

CHARGES UNDER THE PLAN

Type of Charge	Charge Details	Description		
Premium Allocation Charge (Levied through a reduced premium allocation to the fund)	Allocation Charge under Regular Premium Option:	Allocation charge shall be deducted upfront on the premium prior to any other charge deduction and investment transaction.		
	Policy Year		As a % of R. P.	
	1st		15%	
	2nd		8%	
	3rd		6%	
	4th to 7th		2%	
	8th till PPT		Nil	
Allocation Charge under Single Premium Option:	Policy Term	As a % of S. P.		
	5 - 9 Years	3.75%		
	10 Years +	2.5%		
	Top-Up Premium: 2%			
	Equity II	1.35%		
Fund Management Charge (FMC) p.a. (Applied on the fund while calculating NAV on a daily basis)	Growth II	1.20%		
	Balanced II	1.10%		
	Debt	1.00%		
	Liquid	0.80%		
Policy Administration Charge (Levied by monthly cancellation of units from the policy unit account)	Rs 18 per month for the financial year 2009-10. This will be increased by 5% p.a. on 1st April of each subsequent year. First such increase shall be effective from 1st April, 2010. However, for existing policyholders this increase will happen on each policy anniversary, subject to a maximum of Rs. 5,000 per annum.	This charge will not exceed Rs. 5000 p.a.		
Surrender Charge (As a % of Fund Value pertaining to premium)	Premiums Paid	As a % of Fund Value		
	R.P.			
	If up to 1 full PY's Premium has been paid	90%		
	If more than 1 full PY's Premium but up to 2 full PY's Premiums has been paid	60%		
	If more than 2 full PY's Premiums but up to 3 full PY's Premiums has been paid	40%		
	If more than 3 full PY's Premiums but up to 4 full PY's Premiums has been paid	30%		
	If any Premium due in the 5th PY has been paid	NIL		
Surrender request received in Policy Year	As a % of Fund Value			
S.P.				
1st	8%			
2nd	6%			
3rd	4%			
4th	2%			
5th	NIL			
Mortality Charge - Option II (Pension With Life Cover) (Levied by monthly cancellation of units from the policy unit account)	Female Mortality Charges are 3 times lower as compared to Male life.	Annual Mortality Charge are expressed in Rs. per 1000 Sum At Risk.		
	Age		30	40
Partial Withdrawal Charge	No partial withdrawal is allowed under this plan	Not applicable.		
Switching Charge (Levied through cancellation of units in the fund)	A charge of Rs. 250 per switch in excess of 6 free switches in the same policy year	This charge may be revised by the company subject to prior approval from IRDA but shall not exceed Rs. 500 per switch.		
Revival Charge	A charge of Rs 250 will be levied on the revival of the policy, subject to fulfillment of all other requirements for policy revival.	This charge may be revised by the company subject to prior approval from IRDA but shall not exceed Rs. 500 per revival.		

*All charges as mentioned above are exclusive of Service Tax and applicable cess, which will be borne by the policyholder

TERMS AND CONDITIONS

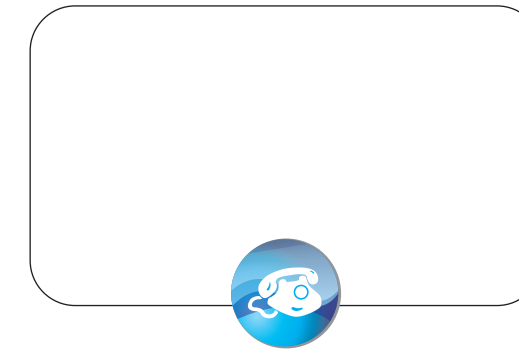
- In this contract, Life Assured/Proposer Age is as per last birthday.
- Grace period:** You have a period of 30 days from the due date to pay your premiums for all premium payment frequencies, during which your life insurance cover will continue.
- Vesting Benefit will be as per the prevailing Law as on that date.
- Loyalty additions due post date of death or surrender will not be payable, however those already credited will not be reversed.
- There will be no surrender charge levied in case of Auto Termination of Policy. Refer pt. 22 for Auto termination clause.
- The tax benefits under the plan are as per the law prevailing on the date of issuance of this brochure, and are subject to change. For specific details, please contact your tax consultant.
- The assumed rates of return (6% p.a. and 10% p.a.) shown in the benefit illustration are not guaranteed and they are not the upper or lower limits of what you might get back as the value of your policy depends on a number of factors including future investment performance. The fund values at maturity shown in the illustration are net of Service Tax and applicable cess.
- If you have opted for MSO, your right to change allocation proportions from the pre-defined grid is suspended (cannot exercise premium redirection option). However you can opt for or exit this option at any time during the Policy term. Your allocations will change immediately as desired by you if you exit or as per predefined grid if you opt into this option.
- Top-up premiums will not alter your Sum Assured (life cover) under Option II and can be paid only when all due premiums are paid.
- Option to change vesting age is available only if at least three years consecutive premiums are paid. The Policyholder will have the option to continue paying the premiums during the postponed period.
- a) If premium payment is discontinued within 3 policy years, all risk cover will cease and the death benefit will be the fund value. All charges except mortality (for Option II) and rider charges (if any) will continue to be deducted. No further premiums will be accepted. Revival facility is available only by payment of all due premiums. The policy can be revived within 2 years from the date of the first unpaid premium, else the policy will terminate and the surrender value will be paid at the end of the revival period.
b) If premium payment is discontinued post 3 policy years, the policy will remain in force with full Sum Assured during the revival period of 2 years. All charges, including mortality (for Option II), and rider (if any) charges will continue to be deducted. No further premiums will be accepted. Only revival facility by payment of all due premiums is available. The policy can be revived within 2 years from the date of first unpaid premium, else the policy shall terminate and the surrender value will be paid to you. With prior notice to the company, you have the option of Auto Cover Continuance (available only under Option II) to continue the policy with base cover without paying future premium till the surrender value is equal to first year premium, upon which the surrender value is paid and policy terminates. Loyalty addition benefit will be forfeited in case you opt for Auto Cover Continuance.
- 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.
- Net Asset Value (NAV) calculation:** When Appropriation/ Expropriation is applied, the NAV of a Unit Linked Life Insurance product shall be computed as, market value of investment held by the fund, plus / less the expenses incurred in the purchase / 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 NAV of the fund. Dividing by the number of units exiting at the valuation date (before any new units are allocated/ redeemed), gives the unit price of the fund under consideration.
- First premium will be allocated at the NAV of the date of commencement of the policy. The premium received by outstation cheques, the NAV of the clearance date or due date, whichever is later, will be allocated.
- Transaction requests (including renewal premiums by way of local cheques, demand drafts, switches, partial withdrawals etc.) received before the cut-off time will be allocated the same day's NAV and the ones received after the cut-off time will be allocated next business day's NAV. The cut-off time will be as per IRDA guidelines from time to time, which is currently 3:00 pm.
- The premium shall be allocated on the due date even if it has been received in advance.

- There is no provision of loan on the policy.
- Nomination is permitted under this policy.
- Assignment is not permitted under this policy.
- Suicide exclusion:** No benefit is payable except fund value as on the date of notification of death if death of Life Assured occurs due to suicide or attempted suicide within 12 months of the date of commencement or date of reinstatement of the policy.
- Free look period:** The Policyholder has the right to review the policy terms and conditions within 15 days from the date of receipt of the policy document. If the Policyholder cancels the policy during free look period, the company will refund the fund value on the date of cancellation plus the un-allocated premium (if any) plus any charge deducted by cancellation of units, after deducting a proportionate risk charges and expenses incurred on medicals and stamp duty.
- Auto termination:** A) Regular Premium: After the policyholder has paid the regular premium for three policy years, if the Fund value at any time becomes equivalent to regular premium paid in the first policy year, the Policy will automatically terminate and the Fund Value shall be payable to the policyholder. B) Single Premium: At anytime during the policy term, post completion of 3 years, if the Fund Value falls below the equivalent of 1/5th of the Single Premium, at the time of deduction of the charges, the Policy will automatically terminate and the Fund Value shall be payable to the Policyholder and on such payment all rights and benefits under the policy will automatically cease.
- In accordance with Section 41 of the Insurance Act, 1938, 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.
- In accordance with Section 45 of the Insurance Act, 1938, no policy of life insurance 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 statement made in the proposal 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.

DISCLOSURES AND RISK FACTORS

- Canara HSBC Oriental Bank of Commerce Life Insurance Company Limited is only the name of the insurance company and Canara HSBC Oriental Bank of Commerce Life Retire Smart 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 of the insurer
- 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 capital 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

The insurance products are offered and underwritten by Canara HSBC Oriental Bank of Commerce Life Insurance Company Limited (Regn.No.136) Centrum Plaza, Tower B, 5th Floor, Sector 53, Gurgaon 122002.



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 Canara HSBC Oriental Bank of Commerce Life Retire Smart Plan is a Non-participating Plan

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...empower your dreams in the golden years
 Insuring your emotions



Canara HSBC Oriental Bank of Commerce Life Retire Smart Plan

- Easy retirement solution
- Regular income on retirement
- Lifelong financial independence



IN THIS POLICY, THE INVESTMENT RISK IN INVESTMENT PORTFOLIO IS BORNE BY THE POLICYHOLDER

Canara HSBC Oriental Bank of Commerce Life Retire Smart Plan

Finance your future today, to make sure you enjoy life tomorrow. Our retirement solutions have been created to ensure that you lead your life tension free.

Our **Retire Smart Plan** gives you the freedom to plan your retirement so that you can enjoy it just the way you want!

ABOUT US

Canara HSBC Oriental Bank of Commerce Life Insurance Company Limited is a company formed jointly by three leading financial organizations - Canara Bank and Oriental Bank of Commerce, which are two of India's largest nationalized banks in terms of aggregate business, along with HSBC Insurance (Asia Pacific) Holdings Limited.

The shareholding pattern of the Joint Venture is - Canara Bank: 51%, HSBC Insurance (Asia Pacific) Holdings Limited: 26% and Oriental Bank of Commerce: 23%.

At Canara HSBC Oriental Bank of Commerce Life Insurance Company Limited, our aim is to provide you with a transparent range of life insurance products backed by excellent customer service and thereby, to make life simple for you.

KEY FEATURES OF THE RETIRE SMART PLAN

- **Choose your Plan:** Option I- Pure Pension Plan or Option II- Pension With Life Cover
- **Hassle free Plan:** No Medical Tests
- **Single or Regular Premium Payment options** depending on your investment preference
- **Loyalty Additions to boost your Vesting benefit:** To enhance the value of your Investment at your Vesting age
- **Additional Flexibilities** under the plan:
 - **Prepone or Postpone your Vesting Date:** depending on your changing retirement needs
 - **Investment funds:** Choose from 5 funds ranging from 0% to 100% equity exposure, to match your appetite towards investment risks and returns
 - **Unlimited Top ups:** Increase your Retirement Corpus by adding unlimited top-ups over and above your regular contribution(s)
 - **Switching/Redirection:** Between the available funds to take advantage of market movements or change in risk attitude
- **Maturity Switch Option ("MSO"):** As your Plan nears your Retirement Age, change your investment philosophy *automatically*, by moving from a more market influenced Fund to a risk averse Fund
- **Tax Benefits⁶:** Enjoy tax benefits under Section 80C, as per the Income Tax Act, 1961

ELIGIBILITY CRITERIA

Particular	Minimum	Maximum	
		Option I	Option II
Entry Age ¹	18 years	R.P.: 60 years;	60 years under both payment options
		S.P.: 65 years;	
Policy Term (PT)	R.P.: 10 years	52 years (subject to max Vesting Age)	
	S.P.: 5 years		
Vesting Age ¹	45 years	70 years	
Regular Premium	PT: 10 yrs & 15 yrs or more; Rs 12,000 p.a.	No Limit	
	PT: 11-14 yrs ; Rs 35,000 p.a.		
Single Premium	S.P.: Rs 75,000 p.a.	No Limit	
Top Ups	Rs. 2,000	Unlimited	

R.P.: Regular Premium; S.P.: Single Premium

Option II: Pension with Life Cover	
For Regular Premium (R.P.) Payment:	
Age ¹	Life Cover
18 to 35 years	5 or 10 times of the AP, with maximum SA of 10 lakhs
36 to 45 years	5 or 10 times of the AP, with maximum SA of Rs. 5 Lakhs
46 to 55 years	Fixed Rs. 1.5 lakhs
56 to 60 years	Fixed Rs. 1.0 lakh
For Single Premium (S.P.) Payment:	
Age ¹	Life Cover
18 to 35 years	125% of SP subject to maximum SA of Rs. 10 lakhs
36 to 45 years	125% of SP subject to maximum SA of Rs. 5 lakhs
46 to 55 years	125% of SP subject to maximum SA of Rs. 1.5 lakhs
56 to 60 years	Fixed Rs. 1.0 lakh
AP-Annualized Premium; SA- Sum Assured	

HOW THE PLAN WORKS

PHASE I- Accumulation of your savings for your Retirement needs

- Choose your Premium & Plan, Option I- Pure Pension (without Life cover) or Option II- Pension with Life Cover
- Choose your Payment Mode- Single or Regular
- Choose your Vesting Age; Your Policy Term shall be equal to: Vesting Age - Current Age
- Choose your investment strategy by allocating your premiums into Funds that suit your risk appetite or take advantage of the Maturity Switch Option
- Fill the form and submit it with your initial premium and the necessary documents
- No medical tests are required
- You have the option to pay your Premium annually/semi-annually/quarterly or monthly²
- You can avail the flexibilities provided in the plan as per your need, after issuance of your Policy
- On a periodic basis, the Company will provide you, your Unit Account summary

PHASE II- Payout of your Corpus on reaching your Vesting Age

On the date your Policy matures (Vesting Date), you have flexible payout options that are explained in the "Benefits under the Plan- Vesting Benefit" section.

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:

- In case of Pure Pension Plan (Option I) - The Fund Value

- In case of Pension with Life Cover (Option II) - Higher of Fund Value or the Sum Assured

■ **Vesting Benefit³**

On your Vesting Date you will have the following options available to you:

- Taking 1/3rd of your Investments in a lump sum amount and
- Opting for any of the Annuity options available with us at the time of Vesting or
- Opting for an Annuity option available with any other Annuity provider through the Open Market option

■ **Loyalty Addition Benefit**

Loyalty Additions⁴ benefit, gives additional allocation of Units as a percentage of annualized premium at no extra cost. The units are added at your vesting age enabling you to enhance the value of your policy. The extra units will be allocated as follows:

- At your Vesting Age for Regular Pay Option: 1.5% * Annualized Premium* Premium Paying Term
- At your Vesting Age for Single Pay Option: 1.5% * Single Premium

Additional allocation of units is subject to receipt of all Regular Premiums due till the date of the respective Loyalty Addition and the Policy Term being greater than (10) years.

■ **Surrender**

You have the option to surrender⁵ the policy, whereby the surrender value will be paid to you after deducting the applicable surrender charge (detailed in "Charges under the Plan" section) and thereafter the policy will terminate.

If the policy is surrendered within the first 3 policy years, the surrender value will be paid after completion of the 3 policy years.

The Surrender Value as at the date of surrender will not vary based on the performance of Investment Funds and will remain constant till it is paid out. There will be no Surrender charge if surrender request is received post completion of at least 5 Policy Years.

■ **Tax Benefits⁶**

The contributions towards investments in your policy will be eligible for Tax Deduction under Section 80CCC up to Rs. 1 lakh within the overall ceiling of section 80C of the of the Income Tax Act, 1961.

Illustrative Example

Mr. Sharma age 30 opts for Option I - Pure Pension Plan of a regular premium option with an Annual mode at various premium modal points as mentioned in the table below. The table below shows the illustrative vesting benefit at assumed rates of return on investment of Balanced II fund @ 6% and 10% respectively:

Premium (Rs.)	Term	Assuming Gross Investment Return ⁷ At the rate of	
		6%	10%
12,000	15	2,51,980	3,51,185
	30	7,54,157	15,72,289
50,000	15	10,72,473	14,93,428
	30	32,34,268	67,18,908
1,00,000	15	21,52,067	29,96,380
	30	64,97,571	1,34,90,775
1,50,000	15	32,31,662	44,99,332
	30	97,60,875	2,02,62,642



FEATURES IN DETAIL

■ **Investment funds available to you**

You can choose from a range of 5 funds to cater to your investment needs. You can choose to allocate your premiums to any, all or a combination of the unit-linked funds as per your risk appetite.

The investment and risk profile of each fund is described below:

Fund Name	Fund Philosophy	Asset Allocation		Risk Profile
Equity II Fund	To generate long-term capital appreciation from active management of a portfolio invested in diversified equities.	Equity	60%-100%	High
		Debt Securities	-	
		Money Market	0%-40%	
Growth II Fund	To achieve capital appreciation by investing predominantly in equities, with limited investment in Fixed Income securities.	Equity	50%-90%	Medium to High
		Debt Securities	10%-50%	
		Money Market	0%-40%	
Balanced II Fund	To generate capital appreciation and current income, through a judicious mix of investments in equities and fixed income securities.	Equity	30%-70%	Medium
		Debt Securities	30%-70%	
		Money Market	0%-40%	
Debt Fund	To earn regular income by investing in high quality debt securities.	Equity	-	Low to Medium
		Debt Securities	60%-100%	
		Money Market	0%-40%	
Liquid Fund	To generate reasonable returns commensurate with low risk and a high degree of liquidity.	Equity	-	Low
		Debt Securities	0%-60%*	
		Money Market	40%-100%	

*Debt Securities under Liquid Fund will comprise only of short-term securities.

■ **Maturity Switch Option**

Avail benefits of Maturity Switch Option⁸ (MSO) to balance your risk appetite during the term of the policy. If you opt for MSO, your investments are progressively directed into only 2 funds - Equity II Fund and Liquid Fund in a pre-defined manner in the last 5 policy years. This option helps you protect your savings closer to your vesting age.

Policy Year*	Equity II Fund Allocation	Liquid Fund Allocation
Up to T - 5	100%	0%
T - 4	80%	20%
T - 3	60%	40%
T - 2	40%	60%
T - 1	20%	80%
T	0%	100%

* Allocation percentages are as on beginning of the year where "T" is your policy term

Every entry or exit from the Maturity Switch option will be treated as a switch. Rules and charges for switches will be applied as per the terms governing the same.

■ **Top-up premiums**

You can increase the value of your Retirement corpus by investing any lump sum amount available with you as Top-ups over and above your regular premiums. The minimum Top-Up⁹ amount is Rs. 2,000 and there is no cap on the maximum amount of Top-Ups payable under this plan.

■ **Premium Redirection**

You can opt to change the allocation proportion of your premiums from the 2nd policy year onwards. Redirection of premiums will be allowed only once in a policy year, which will be free of cost. In case this option is not availed, it cannot be carried forward to the next policy year. The revised allocation proportion will apply to your subsequent regular premiums.

■ **Switch between Investment Funds**

You can opt to switch your investments from one investment fund to another at any point of time. You can either switch a percentage of your investments or an absolute amount. The minimum amount that you can switch is Rs. 10,000. The first 6 switches in a policy year are free of charge. Any unutilized free switch, however, cannot be carried forward to the next policy year.

■ **Prepone or Postpone your Vesting Date**

You can choose to Prepone or postpone your Vesting Date within the boundary limits set for you up to two times through your Policy Term. This flexibility is available to you from fifth Policy year onwards and should be intimated at least 3 months prior to original/new vesting date. In case of alteration of Vesting date¹¹, the life cover (for Option II) will cease at the lowest age opted for by you. The following charges shall continue to be deducted in case of postponement of Vesting date: (i) Mortality charge (if applicable), (ii) Allocation charges (if applicable) (iii) Policy Administration Charges, (iv) Fund Management Charges, and (v) Switching Charge.

■ **Auto Cover Continuance Option**

If you are unable to pay premiums after the first 3 policy years' premiums are paid, you have the option to continue the policy with the full Sum Assured (available only under Option II- Pension with Life Cover) by availing the Auto Cover Continuance¹⁰ option before the end of the revival period (2 years from the due date of the first unpaid premium). The policy will continue till the surrender value reaches an amount equal to the first full year's premium, upon which the policy will be terminated and the surrender value will be paid to you.