

# Kotak

LIFETIME INCOME  
P L A N

A Non-Participating, Non-Linked, General Annuity Product



## Kotak Lifetime Income Plan

### A Non-Participating, Non-Linked, General Annuity Product

Retirement years are the golden years of life where you would wish to do things that you have only been planning till now or are deferring by giving them lesser priority. It's a phase where you would want to enjoy doing what you wish without worrying about finances.

To ensure that you enjoy financially secure retirement years and fulfill your desires Kotak Life Insurance presents **Kotak Lifetime Income Plan** – A Non-Participating, Non-Linked, General Annuity Product that gives you / your members the assurance of regular stream of income throughout life.

## Key Advantages

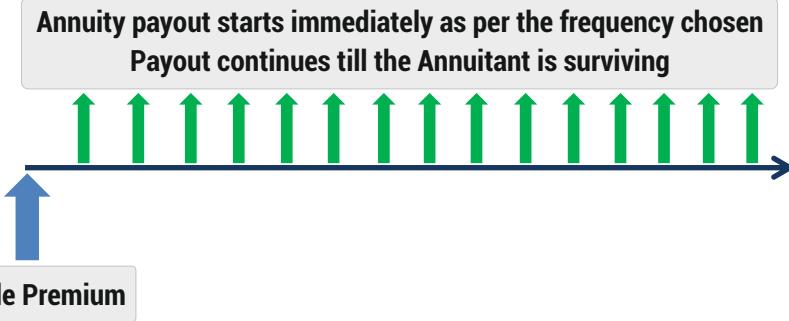
- 6 annuity options to choose from
- Issued annuity rates are guaranteed for lifetime
- Higher Annuity Rates for Higher Premium

## What is Kotak Lifetime Income Plan?

It is an immediate annuity plan that promises to pay a regular stream of income for life. Basis a one-time premium paid to Kotak Life Insurance, the annuitant will receive regular income throughout the life. The plan comes with choice of six annuity options and the frequency at which you would need the income flow. The plan will be offered to Individual customers and Group Customers.

## How does Kotak Lifetime Income Plan Work ?

Following is the working of the "Lifetime Income option":



### Note:

- Annuity Rates will be determined based on the following details:
  - i. Age of the Annuitant(s)<sup>1</sup>
  - ii. Single Premium amount
  - iii. Annuity Option chosen
  - iv. Frequency of payout chosen (Monthly, Quarterly, Half-yearly, Yearly)

- Policies will be issued (subject to terms & conditions) with the applicable annuity rates on the issuance date
- Post issuance the first annuity installment shall be paid one month / three months / six months / one year after the date of the issuance depending on the frequencies of Monthly, Quarterly, Half-yearly or Yearly respectively
- Issued annuity rates will be guaranteed<sup>2</sup> for the annuitant's entire life and will not change with varying market conditions

## What are the Income Options available with this plan?

This Plan comes with six Annuity options to choose from depending on specific needs of the customer:

- **Option 1: Lifetime Income**

With this option, annuity payout will be made throughout lifetime of the Annuitant that will cease only on death of the Annuitant.

- **Option 2: Lifetime Income with Cash-back**

With this option, annuity payout will be made throughout lifetime of the Annuitant and upon the death of the Annuitant, the Total Premium<sup>~</sup> (excluding Goods and Services Tax or other statutory levies, if any) paid for purchasing the plan will be paid back to the beneficiary.

- **Option 3: Lifetime Income with Term Guarantee**

With this option, annuity payout will be made at least for a guaranteed period of 5 yrs / 10 yrs / 15 yrs/ 20 yrs as chosen by the Annuitant irrespective of the survival of the Annuitant.

In case the Annuitant survives the chosen guaranteed term then payout will continue throughout his / her lifetime and on death, the annuity payout will cease. Upon death of the

annuitant during the guaranteed term, the annuity payout to the nominee will continue till the expiry of the guaranteed term.

- **Option 4: Last survivor Lifetime Income with 100% annuity to Surviving Spouse**

With this option, annuity payout will be made throughout lifetime of the Primary Annuitant and upon his / her death 100% of the initial annuity payout will be made throughout the lifetime of the Surviving Spouse (also referred as Secondary Annuitant). If the Secondary Annuitant predeceases the Primary Annuitant, 100% of the annuity payouts shall continue for the Primary Annuitant.

- **Option 5: Last survivor Lifetime Income with 50% annuity to Surviving Spouse**

With this option, annuity payout will be made throughout lifetime of the Primary Annuitant and upon his / her death 50% of the initial income payout will be made throughout the lifetime of the Surviving Spouse (also referred as Secondary Annuitant). If the Secondary Annuitant predeceases the Primary Annuitant, 100% of the annuity payout shall continue for the Primary Annuitant.

- **Option 6: Last survivor Lifetime Income with 100% annuity to the Surviving Spouse and Cash-back on death of Surviving Spouse**

With this option, annuity payout will be made throughout lifetime of the Primary Annuitant and upon his / her death 100% of the initial income payout will be made throughout the lifetime of the Surviving Spouse (also referred as Secondary Annuitant). If the Secondary Annuitant predeceases the Primary Annuitant, the annuity payments shall continue for the Primary Annuitant. On death of the surviving Annuitant, Total Premium<sup>~</sup> (excluding Goods and Services Tax or other statutory levies, if any) paid for purchasing the plan will be paid back to the nominee.

## For POS Channel

The plan offers the following Annuity option for POS Channel:

### Option 2: Lifetime Income with Cash-back

With this option, annuity payout will be made throughout lifetime of the Annuitant and upon the death of the Annuitant, the Total Premium~ (excluding Goods and Services Tax or other statutory levies, if any) paid for purchasing the plan will be paid back to the beneficiary

**~Note : Total Premium**, in case of Annuitants who have opted for Additional Annuity would include: All the Single Premiums including Additional Single Premium(s) paid excluding Goods and Services Tax or other statutory levies, if any.

## Other Benefits:

- **High Premium Discounts:**

The annuity rates vary by Premium band. The Premium bands and the applicable annuity rates are as specified below:

Bands	Premium (₹)	Applicable Annuity Rate
Band 1	Less than 250,000	Base Annuity Rate
Band 2	250,000 to less than 500,000	Base Annuity Rate* 100.63%
Band 3	500,000 to less than 10,00,000	Base Annuity Rate* 101.88%
Band 4	10,00,000 to less than 50,00,000	Base Annuity Rate* 102.50%
Band 5	50,00,000 & above	Base Annuity Rate* 103%

Note: Base Annuity Rate implies Annuity Rate applicable for Band 1.

- **Additional Annuity:**

- An annuitant, who has availed an immediate annuity, can subsequently make an additional annuity purchase to increase the annuity pay out

- Annuity rate in this case will get modified: It will be as per the age as on date of issuing the Additional Annuity and Band of Premium after combining the initial Premium with the additional Premium (excluding Goods and Services Tax or other statutory levies, if any)
- Annuity option and frequency selected at inception will remain same and cannot be changed.
- Annuity rate for such additional annuity, would be as per the then prevailing terms and conditions
- All Annuity options are available under this feature except "Option 3: Lifetime Income with Term Guarantee"

- **Family Pension:**

This shall be applicable only for NPS subscribers. In case you choose this option, the annuity benefits will be payable as mentioned below:

- **Single Life**

The annuity option offered shall be "Lifetime Income with Cashback" and annuity shall be payable throughout the life of Annuitant. On death of the Annuitant, the annuity payment shall cease and the total premiums paid (excluding Goods and Services Tax and Cess) shall be utilized to purchase an annuity contract afresh for living parents (if any) as per the order specified below:

- Living Dependent Mother of the deceased Annuitant;
- Living Dependent Father of the deceased Annuitant

However, the annuity amount would be revised and determined using the annuity rate prevalent at the time of purchase of such annuity by utilizing the total premium required to be refunded to the nominee under the annuity contract.

On subsequent death of Deceased Annuitant's Dependent Mother and Dependent Father, the total premium paid (exclusive of Goods and Services Tax and Cess), shall be payable to the Children of the Annuitant (if any). In case there are no children, the "Total Premium" paid, shall be payable to the Legal Heir of the Annuitant.

- **Joint Life**

The annuity option offered shall be "Last survivor Lifetime Income with 100% annuity to the Surviving Spouse and Cash-back on death of Surviving Spouse" and annuity shall be payable throughout the life of primary Annuitant and his/her spouse. On death of the Surviving Annuitant(s), the annuity payment shall cease and the total premiums paid (excluding Goods and Services Tax and Cess) shall be utilized to purchase an annuity contract afresh for living parents (if any) with the annuity option "Lifetime Income with Cashback" as per the order specified below:

- Living Dependent Mother of the deceased Annuitant;
- Living Dependent Father of the deceased Annuitant

However, the annuity amount would be revised and determined using the annuity rate prevalent at the time of purchase of such annuity by utilizing the total premium required to be refunded to the nominee under the annuity contract.

On subsequent death of Deceased Annuitant's Dependent Mother and Dependent Father, the total premium paid (exclusive of Goods and Services Tax and Cess), shall be payable to the Children of the Primary Annuitant (if any). In case there are no children, the "Total Premium" paid, shall be payable to the Legal Heir of the Annuitant.

- **Death Benefit:**

Death Benefit shall be payable as per the Annuity Option opted by you. The benefits shall vary basis the Annuity Option as mentioned below:

ANNUITY OPTIONS	WHEN IS DEATH BENEFIT PAYABLE	DEATH BENEFIT
Option 2: Lifetime Income with Cash-back		
Option 6: Last survivor Lifetime Income with 100% annuity to the Surviving Spouse and Cash-back on death of Surviving Spouse	On death of the Annuitant	Lump-sum amount equal to Total Premium~

Death Benefit shall not be payable under the following Annuity Options:

- Option 1: Lifetime Income
- Option 3: Lifetime Income with Term Guarantee
- Option 4.: Last survivor Lifetime Income with 100% annuity to Surviving Spouse
- Option 5.: Last survivor Lifetime Income with 50% annuity to Surviving Spouse

- **Surrender Benefit:**

You have the flexibility to surrender the policy only if you have opted for one of the below mentioned annuity options. You can surrender the policy anytime during the lifetime and the surrender benefit shall be the Guaranteed Surrender Value which is described below:

ANNUITY OPTIONS	GUARANTEED SURRENDER VALUE
Option 2: Lifetime Income with cash-back	60% of Total Premium <sup>^</sup> less all annuities paid till the date of surrender (excluding Goods and Services Tax or other statutory levies, if any) paid subject to floor of 10% of Total Premium <sup>^</sup> .
Option 6: Last survivor Lifetime Income with 100% annuity to the surviving spouse and cash-back on death of surviving spouse	At any point in time, GSV shall be at least 10% of Total premium <sup>^</sup> .

<sup>^</sup>Total Premium = Single Premium paid at the time of purchase of this product + Additional Single Premium used for purchasing Additional Annuity if any.

**Note:** The Company may consider paying a higher surrender value in lieu of Guaranteed Surrender Value, which is known as Special Surrender Value (SSV). Its computation depends on the prevailing market conditions, and the same shall be subject to prior approval from the Authority. On payment of Surrender Value, the policy shall be terminated. Surrender value shall be available subject to the superannuation scheme rules and term & conditions of QROPs/NPS, as applicable.

## Who can buy this plan?

Both individual customers and Group customers' can opt for this plan, it will include:

- 1) New individual customers who wish to purchase annuity from KLI (Including customers, transferring UK tax relieved assets through Qualifying Recognised Overseas Pension Scheme (QROPS))
- 2) Existing KLI Pension Plan policyholders (including members of KLI managed Superannuation Funds) who need to utilize the proceeds of the pension plan
- 3) Group Customers

## Eligibility Conditions:

		Min	Max
Entry Age (Last Birthday)	<b>Annuitant</b>		
	For New Individual Customers	40 years	
	For New Group Customers	35 years	
	For Existing KLI Pension Plan / Group Customers	18 years	99 years
	For NPS Subscribers	18 years	
	For QROPS customers	55 years	
	For Policies sourced through POS	40 years	70 years
	<b>Spouse</b>		
	For New Individual Customers	35 years	
	For New Group Customers	35 years	
	For Existing KLI Pension Plan / Group Customers	18 years	99 years
	For NPS Subscribers	18 years	
	Nominees of Deceased KLI Pension Plan Life Insured and NPS Subscriber	0 years	
Single Premium	<b>Min:</b> Any amount that ensures minimum monthly annuity of ₹ 1000 (per member for Superannuation Fund)		
	<b>Max:</b> No Limit		
	Note: The minimum monthly annuity of ₹ 1000 is not applicable for Additional Annuity, NPS Subscribers and Nominees of Deceased NPS Subscribers		
Minimum Annuity	Monthly: ₹ 1,000		
	Quarterly: ₹ 3,000		
	Half-Yearly: ₹ 6,000		
	Yearly: ₹12,000		
	Note: The minimum monthly annuity of ₹ 1000 is not applicable for Additional Annuity, NPS Subscribers and Nominees of Deceased NPS Subscribers.		

Annuity Modes		Yearly, Half-yearly, Quarterly, Monthly
Annuity Installment (per frequency)	Mode	Annuity Installment (per frequency)
	Yearly	100% of Yearly Annuity
	Half-yearly	98% of Yearly Annuity x $\frac{1}{2}$
	Quarterly	97% of Yearly Annuity x $\frac{1}{4}$
	Monthly	96% of Yearly Annuity x $\frac{1}{12}$

\*New Customers are customers who intend to purchase the annuity plan separately and not using the proceeds of any of the Kotak Life's Pension Plans / Superannuation fund(s)

## Tax Benefits

You may avail of tax benefits under Section 80CCC of Income Tax Act, 1961 subject to conditions as specified in those sections. Payment of Annuities and Death Benefit may be subject to taxes as per the prevailing tax laws on the date of payment and as per the Annuitant's / legal heir's taxable income slabs. Tax benefits are subject to change as per tax laws. You are advised to consult your Tax Advisor for details. Goods and Services Tax and Cess as applicable shall be levied over and above premium amount shown here as per applicable tax laws.

## Terms & Conditions:

- 1) Annuitant(s):** Recipient of the annuity. S/he can either be the policyholder or just a recipient of the annuities. In case of Annuity options – 4, 5 & 6 there will be two annuitants and they will be spouses. The Primary Annuitant will be entitled to receive the payouts, while the spouse will be Secondary Annuitant, in the event of death of the Primary Annuitant. In case of a Group Policy, the member (employee) shall be the Primary Annuitant and his/her spouse shall be the Secondary Annuitant.

- 2) Annuity rates** applicable as on the date of policy conversion will be provided to the customer, once issued the rates will be guaranteed for life. Please check for the latest rates at the time of purchase.
- 3) Once an annuity option has been selected, it cannot be changed once the policy is issued. The frequency of annuity payments can be changed and would be applicable only from next policy anniversary.**

**4) Proof of Existence:**

Every 15 days prior to the policy anniversary, the Annuitant / surviving Annuitant will have to submit a valid proof of existence in the Company specified format or through any other suitable mode acceptable to the Company. In case the proof is not received by the Company within the stipulated time, the annuity payment shall cease except in case of Lifetime Income with term guarantee (Option 3) where annuity will continue to be paid till the end of the guarantee period. The annuity payment shall resume on receipt of the proof and all arrears will be settled. For Group Customers, the proof of existence can either be submitted by the member (annuitant) or spouse of member (surviving annuitant) or by the Group Master Policyholder on behalf of its members.

**5) Nomination & Assignment:**

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

Options - Option 2 : Lifetime Income with Cashback, Option 3 : Lifetime Income with Term Guarantee & Option 6 : Last survivor Lifetime Income with 100% annuity to the Surviving Spouse and Cash-back on death of Surviving Spouse.

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.

## 6) Free Look Period:

- **For Individual Customers:**

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; 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 stamp duty charges. However, in case the Policy has been issued (a) under Qualifying Recognised Overseas Pension Scheme (QROPS) through transfer of UK tax relieved assets, then the Insurer shall refund the said amount directly to the pension fund administrator in the

United Kingdom from which the accumulated pension amount was remitted to the Insurer; (b) with the proceeds of the National Pension Scheme (NPS) or a pension plan from another insurance company, then the Insurer shall refund the said amount to the source (in case of NPS) or to the other insurance company from whom the accumulated pension amount was remitted to the Insurer. Any benefit payout(s) already made to the Policyholder shall be recovered from the free look cancellation proceeds.

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. Free look period shall not be available in case of existing customers where it is compulsory to purchase annuity from the Insurer.

- **For a Group policy**, the free-look applicability shall be as follows :
  - **Defined Contribution Superannuation Scheme / Trust / Organization:**  
The Member / Employee / Group Master 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; 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 stamp duty charges. This amount shall be payable only to the Group Master Policyholder.

- **Defined Benefit Superannuation Scheme:**

The Member / Employee shall not be entitled to cancel the coverage during free-look period. The Group Master 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; 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 stamp duty charges. This amount shall be payable only to the Group Master Policyholder.

**7) Termination:**

Under Group Policy, the Group Master Policyholder or Kotak Life Insurance shall have the right to terminate the policy anytime by giving a prior notice of one month, post which no new members / employees shall be enrolled under the policy. However, existing members / employees already enrolled shall continue to receive the annuity as opted by the Group Master Policyholder.

- 8) No loan facility is available under this product**
- 9) The product is available for sale by Individual Agents, Corporate Agents, Brokers, Direct marketing, Insurance Marketing Firm (IMF), Web Aggregators, Online and POSP. Direct Marketing consists of selling through Tele Sales and Direct (Salaried) Sales Force.**

**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 lakhs rupees.

**Section 45**

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/section-38-39-45-of-insurance-act-1938.pdf](https://www.kotaklife.com/assets/images/uploads/why_kotak/section-38-39-45-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)

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**TOLL FREE 1800 209 8800**

**WhatsApp: 9321003007**  
[www.kotaklife.com](http://www.kotaklife.com)

**Kotak Lifetime Income Plan; UIN: 107N103V20.**

This is a non-participating, non-linked, general annuity product. The product 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: <https://www.kotaklife.com> ; WhatsApp: 9321003007; Toll Free No:1800 209 8800 ; Ref. No.: KLI/25-26/E-PB/1985.

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