

**Kotak Premier Life Plan**  
**UIN (107N096V01)**

**PART B**

**DEFINITIONS**

- i. Act:**  
Means Insurance Act, 1938, as amended from time-to-time.
- ii. Age:**  
Means the age of the Life Insured on the last birthday (as per the English calendar)
- iii. Annualised Premium:**  
Means the total of all Premiums payable by the Policyholder in one Policy year excluding the underwriting extra Premiums, loadings for modal Premium, Service Tax and Rider Premium, if any.
- iv. Assignee:**  
Means the person to whom the Policy is assigned and the notice of which is endorsed on the Policy by the Insurer.
- v. Bonus:**
  - a. Simple Reversionary Bonus:**  
At the end of each financial year during the PPT, the Company may declare a percentage of the Sum Assured on maturity as a Simple Reversionary Bonus.

The Simple Reversionary Bonuses are not guaranteed. These bonuses will vest from end of the 1<sup>st</sup> Policy year provided all due premiums have been paid in full.

Based on the Bonus option selected i.e. Cash Payouts or Paid up Additions, the Accrued Simple Reversionary Bonuses would either be payable at the end of the Premium Payment Term or utilized to purchase Paid-Up Additions..

Simple Reversionary Bonus will not be applicable after the Policy becomes Reduced Paid-up.

**b. Cash Bonus:**

At the end of each financial year after the Premium Payment Term, Company will declare a Cash Bonus Rate. The Cash Bonus payable under a policy will be calculated as Cash Bonus Rate multiplied by Sum Assured on Maturity under the Policy. The Cash Bonus, if any, is payable till the end of the policy term or death whichever is earlier. First such cash bonus vest at (policy anniversary) one year after the Premium Payment Term

In case Paid-Up Additions option is chosen under Bonus Option, Cash Bonus declared will be utilized to purchase Paid-Up Additions. Further, these Paid-Up Additions shall also participate in the profits of the Company. At the end of each financial year, the Company may also declare a Cash Bonus Rate which will be applied on the Accrued Paid-Up Additions.

In respect of Reduced-Paid-up policies, Cash Bonus will not be declared after the policy is converted to Reduced Paid-up.

Please refer below to Paid-up Addition section in this PART for more information.

**c. Interim Bonus:**

In the event of a claim, part-way through a financial year or before declaration of the Simple Reversionary Bonus and Cash Bonus for the Financial Year in which such a claim is intimated, an interim bonus (if applicable) may be payable at such rate as may be decided by the Company.

This interim bonus will be in the nature of Simple Reversionary Bonus (before PPT) or Cash Bonus (after PPT) as the case may be.

Interim bonus in respect of Simple Reversionary bonus will be applicable during PPT and will apply to the Policy year# for which bonus has not been allotted in the earlier Financial Year.

Interim Bonus in respect of Cash Bonus will be applicable after PPT and will apply to the Policy year# for which Cash Bonus has not been allotted in the earlier Financial Year.

Please note that this bonus is applicable for both Cash Bonus on 'Sum Assured on maturity' and Cash Bonus on 'Paid-Up Additions'.

#Policy Year means the period from the previous Policy anniversary date (or the Date of Commencement of Policy for the first year) up to the next Policy anniversary date.

**d. Terminal Bonus:**

The Company may decide to pay Terminal Bonus in case of death after completion of 10 full Policy years. It may also be payable on Maturity and shall be a percentage of the Sum Assured on maturity.

In addition, Terminal Bonus on Paid-up Additions (if any), may be declared separately and will be payable on Accrued Paid-up Additions as on the date of exit. Such bonus shall be a percentage of Accrued Paid-Up Additions.

Terminal Bonus will not be payable on policies which have been made Paid-Up or Surrendered.

**vi. Claimant:**

Means, the Policyholder; or the Life Insured; or the Assignee; or the nominee; or the legal heir of the Policyholder or the nominee, as the case may be.

**vii. Date of Commencement of Policy:**

The date mentioned in the Schedule as Date of Commencement of Policy

**viii. Date of Commencement of Risk:**

The date mentioned in Schedule as Date of Commencement of Risk.

**ix. Grace Period:**

Means the time granted by the Company i.e. 30 days from the due date for the payment of Premium for yearly, half-yearly and quarterly mode and 15 days for monthly mode, without levy of any interest or penalty during which time the Policy is considered to be in-force with the risk cover without any interruption as per the terms of the Policy.

**x. Lapse:**

Means cessation of the benefits under the Policy upon non-payment of the due Premiums within the Grace Period, as per the terms and conditions of the Policy.

**xi. Minimum Age & Maximum Age:**

Minimum Age of the Life Insured at entry is 3 years.

Maximum Age of the Life Insured at entry shall be based on the Premium Payment Term as follows:

Premium Payment Term	Maximum Entry Age
8 years	55 years
12 years	53 years
15 years	50 years
20 years	45 years

Maturity Age of the Life Insured is 99 years.

**xii. Paid-Up Additions:**

If the Policyholder has opted for Paid-Up Additions option at inception, then Paid-Up Additions will be available. Paid-Up Additions are additional guaranteed benefits payable on death of the Life Insured or upon maturity of the Policy as per the terms and conditions of the Policy. Paid-Up Additions shall also participate in the future profits of the Participating Fund. Paid-up Additions can also be encashed during the term of the Policy using the Cash Value Factors provided in Section 2 of Part D.

**xiii. Policy:**

Means the contract of insurance entered into between the Policyholder and the Company as evidenced by Policy Document.

**xiv. Policy Document:**

Means the present contract of insurance which has been issued on the basis of the proposal, other representations and documents submitted by the Policyholder and/or the Life Insured(s).

**xv. Premium:**

Means the Single Premium (for Single Premium payment option) or the total initial Premium and subsequent Premium due (in case of other than Single Premium payment option) payable under the Policy. The Premium shall be subject to taxes as may be applicable from time to time.

**xvi. Premium Payment Term (PPT):**

This is the period during which the Policyholder shall pay the Premium to get the full benefits as mentioned in the Schedule of the Policy. If the Premium Payment Term is less than the Policy Term, it shall mean Limited Premium payment Policy.

**xvii. Revival:**

Means reinstatement of the lapsed or Reduced Paid-Up benefits of the 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; and
- b. 'Major Revival': means revival made after six months but within two years from the due date of the first unpaid Premium causing the Policy to Lapse.

**xviii. Sum Assured on death:**

If all the due premiums have been paid, the Sum Assured on death during the Policy Term will be as follows:

Higher of;

- a. 11 times of Annualised Premium ; or
- b. Sum Assured on maturity, which is the absolute amount of benefit guaranteed to be payable on maturity of the policy; or
- c. 105% of Premiums\* paid till the date of death (excluding service tax and cess, as applicable and rider premium, if any)  
\* includes extra Premiums, if any.

**xix. Sum Assured on maturity:**

Shall mean the amount as mentioned in the Schedule as Sum Assured on maturity, which is the absolute amount of benefit guaranteed to be payable on maturity of the policy.

**xx. Surrender:**

Means the termination of the Policy by the Policyholder before the Date of Maturity, in accordance with the provisions of the Policy Document.

**xxi. Term of the Policy:**

Means the period mentioned in the Schedule, it is the period during which the Life Insured is covered, subject to terms and conditions of the Policy Document.

## PART C

### **1. BENEFITS PAYABLE**

The following benefits are payable, provided all the due Premium(s) have been paid up to date:

#### **i. Death Benefit:**

- a. If the death of Life Insured occurs during the PPT:

If all the due Premiums have been paid, death benefit shall be:

- Sum Assured on Death (defined above in PART B) PLUS
- Accrued Simple Reversionary Bonus (if any) PLUS
- Terminal Bonus (if any).

If the death occurs during Grace Period, the due unpaid premium (if any) till the date of death will be deducted from the aforesaid Death Benefit.

For policies, where the Premium payment mode is not Annual, the balance of the Premium for that Policy year will also be deducted from the Death Benefit.

- b. If the death of Life Insured occurs after the PPT but during Policy Term:

If all the due Premiums have been paid, death benefit shall be:

- Sum Assured on Death (defined above) PLUS
- Accrued Paid-Up Additions (if any) PLUS
- Terminal Bonus (if any).

- c. For minor Life Insured, the risk commences immediately on the date of commencement of the Policy as defined above.

- d. For Death Benefit payable under Lapse and Reduced Paid-up mode kindly refer to the respective Sections.

- e. Once the Death Benefit under the Policy is paid, the Policy stands terminated.

#### **ii. Survival Benefit:**

The Survival Benefit shall be payable as per the Bonus option selected. The Bonus options are:

- Cash Payout – To receive bonuses in cash under the Policy, or
- Paid-Up Additions – To utilize the bonuses under the Policy to purchase Paid-Up Additions.

Policyholder may change the option selected at inception, subsequently by giving a written request within 3 months prior to the end of Premium Payment Term. In case the request is not received within the defined time frame, the Policy shall continue as per the option selected at inception.

The Survival Benefits payable as per the Bonus option selected, shall be as follows:

**Cash Payout option:**

Under this option, accrued Simple Reversionary Bonus is payable at the end of the Premium Payment Term. Further, at the end of each Policy year after the expiry of Premium Payment Term, Cash Bonus is payable till end of the Policy term or death or surrender whichever is earlier. First such cash bonus shall be payable one year after the Premium Payment Term.

**Paid-Up Additions option:**

Under this option, the accrued Simple Reversionary Bonus will be utilized to purchase Paid-Up Additions. Further, at the end of each financial year after the expiry of Premium Payment Term, Cash Bonus declared every year will be utilized to purchase Paid-Up Additions.

**iii. Maturity Benefit:**

The benefit payable on maturity is as follows:

- Sum Assured on maturity Plus
- Cash Bonus (if any) Plus
- Accrued Paid-up Additions (if any) Plus
- Terminal Bonus (if any)

Once the Maturity Benefit under the Policy is paid, the Policy stands terminated.

**iv. Rider Benefits:**

The Policyholder may opt for the following Riders, subject to the terms and conditions applicable to the riders:

- Kotak Accidental Death Benefit Rider (UIN – 107B001V03)
- Kotak Permanent Disability Benefit Rider (UIN – 107B002V03)
- Kotak Term Benefit Rider (UIN – 107B003V03)

- Kotak Life Guardian Benefit Rider [LGB] (UIN – 107B012V02)
- Kotak Accidental Disability Guardian Benefit Rider [ADGB] (UIN – 107B011V02)

### **Rider Conditions:**

- Rider Benefit Term will be as per rider annexure and subject to not breaching the PPT and Policy term and maturity age of this Policy (“Base Policy”). As far as LGB and ADGB riders are concerned, policies will not be eligible for these riders where the sum of Age of Proposer and PPT of Base Policy, exceeds the maximum maturity age allowed under these riders.
- ADGB and LGB Rider benefit term will be outstanding PPT of Base Policy subject to minimum of 5 years.
- The payment of rider premiums would be made in addition to the premium of the Base Policy.
- Sum Assured under each rider must be  $\leq$  Sum Assured on maturity under Base Policy.
- Sum of all premiums for riders must be  $\leq$  30% of premium of the Base Policy.
- Modal Factors apply for Rider Premiums, as per Rider features.
- Minimum rider term is 5 years.
- Rider(s) can be opted either at inception or at any policy anniversary during policy term,.
- Rider(s) can also be detached anytime during the Rider term but effective only from next Rider premium due date.
- The following shall apply to all Riders except ADGB and LGB Rider:
  - Rider benefit term should be less than or equal to the outstanding policy term of the Base Policy. The maximum Rider benefit term allowed will be the outstanding Policy term selected under the Base Policy subject to the maximum maturity age under the Rider.
  - Rider PPT should be less than or equal to the outstanding PPT of the Base Policy.
  - Premium payment options (Regular/Limited/Single) under Rider will have to be same as that of the Base Plan.

## **2. PAID-UP ADDITIONS:**

In case Paid-Up Additions option is chosen under Bonus Option, the accrued Simple Reversionary Bonus payable at the end of the Premium Payment Term and Cash Bonus payable after the Premium Payment Term will be utilized to purchase Paid-Up Additions.

However, the Policyholder can change the options selected at inception by providing a written request to the Company, within 3 months prior to the end of PPT. In case the request is not received within the aforesaid time, the Policy will continue as per the option selected at inception.

Paid-Up Additions shall be calculated as under:

Paid-Up Addition factor x accrued Simple Reversionary Bonus or Cash Bonus as applicable

Paid-Up Addition factors are provided in the table below:

Age* at the time of exercising Paid-Up Additions	Paid-Up Factor	Age at the time of exercising Paid-Up Additions	Paid-Up Factor
10	1.84123	55	1.48479
11	1.83752	56	1.47301
12	1.83366	57	1.46116
13	1.82968	58	1.44924
14	1.82559	59	1.43724
15	1.82140	60	1.42519
16	1.81711	61	1.41308
17	1.81270	62	1.40095
18	1.80816	63	1.38879
19	1.80348	64	1.37665
20	1.79863	65	1.36453
21	1.79361	66	1.35246
22	1.78839	67	1.34047

23	1.78296	68	1.32856
24	1.77731	69	1.31677
25	1.77142	70	1.30510
26	1.76528	71	1.29358
27	1.75889	72	1.28221
28	1.75223	73	1.27101
29	1.74532	74	1.26000
30	1.73813	75	1.24918
31	1.73067	76	1.23856
32	1.72294	77	1.22814
33	1.71494	78	1.21794
34	1.70666	79	1.20795
35	1.69812	80	1.19817
36	1.68930	81	1.18861
37	1.68023	82	1.17925
38	1.67089	83	1.17010
39	1.66129	84	1.16113
40	1.65145	85	1.15232
41	1.64137	86	1.14366
42	1.63106	87	1.13510
43	1.62054	88	1.12659
44	1.60983	89	1.11807
45	1.59894	90	1.10944

46	1.58790	91	1.10058
47	1.57674	92	1.09130
48	1.56547	93	1.08134
49	1.55413	94	1.07033
50	1.54271	95	1.05772
51	1.53124	96	1.04270
52	1.51971	97	1.02406
53	1.50813	98	1.0000
54	1.49649		

**\*Age: at the beginning of the Policy Year**

Paid-Up Additions participate in the future profits of the participating fund. Please refer to Bonus section above for more details. In respect of Reduced Paid-Up policies, Paid-Up Additions will not be available after the policy is converted into Reduced Paid-Up status.

#### **Cash Value of Paid-Up Addition:**

In case Paid-Up Additions option is chosen, Policyholder may encash the accrued Paid-Up Additions and can take the cash value of such Paid-Up Additions. The remaining Paid-Up Additions, if any, will continue to participate in future bonuses.

This encashment option will only be available from the expiry of Premium Payment Term till end of the Policy Term. Such encashment is allowed up to a maximum of 6 times in a Policy Year subject to a minimum amount of ` 10,000/-. For 'Cash Value Factor for Paid-Up Additions', please refer to section 2 under Part D.

### **3. PREMIUMS PAYABLE**

I. Mode of Premium payment: <<Annual/Half-yearly/Quarterly/Monthly>>

Due date(s) of Future Premium Payments:

<u>Benefit</u>	<u>Installment Premium (Rs.)</u>	<u>Extra Premium (Rs.)</u>	<u>Date of Risk Commencement</u>	<u>Date Last Premium Due</u>
1. Basic Benefit				<Date/ N.A.>

Total \_\_\_\_ <Annual/half yearly/ Quarterly/monthly> Premium for Basic Benefit is: Rs.\_\_\_\_\_. Service Tax, Cess, and any other tax, as applicable at prevailing applicable rate will be collected together with the Premium(s).

Modal Factors depending on the mode of Premium are stated below:

Frequency	Modal Factor
Annual	100% of tabulated Yearly Premium
Half-Yearly	51% of yearly Premium
Quarterly	26% of yearly premium
Monthly	8.8% of yearly Premium.

Special Conditions, if any:

#### 4. LAPSE:

- i. For Premium Payment Term of less than 10 years: if Premiums are discontinued anytime during the first two Policy years, the Policy shall lapse at the end of the Grace Period.
- ii. For Premium Payment Term of 10 years and above: If the Premiums for the first three Policy years are not paid within the Grace Period, the Policy shall lapse at the end of the Grace Period.
- iii. If the Policy lapses, all the benefits under the Policy also lapse.



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- iv. The lapsed Policy can be revived in the manner as mentioned in the Revival clause below.
- v. Fresh nomination and assignment is not allowed during lapse mode.

Signed for and on behalf of Kotak Mahindra Old Mutual Life Insurance Limited at Mumbai  
on \_\_\_\_\_

Authorised Signatory

**PART D**

**1. Revival**

- i. The Policyholder can revive the Lapsed / Reduced Paid-Up Policy (with or without Riders) by making an application within a period of two years from the due date of the first unpaid Premium and before the date of maturity of the Policy.

The Policy may be revived on the following terms:

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) late payment charges at such rates as may be prescribed by the Company from time to time on Premiums in arrears (currently 9% per annum of outstanding premiums).
2.	after six months but within two 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 Principles (BAUP).	on payment of a) Premiums in arrears, and; b) late payment charges (currently 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 Principles (BAUP).

- ii. 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 Principles (BAUP). The revival of the Policy will be effective after the Company's approval is communicated in writing to the Policyholder.
- iii. In the event, the Lapsed Policy is not revived within two 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 shall cease.
- iv. If policy is converted to Reduced Paid-Up state (Please refer Clause on Reduced Paid-Up) and is not revived as aforesaid, it will continue in that mode until maturity, death or surrender, whichever is earlier.
- v. Policy will not be eligible for declared bonuses during the lapse/Reduced Paid-up period. However, all benefits under the policy will be reinstated on the revival of the policy.
- vi. After expiry of revival period Policy may be terminated by paying the Surrender Value if the Reduced Paid-Up Sum Assured on maturity is less than Rs. 1,250/- exclusive of accrued bonuses, if any.

## 2. Surrender

- i. For policies with Premium Payment Term of less than 10 years: Surrender Value is acquired after payment of 2 consecutive full years' Premiums
- ii. For policies with Premium Payment Term of 10 years or above: Surrender Value is acquired after payment of 3 consecutive full years' Premiums
- iii. On Surrender, the benefits payable shall be higher of Guaranteed Surrender Value or Special Surrender Value.
- iv. Guaranteed Surrender Value (GSV)

The Guaranteed Surrender Value (GSV) is a percentage of total Premiums\* paid (excluding Service Tax & cess, as applicable and Rider Premium, if any). In addition, the value of subsisting bonuses (if any) and Cash value of Paid-Up Additions (if available) will also be payable.

\*includes extra Premiums, if any.

GSV Factors as percentage of total Premiums paid is given in the table below:

Year of Surrender	GSV Factors (as % of Premiums paid)
2 <sup>nd</sup> & 3 <sup>rd</sup> year	30%
4 <sup>th</sup> to 7 <sup>th</sup> year	50%
8 <sup>th</sup> year onwards till PPT	$50\% + (\text{Year of surrender} - 7) \times (75\% - 50\%) / (\text{PPT} - 7)$
(PPT + 1) to (Term-9) year	$75\% + (\text{Year of surrender} - \text{PPT}) \times (85\% - 75\%) / ((\text{Term}-9) - \text{PPT})$
(Term-8) to Term	$85\% - (\text{Year of surrender} - (\text{Term}-9)) \times (85\% - 50\%) / 9$

Value of subsisting bonus (if any) is calculated as:

[Accrued Simple Reversionary Bonuses (if any) X GSV Factor as on the date of surrender]

GSV factors as percentage of Accrued Simple Reversionary Bonuses (if any) is given in the table below:

Outstanding Premium Payment Term	GSV Factor	Outstanding Premium Payment Term	GSV Factor
0	100.00%	10	37.16%
1	90.50%	11	33.72%
2	81.91%	12	30.61%
3	74.14%	13	27.80%
4	67.13%	14	25.27%
5	60.79%	15	22.99%

6	55.06%	16	20.93%
7	49.88%	17	19.08%
8	45.20%	18	17.41%
9	40.98%	19	15.91%

Cash Value of Paid-Up Additions (if available) is calculated as:

[Accrued Paid-Up Additions (if any) X 'Cash Value Factor for Paid-Up Additions']

'Cash Value Factor for Paid-Up Additions' as percentage of Accrued Paid-Up Additions (if any) is given in the table below:

Age on Surrender / Encashment	Cash Value Factor for Paid-Up Additions	Age on Surrender / Encashment	Cash Value Factor for Paid-Up Additions
10	0.543115	55	0.673496
11	0.544212	56	0.678882
12	0.545357	57	0.684388
13	0.546544	58	0.690017
14	0.547768	59	0.695778
15	0.549028	60	0.701661
16	0.550324	61	0.707674
17	0.551663	62	0.713801
18	0.553048	63	0.720051
19	0.554484	64	0.726401
20	0.555979	65	0.732853
21	0.557535	66	0.739393

22	0.559162	67	0.746007
23	0.560865	68	0.752695
24	0.562648	69	0.759434
25	0.564519	70	0.766225
26	0.566482	71	0.773048
27	0.568540	72	0.779903
28	0.570701	73	0.786776
29	0.572961	74	0.793651
30	0.575331	75	0.800525
31	0.577811	76	0.807389
32	0.580403	77	0.814239
33	0.583111	78	0.821059
34	0.585940	79	0.827849
35	0.588887	80	0.834606
36	0.591961	81	0.841319
37	0.595157	82	0.847997
38	0.598483	83	0.854628
39	0.601942	84	0.861230
40	0.605528	85	0.867814
41	0.609247	86	0.874386
42	0.613098	87	0.880980
43	0.617078	88	0.887634
44	0.621184	89	0.894398

45	0.625414	90	0.901356
46	0.629763	91	0.908612
47	0.634220	92	0.916338
48	0.638786	93	0.924779
49	0.643447	94	0.934291
50	0.648210	95	0.945430
51	0.653065	96	0.959049
52	0.658020	97	0.976505
53	0.663073	98	1.000000
54	0.668230		

- v. On Surrender, the Company may consider paying a Special Surrender Value once Policy acquires Guaranteed Surrender Value. Such Special Surrender Value will be solely determined by the Company at its discretion, and the same will be quoted in writing by the Company, on receipt of a written request from the Policyholder. The benefit payable in case of surrender will be higher of, Guaranteed Surrender Value or Special Surrender Value.
- vi. The surrender value will be paid out as a lump sum after deduction of outstanding loans plus interest, if any.
- vii. Once the surrender value is paid, all the benefits will cease and the Policy shall be terminated.

### 3. Reduced Paid-Up

- i. After the Policy acquires Surrender Value, if the subsequent Premiums are not paid within the Grace Period, the Policy, will be converted into a Reduced Paid-Up policy by default. Riders (if any) will get converted to Reduced Paid-Up, if applicable subject to terms and conditions of respective Riders.
- ii. Upon being made Reduced Paid-up:

- a. The Policy will not be eligible for any future Bonuses mentioned above and Paid-Up Additions
  - b. Rider benefit will be available as per Reduced Paid-Up Rider Sum Assured, if applicable subject to the terms and conditions of the Rider document.
  - c. The Sum Assured on maturity is reduced to Reduced Paid-Up Sum Assured on maturity as follows:  
Reduced Paid-Up Sum Assured on maturity = Sum Assured on maturity × [(Total Premiums paid/ Total premiums payable during the entire policy term)]
  - d. Reduced Paid-Up Sum Assured on death = Sum Assured on death as at the date of reduced paid-up × [(Total Premiums paid/ Total premiums payable over the policy term)]
- iii. If a Reduced Paid-Up policy is surrendered, the surrender value (if any) for the Base Policy will be based on surrender value formula mentioned above. For surrender value of rider (if any), please refer 'Annexure' for respective rider benefit.
  - iv. A Reduced Paid-Up Policy may be revived within 2 years of the date of becoming Reduced Paid-Up (subject to the provisions of the clause on Revival).
  - v. If the Reduced Paid-Up Policy is not revived within the Revival period, at the end of the PPT the Accrued Simple Reversionary Bonus (if any) shall be paid out to the Claimant and the Policy shall continue till the end of the Policy Term in the Reduced Paid-Up state.
  - vi. **Payout on Maturity:**  
On maturity of the Policy after being Reduced Paid-Up, the benefit payable will be the Reduced Paid-up Sum Assured on maturity.
  - vii. **Payout on Death:**  
On death of the Life Insured during the PPT after Policy being Reduced Paid-Up, the benefit payable will be the Reduced Paid-up Sum Assured on death plus Accrued Simple Reversionary Bonuses (if any).

#### **4. Loans:**

- i. Loans may be granted under the Policy for a minimum amount of ` 10,000/- and maximum up to 80% of the surrender value (higher of Guaranteed Surrender Value or Special Surrender Value) of the Policy specified by the Company from time to

time, subject to the following terms and conditions, for such amounts and on such further terms and conditions as the Company may fix from time to time.

- ii. The Policy shall be assigned absolutely to and kept with the Company as security for the repayment of the loan, interest on the loan and expenses incurred in connection with the loan.
- iii. The initial rate of interest will be specified by the Company in respect of each loan when the same is sanctioned. The interest rate on the loan shall be floating. The first payment of the interest will be on the date specified by the Company and every 6 months thereafter.
- iv. The Company shall not be bound to accept repayment of the loan unless tendered in full.
- v. In case the outstanding loan amount (including Interest) exceeds 95% of the surrender value, the Company will send an intimation/reminder to the Policyholder for payment. In the event of failure to pay interest within one calendar month after each due date or if Premiums are discontinued, the policy may be held to be forfeited to the Company, without notice of forfeiture being necessary. However, the Policy will not be auto foreclosed where all due premiums have been paid. For such policies, the amount paid on survival or death or maturity will be the Survival Benefit or Death Benefit or Maturity Benefit reduced by outstanding Loan amount respectively
- vi. If the Policy becomes a claim by death or maturity and the amount of loan or any portion thereof remains outstanding, the Company shall be entitled to deduct the same together with all interest up to the date of claim from the policy proceeds before settling the claim.

## **5. Vesting on Attaining Majority:**

Where the policy has been issued on the life of a minor, the policy shall automatically vest on him/her with effect from the date of completion of 18 years of age and the Life Insured would be the holder of the policy from such date, subject to assignment, if any.

## **6. Free Look Provision:**

The policyholder is offered 15 days free look period for a policy sold through all channels (except for Distance Marketing\* Channel which will have 30 Days) from the date of receipt of the policy wherein the policyholder may choose to return the policy within 15 days / 30

days of receipt if s/he is not agreeable with any of the terms and conditions of the plan. Should she/he choose to return the policy, she/he shall be entitled to a refund of the premium paid after adjustment for the expenses of medical examination, stamp duty and proportionate risk premium for the period of cover. A policy once returned shall not be revived, reinstated or restored at any point of time and a new proposal will have to be made for a new policy.

\*Distance Marketing includes every activity of solicitation (including lead generation) and sale of insurance products through the following modes: (i) Voice mode, which includes telephone calling (ii) Short Messaging service (SMS) (iii) Electronic mode which includes e-mail, internet and interactive television (DTH) (iv) Physical mode which includes direct postal mail and newspaper & magazine inserts and (v) Solicitation through any means of communication other than in person.

PART E

NOT APPLICABLE

## PART F

### **1. Suicide Exclusion:**

- i. In the event of the Life Insured committing suicide within one year from the date of issuance of Policy, no death benefit under the Policy shall be payable. However, in such cases 80% of the total Premiums\* paid shall be payable to the Claimant.
- ii. In case of Minor Revival done after one year from date of issuance of Policy, 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 issuance of Policy, the benefit payable shall be higher of 80% of total Premiums\* Paid or Surrender Value (if any ) at the date of claim.

In such cases, no death benefit under the Policy shall be payable.

\*includes extra Premiums, if any

### **2. Misstatement of Age:**

The Premium has been calculated on the basis of the Age of the Life Insured as declared in the proposal form. If at a future date, the Age is found to be different from what was declared, without prejudice to the Company's other rights and remedies, the Policy shall be subject to re-underwriting.

### **3. Payment of Premiums:**

The annual Premiums are payable in advance on the anniversary of the date of commencement of the Policy. However, with the consent of the Company, the Premium(s) can also be paid in Half-yearly/ Quarterly/Monthly installments.

Grace Period, as applicable is available for payment of Premiums due.

Premiums may be revised by the Company to give effect to any changes in the prevailing tax laws or other legislation.

As a gesture of goodwill, the Company may by way of written intimation remind the Policyholder of the Premiums due and payable under this Policy. However, whether or not such intimation is received by the Policyholder, it shall be the sole responsibility of the Policyholder, at all times, to discharge the Premium obligations as mentioned in the Policy.

Likewise it shall not be obligatory on the Company to issue any communication to a Policyholder conveying that his/her Premium paying instrument (including those for any other payments under the Policy) has bounced and/or any standing instructions by the Policyholder to a bank has not been honoured, thereby resulting in non-payment/non-receipt of the Premium(s)/payments under the Policy. As mentioned above it shall be the sole responsibility of the Policyholder, to ensure that the Premiums as mentioned herein (including for any other payments under the Policy) are duly and properly discharged.

#### **4. Fraud and Misrepresentation Provisions:**

The provisions of Section 45 of the Insurance Act 1938 as amended from time to time will be applicable in this contract. [A Leaflet containing the simplified version of the provisions of Section 45 is enclosed in annexure - 3 for reference]

#### **5. Nomination and Assignment:**

- i. Nomination is allowed as per Section 39 of the Act as amended from time to time. [A Leaflet containing the simplified version of the provisions of Section 39 is enclosed in annexure - 1 for reference].
- ii. Assignment is allowed as per Section 38 of the Act as amended from time to time. [A Leaflet containing the simplified version of the provisions of Section 38 is enclosed in annexure - 2 for reference].
- iii. In case of Lapse of the Policy, fresh nomination and assignment will not be allowed.
- iv. The provisions of nomination shall not apply to any policy of the life insurance to which Section 6 of the Married Women's Property (MWP) Act, 1874, applies or has at any time applied. Assignment will not be permitted when the Policy is issued under the MWP Act.

#### **6. Issuance of Duplicate Policy Document:**

The Policyholder may request for issuance of duplicate Policy Document by making a request to the Company in writing or in the prescribed form as the case may be. Issuance of duplicate Policy Document shall be made subject to the following conditions:

- i. The Policyholder pays the applicable fee of ` 250/-, which may be changed in future subject to approval of IRDAI.

- ii. The Policyholder submits an affidavit cum indemnity in the format prescribed by the Company
- iii. Free Look clause shall not be applicable with respect to such duplicate Policy Document.

## 7. Claims:

In the unfortunate event of death of the Life Insured, the benefit will be paid to the Policyholder/Nominee/Legal Heir/ Assignee or to such other person(s) as directed by a Court of competent jurisdiction in India.

All claims payable will be subject to production of proof of the claim event and such other requirements as stipulated by the Company and the legal title of the claimant, satisfactory to the Company.

The Company reserves its rights to condone the delay on merit for delayed claims, where the delay is genuine and proved to be for reasons beyond the control of the Life Insured/ claimant.

The Primary documents normally required for processing a claim are:

- Intimation of the claim event (duly supported by evidence of claim event), in writing and in the Company's format and signed by the beneficiary / nominee/ assignee/ legal heirs as the case may be giving complete details as required in the Claim Intimation Form.
- Cause of claim event with supporting documents.
- Proof of claim event with supporting documents (e.g. original death certificate in the case of a death claim/hospital reports in the case of a critical illness claim etc.)
- A report from the last attending physician or surgeon or hospital with details of periods of illness plus copies of any special reports, available. Also, all the hospitalisation papers with case history and treatment sheets, i.e., extract of admission papers [which gives admission details of the patient along with history], complete treatment given to the patient during the hospitalisation period till the claim event, should be submitted.
- If the claim event occurs due to any accident or unnatural causes, then certified copies of the First Information Report [FIR], the post mortem or the autopsy report and the coroner's statement plus any newspaper cuttings shall have to be submitted. Complete Police Report and post Mortem Report in relation to the accident of the life insured
- Where death occurs due to any car or motor accident where the life insured was the driver, a certified copy of the insured's driving license to be submitted.
- Details of any illness / accident / injury that the Life Insured / Proposer might have suffered in the past 2 / 3 years along with complete reports / records.

- Original policy document.
- Proof of age of the Life Insured / Policyholder, if this has not been previously admitted by the Company (e.g. birth certificate, school leaving certificate etc.).
- Recent photograph of the Claimant, as mentioned above.
- Current residential proof and identity proof of Claimant, as mentioned above.
- Original Cancelled cheque showing name of Bank, location of Bank Branch, Name of Account Holder and Account No. In absence of the same the client can event submitted Photocopy of Bank Pass Book/Bank Statement of Claimant bearing the afore-referred details duly attested by the Concerned Bank

The Company reserves the right to call for any additional information and documents required to satisfy itself as to the validity of a claim. The Company may settle a claim by conducting its own investigation or enquiry to the satisfaction of the Company that the required documents are not available and the claimant approaching the Company is the genuine Claimant.

The amount due under this policy is payable at the office of the Company situated at Mumbai, but the Company may fix an alternative place of payment for the claim at any time before or after the policy has become a claim

#### 8. Policy Alteration:

- Basic Sum Assured, Premium, Policy term and Premium Payment Term related alterations are not allowed under the Policy.
- Minor Alterations like Name/ D.O.B. / Address/ Phone No. change etc. will be allowed
- Alteration charges will be as per prevailing Policy Servicing manual of the Company.

#### 9. Notice:

Any notice, information or instruction to the Company must be in writing and delivered to the address intimated by the Company to the Policyholder which is currently:

Customer Care,  
Kotak Mahindra Old Mutual Life Insurance Ltd,  
Kotak Towers, 7th Floor, Zone IV,  
Building No. 21, Infinity Park, Off Western Express Highway,  
Goregaon Mulund Link Road, Malad (East), Mumbai 400097  
Toll Free: 1800 209 8800  
Fax No. 022 - 6725 7452  
e-mail: [clientservicedesk@kotak.com](mailto:clientservicedesk@kotak.com)

The Company may change the address stated above and intimate the Policyholder of such change by suitable means.

The Policyholder is also advised to promptly notify the Company of any change in his/her address and/or that of his/her nominee.

Any notice, information or instruction from the Company to the Policyholder shall be mailed to the address specified in the proposal form or to the changed address as intimated to the Company in writing.

#### **10. Electronic Transactions:**

All remote transactions effected through the internet, world wide web, electronic data interchange, call centres, teleservice operations (whether voice, video, data or combination thereof) or by means of electronic, computer, automated machines network or through other means of telecommunication, established by the Insurer or on behalf of the Insurer, for and in respect of this Policy, shall be legally binding on either party and shall be considered as valid transactions as per extant laws applicable and which are done in adherence to and in compliance with the terms and conditions of such facilities, as may be prescribed by the Insurer from time to time.

#### **11. Force Majeure:**

If Our performance or any of Our obligations are in any way prevented or hindered as a consequence of any act of God or State, strike, lock out, legislation or restriction by any government or any other authority or any other circumstances beyond Our anticipation or control, the performance of this Policy shall be wholly or partially suspended during the continuance of such force majeure

#### **12. Governing Laws:**

i. Anti Money Laundering Provisions:

The Prevention of Money Laundering Act, 2002, also applies to insurance transactions. As such the Insurer shall enforce the said legislation to the extent it may be applicable to this Policy.

ii. Miscellaneous:

This Policy is subject to the Insurance Act 1938, the Insurance Regulatory and Development Authority Act, 1999, and such amendments, modifications as may be

made thereto from time to time and such other relevant regulations as may be introduced there under from time to time by that Authority.

iii. Jurisdiction:

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

## PART G

### Grievance Redressal System

1. In case you have any query or complaint/grievance, you may approach our office at the following address:

Customer Care,  
Kotak Mahindra Old Mutual Life Insurance Ltd,  
Kotak Towers, 7th Floor, Zone IV,  
Building No. 21, Infinity Park, Off Western Express Highway,  
Goregaon Mulund Link Road, Malad East, Mumbai 400097  
Toll Free: 1800 209 8800  
Fax No. 022 - 6725 7452

Email ID: [clientservicedesk@kotak.com](mailto:clientservicedesk@kotak.com)

2. In case you are not satisfied with the decision of the above office, or have not received any response within 10 days, you may contact the following official for resolution:

The Grievance Redressal Officer,  
Kotak Mahindra old Mutual Life Insurance Ltd,  
Kotak Towers, 7th Floor, Zone IV,  
Building No. 21, Infinity Park, Off Western Express Highway,  
Goregaon Mulund Link Road, Malad East, Mumbai 400097  
Contact No: 1800 209 8800

Email ID: [kli.grievance@kotak.com](mailto:kli.grievance@kotak.com)

3. If you are not satisfied with the response or do not receive a response from us within 15 days, you may approach the Grievance Cell of the Insurance Regulatory and Development Authority of India (IRDAI) on the following contact details:

IRDAI Grievance Call Centre (IGCC) TOLL FREE NO: 155255

Email ID: [complaints@irda.gov.in](mailto:complaints@irda.gov.in)

You can also register your complaint online at <http://www.igms.irda.gov.in/>

Address for communication for complaints by fax/paper:

Consumer Affairs Department  
Insurance Regulatory and Development Authority of India  
9th floor, United India Towers, Basheerbagh  
Hyderabad - 500 029, Andhra Pradesh  
Fax No: 91- 40 - 6678 9768''

4. In case you are not satisfied with the decision/resolution of the Company, you may approach the Insurance Ombudsman at the address given below if your grievance pertains to:

- Insurance claim that has been rejected or dispute of a claim on legal construction of the Policy
- Delay in settlement of claim
- Dispute with regard to Premium
- Non-receipt of your insurance document

The list of Insurance Ombudsman their contact details and areas of jurisdiction are annexed given below:

5. The complaint should be made in writing duly signed by the complainant or by his legal heirs with full details of the complaint and the contact information of complainant.

6. As per provision 13(3) of the Redressal of Public Grievances Rules 1998, the complaint to the Ombudsman can be made:

- Only if the grievance has been rejected by the Grievance Redressal Machinery of the Insurer
- Within a period of one year from the date of rejection by the Insurer
- If it is not simultaneously under any litigation.

**List of Insurance Ombudsman:**

Office of the Insurance Ombudsman, 2nd Floor, Ambica House, Nr. C.U. Shah College, Ashram Road, <b>AHMEDABAD-380 014.</b> Tel.:- 079-27545441/27546139 Fax : 079-27546142 Email: <a href="mailto:bimalokpal.ahmedabad@gbic.co.in">bimalokpal.ahmedabad@gbic.co.in</a>	Office of the Insurance Ombudsman, 2 <sup>nd</sup> Floor, Janak Vihar Complex, 6, Malviya Nagar, Opp. Airtel, Near New Market, <b>BHOPAL(M.P.)-462 003.</b> Tel.:- 0755-2769201/9202 Fax : 0755-2769203 Email: <a href="mailto:bimalokpal.bhopal@gbic.co.in">bimalokpal.bhopal@gbic.co.in</a>
Office of the Insurance Ombudsman, 62, Forest Park, <b>BHUBANESHWAR-751 009.</b> Tel.:- 0674-2596455/2596003 Fax : 0674-2596429 Email: <a href="mailto:bimalokpal.bhubaneswar@gbic.co.in">bimalokpal.bhubaneswar@gbic.co.in</a>	Office of the Insurance Ombudsman, S.C.O. No.101-103,2nd Floor, Batra Building, Sector 17-D, <b>CHANDIGARH-160 017.</b> Tel.:- 0172-2706468/2705861 Fax : 0172-2708274 Email: <a href="mailto:bimalokpal.chandigarh@gbic.co.in">bimalokpal.chandigarh@gbic.co.in</a>

Office of the Insurance Ombudsman, Fathima Akhtar Court, 4th Floor, 453 (old 312), Anna Salai, Teynampet, <b><u>CHENNAI-600 018.</u></b> Tel.:- 044-24333668 /24335284 Fax : 044-24333664 Email: <a href="mailto:bimalokpal.chennai@gbic.co.in">bimalokpal.chennai@gbic.co.in</a>	Office of the Insurance Ombudsman, 2/2 A, Universal Insurance Bldg., Asaf Ali Road, <b><u>NEW DELHI-110 002.</u></b> Tel.:- 011-23237539/23232481 Fax : 011-23230858 Email: <a href="mailto:bimalokpal.delhi@gbic.co.in">bimalokpal.delhi@gbic.co.in</a>
Office of the Insurance Ombudsman, “Jeevan Nivesh”, 5 <sup>th</sup> Floor, Near Panbazar Overbridge, S.S. Road, <b><u>GUWAHATI-781 001 (ASSAM).</u></b> Tel.:- 0361-2132204/5 Fax : 0361-2732937 Email: <a href="mailto:bimalokpal.guwahati@gbic.co.in">bimalokpal.guwahati@gbic.co.in</a>	Office of the Insurance Ombudsman, 6-2-46, 1 <sup>st</sup> Floor, Moin Court, A.C. Guards, Lakdi-Ka-Pool, <b><u>HYDERABAD-500 004.</u></b> Tel : 040-65504123/23312122 Fax: 040-23376599 Email: <a href="mailto:bimalokpal.hyderabad@gbic.co.in">bimalokpal.hyderabad@gbic.co.in</a>
Office of the Insurance Ombudsman, 2nd Floor, CC 27/2603, Pulinat Bldg., Opp. Cochin Shipyard, M.G. Road, <b><u>ERNAKULAM-682 015.</u></b> Tel : 0484-2358759/2359338 Fax : 0484-2359336 Email: <a href="mailto:bimalokpal.ernakulam@gbic.co.in">bimalokpal.ernakulam@gbic.co.in</a>	Office of the Insurance Ombudsman, Hindustan Building. Annexe, 4 <sup>th</sup> Floor, C.R. Avenue, <b><u>KOLKATA-700 072.</u></b> Tel : 033-22124339/22124340 Fax : 033-22124341 Email: <a href="mailto:bimalokpal.kolkata@gbic.co.in">bimalokpal.kolkata@gbic.co.in</a>
Office of the Insurance Ombudsman, Jeevan Bhawan, Phase-2, 6 <sup>th</sup> Floor, Nawal Kishore Road, Hazaratganj, <b><u>LUCKNOW-226 001.</u></b> Tel : 0522 -2231331/2231330 Fax : 0522-2231310 Email: <a href="mailto:bimalokpal.lucknow@gbic.co.in">bimalokpal.lucknow@gbic.co.in</a>	Office of the Insurance Ombudsman, 3rd Floor, Jeevan Seva Annexe, S.V. Road, Santacruz(W), <b><u>MUMBAI-400 054.</u></b> Tel : 022-26106928/26106552 Fax : 022-26106052 Email: <a href="mailto:bimalokpal.mumbai@gbic.co.in">bimalokpal.mumbai@gbic.co.in</a>
Office of the Insurance Ombudsman, Ground Floor, Jeevan Nidhi II, Bhawani Singh Road, <b><u>JAIPUR – 302005</u></b> Tel : 0141-2740363 Email: <a href="mailto:bimalokpal.jaipur@gbic.co.in">bimalokpal.jaipur@gbic.co.in</a>	Office of the Insurance Ombudsman, 2 <sup>nd</sup> Floor, Jeevan Darshan, N.C. Kelkar Road, Narayanpet, <b><u>PUNE – 411030.</u></b> Tel: 020-32341320 Email: <a href="mailto:bimalokpal.pune@gbic.co.in">bimalokpal.pune@gbic.co.in</a>

<p>Office of the Insurance Ombudsman, 24<sup>th</sup> Main Road, Jeevan Soudha Bldg. JP Nagar, 1<sup>st</sup> Phase, <b><u>BENGALURU – 560025.</u></b> Tel No: 080-22222049/22222048 Email: bimalokpal.bengaluru @gbic.co.in</p>	<p><b><u>OFFICE OF THE GOVERNING BODY OF INSURANCE COUNCIL</u></b> 3rd Floor, Jeevan Seva Annexe, S.V. Road, Santacruz(W), MUMBAI – 400 054 Tel : 022-26106889/6671 Fax : 022-26106949 Email- <a href="mailto:inscoun@gbic.co.in">inscoun@gbic.co.in</a></p>
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## *Annexure 1*

### **A. Section 38 - Assignment and Transfer of Insurance Policies**

Assignment or transfer of a policy should be in accordance with Section 38 of the Insurance Act, 1938 as amended by as amended by the Insurance Laws (Amendment) Act, 2015. The extant provisions in this regard are as follows:

01. This policy may be transferred/assigned, wholly or in part, with or without consideration.
02. An Assignment may be effected in a policy by an endorsement upon the policy itself or by a separate instrument under notice to the Insurer.
03. The instrument of assignment should indicate the fact of transfer or assignment and the reasons for the assignment or transfer, antecedents of the assignee and terms on which assignment is made.
04. The assignment must be signed by the transferor or assignor or duly authorized agent and attested by at least one witness.
05. The transfer of assignment shall not be operative as against an insurer until a notice in writing of the transfer or assignment and either the said endorsement or instrument itself or copy thereof certified to be correct by both transferor and transferee or their duly authorised agents have been delivered to the insurer.
06. Fee to be paid for assignment or transfer can be specified by the Authority through Regulations.
07. On receipt of notice with fee, the insurer should Grant a written acknowledgement of receipt of notice. Such notice shall be conclusive evidence against the insurer of duly receiving the notice.
08. If the insurer maintains one or more places of business, such notices shall be delivered only at the place where the policy is being serviced.
09. The insurer may accept or decline to act upon any transfer or assignment or endorsement, if it has sufficient reasons to believe that it is
  - a. not bonafide or
  - b. not in the interest of the policyholder or
  - c. not in public interest or
  - d. is for the purpose of trading of the insurance policy.
10. Before refusing to act upon endorsement, the Insurer should record the reasons in writing and communicate the same in writing to Policyholder within 30 days from the date of policyholder giving a notice of transfer or assignment.

11. In case of refusal to act upon the endorsement by the Insurer, any person aggrieved by the refusal may prefer a claim to IRDAI within 30 days of receipt of the refusal letter from the Insurer.

12. The priority of claims of persons interested in an insurance policy would depend on the date on which the notices of assignment or transfer is delivered to the insurer; where there are more than one instruments of transfer or assignment, the priority will depend on dates of delivery of such notices. Any dispute in this regard as to priority should be referred to Authority.

13. Every assignment or transfer shall be deemed to be absolute assignment or transfer and the assignee or transferee shall be deemed to be absolute assignee or transferee, except

a. where assignment or transfer is subject to terms and conditions of transfer or assignment  
OR

b. where the transfer or assignment is made upon condition that

i. the proceeds under the policy shall become payable to policyholder or nominee(s) in the event of assignee or transferee dying before the insured OR

ii. the insured surviving the term of the policy

Such conditional assignee will not be entitled to obtain a loan on policy or surrender the policy. This provision will prevail notwithstanding any law or custom having force of law which is contrary to the above position.

14. In other cases, the insurer shall, subject to terms and conditions of assignment, recognize the transferee or assignee named in the notice as the absolute transferee or assignee and such person

a. shall be subject to all liabilities and equities to which the transferor or assignor was subject to at the date of transfer or assignment and

b. may institute any proceedings in relation to the policy

c. obtain loan under the policy or surrender the policy without obtaining the consent of the transferor or assignor or making him a party to the proceedings

15. Any rights and remedies of an assignee or transferee of a life insurance policy under an assignment or transfer effected before commencement of the Insurance Laws (Amendment) Act, 2015 shall not be affected by this section.

*[ Disclaimer : This is not a comprehensive list of amendments of Insurance Laws (Amendment) Act, 2015 and only a simplified version prepared for general information.*



A JOINT VENTURE WITH  OLD MUTUAL

*Policy Holders are advised to refer to official Gazette Notification for complete and accurate details. ]*

## *Annexure 2*

### **B. Section 39 - Nomination by policyholder**

Nomination of a life insurance Policy is as below in accordance with Section 39 of the Insurance Act, 1938 as amended by Insurance Laws (Amendment) Act, 2015. The extant provisions in this regard are as follows:

01. The policyholder of a life insurance on his own life may nominate a person or persons to whom money secured by the policy shall be paid in the event of his death.
02. Where the nominee is a minor, the policyholder may appoint any person to receive the money secured by the policy in the event of policyholder's death during the minority of the nominee. The manner of appointment to be laid down by the insurer.
03. Nomination can be made at any time before the maturity of the policy.
04. Nomination may be incorporated in the text of the policy itself or may be endorsed on the policy communicated to the insurer and can be registered by the insurer in the records relating to the policy.
05. Nomination can be cancelled or changed at any time before policy matures, by an endorsement or a further endorsement or a will as the case may be.
06. A notice in writing of Change or Cancellation of nomination must be delivered to the insurer for the insurer to be liable to such nominee. Otherwise, insurer will not be liable if a bonafide payment is made to the person named in the text of the policy or in the registered records of the insurer.
07. Fee to be paid to the insurer for registering change or cancellation of a nomination can be specified by the Authority through Regulations.
08. On receipt of notice with fee, the insurer should grant a written acknowledgement to the policyholder of having registered a nomination or cancellation or change thereof.
09. A transfer or assignment made in accordance with Section 38 shall automatically cancel the nomination except in case of assignment to the insurer or other transferee or assignee for purpose of loan or against security or its reassignment after repayment. In such case, the nomination will not get cancelled to the extent of insurer's or transferee's or assignee's interest in the policy. The nomination will get revived on repayment of the loan.
10. The right of any creditor to be paid out of the proceeds of any policy of life insurance shall not be affected by the nomination.
11. In case of nomination by policyholder whose life is insured, if the nominees die before the policyholder, the proceeds are payable to policyholder or his heirs or legal representatives or holder of succession certificate.

12. In case nominee(s) survive the person whose life is insured, the amount secured by the policy shall be paid to such survivor(s).

13. Where the policyholder whose life is insured nominates his

- a. parents or
- b. spouse or
- c. children or
- d. spouse and children
- e. or any of them

the nominees are beneficially entitled to the amount payable by the insurer to the policyholder unless it is proved that policyholder could not have conferred such beneficial title on the nominee having regard to the nature of his title.

14. If nominee(s) die after the policyholder but before his share of the amount secured under the policy is paid, the share of the expired nominee(s) shall be payable to the heirs or legal representative of the nominee or holder of succession certificate of such nominee(s).

15. The provisions of sub-section 7 and 8 (13 and 14 above) shall apply to all life insurance policies maturing for payment after the commencement of Insurance Laws (Amendment) Act, 2015.

16. If policyholder dies after maturity but the proceeds and benefit of the policy has not been paid to him because of his death, his nominee(s) shall be entitled to the proceeds and benefit of the policy.

17. The provisions of Section 39 are not applicable to any life insurance policy to which Section 6 of Married Women's Property Act, 1874 applies or has at any time applied except where before or after Insurance Laws (Amendment) Act, 2015, a nomination is made in favour of spouse or children or spouse and children whether or not on the face of the policy it is mentioned that it is made under Section 39. Where nomination is intended to be made to spouse or children or spouse and children under Section 6 of MWP Act, it should be specifically mentioned on the policy. In such a case only, the provisions of Section 39 will not apply.

***[ Disclaimer : This is not a comprehensive list of amendments of Insurance Laws (Amendment) Act, 2015 and only a simplified version prepared for general information. Policy Holders are advised to refer to official Gazette Notification for complete and accurate details. ]***

*Annexure 3*

**C. Section 45 - Policy shall not be called in question on the ground of mis-statement after three years**

Provisions regarding policy not being called into question in terms of Section 45 of the Insurance Act, 1938, as amended by Insurance Laws (Amendment) Act, 2015 are as follows:

01. No Policy of Life Insurance shall be called in question **on any ground whatsoever** after expiry of 3 yrs from

- a. the date of issuance of policy or
- b. the date of commencement of risk or
- c. the date of revival of policy or
- d. the date of rider to the policy

whichever is later.

02. On the ground of fraud, a policy of Life Insurance may be called in question within 3 years from

- a. the date of issuance of policy or
- b. the date of commencement of risk or
- c. the date of revival of policy or
- d. the date of rider to the policy

whichever is later.

For this, the insurer should communicate in writing to the insured or legal representative or nominee or assignees of insured, as applicable, mentioning the ground and materials on which such decision is based.

03. Fraud means any of the following acts committed by insured or by his agent, with the intent to deceive the insurer or to induce the insurer to issue a life insurance policy:

- a. The suggestion, as a fact of that which is not true and which the insured does not believe to be true;
- b. The active concealment of a fact by the insured having knowledge or belief of the fact;
- c. Any other act fitted to deceive; and

d. Any such act or omission as the law specifically declares to be fraudulent.

04. Mere silence is not fraud unless, depending on circumstances of the case, it is the duty of the insured or his agent keeping silence to speak or silence is in itself equivalent to speak.

05. No Insurer shall repudiate a life insurance Policy on the ground of Fraud, if the Insured / beneficiary can prove that the misstatement was true to the best of his knowledge and there was no deliberate intention to suppress the fact or that such mis-statement of or

suppression of material fact are within the knowledge of the insurer. Onus of disproving is upon the policyholder, if alive, or beneficiaries.

06. Life insurance Policy can be called in question within 3 years on the ground that any statement of or suppression of a fact material to expectancy of life of the insured was incorrectly made in the proposal or other document basis which policy was issued or revived or rider issued. For this, the insurer should communicate in writing to the insured or legal representative or nominee or assignees of insured, as applicable, mentioning the ground and materials on which decision to repudiate the policy of life insurance is based.

07. In case repudiation is on ground of mis-statement and not on fraud, the premium collected on policy till the date of repudiation shall be paid to the insured or legal representative or nominee or assignees of insured, within a period of 90 days from the date of repudiation.

08. Fact shall not be considered material unless it has a direct bearing on the risk undertaken by the insurer. The onus is on insurer to show that if the insurer had been aware of the said fact, no life insurance policy would have been issued to the insured.

09. The insurer can call for proof of age at any time if he is entitled to do so and no policy shall be deemed to be called in question merely because the terms of the policy are adjusted on subsequent proof of age of life insured. So, this Section will not be applicable for questioning age or adjustment based on proof of age submitted subsequently.

*[ Disclaimer : This is not a comprehensive list of amendments of Insurance Laws (Amendment) Act, 2015 and only a simplified version prepared for general information. Policy Holders are advised to refer to official Gazette Notification for complete and accurate details. ]*

## Annexure 4 - List of Valid Age Proof

### List of valid age proofs:

- Aadhar Card
- Birth Certificate/
- School / College Leaving Certificate, provided – it specifies Date of Birth, States that Date of Birth is extracted from School / College Records, Stamped and signed by College / School
- Passport
- Driving license
- PAN Card
- Ration Card, which specifies the Date of Issue of the Ration Card and the Date of Birth or Age of the Life to be Insured
- Election ID card (also called voters ID) issued by the Election Commission of India can be accepted as valid age proof provided it was issued at least 2 years before the date of the insurance proposal.
- Extract from service register in case of:
  - Government and semi-government employees
- In case of defense/central government/ state government personnel, identity card issued respectively by the defense department /central government/ state government to their personnel showing, inter alias, the date of birth or age
- Marriage certificate in the case of Roman Catholics issued by Roman Catholic Church
- Domicile certificate in which the date of birth stated was proved on the strength of the
- school certificate or birth certificates

**NOTE:** Any of the abovementioned Age Proof document submitted should have been issued at least 1 year prior to the date of the cover. In other words, any age proof document which has been issued by the respective issuing authority within a span of 1 year before the risk commencement date, then the same shall not be acceptable.