

HDFC Life Insurance Terms & Conditions for Loan Against Policy



The Policy holder (hereinafter referred to as "Borrower"), has expressed desire to receive a repayable interest bearing loan ("Loan") from HDFC Life Insurance Company Limited (hereinafter referred to as "HDFC Life") against the surrender value of the insurance policy, and HDFC Life agreed to lend to the borrower such loan basis such surrender value and subject to the terms and conditions of the policy, and the terms and conditions given below.

1. In consideration of the loan availed from HDFC Life, the Borrower agrees to assign the policy conditionally as provided herein, together with all bonuses and benefits accrued and to be accrued, in favour of HDFC Life, as a security for 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 as specified in the loan table.
3. The interest on the loan will begin to accrue from the loan disbursement date specified in the loan table above.
4. The Borrower may make such payment as approved by HDFC Life in writing against the loan through HDFC Life's online portal provided the borrower is unable to repay the EMI, and that HDFC Life is given prior written intimation of the reasons due to which the re-payment could not be made through the EMI facility.
5. It is agreed and understood 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.
6. Upon re-payment of the entire loan amount in full, together with applicable interest and charges, the policy shall no longer be assigned to HDFC Life and shall be automatically re-assigned to the Borrower.
7. 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.
8. 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:
 - Change in the frequency of EMI's
 - Increase in any further amount of loan, against the same policy
 - Change in the interest rate
9. 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 money. The remaining balance, if any, shall be due and payable under the policy in accordance with the terms and conditions of the policy.
10. HDFC Life is entitled to recover or recall the amount of the loan, with all due interest and charges, by giving 3 months' notice to the Borrower's communication address specified in the policy.

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11. 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 stand automatically foreclosed, irrespective of whether such loan amount is recalled 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.
12. 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.
13. The Company retains the right 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.
14. If the policy is assigned to HDFC Life, then the outstanding loan will be deducted from the money back benefit amount and rest amount will be paid (if any).
15. During the policy loan period you would not be allowed for transactions - Partial withdrawal, Top-up, Assignment and alteration in policy sum assured/premium/term.
16. Borrower agrees and provides consent to HDFC Life for sending communication through telephone, calls, SMS, WhatsApp or emails with respect to receiving the Loan from HDFC Life against the surrender value of the insurance policy and that this shall not be construed as unsolicited commercial calls/e-mails. This consent shall override any registration of borrower's number on National Customer Preference Register (NCPR) or any similar registry prescribed by law.
17. Borrower's right to request a statement of account: A borrower can ask us for a statement of account at any time. The statement will set out the following:
 - a. details of each repayment the Borrower still owes
 - b. the dates those repayments are due; and
 - c. Break- up of each repayment showing how much relates to capital and how much to interest.