

# Aviva Group Life Protect



## What is Aviva Group Life Protect?

- The product is primarily targeted for customers of financial institutions, banks, cooperative banks and credit societies providing home loan, loan against property, education loan, car loan, two wheeler loan, tractor loan and personal loan. We will also be covering credit card and recurring deposit holders and their Sum Assured will depend on requirements of the Master Policyholder
- This is a single Premium group term insurance product which provides cover against risk of death. The bank/financial institution/credit society will be the Master Policyholder
- Aviva Group Life Protect Aims:**
  - To compensate family members/dependants for the financial loss arising due to the death of a loanee/credit card/recurring deposit holder of the bank/financial institution/credit society
  - To provide protection with minimum formalities – no medical tests required if individual member's Sum Assured is less than or equal to a limit agreed between the Master Policyholder and the Company

## Who is the Master Policyholder?

- The bank/financial institution/credit society providing various loans/collecting deposits will be the Master Policyholder

## Who is an eligible member?

- Any individual between 18 and 69 years of age who is a loanee/depositor of the Master Policyholder is an eligible member. Maximum age at the termination of the membership should not exceed 70 years (last birthday)

## What is the minimum and maximum Sum Assured per member?

- Minimum Sum Assured for an individual member is ₹1,000
- There is no maximum limit of Sum Assured subject to medical underwriting requirements
- The coverage is available under two options viz. flat Sum Assured throughout the term and on monthly reducing basis
- The Sum Assured limit beyond which individual members will be required to go for medical examination will depend on the type of group the member belongs to and the type of loan being covered, etc.

## What is the minimum group size?

- The minimum size of the group is 50

## How is the Premium determined?

- The Premium payable by an individual member will depend on the duration of the loan, nature of organisation, age of the individual member, amount of loan being covered at the time of taking the risk coverage and type of cover, i.e. flat cover or monthly reducing cover, etc.

Age of insured member	35 years (last birthday)
Loan amount	₹ 500,000
Loan term	20 years
Type of loan	Housing loan from PSU bank @ interest rate of 9.50% p.a.
Type of cover	Monthly reducing cover
Premium	16.08* (₹ 500,000/₹ 1,000) = ₹ 8,040

## At what frequency can Premiums be paid?

This is a single Premium product. The members would be required to pay Premium once at the time of starting the cover.

## What would be the duration of the Policy?

- There is no fixed Policy Term. It continues as long as there are existing insured members under the Master Policy
- Duration of the membership will be minimum 1 year and maximum 30 years, for every individual member
- Company may discontinue the Policy for new loan clients after giving a 90 day notice to the Master Policyholder. However, the Policy will continue for existing members

## What is the amount payable on the death of a member?

- In case of loan, the amount payable on the death of the member is equal to the loan outstanding as per the loan schedule finalised at the outset of taking the membership
- In case of recurring deposit, Sum Assured due as on date of death will be payable

## What is the amount payable on surrendering the membership?

- The Master Policyholder can ask the Company to surrender the membership of an insured member if the insured member repays the outstanding loan amount only in full and the cover is terminated before the end of the loan term. In such case, the Company will pay the surrender value pertaining to that member to the Master Policyholder

The guaranteed surrender value will be calculated as:

**For flat Sum Assured:**

$$75\% \times \text{Single Premium} \times \frac{\text{Outstanding Term}}{\text{Loan Term}}$$

**For reducing Sum Assured:**

$$75\% \times \text{Single Premium} \times \frac{\text{Outstanding Term} * (1 + \text{Outstanding Term})}{\text{Loan Term} * (1 + \text{Loan Term})}$$

## What is the claim process when a member dies?

- The claim process is very simple. The Master Policyholder would need to provide the death certificate of the member along with claim papers and we will settle the claim with the Master Policyholder who in turn will pay the claim amount, after deducting the loan outstanding to the beneficiary

## What are the tax advantages?

- The Premium paid by the Member may be eligible for tax rebate under Section 80C of the Income Tax Act, 1961
- The benefits paid on happening of claim event are not taxable as per Section 10 (10D) of the Income Tax Act, 1961
- Tax benefits are as per Income Tax Act, 1961 and are subject to change from time to time
- The Company shall be entitled to make such deductions, which in its opinion are necessary and appropriate, from any of the benefits receivable under the Policy on account of any tax or other payment which may be imposed by any legislation, order, regulation or otherwise upon the Company, Master Policyholder or Nominee

## What are the situations under which we shall not be able to pay claim?

- 80% of the single Premium in respect to the member is payable if death of a member occurs due to suicide or attempted suicide within 12 months of the date of becoming a member under the scheme. However, it may be relaxed on case to case basis in view of profile/characteristics of the group
- A lien of 45 days shall be applicable for all members which means that no claim will be payable in case of death due to any cause other than accident during the period of first 45 days of becoming a member under the scheme. However, it may be relaxed on case to case basis in view of profile/characteristics of the group

## What information would be required from the Master Policyholder?

- In case of loan, we would require a list of the eligible members, together with their age, sex, occupation, Sum Assured, outstanding loan amount, term of loan, type of cover, rate of interest on loan, etc.
- In case of recurring deposit, we would require list of eligible members, together with their age, sex, occupation, Sum Assured, deposit installment amount, term of deposit, type of cover, rate of interest on deposit, etc.
- This information would be required at the beginning and on monthly or periodical interval; thereafter, for members joining after commencement of the scheme

## Further Information

### Acceptance

Aviva will not be liable to any claim until acceptance of risk and receipt of Premium in full.

### Why invest with Aviva?

Aviva Life Insurance Company India Limited is a joint venture between Dabur Invest Corp and Aviva International Holdings Limited - a UK based insurance group, whose association with India dates back to 1834. Aviva group is one of the oldest insurance groups in the world. Currently, it serves 31 million customers across 16 countries (March, 2015).

The Dabur Group, founded in 1884, is one of India's leading producers of traditional healthcare products.

### Section 41

In accordance with Section 41 of the Insurance Act 1938, (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 prospectuses 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

Policy not to be called in question on ground of misstatement after three years as per Section 45 of the Insurance Act 1938, as amended from time to time.

## Queries and Complaints

If you would like additional information or if you have any queries or complaints, please contact us at the numbers given below:

For more details, call us at 1800 180 2244

(Toll free for BSNL/MTNL users) or 0124 - 2709046 or SMS 'Aviva' to 5676737 Website: [www.avivaindia.com](http://www.avivaindia.com)



*A joint venture between Dabur Invest Corp. and Aviva International Holdings Limited.*

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