



Pramerica Life Group Credit Shield

A Non Linked Non Participating Group Pure risk Credit Life Insurance Plan

UIN: 140N076V01



Frequently Asked Questions

1. What is Pramerica Life Group Credit Shield?

It is a group credit life insurance plan that helps protect your loan liability. If an insured event occurs during the coverage term, the benefit is payable as per your Certificate of Insurance and policy terms.

2. Who can be covered under this plan?

You can be covered if you are an eligible borrower under a loan or credit facility arranged by a bank, financial institution or other lending institution. New and existing borrowers may be covered, subject to enrolment, premium payment and underwriting acceptance.

3. Is this plan linked to market performance or investment funds?

No. This is a non-linked plan. Your cover is not linked to market performance, fund value or NAV. There are no fund options, fund switching or fund performance tracking under this plan.

4. What cover options can one choose?

You may choose a level cover or a reducing cover, subject to the options offered under your group policy. In level cover, the Sum Assured remains the same during the coverage term. In reducing cover, the Sum Assured reduces as per the benefit schedule.

5. What benefit is payable if the insured member passes away during the coverage term?

The Sum Assured applicable on the date of death is payable as per the benefit schedule mentioned in the Certificate of Insurance, subject to policy terms and claim admissibility.

6. What benefit is available if one is diagnosed with terminal illness?

For coverage terms of one year or more, a terminal illness benefit is payable subject to the fulfilment of the policy definition of terminal illness. This benefit is payable over and above the death benefit, subject to policy conditions.

7. Who receives the claim amount?

Where you have authorised it and the lender is an eligible regulated entity, the claim amount is first used to repay the outstanding loan amount as per the Credit Account Statement. Any balance is payable to the claimant. If such authorisation is not available, or if the lender is not an eligible regulated entity, the claim amount is payable to the claimant.

8. What are the premium payment options available under the product?

This plan has a single premium payment term. You pay the premium once for the selected coverage term. Monthly, quarterly, half-yearly or annual premium modes are not available under this plan.

9. When does insurance coverage start?

Your insurance cover starts from the date the premium is received, subject to underwriting acceptance. You should check your Certificate of Insurance for the exact coverage start date.

10. Can co-borrowers be covered?

Yes. Co-borrowers can be covered provided this option is chosen and accepted under the group policy at the inception. Coverage can be on a first death basis or on a loan share percentage basis. The cover for each co-borrower will follow the option and share shown in the Certificate of Insurance.

11. What are the moratorium options available under the product?

Moratorium options are available only with reducing cover. The Sum Assured may remain uniform during the moratorium period or may increase to the extent of outstanding interest, depending on the moratorium option selected under the policy.

12. What are the coverage terms available under the product?

Coverage can be chosen for the term permitted under the product and as per your loan arrangement from 1 month to 30 years (in multiples of 1 month).



13. Are the benefits guaranteed or can they change due to market performance?

Your benefit is not linked to investment markets. The payable cover is based on the Sum Assured and benefit schedule in your Certificate of Insurance, subject to policy terms, exclusions and claim admissibility. This plan does not provide maturity benefit, bonus or investment return.

14. Can one withdraw money, borrow against this policy, or use it as collateral?

No withdrawal or loan-against-policy feature is available because this is a pure risk credit life cover and not a savings product. The cover is intended to protect the loan liability.

15. How does one exit from the cover?

You may request cancellation during the free-look period if you do not agree with the terms and conditions. You may also request surrender if the loan is fully prepaid or foreclosed. If the Master Policyholder terminates the master policy, existing insured members may continue coverage as per the benefit schedule or terminate the cover and take the surrender value.

16. Are there any charges, taxes or deductions applicable?

Yes. The following taxes or deductions are applicable:

Item	How it applies
Single premium	You pay the premium once for the selected coverage term.
GST and applicable levies	Payable extra over the quoted premium, as per prevailing tax laws.
Free-look cancellation deductions	Proportionate risk premium for the period of cover may be deducted. Medical examination expenses and stamp duty charges, if incurred, may also be deducted.
Surrender value treatment	Surrender value is payable on eligible surrender as per policy terms. Underwriting extra, rider premiums and taxes, if any, are excluded while determining surrender value.

17. What happens if death occurs due to suicide?

If death due to suicide occurs within one year from the coverage commencement date, the company's obligation is limited to the amount specified under the policy terms based on premiums received, excluding applicable extras, taxes and rider premiums. In case of co-borrower cover, the surviving co-borrowers' coverage continues as per the policy terms. However, applicable Death Benefit is payable after the aforesaid period of one year.