

Edelweiss Tokio Life

Group Employee Benefit Plan



Edelweiss
Tokio *life*

Insurance se badhkar hai *aapki zaroorat*

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At Edelweiss Tokio Life Insurance, it is our constant aim to understand the customers' needs first before offering any insurance solution.



This group product ensures that your employees' retirement benefits are well managed with protection of capital and guaranteed return additions every quarter. Our Group Employee Benefit Plan meets the wealth accumulation NEEDS of employers to manage the key employee benefits of:

- **Gratuity**
- **Leave Encashment**

The plan is a variable, non-linked, non participating, fund based group product with yearly renewable policy term.

Benefits to the policyholder



A minimum guaranteed Interest rate (minimum floor rate) of 0.5% per annum for the entire term of the policy credited on the balance of the policy account at the beginning of each quarter.



A non - zero positive additional interest rate, which is over and above the minimum floor rate, will be declared every quarter in advance.



Protects against the unforeseen circumstances of benefit payments under employee benefit scheme, such as Gratuity, Leave Encashment benefit payouts etc.



A life cover of ₹ 1,000 for each member of the Policy



Contribution/ Premium paid by employer is deductible as business expense as per Income Tax Act 1961.

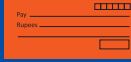
Eligibility

Minimum / Maximum Sum Assured



₹ 1,000 per member

Minimum Initial Contribution



₹ 1,00,000

Entry Age (last birthday)



18 to 80 years

Maximum Maturity Age for Life Cover



81 years

Minimum Group Size



10

Minimum / Maximum Policy Term



1 Year (Yearly renewable)



Benefit payable



Death

On account of unfortunate demise of Member:

- A fixed Sum Assured of ₹ 1,000/- and
- Benefits, as per scheme rules, are payable.



Other than Death

On the Member retiring from the services or resigning from the services:

- Benefits, as per scheme rules, are payable. The Insurance Company's maximum liability to make any payment under a Policy in respect of all members at all times shall be limited to the Policy Account Value.



Guaranteed Interest Credit to the Policy Account Value

The interest credit will reflect the following three components;

- A minimum guaranteed interest rate of 0.5% per annum (minimum floor rate) will be applicable to all the contributions credited to Policy Account. The Minimum Floor Rate (MFR) would be credited on the balance of the policy account at the beginning of each quarter. The minimum guaranteed interest rate will also be applicable in case of benefits paid on various events (like resignation, death, retirement, termination or disability) as per Scheme Rules. This rate is guaranteed for the term of the scheme/policy and will accumulate on the balance of the policy account.
- Further, a non-zero positive additional interest rate, which is over and above the minimum floor rate, will be declared every quarter in advance.
- The following formula will be used for the declaration of the interest rate: "Weighted average total returns backing the fund assets for the previous quarter less the Interest declared in the previous quarter plus the expected return for the next quarter".

The formula for the same is given below:

$$\frac{\sum I_k W_k}{\sum W_k} - R_0 + J_1 \quad \text{Where:}$$

I_k represents total returns in the previous quarter corresponding to asset class A_k

R_0 represents the interest declared in the previous quarter

W_k represents total amount of asset corresponding to asset class A_k

Interest credit and charges (as % of policy account value) would be applied on the policy account value at the start of each quarter.

J_1 represents adjustment for returns / fund flows expected in the next quarter. J_1 would be 100% of the expected return for the next quarter. Where the expected return would be determined based on the yield of the portfolio.

- The non-zero positive additional interest rate will be declared at the beginning of the quarter. In case of complete withdrawal, the interest rate will be credited on pro-rata basis.
- Further, after minimum floor rate and non-zero positive additional interest rate are credited, non-zero positive residual additions, if any, shall be credited to the Policy Account in order to comply with the maximum reduction in yield as per IRDAI regulations, at the end of each policy year starting from the fifth policy year.



Contribution payments

The contribution can be paid as a regular payment or as intermittent payments based on the valuation of the schemes. The contribution amount shall be as per AS 15. The Insurance Company will open and manage account at the Master Policyholder level. As long as sufficient balance is maintained in the fund, the policy will continue and get annually renewed.

Non-forfeiture benefits

Surrender benefits

The Master Policyholder may surrender the complete Policy at any time after serving minimum notice period of 15 working days. If the Policy is surrendered within first three policy years, the surrender charge will be equal to 0.05% of Policy Account Value with a maximum of ₹ 5,00,000. Further, there will be no surrender charges after the third renewal year. The surrender value shall be equal to the Policy Account Value on the day of surrender less the applicable surrender charges less Market Value Adjustment, if any. MVA is applied on the policy account value after surrender charge only.

Discontinuance

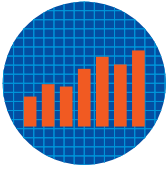
If at any point of time, the Policy Account Value falls below ₹ 50,000, the Master Policy will be foreclosed and no other charges will be applied. The Policy Account Value shall be paid to the Master Policyholder.

Charges Applicable

Type of Charge	Amount	
Allocation Charges	Direct Business: Nil Other Channels: .5% with a ceiling of ₹ 1,000,000	
Surrender Charges	0.05% of the Policy Account Value with a ceiling of ₹ 5,00,000 per scheme during first three policy years.	
Mortality Charges [#]	A flat charge of ₹ 1 per 1,000 sum assured per annum	
Charges (as % of policy account value)	Premium Band (in crores)	Charges
	.01 to < 1	0.75%
	1 to < 10	0.50%
	10 to < 50	0.30%
	50 & above	0.25%

The mortality charges will be recovered monthly from the Policy Account Value.

Market Value Adjustment



The Insurance Company may impose Market Value adjustment (MVA) in case of bulk exit or complete surrender, where bulk exit is said to occur if the amount to be paid on total exits in any event during the financial year exceeds 25% of the Policy Account Value at the beginning of the financial year. MVA would be applied on the Policy Account Value after applying surrender charge, if applicable. The MVA is applied as a means to protect the interest of the continuing policyholders from the possible anti-selective behavior of the exiting policies. The Market Value Adjustment (MVA) will be applied to adjust the amount payable on bulk exits. MVA is related to the decrease in the value of the assets held by the Insurance Company at the time of exit. MVA is applicable at the policy account level. The revaluation for MVA would be done at the entire portfolio of the product.

MVA Amount = MVA Factor * Amount over and above the 25% of the Policy Account Value at the beginning of the financial year

MVA Factor = Maximum (0, Policy Account Value - Liquidation value) / Policy Account Value

Where, Liquidation Value is the actual value realized from the sale of assets earmarked separately for the product at the time when market value adjustment is carried out

Taxes



Allowed charges under this policy will be escalated by the service tax and cess if any, currently calculated @ 14.5%. The Master Policyholder will be liable to pay all applicable taxes as levied by the Government from time to time.





Terms and Conditions

Free - look Period

Once you receive your policy, please go through it and review the terms and conditions of the policy. If you disagree with any of the terms and conditions, you have the option to return the policy bond within 15 days from the date of receipt of the policy bond stating the reason for your objection, in which case the Master Policyholder shall be entitled to a refund of the amount equal to contribution paid less expenses incurred on stamp duty and proportionate risk premium for the period of cover.

Grace period for non-forfeiture provisions

Not Applicable

Revivals/reinstatements/policy changes/alterations

Not Applicable

Nomination

Nomination will be as per section (39) of the Insurance Laws (Amendment) Act, 2015, as amended from time to time. Details of nomination will be maintained by master policy holder.

Assignment

Assignment is not allowed.

Prohibition of Rebate: (Section 41 of The Insurance Laws (Amendment) Act, 2015, as amended from time to time) 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 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 one such rebate as may be allowed in accordance with the published prospectus or tables of the Insurer. Any person making default in complying with the provisions of this section shall be liable for a penalty which may extend to ten lakh rupees.

Non Disclosure Clause: (Section 41 of The Insurance Laws (Amendment) Act, 2015, as amended from time to time) No policy of Life Insurance shall after the expiry of two years from the date on which it was effected, be called in question by an Insurer on the ground that statement made in the proposal for Insurance or in any report of a medical officer, or referee, or friend of the Insured, or in any other document leading to the issue of the policy, was inaccurate or false, unless the Insurer shows that such statement was on a material matter or suppressed facts which it was material to disclose and that it was fraudulently made by the policyholder and that the policyholder knew at the time of making it that the statement was false or that it suppressed facts which it was material to disclose. Provided that 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.

About us

Edelweiss Tokio Life Insurance is a new generation Insurance company, set up with a start up capital of INR 550 Crores, thereby showing our commitment to building a long term sustainable business focused on a consumer centric approach.

The company is a joint venture between Edelweiss Financial Services, one of India's leading diversified financial services companies with business straddling across Credit, Capital Markets, Asset Management, Housing finance and Insurance and Tokio Marine Holdings Inc, one of the oldest and the biggest Insurance companies in Japan now with presence across 39 countries around the world.

As a part of the company's corporate philosophy of customer centricity, our products have been developed based on our understanding of Indian customers' diverse financial needs and help them through all their life stages.



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Edelweiss Tokio Life Insurance Company Limited

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Disclaimer: Edelweiss Tokio Life - Group Employee Benefit Plan is only the name of the group variable non participating non linked life insurance contract and does not in any way indicate the quality of the contract, its future prospects, or returns. Please know the associated risks and the applicable charges from your Personal Financial Advisor or the Intermediary or policy document of the Insurer. Tax benefits are subject to changes in the tax laws. **Insurance is the subject matter of the solicitation.** Flower & Edelweiss (as displayed above) are trademarks of Edelweiss Financial Services Limited; "Tokio" is Trademark of Tokio Marine Holdings Inc. and used by Edelweiss Tokio Life Insurance Co. Ltd. under license.

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- 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.