

# Give your employees more reasons to celebrate life, forever



## make the right choice with

### Canara HSBC Oriental Bank of Commerce Life Group Traditional Benefit Plan

Non Linked Non-Participating Fund Based Group Insurance Plan

- Covers employee benefits like gratuity, leave encashment or post retirement medical benefits.
- Simple and easy administration process

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

## CANARA HSBC ORIENTAL BANK OF COMMERCE LIFE GROUP TRADITIONAL BENEFIT PLAN

### A Non-Linked Non-Par Variable Insurance Plan

Canara HSBC Oriental Bank of Commerce Life Insurance Company Limited presents "Canara HSBC Oriental Bank of Commerce Life Group Traditional Benefit Plan" which is a non-linked, non participating fund based variable insurance group product offered to employer-employee groups. As an employer, you can use this plan to provide employee benefits i.e. funding your gratuity, leave encashment or post retirement medical benefits.

### KEY FEATURES OF THIS PLAN

- This plan covers Defined Benefit schemes like Gratuity, Leave Encashment and post retirement medical benefits.
- The company will maintain a pooled fund at Master Policy level. The pooled fund maintained for every scheme is referred to as Scheme Account. The Scheme Account Value will be calculated by crediting all contributions received & interest credited less all applicable charges and withdrawals, as per scheme rules. The benefit on various events (like resignation, death, retirement, termination or disability) will be paid from the respective Scheme Account as per scheme rules in consultation with Master policyholder
- The contribution with respect to defined benefit group fund based schemes shall be made in accordance with the Actuary's certificate as per AS 15 (Revised) obtained by the employer. In case the Scheme Account Value is overfunded as per such certificate, the Company may allow "nil contribution" under the schemes until further contribution is required. In all such cases of nil contribution, the scheme shall not be treated as discontinued. Even in cases where requisite contribution is not received, as long as sufficient balance is maintained in the fund, the policy will continue and get annually renewed. No top up is allowed under defined benefit schemes, unless required as per Actuary's certificate in accordance with the AS 15 (Revised) to address the underfunding of the schemes.
- Interest Credits:**
  - A minimum guaranteed interest rate of 0.01% per annum (minimum floor rate) will be applicable to all the contributions credited to Scheme Account on a pro – rata basis and the minimum guaranteed interest rate will also be applicable in case of benefits paid on various events (like resignation, death, retirement, termination or disability) as per scheme rules.
  - Further, a non zero positive additional interest rate, which is over and above the minimum floor rate, will be declared every quarter in advance and will be applied at the end of quarter balance. Contributions, net of withdrawals during the quarter would be given proportional interest.
  - The minimum floor rate and non – zero positive additional interest rate will be credited to Scheme Account at the end of each quarter.
  - The applicable interest rate will be determined by clubbing the Scheme Account Value across all fund based schemes under this product taken from us by the Master policyholder.
  - Further, after minimum floor rate and non – zero positive additional interest rate are credited, non – zero positive residual additions, if any, shall be credited to the Scheme Account in order to comply with the maximum reduction in yield as per IRDAI regulations, at the end of each policy year starting from the fifth policy year
- A life cover of flat ₹ 1,000 will be provided to each member under the scheme on yearly renewable basis and the mortality premium will be ₹ 3 per mille (exclusive of Goods and Services Tax & applicable cess (es)/levy, if any) per annum. The mortality premium and Goods and Services Tax & applicable cess (es)/levy, if any as per the prevailing law will be paid by the Master Policyholder separately.
- Bulk Exits:** If the amount to be paid on total exits in any event exceeds 25% of the total Scheme Account Value under the scheme at the beginning of the year, it will be treated as bulk exits. For the purpose of bulk exits, the withdrawals to be considered shall be as per scheme rules.

The Market Value Adjustment (MVA) will be applied to adjust the amount payable on bulk exits. MVA is related to the decrease in the value of the assets held by the company at the time of exit. This decrease in value can be passed on to the Master Policyholder.

$MVA_{Amount} = MVA_{Factor} \times \text{Amount over and above the 25\% of the Scheme Account Value at the beginning of the financial year}$

$MVA_{Factor} = \text{Maximum } (0, \text{Scheme Account Value} - \text{Market Value}) / \text{Scheme Account Value}$

Where Market Value is derived from the revaluation of entire assets earmarked separately for the product at the time of market value adjustment is carried out.

MVA Amount, if any, will be deducted from Scheme Account Value.

### ELIGIBILITY CONDITIONS

	Minimum	Maximum
<b>Age at entry (last birthday)</b>	Higher of <ul style="list-style-type: none"><li>18 years</li><li>Minimum age as per scheme rules</li></ul>	Lower of: <ul style="list-style-type: none"><li>79 years</li><li>Maximum age as per scheme rules</li></ul>
<b>Maturity age (last birthday)</b>	Not applicable	Lower of: <ul style="list-style-type: none"><li>80 years</li><li>Maximum retirement age as per scheme rules</li></ul>
<b>Group Size</b>	10 members	No limit
<b>Initial Contribution</b>	₹100,000 per scheme	No limit
<b>Sum Assured (per member)</b>	₹1000	₹1000

### BENEFITS FOR YOUR GROUP MEMBERS

The benefits are payable on various events viz. Resignation, Death, Retirement, Termination or Disability as per scheme rules. The benefit amount as per scheme rules will be paid from the Scheme Account. In case of death, we will pay the sum assured of ₹ 1,000 as death benefit additionally.

### SURRENDER

- Surrender:** The Master policyholder may surrender the complete Master Policy at any time after serving minimum notice period of 3 working days. If the Master Policy is surrendered within first three policy years, the surrender penalty will be equal to 0.05% of total Scheme Account Value with a maximum of ₹ 500,000. Further, there will be no surrender penalty after third renewal of the policy. The surrender value so calculated will be treated as bulk exit and hence will also be subject to Market Value Adjustment (MVA). The Goods and Services Tax or any other levy by whatever name called under Goods and Services Tax Schemes Goods and Services Tax & applicable cess (es)/levy, if any as per the prevailing laws will also be applicable in addition to the surrender penalty.
- Except for exits as per scheme rules, no other withdrawals shall be allowed

### GENERAL POLICY PROVISIONS

- Free Look Cancellation:** In case the Master policyholder does not agree with the terms and conditions of the Master Policy, then the Master policyholder may approach the Company with a written request for free-look cancellation stating the reasons for objection within 15 days from the receipt of the Master Policy. The Company will refund the Premiums paid by the Master policyholder after deducting the proportionate risk premium and stamp duty charges. Please note that the policy would not be sold via Distance marketing.
- Nomination:** Nomination may be made in accordance with section 39 of the Insurance Act, 1938 (as amended from time to time) and shall be recorded by the Master Policyholder in the Register of Members. Individual members shall record their nomination with the Master policyholder and this information shall be shared with the Company.
- The contributions may be paid in one or more instalments during the year or by such date as mutually agreed between the Master policyholder and the Company. Only yearly mode is allowed for payment of life cover premium.

- If the Master Policyholder does not pay the renewal mortality premium (including any Goods and Services Tax & applicable cess (es)/levy, if any thereon) on or before the annual renewal date, the same will be deducted from the Scheme Account Value.
- If at any point of time, the Scheme Account Value falls below ₹ 50,000, the Master Policy will automatically terminate and the Scheme Account Value less all the applicable charges shall be paid to the Master Policyholder.
- The company's maximum liability to make any payment under a Master Policy in respect of all members for all events other than death shall at all times be limited to the Scheme Account Value.
- Tax Benefits under the policy will be as per the prevailing Tax laws and are subject to amendments from time to time. For tax related queries, contact your independent tax advisor. The Goods and Services Tax & applicable cess (es)/levy, if any levied by the government will be charged separately as per the prevailing tax laws as amended from time to time.

#### PARTNER WITH 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 as follows – Canara Bank - 51%, HSBC Insurance (Asia Pacific) Holdings Limited - 26% and Oriental Bank of Commerce - 23%.

At Canara HSBC Oriental Bank of Commerce Life Insurance Company Limited, our aim is to provide you with a transparent range of life insurance solutions designed to simplify our customer's lives.

#### 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).



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

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**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

**Email:** [customerservice@canarahsbclife.in](mailto:customerservice@canarahsbclife.in)

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- IRDAI or its officials do not involve in activities like sale of any kind of insurance or financial products nor invest premiums.
- IRDAI does not announce any bonus.

Public receiving such phone calls are requested to lodge a police complaint along with details of phone call, number.

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