

P R E S S R E L E A S E

For immediate release

**Canara HSBC Oriental Bank of Commerce Life Insurance is the First Company to
Make Immediate Payouts on Death Claim**

New Delhi, October 20, 2009: Canara HSBC Oriental Bank of Commerce Life Insurance Company Limited – a partnership between two of India’s largest public sector banks, Canara Bank and Oriental Bank of Commerce, and HSBC Insurance (Asia Pacific) Holdings Limited today announced the launch of ‘**Immediate Payouts on Death Claim,**’ so that the deceased’s family will receive the fund value immediately on registration of death claim under unit-linked policies.

Commenting on the new initiative **Mr. Harpal Karicut, Chief Executive Officer, Canara HSBC Oriental Bank of Commerce Life Insurance Company** said *“In our knowledge, we are the first life insurance company in India to provide such a service. Losing someone close is one of the toughest things that one has to deal with. If the family has insufficient means to cover the costs of a funeral or expenses left behind by the life assured, this creates a tremendous financial burden. The grieving process is difficult enough and when complicated with financial issues, can be traumatic. There are several unexpected costs that arise immediately after a death and at such crucial times, one needs liquid assets that are available quickly. As an industry first initiative to drive excellence in customer service, Canara HSBC Oriental Bank of Commerce Life Insurance Company will pay the Fund Value immediately on registration of the death claim of the life assured and before final decision on the claim which inevitably takes some time”.*

He added, *“One of the key reasons that families take out life insurance is to provide financial protection in the event that the life assured dies prematurely and it is this eventuality that a life insurer’s ‘Promise to Pay’ and its customer service will be most tested. The feedback from our customers is that our immediate payout on death claims initiative is welcome and reassures them that we will provide support to their families in their time of greatest need”.*

The initiative will be effective October 25, 2009 and is subject to conditions.

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Notes to Editors

Under Unit Linked Life Insurance Plans (ULIPs), the premium paid is invested in the market after deduction of charges (such as mortality charges, admin charges etc). This premium amount, after deduction of charges, is invested in line with the objectives of the funds as opted by the policyholder. In these policies, the investment risk in the investment portfolio is borne by the policyholder.

This invested amount has specific value, referred as Fund Value. We would be returning this Fund Value on Death Claim Registration, subject to conditions.

What are the scenarios in which the Fund Value Payment may not be possible on registration of death?

In the following scenarios (if known to Company), the Fund Value payment will not be possible at the time of registration of death claim:

These could include (but not limited to) the following:

- a. Open title cases (like no nominee/nominee dead)
- b. Rival claims identified at claim registration stage
- c. Any claim with non-identification of nominee
- d. Fund Value higher than Sum Assured
- e. Death claim under any plan where the policy continues for Fund Value payout in future – for example, Child Plan

Is there a binding legal obligation on the Company to pay Fund Value irrespective of admission or repudiation of the claim?

No – the Company has the right to forfeit both the premiums paid under the Policy & the benefits to be paid by the Company in the event any information, declaration or statement provided by the Proposer/ Life Assured which is found to be false or incorrect or any material information is found to be withheld or misrepresented.

Company reserves the right to forfeit the benefits under these policies.

**About Canara HSBC Oriental Bank of Commerce Life Insurance Company Limited
(www.canarahsbclife.com)**

Canara HSBC Oriental Bank of Commerce Life Insurance Company Limited was launched in June 2008 and is jointly owned by two of India's largest public sector banks – Canara Bank (holding 51%) and Oriental Bank of Commerce (23%) – and HSBC Insurance (Asia Pacific) Holdings Limited (26%), the Asian insurance arm of one of the world's largest banking and financial services groups – HSBC.

The Company operates a pure bancassurance model and has exclusive access to around 48 million customers and a pan-India network of over 4,100 branches of the three shareholder banks. The formidable distribution strength and in-depth local market knowledge of Canara Bank and Oriental Bank of Commerce coupled with the considerable insurance experience, product range and proven bancassurance capabilities of HSBC make this an unparalleled union of financial strength, expertise and most importantly, trust.

Canara HSBC Oriental Bank of Commerce Life Insurance Company understands that today innovation is a key differentiator. Keeping market and demand forces in mind, the Company has developed and launched new products on an average, every six weeks. Six unit linked investment and four traditional products have been introduced to customers. Individual products include UL Whole life, UL Endowment, UL Pension, UL Limited Pay Endowment, Pure Term, Immediate Pension, UL Child, Saral Bima and Group Products include Group Term and Group Loan Protection.

The Company currently has 29 offices across the country (in 27 cities) to provide necessary training and coaching support to the bank staff and ongoing service support to 859 bank branches (with dedicated SPs) selling Canara HSBC Oriental Bank of Commerce Life Insurance Company's products in 309 locations.

The backbone of the Company's operations is a highly IT-enabled business model and policy administration system, including 'E-Application' which has replaced physical application forms required during sales. This has resulted in higher quality and faster policy issuance.

Based on the latest data (August 2009) available on IRDA website, the Company is the fastest Indian life insurance company to cross Rs 500 crore in weighted premium income till date and it also has the Highest Average Premium (GWP) in the industry for individual business since launch.

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