



Avail a loan for fulfilling a dream!
But don't let it become a burden
for your family, later!

IndiaFirst Life Group Credit Life Plus Plan

(A non-linked non- participating Group Credit Life Insurance Plan)

PROMOTED BY



Before you start reading

Important Note

IndiaFirst Life Group Credit Life Plus Plan is referred to as the Policy throughout the brochure.

How will this brochure help you?

This brochure gives you details of how the Policy works throughout its lifetime. It's an important document to refer to.

To help your understanding

We've done our best to explain everything as simply as possible; however you're likely to come across some terms you're unfamiliar with. Where possible, we've explained these.

We have used plain language that's easy to understand and believe this brochure is a good place to start when considering a risk cover.

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Introduction

While you help bring dreams to reality; we stand by your side to protect those dreams

When you set out to buy a new house or a new car; you find that it is important to manage finances for your purchase and the way you can make payments in convenient installments. However, you also need to evaluate the impact of not being able to pay the outstanding balance of your loan if something untoward was to happen.

IndiaFirst Life Group Credit Life Plus Plan helps your members with the assurance of freedom from financial liability in case of death of the member or total permanent disability due to an accident. The plan protects not just the asset but also relieve their loved ones from the loan liability that may arise in case of any unforeseen event.

Executive Summary

Key Features

- **You, Master Policyholder**
- Provide your members with an enhanced value offering; give them security along with finances to enliven their dreams
- This enhanced value offering will also result in an increased customer loyalty
- Control your liability exposure, as we help to pay the outstanding loan amount in the unfortunate event of the member's demise or total permanent disability due to an accident.

Your Members

- Future proof your assets as well as your loved ones against the loan liability
- Ensure your dreams are protected and liability free in case of an unfortunate event, be it death or total permanent disability due to an accident
- Cover not just yourself but even your partner who has taken up the loan along with you to ensure a complete security of your loved ones

- Choose between Level or Reducing cover as per your needs

Risk Factors

- In case of Reducing cover option, the death benefit amount may be lower than the outstanding loan amount as cover schedule of insurance is on the basis of fixed loan interest rate at the time of availing the cover while outstanding loan amount varies according to the actual loan interest rate which varies from time to time due to movement in base rate by the financial institution.
- There can be a maximum of two joint borrowers under this policy so for partnership / business loan where there are more than 2 members one policy may not suffice.
- Tax laws are subject to change from time to time as per Government Tax Laws. This may impact total premiums paid by you or your member as applicable..

1. What is IndiaFirst Life Group Credit Life Plus Plan?

IndiaFirst Life Group Credit Life Plus Plan is a non-participating, non-linked group credit life insurance plan that can be offered to

- Loanees from Banks and Financial Institutions
- Employees taking loans from their employers
- The members of Employee welfare societies say employee co-operative societies offering loans to their members
- Card holders (Credit Card companies are likely to provide loans to the credit card customers based on their past credit history. Those type of loans which falls under personal loan category for a term of say 2 to 5 years period will be covered here)
- Micro-finance loans in Rural or Social Sector

You, the Master Policyholder can provide an opportunity to your members/ customers to secure their loved ones against the burden of repayment in case of unfortunate event of the life assured's/

member's demise or total permanent disability due to the accident during the cover term. The policy will also help you, the Master Policyholder to protect your assets against uncertainty.

2. Who can be a part of this policy?

This policy includes the 'Master Policyholder and the 'Member'.

Who is the Master Policyholder?

Master Policyholder is the entity or organization (Bank or Financial Institution) that provides this policy to its customers / members who have taken loans. The Master Policyholder holds the Master Policy.

Who is the Member?

Member is the customer / employee of the Master Policyholder and is the Life Assured under this policy. The benefits are payable on the member's life. The age limits for a member are -

Minimum age at entry	14 years (last birthday)
Maximum age at entry	70 years (last birthday)
Maximum age at maturity	76 years (last birthday)

What is the group size to whom the cover can be offered?

Minimum group size	10
Maximum group size	No limit

3. What are the cover options available under this policy?

You can offer all of the following cover types to your members -

1. Life Cover
2. Life Cover + Accidental Total Permanent Disability
3. Life Cover + Accidental Death

4. Life Cover + Accidental Total Permanent Disability + Accidental Death

Sum Assured can be either Level Term Cover or Reducing Term Cover

	Regular Premium	Limited Premium	Single Premium
Level Term Cover	✓	✓	✓
Reducing Term Cover (linked to loan repayment schedule)	✗	✓	✓

4. What is the term of the policy?

The term of the policy is the cover term of the member which will depend upon the tenure of the loan subject to the conditions mentioned below:

Cover Term	Regular Premium	Limited Premium - 5 Years	Limited Premium - 10 Years	Single Premium
Minimum Term	5 Years	8 Years	14 Years	2 Years
Maximum Term	30 Years	30 Years	30 Years	30 Years

Maximum Cover Term per member should be less than or equal to loan term subject to the maximum cover term of 30 years

What are the premium paying options available under the policy?

Regular Premium	Equal to Cover Term
Limited Premium	5 years / 10 years
Single Premium	One-time payment

5. What is the Sum Assured that can be offered to the member against his/her loan?

Minimum Sum Assured	Rs. 5,000/- per member
Maximum Sum Assured	Other than Micro Finance Loan - No Limit; subject to Board approved underwriting policy Micro Finance Loan – Rs. 200,000 per member

The minimum death benefit amount at any time during the cover term would be at least Rs.5,000

Does the policy offer a high Sum Assured discount?

Yes, the policy offers a high Sum Assured discount to the member as per the table below:

Premium Paying Options	Sum Assured greater than equals to (Rs)	For Reducing Term Cover Discount rate as a % on premium rate	For Level Term Cover Discount rate as a % on premium rate
Single Premium	3,00,00,000	1%	4%
Limited Pay 5 years	5,00,00,000	1.5%	3%
Limited Pay 10 years	7,50,00,000	1.5%	3%
Regular Premium	10,00,00,000	N.A.	1%

6. What are the modes of payment of premium?

Regular premium	Monthly (through ECS or Direct Debit)/ quarterly/ six-monthly/ yearly
Limited premium	Monthly (through ECS or Direct Debit)/ quarterly/ six-monthly/ yearly
Single premium	One time premium only

The following premium frequency factors for half-yearly, quarterly and monthly policies will apply on Annual Premiums.

Premium Frequency	Factor to be applied to Annual Premium
Half-yearly	0.5119
Quarterly	0.2551
Monthly	0.0870

7. How does this policy work?

	Level Term Cover	Reducing Term Cover
Premium payment	<ul style="list-style-type: none"> Your member can choose between Regular / Limited / Single Premium The premium amount is based on age at entry, gender, cover term, premium payment term, loan type etc. 	<ul style="list-style-type: none"> Your member can choose between Limited / Single Premium The premium amount is based on age at entry, gender, cover term, premium payment term, loan type, loan interest, moratorium period etc.
Cover term	<ul style="list-style-type: none"> Equal to the term of the loan at inception of the policy 	<ul style="list-style-type: none"> Equal to the term of the loan at inception of the policy
Sum assured	<ul style="list-style-type: none"> Equal to the initial loan amount It is fixed and does not change during the policy term Your member will be provided with the Certificate of Insurance at the beginning of the policy 	<ul style="list-style-type: none"> Sum Assured is the initial loan amount and decreasing over the term of the loan, linked to reducing cover schedule Your member will be provided with the Certificate of Insurance along with cover schedule at the beginning of the policy

8. What happens in case of the Member's/ Life Assured's demise or total permanent disability due to an accident?

Following benefits will be payable in case of any unfortunate event:

Cover Options	Level Term Cover	Reducing Term Cover
Life Cover	In case of death of the Life Assured; Sum Assured as opted at the inception is payable	In case of death of the Life Assured; outstanding cover amount as per the cover schedule immediately preceding the date of death of life assured is payable
Life Cover + Accidental Total Permanent Disability	In case of death or total permanent disability due to an accident of the Life Assured; Sum Assured as opted at the inception is payable	In case of death or total permanent disability due to an accident of the Life Assured; outstanding cover amount as per the cover schedule immediately preceding the date of death or disability of life assured is payable
Life Cover + Accidental Death	In case of death of the Life Assured; Sum Assured as opted at the inception is payable Plus In case of accidental death of the Life Assured; additional benefit equal to Sum Assured as opted at the inception is payable.	In case of death of the Life Assured; outstanding cover amount as per the cover schedule immediately preceding the date of death is payable Plus In case of accidental death of the Life Assured; additional benefit equal to the outstanding cover amount as per the cover schedule immediately preceding the date of death is payable.

Life Cover + Accidental Total Permanent Disability + Accidental Death	In case of death or total permanent disability due to an accident of the Life Assured; Sum Assured as opted at the inception is payable Plus In case of accidental death of the Life Assured; additional benefit equal to Sum Assured as opted at the inception is payable.	In case of death or total permanent disability due to an accident of the Life Assured; outstanding cover amount as per the cover schedule immediately preceding the date of death or total permanent disability is payable Plus In case of accidental death of the Life Assured; additional benefit equal to outstanding cover amount as per the cover schedule immediately preceding the date of death is payable.
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The benefit shall be payable as under:

- In case of Regulated Entities is the master policyholder, under Lender- Borrower scheme, the Outstanding Loan amount, if any shall be payable to the Master Policyholder subject to prior authorization from the Member taken at the inception of policy. Any residual benefit shall be paid to the Nominee.
- In case of Other Entities, the Benefit shall be payable to the Nominee.

Please Note -

Regulated Entities shall mean to include - Reserve Bank of India ("RBI") regulated Scheduled Banks (including co-operative Banks), NBFs having Certificate of Registration from RBI, National Housing Bank ("NHB") regulated Housing Finance Companies, National Minority Development Finance Corporation (NMDFC) and its States Channelizing Agencies or Small Finance Banks regulated by RBI.

Other Entities shall mean the entities other than Regulated Entities as mentioned above.

Total and Permanent Disability refers to a disability, which:

- a. is caused by Bodily Injury resulting from an accident, and
- b. occurs due to the said bodily injury, directly and independently of any other causes, and
- c. occurs within 180 days of the occurrence of such accident irrespective of the expiry of cover term provided date of accident is within the cover term

For the purposes of this benefit, the loss of both arms, or of both legs, or of one arm and one leg, or of both eyes, shall be considered total and permanent disability, without prejudice to other causes of total and permanent disability.

"Loss of an arm or a leg" shall mean physical severance of the arm at or above the wrist or physical severance of the leg at or above the ankle which:

- a. is caused by bodily injury resulting from an accident, and
- b. occurs due to the said bodily injury, directly and independently of any other causes, and
- c. occurs within 180 days of the occurrence of such accident irrespective of the expiry of cover term provided date of accident is within the cover term

"Loss of an eye" shall mean total and irrevocable loss of sight of an eye which:

- a. is caused by bodily injury resulting from an accident, and
- b. occurs due to the said bodily injury, directly and independently of any other causes, and
- c. occurs within 180 days of the occurrence of such accident irrespective of the expiry of cover term provided date of accident is within the cover term

"Accident" shall mean an event or contiguous series of events, which are violent, unforeseen, involuntary, external and visible in nature, which causes Bodily Injury.

"Bodily Injury" means Injury must be evidenced by external signs such as contusion, bruise and wound except in cases of drowning and internal injury.

Accidental Death Benefit:

"Accidental Death" shall mean death:

- a. which is caused by Bodily Injury resulting from an Accident and
- b. which occurs due to the said Bodily Injury solely, directly and independently of any other causes and
- c. which occurs within 180 days of the occurrence of such Accident irrespective of the expiry of cover term provided date of accident is within the cover term

In case of Accidental Death or Accidental Total Permanent Disability occurring within 180 days of accident, provided date of accident is within the cover term, Insurer will pay the loan outstanding as per initial cover schedule on the date of accident plus any premiums, if any, paid from date of accident to date of death or disability.

If any claim for Total and Permanent Disability or Accidental Death is caused directly or indirectly due to or arises from any of the following circumstances, the benefit will not be payable –

1. Intentional self-inflicted injury, suicide or attempted suicide, while sane or insane;
2. Insured person being under the influence of drugs, alcohol, narcotics or psychotropic substances unless taken in accordance with the lawful directions and prescription of a registered medical practitioner;
3. War, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, mutiny, rebellion, terrorist act, revolution, insurrection, military or usurped power, riot or civil commotion, strikes;
4. Participation in any flying activity, except as a bonafide passenger in a commercially licensed aircraft;
5. Participation by the insured person in a criminal or unlawful act;
6. Any disability in case of disability due to an accident option and/or any injury in case of accidental death option that occurred before the effective date of the cover
7. Any disability due to any kind of sickness, disease or congenital anomalies before and/or after the effective date of the cover in case of disability due to an accident option;
8. Engaging in or taking part in professional sport(s) or any hazardous pursuits, including but not limited to, diving or riding or any kind of race; underwater activities involving the use of breathing apparatus or not; martial arts; hunting; mountaineering; parachuting; bungee-jumping;
9. Nuclear Contamination; the radio-active, explosive or hazardous nature of nuclear fuel materials or property contaminated by nuclear fuel materials or accident arising from such nature;

9. How many borrowers (members) are allowed?

Under this policy, there can be a maximum of two borrowers covered under the same policy.

10. How does the policy work in case of joint borrowers?

The borrowers have the following options -

	First claim basis (100% of Loan)	Loan share percentage
Extent of cover	<ul style="list-style-type: none"> • Each of the joint borrowers is insured for 100 per cent of the outstanding loan amount. 	<ul style="list-style-type: none"> • Each of the joint borrowers is insured up to his/her share of the loan as mentioned in the membership form
Any one or both the borrower's demise or total permanent disability due to an accident	<ul style="list-style-type: none"> • In the unfortunate event of either or both of the two borrower's demise or total permanent disability due to an accident, the benefit is paid to the member / nominee / appointee / legal heir, through you, the Master Policyholder • In case of death or total permanent disability due to an accident of one of the borrower the cover for the other borrower ceases immediately. 	<ul style="list-style-type: none"> • In the unfortunate event of either or both of the two borrower's demise or total permanent disability due to an accident, the benefit is paid to the member / nominee / appointee / legal heir, through you, the Master Policyholder - up to the deceased borrower's share • In case of death or total permanent disability due to an accident of one of the borrower the cover for the other borrower continues

11. What is the maturity benefit payable to the member/ Master Policyholder under this policy?

There is no maturity benefit payable under the IndiaFirst Life Group Credit Life Plus Plan.

12. What are the tax benefits under this policy?

Currently you may be eligible for the below mentioned tax benefits. These are subject to change from time to time as per Government Tax Laws. However, you are advised to consult your tax consultant.

	Premium paid by the Master Policyholder	Premium paid by the Member (by separate payment or by enhancing the loan amount)
Master Policyholder	Can claim the deduction under Section 37(1), under Income Tax Act, 1961 for the entire amount paid as premium	No deduction
Member	No deduction	Can claim the benefits under Section 80C, under Income Tax Act, 1961. Receipt must be in the name of the individual member or the receipt must state that the premium paid by the Master Policyholder is on behalf of the member

13. What happens in case the repayment of loan starts a few years after the loan is disbursed?

Risk cover	<ul style="list-style-type: none"> If the date of the loan disbursement and the start of loan repayment (EMI) are different, your member can avail of 'Moratorium Period' The moratorium period allows for the risk cover to start even before the actual loan repayment schedule begins For example: In case of education loan, the repayment installments start only after study period has been completed. However, the member (student) is covered during this period as well
Payment of interest	<ul style="list-style-type: none"> Level cover during moratorium period: Your member can choose to pay interest during this period. In this case the sum assured will remain constant till the start of the loan repayment Increasing cover during moratorium period: If the interest is not paid, the outstanding loan amount will increase every month to the extent of the unpaid interest till the repayment starts. Hence the cover amount will increase every month to the extent of the unpaid interest till the repayment starts.
Moratorium Period	<ul style="list-style-type: none"> Minimum: 1 Year Maximum: 7 Years

14. What happens if the loan is disbursed in phases?

In cases where the loan is disbursed in phases, for example: construction linked home loan, the cover will start from the date of the first disbursement and will be equal to the total loan amount.

15. Will the amount of an additional loan be covered under this policy?

The amount of the additional loan will not be covered under the existing cover. A fresh cover can be issued for the additional loan amount.

16. Missing your premiums?

We provide you, the Master Policyholder and your Members with a grace period of 15 days for monthly premium mode and 30 days for all other premium mode under regular/limited payment mode. This period starts from the due date of each premium payment. All the policy benefits continue during this grace period. In case of death or total permanent disability, as the case may be, during grace period, only due premium, if any, before date of occurrence of death or disability will be deducted from the death or disability benefit. In case, you the Master Policyholder have collected the premium from the member before the completion of grace period and have not remitted the same to us (due to any reason), we will continue to provide coverage to that member subject to confirmation from master policyholder of the collection of the premium and recover of the premium from master policyholder .

What are your options to revive the policy/ cover?

You, the Master Policyholder and your member can revive the policy/cover within a period of two years from the due date of the first unpaid premium by paying the outstanding premium without interest but before the maturity date, as per the Board Approved Underwriting policy of the Company.

Under limited payment option, if member/master policyholder has not revived the policy within revival period of two years, then on completion of revival period termination value will be paid to the member/master policyholder and policy or contract terminates for that member.

17. Can you surrender / terminate the policy/ cover?

- Yes, you the Master Policyholder/Member has the flexibility to surrender / terminate the policy / cover anytime during the cover term.
- In case any individual member wishes to foreclose the loan before end of the term or you, the Master Policyholder surrenders the Policy then the member has the option to continue the cover till the end of the policy term. The member also has the flexibility to surrender / terminate the cover before the end of cover term.
- Surrender value is applicable for single Premium option and termination value is applicable for limited Premium option.
- There is no surrender / termination value under regular premium option.
- The surrender / termination value is calculated as -

	Reducing Term Cover	Level Term Cover
Regular premium	Not applicable	No surrender / termination value is payable
Limited premium - Termination Value	$70\% \times \text{Premiums Paid} \times \{1 - M / xP\} \times$ $\{ \text{Current SA} / \text{Original SA} \} \times$ (Premiums Paid/ Total Premiums payable under the policy) Where M = Elapsed months since inception & P = Cover term in months }	$70\% \times \text{Premiums Paid} \times \{1 - M / P\} \times$ (Premiums Paid/ Total Premiums payable under the policy) Where M = Elapsed months since inception & P = Cover term in months }
Single premium - Surrender Value	$70\% \times \text{Single Premium} \times \{1 - M / P\} \times$ $\{ \text{Current SA} / \text{Original SA} \}$ Where M = Elapsed months since inception & P = Cover term in months.	$70\% \times \text{Single Premium} \times \{1 - M / P\}$ Where M = Elapsed months since inception & P = Cover term in months

18. What happens in case the person insured commits suicide?

In case of unfortunate demise of your member / life assured due to suicide, within 12 months from the date of inception of the cover commencement date of the member, the nominee/ appointee/ legal heir will receive 80% of the premiums paid excluding extra premium if any, through you, the Master Policyholder.

In case your member commits suicide within 12 months from the date of revival or reinstatement of the cover; we will pay higher of 80% of the premiums paid or termination value as available on the date of death of the member, if any, to the nominee/ appointee/ legal heir through you, the Master Policyholder.

This is irrespective of whether the life assured, was sane or insane at the time of death.

19. Can you cancel your Policy?

Yes, The policy offers a Free Look period under which you the Master Policyholder/Member can cancel this Policy/Cover if you disagree with any of the terms and conditions of this Policy/Certificate of Insurance within the 30 days of receipt of your Policy document/Certificate of Insurance in case policy is sourced through distance marketing or electronic mode, if applicable and 15 days in case of other modes. You can return the Policy/Certificate of Insurance to us, while stating your reasons for the same.

Do you get any refund when you cancel your Policy?

Yes. We will refund an amount equal to the - Premium paid less:

- i. Pro-rata risk premium
- ii. Any stamp duty paid
- iii. Expenses incurred on medical examination, if any

20. When your members cover ceases?

The insurance coverage will cease at the earliest of

- i. Member attaining age 76 years or on death of the member or total permanent disability due to an accident whichever is earlier.
- ii. Non-payment of limited/ regular premium after the grace period as applicable
- iii. End of cover term
- iv. Payment of Surrender / Termination Value
- v. Free Look Cancellation
- vi. Death of First Life in case of Joint Life coverage

21. Nomination: The member can appoint a nominee as per section 39 of the Insurance Act, 1938 as amended from time to time.

22. Assignment: As per the provisions of Section 38 of the Insurance Act, 1938 as amended from time to time.

23. Prohibition of Rebate: As per provisions of Section 41 of the Insurance Act, 1938 as amended from time to time. No person shall allow or offer to allow, either directly or indirectly, as an inducement to any person to take 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 prospectus 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 bonafide insurance agent employed by the insurer. Any person making default in complying with the provisions of this section shall be liable for a penalty which may extend to ten lakh rupees.

24. Fraud and Misrepresentation: As per provisions of Section 45 of the Insurance Act, 1938 as amended from time to time. For more details please refer to our website www.indiafirstlife.com

25. About IndiaFirst Life Insurance

IndiaFirst Life, the 23rd entrant in the Indian life insurance industry, launched its operations in November 2009. IndiaFirst Life is promoted by two large public-sector banks, Bank of Baroda (44% stake) and Andhra Bank (30% stake) whose footprint and experience continue to fortify the value proposition it offers to all stakeholders. Carmel Point Investments India Private Limited incorporated by Carmel Point Investment Ltd, a body corporate incorporated under the laws of Mauritius and owned by private equity funds managed by Warburg Pincus LLC also holds 26 percent stake in IndiaFirst Life.

*Tax exemptions are as per applicable tax laws from time to time.

Disclaimer: IndiaFirst Life Insurance Company Limited, IRDAI Regn No.143, CIN: U66010MH2008PLC183679, Address: 301, 'B' Wing, The Qube, Infinity Park, Dindoshi - Film City Road, Malad (East), Mumbai - 400 097.

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