

Draft dated October 22, 2001

PAYOR RIDER

Waiver of Premium Benefit for Policy Holder who is not the Life Insured

1. THE CONTRACT

- 1.1 This Rider Contract ("**Rider**") forms part of and supplements the Base Policy referred to in the Schedule/Endorsement hereto ("**Base Policy**") issued by Max New York Life Insurance Company Limited ("**Company**"). The Proposal and other particulars (if any) together with the premium deposit and declarations, received from the Proposer, form the basis of this Rider.
- 1.2 In addition to the terms and conditions of this Rider, this Rider is also subject, in so far as they are applicable, to the terms and conditions of the Base Policy and any Rider(s) attached to the Base Policy. In the event of any inconsistency between the terms and conditions of the Base Policy and this Rider, the provisions of this Rider shall prevail with respect to the matters dealt with in this Rider.
- 1.3 The Company agrees to provide the Benefit under this Rider while this Rider is in force.

2. DEFINITIONS

- (i) For the purposes of this Rider, "**Policy Holder**" means and includes only such persons who are Policy Holders, and post the automatic vesting of the policy in the Life Insured at age 18 years, the Payor and not the Life Insured under the Base Policy and Rider/s attached to such Base Policy.
- (ii) "**Total Disability**" or "**Totally Disabled**" refers to the Policy Holder becoming permanently and totally disabled for a continuous period of not less than 6 (six) months as a result of injury or sickness and is thereby totally incapable of engaging in any gainful

activity or carrying out any work, occupation, or profession to earn or obtain any wages, compensation, remuneration or profit.

- (iii) "**Waiting Period**" refers to the continuous period of not less than 6 (six) months during which the Policy Holder is permanently and Totally Disabled as a result of injury or sickness.
- (iv) "**Specified Premiums Due**" refers to the subsequent premiums payable under the Base Policy and all other applicable Riders in force as at the Effective Date of this Rider.
- (v) Words and expressions used in this Rider and not defined herein, but defined in the Base Policy shall have, where the context so permits, the meaning assigned to them in the Base Policy.

3. BENEFIT

- 3.1 While this Rider is in force, this Rider entitles the Policy Holder to waiver of premium benefit on policies in the name of juvenile below the age of 18 years as stated in this Rider.
- 3.2 Subject to the terms and conditions of this Rider, if the Policy Holder suffers (a) Total Disability; or (b) dies, the Company shall waive the Specified Premiums Due.
- 3.3 Subject to Condition 5 below, the waiver of premium benefit available under this Rider is:
- (a) in case of Total Disability of Policy Holder, limited to waiver of Specified Premiums Due, only during the period of continuance of the Total Disability of the Policy Holder but not beyond such period; and

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- (b) in case of death of the Policy Holder, limited to waiver of Specified Premiums Due up to (i) the date of maturity of the Base Policy and all other applicable Riders in force as at the Effective date of Coverage of this Rider; or (ii) in cases where the Life Insured is a minor, upon the Life Insured attaining the age of 18 years, or (iii) in the case of Children's Endowment Participating Insurance to Age 24 with Whole Life Option, till age 24 years.

4. PERIOD OF COVERAGE

4.1 The Term

The Rider will remain effective from the Effective Date of this Rider and shall remain valid till the Expiry Date.

4.2 Expiry Date

This Rider shall automatically terminate ("Expiry Date") on the happening of any of the following events.

- (i) The period of coverage stated in the Schedule/ Endorsement coming to an end or upon the Policy Holder attaining the age of 55 years or in cases where the Life Insured is a minor, upon the Life Insured attaining the age of 18 years; or
- (ii) On the death of the Policy Holder; or
- (iii) If the Base Policy goes into Non Forfeiture (as defined in the Base Policy) or has expired or lapsed or has become paid up, surrendered or cancelled or terminated in any manner; or
- (iv) Upon receipt by the Company of the Policy Holder's written request for cancellation of the Rider.

Termination of this Rider shall be without prejudice to any rights and liabilities which has or have arisen prior to such termination. Any payment or receipt, of any Premium(s) hereunder subsequent to cancellation/ termination

of this Rider shall not create any liability, except that the Company will refund such Premium(s), without interest.

5. EXCLUSIONS

5.1 This Payor Rider will not cover any future purchases which may be exercised under the un-expired options for future purchases of additional insurance under the Option to Participate in Progressive Bonuses, Guaranteed Insurability Option or any other applicable Rider(s).

5.2 Notwithstanding anything to the contrary stated herein, the benefit under this Rider will not be available if the Total Disability or Death of the Policy Holder occurs from or is caused by, either directly or indirectly, voluntarily or involuntarily, any of the following, viz.,

- (i) suicide or attempted suicide or intentional self-inflicted injury, by the Policy Holder, whether sane or not at the time.
- (ii) The Policy Holder being under the influence of drugs, alcohol, narcotics or psychotropic substance, not prescribed by a Registered Medical Practitioner.
- (iii) war (declared or undeclared), invasion, civil disturbance or civil commotion, rebellion, riots, revolution or any warlike operations.
- (iv) participation by the Policy Holder in a criminal or unlawful act and/or the Policy Holder committing any breach of law.
- (v) service by the Policy Holder in the military/ paramilitary, naval, air forces or Police organizations of any country in a state of war (declared or undeclared) or of armed conflict.
- (vi) participation by the Policy Holder in any flying activity

other than as a *bona fide* passenger (whether paying or not), in a licensed aircraft provided that the Policy Holder does not, at that time, have any duty on board such aircraft.

- (vii) the Policy Holder engaging in or taking part in professional sport(s) or any hazardous pursuits, including but not limited to, diving or riding or any kind of race; underwater activities involving the use of breathing apparatus or not; martial arts; hunting; mountaineering; parachuting; or bungy-jumping.
- (viii) any radioactive, explosive or hazardous nature of nuclear fuel materials or property contaminated by nuclear fuel materials or accident arising from such nature.
- (ix) pregnancy or miscarriage or any complications arising therefrom.
- (x) resulting from infection with Human Immunodeficiency Virus (HIV)/ Acquired Immune Deficiency Syndrome (AIDS) within 5 years from the later of Effective Date of this Rider or the date of issue of this Rider.

5.3 In addition to the above, this Rider is further subject to the exclusions as provided in the Base Policy.

6. CHANGE OF OCCUPATION ETC.

The Policy Holder is required to inform the Company of any change in the occupation, profession, or hobbies of the Policy Holder, occurring during the term of this Rider, failing which the Company may decline the Benefit under this Rider. In the event of such a change the Company, in its absolute and sole discretion, reserves the right to take such action as it may deem appropriate.

7. EXERCISE OF BENEFIT UNDER THE RIDER AND CONDITIONS IN RELATION TO SUCH EXERCISE

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7.1 Exercise of benefit under the Rider

7.1.1 No later than 3 (three) months from the death of the Payor, the Life Insured or a person lawfully acting on behalf of the Life Insured shall send a notice in writing to the Company.

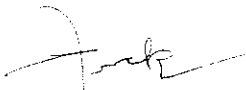
Subject to satisfaction of the conditions specified in this Rider, including proof satisfactory to the Company, as to death of the Payor, the Company will provide the Benefit under this Rider.

7.1.2 No later than 3 (three) months from the occurrence of such event that has resulted (or may result) in Total Disability of the Payor, the Payor or a person lawfully acting on behalf of the Payor shall send a notice in writing to the Company.

However, in the event of Total Disability, during the Waiting Period, the Payor shall continue to pay all the Premiums due.

Subject to satisfaction of the conditions specified in this Rider, including proof satisfactory to the Company, as to the occurrence and continuation of the Total Disability of the Payor, the Company will provide the Benefit under this Rider.

7.1.3 Once the Company approves the Benefit under the Rider, the Company will refund all the Specified Premiums Due received by the Company under the Base Policy and other applicable riders, for the Waiting Period. Should notice of claim be received by the



Company after the expiry of the Waiting Period, refund of such premiums will be limited to the premiums received for a maximum period of up to 6 months prior to the date of receipt of the notice of claim by the Company.

7.2 Proof of Death /Total Disability

Benefits are payable under this Rider on submission of necessary evidence to the satisfaction of the Company, including evidence to the happening of the Insured Event (being death or Total Disability, as the case may be), and as to the title to the claim.

At any time during the continuance of Total Disability, the Company may require the Policy Holder to provide proof to the satisfaction of the Company of the continuance of such Total Disability. If proof to the satisfaction of the Company is not received, then the Benefit provided under the Rider shall cease to be applicable. The Company may at any time require the Policy Holder to be examined at the cost of the Company by a medical practitioner about the existence or continuation of such Total Disability, to the satisfaction of the Company.

7.3 Notice of cessation of Total Disability

As soon as the Total Disability ceases to exist, the Policy Holder shall promptly notify the Company, no later than 30 days after such recovery. Irrespective of such notification being given or not by the Policy Holder, the Policy Holder shall be liable pay all the Premiums that were waived by the Company under this Rider from the date of such recovery, together with applicable interest in force from time to time. Without prejudice to the Policy Holders obligations to pay such Premium and interest, the Company shall also be entitled to terminate the Benefits granted under this Rider.

7.4 Recurring Claims

Subject to clause 7.2 above, if the Total Disability of the Policy Holder ceases but such Total Disability recurs from the same cause within a period of 6 months thereafter, benefits under this Rider would resume immediately without any reference to the Waiting Period.

8. REINSTATEMENT OF THE RIDER

At any time after this Rider has ceased to be in force, the Policy Holder may request for reinstatement of the Rider. The Company may reinstate the Rider, subject to reinstatement terms as may be in force at the relevant time.

9. OTHER PROVISIONS

Assignment

The Rider or the benefit under the Rider cannot be assigned by the Policy Holder independent of the Base Policy. If the Base Policy is assigned by the Policy Holder, the Rider and the benefits under the Rider shall stand assigned along with the Base Policy.
