INFORMATION TO BE PROVIDED IN SALES BROCHURE

LIC's Accidental Death and Disability Benefit Rider (UIN: 512B209V02)

LIC's Accidental Death and Disability Benefit Rider is a non-linked rider which provides for financial compensation in case of unfortunate event of an accident leading to permanent disability or death of the insured. This rider shall be available under regular premium, single premium and limited premium payment plans with which this rider is allowed. The cover shall be available during the policy term or till the policy anniversary on which the age nearest birthday is 70 years, whichever is earlier.

This rider will be offered as an add-on benefit to the basic plan.

1. **Benefits:**

If the Life assured is involved in an accident, which is defined as "a sudden, unforeseen and involuntary event caused by external, visible and violent means", leading to either permanent and total disability or death and such incident shall occur within 180 days from the date of accident, the Corporation shall pay:

(a) In case of Disability to the Life Assured: (i) Accident Benefit Sum Assured in equal monthly instalments spread over 10 years. If the policy becomes a claim either by way of maturity or death before all due instalments are paid out, the remaining disability benefit instalments which have not fallen due will be paid along with the claim and (ii) the future premiums, if any, are waived under the policy (including the premium under basic plan) to the extent of Accident Benefit Sum Assured. However, the premium for any other Rider, if opted for, shall continue to be paid.

The disability above referred to must be disability which is the result of an accident and must be total and permanent. Accidental injuries which independently of all other causes and within 180 days from the happening of such accident result in such disability due to which life assured is unable to perform at least 4 of the following Activities of Daily Living (defined below) permanently without any external help/support including the use of mechanical equipment, special devices or other aids, then such disability shall be treated as Total and Permanent. Medical Examiner authorized by the Corporation shall examine the life assured to certify the disability as Total and Permanent.

The Activities of Daily Living are:

- Dressing - the ability to put on and take off all necessary garments, artificial limbs or other surgical appliances that are medically necessary
- Washing - the ability to wash to maintain an adequate level of cleanliness and personal hygiene
- Feeding - the ability to transfer food from a plate or bowl to the mouth once food has been prepared and made available
- Toileting - the ability to use the lavatory or otherwise manage bowel and bladder functions so as to maintain a satisfactory level of personal hygiene
- Mobility - the ability to move indoors from room to room on level surfaces at the normal place of residence
- Transferring - the ability to move from a bed to an upright chair or wheel chair and vice versa

Notwithstanding what is mentioned above, Accidental injuries which independently of all other causes and within 180 days from the happening of such accident, result in the irrecoverable loss of the entire sight of both eyes or in the amputation of both hands at or above the wrists or in the amputation of both feet at or above ankles, or in the amputation of one hand at or above the wrist and one foot at or above the ankle, shall also be deemed to constitute such disability.

(b) In case of death of the Life Assured:
Accident Benefit Sum Assured

2. <u>Eligibility Conditions and Other Restriction:</u>

(i) Minimum Sum Assured : Rs. 10,000/-

(ii) Maximum Sum Assured :

The maximum aggregate limit of Accident Benefit cover shall be as under:

(A) For LIC's Jeevan Shiromani with minimum Basic Sum Assured of Rs. 100 lakhs

The maximum aggregate limit of assurance under all policies including policies with in-built Accident Benefit taken with Life Insurance Corporation of India under individual policies as well as group policies on the same life to which following benefits apply shall not in any event exceed Rs.200 lakhs of Accident Benefit Sum Assured (including LIC's Jeevan Shiromani). If there be more policies than one and if the total Accident Benefit Sum Assured exceeds Rs. 200 lakhs (including a minimum of 100 lakhs under LIC's Jeevan Shiromani) the benefits shall apply to the first Rs. 200 lakhs Accident Benefit Sum Assured in order of date of policies issued.

(B) For all other plans (excluding LIC's Jeevan Shiromani):

The maximum aggregate limit of assurance under all policies including policies with in-built Accident Benefit taken with Life Insurance Corporation of India under individual policies as well as group policies on the same life to which following benefits apply shall not in any event exceed Rs.100 lakhs of Accident Benefit Sum Assured. If there be more policies than one and if the total Accident Benefit Sum Assured exceeds Rs. 100 lakhs, the benefits shall apply to the first Rs. 100 lakhs Accident Benefit Sum Assured in order of date of policies issued.

<u>In any case, the maximum Accident Benefit cover offered to an individual including the policies taken under (A) above, will not exceed Rs. 200 lakhs</u>.

(iii) Minimum age at entry : 18 years (completed)

(iv) Maximum age at entry : The cover can be opted for at any time during the premium paying term but before the policy anniversary on which the age nearest birthday of the Life Assured is 70 years.

(v) Maximum maturity age : 70 years (nearest birthday)

(vi) Policy term : The policy term shall be same as under the basic plan or (70 - age at entry) years, whichever is earlier.

(vii) Premium paying term : Same as Base Plan

(viii) Premium payment mode : Same as Base Plan.

3. <u>Premium Rate:</u>

Flat premium rates shall be applicable irrespective of age.

<u>For Regular Premium policies:</u>

Rs. 1.00 per annum per thousand Accident Benefit Sum Assured. However, if the Life Assured is engaged in police duty in any police organizations and opts for this cover while engaged in police duty, the premium rate shall be Rs. 1.50 per annum per thousand Accident Benefit Sum Assured.

For Single Premium policies:

The sample single premium rates per thousand Accident Benefit Sum Assured are as under:

Policy Term (1)	Premium (For lives excluding those mentioned in column 3) (2)	Premium (if accident cover is opted for while engaged in police duty) (3)
10	8.00	11.95
20	12.65	18.95
30	15.35	23.00

For Limited Premium policies:

The premium shall depend on the policy term and premium paying term. The sample premium rate per thousand Accident Benefit Sum Assured for the policy term 20 year and premium paying term 15 years is Rs. 1.20 per annum. If the Life Assured is engaged in police duty either in any military, naval, or police organization and opts for this cover while engaged in police duty, the premium rate per thousand Accident Benefit Sum Assured for the policy term 20 year and premium paying term 15 years is Rs. 1.80 per annum.

4. Paid-up Value:

This rider shall not acquire any paid-up value.

5. Surrender Value:

No Surrender Value will be available under this rider.

However, on surrender of an inforce basic policy (which has acquired surrender value) to which this rider is attached, in case of single premium policy or limited premium policy, a proportion of additional rider premium charged in respect of cover after premium paying term shall be refunded.

6. Taxes:

Taxes including Service Tax, if any, shall be as per the Tax laws and the rate of tax shall be as applicable from time to time.

The amount of tax including service tax as per the prevailing rates shall be payable by the Policyholder on the instalment premiums.

7. Cooling-off period:

Same as base plan.

8. Exclusion:

The Corporation shall not be liable to pay the Accident Benefit sum assured, if the disability or the death of the Life Assured shall:

(i) be caused by intentional self injury, attempted suicide, insanity or immorality or whilst the Life Assured is under the influence or consumption of intoxicating liquor, narcotic or drug (unless prescribed by doctor as a part of treatment); or

(ii) be caused by injuries resulting from taking any part in riots, civil commotion, rebellion, war (whether war be declared or not), invasion, hunting, mountaineering, steeple chasing, racing of any kind, paragliding or parachuting, taking part in adventurous sports; or

(iii) result from the Life Assured committing any criminal act with criminal intent; or

(iv) (a) arise from employment of the Life Assured in the armed forces or military service. This

exclusion is not applicable if the Life Assured was involved in an accident when he is not on duty or was involved in any rescue operations while combating natural calamities in our country

(b) arise from being engaged in police duty (which excludes administrative assignments) in any police organization other than paramilitary forces. This exclusion is not applicable where the option to cover Accidental Death and Disability Benefit arising on accident while engaged in police duty, has been chosen; or

(v) occur after 180 days from the date of accident of the Life Assured.

SECTION 45 OF INSURANCE ACT, 1938:

The provision of Section 45 of the Insurance Act, 1938 shall be as amended from time to time.

The simplified version of this provision is as under:

Provisions regarding policy not being called into question in terms of Section 45 of the Insurance Act, 1938, as amended by Insurance Laws (Amendment) Act, 2015 are as follows:

1. No Policy of Life Insurance shall be called in question on any ground whatsoever after expiry of 3 yrs from
   a. the date of issuance of policy or
   b. the date of commencement of risk or
   c. the date of revival of policy or
   d. the date of rider to the policy
   whichever is later.

2. On the ground of fraud, a policy of Life Insurance may be called in question within 3 years from
   a. the date of issuance of policy or
   b. the date of commencement of risk or
   c. the date of revival of policy or
   d. the date of rider to the policy
   whichever is later.

   For this, the insurer should communicate in writing to the insured or legal representative or nominee or assignees of insured, as applicable, mentioning the ground and materials on which such decision is based.

3. Fraud means any of the following acts committed by insured or by his agent, with the intent to deceive the insurer or to induce the insurer to issue a life insurance policy:
   a. The suggestion, as a fact of that which is not true and which the insured does not believe to be true;
   b. The active concealment of a fact by the insured having knowledge or belief of the fact;
   c. Any other act fitted to deceive; and
   d. Any such act or omission as the law specifically declares to be fraudulent.

4. Mere silence is not fraud unless, depending on circumstances of the case, it is the duty of the insured or his agent keeping silence to speak or silence is in itself equivalent to speak.

5. No Insurer shall repudiate a life insurance Policy on the ground of Fraud, if the Insured / beneficiary can prove that the misstatement was true to the best of his knowledge and there was no deliberate intention to suppress the fact or that such mis-statement of or suppression of material fact are within the knowledge of the insurer. Onus of disproving is upon the policyholder, if alive, or beneficiaries.

6. Life insurance Policy can be called in question within 3 years on the ground that any statement of or suppression of a fact material to expectancy of life of the insured was incorrectly made in the proposal

or other document basis which policy was issued or revived or rider issued. For this, the insurer should communicate in writing to the insured or legal representative or nominee or assignees of insured, as applicable, mentioning the ground and materials on which decision to repudiate the policy of life insurance is based.

7. In case repudiation is on ground of mis-statement and not on fraud, the premium collected on policy till the date of repudiation shall be paid to the insured or legal representative or nominee or assignees of insured, within a period of 90 days from the date of repudiation.

8. Fact shall not be considered material unless it has a direct bearing on the risk undertaken by the insurer. The onus is on insurer to show that if the insurer had been aware of the said fact, no life insurance policy would have been issued to the insured.

9. The insurer can call for proof of age at any time if he is entitled to do so and no policy shall be deemed to be called in question merely because the terms of the policy are adjusted on subsequent proof of age of life insured. So, this Section will not be applicable for questioning age or adjustment based on proof of age submitted subsequently.

PROHIBITION OF REBATES (SECTION 41 OF 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.

BEWARE OF SPURIOUS PHONE CALLS AND FICTITIOUS/FRAUDULENT OFFERS

IRDAI clarifies to public that

- **IRDAI or its officials do not involve in activities like sale of any kind of insurance or financial products nor invest premiums.**
- **IRDAI does not announce any bonus.**

Public receiving such phone calls are requested to lodge a police compliant along with details of phone call, number.

"Insurance is the subject matter of solicitation."

Registered Office:
Life Insurance Corporation of India
Central Office, Yogakshema ,
Jeevan Bima Marg,
Mumbai-400021
Website: www.licindia.in
Registration Number: 512