

- Disability directly or indirectly, wholly or partly due to an Acquired Immuno-Deficiency Syndrome (AIDS) or infection by any Human Immunodeficiency Virus (HIV). For the purpose of this plan:
 - The definition of AIDS shall be that used by the World Health Organisation in 1987, or any subsequent revision by the World Health Organisation of that definition; and
 - Infection shall be deemed to have occurred where blood tests or other relevant tests indicate, in the opinion of the Company either the presence of any Human Immuno Deficiency Virus or antibodies to such a virus.
- The life assured taking part in any hazardous sport or pastimes (including hunting, mountaineering, racing, steeple chasing, bungee jumping, etc).
- The life assured flying in any kind of aircraft, other than as a bonafide passenger (whether fare-paying or not) on an aircraft of a licensed airline.
- Self-inflicted injury, attempted suicide-whether sane or insane.
- The life assured being under the influence or abuse of drugs, alcohol, narcotics or psychotropic substance not prescribed by a registered medical practitioner.
- Service in any military, airforce, naval, police, paramilitary or similar organization.
- War, civil commotion, invasion, terrorism, hostilities (whether war be declared or not).
- The life assured taking part in any strike, industrial dispute, riot, etc.
- The life assured taking part in any criminal or illegal activity.
- Nuclear reaction, radiation or nuclear or chemical contamination.

As per Section 41 of the Insurance Act, 1938 (1) No person shall allow or offer to allow, either directly or indirectly, as an inducement to any person to take 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 punishable with fine which may extend to five hundred rupees.

As per Section 45 of the Insurance Act 1938 "No policy of life insurance effected before the commencement of this Act shall after the expiry of two years from the date of commencement of this Act and no policy of life insurance effected after the coming into force of this Act shall, after the expiry of two years from the date on which it was effected be called in question by an insurer on the ground that statement made in the proposal or in any report of a medical officer, or referee, or friend of the insured, or in any other document leading to the issue of the policy, was inaccurate or false, unless the insurer shows that such statement was on a material matter or suppressed facts which it was material to disclose and that it was fraudulently made by the policy-holder and that the policy-holder knew at the time of making it that the statement was false or that it suppressed facts which it was material to

disclose:

Provided that 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."

The contract of insurance is between the insurer and the insured and not between the Master Policyholder and the insured

Participation by the Master Policyholder's customers is purely on a voluntary basis

This is a traditional, non- participating Group Term Insurance Plan.

This document does not contain all conditions related to this plan. The Plan will be governed by the terms as stated in the Master Policy.

GLOSSARY

Group Insurance	A policy of insurance that covers, under a master policy, the participants of a specified group
Master Policyholder	The entity making available the insurance products of the insurance company to its members/customers and who is the policyholder under the master policy
Master Policy	An insurance policy, issued by the insurance company to the Master Policyholder, which describes the coverages, conditions, and eligibility criteria to those who wish to purchase the insurance coverage.
Certificate of Insurance	The certificate issued to the Insured Member which gives brief particulars about the cover provided under the Master Policy
Member	Member who fulfills the member eligibility criteria as defined under the master policy and on whose life the insurance cover is effected in terms of this plan
Benefits	Death Benefit and any other benefit, as may be applicable under this Policy
Regulations	The laws and regulations in effect from time to time and applicable to policy or plan, including without limitation the regulations and directions issued by IRDA from time to time including re-enactments and/or amendments to such laws and regulations
Single Premium	Premium paid along with the membership form for insurance cover in a single lump sum payment with no obligation to pay any further premiums during the Cover Term

All Premiums are exclusive of service tax and applicable cess, which will be borne by the policyholder.

The insurance products are offered and underwritten by Canara HSBC Oriental Bank of Commerce Life Insurance Company Limited (Regn.No.136) Unitech Trade Centre, 2nd Floor, Sushant Lok, Phase-1, Sector-43, Gurgaon -122009, Haryana, India.



Canara HSBC Oriental Bank of Commerce Life Insurance Company Limited
Registered Office: 112, JC Road, Bangalore 560002
Head Office: Unitech Trade Centre, 2nd Floor, Sushant Lok, Phase-1, Sector-43, Gurgaon -122009, Haryana, India
Website: www.canarahsbclife.com
Call: 1800-103-0003 / 1800-180-0003(BSNL/MTNL)
SMS: 9779030003
Email: customerservice@canarahsbclife.in

UIN: 136N007V02 NLBRONJMPGLPPV1FEB12 ENG
 Insurance is the subject matter of the solicitation.
 Canara HSBC Oriental Bank of Commerce Life Group Loan Protection Plan is a Non-participating Plan

Safeguard your customer's dream home



make the right choice with

Canara HSBC Oriental Bank of Commerce Life Group Loan Protection Plan

- ▲ Safeguard your family with insurance cover
- ▲ Simple and convenient application process

Ask the Manager for Life Insurance solutions



CANARA HSBC ORIENTAL BANK OF COMMERCE LIFE GROUP LOAN PROTECTION PLAN

Their own house, their dream car, the best education for their children, the latest utilities to make life comfortable - this is what your customers would dream of for themselves and their families. You proactively plan for your customers, secure them by providing means to meet their desired needs. You provide various solutions through which they walk the path to reach their dreams. But with uncertainties of life, there always exists a fear in your customers' mind of the unfortunate circumstances where their families might be left with a legacy of liabilities, when they are not around.

For you and for the financial protection of your customers, **Canara HSBC Oriental Bank of Commerce Life** proudly presents its **Group Loan Protection Plan**, a Plan that will allow your customers to fulfill their dreams while their loved ones remain protected from the liability if they are not around. At the same time, you as the Master Policyholder can also mitigate your risk of loan recoveries in the event of the death/disability of the borrower, as the insurance cover we provide can offset either some or the entire loan amount outstanding. So it's an advantageous situation for you as well as your customers.

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, two of India's largest nationalized banks in terms of aggregate business and HSBC Insurance (Asia Pacific) Holdings Limited. The shareholding pattern of the Joint Venture is as follows - 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. We want to make life simple for you.

WHAT ARE YOUR ADVANTAGES AS THE MASTER POLICYHOLDER, UNDER THIS PLAN?

- In case of Death or Total Permanent Disability (TPD) of your borrower, we will pay you the sum assured resulting in minimization of your losses due to future unpaid installments by your borrower
- A complementary offering along with loan based products for your customers
- Strengthening of your existing product offering suite through customization and providing insurance benefits
- Availability of two coverage options namely, level coverage (death/TPD cover remains same throughout the term of the cover) or decreasing coverage (the death/TPD cover reduces over the term of the cover)

WHAT ARE THE ADVANTAGES TO YOUR CUSTOMERS UNDER THIS PLAN?

- Peace of mind - In the unfortunate event of your borrower's Death/TPD, the insurance cover will reduce the burden of the loan on his/her family
- Coverage options - Option to choose between death only cover or death and TPD cover
- Flexibility - The insurance premium can also be funded by you, the master policyholder
- Rebates are available for females, and joint borrowers, which further reduce the premium
- Joint borrowers (up to two) are also covered
- Meeting credit and insurance needs with one solution - your borrower need not look for insurance elsewhere
- Single Premium payment mode

- Tax benefits under Section 80C and 10(10D) of the Income Tax Act, 1961¹
- A voluntary plan for customers
- Member has the option to cancel his cover within 30 days if he disagrees with any of the terms and conditions of the plan

WHAT ARE THE ELIGIBILITY CRITERIA?

Criteria	Minimum	Maximum
Entry Age [^]	18 years	64 years
Cover age [^]		69 years
Cover Term [^]	1 to 30 years	
Sum Assured [^]	Rs. 10,000	No limit
Group Size [^]	25	No limit

[^] May vary based on scheme rules within the above limits.

WHAT ARE THE COVERAGE OPTIONS AVAILABLE UNDER THIS PLAN?

As a **Master Policy Holder**, you have the option to choose between Level cover or decreasing cover for your customers. Once an option is chosen by the Master Policyholder, it is applicable for all members of that group.

The **members** have an option to choose between Death only cover and Death & Total and Permanent Disability² (TPD) cover. Once an option is selected it cannot be changed post completion of cover cancellation period.

WHAT ARE THE VARIOUS TYPES OF BENEFITS UNDER THIS PLAN?

Death benefit

- In case the member dies during the term of the plan, the sum assured is paid to the loan account of the member maintained with the Master Policyholder. On payment of such benefit the cover for the member ceases. The amount, if any, in excess of the amount outstanding in the loan account will be paid to the nominee specified by the group member in the membership form.
- Death benefits under the scheme are tax free under Section 10(10D) of the Income Tax Act, 1961³

TPD Benefit:

- In case the member suffers from Total and Permanent Disability during the term of the plan, the sum assured is paid to the loan account of the member maintained with the Master Policyholder, provided the member has opted for death and TPD coverage. Post payment of the benefit sum assured, all cover for the member ceases. The amount, if any, in excess of the amount outstanding in the loan account will be paid to the nominee specified by the group member in the membership form.
- TPD benefit is subject to a maximum limit of Rs.100 lakhs

¹The tax benefits are as per the law prevailing on the date of issuance of this brochure, and are subject to changes. For tax related queries, please contact your independent tax advisor.

²* **Total and Permanent Disability:** TPD shall mean the occurrence of any of the following conditions as a result of accidental bodily injury, sickness or disease:

- **Total and irrecoverable loss of sight of both eyes.** The blindness must be confirmed by an Ophthalmologist; OR
 - **Loss of use or loss by severance of two or more limbs at or above wrists or ankles;** OR
 - **The total and irrecoverable loss of sight of one eye and loss of use or loss by severance of one limb at or above wrist or ankle.**
- The above disability must have lasted, without interruption, for at least six consecutive months and must, in the opinion of an appropriate medical practitioner appointed by the Company, be deemed permanent.

Accidental means an event resulting solely from sudden, unexpected, violent external force, independently of any other cause.

Accidental Injury means bodily injury of the insured caused solely, directly and independently of any other intervening causes from an accident (i.e. a traumatic event of violent, unexpected, external and visible nature).

The loss of use of a limb is considered as a loss of use when such loss of use involves total and permanent loss of function of the limb affected as determined by a registered medical practitioner nominated by the Company.

³The tax benefits are as per the law prevailing on the date of issuance of this brochure, and are subject to changes. For tax related queries, please contact your independent tax advisor.

WHAT IS THE SUM ASSURED UNDER THIS PLAN?*

For Level Cover:

- The sum assured is constant throughout the cover term and is equal to the Initial Sum Assured.**

Example: John, age 35 years, decides to buy a house and takes a home loan of Rs. 10 lakhs for a 20 year term at 10% p.a. rate of interest. He pays a single premium of Rs. 44,500/- for death and total permanent disability cover. Unfortunately John meets with an accident and dies at the age of 41 years. The sum assured is paid to the account of the member maintained with the Master Policyholder. The amount, if any, in excess of the amount outstanding in the loan account will be paid to the nominee specified by the group member in the membership form.

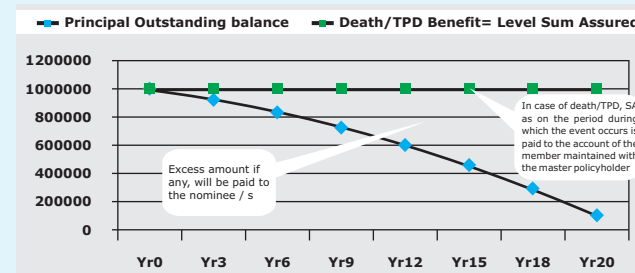


Illustration for Level Sum Assured Benefit

For decreasing cover:

- Sum Assured reduces based on the Term of cover, Interest Rate and the Initial Sum Assured. The reduction in sum assured pattern during the term of coverage is fixed for the member at the time of issuance of Certificate of Insurance (COI).**

Example: John, age 35 years, decides to buy a house and takes a home loan of Rs. 10 lakhs for a 20 year term at 10% p.a. rate of interest. He pays a single premium of Rs. 27,370/- for Death and Total Permanent Disability cover. Unfortunately John meets with an accident and dies at the age of 41 years. The sum assured as on the period during which the death occurs is paid to the Master Policyholder. The amount, if any, in excess of the amount outstanding in the loan account will be paid to the nominee specified by the group member in the membership form.

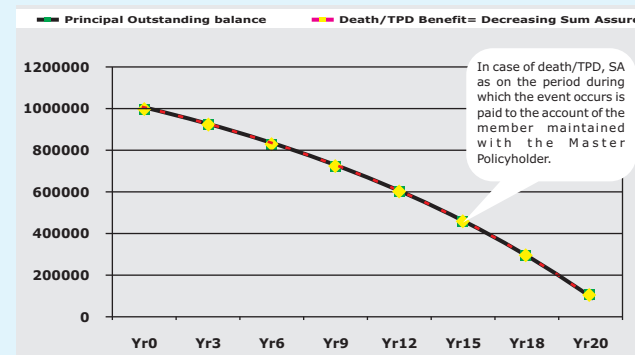


Illustration for Decreasing Sum Assured Benefit

*The **"Initial Sum Assured"** will be the amount of cover opted for by the member (as stated in the membership form) subject to a maximum of the Loan Amount.

The **"Loan Amount"** will be equal to loan sanctioned amount for new loans and principal outstanding for existing loan borrowers.

Notes:

- Any excess of Death/Total Permanent Disability benefit over loan outstanding amount can be used by the family for repaying any other liability.
- The Company's liability under the policy shall be limited to the extent of death/TPD benefit and the Company shall not be liable for any shortfall of such benefit over the loan outstanding.
- The above benefit calculation is for a healthy male.
- This is only an indicative illustration. Premium Rates may vary for each group

HOW DOES THE PLAN WORK?

Authorized persons from the group (Master Policyholder) fill in the proposal form and provide the necessary details to enable the insurer to issue a quotation. Upon acceptance of quotation, eligible member's initial business is procured to issue a master policy. Once the master policy is issued the scheme opens to its eligible potential members.

Members are required to fill up a membership form and submit it to the Master Policyholder. Premium may be paid up front by the member or added to the loan amount. Once we receive the membership forms and premium, in case medicals are required the same is intimated to the Master Policyholder who coordinates with the member for the medicals. Once we receive the medical report, if cover is accepted, member is enrolled and a certificate of insurance is issued to the member.

ARE JOINT BORROWERS ALLOWED?

- Yes, except in case of tractor loans, personal loans and auto loans
- Maximum of 2 joint borrowers are allowed
- 2 options for joint borrowers:
 - Option 1: First Claim Basis:**
Each of the joint borrowers will be insured for 100% of the sum assured. There will be a 30% reduction in the premium rate for the younger life assured.
 - Option 2: As per loan share percentage.**
Each of the joint borrowers is insured up to his/her share of loan as mentioned in the membership form

IS THERE ANY SURRENDER VALUE?

- Yes, in case the member has repaid his loan in full and wishes to surrender his cover, he may do so by giving a written notice through the Master Policyholder. The applicable surrender value = (80%*Single Premium paid less applicable taxes)*(Unexpired term/Total cover term)*(Sum assured benefit at the time of surrender/Initial Sum Assured) will become payable and cover will cease for the member

WHAT HAPPENS IN CASE THE MEMBER DOES NOT AGREE TO ANY OF THE TERMS AND CONDITIONS OF THE PLAN?

- The member has the option to cancel the cover within 30 days if he/she disagrees with any of the terms and conditions of the plan. The amount payable in case of cover cancellation is as follows:
Single Premium - (Prorata risk premium + stamp duty + medical expenses)

ARE THERE ANY REBATES AVAILABLE?

Following rebates are available to further reduce the premium:

- Rebate for female lives - 3 year rated down as compared to male life.

- Joint borrower rebate - in case of joint borrower option 1 - 30% reduction in the premium rate for the younger life assured.

WHAT ARE THE OTHER FEATURES OF THIS PLAN?

- Both new and existing** loans may be covered
- All types of interest rates (fixed, floating or variant of the two) are covered
- Premium is a percentage of the Initial Sum Assured

** Existing loan: Loan 1st disbursement date is more than 8 ^^ months prior to the membership form date

^^ May vary based on scheme rules

ILLUSTRATION OF HOW THIS PLAN WORKS

Age of the Customer	30 Years
Type of Group	Home Loan borrowers
Type of Cover	Decreasing cover with only Death benefit
Initial sum assured	Rs. 10,00,000
Term of Cover	20 years
Rate of Interest	10% p.a.
Single Premium	Rs. 18,370/-***
Suppose in the last month of year 8, member dies. Sum assured as on the period during which death occurs = Rs. 800,334/- Death benefit =	Rs. 800,334/-

***Excludes Service Tax and Education Cess as applicable

- The above benefit calculation is for a healthy male.
- This is only an indicative illustration. Premium Rates may vary for each group

WHAT ARE THE EXCLUSIONS UNDER THE PLAN?

- Suicide - If the group member (Life Assured) commits Suicide within one year from the date of commencement of the insurance cover for that member, 70% of basic premium paid (excluding taxes and extra premium) is refunded and all coverage for that member will automatically cease.
- 45 days exclusion - During the first 45 days from the date of commencement of an insured member's cover, no claim is payable except a death or total permanent disability claim arising on account of an accident.
- Exclusions for TPD - TPD arising directly or indirectly from any of the following are specifically excluded:
 - Any pre-existing medical condition* not disclosed.
 - Any sickness related medical condition which first manifests itself within 90 days of the commencement date or reinstatement date of the benefit (only if reinstatement happens post 90 days of lapse).

*Pre-existing medical condition" means a condition (illness or bodily injury) for which, prior to the issuance of the cover or prior to the date of reinstatement of this cover:

- The life assured had signs or symptoms which would have caused any ordinary prudent person to seek treatment, diagnosis or care; or
- Medical advice or treatment was recommended by or received from a physician; or
- The life assured had undergone medical tests or investigations.

Any congenital disorder, or related illness or complication arising out of or in connection with a pre-existing medical condition, shall be considered part of that pre-existing medical condition.