Frequently Asked Questions – Bharti AXA Life Group Loan Protect

1. What type of plan is Group Loan Protect?

It is a non-linked, non-participating, group insurance plan designed as a credit protection product. It safeguards the borrower's family from the burden of outstanding loan liabilities in the event of an unforeseen contingency.

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

- **Maturity Benefits:**
  This plan does not offer any maturity benefit. On survival to the end of the coverage term, the contract terminates and no money is payable.
- **Death Benefit:**
  Provided all due premiums are paid, the benefit is payable immediately upon the death of the insured life. The specific payout structure depends on the chosen plan option:

Plan Option	Death Benefit Payout Structure
Reducing Cover	Equal to the outstanding loan amount as per the loan reduction schedule fixed at policy inception. The outstanding balance at the beginning of the month is payable for deaths during that month.
Level Cover	Equal to the chosen sum assured throughout the entirety of the coverage term.
Joint Life Coverage	Payable on the first death of either of the joint lives taking a loan. The benefit is paid to the Master Policyholder to settle the outstanding loan, and the remainder, if any, goes to the beneficiary. The policy then terminates.

3. What premiums do I need to pay?

- **Modes of Premium Payment:** Available in Annual, Semi-Annual, Quarterly, and Monthly modes. Note that Quarterly and Monthly modes are payable through ECS only.
- **Premium Limits:** The precise premium amounts, modal loadings, and extra underwriting charges are scheme-specific. They vary based on underwriting limits and data submitted by the Master Policyholder. Premium rates are fully guaranteed for the term of the coverage.

4. Who can take the Group Loan Protect policy?

Parameter	Eligibility Criteria
Minimum Age at Entry	• **15 years** (age last birthday) for Education Loans only. • **18 years** (age last birthday) for all other loan types.
Maximum Age at Entry	**70 years** (age last birthday).
Maximum Cover Ceasing Age	**75 years**. For Joint Life, the maximum coverage term is 75 years less the age of the older member.
Minimum Sum Assured	**₹10,000**.

Coverage Term	**2 years to 30 years** (in whole years).
Moratorium Cover (Level + Reducing)	**Minimum 0 years to Maximum 7 years**. Restricted to mortgage and education loans only.
Minimum Group Size	**50 members**.

Note: The minimum/maximum limits are scheme-specific and vary by master policyholder underwriting limits.

5. Is loan available under the plan?

No, policy loans are not available under this group insurance product. (Note: It is a plan *designed to cover* outstanding customer liabilities like home, mortgage, or education loans taken from financial entities).

6. What riders are available with the product?

- **Optional Accidental Death Benefit Rider:** You have the option of availing an additional death benefit rider by paying an extra premium. The rider benefit is payable to the nominee if death occurs due to an accident (UIN: 130B006V03).

7. Is there any Exclusion?

- **Suicide Exclusion:** If the life insured (or either life in a joint cover) dies due to suicide within 12 months from the risk commencement date or the date of revival, the nominee/beneficiary is entitled to at least 80% of the total premiums paid till death or the surrender value available on the date of death, whichever is higher.
- For joint life covers, if one member dies by suicide, the suicide benefit is paid out, and the coverage for the surviving life continues under the original terms.
- ~~**EMI Defaults/Fluctuations:** Increase in loan outstanding due to EMI defaults is explicitly excluded. Coverage will also cease at the end of the designated term even if the loan isn't fully extinguished due to interest rate fluctuations.~~

8. What are the details regarding Vesting of the Policy?

In case the life insured is a minor at the time of policy issuance, the ownership of the policy coverage will automatically vest in the life insured on the attainment of **18 years of age** (age last birthday). Risk coverage for minors commences immediately on the date of commencement of the policy contract.