

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

Canara HSBC Oriental Bank of Commerce Life Saral Bima Plan

UIN – 136L010V01

TERMS AND CONDITIONS

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Policy, unless the context requires otherwise, the following words and expressions shall have the meaning ascribed to them respectively herein below:

Act means the Insurance Act, 1938;

Age means age at last birthday;

Annexure means the annexures attached to this Policy, as amended from time to time;

Authority means the Insurance Regulatory and Development Authority or such other authority or authorities, as may be designated under the applicable laws and regulations as having authority to oversee and regulate life insurance business in India, or any other area that has an impact on the business of life insurance;

Benefits mean the Death Benefit and the Maturity Benefit as may be applicable under this Policy referred to collectively;

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

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

Claimant means the Policyholder or the assignees as per Section 38 of the Act, and if the Policyholder is not alive at that time, the Nominees, appointees, executors or other legal representatives, who are entitled to prefer a claim for Benefits under this Policy as per Clause 14;

Company means Canara HSBC Oriental Bank of Commerce Life Insurance Company Limited, a company incorporated under the provisions of the Companies Act, 1956 carrying on the business of life insurance;

Death Benefit means the benefit as specified in Clause 2.1 of the Policy, payable by the Company upon the death of the Life Assured during the Policy Term;

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

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

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

Loyalty Additions means the additional Units credited by the Company in the Policyholder's unit account, in accordance with Clause 2.3;

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

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

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

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

Nominee means the person or persons appointed under Section 39 of the Act to receive the Death Benefit, if payable, in the event of death of the Life Assured;

Office means any office established by the Company for servicing customers, except its registered office and corporate office;

Policy means this Canara HSBC Oriental Bank of Commerce Life Saral Bima Plan, comprising the Proposal, these terms and conditions, the Policy Schedule and any Annexure attached to it (including any unit account statements or other correspondence issued by the Company), all of which shall form an integral part of the Policy;

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

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

Policyholder means the person named as such in the Policy Schedule and who is the Life Assured under this Policy, unless the Policy has been assigned as per Clause 14.1 in which case the assignee shall be the Policyholder;

Policy Schedule means the schedule attached to and forming part of this Policy;

Policy Term means the period between the Policy Commencement Date and the Maturity Date, specified as such in the Policy Schedule;

Policy Year means a period of twelve (12) consecutive months starting from the Policy Commencement Date and ending on the day immediately preceding its Policy Anniversary and each subsequent period of twelve (12) consecutive months thereafter, during the Policy Term;

Premium Payment Term means the period specified in the Policy Schedule indicating the number of years for which the Policyholder is required to pay Premium under this Policy;

Proposal means the signed and completed proposal form provided by the Policyholder prior to the Policy Commencement Date, along with all additional information enclosed thereto and which forms the basis upon which this Policy has been issued to the Policyholder by the Company;

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

Regulations means the laws and regulations in effect from time to time and applicable to this Policy, including without limitation the regulations and directions issued by the Authority from time to time including re-enactments and/or amendments to such laws and regulations;

Revival Period means the period commencing from the end of Grace Period and ending on the earlier of (i) two (2) years from the due date of the first unpaid premium under this Policy or (ii) the Maturity Date; or (iii) the termination of the Policy as per Clause 3.4, during which period the Policyholder may revive this Policy subject to satisfaction of the conditions provided in Clause 4;

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

Settlement Options means the option specified in Clause 2.2.2;

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

Surrender means the termination of the Policy in its entirety as specified in Clause 11;

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

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

Unit Linked Fund means investment fund called the Balanced Fund established, offered, operated and maintained by the Company, in terms of Clause 7 below or any fund as may be introduced by the Company from time to time, with the approval of the Authority;

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

1.2 Interpretation

This Policy is divided into numbered Clauses for ease of reference and reading. Except as stated, these divisions and the corresponding clause headings do not limit the Policy or its interpretation in any way. Unless the context requires otherwise, words of one gender shall include the other gender and the singular shall include the plural and vice versa and references to any statute include subsequent changes to that statute.

2. BENEFITS

Subject to the provisions contained herein and fulfillment of the terms and conditions of this Policy, the Company agrees to pay to the Claimant, the following Benefits on the happening of the events mentioned against each Benefit during the Policy Term.

2.1 Death Benefit

2.1.1 In the event of the death of the Life Assured on or after the Risk Commencement Date but before the Maturity Date, the Company shall pay, subject to Clause 15.3, the Fund Value as at the date of notification of death of the Life Assured or the Sum Assured, whichever is higher;

2.1.2 The Policy shall automatically terminate upon payment of a Death Benefit under Clause 2.1.1.

2.2 Maturity Benefit

2.2.1 On the Maturity Date, the Company shall pay the Maturity Benefit, which shall be equal to the Fund Value under the Policy as on such date to the Claimant. The Policyholder shall have the option to receive the entire Maturity Benefit as a lump sum or receive the Maturity Benefit through structured payouts over a period not exceeding five (5) years as per the Settlement Option per Clause 2.2.2.

2.2.2 Settlement Option

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

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

2.3 Loyalty Additions

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

- (i) At the end of the Premium Payment Term i.e. at the end of the 7th Policy Year; and
- (ii) At Maturity Date.

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

Loyalty Additions at the end of the Premium Payment Term shall be = 1% of the Fund Value as on the due date of Loyalty Addition.

Loyalty Additions at Maturity Date shall be = 2% of the Fund Value as on the due date of Loyalty Addition.

Loyalty Additions shall be given only if the Company has received all Premium due under the Policy.

2.4 Requirements for Benefit Claims

2.4.1 In the event of a claim for Benefits arising under this Policy, the Claimant shall within sixty (60) days of the claim event, make a written intimation to the Company using the claim intimation form informing the Company of the claim along with the following documents:

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

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

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

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

III) In case of claim for Maturity Benefit

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

Notwithstanding anything contained above, depending upon the cause or nature of the claim, the Company reserves the right to call for other and/or additional documents or information, including documents/information concerning the title of the Claimant, to the satisfaction of the Company for processing the claim.

2.5 Payment of Benefits

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

2.5.2 Discharge

Any discharge given by the Claimant, or by any person authorized by the Claimant in writing in respect of the Benefits or the sums payable under this Policy shall constitute a valid discharge to the Company in respect of such payment. The Company's liability under the Policy shall be automatically discharged by such payment.

2.5.3 Cancellation of Units

Subject to other provisions contained herein, the Maturity Benefit under this Policy shall be settled by cancellation of Units from the respective Unit Account.

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

3.1 Payment of Premium

- 3.1.1** Premium shall become due on every Policy Anniversary, if the premium frequency chosen by the Policyholder is annual. If the premium frequency chosen is half yearly, or quarterly, or monthly, then the Premium shall become due on the day corresponding to the Policy Commencement Date in every half-year, quarter or month respectively. If the corresponding day does not exist in a particular month, then the last day of that month shall be deemed to be the due date.
- 3.1.2** Premium shall be paid during the Premium Payment Term in the amounts and frequency mentioned in the Policy Schedule or at such frequency as requested by the Policyholder subsequently and accepted by the Company, on or before the end of the Grace Period corresponding to the respective due date. Premium shall not be increased during the Policy Term.
- 3.1.3** If any Premium is received before the due date, the Company shall appropriate such sum towards Premium on the applicable due date only and the Company shall neither be liable for payment of interest nor for allocation of Units before the applicable due date for such advance payment.
- 3.1.4** All Premiums shall, subject to deduction of applicable Charges as mentioned in Annexure 1 hereto, be allocated in the respective Unit Linked Fund.

3.2 Discontinuance of Premium after paying Premium due for at least three (3) consecutive Policy Years.

3.2.1 If any due installment of Premium is not paid within the Grace Period after paying the Premium due for at least three consecutive Policy Years, the Policyholder may exercise any of the following options:

a. Revive the Policy

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

b. Surrender the Policy

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

c. Auto Cover Continuance

The Policyholder may opt to continue the Policy without paying further Premium ("**Auto Cover Continuance**") by providing a written notice in this regard to the Company prior to expiry of the Revival Period. Where the Company has received a written request from the Policyholder opting for the Auto Cover Continuance option as mentioned in this Clause, then subject to Clause 3.4 hereof, the Policy shall remain in force for all the Benefits and options except Loyalty Additions.

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

3.2.3 The Company shall continue levying all Charges as mentioned in Annexure 1 hereto, during the Revival Period, and during the Auto Cover Continuance period if opted for by the Policyholder.

3.3 Discontinuance of Premium within three (3) Policy Years from the Policy Commencement Date.

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

3.3.2 Options available to the Policyholder after the Grace Period has elapsed during the Revival Period:

a. Revive the Policy

The Policyholder may, revive the Policy by paying all due unpaid installments of Premium, during the Revival Period. However, the revival of the Policy shall be subject to the Company's underwriting requirements as applicable from time to time. The effective date of revival shall be the date when all the requirements under the Policy are met, accepted and communicated by the Company in writing. In the event of death of the Life Assured during the Revival Period, only the Fund Value as on the date of notification of death of the Life Assured to the Company shall be payable.

b. Surrender the Policy

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

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

3.4 Auto termination of Policy

Notwithstanding any other Clause in this Policy and provided the Policyholder has paid Premium due for the first three (3) Policy Years, if the Surrender Value at anytime during the Policy Term, falls below the equivalent of one (1) Annual Premium, this Policy shall terminate automatically and the Surrender Value as on the date of such termination shall be payable to the Policyholder.

3.5 Death of Life Assured during the Grace Period

Irrespective of the number of years for which the Premium has been paid by the Policyholder, in the event of death of the Life Assured during the Grace Period, the Death Benefit enumerated under Clause 2.1 shall be payable subject to deduction of applicable Mortality Charge due as on the date of death of the Life Assured.

4. REVIVAL OF POLICY

4.1 Subject to the approval of the Company and the prevailing rules of the Company pertaining to revival, the Policy may be revived within the earlier of (i) end of the Revival Period or (ii) the Maturity Date or (iii) the termination of the Policy as per the terms and conditions, provided:

- (i) no claim for Benefits has arisen under the Policy;
- (ii) a written application for revival is received from the Policyholder by the Company, together with the revival fee as applicable and other documentation as may be requested by the Company;
- (iii) all due installments of unpaid Premium to revive this Policy are received by the Company in full.

4.2 Notwithstanding anything to the contrary contained elsewhere in this Policy, the Company reserves the right to revive the Policy either on its original terms and conditions or on such other or modified terms and conditions as the Company deems fit, or to reject the revival. The decision of the Company in this regard shall be final and binding on the Policyholder. The revival shall be effective from the date when the Company specifically communicates the same in writing to the Policyholder.

4.3 Units against Premium received for revival shall be allocated on the basis of the NAV applicable on the later of the following two (2) dates (i) date of acceptance of the revival application by the Company's underwriters; and (ii) date of realization of all the due installments of Premium paid for revival to the Company.

5. UNIT ACCOUNT, UNIT STATEMENT AND ANNUAL STATEMENT

5.1 Unit Account: For the purpose of this Policy, the Company will maintain an account called the Unit Account, to which the Premium received from the Policyholder under this Policy shall be credited, net of applicable Charges. The amount so credited shall be utilized for purchase of Units at the applicable NAV in the Unit Linked Fund offered by the Company under this Policy.

5.2 Unit Statement: The Company shall issue to the Policyholder, a unit statement showing the details of Units held and particulars of credits and debits in respect of the unit account on every Policy Anniversary as well as whenever a transaction in the nature of receipt of Premium, Partial Withdrawal or payment of Benefits takes place. The Policyholder may authorize the Company to send the unit statement on e-mail and the statement sent to such e-mail id of the Policyholder provided to the Company shall be considered as a valid discharge of the Company's obligations under this Clause.

- 5.3 Annual Report:** The Company shall also issue an annual report covering the performance of the Unit Linked Fund during the preceding Financial Year in relation to the economic scenario and market developments including particulars like investment strategies and risk control measures, changes in interest rates, tax rates, etc., affecting the investment portfolio.

6. CHARGES

- 6.1** Subject to the other terms and conditions mentioned herein, during the Policy Term, the Company shall levy the Charges as detailed in Annexure 1. The Company reserves the right to revise the Charges, with the prior approval of the Authority, subject to the maximum limits mentioned against each Charge in Annexure 1 hereto. All Charges mentioned herein are subject to applicable taxes and levies (present or future), including service tax, which shall be borne by the Policyholder.
- 6.2** All Charges, other than Fund Management Charge and the Premium Allocation Charge, shall be recovered by cancellation of required number of Units from the respective Unit Linked Fund on the date on which such Charges fall due. Fund Management Charge shall be recovered before arriving at the Unit Price. Premium Allocation Charge shall be recovered by deduction from the amount of the Premium received prior to allocation of the Premium into Units.

7. UNIT LINKED FUND

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

Balanced Fund

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

- 7.2** Subject to investment norms and policies of the Company in effect from time to time and applicable Regulations, the Company shall have the discretion to select the investments and/or make the investments under the Unit Linked Fund, having regard to the investment objectives of the Unit Linked Fund. Subject to as aforesaid, the Company shall have absolute discretion to formulate its investment policies and make investments and to deal with all matters in relation to the Unit Linked Fund. The Company shall have absolute legal and beneficial ownership of all investments and assets of the Unit Linked Fund.
- 7.3** The Company may also at its discretion, subject to approval of the Authority and the Policyholder modify the portfolio allocations under the Unit Linked Fund on the happening of events including but not limited to extreme volatility of markets, which in the opinion of the Company warrants such action. In such an event the Company shall give the Policyholder prior notice of the same.

8. RISK FACTORS

- 8.1** This Policy is issued on the express understanding that the investments are subject to the following risks among others and the Policyholder has opted for this Policy with full knowledge of such risks:
- (i) The name of the Unit Linked Fund does not in any manner indicate the quality of the Unit Linked Fund or its future prospects or returns. The Unit Linked Fund does not offer any guarantee or assure any guaranteed return.
 - (ii) Investments in Units are subject to market and other risks. Investment risk in investment portfolio is borne by the Policyholder. There is no assurance that the objects of the Unit Linked Fund will be achieved.
 - (iii) The Unit Price of the Units may fluctuate depending on factors and forces affecting the capital markets and the level of interest rates prevailing in the market.
 - (iv) Past performance of the Unit Linked Fund and other plans of the Company are not indicative of future performance of the Unit Linked Fund.
- 8.2** All Benefits payable under this Policy are subject to tax laws and other fiscal enactments in effect from time to time.

9. UNITS

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

9.2 Allocation of Units

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

All requests for partial withdrawals, Surrenders and all intimations pertaining to claim of Benefits shall be in writing, submitted at any of the Company's Offices. In case of partial withdrawal or Surrender requests received at the Company's Office prior to 3 PM on any Business Day, the same would be processed based on the closing NAV of that day. The closing NAV of the next Business Day would be applied in case of all requests received at the Company's Offices after 3 PM on any Business Day. The above cut-off timings are as per regulations prevailing on the Policy Commencement Date, which can change from time to time subject to change in regulations.

9.3 Computation of Net Asset Value ("NAV")

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

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

9.4 Valuation of Unit Linked Funds

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

10. AGE ADMISSION

The Age of the Life Assured has been admitted on the basis of the declaration made by the Policyholder in the Proposal and/or in any statement, supporting document/proof provided in this regard. If the Age of the Life Assured is found to be different from that declared, the Company may, adjust the Premium and/or the Benefits under this Policy and/or recover the additional amounts, if any, as it deems fit. This Policy shall however become void from the Policy Commencement Date, if the Age of the Life Assured at the Policy Commencement Date is found to be higher than the maximum or lower than the minimum entry Age that was permissible under this Policy at the time of its issue then the Policy shall be terminated and the Fund Value if any, shall be returned to the Policyholder subject to deduction of applicable Charges.

11. SURRENDER VALUE AND SURRENDER

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

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

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

12. PARTIAL WITHDRAWAL

- 12.1** The Policyholder shall have a right to make Partial Withdrawals commencing from the fourth (4th) Policy Year, provided the Company has received all due Premium for the first three (3) Policy Years. The minimum amount that may be partially withdrawn in any one transaction shall be Rupees Ten Thousand (Rs 10,000/-) and in multiples of Rupee One (Rs.1). Partial withdrawal at any time shall not result in the Surrender Value after availing the partial withdrawal going below the equivalent of 120% of the annualized Premium payable under this Policy. The first four (4) partial withdrawals in a Policy Year can be availed for free. Unused free partial withdrawals in a Policy Year cannot be carried forward to the subsequent Policy Year(s).
- 12.2** The Sum Assured payable upon the death of the Life Assured shall be reduced by all the partial withdrawal(s) made within two (2) years prior to the date of death of the Life Assured.

13. OWNERSHIP OF THIS POLICY

- 13.1** All options, rights and obligations under this Policy vest with the Policyholder, and shall be discharged by the Policyholder.
- 13.2** If the Nominee named in the Policy Schedule predeceases the Life Assured during the Policy Term, the Policyholder shall name any other person as the Nominee under this Policy, and such person shall have the same rights in respect of this Policy as the Nominee originally named in the Policy Schedule.
- 13.3** The Policyholder shall also name an Appointee to receive the Benefits, if payable under this Policy on behalf of the Nominee during the minority of the Nominee and to give a discharge in respect of such Benefits to the Company.

14. ASSIGNMENT AND NOMINATION

Notice of any assignment or nomination must be submitted in writing to the Company at any of its Offices.

14.1 Assignment

An assignment of the Policy may be made by an endorsement upon the Policy itself or by a separate instrument signed in either case by the assignor specifically stating the fact of assignment and duly attested. Only the Policyholder may make the first assignment. Such assignment shall be effective, as against the Company, from and upon the service of a written notice upon the Company and the Company accepting and recording the assignment on the Policy. In case of assignment under this Policy, the assignee shall not be entitled to increase or decrease the Death Benefit. In registering an assignment, the Company does not accept any responsibility or express any opinion as to its validity or legal effect. An assignment of the Policy shall automatically cancel all nominations made under Clause 14.2 below.

14.2 Nomination

The Policyholder may, at any time during the currency of this Policy, make a nomination for the purpose of payment of the Death Benefits, in the event of the Life Assured's death. Any change of nomination, which may be effected before the termination of the Policy shall also be communicated to the Company. The change in nomination shall come into effect from the date on which the Company endorses such change in the Policy Schedule.

In the event of a Nominee dying prior to the Death Benefit becoming payable under this Policy, the Death Benefit shall be paid to the legal heirs of the deceased Policyholder in accordance with the applicable law. Any payment made by the Company in good faith to such surviving Nominees or the legal heirs of the deceased Life Assured shall discharge the Company fully of its liability to make payment of Death Benefit under this Policy.

15. GENERAL CONDITIONS

15.1 No Participation in surplus or profits

This Policy does not confer any rights on the Policyholder to participate in surplus or profits of the Company.

15.2 Review, revision

The Company reserves the right to review, revise, delete and / or alter any of the terms and conditions of this Policy, including without limitation the Benefits, the Charges other than those charges which are specifically stated to remain unchanged in this Policy, the method, manner and timing of levy or recovery of the Charges or valuation of the investments and / or assets of the Unit Linked Fund and / or determination of the Unit Price, with the approval of the Authority. The terms of this Policy shall also stand modified from time to time, to the extent of changes to the Regulations affecting the terms and conditions of this Policy.

15.3 Exclusions

15.3.1 Suicide exclusion

If the Life Assured commits suicide for any reason, while sane or insane, within one (1) year from the Risk Commencement Date as specified in the Policy Schedule or within one (1) year from the date of revival of the Policy, no Benefit shall be payable under this Policy. In case of the Life Assured committing suicide within one (1) year as mentioned above, only the Fund Value as at the date of notification of death to the Company is payable.

15.3.2 45 Days exclusion

In case of death of the Life Assured subject to Clause 15.3.1, within 45 days from the Risk Commencement Date, the Company shall pay the Fund Value as at the date of notification of death of the Life Assured or the total Premium paid, whichever is higher.

15.4 Loans

No loans will be admissible under this Policy.

15.5 Forfeiture

In issuing this Policy, the Company has relied on the accuracy and completeness of information provided by the Policyholder and any other declarations or statements made or as may be made hereafter by the Policyholder in the Proposal form. Subject to the provisions of the applicable Regulations, including Section 45 of the Act, in the event any such information, declaration or statement is found to be false or incorrect or any material information is found to be withheld or misrepresented, the Policy shall become null and void from commencement, and the Company shall cease to be liable for payment of any Benefits under this Policy and the Premiums paid till date shall stand forfeited.

16. GENERAL PROVISIONS

16.1 Release and discharge

The Policy will terminate automatically on payment of the Death Benefits or the Maturity Benefits or the Surrender Value, as the case may be, and the Company will be relieved and discharged from all obligations under this Policy thereafter.

16.2 Limitation of Liability

Except in the case of a claim for Death Benefit, the maximum liability of the Company under this Policy shall not, in any circumstances, exceed the Fund Value. The maximum liability of the Company under this Policy shall not, in any circumstance, exceed the aggregate amount of the relevant Benefits payable hereunder.

16.3 Grievance Redressal / Complaints

The contact details and procedure to be followed in case of any grievance in respect of this Policy is provided in the document titled as "Complaint Redressal" annexed herewith.

16.4 Taxes, duties and levies

It shall be the sole responsibility of the Policyholder/Claimant to ensure compliance with all applicable provisions of the Regulations, including taxation laws, and payment of all applicable taxes in respect of the Premium and Benefits or other payouts made or received by the Policyholder/Claimant under this Policy and the Company does not accept any liability or responsibility in this regard. Except as may be specifically required by the Regulations, the Company shall not be responsible for any tax liability arising in relation to this Policy, the Premium payable or the Benefits or other payouts made in terms of this Policy. The Company shall be entitled to deduct such amounts towards taxes, duties or such other levies as may be required from any sum received by it or payable under this Policy, and deposit the amount so deducted with the appropriate government or regulatory authorities.

16.5 Fraudulent Claims

If the Policyholder or Nominee anyone acting for any of them or with their knowledge makes any misleading, false or fraudulent claim then this Policy shall be void and any Premium paid and Benefits payable hereunder shall stand forfeited in favour of the Company.

16.6 Loss of Policy document – issue of duplicate

The Company will replace a lost Policy document when satisfied that it is lost. However, the Company reserves the right to make such investigations into and to call for such evidence of the loss of the Policy document, at the Policyholder's expense, as the Company considers necessary before issuing a duplicate Policy document. The Company has the right to charge a fee for the issue of a duplicate Policy.

It is hereby understood and agreed that Policyholder will protect the Company and hold the Company harmless against any claims, costs, expenses, awards or judgments arising out of or howsoever connected with the original Policy or arising out of issuance of duplicate Policy.

16.7 Entire Contract

This Policy comprises the terms and conditions set forth in this Policy document, the Policy Schedule and the Annexure applicable to this Policy and the endorsements, if any, made on or applicable to this Policy, which shall form an integral part and the entire contract, evidenced by this Policy. The liability of the Company is at all times subject to the terms and conditions of this Policy and the endorsements made from time to time. In the event of any inconsistency between the terms and conditions set forth in this Policy document and the terms and conditions set forth in any other document, the terms and conditions set forth in this Policy shall prevail.

16.8 Governing Law and Jurisdiction

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

16.9 Section 45 of the Act

No policy of life insurance effected before the commencement of this Act shall, after the expiry of two (2) years from the date of commencement of this Act and no policy of life insurance effected after the coming into force of this Act shall, after the expiry of two (2) years from the date on which it was effected, be called in question by an insurer on the ground that a statement made in the proposal for insurance or in any report of a medical officer, or referee, or friend of the insured, or in any other document leading to the issue of the Policy, was inaccurate or false, unless the insurer shows that such statement was on a material matter or suppressed facts which it was material to disclose and that it was fraudulently made by the Policyholder and that the Policyholder knew at the time of making it that the statement was false or that it suppressed facts which it was material to disclose.

Provided that nothing in this section shall prevent the insurer from calling for proof of Age at any time if it is entitled to do so, and no policy shall be deemed to be called in question merely because the terms of the Policy are adjusted on subsequent proof that the Age of the Policyholder was incorrectly stated in the Proposal.

ANNEXURE 1: CHARGES

- (i) **Mortality Charge** shall be levied on monthly basis by way of cancellation of Units. The Mortality Charge shall apply on the sum at risk which is the excess of Sum Assured over the Fund Value.

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

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

Premium	
Policy Year	Premium Allocation Charge as a percentage of the Premium
Ist Policy Year	35%
2nd Policy Year onwards	NIL

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

Unit Linked Fund	Fund Management Charge
Balanced Fund	1.30% per annum

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

The Policy Administration Charge levied by the Company for the Financial Year 2009-10 shall be Rupees forty (Rs. 40/-) per month. Policy Administration Charge levied by the Company shall increase at the rate of five percent (5%) on the existing charges effective April 1, each year. The rate of Policy Administration Charge prevailing on the Policy Commencement Date shall be applicable to a Policy during its first (1st) Policy Year. Thereafter the Policy Administration Charge at the increased rates shall be applicable to such Policy effective from each Policy Anniversary.

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

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

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

Particulars	Surrender Charge as % of Fund Value
If less than one Policy Year's Premium has been paid	50%
If at least one but less than two Policy Year's Premium has been paid	40%
If at least two but less than three Policy Year's Premium has been paid	20%
If at least three Policy Year's Premium has been paid	NIL

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

Annexure 2 : MORTALITY CHARGES

Mortality Charges per annum per 1000 Sum at Risk

Canara HSBC Oriental Bank of Commerce Life Saral Bima Plan

Age	Male	Female
18	1.65	1.39
19	1.72	1.48
20	1.78	1.57
21	1.83	1.65
22	1.88	1.72
23	1.93	1.78
24	1.96	1.83
25	1.99	1.88
26	2.02	1.93
27	2.03	1.96
28	2.04	1.99
29	2.05	2.02
30	2.05	2.03
31	2.08	2.04
32	2.14	2.05
33	2.23	2.05
34	2.36	2.08
35	2.51	2.14
36	2.69	2.23
37	2.9	2.36
38	3.14	2.51
39	3.43	2.69

Age	Male	Female
40	3.76	2.9
41	4.08	3.14
42	4.39	3.43
43	4.75	3.76
44	5.2	4.08
45	5.73	4.39
46	6.35	4.75
47	7.05	5.2
48	7.84	5.73
49	8.72	6.35
50	9.68	7.05
51	10.73	7.84
52	11.86	8.72
53	13.09	9.68
54	14.39	10.73
55	15.79	11.86
56	17.26	13.09
57	18.65	14.39
58	20.1	15.79
59	21.9	17.26
60	24.03	18.65

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