

Standard Individual Term Insurance Product - Saral Jeevan Bima

Frequently Asked Questions (FAQs)

Guidelines on Standard Individual Term Insurance Product – Saral Jeevan Bima were notified by IRDAI on 15th October, 2020. The main intent of the guidelines was to ensure the availability of a standard, individual term life insurance product, with simple features and standard terms and conditions. The standard product will make it easier for the customers to make an informed choice, enhance the trust between the Insurers and the insured, and reduce mis-selling as well as potential disputes at the time of claim settlement. We hope the following FAQs will enable a better insight to all buyers about the features and benefits of Saral Jeevan Bima.

1. *What is Saral Jeevan Bima?*

“Saral Jeevan Bima” is a non-linked non-participating individual pure risk premium life insurance plan, which provides for payment of Sum Assured in lump sum to the nominee in case of the Life Assured's unfortunate death during the policy term.

2. *What is the minimum and maximum age at entry?*

The minimum age at entry is 18 years and the maximum is 65 years.

3. *What is minimum and maximum term of insurance cover?*

The minimum term of insurance cover is for 5 years and the maximum is 40 years.

4. *What is minimum and maximum sum assured available?*

- a) Minimum sum assured is Rs.500000/- (Five lakhs) and the Maximum sum assured is Rs. 25,00,000.
- b) Insurers have the option of offering Sum Assured beyond Rs. 25,00,000.

5. *What are the different premium payment options available?*

- a) Single premium,
- b) Limited premium payment term of 5 and 10 years and
- c) Regular premium payment term equal to the policy term.

6. *What are the different premium payment modes available?*

- a) Single premium in lump sum
- b) Yearly
- c) Half-yearly
- d) Monthly (Only under ECS/NACH).

7. *What is the benefit payable on the maturity of the policy?*

No. No maturity benefit is payable as this is a term insurance plan,.

8. What are the exclusions under the plan?

Only suicide clause (period of 12 months) is applicable as per the extant regulations.

9. Is waiting period applicable before the risk cover commences?

Yes. A waiting period of 45 days is applicable from the date of commencement of risk. In case of revival of Policy, the waiting period shall not be applicable. During the waiting period, the claim amount on death of the life assured other than due to accident will be limited to an amount equal to 100% of all premiums received excluding taxes.

10. What should one verify before signing the proposal?

One has to verify the **approved sales literature** for

- features and benefits
- limitations and exclusions
- lapsation and its consequences
- other disclosures.

11. Can one seek refund of premiums if not satisfied with the policy, after purchasing it?

The policyholder can seek refund of premiums if he disagrees with the terms and conditions of the policy, within 15 days (30 days for online purchase) of receipt of the policy document (**Free Look period**). The policyholder shall be refunded the premium paid subject to deduction of expenses towards medical examination, stamp duty and proportionate risk premium for the period of cover.

12. What happens if payment of premiums is discontinued?

No surrender value is payable under the plan. However, policy cancellation value is payable for:

- a) Single premium and
- b) Payment of minimum 2 years premium under limited premium payment option.
- c) No policy cancellation value is payable in respect of regular premium payment policies.

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