

**Kotak POS Bachat Bima**

UIN: 107N117V01

Thank you for being a part of the Kotak Life Insurance family.

We view insurance as being much more than a cover; it is about savings and protection, about being carefree, about living life to the fullest. It is indeed heartening to know that you share our sentiments.

We would like to bring to your notice that Insurance Regulatory and Development Authority of India (IRDAI) has revised the regulations pertaining to products by issuing IRDAI (Non Linked Insurance Products) Regulations, 2019. As per the new Regulations, the following clauses in your existing policy/ies stand revised:

**1. Definition of Revival:**

Means restoration of the lapsed or Reduced Paid-Up Policy in accordance with the provisions of the Policy Document. Revival may be of the following two types and the same may be made before the date of maturity of the Policy but, within the timelines indicated below:

- a. 'Minor Revival': means revival made within six months from the due date of the first unpaid Premium causing the Policy to Lapse or get converted to Reduced Paid-Up; and
- b. Major Revival': means revival made after six months but within five years from the due date of the first unpaid Premium causing the Policy to Lapse or get converted to Reduced Paid-Up.

- 2. Lapse:** If Premiums for the first two consecutive Policy years are not paid within the Grace Period, the Policy shall lapse from the due date of the first unpaid Premium and no benefits under the Policy shall be payable. If the Policy lapses, all the benefits under the Policy Lapse. The lapsed Policy can be revived in the manner as mentioned in the Revival clause. Fresh nomination/Assignment is not allowed during lapse mode. In case a Policy has already been assigned, the lapsed status of the policy shall be informed to the assignee on record with the Company.

- 3. Revival :** The Policyholder can revive a Lapsed/ Reduced Paid-Up Policy by making an application within a period of five years from the date of the first due unpaid Premium and before the date of maturity of the Policy.

The Policy may be revived on the following terms:

Sr. No.	Type of Revival	Requirements for Revival	Amount Payable for Revival
1.	within six months from the due date of the first unpaid Premium ("Minor Revival");	without evidence of good health;	on payment of: a) Outstanding Premiums and; b) Interest charge at such rates as may be prescribed by the Company, and approved by IRDAI from time to time on Premiums in arrears (9% per annum of outstanding premiums). Extra premiums may also be required based on the underwriting decision as per Board Approved Underwriting Policy (BAUP)
2.	after six months but within five years from the due date of the first unpaid Premium and before the date of maturity of the Policy ("Major Revival");	on production of evidence of good health and good habits by the Policyholder/Life Insured /attending physician of the Life Insured, as the case may be, to the satisfaction of the Company and also the evidence of there being no adverse change in the personal or family history or occupation of the Life Insured; In such cases, extra Premiums and any other documents may be required based on the Board Approved Underwriting Policy (BAUP).	on payment of: a) Premiums in arrears, and; b) interest charge (9%per annum of outstanding premiums) at such rates as may be prescribed by the Company from time to time on Premiums in arrears. Extra Premiums may be required based on the Board Approved Underwriting Policy (BAUP).

- i. The Company may, at its absolute discretion, accept or decline the request for revival (made by the Policyholder in writing) of a lapsed/Reduced Paid-Up Policy, or accept the request for revival on such terms and conditions as it deems fit. The revival of the Policy will be effective after the Company's approval is communicated in writing to the Policyholder. Revival will be based on Board Approved Underwriting Policy (BAUP).
- ii. In the event the Lapsed Policy is not revived within five years of due date of the first unpaid Premium and before the date of maturity of the Policy, the Policy shall stand terminated and the benefits payable under the Policy also shall cease.
- iii. In the event the Reduced Paid-Up Policy is not revived within five years of due date of the first unpaid Premium and before the date of maturity of the Policy, the Policy shall continue in that mode until maturity, death or surrender whichever is earlier.
- iv. If Policy is converted to Reduced Paid-Up state (Please refer Clause on Reduced Paid-Up)
- v. All benefits under the policy will be reinstated on the revival of a lapsed/Reduced Paid-Up Policy.
- vi. After expiry of revival period, Policy may be terminated by paying the Surrender Value if the Reduced Paid-Up Sum Assured of the policy is less than INR 1,250.

#### 4. Surrender

- i. Surrender Value is acquired after payment of 2 consecutive full years' Premiums
- ii. On Surrender, the benefits payable shall be higher of Guaranteed Surrender Value or Special Surrender Value.
- iii. Guaranteed Surrender Value (GSV):
  - a) Guaranteed Surrender Value (GSV) shall be a percentage of the total Premiums paid (excluding Goods and Service Tax and Cess, as applicable) as on the date of surrender, PLUS value of accrued Guaranteed Yearly Additions, if any.
  - b) The value of the accrued Guaranteed Yearly Additions applicable for GSV will be calculated as:  
  
Accrued Guaranteed Yearly Additions X Guaranteed Surrender Value Factor.
  - c) Guaranteed Surrender Value Factors for Total premiums paid are provided in Table A below.

Table A		
Policy Year	Policy Term: 16 /PPT: 8	Policy Term : 20/ PPT: 10
1	0%	0%
2	30%	30%
3	35%	35%
4	50%	50%
5	50%	50%
6	50%	50%
7	50%	50%
8	54%	54%
9	59%	58%
10	63%	62%
11	68%	65%
12	72%	69%
13	77%	73%
14	81%	77%
15	90%	81%
16	90%	85%
17	NA	88%
18	NA	92%
19	NA	96%
20	NA	100%

All other clauses and conditions remain the same. This document is an addendum to your existing policy contract and the clauses as mentioned in this letter supersede the clauses of the existing policy contract that you may have.

5. **Loans:** The rate of interest (currently 9.80% p.a.) will be specified by the Company in respect of each loan when the same is sanctioned. The rate of interest may be revised from time to time with a spread of 225 bps over and above yield on 10 year Government Securities subject to IRDAI

approval. The first payment of the interest will be on the date specified by the Company and every 6 months thereafter.

**6. Suicide Exclusion**

- i. If the Life Insured commits suicide within one year from the Date of Commencement of Risk, no death benefit under the Policy shall be payable. However, in such cases 80% of the total Premiums paid till the date of death \* shall be payable to the Claimant.
- ii. In case of Minor Revival done after one year from Date of Commencement of Risk, Suicide Exclusion shall not be applicable and the Death Benefit under the Policy shall be payable.
- iii. In case of suicide within 1 year of the date of Major Revival, done after one year from the Date of Commencement of Risk, the benefit payable shall be higher of 80% of total Premiums Paid till the date of death\* or Surrender Value (if any ) at the date of death provided the Policy is in force. In such cases, no death benefit under the Policy shall be payable.

\* but excludes taxes and cess paid, if any

All other clauses and conditions remain the same. This document is an addendum to your existing policy contract and the clauses as mentioned in this letter supersede the clauses of the existing policy contract that you may have.

Warm regards,  
Kotak Mahindra Life Insurance Co. Ltd.