

CANARA HSBC LIFE INSURANCE

# GROUP SECURE

Group Non-Linked Non-Par Pure Risk Premium Credit Life Insurance Plan

UIN : 136N024V07

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**Version : Sep'24**

# Key Benefits

- Peace of mind -In the unfortunate event of your borrower's Death/TPD, the insurance cover will protect his/her family
- Meeting credit and insurance needs with one solution
- Risk coverage -Option to choose between Death cover or Death and TPD cover. Death & TPD cover option will only be offered to Home loan, Loan Against Property (LAP), Education loan & 4 wheelerloan
- Availability of two coverage options namely, Level Cover (death/ TPD cover remains same throughout the term of the cover) or Reducing Cover (the Death/TPD cover reduces over the term of the cover)
- Joint borrowers (up to three) are also covered
- Rebates are available for females, and joint borrowers, which could further reduce the premium
- Customers can finance the premium through master policyholder by adding the premium amount to their loan and spread the cost through equated monthly installments (EMIs).For example, if loan amount is 10 lacs & insurance premium is Rs. 15,000; then the customer can take loan for Rs. 10,15,000 (loan amount + insurance premium) from the lender and EMI will be fixed for Rs. 10,15,000 instead of Rs. 10,00,000
- Insured member may be entitled for tax benefits\* under Section 80C and Section 10(10D), as per the Income tax Act, 1961

# Eligibility Criteria<sup>^</sup>

Product Feature	Minimum	Maximum
Age at entry (Last Birthday)	<ul style="list-style-type: none"> <li>18 years for all kinds of loans other than Education Loan</li> <li>12 years for Education Loan</li> <li>18 years for Total and Permanent Disability (TPD) benefit</li> </ul>	<ul style="list-style-type: none"> <li>Age 75 years ( Death Only )</li> <li>Age 70 years (Death + TPD)</li> </ul>
Cover Ceasing Age	-	<ul style="list-style-type: none"> <li>80 years of Life Assured</li> <li>(75 years for Death + TPD)</li> </ul> <p>(In the case of Joint-life policies, oldest Insured Member's age will be considered)</p>
Cover Term	<ul style="list-style-type: none"> <li>2 years for Single premium</li> <li>5 years for Regular &amp; Limited premium option</li> </ul>	<ul style="list-style-type: none"> <li>Home/LAP Loan : 40 years</li> <li>Education/4 wheeler/Business Loan: 15 years</li> <li>Personal/Commercial vehicle/Two Wheeler Loan : 10 Years</li> </ul>
Sum Assured	10,000	No limit*
Group Size	50	No Limit

<sup>^</sup>The eligibility criteria may vary based on scheme rules within the above limits

\*There is no upper limit on the basic Sum Assured in case of Death cover only option. This is as per Board Approved Underwriting Policy (BAUP). However in case of Death and TPD option, the Sum Assured will be limited to a maximum of 10,000,000 per member.

# Premium Payment Option

	Level Cover	Reducing Cover
Single Premium	Not Allowed	Allowed
Regular Premium (Minimum policy term for this option is 5 years)	Allowed	Not Allowed
Limited Premium (pay for 5 years)	Not Allowed	Allowed

Regular premium and limited premium options will only be allowed to provide cover against Home loan and Loan against Property

# Moratorium Period

- For loans with a moratorium period, the cover term will also include the moratorium period and during the moratorium period the cover may be level or increasing as per the terms and conditions agreed with the Master Policyholder

- Maximum moratorium period allowed in this plan is 5 years

- Please note that premium for cover will be payable from the inception only irrespective of whether loan EMI has started or not

# Cover Continuance Option



Member will have option to continue the insurance cover after foreclosure of the loan for remaining tenure as per original terms and conditions

# Cover Term & Sum Assured



- Choose any cover term up to original loan term
- Choose any sum assured up to 120% of the loan amount

# Death Benefit



Please Note: No Maturity Benefit is available in this Plan

# Total Permanent Disability



Sum Assured

Cover for the member will terminate on occurrence of Death or TPD, whichever is earlier

# Total Permanent Disability

Total and Permanent Disability shall mean the occurrence of any of the following conditions as a result of accidental bodily injury, sickness or disease :

- Total and irrecoverable loss of sight of both eyes. The blindness must be confirmed by an Ophthalmologist; OR
- Loss of use or loss by severance of two or more limbs at or above wrists or ankles; OR
- Total and irrecoverable loss of sight of one eye and loss of use or loss by severance of one limb at or above wrist or ankle.
- The above disability must have lasted, without interruption, for at least six consecutive months from the date of diagnosis and must, in the opinion of a qualified medical practitioner appointed by the Company, be deemed permanent.
- If as a result of accidental bodily injury, sickness or disease, there is a total and permanent disability resulting in total and irrecoverable loss of use of two or more limbs as mentioned in the benefit (including coma) for at least six consecutive months, the benefit becomes payable.

## Reducing Cover

- Sum Assured reduces based on the term of cover, interest rate and Initial Sum Assured\*
- Reduction in Sum Assured pattern during the term of coverage is fixed at the time of issuance of COI<sup>^</sup>



Reducing Sum Assured

## Level Cover

- Sum Assured will remain constant over the cover term
- Sum Assured = Initial Sum Assured\*



Level Sum Assured

- The Company's liability under the policy shall be limited to the extent of death/TPD benefit (Sum Assured at the time of death/TPD as per the defined schedule specified at the outset in the certificate of insurance) and the Company shall not be liable for any shortfall of such benefit over the loan outstanding

\* "Initial Sum Assured" will be the amount of cover opted for by the member (as stated in the membership form)

<sup>^</sup>COI – Certificate of Insurance

# Coverage Option For Joint Borrowers

Maximum of 3 Joint Borrowers are allowed

2 options:

Option 1 -Joint Basis

- Each of the joint borrowers will be insured for 100% of the initial sum assured
- Premium rate charged for youngest life assured will get rebate
- In case claim is paid for deceased joint borrower, cover ceases for the surviving joint borrower(s)

Option 2 -Loan share percentage

- Initial Sum Assured will be split between the joint borrowers in the ratio of the loan as stated in the membership form
- If the claim is paid on death/occurrence of TPD of a joint borrower, then the Insurance Cover shall cease only for that Insured Member
- However, the Insurance Cover shall continue for the surviving Joint Borrower(s) to the extent of their share(s) at the same premium agreed at the time of issuance of the Certificate of Insurance

- Rebate for female lives: For female life 3 years set back is given to the male rates
- Joint Borrower rebate: (only applicable for joint borrower option1 i.e. Joint basis cover for 100% of the loan amount)

Youngest joint borrower will get rebate as per below table:

Rebate (%Age Of Premium) On Youngest Life Assured		
Premium payment option	Two lives	Three lives
Single premium	15%	25%
Regular & Limited premium	5%	10%

- For Regular/Limited premium, if premiums are not paid within the grace period, the cover for the Member will lapse
- No coverage will be provided after the grace period in case the cover lapses
- Members have the option to revive the cover within 5 years from the date of first unpaid premium
- Company reserves the right to revive the cover based on underwriting decision
- Post revival of the insurance coverage, the product benefits would be reinstated to the full level

# Foreclosure Of Loan

Surrender value is payable provided the member repays the outstanding loan amount in full and submits a surrender request with the company In single premium option, the surrender benefit will be available from the end of first year In case of limited premium options, the surrender benefit will be available only after three years have elapsed provided premium have been paid for a minimum of three years

Surrender benefit is given in the table below:

	Level Sum Assured	Reducing Sum Assured
Single Premium	Not applicable	$60\% \times \text{Single premium} \times [\text{Unexpired term/Cover term}] \times [\text{Reduced sum assured/Initial sum assured}]$
Regular premium	No surrender value is payable	Not applicable
Limited Premium	Not applicable	$60\% \times \text{premiums paid} \times [\text{Unexpired term/Cover term}] \times [\text{Reduced sum assured/Initial sum assured}]$

# Surrender Of Master Policy



- Master Policyholder can terminate the Master Policy at any time
- Existing members will be given option to surrender his/her membership
- Remaining members who do not opt for surrender of cover will be serviced by the Company on the basis of existing data of members till the exit of last member

# Exclusions

## Suicide

- If the member commits suicide, within 12 months:
- **Single Life:** From the date of commencement of the risk cover , or from the date of revival of cover, as applicable, the Company shall pay at least 80% of the premiums paid till the date of death or the respective surrender value as available on the date of death whichever is higher, provided the coverage is inforce and all coverage for that member will automatically cease.
- **Joint Borrowers**(Under Joint Basis or Loan Share Basis, insurance coverage will continue for the surviving/unaffected insured member(s)): From the date of commencement of the risk cover or from the date of revival of cover, as applicable, the Company shall pay to the nominee of the Insured member at least 80% of the Premiums Paid till the date of death or surrender value as available on the date of death whichever is higher, provided the cover is in force and all coverage for that member will automatically cease.

## 45 days waiting period

- During the first 45 days from the date of commencement of member's cover only and not on reinstatement of cover for that member, the Company shall not be liable to pay any claim except a death/TPD claim arising on account of an accident and the Company shall refund the premium using the surrender value formula and all coverage for that member will automatically cease.

# Total and Permanent Disability Exclusions

TPD arising directly or indirectly from any of the following are specifically excluded:

- a) Any pre-existing medical condition not disclosed. Pre-existing disease (PED) means any condition, ailment, injury or disease:
  - i) that is/are diagnosed by a physician not more than 36 months prior to the date of commencement of the Coverage by the insurer; or its reinstatement , whichever is later or
  - ii) for which medical advice or treatment was recommended by, or received from, a physician, not more than 36 months prior to the date of commencement of the Coverage or its reinstatement, whichever is later.
- b) Any sickness related medical condition which first manifests itself within 90 days of the commencement date or reinstatement date of the benefit (only if reinstatement happens post 90 days of lapse).
- c) The Life Assured taking part in any hazardous sport or pastimes (including hunting, mountaineering, racing, steeple chasing, bungee jumping, etc).
- d) The Life Assured flying in any kind of aircraft, other than as a bonafide passenger (whether fare-paying or not) on an aircraft of a licensed airline.
- e) Self-inflicted injury, attempted suicide-whether sane or insane.
- f) The Life Assured being under the influence or abuse of drugs, alcohol, narcotics or psychotropic substance not prescribed by a registered medical practitioner.
- g) Service in any military, air force, naval, paramilitary or similar organization.
- h) War, civil commotion, invasion, terrorism, hostilities (whether war be declared or not)
- i) The Life Assured taking part in any strike, industrial dispute, riot, etc
- j) The Life Assured taking part in any criminal or illegal activity.
- k) Nuclear reaction, radiation or nuclear or chemical contamination.

## **Free Look Cancellation**

In case the Master Policyholder/ Insured Member does not agree with the terms and conditions of the Master Policy/ COI or otherwise and has not made any claim they shall have the option to request for cancellation of, the Master Policy/ COI by returning the Master Policy Document/ COI (if issued physically upon request) along with a written request stating the reasons for non-acceptance to the Company within the free-look period of 30 days from the date of receipt of the Master Policy Document/ COI, whether received electronically or otherwise (whichever is earlier)

Under joint life basis or joint life loan share basis, the free-look cancellation request would be applicable for all the joint borrowers.

# Thank You

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