



# Because Continuity Even After A Miss Is A Certainty

## IndiaFirst Life Smart Pay Plan

(Non-Linked, Participating, Limited Pay, Money Back Life Insurance Plan)

PROMOTED BY





## Before You Start Reading

### 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 planning your future under this insurance contract.



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## Introduction

To keep up with the growing needs at every stage of life, you need to plan your savings as well as safeguard your future through life insurance cover. In order to achieve this, you need an avenue which helps you to systematically save for the growing financial needs and provides liquidity as well to help you achieve your goals. This avenue, should also include the most important aspect of safeguarding your loved ones financially with a life insurance cover.

In order to smartly plan for achievement of the dreams and aspirations of your family, we bring our unique offering of IndiaFirst Life Smart Pay Plan, which not only provides you with liquidity to meet your interim financial requirements but also provides you with automatic maintenance of your life cover (applicable after you have paid two full years' premiums) in case you miss paying your premium for one year. This plan is a perfect mix of disciplined savings with the benefit of liquidity and life cover, thus providing the best to you and your family.

### 1. What is the IndiaFirst Life Smart Pay Plan?

This is a limited premium paying participating money back plan which not only provides shorter pay commitments but also gives some liquidity within premium paying period. This plan is designed to ease the fulfilment of your financial goals through money back during the premium paying period itself, continuation of your life cover benefit in case you miss to pay one premium, giving you an upside in the form of bonus (if any) at maturity while protecting your loved ones through a life cover in case of any unfortunate event.

### 2. What are the basic eligibility criteria in this policy?

Criteria	Parameters
Age at Entry	Minimum* - 8 years for policy term of 10 years; 3 years for policy term of 15 years Maximum - 50 years
Maximum Age at Maturity	65 years
Premium Payment Term & Policy Term	5 years PPT for 10 years Policy Term 5/6/7/8 years PPT for 15 years Policy Term
Premium	Minimum <ul style="list-style-type: none"><li>▪ ₹ 18,000 yearly.</li><li>▪ ₹ 9,215 half - yearly</li><li>▪ ₹ 4,662 quarterly</li><li>▪ ₹ 1,566 monthly</li></ul> Maximum - No limit; subject to board approved underwriting policy

## Executive Summary

### Key Features

- Pay for shorter period with options suiting your time horizon and fulfil your long-term goals
- Continue to enjoy life cover benefit even if you miss to pay one premium (applicable after you have paid two full years' premiums)
- Enjoy the upside of earnings with an annual bonus (if any)
- Get 103% of your one annual premium back as survival benefit
- At the end of term, you get Sum Assured at Maturity plus accrued bonuses (if any)
- Option to add Waiver of Premium Rider to secure your loved ones from burden of paying future premiums in case of occurrence of death, accidental total permanent disability or any of the defined critical illness while continuing the benefits of the plan.
- Tax benefit may be available on the premiums paid and benefits received as per prevailing tax laws.

Premium Paying Modes - Modal Factors	Yearly Half - Yearly - 0.5119 Quarterly - 0.2590 Monthly - 0.0870
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\*Under minor life assured, risk cover starts immediately. For minor life assured, either of the parent or legal guardian who has insurable interest on the minor life can be a proposer/policyholder who pays the premium. As and when the life assured attains majority, the policy will vest on the life assured.

On the death of the policyholder during minority of the life assured, the surviving parent or legal guardian who has insurable interest of the minor life will be the policyholder. In case there is no surviving parent or legal guardian and the policy has not acquired surrender value then the policy terminates else the policy will be continued as paid-up policy and proceeds will be paid as per policy terms and conditions.

### 3. What is the sum assured on Maturity in this policy?

The sum assured on maturity in the policy is as chosen by you at the inception of the policy and which is the minimum benefit payable at maturity.

Minimum Basic Sum Assured	Maximum Basic Sum Assured
₹ 1,50,000	No limit; subject to board approved underwriting policy

You can also opt for Waiver of Premium Rider for an enhanced benefit. Please refer to IndiaFirst Life Waiver of Premium Rider brochure for more details on the said rider.

### 4. What are the bonuses declared under this policy?

Your policy shall be eligible for Simple Reversionary Bonus and Terminal Bonus, if any and Interim Bonus, if any as applicable as per approved Bonus policy.

- Simple Reversionary Bonus (SRB): The Simple Reversionary Bonus, if declared by us will be calculated on the Guaranteed Sum Assured at

Maturity. The Simple Reversionary Bonus rates are not fixed or guaranteed and may change from time to time. However, once declared, they are then guaranteed. If the Policy is under Paid-Up Mode, no future simple reversionary bonus will be added.

- Terminal Bonus (TB): Terminal Bonus, if any, will be declared based on our investment experience and is at the discretion of the company. Terminal Bonus, if any will be paid either on death or on maturity or on surrender as per terms and conditions of the policy. No Terminal Bonus is payable if the Policy is under Paid-Up Mode.

### 5. What do you get at the end of the policy term (maturity benefit)?

You stand to receive the following at maturity: -

- Guaranteed Sum Assured at Maturity; plus
- Accrued Simple Reversionary Bonuses, if any; plus
- Terminal Bonus, if any

This is also known as maturity benefit in the policy.

On payment of the maturity benefit, the policy will terminate and no more benefits will be payable.

## 6. What is the survival benefit under this policy?

You will receive your survival benefit as per table below: -

Premium Paying Term / Payout Year	5 Years	6 Years	7 Years	8 Years
4	103% of one annualized premium	-	-	-
5	-	103% of one annualized premium	-	-
6	-	-	103% of one annualized premium	-
7	-	-	-	103% of one annualized premium

You have an option to use this survival benefit to pay the premium of your policy. Sum Assured at Maturity amount selected by you at outset will remain guaranteed even after the survival benefit and will not be reduced to the extent of amount paid back to you. You need to choose this option at inception.

## 7. What happens in case of life assured's demise in this policy (death benefit)?

In the unfortunate event of life assured's demise during the term of the policy, Death Benefit is paid out to nominee either as lumpsum or as a monthly income over next 5/10/15 years.

Death Benefit will be higher of:

- Sum Assured on Death + accrued Simple reversionary bonus, if any + Terminal bonus, if any or
- 105% of total premiums paid excluding applicable taxes\* and underwriting extra premium, if any, till the date of death

Sum Assured on Death is highest of:

- 10 times of Annualized Premium, or
- Absolute amount assured to be paid on death
- minimum guaranteed Sum Assured on Maturity

Where Absolute amount assured to be paid on death and minimum guaranteed Sum Assured on maturity is the guaranteed sum assured on maturity selected by you at the inception of the policy.

In case of death benefit payout in instalments; the monthly instalment amount will be calculated by multiplying the death benefit by annuity factor, where annuity factor will be arrived on the basis of prevailing SBI savings bank interest rate as on date of death. Once the instalment payment starts, this payment remains level throughout the instalment period. The prevailing SBI savings bank interest rate is subject to review at the end of every financial year. The prevailing interest rate will be decided on 31st March every year.

## 8. Are there any Riders available in this policy?

Yes, you have an option to opt for IndiaFirst Life Waiver of Premium (WOP) Rider (UIN: 143B017V01). This rider when opted, supports you, by waiving off the future premiums of your base policy in case the policyholder/ life assured suffers from death, accidental total permanent disability or critical illnesses as defined under the rider basis the rider option as chosen. The options for policyholder/ life assured are as mentioned below.

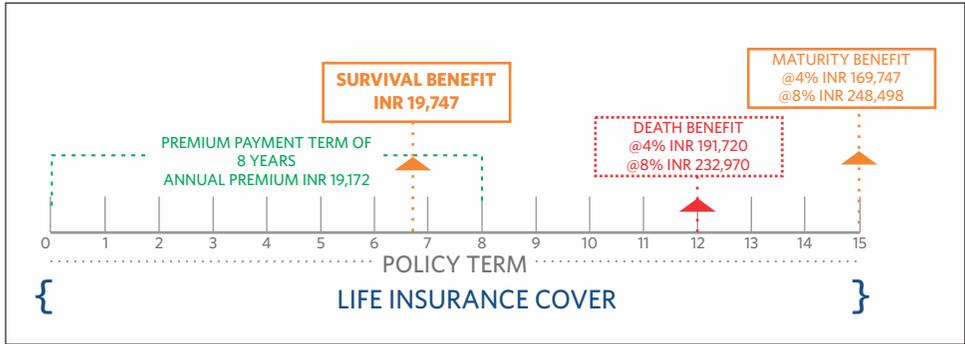
OPTION	BENEFIT
Waiver of Premium on Death	This option provides benefit of waving all future premiums due and payable under the base policy on Death of the Policyholder (only when life assured and Policy Holder are different individuals under base policy), subject to rider and base policy being in force.
Waiver of Premium on Accidental Total Permanent Disability or (diagnosis of) Critical Illness	This option provides the benefit of waving all future premiums due and payable under the base policy on either or simultaneous happening of the following events; Accidental Total Permanent Disability of the rider life assured or on the confirmed diagnosis of the rider life assured suffering from any one of the critical illnesses covered under the rider, subject to rider and base policy being in force.
Waiver of Premium on Death or Accidental Total Permanent Disability or Critical Illness	<p>This option provides the benefit of waving all future premiums due and payable under the base policy on earlier happening of either of the following events - Death of the rider life assured or Accidental Total Permanent Disability of rider life assured or on the confirmed diagnosis of the rider life assured suffering from any one of the Critical Illnesses covered under the rider, subject to rider and base policy being in force.</p> <p>To opt for this option, life assured and Policy Holder should be different individuals under base policy</p>

## 9. How does this policy work?

We have explained the working of the policy with a sample illustration below.

Mr. Kumar, 40 years bought the IndiaFirst Life Smart Pay Plan for a policy term of 15 years. He paid the annual premium of INR 19,172 (exclusive of taxes) for the premium payment term of 8 years and a Guaranteed Sum Assured at Maturity of INR 150,000. Just before the last year premium payment, Kumar will receive the survival benefit of INR 19,747; which is nothing but 103% of his annual premium. At the end of the plan term, he will receive the maturity benefit of INR 169,747 @4% or INR 248,498 @ 8%. Even in case of his death during the policy term, his loved ones are safeguarded with the life cover. Kumar can opt to receive this death benefit in the policy as a lump sum or an installment benefit over 5/10/ 15 years.

## Illustration



### 10. What are the tax benefits in this policy?

Tax benefits may be available on premiums paid and benefits receivable as per prevailing Income Tax Laws. These are subject to change from time to time as per the Government Tax laws. Please consult your tax consultant before investing.

### 11. Can I get a loan in this policy?

Yes, you may benefit from a loan facility under this plan.

The amount of the loan that you may avail at any point of time will depend on the surrender value. You may avail of a loan amount up to 90% of the available surrender value. The minimum loan amount should be Rs.1,000. We will charge interest at a rate of 10% per annum which may be revised by us from time to time subject to IRDAI approval.. When the loan with accrued interest exceeds the surrender value, the policy will foreclose and outstanding loan along with accrued interest will be recovered from surrender proceeds. Loan outstanding along with interest, if any will be recovered from death/maturity proceeds in case if it is not repaid before the event of death or maturity.

### 12. Is there any high sum assured discount in this policy?

Yes, there is a premium discount if you opt for higher sum assured as per below table: -

Sum Assured on maturity Band	Discount % on Premium
1,50,000 to < 2,00,000	Nil
2,00,000 to <3,00,000	1%
3,00,000 to <5,00,000	2%
5,00,000 to <10,00,000	3%
10,00,000 and above	4%

### 13. Is there a grace period for missed premiums?

We provide you with a grace period which is the time provided for payment of premium from the premium due date during which the policy is considered to be in-force with the risk cover. This policy has a grace period of 30 days for yearly, half-yearly and quarterly frequencies and 15 days for monthly frequency from the premium due date. In case of death of the life assured during this period, death benefit after deducting due premiums before date of occurrence of death, will be paid to the nominee(s)/appointee/legal heir.

## 14. What is the Life cover continuance benefit in this plan?

Your policy will have life cover continuance benefit if the policy has acquired paid up value.

Under this benefit; if you miss to pay premium for one policy year after your policy acquires paid up value; the death benefits under the policy will continue as per the in-force policy for one year from the date of "First Unpaid Premium". During this period no simple reversionary bonus will be paid for the year in which annual premium due for that year has not been paid.

Customer will have an option to further extend the benefit of "Life Cover Continuance Benefit" if he/she pays premium with applicable interest within one year from date of "First Unpaid Premium." On such payment, Life cover continuance benefit will be applicable, for one year from the revised "Unpaid Premium" date. You will also receive reversionary bonus, if any for the year for which you paid the due premium.

If you do not pay premium within 12 months from the date of "First Unpaid Premium" then the death benefit will be reduced as per the reduced paid up policy.

## 15. What happens in case you miss paying the premiums?

In the event of non-payment of premium due under the policy within the grace period, the policy will lapse if the policy has not acquired a guaranteed surrender value. The risk cover will cease, and no further benefits will be payable in case of a lapsed policy.

The policy will lapse if less than two full years' premiums have been paid.

However, you can revive your lapsed policy within the revival period. You can see further sections below on Revival for more information.

In case of non-payment of premium before the expiry of grace period, policy will acquire paid-up value provided at least two (2) full years premium have been paid.

If policy is lapsed and is not revived during the revival period, it will be foreclosed without paying any benefit after expiry of the revival period.

### Once a policy becomes paid-up:

#### ▪ **Death Benefit:**

- Within one year from the date of first unpaid premium - Death benefits under the policy will continue as per the in-force policy as mentioned in point 14 above

- If Death happens after One Year from the date of first unpaid premium - Death benefit would be the Reduced paid-up Sum Assured on death plus accrued simple Reversionary Bonus (if any) plus terminal bonus, if any\* till the date of reduced paid-up

Where, Reduced paid-up Sum Assured on death is defined as:

Sum Assured on Death as on the date of policy being made paid-up \* (Total numbers of premiums paid / Total Number of premiums payable over the policy term)

#### ▪ **Maturity Benefit:**

At the end of policy term, you will receive Reduced paid-up Sum Assured on maturity plus accrued simple Reversionary Bonus, if any, plus terminal bonus, if any till the date of reduced paid-up less survival benefit amount paid if any.

Where, Reduced paid-up Sum Assured on maturity is defined as:

(guaranteed Sum Assured on maturity plus survival benefit) x (Total numbers of premiums paid)/(Total Number of premiums payable over the policy term)

Policy will not be eligible for any future simple reversionary bonuses once it has been converted into a paid-up policy.

### **What are your options to revive the policy?**

You may revive your policy within a specified period by -

- Simply paying the remaining premium(s) along with interest from the due date of first unpaid premium

You may revive your policy within two years from the due date of the first unpaid premium but before the maturity date. Upon revival of the policy within the revival period, all benefits as per T&C will be restored as per in-force policy. The revival is subject to satisfactory medical and financial underwriting.

If policy in Reduced Paid Up mode is not revived during the revival period, it will continue in the reduced paid up mode until maturity or death or surrender of the policy.

Note: The current interest charged for delay in premium payment is 9% p.a.

## 16. Can you surrender your policy?

It is advisable to continue your policy to enjoy full benefits of your policy. However, we understand that in certain circumstances you may want to surrender your policy. The policy will acquire surrender value after 2 full years' premiums have been paid.

At the time of surrender higher of Guaranteed Surrender Value (GSV) or Special Surrender Value (SSV) will be payable. The surrender value payable will vary by policy term and policy year of surrender.

The GSV factors are dependent upon policy year of surrender and policy term. There are two sets of GSV factors. One set of GSV factors will be applicable on total premiums paid and other set of GSV factors will be applicable on any subsisting simple reversionary bonus accrued till date of surrender.

GSV = GSV factor for premium \* total premium paid excluding applicable taxes and extra premium, if any; Plus

GSV factor for simple reversionary bonus \* accrued simple reversionary bonus (if any); Less survival benefit of 103% of Annualised premium paid, if any till the date of surrender.

The SSV will be =  $\{(Total\ No\ of\ premiums\ paid / Total\ No\ of\ premiums\ payable\ during\ the\ policy\ term) \times (Sum\ Assured\ plus\ survival\ benefit\ of\ 103\% \text{ of Annualised premium payable under the policy})$ ;

Less, Survival benefit of 103% of Annualised premium paid, if any, till the date of surrender;

Plus, Accrued simple Reversionary Bonus (if any)} multiplied by the SSV factor prevailing at the time of surrender.

The SSV factor will be determined by us from time to time subject to prior Regulatory approval.

GSV factors are mentioned in Annexure I

## 17. What is the Free Look Period available in your policy?

You can return your policy within the Free Look period;

In case you do not agree to the any policy terms and conditions, you have the option of returning the policy to us stating the reasons thereof, within 15 days from the date of receipt of the policy. The free-look period for policies purchased through distance marketing or electronic mode will be 30 days.

### **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 and rider premium, if any for the time the policy was in force

Less ii. Any stamp duty paid

Less iii. Expenses incurred on medical examination, if any

## 18. What happens in case the life assured commits suicide (suicide clause)?

If the life assured commits suicide within 12 months from the date of inception of the policy, we will pay 80% of the total premiums paid, excluding applicable taxes\* as per tax\* laws, to the nominee(s)/ appointee/ legal heir provided policy is in-force. This is irrespective of whether the life assured, was sane or insane at the time death.

If the life assured commits suicide within 12 months from the date of revival/ re-instatement, the benefit payable will be equal to the higher of 80% of total premium, excluding applicable taxes\* as per tax\* laws, paid till date of death or the surrender value as available on the date of death,.

## 19. Nomination

The member can appoint a nominee as per section 39 of the Insurance Act, 1938 as amended from time to time. For more details please refer to our website [www.indiafirstlife.com](http://www.indiafirstlife.com)

## 20. Assignment

As per the provisions of Section 38 of the Insurance Act, 1938 as amended from time to time. For more details please refer to our website [www.indiafirstlife.com](http://www.indiafirstlife.com)

## 21. You are prohibited from accepting rebate in any form

### Prohibition of Rebate: Section 41 of the Insurance Act, 1938, as amended from time to time, states

- 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.

## 22. What happens in case of submission of information which is false or incorrect?

Fraud, Misrepresentation and forfeiture would be dealt with in accordance with provisions of Sec 45 of

the Insurance Act 1938, as amended from time to time.

### Indisputability Clause: Extract of Section 45 of the Insurance Act 1938, as amended from time to time states

No policy of life insurance shall be called into question on any ground whatsoever after the expiry of three years from the date of policy. A policy of life insurance may be called into question at anytime within three years from the date of policy, on the ground of fraud or on the ground that any statement of or suppression of a fact material to the expectancy of the life of the insured was incorrectly made in the proposal or other document on the basis of which the policy was issued or revived or rider issued. The insurer shall have to communicate in writing to the insured or legal representatives or nominees or assignees of the insured, the grounds and materials on which such decision is based. No insurer shall repudiate a life insurance policy on the ground of fraud if the insured can prove that the misstatement or suppression of material fact was true to the best of his knowledge and belief or that there was no deliberate intention to suppress the fact or that such misstatement or suppression are within the knowledge of the insurer. In case of fraud, the onus of disproving lies upon the beneficiaries, in case the policyholder is not alive. In case of repudiation of the policy on the ground of misstatement or suppression of a material fact and not on the grounds of fraud, the premiums collected on the policy till the date of repudiation shall be paid. 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 life insured was incorrectly stated in the proposal. For complete details of the section and the definition of 'date of policy', please refer Section 45 of the Insurance Act, 1938, as amended from time to time.

## 23. About IndiaFirst Life Insurance

IndiaFirst Life Insurance Company is promoted by Bank of Baroda, Andhra Bank and Carmel Point Investments India Private Limited.

Bank of Baroda is one of the largest public sector banks in the country with an enviable network of over 5200 branches that spreads across the geography of India and over 100 branches across 24 countries globally. This behemoth financial institution is over 100 years old and has been built on financial prudence, corporate governance and most importantly – the trust of valuable customers like you.

Andhra Bank has been serving the Indian customer for over 90 years and currently has a network of over 2500 branches. The bank has developed best in class deposit and lending schemes for its valued customers.

Both the banks are nationalized and provide best in class products and services to their customers.

Carmel Point Investments India Private Limited is 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

## Annexure - I

<b>GSV as % of total premiums paid</b>		
Year of Surrender / Policy Term	10	15
1	0%	0%
2	30%	30%
3	30%	30%
4	50%	50%
5	50%	50%
6	50%	50%
7	50%	50%
8	70%	56%
9	90%	62%
10	90%	68%
11	NA	73%
12	NA	79%
13	NA	84%
14	NA	90%
15	NA	90%

<b>GSV as % of Accrued Bonuses</b>		
Year of Surrender / Policy Term	10	15
1	0%	0%
2	6%	4%
3	9%	6%
4	12%	8%
5	15%	10%
6	18%	12%
7	21%	14%
8	24%	16%
9	27%	18%
10	30%	20%
11	NA	22%
12	NA	24%
13	NA	26%
14	NA	28%
15	NA	30%

**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. Toll free No - 18002098700. IndiaFirst Life Insurance Company Limited is only the name of the Life Insurance Company and IndiaFirst Life Smart Pay Plan UIN 143N051V01 is only the name of the Life Insurance Product and does not in any way indicate the quality of the contract, its future prospects, or returns. For more details on risk factors and terms and conditions, please read the sales brochure carefully before concluding the sale. Trade logo displayed above belongs to M/s Bank of Baroda, M/s Andhra Bank and used by IndiaFirst Life Insurance Co. Ltd. under license. Adv. Ref. No. : IndiaFirst Life Smart Pay Plan /Brochure/ E/ 001.

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- IRDAI is not involved in activities like selling insurance policies, announcing bonus or investment of premiums. Public receiving such phone calls are requested to lodge a police complaint.



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