

Kotak Single Invest Plus
(UIN: 107L075V02)

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 (Linked Insurance Products) Regulations, 2019. As per the new Regulations, the following clauses in your existing policy/ies stand revised:

1. Settlement Option:

The Policyholder will also have following 2 options of taking the Maturity benefit. This should be intimated to the Company within 3 months prior to the date of the Maturity of the Policy:

- i. 50% of the maturity benefit as a lump sum and 50% as installments (as described below),
OR
- ii. Whole maturity benefit in installments (as described below)

The installments can be taken over a maximum period of five years. At the end of Settlement Period, the balance in the Fund, if any, will be paid out as one lump sum and the Policy will cease thereafter.

Details on Installments of Settlement:

1. At maturity, Policyholder will pre-specify the mode in which installments will be paid (e.g. quarterly, semi-annually or annually).
 - a) In case of option i. above, after the payment of lump sum amount, 20% of the balance amount shall be payable each year (i.e. 10% of the Maturity Benefit) over a period of 5 years.
 - b) In case of option ii. above, the yearly installments i.e. 20% of Maturity Benefit will be payable over a period of five years.
 - c) In case of non-annual modes, the yearly installments for each year shall be further divided equally as per mode chosen.
2. The first instalment under settlement option shall be payable on the date of maturity.
3. In case of death during the Settlement Period, higher of 105% of Single premium paid or the balance Fund Value shall be payable and the Policy will be terminated. No other benefit is provided during Settlement Period.
 - a. In case both lives are alive during the Settlement Period, the Life Cover is available only on the death of the last survivor.
 - b. Where one death claim has already been paid before maturity the life cover would be applicable on the surviving life.
4. During the Settlement Period, the investment risk will be borne by the Policyholder. Thus there is a possibility that the Fund Value can grow or deplete during the Settlement period and the return/risk of such movement will be borne by the Policyholder. Accordingly the Total Benefit payable under the product may vary.
5. Fund Management Charges (FMC) and the applicable taxes (currently Goods and Services tax and cess) will be recovered by adjustments to the NAVs of the funds invested during this period. Switching Charges, if applicable, will be levied through cancellation of units. Mortality charge will be also be levied during Settlement Period based on the Sum At Risk. Other charges will not be applicable.

6. The Policyholder should specify the choice of funds into which maturity amounts are to be maintained with the Company. Such selection of funds should be specified at the point of pre-settlement intimation given to the Company.
7. Switching between the Funds will be allowed during the Settlement Period.
8. Partial withdrawals will not be allowed during the Settlement Period.
9. The number of Units to be liquidated to meet each payment shall depend on the respective fund NAVs as on the date of each payment.
10. If the Policyholder requests for pre-closure or if the Fund Value is insufficient (due to volatility in the Market or due to Charges) to pay the desired amount of installment, then the balance Fund Value will be payable and the Policy will be terminated without levying any other charges.

2. Benefits on Discontinuance of Policy:

The Policy will be discontinued if the Policyholder submits a request to discontinue the Policy anytime during the Policy term.

However, if the Policy is discontinued during the Lock-In Period, the benefits on Discontinuance will be payable at the end of Lock-In Period. In case, the Policy is discontinued after the Lock-In Period, the benefits on Discontinuance will become payable immediately.

i. Plan benefits on Discontinuance during the Lock-in Period

- a. The Fund Value net of discontinuance charges on the Date of Discontinuance will be credited to the Discontinued Policy Fund. Only fund management charge can be deducted from this fund during this period. Further, no risk cover shall be available on such policy during the discontinuance period.
- b. This Discontinued Policy Fund will earn interest rate at least equal to the minimum guaranteed interest (currently 4% p.a.) as specified by IRDAI till the end of lock-in period (5 years from policy inception). The minimum guaranteed interest rate applicable to the Discontinued Policy Fund shall be declared by the Authority from time to time.
- c. The excess Income earned on discontinuance fund over and above the minimum guaranteed interest rate shall also be apportioned to the Discontinued Policy Fund in arriving at the proceeds to the discontinued policy.
- d. Facilities such as fund switches and Partial Withdrawals will not be allowed during this discontinuance period.
- e. For benefits on death during Lock-In Period, please refer to clause on 'Death Benefit during the Discontinuance Period within the Lock-in Period' mentioned above.

ii. Plan benefits on discontinuance after the Lock-in Period

- a. Fund Value including Loyalty Additions, if any, will be payable.
- b. The benefit will be payable immediately.

Once the benefit on Discontinuance as aforesaid is paid, the Policy will stand terminated.

3. Partial Withdrawal: The Partial Withdrawals are allowed only after completion of the Lock-in Period. In case of death of the Policyholder (where Primary Life Insured and Policyholder are same) where the Secondary Life Insured is a minor, partial withdrawal by the legal guardian will be allowed.

- i. In case of Partial Withdrawals, at the time of calculation of death benefit, the sum assured on second death and 105% of total premiums paid, shall be reduced to the extent of Partial

Withdrawals made from the Fund Value of the Main Account during the two year period immediately preceding the date of death of the Life Insured. Partial Withdrawals made from the Fund Value during the two year period immediately preceding the date of death shall be referred as “Applicable Partial Withdrawals”

- ii. Partial Withdrawals shall not be allowed which would result in termination of contract.
- iii. The minimum amount of partial withdrawal is Rs.5,000. Partial Withdrawals should be in multiples of Rs.1,000.
- iv. The minimum amount of 50% of Single Premium shall be required to be maintained as Fund Value after partial withdrawal; otherwise partial withdrawal will not be allowed. If the Fund Value (after Partial Withdrawal) falls below the prescribed limit, either because of a charge or due to a fall in NAV, the Policy will continue till Fund Value remains positive.
- v. Partial withdrawal will not be allowed during Discontinuance state and during Settlement period.
- vi. The Company may from time to time prescribe certain norms pertaining to minimum withdrawals/balance etc., to enable the Policyholder to maintain such balance subject to IRDAI approval.

4. Mortality Charges

For the purpose of calculation of Mortality Charges, Sum at Risk shall be calculated as follows:

1. For covering first death : Sum Assured on First Death
2. For covering the Surviving Life :

The Sum at Risk will be

Highest of:

- Sum Assured on Second Death less applicable Partial Withdrawals, or
- the Fund Value including Loyalty Additions (if any) infused into the Account, or
- 105% of the Single Premium Paid less applicable partial withdrawals

Less Fund Value including Loyalty Additions (if any) infused into the Account

Sum at Risk for policies during Settlement Period

Sum at Risk will be

Highest of:

- 105% of the Single Premium
- Fund Value

MINUS Fund Value

5. Discontinuance Charges

Following discontinuance charges shall be applicable:

Discontinued policy year	Maximum Discontinuance Charges
1	Lower of 1% *(SP or FV) subject to a max of Rs.3000
2	Lower of 0.70% *(SP or FV) subject to a maximum of Rs.2000/-
3	Lower of 0.50% *(SP or FV) subject to a maximum of Rs.1500/-

4	Lower of 0.35% *(SP or FV) subject to a maximum of Rs. 1000/-
5 and onwards	Nil

6. Suicide Exclusion:

In the case of death of the joint lives (whether primary or secondary) or on death of both lives together due to suicide within 12 months from the Date of Commencement of the Policy, the nominee or beneficiary of the policyholder shall be entitled to the Fund Value as available on the date of intimation of death and the Policy will cease. Further any charges other than Fund Management Charges recovered subsequent to the date of death shall be added back to the Fund value as available on the date of intimation of death.

7. Force Majeure:

If Our performance or any of Our obligations are in any way prevented or hindered as a consequence of a force majeure event, the performance of this Policy shall be wholly or partially suspended during the continuance of such force majeure event. This shall be subject to the following conditions:

- a. The Company shall value the Funds (SFIN) on each day for which the financial markets are open. However, the Company may value the SFIN less frequently in extreme circumstances external to the Company i.e. in force majeure events, where the value of the assets is too uncertain. In such circumstances, the Company may defer the valuation of assets for up to 30 days until the Company is certain that the valuation of SFIN can be resumed.
- b. The Company shall inform IRDAI of such deferment in the valuation of assets. During the continuance of the force majeure events, all request for servicing the policy including policy related payment shall be kept in abeyance.
- c. The Company shall continue to invest as per the fund mandates submitted to IRDAI at the time of Product approval. However, the Company shall reserve its right to change the exposure of all or any part of the Fund to Money Market Instruments [as defined under Regulations 2(j) of IRDAI (Investment) Regulations, 2016, as amended from time to time] in circumstances mentioned under points a. and b. above. The exposure of the fund as per the fund mandates submitted to IRDAI (as stated above) shall be reinstated within reasonable timelines once the force majeure situation ends.
- d. In such an event, an intimation of such force majeure event shall be uploaded on the Company's website for information.
- e. Few examples of circumstances as mentioned a. & b. above are:
 - i. when one or more stock exchanges which provide a basis for valuation of the assets of the fund are closed otherwise than for ordinary holidays;
 - ii. when, as a result of political, economic, monetary or any circumstances which are not in the control of the Company, the disposal of the assets of the fund would be detrimental to the interests of the continuing Policyholders;
 - iii. in the event of natural calamities, strikes, war, civil unrest, riots and bandhs;
 - iv. in the event of any force majeure or disaster that affects the normal functioning of the Company.

8. Jurisdiction:

Without prejudice to the generality of the aforesaid provisions, this Policy shall be governed by the laws of India. The Courts of India shall have the exclusive jurisdiction to settle any disputes arising under this Policy.



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.