

# MAKE A ONE TIME INVESTMENT FOR LIFETIME REGULAR INCOME



CANARA HSBC ORIENTAL BANK OF COMMERCE LIFE INSURANCE

## SMART IMMEDIATE INCOME PLAN

Non Linked Non Participating Annuity Plan

### 5 Smart Reasons to Buy:

- **Guaranteed\* lifetime income**
- **Family gets the safety net in case of unfortunate demise**
- **Single life & Joint life annuity options are available**
- **Flexibility to choose annuity instalment frequency**
- **Benefit of higher annuity instalment for large purchase price**

Purchase of any insurance products by a bank's customer is purely voluntary and is not linked to availment of any other facility from the bank.

\*Conditions Apply - The annuity amount will depend on the annuity option chosen by the annuitant and the prevailing annuity rates at the time of purchase of annuity and will be guaranteed as per the annuity option selected for the annuity payment period.

## Canara HSBC Oriental Bank of Commerce Life Insurance Smart Immediate Income Plan

### A traditional Non Linked Non Participating Immediate Annuity Plan

As you near your retirement, the most important thought on your mind would be to lead a secure and comfortable life as always without any dependence on others. Everyone loves financial independence, to enjoy and live a worry free and comfortable lifestyle. This is even more important in your golden years, as after so many years of hard work, money should not be a concern for you to decide how you would spend your retirement years.

A smart way to ensure a regular guaranteed income stream post retirement is to buy Canara HSBC Oriental Bank of Commerce Life Insurance Smart Immediate Income Plan. It provides you annuity installments throughout your lifetime, thereby ensuring that you enjoy your post retirement years the way that you want to.

This plan is specially designed to take care of your guaranteed lifetime payouts under the Reverse Mortgage Loan enabled Annuity scheme.

### Key features of the plan

- Guaranteed lifetime income directly credited to your bank account to cater to your needs
- Option to receive regular payments for as long as you or your partner is alive
- Your family gets the safety net through return of purchase price in case of your death
- Flexibility to choose annuity installment frequency as Annual, Semi-Annual, Quarterly or Monthly
- Benefit of higher annuity installment for large purchase price
- Options for banks / financial institutions in respect of annuity payments for their commitments to the home owners under Reverse Mortgage schemes

### How does Smart Immediate Income Plan work?

**Step 1:** Choose the purchase price (single premium) that you wish to pay to buy annuity or choose the annuity installment you wish to receive.

**Step 2:** Choose your Annuity option – single or joint life

**Step 3:** Choose your annuity installment frequency – Annual, Semi-Annual, Quarterly or Monthly

**Step 4:** Provide yours and your partner's details (if applicable)

**Step 5:** Pay purchase price and receive the annuity installments through direct credit in your bank account

#### Case Study 1 (Single Life Annuity with return of purchase price under Reverse Mortgage scheme)

Mr. Sharma aged 60 years, has enrolled himself under Reverse Mortgage scheme from the Bank. Under this scheme, a loan is available to senior citizens to release the home equity in the property in one lump sum or multiple payments. The home-owner's obligation to repay the loan is deferred until the owner dies or leaves the home.

The Bank has sanctioned a reverse mortgage loan of ₹25,45,000 which is given to Canara HSBC Oriental Bank of Commerce Life Insurance Company Ltd. as the purchase price (single premium) plus applicable taxes for buying 'Smart Immediate Income Plan'. The annuity option selected by Mr. Sharma is 'Lifetime annuity with Return of 100% of purchase price on death of the annuitant'.



Amount of ₹ 25,45,000 used to purchase the annuity plan.  
Purchase Price (excl. Goods and Services Tax & applicable cess (es)/levy, if any): ₹ 25,00,000  
Goods and Services Tax & applicable cess (es)/levy, if any: ₹ 45,000

Annual Annuity installment of ₹1,75,450 for lifetime of the annuitant (Mr. Sharma)



On death of the annuitant, purchase price excluding Goods and Services Tax & applicable cess (es)/levy, if any i.e. ₹ 25,00,000 shall be payable

Mr. Sharma will receive an annual annuity installment of ₹1,75,450 throughout his life. In case of unfortunate event of death of Mr. Sharma, the purchase price excluding applicable Goods and Services Tax & applicable cess (es)/levy, if any i.e. ₹25,00,000 shall be payable.

Case Study 2 (Joint Life Annuity with return of purchase price)

Mr. Sharma is a 60 year-old individual. He lives with his wife Mrs. Sharma aged 55 years and his two children. He wants regular guaranteed income for lifetime that would also continue for his wife even after his demise. He also wants to leave something for his children after him as well.

He purchases Canara HSBC Oriental bank of Commerce Life Insurance Smart Immediate Income Plan - Joint Life, Last survivor with 100% annuity to the secondary annuitant with Return of 100% of purchase price on the death of the last survivor, with a purchase price of ₹10,00,000 (exclusive of Goods and Services Tax & applicable cess (es)/levy, if any). They name their two children as nominees with a proportional ownership of 50% each.

Mr. Sharma gets a guaranteed annuity installment of ₹ 67,390 every year. In case of the unfortunate event of the death of Mr. Sharma, Mrs. Sharma will continue to receive the annuity installments throughout her lifetime, enabling her to be financially independent in her old age. Upon her death, the purchase price of ₹10,00,000 shall be paid to the nominees under the plan. In this case, the two children receive an amount equal to ₹ 5,00,000 each.

Kindly note that the above case studies are only illustrations and do not in any way create any rights and/or obligations. The annuity amount shown in the case studies are only illustrative and may vary at the time of purchase depending on the applicable annuity rates. Goods and Services Tax & applicable cess (es)/levy, if any will be charged on purchase price as per applicable laws and at rates declared by the Government, subject to amendment from time to time.

Sample Illustration:

Entry Age (Annuitant / Primary Annuitant)	Purchase Price (excluding Goods and Services Tax & applicable cess (es)/levy, if any)	Annuity Option and Annual Annuity ^amount payable under the option		*Death Benefit
		Single Life (RoP)	#Joint Life (RoP)	
50	500,000	34,185	32,580	500,000
	10,00,000	68,570	65,360	10,00,000
	25,00,000	1,71,425	1,63,400	25,00,000
60	500,000	34,990	33,595	500,000
	10,00,000	70,180	67,390	10,00,000
	25,00,000	1,75,450	1,68,475	25,00,000
70	500,000	35,375	34,270	500,000
	10,00,000	70,950	68,740	10,00,000
	25,00,000	1,77,375	1,71,850	25,00,000

Notes:

\*For Annuity calculation shown above in case of Joint Life option, age of secondary annuitant is taken as 5 years lesser than primary annuitant

\*The death benefit will be payable only after death of last survivor in case of Joint Life annuity

^High purchase price incentive has been incorporated while arriving at the annual annuity installment amounts. The annuity installments mentioned above are only illustrative and may vary at the time of purchase depending on the applicable annuity rates.

Plan at a Glance

Parameter	Description
Entry Age (Age last birthday)	Minimum: 30 years Maximum: No limit. For Entry Age exceeding 99 years, the Annuity Rate for the Entry Age 99 year shall be applicable  Note: Annuity below age 30 years will be offered only in case the policy is purchased from the proceeds of group or individual pension accumulation plan of the Company.

<b>Purchase Price (Single Premium) &amp; Annuity Installment</b>	<p>Minimum Purchase Price: ₹2,00,000 (excluding Goods and Services Tax &amp; applicable cess (es)/levy, if any).</p> <p>The minimum Annuity Installments are ₹11,068, ₹5,362, ₹2,640 and ₹872 respectively for Yearly, Half-Yearly, Quarterly and Monthly mode issued on single life basis.</p> <p>The minimum Annuity Installments are ₹11,914, ₹5,772, ₹2,841 and ₹938 respectively for Yearly, Half-Yearly, Quarterly and Monthly mode issued on joint life basis.</p> <p>Purchase price of less than ₹2,00,000 (and hence Annuity Installments lesser than that mentioned above) shall be allowed only in case the annuity is purchased from the proceeds of group or individual pension accumulation plan of the Company, subject to section 4 of Insurance Act 1938. The Company will accept any amount which in turn will result in the annuity installment of at least ₹100 per annum.</p> <p>Maximum Purchase Price: No limit</p> <p>Please note that Purchase Price will be received as single premium only.</p>
<b>Annuity Installment Frequency / Mode</b>	<p>Annual, Semi-Annual, Quarterly or Monthly</p> <p>The modal factors are:</p> <p>Annual: 1.000</p> <p>Semi-Annual: 0.969</p> <p>Quarterly: 0.954</p> <p>Monthly: 0.945</p> <p>Example: Monthly Annuity Rate will be calculated as (Applicable Annuity Rate* 0.945/12). Hence, a purchase price which yields annual annuity installment of ₹100,000 will yield 12 monthly installments of ₹7,875 each.</p> <p>First installment of annuity is payable at the end of the modal period.</p> <p>For example, if the policy commencement date is 1st Jan 2018, then in case of monthly mode, the first annuity installment shall be made on 31st Jan 2018. In case of annual mode, the first annuity installment shall be made on 31st Dec 2018.</p> <p>Annuity installment frequency/mode can be changed from the next policy anniversary onwards. The request for mode change shall be submitted to the Company at least 60 days prior to the policy anniversary date. Annuity installments shall be made by electronic transfers directly to your bank account.</p> <p>In case the Annuity Installment for chosen mode is less than ₹100, the mode of Annuity Installment payment will be changed to increase the Annuity Installment to minimum ₹100.</p>
<b>Annuity Options</b>	<p>You can choose one of the following annuity options at inception:</p> <ol style="list-style-type: none"> <li>1. Lifetime annuity with Return of 100% of purchase price (excluding Goods and Services Tax &amp; applicable cess (es)/levy, if any, on the death of the annuitant <ul style="list-style-type: none"> <li>• The annuity installments will be payable at uniform rate in arrears for the life of the annuitant</li> <li>• On the death of the annuitant, the payment of annuity installments will cease and 100% of the purchase price (excluding Goods and Services Tax &amp; applicable cess (es)/levy, if any, shall be Payable by Company</li> </ul> </li> <li>2. Joint Life, Last survivor with 100% annuity to the secondary annuitant on death of the primary annuitant with Return of 100% of purchase price (excluding Goods and Services Tax &amp; applicable cess (es)/levy, if any, on the death of the last survivor <ul style="list-style-type: none"> <li>• The annuity installments will be payable at uniform rate in arrears so long as at least one of the two annuitants is alive</li> <li>• On the death of the primary annuitant, secondary annuitant will receive 100% of original annuity installment throughout life</li> <li>• On death of the last survivor, 100% of the purchase price (excluding Goods and Services Tax &amp; applicable cess (es)/levy, if any, shall be payable by the Company</li> </ul> </li> </ol>



	<p>In case of Joint Life option, the Secondary Annuitant can be anyone including spouse / child / parent or parent-in-law.</p> <p>Please note that an Annuity option once chosen at policy inception cannot be changed at a later stage.</p>												
<b>Annuity Term</b>	<p>Single life - till the death of the annuitant.</p> <p>Joint life - till the death of the last survivor.</p>												
<b>Maturity Benefit</b>	Not applicable												
<b>Death Benefit</b>	<p>In case of death of the annuitant (for single life) or last survivor (for Joint life), the purchase price Goods and Services Tax &amp; applicable cess (es)/levy, if any) shall be payable as Death Benefit. Any outstanding annuity installments till the date of death shall also be payable along with the Death Benefit.</p> <p>However, all the Annuity Installments paid from Date of Death to Date of Intimation of Death to the Company shall be reduced from the Death Benefit payable.</p>												
<b>Surrender Value</b>	Not applicable (No surrender is allowed under this product).												
<b>Loan Facility</b>	Loan facility is not available for this product												
<b>Higher annuity installment for high purchase price</b>	<p>The annuity rates vary by purchase price band and therefore you would benefit from higher annuity rates if the purchase price (excluding Goods and Services Tax &amp; applicable cess (es)/levy, if any) is ₹ 2,00,000 or above. The purchase price bands and additional annualized annuity rate are specified below:</p> <table> <tr> <th>Purchase Price Band (excluding Goods and Services Tax &amp; applicable cess (es)/levy, if any)</th><th>Additional annualised annuity rate (per 1000 of purchase price)</th></tr> <tr> <td>&lt;2,00,000</td><td>Nil</td></tr> <tr> <td>≥2,00,000 to &lt;3,00,000</td><td>1.10</td></tr> <tr> <td>≥3,00,000 to &lt;5,00,000</td><td>1.50</td></tr> <tr> <td>≥5,00,000 to &lt;10,00,000</td><td>1.80</td></tr> <tr> <td>≥1,00,00,000</td><td>2.00</td></tr> </table>	Purchase Price Band (excluding Goods and Services Tax & applicable cess (es)/levy, if any)	Additional annualised annuity rate (per 1000 of purchase price)	<2,00,000	Nil	≥2,00,000 to <3,00,000	1.10	≥3,00,000 to <5,00,000	1.50	≥5,00,000 to <10,00,000	1.80	≥1,00,00,000	2.00
Purchase Price Band (excluding Goods and Services Tax & applicable cess (es)/levy, if any)	Additional annualised annuity rate (per 1000 of purchase price)												
<2,00,000	Nil												
≥2,00,000 to <3,00,000	1.10												
≥3,00,000 to <5,00,000	1.50												
≥5,00,000 to <10,00,000	1.80												
≥1,00,00,000	2.00												

## KEY TERMS AND CONDITIONS

**1. Survivorship Certificate:** The Survivorship Certificate for the applicable Annuitant shall be submitted 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. In case the survivorship certificate is not received by the Company, the payment of Annuity Installments shall cease immediately. However, upon receipt of the survivorship certificate, the payment of Annuity Installments shall resume and all the arrears without any interest on the same will be settled.

**2. Free look period:** In case the customer does not agree with the terms and conditions of the Policy, then he/she shall have the option to request for cancellation of the Policy by returning the original Policy along with a written request stating the reasons for his objection to the Company within 15 days (30 days if this Policy has been acquired through distance marketing) from the receipt of the Policy. In such case, the Company shall return the Purchase Price subject to deduction of stamp duty charges and any annuity instalment(s) paid.

Free look option is available only in case the annuity is purchased from funds not arising out of any pension accumulation plan of the Company or any other company. However in such cases, the customer will have the option to change the annuity option/plan within 15 days (30 days if this Policy has been acquired through distance marketing mode) from the receipt of the Policy document. The annuity instalment(s) paid, if any, shall be adjusted accordingly.

**3. Nomination and Assignment:** Nomination should be in accordance with provisions of sec 39 of the Insurance Act 1938 as amended from time to time. Assignment should be in accordance with provisions of sec 38 of the Insurance Act 1938 as amended from time to time.

4. There is no Maturity value / Surrender Value / Loan provision under this plan.
5. **Tax benefits:** Tax Benefits under the plan will be as per the prevailing Income Tax laws and are subject to amendments from time to time. For tax related queries, contact your independent tax advisor.
6. Goods and Services Tax & applicable cess (es)/levy, if any will be charged on the Purchase price as per applicable laws and at rates declared by the Government, subject to amendment from time to time.
7. Once the contract is issued, the annuity installments payable are guaranteed for life. 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 prospectuses 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 bona fide 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 will be applicable. For full text of the provisions of this Section, please contact the Insurance Company or refer to the policy contract of this product on our website [www.canarahsbclife.com](http://www.canarahsbclife.com).**

## ABOUT US

Canara HSBC Oriental Bank of Commerce Life Insurance Company Limited is a company formed jointly by three leading financial organizations - Canara Bank and Oriental Bank of Commerce, which are two of India's largest nationalized banks in terms of aggregate business, along with HSBC Insurance (Asia Pacific) Holdings Limited.

The shareholding pattern of the Joint Venture is – Canara Bank: 51%, HSBC Insurance (Asia Pacific) Holdings Limited: 26% and Oriental Bank of Commerce: 23%.

Our aim is to provide you with a transparent range of life insurance products backed by excellent customer service and thereby, making your life simpler.

Canara HSBC Oriental Bank of Commerce Life Insurance Smart Immediate Income Plan is a Non- Linked Non-Participating Plan



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**Canara HSBC Oriental Bank of Commerce  
Life Insurance Company Limited (IRDAI Regn.No.136)**

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**Corporate Office:**

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Gurugram-122018, Haryana, India

**Corporate Identity No.:** U66010DL2007PLC248825

**Website:** [www.canarahsbclife.com](http://www.canarahsbclife.com)

**Call:** 1800-103-0003/1800-180-0003(BSNL/MTNL), **Missed Call:** 0124-6156600

**SMS:** 9779030003

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- IRDAI is not involved in activities like selling insurance policies, announcing bonus or investment of premiums. Public receiving such phone calls are requested to lodge a police complaint.

This product brochure gives only the salient features of the plan and it is indicative of Terms and Conditions. This brochure should be read in conjunction with the quotation and the Terms & Conditions for this plan available on our website.

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