

**Terms & Conditions for loan against policy**

CANA

The policyholder (hereinafter referred to as "**Borrower**"), desires to receive a repayable interest bearing loan ("**Loan**") from HDFC Standard Life Insurance Company Limited (hereinafter referred to as "**HDFC Life**") against the surrender value of the insurance policy (policy) of the Borrower, and HDFC Life agrees to lend to the Borrower such loan, of the amount subject to the terms and conditions of the policy, and the specific terms and conditions given below.

1. The Borrower agrees to assign the policy absolutely, together with all bonuses and benefits accrued and to be accrued, in favour of HDFC Life, as a security for the repayment of the loan amount and of the interest thereon and of all charges which may be incurred in connection therewith.
2. The Borrower shall repay the loan in monthly instalments ("**EMI**") or as per the repayment cycle for the loan amount and at the interest rate applicable.
3. Interest rates offered by HDFC Life depend upon the credit score of the Borrower, loan amount requested, remaining policy term and are product specific. The interest on the loan will begin to accrue from the loan disbursement date and shall be calculated on a daily compounding basis.
4. The Borrower is aware that HDFC Life is not obliged to give any notice, reminder or intimation to the Borrower regarding any EMI due and/or the Borrower's obligation to pay EMIs regularly by the due dates. It shall be entirely the responsibility of the Borrower to ensure prompt, regular and complete payment of the EMIs on the due date.
5. Upon re-payment of the entire loan amount in full, together with applicable interest and charges the policy shall not longer be assigned to HDFC Life and shall be automatically re-assigned to the Borrower.
6. HDFC Life shall not accept any requests or notifications for further assignment of the policy during the pendency of an outstanding loan against the policy.
7. The Borrower shall not be allowed to make any of the following changes in the loan, after the loan disbursement date specified in the loan table:
  - a. Change in the frequency of EMIs
  - b. Increase in any further amount of loan, against the same policy
  - c. Change in the interest rate
8. In the event that the policy matures or becomes due for payment of survival benefits, or is surrendered, or the death benefit or any other benefit becomes payable in accordance with the terms and conditions of the policy, and when the amount of the loan(s) or any EMIs thereof shall remain outstanding, HDFC Life shall be entitled to deduct such outstanding amount together with all interest due up to the date on which the benefit amount under the policy becomes payable, from the policy moneys. The remaining balance, if any, shall be due and payable under the policy in accordance with the terms and conditions of the policy.
9. HDFC Life is entitled to recover or recall the amount of the loan, will all due interest and charges, by giving 3 months' notice to the Borrower's communication address specified in the policy.
10. If the loan outstanding value, including accrued interest, exceeds the maximum percentage of the surrender value as is specified in the policy, then the policy will

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stand automatically foreclosed, irrespective of whether such loan amount is re-called by HDFC Life. In such event, the amount equivalent to the loan outstanding value plus the accrued interest shall be retained by HDFC Life and the remaining surrender value, if any, will be returned to the Borrower. All cover and benefits under the policy will terminate immediately and policy will be cancelled in accordance with the provisions specified in the policy.

11. No delay or omission in exercising any right, power or remedy accruing to HDFC Life upon any default under these terms and conditions or the policy shall impair or be construed as a waiver of any such right, power or remedy or any acquiescence in such default; or in respect of any other default by the Borrower.
12. The language we will use in our communications with you will be English. This agreement and the operation of your loan account will be governed by laws of India and the courts of Mumbai shall have jurisdiction over any disputes in relation to terms and conditions for the loan against policy.
13. The Company retains the rights to make amendments to the terms and conditions as it deems fit. Any material modifications to the terms will be duly communicated to the Borrower.