

Ensure your family is protected from loan worries



HDFC Life
Group Credit Protect Insurance Plan
A Non Linked Group Life Insurance Product

 **HDFC
Life**
Sar utha ke jiyō!

The HDFC Life Group Credit Protect is a tailor made insurance policy for financial institutions like you. HDFC Life Insurance Company will provide the life insurance to your customers as per their needs. Insurance provided under this plan will enable a lump sum to be paid on death of your customer, which will lighten the financial burden on their families.

HDFC Life Group Credit Protect

- Is a group policy.
- Has no lengthy underwriting procedure.
- Is simple to administer.

The HDFC Life Group Credit Protect offers

- On death, the main benefit of a lump sum known as sum assured. You can select the type of the cover that your customer will receive.

The benefits under this policy do not attract bonuses i.e. the policy does not participate in any distribution of insurer's profits.

Benefits for your customer

In the event of the customer's death, a lump sum will be available. Hence a customer will know that their dependants are cared for.

Benefits for financial institution

Insurance is an optional additional benefit to your product that will benefit you as well as your customers. Some of the benefits for you are:

- If the customer owes <name of the financial institution> money then the insurance will reduce non-performing assets due to death / critical illness.
- The insurance will be an additional benefit to the customer and will assist in marketing of your product.

Benefit - Life Insurance Cover

The life insurance is arranged on a group basis and you <name of the institution> will be the master policyholder. In order for a customer to be covered under the policy they must join the group insurance scheme, thus becoming a Scheme Member.

The main benefit is a life insurance cover i.e. term insurance on life of the scheme member.

The main benefit is of following two types:

- Level: The sum assured stays at same level during the individual's membership term.
- Decreasing: The sum assured decreases as per the schedule during the individual's membership term.

On death of the scheme member, HDFC Life will pay the scheme member's sum assured.

The claim payment shall be made in the name of insured Scheme Member or his/her nominee(s) even if the cheque is sent to the Master Policyholder for administrative convenience or through any other electronic mode of payment to the specific bank account of the insured / claimant / nominee(s).

Membership eligibility

The following is not an exhaustive list and depends on the scheme being underwritten successfully by HDFC Life but it is intended to cover the main terms and conditions:

Parameters	Minimum	Maximum
Membership Term	2 years	20 years
Age at Joining (as on last birthday)	18 years	57 years
Maximum Age on Leaving (as on last birthday)	59 years	

- Minimum Premium: Rs.50
- Minimum Sum Assured: As determined by minimum premium
- Scheme Member must be a customer with one or more of the following products:

<List of policyholder products>

Scheme members can join the scheme at anytime, subject to fulfilling the eligibility conditions. The cover will start on acceptance of the duly completed member information form. Scheme Members will be issued with individual certificates of insurance.

Group Size

Minimum group size is 50 members.

Premium

The premium for each member is calculated as a single premium. The actual premium depends on the following:

- Size of the sum assured
- Duration and nature of cover (level or decreasing)
- Age of the member
- Underwriting outcome

Underwriting

The underwriting will be simple and depends on the size of the sum assured. The customer declares his/her medical history in the short medical questionnaire and this provides the underwriting for the policy. The age of customer and sum assured will determine the use of the short medical questionnaire. If the applicant does not satisfactorily complete the short medical questionnaire they will be declined cover. In cases where the member's age and sum assured is above the short medical questionnaire limit, member may be offered cover and may have to go for individual full underwriting.

Simple Administration

Administration of HDFC Life Group Credit Protect plan is very simple. As a single premium insurance policy, the policy is easy and efficient to administer for both you and HDFC Life. HDFC Life will work with your staff to develop sales literature and training for the staff and also set up the required administration systems.

It is essential for you as the financial institution to co-operate with HDFC Life in adherence of regulatory guidelines pertaining to group insurance.

Tax Benefit u/s 80C

Insurance premiums are eligible for tax relief upon receipt. The Scheme Members certificate of insurance will confirm that the premium has been received by HDFC Life on behalf of the Scheme Member.

The above-mentioned tax benefits are as per the current tax laws and are subject to changes in the tax laws.

Terms and Conditions

Nomination

- 1) The policyholder of a life insurance on his own life may nominate a person or persons to whom money secured by the policy shall be paid in the event of his death.
- 2) Where the nominee is a minor, the policyholder may appoint any person to receive the money secured by the policy in the event of policyholder's

death during the minority of the nominee. The manner of appointment to be laid down by the insurer.

- 3) Nomination can be made at any time before the maturity of the policy.
- 4) Nomination may be incorporated in the text of the policy itself or may be endorsed on the policy communicated to the insurer and can be registered by the insurer in the records relating to the policy.
- 5) Nomination can be cancelled or changed at any time before policy matures, by an endorsement or a further endorsement or a will as the case may be.
- 6) A notice in writing of Change or Cancellation of nomination must be delivered to the insurer for the insurer to be liable to such nominee. Otherwise, insurer will not be liable if a bonafide payment is made to the person named in the text of the policy or in the registered records of the insurer.
- 7) Fee to be paid to the insurer for registering change or cancellation of a nomination can be specified by the Authority through Regulations.

Section D (Nomination) is simplified versions prepared for general information only and hence are not comprehensive. For full texts of these sections please refer to Section 39 of the Insurance Act, 1938 as amended from time to time

Prohibition of Rebates: Section 41 of the Insurance Act, 1938 as amended from time to time states:

- 1) No person shall allow or offer to allow, either directly or indirectly, as an inducement to any person to take 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.
- 2) Any person making default in complying with the provisions of this section shall be liable for a penalty which may extend to ten lakh rupees.

Non-Disclosure: Section 45 of the Insurance Act, 1938 as amended from time to time states:

- 1) No policy of life insurance shall be called in question on any ground whatsoever after the expiry of three years from the date of the policy, i.e., from the date of issuance of the policy or the date of commencement of risk or the date of revival of the policy or the date of the rider to the policy, whichever is later.
- 2) A policy of life insurance may be called in question at any time within three years from the date of issuance of the policy or the date of commencement of risk or the date of revival of the policy or the date of the rider to the policy, whichever is later, on the ground of fraud: Provided that the insurer shall have to communicate in writing to the insured or the legal representatives or nominees or assignees of the insured the grounds and materials on which such decision is based.
- 3) Notwithstanding anything contained in sub-section (2), no insurer shall repudiate a life insurance policy on the ground of fraud if the insured can prove that the mis-statement of or suppression of a material fact was true

to the best of his knowledge and belief or that there was no deliberate intention to suppress the fact or that such mis-statement of or suppression of a material fact are within the knowledge of the insurer: Provided that in case of fraud, the onus of disproving lies upon the beneficiaries, in case the policyholder is not alive.

- 4) A policy of life insurance may be called in question at any time within three years from the date of issuance of the policy or the date of commencement of risk or the date of revival of the policy or the date of the rider to the policy, whichever is later, on the ground that any statement of or suppression of a fact material to the expectancy of the life of the insured was incorrectly made in the proposal or other document on the basis of which the policy was issued or revived or rider issued: Provided that the insurer shall have to communicate in writing to the insured or the legal representatives or nominees or assignees of the insured the grounds and materials on which such decision to repudiate the policy of life insurance is based: Provided further that in case of repudiation of the policy on the ground of misstatement or suppression of a material fact, and not on the ground of fraud, the premiums collected on the policy till the date of repudiation shall be paid to the insured or the legal representatives or nominees or assignees of the insured within a period of ninety days from the date of such repudiation.
- 5) 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.

Exclusion

In case of death due to suicide, within 12 months from the date of inception of the cover, the nominee shall be entitled to 80% of the single premium paid.

Cancellation in the Free-Look period

In case you are not agreeable to the general policy terms and conditions, you have the option of returning the policy to us stating the reasons thereof, within 15 days from the date of receipt of the policy. On receipt of your letter along with the original policy documents, we shall arrange to refund you the premium, subject to deduction of the proportionate risk premium for the period on cover, the expenses incurred by us on stamp duty. A policy once returned shall not be revived, reinstated or restored at any point of time and a new proposal will have to be made for a new policy.

Surrender

The main policy cannot be surrendered.
In case of surrender of the policy by the group master policyholder, the individual members of the group, on such surrender, will be given an option to continue the policy as an individual policy till their coverage is terminated.

Prepayment of loan

On prepayment of loans the company will, with the agreement of the policyholder, generally continue the cover that was in place. However, we will permit a member to surrender their membership and a surrender value may be payable. The surrender value is calculated at the HDFC Life Insurance Company's sole discretion.

Payments to group policyholder

We may leverage the existing infrastructure of the group master policyholder for better administration of the scheme with respect to services such as data

management, collection of premiums, issuance of Certificates of Insurance and claims settlement. For the services rendered, we may make payments directly to the group master policyholder as per the limits allowed under the prevailing Regulations which currently stand as follows:

- Data Management - Rs 15 per member per annum
- Premium Collection - Rs 10 per member per annum
- Issuance of Certificates of Insurance - Rs 10 per member subject to a minimum of Rs 500
- Claims Settlement - Rs 10 per claim

If the business is procured through an intermediary, no such payments will be payable to the master policyholder.

The payments to the group master policyholder shall be subject to ceilings prescribed by prevailing Regulations. Presently, the payments to the group

master policyholder:

- all put together shall not exceed 20% of the commission payable
- for each of the services individually, the payments shall not exceed the rated proportion to the overall limit of 20% of the commission payable

Termination

The master policy cannot terminate. Member's cover will terminate either on death/critical illness or on expiry of term, whichever is earlier.

Taxes

Taxes and levies as applicable will be charged and are payable by you by any method including by levy of an additional monetary amount in addition to premium and or charges.

Contact us today



To buy: 1800-227-227 (Toll free)
(Available Mon-Sat 9:30am to 6:30pm)



Visit us at www.hdfclife.com



Sar utha ke jiyo!

HDFC Life Insurance Company Limited (Formerly HDFC Standard Life Insurance Company Limited) ("HDFC Life"). CIN: L65110MH2000PLC128245.
IRDAI Registration No. 101.

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The name/letters "HDFC" in the name/logo of the company belongs to Housing Development Finance Corporation Limited ("HDFC Limited") and is used by HDFC Life under an agreement entered into with HDFC Limited.

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