

# SBI Life - **Swarna Jeevan**

Non-linked Non-Participating Group Annuity Plan  
UIN: 111N049V03

SBI Life Insurance introduces “SBI Life -Swarna Jeevan” Plan for Corporate Clients (ie.Employer-Employee groups) and other Group Administrators, who wish to purchase annuity to provide for their annuity liability (existing or emerging or both) totally/partially from SBI Life. Buyout of pension liabilities is a way by which the Master Policyholder transfers the liability of a defined pension scheme completely to SBI Life Insurance Company. In this way, the defined benefits of the group members are protected and the Master Policyholder also gets rid of the risk of the pension scheme running into deficits due to adverse changes in demographic/ economic scenarios in the future

## KEY FEATURES OF SBI LIFE – SWARNA JEEVAN

1. Better annuity rates due to group effect
2. Annuity Options:

There are a range of options available to the Master Policyholder/ group member to choose from. The group member may choose any one of them depending upon the scheme rules:

### 1 Life annuity:

- Annuity is payable at a constant rate throughout the life of the Annuitant.
- On death of the Annuitant, all future annuity payouts cease immediately.

### 2 Life annuity with refund of Purchase price<sup>1</sup> :

- Annuity is payable at a constant rate throughout the life of the Annuitant.
- On death of the Annuitant, all future annuity payouts cease immediately and 100% of the purchase price is refunded to the nominee.

<sup>1</sup>Purchase Price will mean member Premium (excluding applicable taxes, other statutory levies if any) under the member policy

### 3 Life annuity with refund of balance Purchase price<sup>1</sup>:

- Annuity is payable at a constant rate throughout the life of the Annuitant.
- On death of the Annuitant, all future annuity payouts cease immediately and we will refund the balance purchase price, which will be equal to the purchase price less sum total of annuities paid. If this balance is not positive then no death benefit is payable.

### 4 Annuity certain for 'N' years and annuity for Life thereafter:

Annuity is payable at a constant rate which is certain to be paid till the end of N years and thereafter life annuity is payable throughout the life of the Annuitant, where N can be chosen within the range of [5 to 35] years.

**Case 1:** If the annuitant dies before N years, future certain annuity payouts will continue to be paid to nominee till the end of N years and thereafter cease immediately.

**Case 2:** If the annuitant dies after N years, all future annuity payouts cease immediately and no other death benefit is payable.

### 5 Increasing Life annuity (simple increasing):

Annuity amount increases by 'X' % (simple rate) for each complete year as long as the annuitant is alive. 'X' can be chosen within the range of [1% - 10%]. On death of the annuitant, all future annuity payouts cease immediately and No death benefit is payable.

### 6 Joint Life (last survivor) annuity:

Annuity is payable at a constant rate till the annuitant is alive. In case the spouse of the annuitant survives him/her, she/he will receive a life annuity thereafter, which will be either 100% or 50% of the last annuity amount paid to the annuitant, as the case may be. On death of the last surviving annuitant all future annuity payouts cease immediately and no death benefit is payable.

### 7 Joint Life (last survivor) annuity with refund of Purchase price<sup>1</sup>:

Annuity is payable at a constant rate till the annuitant is alive. In case the spouse of the annuitant survives him/her, he/she will receive a life annuity thereafter, which will be either 100% or 50% of the last annuity amount paid to the annuitant, as the case may be. On death of the last surviving annuitant all future annuity payouts cease immediately and 100% of the purchase price is refunded to the nominee.

### 8 Joint life annuity certain for 'N' years and joint life (last survivor) annuity thereafter:

Annuity is payable at a constant rate which is certain to be paid till the end of N years and thereafter annuity is payable till the death of the last survivor, where N can be chosen within the range of [5 to 35] years.

**Case 1:** If **both** (Group Member and Spouse) annuitants die **before N years**, future certain annuity payouts will continue to be paid to nominee till the end of the N years and thereafter cease immediately.

**Case 2:** If only Group Member dies **before N years**, future certain annuity payouts will continue to be paid to the nominee till the end of N years and thereafter Spouse will receive a life annuity, which will be either 100% or 50% of the last annuity amount paid to the Group Member, as opted for.

**Case 3:** If only **Spouse** dies **before N years**, future certain annuity payouts will continue to be paid to Group Member till the end of N years and thereafter Group Member will receive a life annuity.

**Case 4:** If **both** (Group Member and Spouse) annuitants survive **after N years**, annuity will continue to be paid to Group Member. On the death of the Group Member, Spouse (if alive at that time) will receive a life annuity thereafter, which will be either 100% or 50% of the last annuity amount paid to the Group Member, as opted for. On death of the last surviving annuitant all future annuity payouts cease immediately and no death benefit is payable.

<sup>1</sup>Purchase Price will mean member Premium (excluding applicable taxes, other statutory levies if any) under the member policy

**9 NPS – Family Income (option available specifically for National Pension System (NPS) subscribers only)**

UNDER THIS OPTION, THE ANNUITY BENEFITS WOULD BE PAYABLE IN ACCORDANCE WITH THE REGULATIONS AS PRESCRIBED BY PFRDA.

As per the current regulations, the annuity benefits will be payable for life of the subscriber and his/her spouse as per the annuity option “Joint Life (last survivor) annuity with 100% refund of Purchase price”. In case the subscriber does not have a spouse, the annuity benefits will be payable for life of the subscriber as per the annuity option “Life annuity with refund of Purchase price”. In case of demise of the subscriber before the vesting of annuity, the annuity benefits will be payable for life of the spouse as per the annuity option “Life annuity with refund of Purchase price”.

*On death of the annuitant(s), the annuity payment would cease and the refund of purchase price shall be utilized to purchase an annuity contract afresh for living dependant parents (if any) as per the order specified below:*

- a) Living dependent mother of the deceased subscriber;
- b) Living dependent father of the deceased subscriber.

However, the annuity amount would be revised and determined as per the annuity option “Life annuity with refund of Purchase price” using the annuity rate prevalent at the time of purchase of such annuity by utilizing the premium required to be refunded to the nominee under the annuity contract.

The annuity would continue until all such family members in the order specified above are covered. After the coverage of all such family members, the premium shall be refunded to the surviving children of the subscriber and in the absence of children, the legal heirs of the subscriber, as may be applicable. In case no such family member exists upon the death of the last survivor, there would be a refund of premium to the nominee.

Note that the premium is the amount exclusive of applicable taxes to be paid whilst issuing/re-issuing the annuity contract.

**3. Add-on Benefits:**

The annuity benefits are extended to cater to the needs of the clients who are providing pension benefits as per their own different pension arrangements.

Under National Pension System, Central/State government and PSU rules, there is a provision for “Family pension (including child upto 25 years of age) / Dearness Allowance linked pension / Higher or lower rate of family pension/ Restoration of commuted value etc...”.

For these provisions, annuity benefits are allowed to be purchased separately (at prevailing annuity rates), as and when due. The type and term of annuity will be as per the scheme rules.

**4. Options to choose the periodicity of your annuity:**

You or the group member may choose the periodicity of their annuity payouts depending upon their needs. The options available are Annual, Half yearly, Quarterly, and Monthly

In order to arrive at annualised annuity rates for other than monthly payment mode, a modal factor would be applied on the tabular annualised annuity rates applicable for monthly payment mode. The modal factors depending on the annuity payment modes are as follows:

Annuity Payment Mode	Modal factor
Quarterly	1.0075
Half-yearly	1.0175
Annual	1.0350

The annuity rates would depend upon the annuity mode as opted by you.

## 5. Eligibility criteria:

	Minimum	Maximum
<b>Age at entry (as on last birthday)</b>	Group Member : 30 years Spouse : 18 years Under NPS – Family Income (Option 9): as per NPS Scheme Rules	Group Member : 85 years Spouse : 85 years Under NPS – Family Income (Option 9): as per NPS Scheme Rules
<b>Annuity Payout (per installment)</b>	Under NPS – Family Income (Option 9): as per NPS scheme rules Under all other annuity options : Monthly : ₹ 1,000 Quarterly : ₹ 3,000 Half-yearly : ₹ 6,000 Yearly : ₹ 12,000	No limit
<b>Minimum Group Size</b>	10 members or less, provided the group size reaches 10 over the course of the first policy year for approved group superannuation schemes, and 50 for other groups	No limit

Note: In case of two lives annuity, the maximum age difference allowed between primary and secondary life is 30 years.

## 6. Incentive for Higher Purchase Price (member level):

For higher purchase price of each group member/ annuitant, we will offer better annuity rates. The incentives will be in the form of additional annuity for those members.

The additional annualised annuity rates per ₹ 1,000 purchase price would be as follows:

Purchase Price (excluding applicable taxes)	Less than ₹ 1,50,000	₹ 150,000 to less than ₹ 2,99,999	₹ 300,000 to less than ₹ 4,99,999	₹ 500,000 & above
Incentive on the annualised modal annuity	0	₹ 2.50	₹ 3.50	₹ 4.25

Applicable for all annuity payout modes

## 7. Discount to National Pension System (NPS) subscriber:

There is an exclusive discount of 0.75% of purchase price for NPS Subscribers.

## 8. Sample Annuity rates :

Monthly annuity payout at Age - 60 years (both Primary and Secondary Life) and Purchase Price of ₹ 500,000 (Exclusive of applicable taxes)			
Annuity Option		Monthly Annuity Amount	Monthly Annuity as percentage of Purchase Price
Option 1	Life annuity	3,597	0.72%
Option 2	Life annuity with refund of purchase price	2,577	0.52%
Option 3	Life annuity with refund of balance purchase price	3,417	0.68%
Option 4	Annuity certain for 5 years and annuity for life thereafter	3,572	0.71%
Option 5	Increasing Life annuity (Simple increasing at 3%)	2,937	0.59%
Option 6	Joint life (last survivor) annuity – 100% Income	3,157	0.63%
Option 7	Joint life (last survivor) annuity with refund of purchase price– 100% Income	2,542	0.51%
Option 8	Joint life annuity certain for 15 years and joint life (last survivor) annuity thereafter – 100% Income	3,137	0.63%

## Key points to remember

- Once every year, the Annuitant shall be required to submit an existence certificate. In case the existence certificate is not received the annuity payout shall cease. The annuity payouts shall however resume on receipt of the existence certificate and all the arrears (without any interest accumulation) will be paid out.
- Similarly in case of unfortunate death of the annuitant/s, the death intimation needs to be conveyed well in time. Annuity installment/s that have fallen due and paid/collected after the date of death will be recovered immediately.
- SBI Life's liability is limited to the annuity payout for which the Purchase price has been received and annuity rates are not guaranteed for new members/transactions.
- Annuity rates are not guaranteed for the subsequent purchase of additional annuity for existing annuitants.
- For option 5, the rate of simple increase is at 3% p.a.

## General Policy Conditions

### 1 Nomination:

The nominee/s shall be a person/s nominated by the Annuitant (Group Member or Spouse, as the case may be) in accordance with the provision of section (39) of the Insurance Act 1938 to receive the benefits, if any, under this product in the event of his/her death.

### 2 Free look provision

There is a 15-day free-look period. In the unlikely event that the policyholder/group member is not satisfied with the terms and conditions of the policy, and wishes to cancel the Master/ member policy, he/she can do so by returning the Master/ member policy to the company along with a letter requesting for cancellation within 15 days of receipt of policy. This option is not available for compulsory schemes.

We will refund the total premiums paid net of taxes less stamp duty cost incurred & less any annuities paid directly to you or Master Policyholder or a scheme/ plan chosen by you, provided that such a scheme/ plan is authorized to receive such amounts and is approved under the prevalent regulations and as per the scheme rules.

For compulsory schemes, the group member can change the annuity option during the free-look cancellation period and continue the member policy.

### 3 Surrender/ Paid-up

There is no surrender facility or paid-up value available under this policy

### 4 Loans

There is no facility of loan under this policy

### 5 Assignment

Assignment will be allowed under the product subject to the provisions of Section 38 of the Insurance Act, 1938 as amended from time to time.

### 6 Tax Benefits

You/ member are eligible for Income tax benefits/exemptions as per the applicable income tax laws in India, which are subject to change from time to time. You may visit our website for further details. Please consult your tax advisor for details.

### 7 Terms and conditions applicable to National Pension System (NPS) subscribers:

For National Pension System (NPS) subscribers the annuity benefit payable and other relevant terms and conditions would be in accordance with the regulations as prescribed by Pension Fund Regulatory and Development Authority (PFRDA) from time to time.

### 8 Discontinuance of the Master Policy

The Master Policy may be discontinued at the option of the Master Policyholder or the Company by giving the other party at least 60 days prior notice in writing however, it would be subject to us receiving all information necessary to service annuity benefits with respect to the active member policies at that point in time.

## Section 41 of the Insurance Act, 1938; as amended from time to time

(1) No person shall allow or offer to allow, either directly or indirectly, as an inducement to any person to take out or renew or continue an insurance in respect of any kind of risk relating to lives or property in India, any rebate of the whole or part of the commission payable or any rebate of the premium shown on the policy, nor shall any person taking out or renewing or continuing a policy accept any rebate, except such rebate as may be allowed in accordance with the published prospectus or tables of the insurer:

Provided that acceptance by an insurance agent of commission in connection with a policy of life insurance taken out by himself on his own life shall not be deemed to be acceptance of a rebate of premium within the meaning of this sub section if at the time of such acceptance the insurance agent satisfies the prescribed conditions establishing that he is a bonafide insurance agent employed by the insurer.

(2) Any person making default in complying with the provisions of this section shall be liable for a penalty which may extend to ten lakh rupees.

## Section 45 of the Insurance Act, 1938; as amended from time to time

No policy of life insurance shall be called in question on any ground whatsoever after the expiry of three years from the date of the policy. A policy of life insurance may be called in question at any time within three years from the date of the policy, on the ground of fraud or on the ground that any statement of or suppression of a fact material to the expectancy of the life of the insured was incorrectly made in the proposal or other document on the basis of which the policy was issued or revived or rider issued. The insurer shall have to communicate in writing to the insured or the legal representatives or nominees or assignees of the insured, the grounds and materials on which such decision is based.

No insurer shall repudiate a life insurance policy on the ground of fraud if the insured can prove that the mis-statement or suppression of a material fact was true to the best of his knowledge and belief or that there was no deliberate intention to suppress the fact or that such mis-statement or suppression are within the knowledge of the insurer. In case of fraud, the onus of disproving lies upon the beneficiaries, in case the policyholder is not alive.

In case of repudiation of the policy on the ground of misstatement or suppression of a material fact, and not on the grounds of fraud, the premiums collected on the policy till the date of repudiation shall be paid.

Nothing in this section shall prevent the insurer from calling for proof of age at any time if he is entitled to do so, and no policy shall be deemed to be called in question merely because the terms of the policy are adjusted on subsequent proof that the age of the life insured was incorrectly stated in the proposal. For complete details of the section and the definition of 'date of policy', please refer Section 45 of the Insurance Act, 1938, as amended from time to time.

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