Isn't it awesome when happiness knocks twice?

Exide Life is now #UnitedinPride HDFC Life

Life Insurance Cover for full policy term

Guaranteed Income#

Pay during first half, get income during second half of policy term

Flexible options to avail Income Payouts

HDFC Life Income Advantage Plan

A Non-Linked Participating Individual Life Insurance Savings Plan

HDFC Life

Sar utha ke jiyo!

#Guaranteed Income is paid on survival during the benefit payout term, provided all due premiums are paid during the premium payment term. Tax on income payable will be applicable as per prevailing income tax laws.

HDFC Life Income Advantage Plan

A non-linked Participating Individual Life Insurance Savings Plan

How do I ensure that my family is financially protected at all times?

How can I adequately provide for the growing needs of my family?

Can I create an alternate source to supplement my primary income?

Is there a way to receive regular income even after my retirement?

We all have such questions in our mind as we want to provide the best for our family's financial well-being. At HDFC Life Insurance, we understand the importance of your needs and help you by offering a unique a life insurance solution which offers cover against unfortunate event and savings in form of regular income depending on the option chosen.

Presenting HDFC Life Income Advantage Plan

'HDFC Life Income Advantage Plan' is a unique Life Insurance savings plan which works to your advantage and provides a regular income. This plan not only helps you fulfill your family's growing needs but also ensures that they enjoy a happy life at all times.

KEY BENEFITS

- Life Insurance Cover for full policy term
- Guaranteed Income#
- Pay during first half, get income during second half of policy term
- Flexible options to avail Income Payouts

#Guaranteed Income is paid on survival during the benefit payout term, provided all due premiums are paid during the premium payment term. Tax on income payable will be applicable as per prevailing income tax laws.

BENEFITS IN DETAIL

A. Survival Benefit*

This plan offers you the freedom to choose the way you want to receive your survival benefits during the benefit payout term, as per your financial needs. Benefit Payout term is defined as period starting from the end of the premium payment term till the policy maturity date. There are two options to receive the survival benefits

Option A: Pure Income Benefit

On survival during the benefit payout term, provided all due premiums are paid, you will get

- **Guaranteed Income (GI):** Guaranteed Income under this option is paid annually

  +

- **Simple Reversionary Bonus (SRB):** To enhance your income, SRB accrued during premium payment term, if declared, will be paid annually during benefit payout term

  +

- **Special Additional Bonus (SAB):** This bonus, if declared, every year during benefit payout term, will be paid at the end of that policy year to further enhance your income.

Last installment of the survival benefit in this option will be paid at maturity along with terminal bonus, if declared.

HOW DOES OPTION A WORK?

Let's understand with help of an example: A 35 year old policyholder opts for Option A and pays annual premium of ₹50,000 (exclusive of GST) for 15 years with policy term of 30 years. Basic Sum Assured is ₹4,80,706 and he gets a minimum Life Cover of 10 times Annualized premium i.e. 5 lakhs for 30 years.

Let's see what would be his survival benefits under Option A – Pure Income Benefit

- Premium Payment Term = First 15 policy years
- Benefit Payout Term = Next 15 policy years (starting from 16th policy year to end of 30th policy year)
- Guaranteed Income payable at the end of each policy year during benefit payout term = ₹ 64,174 per annum
- Total survival benefit will be paid at the end of policy year as shown in the table below:

End of the Policy Year	Survival Benefit under Option A : Pure Income Benefit
16th (First year of Benefit Payout Term)	₹64,174 + SRB declared at the end of 1st policy year + SAB declared at the end of 16th policy year
17th (Second Year of Benefit Payout Term)	₹64,174 + SRB declared at the end of 2nd policy year + SAB declared at the end of 17th policy year

Likewise survival benefit under Option A will be paid every year till 29th policy year. Survival benefit under Option A for 30th policy year would be as given below:

30th (Last year of benefit payout term)	₹64,174 + SRB declared at the end of 15th policy year + SAB declared at the end of 30th policy year + Terminal Bonus, if declared

Option B: Income with Maturity Benefit

On survival during the benefit payout term, provided all due premiums are paid, you will get

- **Guaranteed Income (GI)**

  Guaranteed Income under this option is paid annually or monthly, as per the income Payout Mode chosen by you, at inception of policy. Income payout mode can be changed at any time, before the end of the premium payment term.

  Under this option, last installment of survival benefit, that is, Guaranteed Income will be paid at maturity along with simple reversionary bonus accrued every year during the policy term, if declared and terminal bonus, if declared.

HOW DOES OPTION B WORK WITH ANNUAL INCOME PAYOUT MODE?

Let's understand with help of an example: A 35 year old policyholder opts for Option B with Annual income payout mode and pays annual premium of ₹50,000 (exclusive of GST) for 15 years with policy term of 30 years. Basic Sum Assured is ₹4,80,706 and he gets a minimum Life Cover of 10 times Annualized premium i.e. ₹5 lakhs for 30 years. Let's see what would be his survival benefits under Option B – Income with Maturity Benefit

- Premium Payment Term = First 15 policy years
- Benefit Payout Term = Next 15 policy years (starting from 16th policy year to end of 30th policy year)
- Guaranteed Income payable at the end of each policy year during benefit payout term = ₹64,174 per annum
- Total survival benefit will be paid at the end of policy year as shown in the table below:

End of the Policy Year	Survival Benefit under Option B : Income with Maturity Benefit
16th to 29th (First year to 2nd Last year of Benefit Payout Term)	₹64,174

Survival benefit under Option B for 30th policy year would be as given below:

30th (Last year of benefit payout term)	₹64,174 + SRB accrued during the entire policy term of 30 years + Terminal Bonus, if declared.

HOW DOES OPTION B WORK WITH MONTHLY INCOME PAYOUT MODE?

Let's understand with help of an example: A 35 year old policyholder opts for Option B with Monthly income payout mode and pays annual premium of ₹50,000 (exclusive of GST) for 15 years with policy term of 30 years. Basic Sum Assured is ₹4,80,706 and he gets a minimum Life Cover of 10 times Annualized premium i.e. 5 lakhs for 30 years. Let's see what would be his survival benefits under Option B – Income with Maturity Benefit

- Premium Payment Term = First 15 policy years
- Benefit Payout Term = Next 15 policy years (starting from 181st policy month to end of 360th policy month)
- Guaranteed Income payable at the end of each policy month during benefit payout term = ₹5,095 per month
- Total survival benefit will be paid at the end of policy month as shown in the table below.

End of the Policy Year	Survival Benefit under Option B : Income with Maturity Benefit
181st to 359th (First month to 2nd Last month of Benefit Payout Term)	₹5,095

Survival benefit under Option B for 360th policy month would be as given below:

360th (Last month of benefit payout term)	₹5,095 + SRB accrued during the entire policy term of 30 years + Terminal Bonus, if declared.

*Survival benefit option has to be chosen at the inception of policy. Once chosen, option cannot be changed during the policy term

HOW GUARANTEED INCOME (GI) FOR THE TWO SURVIVAL BENEFIT OPTIONS IS CALCULATED?

Guaranteed Income for the two survival benefit options is calculated as a fixed percentage of Basic Sum Assured for chosen premium payment term and chosen Income payout mode, and is payable during benefit payout term.

Where Basic Sum Assured is an absolute amount chosen by the policyholder at the date of inception of Policy

Guaranteed Income is calculated as given below;

Guaranteed Income = Basic Sum Assured X GI Multiple,

where GI multiple for different premium payment terms is given in the table given below:

Premium Payment Term	Benefit Payout Term	Annual Income Payout Mode		Monthly Income Payout Mode (applicable for Option B only)	
		GI Starts from the end of Policy Year	GI Multiple	GI Starts from the end of Policy Month	GI Multiple
8 years	8 years	9th	25.00%	97th	2.00%
12 years	12 years	13th	16.67%	145th	1.33%
15 years	15 years	16th	13.35%	181st	1.06%

WHAT ARE THE BONUSES OFFERED UNDER THIS PLAN?

Your policy is eligible for bonuses during policy term. Bonuses, if declared represent your share in profits of the company's participating fund. Bonuses are, therefore, not guaranteed and are based on performance of the participating fund. Bonus rate, if declared is paid as a percentage of the 'Basic Sum Assured' in the policy and once declared becomes guaranteed. This policy offers following bonuses.

1. Simple Reversionary Bonus (SRB)

Option A : Pure Income Benefit

These are non-guaranteed bonuses vested annually, if declared from the end of first policy year till the end of chosen premium payment term. Vested SRB are payable on survival during the benefit payout term as explained in the table below as applicable, subject to the policy being in force.

Simple Reversionary Bonus accrued at the end of the Policy Year (during the Premium Payment Term)	Simple Reversionary Bonus payable at the end of Policy Year* (during the Benefit Payout Term)		
Policy Year	**Policy Year (for Premium Payment Term of 8 years)**	**Policy Year (for Premium Payment Term of 12 years)**	**Policy Year (for Premium Payment Term of 15 years)**
1	9	13	16
2	10	14	17
3	11	15	18
4	12	16	19
5	13	17	20
6	14	18	21
7	15	19	22
8	16	20	23
9	NA	21	24
10	NA	22	25
11	NA	23	26
12	NA	24	27
13	NA	NA	28
14	NA	NA	29
15	NA	NA	30

*The above table is indicative and is provided for illustration purposes as bonus is not guaranteed.

At any point of time on death, Vested SRB less SRB paid till date of death is payable immediately.

Option B: Income with Maturity Benefit

These are non-guaranteed bonuses vested annually,if declared from the end of first policy year till the end of chosen policy term. The vested SRB, if declared, are payable on maturity of the policy or death of life assured, whichever is earlier, subject to the policy being in force.

2. Special Additional Bonus (SAB) – Applicable for Option A - Pure Income Benefit only

These are non-guaranteed bonuses declared every year during the benefit payout term and are payable at the end of the respective policy year, if declared.

3. Terminal Bonus (TB)

Terminal bonus, if declared, will be paid on policy maturity or on death of the life assured, whichever is earlier.

B. Death Benefit

HDFC Life Income Advantage Plan ensures that your family is financially protected in your absence by paying them

- Sum Assured on Death

  +

- Vested Simple Reversionary Bonuses (SRB), as applicable excluding SRB already paid, if declared

  +

- Terminal Bonus, if declared

Death Benefit amount will be paid as lump sum on death of the life assured during the policy term and the policy will terminate with the payment of death benefit and no future Survival Benefits are payable.

Sum Assured on Death is defined as higher of

- 10 times the Annualized premium; or
- Absolute amount to be paid on death; or
- Minimum Guaranteed Sum Assured on Maturity; or
- 105% of the Total Premiums Paid till the date of death

Annualized Premium shall be the premium amount payable in a year chosen by the policyholder, excluding the taxes, rider premiums, underwriting extra premiums and loadings for modal premiums, if any.

Absolute amount to be paid on death is equal to basic sum assured

Minimum Guaranteed Sum Assured on Maturity - There is no Minimum Guaranteed Sum Assured on Maturity under this Policy and this Policy provides for Guaranteed Income during the Benefit Payout Term in accordance with the terms and conditions hereof.

Total Premiums Paid means total of all the Premiums received, excluding any extra Premium, any rider Premium and taxes.

C. Comprehensive Protection through optional riders

This plan offers you to customize your protective cover by opting for riders by paying small amount of extra premium. Riders can be added at the inception of the Policy or at a policy anniversary during the policy term subject to underwriting and terms & conditions of the riders.

Following riders are available with HDFC Life Income Advantage Plan

- HDFC Life Critical Illness (4) Regular Pay (UIN: 101B018V01)

- HDFC Life Critical Illness (25) Regular Pay (UIN: 101B018V01)
- HDFC Life Accidental Death Disability and Dismemberment Rider (UIN: 101B017V01)
- HDFC Life Term Rider (UIN: 101B019V01)

Either of HDFC Life Critical Illness (4) Regular Pay or HDFC Life Critical Illness (25) Regular Pay can be chosen. Under any circumstance, rider sum assured of each rider cannot be more than base policy sum assured on death.

These riders are regular premium paying riders and hence are available only for terms up to the premium paying term of the base plan.

Further details of all these riders are available separately in brochures &Terms and Conditions of each rider.

D. Tax Benefits

Policyholder buying this policy may be eligible for tax benefits under following Sections of the Income Tax Act, 1961, subject to provisions contained therein.

- U/S 80C of the Income Tax Act 1961 on your premiums paid#
- U/S 10(10D) of the Income Tax Act 1961 on the survival and maturity proceeds of your policy#
- U/S 80 D of Income Tax Act 1961 on the premium paid towards critical illness rider, if opted for#

If the Sum Assured on death is less than 10 times the contractual base annualized premium, certain income tax benefits are not applicable and in particular, presently the maturity proceeds are taxable if the Sum Assured on Death is less than 10 times, under Sec 10(10D)

#The aforesaid tax benefits are subject to change in tax laws and to the terms set out in the said Sections. We therefore urge you to carefully analyze in consultation with your tax advisor the tax benefits/tax implications, if any that may arise on saving in this policy.

E. Loan Benefit

You have the flexibility to take a loan against your Policy in case of financial emergencies. Loan provisions under this policy are mentioned in the Terms and Conditions.

F. Benefit of paying higher premium

HDFC Life Income Advantage Plan rewards you with a premium discount if you pay higher premium amount. The premium slabs and applicable discounts on premium (excluding rider premium, and GST, if any) are summarized below;

Premium Discount as % of Annualised Premium			
PPT	**Annualized Premium (₹)**		
	Up to 47,999	**48,000-95,999**	**96,000 & Above**
8 Years	Nil	1%	2%
12 years	Nil	1%	4%
15 years	Nil	2%	6%

How HDFC Life Income Advantage Plan works

Step 1	▪ Choose the Survival Benefit Option, policy term / premium payment term & mode ▪ Choose Income Payout Mode as Annual for Option A (Pure Income Benefit) and Annual/Monthly for Option B (Income with Maturity Benefit) ▪ Choose the Basic Sum Assured to arrive at the Guaranteed Income you want to have after completion of chosen premium payment term
Step 2	▪ Based on the parameters chosen above and your age at entry, the premium payable by you will be calculated ▪ Sum Assured on Death payable to nominee in case of demise of life assured will be calculated
Benefit Payable	▪ After premium payment term is over, you will start receiving Guaranteed Income during benefit payout term, along with applicable vested bonuses, if declared as per the survival benefit option chosen. ▪ In case of demise of the life assured, Sum Assured on Death along with applicable bonuses, if declared will be paid as death benefit to the nominee.

Let's understand with the help of three case studies

CASE STUDY 1

Mr. Rao is a 45 year old businessman living with his wife and 2 children - 13 year old daughter Niharika and 10 year old son Aarav. He is worried about future due to cyclical nature of his income and wants to invest in a retirement solution that assures him a steady stream of high regular income during his golden years. He also wants to financially protect his family in case of his demise, not only during the earning years but later as well.

He opts for HDFC Life Income Advantage Plan (Option A – Pure Income Benefit) with Annual Income Payout Mode and chooses to pay ₹1,00,000 annually for 15 years with policy term of 30 years.

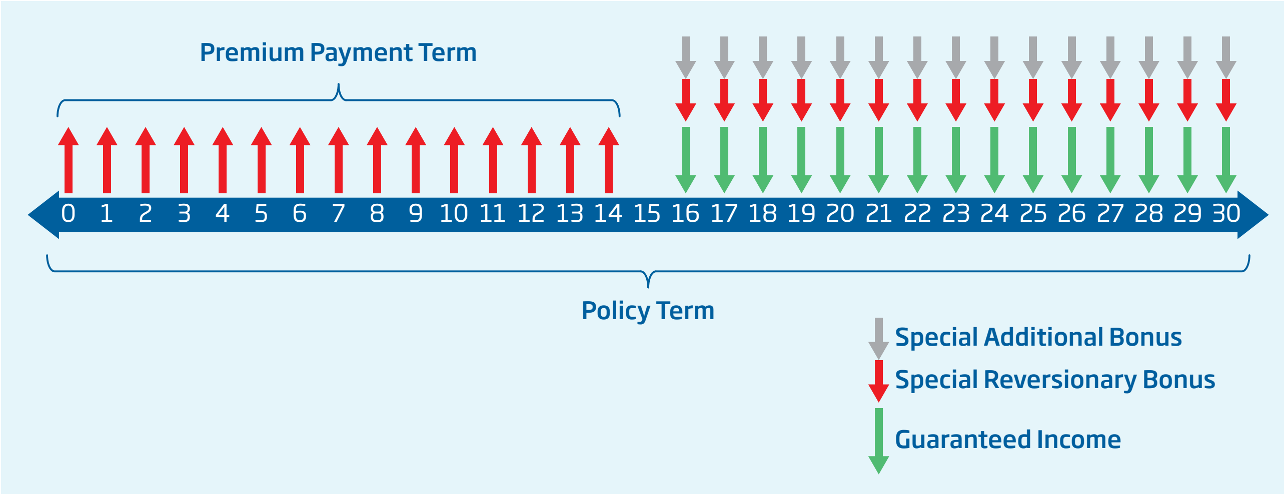
Illustration for Mr. Rao

Age at Entry (Yrs.)	Annual Premium (₹)	Basic Sum Assured (₹)	Applicable GI multiple (% of Basic Sum Assured to calculate GI)	Annual Guaranteed Income Payable (₹)	Sum Assured on Death (₹)	Total Annual Inome (including non-guaranteed bonus) assuming investment return of 4% p.a. (₹)	Total Annual Income (including non-guaranteed bonus) assuming investment return of 8% p.a. (₹)
45	1,00,000	9,50,088	13.35%	1,26,837	10,00,000	1,26,837	2,12,345

Please note:

1. GST shall be charged extra as per applicable rates.
2. In addition to the benefits illustrated in table, terminal Bonus, if declared, will be paid on policy maturity or on earlier death.

Survival benefit opted by Mr. Rao : Option A - Pure Income Benefit



Needs Fulfilled

1. Mr. Rao starts receiving regular income* every year when he turns 60 years old to enjoy his life peacefully in his golden years of life.

   Income* (assuming investment return of 8% p.a.) – ₹2,12,345 p.a. from end of 16th year onwards, annually, till end of 30th year.

   Income* (assuming investment return of 4% p.a.) – ₹1,26,837 p.a. from end of 16th year onwards, annually, till end of 30th year.

2. In case of an unfortunate demise of Mr. Rao during the policy term, this policy financially protects his family by paying ₹10 lakhs with applicable bonuses.

3. Mr. Rao can avail tax benefit under section 80 C on the premiums paid by him

   *Tax on income payable will be applicable as per prevailing income tax laws. The values depicted with assumed rate of return at 4% and 8% p.a. are not guaranteed and they are not the upper or lower limits of returns of what one can expect and that the returns are subject to number of factors including future investment performance.

CASE STUDY 2

Ravi is 35 years old professional living with his family including his wife and their one year old daughter. Although he is earning sufficiently to take care of his family's current needs, he understands the need of additional but guaranteed source of income to meet regularly growing expenses in future as his daughter is growing up and a lump sum amount to financially support his daughter's marriage expenses. He plans to buy HDFC Life Income Advantage Plan and opts for Option B – Income with Maturity Benefit as survival benefit option, with Annual Income Payout Mode and pays ₹1,00,000 annually for 12 years with policy term of 24 years.

Illustration for Ravi:

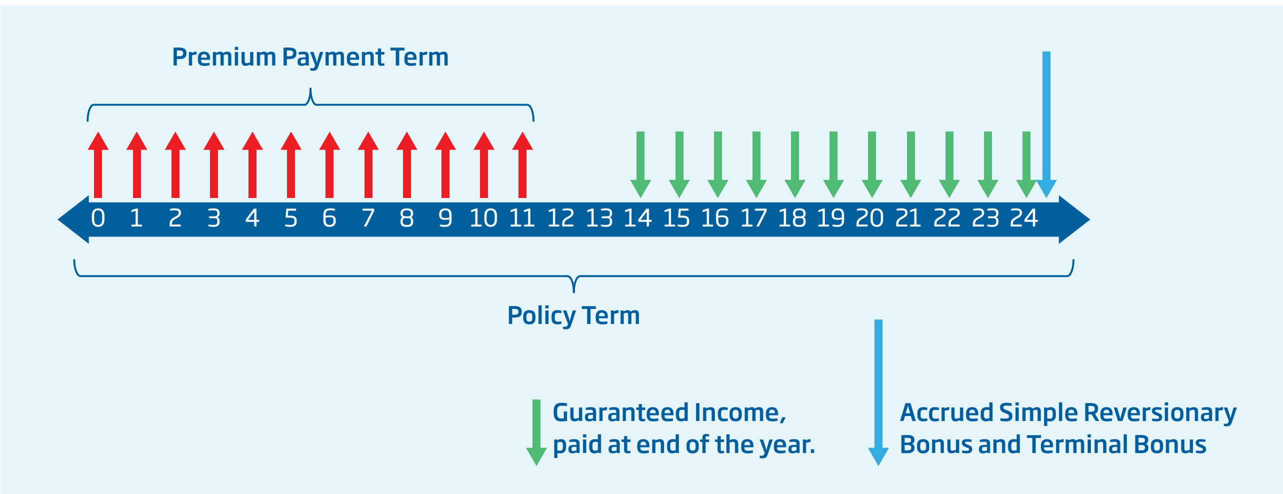
Age at Entry (Yrs.)	Annual Premium (₹)	Basic Sum Assured (₹)	Applicable GI multiple \ (% of Basic Sum Assured to calculate GI)	Annual Guaranteed Income Payable (₹)	Sum Assured on Death (₹)	Total maturity benefit (including last installment of GI and Non-guaranteed bonus) assuming investment return of 4% p.a. (₹)	Total maturity benefit (including last installment of GI and Non-guaranteed bonus) assuming investment return of 8% p.a. (₹)
35	1,00,000	7,40,885	16.67%	1,23,505	10,00,000	2,12,412	12,64,468

Please note:

1. Total Maturity Benefit includes last installment of Guaranteed Income
2. GST shall be charged extra as per applicable rates.

Survival benefit opted by Mr. Ravi : Option B - Income with Maturity Benefit

Income Payout Mode: Annual



Needs Fulfilled

1. Ravi starts receiving Guaranteed Income* of ₹1,23,505 by the time his daughter is 14 years old. With this Ravi can ensure that he fulfills the needs of his growing daughter.
2. Ravi gets maturity amount as lump sum when his daughter is 25 years old. This amount helps Ravi for his daughter's marriage expenses.

   Maturity amount* including last guaranteed income payout – ₹12,64,468 (Assuming investment return of 8% p.a.)

   Maturity amount* including last guaranteed income payout – ₹2,12,412 (Assuming investment return of 4% p.a.)
3. In case of an unfortunate demise of Ravi during the policy term, this policy financially protects his family by paying death benefit amount of ₹10 lakhs and applicable bonuses.
4. Ravi can avail for tax benefits U/S 80 C of Income Tax Act, 1961, on annual premium paid by him.

*Tax on income payable will be applicable as per prevailing income tax laws. The values depicted with assumed rate of return at 4% and 8% p.a. are not guaranteed and they are not the upper or lower limits of returns of what one can expect and that the returns are subject to number of factors including future investment

CASE STUDY 3

Ravi is 35 years old professional living with his family including his wife and their one year old daughter. Although he is earning sufficiently to take care of his family's current needs, he understands the need of additional but guaranteed source of income to meet regularly growing expenses in future as his daughter is growing up and a lump sum amount to financially support his daughter's marriage expenses. He plans to buy HDFC Life Income Advantage Plan and opts for **Option B – Income with Maturity Benefit** as survival benefit option, with Monthly Income Payout Mode and pays ₹1,00,000 annually for 12 years with policy term of 24 years.

Illustration for Ravi:

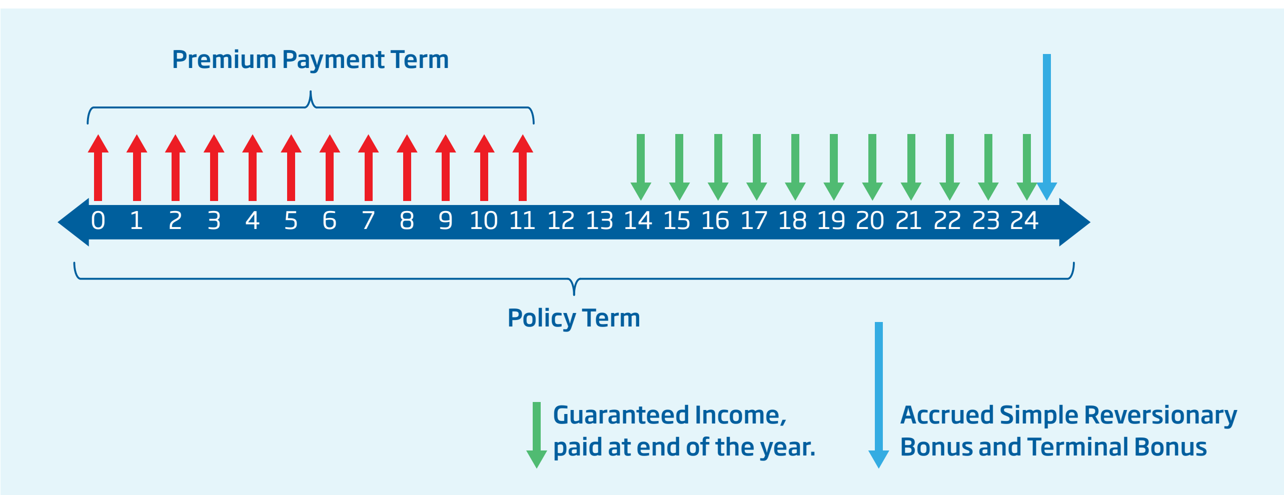
Age at Entry (Yrs.)	Annual Premium (₹)	Basic Sum Assured (₹)	Applicable GI multiple \ (% of Basic Sum Assured to calculate GI)	Annual Guaranteed Income Payable (₹)	Sum Assured on Death (₹)	Total maturity benefit (including last installment of GI and Non-guaranteed bonus) assuming investment return of 4% p.a. (₹)	Total maturity benefit (including last installment of GI and Non-guaranteed bonus) assuming investment return of 8% p.a. (₹)
35	1,00,000	7,40,885	1.33%	9,854	10,00,000	1,43,213	11,50,816

Please note:

1. Total Maturity Benefit includes last installment of Guaranteed Income
2. GST shall be charged extra as per applicable rates.

Survival benefit opted by Mr. Ravi : Option B - Income with Maturity Benefit

Income Payout Mode: Monthly



Needs Fulfilled

1. Ravi starts receiving Guaranteed Income* of ₹9854, every month, by the time his daughter is 13 years old. With this Ravi can ensure that he fulfills the needs of his growing daughter.

2. Ravi gets maturity amount as lump sum when his daughter is 25 years old. This amount helps Ravi for his daughter's marriage expenses.

   Maturity amount* including last guaranteed income payout – ₹11,50,816 (Assuming investment return of 8% p.a.)

   Maturity amount* including last guaranteed income payout – ₹1,43,213 (Assuming investment return of 4% p.a.)

3. In case of an unfortunate demise of Ravi during the policy term, this policy financially protects his family by paying death benefit amount of ₹10 lakhs and applicable bonuses.

4. Ravi can avail for tax benefits U/S 80 C of Income Tax Act, 1961, on annual premium paid by him.

   *Tax on income payable will be applicable as per prevailing income tax laws. The values depicted with assumed rate of return at 4% and 8% p.a. are not guaranteed and they are not the upper or lower limits of returns of what one can expect and that the returns are subject to number of factors including future investment performance.

Find out your eligibility

Eligibility Parameters	Policy Term (Years)		
	16	**24**	**30**
Premium Payment Term (Years)	8	12	15
Benefit Payout Term (Years)	8	12	15
Minimum Age at Entry (as on last b'day)	10 years	6 years	3 years
Maximum Age at Entry (as on last b'day)	55 years	55 years	50 years
Minimum Age at Maturity	26 Years	30 years	33 years
Maximum Age at Maturity	71 Years	79 years	80 years
Minimum Premium (₹)	Annual : 30,000 Monthly : 2,724 Half-Yearly : 15,470	Annual : 18,000 Monthly : 1,635 Half-Yearly : 9,300	Annual : 12,000 Monthly : 1,090 Half-Yearly : 6,190
Maximum Premium (₹)	No Limit (subject to board approved underwriting policy)		
Premium Payment Frequency	Annual, Half-Yearly, Monthly#		
Income Payout Mode##	Option A: Annual only		
	Option B: Annual, Monthly		

#For monthly mode, 3 monthly premiums are collected in advance on the date of commencement of the policy.

Income Payout Mode chosen can be changed at any time, before the end of the Premium Payment Term.

TERMS AND CONDITIONS

A. **Grace Period:** Grace Period is an extra time period after the premium payment due date which is provided to you for your convenience in paying the premium. Grace period is 15 days for monthly premium payment mode and 30 days for other premium payment modes available.

B. **Lapsation:** If at least 2 full years' premiums have not been paid, the policy will lapse on the date of expiry of grace period. Once the policy lapses, all benefits under the policy will cease until the policy is revived for full benefits. A lapse policy will cease to participate in the participatory fund until the policy is revived for full benefits.

C. **Reduced Paid up:** If at least 2 full years' premiums have been paid and further premiums are unpaid and the policy is not surrendered, the policy will acquire the status of reduced paid up on the date of expiry of grace period up till the policy is revived for full benefits. Once the policy is paid up it will cease to participate in the profits of participating fund until the policy is revived for full benefits. However, any bonus, if declared already vested till the date of policy acquiring status of reduced paid up will remain vested with the policy and would be payable as a part of policy benefits. Instead of continuing with the reduced paid-up policy one can surrender the policy.

The benefits payable under the policy will reduce on policy acquiring reduced paid up status, as per the formula mentioned below:

Reduced Paid-Up Benefits under Survival Benefit Option A – Pure Income Benefit

Reduced Paid-Up Death Benefit during premium payment term

$$\text{Reduced Paid - up Death Benefit} = \frac{\text{Number of premiums paid}}{\text{Total number of premiums payable}} \times \text{(Sum Assured on Death) + Vested SRB, if any, accrued before policy acquiring reduced paid up status}$$

Reduced Paid-Up Death Benefit during benefit payout term

$$\text{Reduced Paid - up Death Benefit} = \frac{\text{Number of premiums paid}}{\text{Total number of premiums payable}} \times \text{(Sum Assured on Death) + Vested SRB, if any, accrued before policy acquiring reduced paid up status excluding Vested SRB already paid, if any.}$$

Reduced Paid-Up Survival Benefit

$$\text{Reduced Paid - up Survival Benefit} = \frac{\text{Number of premiums paid}}{\text{Total number of premiums payable}} \times \text{(Guaranteed Income) + Vested Simple Reversionary Bonus, if any, accrued before policy acquiring paid up status, and shall be paid as originally scheduled}$$

Reduced Paid-Up Maturity Benefit

$$\text{Reduced Paid - up Maturity Benefit} = \frac{\text{Number of premiums paid}}{\text{Total number of premiums payable}} \times \text{(Last installment of Guaranteed Income)}$$

Reduced Paid-Up Benefits under Survival Benefit Option B – Income with Maturity Benefit

Reduced Paid-Up Death Benefit

$$\text{Reduced Paid - up Death Benefit} = \frac{\text{Number of premiums paid}}{\text{Total number of premiums payable}} \times \text{(Sum Assured on Death) + Vested SRB, if any, accrued before policy acquiring reduced paid up status}$$

Reduced Paid-Up Survival Benefit

$$\text{Reduced Paid - up Maturity Benefit} = \frac{\text{Number of premiums paid}}{\text{Total number of premiums payable}} \times \text{(Guaranteed Income)}$$

Reduced Paid-Up Maturity Benefit

$$\text{Reduced Paid - up Maturity Benefit} = \frac{\text{Number of premiums paid}}{\text{Total number of premiums payable}} \times \begin{array}{c}\text{(Last installment of Guaranteed Income) + Vested} \\ \text{Simple Reversionary Bonus, if any, accrued before} \\ \text{the Policy acquiring reduced paid up status}\end{array}$$

Revival: Policy can be revived during the policy term but within a period of five years from the date of first unpaid premium by submitting the proof of continued insurability to the satisfaction of the board approved underwriting policy and making the payment of all due premiums together with payment of late fees calculated at such interest rate as may be prevailing at the time of the payment.

The interest rate is set as per the formula below and is subject to IRDAI's approval:

Bank rate fixed by RBI as on 1st April + 2.5%, rounded up to a multiple of 50 basis points. The Revival interest rate for financial year 2022-23 is 9.5%.

If needed the company may refer it to its medical examiner in deciding on revival of lapsed policy.

D. **Surrender:** In order to honour unexpected commitments or needs, a Surrender option is available. This policy can be surrendered if at least two full year's premiums are paid. The surrender benefits are payable immediately on surrender. All benefits under the policy shall automatically terminate upon payment of surrender benefit.

The surrender benefit is higher of the Special Surrender Value (SSV), if any or the Guaranteed Surrender Value (GSV), after deduction of any loans under the Policy. GSV and SSV are as follows:

Guaranteed Surrender Value (GSV): GSV depends on the year of Surrender. GSV (subject to minimum of zero) is the sum of the following:

1. GSV Factor 1 multiplied by the total amount of premiums paid excluding the premium for extra mortality rating, if any.
2. GSV Factor 2 multiplied by (vested SRB minus vested SRB already paid during benefit payout term till the date of surrender, if any), less
3. Sum of all Guaranteed Income paid till date of surrender, if any.

The GSV Factors increase with the policy duration and are provided in the table below:

Policy Year/PPT	GSV Factor 1 (as a percentage of premiums paid)			GSV Factor 2 (as a percentage of (Vested SRB minus Vested SRB already paid during the Benefit Payout Term))					
				Option A			Option B		
	8	12	15	8	12	15	8	12	15
2	30%	30%	30%	10%	10%	10%	10%	10%	10%
3	35%	35%	35%	10%	10%	10%	10%	10%	10%
4	50%	50%	50%	15%	15%	15%	15%	15%	15%
5	50%	50%	50%	15%	15%	15%	15%	15%	15%
6	50%	50%	50%	20%	15%	15%	20%	15%	15%
7	50%	50%	50%	20%	15%	15%	20%	15%	15%
8	55%	55%	50%	20%	20%	15%	20%	20%	15%
9	60%	55%	55%	20%	20%	15%	25%	20%	15%
10	65%	60%	55%	25%	20%	15%	30%	20%	15%
11	70%	60%	55%	25%	20%	20%	30%	20%	20%
12	75%	65%	60%	25%	20%	20%	30%	20%	20%
13	80%	65%	60%	25%	25%	20%	30%	30%	20%
14	85%	70%	65%	30%	25%	20%	35%	30%	20%
15	90%	70%	65%	30%	25%	25%	35%	30%	25%
16	90%	75%	65%	30%	25%	25%	35%	30%	30%
17		75%	70%		30%	25%		35%	30%
18		80%	70%		30%	25%		35%	30%
19		80%	70%		30%	25%		35%	30%
20		80%	75%		30%	25%		35%	30%
21		85%	75%		30%	30%		40%	35%
22		90%	75%		30%	30%		40%	35%
23		90%	80%		30%	30%		40%	35%
24		90%	80%		30%	30%		40%	35%
25			85%			30%			35%
26			85%			30%			40%
27			85%			30%			40%
28			90%			30%			40%
29			90%			30%			40%
30			90%			30%			40%

Special Surrender Value (SSV): Policy will acquire a special surrender value, if at least two full years' Premiums have been paid. SSV will be declared by Company from time to time subject to prior approval of IRDAI and is not guaranteed.

All benefits under the policy shall automatically terminate upon payment of Surrender Value.

E. **Policy Loan:** At any time if at least two full years' premiums have been paid, and if any surrender value is available under the policy, policyholder may obtain a loan on the sole security of the policy and on its proper assignment to the Company. The maximum loan amount that will be advanced at any one time or more than one time shall not exceed 80% of the available surrender value at that point of time and provided that the amount of the loan is not less than ₹1,000.

The loan interest rate is determined by the Company from time to time and will be subject to IRDAI's approval, basis formula below on 1st April of every year and is available upon written request.

The loan interest rate is set as per the formula below on 1st April every year:

Bank rate fixed by RBI as on 1st April + 3%, rounded up to a multiple of 50 basis points.

The Policy loan interest rate for financial year 2022-2023 is 9.5%.

The rate will be reviewed annually. Any change to the basis of determination of interest rate can be made only after prior approval of the Authority.

Any fresh loan within the permissible limit will be the difference between maximum permissible loan amount less any outstanding loan with accumulated interest, if any. All outstanding loans and interest thereon shall be deducted from any benefits payable under the Policy. For in-force or fully paid-up policies, if at any point of time, the loan along with outstanding interest accrued or accumulated, exceeds the surrender value payable under the Policy, the Policy shall not be forfeited. Except for in-force or fully paid-up policies, if at any point of time, the outstanding loan along with outstanding accrued interest exceeds the surrender value payable under the Policy, the Policy will be foreclosed after giving intimation and reasonable opportunity to the Policyholder to continue the Policy.

F. **Death Benefit for Minor Life Assured:** If Age of the Life Assured is greater than or equal to 12 years, the risk will commence immediately from the Risk Commencement Date. If the Age of Life Assured is less than 12 years, the risk will commence under the Policy (that is full death benefit will become payable on death of Life Assured) on the last day of second Policy Year. If the Age of Life Assured is less than 12 years and if the Life Assured dies before the last day of the second Policy Year, the Death Benefit shall be restricted to refund of Premiums without interest.

G. **Free Look Period:** In case you disagree with any of the terms and conditions of the policy, you have a period of 15 days (30 days if the Policy is sourced through Distance Marketing# as provided in Distance Marketing Guidelines IRDA/ADMN/GDL/MISC/059/04/2011 dated 05/04/2011) from the date of receipt of the Policy Document to review the terms and conditions of this Policy and if you disagrees with any of the terms and conditions, you shall have the option to return the Policy to the Company for cancellation, stating the reasons for your objections. Upon such Free- Look cancellation, the Company shall return the Premium paid subject to deduction of a proportionate risk Premium for the period of insurance cover in addition to the expenses incurred on medical examination (if any) and the stamp duty charges. All Benefits and rights under this Policy shall immediately stand terminated on the cancellation of the Policy.

#Distance Marketing includes solicitation through all modes other than in person.

H. **Suicide Exclusion:** In case of death due to suicide within 12 months from the Date of Commencement of Risk under the policy or from the date of Revival of the policy, as applicable, the Eligible Person shall be entitled to at least 80% of the Total Premiums Paid till the date of death or the Surrender Value available as on the date of death whichever is higher, provided the policy is in force.

I. Modal Factors: You may choose to pay your premiums Annually, Half-Yearly or Monthly. Following factors are applied to premium for the premium paying modes available

Mode of Premium	Multiplicative Factor
Monthly	1
Half Yearly	5.68
Annual	11.01

In case the premium payment mode change is sought from annual to monthly mode, the annual premium shall be divided by Annual modal factor, that is 11.01, to calculate the monthly premium payable from effective policy anniversary date.

In case the premium payment mode change is sought from monthly to annual mode, the monthly premium shall be multiplied by Annual modal factor, that is 11.01, to calculate the Annual premium payable from effective policy anniversary date.

In case the premium payment mode change is sought from annual to half-yearly mode, the annual premium shall be divided by Annual modal factor, that is 11.01, and then multiplied by Half-Yearly modal factor, that is 5.68, to calculate the half-yearly premium payable from effective policy anniversary date.

In case the premium payment mode change is sought from half-yearly to annual mode, the half-yearly premium shall be divided by Half-Yearly modal factor, that is 5.68, and then multiplied by Annual Modal factor, that is 11.01, to calculate the annual premium payable from effective policy anniversary date.

##For Monthly mode: 3 Monthly premiums are collected in advance on the date of commencement of the policy.

J. Alterations: No alterations are allowed to the benefits payable under this Policy.

K. Assignment Provisions: Assignment should be in accordance with provisions of Section 38 of the Insurance Act 1938 as amended from time to time.

L. Nomination Provisions: Nomination should be in accordance with provisions of Section 39 of the Insurance Act 1938 as amended from time to time.

M. Risk factors:

A) HDFC Life Income Advantage Plan is a Non-Linked, Participating Individual Life Insurance Savings Product.

B) HDFC Life Insurance Company Limited is only the name of the Insurance Company and HDFC Life Income Advantage Plan is only the name of the product and does not in any way indicate the quality of the product, its future prospect or returns.

C) This product guarantees payment of the Guaranteed Income on survival of the Life Assured till completion of the policy term and Sum Assured on Death if death of Life Assured occurs during the policy term.

D) Simple Reversionary Bonus, Special Additional Bonus and Terminal Bonus are not guaranteed and depend on participating fund's performance.

E) Past performance is not an indication for the future performance.

F) The purpose of this brochure is to provide a general overview about this policy. The information herein is indicative of the terms, conditions and exceptions contained in the policy terms and conditions of HDFC Life Income Advantage Plan. Please refer to the policy terms and conditions to understand in detail the associated risks, benefits, etc.

G) In the event of any inconsistency / ambiguity between the terms contained herein and the policy terms and conditions, the policy terms and conditions will prevail.

H) The acceptance of the proposal shall be subject to prevailing board approved underwriting policy.

Section 41: Prohibition of Rebate: Prohibition of Rebate: Under the provisions of Section 41 of the Insurance Act, 1938 as amended from time to time

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

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

ANNEXURE - (1)

Section 38 - Assignment and Transfer of Insurance Policies:

Assignment or transfer of a policy should be in accordance with Section 38 of the Insurance Act, 1938 as amended from time to time. The extant provisions in this regard are as follows:

01. This policy may be transferred/assigned, wholly or in part, with or without consideration.
02. An Assignment may be effected in a policy by an endorsement upon the policy itself or by a separate instrument under notice to the Insurer.
03. The instrument of assignment should indicate the fact of transfer or assignment and the reasons for the assignment or transfer, antecedents of the assignee and terms on which assignment is made.
04. The assignment must be signed by the transferor or assignor or duly authorized agent and attested by at least one witness.
05. The transfer of assignment shall not be operative as against an insurer until a notice in writing of the transfer or assignment and either the said endorsement or instrument itself or copy there of certified to be correct by both transferor and transferee or their duly authorised agents have been delivered to the insurer.
06. Fee to be paid for assignment or transfer can be specified by the Authority through Regulations.
07. On receipt of notice with fee, the insurer should Grant a written acknowledgement of receipt of notice. Such notice shall be conclusive evidence against the insurer of duly receiving the notice.
08. If the insurer maintains one or more places of business, such notices shall be delivered only at the place where the policy is being serviced.
09. The insurer may accept or decline to act upon any transfer or assignment or endorsement, if it has sufficient reasons to believe that it is
    a. not bonafide or
    b. not in the interest of the policyholder or
    c. not in public interest or
    d. is for the purpose of trading of the insurance policy.
10. Before refusing to act upon endorsement, the Insurer should record the reasons in writing and communicate the same in writing to Policyholder within 30 days from the date of policyholder giving a notice of transfer or assignment.
11. In case of refusal to act upon the endorsement by the Insurer, any person aggrieved by the refusal may prefer a claim to IRDAI within 30 days of receipt of the refusal letter from the Insurer.
12. The priority of claims of persons interested in an insurance policy would depend on the date on which the notices of assignment or transfer is delivered to the insurer; where there are more than one instruments of transfer or assignment, the priority will depend on dates of delivery of such notices. Any dispute in this regard as to priority should be referred to Authority.
13. Every assignment or transfer shall be deemed to be absolute assignment or transfer and the assignee or transferee shall be deemed to be absolute assignee or transferee, except
    a. where assignment or transfer is subject to terms and conditions of transfer or assignment OR
    b. where the transfer or assignment is made upon condition that

i. the proceeds under the policy shall become payable to policyholder or nominee(s) in the event of assignee or transferee dying before the insured OR

ii. the insured surviving the term of the policy

Such conditional assignee will not be entitled to obtain a loan on policy or surrender the policy. This provision will prevail notwithstanding any law or custom having force of law which is contrary to the above position.

14. In other cases, the insurer shall, subject to terms and conditions of assignment, recognize the transferee or assignee named in the notice as the absolute transferee or assignee and such person

    a. shall be subject to all liabilities and equities to which the transferor or assignor was subject to at the date of transfer or assignment and

    b. may institute any proceedings in relation to the policy

    c. obtain loan under the policy or surrender the policy without obtaining the consent of the transferor or assignor or making him a party to the proceedings

15. Any rights and remedies of an assignee or transferee of a life insurance policy under an assignment or transfer effected before commencement of the Insurance Laws (Amendment) Ordinance, 2014 shall not be affected by this section.

[Disclaimer: This is not a comprehensive list of amendments. Policyholders are advised to refer to Section 38 of the Insurance Act, 1938, as amended from time to time for complete and accurate details.]

ANNEXURE - (2)

Section 39 - Nomination by policyholder:

Nomination of a life insurance policy should be in accordance with Section 39 of the Insurance Act, 1938 as amended from time to time. The extant provisions in this regard are as follows:

01. The policyholder of a life insurance on his own life may nominate a person or persons to whom money secured by the policy shall be paid in the event of his death.
02. Where the nominee is a minor, the policyholder may appoint any person to receive the money secured by the policy in the event of policyholder's death during the minority of the nominee. The manner of appointment to be laid down by the insurer.
03. Nomination can be made at any time before the maturity of the policy.
04. Nomination may be incorporated in the text of the policy itself or may be endorsed on the policy communicated to the insurer and can be registered by the insurer in the records relating to the policy.
05. Nomination can be cancelled or changed at any time before policy matures, by an endorsement or a further endorsement or a will as the case may be.
06. A notice in writing of Change or Cancellation of nomination must be delivered to the insurer for the insurer to be liable to such nominee. Otherwise, insurer will not be liable if a bonafide payment is made to the person named in the text of the policy or in the registered records of the insurer.
07. Fee to be paid to the insurer for registering change or cancellation of a nomination can be specified by the Authority through Regulations.
08. On receipt of notice with fee, the insurer should grant a written acknowledgement to the policyholder of having registered a nomination or cancellation or change thereof.
09. A transfer or assignment made in accordance with Section 38 shall automatically cancel the nomination except in case of assignment to the insurer or other transferee or assignee for purpose of loan or against security or its reassignment after repayment. In such case, the nomination will not get cancelled to the extent of insurer's or transferee's or assignee's interest in the policy. The nomination will get revived on repayment of the loan.
10. The right of any creditor to be paid out of the proceeds of any policy of life insurance shall not be affected by the nomination.
11. In case of nomination by policyholder whose life is insured, if the nominees die before the policyholder, the proceeds are payable to policyholder or his heirs or legal representatives or holder of succession certificate.
12. In case nominee(s) survive the person whose life is insured, the amount secured by the policy shall be paid to such survivor(s).
13. Where the policyholder whose life is insured nominates his
    a. parents or
    b. spouse or
    c. children or
    d. spouse and children
    e. or any of them

the nominees are beneficially entitled to the amount payable by the insurer to the policyholder unless it is proved that policyholder could not have conferred such beneficial title on the nominee having regard to the nature of his title.

14. If nominee(s) die after the policyholder but before his share of the amount secured under the policy is paid, the share of the expired nominee(s) shall be payable to the heirs or legal representative of the nominee or holder of succession certificate of such nominee(s).

15. The provisions of sub-section 7 and 8 (13 and 14 above) shall apply to all life insurance policies maturing for payment after the commencement of Insurance Laws (Amendment) Ordinance, 2014 (i.e 26.12.2014).

16. If policyholder dies after maturity but the proceeds and benefit of the policy has not been paid to him because of his death, his nominee(s) shall be entitled to the proceeds and benefit of the policy.

17. The provisions of Section 39 are not applicable to any life insurance policy to which Section 6 of Married Women's Property Act, 1874 applies or has at any time applied except where before or after Insurance Laws (Ordinance) 2014, a nomination is made in favour of spouse or children or spouse and children whether or not on the face of the policy it is mentioned that it is made under Section 39. Where nomination is intended to be made to spouse or children or spouse and children under Section 6 of MWP Act, it should be specifically mentioned on the policy. In such a case only, the provisions of Section 39 will not apply.

[Disclaimer: This is not a comprehensive list of amendments. Policyholders are advised to refer to Section 39 of the Insurance Act, 1938, as amended from time to time for complete and accurate details.]

ANNEXURE - (3)

Section 45 - Policy shall not be called in question on the ground of mis-statement after three years:

Provisions regarding policy not being called into question in terms of Section 45 of the Insurance Act, 1938, as amended from time to time. The extant provisions in this regard are as follows:

01. No Policy of Life Insurance shall be called in question o**n any ground whatsoever** after expiry of 3 yrs from
    a. the date of issuance of policy or
    b. the date of commencement of risk or
    c. the date of revival of policy or
    d. the date of rider to the policy

    whichever is later.

02. On the ground of fraud, a policy of Life Insurance may be called in question within 3 years from
    a. the date of issuance of policy or
    b. the date of commencement of risk or
    c. the date of revival of policy or
    d. the date of rider to the policy

    whichever is later.

    For this, the insurer should communicate in writing to the insured or legal representative or nominee or assignees of insured, as applicable, mentioning the ground and materials on which such decision is based.

03. Fraud means any of the following acts committed by insured or by his agent, with the intent to deceive the insurer or to induce the insurer to issue a life insurance policy:
    a. The suggestion, as a fact of that which is not true and which the insured does not believe to be true;
    b. The active concealment of a fact by the insured having knowledge or belief of the fact;
    c. Any other act fitted to deceive; and
    d. Any such act or omission as the law specifically declares to be fraudulent.

04. Mere silence is not fraud unless, depending on circumstances of the case, it is the duty of the insured or his agent keeping silence to speak or silence is in itself equivalent to speak.

05. No Insurer shall repudiate a life insurance Policy on the ground of Fraud, if the Insured / beneficiary can prove that the misstatement was true to the best of his knowledge and there was no deliberate intention to suppress the fact or that such mis-statement of or

    suppression of material fact are within the knowledge of the insurer. Onus of disproving is upon the policyholder, if alive, or beneficiaries.

06. Life insurance Policy can be called in question within 3 years on the ground that any statement of or suppression of a fact material to expectancy of life of the insured was incorrectly made in the proposal or other document basis which policy was issued or revived or rider issued. For this, the insurer should communicate in writing to the insured or legal representative or nominee or assignees of insured, as applicable, mentioning the ground and materials on which decision to repudiate the policy of life insurance is based.

07. In case repudiation is on ground of mis-statement and not on fraud, the premium collected on policy till the date of repudiation shall be paid to the insured or legal representative or nominee or assignees of insured, within a period of 90 days from the date of repudiation.

08. Fact shall not be considered material unless it has a direct bearing on the risk undertaken by the insurer. The onus is on insurer to show that if the insurer had been aware of the said fact, no life insurance policy would have been issued to the insured.

09. The insurer can call for proof of age at any time if he is entitled to do so and no policy shall be deemed to be called in question merely because the terms of the policy are adjusted on subsequent proof of age of life insured. So, this Section will not be applicable for questioning age or adjustment based on proof of age submitted subsequently.

[Disclaimer: This is not a comprehensive list of amendments. Policyholders are advised to refer to Section 45 of the Insurance Act, 1938, as amended from time to time for complete and accurate details.]

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Registered Office: 13th Floor, Lodha Excelus, Apollo Mills Compound, N. M. Joshi Marg, Mahalaxmi, Mumbai - 400 011.
Email: service@hdfclife.com, Tel. No: 1860 267 9999 (Mon-Sat 10 am to 7 pm) Local charges apply. Do NOT prefix any country code. e.g. +91 or 00. Website: www.hdfclife.com

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