

Safeguard (Rider): Endorsement Document

Safeguard is a rider which can be endorsed along with the Base Plan only and cannot be bought in isolation or as a separate product. This Rider shall be available only for claims made within India during the Policy Period. The rider shall be available only if it is specifically mentioned in Your Base Plan's Policy Schedule.

All waiting periods, permanent exclusions, definitions, claims procedure and general terms & conditions applicable to the Base Plan will apply to this rider as well.

Please Note: Any claim under any of the benefits mentioned in this rider endorsement policy will only be admissible when it qualifies according to the terms, conditions and exclusions in the Base Plan.

1. Benefits

- a. Claim Safeguard: If we have accepted a Hospitalization claim under the Base Plan, We will also pay for items mentioned in List I – 'Expenses not covered' under Annexure 'The expenses that are not covered or subsumed into room charges / procedure charges / costs of treatment'.
- b. Booster Benefit / No Claim Bonus Safeguard: Cumulative Bonus under Booster Benefit or No Claim Bonus of the Base Plan will not be impacted at Renewal if total admissible claim amount in the previous Policy Year is not more than Rs. 50,000.
- c. Sum Insured Safeguard: The Base Sum Insured under the Base Plan will be increased on Cumulative Basis at each Policy Year on the basis of inflation rate in previous year. Safeguard Sum Insured (if applicable) will be specified in Your Base Plan's Policy Schedule. Inflation rate would be computed as the average Consumer Price index (CPI) of the entire calendar year published by the Central Statistics Office (CSO).

Conditions - The coverage under 'Sum Insured Safeguard' is subject to fulfilment of following conditions:

- a. The % increase will be applicable only on Base Sum Insured under the Base Plan and not on any other benefit which leads to increase in Sum Insured.
- b. In case of any change in Base Sum Insured under the Base Plan at the time of Renewal, any accumulated Sum Insured due to Sum Insured Safeguard Benefit will be added to the enhanced or reduced Sum Insured opted by Insured at the time of Renewal.
- c. All accumulated Safeguard benefit Sum Insured will lapse if this rider is not Renewed.
- d. Central Statistics Office (CSO) is a government agency in India under the Ministry of Statistics and Programme

Implementation responsible for co-ordination of statistical activities in India, and evolving and maintaining statistical standards.

- e. Consumer Price index (CPI) is a measure of inflation; changes in the CPI are used to assess price changes associated with the cost of living. It is a measure that examines the weighted average of prices of a basket of consumer goods and services, such as transportation, food and medical care. It is calculated by taking price changes for each item in the predetermined basket of goods and averaging them.

Illustration of calculation of inflation rate based on CPI figures

| Month | CPI 2019 | CPI 2018 |
|--|---|--------------|
| January | 139.6 | 136.9 |
| February | 139.9 | 136.4 |
| March | 140.4 | 136.5 |
| April | 141.2 | 137.1 |
| May | 142.0 | 137.8 |
| June | 142.9 | 138.5 |
| July | 144.2 | 139.8 |
| August | 145.0 | 140.4 |
| September | 145.8 | 140.2 |
| October | 147.2 | 140.7 |
| November | 148.6 | 140.8 |
| December | 150.4 | 140.1 |
| Average | 143.9 | 138.8 |
| CPI inflation rate for calendar year 2019 | 3.67% i.e. $(\text{Average CPI for 2019} - \text{Average CPI for 2018}) / \text{Average CPI for 2018}$ | |

As per the table above:

- The average CPI for 2019 is 143.9, whereas the average CPI for 2018 is 138.8
- The increase in average CPI is calculated as:
- $(\text{Average CPI for 2019} - \text{Average CPI for 2018}) / \text{Average CPI for 2018}$
- Hence, the average increase in Base Sum Insured applicable in 2020 will be 3.67%.

Note: CPI figure for a particular month is recorded from the following link: <http://mospi.nic.in/cpi>

Max Bupa Health Insurance Company Limited
Registered Office: C-98, Lajpat Nagar 1, Delhi-110024

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