

GET DOUBLE PROTECTION WITH YOUR HOME LOAN

PRAMERICA LIFE GROUP CREDIT SHIELD

PROTECT YOUR HOME FROM LOAN LIABILITY WITH
ADDITIONAL BENEFITS OF A GROUP TERM INSURANCE COVER



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A Non Linked Non Participating Single Premium Group Credit Life Insurance Plan

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Caring for your customer and their needs can go a long way in building a relationship of trust and loyalty. As a lending institute, you provide individuals with funds to fulfill their dreams – supporting them in building homes, providing for their children’s education, helping them buy a swanky new car, funding their business needs and offering attractive credit options to meet other requirements. Now you can go a step further to help them ensure that their dreams are protected from the uncertainties of life and are fulfilled no matter what.

Presenting

Pramerica Life Group Credit Shield

A Non Linked Non Participating Single Premium Group Credit Life Insurance Plan

The product is offered to the customers of banks, financial institutions and other lending institutes providing different types of loans like housing loan, vehicle loans (personal 4-wheeler/ 2-wheeler, commercial vehicle, etc.), education loans, personal loans, loan against property, business loans etc. The Plan is issued on the group platform wherein the institution facilitating/ administering loan is the Master Policyholder and the borrowers are individually Insured Members. Under this Plan, both new and existing borrowers can be covered.

Key Features

- Assured protection to cover outstanding loan liability
- Pay only once and get protection for the entire term
- Flexibility to choose from level or reducing sum assured cover options
- Option to cover up to 5 Co-borrowers for a single loan
- Option to cover up to 120% of loan amount
- Coverage term ranging from 1 month without moratorium (3 months with moratorium) to 30 years to incorporate all type of credit lines
- Coverage for loans with moratorium period ranging from 3 months to 7 years
- Covers all types of loan products

Key Advantages

For You as a Master Policyholder:

- Provide enhanced value proposition to your customers, giving them security along with finances to make their dreams come true
- Use this plan as an instrument to attract and retain loyal customers
- Minimize the risk of non-repayment of loan in case of the unfortunate death of the customer

For Your Customers:

- They can future proof their assets as well as their loved ones, against the loan liability
- It gives a sense of security that the family’s dream shall be protected and will be liability free in case of an unfortunate event
- The insurance protection comes at a very competitive cost
- No medical examination is required in most cases (up to Non Medical Limit)

How does the plan work

- The customers are enrolled, under the Master Policy, as Insured Members upon completion of the enrollment process, and payment of requisite premiums subject to underwriting acceptance as per the Board approved Underwriting Policy (BAUP) of the Company.
- A minimum of 50 members are required to avail this Group Policy.
- Insured member has the flexibility to choose Cover Options, Sum Assured, Premium Amount (Based on Sum Assured), Coverage Term, Moratorium Options & Period thereof (if applicable).
- The premium of a member is calculated basis factors viz. Entry Age; Sum Assured, Coverage Term, Cover Option, Moratorium Option (as applicable).

- In case of First Death Basis Coverage, premiums are calculated for both individuals separately with a 15% discount applicable on younger life.
- The insurance coverage for each Insured Member will start from the date of receipt of premium, subject to underwriting acceptance.

Eligibility Criteria:

Coverage Term	1 month to 30 years (in multiple of 1 month)
Premium Payment Term	Single Premium
Entry Age	Minimum: For Education Loan: 14 years For Other Loans: 18 years Maximum: 79 years
Coverage Expiry Age	Maximum: 80 years
Sum Assured	Minimum: Rs. 5000 Maximum: No Limit; subject to Board approved underwriting policy Sum Assured at inception of cover should be less than or equal to 120% of the initial loan amount
Group Size	Minimum: 50 members Maximum: No limit

All reference to age is as on last birthday.

Type of Groups to be covered

This plan is primarily targeted to groups of customers who have taken loan/credit from banks/financial institutions and other lending agencies providing different types of loans.

Plan Benefits

The product offers two cover options to choose from:

- Reducing Cover:** Sum Assured reduces during the term of coverage as per the benefit schedule set at inception. Company's liability shall be limited to the extent of sum assured mentioned in the benefit schedule of the Certificate of Insurance (COI) as applicable at the time of death.
- Level Cover:** Sum Assured remains level throughout the coverage term irrespective of the outstanding loan amount.

The plan provides cover in case of an unfortunate death of the borrower or in case the borrower is diagnosed with Terminal Illness. The details of the benefits are as per the table below:

Events	How and when benefits are payable	Benefit Amount
Death	On death of the insured Member during the coverage term.	Sum Assured is payable at the time of death as per the benefit schedule.
Terminal Illness (Applicable for policy with coverage term of a year or more)	On diagnosis of a Terminal Illness Condition.	A lump sum benefit equal to 6 Equated Monthly Installments (EMI)/ Monthly loan installment is payable to the insured member as per the benefit schedule over and above the benefit payable on death of insured member.
Maturity	Not applicable	Nil
Surrender	On full prepayment/ foreclosure of the loan.	Surrender value shall become payable

"Terminal Illness" is any condition from which the Insured Member is suffering, which in the opinion of two Registered Medical Practitioners specializing in the relevant field of medicine appointed by the company, is likely to result in the death of the Insured Member within 6 months from the date of first diagnose of such Terminal Illness. The Insured Member must no longer be receiving treatment other than that for symptomatic relief.

"Medical Practitioner" means a person who holds a valid registration from the Medical Council of any State or Medical Council of India or Council for Indian Medicine or for Homeopathy set up by the Government of India or a State Government and is thereby entitled to practice medicine within its jurisdiction; and is acting within its scope and jurisdiction of license.

The benefit shall be payable as under:

Where the policy is issued under Lender-Borrower category and Master Policyholder is one of the following regulated entities (i) Reserve Bank of India (RBI) regulated Scheduled Commercial Banks (including Co-operative Banks); (ii) NBFC's having certificate of registration from RBI; (iii) National Housing Bank (NHB) regulated Housing Finance Companies; (iv) National Minority Development Finance Corporation (NMDFC) and its State Channelizing Agencies; (v) Small Finance Banks regulated by RBI; (vi) Mutually Aided Cooperative Societies formed and registered under the applicable State Act concerning such Societies (vii) Microfinance companies register under section 8 of the Companies Act, 2013; (viii) Any other category as approved by the Authority, in accordance with IRDAI guidelines as amended from time to time; the Insured Member shall have the option to issue an authorization in favour of the Company to the effect that in case of an insured event during the Coverage Term, the claim amount, if any, payable under the Policy shall first be utilized for payment to the Master Policyholder to the extent of the outstanding loan amount as specified in the Credit Account Statement and the balance amount, if any, payable under the Policy will be payable to the Claimant. Where no such authorization is received by the Company from the Insured Member, or the Master Policyholder does not fall under the above mentioned regulated entities, the entire claim amount shall be payable to the Claimant on the occurrence of the insured event.

Other Features

Moratorium Options

Master policyholder may choose one or both of the moratorium options where the sum assured during the moratorium period may be:

a. **Uniform** (Applicable wherein interest is payable during the moratorium period)

The initial Sum Assured shall remain unchanged up to the end of moratorium period, and thereafter it shall decrease as per the benefit schedule.

b. **Increasing** (Applicable wherein interest is not payable during the moratorium period)

The initial Sum Assured shall increase to the extent of the outstanding interest during the moratorium period, and thereafter it shall decrease as per the benefit schedule.

The moratorium option will be subject to the following conditions:

- This feature is allowed only with the Reducing Cover option.
- For loans with a moratorium period, the Policy Term will also include the moratorium period.
- Minimum moratorium period allowed is 3 months and the maximum is 7 years, during which disbursement could be staggered. The moratorium period will be available in multiple of 1 month.

Co-borrower Options

If there is more than one borrower for the same loan, the cover can be offered on a '**First Death Basis**' or '**Loan Share Percentage Basis**'. Individual borrowers or investors/co-borrowers/co-investors of the institution can be covered for a single loan, provided there must be an insurable interest between them.

a. **First Death Basis:**

Maximum 2 members can be covered under this option

Each co-borrower shall be insured for 100% of the Sum Assured. On occurrence of the insured event for any one of the borrowers, the applicable benefits as per the benefit schedule will be paid and the coverage for the surviving co-borrower shall cease thereafter.

In the event of simultaneous occurrence of the insured event of more than one member, applicable benefit amount shall be payable only once in respect to the first Insured Member as stated on the Certificate of Insurance (COI).

In case the claim of any of the borrowers under First Death Basis, is repudiated (including death due to suicide within one year of Coverage Commencement Date), the coverage of the surviving borrowers shall continue as per the Policy terms and conditions.

The premium for the individual members will depend on their individual ages and genders. However, a discount of 15% would be given on the premium chargeable for the younger life.

b. **Loan Share Percentage Basis:**

Maximum of 5 members can be covered under this option

Each co-borrower shall be insured up to his/her share of the Sum Assured in the proportion of their respective loan share percentages. On occurrence of the insured event for any one of the borrower, the company will pay the percentage of the applicable benefits as per the benefit schedule. The cover shall cease only for that member and the cover for the other surviving co-borrowers shall continue to the extent of their respective shares.

In case of diagnosis of Terminal Illness, the lump sum benefit equal to 6 Equated Monthly Installments (EMI) as per the benefit schedule will be payable to insured member for the respective share in proportion of the loan taken.

Discount

There is a set-back of 3 years for female lives on the male rates. The following rule would be applicable.

- Education loans: For females aged 14, 15 and 16, the rate for age 14 will be applicable.
- Other loans: For females aged 18, 19 and 20, the rate for age 18 will be applicable.

Males rates will be applicable in case of third gender.

For risk cover on "First Death Basis", the premium for the individual Members will depend on their individual ages and genders. A discount of 15% would be given on the premium chargeable for the younger Member.

Surrender Benefit

Surrender by Master Policy Holder

The Master Policyholder can terminate the Master Policy at any time by providing 90 days' prior written notice to the company. Existing Insured Members will have the following options:

- Continue their insurance coverage as per the benefit schedule. Company will continue to service such members till their coverage is terminated.
- Terminate the insurance coverage and take the surrender value.

Surrender by Insured Member

The scheme shall acquire surrender value immediately. On foreclosure or full prepayment of the loan, the member may request for surrender of his cover anytime during the coverage term.

The surrender value would be computed as per the following formula:

$60\% \text{ of Single Premium} * (\text{Unexpired coverage term (in completed months)} / \text{Total coverage term (in completed months)}) * (\text{Coverage In-force} / \text{Initial Coverage Amount})$

Where, Single Premium is excluding underwriting extra, rider premiums and taxes, if any and Coverage In-force means original sum assured chosen at inception (in case of level cover) or the benefit amount as per the Benefit Schedule (in case of reducing cover) as on the monthly plan anniversary immediately before the date of surrender of the policy.

Terms & Conditions

Tax Benefits

Tax benefits may be available as per prevailing tax laws. Tax laws are subject to change. Please consult the tax advisor for details.

Free Look Cancellation

In case, the Master Policyholder/Insured Member does not agree with the terms and conditions of the contract, the Master Policyholder/ Insured Member may request for cancellation of the Master Policy/Certificate of Insurance stating the reasons for objection within 15 days (30 days in case of electronic policies and policies obtained through distance mode) from the receipt of the Master Policy/ Certificate of Insurance. In such a case the Master Policy/ Certificate of Insurance shall stand terminated and the Company shall refund the premium paid subject only to the deduction of a proportionate risk premium for the period of cover and expenses incurred by the Company on medical examination of the life assured and stamp duty charges.

Policy shall terminate on payment of this amount and all rights, benefits and interests under this Policy will stand extinguished.

Suicide Exclusion

If death of an insured member occurs due to suicide, whether sane or insane, within one year from the Coverage Commencement Date as stated in the Certificate of Insurance, then the company's obligations shall be limited to 80% of the total premiums received (excluding any underwriting extra, taxes and rider premium(s), if any) till the date of death. In case of Co-borrower the insurance coverage shall continue for surviving co-borrowers.

Goods and Services Tax (GST)

GST and other levies, as applicable, will be extra and levied as per prevailing tax laws and are subject to change from time to time.

Nomination and Assignment

Nomination in this policy is allowed as per Section 39 of Insurance Act, 1938 as amended from time to time. The Provision of Assignment in this policy is allowed under Section 38 of Insurance Act, 1938 as amended from time to time.

Section 41 of the Insurance Act 1938 as amended from time to time: Prohibition of rebate

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.

Section 45 of the Insurance Act 1938, as amended from time to time

Fraud and mis-statement would be dealt with in accordance with provisions of Section 45 of the Insurance Act, 1938, as amended from time to time. For provisions of this Section, please contact the insurance Company or refer to the sample policy contract of this product on our website www.pramericalife.in

The brochure gives the salient features for the product. Please refer to policy bond for further details of the terms and conditions.

About Pramerica Life Insurance Limited (PLIL)

Pramerica Life Insurance Limited is a joint venture between DHFL Investments Limited (DIL), a wholly-owned subsidiary of Piramal Capital and Housing Finance Limited (“PCHFL”)* and Prudential International Insurance Holdings, Ltd. (PIIH), a fully owned subsidiary of Prudential Financial, Inc. (PFI). Pramerica Life Insurance Limited represents the coming together of two renowned financial services organizations with a legacy of business excellence spread over decades.

Pramerica Life Insurance Limited, started operations in India on September 01, 2008 and has a pan India presence through multiple distribution channels which have been customized to address the specific insurance needs of diverse customer segments. The Company is committed to providing protection and quality financial advice to its customers.

Pramerica is the brand name used in India and select countries by Prudential Financial, Inc.

Prudential International Insurance Holdings, Ltd. and Prudential Financial, Inc. of the United States are not affiliated with Prudential Plc. a Company incorporated in the United Kingdom.

For further information on the Company, please visit www.pramericalife.in

*As part of the implementation in compliance of the NCLT order dated June 7, 2021, PCHFL has been merged into and with Dewan Housing Finance Corporation Limited (“DHFL”) by way of an amalgamation by a scheme of arrangement, and in accordance with approved scheme of arrangement, the name of the merged entity has been changed from Dewan Housing Finance Corporation Limited to “Piramal Capital & Housing Finance Limited” vide the certificate of incorporation issued by the Registrar of Companies, Mumbai dated 3rd November, 2021.

About Piramal Capital & Housing Finance Limited

Piramal Capital & Housing Finance Limited (PCHFL), a wholly owned subsidiary of Piramal Enterprises Limited (flagship company of the Piramal Group), is a housing finance company engaged in retail and wholesale lending.

In retail lending, PCHFL is one of the leading players that addresses the diverse financing needs of the under-served and unserved people of ‘Bharat’ market. It has over 1 million customers and presence in 24 states with a network of over 300 branches. It offers multiple products, including home loans, small business loans to Indian budget conscious customers at the periphery of metros and in Tier I, II and III cities. In wholesale lending, it caters to both real estate as well as non-real estate sector and offers multiple products including construction finance, structured debt and senior secured debt.

The Piramal Group also has strategic partnerships with leading global funds such as CDPQ, CPPIB, APG, Ivanhoe Cambridge and Bain Capital.

About PFI

PFI*, a financial services leader with \$1.7 trillion of assets under management as of September, 2021 has operations in the United States, Asia, Europe and Latin America. Prudential’s diverse and talented employees are committed to helping individual and institutional customers grow and protect their wealth through a variety of products and services, including life insurance, annuities, retirement-related services, mutual funds and investment management. Prudential International Insurance Holdings & Prudential Financial Inc. of the United States are not affiliated with Prudential Plc, a Company incorporated in the United Kingdom. In the U.S., PFI’s iconic Rock symbol has stood for strength, stability, expertise and innovation for more than a century. For more information, please visit www.prudential.com/about

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**TAKE THE DECISION TO PROTECT
YOUR FAMILY'S FUTURE TODAY.**



**TOLL FREE
1800 102 7070**



**SMS 'LIFE' TO
5607070**



**EMAIL
contactus@pramericalife.in**

This product provides Life Insurance coverage. Pramerica Life Group Credit Shield UIN: 140N076V01. Goods & Service Tax and applicable cess will be charged over and above the quoted premium.

IRDAI Registration No. 140. Pramerica Life Insurance Limited. Registered Office and Communication Address: 4th Floor, Building No. 9, Tower B, Cyber City, DLF City Phase III, Gurgaon-122002. CIN: U66000HR2007PLC052028. Website: www.pramericalife.in. The Pramerica mark displayed belongs to 'The Prudential Insurance Company of America' and is used by Pramerica Life Insurance Limited under license.

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