



The perfect cover to  
ensure security and peace of mind for one and all.

Employees are the most valuable assets for any organisation. A good way of showing your employees you care is to offer them the cover of life insurance, which helps them provide a secure foundation for their families' future, in case of the unfortunate demise of the main wage-earner. It creates the support to help your employee's family continue to live comfortably should something happen to your employee. You can ensure this by opting for the IDBI Federal Term Insurance Group Insurance Plan.

You could also provide a Group Life Insurance cover for other groups of individuals with whom you have a relationship like customers, suppliers or other affinity groups and provide them the benefit of life insurance cover.

Thus, the IDBI Federal Term Insurance Group Insurance Plan allows you to provide your key relationships with a sense of security in this uncertain world.

## About IDBI Federal Term Insurance Group Insurance Plan

IDBI Federal Term Insurance Group Insurance Plan is a pure group term plan designed to cater to a wide variety of formal and informal groups such as the employer-employee groups/bank-depositor groups/customer-supplier groups/professionals/affinity groups. It is a Group Term Insurance plan that provides basic life insurance protection to the members of the plan.

Life insurance benefit for all members of the plan is provided by one policy document that is issued to the policyholder. The policyholder may differ for different groups; e.g., in the case of a bank providing life insurance cover to their deposit account holders, the bank will be the Master Policyholder and the deposit account holder shall be a member of the policy. For employer-employee group, the employer will be the Master Policyholder and the employees shall be the members of the policy.

### Offer life insurance cover to your members at low costs

IDBI Federal Term Insurance Group Insurance Plan provides life insurance cover to your members at a low cost by paying a lump sum benefit to the beneficiary on the death of the member.

### Add value to your own products and services to make them more competitive

If you are a financial institution you can provide life cover to a group of borrowers. In today's competitive world, you can enhance the value proposition of your financial products by bundling the same with an insurance cover.

# Who can opt for IDBI Federal Termsurance Group Insurance Plan?

If you are any group/association/co-operative having adequate rules, records and registers, you can opt for this plan. The purpose of setting up the plan is to provide your members with a sense of security in an increasingly uncertain world.

## What does IDBI Federal Termsurance Group Insurance Plan offer?

### If you are an Employer – Employee Group:

#### Advantages to the Employer:

- Provides valuable life insurance cover to your employees.
- Premiums are tax deductible as business expense (as per section 37 of the Income Tax Act, 1961).\*
- Easy to set up and administer.
- Helps you attract and retain your most important asset, your employees.

#### Advantages to the Employee:

- In the event of an untimely death, life cover amount is paid to the beneficiary/nominee of the member.
- Death benefit, when paid, will be exempt from income tax in the hands of the beneficiaries.\*
- No medical examination is required up to a certain coverage limit.

### If you are a Non-Employer – Employee Group:

Various groups can be defined on a relationship basis such as customer-supplier relationships, deposit holder-bank relationships. There are many benefits for each of these groups. **Termsurance Group Insurance Plan** may be used to match the needs of each group.

As an example, the benefits for a deposit holder–bank relationship are shown below:

#### Advantages to the Banks:

- Bundling insurance with a deposit account can help in attracting new customers and increasing customer loyalty.
- Serves as a competitive edge to provide an add-on feature with a core banking product.
- Simple to administer.

#### Advantages to the Deposit Account Holders:

- In the event of an untimely death, life cover amount is paid to the beneficiary/nominee of the member.
- Hassle free issuance by answering simple health related questions.
- If the plan is voluntary, account holders can claim tax benefits on the premiums paid by them.\*
- Coverage available for joint account holders and for age groups starting from 15 years onwards.

## What are the eligibility conditions?

Parameters	Minimum	Maximum
Entry age of the member (age as per last birthday)	18 years (in case of Employer-Employee Groups & Accidental Death Benefit option) 15 years (in case of Non Employer-Employee Groups)	69 years
Cover ceasing age of the member (age as per last birthday)	19 years (in case of Employer-Employee Groups & Accidental Death Benefit option) 16 years (in case of Non Employer-Employee Groups)	70 years
Sum insured of the member	₹ 5,000	No limit (subject to underwriting)
Accidental death sum insured	₹ 5,000	₹ 50,00,000
Terminal illness sum insured	₹ 5,000	₹ 50,00,000
Size of group	50 members	No Limit
Policy term	This is a yearly renewable group term assurance plan. The master policy will be renewed at the annual renewal date provided premium is received within the grace period by the insurer.	

### Tax Benefit\* :

If premium is paid by the insured member, then he/she can claim tax benefit under section 80C of the Income Tax Act, 1961. Benefits received are exempt from income tax in the hand of the beneficiaries under section 10(10D) of the Income Tax Act, 1961.

Where premium is paid by the group master policyholder, tax benefit can be availed under section 37 of the Income Tax Act, 1961.

\*Tax benefits are subject to change in tax laws. You are advised to consult your tax advisor for details.

## Benefits available under the plan:

### Death Benefit:

In the unfortunate event of death of the insured member, the sum assured, as specified in the plan rules by us, will be paid to the beneficiary.

The following in-built options are available under the product:

### Accidental Death Benefit:

If you have opted for the accidental death benefit option, then, in the event of accidental death, the accidental death benefit sum insured will be paid in addition to the basic death benefit to the beneficiary of the insured member. Accidental death benefit sum insured will be less than or equal to sum insured, subject to a maximum of ₹ 50,00,000, as opted by the master policyholder at the onset.

### Terminal Illness Benefit:

The terminal illness benefit option has to be selected at the outset by the master policyholder. The master policyholder can select the amount of terminal illness benefit, which can be less than or equal to the

member's sum insured, subject to a maximum of ₹ 50,00,000 for each member.

The terminal illness benefit is paid on diagnosis of terminal illness where the insured person is expected to live for not more than six months. The diagnosis has to be done by specialised medical practitioners approved by the company.

The terminal illness benefit is not an additional benefit but an accelerated death benefit; i.e., we will pay the terminal illness benefit and reduce the sum insured by the amount of the terminal illness benefit paid. After we pay the terminal illness benefit, policy will continue as before with the reduced sum insured till the end of the cover term, no further premiums are required to be paid. If the member survives the cover term, no further benefit is payable.

In case of valid claim during the grace period, the benefit, as applicable, will be paid after deducting the due premium. No benefit is payable if the claim arises after the expiry of the grace period.

### **Maturity Benefit:**

There are no maturity benefits in this plan.

### **Premium Payment:**

- You, as the group master policyholder, are responsible for paying all member premiums. However, if the plan is voluntary, members can also contribute their own premium. The group master policyholder is responsible for collecting and remitting all contributions to the insurer. All premiums have to be routed only through the master policyholder.
- In case of voluntary cover, a separate member enrolment may be required to be filled by the individual members.

- The member's cover continues on payment of due renewal premiums for the term as specified in the rules of the plan.
- Premium rates may be adjusted at any anniversary of the member's commencement date for existing members and at any anniversary of the policy commencement date for new members.

### **New Entrants:**

- In case of a new member becoming eligible to be included under this plan, you, as the group master policyholder will have to furnish the details of such new members.
- The premium in respect of these new members shall be calculated by the group master policyholder on pro-rata basis for the remaining tenure of the policy.
- The group master policyholder will pay premiums as they fall due in respect of existing members and at the time we accept new members.

### **Premium Payment Frequency:**

- The premium for the entire year (1 year) can be paid in advance at the inception of the policy or policy annual renewal date, as applicable.
- The other available premium payment frequencies are-half yearly/quarterly or monthly modes.
- For premium frequencies other than annual, the premium amount can be ascertained by multiplying the annual premium with the frequency factor as mentioned below:

Premium Frequency	Monthly	Quarterly	Half-Yearly
Frequency Factor	0.09	0.26	0.51

**Grace Period:**

- Grace period is effective from the date of the last unpaid premium.
- The cover remains in force during the grace period with all benefits.
- The grace period is 30 days (15 days in case of monthly mode).
- If the premium is not received by us within the grace period, the life insurance cover will lapse.
- If death claim arises during the grace period, the claim may be paid after deduction of due and unpaid premium.

**Lapse:**

In case the premium is not received by us within the grace period, the cover will lapse. No benefits are payable for a cover that has lapsed.

**Reinstatement:**

The revival period is 3 months from the date on which the cover lapses, subject to it being within the policy term of one year i.e., not later than the annual renewal date of the policy (ARD). Before the end of the revival period, the company will reinstate the 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 that the reinstatement will be allowed within the policy term of one year only.

**Exit of insured member:**

At the outset of the scheme, in case of exit of a member from the scheme, you can choose any of the following options:

- Refund of premium for the unexpired period of risk.
- Continue the cover in respect to that member for the unexpired period.

**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.

**Applicability of Service Tax:**

Service Tax is payable on life insurance premiums as per the applicable tax laws.

**Exclusions to the Plan:**

Death Benefit: No exclusions are applicable.

Accidental Death Benefit: Accidental Death Benefit shall not be paid on death of the insured person occurring directly or indirectly as a result of any of the following:

- Intentional self – inflicted injury, suicide or attempted suicide, while sane or insane.
- The insured person being under the influence of drugs, alcohol, narcotics or psychotropic substances unless taken in accordance with the lawful directions and prescriptions of a registered medical practitioner.
- Failure to seek or follow medical advice.
- Participation by the insured person in any flying activity, except as a bona fide, fare paying passenger of a recognised airline on regular routes and on a scheduled time table.
- Participation by the insured person in a criminal or unlawful act with criminal intent.

- Any injury incurred before the effective date of the cover.
- Nuclear contamination; the radioactive, explosive or hazardous nature of nuclear fuel materials or property contaminated by nuclear fuel materials or accident arising from such exposure.

Terminal Illness (TI) Benefit: The TI Benefit shall not be paid in the event of any claim occurring directly or indirectly as a result of any of the following:

- Infection with Human Immunodeficiency Virus (HIV) or conditions due to any Acquired Immune Deficiency Syndrome (AIDS).
- Service in the armed forces in time of declared or undeclared war or while under orders for warlike operations or restoration of public order.
- Self-destruction or any attempted self-destruction or self-inflicted injury while sane or insane.
- Participation in any fight or affray.
- Racing of any kind other than on foot.
- Participation in scuba diving.
- Accident occurring while or because the insured is under the influence of alcohol or any non-prescribed drug.
- Food poisoning or bacterial infection (except pyogenic infection which shall occur with and through an accidental cut or wound).
- Entering, exiting, operating, servicing, or being transported by any aerial device or conveyance except when the insured is on a commercial passenger airline on a regular scheduled passenger trip over its established passenger route.
- Physical handicap or mental infirmity existing at the time of insurance application or reinstatement of the Supplementary Contract.
- Any kind of congenital anomalies.
- Complications of surgical procedures or accidents occurring during surgical or therapeutic procedures.
- Hunting, mountaineering or climbing requiring the use of ropes or guides.
- Ionising radiation or contamination by radioactivity from any nuclear fuel or nuclear waste.
- Radioactive, toxic, explosive or other dangerous properties of any nuclear equipment or any part of the equipment.
- Any underwater or subterranean operation or activity.

These exclusions relate only to payments under the TI Benefit. Should the insured member subsequently die while cover is in force, then the death benefit will be paid out as normal.

#### **Free Look Period:**

You are entitled to a free look period of 15 days from the time you receive the policy. If before the end of that time you do not wish to continue the policy, you may request us in writing to cancel it. We will refund the premiums you have paid, subject only 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.

#### **Policy discontinuance:**

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

## 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.

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.”

### Non Disclosure Clause

Sec. 45 of Insurance Act 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 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.”

### Policy Document

This brochure is not a contract of insurance and gives only the salient features of the IDBI Federal Termsurance Group Insurance Plan (UIN: 135N027V01). 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. Insurance is a subject matter of solicitation. ‘IDBI Federal Life Insurance Company Limited’ is the name of the insurance company and ‘IDBI Federal Termsurance Group Insurance Plan’ 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. ® - Termsurance 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 400 013. Tel.: 022 2490 8109 Fax: 022 2494 1016. [www.idbifederal.com](http://www.idbifederal.com).

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