



Enhance your  
**wealth** with trust  
and confidence



Kotak  
**W**ealth  
Optima  
Plan

Individual, Unit-Linked,  
Non-Par, Endowment Life Insurance Plan

The Unit Linked Insurance Products do not offer any liquidity during the first five years of the contract. The policyholder will not be able to surrender or withdraw the monies invested in Unit Linked Insurance Products completely or partially during lock-in period i.e. till the end of first five years.



## Kotak Wealth Optima Plan

**Individual, Unit-Linked, Non-Par, Endowment Life Insurance Plan**

You have lived life on your own terms and would never settle for the second best. You believe in working independently with minimal supervision while aspiring for exceptional results, it is only fitting that you should expect your investment avenues to provide you with similar impeccable results with minimal supervision.

Keeping this in mind Kotak Life Insurance introduces **Kotak Wealth Optima Plan**, a protection and savings oriented unit linked insurance plan. The plan provides life insurance cover to protect your family in case of your unfortunate demise. It also provides the flexibility of choosing premium payment term, investment strategy and investment horizon.

### Key Advantages:

Option to be covered for whole life

Provides flexibility to choose from two Investment Strategies

Enhances fund growth through Yearly Additions post Lock-in period

Boosts long term savings through Wealth Boosters

Option of additional protection through optional riders

## Provides flexibility to choose from two Investment Strategies

This plan enables you to choose the funds that suit your risk-return profile. It offers you the flexibility to choose from 2 Investment Strategies: (1) Self-Managed Strategy and (2) Age Based Strategy.

### 1. Self-Managed Strategy:

This strategy offers you the flexibility to choose from a wide range of fund options that will help to maximize your earnings potential. The available fund options will allow you to balance your risk profile with the tenure of your investment.

Fund Options	Investment Objective	Risk-Return Profile	Equity	Debt	Money Market
Classic Opportunities Fund (ULIF-033-16/12/09-CLAOPPFND-107)	Aims to maximize opportunity for long term capital growth, by holding a significant portion in a diversified and flexible mix of large / medium sized company equities.	Aggressive	75%-100%	0%-25%	0%-25%
Frontline Equity Fund (ULIF-034-17/12/09-FRLEQUFND-107)	Aims for a high level of capital growth for you, by holding a significant portion in large sized company equities	Aggressive	60%-100%	0%-40%	0%-40%
Kotak Mid Cap Advantage Fund (ULIF054150923MIDCAP FUND107)	Aims to maximize opportunity for long-term capital growth, by holding a significant portion in a diversified and flexible mix of medium and small sized company equities.	Aggressive	75-100%	0-25%	0-25%
Balanced Fund (ULIF-037-21/12/09-BALKFND-107)	Aims for moderate growth for you by holding a diversified mix of equities and fixed interest instruments.	Moderate	30%-60%	20%-70%	0%-40%
Dynamic Bond Fund (ULIF-015-15/04/04-DYBNDFND-107)	Aims to preserve capital by investing in high quality corporate bonds and generating relatively higher fixed returns	Conservative	-	60%-100%	0%-40%
Dynamic Floating Rate Fund (ULIF-020-07/12/04-DYFLTRFND-107)	Aims to minimize the downside of interest rate risk by investing in floating rate debt instruments that give returns in line with interest rate movements	Conservative	-	60%-100%	0%-40%

Fund Options	Investment Objective	Risk-Return Profile	Equity	Debt	Money Market
Dynamic Gilt Fund (ULIF-006-27/06/03-DYGLTFND-107)	Aims to provide safety to capital by investing in Govt. Securities where default risk is close to zero	Conservative	-	80%-100%	0%-20%
Money Market Fund (ULIF-041-05/01/10-MNMKFFND-107)	Aims to protect your capital and not have downside risks.	Secure	-	-	100%

Money Market Fund (ULIF-041-05/01/10-MNMKFFND-107) is the Default Fund in case of closure or modification of any fund offered under this product, unless a specific fund is opted for by the Policyholder.

Note: In the Scenario where the funds attached to the Product Kotak Wealth Optima Plan (UIN: 107L118V03) approved by the Board of the insurer, does not comply with Regulation 8 of Schedule I of the IRDAI (Investment) Regulations, 2016 read with the Master Circular - Investment issued thereunder, the policyholder will be given a free switches to fund which has similar fund objective / risk profile with same or lower fund management charge (FMC) in compliance with Regulation 8 of Schedule I of the IRDAI (Investment) Regulations, 2016.

Also if there are no similar fund with similar risk profile, the Policyholders will be given an option to choose from the following alternative funds with same or lower FMC.

The switching can be made to the one of the following funds. The default fund shall be Money Market Fund.

SFIN No	Name of the Fund	Risk Profile
ULIF-034-17/12/09-FRLEQFND-107	Frontline Equity Fund	Aggressive
ULIF-033-16/12/09-CLAOPPFND-107	Classic Opportunities Fund	Aggressive
ULIF054150923MIDCAPFUND107	Kotak Mid Cap Advantage Fund	Aggressive
ULIF-015-15/04/04-DYBNDFND-107	Dynamic Bond Fund	Conservative
ULIF-020-07/12/04-DYFLTRFND-107	Dynamic Floating Rate Fund	Conservative
ULIF-006-27/06/03-DYGLTFND-107	Dynamic Gilt Fund	Conservative
ULIF-037-21/12/09-BALKFND-107	Balanced Fund	Moderate
ULIF-041-05/01/10-MNMKFFND-107	Money Market Fund	Secure

## 2. Age Based Strategy

Financial requirements keep changing with age and your life stage, hence your investments must be attuned to adapt to your changing needs. This strategy is a unique and personalized strategy that will help you to create an ideal balance between equity and debt, based on your age and risk appetite viz. Aggressive, Moderate and Conservative.

Based on your age and chosen risk appetite, allocation is done between Classic Opportunities Fund and Dynamic Bond Fund. This strategy cannot be opted in the last policy year.

Following is the how the allocation happens between the funds with progress in age under each Risk Appetite:

## Aggressive

Age of Life Insured (years)	Classic Opportunities Fund	Dynamic Bond Fund
0-25	80%	20%
26-35	70%	30%
36-45	60%	40%
46-50	50%	50%
51 onwards	40%	60%

## Moderate

Age of Life Insured (years)	Classic Opportunities Fund	Dynamic Bond Fund
0-25	70%	30%
26-35	60%	40%
36-45	50%	50%
46-50	40%	60%
51 onwards	30%	70%

## Conservative

Age of Life Insured (years)	Classic Opportunities Fund	Dynamic Bond Fund
0-25	60%	40%
26-35	50%	50%
36-45	40%	60%
46-50	30%	70%
51 onwards	20%	80%

In case you wish to change the Risk Appetite during the policy term, you can do so only 4 times in a policy year free of cost through a written request which shall be effective from next month-versary (monthly policy anniversary).

### Monthly rebalancing:

On a monthly basis, units shall be rebalanced as necessary to achieve the above proportions of the Fund Value in the identified funds. The re-balancing of units shall be done on the month-versary (monthly policy anniversary). The above proportions shall apply until the last 12 Policy months are remaining.

### Safety on maturity:

As the Policy approaches the Maturity date, to ensure that short-term market volatility does not affect the accumulated savings, the total corpus will be transferred from the above funds to the Money Market Fund during last 12 Policy months in the manner as mentioned below:

Policy Month	1	2	3	4	5	6	7	8	9	10	11	12
Proportion of units transferred	1/12	1/11	1/10	1/9	1/8	1/7	1/6	1/5	1/4	1/3	1/3	1/1

The Policyholder shall also have the option to switch to Self-Managed Strategy. Switching between the strategies is free of cost.

### Enhances fund growth through Yearly Additions<sup>2</sup> post Lock-in period

To enhance fund growth, your fund will start accruing Yearly Additions starting from the end of 6th policy year (subject to policy being in force) till the end of the policy term. Yearly Addition rates will be based on the Premium Payment Term (PPT) option chosen under your policy. Following are the details of the Yearly Additions:

#### For PPT = 5 Years:

End of Policy Year	Yearly Addition % (of Average Fund Value in last 12 months) <sup>2</sup>
6 <sup>th</sup> – 7 <sup>th</sup>	0.15% p.a.
8 <sup>th</sup> – Policy term end	0.30% p.a.

For PPT = 7 / 10 / 15 & 20 Years:

End of Policy Year	Yearly Addition % (of Average Fund Value in last 12 months) <sup>2</sup>
6 <sup>th</sup> – 7 <sup>th</sup>	0.25% p.a.
8 <sup>th</sup> – Policy term end	0.40% p.a.

### Boosts long term savings through Wealth Booster<sup>2</sup>

In addition to Yearly Additions, the plan further rewards longer tenure savings by providing Wealth Boosters every 5 years starting from the end of 10<sup>th</sup> policy year (subject to policy being in force and all premiums have been paid). Depending on the tenure of your policy following will be the Wealth Booster rates:

End of Policy Year	Wealth Booster % [of Average Fund Value in the last 3 years(policy anniversaries)] <sup>2</sup>
10 <sup>th</sup>	2.00%
15 <sup>th</sup>	2.25%
20 <sup>th</sup> Year onwards	2.50%

For further details on Yearly Additions and Wealth Booster, please refer to Terms and Conditions # 2 in this document

### Option of additional protection through optional riders

You have the option of increasing your protection cover with the following two optional riders:

- **Kotak Accidental Death Benefit Rider (Linked)** UIN – 107A017V01: By attaching Kotak Accidental Death Benefit Rider to the base plan, you can enhance the existing protection available under base plan at minimal charge. In case of unfortunate demise of the life insured due to accident\* during the Rider benefit term, Rider Sum Assured will become payable in addition to the death benefit as per the base plan. There is no maturity benefit payable under this rider.
- **Kotak Permanent Disability Benefit Rider (Linked)** UIN – 107A018V01: By attaching Kotak Permanent Disability Benefit Rider to the base plan, you can enhance the existing protection available under base plan at minimal charge. In case of Total & Permanent disability of the life insured due to accident\* during the Rider benefit term, the Rider Sum Assured is payable and the base policy continues. There is no maturity benefit payable under this rider.

\*Accident is defined as "a sudden, unforeseen and involuntary event caused by external, visible and violent means".

Please refer to the Terms and Condition # 7 in this document; you can refer to the Rider Brochures for more details.

## Maturity Benefit

On survival to the end of the policy term, Fund Value shall be payable, provided all the premiums have been paid on time and the policy is in force.

You can opt to take your Fund Value which is inclusive of Additions and Wealth Booster as a lump sum and terminate your policy OR you can select the Settlement Option<sup>3</sup>.

For further details on Settlement Option, please refer to Terms and Conditions # 8 in this document

## Death Benefit

In the event of death, where all due premiums have been paid, your family would receive:

Highest of:

- Basic Sum Assured less applicable partial withdrawal amount (if any), Or
- Fund Value (inclusive of Yearly Additions & Wealth Boosters, if any) Or
- 105% of the total Premiums paid till the date of death less applicable partial withdrawal amount (if any)

**Please note:** For more details on applicable Partial Withdrawals, please refer to the Point # 3 under Terms and Conditions. For details on Death Benefit payable under Reduced Paid up status, please refer to the Point # 5 under Terms & Conditions in this document.

## Tax Benefit

Tax benefits may be available subject to conditions as specified in the Income-tax Act, 1961. Tax laws are subject to amendments from time to time. Customer is advised to take an independent view from tax consultant.

## Enhancing your Options

To allow your investment plan to keep pace with the changing times and varying needs of your family, below are some of the options that may be evaluated:

Other Options	Benefits
<b>Partial Withdrawals</b>	Be able to meet any sudden or unforeseen expenses, from the 6 <sup>th</sup> policy year onwards
<b>Discontinuance of policy</b>	In the event of an unforeseen financial condition, you may decide to discontinue the policy. Discontinuance of policy before the 5 <sup>th</sup> policy year will attract Discontinuance Charges.
<b>Switching / Premium Re-direction</b>	Switch between fund options or change future premium allocation based on investment strategies as per your needs and investment objectives to maximize your returns.
<b>Alteration in Basic Sum Assured</b>	Alter your Basic Sum Assured to keep your cover relevant (on policy anniversaries, subject to limits and Underwriting) without any change in premiums.

Please refer to Terms and Conditions for Partial Withdrawal and Discontinuance in this document for further details.

## Eligibility

This simple eligibility table will help you plan your family's future needs.

Entry Age <sup>†</sup>	Min: 3yrs Max: Other than Whole life: Regular Pay: 65 yrs Limited Pay: 58 yrs Whole Life: Limited pay: 50 yrs																										
Maturity Age <sup>†</sup>	Regular & Limited Pay: <b>Min:</b> 18 years <b>Max:</b> 75 years Whole Life: 99 years  Note: The minimum policy term will be equal to the smallest available term to ensure that the Life Insured is a Major at the time of maturity. For example if the Life Insured's age is 7, minimum policy term available would be 15 years																										
Policy Term	Other than Whole Life : Regular Pay & Limited Pay: 10 years / 15 years / 20 years Whole Life: 99 minus age at entry of life insured																										
Premium Payment Term (PPT)	<div>Regular Pay:<table><tr><th></th><th>Policy Term</th><th>Premium Paying Term</th></tr><tr><td rowspan="3">Other than Whole Life</td><td>10</td><td>10</td></tr><tr><td>15</td><td>15</td></tr><tr><td>20</td><td>20</td></tr><tr><td>Whole Life</td><td colspan="2">Not Applicable</td></tr></table></div> <div>Limited Premium:<table><tr><th></th><th>Policy Term</th><th>Premium Paying Term</th></tr><tr><td rowspan="3">Other than Whole Life</td><td>10</td><td>5 / 7</td></tr><tr><td>15</td><td>5 / 7 / 10</td></tr><tr><td>20</td><td>5 / 7 / 10</td></tr><tr><td>Whole Life</td><td>99 - age at Entry</td><td>5/7/10 or 60 – age at Entry</td></tr></table></div>		Policy Term	Premium Paying Term	Other than Whole Life	10	10	15	15	20	20	Whole Life	Not Applicable			Policy Term	Premium Paying Term	Other than Whole Life	10	5 / 7	15	5 / 7 / 10	20	5 / 7 / 10	Whole Life	99 - age at Entry	5/7/10 or 60 – age at Entry
	Policy Term	Premium Paying Term																									
Other than Whole Life	10	10																									
	15	15																									
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	20	5 / 7 / 10																									
Whole Life	99 - age at Entry	5/7/10 or 60 – age at Entry																									

Mode	Yearly, Half-yearly, Quarterly and Monthly																			
Premium Levels	Min: Annual - ₹ 200,000    Half-Yearly – ₹ 100,000    Quarterly – ₹ 50,000    Monthly – ₹ 16,000 Max: No limit																			
Basic Sum Assured	<p><b>Other than Whole life:</b></p> <ul style="list-style-type: none"><li>For entry ages 3 - 60 yrs : <b>Min:</b> 10 times of AP    <b>Max:</b> 15 times of AP</li><li>For entry ages 61 - 65 yrs : <b>Min &amp; Max:</b> 10 times of AP</li></ul> <p><b>Regular pay is not applicable under Whole life.</b></p> <p><b>Limited Pay:</b></p> <p><b>Other than Whole life:</b></p> <ul style="list-style-type: none"><li>For entry ages 3 – 45 yrs : <b>Min:</b> 10 times of AP    <b>Max:</b> 15 times of AP</li><li>For entry ages 46 – 58 yrs : <b>Min &amp; Max:</b> 10 times of AP</li></ul> <p><b>Whole life :</b></p> <table><tr><th rowspan="2">Age Band</th><th>Minimum</th><th colspan="3">Maximum</th></tr><tr><th>(All Pay)</th><th>5 Pay</th><th>7 &amp; 10 Pay</th><th>60 Minus Age at entry</th></tr><tr><td>For entry ages 3-45 yrs</td><td>10 times AP</td><td>12 times of AP</td><td>15 times of AP</td><td>15 times AP</td></tr><tr><td>For entry ages 46-50 yrs</td><td>10 times of AP</td><td colspan="3">10 times AP</td></tr></table> <p>AP refers to one Annualized Premium</p>	Age Band	Minimum	Maximum			(All Pay)	5 Pay	7 & 10 Pay	60 Minus Age at entry	For entry ages 3-45 yrs	10 times AP	12 times of AP	15 times of AP	15 times AP	For entry ages 46-50 yrs	10 times of AP	10 times AP		
Age Band	Minimum		Maximum																	
	(All Pay)	5 Pay	7 & 10 Pay	60 Minus Age at entry																
For entry ages 3-45 yrs	10 times AP	12 times of AP	15 times of AP	15 times AP																
For entry ages 46-50 yrs	10 times of AP	10 times AP																		
*Ages above will be as at the last birthday																				

## Illustration

Ms. Ranjani is a 35-years old business-woman who lives with her parents. She is financially well off and earns a steady stream of income from her reputed management consultancy. She now wants to invest money with the objective to have adequate protection as well as substantial corpus for her retirement years. She requires a plan that is not only efficient and does investment management for her, but also offers liquidity to give her control over the investments. Kotak Wealth Optima Plan with Age Based Strategy is the perfect solution for her as it also gives her the option to change Risk Appetite as per market movements, in addition to adequate protection and unparalleled flexibility.

Given below is an illustration of the benefits payable to Ms. Ranjani for a policy term of 20 years and premium payment term of 7 years with the annual premium of ₹ 10,00,000 and a Sum Assured of ₹ 1,00,00,000 under Age Based Strategy with Aggressive Risk Appetite.

			Benefits at 8% p.a. <sup>#</sup>			Benefits at 4% p.a. <sup>#</sup>		
End of year	Age (in years)	Cumulative Premium (₹)	Cumulative Additions to the Fund	Fund Value (₹)	Death Benefit (₹)	Cumulative Additions to the Fund	Fund Value (₹)	Death Benefit (₹)
10	45	70,00,000	3,53,726	1,08,11,092	1,08,11,092	2,84,386	82,31,060	1,00,00,000
15	50	70,00,000	9,25,428	1,52,86,575	1,52,86,575	6,66,243	96,08,418	1,00,00,000
20	55	70,00,000	17,85,378	2,17,92,568	NA	11,40,553	1,13,36,810	NA

**Note:** The above illustration is an extract of a separate, more detailed benefit illustration. For full details, please refer to the Benefit Illustration. Cumulative additions to the fund are inclusive of both Yearly Additions and Wealth Booster. The above figures are net of Goods and Services Tax and Cess (GST), as applicable. (For further details on GST, please refer to Terms and Conditions). Goods and Services Tax and Cess rates are subject to change from time to time as per the prevailing tax laws and/or any other laws. The above illustration is for a healthy individual. <sup>#</sup>The values are based on assumed investment rate of return of 4% p.a. & 8% p.a. The values shown are not guaranteed and they are not upper and lower limit of returns, they have been shown for illustrative purpose only.



## Charges

### Premium Allocation Charge

This charge is a percentage of the premium. The net premium is then allocated at the Net Asset Value (NAV)<sup>16</sup> prevailing on the date of receipt of premiums. The charges are applicable until the

Annual Premium Band (in lacs)	Year 1	Year 2 to 5	Year 6+
2 – 6.99 lacs	3.5%	2%	0.5%
7 – 9.99 lacs	3%	2%	0.5%
10 – 24.99 lacs	2%	2%	0.5%
25 lacs & above	NIL	NIL	NIL

(For further details on NAV, please refer to Terms and Conditions).

### Policy Administration Charge

Annual Premium Band (in Lacs)	Charge
Premium <5 Lacs	0.2% p.m. of premium.
Premium >= 5 Lacs	0.10% p.m. of premium.

The above charge is subject to a cap of Rs. 500 p.m.

### Fund Management Charge (FMC)

The annual FMC of the funds in this plan are:

Fund Name	Charge
Classic Opportunities Fund	1.35% per annum
Frontline Equity Fund	1.35% per annum
Kotak Mid Cap Advantage Fund	1.35% per annum
Balanced Fund	1.35% per annum
Dynamic Bond Fund	1.20% per annum
Dynamic Floating Rate Fund	1.20% per annum
Dynamic Gilt Fund	1.00% per annum
Money Market Fund	0.60% per annum
Discontinued Policy Fund (Only for discontinued policies)	0.50% per annum

### Switching Charge

The first twelve switches in a policy year are free. This is available under Self-Managed Strategy. For every additional switch thereafter, ₹ 250 will be charged.

There is no charge for selecting and switching Investment Strategies but the Fund Management Charge of the underlying funds shall be applicable.

### Partial Withdrawal Charge

First 12 partial withdrawals in a policy year are free, thereafter for each Partial Withdrawal in any policy year ₹ 250 will be charged.

### Discontinuance Charges

Discontinuance charges will be applicable as follows:

Year during which policy is discontinued	1	2	3	4	+5
For All Regular / Limited Premium Levels	Lowest of • 6% of AP • 6% of FV • ₹ 6000	Lowest of • 4% of AP • 4% of FV • ₹ 5000	Lowest of • 3% of AP • 3% of FV • ₹ 4000	Lowest of • 2% of AP • 2% of FV • ₹ 2000	Nil

AP= Annualized Premium; FV= Fund Value on the date of discontinuance.

## Mortality Charge

This is the cost of life cover, which will be levied by cancellation of units on a monthly basis. Given below are the charges per thousand Sum at Risk\* for a healthy individual.

Age(in years)	20	30	40	50
Mortality Charge	0.888	1.056	1.803	4.946

\*Sum at risk = Death Benefit – Fund Value

The sum at risk, during the period the policy is in reduced paid up status, shall be calculated based on reduced paid up sum assured.

## Miscellaneous Charges

The charge for replacement of policy document / cheque dishonor is ₹ 250 per request. For premium redirection, a fee of ₹ 100 will be charged. For each alteration a fee of ₹ 500 will be charged. The Premium Redirection charge will be levied by cancellation of units.

## Terms and Conditions

### 1. Grace Period

- There is a Grace Period of 30 days for the annual, half-yearly and quarterly mode and 15 days for the monthly mode from the due date for payment of premium.
- The policy will be in-force during the Grace period.

### 2. Yearly Additions and Wealth Booster

- In case of Yearly Additions, Average fund value is the average of fund values of last 12 policy months, fund value as on last day of each of the 12 months will be considered.
- In case of Wealth Boosters, Average fund value is the average of fund values in the last 3 policy years, fund value as on last day of each of the 3 policy years will be considered.
- The Wealth Boosters shall be credited after crediting Yearly Additions.

### 3. Partial Withdrawals

- Partial withdrawal will be allowed only if the Life insured is a major
- Partial Withdrawals will be allowed after completion of lock-in period of five policy years and provided five full years premium has been paid
- Minimum amount for partial withdrawal is ₹10,000
- Partial withdrawal will not be allowed during Discontinuance state and Settlement period.
- Partial withdrawals shall be allowed when policy is in Reduced Paid-Up state
- The minimum amount required to be maintained in the Fund after Partial Withdrawal is equal to 50% of the total premiums paid till the date of Partial Withdrawal
- Partial Withdrawals that result in Fund Value being less than 50% of the total premiums paid till the date of Partial Withdrawal will not be allowed. However, if the Fund Value (after Partial Withdrawal) falls below 50% of the total premiums paid till the date of Partial Withdrawal, either because of a charge or due to a fall in NAV, the policy will continue till Fund Value remains positive.

- Partial Withdrawals will have the following effect on the Basic Sum Assured: Basic Sum Assured payable on death is reduced to the extent of applicable Partial Withdrawals made during the two years period immediately preceding the date of death of the Life Insured. Also, 105% of the total premiums paid under the base policy shall be reduced by partial withdrawal made from the fund during the two year period immediately preceding the death of the life insured.
- The partial withdrawal made from the fund during the two year period immediately preceding the death of the life insured shall be referred as Applicable Partial Withdrawal.
- The partial withdrawals leading to termination of the policy shall not be allowed.

#### **4. Discontinuance and Revival**

##### **4.1 Discontinuance of the policy during lock-in period:**

- Upon expiry of the grace period, in case of discontinuance of policy due to non-payment of premium, the fund value after deducting the applicable discontinuance charges, shall be credited to the discontinued policy fund and the risk cover and rider cover, if any, shall cease.
- Such discontinuance charges shall not exceed the charges, stipulated in Regulation 27 (e) of IRDAI (Unit Linked Insurance Products) Regulations, 2019. All such discontinued policies shall be provided a revival period of three years from date of first unpaid premium. On such discontinuance, Insurer shall communicate the status of the policy, within three months of the first unpaid premium, to the policyholder and provide the option to revive the policy within the revival period of three years.
  - In case the policyholder opts to revive but does not revive the policy during the revival period, the proceeds of the discontinued policy fund shall be paid to the policyholder at the end of the revival period or lock-in period whichever is later. In respect of revival period ending after lock-in period, the policy will remain in discontinuance fund till the end of revival period. The Fund management charges of discontinued fund will be applicable during this period and no other charges will be applied.
  - In case the policyholder does not exercise the option as set out above, the policy shall continue without any risk cover and rider cover, if any, and the policy fund shall remain invested in the discontinuance fund. At the end of the lock-in period, the proceeds of the discontinuance fund shall be paid to the policyholder and the policy shall terminate.
  - However, the policyholder has an option to surrender the policy anytime and proceeds of the discontinued policy shall be payable at the end of lock-in period or date of surrender whichever is later.

##### **4.2 Revival of a Discontinued Policy during lock-in Period:**

- Where the policyholder revives the policy, the policy shall be revived restoring the risk cover, along with the investments made in the segregated funds as chosen by the policyholder, out of the discontinued fund, less the applicable charges as given 11 (b) of IRDAI (Unit Linked Insurance Products) Regulations, 2019, in accordance with the terms and conditions of the policy.
- The insurer, at the time of revival:
  - Shall collect all due and unpaid premiums without charging any interest or fee.
  - May levy policy administration charge and premium allocation charge as applicable during the discontinuance period. Guarantee charges, if applicable during the discontinuance period, may be deducted provided the guarantee continues to be applicable. No other charges shall be levied.
  - Shall add back to the fund, the discontinuance charges deducted at the time of discontinuance of the policy.

#### **4.3 Segregated Discontinued Policy Fund:**

- a) The discontinued policy fund shall be a segregated unit fund.
- b) The fund management charge on discontinued policy fund shall be declared by the Authority from time to time. Currently, the fund management charge shall not exceed 50 basis points per annum.

#### **4.4 Minimum Guaranteed Interest Rate:**

- a) The minimum guaranteed interest rate applicable to the discontinued fund shall be declared by the Authority from time to time. The current minimum guaranteed interest rate applicable to the discontinued fund is 4% per annum.
- b) The excess income earned in the discontinued fund over and above the minimum guaranteed interest rate shall also be apportioned to the discontinued policy fund in arriving at the proceeds of the discontinued policies and shall not be made available to the shareholders.

#### **Notes:**

- Facilities such as fund switches, switching between strategies and Partial Withdrawals will not be allowed during this discontinuance period.
- Investment Strategies will not be available if the policy is in the Discontinuance
- Yearly Additions & Wealth Boosters will not be credited during Discontinuance period where policy was discontinued during lock-in period. However, on revival both Yearly Additions & Wealth Boosters applicable (if any) during the Discontinuance period will be credited.
- Revival will be subject to Board approved Underwriting Policy.

#### **4.5 Discontinuance of Policy after the lock-in-Period:**

- a) Upon expiry of the grace period, in case of discontinuance of policy due to non-payment of premium after lock-in period, the policy shall be converted into a reduced paid up policy with the paid-up sum assured i.e. original sum assured multiplied by the total number of premiums paid to the original number of premiums payable as per the terms and conditions of the policy. The policy shall continue to be in reduced paid-up status without rider cover, if any. All charges as per terms and conditions of the policy may be deducted during the revival period. However, the mortality charges shall be deducted based on the reduced paid up sum assured only.
- b) On such discontinuance, Insurer shall communicate the status of the policy, within three months of the first unpaid premium, to the policyholder and provide the following options:
  1. To revive the policy within the revival period of three years, or
  2. Complete withdrawal of the policy.
- c) In case the policyholder opts for (1) i.e. revive the policy within revival period of 3 years but does not revive the policy during the revival period, the fund value shall be paid to the policyholder at the end of the revival period.
- d) In case the policyholder does not exercise any option as set out above, the policy shall continue to be in reduced paid up status. At the end of the revival period the proceeds of the policy fund shall be paid to the policyholder and the policy shall terminate.
- e) However, the policyholder has an option to surrender the policy anytime and proceeds of the policy fund shall be payable.

#### **4.6 Revival of a discontinued Policy after lock-in Period**

- a) The policyholder can revive the policy, in accordance with sub-regulation (u) of Regulation 3 of IRDAI (Unit Linked Insurance Products) Regulations, 2019. Where the policyholder revives the policy, the policy shall be revived restoring the original risk cover in accordance with the terms and conditions of the policy.

- b) The insurer, at the time of revival:
  - i. Shall collect all due and unpaid premiums under base plan without charging any interest or fee. The rider may also be revived at the option of the policyholders.
  - ii. May levy premium allocation charge as applicable. The guarantee charges may be deducted, if guarantee continues to be applicable.
  - iii. No other charges shall be levied.

**Notes:**

- Facilities such as fund switches, switching between strategies, partial withdrawal will be available during Reduced Paid-up status
- Investment Strategies will be available if the policy is in Reduced Paid-Up status.
- Yearly Additions & Wealth Boosters will not be credited during Reduced Paid-up Status, on revival both Yearly Additions & Wealth Boosters applicable (if any) during the Reduced paid-up period will be credited.
- Revival will be subject to Board approved Underwriting Policy.

Discontinued Policy Fund	Investment Objective	Risk- Return Profile	Investment Pattern
Discontinued Policy Fund (ULIF-050-23/03/11- DISPOLFND-107)	Aims to provide secure returns to policies in the discontinued state, by investing in low-risk debt instruments.	Secure	Money market: 0% - 40%; Gov. Securities: 60%-100%

#### 5. Death Benefit in Reduced Paid up Status

Under reduced paid up status, the Death Benefit payable will be Reduced Paid-up Death benefit which is highest of:

- Reduced paid-up sum assured less applicable partial withdrawal amount (if any), Or
- Fund Value (inclusive of Yearly Additions & Wealth Boosters, if any) Or
- 105% of the Premiums paid till the time of death less applicable partial withdrawal amount (if any)

#### 6. Discontinued Policy Fund

In case of discontinuance during first five policy years, funds will be transferred to Discontinued Policy Fund. The details of the Fund are as follows:

The asset categories under the discontinued policy fund may vary in future in line with relevant IRDAI Regulations / Circulars.

#### 7. Rider details:

Applicable Rider Charges will be deducted from the Fund Value if the Riders are chosen. For more details on rider eligibility conditions, rider terms and other applicable conditions please refer to the detailed rider brochures for Kotak Accidental Death Benefit Rider (Linked) and Kotak Permanent Disability Benefit Rider (Linked) available on our website.

#### 8. Settlement Option

Through Settlement Option, Policyholder will have the option of taking maturity proceeds by way of pre-selected periodic instalments (yearly, half-yearly and quarterly only) and this should be intimated to the company within 3 months prior to the date of maturity. The Settlement Options available are:

- 1) 50% of the maturity proceeds as a lump sum and balance 50% as periodic instalments  
OR
- 2) Whole of the maturity proceeds as equated periodic instalments
  - i. The instalments can be taken over a period of 1 to 5 years called the Settlement period.
  - ii. In case of non-annual modes, the yearly instalments for each year shall be further divided equally as per mode chosen
    - Life Insured should specify mode of the periodic instalments, i.e. quarterly / half – yearly / yearly at the point of pre-settlement notification. In case of option 1 if the settlement period selected is 5 years, 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 In case of option 2 above, the yearly instalments i.e. 20% of Maturity Benefit will be payable over a period of five years in case the Settlement period selected is 5 years.
    - In case of non-annual modes, the yearly instalments for each year shall be further divided equally as per mode chosen
  - iii. Choice of funds, as available under the Self-Managed Strategy, in which maturity proceeds are to be maintained during the Settlement period also needs to be communicated to the Company at the point of pre-settlement notification. Available funds under the plan only can be used for this.
  - iv. On selecting the Settlement Option, 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. First instalment shall be paid on the date of maturity along with the lump sum if any.
  - v. During the settlement period, the investment risk in the investment portfolio is borne by the Policyholder or Life Insured. 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 or Life Insured. Accordingly the Total Benefit payable under the product may vary i.e. the instalment amount payable may be higher or lower than instalment calculated initially.
  - vi. Switching between the funds will be allowed during the Settlement Period.
  - vii. Partial Withdrawals will not be allowed during the Settlement Period.
  - viii. In case of death of life insured during Settlement period, higher of 105% of total premiums paid or balance Fund Value shall be paid immediately as lump sum and the policy ceases. No other benefit is provided during Settlement Period.
  - ix. At the end of Settlement Period, on survival of the life insured, the balance of Fund Value, if any will be paid out as one lump sum and the policy will cease thereafter.
  - x. Fund Management Charges (FMC), switching charges and the applicable taxes (currently Goods and services tax and cess, as applicable) will be recovered by adjustments to the NAVs of the funds invested in or through deduction of units from the funds. Mortality charge will be also be levied during Settlement Period

based on the Sum At Risk. Other charges will not be applicable. This shall be calculated as mentioned below:

$\text{Max}(105\% \times \text{Total Premiums paid, Fund Value}) \text{ Less Fund Value}$

- xi. If the Policyholder requests for pre-closure or the Fund Value is insufficient (due to volatility in the Market or due to charges) to pay the desired amount of instalment, then the balance Fund Value will be payable and the policy will be terminated without levying any other charges.
- xii. There is an option of complete withdrawal at any time during the settlement period without levying any charge.

## **9. Policy Loans**

Loans are not available under this plan.

## **10. Increase / Decrease in Sum Assured**

Increase / Decrease in Sum Assured are allowed as alteration only at policy anniversaries. Increase of basic Sum Assured is allowed without any increase in premium, subject to underwriting and maximum Sum Assured levels. Decrease of basic Sum Assured is allowed without any decrease in premium, subject to minimum Basic Sum Assured. However, the premium shall not be changed. Alteration charges will be collected separately upfront.

## **11. Maximum Charge Level**

Kotak Life Insurance reserves its right to impose charges not beyond the level mentioned below (Subject to IRDAI approval):

- The miscellaneous, partial withdrawal and switching charges may be increased to a maximum of ₹ 500
- Mortality charges and Premium Allocation charges are guaranteed for the term of the policy

## **12. Nomination & Assignment**

Nomination will be allowed under the plan as per Section 39 of the Insurance Act, 1938 as amended from time to time.

Assignment is allowed in this plan as per Section 38 of the Insurance Act, 1938 as amended from time to time.

## **13. Free Look Period**

The Policyholder is offered 15 days' free look period (except policies sold through Distance Marketing\* mode and electronic policies which will have 30 days), from the date of receipt of this Policy Document. During this period the Policyholder may choose to reconsider his/her decision to hold this Policy, or may choose to return the same within the said 15 days/30 days by stating the reasons thereof. If the Policyholder returns the Policy, within the aforesaid period he/she shall be entitled to a refund of the non-allocated premium (if any) plus charges levied by cancellation of units plus fund value at the date of cancellation after deducting proportionate risk charges, cost of medical examination conducted on the proposer (if any) and stamp duty. In addition to the above, Free Look Provision as per the base Policy is also applicable on the rider policy. The rider stands cancelled when the Free Look

Provision of the base Policy is exercised. 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.

#### **14. Suicide Exclusions**

In case of death due to suicide within 12 months from the date of commencement of the policy or from the date of revival of the policy, as applicable, the nominee or the beneficiary of the policyholder shall be entitled to the fund value, as available on the date of intimation of death.

In case of death due to suicide within 12 months from the date of revival of the policy, when the revival is done within 6 months from the date of discontinuance, Suicide Exclusion shall not be applicable and the Death Benefit under the product shall be payable.

However, in case of death due to suicide within 12 months from the date of revival, when the revival is done after 6 months from the date of discontinuance, only the fund value as on the date of intimation of death is payable.

Further, any charges other than Fund Management Charges (FMC) and guarantee charges (if any) recovered subsequent to the date of death shall be added back to the Fund Value as available on date of intimation of death.

#### **15. Vesting in case of minor life:**

If the policy has been taken 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 will become the Policyholder from such date.

#### **16. Fund NAV's**

NAV of a fund is calculated and published in financial newspapers on each business day. Net Asset Value (NAV) of a Unit Linked Fund shall be calculated as follows:

Net Asset Value (NAV) =  $\frac{\text{Market Value of Investments held by the fund} + \text{Value of Any Current Assets} - \text{Value of any Current Liabilities \& Provisions, if any}}{\text{number of units existing at valuation date (before creation / redemption of any units)}}$

- The current cut-off time is 3:00 p.m. which may vary from time to time as per IRDAI guidelines
- Transaction requests (including renewal premiums, switches, etc.) received before the cutoff time will be allocated to the same day's NAV and the ones received after the cutoff time will be allocated to the next day's NAV
- Where premiums are received by outstation cheques/demand drafts, the closing NAV of the day on which cheques/demand draft is cleared shall be applicable.



#### **17. Availability of Unit Statement & Annual Statement:**

The policyholder may check the Unit Statement in D02 format available on the Online Policy Manager (OPM) using the prescribed link: <https://customer.kotaklifeinsurance.com/CP/Loginopm.aspx>. In order to view the Unit Statement, the Policyholder has to register on Online Policy Manager to generate the Login ID and Password. The annual statement would also be shared with the policyholders at policy anniversary.

#### **18. Goods and Services Tax and Cess**

Goods and Services Tax and Cess, as applicable shall be levied on all applicable charges as per the prevailing tax laws and/or any other laws. In case of any statutory levies, cess, duties etc., as may be levied by the Government of India from time to time, the Company reserves its right to recover such statutory charges from the policyholder(s) by deduction from the Fund Value.

#### **19. Availability**

This product is available to be distributed through Individual Agents, Corporate Agents, Brokers, Insurance Marketing Firms (IMF), Web Aggregators, Direct Marketing and Online Channel.

#### **20. Foreclosure and Termination of policy .**

If the fund value is not sufficient to cover the charges then the policy will be foreclosed and the remaining fund value will be paid to Policyholder.

The policy will terminate at the earliest of any of the below scenarios :

- Date the customer requests for termination of the cover (subject to lock-in period) or
- Date of discontinuance & release of discontinuance payout to the policyholder (subject to lock-in period) or
- Date on which the revival period ends and the policy is not revived by the policyholder or
- Date on which the death claim payment has been made or
- On cancellation/ termination of the Policy by Us on grounds of misrepresentation, fraud or non-disclosure established in accordance with Section 45 of the Insurance Act, 1938
- Date of cancellation of the policy when the policy is in free look period.
- Date on which the policy matures & release of maturity benefit to the policyholder or
- Date on which the last benefit payout under the Settlement Option (if opted for) is paid to the policyholder.

#### **21. "Force Majeure Event"**

Means an event by which performance of any of Our obligations are prevented or hindered as a consequence of any act of God, State, strike, lock-out, legislation or restriction by any government or other authority or any circumstance beyond Our control. In such an circumstance where the value of the assets is too uncertain, 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. The Company shall inform IRDAI of such deferment in the valuation of assets. During the continuance of the force majeure events, all requests for servicing the policy including policy related payment shall be kept in abeyance. An intimation of such force majeure event shall be uploaded on the Company's website for information.

## RISK FACTORS

- Unit Linked Life Insurance products are different from the traditional insurance products and are subject to the risk factors.
- The premium paid in Unit Linked Life Insurance policies are subject to investment risks associated with capital markets and the NAVs of the units may go up or down based on the performance of fund and factors influencing the capital market and the insured is responsible for his/her decisions.
- Kotak Mahindra Life Insurance Company Ltd. is only the name of the Insurance Company and Kotak Wealth Optima Plan is only the name of the unit linked life insurance contract and does not in any way indicate the quality of the contract, its future prospects or returns.
- The various funds offered under this contract are the names of the funds and do not in any way indicate the quality of these plans, their future prospects and returns.
- The past performance of other Funds of the Company is not necessarily indicative of the future performance of the funds
- Please know the associated risks and the applicable charges (along with the possibility of increase in charges), from your Insurance Agent or Corporate Agent / Insurance Broker / other intermediaries or policy document of the insurer.

### **Extract of Sections 41 of the Insurance Act, 1938 as amended from time to time states:**

(1) No person shall allow or offer to allow, either directly or indirectly, as an inducement to any person to take or renew or continue an insurance in respect of any kind of risk relating to lives or property in India, any rebate of the whole or part of the commission payable or any rebate of the premium shown on the policy, nor shall any person taking out or renewing or continuing a policy accept any rebate, except such rebate as may be allowed in accordance with the published prospectuses or tables of the insurer:

(2) Any person making default in complying with the provisions of this section shall be liable for a penalty which may extend to ten lakh rupees.

### **Section 45 of the Insurance Act, 1938 as amended from time to time states:**

Fraud and Misstatement would be dealt with in accordance with provisions of Section 45 of the Insurance Act, 1938 as amended from time to time.

Please visit our website for more details:

[https://www.kotaklife.com/assets/images/uploads/why\\_kotak/section38\\_39\\_45\\_of\\_insurance\\_act\\_1938.pdf](https://www.kotaklife.com/assets/images/uploads/why_kotak/section38_39_45_of_insurance_act_1938.pdf)

## About Us

**Kotak Mahindra Life Insurance Company Ltd.** is a 100% owned subsidiary of Kotak Mahindra Bank Limited (Kotak) which provides insurance products with high customer empathy. Its product suite leverages the combined prowess of protection and long term savings. Kotak Life Insurance is one of the growing insurance companies in India and has covered over several million lives.

For more information, please visit the company's website at [www.kotaklife.com](http://www.kotaklife.com)

### Kotak Mahindra Group

Kotak Mahindra Group is one of India's leading banking and financial services organizations, offering a wide range of financial services that encompass every sphere of life. From commercial banking, to stock broking, mutual funds, life insurance and investment banking, the Group caters to the diverse financial needs of individuals and the corporate sector.

For more information, please visit the company's website at [www.kotak.com](http://www.kotak.com)

#### BEWARE OF SPURIOUS PHONE CALLS AND FICTITIOUS/FRAUDULENT OFFERS

IRDAI is not involved in activities like selling insurance policies, announcing bonus or investment of premiums. Public receiving such phone calls are requested to lodge a police complaint.



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[www.kotaklife.com](http://www.kotaklife.com)



 Hum hain... hamesha

**Kotak Wealth Optima Plan;** UIN – 107L118V03, Form No. – L118, Kotak Accidental Death Benefit Rider (Linked) UIN – 107A017V01 Form No: A017, Kotak Permanent Disability Benefit Rider (Linked) UIN – 107A018V01 Form No: A018,

This is a unit linked non-participating endowment plan. The sales brochure gives only the salient features of the plan. Please refer the Policy Document for specific details on all terms and conditions.

**Kotak Mahindra Life Insurance Company Ltd;** Regn. No.: 107, CIN: U66030MH2000PLC128503, Regd. Office: 8th Floor, Plot # C- 12, G- Block, BKC, Bandra (E), Mumbai - 400 051. Website: [www.kotaklife.com](http://www.kotaklife.com) WhatsApp: 9321003007 Toll Free No. – 1800 209 8800. Reference No. KLI/23-24/E-PB/1265.

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