Star Union Dai-ichi LIFE INSURANCE

SUD Life Ashiana Suraksha plus

Why SUDlife!

Star union Dai-ichi Life Insurance brings together the expertise of three financial institutions: Bank of India, Union Bank of India and Dai-ichi Life insurance Japan. SUD Life was launched on February 09th, 2009 by Hon'ble Shri P Chidambaram, Union Home Minister. Powered by the strength of its promoters in the Indian financial sector, coupled with Dai-ichi Life's strong domain expertise, SUD Life emerged as a strong player in the Indian Life Insurance market in a very short time. SUD Life is a deemed Government company under Section 619(2) of companies Act, 1956 for the purpose of Comptroller and Auditor General of India (CAG) audit.

Ashiana Suraksha Plus:

We are proud to present Ashiana Suraksha plus insurance plan that can be customized to the various types of Retail loans, to provide cover against the unfortunate event of death, with complete convenience in application.

Return of Premium a unique feature under Ashiana Suraksha plus makes it easier for you and your family to enjoy the pleasure of acquiring a vehicle, house or any other object of desire (which requires a substantial investment) through a loan, without having to worry about the liability. ***Ashiana Suraksha Plus*** is a decreasing term insurance plan which is specially designed to cater to the needs of borrowers under Home Loan, Education Loan, Vehicle Loan, Mortgage Loans, etc. by providing them life insurance cover at affordable rates. Under this scheme, Star Union Dai-ichi Life undertakes to pay the outstanding amount of the loan of the insured member in the unfortunate event of his death during the term of the loan.

Key benefits and salient features of this product:

- Insurance protection at attractive rates for your new and existing loan liabilities
- Total protection to the family against Outstanding Loans, in case of Unfortunate death of borrower.
- The convenience of Single Premium.
- High Non Medical limit.
- Plans available with/ without Return of Premium.
- Attractive Premium Rebates on the tabular premium for high sum assured, Joint lives and Female lives.

ELIGIBILITY CONDITIONS:

Option	without Return of premium	With Return of premium
Age at entry (last birthday)	Min :15 years	
	Max: 65 years	Max: 60 years
Maximum cover age	70 Years	
Sum Assured	Min :Rs 25,000/- (in multiples of 1,000)	
	Max:No limit	
Term	Min :**5 years**	Min : **10 years**
	Max: 30 years	Max: 30 years
Moratorium Period	Min : 6 months	
	Max: 60 months	
Premium mode	Single premium	
Maturity Amount	No Maturity amount	**Return of Premium excluding Service Tax.**

POLICY BENEFITS:

Maturity Benefits:

Option A : No Return of premium

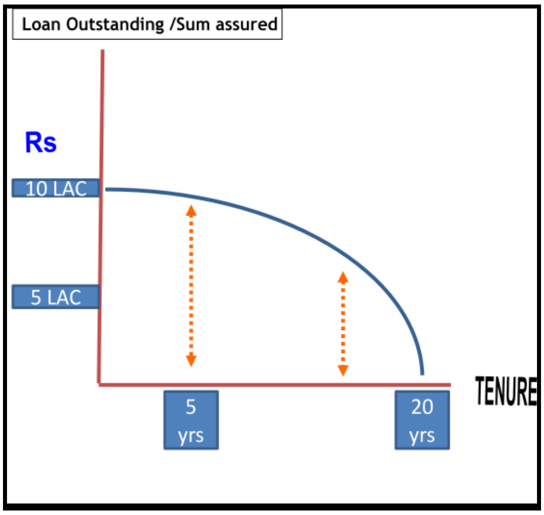
Option B: This is equal to the single premium paid excluding service tax amount.

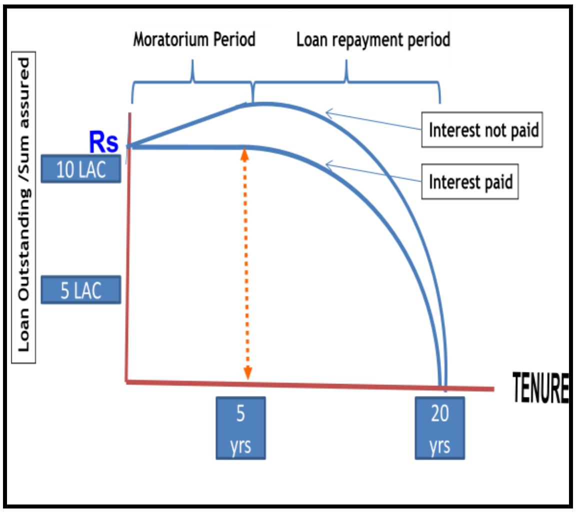
- In case of joint borrowers, maturity benefit is payable only upon the survival to maturity of both the borrowers.
- On survival to the end of the term the maturity benefit shall be settled / paid in favor of the member.

Death benefits:

1) **For Individual Borrower:**
   In the event of the unfortunate demise of the insured member, the sum assured would become payable on monthly reducing outstanding basis.
2) **For Joint Borrowers:**
   When each borrower is insured for his/her share of the loan - In case of death of one of the joint borrowers, the cover on the life of the remaining joint borrower will continue for the respective outstanding loan amount and for the balance repayment term
3) **For Joint lives:**
   When each borrower is insured for the entire loan amount - In case of death of any of the two borrowers, the death benefit is payable in case of first death only, and the cover on the life of the second borrower will cease immediately. No other benefit is payable to the surviving member.

HOW THIS PLAN WORKS!





A Male customer, in good health, borrows a loan for a specified term from Bank. The borrower chose to cover the outstanding balance of the loan under SUD life's Ashiana Suraksha Plus Plan.

The Single Premium amount is remitted to SUD Life and same may also be funded by the Bank.

In the event of death of the insured borrower during the defined term, the outstanding loan amount as agreed with SUD Life as the settlement of Claim.

In case of change in rate of interest, the outstanding loan amount will be calculated based on the Rate of Interest agreed with the Master Policy holder and SUD Life at the time of policy commencement.

On maturity, if the Return of Premiums option had been selected, the entire premium will be paid to the insured member(s).

This plan covers all type of loans and multiple options in it.

Moratorium:-

Graph-1
Moratorium Option 0: No moratorium period:

In this case there is no Moratorium period. The outstanding loan amount reduces with respect to the tenure of the policy.

Graph-2
Moratorium Option 1: Interest is paid by the borrower during the moratorium period:

In this case, the sum assured will be equal to the initial loan amount throughout the moratorium period. After the moratorium period sum assured will decrease during the outstanding term (total term of policy minus moratorium period) of the loan.

Moratorium Option 2: Interest not paid by the borrower during the moratorium period:

In this case, the initial loan amount will increase during the moratorium period and the sum assured will be equal to the initial loan amount plus the accrued interest during the moratorium period. After the moratorium period, the sum assured will decrease during the outstanding term (total term of policy minus moratorium period) of the loan

REBATE AVAILABLE:

High Value Sum Assured Rebates:

Initial sum assured	Rebate as percentage of Tabular premium
Rs. 10 Lakhs to less than Rs. 20 lakhs	1%
Rs. 20 Lakhs to less than Rs. 30 Lakhs	1.5%
Rs. 30 Lakhs and above	2%

Rebate for Female lives: 2 % of the tabular premium (Not available for joint lives).
Rebate for Joint Lives: 2.5% of the Gross Total Single Premium for both lives.

TAX BENEFTS:

- This product is eligible for tax exemption u/s 80C as per new budget laws.
- Death benefit is tax-free u/s 10 (10D).

SURRENDER VALUE:

Surrender value is available at any point of time from the date of commencement of policy to the extent of

(60% of the Premium paid - taxes) x (Unexpired term/total term) x (Sum Assured benefit at the time of surrender /Sum Assured at inception)

Surrender value is payable only when a loan is fully repaid before the end of the term surrender benefits shall be settled/paid in favour of member.
If the moratorium option is chosen, then the sum assured benefit at the time of surrender will be equal to the sum assured at inception in the above mentioned formula.

PROHIBITION OF REBATE-SECTION 41 OF INSURANCE ACT ,1939

(1) "No person shall allow or offer or 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 defaults in complying with the provisions of this section shall be punishable with fine which may extend to five hundred rupees.

NON DISCLOSURE CLAUSE-SEC 45 OF INSURANCE ACT,1938

“No policy of Life Insurance shall, after the expiry of two 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 any report of a medical officer or referee or friend of the Insurer or in any other document leading to the issue of the Policy, was inaccurate or false, unless the insurer shows such statement Was on material matter or suppressed facts which it was material to disclose and that it was fraudulently made by the policy holder and that the policy holder 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 merely because the terms and conditions of the policy are adjusted on subsequent proof that that the age of the life insured was incorrectly stated in the proposal.

Note: “Material” shall mean and include all important, essential and relevant information in the context of underwriting the risk to be covered by the corporation.