



**AT 18, YOUR ANGRY DAUGHTER
WON'T LOOK THIS CUTE.**

MAKE SURE YOU CHOOSE THE RIGHT CHILD PLAN.

IN THIS PLAN, THE INVESTMENT RISK IN THE INVESTMENT PORTFOLIO IS BORNE BY THE POLICYHOLDER.



Why Childsurance?

The arrival of a child is cause for grand celebration. Soon you'll be making big plans for your child's future. And before you know it, the time to turn those dreams into reality arrives. Why wait till that day to find out if you've set aside enough for your child or not? Choose the right child plan today and rest assured that your child's future is in the best hands—yours.

Key Benefits

➔ Contribute money in a flexible way to suit your savings habit

- Pay premiums for a limited period or for the entire term of the plan.
- Pay additional top-up premiums whenever you want and grow wealth faster.

➔ Choose how your money is invested from a wide choice of investment options, based on your return expectations and risk tolerance

- Choice of wide range of fund options, with varying levels of risk and return.

➔ Choose your investment strategy

- Manage your investments as per your choice with complete flexibility, or
- Opt for Systematic Allocator, a facility which balances your asset allocation between equity and debt based funds to provide growth and safety, aligned to the maturity of your plan.

➔ Boosters to help your savings grow faster

- Receive Guaranteed Loyalty Additions** at the end of specific terms as a reward for making long-term investments.

➔ Decide how you wish to manage your investments

- Switch amongst investment options any time and manage your portfolio, free of charges.

➔ Secure your child's future goals

- In the event of unfortunate death of the insured parent(s), the plan ensures that your child's future goals remain unaffected.

➔ Get tax benefits# on contributions and benefits

- Premiums paid are eligible for deduction from taxable income under section 80C.
- Maturity amount is exempt from tax under section 10(10D).

➔ Withdraw funds in case of need, after five years.

*Hereinafter referred to as Childsurance

** Conditions apply

Please read the section on Tax Benefits for details



How does Childsure work?

The IDBI Federal Childsure Dreambuilder Insurance Plan combines wealth creation and insurance protection into one powerful financial solution. The premium you pay towards the Childsure Plan gets divided into two parts – one part goes into the Investment Account which contains investments to build a corpus for your child's future and the other part goes into the Insurance Account which consists of the insurance benefits that provide protection to your child against life's uncertainties. The flexible nature of Childsure allows you to create a plan to suit your needs and offers many choices in both investing your funds and in the insurance cover you want.

My Investment Account

From the premiums you pay, Premium Allocation Charge is deducted. The balance amount goes into the

investment options you choose in the proportion you specify. The IDBI Federal InvestmentBasket contains all the investment options we offer. The balance in your Investment Account reflects the wealth built over time from your premium contributions and the returns from the investment options chosen by you.

My Insurance Account

You can also choose the amount of insurance cover you require to protect your child's future. You may also increase or decrease this amount subsequently. Any increase in cover is subject to meeting our underwriting guidelines and decrease in cover is subject to meeting the minimum cover criteria for this Plan.





The eligibility criteria for investing in the Childsurance Plan are as follows:

Eligibility Criteria		Minimum	Maximum
Entry Age	Insured Person(s)	18 years	65 years
	Child (Nominee)	1 month	17 years
Maturity Age	Insured Person(s)	28 years	75 years
Policy Term		10 years	25 years (subject to the maximum maturity age)
Premium Payment Term		5 years	Up to end of policy term
Regular Premium Amount		₹ 25,000 annually	₹ 1,00,000 annually
Top-up Premium Amount		₹ 5,000	No limit (subject to underwriting)
Sum Insured		<p>For age at entry:</p> <ul style="list-style-type: none"> Less than 45 yrs: <ul style="list-style-type: none"> Base plan: Higher of: <ul style="list-style-type: none"> -10 times annualized premiums - 0.5 x term x annualized premium Top-up premium: 1.25 times of top-up premium 45 yrs and above: <ul style="list-style-type: none"> Base plan: Higher of: <ul style="list-style-type: none"> -7 times annualized premiums - 0.25 x term x annualized premium Top-up premium: 1.10 times of top-up premium 	No limit (subject to underwriting)

Customize your Childsurance Plan in five easy steps

Each child is unique and so are their dreams. To fulfill your child's unique aspirations, you can design your own custom Childsurance Plan with 5 simple steps:

Step 1: Determine the corpus required for your child's future

Step 2: Determine the premiums you wish to contribute towards the plan

Step 3: Choose the investment options your money goes into

Step 4: Choose the Sum Insured for the Life Insurance Benefit

Step 5: Choose the Policy Term based on the milestones specific to your child's needs

Step 1: Determine the corpus required for your child's future

Planning for your child's future can be difficult if you are not sure what career they plan to pursue. But you can be sure that whatever is their choice of career, they will need good quality education and training to succeed in their chosen line of work. As a parent, you cannot control rising education cost, but what you can manage is the amount of savings you make for your children's education. To give you an estimate of how much money you need for your children's education just follow the simple steps:

a. Select the career option which you may want your child to pursue and note the approximate cost for the option as per today's estimates*. Estimates for some popular career options are as below:

Career Options	M.B.A	Engineer	Doctor	Law Graduate	Overseas Studies
Cost in ₹	5,00,000	4,00,000	7,50,000	7,50,000	15,00,000

a = Your selection from the above options.

*Source - Prospectus and websites of colleges, includes cost of study material, books and tutorials. All costs are approximate and actual costs may vary depending upon choice of institutes.

b. Select the inflation multiplier from the table nearest to your child's age today. Inflation in educational expenses is assumed at 10%.

Child's Age Today	New-Born	3 years	5 years	7 years	10 years
Inflation Multiplier	5.56	4.18	3.45	2.85	2.14

b = The inflation multiplier as per your child's age.

c. Multiply (a) x (b) to arrive at the amount required for your child's education considering an inflation of 10% and assuming that you will need the fees when your child turns 18 years.

Step 2: Determine the premiums you wish to contribute towards the plan

Childsureance offers a choice of premium payment terms and allows you to save in a manner that best suits your savings habit. You can save in a disciplined manner and also get flexibility to contribute additional amounts whenever you have extra money.

a. Basic Premiums

When you choose your Childsureance Plan, you have to indicate the premiums you wish to contribute annually. These are your Basic Premiums. You have to indicate (a) Amount and (b) Payment Term for your Basic Premium. The minimum premium amount per year is ₹ 25,000 and maximum premium amount is ₹ 1,00,000 respectively, payable in annual installments. The Minimum Premium Payment Term is 5 years and Maximum Premium Payment Term is up to the policy term. The premiums payable cannot be altered during the term of the policy.

b. Top-up Premiums

Over and above the Basic Premiums, you can pay Top-up Premiums. Minimum amount is ₹ 5,000 at a time and you can pay whenever you want and any number of times. Top-up premiums are not allowed in the last 5 years prior to the maturity of your plan. Top-ups allow you to contribute additional premiums if and when you want to grow wealth at your convenience. Top-up Premiums can be paid only if you have paid all the Basic Regular Premiums due till date. Every Top-up premium will have a lock-in period of 5 years from the date of payment of that top-up premium.

Top-up Premiums automatically increase sum insured

Whenever you pay Top-up premiums, we will automatically increase your sum insured based on your age on the date of the Top-up (a) By 125% of the Top-up premium paid, if you are less than 45 years old, or (b) By 110% of the Top-up premium paid, if you are equal to or greater than 45 years old. Thus, you will also get enhanced life insurance cover when you pay Top-up premiums. Increase in sum insured is, however, subject to our underwriting guidelines.

Best of both worlds

Basic Premiums enable you to become a disciplined saver and invest in a systematic, methodical way to build wealth for your child. Top-up Premiums give you the flexibility to contribute additional premiums whenever you have extra money so that you can reach your goals faster. Together, they give you great flexibility to save, invest and grow wealth.

How to choose your premium amount?

You can use two approaches to choosing your premium amount:

1. You can calculate the corpus required for your child's education (See: Determine the corpus required for your child's future). You can create a plan with Childsureance by regularly contributing premium to build that corpus.
2. You may decide how much you wish to save regularly based on your savings capacity and simply build a corpus over time, this corpus can be further enhanced with top-up premiums as and when you have the funds. This corpus will then be available to meet your child's needs.

Step 3: Choose the investment options your money goes into

IDBI Federal InvestmentBasket® - Tools for building your wealth

The power of Childsure is provided by the wide choice of investment options it offers. They give you great flexibility in how you build and manage your child's corpus. The full range of investments we offer is called the IDBI Federal InvestmentBasket. You can choose one or more options from the basket based on your return expectations and risk tolerance. You can also switch and change your investment options, from time to time, as you wish.

The investment options we offer are designed to meet the needs of all types of investors. You can choose the fund options that best suit your needs of safety, liquidity and returns. We offer a range of funds that invest in stocks, bonds and money market. The returns on these funds are dependent upon the market performance. Returns and risk vary by the type of fund.

Types of Investment Options

The IDBI Federal InvestmentBasket offers a wide range of investment options which can be chosen by you in the proportion of your choice. With Childsure, you can choose the following types of funds:

- 1) Equity Growth Fund,
- 2) Midcap Fund,
- 3) Pure Fund,

- 4) Bond Fund,
- 5) Income Fund and
- 6) Liquid Fund.

These unit linked funds are open-ended funds which invest in equity, debt or money market as per their investment objectives. The Net Asset Value (NAV) of each fund is published on a daily basis. You can invest your premiums into, switch into or switch out of any fund at any time at the NAV. Your gain or loss is the difference between the value at which you invested and the value at which you exited. In these funds, the NAV depends on the market value of the underlying investments. The expected return and risk vary by the fund.



We offer the following funds:

Fund	Investment Objective	Investment Pattern	Allocation
1. Equity Growth Fund Risk: High	Seeks to invest in listed stocks and aims to generate high returns by picking stocks that have growth prospects. It aims to diversify risk by investing in large cap as well as mid cap stocks and across multiple sectors.	Fixed Income Investments including Cash and Money Market Equities and Equity-linked Instruments	0 -50% 50 - 100%
2. Midcap Fund Risk: High	Seeks to invest in mid cap stocks with attractive growth prospects. It aims to diversify risk by investing in large cap as well as fixed income investments when required.	Fixed Income Investments including Cash and Money Market Mid cap stocks Large cap stocks	0 - 50% 50 - 100% 0 - 50%
3. Pure Fund Risk: High	Seeks to invest in listed stocks and aims to generate high returns with medium to long term perspective by picking stocks that do not belong to certain sectors engaged in activities which are considered harmful for society at large. Examples of these activities include gambling, speculative investments, tobacco and alcohol.	Equities and Equity-linked Instruments Fixed Income Investments including Cash and Money Market	80 – 100% 0 - 20%
4. Bond Fund Risk: Medium	Seeks to invest in fixed income investments and aims to generate returns from interest coupons and the opportunities in changing yield curve. The duration of the underlying portfolio may be high or low, depending upon the market conditions.	Fixed Income Investments including Cash and Money Market	100%
5. Income Fund Risk: Low	Aims to generate a return by seeking to invest in fixed income investments that carry low or medium market risk.	Fixed Income Investments including Cash and Money Market	100%
6. Liquid Fund Risk: Low	Seeks to invest in overnight money and other money market instruments.	Money Market, Cash and Short-term Debt	100%

Minimum allocation to a fund:

Minimum amount of premium direction or redirection in any investment fund should be at least 15% of the annual premium. This is not applicable if you opt for the Systematic Allocator.

Unit price (Net Asset Value) formula:

The Net Asset Value will be determined using the market value of assets in accordance with regulatory requirements.

NAV = (Market Value of investments held by the fund + Value of Current Assets - Value of Current Liabilities & provisions if any) / Number of Units existing on Valuation Date (before creation/redemption of Units).

Applicable NAV:

New business premiums will be allocated units at the NAV as on the date of commencement of the policy, after completion of the proposal. Switches in, renewal premiums and top up premiums received before the cut off time at our designated office through local cheque or demand draft payable at par at the place the premium is





received, will be allocated the same day's NAV and the one's received after cut off time will be allocated at next business day's NAV. The cut off time will be as per the IRDA guideline, which is currently 3.00 pm. Renewal premiums and top up premiums paid through outstation cheque or outstation demand draft will be allocated the NAV of the business day of realization of the cheques or demand draft. In case you pay your renewal premium in advance, the units will be allocated on the due date of the premium. In case of cancellation of units for charges and valid notification and instructions received at our designated office for switches out, partial withdrawals, surrenders, death claims, we will apply the same day NAV if received before the cut off time of 3.00 pm and next business day's NAV if received after the cut off time of 3.00 pm.

Investment guidelines:

All segregated funds will be managed, subject to compliance with applicable statutory regulations and guidelines. At present, investments in other than approved securities (including third-party mutual funds beyond 5% of fund) cannot exceed 25%. All of the funds will also trade in derivatives, invest in third-party funds or engage in short selling to the extent permitted by the applicable regulations.

New funds:

IDBI Federal will introduce new funds, from time to time, to meet changing needs of investors, market conditions and regulatory environment. IDBI Federal may also modify the existing funds subject to IRDA approval. Similarly, old funds may be withdrawn or merged. As a policy owner, the entire suite of investment options under the IDBI Federal InvestmentBasket will be available to you, unless specifically excluded.

1. Systematic Allocator

Planning for your child's education is generally a long term goal. To beat inflation over the long term you may need to invest in assets like equity which seek to deliver long term growth, but also carry a higher risk and are volatile. As you get closer to your goal, it is important to ensure that the corpus that you have built for your child's education is not exposed to undue risk and volatility. At times you may not find the time to actively manage your asset allocation and align it with your needs of growth and safety.

The Systematic Allocator is a programmed investment solution in which the fund mix becomes more conservative as the investment goal approaches. Your funds will be proportionately invested in Equity Growth Fund and Income Fund based on the residual time to maturity of your plan. This strategy moves your fund allocation towards Income Fund as your plan approaches the maturity date. By reducing exposure to Equity Growth Fund, the risk of a sudden drop in the equity market affecting the accumulated value diminishes.

Residual time to maturity (in years, rounded up to the nearest integer) of your plan is used to determine the proportion of allocation to the Equity Growth Fund and Income Fund. This proportion is pre-defined by the Systemic Allocator "Glide Path". The premiums you invest will be allocated as per this glide path and at each policy anniversary we will rebalance the fund value as per the residual maturity of the plan.

Systematic Allocator "Glide Path"		
Residual maturity of the plan (in years)	Proportion allocated to Equity Growth Fund	Proportion allocated to Income Fund
1	5.00%	95.00%
2	10.00%	90.00%
3	15.00%	85.00%
4	20.00%	80.00%
5	25.00%	75.00%
6	35.00%	65.00%
7	45.00%	55.00%
8	55.00%	45.00%
9	65.00%	35.00%
10	75.00%	25.00%
11	80.00%	20.00%
12	85.00%	15.00%
13	90.00%	10.00%
14	95.00%	5.00%
15 and above	100.00%	0.00%

You can choose the Systematic Allocator at inception of your plan or switch to this option on any policy anniversary. Once the Systematic Allocator is chosen you will not be allowed to do a manual switch or premium re-direction between the funds. You may also opt out of the Systematic Allocator at any time and use the self managed strategy to manage your funds.

There are no additional charges for the Systematic Allocator, the underlying fund management charges of the Equity Growth Fund and Income Fund will continue to apply.

2. Guaranteed Loyalty Additions to boost your wealth

The Childsurance Plan boosts your funds through Guaranteed Loyalty Additions at the end of 10th policy year and every 5 years thereafter to reward you for long term investments.

The Guaranteed Loyalty Additions will be as per the following table:

Annual Premium Slabs (₹)	Guaranteed Loyalty Additions (as a percentage of average fund value corresponding to regular premiums)
25,000 – 1,00,000	3.15%

Guaranteed Loyalty Additions will be a percentage of the average fund value (corresponding to regular premiums) in the last 36 months preceding the loyalty unit allocation date. In case you have invested in multiple funds, the Guaranteed Loyalty Additions will be added to each fund in the same proportion as the fund value in each fund bears to the total fund value. Guaranteed Loyalty Additions will not be payable for the fund value corresponding to the top-up premiums paid.

Step 4: Choose the Sum Insured for the Life Insurance Benefit

You can choose your Sum Insured

In your Childsurance Plan, you can choose the Sum Insured within the minimum and maximum limits specified below.

Minimum Sum Insured

The minimum Sum Insured depends upon your age.

- **If you are less than 45 years old:** The minimum Sum Insured is the higher of (a) 10 times of Annual Regular Premium Amount or (b) $0.5 \times \text{Policy Term} \times \text{Annual Regular Premium Amount}$.
- **If you are equal to or greater than 45 years old:** The minimum Sum Insured is the higher of (a) 7 times of Annual Regular Premium Amount or (b) $0.25 \times \text{Policy Term} \times \text{Annual Regular Premium Amount}$.

Maximum Sum Insured

There is no maximum limit on Sum Insured. The limit, if any, is determined by underwriting.

Coverage Options

Childsurance offers you a choice of two coverage options.

Single life option:

In the event of unfortunate death of the insured person benefits accrue immediately and the plan offers three benefits

- Firstly, sum insured for the base plan and sum insured for top-ups (if any) is paid in lump sum.

- Secondly, units are credited to the chosen unit linked funds for an amount equal to the sum of all future premiums. Both the above benefits are due and available on acceptance of the death claim.

- Lastly the fund value in the Investment Account will continue to grow as planned and will be paid at the end of the term (as chosen by insured person).

In case 105% of the total premiums (including top-ups) paid by the policy owner less partial withdrawals, is in excess of the total sum insured (sum insured for base plan and sum insured for top-ups, if any) plus fund value on death and sum of future premiums, we will also pay the excess amount.

Joint life option:

The joint life option is ideal in case both the parents/guardians are earning members of the family. The joint life option can be offered to both the parents, or to both legal guardians, or to both grand parents. The plan offers three benefits

- On first to die of either of the two lives insured, units are credited to the chosen unit linked funds for an amount equal to the sum of all future premiums on acceptance of death claim.

- Further, in the unfortunate event of death of the other life insured, the sum insured for the base plan and sum insured for top - up (if any) is paid in lump sum. In case of simultaneous death of both the lives insured, the above benefits are paid immediately on acceptance of the death claim.

- The fund value in the Investment Account will continue to grow as planned and will be paid at the end of the term (as chosen by insured person).

In case of death of both the insured persons, if 105% of the total premiums (including top – ups) paid by policy owner less partial withdrawals is in excess of the total sum insured (sum insured for base plan and sum insured for top-ups) plus fund value on death and sum of future premiums, we will also pay the excess amount.

We have provided two benefits which you can choose at inception of your policy.

1. Fund protection benefit: On death of the policy owner, this benefit triggers the Systematic Allocator facility. Subsequently, the allocation of the fund value will be managed as per the glide path mentioned under Systematic Allocator facility. This benefit ensures that in the event of your death, funds that you have built for your child’s education are managed systematically and do not get exposed to undue risk at the end of the term.

2. Education support benefit: Post death of the policy owner, this benefit will pay out the fund value in installments in the last five years instead of paying it as a lump sum on maturity. These installments may be used to support child’s educational needs.

The installments will be paid in the last five policy years as below:

Balance period to the end of the term	Amount paid
4 years	20% of fund value on that date
3 years	30% of fund value on that date
2 years	40% of fund value on that date
1 years	50% of fund value on that date
End of the term	Remainder fund value

This benefit ensures that funds for your child’s higher education will be available even in your absence.

Exclusions:

Death benefit is not paid in the event of suicide, attempted suicide, or self-injury within 12 months from the commencement of the plan.

Single Life Option:

If the insured commits suicide within 12 months from the policy commencement, then we will limit the death benefit to the fund value and the policy would be terminated.

Joint Life Option:

If the insured commits suicide within 12 months from the policy commencement, and is first to die then we will limit the death benefit to the fund value and the policy would be terminated.

If the insured commits suicide within 12 months from the policy commencement, and is second to die the sum insured for base plan and sum insured for top up premiums (if any), will not be paid. However the fund value will be paid at the end of the term.

Step 5: Choose the policy term based on the milestones specific to your child's needs

Lastly, you need to choose the Policy Term for your Childsurance plan. Policy Term is the maturity period of your plan. At the end of the Policy Term, your plan will terminate and you will receive the Maturity Benefit. Your insurance benefits will cease.

Choice of Policy Term:

The minimum Policy Term you can choose is 10 years. The maximum Policy Term is 25 years. You may choose any policy term of your choice, subject to the minimum and maximum terms stated above. The age of the Insured Person cannot exceed 75 at the end of the Policy Term. Maturity Benefit is equal to the Fund Value in your Investment account on the date of maturity. Upon payment of the Maturity Benefit, your Childsurance Plan is terminated.

Settlement Option:

If you so choose, you need not withdraw the entire Maturity Benefit on the maturity date. To avail of the Settlement Option, the policy owner needs to inform IDBI Federal Life Insurance Co Ltd of this requirement, at least 3 months prior to end of the original maturity date of the policy.

You can withdraw it in installments as you choose, within five years from the maturity date. During this period, your Regular premiums will cease to be payable and your Fund Value will continue to grow in the Investment account and you will also bear the investment risk as before. In case you have opted for the Systematic Allocator the funds remain invested as at maturity and there will be no further rebalancing. We will continue to deduct applicable charges for fund management. Life Cover will cease at the maturity of the Plan and is not provided

during the period of the Settlement Option.

Tax Benefits of the Childsurance Plan

The Childsurance Plan gives you attractive tax benefits.

Please note that the following is only for your information and you should seek tax advice from your tax advisor. Please also note that tax laws may change from time to time and, therefore, the terms and conditions, as also the benefits may change.

Tax benefits on your premiums:

Under Sec 80C of the Income Tax Act, 1961, the premiums you pay for your Childsurance plan are eligible for deduction from your income up to a limit of Rs. 1,00,000 per year.

Note: The Finance Bill, 2012 has proposed that the deduction from your income under Sec 80C, for premiums payable on life insurance policies issued on or after 1st April, 2012, shall be available only to the extent of 10% of the Sum Insured.

Tax-free benefits:

Under Sec 10 (10D) of the Income Tax Act, 1961, the benefits you receive under your Childsurance plan may qualify for tax exemption.

Note: The Finance Bill, 2012 has proposed that the exemption under Sec 10 (10D), on benefits you receive under life insurance policies issued on or after 1st April, 2012, shall be available only if the premium payable in any of the years is not more than 10% of the Sum Insured.

However, the death benefit under your Childsurance plan is always tax-free under sec 10(10D).

There is no tax deduction at source.

Flexibility of your Childsurance Plan

Liquidity through Withdrawals and Surrender

Childsurance allows you to build a corpus for your child over the long term. At the same time, we recognise that you might have need for funds before the maturity of the Plan. We offer liquidity with Partial Withdrawals and Surrender options.

Partial Withdrawals

From out of the Fund Value in your Investment Account, you can withdraw money for any purpose by making Partial Withdrawals, subject to the following restrictions:

- i) No withdrawals are permitted in the first five years.
- ii) After five years, you can make withdrawals as follows:
 - a) You can make withdrawals whenever you need and as many times as you desire.
 - b) Each partial withdrawal should be for a minimum of ₹ 10,000.
 - c) When you withdraw, the balance Fund Value left in your account should be at least two annual premiums.
 - d) Top-up premiums paid cannot be withdrawn for five years from the date of the top-up.

Currently there are no charges for Partial Withdrawals. However, IDBI Federal reserves the right to introduce a Partial Withdrawal Charge not exceeding 7.5% of the amount withdrawn, with the prior approval of the IRDA.

Surrender

When you wish to terminate your Childsurance Plan before maturity, you can surrender your plan. However, you cannot surrender your plan in the first five years. After completion of five policy years there is no surrender charge, we will pay you the entire fund value as on date of surrender.

Change your plan if your needs change

Premium Discontinuance

Childsurance is designed to meet your child's changing investment and insurance needs. Your plan gives you flexibility in the following ways:

1. Non-payment of Basic Premiums

Discontinuing premiums after five years from the commencement date

After payment of all due premiums in the first five years if you fail to pay premium within the grace period of thirty days, we will send a notice within a period of fifteen days from the date of expiry of the grace period. You are entitled to exercise within a period of thirty days from the receipt of such notice, the option of either revival by payment of all due premiums or complete withdrawal of the policy.

The policy will remain in force and the fund value will continue to be part of the segregated funds chosen, till you exercise your option, or till the expiry of thirty days notice period from the date of receipt of the notice whichever is earlier.

If you exercise the option to revive the policy by payment of due premiums within the thirty days notice period, the insurance benefits along with the investment made in the segregated funds less applicable charges shall be continued.

If you exercise the option of complete withdrawal or if you do not exercise any option within the thirty days notice period, we will terminate the policy and pay the fund value and the insurance benefits would cease.

Discontinuing premiums within five years from the commencement date

In the first five years from the policy commencement date, if you fail to pay the premium within the grace

period of thirty days from the due date, we will send you a notice within a period of fifteen days from the date of expiry of the grace period. Within a period of thirty days from the receipt of this notice you are entitled to the option of either reviving your policy by paying all due premiums or completely withdrawing the policy.

The policy will remain in force and the fund value will continue to be part of the segregated funds chosen, till you exercise your option, or till the expiry of thirty days notice period from the date of receipt of the notice whichever is earlier.

If you choose to exercise the option of reviving the policy by payment of all due premiums within the thirty days notice period, the insurance benefits along with the investment made in the segregated funds, less applicable charges, shall be continued.

On the other hand, if you exercise the option of complete withdrawal or if you do not exercise any option within the thirty days notice period, we will credit the fund value less the discontinuance charge, to the discontinued policy fund and the insurance benefits would cease.

The discontinued-policy fund is a segregated fund that aims to generate a return by seeking to invest primarily in fixed income investments and will provide a minimum guarantee of the interest rate as applicable to the saving bank account of State Bank of India from the date of discontinuance or such rate as decided by the company with the prior approval of IRDA or as per the prevailing regulations. We will also recover the fund management charge levied on the discounted policy fund after ensuring the guaranteed return.

At the end of the lock-in period of five years from commencement of the policy, we will terminate your policy and refund the proceeds of the discontinued policy.

In case you want to revive your policy, you can opt to revive within two years from the date of discontinuance of policy and not later than the expiry of lock in period subject to meeting our underwriting guidelines. In case you opt to revive your policy within the revival period, we shall add back the discontinuance charges deducted to the fund value and allot units of the segregated funds chosen by you at the NAV as on the date of revival.

Charges for Premium Discontinuance

In case you fail to pay premiums within five years from the commencement of the policy and you choose to opt for complete withdrawal of the policy or if you do not exercise any option within the thirty days notice period, we will credit the fund value less the discontinuance charge. The premium discontinuance charge will be decided based on the policy year in which the policy is discontinued.

Policy year in which the policy is discontinued	Discontinuance charge
1	Lower of 6%* (AP or FV) or ₹ 6,000
2	Lower of 4%* (AP or FV) or ₹ 5,000
3	Lower of 3%* (AP or FV) or ₹ 4,000
4	Lower of 2%* (AP or FV) or ₹ 2,000
5 onwards	Nil

In the above table AP - denotes annualized premium and FV – denotes fund value on the date of discontinuance.

Discontinuance Policy Fund

Discontinuance Policy Fund is available only on discontinuance of the policy.

Investment Objective and Strategy

The objective of the fund is to invest in a portfolio of money market and fixed income instruments, to generate minimum return as prescribed by IRDA from time to time.

To keep the volatility of returns low, the fund invests in instruments with minimal market risk, and to minimize the credit risk, the fund invests in money market and high quality fixed income instruments. Fund Management Charge: 0.50% p.a.

Asset Category

Fixed Income Investments including Cash and Money Market

Allocation
100%

Returns and Risk

The expected returns from the fund would be low and the risk is also low.

2. Build more wealth by paying more premiums

You can contribute additional premiums into your Childsurance Plan to build more wealth by contributing Top-up Premiums.

3. Change your Investment Options

Your investment preferences may change over time. You can change the mix of your investment options in the following three ways:

- Premium Redirection, which changes the way your future premiums are invested. There is no charge for changing your Premium Redirection.
- Switches which allow you to shift your investment, from one investment option to another investment option. There are no charges for switches. However, IDBI Federal reserves the right to introduce Switch Charges not exceeding 2.5% of the amount switched, with the prior approval of IRDA.

4. When your insurance needs change

Over time, your insurance needs may also change. Childsurance allows you to increase or decrease the amount of insurance benefits. Any increase in benefits is subject to acceptance after underwriting. Any reduction

subject to minimum levels as required by the Plan being maintained.

Charges

A. Premium Allocation Charge

Premium Allocation Charge is deducted from the premiums you pay and the balance is invested in investment options of your choice.

Regular Premium - The premium allocation charge in the first year of the plan is 3.15% of the annual premium. There is no premium allocation charge from the second year.

Top-up Premium - The premium allocation charge is 3.15% of the Top-up premium.

B. Mortality Charges

To meet the cost of the Life Insurance Benefit, Mortality Charges are deducted at the beginning of each month by cancellation of units in your Investment Account. Mortality Charges are calculated on the Sum at Risk.

Single Life Option

Mortality rates (excluding service tax, cess and any other statutory levies) for sample ages for a healthy adult are as below:

Per annum per ₹ 1,000 Sum at Risk (₹)

	Age (years)	25	30	35	40	45	50
Male	Mortality Charge	1.42	1.45	1.64	2.22	3.15	5.02
Female	Mortality Charge	1.36	1.44	1.48	1.82	2.54	3.77

At the time of underwriting, the charges may be increased, based on

your family history and medical condition. Sum at risk: Higher of (105% of all premiums paid less applicable partial withdrawals, Base plan sum insured + Top up Sum insured + sum of premiums to be waived + fund value) – fund value.

Joint Life Option

- **Mortality rates for first - to - die**

Mortality rates (excluding service tax, cess and any other statutory levies) for healthy adult parents are as below:

Rates per annum per ₹ 1,000 Sum at Risk (₹)						
Attained Equivalent Age* (in years)	25	30	35	40	45	50
Mortality Charge	2.41	2.47	2.85	4.02	5.87	9.61

*Equivalent age at entry is calculated at commencement of the plan based on gender and the age difference between the two lives insured. Attained equivalent age is the equivalent age at entry in the first policy year and increases by one year at each policy anniversary. Sum at risk: Sum of premiums to be waived.

- **Mortality rates for last - to - die**

Mortality rates (excluding service tax, cess and any other statutory levies) for healthy adults are as below:

Rates per annum per ₹ 1,000 Sum at Risk (₹)

Equivalent Age at entry (in years)						
Policy year	25	30	35	40	45	50
1	0.43	0.43	0.43	0.44	0.45	0.50
5	0.44	0.44	0.45	0.49	0.60	0.90
10	0.45	0.48	0.54	0.71	1.17	2.18

Sum at risk: Higher of (105% of all premiums paid less applicable

partial withdrawals, Base plan sum insured + top-up sum insured + fund value) – fund value.

C. Policy Administration Charge

To meet the costs of your Childsurance Plan and support the benefits, a Policy Administration Charge is levied. The charge is deducted annually at the beginning of the policy year by cancellation of units from your Investment Account. Policy Administration Charge for various premium payment terms is given below and is subject to a maximum of ₹ 6,000 per annum.

Regular Premium

The policy administration charge as a % of the initial annual premium per annum is as follows:

Annual Premium	First 5 years	Year 6 onwards till the end of policy term
₹ 25,000 – ₹ 1,00,000	6.30%	3.15%

Top-up Premium

There is no policy administration charge for top-up premium.

D. Fund Management Charges

Fund Management Charges are 1.35% p.a. for Equity Growth Fund, Midcap Fund, Pure Fund, Bond Fund, Income Fund, and Liquid Fund. We reserve the right to increase charges for any fund by up to 0.75% p.a., with prior approval of IRDA. We will charge you or deduct from your investment amount any taxes, duties or surcharges of whatever description levied or that may be levied by any statutory authority.



Nomination

As per Section 39 of the Insurance Act, 1938, you can nominate a person to receive the benefit under this policy. During your lifetime and while your policy is in force, you may at any time, by written notice to us, designate any person or persons as a nominee to whom we shall pay benefits under this policy upon your unfortunate death. In this policy the nominee will be your child for whose benefit the policy has been established.

We will register a nomination in your policy schedule, or any change in nomination by endorsing your policy and registering in our records. We will acknowledge the change in nomination to you 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 representative.

Your child is the nominee for this product. On the policy owner's death, the nominee will not have any rights with respect to switching, partial withdrawals and surrender.

Assignment

As per Section 38 of the Insurance Act, 1938, you may assign the policy by written notice of assignment signed by you and at least one witness. We shall not be liable to observe any assignment of the policy unless we receive at our head office notice of the assignment in writing signed by both you and the assignee. Following receipt of such notice, we will pay all benefits to the assignee. At your request we will give you written acknowledgement of the receipt of the assignment. If you assign your policy, this will automatically cancel any nomination you have made.

Risks of Unit-linked Products

Unit-linked life insurance products are different from the traditional insurance products and are subject to risk factors. Premiums paid in unit-linked life insurance policies

are subject to investment risks associated with capital markets and NAVs of the units may go up or down, based on the performance of fund and factors influencing the capital market and the insured is responsible for his/her decisions.

IDBI Federal Life Insurance Company Limited is only name of the Insurance Company and IDBI Federal Childsurance Dreambuilder Insurance Plan is only the name of the unit-linked life insurance contract and does not in any way indicate the quality of the contract, its future prospects, or returns. The various funds offered under this contract are the names of the funds and do not in any way indicate the quality of these plans, their future prospects and returns. Please know the associated risks and the applicable charges from your Insurance Agent or the Intermediary.

Section 41: Prohibition of Rebate

Insurance Act, 1938, prohibits an agent or any other person from passing any portion of his commission to the customer whether as incentive or rebate of premium. Section 41 of the Act states: (1) 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. (2) 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.

Section 45 of Insurance Act: Non-disclosure Clause

"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 policyholder and that the policyholder 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 life insured was incorrectly stated in the proposal."

Free-look Period

As per IRDA Regulation 6(2) of Protection of Policyholders' Interest Regulations, 2002, in case you are not satisfied with the terms and conditions of your IDBI Federal Childsure DREAMBUILDER Insurance Plan, we offer you the option of cancelling your policy within the free look period of 15 days from the date of receipt of your policy document. In that case, you can send us your original policy document along with a request letter stating the reasons for your cancellation. We will refund you the premium paid, subject only to a deduction of the proportionate risk premium for the period of cover, and the expenses incurred by us on medical examination of the Insured Person and Stamp Duty charges. In this event, we are entitled to repurchase the units at the price of the units on the date of cancellation and the refund will vary to the extent of change in the NAV from the date of issue to the date of cancellation of the policy as per IDBI Federal records.

Policy Document

This sales literature gives only the salient features of the IDBI Federal Childsure DREAMBUILDER Insurance Plan. It

uses easy-to-understand language to explain the features. Your plan is governed only by the full legal terms, conditions and exclusions contained in the Policy Document. The IDBI Federal Childsure DREAMBUILDER Insurance Plan is a Unit Linked Insurance Plan underwritten by IDBI Federal Life Insurance Company Ltd. IDBI Federal Life Insurance Company Limited is a fully-licensed Life Assurance Company registered with the Insurance Regulatory and Development Authority (IRDA).

Registration No. 135

Insurance is the Subject Matter of the solicitation.

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Product UIN: 135L026V01

Ref. No. 11560/CHILD/ENG/PB/MAR/310312

SFIN Code:

Equity Growth Fund – ULIF04111/01/08EQOPP135,
Midcap Fund – ULIF06824/11/09MIDCAP135,
Pure Fund – ULIF07205/08/10PURE135,
Bond Fund – ULIF04011/01/08BOND135,
Income Fund – ULIF04211/01/08INCOME135 and
Liquid Fund – ULIF04311/01/08LIQUID135.

Regd Office:

IDBI Federal Life Insurance Co. Ltd., 1st Floor, Tradeview, Oasis Complex, Kamala City, P. B. Marg, Lower Parel (W), Mumbai 400 013.

+SMS charges up to ₹ 3 apply.

How to contact us

You can reach us directly in the following convenient ways:



Branches

You can visit or call any branch of IDBI Bank, Federal Bank, or IDBI Federal Life Insurance Co. Ltd. For the list of branches, please visit www.idbifederal.com



Phone

You can call our nation-wide toll-free number 1-800-102-5005 (for non-MTNL subscribers), 1-800-22-1120 (for MTNL subscribers) at any time from 8 am to 8 pm



Website

You can visit our website www.idbifederal.com



SMS

You can sms 'CHILD' to 5757515⁺. We will call you.



Write

You can write to Customer Service Desk, IDBI Federal Life Insurance Company Ltd., Trade View, Kamala City, P. B. Marg, Lower Parel (W), Mumbai 400 013.



Email

You can email us at support@idbifederal.com



Childsurance[®]

IDBI Federal Childsurance Dreambuilder Insurance Plan