

# SBI Life- Shakti

A Non-linked, Non-Participating Group Micro Term Insurance Product with Return of 50% Premium on Maturity (UIN: 111N038V03)



**SBI Life -Shakti\*** is specially designed to empower your members. We, at SBI Life aim at taking care of your members and their families under all circumstances.

*\*SBI Life – Shakti will be referred to as Shakti hereafter.*

## KEY FEATURES

- Shakti is the perfect answer to the insurance needs of your members.
- This is a non-linked, non-participating group product.

## HOW DOES THE PLAN WORK?

### • Flexibility of Cover Amount:

You can choose the sum assured you want to offer to your members – Min: ₹ 10,000 and Max: ₹ 2,00,000<sup>^</sup> (in multiples of ₹ 5,000).

### • Premium Payment Mode: Regular- Yearly Premium

### • Annual Premium (Exclusive of Applicable Taxes):

Minimum: ₹ 85 per member

Maximum: ₹ 6,900 per member

### • Term of cover: 5 years

### • Benefits: Payable either in case of Death/Maturity.

- > Death Benefit: Sum Assured as chosen by the member is payable.
- > Maturity Benefit: 50% of the premiums paid (excluding taxes) will be returned.

<sup>^</sup>Aggregate sum assured for all SBI Life Group Micro Insurance products will be capped to ₹ 2,00,000 per Group Member.

## ILLUSTRATION

- **Based on Age and Sum assured opted for, premium will be calculated:**

For Sum Assured of ₹ 15,000 for a 30 year old individual, yearly premium is ₹ 128. (Exclusive of applicable taxes<sup>#</sup>)

- **Benefits Available**

> **In case of Maturity**, 50% of the premiums paid (Exclusive of Applicable Taxes) are returned 50% (₹ 128 x 5) = ₹ 320

> **In case of Death** of the Insured Member, ₹ 15,000 is payable to the nominee.

> **Grace Period:** 30 days grace period from premium due date will be allowed.

<sup>#</sup>Taxes and/ or any other statutory levy/ duty/ surcharge on your premiums, as notified by the Central and/or State Government will be applicable from time to time as per the provisions of the prevalent tax laws.

## LIMIT ON THE GROUP SIZE

Shakti offers cover for a group of a minimum of 10 members.

## ELIGIBILITY CRITERIA

Anyone in good health as per Good Health Declaration (printed in the Membership form)

> **Minimum Age at Entry:** 18 years (as on last birthday)

> **Maximum Age at Entry:** 60 years (as on last birthday)

> **Maximum Age at Maturity:** 65 years (as on last birthday)

## OTHER IMPORTANT INFORMATION ABOUT THE PLAN

- **Maximum Benefit under this Plan**

Aggregate Sum Assured under all SBI Life Group Micro Insurance products will be capped to ₹ 2,00,000 for the same Life Assured.

- **Revival Facility**

Group Member or Master policyholder has the option to revive member's life cover within a period of 2 years from the date of first unpaid premium by paying all due premiums along with interest. The interest to be charged on revival on the outstanding premiums will be 250 basis points (2.5%) + benchmark yield of Repo Rate as on 1st April of each of the Financial Year compounded on a half yearly basis.

- **Surrender Benefit**

The surrender benefit will be paid on the request made by either the group member or the master policy holder (if premium is paid by master policy holder). The surrender value will be payable if at least 2 years' premiums have been paid.

The Surrender value payable is a percentage of the total premiums paid\* till the time of surrender. The details are as under:

Policy year when Surrender is made	Percentage of total premiums paid
2	40.00%
3	42.50%
4	45.00%
5	47.50%

\*Premium referred here for calculation of surrender value is the premium exclusive of applicable tax.

- **Paid up value**

In case the Group Member is unable to pay the premium within grace period, he/she will still remain covered but for a reduced Death/ Maturity Benefit where applicable. The policy will acquire paid up value only if the first two years' premiums are fully paid. The Paid-up sum assured payable on death of any member in case of paid-up policy will be reduced in the same proportion as the ratio of the number of premiums paid to the total number of premiums actually payable under the policy. The Paid-up maturity benefit will be equal to 50% of total premiums paid (exclusive of applicable tax).

- **Taxation**

Income tax benefits / exemptions as per the applicable income tax laws in India, which are subject to change from time to time. Please consult your tax advisor for details.

- **Loan Facility**

No loan facility is available under this policy

## **NOMINATION**

Nomination is compulsory as per Section 39 of Insurance Act, 1938 as amended from time to time. The nominee shall be a person nominated by the member in accordance with the provisions of Section 39 of Insurance Act, 1938 as amended from time to time to receive benefits under the scheme in the event of his/ her death.

## **ASSIGNMENT**

Assignment as per Section 38 of the Insurance Act, 1938 as amended from time to time. However, assignment is not allowed under this product.

## **FREE LOOK PERIOD**

- I. In case if this is a compulsory scheme (where the decision for participation is not with the member and it is mandatory for the member to join the scheme) the option for cancellation during the Free-look period is not available with the insured member and would be available only with the Master Policyholder.
- II. In case if this is a voluntary scheme (where the decision for participation is with the member and decides to join the scheme) along with the Master Policyholder, the insured member can also review the terms and conditions of the policy, within 15 days from the date of receipt of the Certificate of Insurance for policies sourced through any channel other than Direct Marketing and within 30 days from the date of receipt of the Certificate of Insurance in case of policies sourced through Direct Marketing and in case the insured member is not satisfied or disagrees with any of the terms and conditions, he/she has the option to return the Certificate of Insurance stating the reasons for objection. Any such request should come through the Master Policyholder. The premiums paid will be refunded through the master policy holder after deducting the stamp duty cost incurred.

## **EXCLUSIONS**

If the Group Member commits suicide, whether sane or insane, within one year from the Date of Commencement /revival of risk, no death benefit shall be payable. In such an event, 80% of the premiums paid (excluding applicable taxes) till the date of death or the surrender value, as available on the date of death, whichever is higher under the policy for this member shall be refunded.

## **ASSIGNMENT AND TRANSFER OF INSURANCE POLICIES**

### **Section 38 of Insurance Act 1938 as amended from time to time states:**

Assignment or transfer of a policy should be in accordance with Section 38 of the Insurance Act, 1938 as amended by Insurance Laws (Amendment) Act, 2015. The extant provisions in this regard are as follows:

1. This policy may be transferred/assigned, wholly or in part, with or without consideration.
2. An Assignment may be effected in a policy by an endorsement upon the policy itself or by a separate instrument under notice to the Insurer.
3. The instrument of assignment should indicate the fact of transfer or assignment and the reasons for the assignment or transfer, antecedents of the assignee and terms on which assignment is made.
4. The assignment must be signed by the transferor or assignor or duly authorized agent and attested by at least one witness.
5. The transfer of assignment shall not be operative as against an insurer until a notice in writing of the transfer or assignment and either the said endorsement or instrument itself or copy thereof certified to be correct by both transferor and transferee or their duly authorised agents have been delivered to the insurer.
6. Fee to be paid for assignment or transfer can be specified by the Authority through Regulations.
7. On receipt of notice with fee, the insurer should Grant a written acknowledgement of receipt of notice. Such notice shall be conclusive evidence against the insurer of duly receiving the notice.
8. If the insurer maintains one or more places of business, such notices shall be delivered only at the place where the policy is being serviced.
9. The insurer may accept or decline to act upon any transfer or assignment or endorsement, if it has sufficient reasons to believe that it is
  - a. not bonafide OR
  - b. not in the interest of the policyholder OR
  - c. not in public interest OR
  - d. is for the purpose of trading of the insurance policy.
10. Before refusing to act upon endorsement, the Insurer should record the reasons in writing and communicate the same in writing to Policyholder within 30 days from the date of policyholder giving a notice of transfer or assignment.
11. In case of refusal to act upon the endorsement by the Insurer, any person aggrieved by the refusal may prefer a claim to IRDAI within 30 days of receipt of the refusal letter from the Insurer.



12. The priority of claims of persons interested in an insurance policy would depend on the date on which the notices of assignment or transfer is delivered to the insurer; where there are more than one instruments of transfer or assignment, the priority will depend on dates of delivery of such notices. Any dispute in this regard as to priority should be referred to Authority.
13. Every assignment or transfer shall be deemed to be absolute assignment or transfer and the assignee or transferee shall be deemed to be absolute assignee or transferee, except
  - a. where assignment or transfer is subject to terms and conditions of transfer or assignment OR
  - b. where the transfer or assignment is made upon condition that
    - i. the proceeds under the policy shall become payable to policyholder or nominee(s) in the event of assignee or transferee dying before the insured OR
    - ii. the insured surviving the term of the policy

Such conditional assignee will not be entitled to obtain a loan on policy or surrender the policy. This provision will prevail notwithstanding any law or custom having force of law which is contrary to the above position.
14. In other cases, the insurer shall, subject to terms and conditions of assignment, recognize the transferee or assignee named in the notice as the absolute transferee or assignee and such person
  - a. shall be subject to all liabilities and equities to which the transferor or assignor was subject to at the date of transfer or assignment and
  - b. may institute any proceedings in relation to the policy
  - c. obtain loan under the policy or surrender the policy without obtaining the consent of the transferor or assignor or making him a party to the proceedings
15. Any rights and remedies of an assignee or transferee of a life insurance policy under an assignment or transfer effected before commencement of the Insurance Laws (Amendment) Ordinance, 2014 shall not be affected by this section.

## PROHIBITION OF REBATES

### Section 41 of 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 sub section if at the time of such acceptance the insurance agent satisfies the prescribed conditions establishing that he is a bonafide insurance agent employed by the insurer.

(2) Any person making default in complying with the provisions of this section shall be punishable with fine which may extend to ten lakh rupees.

## NON-DISCLOSURE

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

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. A policy of life insurance may be called in question at any time within three years from the date of the policy, on the ground of fraud or 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. The insurer shall have to communicate in writing to the insured or the legal representatives or nominees or assignees of the insured, the grounds and materials on which such decision is based.

No insurer shall repudiate a life insurance policy on the ground of fraud if the insured can prove that the mis-statement 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 or suppression are within the knowledge of the insurer. In case of fraud, the onus of disproving lies upon the beneficiaries, in case the policyholder is not alive.

In case of repudiation of the policy on the ground of mis-statement or suppression of a material fact, and not on the grounds of fraud, the premiums collected on the policy till the date of repudiation shall be paid.

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.

For complete details of the section and the definition of 'date of policy', please refer Section 45 of the Insurance Act, 1938, as amended from time to time.

**Note:** This document does not purport to contain all conditions governing this product. The contract will be governed by the terms expressed in the policy document.

**Toll Free: 1800 22 9090 (Between 9.00am & 9.00pm) | SMS: 'CELEBRATE' to 56161.**

**Follow us on**   

**BEWARE OF SPURIOUS PHONE CALLS AND FICTITIOUS/ FRAUDULENT OFFERS. 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.**

SBI Life Insurance Co. Ltd. is a joint venture between State Bank of India and BNP Paribas Cardif. Trade logo displayed above belongs to State Bank of India and is used by SBI Life under license. Registered and Corporate Office: SBI Life Insurance Company Limited, Natraj, M.V. Road & Western Express Highway Junction, Andheri (East), Mumbai-400 069 • **IRDAI Registration No. 111** • CIN: L99999MH2000PLC129113 • Email: info@sbilife.co.in

96.ver.01-03/18 BR ENG