

# SAVE TODAY. BE A SUPERHERO TOMORROW.

Invest in a savings plan that lets you do more.

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IDBI Federal Life Insurance  
**Lifesurance Savings Plan**

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# Introduction

## **IDBI Federal Lifesurance Savings Insurance Plan.**

A long term savings plan with bonuses, guaranteed additions\* and insurance protection.

Often, the first step towards a long and arduous journey is the toughest. However, once you have taken that first stride, the rest of the journey seems easier and more enjoyable.

When it comes to investments, many of us have the same story. We postpone our investments in order to meet our current responsibilities. We are also controlled by our belief that unless we have a substantial amount to save, we will not be able to make much headway.

Everything around us, however, hints at a completely different approach. For instance, little drops of water make a mighty ocean, many bricks together make a massive building and many individuals together make a formidable army. With your investments, it is the same approach that will ensure you build the right corpus to fulfil your dreams for yourself and your family - start small, save big!

Presenting **IDBI FEDERAL Lifesurance Savings Insurance Plan** - a fixed term non-linked participating endowment plan that provides you with the twin benefits of long-term savings and life cover. With **IDBI Federal Lifesurance Savings Insurance Plan** (referred to as Lifesurance hence), your small investments will grow to big savings that will help you realise the dreams that you have for yourself and your family. This plan also offers you the benefit of life cover that will provide financial security to your family in your absence.

\*Conditions apply

# What are the benefits of Lifesurance?

## Maturity Benefit:



On maturity of your Lifesurance policy, you get:

1. Maturity sum insured, *plus*
2. Vested guaranteed additions, *plus*
3. Vested reversionary bonuses, if any *plus*
4. Terminal bonus, if any.

The benefits mentioned above are paid out to you only if you have paid all the due premiums in full when due.

**Maturity Sum Insured:** It is the sum insured that is used to determine your premium and the maturity benefit. It is guaranteed to be paid out at the maturity of your policy. You have the freedom to choose the maturity sum insured as per your needs.

Guaranteed additions and bonus are expressed as a percentage of maturity sum insured

## Death Benefit:



On the death of the life insured during the policy term, we pay out:

1. Death sum insured, *plus*
2. \*Vested guaranteed benefits, accrued till date of death *plus*
3. \*Vested reversionary bonuses, accrued till date of death *plus*
4. \*Interim bonus, if any, *plus*
5. \*Terminal bonus, if any.

The benefits mentioned above are paid out to the beneficiary only, if all premiums are paid in full when due.

\*All the Guaranteed additions and bonuses are based on maturity sum insured

**Death Sum Insured:** It is the minimum amount guaranteed to be paid on death of the insured person during the term of the policy. The death sum insured is highest of:

1. 10 times of annualised premium, *or*
2. 105% of all premiums paid as on date of death, *or*
3. Maturity sum insured.

**Accidental Death Benefit:** Opting for this benefit entitles the beneficiary for an additional payout in the unfortunate event of the *accidental death* of the life insured up to the end of the premium payment term. It is equal to the maturity sum insured and is paid out in addition to the death benefit. A limit of ₹50 lacs is applicable on the accidental death benefit on a single life across all the policies issued by the company.

Accidental death benefit is available at a nominal additional rate which is calculated on your chosen maturity sum insured. For every ₹1,000 of maturity sum insured, you will be charged ₹1 for accidental death benefit.

For example, if your maturity sum insured is ₹5 lac, you will be charged  $(5,00,000 / 1,000 = 500)$  ₹500 for accidental death benefit, in addition to your base premium rate.

The above rates are exclusive of Goods & Services tax and cess as applicable.

The accidental death benefit can be chosen only at inception of the policy and once chosen cannot be discontinued during the term of the policy.

Accidental Death means death by or due to a bodily injury caused by an Accident, independent of all other causes of death. Accidental Death must be caused within 180 days of any bodily injury.

Accident is a sudden, unforeseen and involuntary event caused by external, visible and violent means.

## Guaranteed Additions



Lifesurance gives you the benefit of guaranteed additions that helps your investment to grow. In the first 5 years of the policy, you get guaranteed additions at the rate of ₹50 per ₹1,000 of maturity sum insured, for each full annual premium paid when due. In case of premiums paid more frequently than annually, the guaranteed additions will be added, in the first 5 years of the policy, on a pro rata basis as the due premiums are paid. The vested guaranteed additions will become payable along with the death sum insured or maturity sum insured at the time of a claim or maturity of the policy respectively.

For example, if you have opted for a maturity sum insured of ₹5 lac, then the guaranteed additions accrued on your policy per year in the first 5 years will be  $[(5,00,000 / 1000) \times 50] = ₹25,000$ . This amount will be payable on maturity of the policy

## Bonuses



After the fifth policy year your Lifesurance policy will participate in the profits of our participating policyholders' life fund by way of reversionary bonuses and terminal bonus. Bonuses are linked to the profits of the participating fund and both these depend on the future experience and performance of the fund. The bonuses will be declared by the Company each year after 5<sup>th</sup> policy year subject to surplus being emerged, and once added, they will form part of the guaranteed benefits of the policy. The company may declare an interim bonus in the event of a claim made before the subsequent bonus declaration. The company may also declare a terminal bonus to be paid on maturity or death provided, all the due premiums have been paid.

Bonuses would be declared by the Company based on instructions of the Board of IDBI Federal Life Insurance Company

# Lifesurance – A flexible plan

## Flexibility of choosing your policy term and premium payment term

The product offers various choices of policy term and premium paying term as mentioned below:

### **For Policy term 10 years:**

Only 5 years premium payment term is available

### **For Policy terms 15 years, 20 years and 25 Years:**

Minimum premium payment term: 5 Years

Maximum premium payment term: Equal to Policy term

## Flexibility of choosing your maturity sum insured or premium amount

With Lifesurance, you have the freedom to plan your life goals as per your current finances. The ideal method of purchasing Lifesurance is to have a target maturity sum insured as this is the guaranteed payout at the end of the term. We will determine the premium payable on your choice of maturity sum insured. Alternatively, you can choose the amount of premium that you wish to pay and we will determine the maturity sum insured basis the same. However, we recommend you use the maturity sum insured as your targeted amount while buying Lifesurance.

## Surrender Value



Life insurance is a long term financial instrument. By investing in Lifesurance you are making a long-term commitment towards building your savings. To get the maximum benefit from life insurance, we would urge you not to discontinue your policy before maturity. However, in case of emergencies, you have the option to surrender your policy before the planned maturity date.

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

**Guaranteed Surrender Value:** The policies with premium paying term of less than 10 years will acquire a guaranteed surrender value, if all premiums have been paid for at least 2 consecutive years.

The policies with premium paying term of 10 years or more, will acquire a guaranteed surrender value, if all premiums have been paid for at least 3 consecutive years.

1. Guaranteed Surrender Value has two components. The first component is a percentage of total premiums paid as below, according to the policy term and the second component is a percentage of accrued guaranteed additions and vested bonuses.

The percentage factors are given in the tables below.

1. Guaranteed surrender factors as a percentage of total premiums paid:

Policy Year	Policy Term			
	10	15	20	25
2	30%	30%	30%	30%
3	30%	30%	30%	30%
4	50%	50%	50%	50%
5	50%	50%	50%	50%
6	50%	50%	50%	50%
7	50%	50%	50%	50%
8	62%	54%	53%	52%
9	73%	59%	55%	54%
10	85%	63%	58%	56%
11		68%	61%	58%
12		72%	63%	60%
13		76%	66%	62%
14		81%	69%	64%
15		85%	72%	66%
16			74%	68%
17			77%	69%
18			80%	71%
19			82%	73%
20			85%	75%
21				77%
22				79%
23				81%
24				83%
25				85%

2. Guaranteed Surrender Factors for vested guaranteed addition and vested bonus are based on outstanding term. Outstanding term is the policy term *less* number of years the policy has been in force.

Outstanding Term	GSF						
1	43%	7	19%	13	8%	19	4%
2	38%	8	16%	14	7%	20	3%
3	33%	9	14%	15	6%	21	3%
4	29%	10	12%	16	5%	22	2%
5	25%	11	11%	17	5%	23	2%
6	22%	12	9%	18	4%		

\*\* Guaranteed additions and bonuses is always applied on maturity sum insured.

◆ **Special Surrender Value** –Depending on the prevailing market conditions, the company, may pay a surrender value which may be higher than the guaranteed surrender value. The special surrender values are not guaranteed and may be changed at any time, subject to the prior approval of the IRDAI.

On the payment of the surrender benefit the policy terminates and no further benefits are payable under the policy.



## Tax Benefits

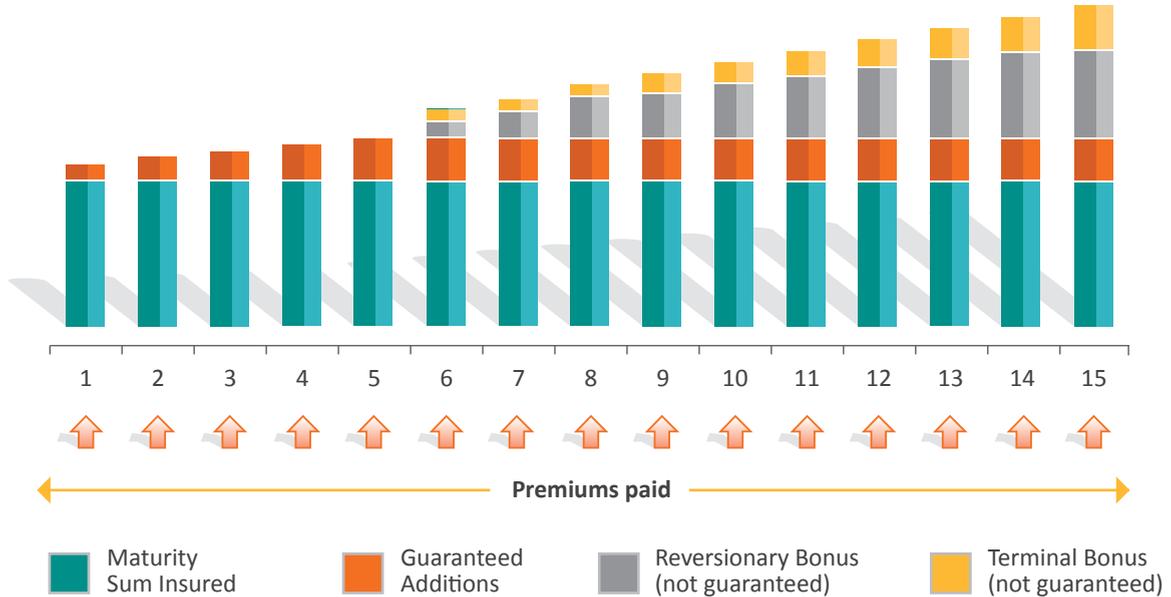
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- ◆ **Deduction under Section 80C:** The premiums that you invest in Lifesurance are eligible for deduction under Section 80C of the Income Tax Act up to the limit of ₹1,00,000 (this limit includes other eligible investments).
- ◆ **Tax free Benefits under Section 10(10D):** The maturity benefit as well as death benefit that you receive in Lifesurance are tax free under Section 10(10D) of the Income Tax Act, 1961.
- ◆ There is also no tax deduction at source.

Please note that tax laws may change from time to time. We urge you to consult your tax advisor for more information.

# How does Lifesurance work?

Illustration for a 15 year premium payment term and 15 years policy term



**On Death:**

Death Sum Insured  
 +  
 Vested guaranteed addition plus reversionary bonuses  
 (Both accrued till date of death)

**On Maturity:**

Maturity Sum Insured  
 +  
 Guaranteed Additions  
 (@Rate of 50 per 1000 first 5 years)  
 +  
 Bonuses

The various amounts in the graph are not represented to scale

## An Illustration

Maturity sum insured: ₹5,00,000

Death Sum Insured: It is the minimum amount guaranteed to be paid on death of the insured person during the term of the policy. The death sum insured is highest of:

- ◆ 10 times of annualised premium, or
- ◆ 105% of all premiums paid as on date of death, or
- ◆ Maturity sum insured.

Age of policyholder at the time of purchase: 30 years

Policy Term: 25 years

Premium Payment Term: 15 years

Annual Premium: ₹30,610\*

Benefits	Returns (@ 4% p.a.)	Returns (@ 8% p.a.)
Guaranteed Maturity Sum Insured	₹5,00,000	₹5,00,000
Vested Guaranteed Additions	₹1,25,000	₹1,25,000
Vested Reversionary Bonuses (Not Guaranteed)	₹1,02,000	₹6,84,000
Projected Total Maturity Amount	₹7,27,000	₹13,09,000

\*Goods & Services tax and cess as applicable will be charged extra

*In the above illustration some benefits are guaranteed and some benefits are variable with returns based on the future performance of IDBI Federal Life Insurance Company Limited. If your policy offers guaranteed returns then, these will be clearly marked “guaranteed” in the illustration table on this page. If your policy offers variable returns then the illustration on this page will show 2 different rates of assumed future investment returns. The illustration is based on projected gross investment rates of returns of 4% and 8% respectively. These assumed rates of return are not guaranteed and they are not upper or lower limits of what you might get back, as the value of your policy is dependent on a number of factors including future investment performance.*

## Premium Rates

Maturity Sum Insured - ₹5,00,000		
Age (years)	Policy term / Premium Paying Term (years)	Annual Premium (₹)
30	20/20	30,795
30	15/15	43,060
35	20/10	49,015
35	15/10	57,565

*Premiums are exclusive of Goods & Services tax and cess as applicable*

## Other Features

### High Maturity Sum Insured Rebate:

Lifesurance offers attractive premium discounts, if you opt for a Maturity sum insured of ₹10 lac and above. The rebate offered is as mentioned in the table below:

Maturity Sum Insured (₹)	Rebate (in ₹per thousand of the Maturity Sum Insured)
Upto 9,99,999	0
10,00,000 – 24,99,999	1.00
25,00,000 and above	2.00

## Advantage Women:



Lifesurance offers an additional premium discount for female insured persons. The basic premium payable for a female policyholder will be equivalent to the premium for a corresponding, 3 year younger male policyholder. For example, if you are a healthy woman purchasing Lifesurance and your age is 30 years; your premium payable will be equivalent to the premium of a 27 year old healthy male.

## Create Exclusive Funds for Loved Ones:



A useful feature under Lifesurance is that you will be able to create exclusive funds for the benefit of your loved ones which no one else will be able to access.

These funds are legally protected from creditors and claimants on estate such as legal heirs, parties to disputes and creditors.

Under Section 6 of the Married Women's Property Act, 1874 a married man can take an insurance policy on his own life and express it to be for the benefit of his wife or children. When such intent is expressed on the face of the policy, it shall be deemed to be a trust for the benefit of the named beneficiaries (your wife or children) and it shall not be subject to the control of the husband, or his creditors or form part of his estate. The Act also provides that nothing contained in the provision shall operate to destroy or impede

the right of any creditor to be paid out of the proceeds of any policy of assurance which may have been effected with intent to defraud creditors.

You can ask for an endorsement of your Lifesurance Plan for the benefit of your wife or children or any combination of them under the Married Women's Property Act, 1874.

## Grace Period:



Grace period is effective from the date of the first unpaid premium. We allow a grace period of 30 days from the due date for yearly, quarterly and half yearly modes for you to make your premium payment. We allow 15 days for the monthly mode of payment. The cover remains in force during the grace period with all benefits.

In case of death during the grace period, before the premium due at that time is paid; the premium due shall be deducted from the death benefit payable. If premium is not paid beyond the grace period, the policy shall lapse and have no further value, except if it has acquired any paid-up value.



## Reduced Benefits for Paid up Policies:

The policies with premium paying term of less than 10 years, will acquire a Paid-up value, if all premiums have been paid for at least two consecutive years.

The policies with premium paying term of 10 years or more, will acquire a Paid-up value, if all premiums have been paid for at least three consecutive years.

And thereafter, if due premium is not paid before the end of the grace period, the policy will be made paid up with reduced benefits.

The reduced benefits are as under:

$$\text{Death sum insured} = \text{Death sum insured} \times \frac{\text{Number of full year's premiums paid}}{\text{Total number of full years premiums payable during the entire policy term}}$$

$$\text{Maturity sum insured} = \text{Maturity sum insured} \times \frac{\text{Number of full year's premiums paid}}{\text{Total number of full years premiums payable during the entire policy term}}$$

Accidental death benefit will cease once paid up, the policy shall not be entitled for any future guaranteed additions, reversionary bonuses and terminal bonus. The vested guaranteed additions and reversionary bonuses till the policy paid up date will continue to remain attached to the policy.



## Loans:

The policy has loan provision based on following conditions

### Loan

- ◆ Loan facility will be available once the policy acquires surrender value.
- ◆ Loan amount granted will be 85% of surrender value available under the policy
- ◆ Interest rate applicable for the outstanding loan would be determined from time to time. The interest rate will be 3% more than the 10 year yield of government securities, however for the ease of administration, the rates will be reviewed every 6 month.
- ◆ Minimum loan amount would be ₹5000
- ◆ In the event, where the amount of loan plus accumulated interest is equal to or greater than the surrender value, the policy shall be foreclosed by us, without notice of forfeiture being necessary. The company shall be entitled to apply the surrender value allowable in respect of the policy to the payment of loan and interest. However, in case of premium paying policies and fully paid up policies, the company will not do any foreclosure for the above loan provisions.



## Lapse:

Your policy will lapse upon non-payment of premiums due, after the grace period. Policy lapse will occur during:

- the first 2 years for premium payment term less than 10 years and
- the first 3 years for premium payment terms greater than or equal to 10 years.

For lapsed policies, we will not pay any benefits during the lapsed state.

## Reinstatement:



A policy which has lapsed or acquired paid-up value may be reinstated subject to the following conditions:

- ◆ Application for reinstatement is made within 2 years from the due date of the last unpaid premium. The insured person has furnished satisfactory evidence of health and other requirements as per the company's underwriting guidelines.
- ◆ Arrears of premium together with interest, at such rate as decided by the company from time to time, is received along with the reinstatement application. The interest rate will be 3% more than the 10 year yield of government securities, however for the ease of administration, the rates will be reviewed every 6 month only.

If the policy has already acquired a paid up value, then during the reinstatement period, in case of death of the insured person, paid up sum insured along with vested guaranteed additions and vested bonuses, if any, will be paid. Once the policy has been reinstated, the policy is entitled to receive all benefits.

## Suicide Claim Provisions:



The company will pay 80% of the premiums paid as death benefit if the insured person, whether sane or insane, commits suicide within 12 months from the date of commencement of the policy or from the date of issue of policy whichever is later.

In case of suicide within one year of reinstatement of the plan, the benefit payable will be equal to the higher of 80% of premiums paid till death or surrender value as available on the date of death.



# Exclusions

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## Accidental Death Benefit

### Exclusions:

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The company will not pay an accidental death benefit if the claim arises from or is accelerated by:

- i) Suicide or attempted suicide or self inflicted injury, whether the insured person is sane or insane at that time.
- ii) War (whether declared or not), terrorism, invasion, war-like activities, civil war, martial law, rebellion, revolution, insurrection, military or usurped power.
- iii) Service in the armed forces, of any country at war (whether declared or not) or in a state of conflict.
- iv) The insured person participating in a riot, strike, civil commotion or any criminal or unlawful act with criminal intent.
- v) Taking or absorbing, accidentally or other wise, any intoxicating liquor, drug, narcotic, medicine, sedative or poison, except as prescribed by a licensed medical practitioner.
- vi) Aviation, other than as a fare paying passenger in an aircraft which is authorized by the relevant regulations to carry passengers between established airports.
- vii) Engaging in or taking part in a professional sport or any hazardous pursuits, including but not limited to, diving or riding or any kind of race; underwater activities involving the use of breathing apparatus or not; martial arts; hunting; mountaineering; parachuting; bungee jumping.
- viii) The radioactive, explosive or hazardous nature of nuclear fuel materials or property contaminated by nuclear fuel materials or accident arising from such nature.

## Base Death Benefit

### Exclusions:

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There are no exclusions for base death benefit.

## Eligibility

Age at entry (last birthday)	Min	18 years						
	Max	55 years						
Age at maturity (last birthday)		75 years						
Policy terms and premium payment terms available		<table border="1"> <thead> <tr> <th>Policy term(s)</th> <th>Premium payment term(s) available</th> </tr> </thead> <tbody> <tr> <td>10 years</td> <td>Only 5 years premium payment term is allowed</td> </tr> <tr> <td>15, 20, 25 years</td> <td>Min: 5 years Max: Equal to policy term</td> </tr> </tbody> </table>	Policy term(s)	Premium payment term(s) available	10 years	Only 5 years premium payment term is allowed	15, 20, 25 years	Min: 5 years Max: Equal to policy term
Policy term(s)	Premium payment term(s) available							
10 years	Only 5 years premium payment term is allowed							
15, 20, 25 years	Min: 5 years Max: Equal to policy term							
Premium payment frequency		Yearly, half yearly, quarterly and monthly						
Modal frequency factor		0.51 for half yearly, 0.26 for quarterly and 0.09 for monthly mode						
Premium	Min	Yearly ₹10,000, Half Yearly ₹5,000, Quarterly ₹2,500 and Monthly - ₹1,000						
	Max	No limit (subject to underwriting)						
Maturity sum Insured	Min	Depends on age, premium payment and policy term						
	Max	No limit (subject to underwriting)						

## 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 this 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.
- ◆ We will register a nomination in your policy schedule or any change in nomination by endorsing your policy, registering it in our records and 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 representatives. Nominations do not apply to any policy to which the Married Women's Property Act, 1874, applies or if you assign the policy.

## 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 a written acknowledgement of the receipt of assignment. If you assign your policy, it will automatically cancel any nomination you have made.

# Statutory Information



## Prohibition of Rebate



The 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 in 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 5 hundred rupees.

## Non Disclosure Clause



Section 45 of Insurance Act states: “No policy of life insurance effected before the commencement of this Act shall after the expiry of 2 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 2 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 nearly 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

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You /Policyholder are entitled to a free look period of 15 days from the date of receipt of the policy document to review the terms and conditions of the policy. In case you do not agree with any of the terms and conditions, you have the option to return the policy to us for cancellation by communicating the same in writing stating the reasons for objections. We will refund you the premium amount after deducting the proportionate premium for the cover provided during that time plus any medical examination cost and stamp duty charges incurred by us in respect of the policy. All the benefits under the policy will stand extinguished immediately on the cancellation of the Policy under the free look. For electronic policies and the policies solicited through Distance Marketing mode\*, free-look period of 30 days from the date of receipt of your policy document is applicable.

\*Distance Marketing mode includes every activity of solicitation (including lead generation) and sale of insurance products through the following modes:

- ◆ Voice mode, which includes telephone-calling
- ◆ Short Messaging Service (SMS)
- ◆ Electronic mode which includes e-mail and interactive television (DTH)
- ◆ Physical mode which includes direct postal mail, newspaper and magazine inserts

## Policy Document:

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This brochure gives only the salient features of the IDBI Federal Lifesurance Savings 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 as contained in the policy document.

IDBI Federal Lifesurance Savings Insurance Plan is a non-linked participating protection plan and no benefits other than those indicated in this brochure are payable.

The product is underwritten by IDBI Federal Life Insurance Company Limited (IRDAI Regn. No 135; Corporate Identity Number (CIN) - U66010MH2007PLC167164) having its registered office at: IDBI Federal Life Insurance Company Limited, 22nd Floor, A Wing, Marathon Futurex, N. M. Joshi Marg, Lower Parel – East, Mumbai – 400013. Website: [www.idbifederal.com](http://www.idbifederal.com). Toll Free: 1800 209 0502. Product UIN: 135N029V01. Ref No: 13469/LSIP/ENG/Print-PB/Jan17



# How to Contact Us

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You can reach us in the following convenient ways:



## Branches

You can visit or call any branch of IDBI Bank, Federal Bank or IDBI Federal Life Insurance. For the list of branches, please visit [www.idbifederal.com](http://www.idbifederal.com).

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## SMS

You can SMS “LIFE” to 5757515. We will call you back.

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## Phone

You can call our nation-wide toll free number 1800 209 0502 from 8am to 8pm.

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## Write

You can write to IDBI Federal Life Insurance Company Ltd, 22nd Floor, A Wing, Marathon Futurex, N. M. Joshi Marg, Lower Parel – East, Mumbai – 400013.

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## Website

You can visit our website [www.idbifederal.com](http://www.idbifederal.com).



## Email

You can email us at support [@idbifederal.com](mailto:@idbifederal.com).