



Max Life Group Credit Life Premier Plan  
Non Linked, Non Participating Single Pay Group Term Insurance Plan  
UIN: 104N095V01

Life Insurance Coverage is available in this Product.

#### About Max Life Insurance

Max Life Insurance, one of India's premier non-bank promoted private life insurer, is a joint venture between Max Financial Services Ltd. and Mitsui Sumitomo Insurance Co. Ltd. Max Financial Services Ltd. is part of the Max Group, which is a leading Indian multi-business corporation, while Mitsui Sumitomo Insurance is a member of MS&AD Insurance Group, which is amongst the leading insurers in the world. Max Life Insurance offers comprehensive long term savings, protection and retirement solutions through its high quality agency distribution and multi-channel distribution partners. A financially stable company with a strong track record over the last 15 years, Max Life Insurance offers superior investment expertise. Max Life Insurance has the vision 'To be the most admired life insurance company by securing the financial future of our customers'. The company has a strong customer-centric approach focused on advice-based sales and quality service delivered through its superior human capital. In the financial year 2015, Max Life recorded Gross Written Premium of ₹ 9,216 crore with Sum Assured In force (Individual) of ₹ 1,94,658 crore and Asset Under Management of ₹ 35,824 crore as on 31<sup>st</sup> March 2016.

#### Max life Group Credit Life Premier Plan

Life is all about fulfilling your dreams for your loved ones. You plan to fulfill goals like your savings, children's education, marriage and your peaceful retirement. We understand the significance of such milestones and secure your financial future from the burden of any loan taken to pursue your dreams towards accomplishment of these milestones.

Presenting *Max Life Group Credit Life Premier Plan*, a single pay group insurance product providing life cover to the borrowers of banks/ financial institutions under one group master policy. The product can be offered to new or existing borrowers. The purpose of this product is to provide risk cover against loan in case of an eventuality. This plan offers lumpsum benefit enabling the member's family to settle the loan liability in case of an unfortunate event.

**Benefits for Banks/Financial Institution** – Max Life Group Credit Life Premier Plan is a product that ensures that in case of death of the borrower, amount of loan outstanding (as per the option chosen) is paid out by us.

1. The product protects from increased default risk resulting from an unfortunate event as death
2. Protection against loan liability acts as an added advantage to the offering

**Benefits to the Loan Borrower** – In case of member's demise, the family does not have to surrender / forgo the asset since loan will be paid out for the amount of sum assured by us.

1. Loan liability is taken care of in case of an eventuality thereby ensuring that the member's family is relieved of the financial burden

Please note that the benefit is payable only in the event of death during the period of coverage or in case of Total & Permanent Disability (TPD) caused due to accident provided the member has opted for Accelerated benefit.

#### Benefits at a glance

#### **Risk Coverage:**

Master Policyholder/member will have the option to choose from the following types of cover.

a) **Level Cover\*** – The Sum Assured will be same throughout the Policy Term. This is applicable only to interest only loans

b) **Decreasing Cover\*** – The Sum Assured will reduce as per the Sum Assured Schedule (SA Schedule) derived using the Loan Interest Rate & the Policy Term opted by the member at the time of policy inception. Our liability will be determined basis the SA Schedule and not the Actual Outstanding Loan Amount at the time of claim.

\*If the member chooses the Moratorium option & further chooses not to make payment towards the interest component of the loan, then the cover under both Level & Decreasing Cover will increase during Moratorium period. Thereafter, described as above.

**Moratorium Option:**

A moratorium period is a time during the coverage term when the member does not make any payment towards the principal component of the loan. Moratorium option shall be available for both Level & Decreasing Cover options. Moratorium period must always be less than the coverage term.

Following options to choose Moratorium Period:

**Moratorium Period:** Member can choose Moratorium Period of 1 (one) month to 10 (ten) years (in multiple of 1 month)

**Payment of Interest during Moratorium Period:** Option to service or not service interest payments during Moratorium Period

The Sum Assured payable on death under each of the possible combinations will be as follows –

- **In case of Level Cover with No Moratorium Option selected** – The Sum Assured will remain Level throughout the coverage term and will be equal to the Initial Sum Assured.
- **In case of Level Cover with Moratorium Option selected and Interest payment served during Moratorium Period** – The Sum Assured will remain Level throughout the coverage term including the Moratorium period and will be equal to the Initial Sum Assured.
- **In case of Level Cover with Moratorium Option selected and Interest payment not served during Moratorium Period** – The Sum Assured will be as per the Sum Assured Schedule, wherein, the Sum Assured will increase each month until the end of moratorium period by the interest amount due. Thereafter, the Sum Assured will remain Level and is equal to Initial Sum Assured plus all accrued interest at the end of the Moratorium Period.
- **In case of Decreasing Cover with No Moratorium Option selected** – The Sum Assured will be as per the Sum Assured Schedule, wherein, the Sum Assured will reduce each month till the end of the Coverage Term.
- **In case of Decreasing Cover with Moratorium Option selected and Interest payment served during Moratorium Period** – The Sum Assured will be as per the Sum Assured Schedule, wherein, the Sum Assured will remain Level until the end of the moratorium period and thereafter, reduce each month till the end of the Coverage Term.
- **In case of Decreasing Cover with Moratorium Option selected and Interest payment not served during Moratorium Period** – The Sum Assured will be as per the Sum Assured Schedule, wherein, the Sum Assured will initially increase each month until the end of the Moratorium Period by the interest amount due and thereafter, reduce each month till the end of the Coverage Term.

**Death Benefit and Options:**

On happening of the death by any cause (natural or accidental), we shall pay the claimant as per the option as chosen by the member at the inception. The death benefit options are as follows.

- a) **Primary Benefit**-The product in its basic form enables the member(s) to protect their family from burdensome loan obligations in the unfortunate event of death. The death benefit which is equal to Sum Assured is referred to as the “Primary Benefit”. The risk cover shall terminate post payment of the Primary Benefit.
- b) **Optional Benefit-Protection Enhancement (Accelerated) Benefit**-The product allows the member the flexibility to enhance protection by covering **Total & Permanent Disability (TPD) caused due to accident** which when triggered will lead to **advancement of benefit** payable under the basic form of the plan. The Accelerated Total and Permanent Disability Benefit (caused due to Accident) Cover is referred to as the ‘Optional Benefit’. The coverage shall terminate post payment of the Optional Benefit. Please refer to the Policy Document for further details with respect to Optional Benefit.

The benefit payable on death is the Sum Assured as per the death benefit schedule in respect of the specific member of the group as mentioned in the Certificate of Insurance.

**Please Note:** In case of lender-borrower groups i.e scheduled banks (including co-operative banks) regulated by Reserve Bank of India, Non Banking Financial Companies registered with Reserve Bank of India and National Housing Bank regulated Housing Finance Companies, we may make the payment of outstanding loan balance amount to you by deducting from the claim proceeds payable under the Policy, in accordance with the IRDAI guidelines as amended from time to time provided the members provide authorization to do so. The members may provide the said authorization either on the Entry Date or at a later date. The balance of the claim proceeds (if any) will be made to the Claimant.

**Surrender Benefit:**

The product ensures that the member and his/her loved ones are protected from the financial burden of loan in case of an eventuality. Thus, it is advised to continue the risk coverage through the term. The coverage shall continue as per the agreed terms & conditions even if the loan is repaid. However, if member surrender the risk cover due to foreclosure of loan, prepayment of loan or any other reason, a surrender value shall be paid. The surrender value payable at any point of time during the coverage term will be derived as follows:

70% of the Premium (excluding taxes and cesses) received in respect of member \* Term Factor \* SA Factor

Where,

Term Factor = Unexpired Policy Term in months (ignoring days) divided by Original Policy Term in months

SA Factor = Outstanding Sum Assured (as per the Certificate of Insurance) divided by Maximum Sum Assured until the date of Surrender (as per the Certificate of Insurance)

The risk cover under the policy will cease after the surrender value has been paid.

Max Life Group Credit Life Premier Plan at a glance		
Product Specifications		
Item	Details	
a) Premium Payment Term	Single Pay	
	Minimum	14 years for Education Loan 18 years for all types of loans other than Education Loan
	Maximum	75 years
b) Minimum / Maximum Entry Age (age as on last birthday)	Where the life to be insured is a minor at the date of commencement of risk , there should be a proposer to propose Life Insurance cover on the life of the minor. The proposer should have insurable interest on the life of the minor. The proposer is the rightful owner of the policy during the minority of the life insured. The policy automatically vests on the life of the life insured once he / she attains majority. The date of commencement of risk will be the same as the date of commencement of member cover. The relationship of the proposer to the Life Insured (minor) is either parent or legal guardian and the same shall be mentioned in the proposal form.	
c) Backdating of policy	Not Applicable	
d) Maximum Maturity Age (age as on last birthday)	77 years	
e) Initial Sum Assured	Minimum Maximum	₹ 5,000 No limit, subject to Board approved underwriting policy
f) Minimum / Maximum Annualized Premium	Minimum	₹ 0.81 per member assuming standard life and excluding taxes and cesses
	Maximum	No Limit
	Please note that applicable taxes are collected over and above the premium.	
g) Premium Payment Mode	Onetime payment only	
h) Policy Term	Minimum	2 years
	Maximum	40 years
	The Policy term cannot exceed the Loan tenure	
i) Group Size	Minimum	50 members within a policy year.
	Maximum	No limit

<p>j) Type of Risk Coverage</p>	<p>The Group Master Policyholder or Life Insured/Scheme Member will have option to choose from the following types of cover:</p> <p>a) <b>Level Cover*</b> – The Risk Cover or Sum Assured will be same throughout the Coverage Term. This is applicable only to interest only loans</p> <p>b) <b>Decreasing Cover*</b> – The Risk Cover or Sum Assured will reduce as per the Sum Assured Schedule (SA Schedule) derived using the Loan Interest Rate &amp; the Coverage Term at the time of coverage inception. Our liability will be determined basis the SA Schedule and not the Actual Outstanding Loan Amount at the time of claim.</p> <p>*If the member chooses the Moratorium option &amp; further no payment is made towards the EMI of the loan, then the cover under both Level &amp; Decreasing Cover will increase during Moratorium period. Thereafter, described as above.</p> <p><b>Please Note:</b> In case of lender-borrower groups i.e scheduled banks (including co-operative banks) regulated by Reserve Bank of India, Non Banking Financial Companies registered with Reserve Bank of India and National Housing Bank regulated Housing Finance Companies, we may make the payment of outstanding loan balance amount to you by deducting from the claim proceeds payable under the Policy, in accordance with the IRDAI guidelines as amended from time to time provided the members provide authorization to do so. The members may provide the said authorization either on the Entry Date or at a later date. The balance of the claim proceeds (if any) will be made to the Claimant.</p>
<p>k) Type of Loans Covered</p>	<ol style="list-style-type: none"> <li>1. Housing Loan</li> <li>2. Loan Against Property</li> <li>3. Personal Loan<sup>1</sup></li> <li>4. Business Loan<sup>2</sup></li> <li>5. Car Loan</li> <li>6. Education Loan</li> <li>7. Agriculture Loan</li> </ol> <p><sup>1</sup>Personal Loan includes Gold Loan, Furniture Loan, Computer Loan, Credit Card Loan, Consumer Durables Loan, Retail Loan</p> <p><sup>2</sup>Business Loan includes Commercial Equipment Loan, Commercial Vehicle Loan, Working Capital Loan, Merchandising Loan</p>
<p>l) Members Covered</p>	<p>Following member types are covered under this scheme:</p> <ol style="list-style-type: none"> <li>1. Single Life</li> <li>2. Joint Life (two lives), with benefit payable on first death</li> </ol> <p>Under Joint Life option,</p> <ul style="list-style-type: none"> <li>- Only 2 borrowers can be jointly insured for up to 100% of the Initial Sum Assured</li> <li>- Policy Term and Initial Sum Assured will be the same for both lives</li> <li>- In the event of first death of either of the two lives, death benefit will be payable to the Nominee of the deceased life and cover on the second life would cease</li> <li>- In the event of <b>simultaneous death</b> of the lives under joint life cover, the claim will be considered in favor of the beneficiary of the older of the two lives. However, in this case, if the claim on the older of the lives were to get repudiated, then the claim will be considered in favor of the beneficiary of the other life</li> </ul>

m) Termination	<p>The member's insurance coverage shall cease on occurrence of earliest of one of the following events:</p> <ul style="list-style-type: none"> <li>a) On the Expiry Date</li> <li>b) The date the member attains the maximum cover ceasing age;</li> <li>c) The date a death claim has been admitted under the policy in respect of that member;</li> <li>d) The date, any Protection Enhancement (Accelerated) Benefit claim has been admitted under the policy in respect of that member</li> <li>e) The date, a surrender value has been paid to that member</li> <li>f) The date a valid free look request has been received.</li> </ul> <p>The policy may be terminated by either the Master Policyholder or us by giving 90 (ninety) days prior notice to the other party. In the event of such termination in respect of members already covered, the coverage shall continue until the date of the expiration of insurance cover. In such case no new enrollment will be entertained by us.</p>
n) Maturity Benefit	Nil
o) Policy Loan	Not Applicable

**Free look**

The Master Policyholder and/or the Life Insured/Scheme Member, have a period of 15 (Fifteen) days (30 days if the Policy/Certificate of Insurance have been issued through distance marketing i.e. by any means of communication other than in person) from the date of receipt of the Policy/Certificate of Insurance to review the terms and conditions of the Policy/Certificate of Insurance. If the Master Policyholder/ the member disagree to any of the terms or conditions of the Policy/Certificate of Insurance, the Master Policyholder/the Member has an option to return the original Policy/Certificate of Insurance to Us by stating the objections/reasons for such disagreement in writing.

Where free look cancellation is exercised by you, the Policy shall terminate forthwith and all rights, benefits and interests under the Coverage shall cease immediately. However, the cover in respect of existing members will continue as per the terms of Certificate of Insurance. No new members will be enrolled under the Policy.

Where free look cancellation is exercised by member, Certificate of Insurance shall terminate forthwith and all rights, benefits and interests shall cease immediately. We will refund the Premiums received by Us, after deducting the proportionate risk Premium for the period of cover, charges of stamp duty paid and the expenses incurred on medical examination of the member(s), if any.

**Suicide Exclusion**

Notwithstanding anything stated herein, if Life Insured commits suicide, whether minor or major, sane or in-sane, within 12 months from the Date of commencement of Risk, (i.e. the date on which the insurance coverage under the Policy in respect of the member commences which will be later of the date of realization of the Premium by Us or the date of underwriting decision by Us). We will refund 100% of the Premium received by Us (inclusive of extra premium, if any, but excluding taxes) in respect of such Life Insured, to the nominee or beneficiary. In such an event, the Life Insured's insurance coverage shall cease immediately and no other benefit will be payable.

**Certificate of Insurance**

The Company shall issue in the name of each insured member, an individual certificate of insurance.

**Full Disclosure & Incontestability:**

We draw your/member(s) attention to Section 45 and statutory warning under Section 41 of the Insurance Act 1938 as amended from time to time – which reads as follows:

**Section 45 of the insurance Act, 1938 as amended from time to time states that:**

- (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 nominees of the insured the grounds and materials on which such decisions are based.

Explanation I – For the purposes of this sub-section, the expression “fraud” means any of the following acts committed by the insured or by his agent, with the intent to deceive the insurer or to induce the insurer to issue a life insurance policy:

- a) the suggestion, as a fact of that which is not true and which the insured does not believe to be true;
- b) the active concealment of fact by the insured having knowledge or belief of the fact;
- c) any other act fitted to deceive; and
- d) any such act or omission as the law specially declares to be fraudulent.

Explanation II – Mere silence as to facts likely to affect the assessment of the risk by the insurer is not fraud, unless the circumstances of the case are such that regard being had to them, it is the duty of the insured or his agent, keeping silence to speak, or unless his silence is, in itself, equivalent to speak.

- (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 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 member is not alive.

Explanation – A person who solicits and negotiates a contract of insurance shall be deemed for the purpose of the formation of the contract, to be the agent of the insurer.

- (4) A policy of the 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 nominees of the insured the grounds and material 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 misstatement 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 nominees of the insured within a period of ninety days from the date of such repudiation

Explanation – For the purposes of this sub-section, the mis-statement of or suppression of fact shall not be considered material unless it has a direct bearing on the risk undertaken by the insurer, the onus is on the insurer to show that had the insurer been aware of the said fact no life insurance policy would have been issued to the insured.

- (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.

**Prohibition of Rebates: Section 41 of the Insurance Act, 1938 as amended from time to time states:**

- (1) No person shall allow or offer to allow, either directly or indirectly, as an inducement to any person to take 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 subsection 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 liable for a penalty which may extend to ten lakh rupees.

#### **Nomination**

Nomination shall be applicable in accordance with provisions of Section 39 of the Insurance Act 1938 respectively, as amended from time to time.

#### **Assignment**

Assignment shall be applicable in accordance with provisions of Section 38 of the Insurance Act 1938 respectively, as amended from time to time.

**Expert Advice at Your Doorstep:** Our distributors have been professionally trained to understand and evaluate your unique financial requirements and recommend a policy which best meets your needs. With experienced and trained distributors, we are fully resourced to help you achieve your life's financial objectives. Please call us today. We would be delighted to meet you.

#### **Important Notes:**

- This is only a sales literature. It does not purport to be a contract of insurance and does not in any way create any rights and/or obligations. All the benefits are payable subject to the terms and conditions of the Policy.
- Extra Premium may be charged for substandard lives.
- Service tax, Education cess and any other statutory taxes or levies would be levied as per applicable laws.
- Insurance is the subject matter of solicitation.
- Life Insurance Coverage is available in this product.
- All Policy benefits are subject to Policy being in force.
- "We", "Us", "Our" or "the Company" means Max Life Insurance Company Limited.
- "You" or "Your" means the Master Policyholder.
- Policyholder may be different from the Life Insured under this product.

Should you/ member(s) need(s) any further information from us, please do not hesitate to contact on the below mentioned address and numbers. We look forward to have you as a part of the Max Life family.

For other terms and conditions, request your Agent Advisor or our distributor for giving a detailed presentation of the product before concluding the sale.

Company Website: [www.maxlifeinsurance.com](http://www.maxlifeinsurance.com)

#### **Registered Office**

Max Life Insurance Company Limited  
419, Bhai Mohan Singh Nagar,  
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Tel: 01881-462000

#### **Office Address**

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**Customer Services Numbers** 18002005577

Customer Service Timings: **9:00 AM - 9:00 PM** Monday to Saturday (except National holidays)



**Disclaimer**

Max Life Insurance Company Limited is a Joint Venture between Max Financial Services Limited and Mitsui Sumitomo Insurance Co. Ltd. Max Life Insurance Co. Ltd., 11th floor, DLF Square Building, Jacaranda Marg, DLF City Phase. II, Gurugram (Haryana) 122002. Applicable Service Tax, Cess, and any other Taxes as imposed by the Government from time to time will be deducted from the premiums received. Insurance is the subject matter of solicitation. Trade logos displayed above belong to Max Financial Services Limited and Mitsui Sumitomo Insurance Co. Ltd. respectively and are used by Max Life Insurance Co. Ltd under a license.

**IRDAI - Registration No. 104**

ARN: Max Life/Web Brochure/GCLP/Feb 2017

Visit us at: [www.maxlifeinsurance.com](http://www.maxlifeinsurance.com)

Contact toll-free number: 1800-200-55-77 or SMS "Life" to 54242

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IRDAI clarifies to public that

- **IRDAI or its officials do not** involve in activities like sale of any kind of insurance or financial products nor invest premiums.
- **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.