

**SHRIRAM LIFE INSURANCE COMPANY LIMITED**  
**Shriram Life Group Life Protector Plan (SP)**  
**UIN 128N044V03**

***A non-linked non-participating group Pure Risk Premium life insurance plan***  
***Give your customers' family Peace and Happiness, not Debts and Worries***

Your institution has been helping customers financially by providing services to meet their needs like dream home, children education, owning a car etc. However, you may have concerns like what if something happens to any customer who has borrowed from you. You can now move a step forward in building your bonds with your loyal customers and help your customers ensure that their assets are passed to their family without burden of debts. Shriram Life presents **Shriram Life Group Life Protector Plan (SP) (UIN128N044V03)**, a non-linked non-participating group Pure Risk Premium life insurance plan that provides protection in case of unfortunate death of the insured member of the group.

**KEY FEATURES**

Cover can be structured according to the needs of the group:

- Monthly reducing cover
- Annual reducing cover
- Level cover
- Single premium payment
- Moratorium Option
- Insurance coverage on single, Joint life and multiple borrowers

**ELIGIBILITY**

<b>Eligible groups</b>	Institutions, societies and associations exposed to the risk of default on loan repayment as a result of death. This includes: Non -Government Organisations (NGOs), Self-Help Groups (SHG), Micro Finance Institution (MFI), RBI regulated NBFC-MFIs, District Cooperative Banks licensed by Reserve bank of India, Regional Rural Banks, Urban Co-operative Banks, RBI regulated Scheduled Banks- PSU and Private Banks, Small Finance Banks, Housing Finance Companies regulated by NHB, State Co-operative Banks, Primary agricultural Co-operative Societies, Other Co-operative Societies registered under Co-operative Societies Acts, Any other Credit Societies offering loans to unorganised groups, Any other Lender borrower groups offering loans to unorganised groups
<b>Age at entry</b>	18 years to 69 years last birthday
<b>Maximum Exit age</b>	70 years last birthday
<b>Cover term</b>	1 years to 30 years
<b>Premium Payment options</b>	Single Premium
<b>Minimum Cover</b>	Rs. 5, 000 per member
<b>Maximum Cover</b>	Rs 100 crores per member subject to the Board approved underwriting policy
<b>Minimum group size</b>	50 members

The product also offers cover on the following bases.

**Joint Life:** The cover is offered on joint life basis. Each of the joint lives is covered for same amount of cover equal to the loan amount. In case of death of either of the joint insured members, whichever occurs first, the death benefit will be paid and the cover will cease on the second life also.

The second life shall be a person having insurable interest. The second life can be spouse. In case of joint lives, the premiums are calculated separately for both members by allowing a premium discount of 5% to the younger life.

Joint life cover allows payment of one insured amount as per schedule on first death and the cover terminates on surviving life. This option also pays only one claim payment even in case of simultaneous death of both lives to the legal heirs or the beneficiary of the member

**Multiple borrowers:** The cover is offered on proportionate basis to the extent of the respective share of the loan taken by the borrowers. The benefits shall be payable to the extent of their loan share. In case of death of a borrower, the benefit will be paid as per their respective benefit schedule and the cover will continue for the remaining insured borrowers for the remaining cover term. The number of co-borrowers is limited to two only apart from the primary borrower.

The premiums are calculated separately for members as per their age and cover.

They shall individually satisfy the eligibility criteria as mentioned under Sec 6.2 above.

Cover can be structured according to the needs of the group:

- Monthly reducing cover
- Annual reducing cover
- Level cover

**Moratorium Period:**

The product offers moratorium period option. A minimum of 6 months and a maximum of 7years moratorium period would be allowed. The moratorium period is available in multiple of six months. The moratorium period is to be chosen by the borrower / insured member as per the options offered by the lender / group master policyholder.

During this period the amount of cover will be level even under the reducing cover option. After the Moratorium Period, the cover shall reduce over the outstanding Policy Term of Individual Member based on the loan interest rate. The loan interest during the Moratorium Period is not covered and has to be borne by the member. The term of the membership will be equal to moratorium period plus term of repayment term.

The product does not offer changes to the original benefit schedule issued at the time of issuance of policy for the chosen moratorium period. The product does not allow any changes with respect to changes to the moratorium period and benefit schedule.

**DEATH BENEFITS OFFERED UNDER THIS PLAN**

**Monthly reducing cover option**

The life insurance cover reduces each month as per the benefit schedule at a rate of interest fixed at inception. The reduced cover will not be less than the minimum Sum Assured.

**Annual reducing cover option**

The life insurance cover remains level during the year and reduces annually as per the benefit schedule at a rate of interest fixed at inception. The reduced cover will not be less than the minimum Sum Assured.

**Level cover option**

The life insurance cover remains level throughout the cover term. The applicable cover shall not exceed the loan amount for all cover options. The coverage term is equal to the loan tenure.

**No maturity benefits, survival benefits and paid-up benefits are available under this plan.**

**PREMIUM PAYMENT**

**Payment of premium:** The insurance premium depends on age of the member, cover term and the group to which the member belongs to. The member may choose to pay the premium directly or the master policyholder may pay the aggregate premium to Shriram Life.

**Premium payment mode:** Single premium payment mode only

## TERMINATION OF POLICY / COVER

**Discontinuance of policy:** The policy may be discontinued for new members at the choice of master policy holder with a prior notice to us of at least three months or for period as agreed by SLIC and the master policyholder. Under such discontinued policy, no new members will be admitted. The cover for existing members shall continue for the balance term. All other provisions of the master policy shall continue to apply.

**Surrender Value:** The insurance cover will acquire surrender value from the date of commencement of cover. A member can also surrender the coverage for other than foreclosure or prepayment of loan. A member can surrender cover on account of prepayment of loan or voluntarily and the surrender value shall be paid as specified below.

Surrender Value = 90%\* Single Premium \* Total of insurance cover amount for the outstanding period in months / Total of insurance cover amount for the term of the policy in months

Premiums are excluding GST

### Lender-Borrower Schemes

In case of Lender-Borrower schemes the individual member of the group Life Insurance scheme/policy shall specifically authorize Shriram Life insurance company to make the payment of outstanding loan balance amount to Master policyholder by deducting from the claim proceeds payable on the happening of the contingent event covered by the policy. Balance claim amount, if any, will be settled directly in favour of nominee/ beneficiary of the deceased member of the scheme/policy as the case may be.

In case of lender borrower schemes administered by any one of the entities mentioned below

- i. Reserve Bank of India (RBI), Regulated Scheduled Commercial Banks (including Co-operative Banks)
- ii. NBFCs having Certificate of Registration from RBI
- iii. National Housing Bank (NHB) Regulated housing Finance Companies
- iv. National Minority Development Finance Corporation (NMDFC) and its State Channelizing Agencies
- v. Small Finance Banks regulated by RBI
- vi. Mutually Aided Cooperative Societies formed and registered under the applicable State Act concerning such Societies.
- vii. Microfinance companies registered under section 8 of the Companies Act, 2013
- viii. Any other category as approved by the Authority

as Group Master policy holder the outstanding loan balance amount can be paid to the master policy holder by deducting from the claim amount and the balance, if any, will be paid to the nominee/ legal heir.

- (a). If the Lender-Borrower scheme is not administered by any one of the above entities as Group Master Policyholder the entire claim amount will be settled in favour of insured member/nominee/ beneficiary of the deceased member of the group insurance scheme/policy as the case may be.
- (b). On happening of the insured event, for settlement of the outstanding loan balance amount to the master policy holder (where applicable), master policy holder must submit the Credit Account Statement in respect of the insured member to whom/ whose nominee or beneficiary the claim monies of the group insurance scheme are payable. The Credit Account Statement should consist the following details.
  - a. Name of the Group Master policyholder
  - b. Group Master policy Number
  - c. Name of the Insured Member
  - d. Date of Commencement of Risk
  - e. Sum Assured for which the Member of the Group Insurance Policy was insured
  - f. Original Amount of Loan
  - g. Particulars of the recoveries made by the Master Policyholder towards the loan

- h. Outstanding loan Balance as on the date of happening on the contingent event covered
- i. Balance claim amount (difference of 'e' and 'h' referred above) payable to the nominee / beneficiary of the deceased member in case of death claim, or to the insured member on the happening of other contingent event.

Master Policyholder has to declare that the information / details furnished in the Credit Account Statement are verified for accuracy.

**Nomination:** The master policyholder is required to seek nomination from the members of the scheme and shall maintain up-to-date register of nominations of its members.

Nomination shall be as per Section 39 of Insurance Act, 1938 as amended from time to time.

**Assignments: (Please see section 38 of the Insurance Act, 1938)**

Assignment shall be as per Section 38 of Insurance Act, 1938 as amended from time to time.

**GST:** Premiums are payable along with applicable GST.

#### **Tax Benefits**

Tax benefits may be available as per the prevailing tax laws. Tax benefits are subject to changes according to the tax laws from time to time; please consult your tax advisor for details.

#### **Exclusions under the policy**

##### **Suicide**

In case of death due to suicide within 12 months from the date of inception of policy/joining the scheme under the policy, the nominee or beneficiary of the member shall be entitled to at least 80% of the Single premium paid till the date of death or the surrender value available as on the date of death whichever is higher, provided the policy is in force.

In case of joint lives, the cover does not continue on surviving life. The insurance cover will be terminated by paying higher of 80% of single premium paid in respect of the surviving life or surrender value.

In case of co-borrowers, the cover continues on surviving life.

##### **Free look period**

The policy holder has a period of 15 days from the date of receipt of the policy document to review the terms and conditions of the policy and where the policy holder disagrees to any of those terms or conditions, he has the option to return the policy stating the reasons for his objection, when he shall be entitled to a refund of the premium paid, subject only to a deduction of a proportionate risk premium for the period on cover and the expenses incurred by the Company on medical examination, if any, and stamp duty charges.

The insured member has a period of 15 days from the date of receipt of the certificate of insurance to review the terms and conditions and where the insured member disagrees to any of those terms or conditions, he has the option to return the certificate of insurance stating the reasons for his objection, when he shall be entitled to a refund of the premium paid, subject only to a deduction of a proportionate risk premium for the period on cover and the expenses incurred by the Company on medical examination, if any, and stamp duty charges.

A request received by the Company for free look cancellation of the policy shall be processed and premium shall be refunded within 15 days of receipt of the request.

For any delay, the Company shall pay penal interest at a rate, which is 2% above bank rate from the date of request or last necessary document if any whichever is later, from the insured/claimant as stated above

The policy shall not be offered on distance marketing mode.

##### **Fraud or misstatement**

In case of fraud or, misstatement, action shall be initiated in accordance with Section 45 of the Insurance Act, 1938 as amended from time to time.

## **Important Sections of Insurance Act**

### **Prohibition of Rebates- SECTION 41 of the Insurance Act, 1938 as amended from time to time –**

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.

### **Section 45 of the Insurance Act, 1938 as amended from time to time –**

- (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 nominee(s) or assignee(s) 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 misstatement 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 misstatement 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 policy holder 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 nominee(s) or assignee(s) 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 nominee(s) or assignee(s) 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.

## About the Company

With a pan India presence with over 400+ offices, Shriram Life is your trusted partner for prosperity. At Shriram Life we strive to provide our customers with elegant solutions tailored to individual needs.



### SHRIRAM LIFE INSURANCE COMPANY LIMITED

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For further assistance you can contact us in the following ways:



Visit your nearest branch office for details. List of our branches is available on our website [www.shriramlife.com](http://www.shriramlife.com)



Call our toll free number : **1800 3000 6116**



Mail us at [customercare@shriramlife.in](mailto:customercare@shriramlife.in)



Visit our website [www.shriramlife.com](http://www.shriramlife.com)



Write to **Shriram Life Insurance Company Limited**, Plot No. 31-32, 5<sup>th</sup> Floor, Ramky Selenium, Financial District, Gachibowli, Hyderabad, Telangana – 500032

**Phone: +9140 23009400 (Board)**

**Fax: +9140 23009456**

#### **BEWARE OF SPURIOUS/FRAUD PHONE CALLS**

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