

# Kotak

LIFETIME INCOME  
P L A N

An Immediate Annuity Non-linked Non-participating Life Insurance Plan



 Hum hain... hamesha



## **Kotak Lifetime Income Plan**

### **An Immediate Annuity Non-linked Non-participating Life Insurance Plan**

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-linked and non-participating immediate annuity plan that gives you / your members the assurance of regular stream of income throughout life

## Key Advantages

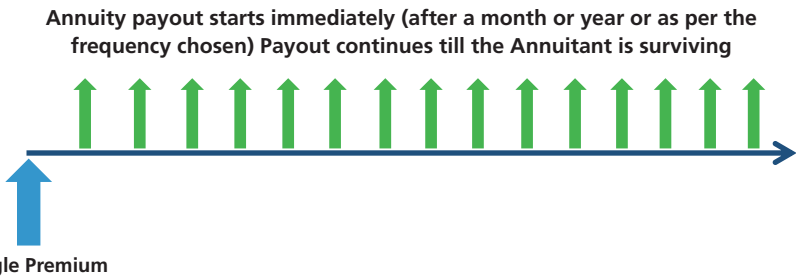
- 6 annuity options to choose from
- Issued annuity rates are guaranteed for lifetime
- Higher Annuity Rates for Higher Purchase Price

## 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 chose (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:

- **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 nominee.

- **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.

~**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:

- **Preferred Rates:** Will be offered to existing Pension Plan members / policyholders who are utilizing the proceeds of their Kotak Life Insurance (KLI) Pension policies for annuity and Group Customers.
- **High Purchase Price Discounts:** The annuity rates vary by purchase price band. The purchase price bands and the applicable annuity rates are as specified below:

Bands	Purchase Price (₹)	Applicable Annuity Rate
Band 1	Less than 250,000	Base Annuity Rate
Band 2	250,000 to less than 500,000	Base Annuity Rate <sup>*</sup> 100.63%
Band 3	500,000 to less than 10,00,000	Base Annuity Rate <sup>*</sup> 101.88%
Band 4	10,00,000 to less than 50,00,000	Base Annuity Rate <sup>*</sup> 102.50%
Band 5	50,00,000 & above	Base Annuity Rate <sup>*</sup> 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 payout
- 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 Purchase Price after combining the initial Purchase Price with the additional Purchase Price (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"

## 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:

<b>Entry Age (Last Birthday)</b>	<b>Min:</b> New Customers*: 45 years / 55 years* Existing KLI Pension Plan Policy holders: 18 years <b>Max:</b> 99 years *For policy purchased as QROPS through transfer of UK tax relieved assets
<b>Entry age for Nominees of deceased KLI Pension Plan policyholders (Last Birthday)</b>	<b>Min:</b> 0 year <b>Max:</b> 99 years
<b>Spouse Entry Age (Last Birthday) (Applicable for Options 4,5 &amp; 6)</b>	<b>Min:</b> New Customers*: 35 years Existing KLI Pension Plan Policy holders: 18 years <b>Max:</b> 99 years
<b>Single Premium</b>	<b>Min:</b> Any amount that ensures minimum monthly annuity of ₹1000 (per member for Superannuation Fund) <b>Max:</b> No Limit
<b>Minimum Annuity</b>	Monthly : ₹ 1,000 Quarterly : ₹ 3,000 Half-Yearly : ₹ 6,000 Yearly : ₹ 12,000
<b>Annuity Modes</b>	Yearly, Half-yearly, Quarterly, Monthly

Annuity Installment (per frequency)	Mode	Annuity Installment (per frequency)
	Yearly	100% of Yearly Annuity
	Half-yearly	97% of Yearly Annuity x ½
	Quarterly	96% of Yearly Annuity x ¼
	Monthly	95% of Yearly Annuity x 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 of - Option 2 : Lifetime Income with Cash-back, 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 15 days free look period for a policy sold through all channels (except for Distance Marketing\* mode and electronic policies which will have 30 Days) from the date of receipt of the policy wherein the policyholder may choose to return the policy, stating the reasons thereof 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 stamp duty.

If this product is purchased with the proceeds of a National Pension Scheme (NPS) or Pension Plan from another insurer, then the proceeds (applicable amount) from cancellation in free look period shall only be transferred back to the source (in case of NPS) or same insurer from whom the money was received.

If this product is purchased as QROPS through transfer of UK tax relieved assets, the proceeds from cancellation in free look period shall only be transferred back to the Fund House from where the money was received.

**Note: Free-look option will not be available in case of existing customers where it is compulsory to purchase annuity from Kotak Life**

- **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 15 days free look period for a policy sold through all channels (except for Distance Marketing\* mode & electronic policies 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 stamp duty. 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.

- However, the / Group Master Policyholder is offered 15 days free look period for a policy sold through all channels (except for Distance Marketing\* mode & electronic policies 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 stamp duty. This amount shall be payable only to the Group Master Policyholder.

\*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 email, internet and interactive television (DTH) and (iv) Physical mode which includes direct postal mail and newspaper & magazine inserts and (v) Solicitation through any means of communication other than in person.

**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) and Web Aggregators. 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 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 (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 Mahindra 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 <https://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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**Kotak Lifetime Income Plan;** UIN: 107N103V08, Form No: N103, Ref. No.: KLI/21-22/E-PB/1467

This is a non-participating immediate annuity 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.

**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

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