

IDBI Federal Loansurance® Group Insurance Plan (UIN: 135N028V01)

TERMS AND CONDITIONS

1. Definitions:

- **Beneficiary** means the person who is appointed as nominee of the insured member or the borrower as applicable, whose name has been entered in the Member Schedule maintained by the policy holder to receive the benefits payable under the policy.
- **Borrower** means a loan customer of the master policyholder and also includes business entities that have borrowed loan from the master policyholder.
- **Certificate of insurance** means the document certifying the coverage of the insured member under the terms, conditions and parameters as mentioned therein.
- **Co-insured member(s)** means insured member(s) under the same loan account number who are provided a proportionate cover as per their individual share of the loan covered.
- **Cover** means the insurance cover provided to the insured members under a master policy.
- **Cover commencement date** means the date of commencement of cover for the insured member as shown in the certificate of insurance.
- **Cover expiry date** means the date on which the insurance cover expires for each insured member as shown in the certificate of insurance.
- **Benefit schedule** means the table showing the sum insured for each cover month as shown in the certificate of insurance in the case of reducing cover option.
- **Cover term** means the duration of cover for each insured member as chosen at the time of joining the scheme as shown in the certificate of insurance.
- **Sum insured** means the face amount chosen as cover on the cover commencement date by the insured member and is as shown in the certificate of insurance. In the case of reducing cover option, the sum insured reduces as per the benefit schedule.
- **Insured member** means the eligible member of the group who is enrolled under the master policy, is liable for loan repayment either directly or as a partner in the borrower partnership firm and upon whose life the cover is effected as set out in the certificate of insurance.
- **Joint insured member(s)** means insured member(s) under the same loan account number who are provided a joint cover on a first to die basis under the master policy.
- **Master policy** means the document containing the terms, conditions and parameters issued to the master policyholder.
- **Master policyholder** means the holder of the master policy, as shown in the certificate of insurance.
- **Premium** means the initial premium and the subsequent premiums due and payable under the master policy for cover provided to the insured members.
- **Policy commencement date** means the commencement date of the master policy.
- **Proportionate cover** means the share of cover as shown in the certificate of insurance applicable for co-borrowers of a loan, insured for their respective share of loan.
- **Proposer** in case of education loans, means either of the natural parents or legal guardian of a minor life (age at entry below 18 years), who have insurable interest in the minor life and who can propose for the cover on the minor life for whom the education loan has been taken.
- **We/ our/ us** means IDBI Federal Life Insurance Company Limited.
- **You/your** means the master policyholder.

2. Premium:

The amount and frequency of the premium payable for each insured member is as shown in the certificate of insurance of each insured member. The first premium is due on the cover commencement date and the subsequent premiums are due during the premium payment term as shown in the certificate of insurance.

The premiums as shown in the certificate of insurance do not include any applicable taxes, cesses or levies which are payable in addition to the premiums.

3. Death benefit:

In case of death of an insured member before the cover expiry date and while the cover is in force, a death benefit will be paid to the beneficiary, which will depend on the cover option chosen by the insured member as given below:

3.1. Reducing cover option:

The death benefit is the amount shown as per the benefit schedule for the cover month in which the death occurred as shown in the insured member's certificate of insurance.

3.2. Level cover option (only for interest only loans):

The death benefit will be the sum insured as shown in the insured member's certificate of insurance.

Payment of death benefit

Death benefit will be paid as below as per the benefit schedule as shown in the certificate of insurance:

- **Individual cover**
The death benefit is paid in the case of death of the insured member.
- **Joint cover**
The death benefit is paid in the case of death of either of the joint insured members, whichever occurs first.
- **Proportionate cover**
The death benefit is paid in the case of death of each of the co-insured members as per the share of cover as shown in the certificate of insurance. The total premium payable under the cover reduces to the extent of the premium payable for each of the deceased co-insured members.

All the claims will be settled in the name of the nominee or legal heir of the insured member.

In case of minor life (only for education loans), risk cover will start immediately from the risk commencement date. The following conditions are applicable in case of a minor life:

- The proposer will pay the premium

- Either of the natural parents or legal guardian who have insurable interest in the minor life can be a proposer
- As and when the person insured attains majority, the policy will vest on the insured person
- On death of the proposer during the minority of the insured person, the surviving parent or legal guardian who has insurable interest in the minor life will be the proposer. In case there is no surviving parent or legal guardian then the policy terminates and surrender value if any will be payable as per the policy terms and conditions.
- On death of the insured person before attaining majority (age 18 years), the benefits under the policy will be payable to the proposer.

Suicide Claim provision

The company will pay 80% of the premiums paid as the death benefit if the insured person, whether sane or insane, commits suicide within 12 months from the date of commencement of the policy or from the date of policy issue whichever is later.

In case of suicide within one year of reinstatement of the plan, the benefit payable will be equal to higher of 80% of the premiums paid till date of death or the Surrender value as available on the date of death.

4. Maturity benefit:

There is no maturity benefit payable under the master policy.

5. Moratorium period:

If the insured member has chosen a moratorium period, the death benefit payable during the moratorium period is the initial sum insured, notwithstanding that the loan disbursements actually made is less.

6. Premium payment option:

The insured member has the option to pay limited or regular premium. In case of limited premium, the premium payment term is 5 or 10 years or 2/3rd of the cover term subject to a minimum of 5 years. In case of regular premium, the premium payment term is equal to the cover.

Regular premium payment option is available with level cover only i.e. Regular premium payment option is not available with reducing cover.

7. Automatic acceptance:

Only for all home loan borrowers there will be automatic acceptance of risk subject to fulfilment of the following conditions as mentioned below:

- The insured member has to be the borrower.
- The insured member intends to live in the house for which the loan is applied.
- Maximum age at entry is 60 years as per last birthday.
- Insured member has to complete a health declaration.
- Cover will commence from the date on which premiums are cleared.

- Maximum automatic cover is Rs 20 lakh up to the age of 50 and Rs 15 lakh from the age of 51 to 60.
 - For sum insured beyond the automatic cover limit we will issue a cover for sum insured up to the automatic cover limit, at standard rates, even if we decline or load cover above that limit.
 - The sum insured must not exceed the loan amount plus capitalised interest in case of a construction loan.
 - The cover term must not exceed the loan term.
 - For sum insured beyond automatic cover, the member has to complete personal health statement.
- In case of joint lives, each life must satisfy all the requirements. The automatic cover limit will be applicable for each life.

8. Claim requirements:

All claims must be notified to us in writing. We have requirements to establish the validity of any claim that is made under this policy before we can make any benefit payment. We will ask for:

- the original certificate of insurance,
- proof of death,
- transaction details about the loan account so that we can establish the benefit entitlements,
- a claim discharge signed by the party to whom the benefits are payable, and
- any further documentation or information we may need before we can process the claim.

We may conduct any investigation we consider necessary before we initiate processing of the claim application.

All the claims will be settled in the name of the nominee or legal heir of the insured member.

9. Grace period:

We allow a grace period of 30 days for yearly, quarterly, half yearly and 15 days for monthly mode of premium payments from the due date of the premiums with respect to each insured member. In the case of death during the grace period, before the due premium is paid; the premium due shall be deducted from the death benefit payable.

10. Lapse:

The cover with respect to each insured member shall lapse; if premium is not paid within the grace period. No benefit is payable if the cover has lapsed.

In case of proportionate cover, if premium with respect to any of the co-insured members is not paid within the grace period, the cover with respect to that co-insured member will lapse.

11. Reinstatement:

If a cover has lapsed, we may reinstate it subject to the following conditions:

- an application for reinstatement is made within 2 years from the date of the premium last unpaid premium,
- the insured member has furnished satisfactory evidence of health and other requirements as per our underwriting guidelines, and
- the arrears of premium together with interest, at such rate as decided by us from time to time, is received along with the reinstatement application.

No benefits are payable during the reinstatement period. We will reinstate the benefits in full. If a lapsed cover has not been reinstated the premiums already received by us are forfeited and the cover cannot be reinstated thereafter.

12. Surrender value:

A surrender value is available with respect to each insured member

- After payment of 2 annual premiums for premium payment term less than 10 years; and
- After payment of 3 annual premiums for premium payment term greater than or equal to 10 years

Surrender value is payable only for limited premium payment option. No surrender value is payable for regular premium payment covers.

Surrender value is calculated as per the following formula:

For Limited Premium Payment covers:

$75\% \times [\text{Number of premiums paid} / \text{Total number of premiums payable}] \times [\text{Unexpired cover term} / \text{Cover term}] \times [\text{Sum insured at the time of surrender} / \text{Initial sum insured}] \times \text{Total premiums paid till date}$

For Regular Premium Payment covers:

No surrender value is payable

13. Loan prepayment:

The cover shall be terminated and a surrender value if applicable shall be paid on events including but not limited to:

- early settlement of amount outstanding by the insured member as per loan schedule, other than as a result of occurrence of the insured event,
- the loan account of the insured member being declared a non performing asset,
- the surety/guarantor for a loan taken by a business entity ceasing to be a surety/guarantor.

Even if we are not intimated of the above by the master policyholder or the insured member, we will pay the special surrender value in the event of death of such insured member.

14. Transfer of loan to another bank:

If the borrower closes his/her loan with the original bank and refinances it with another bank, then the cover may be cancelled. In case of such a case the surrender value will be payable, if any

15. Termination of cover:

The cover with respect to an insured member will terminate and a surrender value, if any and as applicable at that time shall be paid on the earliest of:

- early settlement of loan amount outstanding, other than as a result of occurrence of the insured event,
- an insured member who was directly liable for loan repayment ceasing to be directly liable for loan repayment, other than as a result of occurrence of the insured event.

The surrender value, if any, will be paid in the event of death of such insured member after the occurrence of any of the above events.

The cover will terminate and our obligations will cease on the earliest of:

- the expiry of the grace period if premiums due within that period are not paid,
- the cover expiry date as shown in the certificate of insurance irrespective of whether the loan in conjunction with which the certificate of insurance was issued continues or has been extended,
- surrender of cover, and
- death of the insured member in case of individual cover, or death of either of the joint insured members, whichever occurs first, in case of joint cover, or death of all the co-insured members in the case of proportionate cover.

16. Nomination:

As per Section 39 of the Insurance Act, 1938, the member can nominate a person to receive the benefit under this policy. During the lifetime of the insured member and while this policy is in force, the member may at any time by written notice to us or to the master policyholder, designate any person or persons as a nominee, to whom the benefits under this policy shall be paid upon the unfortunate death of the insured member.

We will register the nomination of a member in the Certificate of Insurance, or any change in nomination by endorsing the Certificate of Insurance, registering it in our records, and we will acknowledge the change in nomination to the member in writing.

The receipt of policy benefits by a nominee shall be a valid discharge of our liability. If on the date of death, there is no surviving nominee, then we will pay the benefits to your estate or legal representatives.

17. Assignment:

Assignment is not allowed under this policy.

18. Discontinuance of the master policy:

As a master policyholder, you may discontinue the policy for new members by giving us a prior written notice of at least three months or of such period as mutually agreed between you and us. No new insured members can be admitted once the policy is discontinued for new members. For existing insured members, the cover shall continue for the balance cover term provided all future premiums are paid duly on or before the respective due dates. Similarly, all other provisions of the master policy shall continue to apply.

19. Loans:

No loan is available under this policy.

20. Without participation in profits:

This policy does not participate in the surplus earnings of our policyholders' fund.

21. General terms and conditions:

This master policy is subject to our General Terms and Conditions for conducting business with our policyholders. These are binding on you and us. We may amend the General Terms and Conditions with the approval of the IRDA where required for the sake of compliance, good governance, the security of our policyholders, and administrative efficiency, but not in such a way as to affect your entitlements to benefits under this policy. We may also be

required by law to change the General Terms and Conditions. We will advise you of any changes to the General Terms and Conditions. These are also available on request from any of our official branches and offices.

General Terms and Conditions (Group non-linked products)

1. Assignment and transfer

The benefits in respect of each insured member are strictly personal and cannot be assigned, charged or alienated in any way whatsoever by the insured member.

2. Endorsements

The terms and conditions of this master policy cannot be waived or changed except by an endorsement approved and signed by our authorised officials.

3. Travel, residence and occupation

This master policy and the insurance cover are free from all restrictions as to travel, residence and occupation unless specifically restricted in the certificate of insurance.

4. Changes in applicable law

Notwithstanding anything contained in this master policy, the provisions herein shall stand altered, amended, modified or superseded to such extent and in such manner as may be required by any change in the applicable law (including but not limited to any regulations made or directions or instructions or guidelines issued by the IRDA or any other statutory bodies) or as may be necessary under a judgement or order of a court of law.

5. Forfeiture as a result of non disclosure

If there is any inaccurate or false statement made in the proposal, personal statement, declaration or related documents in connection with the insurance cover, then subject to law we may refuse claims to any benefit under this policy and all the premiums you have paid may be forfeited to us.

Section 45 of the Insurance Act, 1938 reads:

‘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 the 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 policy-holder and that the policy holder 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 insured member was incorrectly stated in the proposal.’

6. Rebating

Section 41 of the Insurance Act, 1938 reads:

‘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.’

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

7. Loss of policy document/certificate of insurance

If the master policy document/certificate of insurance is lost then we will, on a written request by the master policyholder/insured member, and upon us being satisfied as to the fact and cause of the loss, provide a copy. If a copy is issued, the master policy document/certificate of insurance will cease to be of any legal effect. The master policyholder/insured member agrees to keep us indemnified and hold us harmless from any costs, expenses, claims, awards or judgments arising out of or howsoever connected with the original master policy document/certificate of insurance.

8. Governing law & jurisdiction

Indian law shall govern this master policy / insurance cover and the relationship between the master policyholder, insured member and us. The parties shall be subject to the exclusive jurisdiction of the courts in India for all matters and disputes arising from, relating to or concerning the master policy / insurance cover.

9. Notices

All notices meant for us whether under this master policy / insurance cover or otherwise must be in writing and delivered to us at the address mentioned below, or such other address as we may notify to you from time to time.

All notices meant for the master policyholder / insured member will be in writing and we will send the same to the most recent address registered with us. Change of address, must be notified to us immediately.

10. Currency and place of payment

All payment to or by us will be in accordance with the prevailing Exchange Control regulations and other relevant laws and regulations of India.

Indian Rupee is the currency of this master policy/insurance cover. We will make or accept payments at any of our offices in India or such other locations as determined by us from time to time.

11. Free look period

A free-look period of 15 days from the date of receipt of the master policy is provided, for review of the master policy by the master policyholder. In case the master policyholder does not agree with any of the provisions in the master policy, the same can be returned within this period by communicating the same in writing along with the original policy document. Premiums shall be refunded after deduction of stamp duty, medical expenses incurred and proportionate risk premium for the period of cover. A master policy once returned cannot be revived, reinstated or restored at any point in time and a new proposal will have to be made for a new master policy.

Please note that this plan will not be sold through Direct Marketing.

12. Grievances

- a) In case you, the master policyholder or the insured member has any query or complaint/grievance, you/he/she may approach our office at the following address:

Manager-Customer & Sales Support
IDBI Federal Life Insurance Co Ltd
Tradeview, Oasis Complex,
Kamala City,
P.B. Marg, Lower Parel (West)
Mumbai 400 013
Contact No:
Toll free Nos 1800 102 5005 (non MTNL subscribers) &
1800 22 1120 (MTNL subscribers)
Email ID: support@idbifederal.com

- b) In case you, the master policyholder or the insured member is not satisfied with the decision of the above office, or have not received any response within 10 days, you/he/she may contact the following official for resolution:

VP-Operations
IDBI Federal Life Insurance Co Ltd
Tradeview, Oasis Complex,
Kamala City,
P.B. Marg, Lower Parel (West)
Mumbai 400 013
Contact No: 022 6735 8109
Email ID: grievance@idbifederal.com

- c) In case you, the master policyholder or the insured member is not satisfied with the decision/resolution of the Company, you/he/she may approach the Insurance Ombudsman at the address given below if your grievance pertains to:

- Insurance claim that has been rejected or dispute of a claim on legal construction of the master policy/certificate of insurance
- Delay in settlement of claim
- Dispute with regard to premium
- Non-receipt of any insurance document

Address of the Insurance Ombudsmen:

<p>AHMEDABAD 2nd Flr., Shree Jayshree Ambica Chambers, Near C.U.Shah College, 5, Nayvug Colony, Ashram Road, AHMEDABAD 380 014 (O) 079- 27546840 Fax : 079-27546142 E-mail : Ins.omb@rediffmail.com</p>	<p>BHOPAL 1st Floor, 117, Zone-II, (Janak Vihar Complex, 2nd Floor, 6, Malviya Nagar, Opp Airtel, Near New Market, Bhopal (M.P.) - 462023 (O) 0755- 2569201, Fax : 0755-2769203 E-mail : bimalokpalbhopal@airtelmail.in</p>	<p>BHUBANESWAR 62, Forest Park, BHUBANESWAR - 751 009 (O) 0674- 2596455 Fax : 0674-2596429 Email : ioobbsr@dataone.in</p>
<p>CHANDIGARH S.C.O. No. 101,102&103, 2nd Floor, Batra Building Sector 17-D, CHANDIGARH - 160 017 (O) 706196 EPBX : 0172-2706468 Fax : 0172-2708274 Email: ombchd@yahoo.co.in</p>	<p>CHENNAI Fatima Akhtar Court, 4th Flr., 453 (old 312) Anna Salai, Teynampet, CHENNAI -600 018 (O) 044- 24333668, 24335284 Fax : 044-24333664 E-mail : chennaiinsuranceombudsman@gmail.com</p>	<p>NEW DELHI 2/2 A, 1st Floor, Universal Insurance Bldg. Asaf Ali Road, NEW DELHI – 110 002 (O) 011- 23239633 Fax : 011-23230858 E-mail : iobdelraj@rediffmail.com</p>
<p>GUWAHATI Jeevan Nivesh, 5 th floor Nr. Panbazar Overbridge S.S. Road Guwahati 781 001 (ASSAM) (O) 0361- 2132204/5 Fax : 0361-2732937 Email: ombudsmanghy@rediffmail.com</p>	<p>HYDERABAD Door No. 6-2-46, 'Moin Court', Flat No. 101, 1st Floor, Lane Opp.Saleem Function A. C. Guards, Lakdi-Ka-pool, HYDERABAD - 500 004. (O) 5504122, 5504123 Fax : 040/23376599 E-mail : insombud@sancharnet.in</p>	<p>KOCHI 2nd Flr., CC 27/2603 Pulinat Building Opp. Cochin Shipyard, M.G. Road, ERNAKULAM - 682 015 (O) 0484- 2358759 Fax : 0484-2359336 E-mail : iokochi@asianetindia.com</p>
<p>KOLKATA 4th Floor, Hindusthan Bldg, Annexe, 4, C.R. Avenue, Kolkatta- 700 072 Tel : 033- 22124346/40 Fax: 033 22124341 Email: iombsbpa@bsnl.in</p>	<p>LUCKNOW Jeevan Bhawan, Phase 2 6th Floor, Nawal Kishore Road Harzartganj Lucknow 226 001 (O) 0522 2231331 Fax : 0522-2231310 E-mail: insombudsman@rediffmail.com</p>	<p>MUMBAI 3rd Flr., Jeevan Seva Annexe (Above MTNL) S. V. Rd., Santa Cruz (W) MUMBAI - 400 054 (O) 022 26106928 Fax : 022-26106052 Email: ombudsmanmumbai@gmail.com</p>

- d) The complaint should be made in writing duly signed by the complainant or by his legal heirs with full details of the complaint and the contact information of complainant.
- e) As per provision 13(3) of the Redressal of Public Grievances Rules 1998, the complaint to the Ombudsman can be made

- only if the grievance has been rejected by the Grievance Redressal Machinery of the Insurer
- within a period of one year from the date of rejection by the insurer
- if it is not simultaneously under any litigation.

SAMPLE