

**PNB MetLife Bima Yojana
(Group Micro-Insurance)**

Group, Non-Linked, Non-Participating,
Pure Risk Premium, Life Insurance Plan



Khushiyon ki Shuruaat, Suraksha Ke Saath!



PNB MetLife India Insurance Company Limited, Registered office address: Unit No. 701, 702 & 703, 7th Floor, West Wing, Raheja Towers, 26/27 M G Road, Bangalore -560001, Karnataka. IRDAI Registration number 117. CI No: U66010KA2001PLC028883. PNB MetLife Bima Yojana (Group Micro-Insurance) Plan is a Group, Non-Linked, Non-Participating, Pure Risk Premium, Life Insurance Plan (UIN: 117N120V01). Please consult your advisor for more details. For more details on risk factors, terms and conditions, please read the sales brochure carefully before concluding the sale. Tax benefits are as per the Income Tax Act, 1961, & are subject to amendments made thereto from time to time. Please consult your tax consultant for more details. Goods and Services Tax (GST) shall be levied as per prevailing tax laws which are subject to change from time to time.

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IRDAI is not involved in activities like selling policies, announcing bonus or investment of premiums. Public receiving such phone calls are requested to lodge a police complaint.



Why PNB MetLife Bima Yojana – (Group Micro-Insurance)

PNB MetLife Bima Yojana – (Group Micro-Insurance) is a simple and hassle-free product which provides life cover to the members of your group to safeguard their outstanding loan amount. This plan not only safeguards you but also protects the family of members from the burden of financial liabilities, in case of an eventuality.

Group, Non-Linked, Non-Participating, Pure Risk Premium, Life Insurance Plan which intends to cover various types of micro loans given by financial institutions, small finance bank, micro finance institutions etc. to their customers.

Key Features:

The product is suitable for groups where the group policyholder aims to provide protection to their members.



Life Cover¹

Purchase cover for single life or joint life (available for spouse)



Cover Options

Option to choose Level or Reducing Cover



Affordable

Financial security at a nominal cost



Easy Enrolment

Simple, hassle-free enrolment process

¹Cover Option will be chosen at inception of the coverage by the Insured member

Plan at a Glance

Plan parameters	Minimum	Maximum
Age ¹ at entry	18 years	69 years
Maximum age ¹ at maturity	70 years	
Cover Options ²	<ul style="list-style-type: none"> • Level Cover • Reducing Cover 	
Policy Term ³	Single pay : <ul style="list-style-type: none"> • Level cover: 6 months • Reducing cover: 24 months Regular pay: <ul style="list-style-type: none"> • Level Cover – 60 months Limited pay: <ul style="list-style-type: none"> • Reducing Cover – 84 months 	Single pay: <ul style="list-style-type: none"> • Level cover: 60 months • Reducing cover: 60 months Regular pay: <ul style="list-style-type: none"> • Level Cover – 84 months Limited pay: <ul style="list-style-type: none"> Reducing Cover – 84 months
Premium Payment Term	Single pay: Single premium Regular pay: Equal to policy term Limited pay: 60 months	
Group Size	5 lives	No limit
Sum Assured per member	Rs. 1,000	Rs. 200,000
Maximum Premium	Single Pay: Basis the Sum Assured, age, term, premium paying option and plan option Regular pay and Limited Pay: Rs 750 per annum per life	
Premium Paying Options	Single pay, Regular pay, Limited pay	
Premium Paying Modes for Limited & Regular pay ⁴	Yearly, Half-yearly, Quarterly, Monthly	

¹ All reference to age is as on last birthday

² Cover Option will be chosen at inception of the coverage by the Insured member

³ If policy term chosen is not in complete year and is expressed in months, then only single premium or monthly mode will be available. Policy term will be in multiples of 1 month.

⁴ Premium Payment modes available for Limited Pay and Regular Pay are Yearly, Half-yearly, Quarterly & Monthly. If the policy term chosen is not in complete year and is expressed in months, then only monthly mode will be available.

Flexibilities with PNB MetLife Bima Yojana– (Group Micro-Insurance)

A. Cover Options:

There are two cover options available at inception of the policy. Once chosen, the cover option cannot be changed thereafter. In both the cases, the Sum Assured payable on the death would be as defined in the Cover Schedule.

i. Level Cover Option

- o In case of Level cover option provided the member cover is in-force, the amount payable on the death of the Insured Member shall be equal to the Sum Assured chosen at inception.

ii. Reducing Cover Option

- o In case of Reducing cover option provided the member cover is in-force, the amount payable on the death of an Insured Member shall be equal to the amount as per Cover Schedule subject to minimum of Rs.1000.
- o The Cover Schedule will form part of the certificate of insurance issued to each Insured Member of the group.
- o The Cover Schedule is prepared by the Company based on the amount of initial loan amount and total tenure chosen by the member at coverage inception, after taking into account of applicable rate of interest and forms the part of Certificate of Insurance issued to each Insured Member of the group. The Cover Schedule is prepared on a monthly reducing basis. The amount as mentioned in this Cover Schedule shall not change even if the Insured Member had defaulted in payment of any of the installments due to the Creditor or makes a part prepayment or any other changes in actual loan outstanding.

B. Joint life option

If there is more than one life, the coverage may be offered under the Joint life option. The coverage will be on the Insured Member and spouse. The coverage cannot be extended to more than two people.

Premium Paying Modes

The plan offers yearly, half-yearly, quarterly and monthly premium payment modes under regular premium payment option. Following modal factors are to be applied for non-annual payment mode.

Mode of Premium	Multiplicative Factor
Half-Yearly	0.5131
Quarterly	0.2610
Monthly	0.0886

Benefits under PNB MetLife Bima Yojana

Death Benefit

On unfortunate death of the Insured Member during the cover term, the benefit payable will be as mentioned below:

Level cover option: The amount payable on the death of the Insured Member shall be equal to the Sum Assured chosen at inception.

Reducing cover option: The amount payable on the death of the Insured Member shall be equal to the Cover Schedule on the date of death of the Insured Member.

The insurance coverage for Insured Member will terminate with the payment of 100% of the claim amount.

Joint life option:

Level cover option: The amount payable on the first death of any one of the Insured Member shall be equal to the Sum Assured chosen at inception.

Reducing cover option: The amount payable on the first death of any one of the Insured Member shall be equal to the Cover Schedule on the date of first death of any one of the Insured Members.

In case of simultaneous death of the both lives, claim for only one of the joint lives shall be accepted.

In case of joint life the cover terminates on the payment of death claim in respect of any one of the insured members

Survival or Maturity Benefit

There is no survival / maturity benefit under this plan.

Non-forfeiture benefits

Surrender Benefit

The Insured Member may surrender the Certificate of Insurance and the following surrender value would be paid to the Insured Member:

For Single Pay, the coverage shall acquire guaranteed surrender value immediately after the payment of Single premium, which will be -

$$\text{X\% of total premiums paid} \times \frac{(\text{Total number of months remaining to maturity})}{(\text{Total number of months in the Term})} \times \frac{\text{Sum Assured in-force at the time of surrender}}{\text{Sum Assured at the inception of the Coverage}}$$

Where X = 75 if surrendered anytime within third year from the commencement of the coverage, 90 if surrendered on or after fourth year from the commencement of the coverage, if applicable.

For Limited Pay, the coverage shall acquire guaranteed surrender value, provided all premiums have been paid for at least two consecutive years. The guaranteed surrender value will be -

$$\text{Y\% of total premiums paid} \times \frac{(\text{Total number of months remaining to maturity})}{(\text{Total number of months in the Term})} \times \frac{\text{Sum Assured in-force at the time of surrender}}{\text{Sum Assured at the inception of the Coverage}}$$

Where Y = 0 if surrendered in the first year from the commencement of the coverage, 30 if surrendered during the second year, 35 if surrendered during the third year, 50 if surrendered between fourth year and seventh year from the commencement of the coverage (both inclusive) and 90 if surrendered after seventh year from the commencement of the coverage. For Regular Pay, the coverage shall not acquire any surrender value.

In case of surrender of the Group Policy, the Individual Member will be permitted to continue life insurance coverage to the extent available under this group policy.

In case the loan is prepaid before the date of maturity (under both reducing cover and level cover options), if the Insured Member gives in writing to terminate the risk cover, the applicable surrender value as on the date of surrender will be paid to the Insured Member and the risk cover terminates.

Reduced Paid-up value

If a Certificate of Insurance has acquired a surrender value and no future installment premiums are paid, the coverage will continue as a Paid - up coverage with reduced benefits, however the Insured Member shall have the option to surrender the Certificate of Insurance. A Paid-up coverage can be revived as defined in 'Revival Provisions' section.

If the Insured Member continues the cover as a reduced Paid-up cover the reduced benefits given below shall become payable :

Level Cover: Chosen Sum Assured * (Number of Installment Premiums paid/ Number of Installment Premiums payable during the Premium Payment Term) payable on the death of the Insured Member.

Reducing Cover: The amount payable on the death of the Insured Member shall be equal to the Cover Schedule on the date of death of the Insured Member * (Number of Installment Premiums paid/ Number of Installment Premiums payable during the Premium Payment Term).

The insurance coverage for Insured Member will terminate with the payment of 100% of the claim amount.

Joint life option:

If a Certificate of Insurance has acquired a surrender value and no future installment premiums are paid, the coverage will continue as a Paid-up coverage with reduced benefits, however the Insured Member shall have the option to surrender the Certificate of Insurance.

If the Insured Member continues the coverage as a reduced Paid-up coverage the reduced benefits given below shall become payable:

Level Cover: Chosen Sum Assured * (Number of Installment Premiums paid/ Number of Installment Premiums payable during the Premium Payment Term) payable on first death of any one of the Insured Member.

Reducing Cover: The amount payable on the first death of any one of the Insured Member shall be equal to the Cover Schedule on the date of first death of any one of the Insured Members * (Number of Installment Premiums paid/ Number of Installment Premiums payable during the Premium Payment Term).

In case of simultaneous death of the both lives, claim for only one of the joint lives shall be accepted.

On the simultaneous death of both the Insured Members, Sum Assured will be paid only in respect of one life and the risk cover for the surviving joint life will cease.

Other Policy Terms & Conditions

Note: This document does not purport to contain all conditions governing this plan, which will be governed by the terms expressed in the Master Policy document.

Suicide Clause:

In case of death due to suicide within 12 months from the date commencement of risk under the policy or from the date of revival, the nominee /beneficiary of the policy shall be entitled to at least 80% of the total premium paid till the date of the death or the surrender value available as on the date of death whichever is higher, provided the policy is in force.

Grace period:

In case of regular and limited pay option, a grace period of 30 days for the yearly and half yearly premium payment frequencies and of 15 days for the monthly premium payment frequency is allowed under the policy. If the Premium is not received in full at the expiry of the Grace Period the coverage shall lapse and no amount shall be payable on the occurrence of an Insured Member's death except as may be provided under Surrender Benefits section.

In case of failure of the Master policyholder to remit to us the premium collected in respect of the member, provided the premium is received from Insured Member within grace period, the insurance coverage of the Insured Member, even after expiry of grace period, shall continue, provided the Insured Member establishes that he had paid the premium and secured a proper receipt for the same.

Nomination:

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

Assignment:

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

Lapse

In case of regular pay policies if the installment premiums are not paid within the grace period the coverage lapses at the end of the grace period and the risk cover will cease.

In case of limited pay policies, if the installment premiums for first two years are not paid in full within the grace period, the coverage lapses at the end of the grace period and the risk cover will cease. If the installment premiums for first two or more years are paid in full and the subsequent premiums remain unpaid, the coverage will be converted into a Reduced Paid –up coverage with reduced benefits as mentioned in the 'Reduced Paid-up value' section above.

If a lapsed coverage is not revived at the end of the period of revival, the coverage will be terminated.

Revival Provisions

When the due premium (in case of Regular Pay and Limited pay options) is not paid within the grace period, the coverage of the Insured Member shall lapse provided the coverage has not acquired Paid-up value. The coverage may be revived by;

- Providing a request in writing for revival within five (5) years from the date of the coverage being lapsed.

- Paying all due premiums till the date of revival along with interest at prevailing rate of interest, if any. The Company may change this interest rate from time to time.
- The rate of interest is calculated as the 10 Year G-Sec rate plus 100 basis points, rounded up to the nearest 50 basis points. The Company will review the rate on an annual basis in April based on the prevailing G-Sec rate. However under special circumstances where the G-Sec rate changing in excess of 200 basis points from the G-Sec rate used for calculating the current interest rate, the company shall review the rate based on the prevailing G-Sec rate.
- This formula will be reviewed annually and only altered subject to prior approval of IRDAI.
- The revival of the coverage will be as per Board approved underwriting Policy.
- A surrendered Policy cannot be revived.
- The Company may revive the lapsed policy by imposing such extra premium as it deems fit as per the Board approved underwriting policy.

Free Look Provision

Members of the group have a period of 15 days from the date of receipt of the Certificate of Insurance to review the terms and conditions of this Insurance Coverage. If the members have any objections to any of the terms and conditions, then he has the option to return the Certificate of Insurance stating the reasons for the objections and the Company shall be entitled to a refund of the premium paid subject to only a deduction of stamp duty charges and expenses towards medical examination, if any. All rights of the member under this Policy shall immediately stand extinguished at the cancellation of the Certificate of Insurance.

If the Group policyholder has any objections to the terms and conditions of this Group Policy, the Group policy can be returned for cancellation by giving a signed written notice within 15 days from the date of receiving the Group Policy, stating the reasons for the objections. The Group policyholder will be entitled to a refund of the premium paid, subject to a deduction of proportionate risk premium for the period of cover, stamp duty and/or the expenses incurred on medical examination (if any).

Statutory Warning

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 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 default in complying with the provisions of this section shall be punishable with fine which may extend to ten lakh rupees.

Fraud and misrepresentation

Treatment will be as per Section 45 of the Insurance Act, 1938 as amended from time to time.

- Please read this Sales brochure carefully before concluding any sale.
- This product brochure is only indicative of terms, conditions, warranties and exceptions contained in the insurance policy. The detailed Terms and Conditions are contained in the Policy Document.

About PNB MetLife

PNB MetLife India Insurance Company Limited (PNB MetLife) is one of the leading life insurance companies in India. PNB MetLife has as its shareholders MetLife International Holdings LLC (MIHL), Punjab National Bank Limited (PNB), Jammu & Kashmir Bank Limited (JKB), M. Pallonji and Company Private Limited and other private investors, MIHL and PNB being the majority shareholders. PNB MetLife has been present in India since 2001.

PNB MetLife brings together the financial strength of a leading global life insurance provider, MetLife, Inc., and the credibility and reliability of PNB, one of India's oldest and leading nationalised banks. The vast distribution reach of PNB together with the global insurance expertise and product range of MetLife makes PNB MetLife a strong and trusted insurance provider.

For more information, visit www.pnbmetlife.co.in