



**RELIANCE**

Life Insurance

“I can now go that extra mile for my customer, free of risk.”

### Reliance Group Credit Assure Plan

A group plan that helps you cover your customers' loans. The plan mirrors different types of loans to ensure adequate coverage of risk.

[reliancelife.com](http://reliancelife.com)

Over 1 crore lives insured | 86,110 claims settled^ | Over 8,000<sup>#</sup> outlets | Over 1,00,000 advisors\*

THE ECONOMIC TIMES

**Bb**

BEST  
BRANDS  
2014

RELIANCE

Life Insurance

“No more home loan worries means I’m free to enjoy my home.”

### Reliance Group Credit Assure Plan

A group plan that helps you cover your loan. So that your family need not worry about the outstanding debt.



## Reliance Group Credit Assure Plan

A non-linked, non-participating, group credit life insurance plan

Reliance Group Credit Assure Plan is designed to meet the needs of employer-employee and non employer-employee groups like – banks and financial institutions, societies and non financial institutions, micro-finance institutions providing loans in rural or social sector.

The most common type of loans that are covered under this plan are home loans, education loans, car loans, commercial vehicle loans & business loans, personal loans and loans against assets.

Reliance Group Credit Assure Plan ensures that your members need not worry about any outstanding loan repayment liabilities by taking care of the loan repayment burden on the family in case of the unfortunate event of death of the member.

### Key benefits

#### PROTECTION

- Get protection against repayment of loan liability by the nominee/ legal heir in the event of death of the Life Assured/member
- Protect the co-borrower in case of joint loans
- Enjoy life cover during moratorium period of the loan



#### FLEXIBILITY

- Choose between Level (for Interest only loans<sup>ST&C</sup>) or Reducing cover
- Opt for either single or limited premium payment



#### CONVENIENCE

Enjoy a hassle-free enrollment and decide your premium payment frequency



THE ECONOMIC TIMES

**Bb**

BEST BRANDS  
2014

## Plan Limits

		Minimum	Maximum
Group Size (per policy)		20	No limit
Policy Term (years)	Single Pay	2	30
	Limited Pay	8	
Premium Payment Term (years)	Single Pay	Single	
	Limited Pay	5 (2/3rd of Policy Term)	20 (2/3rd of Policy Term)
Age at Entry (years)		14	65
Age at Maturity (years)	Single Pay	16	70
	Limited Pay	22	
Sum Assured	Home Loan	1,00,000	No Limit
	Other Loans	10,000	
Premium Frequency	Limited	Monthly/Quarterly/Semi-Annually/Annual	
	Single	Single	

## Which target segment is the plan best suited for?

This plan is offered to employer-employee and non employer-employee homogenous groups. The non employer-employee groups shall mean:

- ▶ Banks and Financial Institutions
- ▶ Societies and non financial institutions offering loans
- ▶ Micro-Finance institutions providing loans in rural or social sector

## How does the plan work?

- ▶ In case of Level Cover option for interest only loans<sup>T&C 6</sup>, the Sum Assured remains constant
- ▶ The plan covers the loan liability as per the monthly loan schedule
- ▶ A Member can opt for level cover or reducing cover
- ▶ A co-borrower can be added under the plan in case of joint loans
- ▶ As a member in the group, you can choose to pay single or limited premiums (annually, half-yearly, quarterly or monthly) for the term of cover
- ▶ The loan schedule is maintained for every member at inception of the member contract. On death, the applicable Sum Assured as at the end of the policy month immediately preceding the date of death of the member as per this loan schedule at inception shall be paid. Please note that the death benefit is payable to the nominee/legal heir of the individual group member.

## What are the benefits under the plan?

### Maturity Benefit

No amount is payable on maturity

### ▶ Death Benefit

- ▷ Reducing Cover – The death benefit will be as per the monthly loan schedule stated at inception of the member contract. The applicable Sum Assured as at the end of the policy month immediately preceding the date of death of the member as per this loan schedule at inception will be paid.
- ▷ Level Cover (for interest only loans<sup>T&C 6</sup>) – In case of level cover option, the full Sum Assured opted for at inception will be paid.

Please note that the death benefit is payable to the nominee/legal heir of the individual group member.

### ▶ Cover for Co-borrower

The plan provides an option to include one co-borrower for the same Sum Assured on first death basis by paying additional premium. On death of any one member covered under the policy, the cover for the surviving member ceases immediately after death claim payment. The borrower and co-borrower to be covered under the policy shall be the person with highest and second highest proportion of loan. The co-borrower cover is not extended to the guarantor of the loan.

## Other features

### ▶ Payment Options

Premiums can be paid monthly, quarterly, half-yearly or annually under limited premium option or single premium can also be paid.

### ▶ Grace period

Grace period is not applicable for single premium payment option.

Under the limited premium payment option, there is a grace period of 30 days from the due date for payment of first unpaid premium other than monthly premium frequency. In case of monthly premium frequency, the grace period is of 15 days.

### ▶ Moratorium Period

A moratorium period of 3 months to 5 years is allowed under the plan. During the Moratorium period, the Sum Assured may remain constant or will increase by accumulation of interest amount, if any, depending upon the choice of member, opted in the lending institution. If the member has opted not to pay the interest payment to the lending institution, then the Sum Assured will be the initial outstanding loan amount plus accrued interest amount.

### ▶ Advance premium payment option

Premiums can be paid in advance as follows:

Collection of advance premium shall be allowed if the premium is collected in the same financial year. The premium so collected shall only be adjusted on the due date of the premium. The commission shall only be paid on such due date.

### ▶ Cover Continuation Option

In case of surrender of the group policy, individual members will have an option, on such surrender, to continue the cover as individual policy and RLIC/intermediary, if any, shall continue to be responsible to serve such members till their coverage is terminated.

In case of prepayment/transfer of loan, individual members will have an option to continue the cover as individual policy and RLIC/intermediary, if any, shall continue to be responsible to serve such members till their coverage is terminated.

### ▶ Premium Frequency Discount

Discount on premiums will be provided for different premium payment frequency under Limited Payment options.

Premium Frequency	Discount Factor
Yearly	4.00%
Half-yearly	0.00%
Quarterly	0.00%
Monthly	0.00%

*Female lives will be given 3 years age discount on the basic premium rate.*

### ▶ Service tax

The service tax & education cess shall be levied on the premium. The level of this tax will be as per the rate declared by the Government from time to time.

#### ► Policy Loans

No loans can be availed under the policy.

### What happens on premium discontinuance or surrender?

#### ► Lapse

If the Installment premiums under limited premium payment option are not paid within the grace period, the cover for the member for which premium is not paid will be moved to lapse status and the insurance cover for that member will cease immediately.

A lapsed member contract can be revived within the revival period (i.e., a period of 2 years from the due date of first unpaid premium but before the end of outstanding loan term). The revival is subject to company's underwriting policy approved by the board.

#### ► Surrender

The surrender value under single premium policy will be acquired immediately, however, it will be payable after the completion of first policy year. If the premium paying term is greater than or equal to 10 years, the policy will acquire surrender value after payment of premiums for at least three consecutive years. If the premium paying term is less than 10 years, the policy will acquire surrender value after payment of premiums for at least two consecutive years.

► Surrender by individual member – Upon pre-payment/transfer of outstanding loan by the member, the member can:

- i. Either continue the member contract as per original contract or
- ii. Surrender the member contract and surrender value will be paid, if any

Termination of membership for any other reason by the individual member, the cover for the member ceases and surrender value, if any, is paid

► Surrender of Policy by Master Policyholder – In case of surrender of the policy by master policyholder, the members can:

- i. Either exercise cover continuation option or
- ii. Surrender the member contract and applicable surrender value will be paid, if any

#### ► Revival

A lapsed member contract can be revived within the revival period (i.e., a period of 2 years from the due date of first unpaid premium but before the end of outstanding loan term). The revival is subject to company's underwriting policy approved by the board.

If a lapsed member cover is not revived at the end of period of revival, the member contract will be terminated by paying the surrender value, if any.

### Terms and Conditions

#### 1. Can the policy be assigned?

Assignment will not be allowed under this plan.

#### 2. What are the tax benefits under the policy?

Tax benefits under the policy will be as per the prevailing Income Tax laws. Tax laws are subject to amendments from time to time and interpretations.

#### 3. What if you want to cancel the policy?

##### Free Look Period

a. In the event the Master Policyholder disagrees with any of the terms and conditions of the Policy, Master Policyholder may return the Policy to the Company within 15 days for all distribution channels, except for Distance Marketing\* channel, which will have 30 days of its receipt for cancellation, stating the objections in which case the Insurer will refund the entire premium received towards the Policy except for the amounts which will be deducted towards a proportionate risk premium for the period of cover, the expenses incurred on medical examination of the group members and the stamp duty charges.

b. In the event an individual group member disagrees with any of the terms and conditions of the Policy, the group member may return the Certificate of Insurance to the Company within 15 days for all distribution channels, except for Distance Marketing\* channel, which will have 30 days of its receipt for cancellation, stating the objections in which case the group member 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 insurer on medical examination of the group member and stamp duty charges for the Certificate of Insurance.

*\*Distance Marketing includes every activity of solicitation (including lead generation) and sale of insurance products through the following modes:*

- i. Voice mode, which includes telephone-calling
- ii. Short Messaging Service (SMS)
- iii. Electronic mode which includes e-mail, internet and interactive television (DTH)
- iv. Physical mode which includes direct postal mail and newspaper and magazine inserts and v. Solicitation through any means of communication other than in person

#### 4. Payment of taxes, stamp duties

In future the Company may decide to pass on any additional charges levied by the governmental or any statutory authority to the policyholder. Whenever the Company decides to pass on the additional charges to the policyholder, the method of collection of these charges shall be informed to you.

#### 5. Suicide Exclusion

If the insured member whether sane or insane, commits suicide within 12 months from the date of inception of the policy, 80% of the received premiums will be paid to the nominee or beneficiary of the member, provided the policy is in force. If the member commits suicide within 12 months from the date of revival of the member contract, the nominee or beneficiary of the member shall be entitled to an amount which is higher of 80% of premiums paid till the date of death or the surrender value, as available on the date of death.

6. Interest only loan is a loan in which only the interest is repaid in regular installments and the principal is repaid at the end of the loan tenure. Prepayment of the principal may be allowed by the lending institution, which will not have any impact on the insurance policy. In this case you have the option to either surrender or continue with the policy.

7. Lives with sub-standard medical conditions and other impairments will be underwritten as per the underwriting manual approved by the board. The basis of underwriting will be the full amount of cover. There could be loading for occupations based on the company's underwriting practice approved by the board.

#### 8. Nomination

Nominations will be allowed under this plan as per Section 39 of the Insurance Act, 1938.

#### 9. Section 41 of the Insurance Act, 1938 : Prohibition of Rebate

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 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 punishable with a fine which may extend to five hundred rupees.

#### 10. Section 45 of the Insurance Act, 1938: Policy not to be called in question on ground of mis-statement after two years

No policy of life insurance effected before the commencement of this Act shall after the expiry of two years from the date of commencement of this Act and no policy of life insurance effected after the coming into force of this Act 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 statement made in the proposal for insurance or in any report of a medical officer, or referee, or friend of the insured, or in any other document leading to the issue of the policy, was inaccurate or false, unless the insurer shows that such statement was on a 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 of the policy are adjusted on subsequent proof that the age of the life insured was incorrectly stated in the proposal.

## About us

Reliance Life Insurance is a licensed life insurance company registered with Insurance Regulatory & Development Authority (IRDA) Registration No. 121.

Reliance Life Insurance Company Limited offers you products that fulfil your savings and protection needs. Our aim is to emerge as a transnational Life Insurer of global scale and standard.

Reliance Life Insurance Company Limited is a part of Reliance Capital, under Reliance Group. Reliance Capital is one of India's leading private sector financial services companies, and ranks among the top 3 private sector financial services and banking companies, in terms of net worth. Reliance Capital has interests in asset management and mutual funds, stock broking, life and general insurance, proprietary investments, private equity and other activities in financial services.

Reliance Group also has presence in Communications, Energy, Natural Resources, Media, Entertainment, Healthcare and Infrastructure.

Nippon Life Insurance, also called Nissay, holds 26% stake in Reliance Life Insurance Company Limited.

Nippon Life Insurance is Japan's largest private life insurer with revenues of ₹346,834 crore (US\$ 80 Billion) and profits of over ₹12,199 crore (US\$ 3 billion). The Company has over 14 million policies in Japan, offers a wide range of products, including individual and group life and annuity policies through various distribution channels and mainly uses face-to-face sales channel for its traditional insurance products. The company primarily operated in Japan, North America, Europe and Asia and is headquartered in Osaka, Japan. It is ranked 81st in the Global Fortune 500 firms in 2011.

Insurance is the subject matter of the solicitation. Tax laws are subject to change, consulting a tax expert is advisable. This product brochure gives only the salient features of the plan and it is only indicative of terms, conditions, warranties and exceptions. This brochure should be read in conjunction with the benefit illustration and policy exclusions. For further details on all the conditions, exclusions related to Reliance Group Credit Assure Plan, please contact our insurance advisors. Trade logo displayed above belongs to Anil Dhirubhai Ambani Ventures Private Limited and used by Reliance Life Insurance Company Limited under license. \*As on 31<sup>st</sup> March 2015. \*\*Top 200 brands according to The Economic Times & Nielsen Best Brands Survey, 2014. ^As on 30<sup>th</sup> September 2014. \*Includes agent offices and premium collection outlets.

**Beware of spurious phone calls and fictitious/fraudulent offers.** IRDAI clarifies to public that **1.** IRDAI or its officials do not involve in activities like sale of any kind of insurance or financial products nor invest premiums. **2.** 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.

## Reliance Life Insurance Company Limited (IRDAI Registration No. 121)



### Registered Office

H Block, 1<sup>st</sup> Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai, Maharashtra - 400710, India.



### Corporate Office

9<sup>th</sup> & 10<sup>th</sup> Floor, R-Tech Park, Nirlon Complex, Goregaon East, Mumbai - 400063.



### Fax No

022-30002222



### Call us

3033 8181 or 1800 3000 8181 (Toll Free)



### Email us

rlife.customerservice@relianceada.com



### Visit us

www.reliancelife.com



### Like us on Facebook

www.facebook.com/RelianceLifeInsurance



### Follow us on Twitter

@rel\_life