



A cover that reaches out

IDBI Federal Group Microinsurance Plan

The IDBI Federal Group Microinsurance Plan provides affordable life insurance cover to groups. The plan is extremely useful to Micro Finance Institutions, Self Help Groups and NGOs to insure the lives of their group members and thus provide security to the group members' families. The plan can also be used for providing loan protection to the group members' families.

Key Features

a. Affordable Protection:

- Life insurance cover to group members at affordable cost.

b. Death Benefit:

In the event of unfortunate death of a group member during the term of the cover, sum insured will be payable provided all premiums due are paid.

- Level cover option: Sum insured as chosen at the outset subject to limits mentioned.
- Decreasing cover option: Sum insured based on average loan balance over the year subject to limits mentioned.

The policyholder may select the level cover option or the decreasing cover option but not both.

c. Wider Coverage:

- Members aged between 18 and 60 years can be covered.
- Sum insured between ₹5,000 and ₹50,000 per member can be availed.

d. Hassle-free Issuance:

- No medical reports required even up to the maximum sum insured of ₹50,000; simple declaration of good health may be called for in exceptional circumstances.
- Automatic acceptance of cover without any evidence of health for all groups with more than 200 members.

e. Additional Benefits:

- Accidental death benefit rider may subsequently be added to this product (subject to IRDA approval of the accidental death benefit rider).

Eligibility Criteria

For Group:

- The group must have at least 20 members.
- The group must consist of members brought together by a common economic purpose.
- Eligibility must be tied to a well-defined event such as date of loan sanction or commencement of employment.
- The group policy is issued for an indefinite term.

For Members:

Sum Insured	Minimum	₹5,000
	Maximum	₹50,000
Age at Entry	Minimum	18 years
	Maximum	60 years
Maturity Age	Maximum	65 years
Member Benefit Term	Fixed	5 years only

(All ages are as of last birthday)

Premiums

- Premiums are payable in respect of each member.
- The member's cover continues on the payment of due renewal premiums for a term of up to 5 years.
- The premium rate applicable for all group members will be arrived at by using an average rate (unit rate) applicable to all members irrespective of their ages.
- Rates are not guaranteed and may be adjusted on any policy anniversary of the member's commencement date for existing members and on any policy anniversary of the policy commencement date for new members (subject to IRDA approval if the adjustment lies outside the approved parameters).
- Premiums may be paid annually, half yearly, quarterly or monthly. The modal loadings to the annual premium rates are 100%, 51%, 26% and 9% respectively.
- We offer experience rating and profit sharing which benefits groups with favourable mortality experience.
- Expense related discounts apply for large schemes.

Estimated annual premium (₹)	Discount as % of premium
Less than 2,50,000	nil
2,50,000 to 4,99,999	2%
5,00,000 to 9,99,999	4%
10,00,000 and more	6%

- Maximum premium payable for an individual member is capped at ₹750 annually irrespective of the age of the member.

Terms and Conditions

Payment of Premium:

- The group policyholder is responsible for paying all member premiums.
- Premiums are payable annually in advance or in half yearly, quarterly or monthly installments.
- In case of new members becoming eligible to be included under this plan, the group policyholder will furnish the details of such new members.
- The premium in respect of these new members shall be calculated by the company on a pro-rata basis and will be fixed at an annual rate at policy anniversary.
- The group policyholder will pay premiums as they fall due in respect of existing members and at the time we accept new members.

Grace Period and Termination:

- A grace period of 15 days for monthly mode and 30 days for quarterly mode, half yearly mode and annual mode is available for payment of premium.
- If the premium is not paid within the grace period, the cover will lapse.
- If death claim arises during the grace period, the claim may be paid after deduction of due and unpaid premium.

Reinstatement:

- The revival period is 3 months. Before the end of the revival period, the company will reinstate cover on payment of all premiums due, subject to satisfactory evidence of health. Unless the policy is reinstated, the company will not pay any claim which may occur after the end of the grace period even if the claim occurs before the end of the revival period.

Please Note: The company may as a matter of policy accept a claim up to 6 months from the date of last unpaid premium in case the policy is in effect for less than 5 years and up to 1 year from the date of last unpaid premium in case the policy is in effect beyond 5 years.

Nomination:

- Each member can nominate the person/persons to whom the death benefit will be payable.

Surrender and Paid up Value:

- This plan has no surrender value and no paid up value.



Loans:

- This plan has no loan facility.

Without Participation in Profits:

- This plan is a non-linked non-participating group term plan and does not participate in the surplus earnings of our policy holders' fund.

Applicability of Service Tax:

- Service Tax and cess as imposed by the Government from time to time will be charged on the premium.

What are the exclusions to the plan?

- There are no exclusions for death benefits under the base plan.

Free Look Period:

- You are entitled to a free look period of 15 days from the time that you receive the policy. If before the end of that time you do not wish to continue the policy then you may request us in writing to cancel it. We will refund the premiums you have paid, subject to a deduction of a proportionate risk premium for the period on cover and the expenses incurred by IDBI Federal on medical examination and stamp duty charges, if any. The policy will not be sold through distance marketing.

Statutory Information

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:

“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; 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 bona fide insurance agent employed by the insurer. Any person making default in complying with the provisions of this section shall be punishable with fine, which may extend to five hundred rupees.”

Section 45 of the Insurance Act, 1938 states:

“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 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 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.”

Nomination (Section 39 of the Insurance Act, 1938):

Nomination will be done as per Section 39 of the Insurance Act, 1938. You may at any time during the policy term make a nomination for the payment of the benefits under the policy in the event of death of the life assured. Where the nominee is a minor, an appointee, who is not a minor, will necessarily be appointed by you to receive the death benefits during the minority of the nominee. Nomination can be made by communicating the same in writing to the Company. The nominee can be changed by you at any time during the term of the policy and any such change shall vacate earlier nomination automatically. The Company does not express any opinion on the validity or legality of the assignment or nomination. An assignment cancels a nomination automatically. In absence of the nominee, the death benefit will be paid to your legal heir.

Substandard Lives:

Substandard lives with medical conditions or other impairments will be rated as per underwriting manual.

Insurance is a subject matter of solicitation.

‘IDBI Federal Life Insurance Company Limited’ is the name of the insurance company and ‘IDBI Federal Group Microinsurance’ is the name of this plan. Neither the name of the insurance company nor the name of the plan in anyway indicates the quality of the plan, its future prospects or returns.

Policy Document:

This brochure is not a contract of insurance and gives only the salient features of the IDBI Federal Group Microinsurance Plan (UIN: 135N004V02). 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. ® - Microinsurance is the registered trademark and all rights are reserved with IDBI Federal Life Insurance Co. Ltd.

This product is underwritten by IDBI Federal Life Insurance Company Limited (Regn. No 135; Corporate Identity Number (CIN) – U66010MH2007PLC167164) having its registered office at: 22nd Floor, A Wing, Marathon Futurex, N. M. Joshi Marg, Lower Parel East Mumbai 400013. Tel.: 022 2490 8109 Fax: 022 2494 1016. www.idbifederal.com

Ref. No. 12039/MICRO/PB/ENG/APR14/V2