

# Choose this today to have a choice tomorrow with

## SBI Life - Smart Future Choices

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Empower your future self to  
decide what's best for you

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Life is all about choices and achievers usually make the right ones. Your ability to realize your dreams gives you a higher degree of freedom and power to control your destiny. You deserve the freedom of choice in all aspects of life and life insurance is one of them.

Presenting SBI Life - Smart Future Choices, an individual, non-linked, participating, life insurance savings product curated especially for High Net-worth Individuals. This allows you to choose benefit payouts in lump sum or as flexible payments. Additionally, avail regular cash bonus payouts to meet your needs at various life stages. We also empower you to review your choices as per your changing needs from time to time, during the policy term. So enjoy your Power of Choices throughout the policy term with SBI Life - Smart Future Choices.

## KEY FEATURES



Exercise your '**Power to Choose**'<sup>1</sup> with various choices



Gift yourself the delight of **cash bonus**<sup>^^</sup> without the wait



**Enjoy the flexibility** of choosing your benefit payouts as per your changing needs



Stay **protected** throughout the policy term



Be confident with **Money On Demand**<sup>^</sup> choice



Avail **tax benefits**<sup>\*</sup>

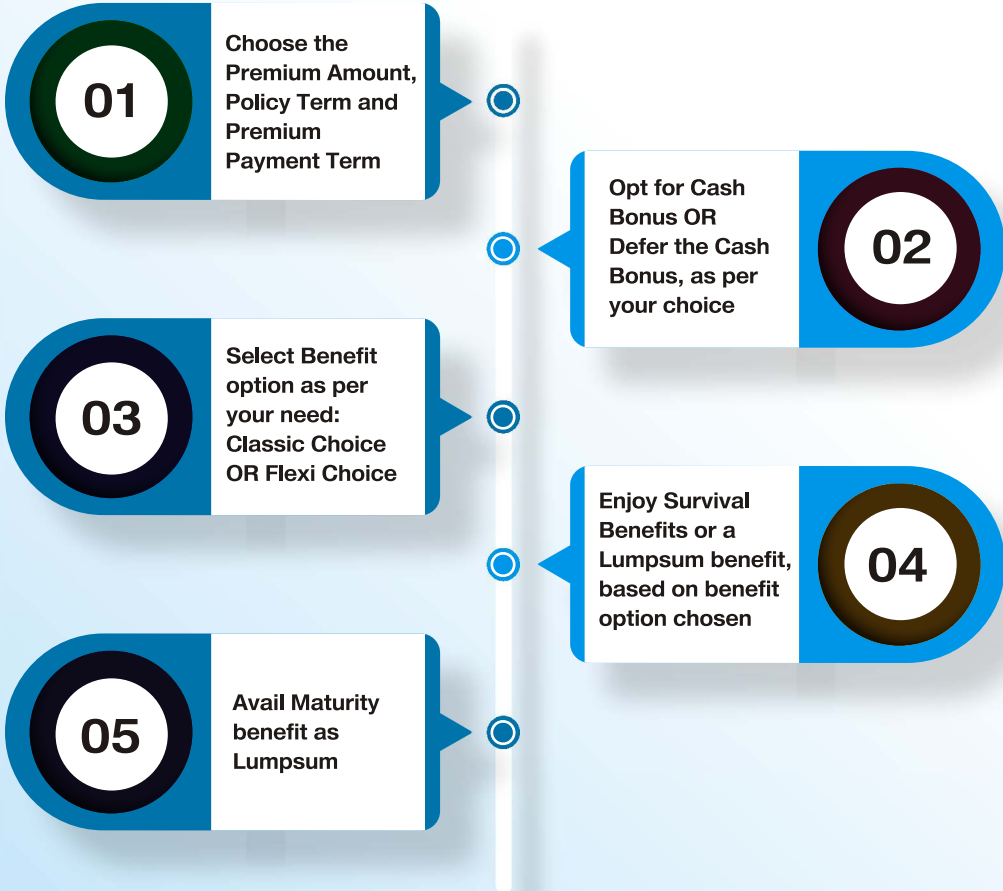
<sup>1</sup>Money On Demand refers to survival benefit payouts available at defined intervals under Flexi Choice option. The policyholder may take or may defer these payouts. The deferred payouts along with applicable interest can be availed in lumpsum anytime during the remaining policy term.

<sup>^^</sup>The Cash Bonus(es) (if declared) for first policy year and Second Policy year shall be payable at the end of Second policy year along with interest. From third policy year onwards, the cash bonus (if declared) is payable at the end of every subsequent policy year, till the date of termination of the Policy.

<sup>\*</sup>Tax benefits, are as per the provisions of the Income Tax laws & are subject to change from time to time. Please consult your tax advisor for further details.

### **Note :**

The product is not available for online sales.



## BENEFIT OPTIONS

Enjoy the flexibility to avail your benefits as per your financial needs, with two benefit options to choose from. You may also opt to change your benefit option later, which can be done after the end of premium payment term (PPT) upto nine months (i.e. within 9 months from the end of the PPT). This new benefit structure will be applicable from the next policy anniversary.

- **Classic Choice:**

With this option, you enjoy Lump sum maturity benefit (Refer Table 2) at the end of policy term along with life cover throughout the policy term, provided the policy is in-force and the life assured survives till the end of the policy term.

- **Flexi Choice:**

On opting for Flexi Choice, you will be eligible to get 10% of Basic Sum Assured as survival benefit at specified intervals (Refer Table 1) along with maturity benefit of 80% of Basic Sum Assured at the end of policy term, along with life cover throughout the policy term.

## PLAN BENEFITS

- **Survival Benefits:**

Under Flexi Choice Option, you will be eligible to get benefit payout of 10% of Basic Sum Assured each at specified intervals, as in table below:

<b>Table 1: Flexi Choice - PPT &amp; PT combinations with Survival Benefit Schedule</b>		
<b>Premium Payment Term (PPT) (Years)</b>	<b>Policy Term (PT) (Years)</b>	<b>Survival Benefit of 10% Basic Sum Assured is payable at the end of Policy Year</b>
7	12	8,10
7	15	8,12
7	20	8,14
7	25	8,17
10	15	11,13
10	20	11,16
10	25	11,18
10	30	11,21
12	20	13,17
12	25	13,19
12	30	13,22
15	20	16,18
15	25	16,21
15	30	16,23

You may use these benefit payouts for different milestones of life OR you can opt to defer the survival benefits. You can defer one or both survival benefits, as per your financial requirement. The deferred survival benefit along with applicable interest can be taken anytime during the remaining policy term in full or will be paid at death of the life assured / surrender / maturity.

The applicable interest rate shall be the RBI Reverse Repo rate less 100 basis points as on 1st April of the financial year. Currently the Reverse Repo rate is 4.00% p.a. for Financial year 2020-21 and the applicable interest rate would be 3.00% p.a.

No Survival Benefits are payable under Classic Choice option.

### ● **Maturity Benefits**

On survival till the end of the policy term, following will be payable in lumpsum:

- a) **Under Classic Choice:** Guaranteed Sum Assured on Maturity + Accumulated Deferred Cash Bonuses, if any+ Terminal bonus, if declared.

Guaranteed Sum Assured on Maturity can be upto a maximum of 138% of Basic Sum Assured, based on age, premium payment term and policy term you have opted for. The Guaranteed Sum Assured on Maturity for few sample ages are as below:

<b>PPT (in years)</b>	7	10	12	15
<b>Policy term (in years)</b>	25	30	30	30
<b>Age at Entry (LBD in years)</b>				
20	122%	127%	123%	118%
30	124%	131%	126%	120%
40	128%	138%	132%	125%

- b) **Under Flexi Choice:** Guaranteed Sum Assured on Maturity +Accumulated survival benefits, if any, + Accumulated Deferred Cash Bonuses, if any + Terminal bonus, if declared.

Guaranteed Sum Assured on Maturity will be equal to 80% of Basic Sum Assured

### ● **Death Benefits**

On Death of the life assured during the policy term the following will be payable:

Higher of A or B, where:

A = Sum Assured on Death + Accumulated Deferred Cash Bonuses, if any+ Terminal bonus, if declared

B = Minimum Death Benefit, which is equal to 105% of total premiums received<sup>8</sup> upto the date of death.

Where, Sum Assured on Death is 11 times of annualized premium<sup>8</sup>

If the policyholder has opted for Flexi Choice, then in addition to the above benefit, Accumulated Survival Benefit, if any, will also be paid

Where Accumulated Survival Benefit is the deferred Survival Benefits along with the applicable interest, if any.

<sup>6</sup>Total Premiums Received / Paid means total of all the premiums received, excluding any extra premium and applicable taxes.

<sup>7</sup>Annualized premium shall be the premium amount payable in a year chosen by the policyholder, excluding the applicable taxes, underwriting extra premiums and loadings for modal premium, if any.

On payment of the death benefit, the policy will terminate and no further benefits will be available under the policy.

The nominee can choose from one of the following options for availing death benefit amount:

- a) As Lumpsum: Can take the entire death benefit amount
- b) As Installment: Can take the entire death benefit amount in installments for a period of 5 years

The minimum installment payment for various modes will be as below:

Mode of Installment Payment	Minimum Installment Amount (₹)
Monthly	5,000
Quarterly	15,000
Half-Yearly	25,000
Yearly	50,000

The nominee can avail this benefit by requesting in writing at the time of death claim intimation. The first installment shall be on the date of death claim acceptance.

The installment amount payable is equal to the deferred amount multiplied by the below mentioned installment factors.

Installment Factors				
	1	2	4	12
Year / Frequency	Yearly	Half-Yearly	Quarterly	Monthly
5	21.60%	11.12%	5.53%	1.84%

Nominee may at any time during the installment payout period, opt to take the remaining installments in lumpsum which will be equal to the discounted value of the remaining installment amount. The discount rate would be 4% p.a.

## SAMPLE AND ILLUSTRATION

Sum Assured figures for a Premium of INR 2,00,000 for various sample ages are provided below:

Premium Payment Term	7	10	12	15
Policy term	20	20	20	20
Age				
20	16,01,000	21,87,000	25,32,000	29,95,000
30	15,85,000	21,77,000	25,24,000	29,82,000
40	15,22,000	21,33,000	24,78,000	29,30,000
50	13,57,000	20,00,000	23,41,000	27,73,000

Benefit Option : Flexi Choice	Bonus Payout : Cash Bonus	Survival Benefit Option : Payout
Age : 35 years	Policy Term : 20 years	Premium Payment Term : 10 years
Premium Payment Frequency: Annual	Premium Amount <sup>#</sup> : ₹2,00,000	Basic Sum Assured: ₹21,61,000

Benefit Summary					
Benefits @ assumed rate of 4% <sup>##</sup>			Benefits @ assumed rate of 8% <sup>##</sup>		
Total Cash Bonus	Total Survival Benefit	Maturity Benefit	Total Cash Bonus	Total Survival Benefit	Maturity Benefit
₹4,75,420	₹4,32,200	₹18,00,113	₹11,45,330	₹4,32,200	₹19,00,600

**Death Benefit as applicable throughout the policy term irrespective of Survival Benefits paid:** Higher of 11 times Annualised Premium + Terminal Bonus (if declared) OR 105% of total premiums received upto the date of death

<sup>#</sup>Excluding Applicable Taxes

<sup>##</sup>Benefits are for illustrative purposes & for healthy life. Please note that the above mentioned assumed rates of returns @4% and @8% p. a. respectively, are only illustrative scenarios at these rates after considering all applicable charges. The bonus rates may be assumed constant during the bonus accrual period, where as actual bonus could vary, depending on the investment experience of the Company. These are not guaranteed and they are not higher or lower limits of returns. Returns are dependent on a number of factors including future investment performance. For more information, please request for your policy specific benefit illustration.

## WHO CAN AVAIL THIS PLAN?

<b>Age** at Entry</b>	Minimum: 18 years	Maximum: 50 years
<b>Maximum Age** at Maturity</b>	70 years	
<b>Policy Term</b>	Minimum: 12 years	Maximum: 30 years
<b>Policy Term &amp; Premium Payment Term Combinations Available</b>	<b>Premium Payment Term (Years)</b>	<b>Policy Term (Years)</b>
	7	12 , 15, 20 and 25
	10	15, 20, 25 and 30
	12	20 , 25 and 30
	15	20 , 25 and 30
<b>Premium Frequency</b>	Yearly, Half-yearly, Monthly The premium for monthly mode as percentage of annualized premium is 8.50% and for Half-Yearly Premium is 51.0% of annualized premium	
<b>Annualized Premium (in multiples of ₹1,000)</b>	Minimum: ₹1,00,000	Maximum: No limit (subject to board approved underwriting policy)
<b>Basic Sum Assured (BSA)</b>	Minimum: ₹6,55, 000	Maximum: No limit (subject to board approved underwriting policy)

\*\*All the references to age are age as on last birthday

## BONUSES

Cash Bonus and Terminal Bonus, if declared, will be based on Statutory Valuation carried out at the end of every financial year.

Cash Bonus would be expressed as a percentage of Basic Sum Assured and there will be two options available at the time of policy inception for availing the Cash Bonus, if declared. You also have option of changing the bonus type by sending a written request at least 30 days prior to end of policy year. The change would be applicable from the next policy anniversary. The change in bonus type will only be applicable for future cash bonus(es) (if declared). In case the earlier cash bonus(es) were deferred, the same will continue to earn interest. This option can be exercised multiple times during the policy term.

- a) **To take Cash Bonus as and when declared:** The Cash Bonus(es) for first policy year and second policy year (if declared) shall be payable at the end of second policy year with interest, provided the policy is in-force. From third policy year onwards, the cash bonus (if declared) is payable at the end of every subsequent policy year.
- b) **To defer the payment of Cash Bonuses:** You also have the option of deferring the cash bonus (if declared). Accumulated deferred cash bonus can be paid to the policyholder in lumpsum on request at any point of time during the policy term or at death of the life assured / Surrender / Maturity. Accumulated deferred cash bonus is the deferred cash bonus accumulated along with applicable interest.
  - i. The applicable interest rate for accumulation of deferred Cash Bonus shall be the RBI Reverse Repo rate less 100 basis points as on 1st April of the financial year. Currently the Reverse Repo rate is 4.00% p.a. for Financial year (FY) 2020-2021 and hence the applicable interest rate for FY 2020-21 is 3.00%.

Terminal Bonus may be declared under the policy in the year when the policy results into a claim either by death, surrender or maturity, as per company's Bonus policy



## OTHER BENEFITS

- **Policy Loans**

Policy Loan will not be available.

- **Tax Benefits**

You may be 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.

- **Free Look Period**

You can review the terms and conditions of the policy, within 15 days for policies other than electronic policies and policies sourced through any channel other than Distance Mode and within 30 days for electronic policies and policies sourced through Distance Mode, from the date of the receipt of the policy document and if you disagree with any of those terms and conditions, you have the option to return the policy to the company for cancellation stating the reasons for your objection.

Your request for cancellation of the policy under the free look option must reach our SBI Life Office within a period of 15 days or 30 days, as the case may be, as mentioned above. Premiums paid by you will be refunded subject only to a deduction of proportionate risk premium for the period of cover and the expenses incurred on medical examination of the proposer and stamp duty charges.

- **Grace Period**

A grace period of 30 days from the premium due date will be allowed for payment of yearly and half-yearly premiums and 15 days for monthly premiums. The policy will remain in force during the grace period. If any premium remains unpaid at the end of the grace period, the policy shall lapse or become paid-up. In case of death of the life assured during grace period, the balance of premiums, if any, till the next Policy anniversary, as on the date of death shall be deducted from the benefits payable under the Policy.

- **Revival Facility**

If premiums are not paid within the grace period and the policy is not surrendered, the policy may be revived for full benefits within a revival period while the life assured is still alive. The revival period is equal to 5 consecutive years from the date of the first unpaid premium.

The revival will be considered on receipt of written application from the policyholder along with the proof of continued insurability of life assured and on payment of all due premiums with interest. The revival will be effected subject to underwriting based on Company's Board approved underwriting policy.

The interest will be charged at a rate declared by the company from time to time. The company policy currently is based on the nominal interest rate per annum and is 250 basis points greater than the benchmark yield of RBI Repo Rate as on 1<sup>st</sup> April of each of the Financial Year and it will be compounding on a half-yearly basis. The repo rate as on 1<sup>st</sup> April 2020 is 4.40% and hence the applicable interest rate for FY 2020-21 is 6.90%.

Any change in the basis for determining interest rate for revival would be with prior approval from the Regulator.

- **Nomination and Assignment**

Nomination shall be as per Section 39 of the Insurance Act, 1938, as amended from time to time.

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

- **Paid-up Benefits**

**Auto Cover Period**

An Auto cover period is available under the product during which if at least first 2 full years' premiums have been paid and any subsequent premium is not duly paid, Auto Cover Period of 1 year from the due date of first unpaid premium shall be available and if at least 5 full years' premiums have been paid and any subsequent premium is not duly paid, Auto Cover Period of 2 years from the due date of first unpaid premium shall be available.

During Auto-Cover Period, Survival and Maturity Benefits as applicable for Paid-up policies are payable.

Death Benefit as applicable for in-force policies is payable during the Auto Cover period, with deduction of unpaid and / or balance premium, if applicable.

No cash bonus(es) shall be payable under your policy during the Auto Cover Period.

**Benefits under Paid-up Policies**

A policy acquires paid-up benefit only if full premiums have been paid for at least first two consecutive policy years. A policy shall lapse without acquiring paid-up benefits, if less than first two full consecutive years premiums have been paid by the policyholder and any subsequent premiums have not been paid.

A lapsed policy can be revived within a period of 5 consecutive years from the date of first unpaid premium. All the benefits under the policy shall cease after the expiry of grace period from the date of first unpaid premium and no benefit shall be payable under the policy.

**Death Benefit under the paid-up policy**

- (a) During Auto Cover period: Death benefit, as payable under an in force policy, shall be paid after deduction of
  - i. The unpaid premium in respect of the policy upto the date of death, and
  - ii. The balance premium for the policy year during which death has occurred
- (b) After expiry of Auto Cover period: On death of the Life Assured, paid-up Sum Assured on death along with the Accumulated Survival Benefits, if any, plus Accumulated Deferred cash bonuses, if any, and the Terminal Bonus, if declared, is payable.

Where Paid-up Sum Assured on death shall be equal to {Sum Assured on Death \* (No. of premiums paid / Total no. of premiums payable)}

**Survival Benefit under the paid-up policy**

For Flexi Choice option: Under a paid-up policy, if the life assured survives till the end of specified years, he will be eligible to get 10% of paid-up basic sum assured as survival benefits at specified intervals as mentioned in Table 1.

Paid-up basic sum assured = Basic Sum Assured X (No. of premiums paid / Total no. of premiums payable)

**Maturity Benefit under the paid-up policy**

The Sum Assured on Maturity under a paid-up policy shall be reduced to such a sum called Paid-up Sum Assured on Maturity and shall be equal to {Guaranteed Sum Assured on Maturity X (No. of premiums paid / Total no. of premiums payable)}

If the life assured survives till the end of the policy term, the Paid-up Sum Assured on maturity along with the Accumulated survival benefits, if any, and Accumulated Deferred Cash Bonuses, if any, and Terminal bonus, if declared, is payable.

If a policy continues as a paid-up policy the same shall not be entitled to participate in future profits. However, the Accumulated Deferred Cash Bonuses, if any, shall remain attached to the reduced paid-up policy.

In case of revival of a lapsed policy, where the policyholder has opted not to defer the cash bonus(es) then the cash bonus(es) due during the period the policy was in lapsed status, will not earn any interest and the cash bonus(es) will be paid in lump sum at the end of 2nd policy year or date of revival, whichever is later.

In case of revival of a paid-up policy, where the policyholder has opted not to defer the Cash Bonus(es) / Survival Benefits then the Cash Bonus(es) / Survival Benefits due during the period the policy was in paid-up status, will not earn any interest and the Cash Bonus(es) / Survival benefit due will be paid in lump sum on the date of revival.

In case of revival of a lapsed or paid-up policy, if the policyholder had opted to defer the Cash bonus(es) / Survival benefits, all benefits of in-force policy would be restored from the date of revival.

- **Surrender**

The policy acquires Surrender Value only if at least first 2 full policy years' premiums have been paid. The policyholder may surrender an in-force policy or paid-up policy any time during the policy term.

On surrender, the higher of the Guaranteed Surrender Value (GSV) or the Special Surrender Value (SSV) will be paid. Accumulated Survival Benefit, if any and Accumulated Deferred Cash Bonus, if any, will also be added to the Surrender Value.

On payment of surrender benefit the policy will terminate and no other benefit will be payable.

**Guaranteed Surrender Value (GSV)**

GSV is equal to

**Classic Choice:** GSV factors multiplied by total premiums paid Plus Surrender value of the terminal bonus, if any.

**Flexi Choice:** GSV factors multiplied by total premiums paid Less survival benefits (as per the table 1) applicable till the date the surrender request is made Plus Surrender value of the terminal bonus, if any.

The GSV factors will depend on the policy year in which the surrender request is made and are guaranteed in nature.

**Special Surrender Value (SSV)**

The Special Surrender Value will be non-guaranteed and based on an assessment of the asset share progression at different durations of the policy. This assessment would be based on past financial and demographic experience of the product/group of similar products and likely future experience and will be reviewed from time to time depending on changes in internal and external experience and likely future experience.

Special surrender value will be arrived at by multiplying the paid-up value at maturity with SSV factors. The same would be modified subject to prior approval of IRDAI.

For more details on the surrender benefit, please refer to the policy document

## SUICIDE EXCLUSION

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.

After paying the benefit as applicable, the contract will be terminated.

## STAFF DISCOUNT

Eligible individuals for Staff Discount	% Increase in Basic Sum Assured
Staff Discount applicable for employees, retired employees, VRS holders, minor children and spouse of employees of SBI Life Insurance Co. Ltd and State Bank of India, RRBs sponsored by State Bank of India and subsidiaries of State Bank group.	6.0%

## PROHIBITION OF REBATES

### Section 41 of Insurance Act 1938, as amended from time to time, states:

- a) 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.
- b) 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.

## NON-DISCLOSURE

### Extract of Section 45, as amended from time to time, states:

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.

**Note: This document does not purport to contain all conditions governing this product. The contract will be governed by the terms expressed in the policy document. Please refer to the sample policy document available on our website for further details.**



**Toll Free: 1800 267 9090**

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