

# Secure your family's future with the power of enhanced<sup>1</sup> protection and market-linked returns

NEW

## HDFC Life Smart Protect Plan

A Non-Participating, Individual Life Unit-Linked Insurance Plan



Higher insurance cover along with market-linked returns<sup>1</sup>



Most charges returned as Loyalty Additions<sup>2</sup>



Choose a plan option as per your needs<sup>3</sup>

Corporate Agent:



<sup>1</sup> Higher Sum Assured multiple available subject to underwriting

<sup>2</sup> Loyalty Additions available under this plan – a) Return of 2X to 3X Mortality Charge from 11th policy year, b) Return of 2X Premium Allocation Charge from policy year 10 to 13, c) Return of Fund Management Charge (FMC) on Maturity, d) Return of 2X of Investment Guarantee Charge on Maturity

<sup>3</sup> 4 plan options available under the plan – Level Cover, Level Cover with Capital Guarantee, Decreasing Cover, or Decreasing Cover with Capital Guarantee

# HDFC Life Smart Protect Plan

A Non-Participating, Individual Life Unit Linked Insurance Plan

**The Unit Linked Insurance Products do not offer any liquidity during the first five years of the contract. The policyholder will not be able to surrender or withdraw the monies invested in Unit Linked Insurance Products completely or partially till the end of the fifth year.**

You always dream a bright future for you and your loved ones. Be it children's education, retirement planning or long-term wealth creation, you plan every bit of this uncertain future to make it more certain and predictable. You make sure that your money grows and also, the wealth you create is protected against any potential downfall, so that your loved ones' dreams are fulfilled, even when you are not there to witness it. A Life Insurance plan offers financial protection against such unforeseen events.

We at HDFC Life understand this and are proud to present **HDFC Life Smart Protect Plan**, a Unit Linked Life Insurance Plan, that addresses your **long-term savings needs** and also provides you **protection** in the form of a life cover.

## KEY FEATURES

- Option to choose a cover which fits your needs and maximises your benefits with **4 plan options**
- Option to **reduce your death benefit** after a chosen period under Decreasing Cover and Decreasing Cover with Capital Guarantee plan options
- Get **minimum Assured Benefit on Maturity** under Level Cover with Capital Guarantee and Decreasing Cover with Capital Guarantee plan options
- Choice of **5 fund options** with unlimited free switching\*
- **Return of 2X to 3X Mortality Charge** from 11th policy year
- **Return of 2X Premium Allocation Charge** from policy year 10 to 13 years
- **Return of Fund Management Charge (FMC)** on Maturity
- **Return of 2X of Investment Guarantee Charge** on Maturity^
- **Systematic Transfer Plan strategy** for advantage of Rupee Cost Averaging
- Premium payment options of Limited pay and Regular Pay

\* available under Level Cover and Decreasing Cover plan options

^ available under Level Cover with Capital Guarantee and Decreasing Cover with Capital Guarantee plan options

Parameters	Minimum	Maximum
Age at Entry	Life Assured: 0 years (30 days) Proposer: 18 years	Life Assured: 60 years Proposer: No Limit
Age at Maturity	25 years	100 years

Parameters	Minimum		Maximum	
Premium Payment Term	Plan Option		Premium Payment Term	
	Option A: Level Cover Option B: Level Cover with Capital Guarantee		Limited Pay (5 to 12 years) Regular Pay (25 to 40 years)	
	Option C: Decreasing Cover Option D: Decreasing Cover with Capital Guarantee		Limited Pay (5 to 12 years)	
Policy Term	25 years		40 years	
Instalment Premium	Premium Payment Frequency	Minimum Installment Premium		As per Board Approved Underwriting Policy (BAUP)
		Limited Pay 5 and 6 years	Others	
	Annual	₹ 50,000	₹ 30,000	
	Half-Yearly	₹ 25,000	₹ 15,000	
	Quarterly	₹ 12,500	₹ 7,500	
	Monthly	₹ 4,500	₹ 3,000	
<b>Top-Up Premium:</b> Rs. 5,000 per Top-Up*				
Sum Assured	<b>Basic Sum Assured:</b> 10 times the Annualised Premium <b>For Top-Up Premium:</b> 1.25 times the Top Up premium		As per Board Approved Underwriting Policy (BAUP)	
Premium Payment Frequency	Annual, Half-Yearly, Quarterly, Monthly			

All ages are expressed as on last birthday.

Risk cover starts from date of commencement of policy for all lives including minors. In case of a minor life, the policy will vest on the Life Assured on attainment of age 18 years. In all cases, the relationship between the proposer and life assured shall be granted to the extent of insurable interest only.

\*Total top-up premiums paid, at any point of time during the policy term shall not exceed the sum total of the regular premiums paid at that point of time.

For the monthly premium payment mode, we may accept three months' premiums in advance on the date of commencement of policy, as a prerequisite to allow monthly mode of premium payment.

The product can also be purchased online via company website.

## PLAN OPTIONS

This product offers 4 plan options that you can choose from depending on your Protection and Savings needs:

### A Level Cover

This plan option provides a level cover throughout the policy term.

### B Level Cover with Capital Guarantee

This plan option provides a level cover throughout the policy term. The policyholder also gets a Capital Guarantee, which is in the form of minimum Assured Benefit at maturity.

### C Decreasing Cover

Under this plan option, the cover would decrease with the policy year. This is subject to the 'Level Cover Period', chosen by the policyholder at policy inception.

### D Decreasing Cover with Capital Guarantee

Under this plan option, the cover would decrease with the policy year. This is subject to the 'Level Cover Period', chosen by the policyholder at policy inception. The policyholder also gets a Capital Guarantee, which is in the form of minimum Assured Benefit at maturity.

The policyholder can choose any one of the above plan options, A, B, C & D at the outset. Plan option once chosen, cannot be altered throughout the policy term. Premium and Charges will vary depending upon the plan option chosen.

## BENEFITS PAYABLE UNDER VARIOUS PLAN OPTIONS

### A. Level Cover

This plan option provides a level cover throughout the policy term.

The benefits payable under this option are defined below:

### Death Benefit

"Death Benefit" is payable as a lump sum if life assured dies during the policy term.

Subject to Policy being in force and all due premiums have been paid, the Death Benefit payable to the Policyholder/ Assignee/ Nominee shall be the highest of the following:

- (i) Total Sum Assured less partial withdrawals\* made, if any (as detailed below), where Total Sum Assured is Basic Sum Assured plus any additional Sum Assured in respect of Top-ups; or
- (ii) Fund value, or
- (iii) 105% of Total Premiums Paid

For a reduced paid-up Policy, the Death Benefit payable to the Policyholder/ Assignee/ Nominee and shall be the highest of the following:

- (i) Paid up Sum Assured plus any additional Sum Assured in respect of Top-ups less partial withdrawals\* made, if any (as detailed below); or
- (ii) Fund value; or
- (iii) 105% of Total Premiums Paid

\*The partial withdrawals to be deducted from the Total Sum Assured shall be all partial withdrawals (except from the top-up fund value) made during the two-year period immediately preceding the date of death.

Upon this payment, the policy shall terminate and no further benefit shall be payable.

## Where,

- Annualized Premium means the premium amount payable in a year excluding the taxes, rider premiums and underwriting extra premium on riders, if any.
- Basic Sum Assured is the amount of cover chosen by the policyholder at inception of the policy in accordance with terms and conditions of the Policy.
- Fund Value, is the value obtained by multiplying the number of Units allocated to your Policy by the corresponding price of the Units.
- Total Premiums Paid are the total of all the premiums received, excluding any rider premium and taxes.
- Paid-Up Sum Assured, is the original Sum Assured multiplied by the total number of premiums paid to the original number of premiums payable as per the terms and conditions of the policy. (Paid Up Sum Assured = Original Sum Assured \* Total No. of Premiums Paid / Original No. of Premiums Payable).
- Minimum Basic Sum Assured, is 10 times the Annualized Premium
- Assured Benefit is the Total Premiums Paid less Total Partial Withdrawals made (if any)

## Maturity Benefit

On survival of the Life Assured till the Maturity Date, subject to Policy being in-force on the Maturity Date, the risk cover shall cease and Fund Value at Maturity plus Loyalty Additions payable at Maturity shall be payable to the Policyholder as the maturity benefit.

Upon this payment, the policy shall terminate and no further benefits will be payable.

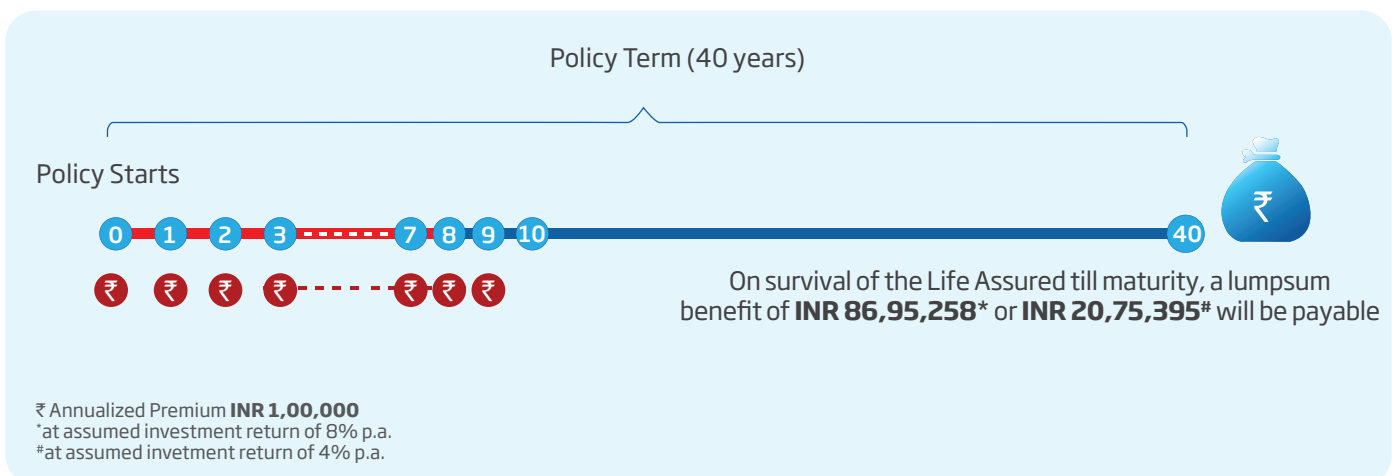
You can also take your fund value at maturity in periodical installments under settlement option. Please refer Settlement Option section below for more details.

**Example:** Mr. Kumar, a 30 years old gentleman, buys the Option A (Level Cover) of HDFC Life Smart Protect Plan for a policy term of 40 years, and a premium payment term of 10 years. He chooses a cover of INR 1,00,00,000 by paying a premium of INR 1,00,000 annually.

Mr. Kumar survives till the maturity (end of policy term) and receives a lump sum benefit of **INR 86,95,258**, at assumed investment return of 8% p.a., or **INR 20,75,395**, at assumed investment return of 4% p.a.

However, if Mr. Kumar dies during the policy term, his nominee will receive a lump sum benefit of INR 1,00,00,000 or Fund Value, whichever is higher, and the policy will terminate.

## Total Premiums Paid: INR 10,00,000



Note: The assumed rates of returns (8% & 4%) are not guaranteed and they are not the upper or lower limits of what you might get back, as the value of the policy is dependent on a number of factors including future investment performance. The illustration is for a healthy male life. The values shown are for illustrative purpose only.

## B. Level Cover with Capital Guarantee

This plan option provides a level cover throughout the policy term. The policyholder gets a Capital Guarantee in the form of minimum Assured Benefit on maturity.

The benefits payable under this option are defined below:

### Death Benefit

“Death Benefit” is payable as a lump sum if life assured dies during the policy term.

Subject to Policy being in force and all due premiums have been paid, the Death Benefit payable to the Policyholder/ Assignee/ Nominee shall be the highest of the following:

- (i) Total Sum Assured less partial withdrawals\* made, if any (as detailed below), where Total Sum Assured is Basic Sum Assured plus any additional Sum Assured in respect of Top-ups; or
- (ii) Fund value, or
- (iii) 105% of Total Premiums Paid

For a reduced paid-up Policy, the Death Benefit payable to the Policyholder/ Assignee/ Nominee and shall be the highest of the following:

- (i) Paid up Sum Assured plus any additional Sum Assured in respect of Top-ups less partial withdrawals\* made, if any (as detailed below); or
- (ii) Fund value; or
- (iii) 105% of Total Premiums Paid

\*The partial withdrawals to be deducted from the Total Sum Assured shall be all partial withdrawals (except from the top-up fund value) made during the two-year period immediately preceding the date of death.

Upon this payment, the policy shall terminate and no further benefit shall be payable.

### Maturity Benefit

On survival of the Life Assured till the Maturity Date, subject to Policy being in-force on the Maturity Date, the risk cover shall cease and plus Loyalty Additions payable at Maturity Benefit shall be payable to the Policyholder.

The maturity benefit will be calculated as higher of (Fund Value at Maturity plus Loyalty Additions payable at Maturity, Assured Benefit), where Assured Benefit is equal to Total Premiums Paid less Total Partial Withdrawals made (if any).

Upon this payment, the policy shall terminate and no further benefits will be payable.

You can also take your fund value at maturity in periodical installments under settlement option. Please refer Settlement Option section below for more details.

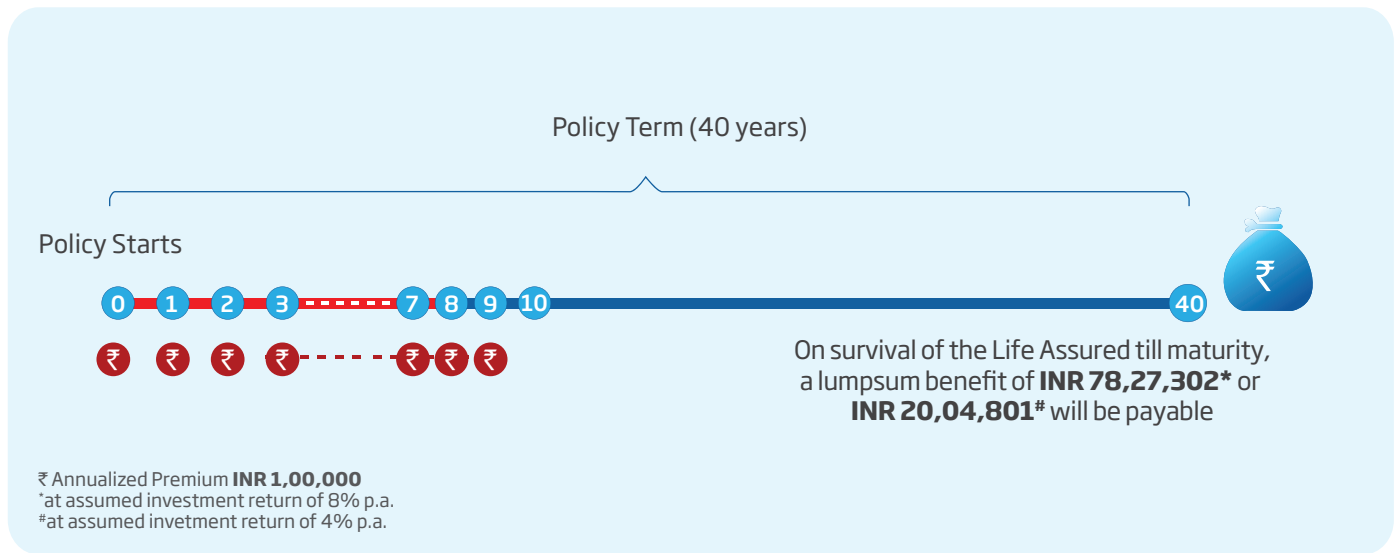
**Example:** Mr. Kumar, a 30 years old gentleman, buys the Option B Level Cover with Capital Guarantee of HDFC Life Smart Protect Plan for a policy term of 40 years, and a premium payment term of 10 years. He chooses a cover of INR 1,00,00,000 by paying a premium of INR 1,00,000 annually.

Mr. Kumar survives till the maturity (end of policy term) and receives a lump sum benefit of **INR 78,27,302**, at assumed rate of return of 8% p.a., or **INR 20,04,801**, at assumed investment return of 4% p.a.

Now say, at maturity, the market plummets and the fund value falls below INR 10,00,000. But even then, Mr. Kumar will get **INR 10,00,000** (assuming he hasn't made any partial withdrawals during the policy term) in lumpsum, as the minimum Assured Benefit on maturity.

However, if Mr. Kumar dies during the policy term, his nominee will receive a lump sum benefit of INR 1,00,00,000 or Fund Value, whichever is higher, and the policy will terminate.

**Total Premiums Paid: INR 10,00,000**



### C. Decreasing Cover

Under this plan option, the cover would decrease every policy year, subject to the 'Level Cover Period', chosen by the policyholder at policy inception.

'Level Cover Period' is the period of initial policy year(s) during which cover would remain level. The Level Cover Period can be between PPT to (Policy Term less 5) years.

From the policy year following the 'Level Cover Period', the cover would decrease uniformly every year, subject to it being more than or equal to the Minimum Basic Sum Assured at any point of time.

The Sum Assured for any policy year throughout the policy term will be calculated as below:

#### During Level Cover Period

$$\text{Sum Assured}_{(t)} = \text{Basic Sum Assured}$$

#### Post Level Cover Period

$$\text{Sum Assured}_{(t)} = \text{Max of}$$

- a)  $\text{Sum Assured}_{(t-1)} - (\text{Basic Sum Assured} \div \text{Reduction Term})$ , or
- b) Minimum Basic Sum Assured

Where,

- t = policy year
- Reduction Term = Policy Term - Level Cover Period

The below table gives policy year wise cover amount (in Lac) for a few sample cases:

Policy Term	30 years	30 years	40 years	40 years
Annual Premium	0.5 lac	1 lac	0.30 lac	1 lac
Basic Sum Assured	20 lac	50 lac	7.5 lac	50 lac
Level Cover Period	5 years	15 years	20 years	30 years

Policy Year	Example 1	Example 2	Example 3	Example 4
1	20.0	50.0	7.5	50.0
5	20.0	50.0	7.5	50.0
6	19.2	50.0	7.5	50.0
10	16.0	50.0	7.5	50.0
15	12.0	50.0	7.5	50.0
16	11.2	46.7	7.5	50.0
20	8.0	33.3	7.5	50.0
21	7.2	30.0	7.1	50.0
25	5.0	16.7	5.6	50.0
30	5.0	10.0	3.8	50.0
31			3.4	45.0
35			3.0	25.0
40			3.0	10.0

The benefits payable under this option are defined below:

### Death Benefit

"Death Benefit" is payable as a lump sum if life assured dies during the policy term.

Subject to Policy being in force and all due premiums have been paid, the Death Benefit payable to the Policyholder/ Assignee/ Nominee shall be the highest of the following:

- (i) Total Sum Assured less partial withdrawals\* made, if any (as detailed below), where Total Sum Assured is Sum Assured applicable in the year of death plus any additional Sum Assured in respect of Top-ups; or
- (ii) Fund value, or
- (iii) 105% of total Premiums paid

For a reduced paid-up Policy, the Death Benefit payable to the Policyholder/ Assignee/ Nominee and shall be the highest of the following:

- (i) Paid up Sum Assured plus any additional Sum Assured in respect of Top-ups less partial withdrawals\* made, if any (as detailed below); or
- (ii) Fund value; or
- (iii) 105% of Total Premiums Paid

\*The partial withdrawals to be deducted from the Total Sum Assured shall be all partial withdrawals (except from the top-up fund value) made during the two-year period immediately preceding the date of death.

Upon this payment, the policy shall terminate and no further benefit shall be payable.

### Maturity Benefit

On survival of the Life Assured till the Maturity Date, subject to Policy being in-force on the Maturity Date, the risk cover shall cease and Fund Value at Maturity plus Loyalty Additions payable at Maturity, shall be payable to the Policyholder, as the maturity benefit.

Upon this payment, the policy shall terminate and no further benefits will be payable.

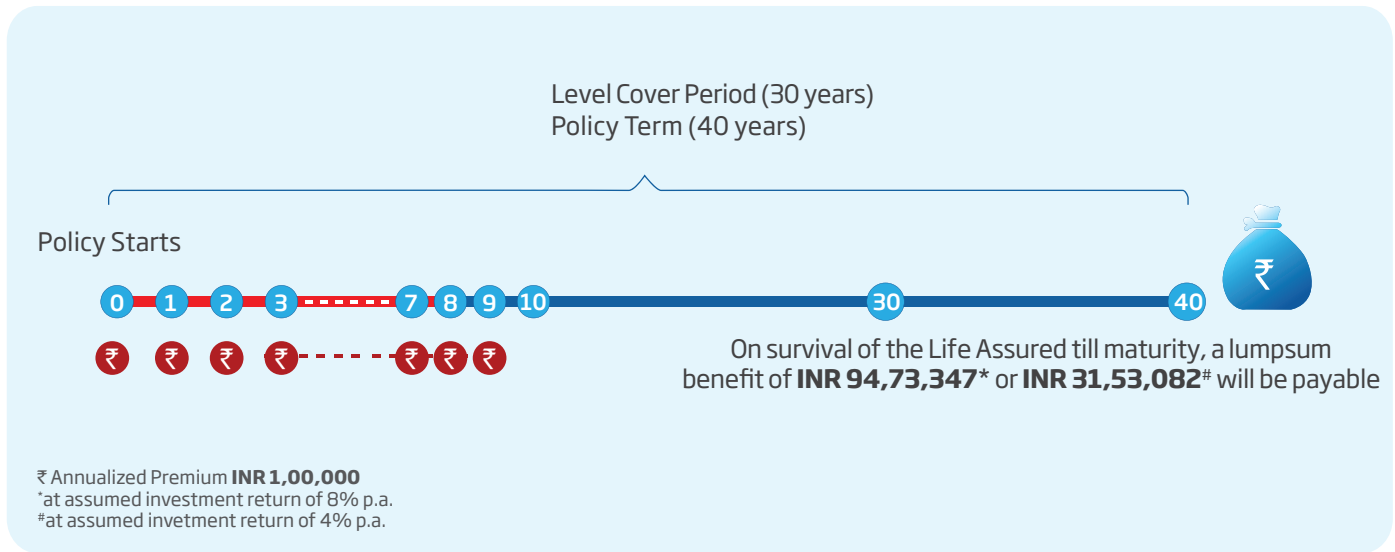
You can also take your fund value at maturity in periodical instalments under settlement option. Please refer Settlement Option section below for more details.

Example: Mr. Kumar, a 30 years old gentleman, buys the Option C Decreasing Cover of HDFC Life Smart Protect Plan for a policy term of 40 years, a premium payment term of 10 years, and a level cover period of 30 years. He chooses a cover of INR 1,00,00,000 by paying a premium of INR 1,00,000 annually. Mr. Kumar survives till the maturity (end of policy term) and receives a lump sum benefit of **INR 94,73,347**, at assumed rate of return of 8% p.a., or **INR 31,53,082**, at assumed investment return of 4% p.a.

However, if Mr. Kumar dies in the 25th policy year (during the level cover period), at age 55, his nominee will receive a lump sum benefit of **INR 1,00,00,000** or Fund Value, whichever is higher, and the policy will terminate.

But if Mr. Kumar dies in the 35th policy year (post the level cover period), at age 65, his nominee will receive a lump sum benefit of **INR 50,00,000** or Fund Value, whichever is higher, and the policy will terminate.

**Total Premiums Paid: INR 10,00,000**



**D. Decreasing Cover with Capital Guarantee -**

Under this plan option, the cover would decrease every policy year, subject to the ‘Level Cover Period’, chosen by the policyholder at policy inception. This option also provides Capital Guarantee in the form of minimum Assured Benefit on maturity.

‘Level Cover Period’ is the period of initial policy year(s) during which cover would remain level. The Level Cover Period can be between PPT to (Policy Term less 5) years.

From the policy year following the ‘Level Cover Period’, the cover would decrease uniformly every year, subject to it being more than or equal to the Minimum Basic Sum Assured at any point of time.

The Sum Assured for any policy year throughout the policy term will be calculated as below:

**During Level Cover Period**

Sum Assured<sub>(t)</sub> = Basic Sum Assured

**Post Level Cover Period**

Sum Assured<sub>(t)</sub> = Max of

- a) Sum Assured<sub>(t-1)</sub> - (Basic Sum Assured ÷ Reduction Term)), or
- b) Minimum Basic Sum Assured

Where,

- t = policy year
- Reduction Term = Policy Term - Level Cover Period

The below table gives policy year wise cover amount (in Lac) for a few sample cases:

<b>Policy Term</b>	<b>30 years</b>	<b>30 years</b>	<b>40 years</b>	<b>40 years</b>
<b>Annual Premium</b>	<b>0.5 lac</b>	<b>1 lac</b>	<b>0.30 lac</b>	<b>1 lac</b>
<b>Basic Sum Assured</b>	<b>20 lac</b>	<b>50 lac</b>	<b>7.5 lac</b>	<b>50 lac</b>
<b>Level Cover Period</b>	<b>5 years</b>	<b>15 years</b>	<b>20 years</b>	<b>30 years</b>

<b>Policy Year</b>	<b>Example 1</b>	<b>Example 2</b>	<b>Example 3</b>	<b>Example 4</b>
1	20.0	50.0	7.5	50.0
5	20.0	50.0	7.5	50.0
6	19.2	50.0	7.5	50.0
10	16.0	50.0	7.5	50.0
15	12.0	50.0	7.5	50.0
16	11.2	46.7	7.5	50.0
20	8.0	33.3	7.5	50.0
21	7.2	30.0	7.1	50.0
25	5.0	16.7	5.6	50.0
30	5.0	10.0	3.8	50.0
31			3.4	45.0
35			3.0	25.0
40			3.0	10.0

The benefits payable under this option are defined below:

### **Death Benefit**

"Death Benefit" is payable as a lump sum if life assured dies during the policy term.

Subject to Policy being in force and all due premiums have been paid, the Death Benefit payable to the Policyholder/ Assignee/ Nominee shall be the highest of the following:

- (i) Total Sum Assured less partial withdrawals\* made, if any (as detailed below), where Total Sum Assured is Sum Assured applicable in the year of death plus any additional Sum Assured in respect of Top-ups; or
- (ii) Fund value, or
- (iii) 105% of total Premiums paid

For a reduced paid-up Policy, the Death Benefit payable to the Policyholder/ Assignee/ Nominee and shall be the highest of the following:

- (i) Paid up Sum Assured plus any additional Sum Assured in respect of Top-ups less partial withdrawals\* made, if any (as detailed below); or
- (ii) Fund value; or
- (iii) 105% of Total Premiums Paid

\*The partial withdrawals to be deducted from the Total Sum Assured shall be all partial withdrawals (except from the top-up fund value) made during the two-year period immediately preceding the date of death.

Upon this payment, the policy shall terminate and no further benefit shall be payable.

## Maturity Benefit

On survival of the Life Assured till the Maturity Date, subject to Policy being in-force on the Maturity Date, the risk cover shall cease and Maturity Benefit shall be payable to the Policyholder.

The maturity benefit will be calculated as higher of (Fund Value at Maturity plus Loyalty Additions payable at Maturity, Assured Benefit), where Assured Benefit is equal to Total Premiums Paid less Total Partial Withdrawals made (if any).

Upon this payment, the policy shall terminate and no further benefits will be payable.

You can also take your fund value at maturity in periodical installments under settlement option. Please refer Settlement Option section below for more details.

**Example:** Mr. Kumar, a 30 years old gentleman, buys the Option D Decreasing Cover with Capital Guarantee of HDFC Life Smart Protect Plan for a policy term of 40 years, a premium payment term of 10 years, and a level cover period of 30 years. He chooses a cover of INR 1,00,00,000 by paying a premium of INR 1,00,000 annually.

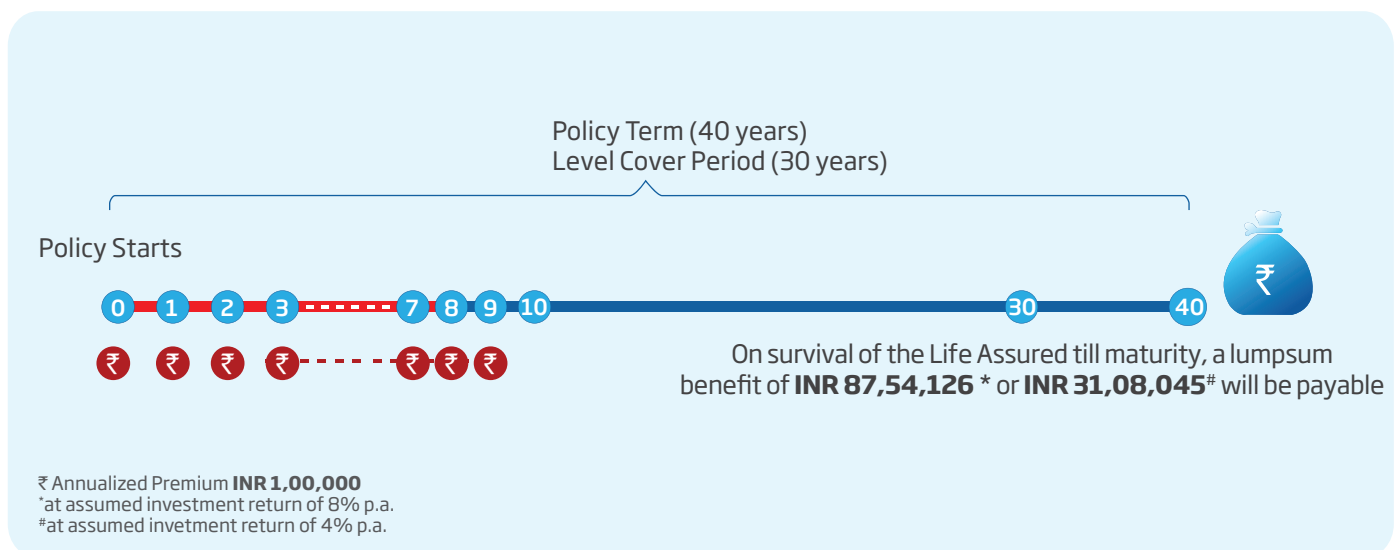
Mr. Kumar survives till the maturity (end of policy term) and receives a lump sum benefit of **INR 87,54,126**, at assumed rate of return of 8% p.a., or **INR 31,08,045**, at assumed investment return of 4% p.a.

Now say, at maturity, the market plummets and the fund value falls below INR 10,00,000. But even then, Mr. Kumar will get **INR 10,00,000** (assuming he hasn't made any partial withdrawals during the policy term) in lumpsum, as the minimum Assured Benefit on maturity.

However, if Mr. Kumar dies in the 25th policy year (during the level cover period), at age 55, his nominee will receive a lump sum benefit of **INR 1,00,00,000** or Fund Value, whichever is higher, and the policy will terminate.

But if Mr. Kumar dies in the 35th policy year (post the level cover period), at age 65, his nominee will receive a lump sum benefit of **INR 50,00,000** or Fund Value, whichever is higher, and the policy will terminate.

**Total Premiums Paid: INR 10,00,000**



## LOYALTY ADDITIONS

The product offers loyalty additions at different points during the policy term.

Where extra units are allocated, the allocation between the funds in the same proportion as the value of total units held in each fund at the time of allocation.

All additions shall continue till the policy is in force and all due premiums till date have been paid. The additions will not be applicable for the charges deducted towards additional top-up premiums.

## The different loyalty additions offered are detailed below

### 1. Return of 2X to 3X Mortality Charge

- The product offers a return of 2 to 3 times of the mortality charges starting from policy year 11. The addition is in the form of extra units.
- At the end of each month starting from policy year 11, a multiple (2X or 3X) of the mortality charge (excluding underwriting extra premium and taxes), deducted in the month which is 120 months prior shall be added to the fund
- E.g. 2 times of the mortality charge deducted in the first policy month shall be added back in the 121st month., 2 times of the mortality charge deducted in the second policy month shall be added back in the 122nd month and so on until the end of the policy term.
- The multiple for return of mortality charge would vary depending on the policy year and is as given below:

Policy Year	Return of Mortality Charge Multiple
11 to 30	2X
31 to 40	3X

- This shall continue until end of the policy term and does not include the settlement period

### 2. Return of 2X Premium Allocation Charge

- 2 times the total Premium Allocation Charges (excluding taxes) shall be added back in the form of allocation of extra units.
- The addition will happen at the end of each of the years between 10 to 13 years.
- To elaborate, 2 times of the premium allocation charges collected deducted in policy year 1 will be added back to the fund at the end of in policy year 10, similarly 2 times of the premium allocation charge collected in policy year 2 will be added back to the fund at the end of policy year 11 and so on until the end of policy year 13.

### 3. Return of Fund Management Charge (FMC)

- At maturity, sum total of FMC charges (excluding taxes) collected throughout the policy term will become payable.

### 4. Return of 2X of Investment Guarantee Charge

- This will be available only under Option B (Level Cover with Capital Guarantee) and Option D (Decreasing Cover with Capital Guarantee).
- At maturity, 2 times of sum total of guarantee charges (excluding taxes) collected throughout the policy term will become payable.

## NON-FORFEITURE BENEFITS

### A) Discontinuance of Policy due to Non-Payment of Premiums

Under this plan you get a grace period from your premium due date to pay your premiums. This plan has a grace period of 15 days for monthly mode and 30 days for other modes. You are expected to pay your premiums through-out the policy term. During the grace period, the policy is considered to be in-force with the risk cover without any interruption.

**The product shall have a lock-in period of five years from the date of inception of the policy.**

### Discontinuance of the policy during lock-in period

- a) Upon expiry of the grace period, in case of discontinuance of policy due to non-payment of premium, the fund value after deducting the applicable discontinuance charges shall be credited to the discontinued policy fund and the risk cover and rider cover, if any, shall cease.
- b) Such discontinuance charges shall not exceed the charges, stipulated in "Charges" section of this document. All such discontinued policies shall be provided a revival period of three years from

date of first unpaid premium. On such discontinuance, the company will communicate the status of the policy, within three months of the first unpaid premium, to the policyholder and provide the option to revive the policy within the revival period of three years.

- i. In case the policyholder opts to revive but does not revive the policy during the revival period, the proceeds of the discontinued policy fund shall be paid to the policyholder at the end of the revival period or lock-in period whichever is later. In respect of revival period ending after lock-in period, the policy will remain in discontinuance fund till the end of revival period. The Fund management charges of discontinued fund will be applicable during this period and no other charges will be applied.
- ii. In case the policyholder does not exercise the option as set out above, the policy shall continue without any risk cover and rider cover, if any, and the policy fund shall remain invested in the discontinuance fund. At the end of the lock-in period, the proceeds of the discontinuance fund shall be paid to the policyholder and the policy shall terminate.
- iii. However, the policyholder has an option to surrender the policy anytime and proceeds of the discontinued policy shall be payable at the end of lock-in period or date of surrender whichever is later.

The minimum guaranteed interest rate applicable to the 'Discontinued Policy Fund' shall be as per the prevailing regulations and is currently 4% p.a. The proceeds of the discontinued policy shall be paid only upon completion of the lock-in period.

Proceeds of the discontinued policies means the fund value as on the date the policy was discontinued, after addition of interest computed at the interest rate stipulated as above.

The excess income earned in the discontinued fund over and above the minimum guaranteed interest rate shall also be apportioned to the discontinued policy fund in arriving at the proceeds of the discontinued policies and shall not be made available to the shareholders.

### **Discontinuance of the policy after the lock-in period**

- a) Upon expiry of the grace period, in case of discontinuance of policy due to non-payment of premium after lock-in period, the policy shall be converted into a reduced paid up policy with the paid-up Sum Assured i.e. original Sum Assured multiplied by the total number of premiums paid to the original number of premiums payable as per the terms and conditions of the policy. The policy shall continue to be in reduced paid-up status without rider cover, if any. All charges as per terms and conditions of the policy shall be deducted during the revival period. However, the mortality charges shall be deducted based on the reduced paid up Sum Assured only.
- b) On such discontinuance, the company will communicate the status of the policy, within three months of the first unpaid premium, to the policyholder and provide the following options:
  - (1) To revive the policy within the revival period of three years, or
  - (2) Complete withdrawal of the policy.
- c) In case the policyholder opts for (1) above but does not revive the policy during the revival period, the fund value shall be paid to the policyholder at the end of the revival period.
- d) In case the policyholder does not exercise any option as set out above, the policy shall continue to be in reduced paid up status. At the end of the revival period the proceeds of the policy fund shall be paid to the policyholder and the policy shall terminate.
- e) However, the policyholder has an option to surrender the policy anytime and proceeds of the policy fund shall be payable.

### **B) Revival of Discontinued Policies**

The revival period for this product is three years from date of first unpaid premium.

#### **Revival of a Discontinued Policy during lock-in Period**

- a) Where the policyholder revives the policy in accordance with Board approved Underwriting policy (BAUP), the policy shall be revived restoring the risk cover, along with the investments made in the segregated funds as chosen by the policyholder, out of the discontinued fund, less the applicable charges as in sub-section (b) below, in accordance with the terms and conditions of the policy.

- b) At the time of revival
- all due and unpaid premiums which have not been paid shall be payable without charging any interest or fee.
  - policy administration charge and premium allocation charge as applicable during the discontinuance period shall be levied. Guarantee charges, if applicable during the discontinuance period, shall be deducted provided the guarantee continues to be applicable. No other charges shall be levied.
  - the discontinuance charges deducted at the time of discontinuance of the policy shall be added back to the fund.

### Revival of a Discontinued Policy after lock-in Period

- The policyholder can revive the policy subject to BAUP. Where the policyholder revives the policy, the policy shall be revived restoring the original risk cover in accordance with the terms and conditions of the policy.
- At the time of revival:
  - all due and unpaid premiums under base plan which have not been paid shall be payable without charging any interest or fee. The policyholder also has the option to revive the rider.
  - premium allocation charge as applicable shall be levied. The guarantee charges shall be deducted, if guarantee continues to be applicable.
  - No other charges shall be levied.

### CHOOSE YOUR INVESTMENT STRATEGY

This is a unit linked plan; the premiums you pay in this plan are subject to investment risks associated with the capital markets. The unit prices of the funds may go up or down, reflecting changes in the capital markets.

HDFC Life Smart Protect Plan provides you different fund options, giving you complete control over your money.

Each fund has its own asset allocation structure. Equity based funds invest in stock markets while debt-based funds invest primarily in safe and liquid instruments like bonds and government securities for secured growth. You can decide your allocation ratio between these funds and also switch between funds using fund switching option at any time.

### A. For Plan Option A (Level Cover) and Plan Option C (Decreasing Cover)

For Option A (Level Cover) and Option C (Decreasing Cover), the following 5 fund options are available under the product. Policyholder may choose to put his/her premiums in one or more of these funds in the proportion he/she desires and can change this allocation during the policy term.

Fund Name	SFIN	Details	Asset Class			Risk & Return Rating
			Money Market Instruments, Cash & Deposits*, Liquid mutual funds**	Govt. Securities, Fixed Income Instruments & Bonds	Equity & Investment Trusts	
Fund Composition						
Diversified Equity Fund	ULIF05501/08/13 DivrEqtyFd101	To generate long term capital appreciation by investing in high potential companies across the market cap spectrum	0% to 40%	0% to 40%	60% to 100%	Very High
Bond Fund	ULIF05601/08/13 Bond Funds101	Active allocation across all fixed income instruments	0% to 60%	40% to 100%	–	Moderate

Fund Name	SFIN	Details	Asset Class			Risk & Return Rating
			Money Market Instruments, Cash & Deposits*, Liquid mutual funds**	Govt. Securities, Fixed Income Instruments & Bonds	Equity & Investment Trusts	
			Fund Composition			
Discovery Fund	ULIF06618/01/18 DiscvryFnd101	Long term capital growth by investing predominantly in mid-cap companies. The fund may invest upto 25% of the portfolio in stocks outside the mid-cap index capitalization range. Upto 10% of the fund may be invested in Fixed income instruments, money market instruments, cash, deposits and Liquid mutual funds.	0% to 10%	0% to 10%	90% to 100%	Very High
Equity Advantage Fund	ULIF06723/03/18 EqtyAdvtdFd101	Long term capital growth through diversified investments in companies across the market capitalization spectrum. Upto 20% of the fund may be invested in Fixed income instruments, money market instruments, cash, deposits and Liquid mutual funds.	0% to 20%	0 to 20%	80 to 100%	Very High
Sustainable Equity Fund	ULIF07019/07/21 SustnblEqF101	Long term capital appreciation through investment in select companies across market capitalization which conduct business in socially and environmentally responsible manner while maintaining governance standards	0% to 20%	0 to 20%	80 to 100%	Very High

## B. For Plan Option B (Level Cover with Capital Guarantee) and Plan Option D (Decreasing Cover with Capital Guarantee)

For the Capital Guarantee options, i.e., Option B (Level Cover with Capital Guarantee) and Option D (Decreasing Cover with Capital Guarantee), premium received will be allocated in 'Capital Growth Fund' and in the 'Capital Secure Fund' only. The allocation proportion and any rebalancing in these funds will be solely determined by the company.

Fund Name	SFIN	Details	Asset Class			Risk & Return Rating
			Money Market Instruments, Cash & Deposits*, Liquid, Mutual funds	Govt. Securities, Fixed Income Instruments & Bonds	Equity	
			Fund Composition			
Capital Growth Fund	ULIF06301/04/15 CapGrwthFd101	To generate long term capital appreciation through investments in companies, money market instruments and fixed income securities	0% to 20%	0 to 20%	80 to 100%	Very High
Capital Secure Fund	ULIF06401/04/15 CapSecFund101	Higher potential returns due to higher duration and credit exposure	0% to 20%	80 to 100%	–	Moderate

The asset allocation for the **Discontinued Policy Fund** (SFIN: ULIF05110/03/11DiscontdPF101) shall be as per the prevailing regulatory requirements. Currently, the asset allocation is as follows:

- (i) Money Market Instruments: 0% to 40%
- (ii) Government Securities: 60% to 100%.

\*Investment in Deposits will be in line with the IRDAI regulations and guidelines. The current limit for investment in Deposits is 0 - 5%.

\*\*Investment in Mutual Funds will be made as per Mutual Fund limits prescribed by IRDAI regulations and guidelines. As per (IRDAI (Investment) Regulations, 2016 Master Circular), the Investment limit in Mutual Funds is 7% of Investment assets. This will apply at overall level and at SFIN level, the maximum exposure shall not exceed 15%.

## Systematic Transfer Plan

Under Option A (Level Cover) and Option C (Decreasing Cover), a policyholder can avail Systematic Transfer Plan (STP) described as follows

- Policyholder can allocate all or some part of his premium in Bond Fund and transfer a fixed amount in regular monthly installments into any one of the following funds: Diversified Equity Fund, Equity Advantage Fund, Discovery Fund or Sustainable Equity Fund.
- The transfer will be done in 12 equal installments. The transfer date can be either 1st or 15th of every month as chosen by the Policyholder.
- At the time of transfer, the required number of units will be withdrawn from the fund chosen, at the applicable unit value, and new units will be allocated in the chosen destination fund.
- The minimum transfer amount is Rs. 5,000.

- The Systematic Transfer Plan will be regularly processed for the Policyholder till the Company is notified, through a written communication, to discontinue the same. Systematic Transfer Plan will not apply if the source Fund Value is less than the chosen transfer amount.
- No additional charges apply on selecting Systematic Transfer Plan.

## FLEXIBILITIES

### A) Switching

- Option to switch funds is available under Option A (Level Cover) and Option C (Decreasing Cover).
- Under this option, you have an option to switch your investment or a part thereof from one fund to another fund(s) available under this product during the Policy Term.
- You can ask us to switch the Funds in which your Units are held. To do this, we will first cancel all of your existing Units. We will then use the proceeds from the cancelled Units, after deducting the applicable charge, to buy Units in your chosen Fund or Funds.
- You may choose any investment linked Fund which is available to this product and which we have not withdrawn or closed.
- Switching between funds is allowed for unlimited number of times.
- There are no Switching Charges applicable under this product.

### B) Premium Redirection

- Premium Redirection is available under Option A (Level Cover) and Option C (Decreasing Cover).
- It allows you to allocate your future premiums to a different fund or set of funds.
- The Funds in which new Premiums are invested can be changed at any time by You. You can ask for some or all of your future Premiums to be allocated to Units in different fund or set of funds that are available to this product. Premiums will only be applied as per the revised instructions if we accept those instructions before the Cut-off time for that Premium.
- We will act on instructions to change the Fund choice for future Premiums subject to receipt of all necessary information required to process the change of Fund and our satisfaction that the information received is correct.
- Premium Re-direction will not be allowed if Systematic Transfer Plan (STP) is chosen.
- There are no Premium Redirection Charges applicable under this product.

### C) Partial Withdrawal: Accessing your Money in case of Emergencies

You have the option to withdraw money from your funds to meet any future financial emergencies, through Partial Withdrawals.

- (1) Partial Withdrawals are subject to the following conditions:
  - The partial withdrawal shall be allowed only after the completion of five policy years.
  - The Life Assured is at least 18 years of age.
  - You can also submit a request for systematic (recurring) partial withdrawals during the Policy Term by specifying the amount, frequency and duration of withdrawal.
  - Top-up premiums once paid cannot be withdrawn from the fund for a period of 5 years from the date of payment of the Top-up premium, except in case of complete surrender of the Policy
  - Partial withdrawals made shall be allowed from the fund built up from the top-up premiums, if any, as long as such fund supports the partial withdrawal and subsequently, the partial withdrawals may be allowed from the fund built up from the base premium.
  - The partial withdrawals with respect to the fund values from the base premiums shall only be counted for the purpose of adjusting the Sum Assured to be payable on death. Partial withdrawals made from the top-up premiums shall not be deducted for this purpose.
  - The partial withdrawals shall not be allowed if it would result in termination of a contract.
- (2) Following a Partial Withdrawal, the Policy continues to be in-force and all benefits under the product and conditions remain unaltered.
- (3) We will deduct any taxes and/or levies from payments if we are required to do so by the relevant authorities.
- (4) There are no Partial Withdrawal Charges applicable under this product.

### D) Top-Up Premium

The amount of premium that is paid by the policyholders at irregular intervals besides basic regular premium payments stated in the contract and is treated as single premium for all purposes.

The Policyholder has the option of paying Top-up premiums, provided the policy is in force, subject to all the following conditions:

- This is only available under Option A (Level Cover) and Option C (Decreasing Cover).
- Top-Up premiums can be paid as long as all due premiums have been paid.
- Top-Up premiums are not permitted during the last 5 years of the contract.
- The minimum Top-up amount is Rs. 5,000.
- Acceptance of Top-Up Premium is subject to prevailing underwriting rules.
- Top-Up premiums can be allocated in any proportion between the funds offered as chosen by the policyholder.
- Every Top-Up Premium will have a lock-in period of five years from the date acceptance of such Top-Up premiums except in case of complete withdrawal of policy.
- Total top-up premiums paid, at any point of time, during the policy term, shall not exceed the sum total of the regular premiums paid at that point of time.
- Top-Up premiums are subject to charges as described below.

## E) Settlement Option

The Policyholder can avail of the settlement option for maturity benefit, subject to the following conditions:

- The Policyholder has the option to take the Fund Value payable as Maturity, in lumpsum or in periodical instalments over a Settlement Period which may extend to a maximum of 5 years after the Maturity Date
- The first instalment under settlement option shall be payable on the date of maturity.
- To be eligible to avail the settlement option, the Fund Value at Maturity should be greater than or equal to Rs 1 Lakh.
- The Policyholder shall be given a choice to decide the payout frequency and the settlement period at the time of opting for the settlement option. The payout frequency and the settlement period once selected cannot be altered any time.
- The proportion of units redeemed per instalment shall be the number of units available at instalment payout date divided by the number of outstanding instalments.
- In case of settlement period after maturity, the risk cover will be maintained at 105% of the total premiums paid. Accordingly, mortality charges will be deducted. The death benefit shall be the higher of:
  - Fund value as on date of death
  - 105% of Total premiums paid
- The charges levied on the Fund during the settlement period are the Fund Management Charge Switching Charge and Mortality charges, if any. The company will not levy any other charges.
- Switches will be allowed during the Settlement period.
- Partial Withdrawal shall not be allowed during the settlement period.
- During the settlement period, the Policyholder shall have an option to completely withdraw the entire fund value at any time, without any additional charge.
- During this Settlement Period, the investment risk on the Unit Fund will be borne by the Policyholder. The value of periodical payments will depend on the performance of the Funds selected for investment.
- Any Fund Value remaining after 5 years from the Maturity Date will be payable immediately.
- No further benefits will be payable after this payment.

## F) Option to Reduce Sum Assured

At any policy anniversary, the Policyholder will have the option to reduce Sum Assured subject to the following conditions:

- This would be subject to the minimum Sum Assured limits under the plan as per the eligibility conditions
- If opted under Option C (Decreasing Cover) or Option D (Decreasing Cover with Capital Guarantee), the Policy will continue with reduced Sum Assured as calculated under this option and no further decrease of Sum Assured as per Option C (Decreasing Cover) or Option D (Decreasing Cover with Capital Guarantee) will be applicable.
- In case there is/are any rider(s) attached, the Sum Assured under base plan has to be at least equal to the rider Sum Assured
- The request for reducing the Sum Assured should be submitted to the Company at least 15 days before, but not earlier than 60 days from the policy anniversary.

## CHARGES

### Premium Allocation Charge

This is a premium-based charge and depends on year of allocation. After deducting this charge from your premiums, the remainder is invested to buy units.

The Premium Allocation Charge is guaranteed for the entire duration of the policy term and shall be levied at the time of receipt of premium.

Policy Year	Year 1	Year 2	Year 3	Year 4	Year 5+
Annualized Premium < 2.5 lacs	12%	6%	4%	3%	0%
Annualized Premium >=2.5 lacs	11%	5%	4%	3%	0%

Premium allocation charge of 2% shall be levied on top-up premiums.

### Policy Administration Charge

This charge is a percentage of the annualized premium. The charge will be deducted monthly to provide administration for your policy. This charge will be taken by cancelling units proportionately from each of the fund(s) you have chosen.

Policy Year	% of Annualized Premium charged per month
Year 1 to 4	Nil
Year 5 and subsequent years	0.32% per month of the annualised premium increasing at 5% per annum on each policy anniversary

The policy administration charge will be subject to the cap of Rs. 500 per month. This charge is guaranteed for the entire duration of the policy term.

### Fund Management Charge

The daily unit price is calculated allowing for deductions for the fund management charge, which is charged daily.

1.35% p.a. of the fund value for all the funds, charged daily.

The Fund Management Charge for Discontinued Policy Fund shall be 0.50% p.a.

### Mortality Charge

Every month we levy a charge for providing you with the death benefit in your policy. This charge will be taken by cancelling units proportionately from each of the fund(s) you have chosen.

The amount of the charge taken each month depends on your age and level of cover.

Mortality Charge is calculated as Sum at Risk (SAR) multiplied by the applicable Mortality Charge Rate for the month, based on the attained age of the Life Assured. The Sum at Risk for Life Assured is Death Benefit less Fund Value.

This charge is guaranteed for the entire duration of the policy term.

### Investment Guarantee Charge

This will be applicable only for Option B (Level Cover with Capital Guarantee) and Option D (Decreasing Cover with Capital Guarantee). This will be charged on a daily basis, as a % of Fund Value.

Fund	Investment Guarantee Charge
Capital Growth Fund SFIN - ULIF06301/04/15CapGrwthFd101	0.50% p.a.
Capital Secure Fund SFIN - ULIF06401/04/15CapSecFund101	

## Discontinuance Charge

This charge depends on year of discontinuance and your annualised premium. This charge is not applicable from 5<sup>th</sup> policy year onwards.

The table below gives the discontinuance charge applicable:

Discontinuance during the policy year	Maximum Discontinuance Charge	
	Annualized Premium up to and including Rs. 50,000	Annualized Premium above Rs. 50,000
1	Lower of 20% x (Annualized Premium or Fund Value) but not exceeding Rs. 3000	Lower of 6% x (Annualized Premium or Fund Value) but not exceeding Rs. 6000
2	Lower of 15% x (Annualized Premium or Fund Value) but not exceeding Rs. 2000	Lower of 4% x (Annualized Premium or Fund Value) but not exceeding Rs. 5000
3	Lower of 10% x (Annualized Premium or Fund Value) but not exceeding Rs.1500	Lower of 3% x (Annualized Premium or Fund Value) but not exceeding Rs.4000
4	Lower of 5% x (Annualized Premium or Fund Value) but not exceeding Rs.1000	Lower of 2% x (Annualized Premium or Fund Value) but not exceeding Rs.2000
5+	NIL	NIL

This charge will be deducted by cancellation of units.

No discontinuance charges are applicable on the Top-Up premium Fund Value

## Partial Withdrawal Charge

Nil

## Switching Charge

Nil

## Premium Redirection Charge

Nil

## Statutory Charges

The Statutory Charges shall include taxes and levies as applicable on or in respect of this Policy. This tax will be determined by the Government of India in accordance with legislation applicable at the time of providing service.

## Miscellaneous Charges

Nil

## RIDERS

We offer the following Rider options (as modified from time to time) to help you enhance your protection

Rider	UIN	Scope of Benefits**
HDFC Life Income Benefit on Accidental Disability Rider	101B013V03	A benefit equal to 1% of Rider Sum Assured per month for the next 10 years, in case of an Accidental Total Permanent Disability. There is no maturity benefit available under this rider.
HDFC Life Critical Illness Plus Rider	101B014V02	A lump sum benefit equal to the Rider Sum Assured shall be payable in case you are diagnosed with any of the 19 Critical Illnesses and survive for a period of 30 days following the diagnosis. There is no maturity benefit available under this rider.
HDFC Life Protect Plus Rider	101B016V01	A benefit as a proportion of the Rider Sum Assured shall be payable in case on accidental death or partial/total disability due to accident or if you are diagnosed with cancer as per the option chosen under this rider. No maturity benefit is payable under this rider.

\*\*For all details on Riders, kindly refer to the Rider Brochures available on our website.

In case of Option C (Decreasing Cover) and Option D (Decreasing Cover with Capital Guarantee), riders shall be offered during Level Cover Period only. For all other options, the rider PT and PPT shall be consistent with the base policy's PT and PPT. Riders will not be offered if the policy term/premium payment term of the rider exceeds outstanding policy term/ premium payment term under the base policy.

Any rider coverage terminates as soon as the base coverage terminates by way of claim or discontinuance or maturity (whichever occurs first).

While attaching riders, it will be ensured that there is no overlap in the benefits. In case of an overlap, the rider(s) shall not be attached

For details on riders, please refer to Rider Brochures.

## TERMS & CONDITIONS

**We recommend that you read and understand this product brochure & customised benefit illustration and understand what the plan is, how it works and the risks involved before you purchase.**

### A) Risk Factors

- In this policy, the investment risk in the investment portfolio is borne by the policyholder.
- Unit linked insurance products are different from traditional insurance products and are subject to the risk factors.
- The premiums paid in Unit Linked Insurance policies are subject to investment risks associated with capital markets and the NAVs of the units may go up or down based on the performance of funds and factors influencing the capital market and the insured is responsible for his/her decisions.
- HDFC Life Insurance Company Limited is the name of our Insurance Company and "HDFC Life Smart Protect Plan" is the name of this plan. The name of our company and the name of our plan, do not, in any way, indicate the quality of the plan, its future prospects or returns.
- Please know the associated risks and the applicable charges, from your Insurance agent or the Intermediary or policy document issued by insurance company.
- The various funds offered under this contract are the names of the funds and do not in any way indicate the quality of these plans, their future prospects and returns.

### B) Exclusions

#### Suicide Exclusion

In case of death due to suicide within 12 months from the date of commencement of the policy or from the date of revival of the policy, as applicable, the nominee or the beneficiary of the policyholder shall be entitled to the fund value, as available on the date of intimation of death.

Further any charges other than Fund Management Charges (FMC) and guarantee charges recovered subsequent to the date of death shall be added back to the fund value as available on the date of intimation of death.

### C) Policy Loan

No policy loans are available for this product.

### D) Tax Benefits

Tax Benefits may be available as per prevailing tax laws. You are requested to consult your tax advisor for advice on Tax Benefits.

### E) Automatic Termination/ Foreclosure Conditions

- (1) If at any time during the policy term or settlement period, the Fund Value, including Top-up premium fund value, if any, becomes insufficient to deduct one months' charges, as applicable under the policy, then the policy shall be foreclosed (after sufficient notice) and the surrender benefit, if any, as on date of such foreclosure will be paid.
- (2) Policyholders shall be informed of such probable situation at least one month in advance to ensure fair treatment to the policyholder and give them a reasonable opportunity to top-up the fund if required.
- (3) The policy will not be foreclosed within the first five years.

## **F) Cancellation in the Free-Look period**

In case you are not agreeable to the any of the policy terms and conditions, you have the option to return the policy to us stating the reasons thereof, within 15 days from the date of receipt of the policy, as per IRDAI (Protection of Policyholders' Interests) Regulations, 2017, as modified from time to time.

If you have purchased the policy through the Distance Marketing mode, this period will be 30 days. On receipt of your letter along with the original policy document (original Policy Document is not required for policies in dematerialized form), we shall arrange to refund you the value of units allocated to you on date of receipt of request plus the unallocated part of Premium plus charges levied by cancellation of units, subject to deduction of the proportionate risk charges for the period on cover and the expenses incurred by us for medical examination and stamp duty (if any).

*Distance Marketing refers to insurance policies sold through any mode apart from face-to-face interactions such as telephone, internet etc. (Please refer to "Guidelines on Distance Marketing of Insurance Product" for exhaustive definition of Distance Marketing)*

## **G) Alterations**

The following alterations are available under the product subject to our Board Approved Underwriting Policy (BAUP):

- Fund Switches
- Premium Redirections
- Premium Frequency
- Increasing the Premium Payment Term, subject to boundary conditions
- Increasing the Policy Term, subject to boundary conditions

## **H) Nomination as per Section 39 of the Insurance Act 1938 as amended from time to time**

- (1) 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.
- (2) 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.
- (3) Nomination can be made at any time before the maturity of the policy.
- (4) 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.
- (5) 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.
- (6) 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.
- (7) Fee to be paid to the insurer for registering change or cancellation of a nomination can be specified by the Authority through Regulations.
- (8) 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.
- (9) 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 (Amendment) Act 2015, 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.

## **I) Assignment as per Section 38 of the Insurance Act 1938 as amended from time to time**

- (1) This policy may be transferred/assigned, wholly or in part, with or without consideration.
- (2) 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.

- (3) 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.
- (4) The assignment must be signed by the transferor or assignor or duly authorized agent and attested by at least one witness.
- (5) The transfer or 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 thereof certified to be correct by both transferor and transferee or their duly authorized agents have been delivered to the Insurer.
- (6) Fee to be paid for assignment or transfer can be specified by the Authority through Regulations.
- (7) 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.
- (8) 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.
- (9) 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.

Section H (Nomination) and I (Assignment or Transfer) are simplified versions prepared for general information only and hence are not comprehensive. For full texts of these sections please refer to Section 38 and Section 39 of the Insurance Act, 1938 as amended by The Insurance Laws (Amendment) Act, 2015.

#### **J) Prohibition of Rebates: In accordance with 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 out 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 liable for a penalty which may extend to ten lakh rupees.

#### **K) Non-Disclosure: In accordance with Section 45 of the Insurance Act, 1938 as amended from time to time**

- (1) No policy of life insurance shall be called in question on any ground whatsoever after the expiry of three years from the date of the policy, i.e., from the date of issuance of the policy or the date of commencement of risk or the date of revival of the policy or the date of the rider to the policy, whichever is later.
- (2) A policy of life insurance may be called in question at any time within three years from the date of issuance of the policy or the date of commencement of risk or the date of revival of the policy or the date of the rider to the policy, whichever is later, on the ground of fraud: Provided that the insurer shall have to communicate in writing to the insured or the legal representatives or nominees or assignees of the insured the grounds and materials on which such decision is based.
- (3) Notwithstanding anything contained in sub-section (2), no insurer shall repudiate a life insurance policy on the ground of fraud if the insured can prove that the mis-statement of or suppression of a material fact was true to the best of his knowledge and belief or that there was no deliberate intention to suppress the fact or that such mis-statement of or suppression of a material fact are within the knowledge of the insurer: Provided that in case of fraud, the onus of disproving lies upon the beneficiaries, in case the policyholder is not alive.
- (4) A policy of life insurance may be called in question at any time within three years from the date of issuance of the policy or the date of commencement of risk or the date of revival of the policy or the date of the rider to the policy, whichever is later, on the ground that any statement of or suppression of a fact material to the expectancy of the life of the insured was incorrectly made in the proposal or other document on the basis of which the policy was issued or revived or rider issued: Provided that the insurer shall have to communicate in writing to the insured or the legal representatives or nominees or assignees of the insured the grounds and materials on which such decision to repudiate the policy of life insurance is based: Provided further that in case of repudiation of the policy on the ground of misstatement or suppression of a material fact, and not on the ground of fraud, the

premiums collected on the policy till the date of repudiation shall be paid to the insured or the legal representatives or nominees or assignees of the insured within a period of ninety days from the date of such repudiation.

(5) Nothing in this section shall prevent the insurer from calling for proof of age at any time if he is entitled to do so, and no policy shall be deemed to be called in question merely because the terms of the policy are adjusted on subsequent proof that the age of the Life Insured was incorrectly stated in the proposal.

L) A policyholder can now have his life insurance policies in dematerialized form through a password protected online account called an electronic Insurance Account (eIA). This eIA can hold insurance policies issued from any insurer in dematerialized form, thereby facilitating the policy holder to access his policies on a common online platform. Facilities such as online premium payment, changes in address are available through the eIA. Furthermore, you would not be required to provide any KYC documents for any future policy purchase with any insurer.

For more information on eIA visit

<http://www.hdfclife.com/customer-service/life-insurance-policy-dematerialization>

**Talk to our staff today!**

Corporate Agent:



*Sar utha ke jiyo!*

The Linked Insurance products do not offer any liquidity during the first five years of the contract. The policyholders will not be able to surrender/withdraw the monies invested in Linked Insurance Products completely or partially till the end of fifth year.

HDFC Life Insurance Company Limited ("HDFC Life"). CIN: L65110MH2000PLC128245, IRDAI Reg. No. 101.

Registered Office: HDFC Life Insurance Company Ltd., Lodha Excelus, 13th Floor, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai 400 011. Email: [service@hdfclife.com](mailto:service@hdfclife.com), Tel. No: 1860 267 9999 (Mon-Sat 10 am to 7 pm) Local charges apply.

The name/letters "HDFC" in the name/logo of the company belongs to Housing Development Finance Corporation Limited ("HDFC Limited") and is used by HDFC Life under an agreement entered into with HDFC Limited.

Life Insurance Coverage is available in this product. For more details on risk factors, associated terms and conditions and exclusions please read sales brochure carefully before concluding a sale. HDFC Life Smart Protect Plan (UIN: 101L175V01) is the name of the Unit linked product. Unit Linked Life Insurance products are different from the traditional insurance products and are subject to the risk factors. The premium paid in Unit Linked Life Insurance policies are subject to investment risks associated with capital markets and the NAVs of the units may go up or down based on the performance of fund and factors influencing the capital market and the insured is responsible for his/her decisions. HDFC Life Insurance Company Limited is only the name of the Insurance Company, HDFC Life is only the name of the brand and HDFC Life Smart Protect Plan (UIN: 101L175V01) is only the name of the unit linked life insurance contract. The name of the company, name of the brand and name of the contract does not in any way indicate the quality of the contract, its future prospects or returns. Please know the associated risks and the applicable charges, from your Insurance agent or the Intermediary or policy document of the insurer. The various funds offered under this contract are the names of the funds and do not in any way indicate the quality of these plans, their future prospects and returns. This document has no monetary value at any time and is not a proof of any contract with HDFC Life Insurance Company Ltd. This Product brochure is indicative of the terms, warranties, conditions and exclusions contained in the insurance policy. HDFC Bank Limited is the Corporate Agent (IRDAI Reg. No. CA0010) of HDFC Life. Insurance policy is underwritten by HDFC Life. Purchase of Insurance policy is voluntary. ARN: BA/05/23/1847.

**BEWARE OF SPURIOUS PHONE CALLS AND FICTITIOUS/FRAUDULENT OFFERS**

- IRDAI is not involved in activities like selling insurance policies, announcing bonus or investment of premiums. Public receiving such phone calls are requested to lodge a police complaint.