

ULIP Riders - What is a Rider in Unit Linked Insurance Plan?

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ULIP Riders are **add-on benefits** that can be purchased along with the [ULIP Policy](#) that enhances or adds some benefits which might not be present in the original plan.

Riders are optional components that can be mixed and matched with the basic policy based on one's preferences at an additional cost. It helps the insurance companies offer flexibility and the option of customisation in the policy to customers.

With a host of riders, the customer can now choose to effectively tailor the plan as per his/her requirements. Since these riders come at an additional cost, the customer should carefully evaluate the benefits while taking these add-ons benefits.

Different companies offer different riders. Insurance companies levy rider charges in case you opt for riders.

Here are some of the riders available along with main insurance policies:

- **ULIP rider # 1 Critical illness rider**

Covers illnesses such as heart attack, stroke, cancer, surgery to coronary arteries. The policyholder is paid the sum assured if he contracts any of the specified illnesses under the rider. Note that the insured would need to survive the specified illness at least 30 days from the date of diagnosis to avail of this benefit. The policy along with all the riders (to the extent of the Rider Sum Assured) is then terminated. But your base policy would continue and you would have to continue to pay premiums on it.

- **ULIP rider # 2 Accidental death and dismemberment rider**

Most insurers pay 100% of the coverage face amount in case of death due to accident. Also, in case of loss of more than one limb, or sight in both eyes, or loss of one limb and sight in one eye, 100% of the coverage amount is paid. In case of loss of one limb or sight in one eye 50%, of the coverage face amount is paid. Rider cover terminates once all or part of the coverage is paid.

- **ULIP rider # 3 Term Rider**

Provides for payment of the coverage face amount in event of death of the life insured

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ULIP rider # 4 Critical Illness Plus Rider

Not all insurance companies offer this rider. It covers an additional number of illnesses over and above those covered by the Critical Illness Rider. Will pay the coverage face amount if the insured is diagnosed with one of the conditions specified and survives for at least 30 days from the date of diagnosis.

- **ULIP rider # 5 Critical Illness Woman Rider**

This rider covers 29 illnesses in total. Out of these three are pregnancy-related complications.

- **ULIP rider # 6 Waiver of premium rider/ life guardian benefit**

Premium is waived if you are unable to pay premiums in the event of unforeseen calamities and the policy continues to be alive.

- **ULIP rider # 7 Income Benefit Rider**

In case of death of the life assured during the term of the policy, 10% of the rider sum assured is paid annually to the beneficiary, on each policy anniversary till maturity of the rider.