Frequently Asked Questions – Bharti AXA Life Group Term Micro Insurance Plan

1. What type of plan is Bharti AXA Life Group Term Micro Insurance Plan?

It is a Non-Linked, Non-Participating, Group Term Micro Insurance Plan. It provides low-cost life insurance cover to homogeneous groups like Micro Finance Institutions, Self Help Groups, NGOs, and co-operatives to safeguard members from life's eventualities.

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

- **Maturity Benefits:**
  - No maturity benefit is payable under this plan.
- **Death Benefits:**
  - **Single Life:** The company will pay the full sum assured specified in the certificate of insurance to the nominee(s) or beneficiary(ies) if the coverage is in force.
  - **Joint Life:** Payout occurs on the first death of the two lives. The company pays the sum assured to the beneficiary, and coverage for the second life is terminated. This option only covers spouses, and the spouse's sum assured is equal to the member's sum assured.
- **Death Benefit Payout Options:** If enabled by the Master Policyholder at inception, members can choose between two payout modes (otherwise, the default mode is Lumpsum):

Option	Payout Benefit Structure
Lumpsum	100% of the Death Benefit is paid immediately on death as a lumpsum.
Lumpsum plus Monthly Income	50% of the Death Benefit is paid immediately as a lumpsum. The balance 50% is paid over a period of 6 months. Each installment is calculated as: Sum Assured × 50% × (1/6) × 1.02.

Note for Lender-Borrower groups: If the Master Policyholder is an IRDAI-specified Regulated Entity, members can authorize the company to pay the claim proceeds directly to the Master Policyholder to the extent of the outstanding loan balance. The remaining balance is paid to the nominee.

3. What premiums do I need to pay?

- **Premium Payment Modes:** You can choose between Single, Annual, Semi-Annual, Quarterly, or Monthly frequencies. Quarterly and Monthly modes are generally processed via structured methods like ECS.
- **Modal Factors:** Premium calculations use the following frequency modal factors:

  Annual: 1; *Semi-Annual:* 0.51; *Quarterly:* 0.26; *Monthly:* 0.0867

4. Who can take the Bharti AXA Life Group Term Micro Insurance policy?

Plan Parameter	Specification / Limit
Minimum Age at Entry	18 years

Maximum Age at Entry	79 years
Maximum Maturity Age	80 years
Minimum Sum Assured	Rs. 5,000
Maximum Sum Assured	Rs. 2,00,000
Minimum Group Size	5 members
Premium Payment Term	1 year (Annually Renewable) Term/ Regular Pay/ Single Pay
Policy Term	**One Year Renewable Term**: 1 year (Annually Renewable) **(Regular Pay)** 2 to 5 years (in multiples of 1 year) **(Single Pay)** 1 month to 60 months (in multiples of 1 month)

Note: No new lives beyond 79 years can be added, but existing insured members can renew their cover up to the age of 80.

5. Is loan available under the plan?

No, policy loans are not available under this group term micro-insurance product.

6. What riders are available with the product?

There are no additional riders available under the plan.

7. Is there any Exclusion?

- **Suicide Exclusion:** If an insured member dies due to suicide within 12 months from the date of commencement of risk or policy revival, the nominee or beneficiary is entitled to at least 80% of the total premiums paid till the date of death, or the surrender value available as on the date of death, whichever is higher (provided the policy is in force).
- *Note:* This suicide exclusion clause is not applicable in case of a normal renewal of the policy.

8. What are the details regarding Surrender or Free Look of the Policy?

- **Surrender Benefit:** This plan only acquires a Surrender Value under the **Single Premium** option, which becomes available immediately after payment. No surrender benefit is payable for Regular premium-paying policies. The payout formula is:
  Surrender Value = (SVF) X (U/T) X SP
  (Where SVF is the Surrender Value Factor: 45% for Year 1, 55% for Year 2, and 70% for Year 3+; U is the unexpired term in months; T is the total term in months; SP is the Single Premium paid excluding taxes/loadings).
- **Free Look Period:** Both the Master Policyholder and individual members (depending on who pays the premium) have a **30-day Free Look period** from the receipt of the Policy/Certificate of Insurance to cancel the cover and get a premium refund, subject to deductions for proportionate risk premium, stamp duty, or medical checkup expenses.