

Can I settle my dues, even when I am not around?



Bharti AXA Life Group Loan Protect

A comprehensive group credit protection product that safeguards your customer's family in unforeseen circumstances.



jeevan suraksha ka
naya nazariya

Bharti AXA Life Group Loan Protect, a non linked non participating group insurance plan

Consumers today want the very best for their family and also want to ensure that their family is secure against the burden of repaying their liabilities in case of any unforeseen event. They want products that can secure their future against any unforeseen liabilities. They want to ensure that their families' dreams are not disrupted by unforeseen contingencies.

At Bharti AXA Life Insurance, we understand this and have decided to act. We bring to you, Bharti AXA Life 'Group Loan Protect' herein referred to as "Group Loan Protect", a comprehensive group credit protection product that safeguards your customer's family in unforeseen circumstances, by paying an amount to settle your outstanding liability. This product provides an easy and inexpensive way of providing financial stability along with your existing offerings.



Who is eligible for Coverage under Group Loan Protect?

All customers of the Master Policyholder who satisfy the following conditions will be eligible for coverage under this product

Parameter	Eligibility
Minimum Age at entry*	15 years, age last birthday, for Education Loans only 18 years, age last birthday, for all other Loan types Risk coverage for each life, including minors, will commence immediately on date of commencement of the policy contract. For minors, level Sum Assured will be offered only in case of interest only loans.
Maximum Age at entry*	70 years, age last birthday
Maximum cover ceasing age	75 years In case of Joint Life coverage, maximum coverage term will be 75 years less the age of the older member.
Minimum sum assured*	₹10,000
Minimum group size	50 members
Coverage term (in whole years)*	2 years - 30 years
Moratorium Cover	Min Cover: 0 year Max Cover: 7 years For all mortgage and education loan customers, max moratorium i.e. the period of level cover will be 7 years.
Type of Cover	Reducing cover, Level cover, Level +Reducing cover
Modes of premium payment	Annual, Semi-Annual, Quarterly# and Monthly#

*The minimum/maximum age at entry, sum assured & the coverage term will be scheme specific & shall vary as per underwriting limits based on data submitted by the master policy holder.

*In case of the life insured being a minor at the time of policy issuance, the ownership of the policy will vest in the life insured on attainment of age 18 years, age last birthday.

#Payable through ECS only.



What types of segments are covered under the Group Loan Protect?

This product will be targeted at borrowers/co-borrowers of Public sector banks, Co-operative banks, Small Finance Banks, Micro Finance Institutions and affordable housing finance companies. The Master Policyholder must submit all scheme related information requested by the Company, based on which the scheme will be approved for the Master Policyholder.

What are the benefits available under this plan?

■ **Death Benefit**

In the event of death of the life insured member, provided all due premiums till the date of death have been paid, the Death Benefit will be payable immediately on death. In case of Reducing cover, the Death Benefit is equal to the outstanding loan as per the loan reduction schedule fixed at inception.

The outstanding balance at the beginning of the month will be payable for deaths during the month.

In case of Level cover, the death benefit is equal to the sum assured throughout the coverage term.

In case of Joint Life coverage, in case of first death, the death benefit shall be payable to the master policyholder for settling the outstanding loan amount, the balance, if any, will be payable to the beneficiary and the coverage will be terminated.

In case due premiums have been collected from Life/ (ves) but have not been remitted to the Company, before expiry of the grace period, and in such an event if death claim arises, the responsibility to pay the Death Benefit as per the loan reduction schedule rests with the Company.

Where the Policy is issued to Lender Borrower category and the Master Policyholder falls under Regulated entities as per applicable laws, the Life/(ves) Insured shall give the Company a written authorization to make the payment of outstanding loan amount to the Master Policyholder on occurrence of insured event. In a scenario where such authorization is received from the Life/(ves) Insured, on happening of an insured event, while the Coverage is inforce, the Company will pay the outstanding loan balance amount to the Master Policyholder and the remainder of the sum assured amount, if any, shall be payable to the Nominee/beneficiary of the Life/(ves) Insured. The Company shall under no circumstance, pay an amount more than the outstanding loan balance to the Master Policyholder. The Master Policyholder shall submit a Credit Account Statement in respect of the Life/(ves) Insured to whom or to whose nominee/beneficiary the claim is payable.

This option shall however be applicable only to the group insurance policies/schemes administered by the following regulated entities as group organizer/ Master Policyholder

- a) RBI regulated Scheduled Banks (including Co-operative Banks);
- b) NBFCs having Certificate of Registration from RBI;
- c) National Housing Board (NHB) regulated Housing Finance Companies;
- d) National Minority Development Finance Corporation (NMDFC) and its State channelizing agencies
- e) Small Finance Banks regulated by RBI

The above entities are subject to change in accordance with IRDAI guidelines as amended from time to time.

Where no such authorization is received by the Company from the Life/ (ves) Insured or the Master Policyholder does not fall under regulated entities, the Company shall pay the entire sum assured directly to the nominee/beneficiary of the Life Insured.

■ **Maturity Benefit**

This plan does not offer any maturity benefit

■ Surrender Value

In case the Life Insured seeks to cancel the Coverage after the free look period, any time during the Coverage term, provided all due premiums till the date of surrender have been paid, the Surrender Value will be payable:

Surrender Value shall be determined as per the formula below:

$$\text{Surrender Value} = (\text{SVF}) \times (\text{U}/\text{T}) \times (\text{P}/\text{PP}) \times (\text{OS}/\text{IS}) \times \text{P}$$

where:

SVF = The Surrender Value Factor (SVF) is as shown in the table below.

Elapsed duration in year from Effective Date of Coverage	Surrender Value Factor
1	45%
2	55%
3+	70%

P = Premiums paid till date of surrender in respect of the Coverage of a Life Insured excluding applicable taxes, modal loadings and underwriting extra, if any.

U = Unexpired Coverage Term (in months)

T = Coverage term (in months)

PP = Total Premiums payable in respect of the Coverage of a Life Insured excluding applicable taxes, modal loadings and underwriting extra, if any

OS = Loan outstanding at the time of surrender, as per the loan reduction schedule

IS = Sum assured at policy inception

No Surrender benefit shall be payable for Regular premium paying policies.

Surrender shall extinguish all rights and benefits under the policy.



What are the flexibilities available under this plan?

■ **Convenient premium payment terms:**

Life Insured can choose from three premium payment term options, single pay, limited pay and regular pay to protect yourself during the entire coverage term.

■ **Sum Assured Options:**

Group Loan Protect provides multiple coverage options on disbursed loan amount that allow Master Policyholder to customize the insurance cover requirements as per your outstanding liabilities;

- **Reducing Sum Assured Benefit:** Each eligible member shall be insured for a sum insured equivalent to the balance outstanding at the beginning of each month during the tenure of the loan. The balance outstanding will be determined as per the amortization schedule at a rate of interest fixed at the time of inception.

- **Level + Reducing Sum Assured Benefit (Moratorium Cover):** Under moratorium cover, the sum assured will remain fixed (level) during the moratorium period & reduce there after at the applicable interest rate. The balance outstanding will be determined as per the amortization schedule at a rate of interest fixed at the time of inception of cover.

- **Level Sum Assured Benefit:** Each eligible member shall be insured for a sum assured equal to the amount chosen at inception and the same shall remain fixed for the coverage term.

- **Joint Life Coverage:**

Under this product, one additional life along with the primary borrower can also be covered. For loan related groups, the additional life must share the loan liability with the primary borrower. The coverage can be extended only if the loan is jointly held in the names of both the lives. The cover will terminate in case of death of any of the Lives Insured. In all cases, benefits payable to both lives (primary borrower/ any co-borrower) shall be the same.

- **Limited Coverage Term:**

Under this product, the Life Insured has an option to opt for a limited coverage term (i.e. cover term lower than the actual loan tenure). This option can be chosen only at inception of the Policy.

- **Continuance of Insurance Cover:**

In case of foreclosure of the loan with the Master Policyholder e.g. pre-payment of the loan by the member; the cover shall continue till the end of coverage term or death whichever is earlier, as per the original terms of the policy. However, the Life/ (ves) Insured may choose to surrender the policy in which case the surrender value (if any) will be payable and the contract will terminate.

- **Optional Accidental Death Benefit:**

You have the option of availing an additional death benefit rider by paying additional premium, with the benefit being payable to the beneficiary/nominee in case of death due to an accident. Please refer to the rider brochure for more details. (UIN: 130B006V02).

- **Easy to sign up:**

The enrolment process is quick and easy. Life Insured need to fill and sign the Self Filled Questionnaire cum Enrollment form. You may not require a medical check up if your proposed coverage is lesser than the underwriting limits defined for your age.

- **Option to opt for lower coverage amount:**

Life/(ves) Insured can opt for a lower coverage amount that may be lower than the loan disbursed. However this option can be chosen at inception only.

- **Tax benefits:**

The premium paid under this policy will be eligible for tax benefits as per the applicable tax laws.

How does this product work?

1. The coverage term of the Life/ (ves) Insured will correspond to the loan term at the inception of insurance cover. Group Loan Protect provides the option to cover sum assured on reducing basis, level basis & level + reducing basis.
2. A Certificate of Insurance (COI) will be issued to Life Insured once you are enrolled under the Coverage. The COI can be used as proof of payment to claim tax benefits, if applicable.
3. In case of the unfortunate event of death of the Life Insured during the Coverage Term, Bharti AXA Life shall pay the Death Benefit to the beneficiary.
4. In case the coverage is for Joint life, then the Death Benefit will be payable on the first death of either of the Joint Life/s and the cover will be terminated.
5. On survival of the Life Insured till the end of Coverage Term, the Coverage under the master policy with the policyholder will be terminated and no benefit will be payable to the Life Insured or the Policyholder.





Terms and Conditions

■ **Free-look Option**

The Master Policyholder have a period of 15 days from the date of receipt of the Policy Document to review the terms and conditions of this Policy. If You have any objections to the terms and conditions, You may cancel the Policy by giving written notice to the Company stating its reasons for objection and You will be entitled to a refund of the Premium received, subject to a deduction of proportionate risk premium for the period of cover, stamp duty and/or the expenses incurred on medical examination of the Life/(ves) Insured (if any). All rights under this Policy shall immediately stand extinguished at the cancellation of the Policy.

If the Premium is paid entirely by the Life/(ves) Insured and the Life/(ves) Insured disagrees with the terms and conditions of the Policy, on receipt of Certificate of Insurance, (s)he may cancel his/her coverage under the Policy by giving Us a written notice within 15 days of receiving the Certificate of Insurance stating the reasons for objection and We shall refund the Premium received in respect of such Life/(ves) Insured after deducting stamp duty charges and expenses towards medical examination, if any, for that Life/(ves) Insured.

■ **Grace Period (for limited and regular pay options only):**

Grace Period is the time extended by the Company to facilitate for payment of unpaid premium, in case the premium/s had not been paid as on the due date. The life insured gets 30 days Grace Period to pay the unpaid premium due under the Policy and the benefits under the Policy will remain unaltered during this period.

In case of the death of the Life Insured during the Grace Period, the Death Benefit after deducting the unpaid due premium shall be payable and the Policy will be terminated.

■ **Revival (for limited and regular pay options):**

A policy under which premium has discontinued and grace period has expired may be revived for full benefits subject to the following conditions:

- a) The application for Revival is made within two years from the date of first unpaid premium
- b) Satisfactory evidence of insurability of the Life Insured is produced,
- c) Payment of an amount equal to all unpaid Premiums together with interest at such rate as the Company may charge for such Revival, as decided by the Company from time to time, subject to prior approval from IRDAI. The Revival interest rate will be calculated on the 1st of April every year and will be derived as average of last six months 10 year G.Sec* yield of the immediate last financial year plus 0.5%. The current Revival rate of interest is 7.13% p.a for financial year 2017-18.

*The source of 10 year G-sec is The Clearing Corporation of India Ltd (ccilindia.com) Negotiated Dealing System – Order Matching (NDS-OM) Platform.

The Revival shall be as per the Board approved underwriting policy. The effective date of Revival is the date on which the above conditions are satisfied and the risk is accepted by the Company. The Revival of the Policy may be on terms different from those applicable to the Policy before the premium discontinuance. The Revival will take effect only on it being specifically communicated by the Company



■ Termination of coverage

The Coverage of a Life Insured under the Policy shall terminate on the Termination Date which will be on the date of occurrence of the earliest of any of the following events:

Event 1	Expiry of the Coverage Term	The Company shall cease to pay any benefits under the Policy in respect of the Life Insured
Event 2	On the date on which the Life Insured attains the age of 75 years	The Company shall cease to pay any Benefits under the Policy in respect of the Life Insured. In the case of Coverage on joint Lives Insured, the Coverage would continue for the Life who has not yet attained the age of 75 years
Event 3	Date of the death of the Life Insured (and in the case of Coverage on joint Lives Insured, the date of death of any one of the joint Lives Insured)	The Company shall pay the Death Benefit and Coverage shall be terminated. (In case of joint lives insured, in case of first death, Death Benefit will be paid out and Coverage will be terminated).
Event 4	Request for termination of the Coverage by the Life Insured (and in the case of Coverage on joint Lives Insured, the request given jointly by both the joint Lives Insured) on submission of a written request to the Policyholder	The Company shall pay the surrender value, If any, to the Life Insured and Coverage will cease.
Event 5	On foreclosure of loan with the Policyholder, e.g. on pre-payment of loan and request for surrender from the Life Insured	The Company shall pay the surrender value, If any, for the Life Insured
Event 6	On cancellation of policy during free look period	The Company shall pay the refund as defined under Free-Look OptionT&C

■ Closure of Master Policy to new members:

The Master Policyholder may terminate the Master Policy by providing written notice to the Company stating its intent to terminate the Policy.

In this case, the Policy will close to new members on the later of:

- The date specified in the notice; or
- 30 days from the date on which the Company received the notice.

Existing lives insured can either opt to surrender or continue their cover. In case the life insured opts to continue the cover, the coverage shall continue as per their respective terms under the policy and the company shall continue to fulfil its obligations until the end of their coverage term.

Claims process

The Beneficiary/ (ies) should report the claim to the Master Policyholder on occurrence of unfortunate death of Life Insured and following documents should be submitted:

- Certificate of Insurance
- Copy of Death Certificate
- Copies of medical reports, if any
- Death Claim Form (to be jointly signed by nominee and Master Policyholder and submitted by the Policyholder);
- Any other documentation that the Company may consider as material and relevant to the claim

Exclusions under Group Loan Protect: The payment of Benefits is subject to the following exclusions:

- Suicide:

In case of death due to suicide within 12 months:

a) From the date of inception of the policy, the nominee or beneficiary of the Life Insured will be entitled to at least 80% of the premiums paid, provided the policy is in force or

b) From the date of Revival of the policy, the nominee or beneficiary of the Life Insured shall be entitled to an amount which is higher of 80% of the premiums paid till the date of death or the surrender value as available on the date of death.

In case of joint life cover, on death of either of the Lives Insured due to suicide, the benefits as mentioned above shall be payable to the nominee or beneficiary. The benefits for the other life will continue as per the original terms and conditions.



General terms and conditions

- The product will be customised based on the scheme level underwriting, wherever appropriate.
- The minimum & maximum sum assured limits, age limits & term limits will be based on scheme level underwriting based on data provided by master policyholder.
- Max cover under moratorium cover is restricted to 7 years.
- The cover will cease at the end of the term as decided at inception irrespective of the loan not being extinguished completely due to interest rate fluctuations.
- Increase in loan outstanding due to EMI defaults will not be covered.
- The outstanding balance at the beginning of the month will be payable for deaths during the month.
- Insurance cover would commence only after acceptance of risk by Bharti AXA Life & receipt of full premium.
- The premium rates are guaranteed for the term of the coverage.
- No benefit shall be payable on maturity of the coverage.

Section 41 of the Insurance Act, 1938 as amended from time to time

(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 prospectus or tables of the insurer:

Provided that acceptance by an insurance agent of commission in connection with a Policy of life insurance taken out by himself on his own life shall not be deemed to be acceptance of a rebate of premium within the meaning of this sub section if at the time of such acceptance the insurance agent satisfies the prescribed conditions establishing that he is a bona fide insurance agent employed by the insurer.

(2) 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.”

Section 45 of the Insurance Act, 1938

Fraud, Misrepresentation and forfeiture would be dealt with in accordance with provisions of Sec 45 of the Insurance Act 1938 as amended from time to time.

[A Leaflet containing the simplified version of the provisions of Section 45 is enclosed in appendix – I for reference]



About us:

Bharti AXA Life Insurance is a joint venture between Bharti, one of India's leading business groups with interests in telecom, agri business and retail, and AXA, one of the world's leading company or group in financial protection and wealth management. The joint venture company has a 51% stake from Bharti and 49% stake of AXA.

As we further expand our presence across the country with a large network of distributors, we continue to provide innovative products and service offerings to cater to specific insurance and wealth management needs of customers. Whatever your plans in life, you can be confident that Bharti AXA Life will offer the right financial solutions to help you achieve them

Disclaimers

- Bharti AXA Life Insurance is the name of the Company and Bharti AXA Life Group Loan Protect is only the name of non linked non-participating group insurance policy and does not in any way represent or indicate the quality of the policy or its future prospects.
- This product brochure is indicative of the terms, conditions, warranties and exceptions contained in the insurance policy bond.
- Life Insurance Coverage is available under this policy.
- Riders are optional and available at an extra cost.
- Tax benefits are as per the Income Tax Act, 1961, and are subject to any amendments made thereto from time to time.

Bharti AXA Life Insurance Company Limited.

Bharti AXA Life Insurance Company Limited, IRDAI Registration No.: 130
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UIN- 130N092V01
CIN - U66010MH2005PLC157108
Advt. no. II-Jan-2019-1807

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Public receiving such phone calls are requested to lodge a police complaint.

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Customer Service Centre: Call Toll Free No.:

1800 102 4444

Appendix I: Section 45 – Policy shall not be called in question on the ground of mis-statement after three years

Provisions regarding Policy not being called into question in terms of Section 45 of the Insurance Act, 1938 as amended from time to time are as follows:

01. No Policy of Life Insurance shall be called in question on any ground whatsoever after expiry of 3 years from:

- a. the date of issuance of Policy or
 - b. the date of commencement of risk or
 - c. the date of reinstatement of Policy or
 - d. the date of rider to the Policy
- whichever is later.

02. On the ground of fraud, a Policy of Life Insurance may be called in question within 3 years from:

- a. the date of issuance of Policy or
 - b. the date of commencement of risk or
 - c. the date of reinstatement of Policy or
 - d. the date of rider to the Policy
- whichever is later.

For this, the insurer should communicate in writing to the insured or legal representative or nominee or assignees of insured, as applicable, mentioning the ground and materials on which such decision is based.

03. Fraud means any of the following acts committed by insured or by his agent, with the intent to deceive the insurer or to induce the insurer to issue a life insurance Policy:

- a. The suggestion, as a fact of that which is not true and which the insured does not believe to be true;
- b. The active concealment of a fact by the insured having knowledge or belief of the fact;
- c. Any other act fitted to deceive; and
- d. Any such act or omission as the law specifically declares to be fraudulent.

04. Mere silence is not fraud unless, depending on circumstances of the case, it is the duty of the insured or his agent keeping silence to speak or silence is in itself equivalent to speak.

05. No Insurer shall repudiate a life insurance Policy on the ground of Fraud, if the Insured / beneficiary can prove that the misstatement was true to the best of his knowledge and there was no deliberate intention to suppress the fact or that such mis-statement of or suppression of material fact are within the knowledge of the insurer. Onus of disproving is upon the Policyholder, if alive, or beneficiaries.

06. Life insurance Policy can be called in question within 3 years on the ground that any statement of or suppression of a fact material to expectancy of life of the insured was incorrectly made in the proposal or other document basis which Policy was issued or revived or rider issued. For this, the insurer should communicate in writing to the insured or legal representative or nominee or assignees of insured, as applicable, mentioning the ground and materials on which decision to repudiate the Policy of life insurance is based.

07. In case repudiation is on ground of mis-statement and not on fraud, the premium collected on Policy till the date of repudiation shall be paid to the insured or legal representative or nominee or assignees of insured, within a period of 90 days from the date of repudiation.

08. Fact shall not be considered material unless it has a direct bearing on the risk undertaken by the insurer. The onus is on insurer to show that if the insurer had been aware of the said fact, no life insurance Policy would have been issued to the insured.

09. The insurer can call 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 of age of life insured. So, this Section will not be applicable for questioning age or adjustment based on proof of age submitted subsequently.

[Disclaimer: This is not a comprehensive list of amendments of Insurance Laws (Amendment) Ordinance, 2014 and only a simplified version prepared for general information. Policy Holders are advised to refer to Original Ordinance Gazette Notification dated December 26, 2014 for complete and accurate details.]