Frequently Asked Questions – Bharti AXA Life Group Credit Protection Pro

1. What type of plan is Group Credit Protection Pro?

It is a Group, Non-Linked – Non-Participating, Pure Risk Premium, Credit Life Insurance Plan. It is engineered as a comprehensive credit protection product that offers organizations the opportunity to safeguard customers and their families against outstanding loan liabilities in the event of death or severe medical eventualities.

2. What are the pay-outs and maturity benefits under the plan?

- **Maturity Benefits:**
    - No survival or maturity benefit is payable under this plan.
- **Core Contingent Payouts:**
    - The plan features multiple core benefit coverage levels chosen at inception:
        - *Level Cover:* The sum assured remains entirely constant throughout the coverage term.
        - *Reducing Cover:* The sum assured reduces over the coverage term as per the predefined loan repayment frequency fixed at inception.
    - For all options, the outstanding balance quantified at the beginning of a month is the amount payable for an insured event arising during that month.
- **Benefit Options Breakdown:**

Benefit Option Chosen	Event Covered and Size of Lump Sum Payout
Basic Death Benefit	Pays the applicable Level or Reducing Sum Assured explicitly upon the death of the member.
Basic Death Benefit + Accelerated Critical Illness (CI)	Payout happens on the earlier of death or first diagnosis of a covered Critical Illness. This results in a 100% acceleration of the death benefit. *Note:* CI coverage is capped at a maximum of 5 years. If the policy term is longer, the basic death cover continues after year 5.
Basic Death Benefit + Accelerated Terminal Illness (TI)	Payout happens on the earlier of death or the diagnosis of an advanced, rapidly progressing, incurable medical condition likely to cause death within 6 months. This accelerates 100% of the death benefit.
Basic Death Benefit + Accelerated Accidental Total and Permanent Disability (ATPD)	Payout happens on the earlier of death or occurrence of accidental total and permanent disability within 180 days of an accident. Accelerates 100% of the death benefit.
Basic Death Benefit + Accidental Death Benefit (ADB)	Provides an additional contractual payment if death is caused directly by an accident. At inception, the member chooses the ADB to be either 50% or 100% of the standard death benefit. This is paid on top of the basic sum assured.

Combination Benefit Options	The product allows complex bundling, such as *Basic Death + ADB + CI + ATPD + TI*. Payout triggers 100% acceleration on the earliest occurrence of any covered illness/disability, plus adds the 50% or 100% ADB payout if the death is accidental.

- **Joint Borrowers Payout Rules:**
  - *Joint Life Basis:* Each joint borrower is insured for 100% of the sum assured. Payout on a single life terminates the coverage for all surviving joint borrowers.
  - *Multiple Life Cover Basis:* Joint borrowers are treated as separate lives. Each is covered strictly up to their respective share of the loan amount. Coverage for survivors remains fully active after a claim until the end of the term.

3. What premiums do I need to pay?

- **Premium Payment Term:** This product is structured as a **Single Premium** policy only. The entire premium is paid upfront at inception.
- **Special Premium Rebates:**
  - *Women Lives:* Premium rates for women utilize a structural 3-year age setback on male rates.
  - *Joint Life:* A promotional joint life discount of 3.5% is applied directly to the premium payable for each life.

4. Who can take the Bharti AXA Life Group Credit Protection Pro policy?

Parameter / Benefit Type	Minimum Entry Age	Maximum Entry Age	Maximum Maturity Age	Minimum Sum Assured	Maximum Sum Assured per Member
Basic Death Benefit	• 14 years (Education) • 18 years (All other)	75 years	80 years	Rs. 10,000	No Limit (Subject to Board Approved Underwriting)
Accelerated Critical Illness (CI)	18 years	64 years	80 years	Rs. 10,000	INR 10,000,000
Accelerated Terminal Illness (TI)	18 years	74 years	80 years	Rs. 10,000	INR 20,000,000
Accelerated Disability (ATPD)	18 years	64 years	80 years	Rs. 10,000	INR 20,000,000
Accidental Death Benefit (ADB)	18 years	64 years	80 years	Rs. 10,000	INR 20,000,000

- **Minimum Group Size:** 20 members.
- **Core Coverage Terms:** Minimum coverage term is 1 month (or 1 year for specific add-on benefits), up to a maximum of 30 years. Terms must be consistent with loan tenure, though members can choose a

lower coverage term at inception. For Joint Life, the maximum coverage term is restricted to 80 years minus the age of the older member.

5. Is loan available under the plan?

No, policy loans are not available under this plan.

6. What other special loan-linked options are available?

- **Moratorium Period Option:** Master Policyholders can choose a Moratorium Period of 1 month to 10 years for mortgage or education loans under the Reducing Cover option. During this period, the sum assured can be *Level* (remains constant) or *Increasing* (grows to track accrued interest) before starting its monthly reduction schedule.

- **Higher Coverage Amount:** Members can choose to set their initial insurance coverage at 125% (1.25 times) of the disbursed loan amount at inception.

- **Top-up Cover:** Members can increase their sum assured during the policy term if their underlying loan amount is increased, subject to underwriting and payment of additional premium based on their attained age.

7. What are the medical exclusions and specific plan conditions?

- **Suicide Exclusion:** If a member commits suicide within 12 months from the date of risk commencement, the nominee is paid at least 80% of the Single Premium paid or the Surrender Value, whichever is higher. On a *Joint Life* basis, a suicide by either member immediately terminates the entire policy for all joint borrowers.

- **Critical Illness Specific Rules:** A strict **90-day waiting period** from inception applies to all critical illness claims. Furthermore, a diagnosed member must fulfill a **30-day survival period** following the date of diagnosis to validate a Critical Illness claim payout.

- **Pre-existing Diseases:** Any condition diagnosed or for which medical advice/treatment was received within 48 months prior to the effective date of the cover is excluded from CI benefits.

8. What are the rules regarding Free-Look, Grace Period, and Surrender?

- **Free-Look Option:** Members have a **30-day Free-Look period** from the receipt of the Certificate of Insurance (COI) to cancel the coverage if the policy term is one year or greater. Premiums are refunded after deducting proportionate risk premium, stamp duty, and medical examination expenses.

- **Grace Period & Revival:** Because this is a **Single Premium plan**, both grace periods and policy revivals are completely non-applicable.

- **Surrender Benefit:** Members can surrender the cover at any time. No surrender value is payable for coverage terms under 2 years. For coverage terms of 2 years or more, the refund is calculated using the formula:
  Surrender Value Factor (SVF) × P × U/T × OS/IS

  (Where SVF is 45% for Policy Years 1–3, and 70% for Policy Years 4+; P is Single Premium; U is unexpired term months; T is total term months; OS is current Sum Assured; IS is initial Sum Assured).