

\_\_\_\_\_ (Date)

Mr. \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Dear Mr. \_\_\_\_\_,

**Re: Appointment as Non-Executive Independent Director**

I am pleased to inform that, in terms of section 149 of the Companies Act 2013 read with other provisions of the Companies Act 2013 and Rules made thereunder, the Board of Directors and the Members of Kotak Mahindra Life Insurance Company Ltd. (Formerly known as Kotak Mahindra Old Mutual Life Insurance Ltd.) (“the Company”) have appointed you as a Non-Executive Independent Director of the Company for a term of \_\_\_\_\_ years with effect from\_\_\_\_\_. The main terms and conditions of your appointment are summarized below.

**General**

Your appointment is subject to the provisions of the applicable laws, including Companies Act, 2013 and Regulations issued by the Insurance Regulatory and Development Authority of India from time to time and the Articles of Association of the Company. The terms stated herein may be varied by the Board or any relevant committee of the Board and you agree to continue to act as independent director on such changed terms, so long the said changed terms are brought to your notice.

**Term**

Your appointment will be for an initial term of \_ years and shall take effect from \_\_\_\_\_, unless terminated earlier or extended, as per the provisions of this letter or applicable laws (“Term”). Your appointment shall also be subject to the maximum permissible Directorships that one can hold as per the provisions of the Companies Act, 2013 and the Corporate Governance Guidelines issued by the IRDA.

As an Independent Director you will not be liable to retire by rotation.

Re-appointment at the end of the Term shall be based on the recommendation of the Nominations & Remuneration Committee and subject to the approval of the Board and the shareholders. Your re-appointment would be considered by the Board based on the outcome of the performance evaluation process and you continuing to meet the independence criteria.

## **Committees**

The Board of Directors may, if it deems fit, invite you for being appointed on one or more existing Board Committees or any such Committee that is set up in future. Your appointment on such Committee(s) will be subject to the applicable regulations.

Following are the existing Board Committees:

1. Audit Committee
2. Investment Committee
3. Policyholders' Protection Committee
4. Asset Liability Management Committee
5. Risk Management Committee
6. Corporate Social Responsibility Committee
7. With Profits Committee
8. Nomination & Remuneration Committee
9. Ethics Committee
10. Banking Committee

## **Role**

It is expected that you take decisions objectively in the interests of the Company. The Board as a whole is collectively responsible for the success of the Company.

The role of Non-Executive Director of the Company has the following key elements:

- Strategy – Formulate and review strategy;
- Performance – Performance of business with agreed goals and objectives;
- Risk – Risk Control Mechanism;
- Compliance – Governance and compliance with the applicable laws/regulations.

## **Fiduciary Duties**

All directors must act the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole. In doing so, a director shall:

- a. have fiduciary duty to act in good faith and in the interests of the Company and not for any collateral purpose;
- b. have duty to act only within the powers as laid down by the Company's Memorandum and Articles of Association and by applicable laws and regulations;
- c. have duty to acquire proper understanding of the business of the Company;

d. be fully responsible in regard to matters entrusted to you by the Board and shall not evade your responsibility;

e. not let interference in the performance of your duties by the whole-time directors and other officers of the Company and wherever you have reasons to believe otherwise, you shall forthwith disclose your concerns to the Board; and

f. make proper use of the information disclosed to you and shall not use such information as a member of the Board or otherwise for your own or someone else's advantage or benefit. You shall use the information disclosed to you by the Company in your capacity as director of the Company only for the purposes of performance of your duties as a director and not for any other purpose.

### **Conflict of Interest**

It is accepted and acknowledged that you may have business interests other than those of the Company. As a condition to your appointment commencing, you are required to declare any such directorships, appointments and interests to the Board in writing in the prescribed form at the time of your appointment. During the Term, you agree to promptly notify the Company of any change in your directorships, and provide such other disclosures and information as may be required under the applicable laws.

In the event that your circumstances seem likely to change and might give rise to a conflict of interest or, when applicable, circumstances that might lead the Board to revise its judgment that you are independent, this should be disclosed to both the Chairman and the Company Secretary.

During your Term, you agree to promptly provide a declaration under Section 149(7) of the 2013 Act, upon any change in circumstances which may affect your status as a Independent Director.

The Company shall include in its Annual Accounts a note of any material interest that a Director may have in any transaction or arrangement that the Company has entered into. Such interest should be disclosed no later than when the transaction or arrangement comes up at a Board meeting so that the minutes may record your interest appropriately and our records are updated. A general notice that you are interested in any contracts with a particular person, firm or company is acceptable.

## **Code of Conduct**

The Company, in order to enhance ethical and transparent process of managing its affairs and to sustain the trust and confidence reposed in the Board of Directors and Officers by the shareholders of the Company, has laid down a Code of Conduct (copy enclosed and marked as „**Annexure - 1**“) which has been adopted by the Board of Directors of the Company and is applicable to Directors and senior managerial personnel. All the Directors are expected to adhere to, comply with and uphold the provisions of this Code and standards laid down and affirm compliance with the Code on appointment and thereafter on an annual basis.

You are also required to adhere to the Employee Dealing Policy of the Company (copy enclosed and marked as „**Annexure - 2**‘) & such other requirements as the Board of Directors may from time to time specify.

You will abide by the guidelines of professional conduct, role, function and duties as an Independent Director provided in Schedule IV of the Companies Act, 2013, an extract of the said Schedule IV is set out in **Annexure - 3**. You may refer to Schedule IV of the Companies Act, 2013 for the full text.

## **Deed of Covenants**

Your appointment as a Director of the Company is subject to the applicable laws and regulations including the Memorandum and Articles of Association of the Company and the provisions of the Deed of Covenants as per Corporate Governance Guidelines issued by the IRDA (copy enclosed and marked as ‘**Annexure - 4**‘).

## **Performance Evaluation**

As a member of the Board, your performance as well as the performance of the entire Board shall be evaluated annually. Evaluation of each director shall be done by the Nomination & Remuneration Committee or in such manner as the Board may collectively decide. The criteria for evaluation shall be determined by the Nominations Committee and disclosed in the Company’s Annual Report. However, the actual evaluation process shall remain confidential and shall be a constructive mechanism to improve the effectiveness of the Board / Committee. Performance is assessed based on clearly defined objective criteria. Your appointment and re appointment on the Board shall subject to the outcome of the yearly evaluation process. In terms of Schedule IV of the Companies Act 2013, the performance evaluation of Independent Directors of the Company shall be done by the entire Board of Directors, excluding the Director being evaluated.

## **Remuneration**

You would be entitled to sitting fees for attending the meetings of the Board and Board Committees as may be determined by the Board from time to time, as per the limits set out under the Companies Act, 2013.

You would also be entitled to reimbursement of expenses incurred by you in connection with attending the Board meetings, Board Committee meetings, general meetings and in relation to the business of the Company towards hotel accommodation, travelling and other out-of-pocket expenses.

Please note that this is a contract for services and is not a contract of employment.  
Directors' & Officers Liability Insurance

The Company provides all its directors and officers with, and pays the premiums for, indemnity and insurance cover up to a defined amount, while acting in their capacities as directors or officers.

## **Confidentiality**

Information acquired during your appointment is confidential to the Company and should not be disclosed either during your appointment or following termination (by whatever means) to third parties except as when required to be disclosed by law and when so required to disclose you shall (subject to being permitted under the applicable law) get the information proposed to be disclosed cleared (prior to disclosure) from the Chairman.

Please signify your acceptance to the above terms and conditions that govern your appointment by signing and returning the duplicate copy of this letter.

We look forward to your association with us.

Yours sincerely,  
Chairman  
DIN: \_\_\_\_\_

**Encl:** As above

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I hereby accept the terms and conditions of appointment as set out in this letter.

Signature: \_\_\_\_\_  
Name: Mr. \_\_\_\_\_  
Date: \_\_\_\_\_  
DIN: \_\_\_\_\_