

# Kotak

PREMIER  
ENDOWMENT  
PLAN

Individual, Non-Linked, Participating, Savings Life Insurance Plan



**Guarantee a great start to fulfill your dreams**





## **KOTAK PREMIER ENDOWMENT PLAN**

Individual, Non-Linked, Participating, Savings Life Insurance Plan

**Kotak Premier Endowment Plan** is a long-term savings and protection plan that provides financial security to cope with unfortunate contingencies along with the ability to save for your future financial needs. This plan provides guaranteed additions in the first five policy years and bonuses start accruing from 6th year onwards, all this put together builds up a corpus for your secure future.



# Key Advantages

- ✓ **Guaranteed Additions:** At 5% per annum of Basic Sum Assured in first 5 policy years
- ✓ **Earn bonus<sup>1</sup>** from 6<sup>th</sup> policy year onwards
- ✓ **Convenience** to select from multiple options of premium payment term
- ✓ **Additional Protection** through a wide range of optional riders

# How Does the Plan Work?

Kotak Premier Endowment Plan provides long term savings as well as protection to ensure financial independence under all circumstances.

- You select the Basic Sum Assured that will be payable on maturity or on death, Policy Term and Premium Payment Term based on which the Premium amount will get calculated
- **Guaranteed Additions:** In the first 5 policy years your policy will be eligible for Guaranteed Additions at 5% p.a. (simple) of Basic Sum Assured. These guaranteed additions will be payable either on maturity or on death whichever is earlier
- Other benefits to be paid out are explained in detail below
  - **Basic Sum Assured:** Premium is based on Basic Sum Assured, Term, Premium Paying Term and the Age of the Life Insured. This is the minimum amount guaranteed on Maturity where all the due Premiums have been paid in full. This is also used to determine the Minimum Death Benefit.
  - **Maturity Benefit:** This plan provides for wealth creation during the policy tenure. On survival till the end of the policy term the following benefit will be payable:
    - Basic Sum Assured PLUS
    - accrued Guaranteed Additions PLUS
    - accrued Reversionary Bonuses and Terminal Bonus , if any
  - **Settlement Option:** The plan provides the flexibility of receiving your maturity benefit as
    - Lump Sum payout : paid out immediately OR
    - Part of the maturity proceeds, i.e. up to 50% can be taken immediately and the balance proceeds will be paid out as equal installments over a period of 5 or 10 years as chosen. The installments will be inclusive of an interest rate of 4% p.a.

Please refer to the Terms & Conditions point no. 4 & 6 for further details.

- **Death Benefit:** In the unfortunate event of death during the term of the plan, the nominee will receive the following:
  - Minimum Death Benefit (as explained below) PLUS
  - accrued Guaranteed Additions PLUS
  - accrued Reversionary Bonuses and Terminal Bonus , if any
- **Option for Nominee:** He / she has the option to take up death benefit in any one of the ways given below:
  - Lump Sum Payout: paid out immediately
  - Take up to 50% of the total death benefit immediately and the balance will be payable by way of equal installments over the next 5 or 10 years as chosen. This payout will be inclusive of an interest rate of 4% p.a.

Please refer to the Terms & Conditions point no.5 & 6 for further details.

- **Minimum Death Benefit:** If all the due premiums have been paid, the Minimum Death Benefit during the policy term will be as follows:

If age at entry of Life Insured is less than 45 years	If age at entry of Life Insured is greater than equal to 45 years
Higher of; <ul style="list-style-type: none"> <li>• Basic Sum Assured or</li> <li>• 11 times of Annual Premium<sup>2</sup>, or</li> <li>• 105% of the premiums paid till the date of death (excluding any extra premium and modal factor if any)</li> </ul>	Higher of; <ul style="list-style-type: none"> <li>• Basic Sum Assured or</li> <li>• 7 times of Annual Premium<sup>2</sup>, or</li> <li>• 105% of the premiums paid till the date of death (excluding any extra premium and modal factor if any)</li> </ul>

### Tax Benefits

Tax benefits are subject to conditions specified under section 10(10D) and section 80C of the 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.

Additional Features	Benefits
Convenient premium payment term & modes	You can choose your premium paying term as per your convenience; pay for 5/7/10/15 years or throughout the policy term. You can pay your premiums annually, half-yearly, quarterly or monthly. You have the opportunity to change the payment mode on policy anniversaries.
Additional Protection (Optional)	Increase the protection level by selecting from a wide range of riders: <ul style="list-style-type: none"> <li>• <b>Kotak Term Benefit Rider</b> (KTB / UIN: 107B003V03): Provides additional protection over and above the Minimum Death Benefit as defined under the base policy.</li> <li>• <b>Kotak Accidental Death Benefit Rider</b> (ADB / UIN: 107B001V03): Lump sum benefit paid on accidental death</li> <li>• <b>Kotak Permanent Disability Benefit Rider</b> (PDB / UIN: 107B002V03): Installments paid on admission of a claim on becoming disabled due to accident</li> <li>• <b>Kotak Critical Illness Plus Benefit Rider</b> (CIP / UIN-107B020V01): Lump Sum benefit paid on diagnosis of any of the 37 Critical Illnesses.</li> <li>• <b>Kotak Life Guardian Benefit Rider</b> (LGB / UIN: 107B012V02): Remaining premiums will be paid on behalf of the policyholder in case of his / her death</li> <li>• <b>Kotak Accidental Disability Guardian Benefit Rider</b> (ADGB / UIN: 107B011V02): Remaining premiums paid on behalf of the policyholder in case of accidental disability</li> </ul> For more details on riders and exclusions please refer to the Individual Rider Brochure before concluding the purchase.
Policy Loan Facility <sup>6</sup>	Once the policy acquires Surrender Value <sup>10</sup> , you can avail loans under this plan up to 80% of Surrender Value.
Reduced Paid-Up Benefit <sup>11</sup>	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 Basic Sum Assured all subsisting reversionary bonuses / guaranteed additions that have already been attached to the policy will also be payable at maturity.
High Sum Assured Discount	You will get a premium discount for Basic Sum Assured levels of ₹5 lacs & above. The discount rate will be of ₹2 per 1000 Basic Sum Assured.

## Eligibility

Entry Age	18 - 60 years												
Maximum Maturity Age	70 Years												
Premium Payment Term (PPT)	Regular Pay: Same as policy term Limited Pay : 5 , 7 , 10 & 15 Years												
Policy Term	Regular Pay: 10 – 30 years Limited Pay: 5 Pay: 10 to 30 yrs 7 Pay & 10 Pay: 15 to 30 yrs 15 Pay: 20 to 30 yrs												
Minimum Premium	Regular Pay: ₹8,000 per annum Limited Pay: ₹15,000 per annum												
Minimum Basic Sum Assured at maturity	Depends on minimum premium chosen, as mentioned above. <b>For example:</b> In a Regular Premium plan with ₹ 8,000 annual premium, following would be the Sum Assured for entry ages 18 & 60 yrs: <table border="1"> <thead> <tr> <th>Age</th> <th>Policy Term</th> <th>Sum Assured</th> </tr> </thead> <tbody> <tr> <td>18 yrs</td> <td>10 yrs</td> <td>₹ 63,755</td> </tr> <tr> <td>18 yrs</td> <td>30 yrs</td> <td>₹ 2,00,904</td> </tr> <tr> <td>60 yrs</td> <td>10 yrs</td> <td>₹ 61,317</td> </tr> </tbody> </table> <p>Similarly, minimum Sum Assured for the limited premium payment term and policy term combinations are available. For details, please refer to the Calculator on our website.</p>	Age	Policy Term	Sum Assured	18 yrs	10 yrs	₹ 63,755	18 yrs	30 yrs	₹ 2,00,904	60 yrs	10 yrs	₹ 61,317
Age	Policy Term	Sum Assured											
18 yrs	10 yrs	₹ 63,755											
18 yrs	30 yrs	₹ 2,00,904											
60 yrs	10 yrs	₹ 61,317											
Premium Payment Mode	Yearly, Half yearly, Quarterly, Monthly												
Premium Modal Factor	Yearly – 100% , Half yearly – 51% , Quarterly – 26% , Monthly – 8.8%												

## Illustration

Given below is an illustration of the benefits payable, for a person aged 35 years for a Basic Sum Assured of 5 lakhs and with a policy term & premium payment term of 15 years:

End of Years	Age Years	Cumulative Annualized Premium (in ₹)	Accrued Guaranteed Additions (in ₹)	Total Maturity Benefit (in ₹)		Guaranteed Death Benefit* (in ₹)
				@ 4% <sup>#</sup> p.a.	@ 8% <sup>#</sup> p.a.	
1	36	40,460	25,000	-	-	5,25,000
5	40	2,02,300	1,25,000	-	-	6,25,000
10	45	4,04,600	1,25,000	-	-	6,25,000
15	50	6,06,900	1,25,000	6,97,063	9,12,500	7,62,245

\*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.

<sup>#</sup>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:

- a. **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 payable either on maturity or on death
- b. **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.
- c. **Terminal Bonus:** The Company may decide to pay Terminal Bonus in case of death after 10 full policy years. This bonus may also be payable on Maturity and shall be a percentage of the Basic Sum Assured. Terminal Bonuses will not be payable on policies which have been made paid-up or surrendered.

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

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. **Settlement Option:** Upon maturity the Policyholder has the option of taking up to 50% of the maturity proceeds as lump sum payout immediately and the balance proceeds as equal installments over a period of 5 or 10 years as per the payout frequency chosen (annual / half-yearly / quarterly / monthly).

- To avail this option the Policyholder will have to intimate the Company 3 months prior to the maturity date.
- During the settlement period there will be no life cover and the policy will not participate in any of the future profits of the Company.
- The Policyholder has an option to pre-close this facility.
- Upon pre-closure, the balance amount payable will be calculated as present value of remaining installments at an interest rate of 4% p.a. and will be paid out immediately. The policy will cease to exist thereafter.

## 5. Death benefit payout option:

- This option should be selected by the nominee in writing to the company at the time of intimating Claim.
- The nominee can choose to take the payout as (1) Lump Sum payout immediately Or (2) Taking up to 50% of the Death Benefit immediately and the balance amount in equal installments over a period of 5 or 10 years as per the payout frequency chosen (annual / half-yearly / quarterly / monthly).
- This payout will be inclusive of an interest rate of 4% p.a.
- Nominee will have an option to pre-close this facility.
- Upon pre-closure, the balance amount payable will be calculated as present value of remaining installments at an interest rate of 4% p.a. and will be paid out immediately. The policy will cease to exist thereafter.

6. In case there is no nomination effected in the policy or in case the nominee dies during the payout term or settlement period the benefit payout will be made to the legal heir(s)
7. **Policy loans:** Policy loans shall be granted against the policy. Currently the interest rate is 9.80% p.a. and the company may revise the interest from time to time subject to IRDAI approval. Loans shall be granted within the limit of 80% of the Surrender Value (higher of Guaranteed Surrender Value or Special Surrender Value) of the policy. The minimum policy loan amount is ₹10,000. The policy will be unconditionally and fully assigned to Kotak Life Insurance as security for the loan and interest repayments during the period of the loan. The policy will not be auto foreclosed where all due premiums have been paid. In case the policy matures or in case of any benefits payout, the company is entitled to deduct the outstanding loan amount together with all outstanding interest before making payment.
8. **Lapses:** The policy shall lapse if the premiums for the first two policy years are not paid within the grace period and no benefits will be payable.
9. **Policy Revivals:** A lapsed or paid up policy can be revived 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 handling charges (currently 9% p.a. of outstanding premiums), if the policy is revived within six months from the date of first unpaid premium. Extra premiums may be required based on the underwriting decision. Thereafter to revive the policy evidence of good health would be required along with payment of the outstanding premiums with handling charges (currently 9% p.a. of outstanding premiums). If a lapsed policy is not revived during the revival period, the policy will be terminated without paying any benefits.
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 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 and Guaranteed Additions (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	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 2 years of the Policy Term	90%



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

Outstanding Term	Limited Premium Paying Policies with Policy Term < 20	Regular Premium Paying Policies with Policy Term <=20	Others
0	80.00%	68.00%	85.00%
1	72.40%	61.54%	76.92%
2	70.64%	61.35%	75.54%
3	68.89%	61.17%	74.15%
4	67.14%	60.99%	67.14%
5	60.80%	60.80%	60.80%
6	55.08%	55.08%	55.08%
7	49.91%	49.91%	49.91%
8	45.24%	45.24%	45.24%
9	41.02%	41.02%	41.02%
10	37.22%	37.22%	37.22%
11	33.78%	33.78%	33.78%
12	30.68%	30.68%	30.68%
13	27.89%	27.89%	27.89%
14	25.37%	25.37%	25.37%
15	23.10%	23.10%	23.10%
16	21.05%	21.05%	21.05%
17	19.21%	19.21%	19.21%
18	17.55%	17.55%	17.55%
19	16.06%	16.06%	16.06%
20	14.72%	14.72%	14.72%
21	13.52%	13.52%	13.52%
22	12.44%	12.44%	12.44%
23	11.47%	11.47%	11.47%
24	10.60%	10.60%	10.60%
25	9.83%	9.83%	9.83%
26	9.13%	9.13%	9.13%
27	8.51%	8.51%	8.51%
28	7.95%	7.95%	7.95%
29	7.46%	7.46%	7.46%
30	7.02%	7.02%	7.02%

- The Company may consider paying a Special Surrender Value when 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. 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 policy will be converted into a Paid-Up policy by default.
- The policy will not be eligible for any future bonuses and guaranteed additions once it has been converted into paid up policy.

- When the policy becomes Paid-up, Rider benefits may cease depending on the features of the rider.
- If the Reduced Paid-Up policy is surrendered, the special surrender value (if any) will be based on the Reduced Paid-Up Basic Sum Assured. A Paid-Up policy may be reinstated (to the original benefits) within 5 years of the date of becoming Paid-Up (subject to the same conditions outlined for revivals below).

**Payout on maturity:**

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

**Payout on death:**

- The Reduced Paid-Up Death Benefit will be calculated as:  $(\text{Total premiums paid}) / (\text{Total premiums payable, during the entire policy term}) \times \text{Minimum Death Benefit}$
- On death of the life insured during the policy term after being paid-up, the benefit payable will be the Reduced Paid-up Death Benefit plus Accrued Guaranteed Additions & bonuses, (if any)

**12. 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.

- 13. 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 reconsider his/her decision to hold this policy, or may choose to return the same 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 the expenses of medical examination, 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.

If the Policy has been opted through Insurance Repository (IR), the consideration of the free look period of 15 / 30 days (as per the applicable channel as mentioned above) shall be from the date of email sent by the IR.

\*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.

- 14. General Exclusion:** In the event of the life insured committing suicide within one year of the date of commencement of the risk, 80% of the Total Premiums paid till the date of death will be payable to the nominee.

In case of suicide after 12 months from date of inception 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, the benefits payable shall be higher of 80% of the Total Premiums paid till the date of death or Surrender Value as at the date of death.

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**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 Limited (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](http://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 Endowment Plan** UIN: 107N079V02, Form No.: N079, Kotak Term Benefit Rider UIN: 107B003V03, Form No.: B003, Kotak Accidental Death Benefit Rider UIN: 107B001V03, Form No.: B001, Kotak Permanent Disability Benefit Rider UIN: 107B002V03, Form No.: B002, Kotak Critical Illness Plus Benefit Rider UIN: 107B020V01, Form No.: B020, Kotak Life Guardian Benefit Rider UIN: 107B012V02, Form No.: B012, Kotak Accidental Disability Guardian Benefit Rider UIN: 107B011V02, Form No: B011, Ref. No.: KLI/19-20/E-EB/471.

**Kotak Mahindra Life Insurance Company Ltd.** Regn. No.:107, CIN: U66030MH2000PLC128503, Regd. Office: 2nd Floor, Plot # C- 12, G-Block, BKC, Bandra (E), Mumbai - 400 051. Website: <https://insurance.kotak.com> | Email: [clientservicedesk@kotak.com](mailto:clientservicedesk@kotak.com) | Toll Free No: 1800 209 8800.

This is a Savings-cum-Protection oriented Participating Endowment 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 more details on riders please read the Rider Brochure.

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