

## **POLICY SURRENDER**

### **1. *What is policy surrender?***

Surrender is a facility given to the policy holder to cancel the policy after completion of the lock-in period, completion of premium payment term or any other lock-in period prescribed by the product guidelines.

### **2. *What is the criteria for policy surrender?***

- a) Surrender request can be accepted for policies that have the status of Inforce, Paid up, Policy Discontinuance or Cover Continuance.
- b) The request should be received on completion of the policy lock-in period
- c) In case the policy has been assigned, for Assigned, HUF and MWP policies request for surrender should be received from the Assignee, Karta and Trustee respectively under consent from the Policyholder.
- d) In case of Unit linked plans, the date and time stamp is mandatory on the request form. This is required for NAV allocation.
  - a. If the request is received before 3.00 p.m. i.e. pre cut-off, then the same business day NAV will be allocated to the customer.
  - b. If the request is received after 3.00 p.m. i.e. post cut-off, then the next business day NAV will be allocated to the customer.
- e) Request will be rejected if Life Insured is a Minor

### **3. *What are the documents required for policy surrender?***

- a. Surrender Request Form duly filled and signed.
- b. Policy Document / Indemnity Bond in lieu of Policy Document
- c. Cancelled cheque or bank statement/pass book copy duly attested by bank and Policyholder.
- d. If 'NEW ACCOUNT' is mentioned on the cheque then we require the bank statement / passbook.
- e. For NRE / NRI Account we require confirmation from the bank, which should state that all premiums are paid from NRI account
- f. Self attested Pan Card copy
- g. NOC from the bank (In case assigned to the bank)
- h. Fund transfer to new application letter
- i. If customer is a NRI then:
  - i. He/she will have to provide the copies of his/her Passport with entry and exit dates.  
Declaration (for change in residential status NRI – Indian)

4. **What is the Surrender Payout applicable for Pension Products?**

Product	Payable on Surrender/Termination
Retiresurance Pension Plan (UIN: 135L008V01)	Entire amount can be paid out to the customer and no declaration is required
Retiresurance Pension Plan (UIN: 135L008V02)	Entire amount can be paid out to the customer and no declaration is required
Retiresurance Milestone Pension Plan (UIN: 135L020V01)	1/3 <sup>rd</sup> of the surrender amount is refundable to customer and 2/3 <sup>rd</sup> to purchase an annuity plan or the entire amount to purchase an annuity plan
Retiresurance Guaranteed Pension Plan (UIN: 135N017V01)	1/3 <sup>rd</sup> of the surrender amount is refundable to customer and 2/3 <sup>rd</sup> to purchase an annuity plan or the entire amount to purchase an annuity plan

5. **When is TDS applicable ?**

Policies issued on or before 31 <sup>st</sup> March 2012	Policies issued on or after 1 <sup>st</sup> April 2012
<p>Applicable to only those policies where the sum assured is less than 5 times of the premium paid</p> <ul style="list-style-type: none"> <li>▪ Payouts Rs.100,000 and above within the same financial year will have to be taxed</li> <li>▪ 2% of the payout amount if Valid PAN is available with policy.</li> <li>▪ 20% of the payout amount if PAN is NOT available with policy</li> </ul>	<p>Applicable to only those policies where the sum assured is less than 10 times of the premium paid</p> <ul style="list-style-type: none"> <li>▪ Payouts Rs.100,000 and above within the same financial year will have to be taxed</li> <li>▪ 2% of the payout amount if Valid PAN is available with policy.</li> <li>▪ 20% of the payout amount if PAN is NOT available with policy</li> </ul>

- a) TDS is deducted at the client level and not at the policy level.
- b) Payouts only in case of non-compliant policies of a particular client should be aggregated for the purpose of determining the threshold amount of Rs. 1,00,000/-.
- c) TDS is deducted from the gross amount and not from net amount.

- d) In case of surrender/termination of a ULIP policy, TDS should be deducted before deduction of the surrender/policy termination charges.
- e) In case of an Assignment, the owner of the policy changes and the payout is made to the assignee. In such a case, TDS is applicable to the new owner (i.e. assignee should be considered).
- f) If a payment is being made to a person or institution in the capacity of a legal heir, Karta under HUF, Trustee under MWP Act, employer under employer –employee scheme; then TDS is applicable to such a claimant. PAN of such claimants is required.
- g) Threshold of Rs. 1 Lakh should be ascertained for all policies taken together on the life of Life Assured.
- h) If policy payment is settled in favor of more than 1 claimant, then the PAN of all claimants are required.

**6. What is Form 15 H and 15 G and when does one submit the same?**

Form 15G and Form 15H are self declaration forms to be submitted by residents which can help a person avoid TDS incase one is not liable to pay income tax at the end of the year (i.e. if total taxable income of a person shall not exceed the basic exemption limit for that relevant Financial Year (Rs 2.5 lakhs for FY14-15 & 15-16). Form 15H is for senior citizens (a person who is above 60 yrs) and Form 15G is for others.

**Some Pointers to Keep In Mind**

- a) Nonresident/NRI cannot submit this form
- b) 15G cannot be filed by any person who is in receipt of an amount that exceeds the applicable basic exemption limit as per IT provisions.
- c) Valid PAN is mandatory , otherwise the tax would be deducted at the rate of 20%
- d) These forms are to be submitted in duplicate, one of which is forwarded to the Income Tax department before 7th of the next month. In case there is a holiday on the 7<sup>th</sup>, then the previous working day of that month The form should be submitted
  - a. at the beginning of each financial year or
  - b. at the time of payout request or
  - c. Before receiving any taxable amount from the policy, so as to avoid a situation where TDS has already deducted before its receipt.
- e) No reversal of TDS will be done for late receipt of Form 15G/H (i.e.: after deduction of TDS). However, such Form 15G/H received will be used for the payment made in rest of the year.
- f) New set of forms are required to be filed every year and the eligibility criteria as stated above needs to be examined every year before furnishing the forms.

**7. How is the resident status arrived at ?**

**The status of a person as a resident or non-resident depends on his** period of stay in India. The period of stay is counted in the number of days for each Financial Year beginning from 1st April to 31st March (known as previous year under the Income-tax Act). The definition is explained in simple terms as under.

If an individual who satisfies both the understated conditions of section 6 of the Income-Tax Act, then he becomes a Non-Resident.

Condition	Status
He is not in India for 182 days or more during the relevant previous year.	If yes, then he is a non-resident. (now check the next condition.)
He is not in India for 60 days or more during the previous year and he is not in India for 365 days or more during the 4 years prior to the previous year	If yes, then he is a non-resident

## **PARTIAL WITHDRAWAL**

### **1. *What is a partial withdrawal?***

Partial Withdrawal is an option given to the Policyholder to withdraw certain amounts from the policy after completion of the lock-in period or after completion of premium payment term (as prescribed in the product guidelines).

### **2. *What is the criteria for partial withdrawal?***

- a. Partial withdrawal request can be accepted for policies with a status of Inforce, Policy Discontinuance or Cover Continuance.
- b. In case the policy has been assigned, the request should be received from the Assignee with the consent of the policyholder.
- c. For MWPA & HUF policies, the request should be received from the Trustee & Karta respectively.
- d. For Unit linked policies, the date and time stamp is mandatory on the request form. This is required for NAV allocation.
  - If the request is received before 3.00 p.m. i.e. pre-cut off, then the same working day NAV will be allocated to the customer.
  - If the request is received after 3.00 p.m. i.e. post cut-off, then the next working day NAV will be allocated to the customer.
- e. Request will be rejected if the Life Assured is a Minor

### **3. *What are the documents required for partial withdrawal?***

- a. Partial withdrawal request form
- b. Cancelled cheque or bank statement/Pass book copy duly attested by bank and policyholder.
- c. If 'NEW ACCOUNT' is mentioned on the cheque then we require bank statement / passbook.
- d. In case the policy is assigned, then the NOC from the Assignee
- e. Fund transfer to new application letter ( for fund transfer cases)
- f. Pan Card copy - Non compliant cases
- g. For NRE / NRI Account we require confirmation from the bank that states that all premiums are paid from NRI account Declaration ( for change in residential status NRI – Indian .)

**4. What is the eligibility for partial withdrawal?**

<b>Policies Issued prior to 30<sup>th</sup> Sept'14</b>	<b>Policies Issued post 30<sup>th</sup> Sept'14</b>
<p style="text-align: center;"><b><u>Regular Premium</u></b></p> <ul style="list-style-type: none"> <li>• One annulised premium to be retained and the balance can be utilized towards partial withdrawal.</li> <li>• Any top up made needs to be added to the annulised premium and the balance can be utilized towards partial withdrawal</li> </ul>	<p style="text-align: center;"><b><u>Regular Premium</u></b></p> <ul style="list-style-type: none"> <li>• Two annulised premium, to be retained and the balance can be utilized towards partial withdrawal.</li> <li>• Any top up made needs to be added to the annulised premium and the balance can be utilized towards partial withdrawal</li> </ul>
<p style="text-align: center;"><b><u>Single Premium</u></b></p> <ul style="list-style-type: none"> <li>• Minimum amount of Rs. 20000/- to be retained and the balance can be utilized towards partial withdrawal.</li> <li>• Any top up made needs to be added to the minimum amount and the balance can be utilized towards partial withdrawal</li> </ul>	<p style="text-align: center;"><b><u>Single Premium</u></b></p> <ul style="list-style-type: none"> <li>• Higher of 50% of Single Premium <b>OR</b> Rs. 20000/- to be retained and the balance can be utilized towards partial withdrawal.</li> <li>• Any top up made needs to be added and the balance can be utilized towards partial withdrawal</li> </ul>

**5. Is TDS applicable on partial withdrawals too ?**

Yes, TDS is applicable for partial withdrawal surrender, maturity, and termination payouts.

## **FUND SWITCH & FUTURE PREMIUM REDIRECTION**

### **1. What is fund switching and future premium redirection?**

*Fund switch* is a facility given to the policyholder to switch some or all units from one unit-linked fund to one or more other unit-linked funds. Units in the old fund are cancelled and units are allocated in the new fund or funds

*Future Premium Redirection* allows you to redirect your future regular premiums into a different allocation pattern than your current allocation pattern as per your risk profile and needs. This will not, however, rebalance your current investments

### **2. What is the criteria for switching and future premium redirection?**

- a. The request can be accepted for policies with the status of Inforce, Discontinuance or Cover continuance.
- b. If the policy is assigned, then request should be received from the Assignee
- c. Direction or redirection to any fund must be at least 15% of premium.
- d. For Unit linked policies, the date and time stamp is mandatory on the request form. This is required for NAV allocation.
  - a. If the request is received before 3.00 p.m. i.e. pre-cut off, then the same working day NAV will be allocated to the customer.
  - b. If the request is received after 3.00 p.m. i.e. post cut-off, then the next working day NAV will be allocated to the customer.

### **3. What are the documents required for fund switching & future premium redirection?**

- a. Fund switch / future premium redirection form
- b. Online fund switch option is also available. For this you would need to register on our online portal.

### **4. Can a person opt for online switching and what is the process?**

IDBI Federal has introduced online fund switching for its customers.

- a. To use the feature of online fund switching, the customer needs to register his/her mobile number and email id by submitting the form “ *Application for Registration on portal for online transactions*” along with a self attested photo identity proof (Passport/Driving License/Aadhaar Card/PAN Card).  
<http://www.idbifederal.com/Download/PolicyServicingForms/Pages/default.aspx>
- b. On successful registration, all future communication related to the policy, including the One Time Password (OTP) will be sent to the registered email id and mobile number.

Regd Office: 22nd Floor, A Wing, Marathon Futurex, N M Joshi Marg, Lower Parel (E), Mumbai 400013  
Toll Free No: 18002090502. [www.idbifederal.com](http://www.idbifederal.com) | IRDAI Regn. No.135 | CIN:U66010MH2007PLC167164

- c. On receipt of the One Time Password (OTP) the customer can log in to the customer portal section on our website [www.idbifederal.com](http://www.idbifederal.com) and proceed with the online fund switching.
- d. The OTP will have to be generated and used for every financial transaction that the customer does on the customer portal.

5. ***Can a customer opt for a fund switch from only one fund?***

Yes. A customer can opt for fund switch across multiple funds mentioned on the fund switch form. The total % of fund switch should be 100%

6. ***Can a customer avail fund switch facility more than once on a particular day?***

No. Request for fund switch is accepted only once against a single policy on a particular day.. In case of multiple request received the customer is contacted and confirmation is taken on which request needs to be processed.



## **FREELook CANCELLATION**

### **1. What is free look cancellation?**

Free look is an option given to the policyholder for cancelling the policy within the free look period of 15 days from the date of receipt of policy document.

### **2. What is the criteria for Free look cancellation?**

- a. Free look request can be accepted for Inforce policies only
- b. The request should not exceed 15 days from the date of receipt of policy document by the customer
- c. Date and time stamp is mandatory on the request form.

### **3. What is the documentation required for Free look Cancellation**

- a. Free look cancellation request form
- b. Cancelled cheque or bank statement/Pass book copy duly attested by bank and policy holder.
- c. If 'NEW ACCOUNT' is mentioned on the cheque then we require bank statement / passbook.
- d. In case the policy is assigned, NOC from the Assignee Fund transfer to new application letter ( for fund transfer cases)
- e. For NRE / NRI Account we require confirmation from bank which should state that all premiums are paid from NRI account.
- f. If it is a MWP policy then the request should be from Trustee.
- g. In case of HUF policy the request should be from Karta.
- h. Bank details of the respective assignees( Karta and Trustee). in case of HUF and MWP policies to be received
- i. For cancel and reissue cases Benefit Illustration duly signed by the Proposer is mandatory.

## **PREMIUM PAYMENT MODE CHANGE**

### **1. *What is mode change?***

Mode Change is an option given to the policy holder for changing the payment mode at any given point of time 30 days prior to next due as per the grid provided below

Change to New Payment Mode	Current Renewal Payment Mode			
	Monthly	Quarterly	Half-yearly	Yearly
Monthly	-	Month Anniversary, post completion of one quarter	Month Anniversary, post completion of six months	On completion of Policy Anniversary
Quarterly	Month Anniversary, post completion of one quarter	-	Month Anniversary, post completion of half year	On completion of Policy Anniversary
Half-Yearly	Month Anniversary, post completion of half year	Month Anniversary, post completion of half year	-	On completion of Policy Anniversary
Yearly	On completion of Policy Anniversary	On completion of Policy Anniversary	On completion of Policy Anniversary	-

### **2. *What is the criteria for mode change?***

- a. Request can be accepted for the Inforce policy only
- b. The request can be accepted 30 days before the due date for Inforce policies

### **3. *What is the documentation required for Mode change?***

- a. Request letter / Application for general changes form
- b. Two months advance premium mandatory for Monthly mode
- c. ECS with Canceled cheque copy / SI form for Monthly Mode (mandatory) and needs to be submitted in hard copy

### **PREMIUM & SUM ASSURED CHANGE**

1. ***What is Premium and Sum Assured Change?***

Customers have an option to decrease / increase premium or sum assured as per the prevailing product features.

2. ***What is the criteria for premium and sum assured Change?***

- a. The request can be accepted 30 days before the due date for Inforce policies.
- b. Date and time stamp is mandatory on the request form.

3. ***What are the documentation required?***

- a. General Insurance changes form /Request letter duly signed by the policyholder / Assignee/Trustee/Karta.
- b. Business Illustration with the changed premium or sum assured (mandatory)
- c. Request for sum assured increase / decrease should be followed by a proportionate increase/decrease in premium.

## **TOP UP**

### **1. *What is a top up?***

**Top-up** is a facility provided in Unit linked Life Insurance Policies. It is an amount that can be paid by a policyholder at any point of time to increase his fund value.

### **2. *What is the criteria for Top up?***

- a. The request can be accepted only for inforce policies
- b. Date and time stamp is mandatory on the request form.
- c. All top up requests need to be underwritten with respect to AML and Risk Cover as per prevailing regulations
- d. Top-up premium can be paid any time during the policy term at irregular intervals besides the basic regular premium specified within the contract and is treated as single premium
- e. Top-up premium can only be made only during the policy term provided all regular premiums have been duly paid.
- f. At any point of time during the term of the contract, as long as top-up premium is less than 25% of all regular premiums paid till that date, the sum assured will not increase.
- g. The balance amount of the top-up premium, over and above the 25% of all regular premiums paid till top up date, needs to have a subsequent insurance cover of minimum 1.25 times which would remain constant during the entire tenure of the policy

### **3. *What is the documentation required for Top Up?***

- a. Top up request
- b. Required top up amount

### **ADDITION/DELETION OF RIDER**

Customer is given an option of addition or deletion of riders on policies as per the prevailing product features, or as per the claim team request.

#### **1. *What is the criteria for addition /deletion of rider?***

- a. Addition of riders is currently not permissible.
- b. Request for Rider Deletion can be accepted only for inforce policies
- c. Date and time stamp is mandatory on the request form

#### **2. *What is the documentation required?***

- a. Request letter from the customer OR
- b. Insurance change form

## **POLICY MATURITY**

### **1. *What is a policy maturity?***

Maturity is amount guaranteed to be paid out to the policyholder as on the maturity date provided the life insured survives as on the maturity date as per the terms and conditions of the policy contract.

### **2. *What is the criteria for maturity?***

- a. Policy status should be inforce, Policy Discontinuance or Cover continuance and maturity amount will be paid on the survival of the insured person as on the date of maturity
- b. If the policy is assigned then request for maturity should be received from policyholder with the consent of the Assignee (incase of Bank/ FI),
- c. If it is a MWP policy then the request should be from Trustee.
- d. In case of HUF policy the request should be from Karta.
- e. In case death of Proposer, Life Assured needs to apply for change in proposer along with below mentioned documents.
  - i. Request letter – for change in ownership
  - ii. Original Policy Document
  - iii. Death Certificate – of earlier proposer
  - iv. KYC documents of Life Assured.

### **3. *What is the documentation required?***

- a. Original policy pack.
- b. Payment authorization form along with copy of personalized canceled cheque
- c. If cheque is non personalized then bank statement / Passbook is mandatory where in name of policyholder, account number bank name, branch name & IFS Code is mentioned – duly attested by the bank and policyholder.
- d. If customer is not able to submit the original policy document due to any reason then indemnity bond on Rs. 200/- stamp paper / franking is mandatory.
- e. No Objection Certificate from the Assignee – if the policy is assigned
- f. For NRE / NRI Account we require confirmation from bank which should state that all premiums are paid from NRI account.
- g. Declaration ( for change in residential status NRI – Indian .)

## **COVER CONTINUANCE**

### **1. *What is cover continuance?***

Customer is given an option of cover continuance for unit-linked policies – similar to a premium holiday. The customer can request for continuing the cover without paying any further premiums post the mandatory lock-in period payments as per product features. For all such cases the cover will continue and the policy will be Inforce with deduction of the charges and adjusting the units as applicable.

### **2. *Is cover continuance applicable on all products?***

Cover Continuance is applicable for specific plans only as per the policy terms and conditions mentioned in the policy document.

### **3. *What is the criteria for cover continuance***

Request is accepted only for policy discontinuance status.

## **ADDRESS & CONTACT DETAIL CHANGE**

### **1. *What is the documentation required?***

- a. Application for general change form or request letter duly signed by the policyholder along with a self-attested address proof.
- b. If the policyholder has signed in vernacular language, then vernacular declaration is mandatory.
- c. In case there is a thumb impression on the general change form, then signature of the witness/Insurance agent is mandatory.
- d. In absence of written request (e.g. request from customer care, request from e-mail etc) the contact details will be marked as non preferred.

### **2. *Which standard address proofs are accepted?(all self attested)***

- a. Passport copy
- b. Ration card copy
- c. Aadhar card copy
- d. Bank passbook copy
- e. Driving license copy
- f. Verified copies of registered lease and license agreement /agreement for sale

### **3. *Is there a separate form for registration for online transactions?***

Yes. The customer is required to submit Online Portal Registration form available in the downloads section of [www.idbifederal.com](http://www.idbifederal.com) along with self attested Photo Id Proof.

### **4. *Which standard Photo id proofs are accepted?***

- a. Pan card copy
- b. Aadhar card copy
- c. Driving license copy

### **5. *Can a customer request for an address or contact detail change / update in a lapsed policy?***

Yes. The request can be accepted for in force / lapse/paid up/discontinued policy status



**NAME CORRECTION / CHANGE:**

**1. *Can a customer request for a name correction / change in a lapsed policy?***

Yes. The request can be accepted for inforce / lapse/paid up/discontinued policy status

**2. *What is the documentation required?***

- a. Application for Insurance Change form or request letter duly signed by the policyholder with a self-attested new identity proof.
- b. If the policyholder has signed in vernacular language, then vernacular declaration is mandatory.
- c. In case there is a thumb impression on the General Change form, then signature of the witness/Insurance agent is mandatory.
- d. The following supporting documents will be required to effect the name change
  - i. For female life -copy of marriage certificate attested by the policyholder
  - ii. In case of total name change gazette notification on name change.

**3. *Which standard identity proofs are accepted? (have to be self-attested)***

- a. Passport Copy
- b. Aadhar Card Copy
- c. Pan Card Copy
- d. Bank Passbook Copy

## **NOMINEE CORRECTION / CHANGE:**

### **1. *What is Nomination?***

Nomination is a process which enables a policyholder to nominate a person/s to receive the policy proceeds in the event of the death of the life assured.

### **2. *Can a customer request for a Nominee correction / change in a lapsed policy?***

The request can be accepted for in force / lapse/paid up/discontinued policies.

### **3. *When can a nominee change / correction request be applicable?***

- a. A nominee request can be considered provided the life assured and the policy holder is the same person.
- b. Nomination is possible for an assigned policy too, subject to creditor's interest.

### **4. *What is a beneficiary nominee?***

When a policyholder nominates parents, spouse or children, then the nominee or nominees will be beneficially entitled to the amount payable by the insurer.

### **5 *Can a customer request for a Nominee correction / change in a lapsed policy?***

The request can be accepted for in force / lapse/paid up/discontinued policies.

## ASSIGNMENT / REASSIGNMENT

### 1. *What is assignment?*

Assignment means the transfer of the beneficial interest, right and title under the policy either absolutely, partially or conditionally by the assignor to the assignee.

### 2. *What are the types of assignment?*

There are three Types of assignment:

- a. **Absolute assignment** is the transfer of the entire right, title and interest in the policy to the assignee.
- b. **Conditional assignment** is the transfer of the right, title and interest subject to the fulfillment of a condition/event.
- c. **Partial Assignment** is the transfer of benefits to the extent of Creditor's interest.

### 3. *What are the documents required for assignment?*

- a. Assignment Form duly filled in and attested.
- b. Policy Documents
- c. Request letter confirming reason for assignment
- d. Documents related to loan

### **ISSUE OF DUPLICATE POLICY**

**1. *When can a duplicate policy be issued?***

Policyholder can request for issuance of duplicate policy document, in case it is lost, stolen or destroyed / mutilated.

**2. *What is the documentation required for placing the request for duplicate policy?***

- a. Indemnity bond on 200/- stamp paper
- b. Request for issuance of duplicate policy shall be accepted in writing, signed by the policyholder.
- c. Address proof in case of any changes in the address.
- d. If the policy holder has signed in vernacular language, then vernacular declaration by English knowing witness is mandatory.

**OWNERSHIP CHANGE:**

**1. *What is the documentation required?***

- a. Original policy document
- b. Death certificate in case of change in owner ( demise of proposer)
- c. Nomination form appointing Nominee
- d. Identity proof of new owner(if other than LA)
- e. Address proof of new Owner (if other than LA)
- f. Indemnity Bond on Rs.200/- (in case new owner is other than LA)
- g. Income proof (for Annual Premium Rs. >1lac)

**2. *Can the request be accepted for a lapsed policy?***

Yes. The request can be accepted for inforce and Lapsed policies.

### **SPECIMEN SIGNATURE CHANGE**

**1. *What is the documentation required?***

- a. Request letter duly signed by the policyholder containing three previous signatures and three new signatures
- b. Self attested ID proof containing the new signature.

**2. *Can the request be accepted for a lapsed policy?***

Yes. The request can be accepted for inforce and lapsed policies.

## **GENDER CORRECTION & DATE OF BIRTH CHANGE**

1. ***What is the criteria for a gender correction & date of birth change***
  - a. The request can be accepted only for in-force policies
  - b. Date and time stamp is mandatory on the request form
  - c. All requests need to be underwritten with respect to AML and Risk Cover as per prevailing regulations
2. ***What is the documentation required?***
  - a. Change request from customer or “Application for Insurance Change” available in downloads section on [www.idbifederal.com](http://www.idbifederal.com)
  - b. Self attested - Valid DOB Proof (AN card /Aadhar card / Voter ID / Passport copy / Birth Certificate)