

PLAN 879: SMART PENSION

(Cir: PD/284 dated 17/02/2025, NB&R/431 dated 17/02/2025, Launch Date:18/02/2025)

Details:

- This is a Non-Linked, Non-Participating, Individual/group Immediate annuity Single Premium Plan.
- The annuity payable is guaranteed at the inception of the policy.

Type of Annuity Options:

a) Single Life Annuity Options:

Option -A : Life Annuity
 Option- B1: Annuity Certain for 5 years and life thereafter
 Option- B2: Annuity Certain for 10 years and life thereafter
 Option- B3: Annuity Certain for 15 years and life thereafter
 Option- B4: Annuity Certain for 20 years and life thereafter
 Option- C1: Life Annuity increasing at simple rate of 3% p.a.
 Option- C2: Life Annuity increasing at simple rate of 6% p.a.
 Option- D : Life Annuity with Return of Balance Purchase Price
 Option-E1: Life Annuity with 50% return of Purchase price after attaining age 75
 Option-E2: Life Annuity with 100% return of Purchase price after attaining age 75
 Option-E3: Life Annuity with 50% return of Purchase price after attaining age 80
 Option-E4: Life Annuity with 100% return of Purchase price after attaining age 80
 Option-E5: Life Annuity with 5% return of Purchase price after attaining age 76 to 95
 Option F : Life Annuity with Return of Purchase Price

b) Joint Life Annuity Options:

Option -G1: Joint Life annuity with a provision of 50% annuity to Secondary Annuitant on death of the Primary Annuitant
 Option -G2: Joint Life annuity with a provision of 100% annuity to Secondary Annuitant on death of the Primary Annuitant
 Option -H1: Joint Life annuity increasing at a simple rate of 3%p.a. with a provision of 50% annuity to Secondary Annuitant on death of the Primary Annuitant
 Option -H2: Joint Life annuity increasing at a simple rate of 6%p.a. with a provision of 50% annuity to Secondary Annuitant on death of the Primary Annuitant
 Option -I1: Joint Life annuity increasing at a simple rate of 3%p.a. with a provision of 100% annuity to Secondary Annuitant on death of the Primary Annuitant
 Option -I2: Joint Life annuity increasing at a simple rate of 6%p.a. with a provision of 100% annuity to Secondary Annuitant on death of the Primary Annuitant
 Option - J: Joint Life annuity with a provision of 100% of annuity payable till death of last survivor and Return of Purchase Price on death of last survivor.

Conditions for Annuity Options:

- Annuity Option once selected cannot be changed.
- The Joint Life Annuity can be taken between two lineal descendant / ascendant of a Family (i.e. Grandparent, Parent, Children, Grand Children) or spouse or sibling or Parent-in-law.
- Under options E1, E2, E3, E4 & E5 with Return of Purchase Price, in Addition to annuity benefits payable for life, the specified return of purchase price shall also be payable on survival of the Annuitant at specified age.

Other Options:

a. Options for Payment of Death Benefit under options D, E1 TO E5, F & J:

- In Lump Sum **OR**
- Annuitisation of Death Benefit at Prevailing Immediate Annuity Rates as per age of Nominee **OR**
- In 5,10 or 15 Instalments.

b. Liquidity Option under Options F and J only:

- Option to receive a lump-sum amount by reducing the annuity payments.
- Allowed after 5 years from DOC and Maximum 3 times.
- Total lump-sum benefits cannot exceed 60% of Purchase Price.
- Annuity Amount, Death Benefit, Surrender Value, and other benefits will be reduced proportionately from the date of withdrawal.
- Withdrawal will subject to minimum limits of annuity payable.

Features & Conditions:

Minimum Purchase Price:

₹1,00,000 subject to Minimum Annuity of ₹1,000 Mly, ₹3000 Qly, ₹6000 Hly, & ₹12000 Yly

Maximum Purchase Price :

No limit, subject to underwriting Policy

Mode of Premium Payment: Single Premium

Min & Max Age at Entry (LBD) of Annuitant / Primary / Secondary Annuitant for New Policies:

Annuity Option	Min Age LBD	Max Age LBD
F	18	100
E1 & E2	18	65
E3, E4 & E5	18	70
All Other Options	18	85

For Existing Individual Deferred Annuity / Pension Plans, Group Superannuation Schemes and for Nominees of NPS Subscribers:

Annuity Option	Min Age LBD	Max Age LBD
A, B1, B2, B3, B4, C1, C2, D & F	0	110
E1 & E2	0	65
E3, E4 & E5	0	70
Primary Annuitant G1, G2, H2, H2, I1, I2 & J	18	85
Secondary Annuitant G1, G2, H2, H2, I1, I2 & J	0	85

Annuity Modes:

Yearly, Half-yearly, Quarterly or Monthly. The first annuity instalment will start after one year, 6 months, 3 months or one month from the date of purchase.

Change in Annuity Mode: Allowed, request must be received 90 days prior to policy anniversary.

Incentive for High Purchase Price: Absolute addition to tabular Annuity Rate for 1000 Purchase Price:

Purchase Price	Annuity Options	
	C1, C2, H1, H2, I1, & I2	A, B1, B2, B3, B4, D, E1, E2, E3, E4, E5, F, G1, G2 & J
Less than 5 lakhs	Nil	Nil
5 to 9.99 lakhs	1.40	2.30
10 to 24.99 lakhs	1.80	3.10
25 to 99.99 lakhs	2.10	3.60
1 Crore & Above	2.30	3.80

Modal Annuity Conversion Factors:

Yly-1.00, Hly - 0.98, Qly-0.97, Mly-0.96

Incentive for Existing Policyholders / Nominee / Beneficiary: 0.15% Increase in Tabular annuity rate

- Existing Policyholders whose policy is matured within one year from submission of proposal on own life or on the life of family members.
- Nominee/Beneficiary of deceased policyholder where death claim is paid within one year.
- Existing in-force Policyholders.

Incentive for NPS Subscribers:

3% increase in Tabular yearly annuity rate

Incentive for Existing Individual Deferred Annuity / Pension Plans: - 2.5% increase in tabular annuity rates where no incentive is payable on Vesting.

Surrender: Allowed under options D, E1 to E5, F & J. SV factors range from 80% to 90% from 1st to 21st year of policy. (See page 4)

Policy Loan: Allowed under Options E1 to E5, F & J 3 months from date of issue of policy.

Free Look Period: 30 Days from date of receipt of Policy in Physical or Electronic mode, whichever is earlier.

Assignment: Allowed as per Insurance Act 1938.

Back Dating: Not Allowed

Proposal Form: Form No 444 with Suitability analysis form and Benefit Illustration.

c. **Advance Annuity Option under Option J only:**

- On first death, the surviving annuitant can withdraw the discounted cash value of maximum of 5 years annuities (or any proportion thereof from 1% to 100%)
- Option can be exercised within one year from date of 1st death.
- Option can be exercised if no loan is outstanding, and no new loan can be availed during the Advance Annuity Period.
- The annuity payment during the policy year in which option is exercised shall continue to be payable as and when due.
- Discounted value interest rate will be fixed by corporation every year.
- If surviving annuitant selects less than 100% of Advance Annuity, then balance annuity amount will be paid on the due dates during the Advance Annuity Period.
- After end of Advanced Annuity Period, full annuity payments will resume.

d. **Annuity Accumulation Option under All Options:**

- Annuitant has the option to defer and accumulate their annuity payments falling due during the block of 5 consecutive years.
- Under Joint Life policy, the secondary annuitant can exercise this option after death of primary annuitant.
- Option can be exercised at Proposal stage and any time after issue of policy 90 days prior to the next policy anniversary.
- Option can be exercised maximum up to 3 blocks of 5 consecutive years during the policy duration.
- Accumulated amount will be paid to annuitant at the end of 5th year and cannot be deferred again.
- Option is not allowed if any loan is outstanding, and new loan also is not allowed during accumulation period.
- Alteration in mode of annuity is also not allowed during accumulation period
- Block of 5 years will start from date of first annuity payable if option is exercised at proposal stage or from policy anniversary immediately following the date of exercising this option.
- Accumulation rate for the year will be decided by corporation every year, for 2024-25 it is 6.67%.
- In case of death of annuitant under single life options or death of last survivor under joint life options, the accumulated value shall be paid to in lumpsum to the nominee.
- In case of surrender during accumulation period, accumulated amount also will be paid along with surrender value.
- Annuitant can cancel the accumulation option at any time, in such cases accumulated amount will be calculated at revised rates till date of cancellation for completed months and shall be paid in lumpsum. Annuity payments will start on respective due dates thereafter.

e. **Option to take Policy for Benefit of Dependent Divyangjan under Option F, G2 and J:**

- Proposer can take policy on own life under Option-F with Dependent Divyangjan as Nominee – Death Benefit shall compulsorily be utilized to purchase available Immediate Annuity Plan on life of Divyangjan as per Option chosen by Annuitant.
- Annuity payment will be payable irrespective of minimum annuity payment and age of annuitant.
- Proposer can purchase Joint Life Annuity under Option-G2 and J with divyangjan as joint annuitant, the minimum age at entry restriction will not be applicable.

f. **Option to take Immediate Annuity by NPS Subscribers:**

- The annuity options as allowed as per PFRDA Regulations shall be available to NPS subscriber.
- The NPS subscribers include Government sector, all citizens including corporate sector, NPS- Lite and Swavalamban subscribers.

g. **Option to Purchase as QROPS through transfer of UK tax relieved assets:**

- Minimum age at entry shall be 55 years
- In case of cancellation during free-look period amount will be transferred back to the fund house.

Proportionate Annuity on Death:

Proportionate Annuity is Payable on death of annuitant under Single life options or on death of last survivor under Joint life options:

- Under Quarterly and Monthly Mode: No proportionate annuity shall be payable for the period from due date of last annuity instalment paid till date of death in addition to death benefit payable, if any.
- Under Half-Yearly Mode: 50% of Half-Yearly annuity instalment shall be payable in addition to death benefit payable (if any), if death takes place after three months from due date of last annuity instalment paid.
- Under Yearly Mode: 50% of Yearly annuity instalment shall be payable in addition to death benefit payable (if any), if death takes place after six months from due date of last annuity instalment paid.

Underwriting Rules:

Medical Examination: This is non-medical plan.

Age Proofs: Only standard age proofs Allowed.

Female Lives: All Allowed including Pregnant ladies.

Transgender: Allowed under all options.

Joint life will be allowed with parents, grandparents and siblings only. Will be underwritten at Branch/ Satellite office to the full extent.

Physically Challenged Lives: Allowed

Proposal for Benefit of Divyangjan: Disability certificate is required from Registered Medical Practitioner.

Occupation Extra:

Will not be Charged for any Hazardous Occupation / avocation.

Keyman/Partnership/Employer Employee:

Allowed only under Employer-Employee scheme provided proposer and Annuitant must be employee.

Financial Underwriting:

Source of fund has to be ascertained and established. Source can be accumulated savings in Bank / Post office / Mutual Fund etc. Maturity Proceeds of Policy, Retirement benefit of self/spouse, Sale proceeds of property / financial assets or any compensation received from any authority.

NRIs and FNIOS:

- Allowed to NRIs and FNIOS of all 5 Residence Groups without charging Residence Extra and without any restrictions.
- Allowed to FNIOS, if having OCI card, For Joint Life both annuitants must have OCI Card.
- All offline proposals of FNIOS will be considered at ZUS with MHR by Branch I/C in letter format along with Copy of Passport, Copy of Valid OCI Card, NRI Questionnaire and KYC PMLA requirements etc.
- Mail order allowed to NRIs and FNIOS residing in Group V countries only on recommendation by Branch I/C.

Benefits Example:

Age at Entry: 60 years both lives, Purchase Price: ₹ 10,00,000, Annuity Mode: Monthly

Annuity Option	Annuity Rate	Annuity Amount	Survival Benefit	Death Benefit
Single Life Options:				
A	8.16%	₹6800	Annuity for Life	Nothing is payable
B1	8.11%	₹6760	Annuity for Life	Death During Guaranteed Period of 5,10,15 Or 20 years respectively: Annuity is payable to Nominee till Guaranteed period, thereafter annuity ceases & nothing is payable. Death after Guaranteed Period: Nothing is payable
B2	7.99%	₹6656		
B3	7.81%	₹6512		
B4	7.60%	₹6336		
C1	6.35%	₹5296	Annuity for Life Increasing at simple rate of 3% every year	Nothing is payable
C2	5.26%	₹4384	Annuity for Life Increasing at simple rate of 6% every year	
D	7.84%	₹6536	Annuity for Life	Death Benefit equal to Balance of Purchase Price (i.e. Purchase Price less sum of all annuities paid till death) If annuity payments made exceeds the purchase price at the time of Death, then nothing is payable.
E1	5.56%	₹4632	Annuity for Life Plus 50% of PP at Age 75	100% of Purchase Price in case of death up to Age 75, thereafter 50% of Purchase Price
E2	4.90%	₹4080	Annuity for Life Plus 100% of PP at Age 75	100% of Purchase Price in case of death up to Age 75, thereafter nothing is payable
E3	5.90%	₹4912	Annuity for Life Plus 50% of PP at Age 80	100% of Purchase Price in case of death up to Age 80, thereafter 50% of Purchase Price
E4	5.56%	₹4632	Annuity for Life Plus 100% of PP at Age 80	100% of Purchase Price in case of death up to Age 80, thereafter nothing is payable
E5	5.85%	₹4872	Annuity for Life Plus 5% of PP every year from Age 76 to 95 (both Inclusive)	100% of Purchase Price in case of death up to Age 76, From Age 76 to 95 - 100% of Purchase Price Less Sum of Purchase Price Returned till death, In case of death after age 95 nothing is payable
F	6.23%	₹5192	Annuity for Life	Full Purchase Price
Joint Life Options:				
G1	7.69%	₹6408	Annuity for Life to Primary Annuitant	On Death of Primary Annuitant 50% of Annuity will be paid to the secondary annuitant till his/her death and nothing is payable on his/her death. In case of Death of Secondary Annuitant before Primary Annuitant: Annuity will continue for Primary Annuitant, and nothing is payable on his/her death.
G2	7.31%	₹6088	Annuity for Life till last Survivor	On First Death 100% of Annuity will be paid to survivor. On death of Survivor nothing is payable.
H1	5.91%	₹4928	Annuity for Life to Primary Annuitant increasing at simple rate of 3% every year	On Death of Primary Annuitant 50% of Annuity Payable at the time of death will be paid to the secondary annuitant increasing at simple rate of 3% every year till his/her death and nothing is payable on his/her death. In case of Death of Secondary Annuitant before Primary Annuitant: Annuity will continue for Primary Annuitant, and nothing is payable on his/her death.
H2	4.87%	₹4056	Annuity for Life to Primary Annuitant increasing at simple rate of 6% every year	On Death of Primary Annuitant 50% of Annuity Payable at the time of death will be paid to the secondary annuitant increasing at simple rate of 6% every year till his/her death and nothing is payable on his/her death. In case of Death of Secondary Annuitant before Primary Annuitant: Annuity will continue for Primary Annuitant, and nothing is payable on his/her death.
I1	5.55%	₹4624	Annuity for Life till last survivor increasing at simple rate of 3% every year	On First Death 100% of Annuity will be paid to survivor increasing at simple rate of 3% every year. On death of Survivor nothing is payable.
I2	4.54%	₹3784	Annuity for Life till last survivor increasing at simple rate of 6% every year	On First Death 100% of Annuity will be paid to survivor increasing at simple rate of 6% every year. On death of Survivor nothing is payable.
J	6.19%	₹5160	Annuity for Life till last survivor	On First Death 100% of Annuity will be paid to survivor. On death of Survivor Death full purchase price is payable.

Surrender Value:

Surrender of policy is allowed under D, E1 to E5, F and J options only.

Under Option D:

- Surrender Value will be equal to Balance of Purchase Price (i.e. Purchase Price less Sum of all annuity payments made till date of surrender) *multiplied* by SV Factor.
- In case the sum of all annuity payments made till the date of surrender, exceeds the Purchase Price, no benefit shall be payable on surrender of the policy.

Under Options E1, E2, E3, E4 and E5:

- Surrender Value shall be equal to (Purchase Price Less Sum of Early Return of Purchase Price already paid till the date of surrender, if any) *multiplied* by SV Factor.
- In case the sum of Early Return of Purchase Price already paid till the date of surrender, exceeds the Purchase Price, no benefit shall be payable on surrender of the policy.

Under Options F and J:

Surrender Value shall be equal to Purchase Price *multiplied* by SV Factor.

Surrender Value Factors (SV Factors) depend on the policy year in which the policy is surrendered as given below:

Policy Year	SV Factor	Policy Year	SV Factor
1	80.00%	12	85.50%
2	80.50%	13	86.00%
3	81.00%	14	86.50%
4	81.50%	15	87.00%
5	82.00%	16	87.50%
6	82.50%	17	88.00%
7	83.00%	18	88.50%
8	83.50%	19	89.00%
9	84.00%	20	89.50%
10	84.50%	21 and Above	90.00%
11	85.00%		

However, if policy is surrendered after completion of 35 policy years or after completion of 100 years of age the applicable SV Factor shall be equal to **92.50%**.

Any loan amount outstanding along with interest and/or any other amount recoverable from Annuitant shall be recovered from the surrender value payment.

Loan:

- Allowed under E1 to E5, F and J options only.
- Under joint life annuity option, the loan can be availed by the Primary Annuitant and in case of death of Primary Annuitant the same can be availed by the Secondary Annuitant.
- The maximum amount of loan that can be granted under the policy shall be such that the effective annual interest amount payable on loan does not exceed 50% of the annual annuity amount payable under the policy and shall be subject to maximum of 80% of Surrender Value.
- Loan interest will be recovered from annuity amount payable under the policy. The Loan interest will accrue as per the frequency of annuity payment under the policy, and it will be due on the due date of annuity.
- The loan outstanding shall be recovered from the claim proceeds at the time of exit or from the Early Return of Purchase Price, if any, under the policy.

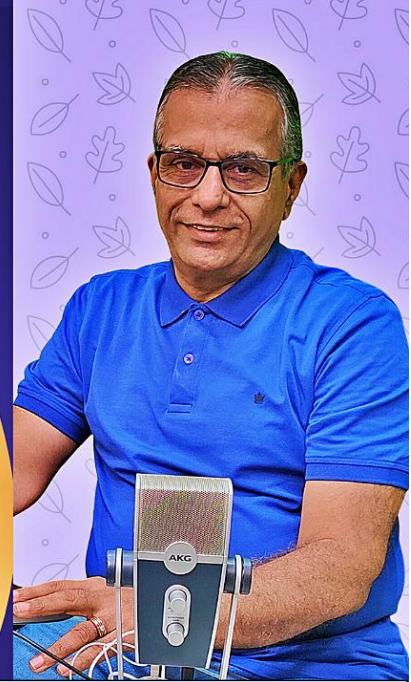
If a policy is taken by a NPS subscriber or as QROPS, then the surrender and loan under the policy shall also be further subject to specific provisions of PFRDA or HMRC, as applicable.

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