Draft Marketing Brochure

In our endeavor to shoulder our social responsibilities Star Union Dai-ichi Life has brought out a unique micro term insurance plan for the rural and economically weaker sections of the society. "**SUD Life's Paraspar Suraksha Plan"** is a 5 year term, micro insurance product. The objective of this product is to provide life cover at low cost to groups of economically weaker sections of society, like people who are funded by Micro Financial Institutions or NGOs and those who avail small loans from Bank/ Financial Institutions through Self Help Groups. These group should not have been formed for the purpose of availing insurance. The product is for economically weaker sections of the society including those People involved in the following occupations:

Daily Construction Workers, Low Income Farmers, Factory Workers, Rickshaw Pullers, Small industry Workers, Cottage Industry Workers, Bidi Workers, Brick Kiln Workers, Carpenters, Cobblers, Handicraft artisans, Leather and tannery workers, primary Milk Producers, Vegetable Vendors, Washerwomen, Working women in Hills, Safai Karmacharis, Salt Growers, Seri Culture Workers, Toddy tappers etc.

1. Why Choose Paraspar Suraksha Plan?

The scheme has been specifically designed for the weaker sections of the society and those from the rural areas. The scheme covers the groups of 200 and or members. The scheme is to provide life cover at low cost to groups of persons engaged in a common economic activity like those financed by an NGO, MFI or Banks in rural or urban areas. A Bank / MFI/ NGO can provide cover to its beneficiary groups, thereby providing insurance securities to them. This cover supplements the cause of social security for rural / weaker sections.

2. Eligibility Criteria:

Every Member who has attained the age of 18 years and is not more than 50 yrs as on the Policy Commencement Date shall be eligible for Membership under the Scheme, provided that he/she is in good health and has not suffered/is not suffering from any critical illness and has duly completed and submitted a membership form along with the required documents and has satisfactorily completed a good health declaration in the format prescribed by the Company.

3. Plan Parameters

Age	(as on the last birthday)
Minimum Age	18
Maximum Age	50
Maximum Maturity Age	55
Life Cover Ceasing Age	56th birthday
Sum Assured	
Minimum Sum Assured	5,000
Maximum Sum Assured	50,000

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Premium		
Minimum Premium	Single Premium	Rs.162.50
	Annual Premium	Rs.33.50
Maximum Premium	Single Premium	Rs.1625.00
	Annual Premium	Rs.335.00
Group Size		
Minimum No.	100	
Maximum No.	No Limit	

4. ***Benefit payable on death or survival:***

Events	***How and when Benefits are payable***	***Size of such benefits/policy monies***
Death	The sum assured is paid in case of death. The claim payment is made in the name of the beneficiary and will be facilitated through the group master policy holder / group organizer	Sum Assured subject to minimum of Rs 5,000 and maximum of Rs50,000.
Maturity	No Maturity Value is Available	
Surrender	No Surrender Value is available	
Policy Loan	No Policy Loan is Available	
Lapse	Paid up value not Applicable	

5. **Risk commencement date:**

The risk will commence after the receipt of the proposal form along with the total premium and data (viz. name, age, gender etc.) for all the members. No new entrants are allowed during the term of the Master Policy.

6. ***Other provisions***

a) ***Suicide Claim provisions.***

If the Group Member commits suicide, whether sane or insane, within one year from the Date of Commencement of risk:

In case of Regular Premium	No benefit is payable
In case of Single Premium	the premium (net of service Tax) paid under the Policy for this member shall be refunded, without interest, after deducting the stamp duty and premium instrument/outstation cheque collection charges, if any.

b) Exclusions, if any (e.g. occupational hazard ,travel):

45 days exclusion:
In the event of death of a member within first 45 days from the date of commencement / revival of cover, the Company shall not be liable to pay any claim amount.

c) Grace period for non-forfeiture provisions

For regular premium payment mode, a grace period of 30 days is allowed for the payment of the premium. If the premium is not paid within the grace period, the cover will cease, subject to revival facility.

If any death occurs within grace period and before the payment of the premium then due, the benefits will be payable after deduction of unpaid premium.

d) Nomination requirements:

Nomination is compulsory. The nominee/s shall be a person/s nominated by the member in accordance with the provision of section (39) of the Insurance Act 1938 to receive the benefits under the scheme in the event of his/her death.

e) Revivals or reinstatements, policy changes/alterations, etc:

For regular premium payment mode, if the premium is not paid within the grace period, the cover will cease and it can be revived within a period of 2 years by paying all the due but unpaid premium(s) along with the interest rate @ 9% p.a.

The revival will be allowed on receipt of a written application within a period of 2 years from the due date of the first unpaid premium before the end of the term. On revival, the cover will recommence from the date of revival.

7. Termination of Risk Cover

Risk Cover for the member shall automatically cease on occurrence of any one of the following events:

i) The date corresponding to member's 56th birthday,
ii) The date when death claim has been admitted,
iii) End of the term of the cover for that member,
iv) The end of the grace period when due premium remains unpaid, subject to revival facility (only in case of regular premium).

8. PROHIBITION OF REBATES (SECTION 41 OF INSURANCE ACT 1938)

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:

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.

Any person making default in complying with the provisions of this section shall be punishable with fine which may extend to five hundred rupees.

9. SECTION 45 OF INSURANCE ACT 1938 – INDISPUTABILITY CLAUSE

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.

10. Income Tax Benefits:

As per the current laws, income tax benefits are available under Section 80C and Section 10(D) of Income Tax Act, 1961.