

**Canara HSBC Oriental Bank of Commerce Life Insurance Secure Smart Plan**

**UIN – 136N017V02**

**TERMS AND CONDITIONS**

**1. Definitions and Interpretation**

**1.1 Definitions**

In this Policy, unless the context requires otherwise, the following words and expressions shall have the meaning ascribed to them respectively herein below:

**Age** means age at last birthday;

**Appointee** means the person named as such in the Policy Schedule, to receive the Death Benefit and give a valid discharge to the Company on behalf of the Nominee, in the event of death of the Life Assured during the minority of the Nominee;

**Authority** means the Insurance Regulatory and Development Authority or such other authority or authorities, as may be designated under the applicable laws and regulations as having authority to oversee and regulate life insurance business in India, or any other area that has an impact on the business of life insurance;

**Benefit** means the Death Benefit, Maturity Benefit, Rider Benefits, or any other benefit, as may be applicable under this Policy referred to collectively;

**Claimant** means the Policyholder or the assignees, the Appointee, Nominee or the legal heirs of the Policyholder who are entitled to claim the Benefits under this Policy;

**Company** means Canara HSBC Oriental Bank of Commerce Life Insurance Company Limited, a company incorporated under the provisions of the Companies Act, 1956 carrying on the business of life insurance in India;

**Death Benefit** means the benefit as specified in Clause 2.1 of these Terms and Conditions, payable by the Company upon the death of the Life Assured during the Policy Term;

**Electronic Clearing Services (ECS)** means the mandate provided by the Policyholder to automatically pay the Premium (other than the First Premium) by debit to his bank account as per the electronic clearing services norms issued by Reserve Bank of India;

**Extra Premium** means the mortality premium charged over and above the standard mortality charges due to higher than standard mortality risk presented by the life to be assured. This risk may be medical or non medical in nature;

**Grace Period** means the period of thirty (30) days commencing from the due date of first unpaid Regular Premium, during which period the Policyholder may make payment of unpaid Regular Premium to keep the Policy and all the Benefits in force;

**Life Assured** means the person named as such in the Policy Schedule, on whose life the Benefits are effected in terms of this Policy;

**Maturity Benefit** means the benefit as specified in Clause 2.2 of these Terms and Conditions, payable by the Company on the maturity Date;

**Maturity Date** means the date specified as such in the Policy Schedule which shall be the date immediately following fifteenth (15) Policy Year, on which date the Maturity Benefit becomes payable;

**Nominee** means the person or persons who are specified as such in the Policy Schedule and are appointed under Clause 13.2 of these Terms and Conditions;

**Office** means any office established by the Company for servicing customers, except its registered office and corporate office;

**Policy** means this Canara HSBC Oriental Bank of Commerce Life Insurance Secure Smart Plan comprising the Proposal, these terms and conditions and the Policy Schedule including any other correspondence issued by the Company, all of which shall form an integral part of the Policy;

**Policy Anniversary** means annual anniversary of the Policy Commencement Date;

**Policy Commencement Date** means the date of commencement of the Policy specified as such in the Policy Schedule;

**Policy Schedule** means the schedule attached to and forming part of this Policy;

**Policy Term** means the period between the Policy Commencement Date and the Maturity Date, specified as such in the Policy Schedule;

**Policy Year** means a period of twelve (12) consecutive months starting with the Policy Commencement Date and ending on the day immediately preceding its Policy Anniversary and each subsequent period of twelve (12) consecutive months thereafter, during the Policy Term;

**Policyholder** means the person specified as such in the Policy Schedule;

**Premium** means the Regular Premium payable under this Policy;

**Premium Payment Term** means the period specified as such in the Policy Schedule indicating the number of years for which the Policyholder is required to pay Regular Premium under this Policy;

**Proposal** means the signed and completed proposal form provided by the Policyholder prior to the Policy Commencement Date, along with all additional information enclosed thereto and which forms the basis upon which this Policy has been issued to the Policyholder by the Company;

**Regulations** means the laws and regulations in effect from time to time and applicable to this Policy, including without limitation the regulations and directions issued by the Authority from time to time including re-enactments and/or amendments to such laws and regulations;

**Regular Premium** means the premium specified as such in the Policy Schedule (which includes Extra Premium, if any) payable in regular installments as agreed between the Policyholder and the Company;

**Revival Period** means the period of two (2) years commencing from the due date of the first unpaid Regular Premium under this Policy subject to satisfaction of Clause 11 of these Terms and Conditions;

**Rider** means the supplementary or additional benefit coverage, if any, issued by the Company, attached to and forming a part of this Policy;

**Rider Benefit** means the supplementary or additional benefit coverage, if any, issued by the Company, attached to and forming part of this Policy;

**Risk Commencement Date** means the date specified as such in the Policy Schedule, which shall be the later of (i) date of decision by the Company's underwriters to accept the risk under the Policy and (ii) the date of realization of the payment of first Premium by the Company;

**Standing Instruction** means the mandate given to the credit card company or the Bank by the Policyholder for making the payment of premiums on stipulated due date;

**Sum Assured** means the amount specified as such in the Policy Schedule;

**Sum Assured Addition** means the additions to Sum Assured which depends on 5-year constant Government Securities Yield published by CRISIL. For details refer to Clause 6.1 of these Terms and Conditions;

**Surrender** means the termination of the Policy in its entirety at the instance of the Policyholder as specified in Clause 8 of these Terms and Conditions;

## **1.2 Interpretation**

This Policy is divided into numbered clauses for ease of reference and reading. Except as stated, these divisions and the corresponding clause headings do not limit the Policy or its interpretation in any way. Unless the context requires otherwise, words of one gender shall include the other gender and the singular shall include the plural and vice versa and references to any statute include subsequent changes to that statute.

## **2. Benefits**

Subject to the provisions contained herein and fulfillment of the terms and conditions of this Policy, the Company agrees to pay to the Claimant, the following Benefits on the happening of the events mentioned against each Benefit during the Policy Term.

### **2.1 Death Benefit**

Subject to the provisions contained herein and fulfillment of the terms and conditions of this Policy and the Policyholder having made all due payments of Premium, the Company agrees to pay to the Claimant, the Death Benefit, subject to the terms and conditions specified below:

**2.1.1** Subject to the Policy remaining in force, if the death of the Life Assured occurs on or after the Risk Commencement Date but before the Maturity Date, the Company shall pay the higher of [Sum Assured or 10 times the annualized premium (before applicable taxes)] plus the accrued Sum Assured Additions, if any, to the Claimant.

**2.1.2** After payment of Premiums for atleast first three (3) Policy Years, if the Premium payment is discontinued then the Company shall pay the Paid Up Value as per Clause 7 of these Terms and Conditions in the event of the death of the Life Assured;

**2.1.3** The Policy shall automatically terminate upon payment of a Death Benefit under Clause 2.1.1 & 2.1.2 of these Terms and Conditions.

### **2.2 Maturity Benefit**

If the Life Assured survives the Maturity Date and the Policy is in force on such date, the Company shall pay the Maturity Benefit which shall be equivalent to the Sum Assured plus accrued Sum Assured Additions. In case premiums are discontinued & the policy has acquired a Paid Up Value, the policy will continue till maturity if not revived within the Revival Period and the Paid Up Value will be paid to the Policyholder on maturity.

## **3. Requirements for Death Benefit & Maturity Benefit Claims**

In the event of a claim for Benefits arising under this Policy, the Claimant shall within sixty (60) days of the claim event, make a written intimation to the Company through its Claim Intimation Form with the following documents:

### **3.1 In case of a claim for Maturity Benefit**

- a. Claimant's Statement; and
- b. Policy document in original; and
- c. Duly signed discharge voucher

### **3.2 In case of a claim for Death Benefit**

Original Policy document, Company specific claim formats (Claimant's statement, Treating hospital certificate, Attending physician's statement, Employer's certificate), Death certificate, FIR, Post mortem report, Claimant's ID and address proof, Hospital records/other medical records and such other documents as required by the Company at the time of claim.

**3.3** Notwithstanding anything contained in Clause 3 above, depending upon the cause or nature of the claim, the Company reserves the right to call for other and/or additional documents or information, including documents/information concerning the title of the Claimant, to the satisfaction of the Company for processing the claim.

## **4. Mode of Payment of Benefits**

All Benefits and other sums under this Policy shall be subject to the admission of the claim and shall be payable in the manner and currency permitted under the Regulations.

## **5. Discharge**

Any discharge given by the Claimant, or by any person authorized by the Claimant in writing in respect of the Benefits or the sums payable under this Policy shall constitute a valid discharge to the Company in respect of such payment. The Company's liability under the Policy shall be automatically discharged on such payment. In case the Bank account details of the Claimant has been made available to the Company to facilitate a direct credit of the Benefits into the Claimant's bank account, credit by the Company of the applicable Benefits into such bank account shall constitute valid discharge of the Company's liability to pay such Benefits under this Policy.

## **6. Special Features Applicable to this Policy**

### **6.1 Sum Assured Additions**

**6.1.1** Subject to Policy being in force, the Company shall allocate Sum Assured Additions in the form of percentage of the Sum Assured each time when the Premium is paid by the Policyholder.

**6.1.2** Sum Assured Additions shall be calculated as per the table provided in Annexure 1. The range of five (5) year benchmark Security Yield and percentage of Sum Assured Additions allocated against each benchmark would remain unchanged during the entire Policy Term.

**6.1.3** For yearly, semi-annual and quarterly premium payment mode, applicable Sum Assured Additions shall be 100%, 50% and 25% of the rates mentioned in Annexure 1 respectively.

**6.1.4** First such addition will accrue on the Policy Commencement Date against the first Premium paid by the Policyholder. Subsequent additions will accrue on the later of Premium realization date and Premium due date, each time the Premium is paid.

**6.1.5** Policy will not be eligible for Sum Assured Additions if Premiums are discontinued. Subject to Policy being revived as per Clause 11 of these Terms and Conditions, the Sum Assured Additions for all due Premiums paid shall be allocated on the later of Premium realization date and revival date.

## **7. Paid Up Value**

Paid Up Value (on Death) = higher of [Sum Assured or 10 times the annualized premium (before applicable taxes)] \* (total number of annualized premiums paid less one (1) / total number of annualized premiums payable) + accrued Sum Assured Additions

Paid Up Value (at Maturity) = Sum Assured \* (total number of annualized premiums paid less one (1) / total number of annualized premiums payable) + Accrued Sum Assured Additions

#### **8. Guaranteed Surrender Value & Surrender**

**8.1** The Guaranteed Surrender Value is defined as 30% of the Premiums paid excluding the first year annualized Premium. The policy acquires a Guaranteed Surrender Value after payment of at least first three (3) years Premium and completion of three policy years. For calculating the Guaranteed Surrender Value, Extra Premium paid, if any, shall also be excluded.

**8.2** If the Policyholder has paid all the due Premiums for atleast first three (3) Policy Years under the Policy and on completion of three (3) Policy Years, the Policyholder may surrender this Policy by giving notice in writing to this effect to the Company. The Company shall on receipt of a duly signed request for Surrender, terminate the Policy and pay the Guaranteed Surrender Value.

**8.3** The Company may with prior approval of the Authority declare a special surrender value under this Policy.

**8.4** On Surrender, the Company shall pay higher of the special surrender value or the Guaranteed Surrender Value, on payment of which this Policy shall stand terminated.

#### **9. Regular Premium and Effect of Discontinuance of Payment of Regular Premium**

Regular Premium shall be payable during the Premium Payment Term in the agreed amounts and frequency on or before the end of Grace Period corresponding to the due date specified in the Policy Schedule. If any Regular Premium is received before the due date, the Company may at its discretion keep such amount in an advance premium account and adjust such sum towards Regular Premium on the applicable due date or refund such amounts to the Policyholder. Semi annual and quarterly mode of Premium payment shall be available for Premiums payment through Electronic Clearing Services or Standing Instruction only.

##### **9.1 Discontinuance of Regular Premium within three (3) Policy Years from the Policy Commencement Date.**

If any due installment of Regular Premium is not paid within the Grace Period during the first three (3) years from the Policy Commencement Date, the Policy shall lapse immediately and the risk cover under the Policy shall cease. The Policy in such case shall not acquire any Paid Up Value and shall continue without any Benefits including Death Benefit and accrual of Sum Assured Additions till the expiry of the Revival Period. If the Policy is not revived during the Revival Period then Policy shall automatically terminate, post expiry of the Revival Period and no amount shall be payable under the Policy.

##### **9.2 Discontinuance of Regular Premium after paying premium due for at least three (3) consecutive Policy Years.**

**9.2.1** If any due installment of Regular Premium is not paid within the Grace Period after paying the Regular Premium due for at least first three (3) Policy Years, the policy becomes paid up and acquires Paid Up Value. The Claimant will receive Paid Up Value on death or on maturity, whichever is earlier.

#### **10. Death during Grace Period**

In the event of death of the Life Assured during the Grace Period, Death Benefit shall be payable under Clause 2.1 of these Terms and Conditions, subject to deduction of Regular Premium, if any, due as on the date of death of the Life Assured.

#### **11. Revival of Policy**

**11.1** Subject to the approval of the Company and the prevailing rules of the Company pertaining to revival, the Policy can be revived within the Revival Period subject to the Policy not reaching the Maturity Date or being terminated earlier as per the terms and conditions, provided:

- I. No claim for Benefits has arisen under the Policy;
- II. A written application for revival is received from the Policyholder by the Company and other documentation as may be requested by the Company;
- III. All due installments of unpaid Regular Premium along with applicable interest and medical charges, if any, to revive this Policy are received by the Company in full.

**11.2** Notwithstanding anything to the contrary contained elsewhere in this Policy, the Company reserves the right to revive the Policy either on its original terms and conditions or on such other or modified terms and conditions as the Company deems fit, or to reject the revival. The decision of the Company in this regard shall be final and binding on the Policyholder. The revival shall be effective from the date when the Company specifically communicates the same in writing to the Policyholder.

**11.3** Sum Assured Additions against the Premiums received for revival shall be allocated on the date of Revival.

**11.4** If the request for Revival is rejected, the Premiums including the interest paid by the Policyholder for Revival shall be refunded by the Company.

#### **12. Age Admission**

The Age of the Life Assured has been admitted on the basis of the declaration made by the Policyholder/ Life Assured in the Proposal and/or in any statement, supporting document/proof provided in this regard. If the Age of the Life Assured is found to be different from that declared, the Company may adjust the Premiums and/or the Benefits under this Policy and/or recover the additional amounts, if any, as it deems fit. This Policy shall, however become void from the Policy Commencement Date, if the Age of the Life Assured at the Policy Commencement Date is found to be higher than the maximum or lower than the minimum entry Age that was permissible under this Policy at the time of its issue, and all Premiums paid under this Policy shall stand forfeited in favour of the Company.

#### **13. Assignment and Nomination**

##### **13.1 Assignment**

An assignment of the Policy may be made by an endorsement upon the Policy itself or by a separate instrument signed in either case by the assignor specifically stating the fact of assignment and duly attested. Only the Policyholder may make the first assignment. Such assignment shall be effective, as against the Company, from and upon the service of a written intimation upon the Company and the Company accepting and recording the assignment on the Policy. In registering an assignment, the Company does not accept any responsibility or express any opinion as to its validity or legal effect. An assignment of the Policy shall automatically cancel all nominations made under Clause 13.2 of these Terms and Conditions.

##### **13.2 Nomination**

**13.2.1** On a Policy taken on his own life, the Policyholder may, at any time during the currency of this Policy, make a nomination for the purpose of payment of the Death Benefits, in the event of his death. Any change of nomination, which may be effected before the termination of the Policy shall also be communicated to the Company. The change in nomination shall come into effect from the date on which the Company endorses such change as part of the Policy Schedule.

**13.2.2** If the Nominee named as such in the Policy Schedule predeceases the Life Assured during the Policy Term, the Policyholder shall name any other person as the Nominee under this Policy, and such person shall have the same rights in respect of this Policy as the Nominee originally named as such in the Policy Schedule.

The Policyholder shall also name an Appointee to receive the Benefits, if payable under this Policy on behalf of the Nominee during the minority of the Nominee and to give a discharge in respect of such Benefits to the Company.

**13.2.3** In the event of a Nominee not surviving as on the date of payment of Death Benefit under this Policy, the Death Benefit shall be paid to the surviving legal heirs of the deceased Policyholder in accordance with the applicable law. Any payment made by the Company in good faith to such surviving Nominees or the legal heirs of the deceased Life Assured shall discharge the Company fully of its liability to make payment of Death Benefit under this Policy

#### **14. General Conditions**

**14.1 No Participation in surplus or profits:** This Policy does not participate in surplus or profits of the Company

**14.2 Review, revision:** The Company reserves the right to review, revise, delete and/ or alter any of the terms and conditions of this Policy, including without limitation the Benefits, with the prior approval of the Authority. The terms of this Policy shall also stand modified from time to time, to the extent of changes to the Regulations affecting the terms and conditions of this Policy

**14.3 Suicide exclusion:** If the Life Assured commits suicide for any reason, while sane or insane, within one (1) year from the Risk Commencement Date specified as such in the Policy Schedule or within one (1) year from the effective date of revival of the Policy, no Benefits shall be payable under this Policy, other than the Premiums received under the Policy. In case the Policy has been revived, the Company shall pay only the outstanding Premiums received by the Company for the revival of the Policy plus the Premiums received post such revival. In case the policy had acquired a paid up value prior to revival, the paid up benefits shall also be payable by the Company as specified in Clause 7 of these Terms and Conditions. On such payment the Policy shall stand terminated.

**14.4 Riders:** The Policyholder may opt for one or more Riders to be attached to this Policy during the Policy Term, as and when offered by the Company with the approval of the Authority. Acceptance of Riders by the Company shall be subject to the conditions of this Policy and the Rider(s).

**14.5 Forfeiture:** In issuing this Policy, the Company has relied on the accuracy and completeness of information provided by the Policyholder and any other declarations or statements made or as may be made hereafter by the Policyholder in the Proposal form. Subject to the provisions of the applicable Regulations, including Section 45 of the Insurance Act, 1938, in the event any such information, declaration or statement is found to be false or incorrect or any material information is found to be withheld or misrepresented, the Company shall be entitled to terminate this Policy. The Company shall in such a case cease to be liable for payment of any Benefits under this Policy and be entitled to forfeit the Premiums paid in its favour.

#### **15. General Provisions**

**15.1 Release and discharge:** The Policy will terminate automatically on payment of the Death Benefits or the Maturity Benefits or the Guaranteed Surrender Value, as the case may be, and the Company will be relieved and discharged from all obligations under this Policy thereafter.

**15.2 Limitation of Liability:** Except in the case of a claim for Death Benefit, the maximum liability of the Company under this Policy shall not, in any circumstances, exceed the aggregate amount of the relevant Benefits payable hereunder.

**15.3 Grievance Redressal /Complaints:** The contact details and procedure to be followed in case of any grievance in respect of this Policy is provided in the document titled as "Grievance Redressal".

**15.4 Taxes, duties and levies:** It shall be the sole responsibility of the Policyholder/Claimant to ensure compliance with all applicable provisions of the Regulations, including taxation laws, and payment of all applicable taxes in respect of the Premium and Benefits or other payouts made or received by the Policyholder/Claimant under this Policy and the Company does not accept any liability or responsibility in this regard. Except as may be specifically required by the Regulations, the Company shall not be responsible for any tax liability arising in relation to this Policy, the Premium payable or the Benefits or other payouts made in terms of this Policy. The Company shall be entitled to deduct such amounts towards taxes, duties or such other levies as may be required from any sum received by it or payable under this Policy, and deposit the amount so deducted with the appropriate government or regulatory authorities

**15.5 Disclosure of Information:** If the Policyholder or Nominee or anyone acting for any of them or with their knowledge makes any misleading, false or fraudulent claim then the Company shall be entitled to terminate this Policy forthwith and shall also be entitled to forfeit the Premiums paid and all benefits payable hereunder in favour of the Company.

**15.6 Fraudulent Claims:** If the Policyholder or Nominee anyone acting for any of them or with their knowledge makes any misleading, false or fraudulent claim then the Company shall be entitled to terminate this Policy forthwith and shall also be entitled to forfeit the Premiums paid in its favour and all Benefits payable hereunder.

**15.7 Delivery of Policy Documents:** The Company shall dispatch the Policy documents to the Policyholder at the address for correspondence provided by the Policyholder in the Proposal through courier or post (ordinary/registered/speed post), and the same shall be deemed to have been delivered to the Policyholder within 10 days from the date of dispatch by the Company, unless the same is returned undelivered to the Company for any reason. In case the policy documents are returned undelivered, the Company may attempt to have the same delivered to the Policyholder through such alternative means as it deems fit.

**15.8 Loss of Policy document – Issue of duplicate:** The Company will replace a lost Policy document when satisfied that it is lost. However, the Company reserves the right to make such investigations into and to call for such evidence of the loss of the Policy document, at the Policyholder's expense, as the Company considers necessary before issuing a duplicate Policy document. The Company has the right to charge a fee for the issue of a duplicate Policy. It is hereby understood and agreed that Policyholder will protect the Company and hold the Company harmless against any claims, costs, expenses, awards or judgments arising out of or howsoever connected with the original Policy or arising out of issuance of duplicate Policy. The provisions of proviso to Regulation 6(2) of the IRDA (Protection of Policyholders Interests) Regulations, 2002 on freeloak cancellation shall not be applicable in case of issuance of a duplicate policy pack by the Company.

**15.9 Electronic Transactions:** In conducting electronic transactions, for and in respect of this Policy, the Policyholder shall adhere to and comply with all such terms and conditions as prescribed by the Company. Such electronic transactions are legally valid and shall be binding on the Policyholder.

**15.10 Entire Contract:** This Policy comprises the terms and conditions set forth in this Policy document, the Policy Schedule and the Annexure applicable to this Policy and the endorsements, if any, made on or applicable to this Policy, which shall form an integral part and the entire contract, evidenced by this Policy. The liability of the Company is at all times subject to the terms and conditions of this Policy and the endorsements made from time to time. In the event of any inconsistency between the terms and conditions set forth in this Policy document and the terms and conditions set forth in any other document, the terms and conditions set forth in this Policy shall prevail.

**15.11 Governing Law and Jurisdiction:** This Policy shall be governed by and interpreted in accordance with the laws of India.

**15.12 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 (2) 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 (2) years from the date on which it was effected, be called in question by an insurer on the ground that a statement made in the proposal for insurance 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 Policyholder and that the Policyholder 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 it 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 Policyholder was incorrectly stated in the Proposal.

**ANNEXURE 1:**

5-year Benchmark Yield	Sum Assured Additions as % of Sum Assured
< 4.0%	0.00
≥ 4.0% to < 4.5%	0.54
≥ 4.5% to < 5.0%	1.11
≥ 5.0% to < 5.5%	1.70
≥ 5.5% to < 6.0%	2.33
≥ 6.0% to < 6.5%	2.99
≥ 6.5% to < 7.0%	3.69
≥ 7.0% to < 7.5%	4.42
≥ 7.5% to < 8.0%	5.18
≥ 8.0% to < 8.5%	5.98
≥ 8.5% to < 9.0%	6.82
≥ 9.0% to < 9.5%	7.69
≥ 9.5% to < 10.0%	8.54
≥ 10.0% to < 10.5%	9.44
≥ 10.5% to < 11.0%	10.42
≥ 11.0% to < 11.5%	11.45
≥ 11.5% to < 12.0%	12.53
≥ 12.0%	13.52

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Subject to applicable laws, the prevailing language of this Policy Terms and Conditions shall be English. In case of any inconsistency in interpretation between the English version and any language translation of the same, the Terms and Conditions in English shall prevail.

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