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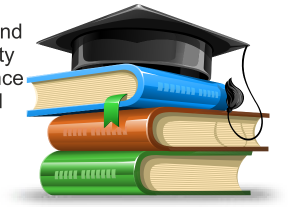
SUD Life
A joint venture of
Bank of India | Union Bank of India | DAI-ICHI LIFE

Unique Life Insurance cover for Education Loan borrowers

SUD Life
SHIKSHA SURAKSHA 2 PLAN
A Group Credit Life Insurance Plan
UIN-142N038V03

We mean life!

SUD Life - Shiksha Suraksha 2 Plan enables the student to fulfil his/her desire to acquire knowledge and qualifications without having to worry about the liability of education loan. This is a Group Credit Life Insurance plan which is specially designed for convenience and affordability. Under this plan, SUD Life undertakes to square off the liability of the insured member in the unfortunate event of his death during the term of the education loan.



Key features:

1. Education Loan borrowers from a Bank or other Financial Institution in the age group of 15 - 65 years are covered under a Group Insurance arrangement with the Bank or other Financial Institution as the Master Policy Holder.
2. Insurance protection under this plan will be offered to new or existing loan borrowers of the Group Master Policyholder (i.e. bank or other financial institution from which the loan has been taken) at attractive rates.
3. Coverage may be provided on both voluntary and compulsory basis. If the insurance premium is paid by the Master Policyholder, the Master Policyholder may opt to provide cover to all the borrowers on compulsory basis. In case the premium is paid by the loan borrowers, who wish to opt for insurance cover, the cover is provided on voluntary basis.
4. The Policy Term will be equal to the Moratorium Period plus the Repayment Period.
5. Cover can be availed for the tenure of the loan subject to a minimum term of 2 years and a maximum term of 30 years. The policy term is subject to the restriction on maximum maturity age of 70 years last birthday.
6. Sum Assured is the loan amount outstanding at the beginning of the policy month during which the death occurs, as specified in the loan schedule on the Certificate of Insurance issued to each member on his/her admission into this scheme i.e. at the time of commencement of risk.
7. Minimum Sum Assured per member- Rs. 25,000; Maximum Sum Assured per member – Rs. 5,00,00,000. The Sum Assured should be in multiples of Rs.1000.
8. Group Size - Minimum - 50 members and Maximum – No limit.
9. Mode of premium Payment: **Single Premium**
10. Insured members will be provided Certificates of Insurance containing cover details for their information and convenience.
11. Moratorium period option

    Moratorium period ranges from 0 year to 8 years and shall be in multiples of 1 year. The plan provides life cover for the total outstanding loan amount during the moratorium period as per the option chosen by Insured Members:

    i) Moratorium Option 1 - Interest is paid during moratorium period – the Sum Assured remains constant/flat as per the loan schedule throughout the moratorium period. After the moratorium period, Sum Assured will decrease during the outstanding term (total term of the policy minus moratorium period) of the loan.

    ii) Moratorium Option 2 - Interest is not paid during moratorium period - the Sum Assured increases to the extent of accrued interest as per the loan schedule during the moratorium period. After the moratorium period, the Sum Assured starts decreasing during the outstanding term (total term of policy minus moratorium period) of the loan.

Policy Benefits:

Death Benefit: In the event of death of the Insured Member, the Sum Assured, as defined in the loan schedule on the Certificate of Insurance will be paid as mentioned below.

- In case of a group covered by Regulated entity i.e. RBI Regulated Schedule Commercial Banks including Co-operative Banks and Small Finance Banks, NBFC's having certificate of registration and NBH regulated Housing Finance Companies, National Minority Development Finance Corporation (NMDFC) and its states channelizing Agency then subject to receiving the authorization from the Insured Member, the claim amount to the extent of outstanding loan will be settled in favour of the Master Policyholder and the balance, if any will be paid to the Nominee/ Beneficiary. In case if no authorization is received from the member then the Claim will be settled in favour of Nominee/ Beneficiary and may be forwarded to the Master Policyholder for administrative convenience.

- In case of a group covered by Non Regulated entity (entities other than Regulated entities mentioned above), the above provisions are not applicable and the Claim will be settled in favour of Nominee/ Beneficiary and may be forwarded to the Master Policyholder for administrative convenience.

Maturity Benefit: There is no Maturity value under this plan.

Surrender Value: Surrender option is available to both the Master Policyholder and the Insured Member. Surrender value is available at any point of time from the start of the cover

Surrender by the Insured Member:

The Surrender Value will be the higher of Guaranteed Surrender Value or Special Surrender Value. Guaranteed Surrender Value (GSV) will be 70% of the Premium paid (excluding extra premium and taxes, if any) x (Unexpired Policy Term in months/ Total Policy Term in months) x (Sum Assured benefit at the time of surrender#/ Sum Assured at inception)

#If moratorium option is chosen then the Sum Assured benefit at the time of surrender will be equal to the minimum of Sum Assured at inception or the Sum Assured at the time of surrender.

Special Surrender Value (SSV) will be arrived by the company, using the actuarial basis as approved by the regulator from time to time.

The Life cover for the Insured Member ceases on payment of Surrender Value.

Surrender by the Master Policyholder:

When the Master Policyholder surrenders the Master Policy, an option to withdraw from the policy or to continue in the policy will be given to the Insured Member. If the Insured Member opts to withdraw from the policy, the surrender value (Higher of GSV or SSV) for the Insured Member will be paid and the life cover ceases immediately. However in case of surrender of the group policy by the Master Policyholder, insured members of the group shall have an option to continue the policy as an individual policy till their coverage is terminated.

High Value Sum Assured Rebates:

Initial sum assured (Rs.)	Rebate as percentage of tabular premium
Upto 1,99,000	Nil
Rs.2,00,000 to Rs.4,99,000	5%
Rs.5,00,000 to Rs.9,99,000	10%
Rs.10,00,000 and above	15%

Interest rate on the loan:

The interest rate on the loan taken by the Insured Member will be as provided by the Master Policyholder at the time the Insured Member enters the Master Policy. The loan schedule on the Certificate of Insurance will be made as per the Interest rate on the loan, provided by the Master Policyholder. The interest rate ranges from 8% to 18% and shall be in multiples of 1%. In case the loan interest rates is not in multiples of 1%, the insured member will be allowed to choose the immediate lower or immediate higher interest rate that is in multiples of 1%. Interest rate chosen at the time of inception of the cover shall not be allowed to change subsequently during the policy term. The benefits under the policy will be paid based on the loan schedule generated at the inception of the contract in respect of each individual member.

Suicide Exclusions:

In case of a group covered on a voluntary basis, if the Insured Member commits Suicide, whether sane or insane, within twelve months from the Date of Commencement of the Insurance Cover for that member, the Company shall refund higher of 80% of Premium paid for that member or the surrender value and the cover for that member will automatically cease.

Suicide exclusion is not applicable for the groups covered on compulsory basis.

Claims Administration

Nomination: Nomination is allowed as per Section 39 of the Insurance Act, 1938 as amended from time to time

Assignment: Assignment will be allowed as per section 38 of the Insurance Act 1938 as amended from time to time.

Termination of the cover: The cover on the life of an Insured Member(s) will cease on the earliest happening of one of the following:

a) On expiry of the term of the loan.

b) The date a death claim has been admitted under the policy in respect of that Member.

c) The date, a valid Surrender request (either on repayment of loan or otherwise) is received for that Member.

Free Look Cancellation by the Master Policyholder

In case the Master Policyholder is not satisfied with the terms and conditions of the Master policy, he may return the policy within the free look period by stating the reasons for his objections. The free look period is 15 days (as this product is not sourced through distance marketing) from the date of receipt of the policy document. Individual Insured Members, in such event, will be entitled to a refund of their respective share of amount of premium received subject to a deduction of a proportionate risk premium for the period on cover and the expenses incurred by us on medical examination of the proposer and the stamp duty charges. All the rights under this Policy shall immediately stand extinguished at the cancellation of the Policy.

Prohibition of Rebates

Section 41 of the Insurance Act, 1938 as amended from time to time

“(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 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 prospectus or tables of the insurer:

(2) Any person making default in complying with the provisions of this section shall be liable with a penalty which may extend to ten lakh rupees

Income Tax Benefits:

Income tax benefits would be applicable as per the prevailing laws and are subject to change in tax laws from time to time. Please consult your tax advisor.

GST (Goods & Services Tax):

GST (Goods & Services Tax) and cess as imposed by the Government from time to time will be charged on the premium.

Star Union Dai-ichi Life Insurance Company Limited is the name of the Insurance Company and ‘SUD Life Shiksha Suraksha 2 Plan’ is the name of this plan. Neither the name of the Insurance Company nor the name of the plan in anyway indicates the quality of the plan, its future prospects or returns.

SUD Life Shiksha Suraksha 2 Plan (UIN: 142N038V03)

SUD Life

A joint venture of Bank of India | Union Bank of India | DAI-ICHI LIFE

Star Union Dai-ichi Life Insurance Company Limited

Registered Office: 11th Floor, Vishwaroop IT Park, Plot No. 34, 35 & 38, Sector 30A of IIP, Vashi, Navi Mumbai – 400 703.

Toll Free No: 18002668833

Call: 022 39546300 {Charges apply, Timing: 8:00 am to 8:00 pm (Mon – Sat)}

Email: customercare@sudlife.in • www.sudlife.in

BEWARE OF SPURIOUS PHONE CALLS AND FICTIOUS / FRADULENT OFFERS:

IRDA clarifies to public that

- IRDAI or its officials do not involve in activities like sale of any kind of insurance or financial products nor invest premiums.
- IRDAI does not announce any bonus.

Public receiving such phone calls are requested to lodge a police complaint along with details of phone call, number