

Today you are a self-reliant individual, working hard to realize your dreams in the fast paced world. You live on your own terms and achieve what you want out of life. On Retirement, wouldn't you want to enjoy the same lifestyle that you have been accustomed to, without having to look for financial support?

Presenting **Kotak Retirement Income Plan** which is designed to give you the financial independence to meet your requirements after retirement and live a retired life comfortably without worrying about inflation and increasing in securities. It is a savings plan designed to meet your post-retirement needs and to give you the choice to remain independent even after retirement.

Kotak Retirement Income Plan is a participating plan. The plan comes in two forms: (i) With Cover (ii) Without Cover.

### Why should you invest in this plan?

This plan is ideal for you if you want to

- Retire at any age between 45 years and 65 years
- Accumulate for your retirement to receive regular payouts after retirement

### Key Features

#### Benefits on Retirement

On Retirement, you may take a lump sum in cash of up to a third of your Basic Sum Assured or Accumulation Account\*, whichever is higher; the balance of the benefit you are eligible for will be used to buy an annuity of your choice.

You may buy an annuity either from Kotak Life Insurance (subject to the choices and rates available at that time), or from any other insurer approved by the IRDA.

*\*Accumulation Account is your personal account to which the premiums that you pay are deposited, the returns declared every year are added and risk and expense charges are deducted.*

#### Death Benefit

For the **"With Cover" Plan:**

The amount payable to the beneficiary will be, greater of:

- Sum Assured less all the premiums due but not paid, and
- Accumulation Account.

For the **"Without Cover" Plan:**

The amount payable to the beneficiary will be, greater of:

- Return of premiums paid (without interest), and
- Accumulation Account.

The beneficiary may choose to take the entire Death Benefit as a lumpsum or take it as part lumpsum and use the balance to purchase an annuity from Kotak Life Insurance (subject to the choices and rates available at that time) or from any other insurer approved by the IRDA.

#### Early Retirement Benefit

You may opt to retire early, i.e. at any age before the normal retirement date (subject to the policy being in force for 3 years or your attaining a minimum age of 45 years, whichever is later). You can then secure benefits of your Accumulation Account, net of early retirement charges.

You may choose to take the entire Early Retirement Benefit as a lumpsum or take it as part lumpsum and use the balance to purchase an annuity from Kotak Life Insurance (subject to the choices and rates available at that time) or from any other insurer approved by the IRDA.

If the Early Retirement is due to ill health, then you may retire at any age. You can then secure benefits with of full Accumulation Account.

You may choose to take the entire Ill – health Early Retirement Benefit as a lumpsum or take it as part lumpsum and use the balance to purchase an annuity from Kotak Life Insurance (subject to the choices and rates available at that time) or from any other insurer.

#### Late Retirement benefit

You may opt to retire after the retirement date originally selected and elect a new retirement date (subject to a maximum maturity age of 65 years). No further premiums will be payable and the death benefit will be equal to the balance in Accumulation Account. However, all riders will cease at the original retirement date.

### Other Features

#### Lump sum Injections

You can make lump-sum injections into your policy at any time before retirement. A Supplementary Accumulation Account will be created for this, and benefits will be paid out in the same manner as other benefits. You may exercise the option of paying premiums from the Supplementary Accumulation Account, created for "lump-sum injections", if need arises.

#### Flexibility in Premium Payment

You have the option of paying premiums in monthly, quarterly, half-yearly or yearly installments.

#### Value-adds

You may avail of these value-adds for a nominal premium at the time of taking the policy subject to the aggregate premium on the value-adds not exceeding 30% of the premium on the basic benefit.

- **Kotak Term/Preferred Term Benefit\* (KTB/KPTB):** Allows additional protection/death benefit to your beneficiary, which is over and above the Basic Sum Assured.
- **Kotak Accidental Death Benefit (ADB):** Lump sum benefit paid on accidental death.
- **Kotak Permanent Disability Benefit (PDB):** Installments paid on admission of a claim on becoming disabled.
- **Kotak Critical Illness Benefit\* (CIB):** Lower of Sum Assured under the basic plan or Rs.20 lakhs payable on admission of a claim on a critical illness.
- **Kotak Life Guardian Benefit (LGB):** Remaining premiums paid on your behalf in case of death.
- **Kotak Accidental Disability Guardian Benefit (ADGB):** Remaining premiums paid on your behalf in case of disability.

\* KTB, KPTB and CIB are not available for the Without Cover option.

### Tax Benefit

Section 80 CCC and Section 10(10A) of the Income Tax Act, 1961 would apply. Premiums paid for Kotak Critical Illness Benefit (CIB) may qualify for a deduction under Section 80D of the Income Tax Act, 1961. Tax Benefits are subject to change in tax laws. You are advised to consult your Tax advisor for details.

### Eligibility

Entry Age	Min. 18 yrs, Max. 60 yrs
Term	Min. 5 yrs, Max. 30 yrs
Maturity Age	Min. 45 yrs, Max. 65 yrs
Premium Payment Modes	Annually, Half Yearly, Quarterly, Monthly.

### How does the plan work?

Mr. Mehta is a 35-year-old man, who wishes to retire at age 60. He takes Kotak Retirement Income Plan with a Basic Sum Assured of Rs.3 lakhs. He considers the following two options; With Cover and Without Cover.

	With Cover	Without Cover
Kotak Retirement Income Plan premium	9,750	9,060
Term Benefit premium ( 3 lakhs of cover)	1,820	
Accidental Death Benefit premium (3 lakhs of cover)		265
Total Annual Premium Paid	11,570	9,325

#### a) What is the benefit available to Mr. Mehta on retirement?

For the With Cover plan,

Assuming that Mr. Mehta's Accumulation Account grows at 6%# p.a., the fund available to him on retirement will be Rs. 428,900. Assuming that it grows at 10%#, then the fund available to him on retirement will be Rs.7,46,500. Mr. Mehta may commute up to a third in cash immediately, and buy an annuity with the remaining benefit.

For the Without Cover plan,

Assuming that Mr. Mehta's Accumulation Account grows at 6%# p.a., the fund available to him will be Rs.4,25,500 Assuming that it grows at 10%#, then the fund available to him will be Rs. 7,35,500. Mr. Mehta may commute up to a third in cash immediately, and buy an annuity with the remaining benefit.

#### b) What is the benefit available in the event of the unfortunate death of Mr. Mehta after 15 years?

For the With Cover plan,

Mr. Mehta's beneficiary will be eligible for Guaranteed Benefit^ of Rs. 3 lakhs. He/she will also receive an additional Rs.3 lakhs under the "Term Benefit" as Mr. Mehta availed of this value-add by paying a nominal premium of Rs.1, 820 p.a, for it.

At the option of the beneficiary, the entire Death Benefit may be taken in cash or partly in cash and the balance to buy a life annuity.

For the Without Cover plan,

Mr. Mehta's beneficiary will be eligible for Guaranteed Benefit^ of Rs.1,35,900. In the event that Mr. Mehta's death has been due to an accident then his beneficiary will receive an additional Rs.3 lakhs under

the "Accidental Death Benefit", as Mr. Mehta availed of this value-add by paying a minimal premium of Rs.265 p.a. for it. At the option of the beneficiary, the entire Death Benefit may be taken in cash or partly in cash and the balance to buy a life annuity.

^ The actual death benefit may be higher if the Accumulation Account is higher than the Guaranteed Death Benefit.

# The actual growth rate assumed is 5.43% and 9.03% corresponding to gross investment returns of 6% and 10% respectively. This growth rate includes the guaranteed return of 3%.

These assumed rates of return for the variable benefits are not guaranteed and they are not the upper or lower limits of what you might get back. The actual return may be different depending on a number of factors including future investment performance.

## Terms and Conditions

### Grace period

There is a grace period of 30 days from the due date for payment of premium for the yearly, half-yearly and quarterly modes and 15 days for monthly mode.

### Lapses

Where the premiums for the first three policy years are not paid within the grace period, the policy together with the rider benefits shall lapse from the due date of the unpaid premium and no benefits will be payable.

### Policy revivals

The lapsed policy may be revived within two years from the date of the first unpaid premium by making payment of the premiums in arrears along with interest on such terms and conditions as fixed by the Company.

### Automatic Cover Maintenance (ACM)

For Kotak Retirement Income Plan - With Cover, you have the facility of Automatic Cover Maintenance, which ensures that the Basic Death Benefit remains in force even when you miss the premium payments. This facility is available after the completion of 3 policy years provided at least the first 3 policy years' premiums have been paid in full. The cover during this mode is maintained by utilizing the amount from the Accumulation Account to meet the expense, administration and mortality charges. The rider benefits will cease. In case of maturity while the policy is in this mode, the benefit will be the balance in Accumulation Account.

### Reduced Paid-up

On receipt of at least 3 years premiums and after completion of 3 full policy years, this plan provides facility of reduced paid-up; where the Reduced Paid-Up Sum Assured would be calculated as Sum Assured x (Total number of premiums paid / Total number of premiums payable during the entire policy term). The rider benefits will cease.

### Free Look Period

The policyholder is offered 15 days free look period, from the date of receipt of the policy wherein the Policyholder may choose to return the policy within 15 days of receipt if he is not agreeable with any of the terms and conditions of the plan. Should he choose to return the policy, he/she shall be entitled to refund of the premium paid after adjustment for expenses on medical examination, stamp duty and proportionate risk premium for the period of cover.

### General Exclusion

In the event of the life insured committing suicide within one year of the date of issue of the policy, the policy shall be void and no benefits shall be payable.

## Section 41 and 45

### Section 41 of the insurance act 1938 (4of1938)

(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:

Provided that acceptance by an insurance agent of commission in connection with a policy of life insurance taken out by himself on his own life shall not be deemed to be acceptance of a rebate of premium within the meaning of this sub section if at the time of such acceptance the insurance agent satisfies the prescribed conditions establishing that he is a bona fide insurance agent employed by the insurer.

(2) Any person making default in complying with the provisions of this section shall be punishable with fine which may extend to five hundred rupees.

### Section 45 of the Insurance Act, 1938 States:

No policy of life insurance effected before the commencement of this Act shall after the expiry of two years from the date of commencement of this Act and no policy of life insurance effected after the coming into force of this Act shall, after the expiry of two years from the date on which it was effected be called in question by an insurer on the ground that statement made in the proposal or in any report of a medical officer, or referee, or friend of the insured, or in any other document leading to the issue of the policy, was inaccurate or false, unless the insurer shows that such statement was on a material matter or suppressed facts which it was material to disclose and that it was fraudulently made by the policy holder and that the policy holder knew at the time of making it that the statement was false or that it suppressed facts which it was material to disclose:

Provided that nothing in this section shall prevent the insurer from calling for proof of age at any time if he is entitled to do so, and no policy shall be deemed to be called in question merely because the terms of the policy are adjusted on subsequent proof that the age of the life insured was incorrectly stated in the proposal.

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**Kotak Retirement Income Plan With Cover** UIN - 107N013V01, **Kotak Retirement Income Plan Without Cover** UIN - 107N014V01, KTB - 107C003V02, KPTB - 107C013V01, ADB-107C001V01, PDB-107C002V01, CIB-107C004V02, LGB-107C012V01, ADGB - 107C011V01, Form No: KRP01, Ref No.: KLI/09-10/E-PB/002.

**Kotak Mahindra Old Mutual Life Insurance Ltd.**, Regn. No.:107, Regd. Office: 9th floor, Godrej Coliseum, Behind Everard Nagar, Sion (E), Mumbai 400 022. Website: <http://insurance.kotak.com> Email: lifeexpert@kotak.com

Insurance is the subject matter of the solicitation. This is a non-unit linked participating retirement plan. The product brochure gives only the salient features of the plan. Please refer the policy documents for specific details on all terms and conditions. For details on riders, please refer to the Rider Brochure.

## Kotak Retirement Income Plan (Non Unit-Linked)



So your tomorrow is better than your today



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