

SIMPLILIFE



 **HDFC**
STANDARD LIFE
Sar Utha Ke Jiyo



Invest in financial security and
self respect for you & your family

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

You have given your family the very best. And there is no reason why they should not get the very best in the future too. With **HDFC SimpliLife**, you can ensure that your family remains financially independent, even if you are not around. You can ensure that they live a life of respect and dignity. **Always.**

HDFC SimpliLife

The HDFC SimpliLife gives:

- Valuable protection to your family in case you are not around
- An outstanding investment opportunity by providing a choice of thoroughly researched and selected investments

Once you have chosen your investment fund or funds, we will then invest your premium, net of premium allocation charges in the proportion you specify. At the end of the policy term of 15 years, you will receive the accumulated value of your funds.

In case of your unfortunate demise during the policy term of 15 years, we will pay the following to your family.

- the Unit Fund Value
- plus Sum Assured of Rs. 1 lakh.

Use HDFC Standard Life's excellent investment options to maximise your savings & secure your and your family's future. We will assist you in providing financial security for your family in your absence.

ALL UNIT LINKED LIFE INSURANCE PLANS ARE DIFFERENT FROM TRADITIONAL INSURANCE PLANS AND ARE SUBJECT TO DIFFERENT RISK FACTORS.

HDFC Standard Life is the name of our Insurance Company and HDFC SimpliLife 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.

NOW HAVE YOUR OWN UNIT LINKED PLAN IN THE MOST SIMPLE WAY

YOUR PREMIUM

The premium you will continue to pay each year of the policy is Rs. 20,000 once a year for the next 15 years.

Contact our Financial Consultant or nearest branch for more details about the available range of convenient auto premium payment options.

YOUR BENEFITS

In case of the Life Assured's unfortunate demise before the end of policy term, we will pay the following:

- the Unit Fund Value
- plus Sum Assured

On maturity, we will pay the unit fund value. This can be taken in periodical instalments by exercising the Settlement Option.

Your Sum Assured is Rs. 1,00,000.

CHOOSE YOUR INVESTMENT FUNDS

In this plan the investment risk in your chosen investment portfolio is borne by you. This means that 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.

So, to balance your level of risk and return, making the right investment choice is very important and you are responsible for the choices you make.

We have 7 funds that give you the potential for:

- Higher but more variable returns; or
- Lower but more stable returns

over the term of your policy.

Your investment will buy units in any of the following 7 funds designed to meet your risk appetite.

All the investment funds available to HDFC SimpliLife will be available to you.

All units in a particular fund are identical.



Happiness

You can choose from all or any of the following 7 funds:

FUND*	DETAILS	ASSET CLASS				RISK & RETURN RATING	
		Money Market**	Bank Deposits***	Govt. Securities & Bonds	Equity		
		FUND COMPOSITION					
Liquid Fund II	<ul style="list-style-type: none"> Extremely low capital risk Very stable returns 	100%				--	Low
Stable Managed Fund II	<ul style="list-style-type: none"> Low capital risk due to exposure only to short-term bonds (Max 2 years) Higher potential return than Liquid Fund over a long period of time 					--	Low
	Duration < 12 months	0% to 30%					
	Duration between 12 to 18 months	--	50% to 100%				
	Duration between 18 to 24 months	--	0% to 20%				
Secure Managed Fund II	<ul style="list-style-type: none"> More capital stability than equity funds Higher potential return than Liquid Fund 	0% to 5%	0% to 20%	75% to 100%	--	Low - Moderate	
Defensive Managed Fund II	<ul style="list-style-type: none"> Access to better long-term returns through equities Significant bond exposure keeps risk down as compared to equities 	0% to 5%	0% to 15%	50% to 85%	15% to 30%	Moderate	
Balanced Managed Fund II	<ul style="list-style-type: none"> Increased equity exposure gives better long-term return Bond exposure provides some stability as compared to equities 	0% to 5%	0% to 15%	20% to 70%	30% to 60%	High	
Equity Managed Fund II	<ul style="list-style-type: none"> Further increased exposure to equities to give a greater long-term return The small bond holding will aid diversification and provide a little stability 	0% to 5%	0% to 10%	0% to 40%	60% to 100%	Very High	
Growth Fund II	<ul style="list-style-type: none"> For those who wish to maximise their returns 100% investment in high quality Indian equities 	0% to 5%	--	--	95% to 100%	Very High	

* Notes on the Funds Available: We will manage the investment in each fund so that the proportion of each Asset Class is ALWAYS within the ranges given. ** "Money Market Instruments" includes Liquid Mutual Funds, commercial papers, commercial bills, treasury bills, Government securities having an unexpired maturity up to one year, call or notice money, certificate of deposit, usance bills, and any other like instruments as specified by the Reserve Bank of India from time to time. *** Bank Deposits means deposits issued by any Primary Dealer or Non-Banking and Banking Financial Company approved by the Reserve Bank of India or by any other Public Financial Institutions or by Housing Finance Companies approved by the National Housing Bank. • Your investment choices must follow IRDA regulations. This means that some investment choices will not be permitted; in particular we do not allow more than 10% of any unit allocation to be in the Liquid Fund II. • The past performance of any of the funds is not necessarily an indication of future performance. Unit prices can go up and down. No fund offers an assured return. The names of the funds we offer under this plan do not, in any way, indicate the quality of the plan, its future prospects or returns. • None of the funds participate in the profits of HDFC Standard Life Insurance Company Limited. • Investment professionals regard money market instruments as unsuitable investments for the long term and are generally used for the short term. This is because money market instruments have relatively stable returns and offer high degree of capital safety. However, they tend to offer lower returns over the long term compared to other investments.

FLEXIBLE OPTIONS FOR YOUR NEEDS

We have designed the plan to meet your needs. You can use these features to improve the investment returns you will receive.

FLEXIBLE OPTIONS	BENEFITS
Changing your Investment Decisions	You can change your investment fund choices** in two ways: <ul style="list-style-type: none"> Switching: You can move your accumulated funds from one fund to another anytime Premium Redirection: You can pay your future premiums into a different selection of funds, as per your need.
Premium Changes	<ul style="list-style-type: none"> You cannot increase or reduce your regular premiums at any time. If you stop^ paying premiums after at least 3 years premiums are paid, your policy will be converted to a paid up policy. Life Cover will continue as long as the policy is in force (premium paying or paid up). All applicable charges will continue to be levied. You may only restart your regular premiums within a specified period[®].

[^] Your policy has a grace period of 15 days [^] Your policy must maintain the minimum fund value of Rs. 30,000 ^{**} All the investment funds available to HDFC SimpliLife will be available to you [®] Where premiums are stopped before the payment of 3 years premiums, you may restart your regular premiums before the end of the third year of your policy or the end of the 2 years after you stopped paying premiums, whichever is later. Where premiums are stopped after the payment of 3 years premiums, you may restart your regular premiums before the end of the 5 years after you stopped paying premiums.

ELIGIBILITY

The age limits for taking out a HDFC SimpliLife are as shown below:

AGE AT ENTRY (Yrs.)		MAXIMUM AGE AT MATURITY (Yrs.)
Minimum	Maximum	
18	45	60

The plan has a fixed policy term of 15 years and the policy will mature at the end of this term.

HDFC SimpliLife is available with limited underwriting wherein you will have to fill a Short Medical Questionnaire (SMQ).

HDFC SimpliLife is available only if the life to be assured is not already the life assured of any HDFC SimpliLife policy.

ACCESSING YOUR MONEY

a) On Maturity

Your policy matures at the end of the policy term you have chosen and your risk cover ceases. You may redeem your balance units at the then prevailing unit price and take the fund value.

However, you also have the option to take your fund in periodical instalments* over the period which may extend to 5 years. This is called the "Settlement Option".

Your money will remain invested in the funds chosen by you and is subject to the same investment risks as during the policy term. During such period, we will continue to deduct charges other than the risk benefit charges such as the mortality charge (please see the "Charges" section below).

At the end of this 5-year period, we will redeem the balance units at the then prevailing unit price and pay the fund value to you.

Your policy will terminate the moment the value of balance of your units in all the funds falls below the minimum fund value of Rs. 30,000. No surrender charge will be applicable during the Settlement Period. The benefit payable will be the Unit Fund Value, less any applicable charges, at the date of termination. This is to ensure that at least an amount equal to the original annualised premium of Rs. 20,000 is returned to you, as required by our regulator.

* Currently this minimum instalment amount is Rs. 10,000.

b) On Death

In case of the Life Assured's unfortunate demise before the end of policy term, we will pay the following:

- the Unit Fund Value
- plus Sum Assured of Rs. 1 Lakh.

We will not pay any benefit other than the value of the units held at the date of intimation of death if death occurs within 90 days of the date of commencement, date of issue or date of revival whichever is later.

Your policy will terminate thereafter.

c) On Surrender or Partial Withdrawal

In the current regulatory scenario, insurance plans are not viewed as short-term plans. Therefore, you are encouraged to pay the original regular premium for at least the first 5 policy years. If you do not you will incur a charge. In addition, you have no access to the funds in your policy in the first three policy years.

If you do not pay the original Regular Premiums due in the first 3 years, your life cover will cease and the value of the units in the fund after the deduction of the surrender charge will cease to be invested and will be held separately by us. This amount will be paid out to you only at the end of the third year of your policy or the end of the 2 years after you stopped paying premiums into your policy, whichever is later.

If you surrender your policy before three years have passed, your life cover will cease and value of the units in the fund after the deduction of the surrender charge will cease to be invested and will be held separately by us. This amount will be paid out to you only at the end of the third year.

If you choose to surrender the policy, any time after three years have passed the surrender value will be the value of the units in the fund after the deduction of the surrender charge, if any.

If your fund value falls to zero during the first three policy years, your life cover will cease and we may at our discretion ask for additional premiums or cancel your policy.

If your fund value is less than the minimum fund value of Rs. 30,000 at any time after three policy years have passed, we will cancel your policy whether or not it is premium paying. This will ensure you receive at least an amount equal to the original annualised premium of Rs. 20,000.

Please see the "Charges" section for details of the Surrender charge.

You can make lump sum partial withdrawals from your funds after 5 years of your policy provided:

- The withdrawal amount is at least the minimum withdrawal amount which is currently Rs. 10,000; AND
- The fund after deducting the withdrawal amount and the partial withdrawal charge does not fall below the minimum fund value of Rs. 30,000.

BENEFICIARIES

If you have not assigned the policy,

- You will receive the benefits due on maturity
- In the event of your unfortunate demise, your nominee will receive the benefits due.

CHARGES

The charges under this policy are deducted to provide for the cost of benefits and the administration provided by us. Our charges, when taken together, are structured to give you better returns and value for money over the long term.

PREMIUM ALLOCATION CHARGE

This is a premium-based charge. After deducting this charge from your premiums, the remainder is invested to buy units. The tables below give the percentage of your premium that is used to buy units. This percentage depends on the year of allocation and is called the **Allocation Rate**.

ALLOCATION RATES

REGULAR PREMIUM DUE IN YEAR (Rs.)	ALLOCATION RATES
Year 1 & 2	80.00%
Year 3	85.00%
Year 4+	98.00%

FUND MANAGEMENT CHARGE (FMC)

In the long term, the key to building great maturity values is a low FMC. The daily unit price already includes our low fund management charge of only 1.25 % per annum charged daily, of the fund's value.

SURRENDER CHARGE

No Surrender Charge will be levied for any policy that pays the regular premium when due for the first five years of the contract.

Before the payment of the premium due on the 1st policy anniversary, the Surrender Charge is 100% of the Fund Value. Thereafter the Surrender charge applicable is shown in the table below:

NO. OF ORIGINAL ANNUALISED REGULAR PREMIUMS NOT PAID IN THE FIRST 5 YEARS	SURRENDER CHARGE
3	40% of the Fund Value
2	15% of the Fund Value
1	5% of the Fund Value
0	NIL

PARTIAL WITHDRAWAL CHARGE

You can make lump sum partial withdrawals from your funds after 5 years of your policy.

On the First Partial Withdrawal

No Partial Withdrawal Charge will be levied on the first partial withdrawal for any Policy that pays the Original Regular Premium when due for the first five years of the contract.

NO. OF ORIGINAL ANNUALISED REGULAR PREMIUMS NOT PAID IN THE 4 TH & 5 TH POLICY YEARS	PARTIAL WITHDRAWAL CHARGE
2	Rs. 6,000
1	Rs. 3,000
0	NIL

On Subsequent Partial Withdrawals

6 partial withdrawal requests will be free in a policy year and any additional partial withdrawal request will be charged Rs. 250 per request.

OTHER CHARGES

The following is the set of other charges that we will take from your policy. These charges are taken by cancelling units proportionately from each of the funds you have chosen.

CHARGE	EXPLANATION
Policy Administration Charge	Rs. 60 per month will be charged
Mortality Charges*	Every month we make a charge for providing you with the death cover in your policy. The amount of the charge taken each month depends on your age.
Switching Charge	24 switches will be given free in a policy year and any additional switch will be charged Rs. 100 per switch.
Revival Charge	A charge of Rs. 250 may be charged for revival.
Miscellaneous Charge	This is a charge levied for any additional servicing to the policy. 6 additional servicing requests will be free in a policy year and any additional servicing request will be charged Rs. 250 per request.

* Statutory Charges - Service Tax and Education Cess is payable at the applicable rates on the Mortality Charges

ALTERATION TO CHARGES

We cannot change our current charges without prior approval from IRDA.

- The premium allocation charges are guaranteed for the entire duration of the policy;
- The fund management charge will not exceed 2.5% per annum;
- The surrender charge is guaranteed for the entire duration of the policy term;
- The first partial withdrawal charge (if applicable) is guaranteed for the entire duration of the policy term
- The policy administration charge can increase subject to a maximum of 5% per annum over the period since inception;
- The mortality charge rates are guaranteed for the full duration of your policy term;
- The maximum switching charge allowed is Rs. 100 per switch which can be increased to a maximum of 5% per annum over the period since inception;
- We can charge up to Rs. 250 per request for Partial Withdrawal; Revival charges and additional servicing requests. We can increase this amount subject to a maximum of 5% per annum over the period since inception.

TAX BENEFITS (Based on current tax laws)

You will be eligible for tax benefits under Section 80C and Section 10(10D) of the Income Tax Act, 1961, subject to the provisions contained therein.

- Under Section 80C, you can save up to Rs. 33,990 from your tax each year (calculated on the highest tax bracket) as premiums up to Rs. 1,00,000 are allowed as a deduction from your taxable income.
- Under Section 10 (10D), the benefits you receive from this policy are exempt from tax.

The above mentioned tax benefits are subject to changes in the tax laws.

TERMS & CONDITIONS

We recommend that you read this brochure & benefit illustration and understand what the plan is, how it works and the risks involved before you purchase. We have appointed Certified Financial Consultants, duly licensed by IRDA, who will explain our plans to you and advise you on the correct insurance solution that will meet your needs.

A) Unit Prices:

We will set the unit price of a fund as per the IRDA's guidelines. The unit pricing shall be computed based on whether the company is purchasing (appropriation price) or selling (expropriation price) the assets in order to meet the day to day transactions of unit allocations and unit redemptions.

- (i) **Appropriation price** shall be computed as: Market value of investment held by the fund plus the expenses incurred in the purchase of the assets plus the value of any current assets plus any accrued income net of fund management charges less the value of any current liabilities less provisions, if any. This gives the net asset value of the fund. Dividing by the number of units existing at the valuation date (before any new units are allocated), gives the unit price of the fund under consideration.

- (ii) **Expropriation price** shall be computed as: Market Value of investment held by the fund less the expenses incurred in the sale of the assets plus the value of any current assets plus any accrued income net of fund management charges less the value of any current liabilities less provisions, if any. This gives the net asset value of the fund. Dividing by the number of units existing at the valuation date (before any units are redeemed), gives the unit price of the fund under consideration.

We round the resulting price to the nearest Re. 0.0001. This price will be published on our website and in leading national newspapers.

B) Exclusions:

No death benefit will be paid if the death has occurred directly or indirectly as a result of suicide within one year of the date of commencement or the date of issue or date of revival of the policy, whichever is later. However, in such circumstances, the value of the units held on the date of intimation of death will be paid out and the policy will terminate.

C) Cancellation in the Free-Look period:

In case you are not agreeable to the general policy terms and conditions, you have the option of returning the policy to us stating the reasons thereof, within 15 days from the date of receipt of the policy. On receipt of your letter along with the original policy documents, we shall arrange to refund you the value of units allocated to you on the date of receipt of request plus the unallocated part of the premium plus charges levied by cancellation of units, subject to deduction of the proportionate risk premium for the period on cover and stamp duty. A policy once returned shall not be revived, reinstated or restored at any point of time and a new proposal will have to be made for a new policy.

D) Special rules for large transactions:

For a very large transaction above a threshold level, in order to maintain equity and fairness with all unit holders, we may choose to apply special treatment for all transactions, which involve purchase or sale of underlying assets. The number of units allocated may reflect the expenditure incurred in the actual market transactions which occurred. The value of units obtained from encashment may be the actual value obtained as a consequence of the actual market transaction which occurred. Transactions may occur over a number of days. The threshold level will vary from time to time, depending on, amongst other matters, the liquidity of the stock markets. Our current threshold for large transactions will be Rs. 50,000,000 for a fund predominately investing in Government Securities and Rs. 25,000,000 for a fund investing in highly liquid equities.

E) Prohibition of Rebates:

Section 41 of the Insurance Act, 1938 states:

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.

Provided that acceptance by an insurance agent of commission in connection with a policy of life insurance taken out by himself on his own life shall not be deemed to be acceptance of a rebate of premium within the meaning of this sub-section if at the time of such acceptance the insurance agent satisfies the prescribed conditions establishing that he is a bona fide insurance agent employed by the insurer.

Any person making default in complying with the provisions of this section shall be punishable with fine, which may extend to five hundred rupees.

F) Non-Disclosure:

Section 45 of the Insurance Act, 1938 states:

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

Provided that nothing in this section shall prevent the insurer from calling for proof of age at any time if 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.

G) Service Tax & other duties:

As per the Service Tax Laws, service tax is applicable on the life insurance premium with effect from 10/09/2004, which is subject to change in tax laws. Any other indirect tax or statutory duty becoming applicable in future may become payable by you.

If Service Tax Laws are amended to subject any additional services or charges to Service Tax in the future, we may take the Service Tax and Education Cess by any method we deem appropriate including by levying of an additional monetary amount in addition to the premium; cancellation of units or from the unit fund.

Ensure a life of respect and dignity for you and your family.

Contact us today

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Visit us at www.hdfcinsurance.com



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