



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

Canara HSBC Oriental Bank of Commerce Life Insurance Launches Shubh Labh

A single premium plan with customer-centric features like Auto Fund Rebalancing, Safety Switch Option and Loyalty Additions that help the customers meet their protection and investment needs

For immediate release

New Delhi, 6 August 2013: Canara HSBC Oriental Bank of Commerce Life Insurance today announced the launch of its first single premium plan – Canara HSBC Oriental Bank of Commerce Life Insurance Shubh Labh.

Shubh Labh is a unit-linked non-participating endowment life insurance plan that helps customers meet their protection and investment needs. The plan provides a life cover and helps the customers generate wealth by investing in the funds of choice. It caters to the diverse financial goals various people have, depending which stage of life they are in – it could be starting a family, planning retirement, or then simply wanting financial freedom.

Speaking at the launch, **Mr. John Holden, Chief Executive Officer, Canara HSBC Oriental Bank of Commerce Life Insurance, said,** “We are pleased to offer Shubh Labh, our first single premium plan, to the customers of our partner banks who have an investible surplus and prefer a one-time payment to meet their financial goals.”

Mr. Holden further added, “Based on consumer insights, Shubh Labh offers flexibility and enhanced value through several features. The Safety Switch Option enables the policyholders to move funds systematically to a relatively low risk Liquid Fund for stable returns and the Auto Fund Rebalancing option helps in maintaining a level of safety in the portfolio by investing specific proportions across funds. The loyalty additions start from the 5th policy year and partial withdrawal is available to meet any contingency. There is an absolute cap on both premium allocation and policy administration charges which reduces the effective cost of owning a policy and provides the customer with very competitive potential returns, with life cover.”

With the launch of Canara HSBC Oriental Bank of Commerce Life Insurance Shubh Labh Plan, the Company has further strengthened its product suite to help the customers of partner banks find the right solution for protecting their family and saving for future financial needs.



The new life insurance plan is available pan-India in around 6000 branches of Canara Bank, HSBC, Oriental Bank of Commerce, Shreyas Gramin Bank, Kerala Gramin Bank (formerly known as South Malabar Gramin Bank) and HSBC InvestDirect Securities (India) Limited.

Product Parameters

Particular	Minimum		Maximum		
Entry Age (as per last birthday)	7 years		70 years		
Policy Term	5 years		40 years		
Premium Paying Term	Single premium only				
Premium	3,00,000		No Limit		
Life Cover (Sum Assured)	1.25 times the Single Premium for age below 45 years; 1.10 times the Single Premium for age 45 years and above		10 times the Single Premium (Subject to underwriting)		
Death Benefit	Higher of the Fund Value or Sum Assured (less applicable partial withdrawals) or 105% of Single premium				
Maturity Benefit	Fund Value				
Fund Options	Equity II Fund	Growth Plus Fund	Balanced Plus Fund	Debt Plus Fund	Liquid Fund

Key Features of Canara HSBC Oriental Bank of Commerce Shubh Labh Plan

- **Auto Funds Rebalancing:** Helps the policyholder maintain the allocation of his investments in a specific proportion across funds, irrespective of market movements; Once opted, after every 3 policy months, it automatically rebalances the allocation of the policyholder's investments in various funds to the allocation proportions chosen by him.
- **Safety Switch Option:** As the policy nears maturity, the policyholder may want to avoid market movements and safeguard his funds; The Safety Switch Option enables the policyholder to move his funds systematically to a relatively low risk Liquid Fund in the last four policy years. The following table shows the proportion of investment in Liquid and other funds, for the last four policy years:

Beginning of...	Allocation in Liquid Fund	Allocation in Funds other than Liquid Fund
Fourth last policy year	30%	70%
Third last policy year	60%	40%
Second last policy year	90%	10%
Last policy year	100%	0%

- **Loyalty Additions:** Starting from 5th policy year, the policyholder's fund value will be enhanced by loyalty additions as per table below. The loyalty addition will be added at the end of each policy month and will be a percentage of the fund value.



Policy Year	Loyalty Additions per month
5 th Policy Year Onwards	0.06% of Fund Value

- **Partial Withdrawal:** The policyholder can make partial withdrawals for any unforeseen contingency, from 6th policy year onwards. The minimum amount that the policyholder can withdraw is Rs 10,000 and the maximum is such that the fund value after withdrawal does not fall below 25% of the single premium.
- **Fund Switching:** The policyholder can switch some or all of his investment from one fund to another any number of times at zero charge. The minimum amount that he can switch is Rs 10,000.
- **Settlement Option:** At maturity, the policyholder may avail the Settlement Option, wherein he can receive his money in installments as per the frequency chosen by him over a maximum period of 5 years. There will not be any life cover during this period. Units from the applicable funds will be cancelled at the time of installment payouts. Fund management charges shall be deducted as applicable on the remaining funds.
- **Modification of Sum Assured:** There is flexibility to increase or decrease the sum assured from the 6th policy year onwards. This facility is available once in every policy year subject to a maximum of 3 times during the policy term.
- **Tax Benefit:** The policyholder is entitled to tax benefits under Section 80C and Section 10 (10D), as per the Income tax Act, 1961. Tax benefits under the policy will be as per the prevailing Income Tax laws and are subject to amendments from time to time.

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 has exclusive access to around 60 million customers and a pan-India network of over 5500 branches of Canara Bank, HSBC and Oriental Bank of Commerce.

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.

To deliver affordable insurance solutions to address the needs of the rural population, the social sector and economically weaker sections of the society, especially those who have no or very little access to organised financial services, the Company has also tied up with two Rural Regional Banks (RRBs) – Shreyas Gramin Bank in Uttar Pradesh and Kerala Gramin Bank (formerly known as South Malabar Gramin Bank) in Kerala that have a network of over 600 branches and reach out to more than 6 million customers.



Canara HSBC Oriental Bank of Commerce Life Insurance Company understands that today innovation is a key differentiator. Based on customer needs, the Company currently offers 10 products – 5 unit-linked and 5 traditional; 8 out of these are individual and 2 are group products.

The Company is the fastest Indian life insurance company to cross Rs 500 crore, Rs 1000 crore, Rs 1500 crore, Rs 2000 crore and Rs 2500 crore in weighted premium income till date. Since launch on June 16, 2008 to June 30, 2013, the Company's business in terms of Gross Written Premium (GWP) stood at Rs 6878.6 crore and the number of policies sold are 399,561.

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