

- Top-up Premium Allocation Charge: 2% of the relevant Top-up Premium
- Fund Management Charges (FMC) may increase in future subject to approval from the Life Insurance Regulator, The Insurance Regulatory and Development Authority but shall not exceed 2.25% for each respective Fund Options
- All other charges, except Mortality Charges, Allocation Charge and Surrender Charge, Policy Administration Charge may increase in future subject to approval from the Life Insurance Regulator, The Insurance Regulatory and Development Authority but shall not exceed Rs.500
- Medical examination expenses in case of increasing Life Cover/ reinstatement of Life Cover post revival after the Policy issuance, up to maximum of Rs.3,000
- All charges as mentioned above are exclusive of Service Tax and Educational Cess, which will be borne by the Policyholder

#### TERMS AND CONDITIONS

- **NAV Calculation** - The Unit Price shall be calculated on a daily basis in accordance with IRDA guidelines from time to time. As per the current guidelines of IRDA, the Unit Price will be calculated as follows:

- **When Appropriation price is applied** - Market Value of Investments held by the 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. This gives the Net Asset Value of the Fund. Dividing by the number of Units existing at the valuation date (before any new Units are allocated), gives the Unit Price of the Fund under consideration

- **When Expropriation price is applied** - Market Value of Investments held by the Fund less the expenses incurred in the Sale 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. This gives the Net Asset Value of the Fund. Dividing by the number of Units existing at the valuation date (before any Units are redeemed), gives the Unit Price of the Fund under consideration

- The Premium shall be adjusted against the Units allocated on the due date, only if it has been received in advance
- Units will be redeemed or created at their Unit Price on the date of redemption or creation of those Units

- Allocations for Initial Premium shall be made on Policy Issuance Date, which shall be later of either date of realization of payment or underwriting acceptance date, by the Company

- Receipt of Premium or valid requests for Unit Switching/Renewal Premium/Subsequent Top-ups or payment of benefits received at any of our branch offices through local Cheque/Demand draft:

- At or before 3 p.m. on a particular business day will be processed at the closing Unit Price on that day, and

- After 3 p.m. on a particular business day will be processed at the closing Unit Price on the next business day

- For Standing Instruction on Bank/Credit Card Account/ECS Facility/ Outstation Cheque, NAV to be allotted will be based on Closing NAV of Credit Date

- For Advance Premium: All credited Advance Premium if the Premiums are paid through Outstation Cheques/Standing Instruction on Bank/ Credit Card Account/ECS Facility, should be adjusted on Closing NAV of due date OR Closing NAV of the clearance date whichever is later, and for local Cheques it will be done on Closing NAV of due date

- **Surrender Value** - The Policy will acquire a Surrender Value provided at least entire first year's Premium has been paid. The Surrender Value will be equal to the Fund Value less Surrender Charges (if any).

- If a surrender request is received after Premiums have been paid for the first 3 years in a Policy, the Surrender Value will be paid to you immediately

- If surrender request is received within the first 3 Policy years the Units pertaining to Surrender Value (if any) will be disinvested and kept in rupee terms and will be paid at the completion of 3<sup>rd</sup> Policy year

- **Premium Discontinuance** - In case you are unable to pay Premiums or would like to discontinue paying Premiums, the following conditions will apply:

- **In case you discontinue/do not pay Premiums in the first 3 Policy years**

- The Life Cover and Rider Cover (if any) will cease immediately

- The Death Benefit will be equal to the Fund Value
- All charges except Mortality and Rider (if any) Charges will continue to be deducted
- You can revive the Policy within 5 years from the date of first unpaid Premium
- In case your Fund Value depletes due to non-payment of Premiums or adverse market movements you still have the flexibility to revive your Policy up to end of Revival Period of 5 years, post which your Policy will terminate

- Revival will be subject to the underwriting requirements of the Company
- If you do not revive the Policy during the Revival Period, then the Policy will terminate at the end of the Revival Period and the Surrender Value will be paid to you

- If you opt to surrender the Policy during first 3 Policy years, your Units will be disinvested immediately and kept in rupee terms. However, Surrender Value shall be paid at the end of 3<sup>rd</sup> Policy year based on Surrender Charges as on the date of first due and unpaid Premium

- If you opt to surrender the Policy post first 3 Policy years, your Surrender Value as on date will be paid to you immediately. However, the applicable Surrender Charges shall be as per the Surrender Charges on date of discontinuance of Premium

- No new Premium or Top-up can be accepted. Only revival facility by payment of all due Premium is available

- No Partial Withdrawals can be made during the Revival Period

#### In case you discontinue/do not pay Premiums post 3 Policy years

- Life Cover and Rider Cover will continue till the end of the Revival Period
- All charges (including Mortality Charges) will continue to be deducted
- You can make Partial Withdrawals during the Revival Period

- If you do not revive the Policy during the Revival Period, then the Policy will terminate at the end of the Revival Period and the Surrender Value will be paid to you. However, if at anytime before the end of Revival Period, Surrender Value reaches an amount equivalent to one full year's Premium, due to depletion of Funds by charges or due to adverse movement of markets, the Policy shall terminate immediately and Surrender Value is payable

- You can revive the Policy within 5 years from the date of first unpaid Premium
- No new Premium or Top-up can be accepted. Only revival facility by payment of all due Premium is available

- You can opt for Automatic Life Cover Continuance upon a written request anytime after 3<sup>rd</sup> Policy year and before the end of Revival Period through which your Policy will continue till Surrender Value reaches a minimum of one full year's Premium

- Anytime during the Policy Term, post completion of 3 years since Policy start date, if the Surrender Value falls below one annualized regular Premium at the time of deduction of the charges, the Policy will immediately terminate and the Surrender Value will be paid to the Policyholder and all rights and benefits under the Policy will automatically cease.

- **Grace Period** - You have a period of 30 days from the due date to pay your Premiums for all Premium payment frequencies, during which your Life Cover will continue.

- **Revival Period** - Post the completion of the grace period of 30 days, you have the flexibility to revive your Policy within a period of 5 years from the due date of the first unpaid Premium. The lapse period will be calculated from the First Unpaid Premium (FUP) date to the date of receipt of revival application received at Canara HSBC Oriental Bank of Commerce Life Insurance Company Ltd. The revival of the Policy is subject to the following conditions being fulfilled by Policyholder:

- To revive the Policy all due unpaid Premiums are to be paid by customer along with revival applications and revival fee as may be communicated to you in writing

- The Company has the absolute discretion to accept or decline a request for revival of a lapsed Policy on such terms and conditions as it deems fit

- The revival of the Policy will be effective after the Company's approval is communicated to you

- The revival application (including the medical questionnaire) is valid for 3 months from the application signed date

- Revival of a Policy shall be subject to underwriting acceptance

- **Free Look Period** - In case you do not agree with the terms and conditions of the Policy, you have the option to request for cancellation of the Policy by

returning the original Policy along with a written request stating the reasons for your objection to us within 15 days from the receipt of the Policy document. You are requested to quote your Policy number in all correspondences to us. If you do choose to cancel your Policy as mentioned above, we shall return any Premiums paid by you subject to deduction of proportionate risk Premium for the period on cover and expenses incurred by us if any on medical examination of the life to be assured, and stamp duty charges. In this Unit Linked Policy, the Company shall be entitled to repurchase Units at the price prevailing on the date of such cancellation.

**The Refund of Premium under Free Look Option shall be computed as follows:**  
{Non Allocated Premium + Charges levied by cancellation of Units + Fund Value} - (Stamp Duty + Medical Expenses + Mortality Charges on pro rata basis)

- **Suicide Exclusion** - If the Life Assured commits suicide for any reason, while sane or Insane, within one year from the Risk Commencement Date or within one year from reinstatement of the Policy post revival, no benefits shall be payable under this Policy, other than the Fund Value as at the date of notification of death.

- **Risk Commencement Date** - Risk Commencement Date under this Plan shall be the later of (i) date of acceptance of risk by the Company and (ii) date of realization of proposal deposit by the Company. If the Life Assured is a minor aged less than 7 years as at the Policy Commencement Date, the Risk Commencement Date shall be the date corresponding to the first day of the Policy Anniversary following the date on which the Life Assured attains the age of 7 years.

#### DISCLOSURES

- Canara HSBC Oriental Bank of Commerce Life Insurance Company Limited is only the name of the Insurance company and Canara HSBC Life Unit Linked Endowment Plan is only the name of the unit linked life insurance contract and does not in any way indicate the quality of the contract, its future prospects or returns

- The various Funds offered under this contract are the names of the Funds and do not in any way indicate the quality of these Plans, their future prospects and returns

- Please know the associated risks and the applicable charges, from your sales representative or the intermediary or Policy document or the Insurer
- Tax Benefits will be available as per the prevailing tax laws, which are subject to change

- All Premiums are subject to taxes including Service Tax that shall be deducted from your Unit Account

- Unit Linked Life Insurance products are different from traditional insurance products and are subject to risk factors

- The Premium paid in Unit Linked Life Insurance Policies are subject to investment risks associated with capital markets and the NAVs of the Units may go up or down based on the performance of the Fund and factors influencing the investment market. The insured is responsible for his/her decisions

- Unit Linked Funds are subject to market risks and there is no assurance or guarantee that the objective of the Investment Fund will be achieved

- Past performance of the Investment Funds do not indicate the future performance of the same. Investors in the Scheme are not being offered any guaranteed/assured returns

#### SECTION 41 OF THE INSURANCE ACT 1938

"(1) No person shall allow or offer to allow, either directly or indirectly, as an inducement to any person to take or renew or continue an insurance in respect of any kind of risk relating to lives or property in India, any rebate of the whole or part of the Commission Payable or any rebate of the Premium shown on the Policy, nor shall any person taking out or renewing or continuing a Policy accept any rebate, except such rebate as may be allowed in accordance with the published prospectuses or tables of the insurer:

(2) Any person making default in complying with the provisions of this section shall be punishable with fine which may extend to five hundred rupees."

#### SECTION 45 OF INSURANCE ACT, 1938

No Policy of Life Insurance effected before the commencement of this Act shall after the expiry of two 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 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 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 he 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 insured was incorrectly stated in the proposal.

#### GLOSSARY FOR CANARA HSBC LIFE UNIT LINKED ENDOWMENT PLAN

**Age:** Age means, age as on last birthday.

**Applicant/Policy Owner:** The applicant is the person on whose Life Insurance Cover is sought. Owner is the person who has the legal title to the Policy.

**Business Day:** 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.

**Claimant:** Person who has an interest in the Policy and making a claim on the Policy.

**Endowment:** A type of Insurance Policy which provides for the face amount stated in the contract to be payable in a fixed date or on the life insured's earlier death.

**Exclusion:** A condition under which the benefit is not paid is referred to as exclusion. This is to avoid any misunderstanding. For example, for Accident Policies, there is usually exclusion for suicide or self-inflicted injuries by the life insured.

**Fund Value:** The value of the Units notionally held by the Policyholder, represented by the number of Units allocated in the Policyholder's Unit Account with the Premium received by the Company, multiplied by the respective Unit Price of the Units held in various Unit Linked Funds.

**Fund Philosophy:** The financial goal (long term growth, current income, etc) that an investor or a Fund pursues.

**Grace Period:** The period of thirty (30) days commencing from the due date of each Premium payment due under this Policy, during which period the Policyholder can make payment of Premiums to continue this Policy.

**IRDA:** Insurance Regulatory and Development Authority of India, designated under the applicable laws and regulations as having authority to oversee and regulate Life Insurance business in India.

**Life Assured:** The person on whose Life Cover is effected.

**Loyalty Additions:** Additional Units automatically allocated by the Company in the Unit Linked Funds chosen by the Policyholder.

**Money Market Instrument:** Include short-term Investments such as Treasury Bills and Short-term Commercial Bonds etc.

**Mortality:** The probability of death of a life or group of lives.

**Maturity Switch Option:** Option available in select Unit Linked Plans, which aims at capital growth combined with low volatility by managing customer's Funds in Equity Fund and Liquid Fund in a pre-defined manner, such that automatic rebalancing starts 5 years before Maturity.

**Maturity Date:** The date at which the risk ceases and Maturity Benefit becomes payable.

**Net Asset Value (NAV):** The value of a Fund share determined by dividing the total value of the Fund's assets by the number of outstanding shares. This value is calculated daily.

**Nominee:** Means the person or persons appointed under Section 39 of the Act to receive the Death Benefit and any Rider Benefits, if payable, in the event of death of the Life Assured.

**Premium:** This is the contribution/payment that a Policyholder makes to a Life Insurance Company to obtain Insurance Cover. He/She has a responsibility to ensure that the correct amount stated is paid as and when it falls due as stated in the Policy document.

**Premium Payment Term:** The number of years for which the Policyholder is required to pay regular Premium under this Policy

**Surrender:** Termination of the Policy in its entirety at the instance of the Policyholder.

**Top-up Premium:** Any amount not exceeding 25% of the regular Premiums paid under the Policy at any time, paid by the Policyholder at irregular intervals in addition to the regular Premium payable during the Policy Term.

**Unit Price:** 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.



**Canara HSBC Oriental Bank of Commerce  
Life Insurance Compnsy Limited**

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UIN: 136L002V01

Advertisement No.: 21  
Insurance is the subject matter of the solicitation

Canara HSBC Life Unit Linked Endowment Plan is a Non-Participating Plan

## Canara HSBC Life Unit Linked Endowment Plan



In this Policy, the Investment Risk in the Investment Portfolio is borne by the Policyholder

## CANADA HSBC LIFE

### UNIT LINKED ENDOWMENT PLAN

Whether it is your child's education or marriage, whether it is the down payment for a house or even a lifetime's great holiday abroad, whenever the need, you now have a simple way to finance the future with our savings cum insurance Plan. Our Unit Linked Endowment Plan allows you to grow your wealth through market linked returns. And of course the Life Cover protects your family financially in case of your untimely death.



## ABOUT US

Canada HSBC Oriental Bank of Commerce Life Insurance Company Limited is a Company formed jointly by three leading financial organizations - Canada Bank and Oriental Bank of Commerce, two of India's largest nationalized banks in terms of aggregate business and HSBC Insurance (Asia Pacific) Holdings Limited, a part of the HSBC Group, one of the largest banking and financial organizations in the world.

The shareholding pattern of the Joint Venture is as follows - Canada Bank-51%, HSBC Insurance (Asia Pacific) Holdings Limited-28% and Oriental Bank of Commerce-21%.

At Canada HSBC Life, our aim is to provide you with a transparent range of Life Insurance products backed by excellent customer service. Our aim is to make life simple for you.

## KEY FEATURES OF THE CANADA HSBC LIFE

### UNIT LINKED ENDOWMENT PLAN

- Flexibility to choose your Life Cover and also increase or reduce your Sum Assured to match your requirements through the Policy Term
- Flexibility of allocating Investment Funds - Funds-free investment management product with market related returns. Investment flexibility to choose from 5 Funds to match your attitude to investment risk and return
- Maturity Switch Option to help you manage the investment in your portfolio, as you grow older and closer to the maturity of your Plan Term by progressively moving your investments from an Equity Fund to a Liquid Fund
- Increases the value of your savings by contributing through Top-up Premiums over and above your regular Premiums
- Liquidity by way of Partial Withdrawals from your Funds, as and when required post completion of 3 years since Policy start date, to meet any unforeseen financial needs
- Flexibility of Switching/Re-direction between the available Funds to take advantage of market movements or change in risk attitude
- Benefit by way of Loyalty Additions up to end of Policy Term to give you free allocation of extra Units and enhance the value of your investment
- Option to continue your Policy after 3 Policy years even if Premiums are unpaid past 3 years
- Settlement Option of 5 Years post your maturity date to provide you flexibility in case you want to take your returns in a structured payout rather than a lump sum
- Save Tax while investing under Section 80C and get tax-free Maturity Benefits under Section 10(10D) of the Income Tax Act, 1961\*

## ELIGIBILITY CRITERIA

Particular	Minimum	Maximum
Entry Age*	31 days	85 years
Policy Term	10 years	40 years
Maturity Age*	18 years	75 years
Premium	Rs.12,000 Per Annum	Rs.1Lak
Top-up	Rs.2,000	25% of total regular Premium paid
Life Cover	For all ages - 5 x Annual Premium	Based on underwriting limits
Premium Paying Term	Regular - Equal to the Policy Term chosen	

\*Age as on last birthday

\*The tax benefit is as per the law prevailing on the date of issuance of this brochure and are subject to changes

## BENEFITS UNDER THE PLAN

### Insurance Cover Benefit

- In the unfortunate event of death of the Life Assured during the Policy Term, the nominee will receive the higher of the Fund Value or the Sum Assured
- In case of a minor life, the risk under this Plan will commence from the first day of the Policy Anniversary following the date on which the Life Assured attains the age of 7 years. And the Death Benefit payable in the event of death of the Life Assured prior to attainment of age 7 will be equal to the Fund Value as on the date of intimation of death

### Maturity Benefit

The Canada HSBC Life Unit Linked Endowment Plan provides you the opportunity to save for major milestones in your life like spouse's wedding, child's education, child's marriage, or buying a home and more. Hence depending on your diversified requirement through life's stages you can opt for various Policy Term and Premium Paying Options available in the Plan catering accurately to your needs.

- At maturity, you will get the Fund Value pertaining to regular Premiums and Top-up Premiums paid by you
- Settlement Option - You can also avail the Settlement Option wherein you can take your final Fund Value as structured payouts for a maximum period of 5 years in case you do not require the proceeds in a lump sum, - You can exercise the Settlement Option under the Policy at least 3 months before the maturity date
- There will not be any Life Cover during the Settlement Period
- The Units will be cancelled periodically as per the frequency agreed between you and us, and the proceeds will be given to you by cancellation of Units with applicable NAV
- All the investment risk relating to the fluctuations of Unit Price will continue to remain with you (Policyholder)
- Partial Withdrawals, switching are not allowed during the Settlement Period
- In case you wish to change your Investment Strategy you can do so by availing a Switch/Redirection anytime prior to opting for Settlement Option
- Administration Charges and Fund Management Charges shall continue to be deducted
- In case of the Life Assured's death during the Settlement Period, the total Fund Value as on the intimation date will be paid to your nominee. At any time during the Settlement Period, you can request for a full withdrawal and close your account

### Loyalty Additions Benefit

Keeping in mind that investment in Insurance Funds is viewed on a long-term horizon and you will reap maximum benefits by staying invested for longer durations we have provided the additional benefit of Loyalty Additions in this Plan. This feature gives free extra allocation of Units during the term of the Policy to enhance your Fund Value. The Units are added to your Unit Accounts a percentage of your annualized Premium every 5<sup>th</sup> Policy year in multiples of three, and enhance the value of your Policy as they continue to get market linked returns. However, this benefit feature is available for policy term 15 years and above. The extra Units will be allocated according to the following pattern:

- Year 5: 3% of the annualized regular Premium
- Year 10: 5% of the annualized regular Premium
- Year 15: 5% of the annualized regular Premium and so on up to end of term of Policy

These additional allocation of Units is subject to no Partial Withdrawals being made from the Unit Account during first 15 years from Policy start date and provided there have been no unpaid due Premiums at the time of allocating these Loyalty Additions. Hence refunding 30% of your annualized regular Premium, in case you have opted for a 30 year term.

### Tax Benefits

- Premiums paid under this Policy will be eligible for Tax Benefit under Section 80C
- Any benefit amount paid to you will be eligible for Tax Benefits under Section 10(10D), as per prevailing Income Tax laws
- For specific details, please contact your tax consultant.

## HOW DOES THE PLAN WORK?

- You can choose your Premium and your Policy coverage term to be, as per your desired cash flow or as per your probabilities cover and investment need. A minimum of 8 times of your Premium or more as per year need shall be your Sum Assured under the Plan
- You have 3 Fund Options to choose from based on your risk appetite, in which post deduction of applicable charges the Investible Premium shall be invested, in the market through the Fund Options chosen by you
- Complete your Application form and submit it with the Initial Premium and the necessary documents
- We shall be satisfying you on the requirement of medical examinations, if required. Post assessment of your medical conditions and health standard by the Company, the Policy shall be issued and sent to you
- You will be required to pay Premium every year for the Premium Payment Term as chosen by you. After deducting applicable charges, the Premium will be allocated to your Unit Accounts to create Units in the Fund that you choose
- You have the option to pay your Premium Annually/Semi-Annually/Quarterly or Monthly
- On periodic basis, the Company shall notify you about your Unit Account summary
- You can also avail the flexibilities provided in the Plan as per your need, post issuance of your Policy

Illustrative Example: Mr. Singh age 30 opts for an Annual Premium Option as mentioned in the table below, with a Sum Assured of 8 times of the Premium chosen and a regular Premium paying term of 10 or 20 years. The table below shows maturity value at assumed rates of return on investment in the Growth Fund @ 8% and 10% respectively

Premium* (Rs.)	Term (Years)	Sum Assured (Rs.)	Assuming Gross Investment Returns (Rs.) at the rate of	
			8%	10%
12,000	10	96,800	1,25,281	1,65,972
	20	96,800	3,33,965	5,25,446
50,000	10	4,30,800	5,30,737	7,64,803
	20	4,30,800	18,24,087	24,00,603
1,00,000	10	8,08,800	11,88,863	14,38,001
	20	8,08,800	35,33,325	48,87,899
1,50,000	10	12,08,800	17,40,408	21,44,378
	20	12,08,800	48,83,532	73,33,384

Please note that the above assumed rates of return of 8% and 10% respectively are indicative scenarios of what your Fund values will look like at these rates. These are not guaranteed and they are not the upper or lower limits of what you might earn, as the value of your Policy is dependent on a number of factors including future investment performance.

## WHAT UNIT LINKED FUND OPTIONS ARE AVAILABLE TO ME?

You can choose from a range of 5 Funds to cater to your investment needs depending on your risk appetite. You can select more than one Fund and have the flexibility to direct your Premiums to be allocated from Low to High Risk Funds in line with your Investment Strategy - starting from during the Plan Term.

## THE INVESTMENT AND RISK PROFILE OF EACH FUND IS DESCRIBED BELOW

Fund Name	Equity Fund		Growth Fund		Balanced Fund		Debt Fund		Liquid Fund*	
	Min	Max	Min	Max	Min	Max	Min	Max	Min	Max
Equity	50%	100%	50%	90%	30%	70%	-	-	-	-
Balanced	-	-	10%	80%	30%	70%	60%	100%	0%	60%
Money Market	0%	10%	0%	40%	0%	40%	0%	40%	40%	100%
Risk Profile	High		Medium to High		Medium		Low to Medium		Low	

\*All Premiums are subject to some including Service Tax that shall be deducted from your Unit account

## Fund Philosophy

- Liquid Funds To generate reasonable returns commensurate with low risk and a high degree of liquidity. This Fund will primarily invest in portfolio constituents of money market and high quality debt securities
- Debt Funds To earn regular income by investing in high quality debt securities. This Fund will primarily invest in a portfolio of high quality bonds and other fixed and floating rate securities issued by the Government, Government Agencies and Corporate Issues. To maintain liquidity the Fund will invest in cash and money market instruments
- Balanced Funds To generate capital appreciation and current income, through a judicious mix of investments in equities and fixed income securities. This Fund will invest in listed equities and high quality fixed income securities, and money market instruments. The Fund intends to adopt a relatively balanced approach towards bonds and equities exposure with the objective of achieving capital appreciation with an initial short-term performance volatility
- Growth Funds To achieve capital appreciation by investing predominantly in equities, with limited investment in fixed income securities. This Fund will invest in listed equities and high quality fixed income and money market securities. The Fund intends to adopt a relatively aggressive approach towards bonds and equities with the objective of achieving capital appreciation
- Equity Funds To generate long-term capital appreciation from active management of a portfolio invested in diversified equities. The diversified Equity Fund is a long-term growth Fund. The Fund's primary objective is to have high capital appreciation through investment in equities. To maintain liquidity the Fund will invest in cash and money market instruments

HOW CAN I PROTECT AND SAFEGUARD MY RETURNS, EARNED DURING MY POLICY TERM THROUGH UNIT LINKED FUNDS, AT MATURITY?

## Maturity Switch Option

We understand that when a person is younger, they have a greater risk appetite and expect more from their investments. As age advances, the risk appetite reduces and a person's investment pattern also becomes more conservative. Using this approach we direct your money in a pre-defined manner such that your money is invested in our Equity Fund initially and moves progressively to the Liquid Fund starting 8 years before maturity. This option gives you the scope of high growth while protecting your savings closer to maturity. The way this option works is as follows:

- If you opt for the Maturity Switch Option, then your Premiums will be invested 100% into our Equity Fund till the 5<sup>th</sup> last year preceding maturity
- From the 6<sup>th</sup> last year preceding maturity, your Funds will be moved to the Liquid Fund as per the following table:

Years Left to Maturity*	Equity Fund Allocation	Liquid Fund Allocation
More than 8 years	100%	0%
4 - 5 years	80%	20%
3 - 4 years	60%	40%
2 - 3 years	40%	60%
1 - 2 years	20%	80%
0 - 1 year	0%	100%

\*Without surrender charges as on the beginning of the year

- If you have opted for Maturity Switch Option you can not opt for any other Fund other than those provided in this option or change allocation proportions from the pre-defined grid, and cannot exercise redirection of Premium option
- You can exit or opt to choose Maturity Switch Option at anytime during the Policy Term. The allocations will change immediately as desired by you if you exit or as per the table given above if you opt for Maturity Switch Option
- Each exercising option, either entry or exit, to Maturity Switch Option

Exit occurs from Liquid Fund and surplus of only cash and securities, if any, will be paid to you. Policyholder shall not be allowed to exercise more than 40% of the Premiums paid in Liquid Fund

shall be treated as a manual switch. Rules shall apply on number of Maturity Switch exercise options as per number of free switches and switch charges

## Premium Payment Options Available Under The Plan

- Premium Payment Options - You can pay your Premiums through Cheque, Demand Draft, ECS, Direct Debit and Standing Instructions
- Premium Payment Frequency - You can choose to pay your Premiums Annually, Half-Yearly, Quarterly or Monthly

WHAT ARE THE VARIOUS FLEXIBILITIES, AND THEIR DISCLOSURES, AVAILABLE TO ME UNDER CANADA HSBC LIFE UNIT LINKED ENDOWMENT PLAN?

- Allocation of Premiums - You can choose to allocate your Premiums to any, all or a combination of the Unit Linked Funds as per your risk appetite. However, at inception you shall not allocate more than 40% of the Premiums paid to Liquid Fund.
- Redirection of Premiums - You can opt to change the allocative proportion of your Premiums from 2<sup>nd</sup> Policy year onwards. Redirection of Premiums shall be allowed only once in a Policy year, which shall be free of cost. However, in case this option is not availed it cannot be carried forward to next Policy year. The revised allocation proportion will apply to all your subsequent Premiums including Top-up Premiums.

- Switching Between Funds - You can opt to switch your Funds from one Fund to another at any point of time. You can switch a percentage of your Funds or an absolute amount. 6 Free switches will be available to you in a Policy year; however no outstanding switches can be carried forward to next Policy year. The minimum amount that you can switch is Rs.10,000.

- Top-up Premiums - You can increase the value of your investment by paying Top-up Premiums. Top-up Premiums do not affect your Sum Assured. Top-up payments shall conform to the following conditions:
  - The minimum Top-up is Rs.2,000 (increasing in multiples of Rs.100)
  - The total Top-up Premium (paid till date) should not exceed 25% of the total regular Premiums paid till date

- Top-up Premiums shall attract specific charges towards Top-up Premiums, as mentioned below in the Charges section
- Any amount towards Top-up Premium will be eligible to be withdrawn post 3 years only subject to other conditions as per Partial Withdrawal clause
- All Premiums are subject to taxes including Service Tax that shall be deducted from your Unit Account

- Auto Cover Continuation Option - This Plan offers you, on request (before the end of Revival Period) an option to continue with your Life Coverage even if you are not in a position to pay your Premium post completion of 3 years since Policy start date. Please refer to sub-section under the heading Discontinuance of Premium for more details as the same.

- Partial Withdrawals - You can make Partial Withdrawals from your Policy post completion of 3 years from Policy start date, provided there are no unpaid due Premiums within first 3 years from Policy start date. Withdrawals from Top-up Premiums can be made after 3 years from the date of allocation of Units against such Top-up Premium.

- The Company will make Partial Withdrawals first from the Top-up amount (if eligible) and then from the regular Premium amount
- 4 Partial Withdrawals in a Policy year are free of cost
- Subsequent withdrawal are charged at Rs.250 per withdrawal
- Unused free Partial Withdrawal options cannot be carried forward to the next Policy year

- Post completion of 3 years from Policy start date exceeds the minimum amount eligible for Partial Withdrawal is Rs.10,000 (increasing in multiples of Rs.1,000). The maximum is limited up to 50% of Sum Assured in a Policy year subject to Surrender Value post Partial Withdrawal not being less than 100% of annual regular Premium
- If Life Assured is minor, Partial Withdrawals are allowed from the first Policy Anniversary post attainment of 18 years of age

- Increases/Decreases of Sum Assured - You can choose to increase/decrease your Sum Assured to accommodate an increased need for Insurance Cover (only in case of no unpaid Premiums), due to an increase in your responsibility like birth of a child etc. or lower cover by directing more funds towards investments, subject to following conditions:
  - Any increase is subject to the underwriting requirements of the Company and all applicable Mortality Charges subject to increased

portion of Sum Assured shall be recovered

- You can increase/decrease your Sum Assured at any time post completion of 3 years from Policy start date i.e. effective from 4<sup>th</sup> Policy Anniversary
- The increase/decrease will be effective only from the Policy Anniversary following the date on which you have made your request
- You need to inform the Company at least 60 days prior to the next Policy Anniversary
- This flexibility is available to you only once in a Policy year subject to maximum 3 times in a Policy Term
- This option is available only if at least 3 consecutive years' Premiums are paid
- There will be no change in the regular Premiums as a result of the increase/decrease in Sum Assured
- Option to Increase in Sum Assured is not available for minors or persons above 50 years of age
- Recovery of medical expenses, if any on account of opting to increase the Sum Assured shall be borne by the Policyholder and deducted from the Fund Value through an allocation of Units

## CHARGES UNDER THE PLAN

Type of Charge	Charge Details					Description
Premium Allocation Charges	Policy Year	Allocation Charge as a % of regular Premiums				Allocation Charge shall be deducted upfront on the Premium prior to any other charge deduction and investment transaction
	Policy year 1	40%				
	Policy year 2	24%				
	Policy year 3 and above	1% per annum				
Policy Administration Charge	Rs.75 per month, escalating at 2% per annum on 1 <sup>st</sup> of April every calendar year					<ul style="list-style-type: none"><li>Deduction of the charge on 1<sup>st</sup> business day of each Policy month by way of cancellation of Units.</li><li>This charge will not exceed Rs.5,000 RA in a Policy year</li></ul>
Mortality Charge	Age	30	40	50	60	<ul style="list-style-type: none"><li>Deduction of the charge on 1<sup>st</sup> business day of each Policy month by way of cancellation of Units.</li></ul> Annual Mortality Charge are expressed in Rs. per 1000 Sum at Risk
	Male	1.27	2.03	3.34	13.67	
	Female	1.35	1.59	3.88	10.39	
	Partial Mortality Charge are 3 years rated rates as compared to Full Life					
Surrender Charge	Year 1	Year 2	Year 3	Year 4 & above		Surrender Charges are expressed as a percentage on the Fund Value
	50%	30%	20%	0%		
Fund Management Charge (FMC)	Equity Fund	Fixed Fund	Balanced Fund	Debt Fund	Liquid Fund	FMC and applicable Service Tax is deducted on daily basis from the Fund Value before calculation of the NAV
	1.25%	1.05%	1.35%	1.05%	0.85%	
Switching Charge	A charge of Rs.250 per switch in excess of 6 free switches in the same Policy year					<ul style="list-style-type: none"><li>This shall be deducted by cancellation of Units from Unit Account</li><li>First 6 switches in a Policy year will be free of charge</li><li>Switching Charges shall be deducted from the Unit Account where switching amount is reduced</li></ul>
Partial Withdrawal Charge	A charge of Rs.250 will be deducted from the 6 <sup>th</sup> and subsequent withdrawal amounts in the same Policy year					<ul style="list-style-type: none"><li>This shall be deducted by cancellation of Units from Unit Account</li><li>First 4 withdrawals in a Policy year will be free of charge</li></ul>