

## IN THIS POLICY, THE INVESTMENT RISK IN THE INVESTMENT PORTFOLIO IS BORNE BY THE POLICY HOLDER

### Canara HSBC Oriental Bank of Commerce Life Unit Linked Child Plan

UIN – 136L009V01

#### 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:

**Act** means the Insurance Act, 1938;

**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 Beneficiary, in the event of death of the Life Assured during the minority of the Beneficiary;

**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;

**Beneficiary** means the person appointed in terms of Clause 17 hereof, who is a nominee under Section 39 of the Act;

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

**Business Day** means any day which is a working day for the Company's corporate office in Gurgaon and on which day the National Stock Exchange (NSE) is open for trading;

**Charges** mean collectively, the charges that may be levied by the Company under this Policy with the approval of the Authority from time to time. The charges applicable under this Policy are mentioned in Annexure 1 hereto;

**Claimant** means the Policyholder, the Beneficiary, the Appointee or the legal heirs of the Policyholder who is 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 hereof, payable by the Company upon the death of the Life Assured during the Policy Term;

**Financial Year** means a period of twelve (12) months commencing from April 01 each year and ending with March 31 of the following year;

**Fund Value** means, at any point of time, the value of the Units held by the Policyholder, represented by the number of Units held in the Policyholders' unit account multiplied by their respective Unit Prices;

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

**Indexation Option** means the option provided to the Policyholder to opt for a fixed rate of increase in the Sum Assured and Premium payable, subject to the terms of Clause 3.2;

**Life Assured** means the person named as such in the Policy Schedule on whose life this Policy has been effected;

**Loyalty Additions** means the additional Units credited by the Company in the Policyholders' unit account, in accordance with Clause 2.4;

**Maturity Benefit** means the Fund Value as on the Maturity Date, payable to the Claimant, on the Maturity Date;

**Maturity Date** means the date specified as such in the Policy Schedule on which the Maturity Benefit becomes payable;

**Minor** means a person who has not completed the Age of eighteen (18) years;

**Net Asset Value ("NAV")** means the market value of investments held under the Unit Linked Fund plus or minus the expenses incurred in the purchase or sale of the assets (as the case may be) depending upon whether the Unit Linked Fund is a net buyer or seller of assets, plus the value of any current assets and any accrued income net of Fund Management Charges (including any applicable Service Tax thereon) less the value of any current liabilities and provisions, if any;

**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 Unit Linked Child Plan, comprising, the Proposal, these terms and conditions, the Policy Schedule and any annexures attached to it (including any unit account statements or other correspondence issued by the Company), all of which shall form an integral part of the Policy;

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

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

**Policy Year** means a period of twelve (12) consecutive months starting from 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 named as such in the Policy Schedule and who is the Life Assured under this Policy, unless the Policy has been assigned as per Clause 18.1 in which case the assignee shall be the Policyholder;

**Premium** means the premium payable in amounts and frequency as specified in the Policy Schedule;

**Premium Funding Benefit** means the benefit provided by the Company, upon the death of the Life Assured as detailed in Clause 2.2;

**Proposal** means the signed and completed proposal form provided by the Policyholder to the Company, along with all supporting information/documents enclosed therewith and which forms the basis upon which this Policy has been issued to the Policyholder by the Company;

**Redirection** means the facility allowing the Policyholder to modify the allocation of future Premium into the Unit Linked Funds in a different investment pattern from the option exercised previously, as specified in Clause 15 ;

**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;

**Revival Period** means the period commencing from the end of the Grace Period and ending on the earlier of (i) five (5) years from the due date of the first unpaid Premium under this Policy or (ii) the Maturity Date; or (iii) the termination of the Policy as per Clause 3.6, during which period the Policyholder may revive this Policy subject to satisfaction of the conditions provided in Clause 4;

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

**Rider Benefits** means the benefits payable under the Riders;

**Risk Commencement Date** means the date mentioned in the Policy Schedule, which shall be the later of (i) date of acceptance of the Proposal by the Company's underwriters; and (ii) date of realization of the proposal deposit by the Company;

**Settlement Options** means the option specified in Clause 2.3.2;

**Sum Assured** means the amount as mentioned in the Policy Schedule payable upon the death of the Life Assured as per Clause 2.1;

**Surrender** means the termination of the Policy in its entirety as specified in Clause 12;

**Surrender Value** shall mean the Fund Value less applicable Surrender Charges as mentioned in Annexure 1 hereto;

**Switches** means the facility available to the Policyholder to change the investment pattern by shifting from one Unit Linked Fund to another (in whole or in part) as specified in Clause 16;

**Unit** means a notional interest of the Policyholder representing a portion or a part of the Unit Linked Fund consisting of one (1) undivided share in the assets of the relevant Unit Linked Fund;

**Unit Linked Fund** means specific and separate investment funds established, offered, operated and maintained by the Company, in terms of Clause 8 below or as may be introduced by the Company from time to time, with the approval of the Authority;

**Unit Price** means the price of the Units of each Unit Linked Fund arrived at by dividing the Net Asset Value of the Unit Linked Fund by the total number of outstanding Units in the Unit Linked Fund at that time.

## 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**

In the event of the death of the Life Assured on or after the Risk Commencement Date but before the Maturity Date, the Company shall pay the Sum Assured to the Claimant.

### **2.2 Premium Funding Benefit**

In the event of the death of the Life Assured on or after the Risk Commencement Date but before the Maturity Date, the Company shall in addition to the payment of Sum Assured as mentioned in Clause 2.1 above, keep the Policy in force and fund all future Premium due under this Policy. The Policy shall continue to be in force upto the Maturity Date notwithstanding the death of the Beneficiary. Such Premium funded by the Company shall be allocated to various Unit Linked Funds in the same proportion as existing at the date of notification of the death of the Life Assured to the Company. If the Indexation Option has been exercised by the Policyholder and is in force as on the date of notification of the death of the Life Assured, the increased Premium shall be funded by the Company on the respective Premium due dates.

### **2.3 Maturity Benefit**

**2.3.1** On the Maturity Date, the Company shall pay the Maturity Benefit, which shall be equal to the Fund Value under the Policy as on such date to the Claimant. The Policyholder shall have the option to receive the entire Maturity Benefit as a lump sum or receive the Maturity Benefit through structured payouts over a period not exceeding five (5) years as per the Settlement Option per Clause 2.3.2. The Settlement Option is not available to the Beneficiary or other legal heirs of the Policyholder under this Policy. On payment of the Maturity Benefit, this Policy shall terminate with immediate effect.

#### **2.3.2 Settlement Option**

The Policyholder may exercise this option to receive the Maturity Benefit through structured payouts over a period by making a written request to the Company at least three (3) months prior to the Maturity Date indicating his intention to exercise the Settlement Option. The exercise of this option shall be subject to fulfillment of the following conditions:

- (i)** The Policyholder may exercise this option to receive the Maturity Benefit in periodic installments, for a maximum period of up to five (5) years from the Maturity Date ("Settlement Period");
- (ii)** Units shall be encashed in respect of each payout at the NAV applicable on the date of each payout under the Settlement Option;
- (iii)** No Benefits including Death Benefit, Premium Funding Benefit or Rider Benefit, if any, shall be payable during the Settlement Period. In the event of the death of the Life Assured during the Settlement Period, the total Fund Value as on the date of the notification of the death shall be payable;
- (iv)** Fund Management Charges and Policy Administration Charges shall continue to be charged by the Company during the Settlement Period;
- (v)** The Policyholder agrees and acknowledges that all investment risks and risks inherent in receiving the Maturity Benefit under the Settlement Option will continue to be borne entirely by the Policyholder;
- (vi)** Switches or partial withdrawals shall not be allowed during the Settlement Period;
- (vii)** The Policyholder shall be entitled, at any time during the Settlement Period, to cancel the Settlement Option and withdraw the Fund Value as on that date, on which payment the Policy shall be terminated and no further amounts shall be payable by the Company.

### **2.4 Loyalty Additions**

The Company shall provide Loyalty Additions twice during the Policy Term on the following dates:

- (i)** On the Policy Anniversary immediately preceding the Beneficiary attaining eighteen (18) years of Age; and
- (ii)** On the Maturity Date.

Loyalty Additions are expressed as a percentage of the Fund Value and shall be credited by way of extra allocation of Units in the Unit Linked Funds chosen by the Policyholder as per the formula mentioned below.

Loyalty Additions = 0.20% \* Total number of completed Policy Years \* Fund Value as on the due date of Loyalty Additions

Loyalty Additions shall be given only if the Company has received all Premium due under the Policy. Loyalty Additions shall also be given when the Premium is funded by the Company under the Premium Funding Benefit. If the Policyholder has appointed a new Beneficiary following the death of the original Beneficiary, the Company shall nevertheless provide the Loyalty Additions based on the Age of the original Beneficiary.

## **2.5 Requirements for 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 using the claim intimation form informing the Company of the claim along with the following documents:

### **I) In case of a claim for Death Benefit (arising other than out of accidents or unnatural deaths)**

- (i) Original Policy document;
- (ii) Death certificate issued by municipal authorities;
- (iii) Company Specific Claim formats duly completed and signed – Claimants Statement, Physician's Statement, Treating Hospital Certificate & Employer / School Certificate;
- (iv) Post-mortem/ chemical viscera report (if performed);
- (v) Hospital / other treatment records;
- (vi) Photo identification and address proof of the Claimant.

### **II) Additional requirements in case of a claim for Death Benefit arising out of accidents or unnatural deaths**

- (i) Police reports (First information report, Panchnama, Police Investigation Report);
- (ii) Copy of the driving license of the Life Assured (only in case of a road accident where the Life Assured was driving the vehicle).

### **III) In case of a claim for Maturity Benefit**

- (i) Policy document in original; and
- (ii) Duly signed discharge voucher

Notwithstanding anything contained 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.

## **2.6 Payment of Benefits**

**2.6.1** All Benefits and other sums under this Policy shall be payable in the manner and currency permitted under the Regulations.

### **2.6.2 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 stand discharged on such payment.

### **2.6.3 Cancellation of Units**

Subject to provisions contained herein, the Maturity Benefit under this Policy shall be settled by cancellation of required number of Units from the respective Unit Linked Fund(s). If the Policyholder has chosen more than one Unit Linked Fund, the cancellation of Units will be effected in the same proportion as the aggregate value of the Units held in each Unit Linked Fund, unless specified otherwise by the Policyholder and accepted by the Company.

## **3. PAYMENT OF PREMIUM & EFFECT OF DISCONTINUANCE OF PAYMENT OF PREMIUM**

### **3.1 Payment of Premium**

**3.1.1** Premium shall become due on every Policy Anniversary, if the premium frequency chosen by the Policyholder is annual. If the premium frequency chosen is half yearly, or quarterly, or monthly, then the Premium shall become due on the day corresponding to the Policy Commencement Date in every half-year, quarter or month respectively. If the corresponding day does not exist in a particular month, then the last day of that month shall be deemed to be the due date.

**3.1.2** Premium shall be paid during the Policy Term in the amounts and frequency mentioned in the Policy Schedule or at such frequency as requested by the Policyholder subsequently and accepted by the Company, on or before the end of the Grace Period corresponding to the respective due date. Premium shall not be increased during the Policy Term except where the Policyholder has opted for the Indexation Option as enumerated under Clause 3.2 below.

- 3.1.3** If any Premium is received before the due date, the Company shall appropriate such sum towards Premium on the applicable due date only and the Company shall neither be liable for payment of interest nor for allocation of Units before the applicable due date for such advance payment.
- 3.1.4** All Premium shall, subject to deduction of applicable Charges as mentioned in Annexure 1 hereto, be allocated in the respective Unit Linked Funds in the allocation percentage as chosen by the Policyholder.

### **3.2 Indexation Option**

- 3.2.1** If the Indexation Option has been opted for by the Policyholder as specified in the Policy Schedule, then at each Policy Anniversary both the annual Premium and the Sum Assured shall be increased at a fixed rate of five percent (5%) per annum on the then existing annual Premium and the Sum Assured.
- 3.2.2** The Policyholder shall have the right to discontinue the Indexation Option prospectively by giving a written notice to the Company to this effect. The discontinuation shall be applicable for Premium due under this Policy after the date of the Company's receipt of such notice. Once discontinued, this option cannot be opted for again.
- 3.2.3** If at any stage the Indexation Option is discontinued by the Policyholder, the Policyholder will have to pay the Premium existing as at the date of discontinuation for the remaining Policy Term and the increased Sum Assured as on the date of discontinuation shall continue to apply for the remaining Policy Term.
- 3.2.4** If the payment of Premium is discontinued as per Clause 3.3, the Indexation Option, if selected by the Policyholder shall continue during the Revival Period and the Policyholder shall have to make payment of all due Premium at the increased rates to revive the Policy, unless the Policyholder has opted for the Auto Cover Continuance option per Clause 3.3.1(c) below.

### **3.3 Discontinuance of Premium after paying the Premium due for at least three (3) consecutive Policy Years.**

- 3.3.1** If any due installment of Premium is not paid within the Grace Period after paying the Premium due for at least three consecutive Policy Years (except as provided in Clause 5 hereof), the Policyholder may exercise any of the following options:

**a. Revive the Policy**

The Policyholder may, revive the Policy by paying all due unpaid installments of Premium, during the Revival Period. During this Revival Period all Benefits (except the Loyalty Additions) under this Policy shall continue to apply and all the Charges shall continue to be deducted. Indexation Option, if selected by the Policyholder shall continue during the Revival Period and the Policyholder shall have to make payment of all due Premium at the increased rates to revive the Policy. The revival of the Policy shall be subject to the Company's underwriting requirements as applicable from time to time. The effective date of revival is the date when all the requirements under the Policy for revival are met, the application for revival is accepted and the same is communicated in writing by the Company to the Policyholder.

**b. Surrender the Policy**

The Policyholder may surrender the Policy. On surrender, the Surrender Value as on the date of the surrender shall be paid and the Policy shall stand terminated.

**c. Auto Cover Continuance**

The Policyholder may opt to continue the Policy without paying further Premium ("**Auto Cover Continuance**") by providing a written notice in this regard to the Company prior to expiry of the Revival Period. Where the Company has received a written request from the Policyholder opting for the Auto Cover Continuance option as mentioned in this Clause, the Policy shall remain in force for all the Benefits and options except the Premium Funding Benefit, Loyalty Additions and Indexation Option, which shall cease with immediate effect.

- 3.3.2** If the Policyholder does not exercise any of the above options by the end of the Revival Period, the Policy shall terminate as at the end of the Revival Period and the Surrender Value as on such date shall be payable.
- 3.3.3** The Company shall continue levying all Charges as mentioned in Annexure 1 hereto, during the Revival Period, and during the Auto Cover Continuance period if opted by the Policyholder.
- 3.3.4** Notwithstanding what is mentioned in Clauses 3.3.1 and 3.3.2 above, if the Surrender Value under this Policy falls below the equivalent of one (1) full year's Premium, the Surrender Value shall be paid to the Policyholder and on such payment this Policy shall automatically stand terminated.

### **3.4 Discontinuance of Premium within three (3) years of the Policy Commencement Date.**

- 3.4.1** If any due installment of Premium is not paid within the Grace Period within three years of the Policy Commencement Date, the risk cover under the Policy shall cease immediately. The Policy in such case shall continue without any Benefits including Death Benefit, Premium Funding Benefit, Rider Benefits, if any, and Loyalty Additions till the expiry of the Revival Period. During the Revival Period, all Charges (except the Mortality Charge and Rider Charges, if any) shall continue to be deducted by the Company.

### **3.4.2 Options available to the Policyholder after the Grace Period has elapsed during the Revival Period:**

#### **a. Revive the Policy**

The Policyholder may, revive the Policy by paying all due unpaid installments of Premium, during the Revival Period. However, the revival of the Policy shall be subject to the Company's underwriting requirements as applicable from time to time. Indexation Option, if selected by the Policyholder shall cease and cannot be revived thereafter. The effective date of revival shall be the date when all the requirements under the Policy are met, accepted and communicated by the Company in writing. In the event of death of the Life Assured during the Revival Period, only the Fund Value as on the date of notification of death of the Life Assured to the Company shall be payable.

#### **b. Surrender the Policy**

The Policyholder may surrender the Policy at anytime provided that the Surrender Value shall only be payable after the end of the third (3<sup>rd</sup>) Policy Year. On Surrender, the Policy will terminate and cannot be revived thereafter.

If the Policyholder does not exercise either of the above options by the end of the Revival Period, the Policy shall terminate as at the end of the Revival Period and the Surrender Value as on such date shall be payable.

### **3.5 Death of Life Assured during the Grace Period**

Irrespective of the number of years for which the Premium has been paid by the Policyholder, in the event of death of the Life Assured during the Grace Period, the Death Benefit and Premium Funding Benefit shall be payable subject to deduction of applicable Mortality Charges and Rider Charges, if any, due as on the date of death of the Life Assured.

### **3.6 Auto termination of Policy**

Notwithstanding any other Clause in this Policy and provided the Policyholder has paid Premium due for the first three (3) Policy Years, if the Surrender Value at anytime during the Policy Term, falls below the first Policy Year's Premium, this Policy shall terminate automatically and the Surrender Value as on the date of such termination shall be payable to the Policyholder.

## **4. REVIVAL OF POLICY**

- 4.1** Subject to the approval of the Company and the prevailing rules of the Company pertaining to revival, the Policy may be revived within the earlier of (i) end of the Revival Period or (ii) the Maturity Date or (iii) the termination of the Policy 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, together with the revival fee as applicable and other documentation as may be requested by the Company;
  - (iii)** all due installments of unpaid Premium to revive this Policy are received by the Company in full;
- 4.2** 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.
- 4.3** Units against Premium received for revival shall be allocated on the basis of the NAV applicable on the later of the following two (2) dates (i) date of acceptance of the revival application by the Company's underwriters; and (ii) date of realization of all the due installments of Premium paid for revival to the Company.

## **5. PREMIUM HOLIDAY**

- 5.1** If the Policyholder has paid all due Premium for at least eight (8) Policy Years, the Policyholder may during the Policy Term exercise the option to temporarily dis-continue payment of Premium for a continuous period ranging between one (1) to three (3) Years (the "Holiday Period") subject to the fulfilment of the following conditions:
- a.** The Company has received a written notice from the Policyholder at least fifteen (15) days prior to the next Premium due date.
  - b.** All due installments of Premium have been received by the Company in full.
  - c.** There is a gap of at least five (5) Policy Years between the later of:
    - (i)** the date of expiry of the Holiday Period last availed (if any); or
    - (ii)** the date of last reinstatement of the Policy (if any); and
    - (iii)** the commencement of the new Holiday Period.

Provided the Company has received a notice as provided in this sub-clause a. above, the due date of the next Premium shall be the date of commencement of the Holiday Period. In the event the Company receives the notice less than 15 days prior to the next Premium due, Premium Holiday shall commence on the Premium due date immediately succeeding the due date of next Premium.

- d. If the Premium Holiday option is exercised, the Policyholder shall not be required to pay Premium during the Holiday Period. The Policy shall remain in force with all the Benefits payable under the Policy, including Loyalty Additions and applicable Rider Benefits, if any during the Holiday Period.
  - e. All Charges payable under the Policy including the Mortality Charge and Rider Charge, if any, shall continue to be deducted during the Holiday Period.
- 5.2** At the expiry of the Holiday Period, the Policyholder shall resume the payment of Premium. If the Indexation Option is selected by the Policyholder, the Policyholder shall resume the payment of increased Premium applicable for the Policy Year. The Sum Assured shall also correspondingly continue to increase during the Holiday Period.
- 5.3** If the payment of Premium is not resumed on the expiry of the Holiday Period, it shall constitute a default in payment of Premium and the provisions of 'Discontinuance of Premium' as per Clause 3.3 shall apply.
- 5.4** If at any time during the Holiday Period, the Surrender Value reaches an amount equivalent to the Premium paid in the first (1st) Policy Year, then the Policy shall be terminated and the Surrender Value (as on the date of termination) shall be payable to the Policyholder.
- 5.5** The Policyholder can request the Company in writing to reduce the chosen Holiday Period only once before the expiry of the respective Holiday Period.

## **6. UNIT ACCOUNT, UNIT STATEMENT AND ANNUAL STATEMENT**

- 6.1 Unit Account:** For the purpose of this Policy, the Company will maintain an account called the unit account, to which the Premium received from the Policyholder under this Policy shall be credited, net of applicable Charges. The amount so credited shall be utilized for purchase of Units at the applicable NAV in the Unit Linked Funds offered by the Company and chosen by the Policyholder in the allocation percentage specified.
- 6.2 Unit Statement:** The Company shall issue to the Policyholder, a unit statement showing the details of Units held and particulars of credits and debits in respect of the unit account on every Policy Anniversary as well as whenever a transaction in the nature of receipt of Premium, Switch, partial withdrawal or payment of Benefits takes place. The Policyholder may authorize the Company to send the unit statement on e-mail and the statement sent to such e-mail id of the Policyholder provided to the Company shall be considered as a valid discharge of the Company's obligations under this Clause.
- 6.3 Annual Report:** The Company shall also issue an annual report covering the performance of the Unit Linked Funds during the preceding Financial Year in relation to the economic scenario and market developments including particulars like investment strategies and risk control measures, changes in interest rates, tax rates, etc affecting the investment portfolio.

## **7. CHARGES**

- 7.1** Subject to the other terms and conditions mentioned herein, during the Policy Term, the Company shall levy the Charges. The Company reserves the right to revise the Charges, with the prior approval of the Authority, subject to the maximum limits mentioned against each Charge in Annexure 1 hereto. All Charges mentioned herein are subject to applicable taxes and levies (present or future), including service tax, which shall be borne by the Policyholder.
- 7.2** All Charges, other than the Fund Management Charges and the Premium Allocation Charges, shall be recovered by cancellation of required number of Units from the respective Unit Linked Funds on the date on which such Charges fall due. If the Policyholder has chosen more than one Unit Linked Fund, the cancellation of Units will be effected, to the extent feasible, in the same proportion as the aggregate value of the Units held in each Unit Linked Fund. Fund Management Charges shall be recovered before arriving at the Unit Price. Premium Allocation Charges shall be recovered by deduction from the amount of the Premium received prior to allocation of the Premium into Units. Switching Charges will be charged to the Unit Linked Fund to which the Units are switched and shall be recovered by cancellation of required number of Units from the respective Unit Linked Funds.

## **8. UNIT LINKED FUNDS**

- 8.1** The Company may from time to time, with the approval of the Authority, introduce, modify, amend or consolidate Unit Linked Fund(s) and offer such Unit Linked Fund (s) to the Policyholder. The Unit Linked Fund(s) offered by the Company as at the Policy Commencement Date and the indicative portfolio allocations and risk profiles of the Unit Linked Fund(s) are as follows:

**1. Equity Fund**

| Assets       | Minimum | Maximum | Risk Profile | Objective   |
|--------------|---------|---------|--------------|---|
| Equity       | 60%     | 100%    | High         | Generate long-term capital appreciation from active management of a portfolio invested in diversified equities. |
| Money Market | Nil     | 40%     |              |   |

**2. Growth Fund**

| Assets          | Minimum | Maximum | Risk Profile   | Objective   |
|-----------------|---------|---------|----------------|---|
| Equity          | 50%     | 90%     | Medium to High | Achieve capital appreciation by investing predominantly in equities, with limited investment in Fixed Income Securities |
| Debt Securities | 10%     | 50%     |                |   |
| Money Market    | Nil     | 40%     |                |   |

**3. Balanced Fund**

| Assets          | Minimum | Maximum | Risk Profile | Objective   |
|-----------------|---------|---------|--------------|---|
| Equity          | 30%     | 70%     | Medium       | Generate capital appreciation and current income, through a judicious mix of investments in equities and fixed income securities. |
| Debt Securities | 30%     | 70%     |              |   |
| Money Market    | Nil     | 40%     |              |   |

**4. Debt Fund**

| Assets          | Minimum | Maximum | Risk Profile  | Objective   |
|-----------------|---------|---------|---------------|---|
| Debt Securities | 60%     | 100%    | Low to Medium | Earn regular income by investing in high quality Debt securities. |
| Money Market    | Nil     | 40%     |               |   |

**5. Liquid Fund**

| Assets           | Minimum | Maximum | Risk Profile | Objective  |
|------------------|---------|---------|--------------|--|
| Debt Securities* | Nil     | 60%     | Low          | Generate reasonable returns commensurate with low risk and a high degree of liquidity. |
| Money Market     | 40%     | 100%    |              |  |

\* Debt Securities in Liquid Fund shall comprise of only short term securities

**8.2.** Subject to investment norms and policies of the Company in effect from time to time and applicable Regulations, the Company shall have the discretion to select the investments and/or make the investments under each Unit Linked Fund, having regard to the investment objectives of the respective Unit Linked Fund. Subject to as aforesaid, the Company shall have absolute discretion to formulate its investment policies and make investments and to deal with all matters in relation to the Unit Linked Funds. The Company shall have absolute legal and beneficial ownership of all investments and assets of the Unit Linked Fund (s).

**8.3.** The Company may also at its discretion, subject to approval of the Authority and the Policyholder close or discontinue any of the Unit Linked Funds on the happening of events including but not limited to extreme volatility of markets, which in the opinion of the Company warrants such discontinuance or closure. In the event of closure or discontinuance of any Unit Linked Fund, the Company shall give the Policyholder prior notice stating the Company's intention to discontinue or close a Unit Linked Fund. In case of a discontinuance or closure of Unit Linked Funds as mentioned above, the Company shall provide the Policyholder the option of switching to other Unit Linked funds offered by the Company free of cost, and such



options may be exercised by the Policyholder within the time limits provided by the Company. In the event of a Policyholder not exercising his option to switch to another Unit Linked Fund, the Company shall be entitled to switch the Funds to another Unit Linked Fund at its discretion, subject to prior approval from the Authority.

#### 8.4 Maturity Switch Option

(i) The Policyholder may at any time during the Policy Term, opt for the Maturity Switch Option, by giving a written intimation to the Company, which shall be effective from the Business Day immediately following the date of receipt of such request by the Company.

| Particulars  | Equity Fund allocation percentage% | Liquid Fund allocation percentage% |
|--|------------------------------------|------------------------------------|
| Upto fifth last Policy Anniversary                           | 100                                | 0                                  |
| For Policy Year commencing at fifth last Policy Anniversary  | 80                                 | 20                                 |
| For Policy Year commencing at fourth last Policy Anniversary | 60                                 | 40                                 |
| For Policy Year commencing at third last Policy Anniversary  | 40                                 | 60                                 |
| For Policy Year commencing at second last Policy Anniversary | 20                                 | 80                                 |
| For Policy Year commencing at last Policy Anniversary        | 0                                  | 100                                |

(ii) By opting for the Maturity Switch Option, the Policyholder expressly authorizes the Company to allocate hundred percent (100%) of the Units in the Policyholder's unit account initially into the Equity Fund and to gradually shift them into the Liquid Fund, starting five (5) years prior to Maturity Date in the allocation percentages indicated in the table above. Under this option, the existing Fund Value as well as future Premium will be automatically allocated in accordance with the allocation percentages as mentioned above.

(iii) Redirection of Premium cannot be exercised when the Maturity Switch Option is in force.

(iv) Maturity Switch Option may be exercised or discontinued by the Policyholder at any time during the Policy Term, each such entry and exit being treated by the Company as a Switch, with Switching Charges being levied, if applicable at the rates mentioned in Annexure 1.

### 9. RISK FACTORS

9.1 This Policy is issued on the express understanding that the investments are subject to the following risks among others and the Policyholder has opted for this Policy with full knowledge of such risks:

- (i) The names of the Unit Linked Funds do not in any manner indicate the quality of the Unit Linked Funds or their future prospects or returns. The Unit Linked Funds do not offer any guarantee or assure any guaranteed return.
- (ii) Investments in Units are subject to market and other risks. Investment risk in investment portfolio is borne by the Policyholder. There is no assurance that the objects of the Unit Linked Funds will be achieved.
- (iii) The Unit Price of the Units may fluctuate depending on factors and forces affecting the capital markets and the level of interest rates prevailing in the market.
- (iv) Past performance of the Unit Linked Fund and other plans of the Company are not indicative of future performance of any of these Unit Linked Funds.

9.2 All Benefits payable under this Policy are subject to tax laws and other fiscal enactments in effect from time to time.

### 10. UNITS

10.1. The Units shall have a nominal value of Rupees ten (Rs. 10/-) each at the inception of the Unit Linked Fund. The Unit Price shall be computed to three (3) decimal points. Units will be allocated up to four (4) decimal points. The Unit Price will be declared as soon as may be possible after close of every Business Day.

#### 10.2. Allocation of Units

- (i) Units against the Premium received by the Company at inception shall be allocated on the Policy Commencement Date after deduction of applicable Charges.
- (ii) Allocation of Units against subsequent Premium shall be made on the basis of the closing NAV of the following dates:
  - a) Closing NAV of the same day in case of payments by local cheques or demand drafts at the Office of the Company before 3 PM on any Business Day.
  - b) Closing NAV of the subsequent Business Day in case of payments received by local cheques or demand drafts at the Office of the Company post 3 PM on any Business Day.
  - c) Closing NAV of the date of realization by the Company in case of payments made by outstation cheques or through ECS, Standing Instructions and Auto Debits.

All requests for partial withdrawals, Surrenders, Switches, Maturity Switch Option and all intimations pertaining to claim of Benefits shall be in writing, submitted at any of the Company's Offices. In case of partial withdrawal, Switch, Maturity Switch Option or Surrender requests received at the Company's Office prior to 3 PM on any Business Day, the same would be processed based on the closing NAV of that day. The closing NAV of the next Business Day would be applied in case of all requests received at the Company's Offices after 3 PM on any Business Day.

- (iii) The above cut-off timings are as per regulations prevailing on the Policy Commencement Date, which can change from time to time subject to change in regulations.

### **10.3 Computation of Net Asset Value**

Net Asset Value shall be calculated on all Business Days in accordance with the Authority's guidelines in force from time to time. As per the guidelines of the Authority prevailing on the Policy Commencement Date, Net Asset Value will be calculated as follows:

- (i) Appropriation price computed as market value of investment held by the Unit Linked Fund plus the expenses incurred in the purchase of the assets plus the value of any current assets plus any accrued income net of Fund Management Charges less the value of any current liabilities less provisions, if any, is applied when the Unit Linked Fund is a net buyer of assets.
- (ii) Expropriation price computed as market value of investment held by the Unit Linked Fund less the expenses incurred in the sale of assets plus the value of any current assets plus any accrued income net of Fund Management Charges less the value of any current liabilities less provisions, if any, mentioned herein is applied when the Unit Linked Fund is a net seller of assets.

### **10.4 Valuation of Unit Linked Funds**

The calculation made by the Company in regard to the valuation of its Unit Linked Funds is final and binding for all purposes except in case of manifest error. The valuation of assets of the Unit Linked Funds shall be made as per the applicable Regulations and valuation norms of the Company in effect from time to time.

## **11. AGE ADMISSION**

The Age of the Life Assured has been admitted on the basis of the declaration made by the Policyholder 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 Premium 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 Policyholder 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 the Fund Value if any, shall be returned to the Policyholder subject to deduction of applicable Charges.

## **12. SURRENDER VALUE AND SURRENDER**

**12.1** The Policyholder may during the Policy Term, surrender this Policy at any time by giving a notice in writing to this effect to the Company. The Company shall on receipt of a duly signed request for Surrender:

- (i) if the request for Surrender is received before completion of the third (3rd) Policy Year, cancel the Units immediately, close the unit account and pay the Surrender Value, if any to the Policyholder at the end of the third (3rd) Policy Year. Once the Units are cancelled, the Surrender Value shall not thereafter vary based on the performance of the Unit Linked Fund and will remain constant till it is paid out;
- (ii) if the request for Surrender is received after completion of the third (3rd) Policy Year the Company shall terminate the Policy and pay the Surrender Value immediately.

On Surrender Value payment being made by the Company, the Policy shall terminate immediately and the Company will be relieved and discharged from all obligations under the Policy.

## **13. PARTIAL WITHDRAWAL**

**13.1** The Policyholder shall have a right to make partial withdrawals commencing from the sixth (6th) Policy Year, provided the Company has received all due Premium for the first five (5) Policy Years. The minimum amount that may be partially withdrawn in any one transaction shall be Rupees Ten Thousand (Rs 10,000/-). Partial withdrawal at any time shall not result in the Surrender Value after availing the partial withdrawal going below one hundred twenty percent (120%) of the first Policy Year's Premium. The first four (4) partial withdrawals in a Policy Year can be availed for free. Unused free partial withdrawals in a Policy Year cannot be carried forward to the subsequent Policy Year(s). Partial withdrawal and systematic partial withdrawal as per Clause 14 below can be exercised by the Policyholder at the same time subject to the terms and conditions of the Policy.

#### **14. SYSTEMATIC PARTIAL WITHDRAWAL**

- 14.1** On the Policy Anniversary coinciding with or immediately following the Beneficiary attaining Age twenty (20) years, the Policyholder may by giving 30 days prior notice opt for systematic partial withdrawals. Under the systematic partial withdrawal option, at each Policy Anniversary, Units equivalent to twenty percent (20%) of the Fund Value, as at the beginning of the applicable Policy Year, shall be redeemed from the unit account and paid to the Claimant. The Policyholder shall have the right to stop systematic partial withdrawals from any Policy Anniversary by giving a written notice to the Company to this effect. Once discontinued, this option cannot be opted for again. The Policyholder shall also have the right to make additional partial withdrawals in accordance with the conditions mentioned above along with the systematic partial withdrawal.

#### **15. REDIRECTION**

- 15.1** The Policyholder shall have the option to redirect the allocation of future Premium into one or more Unit Linked Funds available for investment in a different investment pattern from the option exercised previously. Redirection can be exercised from the second (2nd) Policy Year by the Policyholder only once during each Policy Year, and will be effected within fifteen (15) days from the date of receipt of a written request from the Policyholder by the Company.
- 15.2** Requests for Redirection shall be made by duly completing the forms prescribed by the Company in this regard, and delivering the same at the Offices of the Company.

#### **16. SWITCHING**

- 16.1** The Policyholder may change the investment pattern of the available unit account by shifting from one Unit Linked Fund to another (in whole or in part).
- 16.2** The minimum amount requested to be switched or value of Units requested to be switched shall be Rupees Ten Thousand (Rs. 10,000/-). Requests for switching may indicate the percentage of Units in the respective funds to be switched or the amount representing the value of Units to be switched. Six (6) Switches per annum shall be availed free of cost and unused free Switches in a Policy Year cannot be carried forward to the next Policy Year.
- 16.3** Requests for switching shall be made by duly completing the forms prescribed by the Company in this regard, and delivering the same at the Offices of the Company.

#### **17. OWNERSHIP OF THIS POLICY**

- 17.1** All options, rights and obligations under this Policy vest with the Policyholder, and shall be discharged by the Policyholder.
- 17.2** The Policyholder shall in the Proposal name a natural or legally adopted child of the Policyholder as the Beneficiary.
- 17.3** If the Beneficiary named in the Policy Schedule predeceases the Life Assured during the Policy Term, the Policyholder shall name any other person as the Beneficiary under this Policy, and such person shall have the same rights in respect of this Policy as the Beneficiary originally named in the Policy Schedule.
- 17.4** The Policyholder shall also name an Appointee to receive the Benefits, if payable under this Policy on behalf of the Beneficiary during the minority of the Beneficiary and to give a discharge in respect of such Benefits to the Company.
- 17.5** In the event of the Life Assured's death, the Beneficiary shall only have the right to make requests for Switches, Maturity Switch Option and Redirection. During the Beneficiary's minority, these rights may be exercised by the Appointee.

#### **18. ASSIGNMENT & NOMINATION**

##### **18.1 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 notice upon the Company and the Company accepting and recording the assignment on the Policy. In case of assignment under this Policy, the assignee shall not be entitled to increase or decrease the Death Benefit or Rider Benefits. Notwithstanding, an assignment under this Policy, the Life Assured named as such in the Policy Schedule shall always remain the same.

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 18.2 below.

## 18.2 NOMINATION

The Beneficiary named as such in the Policy Schedule shall be the nominee under this Policy, appointed in accordance with Section 39 of the Act.

## 19. GENERAL CONDITIONS

- 19.1 No Participation in surplus or profits.** This Policy does not confer any rights on the Policyholder to participate in surplus or profits of the Company.
- 19.2 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, the Charges other than those Charges which are specifically stated to remain unchanged in this Policy, the method, manner and timing of levy or recovery of the Charges or valuation of the investments and / or assets of the Unit Linked Funds and / or determination of the Unit Price, 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.
- 19.3 Suicide exclusion.** If the Life Assured commits suicide for any reason, while sane or insane, within one (1) year from the Risk Commencement Date or within one (1) year from the date of revival of the Policy, the Death Benefit and the Premium Funding Benefit shall not be payable under this Policy. In case of the Life Assured committing suicide within one (1) year as mentioned above, only the Fund Value as at the date of notification of death shall be payable.
- 19.4 Loans:** No loans will be available under this Policy.
- 19.5 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).
- 19.6 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 Act, 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 Policy shall become null and void from commencement, and the Company shall cease to be liable for payment of any Benefits under this Policy.
- 19.7 Top Up.** Other than the Premium mentioned in the Policy Schedule, the Policyholder shall not be permitted to pay any additional or Top up premium under this Policy.

## 20. GENERAL PROVISIONS

- 20.1 Limitation of Liability.** Except in the case of a claim for Death Benefit and Premium Funding Benefit the maximum liability of the Company under this Policy shall not, in any circumstances, exceed the Fund Value. The maximum liability of the Company under this Policy shall not, in any circumstance, exceed the aggregate amount of the relevant Benefits payable hereunder.
- 20.2 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 "Complaint Redressal" annexed herewith.
- 20.3 Taxes, duties and levies**  
It shall be the sole responsibility of the 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 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.
- 20.4 Fraudulent Claims**  
If the Policyholder or Beneficiary or anyone acting for any of them or with their knowledge makes any misleading, false or fraudulent claim then this Policy shall be void and any Premium paid and Benefits payable hereunder shall stand forfeited in favour of the Company.
- 20.5 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.

**20.6 Entire Contract**

This Policy comprises the terms and conditions set forth in this Policy document, the Policy Schedule, the Annexure and the terms and conditions set forth in the Riders, if any, 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 the Riders to this Policy, the terms and conditions set forth in this Policy shall prevail.

**20.7 Governing Law and Jurisdiction**

This Policy shall be governed by and interpreted in accordance with the laws of India.

**20.8 Section 45 of the Act**

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 Life Assured was incorrectly stated in the Proposal.

## ANNEXURE 1 : CHARGES

- (i) **Mortality Charge** shall be levied on monthly basis by way of cancellation of Units.

The Mortality Charge shall apply on the sum at risk which shall be computed as follows:

Sum at risk = Sum Assured + present value of future Premium computed at a rate determined by the Company. The present value factors are given in Annexure 2.

The rates of Mortality Charge applicable are shown in Annexure 2. These rates would remain unchanged during the entire Policy Term.

- (ii) **Premium Allocation Charge** is a percentage of the Premium received and is charged at the time of receipt of the Premium. Premium Allocation Charge is as follows:

| Policy Year             | Premium Allocation Charge as a percentage of the Premium |
|-------------------------|--|
| 1st Policy Year         | 24%  |
| 2nd to 8th Policy Year  | 5%   |
| 9th Policy Year onwards | NIL  |

- (iii) **Fund Management Charge** is levied on a daily basis as a percentage of value of assets held in the respective Unit Linked Fund(s) at the time of computation of the NAV. Mentioned below is the current rates of Fund Management Charge for each of the Unit Linked Fund(s), which may be revised by the Company from time to time with the approval of the Authority, subject to a maximum of 2.25% per annum for each Unit Linked Fund:

| Unit Linked Funds | Fund Management Charge |
|-------------------|------------------------|
| Equity Fund       | 1.75% per annum        |
| Growth Fund       | 1.50% per annum        |
| Balanced Fund     | 1.30% per annum        |
| Debt Fund         | 1.00% per annum        |
| Liquid Fund       | 0.80% per annum        |

- (iv) **Policy Administration Charge** is expressed as a fixed amount and shall be charged on monthly basis during the Policy Term by cancellation of Units. The current Policy Administration Charge is as follows:

The Policy Administration Charge levied by the Company for the Financial Year 2009-10 shall be Rupees seventy eight and Paise seventy five (Rs. 78.75/-) per month. Policy Administration Charge levied by the Company shall increase at the rate of five percent (5%) on the existing charges effective April 1, each year. The rate of Policy Administration Charge prevailing on the Policy Commencement Date shall be applicable to a Policy during its first (1st) Policy Year. Thereafter the Policy Administration Charge at the increased rates shall be applicable to such Policy effective from each Policy Anniversary.

The Company may revise the Policy Administration Charge mentioned above with the prior approval of the Authority, subject to a maximum of Rupees five thousand (Rs. 5000/-) per Policy Year.

**(v) Partial Withdrawal Charge** shall be deducted from the Fund Value by cancellation of Units at the time of partial withdrawals. The first four (4) partial withdrawals in a Policy Year shall be free. The Company shall charge a sum of Rupees two hundred fifty (Rs.250/-) per withdrawal from the fifth (5th) partial withdrawal in a Policy Year, which may be revised by the Company with the prior approval of the Authority, up to a maximum of Rupees five hundred (Rs. 500/-) per partial withdrawal.

**(vi) Switching Charge** is levied on switching of Units from one Unit Linked Fund to another.

The current rate of Switching Charge levied by the Company is as follows:

| <b>No. of Switches*</b>  | <b>Charge per Switch</b> |
|--------------------------|--------------------------|
| 0 to 6 in a Policy Year  | Nil                      |
| Above 6 in a Policy Year | Rs. 250/- per switch     |

\*Includes exercise of Maturity Switch option also.

Switching Charge may be revised by the Company with the approval of the Authority, up to a maximum of Rupees five hundred (Rs. 500/-) per Switch.

**(vii) Surrender Charge** is expressed as a percentage of the Fund Value. Surrender Charge is as follows:

| <b>Particulars</b>   | <b>Surrender Charge as % of Fund Value pertaining to Premium</b> |
|--|--|
| If less than one Policy Year's Premium has been paid                     | 90%  |
| If at least one but less than two Policy Year's Premium has been paid    | 60%  |
| If at least two but less than three Policy Year's Premium has been paid  | 40%  |
| If at least three but less than four Policy Year's Premium has been paid | 20%  |
| If at least four but less than five Policy Year's Premium has been paid  | 10%  |
| If at least five Policy Year's Premium has been paid                     | NIL  |

Taxes on the above Charges, as applicable from time to time, shall be borne by the Policyholder.

## Annexure 2 : MORTALITY CHARGES

**Mortality Charges per annum per 1000 Sum at Risk**

**Canara HSBC Oriental Bank of Commerce Life Unit Linked Child Plan**

| <b>Age</b> | <b>Male</b> | <b>Female</b> |
|------------|-------------|---------------|
| 18         | 0.92        | 0.77          |
| 19         | 0.96        | 0.82          |
| 20         | 1.00        | 0.87          |
| 21         | 1.03        | 0.92          |
| 22         | 1.06        | 0.96          |
| 23         | 1.09        | 1.00          |
| 24         | 1.11        | 1.03          |
| 25         | 1.13        | 1.06          |
| 26         | 1.15        | 1.09          |
| 27         | 1.16        | 1.11          |
| 28         | 1.17        | 1.13          |
| 29         | 1.17        | 1.15          |
| 30         | 1.17        | 1.16          |
| 31         | 1.17        | 1.17          |
| 32         | 1.20        | 1.17          |
| 33         | 1.25        | 1.17          |
| 34         | 1.31        | 1.17          |
| 35         | 1.39        | 1.20          |
| 36         | 1.48        | 1.25          |
| 37         | 1.59        | 1.31          |
| 38         | 1.72        | 1.39          |
| 39         | 1.87        | 1.48          |
| 40         | 2.05        | 1.59          |
| 41         | 2.25        | 1.72          |
| 42         | 2.42        | 1.87          |
| 43         | 2.60        | 2.05          |
| 44         | 2.83        | 2.25          |
| 45         | 3.11        | 2.42          |
| 46         | 3.44        | 2.60          |

| <b>Age</b> | <b>Male</b> | <b>Female</b> |
|------------|-------------|---------------|
| 47         | 3.82        | 2.83          |
| 48         | 4.24        | 3.11          |
| 49         | 4.72        | 3.44          |
| 50         | 5.24        | 3.82          |
| 51         | 5.82        | 4.24          |
| 52         | 6.44        | 4.72          |
| 53         | 7.12        | 5.24          |
| 54         | 7.84        | 5.82          |
| 55         | 8.61        | 6.44          |
| 56         | 9.43        | 7.12          |
| 57         | 10.29       | 7.84          |
| 58         | 11.03       | 8.61          |
| 59         | 11.95       | 9.43          |
| 60         | 13.07       | 10.29         |
| 61         | 14.39       | 11.03         |
| 62         | 15.90       | 11.95         |
| 63         | 17.61       | 13.07         |
| 64         | 19.52       | 14.39         |
| 65         | 21.62       | 15.90         |
| 66         | 22.72       | 17.61         |
| 67         | 25.62       | 19.52         |
| 68         | 28.82       | 21.62         |
| 69         | 32.37       | 22.72         |
| 70         | 36.29       | 25.62         |
| 71         | 40.62       | 28.82         |
| 72         | 45.39       | 32.37         |
| 73         | 50.64       | 36.29         |
| 74         | 56.40       | 40.62         |
| 75         | 62.73       | 45.39         |

NOTE: The rates mentioned above are the standard mortality rates offered by the Company in respect of this plan. In case this Policy has been issued pursuant to "Revised Terms" made by the Company to the Policyholder, the mortality charges mentioned in such "Revised Terms" shall be applicable to this Policy in supersession of the rates mentioned above



**Sum at risk calculation for Premium Funding Benefit:**

**The following table gives the sum at risk factors for the Premium Funding Benefit based on an annualized Premium of Re. 1 applicable on the date of calculation of computation of Charge:**

| <b>Complete policy years outstanding</b> | <b>Present Value of Future Premium(Without Indexation)</b> | <b>Present Value of Future Premium(With Indexation)</b> |
|--|--|---|
| 24                                       | 14.26  | 24.80   |
| 23                                       | 13.94  | 23.77   |
| 22                                       | 13.60  | 22.73   |
| 21                                       | 13.25  | 21.70   |
| 20                                       | 12.88  | 20.67   |
| 19                                       | 12.49  | 19.63   |
| 18                                       | 12.08  | 18.60   |
| 17                                       | 11.65  | 17.57   |
| 16                                       | 11.20  | 16.53   |
| 15                                       | 10.73  | 15.50   |
| 14                                       | 10.23  | 14.47   |
| 13                                       | 9.71   | 13.43   |
| 12                                       | 9.16   | 12.40   |
| 11                                       | 8.59   | 11.37   |
| 10                                       | 7.98   | 10.34   |
| 9  | 7.35   | 9.30  |
| 8  | 6.68   | 8.27  |
| 7  | 5.98   | 7.24  |
| 6  | 5.25   | 6.20  |
| 5  | 4.48   | 5.17  |
| 4  | 3.67   | 4.14  |
| 3  | 2.82   | 3.10  |
| 2  | 1.93   | 2.07  |
| 1  | 0.99   | 1.04  |