

kotak[®]
PIREMIER
PENSION PLAN
TRADITIONAL PARTICIPATING PENSION PLAN

For your **#ActiveRetirement**



PURSUUE PASSION



CHALLENGE LIMIT



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KOTAK PREMIER PENSION PLAN

Traditional Participating Pension Plan

Today you are an earning, self-reliant individual, working hard to realize yours' and your loved one's dreams. However, tomorrow when you retire, a new phase of your life will start when your income will stop and you might face difficulty in maintaining the same lifestyle that you are having today! In order to enjoy a worry-free retirement life you need to plan early, so that you continue to live an independent life on your own terms even when your regular earning stops.

Kotak Life Insurance presents **Kotak Premier Pension Plan** that helps you to accumulate a retirement kitty for the golden years to help you lead a comfortable and worry-free retirement life. This plan is a participating plan with assured benefits on death and vesting. It provides guaranteed additions in the first five policy years and bonuses accrue from 6th year onwards, all this put together to build up a corpus for your secure future.

Key Advantages

- **Guaranteed Additions:** A fixed percentage of Basic Sum Assured in the first 5 policy years
- **Earn bonus¹** from 6th policy year onwards
- **Assured Benefit** of 105% of Total Premiums paid on Death or Vesting
- **Additional Protection** through optional riders

How Does the Plan Work?

Kotak Premier Pension Plan helps in saving for long term to ensure financial independence in the golden years of retirement so that you can lead a life as per your choice:

- Select the tenure for which you want to save keeping in mind when you want to retire
- Basis the tenure, you can choose the Premium Payment Term
- Decide the corpus amount you want for your retirement benefit (Basic Sum Assured) which will be available on vesting
- Based on the above the Premium amount will get calculated

Start saving for a worry-free financially independent retirement life...

Key Benefits:

- **Guaranteed Additions:** In the first 5 policy years, your policy will be eligible for the following assured additions called Guaranteed Additions. These Guaranteed Additions will accrue and vest at the end of the each financial year and will be available either on vesting or on death whichever is earlier, provided the policy is in force and all due premium have been paid in full:
 - For Regular & Limited Premium payment options: 5% p.a. of the Basic Sum Assured
 - For Single Premium Payment option: 2% p.a. of the Basic Sum Assured
- **Assured Benefit:** This is the minimum guaranteed benefit available either on death or on vesting. This benefit will be equal to 105% of the Total Premiums (excluding taxes and rider premium, if any) paid till date of death or vesting.
- **Vesting Benefit:** Upon completion of complete tenure of the plan, the following benefit will be available:
 - Basic Sum Assured **PLUS**
 - accrued Guaranteed Additions **PLUS**
 - accrued Reversionary Bonuses¹ and Terminal Bonus¹, if any

Note: Vesting benefit will be subject to a minimum of Assured Benefit (as mentioned above)

The Vesting Benefit can be taken as per any one of the following options:

- To utilize the entire proceeds to purchase immediate or deferred annuity at the then prevailing annuity rate from Kotak Life Insurance or from any other insurer (up to 50% of the entire proceeds of the policy net of commutation); OR
 - Receive a lump sum of up to 60% of the vesting benefit tax-free or to the extent specified therein as per Income Tax Act 1961. The remaining amount must be used to purchase an Immediate or Deferred annuity² at the then prevailing annuity rates from Kotak Life Insurance or any other insurer (upto 50% of the entire proceeds of the policy net of commutation); OR
 - Purchase a single premium deferred pension product from Kotak Life Insurance at that time; OR
 - Extend the accumulation period within the same policy with the same terms and conditions as the original policy, provided the Life Insured is below 55 years of age.
- **Death Benefit:** In the unfortunate event of death of the Life Insured during the term of the plan, the nominee will receive the following:
 - Assured Benefit **PLUS**
 - accrued Guaranteed Additions **PLUS**
 - accrued Reversionary Bonuses¹ and Terminal Bonus¹, if any

The nominee can use any one of the following options for receiving the Death Benefit payout:

- Purchase an Immediate or Deferred Annuity² at the then prevailing rate from Kotak Life Insurance or any other Insurer (up to 50% of the entire proceeds of the policy net of commutation) with the entire proceeds of the policy or with part of it; OR
 - Withdraw the entire proceeds of the policy;
- **Tax Benefits**
You may avail tax benefits on premium paid under Section 80CCC of Income Tax Act, 1961 subject to conditions as specified in those sections. 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 as per applicable tax laws.

Enhancing your Options

Additional Features	Benefits
Convenient premium payment term & modes	You can choose your premium paying term as per your convenience; The plan offers Regular premium pay, limited pay of 10 & 12 years or Single pay option
Additional Protection (Optional)	<p>Increase the protection level by selecting from a wide range of Riders:</p> <ul style="list-style-type: none"> • Kotak Accidental Death Benefit Rider (ADB): Lump sum benefit paid on accidental death. • Kotak Permanent Disability Benefit Rider (PDB): Installments paid on admission of a claim on becoming disabled due to accident. <p>For more details on riders and exclusions please refer to the Individual Rider Brochure before concluding the purchase.</p>
Reduced Paid-Up Benefit⁵	<p>For Regular & Limited Premium Pay policies, after the policy acquires Surrender Value⁷, 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 Basic Sum Assured all accrued reversionary bonuses/guaranteed additions that have already been attached to the policy will also be available at vesting.</p> <p>Single Premium policies will be considered as fully Paid-Up.</p>
High Sum Assured Discount	<p><u>For Regular and Limited Premium Payment option</u> Premium discount of ₹ 2 per 1000 Basic Sum Assured will be available for Basic Sum Assured of ₹ 5 lakhs & above.</p> <p><u>For Single Premium Payment option</u> Premium discount of ₹ 8 per 1000 Basic Sum Assured will be available for Basic Sum Assured of ₹ 5 lakhs & above.</p>

Eligibility

Entry Age	Min: 30 years Max: For Regular & Limited Pay: 55 years For Single Pay: 60 years
Vesting age	Min: 45 years Max: 70 years
Policy Term	Regular Pay: 10 - 30 years Limited Pay: 10 Pay: 15 - 30 years 12 Pay: 17 - 30 years Single Pay: 10 yrs & 15 years
Premium Payment Term (PPT)	Regular Pay: Same as policy term Limited Pay: 10 and 12 years Single Pay
Premium Payment Mode	Yearly, Half yearly, Quarterly, Monthly
Premium Modal Factor	Yearly-100%, Half yearly-51%, Quarterly-26%, Monthly-8.8%
Basic Sum Assured	Min: ₹ 2,00,000 Max: Subject to underwriting
Premium Level	Will depend on Sum Assured levels, age, PPT and Term

Illustration

Given below is an illustration of the benefits available, for a person aged 35 years for a Basic Sum Assured of 10 lakhs and with a policy term & premium payment term of 20 years:

End of Year	Age (Years)	Cumulative Annualized Premium (in ₹)	Accrued Guaranteed Additions (in ₹)	Total Vesting Benefit (in ₹)		Guaranteed Death Benefit* (in ₹)
				@ 4%* p.a.	@ 8%* p.a.	
1	36	54,290	50,000	-	-	1,07,005
5	40	2,71,450	2,50,000	-	-	5,35,023
10	45	5,42,900	2,50,000	-	-	8,20,045
15	50	8,14,350	2,50,000	-	-	11,05,068
20	55	10,85,800	2,50,000	15,06,250	22,57,764	-

*Guaranteed Death Benefit is inclusive of accrued Guaranteed Additions.

Please note: The above illustration is an extract of a separate, more detailed benefit illustration. For full details, please refer to the Benefit Illustration. 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. Bonuses:

- **Simple Reversionary Bonus:** At the end of each financial year the company may declare a bonus expressed as a percentage of the Basic Sum Assured. These bonuses will be accrued from 6th policy year onwards till the end of the Policy Term and will be available either on vesting or on 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 available at such rate as may be decided by the Company.
- **Terminal Bonus:** The Company may decide to pay Terminal Bonus in case of death after 10 full policy years. This bonus may also be available on vesting and shall be a percentage of the Basic Sum Assured. Terminal Bonuses will not be available on policies which have been made Reduced Paid-Up or surrendered.

2. **Annuity:** Current regulations mandates how the Vesting Benefit and Surrender Benefits are to be payable. One of the options is to purchase an Immediate/Deferred Annuity plan from Kotak Life Insurance or from any other insurer, available at that point in time with the then prevailing annuity rates. However, if the annuity amount falls below the minimum amount prescribed by IRDAI from time to time [currently ₹1000 per month as prescribed under IRDAI (Minimum Limits for Annuities and other Benefits) Regulations, 2015], then the proceeds of the policy would be paid in lump sum.
3. **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.
4. **Lapse:** In Regular & limited premium paying policies, if the premiums for the first two policy years are not paid within the grace period, the policy shall lapse from the due date of the first unpaid premium and no benefits will be payable.
5. **Reduced Paid-Up Policy:** For Regular & limited premium paying policies, 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. Single premium policies will be considered as fully Paid-Up. Once a policy become Reduced Paid-Up, then:
 - The policy will not be eligible for any future bonuses and guaranteed additions. Rider benefits may cease depending on the features of the rider.
 - If the policy is surrendered, Special Surrender Value (if any) will be based on the Reduced Paid-Up Basic Sum Assured. A Reduced Paid-Up policy may be reinstated (to the original benefits) within 5 years of the date of becoming Reduced Paid-Up (subject to the same conditions outlined for “Policy Revivals” below).

Benefits available on Vesting:

- The Basic Sum Assured is reduced to Reduced Paid-Up Basic Sum Assured as follows: $\text{Basic Sum Assured} \times \left[\frac{\text{Total Premiums paid}}{\text{Total premiums payable during the entire policy term}} \right]$
- On vesting of the policy after being Reduced Paid-Up, the benefit available will be the Reduced Paid-up Basic Sum Assured plus Accrued Guaranteed Additions & bonuses, (if any)

Benefits available on death:

- On death of the life insured during the policy term after being Reduced Paid-Up, the benefit available will be 105% of the Premium(s) paid till date of death (excluding taxes and rider premium, if any) plus Accrued Guaranteed Additions & bonuses (if any)

Note: The benefits on Vesting / Death / Surrender will have to be taken by choosing the option in a similar manner as mentioned under benefits on Vesting / Death (mentioned above) or Surrender (mentioned below) respectively.

6. **Policy Revivals:** A lapsed or Reduced Paid-Up policy can be revived within five years of the first unpaid premium on payment of the outstanding premiums with late payment charges (currently 9% p.a. of outstanding premiums) subject to conditions specified by the Company from time to time. If a lapsed policy is not revived within the revival period, the policy will be terminated without paying any benefits and if a Reduced Paid-Up policy is not revived within the revival period, the benefits as mentioned in the “Reduced Paid-Up Policy” section will be payable on either on Vesting or earlier Death.

- 7. Surrender:** The policy acquires a Guaranteed Surrender Value (GSV) depending on the premium payment term chosen and number of premiums paid.
- For Regular & Limited Premium Paying policy: The policy will acquire a GSV after payment of full premiums for two consecutive years.
 - For Single Premium Paying policy: The policy will acquire a GSV any time after payment of the Single premium

The GSV is a percentage of total premiums paid (excluding Goods & Services Tax & Cess, as applicable, Rider premium if any). In addition, the value of both subsisting bonuses and Guaranteed Additions (if any), will also be available.

For Regular and Limited Premium paying policies:

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

Year of Surrender	GSV Factors (as % of Total Premiums paid)
2 nd year	30%
3 rd year	35%
4 th to 7 th year	50%
From 8 th yr till (PT -2) years	$50\% + (\text{Year of surrender} - 7) \times (Y - 50\%) / (\text{Policy Term} - 8)$ Where, Y: 90% for Regular Premium Paying Term and for Limited Premium Paying Term
For last 2 policy years	90%

For Single Premium paying policies:

GGSV Factors as a percentage of Single premiums paid is given in the table below:

Year of Surrender	GSV Factors (as % of Single Premiums paid)
1 st - 3 rd year	70%
4 th year onwards	90%

GSV Factors as a percentage of subsisting bonuses and Guaranteed Additions (if any) is given in the table below:

Remaining term to vesting	GSV Factors (as a % of subsisting bonuses & Guaranteed Additions)	Remaining term to vesting	GSV Factors (as a % of subsisting bonuses & Guaranteed Additions)
0	100%	15	23.06%
1	90.50%	16	21.01%
2	81.91%	17	19.17%
3	74.15%	18	17.50%
4	67.13%	19	16.01%
5	60.80%	20	14.67%
6	55.07%	21	13.46%
7	49.90%	22	12.38%
8	45.23%	23	11.41%
9	41.01%	24	10.53%
10	37.20%	25	9.75%
11	33.76%	26	9.05%
12	30.66%	27	8.43%
13	27.86%	28	7.87%
14	25.34%	29	7.37%

- The Company may consider paying a Special Surrender Value when the policy acquires Guaranteed Surrender Value. In any case the higher of the Guaranteed Surrender Value or Special Surrender Value will be payable.
- On Surrender, all benefits fall away and the policy terminates.

Payout options of Surrender Proceeds: On the date of surrender, the policyholder shall exercise one of the following options:

- To utilize the entire proceeds to purchase immediate or deferred annuity at the then prevailing annuity rate from Kotak Life Insurance or from any other insurer (up to 50% of the entire proceeds of the policy net of commutation);
- Receive a lump sum of up to 60% of the vesting benefit tax-free or to the extent specified therein as per Income Tax Act 1961. The remaining amount must be used to purchase an Immediate or Deferred annuity² at the then prevailing annuity rates from Kotak Life Insurance or any other insurer (upto 50% of the entire proceeds of the policy net of commutation);
- To utilize the entire proceeds to purchase a single premium deferred pension product from Kotak Life Insurance.

- 8. Nomination & Assignment:** Nomination will be allowed under the plan as per Section 39 of the Insurance Act, 1938 as amended from time to time. Fresh nomination (if applicable) shall be made by an endorsement on the policy and by communicating the same in writing to the Company.

Assignment will not be allowed under this plan.

- 9. Free Look Period:** The policyholder is offered 15 days free look period for a policy sold through all channels (except for Distance Marketing* Channel which will have 30 Days) from the date of receipt of the policy wherein the policyholder may choose to return the policy within 15 days/30 days of receipt if s/he is not agreeable with any of the terms and conditions of the plan. Should s/he choose to return the policy, s/he shall be entitled to a refund of the premium paid after adjustment for the expenses of medical examination (if any), stamp duty and proportionate risk premium for the period of cover. A policy once returned shall not be revived, reinstated or restored at any point of time and a new proposal will have to be made for a new policy.

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

- 10. General Exclusions:** 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 to the nominee.

In the event of suicide after one year from the risk commencement date of the policy, 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 product shall be payable.
- However, in case of suicide within 1 year of the date of revival, when the revival is done after 6 months from the date of first unpaid premium, higher of 80% of the total premiums paid till the date of death or Surrender Value as at the date of death, if any shall be payable.

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.

About Us

Kotak Mahindra Life Insurance Company Ltd is a 100% owned subsidiary of Kotak Mahindra Bank Ltd. (Kotak) which provides world-class 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 fastest growing insurance companies in India and has covered over several million lives.

For more information, please visit the company's website at <https://insurance.kotak.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 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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 *Koi hai... hamesha*

Kotak Premier Pension Plan UIN: 107N094V02, Form No: N094, Kotak Accidental Death Benefit Rider UIN - 107B001V03, Form No: B001, Kotak Permanent Disability Benefit Rider UIN- 107B002V03, Form No: B002, Ref. No.: KLI/19-20/E-PB/368.

This is a Participating non-linked Pension Plan. 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 details on riders, please refer to the Rider Brochure.

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