

LOAN PROTECT INSURANCE POLICY (INDIVIDUAL)

 **MAGMA HDI**

General Insurance Company Ltd.

WORDINGS

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Magma HDI General Insurance Company Limited (“the Company”), having received a Proposal and the premium from the Proposer named in the Schedule referred to herein below, and the said Proposal and Declaration together with any statement, report or other document leading to the issue of this Policy and referred to therein having been accepted and agreed to by the Company and the Proposer as the basis of this contract do, by this Policy agree, in consideration of and subject to the due receipt of the subsequent premiums, as set out in the Schedule with all its Parts, and further, subject to the terms and conditions contained in this Policy, as set out in the Schedule with all its Parts that on proof to the satisfaction of the Company of the compensation having become payable as set out in Part I of the Schedule to the title of the said person or persons claiming payment or upon the happening of an event upon which one or more benefits become payable under this Policy, the Sum Insured/ appropriate benefit will be paid by the Company.

Part 1: Definitions:

1.1 Common Definitions applicable to Section I, II, III and IV

1. **Civil War** means armed opposition, whether declared or not, between two or more parties belonging to the same country where the opposing parties are of different ethnic, religious or ideological groups. Included in the definition: armed rebellion, revolution, sedition, insurrection, Coup d'Etat, and the consequences of Martial law.
2. **We/Us/Our/Company** means MAGMA HDI General Insurance Company Limited.
3. **You/Your:** It means the person(s) named as Insured in the Schedule
4. **Financial Institution** shall have the same meaning assigned to the term under section 45 I of the Reserve Bank of India Act, 1934 and shall include a Non-Banking Financial Company as defined under section 45 I of the Reserve Bank of India Act, 1934
5. **Foreign War** means armed opposition, whether declared or not between two countries
6. **Insured** means the Individual(s) whose name(s) are specifically appearing as such in Policy schedule of the Schedule to this Policy. For the purpose of avoidance of doubt it is clarified that the heirs, executors, administrators, successors or legal representatives of the Insured may present a claim on behalf of the Insured to the Company.
7. **Insured Event** means any event specifically mentioned as covered under this Policy.
8. **Loan** means the sum of money lent at interest or otherwise to the Insured by any Bank/Financial Institution as identified by the Loan Account Number referred to in Policy schedule.

9. **Policy Period** means the period commencing from Policy start date and hour as specified in the Schedule and terminating at midnight on the Policy end date as specified in of the Schedule to this Policy.
10. **Policy** means the Policy booklet, the Schedule, any Extension and applicable endorsements under the Policy. The Policy contains details of the extent of cover available to the Insured, the exclusions under the cover and the terms and conditions of the issue of the Policy
11. **Policyholder** means the entity or person named as such in the Schedule
12. **Sum Insured** means and denotes the amount of cover available to the Insured subject to the terms and conditions of this Policy and as stated in the Table of Benefits of Part of Policy schedule of the Schedule which is the maximum liability of the Company under this Policy.
13. **Bank means** a banking Company which transacts the business of banking in India.
14. **Terrorism** means activities against persons, organizations or property of any nature:
 - 1) that involve the following or preparation for the following:
 - a) use or threat of force or violence; or
 - b) commission or threat of a dangerous act; or
 - c) commission or threat of an act that interferes with or disrupts an electronic, communication, information or mechanical system; and
 - 2) when one or both of the following applies:
 - a) the effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or
 - b) It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.
15. **Grace Period:**

Grace period means the specified period of time immediately following the premium due date during which a payment can be made to renew or continue a policy in force without loss of continuity benefits such as waiting periods and coverage of pre-existing diseases. Coverage is not available for the period for which no premium is received

1.2. Definitions specifically applicable to Section I, II and III

For the purposes of this Policy, the following words shall have the meanings as set forth below:

1. **Accident** :An accident is a sudden, unforeseen and involuntary event caused by external and visible means
2. **Accidental Death**: Accidental death means death resulting from Bodily Injury solely and independently of any other cause except illness directly resulting from, or medical or surgical treatment rendered necessary for such injury, occasions the death of the insured person within 12 months from the date of accident
3. **Beneficiary**: In case of Death of the Insured Person, the Beneficiary means, unless stipulated otherwise by the Insured Person, the surviving Spouse or immediate blood relative of the Insured Person, mentally capable and not divorced, followed by the children recognized or adopted followed by the Insured Person's legal heirs. For all other benefits, the Beneficiary means the Insured Person himself unless stipulated otherwise.

4. **Compensation** means Sum Insured or percentage of the Sum Insured, as appropriate.
5. **Confirmation** means Confirmation of Availability of Insurance issued by the Company to the insured confirming that the Insured is entitled to insurance coverage under this Policy.
6. **Deductible or Excess** is a cost-sharing requirement under the policy that provides that the Company will not be liable for a specified rupee amount of the covered expenses, which will apply before any benefits are payable by the Company. A deductible does not reduce the sum insured.
7. **EMI or EMI Amount¹** means and includes the amount of monthly payment required to repay the principal amount of Loan and Interest by the Insured as set forth in the amortization chart referred to in the loan agreement (or any amendments thereto) between the Bank/Financial Institution and the Insured prior to the date of occurrence of the Insured Event under this Policy. **For the purpose of avoidance of doubt, it is clarified that any monthly payments that are overdue and unpaid by the Insured prior to the occurrence of the Insured Event will not be considered for the purpose of this Policy and shall be deemed as paid by the Insured.**
8. **Illness** means sickness or a disease or pathological condition leading to the impairment of Normal physiological function which manifests itself during the Policy Period and requires Medical treatment.
 - a. **Acute Condition-** Acute condition is a medical condition that can be cured by Treatment.
 - b. **Chronic condition-** A chronic condition is defined as a disease, illness or injury that has one or more of the following characteristics:
 - it needs ongoing or long-term monitoring through consultations, examinations, check-ups and/or tests.
 - it needs ongoing or long-term control or relief of symptoms
 - it requires your rehabilitation or for you to be specially trained to cope with it.
 - it continues indefinitely
 - it comes back or is likely to come back.
9. **Injury** means accidental physical bodily harm excluding illness or disease solely and directly caused by external, violent and visible and evident means which is verified and certified by a Medical Practitioner.
10. **Medical Practitioner** is a person who holds a valid registration from the medical council of any state of India and is thereby entitled to practice medicine within its jurisdiction; and is acting within the scope and jurisdiction of his license.
11. **Nominee** means the person(s) nominated by the Insured to receive the insurance benefits under this Policy payable on the death of the Insured. For the purpose of avoidance of doubt it is clarified that if the Insured is a minor, his guardian shall appoint the Nominee.
12. **Permanent Total Disablement** means disablement, as the result of a **Bodily Injury**, which:- is confirmed as total, continuous and permanent by a physician or panel of physicians..
13. **Physical Separation** means as regards the hand actual separation at or above the wrists, and as regards the foot means actual separation at or above the ankle.
14. **Public Authority** means any governmental, quasi-governmental organization or any statutory body or duly authorized organization with the power to enforce laws, exact obedience, and command, determine or judge.
15. **Principal Outstanding** means the principal amount of the Loan outstanding as on the date of occurrence of Insured Event less the portion of principal component included in the EMIs

¹ EMI refers to the EMI or Pre EMI on the loan or the Sum Insured, whichever is lower, on the date of the Insured Event.

payable but not paid from the date of the loan agreement till the date of the Insured Event/s. **For the purpose of avoidance of doubt, it is clarified that any EMIs that are overdue and unpaid to the Bank prior to the occurrence of the Insured Event will not be considered for the purpose of this Policy and shall be deemed as paid by the Insured.**

16. **Professional Sports** means a sport, which would remunerate a player in excess of 50% of his or her annual income as a means of their livelihood.
17. **Pre-Existing means** Any Condition, ailment or injury or related condition(s) for which you had signs or symptoms, and / or were diagnosed, and / or received medical advice / treatment, within 48 months prior to your first Policy with us.
18. **Schedule** means this schedule and parts thereof, and any other annexure(s) appended, attached and / or forming part of this Policy.
19. **Spouse** means an Insured Person's husband or wife who is recognized as such by the laws of the jurisdiction in which they reside
20. **Scheduled Airline** means any civilian aircraft operated by a civilian scheduled air carrier holding a certificate, license or similar authorization for civilian scheduled air carrier transport issued by the country of the aircraft's registry, and which in accordance therewith flies, maintains and publishes tariffs for regular passenger service between named cities at regular and specified times, on regular or chartered flights operated by such carrier and is flown by authorized licensed pilot.
21. **War** means war, whether declared or not or any warlike activities, including use of the military force by any sovereign nations to achieve economic, geographic, nationalistic, political racial religious or other ends.
22. **Second Opinion** means the insured, suffering from Critical Illness as described in the schedule can take second opinion about the diagnosis/line of treatment from Leading Medical Centers across the Globe through our tied-partner M/s Medi-guide, America.
23. **Medically necessary:**
Medically necessary treatment is defined as any treatment, tests, medication, or stay in hospital or part of a stay in hospital which
 - a. is required for the medical management of the illness or injury suffered by the insured;
 - b. must not exceed the level of care necessary to provide safe, adequate and appropriate medical care in scope, duration, or intensity;
 - c. must have been prescribed by a medical practitioner,
 - d. must conform to the professional standards widely accepted in international medical practice or by the medical community in India.
24. **Congenital Anomaly**
Congenital Anomaly refers to a condition(s) which is present since birth, and which is abnormal with reference to form, structure or position.
25. **Medical Advise**
Any consultation or advice from a Medical Practitioner including the issue of any prescription or repeat prescription.
26. **Notification of Claim**
Notification of claim is the process of notifying a claim to the insurer or TPA by specifying the timelines as well as the address / telephone number to which it should be notified.
27. **Renewal**
Renewal defines the terms on which the contract of insurance can be renewed on mutual consent with a provision of grace period for treating the renewal continuous for the purpose of all waiting periods.
28. **Disclosure to information norm**
The Policy shall be void and all premium paid hereon shall be forfeited to the Company, in the event of misrepresentation, mis-description or non-disclosure of any material fact.

1.3 Definitions applicable to Section IV

1. **We/Us/Our/Company** means Magma HDI General Insurance Company Limited.
2. **You/Your:** It means the person(s) named as Insured in the Schedule
3. **Valuables:** Valuables means (a) gold or silver or any precious metals or articles made from any precious metals (b) watches or Jewellery or Precious stones or models or coins or curios, sculptures, manuscripts, stamps, collection of stamps, rare books, medals, moulds, designs or any other collectibles (c) deeds, ATM cards, credit cards, bonds, bills of exchange, bank notes, treasury or Promissory notes, cheques, money, securities or any other negotiable instrument (d) works of art
4. **Insured Premises:** The Place(s) named in the Schedule where You normally reside.
5. **Market Value:**
This is the basis of Sum Insured for household goods other than electrical, mechanical and electronic machines/gadgets under this Policy. Market value for household goods means the Procurement value of goods from the same or similar source at the time of damage or Loss less appropriate depreciation
6. **Reinstatement Value:** This is the basis of Sum Insured for building and permanent furniture, fixtures and fittings and electrical/mechanical/electronic machines/ gadgets under this Policy. Reinstatement Value represents the replacement value of the asset as new at time of Damage or Loss.
7. **Permanent Furniture, Fixtures & Fittings:** Permanent furniture, fixtures and fittings include false ceiling glass /wooden Partitions, wooden/steel cupboards fixed to the walls, electrical tube lights and fans only.

1.4 Definitions Applicable to Section V:

- 1) **We/Us/Our/Company** means Magma HDI General Insurance Company Limited.
- 2) **You/Your:** It means the person(s) named as Insured in the Schedule
- 3) **Indemnity Period:** The period beginning with the occurrence of the Damage and ending not later than 12 months thereafter during which the result of the business shall be affected in consequence of the Damage.
- 4) **Revenue :** The money paid or payable to you for goods sold and delivered and for services rendered in course of the business at the Premises less the relative amounts in respect of the purchase of goods
- 5) **Standard Revenue:** The Revenue during the period in the twelve months immediately before the date of the damage which corresponds with the Indemnity period. To which such adjustments shall be made as may be necessary to provide for the trend of the business and for variations in or special circumstances affecting the business either before or after the damage or which would have affected the business had the damage not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the damage would have been obtained during the relative period after the damage.
- 6) **Annual Revenue:** The Revenue during the period in the twelve months immediately before the date of the damage which corresponds with the Indemnity Period.
- 7) **Limit of Liability:** Our Maximum liability under this section in respect of any policy period is –
 - a) **In respect of Loss of Revenue:** the amount by which the Revenue during the Indemnity Period shall, in consequence of the damage, fall short of the Standard Revenue.

and/or

b) **In respect of Increase in cost of working:** the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss in Revenue which but for the expenditure would have taken place during the Indemnity Period in consequence, but not exceeding the amount of the reduction in Revenue thereby avoided

Or

c) **Loss of 6 EMIs
whichever is less.**

Less any sum saved during the Indemnity Period in respect of such of the working expenses and standing charges of the business as may cease or be reduced in consequence of the damage.

PART – II

1. BENEFITS, EXCLUSIONS, CLAIM SETTLEMENT PROCEDURE AND SPECIAL CONDITIONS UNDER THE POLICY

1.1.1 SECTION I: CRITICAL ILLNESS & PROCEDURES(CRITICAL ILLNESS)

Insured event: For the purposes of this Section and the determination of the Company's liability under it, the **Insured Event** in relation to the Insured person, shall mean any illness, medical event or surgical procedure as specifically defined below whose signs or symptoms first commence more than 90 days after the commencement of Policy Period and shall only include:

One Star Plan

a) *First Diagnosis of the below-mentioned illnesses more specifically described below:*

1. Cancer;
2. End Stage Renal Failure;
3. Multiple Sclerosis

b) *Undergoing for the first time of the following surgical procedures, more specifically described below:*

4. Major Organ Transplant;
5. Heart Valve Replacement;
6. Coronary Artery Bypass Graft;

c) *Occurrence for the first time of the following medical events more specifically described below:*

7. Paralysis;
8. Myocardial Infarction;
9. Stroke;

Two Star Plan

a) *First Diagnosis of the below-mentioned illnesses more specifically described below:*

1. Cancer;

2. *End Stage Renal Failure;*
3. *Multiple Sclerosis;*
4. *Benign Brain Tumor*
5. *Parkinson's Disease*

b) *Undergoing for the first time of the following surgical procedures, more specifically described below:*

6. *Major Organ Transplant;*
7. *Heart Valve Replacement;*
8. *Coronary Artery Bypass Graft;*

c) *Occurrence for the first time of the following medical events more specifically described below:*

9. *Stroke*
10. *Paralysis;*
11. *Myocardial Infarction;*
12. *Coma*

Three Star Plan

First Diagnosis of the below-mentioned illnesses more specifically described below:

1. *Cancer;*
2. *End Stage Renal Failure;*
3. *Multiple Sclerosis;*
4. *Benign Brain Tumor*
5. *Parkinson's Disease*
6. *End Stage Liver Disease*
7. *Alzheimer's Disease*

b) *Undergoing for the first time of the following surgical procedures, more specifically described below:*

8. *Major Organ Transplant;*
9. *Heart Valve Replacement;*
10. *Coronary Artery Bypass Graft;*
11. *Surgery of Aorta*

c) *Occurrence for the first time of the following medical events more specifically described below:*

12. *Stroke*
13. *Paralysis;*
14. *Myocardial Infarction;*
15. *Coma*

Four Star Plan

First Diagnosis of the below-mentioned illnesses more specifically described below:

1. *Cancer;*
2. *End Stage Renal Failure;*
3. *Multiple Sclerosis; or*
4. *Benign Brain Tumor*
5. *Parkinson's Disease*

6. *End Stage Liver Disease*
7. *Alzheimer's Disease*

b) *Undergoing for the first time of the following surgical procedures, more specifically described below:*

8. *Major Organ Transplant;*
9. *Heart Valve Replacement;*
10. *Coronary Artery Bypass Graft;*
11. *Surgery of Aorta*

c) *Occurrence for the first time of the following medical events more specifically described below:*

12. *Stroke*
13. *Paralysis;*
14. *Myocardial Infarction;*
15. *Coma*
16. *Major Burns*
17. *Deafness*
18. *Loss of Speech*

The Insured Event under this Section I and the conditions applicable to the same are more particularly defined below:

Nomenclature of Critical Illnesses:

1. Cancer of Specified Severity

A malignant tumor characterized by the uncontrolled growth and spread of malignant cells with invasion and destruction of normal tissues. This diagnosis must be supported by histological evidence of malignancy and confirmed by a pathologist. The term cancer includes leukemia, lymphoma and sarcoma.

The following are excluded –

- Tumors showing the malignant changes of carcinoma in situ and tumors which are histologically described as pre-malignant or non-invasive, including but not limited to: Carcinoma in situ of breasts, Cervical dysplasia CIN-1, CIN -2 and CIN-3.
- Any skin cancer other than invasive malignant melanoma
- All tumors of the prostate unless histologically classified as having a Gleason score greater than 6 or having progressed to at least clinical TNM classification T2N0M0.
- Papillary micro - carcinoma of the thyroid less than 1 cm in diameter
- Chronic lymphocytic leukemia less than RAI stage 3
- Micro carcinoma of the bladder
- All tumors in the presence of HIV infection.

2. Kidney Failure requiring regular dialysis

End stage renal disease presenting as chronic irreversible failure of both kidneys to function, as a result of which either regular renal dialysis (hemodialysis or peritoneal dialysis) is instituted or renal transplantation is carried out. Diagnosis has to be confirmed by a specialist medical practitioner.

3. Multiple Sclerosis with persisting symptoms

The definite occurrence of multiple sclerosis. The diagnosis must be supported by all of the following:

- Investigations including typical MRI and CSF findings, which unequivocally confirm the diagnosis to be multiple sclerosis.
- There must be current clinical impairment of motor or sensory function, which must have persisted for a continuous period of at least 6 months.
- Well documented clinical history of exacerbations and remissions of said symptoms or neurological deficits with at least two clinically documented episodes at least one month apart.

Other causes of neurological damage such as SLE and HIV are excluded.

4. Benign Brain Tumor

First diagnoses of A benign intracranial tumor where the following conditions are met:

- i. The tumor is life threatening
- ii. It has caused damage to the brain and
- iii. It has undergone surgical removal or, if inoperable has caused permanent neurological deficit certified by a neuro-surgeon

The following are excluded: Cysts, Granulomas, Vascular Malformations, Haematomas,

5. Parkinson's Disease

The occurrence of Parkinson's Disease where there is an associated Neurological Deficit that results in Permanent Inability to perform independently atleast three of the activities of daily living as defined below.

- i. Transfer: Getting in and out of bed without requiring external physical assistance
- ii. Mobility: The ability to move from one room to another without requiring any external physical assistance
- iii. Dressing: Putting on and taking of all necessary items of clothing without requiring any external physical assistance
- iv. Bathing/Washing: The ability to wash in the bath or shower (including getting in and out of the bath or shower) or wash by other means
- v. Eating: All tasks of getting food into the body once it has been prepared

Parkinson's disease secondary to drug and/or alcohol abuse is excluded

6. End Stage Liver Disease

End stage liver disease resulting in cirrhosis and evidenced by all of the following criteria:-

a) permanent jaundice, b) ascites, c) encephalopathy, d) portal hypertension. Liver disease secondary to alcohol or drug misuse is excluded.

7. Alzheimer's Disease

Clinically established diagnosis of Alzheimer's Disease (presenile dementia) resulting in a permanent inability to perform independently three or more activities of daily living – bathing, dressing/undressing, getting to and using the toilet, transferring from bed to chair or chair to bed, continence, eating/drinking and taking medication – or resulting in need of supervision and permanent presence of care staff due to the disease. These conditions have to be medically documented for at least 3 months

8. Major Organ/ Bone Marrow Transplant

The actual undergoing of a transplant of:

- One of the following human organs: heart, lung, liver, kidney, pancreas, that resulted from irreversible end-stage failure of the relevant organ, or
- Human bone marrow using hematopoietic stem cells

The undergoing of a transplant has to be confirmed by a specialist medical practitioner.

The following are excluded:

- a) Other stem-cell transplants
- b) Where only islets of langerhans are transplanted

9. Open Heart Replacement or Repair of Heart Valves

The actual undergoing of open-heart valve surgery to replace or repair one or more heart valves, as a consequence of defects in, abnormalities of, or disease-affected cardiac valve(s).

The diagnosis of the valve abnormality must be supported by an echocardiography and the realization of surgery has to be confirmed by a specialist medical practitioner.

Catheter based techniques including but not limited to, balloon valvotomy /valvuloplasty are excluded.

10. Coronary Artery Bypass Graft

The actual undergoing of open-heart chest surgery for the correction of one or more coronary arteries, which is/are narrowed or blocked, by coronary artery bypass graft(CABG).The diagnosis must be supported by a coronary angiography and the realization of surgery has to be confirmed by a specialist medical practitioner.

The following are excluded:

- a) Angioplasty and/or any other intra-arterial procedures
- b) any key-hole or laser surgery.

11. Surgery of Aorta

The actual undergoing of medically necessary surgery for a disease of the aorta needing excision and surgical replacement of the diseased aorta with a graft. For the purpose of this definition aorta shall mean the thoracic and abdominal aorta but not its branches. Traumatic injury of the aorta is excluded

12. Stroke resulting in Permanent Symptoms

Any cerebrovascular incident producing permanent neurological sequelae. This includes infarction of brain tissue, thrombosis in an intra-cranial vessel, haemorrhage and embolisation from an extra cranial source. Diagnosis has to be confirmed by a specialist medical practitioner and evidenced by typical clinical symptoms as well as typical findings in CT Scan or MRI of the brain. Evidence of permanent neurological deficit lasting for at least 3 months has to be produced.

The following are excluded:

- i. Transient Ischemic Attacks (TIA)
- ii. Traumatic injury of the brain
- iii. Vascular disease affecting only the eye or optic nerve or vestibular functions.

13. Permanent Paralysis of Limbs

Total and irreversible loss of use of two or more limbs as a result of injury or disease of the brain or spinal cord. A specialist medical practitioner must be of the opinion that the paralysis will be permanent with no hope of recovery and must be present for more than 3 months.

14. First Heart Attack of Specified Severity

The first occurrence of myocardial infarction which means the death of a portion of the heart muscle as a result of inadequate blood supply to the relevant area.

The diagnosis for this will be evidenced by all of the following criteria:

- A history of typical clinical symptoms consistent with the diagnosis of Acute Myocardial Infarction (for e.g. typical chest pain).
- New characteristic electrocardiogram changes
- Elevation of infarction specific enzymes, Troponins or other specific biochemical markers.

The following are excluded:

- Non-ST-segment elevation myocardial infarction (NSTEMI) with elevation of Troponins I or T
- Other acute Coronary Syndromes
- Any type of Angina Pectoris

15. Coma of Specified Severity

A state of unconsciousness with no reaction or response to external stimuli or internal needs.

This diagnosis must be supported by evidence of all of the following:

- No response to external stimuli continuously for at least 96 hours;
- Life support measures are necessary to sustain life.
- Permanent neurological deficit which must be assessed at least 30 days after the onset of the coma.

