

MOST IMPORTANT TERMS AND CONDITIONS (MITC)**KOTAK BUSINESS BANKING ASSETS****LOAN AGAINST PROPERTY (LAP) & OVERDRAFT AGAINST PROPERTY (LAP OD)****Purpose of Loan: -**

Loans against Property (LAP) and Overdraft against Property (LAP OD) Facility can be granted to customers for Personal/ Business needs and any other purpose which is acceptable to the Bank and is in adherence to instructions issued by Reserve Bank of India from time to time. It can be granted against the Security of Residential or Commercial Property owned by them. At the time of applying for LAP / LAP OD with us, the Property may be Loan-free or may be under an Existing Loan with us.

Property Insurance: -

The Bank may require the borrowers to insure at their own cost, the property to be financed by the bank and given as a security for the loan.

Rate of Interest (ROI): -

Interest rates on credit facilities are linked to the K-MCLR of the Bank, which is uploaded on the Bank's Website (www.kotak.com). Floating/Adjustable Rates of Interest linked to the K-MCLR of the Bank, are offered. ROI may be revised upwards or downwards from time to time due to changes in the Base Rate. The Bank at its discretion shall be entitled to review the K-MCLR from time to time. In case of Term Loans, the Bank has the option to reduce or increase the EMI or extend the repayment period or both consequent upon revision in the ROI. Interest on the loan will be charged at prevailing ROI on monthly rests.

Borrower shall be deemed to have notice of changes in ROI whenever there are changes in K-MCLR which may either be displayed on the Notice Board of the Branch or published in Newspapers or uploaded on the Bank's Web Site or informed to the Borrower by way of a Letter/ E-mail /SMS/ Phone Call and the Borrower is liable to pay such revised ROI.

Repayment: -

All Term Loans are to be repaid by way of Equated Monthly Installments (EMI) over the tenure of the Loan. The Repayment commences from a Date specified by the Bank at the time of Disbursement. EMI Due Dates would generally be 1st, 5th, or 10th of a Month as may be chosen by the Borrower and accepted by the Bank. Repayment can be made by way of ECS or Standing Instruction (in case Customer has Banking with Kotak Mahindra Bank Limited).

Before commencement of EMI, the Borrower may be liable to pay Pre-EMI Interest (PEMII) if the Bank so communicates at the time of disbursement. This would generally be applicable in case of Disbursement within the specified period before the first EMI Due Date agreed upon. PEMII is calculated at the prevailing ROI on the Disbursed Loan Amount (or Outstanding Loan Amount, whichever is lower) for the No. of Days remaining till the upcoming Due Date of payment of Installment(EMI / PEMII).

In LAP OD Facility, Interest has to be serviced / paid by the Borrowers on a monthly basis. The Amount of Interest Due for a Month would be calculated at the prevailing ROI on the day end debit balances during a Month. The Overdraft Limit would reduce by 1/N (where N is the OD Tenure in Years) annually and any excess Utilization will have to be made good by the Borrower. The Limit would be reviewed periodically and may be increased or decreased annually or otherwise based on Customer Request or as may be decided by the Bank under intimation to the Customer.

The Loan / Facility will be considered as Fully Repaid only when all the Dues are paid and the Outstanding Loan amount becomes Zero.

Loan / Facility Tenure: -

Minimum Tenure is 1 year. Maximum Tenure is **15 years** or up to the age of attaining 65 years, whichever is lower.

Security: -

The Loan / Facility will be secured by Equitable / Registered Mortgage / Extension of Mortgage of the Property against which the Loan / Facility is sanctioned. In addition to Mortgage of the Property, the Bank may stipulate, at its discretion, Security of adequate value in any other form(s) as the Bank may deem appropriate. The Bank may also stipulate a Third Party Guarantee, as it may deem fit.

The Borrower should ensure that title to the Property is clear and marketable and the Property is fully constructed and built as per approved plans and permissions.

Schedule of Charges: -

Processing Fee (Non-refundable)	Maximum 3% of the loan / facility amount (Plus GST (Goods and Service tax)
Documentation Charger	Upto Rs. 10,000/- (Plus GST and other statutory levies) per instance
Commitment Fee	2% of the disbursed amount of the loan plus GST and another applicable statutory charges levies. This would be applicable even if the loan is foreclosed before full disbursement.
Cheque dishonor Charges	Rs.750/- (inclusive of GST and other applicable statutory levies) per instance.
Charges for Copy of any Document	Rs. 500/- (plus GST and other applicable statutory levies) per instance.
Repayment mode / Account Swap	Rs. 500/- (plus GST and other applicable statutory levies) per instance.
Charges for duplicate NOC / No due certificate	Rs. 500/- (plus GST and other applicable statutory levies) per instance.
Charges for copy of CIBIL Report (to Customer who has availed Loan/ Overdraft from us)	Rs. 50/- (plus GST and other applicable statutory levies) per instance.
Prepayment Charges	No prepayment/foreclosure is allowed till the lapse of Lock in Period of 6 months after EMI commencement. After the Lock in period, part prepayment of minimum Rs. 25,000/- and maximum upto 25% of outstanding loan amount can be made without any prepayment charges every 6 months. the minimum period between any two prepayments should be min 6 months. For any part payment in excess of 25% 4% (plus GST and other applicable taxes) of the excess prepayment amount will be charged as prepayment charges. For full prepayment any time after the Lock in period, Prepayment charges shall be 4% (Is GST and other applicable taxes) of the Foreclosure loan amount plus amounts prepaid during the last 12 months. Nil foreclosure charges for term loan given to individual @floating rate of interest.
Substitute interest (penal interest)	3% p.m. (plus GST and other applicable statutory levies) compounded monthly on the Amount Due but unpaid from the Date of the Amount falling Due till the Date of actual Payment.
Collection Charges (in case of Default)	30% (plus GST and other applicable statutory levies) of Cheque / instrument Dishonor Charges plus Substitute Interest.
Charges for Amortization schedule / Account statement	Free once in Financial year. Therefore, Rs.250/- (plus GST and other applicable statutory levies) per instance.
Annual Review Charges	1.5% of renewal limit or Rs.5000/- (plus GST and other applicable statutory levies)
Termination Charges	6% of operating limit if within lock in period of 6 months from the date of agreement and 5% of operating limit otherwise (plus GST and other applicable statutory levies).

Overline rate / Penal Interest in case of overline accounts	3% p.m. (plus GST and other applicable statutory levies) over and above the normal OD rate. This would be changed on the amount over and above the OD limit.
Non Utilization Charges	0.25% of difference between actual average utilization and 25% of average operating limit during the quarter, subject to minimum of Rs. 1250 + GST, chargeable on quarterly basis.
Charges for Interest Certificate	Free once in Financial year. Therefore, Rs.250/- (plus GST and other applicable statutory levies) per instance.
<p>Notes:</p> <ul style="list-style-type: none"> Stamp duty on Loan Agreement / Overdraft Agreement / Guarantor Agreement, Registration charges etc. varies from state to state. Stamping / Notarization of RBI and other Affidavits as applicable. Charges for other Services would be specified as applicable when customer applies for those services and the same shall be payable by the borrower alone e.g. Revalidation of Sanction, Change in Property, Reschedulement of loan, Change in EMI date, Solvency charges, etc. Taxes / other statutory levies may be charged to the borrower if applicable as per Government / RBI directives. Nil prepayment charges for MSE (Micro and small enterprises) cases. Bank reserves the rights to modify any charges from time to time or to introduce any new charges, as it may deem appropriate and will publish them on the bank's website. 	

Personal Insurance: -

Customers can opt for insurance cover on the Life of the Borrower which would cover, depending upon the sum assured, the liability outstanding under the Loan / Facility account at the time of death of the Policy holder. Availing such insurance cover is optional.

Default: -

In case of Default (i.e., if the Amount Due is not paid by the Due Date), the Bank will try to inform the Customer by Post / FAX / Telephone / E-mail / SMS and/or through authorized representatives appointed for Collection purposes, about repayment of the loan/facility due and payable by the borrower. Any authorized representative so appointed by the Bank, shall adhere to the Board approved Policy on Collection of Dues and Repossession of Security.

Customer Service:-

For any requirement, you may contact our Customer Care at 1860 266 2666 or can write to service.loans@kotak.com

Disclaimer:

Credit is at the sole discretion of **Kotak Mahindra Bank Limited** and is subject to Collection and Verification of Documents and other Information, Credit Bureau Checks, Personal Discussion (PD), and other Checks as may be felt necessary by the Bank. The Final Offering may be different from any initially communicated offer. The Bank may make available any information in the Application Form and other Documents submitted to the Bank and information pertaining to the Loan to any institution or body. Bank shall be in no way responsible for non-receipt of intimations/communications to the previously registered Addresses, Phone Numbers, Mobile Numbers, E-mail id, etc. The MITC are only indicative and not exhaustive. For detailed terms and conditions of the loan, please refer to the Loan Agreement. In case of contradiction in the MITC and provisions of the Loan Agreement, provisions contained in the Loan Agreement shall prevail.