

**Kotak Permanent Disability Benefit Rider
UIN (107B002V03)**

PART B

A. DEFINITIONS:

1. Accident:

An accident is a sudden, unforeseen and involuntary event caused by external, visible and violent means.

2. Age:

Age means the age of Life Insured as on his/her birthday immediately preceding the Date of Commencement of Rider.

3. Claimant:

Means, the Policyholder; or the Life Insured; or the Assignee; or the nominee; or the legal heir of the Policyholder or the nominee, as the case may be.

4. Board:

Board means the Board of Directors of Kotak Mahindra Old Mutual Life Insurance Limited.

5. Date of Commencement of the Rider:

Date of Commencement as mentioned in Schedule above.

6. Date of Commencement of Risk of the Rider:

Date of Commencement of Risk as mentioned in Schedule above.

7. Entry Age:

Minimum Age at entry: 18 years

Maximum Age at entry: 60 years or maximum entry age of the base Plan, whichever is lower.

8. Grace Period:

As per the base policy contract. Grace Period is not applicable for single premium payment option.

9. Maturity Age:

Minimum Age at maturity: 23 years

Maximum Age at maturity: 70 years or maximum maturity age of the base Plan, whichever is lower.

10. Rider:

Refers to the Kotak Permanent Disability Benefit Rider and shall form part of the base Policy document and run concurrently with the base Policy.

11. Rider Benefit Term:

As mentioned in Schedule above.

12. Rider Premium Payment Term: As mentioned in the Schedule above. This is the period during which the Policyholder shall pay the premium to get the benefits under this Rider.

13. Rider Sum Assured:

Refers to the amount specified in the Schedule as Rider Sum Assured.

14. Total and Permanent Disability:

Life Insured shall be considered Permanently and Totally Disabled, due to an Accident, if he is:

- unable to earn an income from the date of the Accident, from any work, occupation or profession, or
- unable to use both hands at or above the wrist, or
- unable to use both feet at or above the ankle, or
- unable to use one hand at or above the wrist and one foot at or above the ankle, or
- blind in both eyes

PART C

1. Benefits Payable:

A. Accidental Total & Permanent Disability Benefit:

If, the Life Insured suffers from Total and Permanent Disability due to an Accident and the Beneficiary proves the same to the satisfaction of the Company, by submission of all necessary documents, then, subject to the other provisions of this Rider, the benefit payable under the Rider shall be five annual instalments, each instalment being 12% of the Rider Sum Assured, followed by a final payment at the end of the fifth year, being 60% of the Rider Sum Assured. The first installment of 12% of the Rider Sum Assured will be paid on claim settlement and the remaining installments will be paid in intervals of one year.

This benefit will be subject to the following conditions and exclusions:

i. Conditions:

- a) This Rider is in full force at the time of the Accident.
- b) The Life Insured has sustained any bodily injury directly and solely from the Accident.
- c) The Life Insured becomes totally and permanently disabled due to Accident and such injury as stated above is solely, directly and independently of all other causes of becoming disabled.
- d) The Life Insured survives for at least 120 days from the date of the Accident.
- e) The Life Insured is willing to be examined by a Medical Examiner nominated by the Company.

No Benefit is payable in case of death of the Life Insured. However, in case of death of the Life Insured during the benefit payment phase, the discounted value (at 4% rate of interest) of outstanding benefit, if any, will be paid as a lump sum and the rider benefits will terminate.

ii. Exclusions:

The Life Insured will not be entitled to any benefits under this Rider if the Total and Permanent Disability takes place in the following circumstances:

- a) Self inflicted injuries, attempted suicide, insanity, immorality, committing any breach of law or being influence of drugs, liquor etc.

- b) When the life insured is engaged in aviation or aeronautics other than as a passenger on a licensed commercial aircraft operating on a scheduled route.
- c) Due to injuries from war (whether declared or not), terrorism, invasion, hunting, mountaineering, motor racing of any kind, other dangerous hobbies or activities, or being on duty in military, para-military, security or police organization.
- d) Nuclear Contamination; the radio-active, explosive or hazardous nature of nuclear fuel materials or property contaminated by nuclear fuel materials or accident arising from such nature;

B. Maturity Benefit:

There is no maturity benefit available under this Rider.

2. Payment of Rider Premium:

The sum of all Rider Premiums including premium of other riders (except Critical Illness Rider attached with a Pure Term Policy) under the base policy, if any, shall not exceed 30% of the Premium of the base Policy. The Premium payment option and mode of the Rider shall be same as Premium Payment Option and mode of the base Policy respectively.

The Rider Premium Payment Term for regular premium paying policy shall be equal to the Rider Benefit Term.

The Rider Premium Payment Term for Single premium paying policy shall be Single and it is payable in advance before the Date of Commencement of the Rider.

The Rider Premium Payment Term for limited premium paying policy shall be minimum 5 years and maximum 39 years, subject to the Premium Payment Term of Rider being lesser than the Rider Term.

Further, the Rider Premium Payment Term shall not be greater than the outstanding Premium Payment Term of the base Policy.

Modal factors depending on the mode of premium are stated below:

Frequency	Modal Factor
Yearly	100% of tabulated rates

Half-yearly	51% of yearly premium
Quarterly	26% of yearly premium
Monthly	8.8% of yearly premium

Service tax, cess and other taxes shall be levied on the rider premiums as per prevailing laws and may vary from time to time.

3. Lapse:

i. For Limited Premium Payment mode:

For Premium Payment Term (PPT) less than 10 years: If Premiums are discontinued anytime during the first two Policy years, the Rider Benefit shall lapse at the end of the Grace Period. No benefit shall be payable under such circumstances.

For PPT greater than or equal to 10 years: If Premiums are discontinued anytime during the first three Policy years, the Rider Benefit shall lapse at the end of the Grace Period. No benefit shall be payable under such circumstances.

ii. For Regular Premium Payment mode:

The benefit under the Rider shall lapse at the end of Grace Period, if the due premium is not received till the end of the Grace Period.

iii. Single Premium payment mode:

The Rider benefit will not lapse.

Further, if the base policy to which this Rider is attached lapses, then the Rider shall automatically lapse.

Once the Rider is lapsed, no Rider benefits are payable unless the Rider is revived within the Revival period. Even upon revival, it will not cover any Accidental Permanent and Total Disability having occurred during the period when the Policy was in lapsed state.

The lapsed Rider can be revived as mentioned in the 'Revival' clause.

PART D

1. Revival:

The Rider cannot be revived independently and can only be revived along with the revival of the base Policy. Revival will be based on Board Approved Underwriting Principles. On payment of due premiums the Rider will automatically be renewed with base policy.

Revival clause is not applicable for Single Premium payment option.

2. Surrender Benefit:

The Rider shall not acquire any surrender value under the Regular Premium Payment option.

The surrender value will be acquired only under the Single Premium payment and Limited Premium payment options which shall be calculated as follows:

- i. Under Single Premium Payment option policy acquires Surrender Value immediately after the receipt of Single Premium. The Surrender Value will be calculated as:

$$75\% \times \text{Total Rider premiums paid} \times ((\text{Rider benefit term} - 1) / \text{Rider benefit term}) \times (\text{Balance Rider benefit term to run} / \text{Rider benefit term})$$

- ii. Under Limited Premium Payment option, policies with Premium Payment Term of less than 10 years acquire Surrender Value after payment of 2 consecutive full year's premiums and policies with Premium Payment Term of 10 years or more acquire Surrender Value after payment of 3 consecutive full year's premiums. The Surrender Value will be calculated as:

$$75\% \times \text{Total Rider premiums paid [excluding first year rider premium]} \times ((\text{rider benefit term} - \text{rider premium payment term}) / \text{rider benefit term}) \times (\text{Balance rider benefit term to run} / \text{rider benefit term})$$

- iii. Once the surrender value is paid, the Rider shall stand terminated and no further benefits shall be applicable/payable.

3. Reduced Paid-Up Benefit:

Under the Limited Premium Payment option, the Rider would acquire Reduced Paid-Up Benefit only after Surrender Value is acquired by the Rider and base Policy is made Reduced Paid-Up subject to the terms and conditions of the base policy.

Rider cannot acquire Reduced Paid-Up value under the Regular Premium Payment option and shall lapse if any of the Premiums are not paid as per the terms of this Rider.

Single Premium paying Riders shall be treated as fully Paid-Up and will be eligible for the entire Rider Sum Assured.

The Reduced Paid Up Rider Sum Assured shall be calculated as follows:

$$\text{Reduced Paid-Up Rider Sum Assured} = \left(\frac{\text{Total Rider Premiums paid}}{\text{Total Rider Premiums payable}} \right) \times \text{Rider Sum Assured}$$

4. Loans:

No loan facility is available under the Rider.

5. Alterations of the Rider:

- a. Increase/Decrease in Rider Sum Assured is not allowed
- b. Rider can be opted either at inception or at any policy anniversary as per the Board approved Underwriting Principles and the Rider Terms and Conditions.
- c. Rider will automatically get surrendered if the base policy is surrendered and the Surrender Value, if any, shall be payable.
- d. Rider can also be detached anytime during Base policy term. However, if the rider is opted earlier and then detached during the Rider Policy Term, the policyholder will not be able to opt for the Rider again under the same base policy. On detachment of the rider, the applicable surrender value, if any, will be paid and the rider cover will terminate

6. Free Look Provision:

The policyholder is offered 15 days free look period for a policy sold through all channels (except for Distance Marketing* Channel which will have 30 Days) from the date of receipt of the Rider policy wherein the policyholder may choose to return the Rider policy stating the reasons thereof within 15 days / 30 days of receipt if s/he is not agreeable with any of the terms and conditions of the Rider. The cancellation request should be submitted to the nearest Kotak Life Insurance Branch or sent directly to the Company. Should s/he choose to return the Rider policy, s/he shall be entitled to a refund of the Rider premium paid after adjustment for the expenses of medical examination, stamp duty and proportionate Rider risk premium for the period of cover. A Rider policy once returned shall not be revived, reinstated or restored at any point of time and a new proposal will have to be made for a new policy.

*Distance Marketing includes every activity of solicitation (including lead generation) and sale of insurance products through the following modes: (i) Voice mode, which includes telephone calling (ii) Short Messaging service (SMS) (iii) Electronic mode which includes e-mail, internet and interactive television (DTH) (iv) Physical mode which includes direct postal mail and newspaper & magazine inserts and (v) Solicitation through any means of communication other than in person.

In addition to the above, Free Look Provision as per the base Policy is also applicable on the Rider contract. The Rider Policy stands cancelled when the Free Look Provision of the base Policy is exercised.

PART E
NOT APPLICABLE

PART F

1. Claims:

- a) The minimum documents required to make a claim under this rider are as follows
 - Certified copies of First Information Report [FIR] and the Final Police Closure Report
 - Supporting medical documents pertaining to the claim event.
 - If the claim event occurs due to any car or motor accident where the Life Insured was the driver, then we require a certified copy of the Life Insured's valid driving license.
- The policyholder needs to write to the Company, within 30 days from the day of the Accident, giving the following details:
 - Date, time and the place of the Accident.
 - Nature of the Accident and details thereof.
 - The Life Insured's address.
- Within 150 days after the happening of Total and Permanent Disability, the Policyholder must write to the Company giving the details of permanent and total disability, in the manner required by the Company, along with proof of disability.
- The Company reserves its rights to call for any additional requirements or waive any Mandatory Requirement (basis the merits of the claim) for the assessment of Rider Claim.

2. General Terms and conditions:

- b) Section 45 of the Insurance Act, 1938, as amended from time-to-time, shall be applicable to the Rider.
- c) All the provisions of the base Policy shall be applicable to the Rider Benefit.

PART G

Query/Complaint Resolution and List of Ombudsman already provided in the base Policy