

Terms and Conditions

IDBI Federal Incomesurance® Guaranteed Money Back Insurance Plan (UIN No. 135N031V01)

1. Definitions

“**Commencement date**” means the commencement date of this policy shown in the schedule.

“**Death Sum Assured**” means the Death Sum Assured shown in the policy schedule, which is the minimum amount guaranteed to be paid on death of the insured person during the term of the policy. The Death Sum Assured is highest of 10 times of annual premium (exclusive of service tax and mortality loadings) or 105% of all premiums paid or maturity sum Assured

“**Guaranteed Annual Payout**” means payout declared at the outset as a percentage of the annual premium (exclusive of service tax and mortality loadings if any) paid. This is paid at the end of every policy year for five years starting from the sixth policy year.

“**Insured person**” means the insured person shown in the schedule.

“**Maturity date**” means the maturity date shown in the schedule.

“**Maturity Sum Assured**” is equal to the sum of all guaranteed annual payouts.

“**Policy**” means the arrangements established by the policy document.

“**Policy document**” means your statements and warranties in the proposal form including amendments thereto, these Terms and Conditions, the General Terms and Conditions, the schedule and any other information as may be provided from time to time for issue of this policy.

“**Policy owner**” means the person within the meaning of Section 2(2) of the Insurance Act, 1938.

“**Policy year**” means the first and every subsequent 12 month period after the commencement date.

“**Schedule**” means the policy schedule issued by us for this policy, together with any amendments to the schedule which we may issue from time to time.

“**We/Our/Us**” means IDBI Federal Life Insurance Company Limited.

“**You/Your**” means the policy owner named in the schedule or his or her legal personal representative.

2. Benefits

2.1 Survival Benefit:

We will pay you a guaranteed annual payout on each of the guaranteed annual payout dates from the end of the sixth policy year. The guaranteed amount payable each year is shown in the policy schedule.

2.2 Death Benefit:

On death of the insured person, provided the policy is in force, we will pay to the beneficiary Death Sum Assured shown in the schedule irrespective of the survival benefit paid out.

2.2.1 Suicide claim provision

We will pay 80% of the premiums paid as the 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 policy issue whichever is later.

We will pay 80% of the premiums paid or surrender value as available on the date of death, whichever is higher, in case the insured person commits suicide within 12 months from the date of reinstatement of this policy,

2.2.2 Fraud or misrepresentation

In case of fraud or misrepresentation, the policy shall be cancelled immediately by paying the surrender value, subject to the fraud or misrepresentation being established by the insurer in accordance with section 45 of the Insurance Act, 1938.

3 Premiums

The amount and frequency of your premium payment are shown in the schedule. The first premium is due on the commencement date and your subsequent premiums are due during the premium payment term as shown in the schedule.

4 Surrender value

The policy can be surrendered at any time after payment of two full years' premiums, from the date of commencement of the policy. The surrender value is higher of Guaranteed Surrender Value (GSV) and Special Surrender Value (SSV).

4.1 Guaranteed Surrender Value (GSV)

GSV is calculated as:

Total premiums paid till date of surrender * Guaranteed Surrender Value Factor - Guaranteed annual payouts till date of surrender

Policy Year	GSV Factor
1	-
2	30%
3	30%
4	50%
5	50%
6	50%
7	50%
8	62%
9	73%
10	85%

4.2 Special Surrender Value (SSV)

The Company, at its discretion, may also pay a Special Surrender Value which may be higher than the Guaranteed Surrender Value. The SSV is not guaranteed and may be changed at any time, subject to the prior approval of the IRDA.

The policy terminates on surrender and no further benefits are payable under the policy.

Surrender values are available only after two full year's premiums have been paid. The surrender value will be paid in a lump sum.

5 Grace period

We allow a grace period of 30 days. Should an otherwise valid claim arise under the policy during the grace period, but before payment of the due premium, we will still admit the claim. In the event of such a claim, we will deduct any premiums due from the benefits payable.

6 Lapse

If the policy owner does not pay the premiums due, during the first two years before the end of the grace period from the premium due date, the policy will lapse and we will not pay any benefits during the lapsed state.

7 Paid up

Paid up values are available only after two full year's premiums have been paid. And thereafter, if any premium, which is due, is not paid before the end of the grace period, the policy will be made paid-up with reduced benefits.

Reduced Guaranteed Annual Payouts = Guaranteed Annual Payouts x Number of full years' premiums paid / Total number of full years premiums payable during the entire policy term

The reduced Death Sum Assured is (Death Sum Assured) * (Number of full year's premiums paid/ Total number of full year's premiums payable during the entire policy term)

On death during the policy term, reduced Death Sum Assured will be paid out.

8 Reinstatement:

If your policy has lapsed or acquired paid-up value, we may reinstate it subject to the following conditions:

- a) you must make an application for reinstatement within two years from the due date of the first unpaid premium
- b) the insured person must furnish us with satisfactory evidence of health and satisfy other requirements according to Board approved underwriting guidelines at that time
- c) you must pay all arrears of premium together with interest at such a rate as decided by us from time to time. We charge 3% more than the 10 year government securities rate. However for the ease of administration, the rates will be reviewed every 6 month only
- d) If your policy has acquired a paid up value then the application for reinstatement must be made before the due date of the first guaranteed annual payout

When a policy is reinstated after payment of all due premiums together with interest, the guaranteed annual payouts will be reinstated as shown in the schedule.

Once a policy has been reinstated, thereafter the policy is entitled to receive all benefits. If you have not reinstated a lapsed policy and where the policy has not acquired a paid up value, the premiums already received by us are forfeited and the policy cannot be reinstated thereafter.

9 Changes in taxes

In the event that any government or authority introduces any form of tax, surcharge, cess, levy, duty, or impose on the premiums, charges, fees, benefits or investment returns of your policy, then we may pass the same on to you directly as charges, fees or benefits payable under your policy.

10 Claim requirements

We have requirements to establish the validity of any claim that you may make under this policy before we can make any benefit payment. We will ask you for:

- a) the original policy
- b) proof of death

- c) a claim discharge signed by nominee or in absence of nominee then by the party to whom the benefits are payable
- d) copies of First Information Report (FIR), Police Inquest Report (PIR), Post Mortem Report or Final Inquest Report duly attested by police officials, in case of unnatural deaths including accidents etc
- e) any further documentation or information as we may require for processing the death claim

We may conduct any investigation we consider necessary before we process the claim.

11 Termination of your policy

This policy will terminate and our obligations will cease on the earliest of

- a) On lapse at the end of reinstatement period
- b) In case of loan availed, where the amount of loan plus accumulated interest is equal to or greater than the surrender value as specified by us except for premium paying and fully paid up policies
- c) Payment of surrender value
- d) On payment of the Death Sum Assured, in case of a valid claim in the event of death of the insured person
- e) On payment of last guaranteed annual payout
- f) In case of fraud or misrepresentation, the policy shall be cancelled immediately by paying the surrender value, subject to the fraud or misrepresentation being established by the insurer in accordance with section 45 of the Insurance Act, 1938.

12 Loans

Loan facility will be available once the policy acquires surrender value.

- a) Loan amount granted will be limited to 85% of Guaranteed Surrender Value available under the policy subject to a minimum loan amount of Rs 5000. The policy will be assigned absolutely to and kept with us as security for the repayment of the loan, interest on the loan and expenses incurred in connection with the loan.
- b) Interest rate applicable for the outstanding loan would be determined from time to time. We will charge interest of 3% more than the 10 year government security for the money paid as loan. The interest rate will be reviewed every 6 months.
- c) For policies where the premium has not been paid for five years and they have become paid up and , where the amount of loan plus accumulated interest is equal to or greater than the surrender value as specified by us, the policy will be forfeited by us, after intimation to the policy holder by way of notice from the company . We will be entitled to apply the surrender value allowable in respect of the policy towards the payment of loan and interest. For policies where all the five premiums have been paid or in case of premium paying policies, we will not do any foreclosure for the loans even if the loan plus accumulated interest is equal to or greater than the surrender value.
- d) In case you have taken a loan, the guaranteed annual payout will be first used to offset the loan amount and accrued interest. In case the guaranteed annual payout in that year is greater than the loan amount and accrued interest, we will pay out the balance amount.
- e) In the event of death, maturity or surrender of the policy, where the amount of loan or any portion thereof remains outstanding, we will be entitled to deduct the same together with all interest up to the date of claim from the policy proceeds before settling the claim.

13 General Terms and Conditions

This policy is subject to our General Terms and Conditions which is part of our policy contract for conducting business with our policy owners. These are binding on you and us. We may amend the General Terms and Conditions with the approval of the IRDA where required for the sake of compliance, good governance, the security of our policy owners, and for administrative efficiency. We may also be required by law to change the General Terms and Conditions and we may do so with. We will advise you of any changes to the General Terms and Conditions which are also available on request from any of our official branches and offices.