

RELIANCE

Life Insurance

# Reliance Group Credit Shield Plan

Security, Guaranteed!



## Reliance Group Credit Shield Plan

This is a traditional, Single Premium, non-participating Group Term Insurance Plan with reducing death benefit with flexibility to ensure that the financial interest of the lending institution is protected in the event of any misfortunes affecting the life insured/members (borrowers). This plan provides peace of mind to your group members and their families at a very attractive cost.

### The benefits under the plan are as follows

Generally, the benefit payment and the benefit level may be as given below:

**On death:** In the unfortunate event of death of the Life Assured/members, while the cover is in force, Reliance Life Insurance Company Limited will pay a reducing Sum Assured to the master policyholder. Reducing Sum Assured is equal to the outstanding loan amount shown in the certificate of insurance as at the policy anniversary immediately preceding the date of death of the life assured.

There would not be any benefit on maturity.

**Surrender:** The policy will acquire surrender value after the Single Premium has been paid. However, surrender values are payable after the first three policy years. The policy can be surrendered upon pre-payment of outstanding loan or on withdrawal of the loan in full for any other reason. The surrender value will be calculated as below.

$$\text{Surrender value} = 40\% * SP * (K / T) * (B / A)$$

Where

SP: Single Premium

K: Outstanding term

T: Total term

B: Reduced Sum Assured in the certificate of insurance on the policy anniversary preceding | the date of surrender

A: Initial Sum Assured

A 45-day initial waiting period for non-accidental deaths shall be applicable for all covers starting on the date of cover commencement, irrespective of the loan advance date. The death benefit for non-accidental deaths during the initial waiting period will be return of premiums.

There will not be any waiting period for accidental deaths.

The Sum Assured shall not exceed the initial loan amount at any point of time (i.e. the maximum cover is equal to the loan taken). Fresh loans shall be treated as new loans.

The insurance coverage will cease at the earliest of

1. Member attaining age 70 years or on death whichever is earlier
2. Termination or discontinuation of the loan with the bank or financial institution for any reason upon pre-payment of loan or withdrawal of the loan for any other reason
3. Termination of contract with the master policyholder

### **Various options offered in the plan, as enumerated below**

On commencement of policy, Life Assured is given option to choose interest rate for the loan schedule. Once the interest rate for loan schedule is selected, it can not be changed.

### **Policy Conditions**

Minimum Entry Age	18 years last birthday
Maximum Entry Age	60 years last birthday
Minimum Group Size	50 members
Maximum Group Size	No limit
Maximum Age at Maturity	70 years last birthday
Minimum Policy Term	3 years
Maximum Policy Term	30 years
Minimum initial	₹ 1,00,000 for home loan,
Sum Assured	₹ 50,000 for car loan, personal loan etc.
Maximum initial Sum Assured	₹ 3,00,00,000

### **Tax Benefit**

Any premium paid by a borrower in his/her capacity as an individual will be eligible for tax deduction under section 80(C) of the Income Tax Act, 1961

Benefits received by the borrower's nominee are tax free under section 10(10D) of the Income Tax Act, 1961, subject to conditions.

The premium paid by you could be considered as part of business expenses and may be tax deductible.

### **Service Tax**

The service tax and education cess will be charged as per applicable rates.

The premiums and benefits payable are subject to the tax laws and other financial enactments as they may exist from time to time.

## **Suicide claim provisions**

In case of a claim where a member has committed suicide within 12 months from the date of inception of the scheme, whether sane or insane at that time, the Company will not pay any insured death benefit.

## **Exclusions**

There will be 45 days initial waiting period for non-accidental deaths starting on the date of commencement of cover irrespective of the loan advance date. The death benefit for non-accidental deaths during the initial waiting period will be return of premiums.

There will not be any waiting period for accidental deaths.

## **About Us**

Reliance Life Insurance Company Limited offers you products that fulfill 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 Global Fortune 500 firms in 2011.

## **Prohibition of Rebate: Section 41 of the Insurance Act, 1938 states:**

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 a fine which may extend to five hundred rupees.

### **Section 45: 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.

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

**Note:** *Insurance is the subject matter of solicitation. This product brochure is indicative of the terms and conditions, warranties and exceptions in the insurance policy giving only the salient features of the plan. For further details please refer to the policy document and detailed benefit illustration before concluding the sale. In the event of conflict, if any, between the terms and conditions contained in this brochure and those contained in the policy document, the terms and conditions contained in the policy document shall prevail. For further details on all the conditions, exclusions related to this product, please contact our insurance advisors.*

For further details on **Reliance Group Credit Shield Plan**, please contact the "**Relationship Manager**" at Reliance Life Insurance Company Limited on contact nos. 022-30002254 / 022-30002256. Alternatively, you may also write to us at [rlife.ebsupport@relianceada.com](mailto:rlife.ebsupport@relianceada.com)



RELIANCE

Life Insurance

All is well™

## sms INSURE to 55454

**Reliance Life Insurance Company Limited (Reg. No 121)**

**Registered Office:** H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai, Maharashtra 400710, India

**Corporate Office:** 9th & 10th Floor, Bldg. No. 2, R-Tech Park, Nirlon Compound, Next to Hub Mall, Behind Oracle Bldg, Goregaon (East), Mumbai, Maharashtra 400063.

- ▶ Customer Care Number: **1800 300 08181 & 3033 8181**
- ▶ Email: [rlife.customerservice@relianceada.com](mailto:rlife.customerservice@relianceada.com)
- ▶ Website: [www.reliancelife.com](http://www.reliancelife.com)

This product brochure gives the salient features of the plan only. For further details on all the conditions, exclusions related to Reliance Group Credit Shield Plan please contact our Insurance Advisors.

- ▶ Income Tax Benefits under the income tax laws of 1961 are subject to amendments and interpretation
- ▶ Kindly consult a tax expert
- ▶ Kindly review the offer documents carefully before investing
- ▶ Conditions apply

UIN for Reliance Group Credit Shield Plan: 121N032V01

Insurance is the subject matter of solicitation.

**ISO 9001:2008**  
CERTIFIED COMPANY