

# Raho **Befikar**, Aaj Ho Ya Kal



Retirement solutions

**Tata AIA** Life Insurance



**Fortune Guarantee Pension**

A Non-Linked, Non-Participating Annuity Plan

#HarWaqtKeLiye *Taiyaar*



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# Tata AIA Life Insurance Fortune Guarantee Pension

A Non-Linked, Non-Participating Annuity Plan

Your retirement years are your second innings, a new life where you leave behind your working life and find time for yourself. To have a worry-free retirement, you need to plan right, so that you can truly enjoy your golden years.

Presenting, Tata AIA Life Insurance Fortune Guarantee Pension that helps you gain financial freedom during your second innings. The plan offers you regular guaranteed income for life to help you manage your expenses post retirement.

The Group version of this product helps Employer-Employee groups to purchase annuities in respect of annuity payments for their members.

## Key Features

- Multiple annuity options to suit your needs
- High purchase price benefit to encourage you to save more
- Option to increase annuity through Top-up premiums
- Tax benefits may be applicable on premiums paid and benefits received as per applicable tax laws

**The Annuity Options available to you/group members under this product are:**

1. Immediate Life Annuity
2. Immediate Life Annuity with Return of Purchase Price
3. Deferred Life Annuity (GA-I) and with Return of Purchase Price
4. Deferred Life Annuity (GA-II) and with Return of Purchase Price

Plan Options 1 and 2 are available under Single Pay & Single Life and Joint Life basis

Plan Options 3 and 4 are available under Single, Limited and Regular Pay & Single Life and Joint Life basis

**Annuity option available for POS channel:**

|                          |                                                 |
|--------------------------|-------------------------------------------------|
| Type of Annuity          | Only Single Life Immediate Annuity              |
| Annuity Option available | Plan Option 2 – Immediate Life Annuity with ROP |

All Plan Options are available for all other channels.

No Medical examination shall be required under POS variant of the product.

## II. You can buy this plan in 3 simple steps:

- a) Plan your Annuity needs –  
Choose the Purchase Price (premium of your policy) to buy Annuity
- b) Choose your Plan Option
- c) Receive Annuity payouts at the chosen mode – Monthly in arrears, Quarterly in arrears, Half-yearly in arrears, Yearly in arrears or Yearly in advance

## Eligibility Criteria

|                                       |                         | Minimum <sup>1</sup>                                                                                                                                                                                                                                                       | Maximum <sup>1</sup>                                                                                                                                        |
|---------------------------------------|-------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Entry Age</b>                      |                         | <b>For PoS</b><br>Option 2: 40 years<br><b>Other than POS</b><br>30 years                                                                                                                                                                                                  | <b>For PoS</b><br>Option 2: 70 years<br><b>Other than POS</b><br>Option 1 & 2: 85 years<br>Option 3 & 4: 84 years*<br>*annuity to start max at age 85 years |
| <b>Premium Payment Term</b>           | Single Pay              | 1 year                                                                                                                                                                                                                                                                     |                                                                                                                                                             |
|                                       | Regular/<br>Limited Pay | 5 years                                                                                                                                                                                                                                                                    | 12 years                                                                                                                                                    |
| <b>Deferment Period</b>               | Single Pay              | 1 year                                                                                                                                                                                                                                                                     | 10 years                                                                                                                                                    |
|                                       | Regular Pay             | Equal to Premium Payment Term                                                                                                                                                                                                                                              |                                                                                                                                                             |
|                                       | Limited Pay             | Premium Payment Term + 1                                                                                                                                                                                                                                                   | Premium Payment Term + 5 years                                                                                                                              |
| <b>Annuity Amount<sup>2</sup> (R)</b> |                         | <ul style="list-style-type: none"> <li>Yearly in arrears: ₹ 12 (in '000s)</li> <li>Yearly in advance: ₹ 12 (in '000s)</li> <li>Half Yearly in arrears: ₹ 6 (in '000s)</li> <li>Quarterly in arrears: ₹ 3 (in '000s)</li> <li>Monthly in arrears: ₹ 1 (in '000s)</li> </ul> | No limit, subject to Board Approved Underwriting Policy                                                                                                     |
| <b>Purchase Price<sup>3</sup></b>     |                         | Corresponding to minimum annuity amount above                                                                                                                                                                                                                              | As per maximum annuity chosen                                                                                                                               |
| <b>Group size</b>                     |                         | 5                                                                                                                                                                                                                                                                          | No Limit                                                                                                                                                    |

In case of Joint Life Annuities, age limits apply to both lives.

<sup>1</sup>Any reference to Age is as on last birthday.

<sup>2</sup>The minimum annuity instalment provided in the table above shall be complied in all policy years.

<sup>3</sup>The Purchase Price referred in the table above means total of all the premiums payable, excluding extra premium, any rider premium, taxes and other statutory levies, if applicable.

The minimum Purchase Price that will produce the minimum annuity mentioned in the table above will depend on the minimum annuity rates, as applicable. Annuity rates may be reviewed by the company subject to IRDAI approval on a periodic basis and the revised rates will be applicable for future new policies including Top-ups, if any.

If this product is purchased as Qualifying Recognised Overseas Pension Scheme (QROPS) through transfer of UK tax relieved assets, the minimum entry age for payment of annuity will be governed by the rules defined by Her Majesty's Revenue and Customs (HMRC) from time to time.

IV. CHOOSE YOUR ANNUITY OPTION

Guaranteed Additions –

During the Deferment Period, Guaranteed Additions accrue at the end of each completed policy month, subject to all due premiums being paid and form a part of the Death Benefit offered under the option. The product offers 2 types of Guaranteed Additions:

1. GA-I

GA = 1/12th of the Yearly Annuity amount

2. GA-II

GA = 1/12th of 6% of Total Premiums Paid<sup>1</sup> (excluding loading for modal premium)

Guaranteed Additions will be available under Plan Options 3 and 4.

No Guaranteed Additions shall accrue once the policy has lapsed or been converted to a Reduced Paid-up policy.

In case of Joint Life, the Primary Annuitant will be the primary person entitled to receive the Annuity Payouts, while the Secondary Annuitant will be entitled to receive the Annuity Payouts in the event of death of the Primary Annuitant, as applicable. In a Joint Life annuity, the Secondary Annuitant can be the spouse/ child/ parent/ parent-in-law or sibling of the Primary Annuitant. Other relationships maybe considered as long as there is an insurable interest<sup>2</sup> between the Annuitants. It will be ensured that there shall be insurable interest between the lives.

The annuity payments will be payable as per the chosen annuity payment frequency from the date of purchase of the plan (for Immediate Life Annuity options) or from the end of Deferment Period (for Deferred Life Annuity options).

<sup>1</sup>Total of all the premiums received, excluding any extra premium, any rider premium and taxes

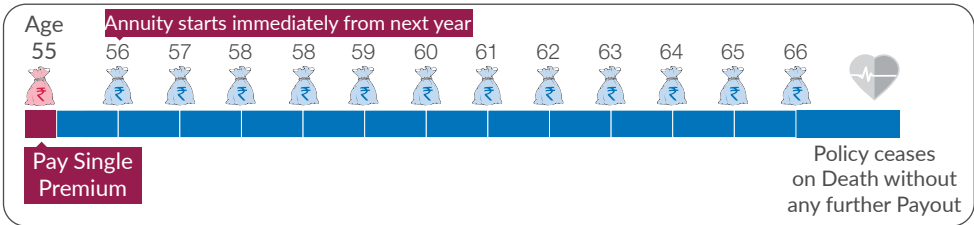
<sup>2</sup>Annuitants are said to have an ‘insurable interest’ in the other when they stand to gain or benefit from the continued existence and wellbeing of the other, and would suffer a financial loss due to non-existence of the other.

The benefits and features available under different Plan Options, on both single life and joint life basis, are explained in detail:

1. Immediate Life Annuity Option

Annuity shall be paid till the annuitant(s) is/are alive. There is no death benefit payable under this option. Annuity payments commence immediately as per the frequency chosen.

Example 1: Age at Entry: 55 years; Premium Payment Term: Single Pay;  
Annuity Payment Frequency: Annual

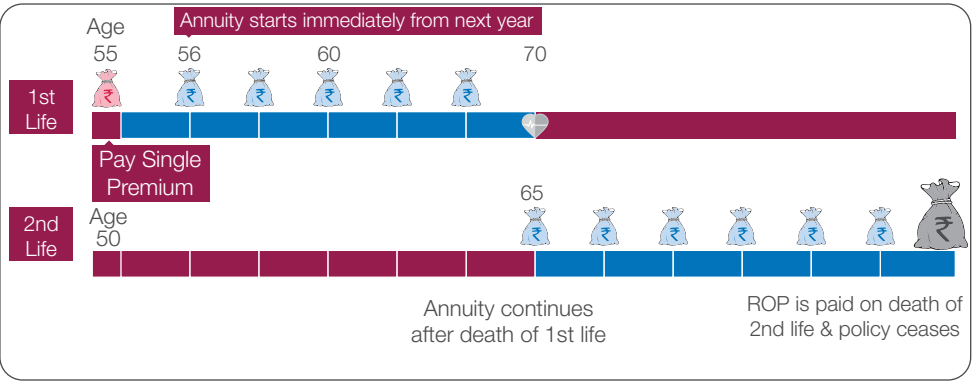


2. Immediate Life Annuity with Return of Purchase Price Option

Annuity is paid till the annuitant(s) is/are alive and annuity payments commence immediately as per the frequency chosen.

Death benefit is Total Premiums Paid till date.

Example 2 - Age at Entry: 1st Life -55 years, 2nd Life -50 years; Premium Payment Term: Single Pay; Annuity Payment Frequency: Annual



3. Deferred Life Annuity (GA-I) with Return of Purchase

Annuity is paid till the annuitant(s) is/are alive and annuity payments commence post the end of the Deferment Period as per the frequency chosen.

Death benefit payable within Deferment Period:

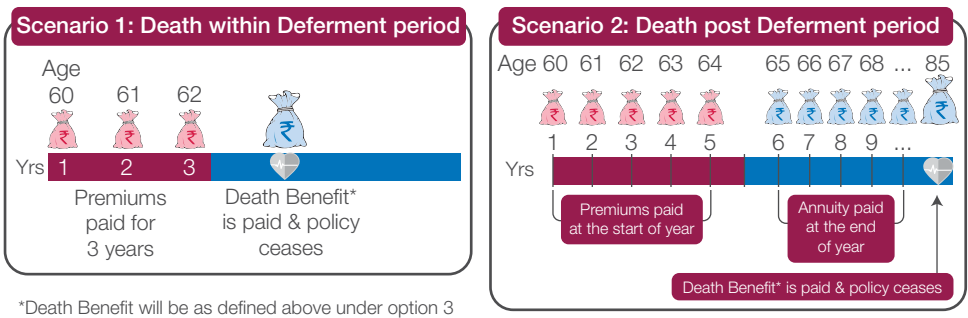
- Death Benefit is higher of –
  - Total Premiums Paid (excluding loading for modal premiums) up to date of death + Accrued Guaranteed Additions
  - 105% of Total Premiums Paid (excluding loading for modal premiums) up to date of death

Death benefit payable Post Deferment Period:

Total Premiums Paid (excluding loading for modal premiums) up to date of death + Max (Accrued Guaranteed Additions – Total Annuity payouts till date of death, 0)

Guaranteed Additions accrue as per GA-I defined under the “Guaranteed Additions” section above.

Example 3 - Age at Entry: 60 years; Premium payment term: 5 years; Deferment period: 5 years



\*Death Benefit will be as defined above under option 3

| Scenario                   | Age | PPT/Deferment | Annual Premium | Total Premiums paid | Death Benefit |
|----------------------------|-----|---------------|----------------|---------------------|---------------|
| 1 – Death within Deferment | 60  | 5/5           | 1,00,000       | 3,00,000^           | 3,93,600^     |

^Death is at the end of 3rd year

4. Deferred Life Annuity (GA-II) with Return of Purchase Price

Annuity is paid till the annuitant(s) is/are alive and annuity payments commence post the end of the Deferment Period as per the frequency chosen.

Death benefit payable within Deferment Period:

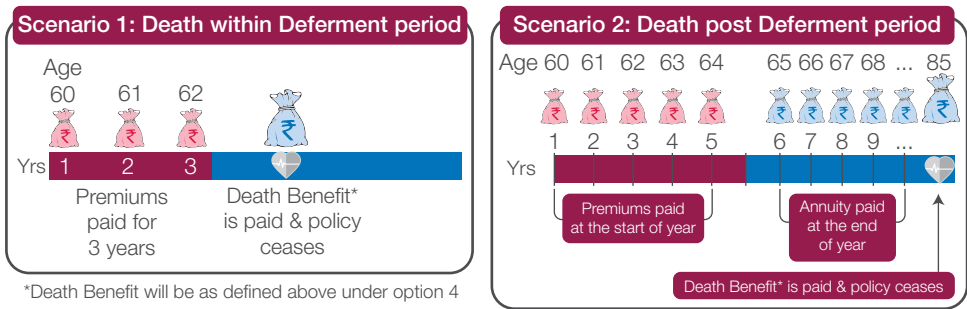
- Death Benefit is higher of –
  - Total Premiums Paid (excluding loading for modal premiums) up to date of death + Accrued Guaranteed Additions
  - 105% of Total Premiums Paid (excluding loading for modal premiums) up to date of death

Death benefit payable Post Deferment Period:

Total Premiums Paid (excluding loading for modal premiums) up to date of death + Max (Accrued Guaranteed Additions – Total Annuity payouts till date of death, 0)

Guaranteed Additions accrue as per GA-II defined under the “Guaranteed Additions” section above.

Example 4 - Age at Entry: 60 years; Premium payment term: 5 years; Deferment period: 5 years



| Scenario                   | Age | PPT/<br>Deferment | Annual<br>Premium | Total<br>Premiums paid | Death<br>Benefit      |
|----------------------------|-----|-------------------|-------------------|------------------------|-----------------------|
| 1 – Death within Deferment | 60  | 5/5               | 1,00,000          | 3,00,000 <sup>^</sup>  | 3,36,000 <sup>^</sup> |

<sup>^</sup>Death is at the end of 3rd year

Your Annuity Payout

Purchase Price is payable in advance at the start of a contract. Your annuity (for annuity mode annually in arrears) will be calculated as follows:

•Annuity Payout

Yearly Annuity (Single Pay) = Rate A \* (Single Premium up to R X) + Rate B \* (Single Premium in excess of R X)

Yearly Annuity (Regular Pay / Limited Pay) = [Rate A \* (Annualised Premium up to R X) + Rate B \* (Annualised Premium in excess of R X)] \* Premium Payment Term

For Single Pay, X = R 5,00,000

For Regular/Limited Pay, X = R 1,00,000

“Annualised Premium” shall be the premium payable in a year under a non-single pay option chosen by the policyholder, excluding the taxes, rider premiums, underwriting extra premiums and loading for modal premiums, if any.

“Single Premium” shall be the premium payable under a single pay option chosen by the policyholder, excluding the taxes, rider premiums, underwriting extra premiums, if any.

Please refer Company’s website for more details on Top up option and on Rate A and Rate B.

- Your annuity shall be payable as per the chosen annuity payment mode from the date of purchase of the plan. This implies that:

| Frequency                                 | Annuity payout would start after                       |
|-------------------------------------------|--------------------------------------------------------|
| Annually in arrears                       | One year from the purchase/end of Deferment Period     |
| Half-yearly in arrears                    | Six months from the purchase/end of Deferment Period   |
| Quarterly in arrears                      | Three months from the purchase/end of Deferment Period |
| Monthly in arrears                        | One month from the purchase/end of Deferment Period    |
| Annually in advance (except for Option 1) | Purchase/end of Deferment Period                       |

Annuity frequency can be changed at policy anniversary except when the Annuity instalment will breach the minimum Annuity, instalment specified in Section III – Eligibility Criteria above.

Annuity instalments shall be as specified below:

| Mode                   | Annuity Instalment (per mode selected) |
|------------------------|----------------------------------------|
| Yearly in arrears      | Yearly Annuity                         |
| Half-yearly in arrears | 98% of Yearly Annuity x $\frac{1}{2}$  |
| Quarterly in arrears   | 97% of Yearly Annuity x $\frac{1}{4}$  |
| Monthly in arrears     | 96% of Yearly Annuity x $\frac{1}{12}$ |
| Annually in advance    | 93% of Yearly Annuity                  |

Note: Yearly Annuity refers to the annuity paid in respect of frequency Annually in arrears and the rate is guaranteed at the time of purchase of the policy.

#### Sample Annuity Amount (for Single Life):

| Age (years) | Purchase Price | Plan Option 1 | Plan Option 2 |
|-------------|----------------|---------------|---------------|
| 55          | 25,00,000      | 1,84,000      | 1,48,550      |
| 60          | 25,00,000      | 1,95,250      | 1,49,600      |
| 65          | 25,00,000      | 2,09,950      | 1,50,700      |

#### Annualised Premium: Rs 1,00,000

| Age (years) | PPT/Deferment Period | Plan Option 4 |
|-------------|----------------------|---------------|
| 50          | 10/10                | 87,000        |
| 55          | 5/10                 | 54,600        |
| 60          | 5/5                  | 39,300        |
| 65          | 5/5                  | 39,950        |

Annuity amount will vary depending upon option chosen.

The above annual annuity amount is for male, standard life for purchase price / annualised premium exclusive of applicable taxes, cesses & levies.

#### Premium Paying Modes:

Single, Annual, Half-Yearly, Quarterly and Monthly modes are available.

#### Modal loading is as follows:

|                          |                                                       |
|--------------------------|-------------------------------------------------------|
| Single Premium Rate      | : Multiply Single Premium Rate by 1 (i.e. No loading) |
| Annual Premium Rate      | : Multiply Annual Premium Rate by 1 (i.e. No loading) |
| Half Yearly Premium Rate | : Multiply Annual Premium Rate by 0.51                |
| Quarterly Premium Rate   | : Multiply Annual Premium Rate by 0.26                |
| Monthly Premium Rate     | : Multiply Annual Premium Rate by 0.0883              |

#### Top Up Option

There is an option ("Top-Up") to increase the annuity by paying an additional Purchase Price/ Premium as a Single Pay at any time after six months after Policy Commencement Date.

- The additional purchase can be made provided the policy is in-force with no due premiums outstanding.

- This will be subject to the product criteria prevailing then with respect to minimum & maximum Age at entry, minimum & maximum Deferment Period (if applicable). However, the minimum annuity instalment limits shall not be applicable for this option.
- The named annuitant(s) in the Top-Up must be same as that of the base policy.
- The prevailing annuity rate for revised purchase price slab and attained age of the annuitant(s) will be applicable for the additional purchase price.
- The policyholder will have a choice to match the timing of the top-up annuity with that of the base annuity. For example: if he opts for 10-year deferment period and pays top-up after 2.5 years, then prevailing annuity rates for deferment period of 7 years and 8 years would be used to derive the annuity rate for 7.5 years.
- Each top-up tranche will be treated as independent in its own right. Hence:
  - Any Top-up tranche can be surrendered independent of the base policy or other top-up tranches.
  - Benefit payable on Death, Survival or Surrender would be calculated separately for the base policy and each top-up tranche and the total would be payable.
- If the Base policy is surrendered, all top-up tranches will also be surrendered at the same time.
- The annuity amount under the base policy shall remain unchanged.

## V. Other Benefits

What are the inbuilt benefits under your Policy?

You are eligible for the following benefits under this product:

### 1. Death Benefit

The Death Benefit will be paid:

- **Single Life** – On death of the annuitant
- **Joint Life** – On later of the death of the two annuitants

The table below sets out the Death Benefits for different annuity options:

| Plan Option    | Death Benefit                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Option 1       | No death benefit payable                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Option 2       | Total Premiums Paid till date                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Option 3 and 4 | <p><b>Within Deferment Period:</b></p> <ul style="list-style-type: none"> <li>• Death Benefit is higher of –</li> <li>• Total Premiums Paid (excluding loading for modal premiums) up to date of death + Accrued Guaranteed Additions</li> <li>• 105% of Total Premiums Paid (excluding loading for modal premiums) up to date of death</li> </ul> <p><b>Post Deferment Period:</b></p> <p>Death Benefit is Total Premiums Paid (excluding loading for modal premiums) up to date of death + Max (Accrued Guaranteed Additions – Total Annuity payouts till date of death, 0)</p> |

### 2. Guaranteed Additions

Refer to section on “Choose your annuity options”.

### 3. Surrender Benefit

No surrender benefit is applicable for Option 1.

It is advisable to continue your policy in order to enjoy full benefits of your plan. However, we understand that in certain circumstances you may want to surrender your policy. Surrender benefit available under different plan options is as follows:

The policy shall acquire a surrender value basis the Premium Payment Mode as defined below:

| Premium Payment Mode  | Surrender Value payable                                 |
|-----------------------|---------------------------------------------------------|
| Single Pay            | At any time after Policy Commencement Date              |
| Regular / Limited Pay | Provided at least 2 full years' premiums have been paid |

The surrender value payable is higher of the Guaranteed Surrender Value (GSV) or Special Surrender Value (SSV).

Details of Surrender Value computation has been outlined in the Policy Document. Please go through the policy document for surrender value factors and computations for understanding the surrender values.

In case of Frequency of Annuity Payment other than annually in arrears, the Surrender Benefit shall be paid after deducting any Annuity pay-outs made during the Policy Year.

Upon payment of the surrender benefit the policy shall terminate and all other benefits shall cease.

The maximum SSV shall be restricted to the Death Benefit.

#### 4. Maturity Benefit

There is no maturity benefit in this plan.

#### 5. Non-forfeiture Benefit (Applicable for non-single pay)

##### Paid up Benefit

- If you have not paid at least two (2) full years Premiums, the Policy will be converted to a lapsed Policy at the end of the grace period, and no benefit will be payable.
- If you have paid at least two (2) full year Premiums, and subsequent Premiums have not been paid, your Policy will be converted to a Paid-up Policy at the end of the grace period and the Annuity amount will be converted to Paid-up Annuity.

##### **Paid-up Annuity = (t/n) \* Original Annuity Amount**

Where,

"t" is the total period for which premiums have already been paid

"n" is the maximum period for which premiums were originally payable

And (t/n) is the Reduced Paid-up (RPU) Factor

- Paid-up Annuity amount will be paid as and when the annuity payment falls due
- Guaranteed Additions (GA) will not be applicable to a Paid-up Policy. The Policy will continue with the already attached GAs
- Death Benefit as mentioned above shall be payable.
- If any top-up Premium has been paid in the Policy, the benefit with respect to the top-up Premium remain unchanged
- The total Annuity amount payable under the Policy will be Paid-up Annuity plus Annuity amount with respect to the top-up Premium

#### 6. Rider Attachment

The below mentioned rider(s) would be available with the base product:

- Tata AIA Life Insurance Non-Linked Comprehensive Protection Rider (UIN:110B033V02 or any other later version)
- Tata AIA Life Insurance Non-Linked Comprehensive Health Rider (UIN: 110B031V02 or any other later version)

These riders can be attached effective policy inception or any policy anniversary of the base plan subject to the rider premium payment term and the policy term shall not be more than the outstanding premium payment term and outstanding Deferment Period for the base plan.

If there is overlap in benefit offered under different riders with the base product, then that benefit under the rider will not be offered. In case the product is purchased under PoS, then no rider can be attached.

Such rider attachments will be as per the 'Board approved underwriting policy' (BAUP) of the Company. The riders shall be offered in compliance with the provisions of Reg. 6 of IRDAI (Protection of Policyholders' Interests) Reg. 2017.

## VI. Other plan features/ Terms and Conditions

### Free Look

If the Master Policyholder/Annuitant is not satisfied with the terms & conditions/ features of the policy, s/he has the right to cancel the Policy by providing written notice to the Company and receive a refund of all premiums paid without interest after deducting Stamp duty and Medical examination costs (including goods and services tax), if any which have been incurred for issuing the Policy. The proportionate cost of mortality is immaterial and hence ignored for administrative simplicity. In case any annuity payment has been made before processing of the Free Look cancellation amount, we shall recover the same from the refund amount due to the Master Policyholder/Annuitant.

Such notice must be signed by the Master Policyholder/Annuitant and received directly by the Company within 15 days after the Master Policyholder/Annuitant receives the Policy Document. The said period of 15 days shall stand extended to 30 days, if the policy is sourced through electronic or distance marketing mode.

Distance marketing includes every activity of solicitation (including lead generation) and sale of insurance products through the following modes:

- Voice mode, which includes telephone-calling;
- Short Messaging service (SMS);
- Electronic mode which includes e-mail, internet and interactive television (DTH);
- Physical mode which includes direct postal mail and newspaper & magazine inserts; and,
- Solicitation through any means of communication other than in person.

Distance Marketing will include sales through Direct Sales (other than in person).

However, the following exceptions apply:

- If the policy is purchased through proceeds from subscribers NPS funds as detailed in sub-section **“Utilization of Return of Purchase option for NPS subscribers”** (below), the proceeds from cancellation in the free-look period shall only be transferred back to the Central Record Keeping Agency from where the money was received.
- If the policy is purchased as part of bulk annuity as detailed in sub-section **“Bulk Annuity purchase”** (below), the proceeds from cancellation in the free-look period shall only be transferred back to the source as per applicable scheme rules
- If the policy has been purchased as QROPS as detailed in sub-section **“Utilization of Return of Purchase option for QROP subscribers”** (below), the proceeds from cancellation shall only be transferred back to the fund house from where the money was received.

### Discounts:

For Single Pay greater than 5 lakhs and RP / LP greater than 1 lakh annual premium, higher annuity rates will be applicable on the incremental premium.

There are policy rebates available on satisfying certain criteria as outlined in Bulk Annuity purchase and NPS sections below, which will be provided in the form of increased annuity. The total incremental annuity shall not exceed 1% of the annuity rate as otherwise applicable, even if the annuitant might be eligible to avail policy rebates under multiple criteria at the same time.

### Bulk Annuity purchase

This plan can be utilised for bulk annuity purchase by a scheme set up to provide regular pension benefits for its members. Such purchase will be subject to applicable scheme rules and must comply with the eligibility conditions as approved for this product.

The company shall offer an additional annuity of 1% of the annuity rate to such bulk annuity purchase.

### Company's Website:

The product is also available for sale through online mode on Company's web-site [www.tataaia.com](http://www.tataaia.com)

### Utilization of Return of Purchase option for NPS subscribers:

In case this annuity option is purchased as a default option by a Government sector NPS subscriber through funds accumulated in his/her NPS scheme, the utilization of Death Benefit shall be as per Pension Fund Regulatory and Development Authority (Exits and Withdrawals Under the National Pension System) Regulations, 2015, as amended from time to time.

Annuity can be taken by NPS subscribers subject to terms and conditions prescribed by Pension Fund Regulatory and Development Authority (PFRDA) as applicable from time to time.

The company shall offer an additional annuity booster of 1% of the annuity rate to such NPS subscribers whilst purchasing annuity.

## Exclusions

### • Suicide Claim Provisions

In case of death due to suicide within 12 months:

- From the date of commencement of risk under the policy or from the date of revival of the policy, as applicable, the nominee or beneficiary of the policyholder shall be entitled to at least 80% of the Total Premiums Paid till the date of death or the surrender value available as on the date of death whichever is higher, provided the policy is in force; or
- From the date of exercising the Top-Up Option, the nominee or beneficiary of the policyholder shall be entitled to 80% of the respective Top-Up Premiums paid (excluding any extra premium, any rider premium and taxes). The original death benefit (based on the Purchase Price chosen at the time of purchase) and any increased death benefit purchased by exercising the Top-Up Option subsequently but prior to 12 months from the date of death (due to suicide) will remain payable in full.
- In case of joint life policy, the above clause is applicable if any of the two lives commits suicide within 12 months from the commencement of risk under the policy or the exercising of the Top-Up Option, as applicable.
- This is applicable only for options 3 and 4 and during the deferment period. No benefit is payable on suicide otherwise.
- The suicide claim provision refers to Regulation 9(c) of the IRDAI (Non-Linked Insurance Products) Regulations, 2019 as amended from time to time.

### • Death – None

**Access to benefits/payout if this product is purchased as QROPS (Qualifying Recognized Overseas Pension Scheme), through transfer of UK tax relieved assets**

This plan can be purchased as QROPS, through transfer of UK tax relieved assets subject to listing and terms and conditions prescribed by HMRC (Her Majesty Revenue & Customs) such as:

- Minimum age for annuity payment shall be 55 years of age (i.e. under Immediate annuity the minimum age at entry shall be 55 years and under Deferred annuity, the minimum vesting age shall be 55 years).
- If the policy is cancelled during the Free Look Period, the proceeds from cancellation shall only be transferred back to the fund house from where the money was received.
- In the event of applicable tax charge arising as a result of an overseas transfer HMRC - Policy paper – The overseas transfer charge – guidance, published 8th March 2017) for which the Scheme Manager i.e. TATA AIA Life Insurance Company may become liable, we shall deduct an amount only to the extent of the applicable tax charge from the Policy value and remit the same to HMRC
- Other terms and conditions of HMRC shall also apply as applicable from time to time

## Policy Loan:

Loan can be availed any time after six months from the date of commencement of the policy for other than Plan Option 1. Under joint life option, the loan can be availed by the primary annuitant and on death of the primary annuitant, it can be availed by the secondary annuitant.

Maximum amount of loan that can be granted under the policy shall be such that:

- it does not exceed 80% of surrender value
- the amount of loan plus interest till end of deferment period, if any would not exceed 90% of the Total Premiums Paid (excluding loading for modal premiums) assuming no further premium payments, if any
- effective annual interest amount payable on loan immediately (in case of Option 2) or post the end of deferment (in case of Option 3 and 4) does not exceed 50% of the annual annuity amount payable under the policy assuming no further premium payments, if any

The loan interest will be recovered from the annuity amount payable under the policy, as part of survival benefit. The loan interest will accrue as per the frequency of annuity payment under the policy and it will be due on the date of annuity. The loan outstanding shall be recovered from the claim proceeds under the policy. However, the annuitant has the flexibility to repay the loan principal at any time during the course of the policy.

For inforce and fully paid up policies, the policy will not be foreclosed if the outstanding loan amount including interest exceeds the surrender value. However, for other than in-force and fully paid up policies, if the outstanding loan amount including interest exceeds the surrender value, the policy will be foreclosed after giving intimation and reasonable opportunity to the policyholder to continue the policy.

Interest rate applicable to policy loan will be equal to the prevailing SBI (State Bank of India) domestic term deposit interest rate for tenure '1 year to less than 2 years' + 2%. This formula will be reviewed annually and only altered subject to prior approval of IRDAI. The interest rate on loans are verified & updated on our company's systems every six months (on 1st April & 1st Oct every year) as per the given formula. The current interest rate for Loan from 1st October 2023 is 8.98% p.a. (i.e. SBI interest rate of 6.98% + 2%) compounding annually.

There shall be no discretion of the Insurer in granting the policy loan to identical/similar annuitant(s). Further, there shall be no discretion of the Insurer in the quantum of loan granted (subject to the quantum being within permissible limits).

**Grace Period:**

Grace Period is the time provided after the premium due date during which the policy is considered to be in force with the risk cover. This plan has a grace period of 30 days for yearly, half yearly and quarterly frequencies from the premium due date. The grace period for monthly frequency is 15 days from the premium due date.

**Revival Period:**

If a premium is in default beyond the Grace Period and subject to the Policy not having been surrendered, it may be reinstated/revived, within five years after the due date of first unpaid premium and before the end of deferment period, subject to: (i) Policyholder's written application for reinstatement/revival; (ii) production of Insured's current health certificate and other evidence of insurability, satisfactory to the Company; and (iii) payment of all overdue premiums with interest.

The evidence of insurability and any medical requirements or health declarations requested at the time of reinstatement/revival will be in line with the Board approved Underwriting Policy.

Any reinstatement/revival shall only cover loss or insured event which occurs after the reinstatement/revival date. The guaranteed additions which had not accrued on account of the policy being in lapse or reduced paid up status will accrue on the date of revival.

The applicable interest rate for revival is determined using the SBI domestic term deposit rate for '1 year to less than 2 years', plus 2%. The rate of interest on revival with effect from 1st October 2023 is 8.98% simple p.a. (i.e. SBI interest rate of 6.98% + 2%) plus applicable taxes. The interest rate applicable is reviewed every 6 months and gets updated as per the given formula. Any alteration in the formula will be subject to prior approval of IRDAI.

**Tax Provisions:**

The Purchase Price/Premium under the policy is exclusive of applicable taxes, duties, surcharge, cesses or levies which will be entirely borne/ paid by the Master Policyholder and/or Annuitant, in addition to the payment of such Purchase Price/Premium. Tata AIA Life shall have the right to claim, deduct, adjust and recover the amount of any applicable tax or imposition, levied by any statutory or administrative body, from the benefits payable under the Policy.

Benefits payable under the policy shall be governed in accordance with the prevailing provisions of Income Tax Act, 1961.

**Existence Certificate:**

- a) It shall be the responsibility of the Master Policyholder and/or Annuitant to produce the existence certificate as per the Company policy at his expense
- b) Failing Sub-Section (a) above, the Annuity Installment due from the next Policy Anniversary may be withheld till date of production of existence certificate. The Company shall not under any circumstances pay any interest for any delay in payment of Annuity Installment on account of non-receipt of existence certificate by the Company
- c) The Company is not obliged to send reminders to Master Policyholder and/or Annuitant to provide existence certificate of the Annuitant

**Assignment:**

Assignment shall be as per Section 38 of the Insurance Act 1938 as amended from time to time.

**Nomination:**

Nomination allowed as per provisions of Section 39 of the Insurance Act 1938 as amended from time to time.

**Alterations:**

No alterations apart from those mentioned below can be made after the annuity has been purchased:

- a) Change of premium payment frequency
- b) Change of Nomination/ Assignment/ Appointee
- c) DOB change/correction
- d) Change of Annuity frequency at policy anniversary

**Termination of Policy:**

This policy will terminate immediately and automatically upon the happening of any of the following event:

- a) On date of the death of the Annuitant or on the date of the death of the second annuitant in case of Joint life, as applicable
- b) On the date of acceptance of Free look request.
- c) On the date of payment of Surrender Benefit of this Policy;
- d) On the expiry of the Revival period for a lapsed policy
- e) On the date when the loan amount with accrued interest exceeds the Surrender Value.

**About Tata AIA Life**

Tata AIA Life Insurance Company Limited (Tata AIA Life) is a joint venture company, formed by Tata Sons Ltd. and AIA Group Ltd (AIA). Tata AIA Life combines Tata's pre-eminent leadership position in India and AIA's presence as the largest, independent listed pan-Asia life insurance group in the world spanning 18 markets in Asia Pacific. Tata Sons holds a majority stake (51 per cent) in the company and AIA holds 49 per cent through an AIA International Limited. Tata AIA Life Insurance Company Limited was licensed to operate in India on February 12, 2001 and started operations on April 1, 2001.

**DISCLAIMER:**

- a) The brochure is not a contract of annuity. The precise terms and conditions of this plan are specified in the policy contract available on Tata AIA Life website.
- b) This product brochure should be read along with Benefit Illustration.
- c) This product is underwritten by Tata AIA Life Insurance Company Ltd. This plan is not a guaranteed issuance plan and it will be subject to Company's underwriting and acceptance.

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