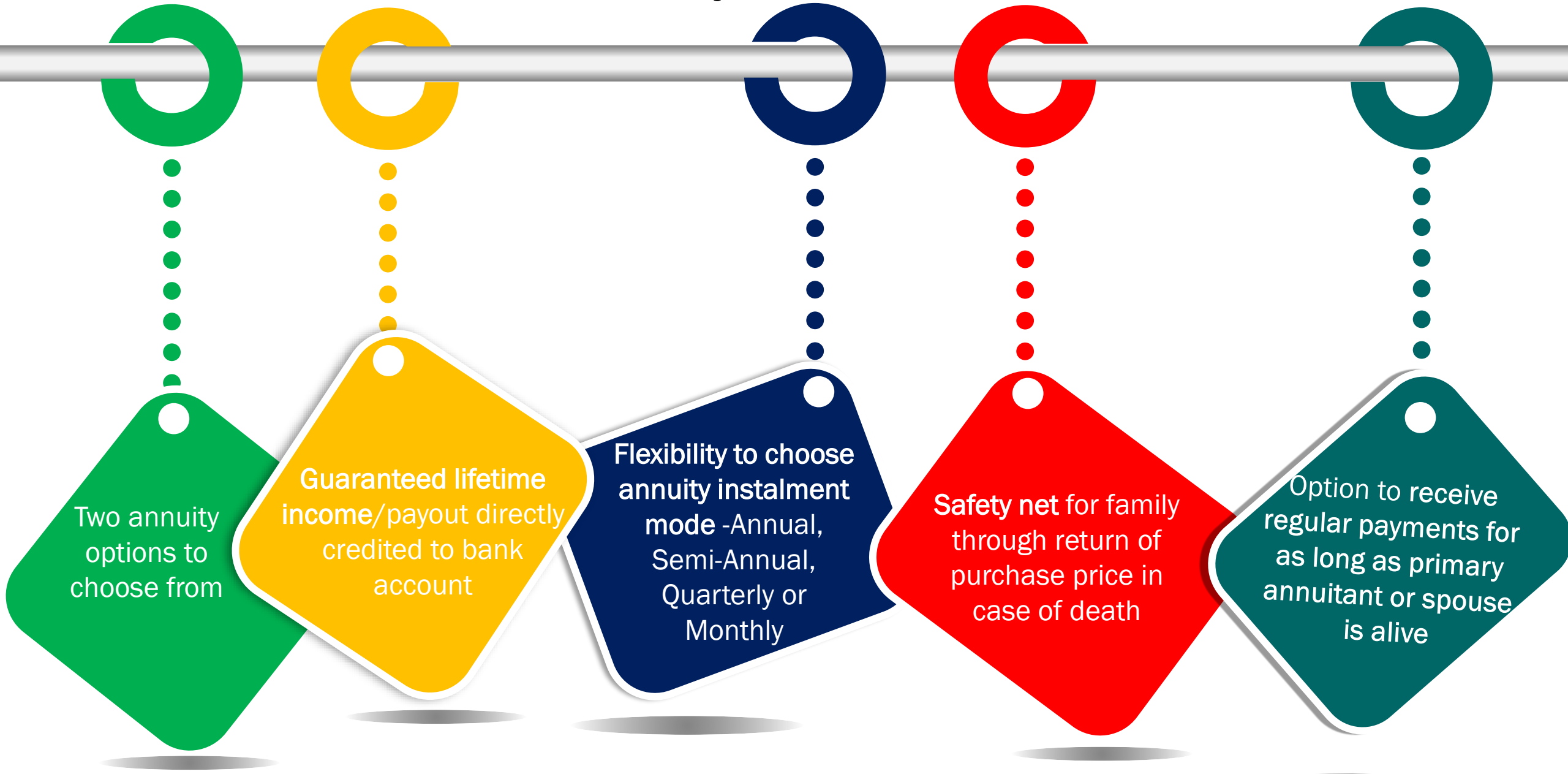
☐ Better annuity rates to NPS customers



Key advantages for NPS subscribers



Key Benefits



Annuity Options

1

Life Annuity with Return of 100% of Purchase Price

2

Joint Life Last Survivor Annuity with Return of 100% of Purchase Price on death of the last survivor

Please note that an Annuity option and Annuity Instalment mode once chosen at policy inception cannot be changed at a later stage

1

Life Annuity with Return of 100% of Purchase Price

Single Life

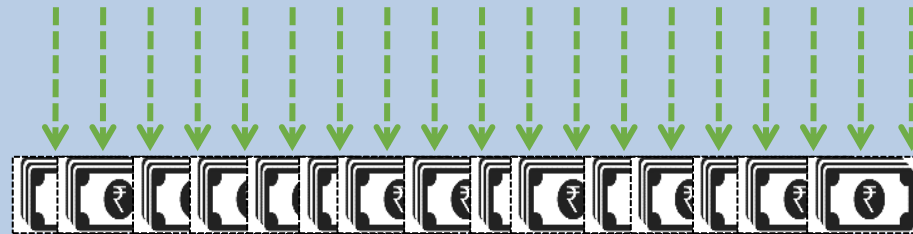
Lump sum amount
to purchase annuity



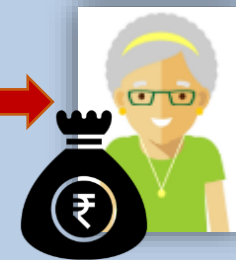
Annuity is payable till Survival of annuitant



Annuitant



Death of
Annuitant

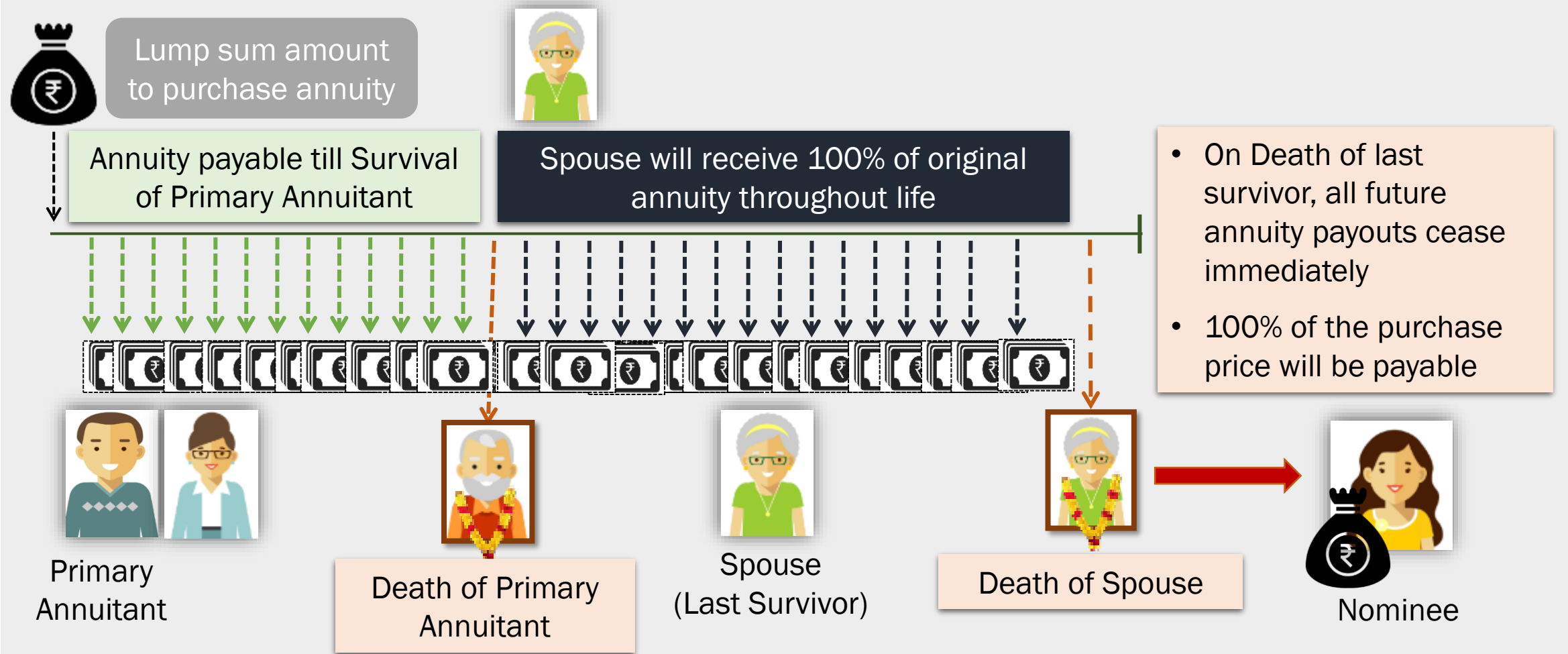


Nominee

- On Death of Annuitant, all future annuity payouts cease immediately
- 100% of purchase price is payable

2 Joint Life Last Survivor Annuity with Return of 100% of Purchase Price on death of the last survivor - **Joint Life**

Second Life : Only spouse





National Pension Scheme (NPS) Customers

→ Annuity Options offered to PFRDA / NPS Customers under Saral Pension:

1. Life Annuity with Return of 100% of Purchase Price
2. Joint life Last Survivor Annuity with Return of 100% of Purchase Price (ROP)

For other annuity options, Pension4life can be offered.

→ Saral Pension can be offered to NPS customers from age 40 years to 80 years. For any other age group, Pension4life Plan can be offered.

→ For NPS subscribers' nomination & assignment would be as per the rules governed by PFRDA as amended from time to time

→ Surrender is not allowed in case the annuity is issued to NPS subscribers

→ For policies purchased out of NPS proceeds, amount will be refunded and transferred as per the applicable PFRDA Regulations

Plan Benefits

Death, Maturity, Surrender Benefit and many more...



Death Benefit



1

Life Annuity with Return of 100% of Purchase Price

- All future annuity payouts cease immediately
- Purchase Price* paid to nominee(s)/ legal heirs
- Policy will terminate.

2

Joint Life Last Survivor Annuity with Return of 100% of Purchase Price on death of the last survivor

- 100% of original annuity throughout life to Spouse
- On subsequent death of spouse
 - All future annuity payouts cease immediately
 - Purchase Price* paid to nominee(s)/ legal heirs
 - Policy will terminate

Maturity Benefit

- Maturity benefit is NOT applicable

*Exclusive of applicable GST and cess (if any) on Purchase Price

Surrender Benefit



- Surrender is not allowed for policies where annuity is purchased from NPS proceeds
- Policy can be surrendered any time **after six months from date of commencement**
- Surrender allowed if **Annuitant or spouse or any of the children of Annuitant is diagnosed as suffering from any of critical illnesses** as mentioned under section 'Critical Illnesses' subject to satisfaction of the medical examiner
- List of critical illnesses may be revised from time to time by the IRDAI
- **Surrender Value = 95% of Purchase Price**
- Surrender value is adjusted for any outstanding loan amount and loan interest, if any
- On surrender, future annuity payouts will cease immediately, and Policy will terminate

Loan Facility



- Available after 6 months from date of commencement of policy

- Minimum loan amount : Rs. 50,000

- Maximum amount of loan will be such that effective annual interest amount payable on loan does not exceed 50% of the annual annuity amount payable under the Policy
- Policyholder can avail loan upto 75% of Purchase Price

Interest on Loan

- Notified by company based on 10-year G-Sec rate as on 1st April *plus* 200 bps
- Applicable on all loans granted during the period of twelve months, beginning 1st May of that Financial Year
- Calculated on Simple Interest basis
- **Recovered from annuity amount payable**

- Repay loan principal at any time during time period of annuity payments

- Death claim or surrender amount will be payable after full recovery of outstanding loan and interest, if any



High Purchase Price Booster

Purchase Price Band (₹) (excluding Goods and Services Tax & applicable cess (es)/levy, if any)	High Purchase Price Incentive (per Rs.1,000 of Purchase Price)
2 lacs to less than 3 lacs	Nil
3 lacs to less than 5 lacs	0.50
5 lacs to less than 10 lacs	1.00
10 lacs and above	1.75

NPS Booster

- Applicable for NPS customers (sourced by Direct Sales Force)
 - Increase in annuity rates by 3%



Staff Booster



- Staff Booster will not be applicable for NPS customers

- Applicable only on those policies which are sold to Staff members
 - **Increase in annuity rates by 1%**

*Staff includes employees (including their spouse, children and parents) of Canara HSBC Life Insurance Co. Ltd, its shareholder banks - Canara Bank, HSBC and other distribution partners; including their group / associate companies

Boundary Conditions



Age at Entry



Minimum

40 years

Maximum

80 years

Purchase Price Single Premium*



Minimum

Rs 2,08,830

Depends on minimum annuity
installment

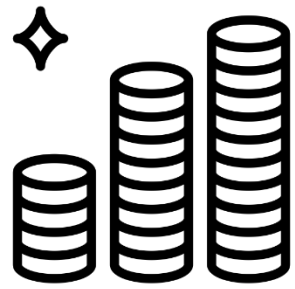
Maximum

No Limit



Annuity Installment

Amount & Mode



Annuity Installment Amount

Depends on
Entry age | Gender | Purchase Price | Annuity Option
(Subject to Minimum of Rs. 1,000 per month)

Annuity Payout Mode

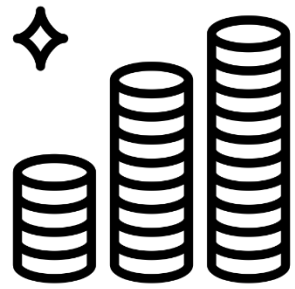
Yearly | Half-Yearly | Quarterly | Monthly

- **Minimum Annuity Amount as per annuity mode (decided by IRDAI)**
 - Yearly : Rs. 12,000
 - Half-yearly : Rs. 6,000
 - Quarterly : Rs. 3,000
 - Monthly : Rs. 1,000
- **For female annuitant, a setback of 3 years is applied**



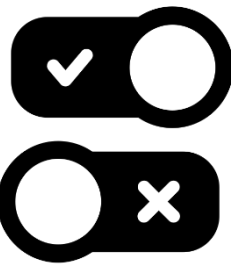
Annuity Installment

Modal Factor & First Annuity Payout



Mode	Modal Factor	First Annuity Payout from the date of purchase
Yearly	1.00	After one year
Half-Yearly	0.98	After 6 months
Quarterly	0.97	After 3 months
Monthly	0.96	After one month

Annuity instalments -paid by electronic transfers directly to the bank account of the annuitant

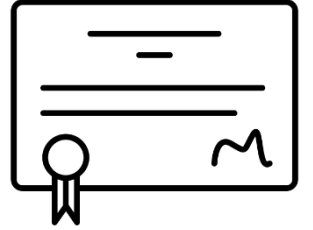


Annuity Options & Payout Mode



- Annuity Options cannot be changed at a later stage
- Frequency of Annuity payment can not be changed
- Top-Up option is not available

Existence Certificate



- Submitted (for applicable Annuitant) **every year** to the Company **at least 15 days prior to the policy anniversary date** but not before 60 days prior to the policy anniversary date
-
- Payment of **Annuity Instalments cease** immediately in case existence certificate **NOT** received by the Company
 - Upon **receipt** of existence certificate
 - ✓ Payment of Annuity Installments will **resume** and all arrears without any interest on same will be settled net off loan interest, if any

Plan Summary

Summary – 1/3



Parameter	Details
AGE AT ENTRY (As on Last Birthday)	Minimum: 40 years Maximum: 80 years
PURCHASE PRICE (Single Premium)	Minimum : ₹ 2,08,830 (excluding Goods and Services Tax & applicable cess (es)/levy, if any) Maximum : No limit <ul style="list-style-type: none">▪ In case of customers of Company's Pension Products whereby proceeds or part of the proceeds from Pension Products that the customer wishes to utilize to purchase an annuity under this product is less than the minimum purchase price available under this product<ul style="list-style-type: none">❑ 100% of the policy proceeds shall be payable and annuitization of proceeds shall not be allowed
ANNUITY INSTALLMENT FREQUENCY	<ul style="list-style-type: none">• Yearly : Yearly Annuity• Half-yearly : 98% of Yearly Annuity x 1/2• Quarterly : 97% of Yearly Annuity x 1/4• Monthly : 96% of Yearly Annuity x 1/12
GENDER	Male Female Transgender
ANNUITY OPTIONS	Two Annuity Options (Available to NPS customers also) <ol style="list-style-type: none">1. Single life annuity with 100% ROP2. Joint life annuity with 100% ROP on death of last survivor

Summary – 2/3



Parameter	Details
DEATH BENEFIT	<ul style="list-style-type: none">Option 1 - Life Annuity with Return of 100% of Purchase Price : Purchase Price[#]Option 2 - Joint Life Last Survivor Annuity with Return of 100% of Purchase Price on death of the last survivor : 100% of original annuity throughout life to surviving annuitant (Spouse) and Purchase Price[#] on death of last survivor
MATURITY BENEFIT	<ul style="list-style-type: none">Not applicable
SURRENDER BENEFIT	<ul style="list-style-type: none">Policy can be surrendered any time after six months from date of commencementSurrender allowed if Annuitant or spouse or any of the children of Annuitant is diagnosed as suffering from any of critical illnesses as mentioned under section 'Critical Illnesses' subject to satisfaction of the medical examinerList of critical illnesses may be revised from time to time by the IRDAISurrender Value = 95% of Purchase PriceSurrender value is adjusted for any outstanding loan amount and loan interest, if anyOn surrender, future annuity payouts will cease immediately, and Policy will terminateSurrender is not allowed in case the annuity is issued to NPS subscribers.

#Exclusive of Goods and Services Tax & applicable cess(es)/levy (if any) on Purchase Price

Summary – 3/3



Parameter	Details
BOOSTER	<ul style="list-style-type: none">• NPS Booster : Increase in annuity rates by 3% for policies sold to NPS customers• Staff Booster : Increase in annuity rates by 1% for policies sold to Staff member NPS & Staff Booster can not be opted together
MEDICAL REQUIREMENT	<ul style="list-style-type: none">• Non-medical product
LOAN	<ul style="list-style-type: none">• Available after 6 months from date of commencement of policy• Minimum Loan Amount - ₹ 50,000• Maximum amount of loan will be such that effective annual interest amount payable on loan does not exceed 50% of the annual annuity amount payable under the Policy• Policyholder can avail loan upto 75% of Purchase Price• Annuitant or Spouse, as applicable, can repay loan principal including outstanding interest partially or fully at any time during the currency of annuity payments• Minimum repayment amount will be Rs. 2,000 or outstanding loan amount including outstanding interest, if any, whichever is lower• The applicable loan interest rate for the Financial Year 2024-25 is 9.06% per annum.

Annexure



Freelook

- 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). The refund of the amount is calculated as Purchase Price less stamp duty charges and any Annuity Instalment(s) paid (if any) subject to the following:
 - For policies purchased out of the proceeds or part of the proceeds of Pension Products where Open Market Option is available and/or exercised, the amount to be refunded will be transferred to the insurer from whom the Policyholder wants to purchase the annuity.
 - Free look option is not available on policies purchased from the proceeds or part of the proceeds arising out of the Company's Pension Products where Open Market Option is not available. However, in such cases, if the Policyholder is in non-agreement with any terms of the Policy, the Policyholder will have the option to change the Annuity Option within 30 days from the receipt of the Policy Document, whether received electronically or otherwise (whichever is earlier).
 - For policies purchased out of NPS proceeds, the amount will be refunded and transferred as per the applicable PFRDA Regulations.
 - Availability of Open Market Option shall be as per applicable regulations.



Suicide Claim Provision

- If the Annuitant/ Spouse (whether sane or insane at the time) commits suicide at any time within 12 months from the date of commencement of risk, the suicidal death shall be treated as normal death.
- Accordingly, benefits payable on suicidal death will be same as benefits payable on normal death



Specified Critical Illness for Surrender Benefit



1. CANCER OF SPECIFIED SEVERITY
2. MYOCARDIAL INFARCTION
3. OPEN CHEST CABG
4. OPEN HEART REPLACEMENT OR REPAIR OF HEART VALVES
5. COMA OF SPECIFIED SEVERITY
6. KIDNEY FAILURE REQUIRING REGULAR DIALYSIS
7. STROKE RESULTING IN PERMANENT SYMPTOMS
8. MAJOR ORGAN /BONE MARROW TRANSPLANT
9. PERMANENT PARALYSIS OF LIMBS
10. MOTOR NEURON DISEASE WITH PERMANENT SYMPTOMS
11. MULTIPLE SCLEROSIS WITH PERSISTING SYMPTOMS
12. BENIGN BRAIN TUMOR
13. BLINDNESS
14. END STAGE LUNG FAILURE
15. END STAGE LIVER FAILURE
16. LOSS OF SPEECH
17. LOSS OF LIMBS
18. MAJOR HEAD TRAUMA
19. PRIMARY (IDIOPATHIC) PULMONARY HYPERTENSION
20. THIRD DEGREE BURNS



Critical Illness -
Definition



Thank You

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