



# Pramerica Life Group Term Plan

A Non-Linked Non-Participating One Year Renewable Group Term Life Insurance plan



Presenting Pramerica Life Group Term Plan  
A Non-Linked Non-Participating One Year Renewable Group  
Term Life Insurance plan

A comprehensive protection plan that helps your members and their families fight against uncertainties arising due to unfortunate death of the insured person. What's more, this plan provides enough flexibility to suit businesses of every need and scale, so that you can take the right step today and help protect your members from the unpleasant surprises in life.

Pramerica Life Group Term Plan covers all Schemes as listed below:

- Employer-Employee Scheme
- Employee deposit linked Insurance Scheme(EDLI)
- Non Employer-Employee Scheme

## Key Features

- **Assured Protection:** Sum Assured payable upon the unfortunate demise of the member/employee insured.
- **One Year Renewable Term:** This is a One Year Group Term Plan, renewable on a yearly basis.
- **Free Cover Limit:** Avail higher coverage without evidence of health up to the Free Cover Limit subject to eligibility conditions (**only for Employer-Employee Schemes**).
- **Simplified Procedures:** Procedures are less cumbersome and hassle free. Insurance cover for all eligible members of the scheme with one Policy document issued to the Master Policyholder.
- **Flexibility to avail the benefits as staggered payments under Non Employer-Employee Scheme:** This feature of periodical payout to protect the corpus from getting wiped out immediately had it been paid as lump sum (**only for parents of School/College going children**).

## Key Advantages

### 1) Employer-Employee Scheme:

You as an Employer can:

- Use this as an integral part of the overall benefit package (incentive & retention tool)
- Avail Tax Benefits on Premiums Paid

Your Employees:

- Have Insurance protection at a relatively low cost
- Have a sense of security that may lead to increase in productivity at work
- Require no underwriting up to Free Cover Limit
- Get cover 24 hours a day, 7 days a week, anywhere in the world
- Premium paid by the employer is not taxable as a perquisite in the hands of employee
- Claim payments are tax free

### 2) Employee deposit linked Insurance Scheme (EDLI) Scheme:

You as an Employer can:

- Avail savings in premium as a contribution to Regional Provident Fund Commissioner, is the function of salary, whereas our premium depends upon the age of the employee
- Have comparatively higher cover than RPFC (for equal Premium amount) and quicker Claim settlement

Your Employees:

- Have Insurance protection at a relatively low cost
- Have a sense of security that may lead to increase in productivity at work

- Get cover 24 hours a day, 7 days a week, anywhere in the world
- Claim payments are tax free

### 3) Non Employer-Employee Scheme

You as a Master Policyholder can:

- Attract and retain your members
- Have simplicity of administration

Your Members:

- Have Insurance protection at a relatively low cost
- Have financial protection for family members in case of untimely death of a member
- Have the option to receive death benefit Sum Assured in installments
- Do not require to undergo medicals up to Non-Medical Limit
- Have tax free Claim payments

## Benefits in detail

### Death Benefit

#### 1) Employer-Employee Scheme:

On unfortunate demise of the Insured Member during the Policy Term, the Sum Assured shall be payable to the beneficiary.

#### 2) Employee deposit linked Insurance Scheme (EDLI) Scheme:

On unfortunate demise of the Insured Member during the Policy Term, the Sum Assured shall be payable to the beneficiary.

#### 3) Non Employer-Employee Scheme:

On unfortunate demise of the Insured Member during the Policy Term, the Sum Assured shall be payable to the beneficiary.

In case of Parents of School/College going children who are given coverage under this scheme, Company will offer two options of availing the death benefit either in lump sum or as staggered payments by the beneficiary.

**Staggered payments** - The beneficiary will receive payouts in the form of monthly/annual installments over a period of 2 years to 15 years in either monthly or yearly mode at an interest rate of 5% per annum. The first staggered benefit installment will be payable immediately on the date of death. The staggered benefit installment will be calculated using the following factors depending upon the staggered benefit payment period multiplied with death benefit amount and divided by 1,000.

Staggered Benefit Factors per 1,000 Death Benefit		
Chosen Period for Staggered payment (in years)	Frequency (Payable in advance)	
	Annually	Monthly
2	512.20	43.64
3	349.72	29.80
4	268.58	22.89
5	219.98	18.74
6	187.64	15.99
7	164.59	14.02
8	147.35	12.56
9	133.99	11.42
10	123.34	10.51
11	114.66	9.77
12	107.45	9.16
13	101.39	8.64
14	96.21	8.20
15	91.75	7.82

During the staggered benefit payment period, if a beneficiary wants to take all future balance monthly/yearly payments as a lump sum, the lumpsum benefit payable will be equal to the discounted value of the all future balance staggered benefit payments at an interest rate of 5% per annum.

**Note – The term ‘beneficiary’ mentioned above means nominee/legal heir of the member.**

However, in case the Master Policy is issued under Lender-Borrower category, the Insured Member shall have an option to issue an authorization in favor of the Company to the effect that in the unfortunate event of Insured Member's death during the Coverage Term, the claim amount, if any payable under the Master Policy shall first be utilized for payment to Master Policyholder for the outstanding loan amount as specified in Master Policyholder's Credit Account Statement and the balance amount, if any, payable under the Master Policy shall be paid to Nominee. This option shall however be applicable only for certain categories of Master Policyholders.

The eligible categories of Master Policyholders are Reserve Bank of India (RBI) regulated Scheduled Commercial Banks, NBFC's having certificate of registration from RBI, National Housing Bank (NHB) regulated Housing Finance Companies, National Minority Development Finance Corporation (NMDFC) and its State Channelizing Agencies, Small Finance Banks regulated by RBI, Mutually Aided Cooperative Societies formed and registered under the applicable State Act concerning such Societies, Microfinance companies registered under section 8 of the Companies Act, 2013 and any other category as approved by the Authority.

However, in case of Master Policyholder who does not fall under the specified categories, then on the unfortunate event of Insured Member's death during the Coverage Term, the claim amount shall be payable to Insured Member's Nominee.

## Maturity Benefit

There is no maturity benefit under any of the schemes.

## Eligibility:

### 1) Employer-Employee Scheme

<b>Age at Entry<sup>#</sup></b>	Minimum: 18 Years	Maximum: 75 Years
<b>Expiry Age<sup>#</sup></b>	76 years	
<b>Policy Term</b>	1 Year, Yearly Renewable Plan	
<b>Premium Paying Mode</b>	Yearly, Half Yearly, Quarterly and Monthly	
<b>Sum Assured</b>	Minimum	₹5,000 (per member) ₹1 Crore (per scheme)
	Maximum	No limit; subject to group characteristics, participation rate and Company underwriting requirements.
<b>Group Size</b>	Minimum	50 members for schemes
	Maximum	No limit

### 2) Employee Deposit Linked Insurance Scheme (EDLI)

<b>Age at Entry<sup>#</sup></b>	Minimum: 18 Years	Maximum: 85 Years
<b>Expiry Age<sup>#</sup></b>	86 years	
<b>Policy Term</b>	1 Year, Yearly Renewable Plan	
<b>Premium Paying Mode</b>	Yearly, Half Yearly, Quarterly and Monthly	
<b>Sum Assured</b>	Minimum	₹6,01,000 per member or as per provisions of Employee's Provident Fund & Miscellaneous Provisions Act, 1952, whichever is higher. ₹1,20,20,000 per scheme
	Maximum	₹10,00,000 per member
<b>Group Size</b>	Minimum	20 members in a scheme or as per provisions of Employees' Provident Fund & Miscellaneous Provisions Act, 1952, whichever is applicable.
	Maximum	No limit

<sup>#</sup>Age as on last birthday

### 3) Non-Employer-Employee Scheme

Same as Employer-Employee Scheme

## What are the modal factors?

The modal factors for Half-yearly, Quarterly and Monthly premium payment mode are 0.52, 0.265 and 0.09 respectively.

## Is there any surrender value?

This is a pure protection plan hence there is no surrender value. In case of surrender of the group Policy, the Company shall give an option to individual members of the group, on such surrender, to continue as an individual Policy and the Company shall continue to be responsible to serve such members till their coverage is terminated.

## What is Free Cover Limit?

The Free Cover Limit will only be applicable to Employer-Employee Schemes. This is a limit on insurance cover to an individual member. Up to this limit, no evidence of health is required and acceptance of coverage will be automatic for all Members. Above the FCL, the acceptance will be subject to medical evidence as per the Company underwriting rules.

The Free Cover Limit will depend on Group size and average Sum Assured of the particular Group Scheme.

## Joiners and Leavers

- The Policyholder must inform the Company about the details of the exiting members as and when they exit so that the Company would terminate the risk cover for those members.

Also the Policyholder should inform the Company in respect of any new entrants in the scheme along with the proportionate premium for the remaining term and other requirements, if any, as decided by the Company from time to time.

In case of an Employer-Employee Scheme and EDLI Scheme, in the event of a member rejoining the Scheme, such member would be treated as a new entrant under the scheme.

## What are the tax benefits?\*

The following tax benefits may be applicable as per the prevailing tax laws for Employer-Employee Schemes:

- Premium paid by the Policy Holder, in case of an employer paying on behalf of the employees, is considered as part of the business expenses under Section 37 of Income Tax Act, 1961 and is tax deductible.
- Premium paid by the employer is not treated as a perquisite in the hands of the employee.
- All claim payments are considered as non-taxable receipts.
- Goods & Service Tax as applicable will be charged over and above the quoted premium.

Under Non Employer-Employee Schemes, the members can avail tax benefit in respect of the premium paid as per the prevailing tax laws.

Tax laws are subject to change.

\*Please refer to your tax consultant for details.

## What is the grace period and conditions for renewals in the plan?

- A grace period of 30 days (15 days in case of monthly mode) is applicable under this scheme. There is no grace period applicable in case of yearly mode. If the Company does not receive the premium due within the grace period, the Policy will lapse at the expiry of the grace period. In case of death of a member(s) during the grace period, the death benefit will be entertained only if the premium due for the scheme has been paid by the Master Policyholder before the end of grace period.
- You can revive the group scheme by paying the appropriate premium up to a period of 3 months from the date of first unpaid premium till the next Policy Anniversary and within the Policy Term of one year. The scheme may be underwritten afresh depending upon the period for which the Policy has been in lapse state. Please note that after the expiry of Policy Term of one year this Policy may be re issued on similar terms and conditions.
- Revival of a scheme would be made in accordance with the changes in the group profile. All premiums / Sum Assured shall be determined afresh based on the current risk profile for the scheme under consideration.

## Suicide Clause

- If the Insured Member dies due to suicide, whether sane or insane, within 12 months from the date of joining the scheme or date of revival, 80% of total premiums paid till the date of death in respect of the Insured Member shall be paid to the Nominee provided the policy is in force.

Note: This exclusion will not be applicable to employer – employee schemes with compulsory participation.

## When will the insurance cover terminate?

The cover would cease from the date of termination of the coverage in accordance with the scheme rules.

## Nomination:

In this Policy, Nomination is effected as per Section 39 of Insurance Act, 1938 as amended from time to time.

## Free Look Cancellation:

You will have a period of 15 days from the date of receipt of the Policy document to review the terms and conditions of the Policy and where you disagree to any of these terms and conditions, you have an option to return the Policy stating the reasons for objection. On receipt of the letter along the Policy documents, the Company will refund the premiums paid, subject to the deduction of proportionate risk premium for the period on cover and any expenses incurred by the Company on medical examination of the members and stamp fees charges.

In case of Non Employer-Employee Scheme, Individual Member can also opt for free-look cancellation within 15 days of the receipt of the Certificate of Insurance.

This Policy is not for sale through Distance Marketing mode.

## Section 41 of the Insurance Act 1938 as amended from time to time: 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.
2. Any person making a default in complying with the provisions of this section shall be liable for a penalty which may extend to ten lakh rupees.

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

1. No policy of life insurance shall be called in question on any ground whatsoever after the expiry of three years from the date of the policy, i.e., from the date of issuance of the policy or the date of commencement of risk or the date of revival of the policy or the date of the rider to the policy, whichever is later.
2. A policy of life insurance may be called in question at any time within three years from the date of issuance of the policy or the date of commencement of risk or the date of revival of the policy or the date of the rider to the policy, whichever is later, on the ground of fraud: provided that the insurer shall have to communicate in writing to the insured or the legal representatives or nominee(s)/beneficiary(s) or assignees of the insured the grounds and materials on which such decision is based.
3. Notwithstanding anything contained in sub-section (2), no insurer shall repudiate a life insurance policy on the ground of fraud if the insured can prove that the mis-statement of or suppression of a material fact was true to the best of his knowledge and belief or that there was no deliberate intention to suppress the fact or that such mis-statement of or suppression of a material fact are within the knowledge of the insurer: provided that in case of fraud, the onus of disproving lies upon the beneficiaries, in case the policyholder is not alive.
4. A policy of life insurance may be called in question at any time within three years from the date of issuance of the policy or the date of commencement of risk or the date of revival of the policy or the date of the rider to the policy, whichever is later, on the ground that any statement of or suppression of a fact material to the expectancy of the life of the insured was incorrectly made in the proposal or other document on the basis of which the policy was issued or revived or rider issued: Provided that the insurer shall have to communicate in writing to the insured or the legal representatives or nominee(s)/beneficiary(s) or assignees of the insured the grounds and materials on which such decision to repudiate the policy of life insurance is based: provided further that in case of repudiation of the policy on the ground of mis-statement or suppression of a material fact, and not on the ground of fraud, the premiums collected on the policy till the date of repudiation shall be paid to the insured or the legal representatives or nominee(s)/beneficiary(s) or assignees of the insured within a period of ninety days from the date of such repudiation.
5. 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.

The brochure gives the salient features for the product. Please refer to policy document 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](http://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](http://www.prudential.com/about)

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This product provides Life Insurance coverage. Pramerica Life Group Term Plan UIN: 140N034V04. Goods & Service Tax and applicable cess will be charged over and above the quoted premium.

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