

TERMS AND CONDITIONS OF APPOINTMENT

This is with reference to your application for appointment as a life insurance agent with HDFC Life Insurance Company Ltd., (hereinafter referred to as "**the Company**", "**HDFC Life**", "**we**"). Your appointment with HDFC Life will be confirmed on issuance of an appointment letter ("**Appointment Letter**") by HDFC Life, pursuant to your compliance with the Guidelines for Appointment of Insurance Agents, 2015 issued by Insurance Regulatory and Development Authority of India (hereinafter referred to as "**IRDAI**"). The terms and Conditions mentioned herein are applicable to you subject to your appointment as Life Advisor of HDFC Life. On issuance of Appointment Letter by HDFC Life, the terms and conditions mentioned below are deemed to be accepted by you.

The terms and conditions mentioned below shall apply to all transaction(s) between us as may be specified from time to time by the Company in addition to the relevant laws of India, in general, and in particular to the provisions of the Insurance Act, 1938, and the Insurance Regulatory and Development Authority Act, 1999 and the Rules and Regulations specified there under as amended from time to time.

A. APPOINTMENT OF LIFE ADVISOR [LA]

Your appointment as the Company's Life Advisor to source business from anywhere in India is at all times subject to your adhering to and in accordance with the terms and conditions of your appointment and complying with the relevant guidelines/regulations. Further, your appointment is based on the representation that you do not suffer from any disqualifications as mentioned under Section 42(3) of the Insurance Act, 1938 read with relevant IRDAI rules, regulations, guidelines and circulars, as issued/amended from time to time.

B. DIRECTORSHIPS/OTHER INSURANCE ACTIVITY

As required under the Guidelines on Appointment of Insurance Agents, 2015, the Life Advisor of the Company is not entitled to become or remain a director of any Insurance Company. Further, the Life Advisor is not entitled to hold any other relationship with any life insurance Company in respect of any insurance activities such as Broker, Corporate agent, Specified person, Referral, etc.

C. INDEMNITY

- i. The relationship between HDFC Life and the Life Advisor shall be solely that of principal and agent in relation to the insurance business/policies. You agree and acknowledge that the benefit of the relationship with any existing customer/Policy holder ("**Policyholder**") introduced by you belongs to HDFC Life and you shall not do anything following termination of this Agreement, or otherwise, to prejudice the continuing relationship between HDFC Life and the Policy holder.
- ii. You shall perform activities only to the extent and subject to the terms and conditions as authorised by HDFC Life in writing. You shall be solely and personally liable for all acts which are not approved or authorised by the Company in writing or due to your default, negligence or unlawful act or omission. You agree to indemnify and hold the Company and its representatives, officers, agents and assigns ("**Representatives**") harmless at all times from and against any and all liability, damages, losses, claims, cost and expenses (including any fees and expenses) and any other loss that may occur or arise due to your acts or omissions which are not approved or authorised by HDFC Life in writing or due to your default, negligence or unlawful act or omission.
- iii. You agree to indemnify and hold the Company and its Representatives harmless from and against any and all liability, damages, losses, claims, cost and expenses (including any fees and expenses) and any other loss that may occur or arise from or relate to breach of any of the obligations undertaken by you or your representatives, including but not limited to instances wherein such loss/damage is caused due to any negligent act, omission, willful misconduct or misrepresentation.

iv. You agree to indemnify, defend and hold harmless HDFC Life and its Representatives against any liability or loss that may occur due to complaints registered by you and against you with TRAI for receiving/making calls from or on behalf of HDFC Life.

D. TERMINATION/SUSPENSION OF THE AGENCY

- i. Your appointment as a Life Advisor of the Company shall be valid until terminated by either party as per terms and conditions of this Appointment Letter. Notwithstanding anything contained in this Appointment Letter, the Company is entitled to terminate the agency and your appointment in accordance with the guidelines issued by IRDAI from time to time, without any liability for compensation or damages in the below mentioned circumstances:
 - (a) Your performance has not been satisfactory as per Company's policy; or
 - (b) Violation or non-compliance with statutory/regulatory norms; or
 - (c) You have acted in breach of the code of conduct; or
 - (d) Violation of the terms and conditions of your appointment; or
 - (e) Any information furnished by you in relation with the appointment is false, misleading, incorrect or untrue; or
 - (f) Acted in a fraudulent manner; or
 - (g) You have a Relative working as an employee with the Company. The definition of Relative is "spouse, dependent children or dependent step children, whether residing with you or not"; or
 - (h) Failure to furnish any information/books of accounts relating to your activities as an agent as required by the Company or IRDAI; or
 - (i) Failure to comply with the directions issued by IRDAI; or
 - (j) Provided wrong or false information; or concealed or failed to disclose material facts in the application submitted for appointment; or
 - (k) Failure to submit periodical returns as required by the Insurer/IRDAI; or
 - (l) Non co-operation with any inspection or enquiry conducted by IRDAI; or
 - (m) Failure to resolve the complaints of the Policyholders or fails to give a satisfactory reply to IRDAI in this behalf; or
 - (n) Performance of any act (individually or as a part of group) which is against the Company or is for defaming the Company or any of its employees/ business associates; or
 - (o) Your behavior in a discourteous manner with any Prospect/ Policy holder or with the Company/any of its Representatives.
- ii. Upon termination of agency, you shall forthwith surrender the Appointment Letter and identity card as well as all other manuals, tables, rate books, literatures, product guides, etc. of the Company that are in your possession, to the Company. Upon termination of agency, you shall cease to represent yourself as the Company's agent or use the Company's name or logo (directly or indirectly or by reference) in any manner whatsoever.
- iii. In the event of the agency being terminated within a period of 24 months from the date of appointment, the Company shall be entitled to claim the entire costs incurred towards training you. The Company reserves the right to determine the extent of costs incurred as aforesaid.
- iv. Any notice to be served hereunder shall be sufficiently served on the Company, if served by Registered Post at its Registered Office, and shall be sufficiently served on you if sent to you by Registered Post/courier/email at the address mentioned hereinabove or at your last known address.
- v. Any dispute arising within the terms of this Appointment Letter shall be subject to the jurisdiction of the Courts at Mumbai.

E. COMMISSIONS AND PAYMENTS

- i. The Company will pay commission to you through e-payment mode only i.e. NEFT. Commissions shall be paid for policies sourced by you, which have been in force for a period of twenty-five/forty days from the date of issuance. The payment cycle will be decided by the Company and informed to you from time to time. Commission may be put on hold in case of investigation by the Company for fraud, quality of business, etc.
- ii. Commission shall be paid in Indian Rupees only.

- iii. The Company shall pay commission as per its internal policy, on the premium generated by you and the rates and modes of payment of commission, will be informed to you by the Company from time to time.
- iv. In case of termination of agency, commission payable (if any) will be made in accordance with the Company's policy, which will be updated on Company's portal from time to time
- v. Commission shall be subject to deductions of tax under the provision of Income-tax Act, 1961 and any other applicable law, as amended from time to time.
- vi. Out of the total Goods & Services Tax (GST) liability on the commissions, a portion of GST, as mutually agreed from time to time, will be borne by the Company and the balance portion of GST will be borne by you and will be adjusted against the commission payouts. The ratio as mutually agreed from time to time for sharing of GST as mentioned above shall be displayed on the Company's portal as a ready reference and the details of the said deduction shall also be communicated to you through your commission statement.
- vii. Commission on reduced premiums and premiums not collected due to:
 - i- Cheque bounce
 - ii- Cancellation of riders and policies including those done during the Free look-in-Period,
 - iii- Non Disclosure cancellations shall be deducted from the commission payable to you.
- viii. Policy cancellations or business reversals initiated due to customer complaints will lead reclaim/recovery of commissions and benefits paid out to you. This clause shall survive the termination of this Appointment Letter.
- ix. The Company may charge an amount for completing the appointment process (including training) at the time of applying for life insurance agency.

F. MINIMUM BUSINESS STANDARDS & REQUIREMENTS ON PERSISTENCY

- i. You shall maintain Persistency Rate and Minimum Business Standards as communicated by the Company from time to time.
- ii. You shall maintain a correct and complete record of the various policies sold and their persistency on a year on year basis.
- iii. Non-adherence to Persistency Rate and Minimum Business Standards will lead to withholding/recovery of commissions and benefits paid to you. It may also lead to termination of your agency.

G. BUSINESS PRACTICE

The Company is committed to high standards of legality and business ethics. It is a condition of this appointment as well as of the continued relationship that you will in sourcing of policies, observe high levels of legality and business ethics. Notwithstanding the termination clause, if you breach the business ethics, this Appointment Letter will stand terminated, in accordance with the guidelines issued by IRDAI from time to time. You will strictly comply with all laws, rules, regulations and guidelines of IRDAI.

All communications with/to you will be sent to you in electronic form (Email/SMS/Company Portal) on the registered email/mobile with the Company/ as informed to you.

H. CODE OF CONDUCT

YOU SHALL,

- a. Policy holders/customers (hereinafter referred to as "**Prospect(s)**");
- b. Show the identity card issued by the Company to the Prospect, and also disclose the agency appointment letter to the Prospect on demand;

- c. Disseminate the correct and requisite information in respect of insurance products offered for sale by the Company and take into account the needs of the Prospect while recommending the products;
- d. Disclose the scales of commission in respect of the insurance product offered for sale, if asked by the Prospect;
- e. Indicate the premium to be charged by the Company for the insurance product offered for sale;
- f. Explain to the Prospect the nature of information required in the proposal form by the Company, and also the importance of disclosure of material information in the purchase of an insurance product and shall discourage suppression of any information which is relevant to the Company for the purpose of underwriting;
- g. Bring to the notice of the Company any adverse habits or income inconsistencies of the Prospect, in the form of a report (hereinafter referred to as "**Life Advisor Confidential Report**") along with every proposal submitted to the Company, and any material fact that may adversely affect the underwriting decision of the Company as regards acceptance of the proposal, by making all reasonable enquiries about the Prospect;
- h. Obtain the requisite documents at the time of filing the proposal form with the Company; and other documents subsequently asked for by the Company for completion of the proposal;
- i. Inform promptly to the Prospect about the acceptance or rejection of the proposal by the Company;
- j. Advise every Prospect to effect nomination or assignment or change of address or exercise of options, as the case may be, and offer necessary assistance in this behalf, wherever necessary;
- k. Render necessary assistance to the Policy holder or Claimants or Beneficiaries in complying with the requirements for settlement of claims by the Company;
- l. Make every attempt to ensure remittance of the premiums by the Prospect/Policy holder within the stipulated time, by giving notice to the Prospect/Policy holder orally and in writing with a view to conserve the insurance business already procured by you.
- m. If collecting a premium on a policy of insurance on behalf of an Insurer, you will deposit with, or dispatch by post to, the Insurer, the premium so collected in full without deduction of your commission within twenty-four hours of the collections excluding bank and postal holidays.
- n. Observe and adhere and also bring the same to the notice of the Prospect/Policy holder, the provisions of Section 41 of the Insurance Act, 1938.
- o. Maintain performance standards as specified by the Company.
- p. Undergo Anti-Money Laundering ("AML") training and adhere to AML/Know Your Customer guidelines.
- q. Provide all collected customer information to the Company and extend cooperation for any investigation or information of your sourced customers.
- r. Pay special attention to business relationships and transactions, especially those which do not have apparent economic or visible lawful purpose. In all such cases, the background and purpose of such transactions as far as possible, have to be examined and written findings shall be maintained for assisting the Company.
- s. Promptly deliver to the Company in good order and condition, when demanded all records, rate books, documents, manuals, stationery, forms and all other books and papers relating in any way to the life insurance business of the Company and shall provide the list of all Policy holders

along with policy details, contact details and other details available with you in writing as and when demanded by the Company.

t. Promptly notify the Company of receipt by you or service of any complaint, notice or claim concerning or in relation to any matter governed by this appointment and shall promptly deliver a copy to the Company.

u. Be eligible to make any calls (subject to TRAI/ IRDA regulations) for procuring or servicing insurance business for the Company.

v. Receive communication from HDFC Life in connection with the agency and in this regard agree and understand that such communication will not be classified as "Commercial Communication/Unsolicited Communication" under the TRAI regulations.

Be contacted for all updates and latest Company information even if registered under 'DND'.

w. Make Prospects'/ Policy holder's premium payment by way of crossed-cheques, and demand drafts (as per limits specified by the Company) which is accompanied with Prospects'/ Policyholder's PAN card details. You shall inform and encourage the Prospect/ Policy holder to write his/her policy number or other details on the back of the cheque/demand draft. In this regard, you shall not use, your account or your credit/debit cards in making payments on behalf of the Policy holders.

x. Maintain strict confidentiality of the information received from any Prospect/Policy holder and/or the Company in the course of business (hereinafter referred to as "**Confidential Information**") and ensure the following:

a. You agree that the Confidential Information is to be considered confidential and proprietary to the Company and you shall hold the same in confidence, and shall not use the Confidential Information other than for the purposes of business with the Company, and shall disclose it only to its officers, directors, or employees of the Company with a specific need to know. You shall not disclose, publish or otherwise reveal any of the Confidential Information received from the Company and/or the Prospect to any other third party whatsoever except with the specific prior written authorisation of the Company.

b. The Confidential Information furnished in tangible form shall not be duplicated by you except in the course of business. Upon the request of the Company, you shall return all the Confidential Information received in written or tangible form, including copies, or reproductions or other media containing such Confidential Information, within ten (10) days of such request. Any documents or other media developed by you containing Confidential Information may be destroyed by you. You shall provide a written certificate to the Company regarding destruction within ten (10) days thereafter.

c. You shall have no obligation under this Appointment Letter, with respect to Confidential Information which is or becomes publicly available, except wherein the same is due to breach of the terms and conditions under this Appointment Letter; is rightfully received by you without obligations of confidentiality or is developed by you. However, such receipt or development needs to be supported with written documentation.

y. Procure certain minimum business from rural sector and/or social sector, on the advice of the Company.

z. In the event of soliciting business (in a distant mode) in a foreign country within the regulatory regime, you shall strictly abide by the laws of such country. Any liability or action arising in this behalf shall be your sole responsibility and HDFC Life shall not be responsible for the same.

aa. Authorise the Head – Distribution Planning and Program Management of the Company to act as a group organizer/Manager to arrange the group insurance on the life of a Life Advisor as and when eligible for the same. It is understood that the eligibility for the Group Insurance shall be on

the basis of criteria to be decided by the Head – Distribution Planning and Program Management at his sole discretion from time to time.

II. YOU SHALL NOT,

- a. Solicit or procure insurance business without being appointed to act as such by the Company;
- b. Expose the Company to money laundering activity and will not accept any business, wherein Prospect/ Policy holder has requested for laundering of fund;
- c. Induce or persuade any Prospect to omit any material information in the proposal form;
- d. Induce the Prospect to submit wrong information in the proposal form or documents submitted to the Company for acceptance of the proposal;
- e. Resort to multi-level marketing for soliciting and procuring insurance policies and/or induct any Prospect/Policy holder to join a multi-level level marketing scheme;
- f. Inform Customer about any investigation or reporting done under AML, if known to you.
- g. Behave in a discourteous manner with the Prospect/Policy holder or with the Company/any of its Representatives;
- h. Interfere with any products/proposals/business transactions introduced by any other insurance agent;
- i. Offer different rates, advantages, terms and conditions other than those offered by the Company;
- j. Provide any misleading/wrong information to the Policy holder related to AML;
- k. Demand or receive a share of claim proceeds from the Beneficiary under an insurance contract or offer any share payable out of the commission which may be received by you from the Company;
- l. Force, persuade or induce a Prospect/Policy holder to terminate any existing policy and to effect a new proposal from him within three years from the date of such termination of the earlier policy;
- m. Apply for fresh agency appointment to act as an insurance agent, if your agency appointment was earlier cancelled by the designated official, and a period of five years has not elapsed from the date of such cancellation;
- n. Become or remain a director of any insurance Company;
- o. Induce any Prospect/Policy holder into accepting any product, which the Prospect/Policy holder did not initially need, only for the generation of business. In the event of the Prospect/Policy holder rejecting the policy for the reason that the product was not what he had required, such sale shall be treated as a mis-sale and the Company reserves the rights to penalize you by way of fine and/or penal action as the Company may deem fit. You must fully understand the requirements of the Prospect/Policy holder and then suggest a suitable product;
- p. Be entitled to commission on any policy taken out by you on your own life unless you have secured policies on six different lives excluding your own and you have also been an insurance agent continuously from the time of your soliciting or procuring the first policy on each of such six lives or proposing on the policy of your own life, whichever is earlier, till the time when the policies on those six lives and the policy on your own life have all been issued as per the terms and conditions of Insurance Act, 1938 and rules framed thereof;
- q. Accept any risk for or on behalf of the Company;
- r. Unless authorised by the Company in writing, issue any type of receipt/s whether on personal letterhead or on the Company's behalf to any person, in respect of monies collected by you.

- s. Give anything in writing to the Policy holder or to any Prospect, whether on personal letterhead or on the letter head of the Company with regard to the product of the Company.
- t. Procure Group Insurance business for the Company unless specifically permitted in writing by the Company.
- u. Act as an insurance agent for more than one life insurance Company as in accordance with the Guidelines on Appointment of Insurance Agents, 2015 issued by Insurance Regulatory and Development Authority of India. You may however act as a general insurance agent for one general Insurer and/or agent for one stand alone Health Insurer and/or one of each of the mono-line Insurers subject to your meeting the applicable regulatory requirements.
- v. Be eligible for any incidental benefits (e.g. Rewards, reward points), deriving out of you being our Life Advisor, on your separation (resignation/termination) with the Company. All such unused incidental benefits, though accrued, will automatically lapse on your separation.
- w. Advertise and do any kind of publicity without written authority from the Company either by yourself or through an authorised person, and you shall, during the conduct of business with us, adhere to the provisions of the Insurance Regulatory and Development Authority (Insurance Advertisements and Disclosure) Regulations, 2000 as amended from time to time. In accordance with the advertisement regulations issued by the IRDA, you are required to obtain prior approval in writing, of the Company for issue of any advertisement prior to the issue. However such prior written approval is not required for:
- i. Advertisements developed by the Company and provided to you;
 - ii. Generic advertisements limited to information like the your name, logo, address, phone number and,
 - iii. Advertisements that consist only of simple and correct statements describing the availability of lines of insurance, references to experience, service and qualifications of agents but making no reference to specific policies, benefits, costs or Insurers.
- x. Act in contravention to the provision of Section 42(3) of Insurance Act, 1938 as amended from time to time, failing which you will be disqualified to act as an insurance agent owing to which, your appointment shall be cancelled, and the Company may recover from you, the Appointment Letter and the identity card issued earlier along with all other documents, literatures, booklets, tables, etc. that belong to the Company.
- y. Unless authorised by the Company, collect any money/premium in cash from the Prospects and/or Policy holder under any circumstances and shall be under obligation to disclose the Prospect/Policy holder that the payment towards premium charges shall be accepted by the Company except under the prescribed limits of the Company.
- z. Violate any guidelines/process related to AML, if found, appropriate action will be taken accordingly.
- aa. Lodge/file or threaten to lodge/file any suit or legal proceedings against any third person or any matter arising out of or in connection with the Company's business.

I. PENALTY

In case you act in contravention of the provisions of the Guidelines on Appointment of Insurance Agents, 2015, issued by IRDAI you shall be liable to a penalty which may extend to ten thousand rupees and any person acting on behalf of an Insurer, who appoints any person as an insurance agent not permitted to act as such or transact any insurance business in India through any such person, shall be liable to penalty which may extend to one crore rupees, as per the provisions of the Insurance Act, 1938, and the Insurance Regulatory and Development Authority Act, 1999.

J. DECLARATION OF INTENT

You, hereby confirm that on your appointment as a Life Advisor of HDFC Life, you will fully co-operate with the Company, to disclose all such facts, and provide all such details and attest the same by providing such certified true copies of documentation and in general follow such guidelines, as prescribed, in this regard, and as may be reasonably required by the Company, from time to time, and maintain and do all such acts, things, deeds necessary in terms of the regulations and rules framed by IRDAI and any other judicial/quasi-judicial authority and such other policies framed by the Company, to ensure due compliance with the laws of India.

You, further authorise the Company to seek/confirm the said information due from you/provided by you from any other reliable third-party source, at the sole discretion of the Company. Further, subject to your appointment, you also agree and authorise the Company to withhold payment of, any commission or benefits, due to you, in case you fail to discharge your obligation, as stated, aforesaid, till such time that the said requirement remains unfulfilled.

You hereby affirm, agree and acknowledge that HDFC Life may share your personal information, including contact information and bank account details in accordance with applicable law with HDFC Life's partners and third parties in pursuance of the sale and solicitation of insurance products including combi-product. You authorise HDFC Life to share your personal information to the extent provided herein.