Size: 8.268 " x 23"

Charges under the Plan

Types of Charge	Charge Details	Description
Premium Allocation Charge	Regular Premium: Policy Year – Allocation Charge Year 1 – 24% Year 2 to 8 – 5% Year 9 & thereafter – Nil	• Allocation charge will be deducted upfront on the premium prior to any other charge deduction and investment transaction.
Fund Management Charge (FMC)	Equity Fund 1.75%; Growth Fund 1.50%; Balanced Fund 1.30%; Debt Fund 1.00%; Liquid Fund 0.80%	• FMC and applicable service tax is deducted on daily basis from the Fund Value before calculation of the NAV. • This charge may be increased by the Company after approval from IRDA but shall not exceed 2.25% for each respective fund option.
Policy Administration Charge	**For policies to be sold in financial year 2008-09**: Policy administration charge shall be Rs. 75 per month during the first policy year, which shall be increased by 5% per annum for each policy on its every policy anniversary. **For policies to be sold in subsequent financial year:** The above Policy Administration Charge of Rs. 75 per month applicable during the first policy year shall be increased by 5% per annum on each 1st April. First such increase shall be effective from 1st April 2009.	• Deduction of the charge on the 1st business day of each policy month by way of cancellation of units. • This charge will not exceed Rs. 5000 in a policy year.
Surrender Charge	Particulars – Charges If less than one policy year's premium has been paid. – 90% If at least one but less than two policy years' premium has been paid. – 60% If at least two but less than three policy years' premium has been paid. – 40% If at least three but less than four policy years' premium has been paid. – 20% If at least four but less than five policy years' premium has been paid. – 10% If at least five policy years' premium has been paid. – NIL	• Surrender Charge as % of Fund Value pertaining to regular premium.
Mortality Charge	Annual Mortality Charge expressed in Rs. per 1000 Sum at Risk Age: 30 / 40 / 50 / 60 Male: 1.17 / 2.05 / 5.24 / 13.07 Female: 1.16 / 1.59 / 3.82 / 10.29 Sum at Risk = Sum Assured + Present Value of Future Premiums (i.e. value of future premiums estimated by discounting future premiums at a rate fixed by the company).	• Deduction of the charge on the 1st business day of each policy month by way of cancellation of units. • Annual Mortality Charge is expressed in Rs. per 1000 sum at Risk.
Switching Charge	The first six switches in any given policy year will be free of charges and subsequent switches will attract a charge of Rs. 250 per switch.	• Levied through cancellation of Units. • This charge may be increased by the Company after approval from IRDA but shall not exceed Rs. 500 per switch.
Partial Withdrawal	The first four Partial Withdrawals in any given policy year will be free of charges and subsequent withdrawal will attract charges of Rs 250 per withdrawal.	• Levied through cancellation of Units. • This charge may be increased by the Company after approval from IRDA but shall not exceed Rs. 500 per withdrawal.
Revival Charge	Rs. 250 on policy revival.	• This charge may be increased by the Company after approval from IRDA but shall not exceed Rs. 500 per revival. • Levied through cancellation of units in the fund.

- Medical examination expenses in case of increasing life cover / reinstatement of life cover post revival after the policy issuance, up to maximum of Rs. 3000.
- All charges as mentioned above are exclusive of Service Tax and applicable cess, which will be borne by the policyholder.

Key Terms and Conditions

1. In this policy, proposer and life assured shall be the same person – a parent or legal guardian with a child (i.e. the Beneficiary/Nominee) of age between 0 to 15 years. There shall be no insurance cover on the life of the Beneficiary.
2. 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.
3. After life assured's death, the policy will continue until maturity with premiums being funded by the company. During this period, the policy shall be held by the Beneficiary and if the Beneficiary is a minor, then by the Appointee during Beneficiary's minority. Note: Both, the Beneficiary and the Appointee, shall merely hold the policy and shall have no right to make partial withdrawals or surrender the policy. They shall only have the right to make Unit Switches and Premium Re-direction under this policy.
4. Unused free Partial Withdrawal options cannot be carried forward to the next policy year.
5. Systematic Partial Withdrawal Option can be availed, along with Ad-hoc Partial Withdrawals, free of charge. This option can be availed only once during the Policy Term.
6. 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.
7. 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 inclusive of Service Tax and applicable cess.

8. 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 for this option.
9. There are no additional medical requirements for choosing indexation. Also, you can opt out of Indexation at any policy anniversary, after which your premiums and Sum Assured will become level at the last prevailing Indexed premium and Sum Assured. Once this option is deselected, it cannot be opted for again.
10. During premium holiday, the policy will continue with all benefits. All charges including the mortality and the rider charge, if any, will be deducted during this period. You can avail this option more than once during the Policy Term provided there is a gap of at least 5 premium paying complete years between the later of the date of expiry of the Holiday Period last availed (if any) or the date of last revival of the policy (if any) and the start of the new Holiday Period. We will require a notice of at least 15 days, prior to the premium payment due date from which you wish to avail the premium holiday.
11. a) If premium payment is discontinued before 3 policy years, all risk cover will cease and the death benefit will be the Fund Value. All charges except mortality, Premium Funding Benefit 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. No Partial Withdrawal can be made during the revival period. The policy can be revived within 5 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. Indexation, if opted for, will cease and cannot be revived. You will have to revive the policy at the last due Indexed premium, which will be level henceforth.

    b) If premium payment is discontinued after 3 policy years, the policy will remain in force with full Sum Assured during the revival period of 5 years. All charges, including mortality, Premium Funding Benefit 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. Partial Withdrawal can be made during the revival period, subject to Partial Withdrawal clause. The policy can be revived within 5 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 to continue the policy with base cover (Premium Funding Benefit, Indexation and Loyalty Additions will cease) without paying future premium till the Surrender Value is equal to first year premium, upon which the Surrender Value is paid and policy terminates. Alternatively, you can surrender the policy and take the Surrender Value. Indexation, if opted, will continue during the revival period and you can revive the policy by paying the Indexed premium.
12. You can exercise the Settlement Option under the policy at least 3 months before the maturity date. Partial Withdrawals/switching are not allowed during the Settlement Period. Administration charges and Fund Management charges will continue to be deducted. In case of the Policyholder's death during the Settlement Period, the total Fund Value as on intimation date will be paid. At any time during the Settlement Period, you can request for a full withdrawal and close your account.
13. 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.
14. 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.
15. 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.
16. Transaction requests (including renewal premiums by way of local cheques, demand draft, switches, Partial Withdrawals etc) received before the cutoff time will be allocated the same day's NAV and the ones received after the cutoff time will be allocated next business day's NAV. The cutoff time will be as per IRDA guidelines from time to time, which is currently 3:00 pm.

17. The premium shall be adjusted on the due date even if it has been received in advance.
18. There is no provision of loan on the policy.
19. At inception, the beneficiary for the death benefit payable under the contract has to be the child (aged 0 to 15 years) of the Life assured.
20. Assignment is permitted under this policy.
21. 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.
22. 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.
23. Auto termination: After the policyholder has paid the regular premium for three policy years, if the Surrender Value at any time becomes equivalent to regular premium paid in the first policy year, the policy will automatically terminate and the Surrender Value shall be payable to the policyholder.
24. 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.
25. 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 Unit Linked Child 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.
- Tax benefits will be available as per the prevailing tax laws, which are subject to change.
- 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.

Canara HSBC Life Insurance

with Oriental Bank of Commerce

Insuring your emotions

Canara HSBC Oriental Bank Of Commerce Life Insurance Company Limited (Regn. No.: 136)
Registered Office: 112, JC Road, Bangalore 560002
Head Office: Centrum Plaza, 5th Floor, Tower B
Sector 53, Gurgaon, Haryana 122002
Website: www.canarahsbclife.com

UIN:136L009V01 **BRO103CHP001JUL09 ENG**

Insurance is the subject matter of the solicitation
Canara HSBC Oriental Bank of Commerce Life Unit Linked Child Plan is a Non-participating Plan

imagine

...endless possibilities for your child

- Ensure your child the best possible education
- Take care of your child's financial needs even in your absence
- Don't let inflation erode your valuable investment
- Save Tax

Canara HSBC Oriental Bank of Commerce Life

Unit Linked Child Plan

Canara HSBC Life Insurance
with Oriental Bank of Commerce
Insuring your emotions

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

About Us

Canara HSBC Oriental Bank of Commerce Life Insurance Company Limited is a Company formed jointly by three leading financial organisations - Canara Bank and Oriental Bank of Commerce, which are two of India's largest nationalised banks in terms of aggregate business, along with HSBC Insurance (Asia Pacific) Holdings Limited, apart of the HSBC Group which is one of the largest banking and financial organisations in the world. The share holding pattern of the Joint Venture is as follows – 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.

Canara HSBC Oriental Bank of Commerce Life Unit Linked Child Plan

Being a parent is one of the most beautiful emotions in the world. It gives a whole new meaning to the way you perceive life. But this fathomless and divine emotion is accompanied by a great deal of responsibility – of ensuring the best out of life in future for the one that brings all this happiness to you - your child.

At Canara HSBC Oriental Bank of Commerce Life Insurance Company Limited, we believe that when it comes to your child's future, you should not settle for anything else but the best. Our Unit Linked Child Plan, with its thoughtfully designed features and options is just another way towards ensuring a safe and happy life for your child in the future. This product will not only help you fulfill your promise to your child, but more importantly help you take the first step towards ensuring a secure future for him/her.

Key Features of our Unit Linked Child Plan

- **Comprehensive Insurance Benefit:** Safeguard the immediate and future needs of your child in case of your unfortunate death with the following features:
  - Immediate payment of the Sum Assured
  - Funding of all future premiums, as and when due
  - Payment of the Fund Value at maturity
- **Loyalty Additions at milestones in your child's life:** Boost your investments through Loyalty Additions, twice during the Policy Term – at ages 18 and 25 of your child.
- **Indexation:** Protect the real value of your investments and policy benefits against inflation by opting for Indexation at inception, whereby your regular premium and Sum Assured will increase by 5% p.a.
- **Premium Holiday:** Avail the option of a Premium Holiday up to 3 years and enjoy all the policy benefits without having to pay any premium for the holiday duration.
- **Systematic Partial Withdrawal:** Meet the planned needs of your child, such as his/her higher education, through structured payouts in the last 5 policy years. This apart, the Partial Withdrawal option is also available after the completion of 5 policy years for unplanned contingencies.
- **Investment Funds:** Choose from 5 Investment Funds – Equity, Growth, Balanced, Debt and Liquid, ranging from 0% to 100% equity exposure, to match your appetite towards investment risks and returns.
- **Maturity Switch Option:** Get the upside of high growth through the term of the plan while protecting your savings when your plan is closer to maturity by opting for Maturity Switch Option.
- **Tax Benefits[6]:** Enjoy tax benefits under Section 80C and Section 10 (10D), as per the Income Tax Act, 1961.

Eligibility Criteria		
Entry Age (Last birthday)	:	Life Assured[1]/Parent: 18 to 60 years. Beneficiary[1]/Child: 0 to 15 years.
Policy Term	:	25 years – entry age of the beneficiary. (i.e. 10 to 25 years, subject to maximum maturity age of 75 years)
Annual Premium	:	Minimum Rs.12,000; No maximum limit.
Sum Assured	:	5 to 15 times Annualized Premium Equivalent for age 18 to 50 years. 5 times Annualized Premium Equivalent for age 51 to 60 years.

How the Plan Works

- Choose the regular premium as per the amount you would like to invest for your child's future. Also, choose an adequate life cover.
- Your Policy Term will be 25 years minus your child's current age. E.g. if your child's current age is 3 years, the term of the plan will be 25-3=22 years. This is designed so that the policy matures when your child is 25 years old.
- You can choose to pay your premiums annually, half yearly, quarterly or monthly[2]. You can opt to pay your premiums through cheque, demand draft, ECS, direct debit or standing instruction to your bank account.
- You need to complete your proposal form and submit it with the initial premium and the necessary documents.
- Once your proposal is accepted as per our underwriting requirements, the policy will be issued and sent to you.
- You can avail the flexibilities provided in the plan as per your need, after issuance of your policy.
- You will be required to pay premiums regularly for the entire Policy Term.

Benefits under the Plan

Insurance Cover Benefit

In the unfortunate event of your death, the Sum Assured is paid to the beneficiary (your child) or if the Beneficiary is a minor, then to the Appointee[3]. The policy continues till maturity with the future premiums waived and funded by the company (**in-built Premium Funding Benefit**) as and when due. At maturity, the entire Fund Value is paid to the beneficiary and the policy is closed.

Loyalty Additions

Enjoy Loyalty Additions twice during the term of your policy, linked to two key milestone ages of your child i.e. a) when he/she attains age 18, and b) when he/she attains age 25. The Loyalty Additions are given in the form of free extra allocation of units. The Loyalty Additions are given as a percentage of the total Fund Value, pertaining to regular premiums as illustrated below:

- Loyalty Addition at the age of 18 = 0.2%* Fund Value* Total number of completed policy years.
- Loyalty Additions at the age of 25 = 0.2%* Fund Value* Total number of completed policy years.

Loyalty Additions are paid provided all the due regular premiums are paid till date.

Partial Withdrawal/ Systematic Partial Withdrawal

In order to meet any sudden financial requirements for your child, you can make Partial Withdrawals[4] from your policy without having to surrender it. Partial Withdrawals are allowed from the 6th policy year, provided due premiums for the first 5 policy years are paid. The minimum withdrawal amount is Rs 10,000 and the maximum is such that the Surrender Value pertaining to regular premium after withdrawal is more than 120% of the first year

premium. The first four partial withdrawals in a year are free of charge.

You also have the option of Systematic Partial Withdrawal[5], wherein 20% of the Fund Value (as on the beginning of each respective policy year) will be disbursed to you in the last 5 policy years. This will give you access to your investments, helping you take care of large expenses of your child such as his/her higher education.

Any Partial Withdrawal made from funds pertaining to regular premiums, however, would result in reduction of Loyalty Additions to be paid in due course.

Full Surrender

You have the option to surrender 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. There are no surrender charges if premiums have been paid for at least 5 policy years.

Maturity Benefit

At maturity, you have the option to either take the entire fund value as a lump sum and close the policy or opt for the Settlement Option (explained in the "Features in Detail" section) and take the maturity proceeds as structured payouts over 5 years.

Tax Benefits[6]

Premiums paid under this Policy will be eligible for tax benefits under Section 80C and any benefit amount paid to you will be eligible for tax benefits under Section 10 (10D), of the Income Tax Act, 1961, subject to the conditions of the respective sections.

Illustrative Example

Mr. Sharma, age 35, has a 5 year old child. He opts for a policy with a term of 20 years. The illustration shows multiple scenarios with annual premium and Sum Assured options and assumes 100% investment in the balanced fund.

Annual Premium (Rs.)	Sum Assured (Rs.)	Maturity Value assuming Gross Investment return[7]	
		6% p.a.	10% p.a.
20,000	1,00,000	5,82,044	9,24,261
	3,00,000	5,57,991	8,90,594
1,00,000	5,00,000	31,20,855	49,32,652
	15,00,000	30,00,592	47,64,318
5,00,000	25,00,000	1,58,14,910	2,49,74,610
	75,00,000	1,52,13,597	2,41,32,937

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 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 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 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.*

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 unutilised free switch, however, cannot be carried forward to the next policy year.

Maturity Switch Option

You can avail of a unique feature, Maturity Switch Option[8] (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 Fund and Liquid Fund in a pre-defined manner in the last 5 policy years. This option helps you protect your savings closer to maturity.

Policy Year*	Equity Fund Allocation	Liquid Fund Allocation
Up to T – 5 years	100%	0%
T – 4 years	80%	20%
T – 3 years	60%	40%
T – 2 years	40%	60%
T – 1 year	20%	80%
T year	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.

Indexation of Premium and Sum Assured

At inception, you can opt for Indexation[9], wherein your regular premium as well as the Sum Assured will increase by 5% p.a. of the then existing Premium and Sum Assured at each policy anniversary. Indexation helps you effectively beat inflation eating into the value of your funds and make disciplined increased savings towards it. Also, in case of your unfortunate death, the benefits paid to your child are substantially insulated from inflation erosion.

Premium Holiday

You can avail the Premium Holiday[10] facility; provided the policy is in force and at least the first 8 policy years' premiums have been paid. You can opt not to pay your regular premiums for periods ranging from 1 to 3 years during which the policy will continue with all the benefits. Once the holiday period is over, you can resume premium payment without having to pay the premiums pertaining to the Premium Holiday period.

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 by availing the Auto Cover Continuance[11b] option before the end of the revival period (5 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.

Settlement Option

At maturity, you may avail the Settlement Option[12] wherein you can take your final Fund Value as structured payouts for a maximum period of 5 years. There will not be any life cover during the Settlement Period. The units will be cancelled periodically as per the frequency agreed and the proceeds will be given to you by cancellation of units with applicable NAV. All the investment risk related to the fluctuations of unit price during the Settlement Period will continue to remain with you (the policyholder).