

Kotak

CLASSIC ENDOWMENT PLAN

A Participating Non-Linked Life Insurance Individual Savings Product



Small and simple steps for a dream future

KOTAK CLASSIC ENDOWMENT PLAN

A Participating Non-Linked Life Insurance Individual Savings Product

You always needed protection but what if you are provided with an alternative that offers an opportunity for savings and wealth accumulation as well? Kotak Classic Endowment Plan can help in fulfilling these requirements. Kotak Classic Endowment Plan is a life insurance plan that offers protection benefit while earning Bonuses during the policy term.

Key Advantages

- Participating endowment plan offering protection up to the age of 75 years
- Earn yearly bonus from 1st policy year, if declared
- Convenience to pay premiums as per affordability
- Flexibility to choose from wide range of term options as per suitability
- More value for money through discount for high Sum Assured on maturity
- Option to enhance protection through a wide range of Riders
- Tax benefits u/s Sec 80(C) and 10(10D) of the Income Tax Act, 1961

How Does the Plan Work?

You select the Sum Assured on maturity as per your requirement basis which premiums payable are determined. You pay such premium for the selected premium payment term. At maturity, you will receive Maturity Benefit i.e. Sum Assured on maturity Plus Accrued Bonuses, if any plus terminal bonus, if any.

Death Benefit¹

In case of an unfortunate event of death of the life insured during the term of the plan, your nominee will receive the following:

- Sum Assured on death, Plus
- Bonuses accrued as on the date of death (if any) Plus
- Terminal Bonus (if declared).

Sum Assured on death is defined as higher of:

- 11 times (annualised premium+ Extra Premium, if any), or
- Sum Assured on maturity or
- 105% of total premiums paid till date (excluding any extra premium)

In case of minor Life Insured, the risk commences immediately from the date of commencement of the policy contract. In case of unfortunate demise of the minor life insured, the Death benefit shall be payable to the Policyholder and the policy shall terminate immediately.

Maturity Benefit²:

On survival till the end of the policy term (PT), Maturity Benefit will be paid. The Maturity Benefit payable is:

- Sum Assured on maturity, Plus
- Accrued reversionary bonus (if any), Plus
- Terminal bonus (if declared).

Tax Benefits:

Tax benefits are subject to conditions specified as per 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. Goods and Services Tax and Cess, as applicable shall be levied over and above premium amount shown here as per applicable tax laws.

Enhancing your Options

Additional Options	Benefits
Convenient premium payment term & modes	<p>As per suitability, you can opt for premium payment term (PPT) i.e. either regular or limited pay, from available options (please refer to "Eligibility" section below).</p> <p>You have the option to pay your premiums yearly, half-yearly, quarterly or monthly and can also change the premium payment mode on policy anniversary.</p>

Additional Options	Benefits
Additional Protection ⁶ (Optional)	<p>If you feel the insurance cover is not adequate or wish to customize the protection, you can do so by attaching below mentioned optional Riders to your base plan:</p> <ul style="list-style-type: none"> • Kotak Term Benefit Rider (UIN: 107B003V03): Provides additional protection over and above the Death Benefit under the base plan • Kotak Accidental Death Benefit Rider (UIN:107B001V04): Lump sum benefit paid on accidental death of life insured in addition to Death Benefit under the base plan • Kotak Permanent Disability Benefit Rider (UIN:107B002V03): Installments paid on admission of a claim on life insured becoming disabled due to accident • Kotak Life Guardian Benefit Rider (UIN: 107B012V02): Remaining premiums will be paid on behalf of the policyholder in case of his / her death • Kotak Accidental Disability Guardian Benefit Rider (UIN: 107B011V02): Remaining premiums paid on behalf of the policyholder in case of accidental disability • Kotak Critical Illness Plus Benefit Rider (UIN-107B020V02): Lump Sum benefit paid on diagnosis of any of the 37 Critical Illnesses <p>For more details on Riders and exclusions please refer to the Individual Rider Brochure before concluding the purchase.</p>
Policy Loan Facility ⁷	You can avail loans up to 50% of Surrender ¹⁰ Value subject to a minimum loan amount of ₹10,000.

Additional Options	Benefits
Reduced Paid-Up Benefit ¹¹	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. Along with Reduced Paid-up Sum Assured on maturity, all subsisting reversionary bonuses (if any) that have already been attached to the policy will also be payable at maturity.
Discount for high Sum Assured on maturity	You will get a premium discount for Sum Assured on maturity of ₹ 5 Lakhs & above. The discount rate will be of ₹ 2 per 1000 Sum Assured on maturity.

Eligibility

Entry Age¹²	Min: 0 years Max: Regular Pay: 53 years Limited Pay 10 (except PPT 10/ PT15): 54 years Limited Pay 7: 56 years Policy Term minus 5 years: 60 years
Maturity Age	Min: 18 years Max: Regular Pay: 70 years Limited Pay 10 (except PPT 10/ PT15): 75 years Limited Pay 7: 73 years Policy Term minus 5 years: 75 years
Premium Payment Term (PPT)	Regular Pay: Equal to Policy Term Limited Pay: 10 years 7 years for policy term 15 years Policy term less 5 years
Policy Term	15 to 30 years For minors, minimum term will be greater of; 15 years or (18 years minus age at entry as on last birthday)
Premium Payment Option	Regular and Limited pay
Minimum Premium	Regular Pay: ₹ 7,000 Limited Pay 7 & 10 Pay / Limited Pay of Policy term minus 5 years: ₹ 12,000
Maximum Premium	No limit, subject to underwriting. Determined on the basis of sum assured, entry age, policy term and PPT selected.
Minimum Sum Assured on maturity	Determined on the basis of minimum premium amount, entry age, policy term and PPT
Premium Payment Mode	Yearly, Half yearly, Quarterly, Monthly
Modal Factor (% of annual premium)	The following modal loadings will be used to calculate the installment Premium Yearly - 100% Half yearly - 51% Quarterly - 26% Monthly - 8.8%

Illustration

Given below is an illustration of the benefits payable, for a healthy male aged 35 years for a Sum Assured on maturity of ₹ 5 Lakhs and with a policy term 20 years & premium payment term of 10 years:

General Details		Guaranteed Benefits		Non-Guaranteed Benefits			
		Sum Assured on death	Guaranteed value surrender value	Benefits at lower rate		Benefits at higher rate	
End of Year	Cumulative Annual Premium			Accrued revisionary bonus	Terminal bonus at Maturity	Accrued revisionary bonus	Terminal bonus at Maturity
1	46,250	5,08,750	-	3,150	-	11,625	-
5	2,31,250	5,08,750	115,625	15,750	-	58,125	-
10	4,62,500	5,08,750	277,500	42,000	-	1,55,000	-
15	6,93,750	5,08,750	354,583	78,750	-	2,90,625	-
20	9,25,000	5,08,750	-	1,15,500	27,789	4,26,250	1,21,701

General Details		Guaranteed Benefits		Total Benefits			
		Sum Assured on death	Guaranteed value surrender value	Benefits at lower rate @4% p.a.		Benefits at higher rate @8% p.a.	
End of Year	Cumulative Annual Premium			Death benefit including TB	Maturity benefit including TB	Death benefit including TB	Maturity benefit including TB
1	46,250	5,08,750	-	5,08,750	-	5,08,750	-
5	2,31,250	5,08,750	115,625	5,21,350	-	5,55,250	-
10	4,62,500	5,08,750	277,500	5,45,500	-	6,44,375	-
15	6,93,750	5,08,750	354,583	5,99,602	-	8,57,441	-
20	9,25,000	5,08,750	-	6,43,299	6,43,289	10,23,491	10,47,951

Please note: The values mentioned above are in rupees (₹) except Age which is in years. The above illustration is an extract of a separate, more detailed Benefit Illustration. For full details, please refer to the Benefit Illustration. The benefits illustrated at lower and higher rate is 4% p.a. and 8% p.a. respectively. The above premium figures are exclusive of Goods and Services Tax and Cess, as applicable Goods and Services Tax and Cess thereon, shall be charged as per the prevalent tax laws over and above the said premiums.

[#]The assumed non-guaranteed rates of return chosen in the illustration are 4% p.a. and 8% p.a. These assumed rates of return are not guaranteed and they are not the upper or lower limits of what you might get back as the value of your policy is dependent on a number of factors including future investment performance. The actual experience may be different from the illustrated. The guaranteed and non-guaranteed benefits are applicable only if all due premiums are paid. Reversionary Bonus and Terminal Bonus have been calculated at the assumed non-guaranteed rates of return of 4% p.a. & 8% p.a. Please note that Bonuses are NOT guaranteed and may be as declared by the Company from time to time.

Terms and Conditions

1. Death benefit:

If the death occurs during Grace Period, the due unpaid premium (if any) till the date of death will be deducted from the Death Benefit. For non-annual Policy, the balance of the premium for that policy year will be deducted from the Death Benefit.

2. Maturity benefit:

The Maturity benefit will be reduced to account for any outstanding loans (including interest).

3. Bonuses:

- **Simple Reversionary Bonus:** At the end of each financial year the company may declare a bonus expressed as a percentage of the Sum Assured on maturity. These bonuses shall accrue from 1st policy year onwards till the end of the Policy Term and will be payable either on Maturity or Death.
- **Interim Bonus:** In the event of a claim, part-way through a financial year or before declaration of the Simple Reversionary 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.
- **Terminal Bonus:** The Company may declare Terminal Bonus in case of death after 10 full policy years. Terminal Bonus, if declared may also be payable on Surrender or Maturity and shall be a percentage of the Sum Assured on maturity.

4. Annualised Premium:

It refers to the amount of premium paid by the Policyholder in a year excluding modal factor loading and Extra Premium, if any, e.g. If the policyholder is paying Half-yearly premium of ₹ 51,000 then the Annual Premium will be ₹ 100,000 i.e. $(51,000 / \text{modal factor of } 51\%)$, and loading will be ₹ 2,000 i.e. $[\text{₹}51,000 \times 2 - (\text{₹}51,000/51\%)]$.

5. Grace Period:

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

6. Riders:

The payment of Rider premium will be made in addition to the premium for the base plan and collected along with the premiums for the base plan.

7. Policy Loan:

Loans may be granted under the Policy for a minimum amount of ₹ 10,000/- and maximum up to 50% of the 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.

- i. The Policy shall be assigned absolutely to the Company as security for the repayment of the loan and interest on the loan and expenses incurred in connection with the loan.
- ii. The rate of interest on loan (currently 9.23671% p.a. compounded half-yearly) shall be specified by the Company in respect of each loan when the same is sanctioned and the loan interest rate may be revised by the Company from time to time.
- iii. In case the Policy matures or a claim occurs or any benefit payout is made hereunder, the Company is entitled to deduct any outstanding loan amount (including interest) before making such payments. The outstanding loan amount (including interest) shall be first deducted from death benefit, survival benefit (if any) or maturity benefit payable.
- iv. The Company shall accept repayment of the loan in part or 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 and if Premiums are discontinued, the Policy may be forfeited to the Company, without notice of forfeiture being necessary.

- vi. In case of a Reduced Paid-Up Policy, where the outstanding loan amount (including interest) has exceeded 90% of the Surrender Value of the Policy, such a Policy shall be foreclosed and the Policyholder shall be paid the Surrender Value after deducting the outstanding loan amount (including interest).
- vii. An in-force/ fully paid-up Policy shall not be foreclosed for non-repayment of loan.

8. Lapses:

The Policy shall lapse if all the premiums for the first policy year are not paid in full within the grace period. In the event where a policy has been lapsed, no further benefits shall be payable under the policy. For policies issued on minor life insured, in case of death of the Policyholder, if due premiums are not paid within the grace period and Life Guardian Benefit rider is not opted, then the policy shall be lapse at the end of the grace period. If this policy is not revived within the Revival period, then the policy shall be terminated.

9. Policy Revivals:

A lapsed or a Reduced Paid-Up policy can be reinstated for full benefits on revival within five years of the first unpaid premium. The revival can be done without evidence of good health on payment of the outstanding premiums with revival charges (currently 9% p.a. of outstanding premiums), if the payment is made within six months from the date of first unpaid premium. Thereafter to revive the policy, evidence of good health would be required along with payment of the outstanding premiums with revival charges (currently 9% p.a. of outstanding premiums). Policy will not be eligible for declared bonuses during the lapse period. However, all benefits under the policy will be reinstated on the revival of the

policy. If a lapsed policy is not revived during the revival period, the policy will be terminated without paying any benefits. However, if a Reduced Paid-Up policy is not revived during the revival period, it will continue in that mode until maturity.

The interest rate for revival charges may be revised from time to time.

10. Surrender:

The policy acquires a Guaranteed Surrender Value (GSV) if the premiums have been paid for a minimum of 2 consecutive years (in full). The policy acquires a Special Surrender Value after completion of first policy year provided premiums due for at least 1 policy year have been paid in full.

The Guaranteed Surrender Value (GSV) is a percentage of total premiums paid (excluding Goods and Services Tax and Cess, as applicable, Rider premium and Extra Premium, if any). In addition, the value of subsisting bonuses (if any) will also be payable.

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

Year of Surrender	GSV Factors (as % of Premiums paid)
2nd year	30%
3rd year	35%
4th to 7th year	50%
8th year onwards	$50\% + (\text{Year of surrender} - 7) \times (\text{Y} - 50\%) / (\text{Policy Term} - 8)$ Where, Y: 90%
Last two years of the Policy Term	90%

Value of Subsisting Bonus (if any) is calculated as:

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

GSV factors as percentage of subsisting bonuses (if any) is given in the table below:

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Outstanding Term	GSV Factors (as % of subsisting bonuses)	Outstanding Term	GSV Factors (as % of subsisting bonuses)	Outstanding Term	GSV Factors (as % of subsisting bonuses)	Outstanding Term	GSV Factors (as % of subsisting bonuses)
0	78.00%	8	45.24%	16	21.05%	24	10.60%
1	72.40%	9	41.02%	17	19.21%	25	9.83%
2	72.08%	10	37.22%	18	17.55%	26	9.13%
3	70.44%	11	33.78%	19	16.06%	27	8.51%
4	67.14%	12	30.68%	20	14.72%	28	7.95%
5	60.80%	13	27.89%	21	13.52%	29	7.46%
6	55.08%	14	25.37%	22	12.44%	30*	7.02%
7	49.91%	15	23.10%	23	11.47%		

*Surrender Value is not acquired at the inception of the policy

- On Surrender, all benefits fall away and the policy terminates. The surrender value will be paid out as a lump sum benefit.

11. Reduced Paid-Up Policy:

After the policy acquires Surrender Value, if the subsequent premiums are not paid within the Grace Period, the Base Policy along with Riders (if any) will be converted into a Reduced Paid Up policy by default. Upon being made Reduced Paid-up;

- Policy may be revived (for the original benefits) within 5 years from the date of first unpaid premium,
- Policy will not be eligible for any future bonuses,
- Rider benefit will be available as per Reduced Paid-Up Sum Assured (if applicable).

If the Reduced Paid-Up policy is surrendered, the Special Surrender Value (if any) will be based on the Reduced Paid-Up Sum Assured on maturity.

Payout on maturity:

The Reduced Paid-Up Sum Assured on maturity is calculated as follows: $\text{Sum Assured on maturity} \times (\text{Total Premiums paid} / \text{Total premiums payable during the entire policy term})$ On survival of the life insured till the maturity date, the benefit payable will be the Reduced Paid-up Sum Assured on maturity PLUS Accrued bonuses (if any) PLUS terminal bonus (if any).

Payout on death:

The Reduced Paid-Up Sum Assured on death will be calculated as: Higher of (i), (ii) and (iii) mentioned below:

- i. $\text{Sum Assured on maturity} \times [(\text{Total Premiums paid} / \text{Total Premiums payable over the term})]$
- ii. $11 \text{ times (Annualised Premium + Extra Premium)} \times [(\text{Total Premiums paid} / \text{Total Premiums payable over the term})]$
- iii. 105% of the total premiums paid (excluding any extra premiums)

On death of the life insured during the policy term after being made Reduced Paid-Up, the benefit payable will be the Reduced Paid-up Sum Assured on death PLUS Accrued bonuses (if any) PLUS terminal bonus (if any).

12. 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.

13. Nomination & Assignment:

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

Assignment will be allowed in the plan as per the provisions of Section 38 of the Insurance Act, 1938 as amended from time to time.

14. Free Look Period:

The Policyholder is offered a 30 days' free look period to review the terms and conditions of the Policy (except for policies having a policy term of less than a year) beginning from the date of receiving the Policy Document in electronic form. In case the Policyholder is not agreeable to any terms and conditions of the Policy or otherwise; then subject to no claims having been made hereunder, the Policyholder may choose to return the Policy to the Insurer for cancellation, stating the reasons thereof within the aforesaid free look period.

Should the Policyholder choose to return the Policy, the Policyholder shall be entitled to a refund of the Premium paid after deducting the proportionate risk Premium for the period of cover, stamp duty charges and expenses of medical examination (if any). 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. Where Rider(s) are available under the base Policy and so opted by the Policyholder, the same would also stand cancelled when the free look provision of the base Policy is exercised.

15. General Exclusion (Suicide Clause):

In the event of the life insured committing suicide within one year of the date of commencement of the risk of the policy, 80% of the Total premiums paid till the date of death will be payable. In case of suicide after 12 months from date of commencement of the risk, following will be applicable:

- In case of suicide within one year of the date of revival of the policy when the revival is done within 6 months from the date of first unpaid premium, Suicide Exclusion shall not be applicable

and the Death Benefit under the plan shall be payable.

- However, in case of suicide within 1 year of the date of revival, when the revival is done after more than 6 months from the date of first unpaid premium, the benefit payable shall be higher of 80% of Total Premiums Paid till the date of death or Surrender Value at the date of death provided the policy is in-force

Sample Premium* in Rs (excluding GST and cess) | Sum Assured = Rs. 4,00,000

Age	Policy Term	Premium Payment Term	Premium	Age	Policy Term	Premium Payment Term	Premium
5	20	20	23,316	5	20	20	37,344
18			23,392	18			37,408
20			23,408	20			37,428
30			23,568	30			37,576
35			23,800	35			37,800
40			24,232	40			38,252
45			24,944	45			39,096
50			26,048	50			40,560
54			27,220	54			42,128

*Please note that the extra premium may be charged for substandard lives as per the Board Approved underwriting policy of Kotak Life Insurance Company Limited.

Extract of Section 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.

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

Fraud, Misstatement and Forfeiture 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

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

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

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

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

**TOLL FREE 1800 209 8800****WhatsApp: 9321003007**
www.kotaklife.com

Kotak Classic Endowment Plan UIN: 107N082V03, Kotak Term Benefit Rider UIN: 107B003V03, Kotak Accidental Death Benefit Rider UIN: 107B001V04, Kotak Permanent Disability Benefit Rider UIN: 107B002V03, Kotak Critical Illness Plus Benefit Rider UIN: 107B020V02, Kotak Life Guardian Benefit Rider UIN: 107B012V02, Kotak Accidental Disability Guardian Benefit Rider UIN: 107B011V02.

This is a Participating Non-Linked Life Insurance Individual Savings Product For sub-standard lives, extra premium may be charged based on Kotak Life Insurance's underwriting policy. The product brochure gives only the salient features of the plan. Please refer the policy document for specific details on all terms and conditions. For more details on riders please read the Rider Brochure. The risk factors of the bonuses projected under the product are not guaranteed. Past performance doesn't construe any indication of future bonuses. These products are subject to the overall performance of the insurer in terms of investments, management of expenses, mortality and lapses.

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; WhatsApp: 9321003007 | Toll Free No:1800 209 8800 | Ref. No.: KLI/24-25/E-PB/1685.

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