P R E S S   R E L E A S E

Canara HSBC Oriental Bank of Commerce Life Insurance launches Smart Monthly Income Plan

- *New foray into guaranteed monthly income space*
- *A traditional participating plan that provides*
  - *Legacy planning for the family through Guaranteed Protection for 25 years*
  - *Guaranteed monthly income for 15 years to meet the supplemental and retirement income needs*
  - *Lump sum built up through bonuses*
  - *Premiums can be netted off against income received from year 11*

For immediate release

New Delhi, 17 December 2013: Canara HSBC Oriental Bank of Commerce Life Insurance today announced the launch of its Smart Monthly Income Plan, a traditional participating product, designed to provide life cover and guaranteed extra income to meet the rising cost of living.

The Smart Monthly Income Plan provides the customer with a life cover for 25 years and regular guaranteed income for 15 years starting from the 11th policy year. It especially caters to the diverse financial goals of the customer through a guaranteed supplemental monthly income towards meeting the lifestyle and retirement needs and in legacy planning for family through guaranteed protection. It helps the customer to accumulate a lump sum through annual and final bonuses. Bonuses accrued till the time of death are payable along with the death benefit. The product also offers a flexibility of premium payment through set-off option that allows the customer to adjust the premiums payable from the receivable monthly income during policy years 11 to 15.

Speaking at the launch, **Mr. John Holden, Chief Executive Officer, Canara HSBC Oriental Bank of Commerce Life Insurance,** said, “We are pleased to offer Smart Monthly Income Plan, our first guaranteed monthly income plan, for the customers of our banks. Based on consumer insights, the product was designed to provide a dual benefit of protection through life cover and regular guaranteed income flow to meet supplemental income and retirement needs. The guaranteed income and accrued bonus through the term make the product ideal for planning for future financial needs”.

With the launch of Canara HSBC Oriental Bank of Commerce Life Insurance Smart Monthly Income Plan, the Company has further strengthened its product suite to provide the right solution for protecting one’s family and saving for future financial needs.

Key Information

<table>
<tr><th></th><th>Description</th></tr>
<tr><td>Entry Age</td><td>18 years – 55 years</td></tr>
<tr><td>Maturity Age</td><td>43 years – 80 years</td></tr>
<tr><td>Policy Term</td><td>25 years</td></tr>
<tr><td>Premium Payment Term</td><td>15 years</td></tr>
<tr><td>Premiums</td><td>Annual or Monthly</td></tr>
<tr><td>Minimum Monthly Income / Min. Premium</td><td>Min. Income is Rs.2,000 per month (in multiples of Rs.100 thereafter)

Premium depends on the age, income, and premium mode chosen</td></tr>
<tr><td>Maximum Premium/ Monthly Income</td><td>There is no limit on maximum premium/ Monthly Income, subject to underwriting</td></tr>
<tr><td>Sum Assured</td><td>100 times the chosen Monthly Income</td></tr>
<tr><td>Death Benefit</td><td>The Death Benefit Sum Assured is defined as higher of:

a) Sum Assured
or
b) 10 times the annualized premium.

On death of the life assured, a death benefit equal to Death Benefit Sum Assured plus added annual bonus (and any interim bonus for the part of the year in which death occurs) and final bonus (if any) subject to at least 105% of the premiums paid by the policyholder (excluding extra premiums, if any) shall be payable to the nominee.

The above Death Benefit shall be payable on death of the life assured irrespective of the Income Benefit paid till date of death.</td></tr>
<tr><td>Maturity Benefit</td><td>On survival till maturity: Annual Bonuses along with Final Bonus, if any.</td></tr>
<tr><td>Guaranteed Income Benefit</td><td>Monthly Income for 15 years - payable every month from the end of 121st policy month (not the calendar month) from the date of policy commencement up to the end of policy term.</td></tr>
<tr><td>High Sum Assured Rebate</td><td>This plan offers rebate on the premium payable, if Sum Assured is higher than or equal to Rs.3,00,000:

<table>
<tr><th>Sum Assured (`)</th><th>Rebate on Premium</th></tr>
<tr><td><3,00,000</td><td>0.00</td></tr>
<tr><td>≥ 3,00,000 to < 4,00,000</td><td>3.00</td></tr>
<tr><td>≥ 4,00,000 to < 5,00,000</td><td>4.00</td></tr>
<tr><td>≥ 5,00,000 to < 6,00,000</td><td>5.00</td></tr>
<tr><td>≥ 6,00,000 to < 9,00,000</td><td>6.00</td></tr>
<tr><td>≥ 9,00,000</td><td>7.00</td></tr>
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</td></tr>
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- **Bonuses:** Annual and Final bonuses if any are payable in case of death or maturity
- **Loan facility**: Liquidity to meet your contingency needs
- **Set-off option:** Flexibility to net-off premiums payable with income to be received from year 11-15
- **Tax Benefit:** Tax Benefits under the plan will be as per the prevailing Income Tax laws and are subject to amendments from time to time.

About Canara HSBC Oriental Bank of Commerce Life Insurance Company Limited
(www.canarahsbclife.com)

Canara HSBC Oriental Bank of Commerce Life Insurance Company Limited was launched in June 2008 and is jointly owned by two of India's largest public sector banks – Canara Bank (holding 51%) and Oriental Bank of Commerce (23%) – and HSBC Insurance (Asia Pacific) Holdings Limited (26%), the Asian insurance arm of one of the world's largest banking and financial services groups – HSBC. The Company has exclusive access to around 60 million customers and a pan-India network of over 6500 branches of Canara Bank, HSBC and Oriental Bank of Commerce.

The formidable distribution strength and in-depth local market knowledge of Canara Bank and Oriental Bank of Commerce coupled with the considerable insurance experience, product range and proven Bancassurance capabilities of HSBC make this an unparalleled union of financial strength, expertise and most importantly, trust.

To deliver affordable insurance solutions to address the needs of the rural population, the social sector and economically weaker sections of the society, especially those who have no or very little access to organised financial services, the Company has also tied up with two Rural Regional Banks (RRBs) – Pragati Krishna Gramin Bank in Karnataka and Kerala Gramin Bank (formerly known as South Malabar Gramin Bank) in Kerala that have a network of over 600 branches and reach out to more than 6 million customers.

Canara HSBC Oriental Bank of Commerce Life Insurance Company understands that today innovation is a key differentiator. Based on customer needs, the Company currently offers 13 products – 5 unit-linked and 8 traditional; 8 out of these are individual and 5 are group products.

The company achieved statutory break-even in 5th year of operations owing to its bancassurance business model, leading to a lean cost structure, strong persistency levels and superior underwriting process. Since launch on June 16, 2008 to November 30, 2013, the Company's business in terms of Gross Written Premium (GWP) stood at Rs 7579.3 crore and the number of policies sold are 4,21,000.

Media Enquiries:

Canara HSBC Oriental Bank of Commerce Life Insurance Company Limited

Nonika Raj Kumar +91 9717882227 nonika.rajkumar@canarahsbclife.in

IPAN Hill+Knowlton Strategies

Suresh Rathod +91 9820007348 suresh.rathod@hkstrategies.com