

Kotak

ASSURED INCOME

ACCELERATOR

A guaranteed income anticipated endowment insurance plan



Growing Income
for your **Growing** dreams



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Be it an Entrepreneur or an Employee or a Professional, everybody works hard with the primary motive of improving individual performance. This results into increasing profits or salary or professional fees year on year. In the similar manner, we expect our regular savings also to fetch a value that keeps on increasing year on year. Is it possible in a volatile financial market?

Yes, it is possible with Kotak Assured Income Accelerator. With the same amount of savings every year, this plan not only offers Guaranteed Income every year during the payout period but also ensures that the Guaranteed Income increases year on year.

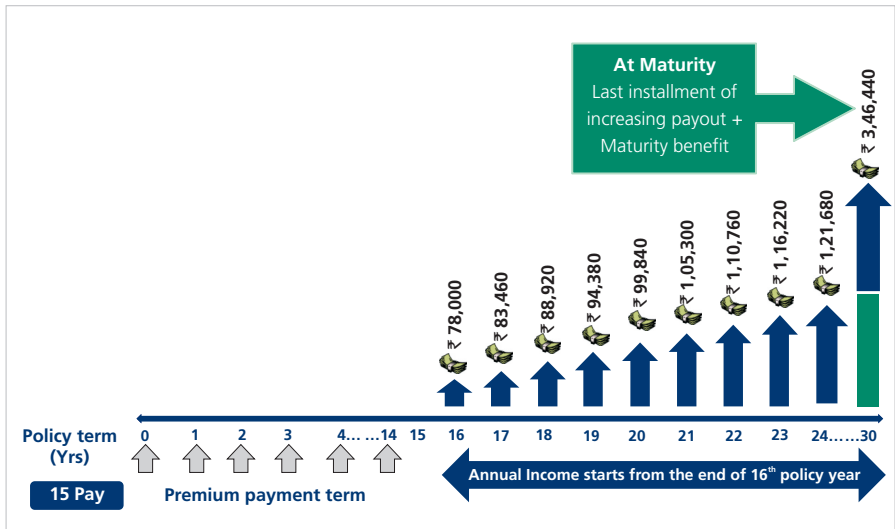
Key Advantages

- **Guaranteed Income** payable every year during the Payout Period
- **Income Boosters** increases the Guaranteed Income between 5% to 7% every year
- Higher the annual premium, **higher** will be the Guaranteed Income
- **Death benefit** is payable irrespective of Guaranteed Income already paid
- **Guaranteed Maturity Benefit** along with the last payout
- Customise Protection through a wide range of **Riders***
- **Tax benefit** on premiums paid u/s 80(C) and benefit received u/s 10(10D)

*Please refer to page 4 for more details

How Does the Plan Work?

You pay premiums every year for the selected premium payment term which helps in determining Basic Sum Assured and hence the Guaranteed Income. After the expiry of premium payment term, the Guaranteed Income is payable during Payout Period. At maturity, you will receive Guaranteed Maturity Benefit along with the last installment of Guaranteed Income. Mentioned below is an example of 15 years premium payment term with an annual premium of ₹ 60,000 for a 35 years old healthy individual:



Note: Figures are not drawn to scale.

Death Benefit¹

In case of an unfortunate event of death of the life insured during the term of the plan, your nominee will receive Sum Assured on death irrespective of Guaranteed Income already paid. The Sum Assured on death is defined as;

For entry age less than or equal to 50 years	For entry age 51 years and above
Higher of; <ul style="list-style-type: none"> • 11 times of annual premium, • Basic Sum Assured, • Guaranteed Maturity Benefit 	Higher of; <ul style="list-style-type: none"> • 7 times of annual premium, • Basic Sum Assured, • Guaranteed Maturity Benefit

The Sum Assured on death is subject to a minimum of 105% of total premiums paid (excluding extra premiums, if any).

Survival Benefit²

During the Payout Period[#], you get **Guaranteed Income** every year. The Guaranteed Income depends on the **Income Rate** which varies as per premium payment term. Also, if you pay higher annual premium, you will get higher Income Rate.

Guaranteed Income payable at inception of Payout Period			
Annual premium* bands (₹)	Income Rate (% of Basic Sum Assured)		
	7 PPT	10 PPT	15 PPT
15,000 to 24,999	7.00%	10.00%	12.50%
25,000 to 49,999	7.25%	10.25%	12.75%
50,000 & above	7.50%	10.50%	13.00%

*The premium shown above is exclusive of loading for modal factors, extra premium (if any) rider premiums and service tax.

Increase in Guaranteed Income payable from subsequent year during Payout Period:

With the help of **Income Boosters**, the above mentioned Income Rate will increase by simple percentage (of the Guaranteed Income as mentioned above is based on premium payment term and bands) every year as mentioned below:

Income Boosters		
7 PPT	10 PPT	15 PPT
5%	6%	7%

Example: For an Annual Premium of ₹ 60,000, the Basic Sum Assured is ₹ 6,00,000 and Guaranteed Income is calculated as 13% of the Basic Sum Assured. Thus, the Guaranteed Income will be ₹ 78,000 and will start from the end of the 16th Policy year. At the end of 17th Policy year this Guaranteed Income will increase by 7% simple percentage and will be calculated as follows:

Guaranteed Income (at the end of 16th policy year) = ₹ 78,000

Guaranteed Income (at the end of 17th policy year) = ₹ 83,460 [78,000 + 5,460 i.e. (78,000 * 7%)]

Guaranteed Income (at the end of 18th policy year) = ₹ 88,920 [83,460 + 5,460 i.e. (78,000 * 7%)]

The same will be followed till the end of the Policy Term.

[#]**Payout period** refers to the tenure during which the Guaranteed Income is paid, which starts after completion of 1 year after the end of premium payment term.

Maturity Benefit³

Guaranteed Maturity Benefit as a percentage of Basic Sum Assured shall be paid at maturity. The Guaranteed Maturity Benefit varies as per age at entry of policyholder and the Policy Term. For sample ages, Guaranteed Maturity Benefit is as follows:

Guaranteed Maturity Benefit (% of Basic Sum Assured)		
Entry Age	15 And 20 Years Policy Term	30 Years Policy Term
25 years	32.50%	33.50%
30 years	31.75%	32.75%
35 years	31.00%	32.00%
40 years	27.25%	27.00%

Tax Benefits

You may avail of tax benefits under Section 80C and Section 10(10D) of Income Tax Act, 1961 subject to conditions as specified in those sections. Tax benefits are subject to change as per tax laws. You are advised to consult your Tax Advisor for details.

Enhancing your Options

Additional Features	Benefits
Convenient premium payment term & modes	<p>As per suitability, you can opt for premium payment term from available options (please refer to "Eligibility" section).</p> <p>You have the option to pay your premiums yearly, half-yearly, quarterly or monthly and can also change the premium payment mode on policy anniversary.</p>
Additional Protection⁵	<p>If you feel the insurance cover is not adequate, you can increase it by attaching below mentioned optional Riders to your base plan:</p> <ul style="list-style-type: none">• Kotak Term Benefit (KTB - UIN: 107B003V03): In case of death of the life insured, rider sum assured will be paid in addition to the death benefit under the base plan.• Kotak Accidental Death Benefit (ADB - UIN: 107B001V02): In case of death of the life insured due to accident, rider sum assured will be paid in addition to the death benefit under the base plan.• Kotak Permanent Disability Benefit (PDB - UIN: 107B002V02): In case of life insured being permanently disabled due to accident, benefit is paid in installments.• Kotak Life Guardian Benefit (LGB - UIN: 107B012V02): In case of death of the policyholder (if different from Life Insured), outstanding premiums are waived and will be paid by Kotak Life Insurance.• Kotak Accidental Disability Guardian Benefit (ADGB - UIN: 107B011V02): In case of accidental disability, outstanding premiums are waived and will be paid by Kotak Life Insurance. <p>For more details on Riders and exclusions please refer to the Individual Rider Brochure before concluding the purchase.</p>
Policy Loan Facility⁶	<p>You can avail loans up to 80% of Surrender⁹ Value subject to a minimum loan amount of ₹10,000.</p>
Reduced Paid-Up Benefit¹⁰	<p>After the policy acquires Surrender Value, if you do not pay subsequent premiums within the Grace Period the base plan will be converted into a Reduced Paid-Up policy by default.</p>

Eligibility

This simple eligibility table will help you plan your family's future financial needs.

Entry Age¹¹	Min : 0 years Max: 7 PPT – 60 years 10 PPT – 60 years 15 PPT – 55 years
Maturity Age	Min : 18 years Max: 85 years
Policy and Premium Payment Term (PPT)	PPT – Policy Terms 7 pay – 15 years 10 pay – 20 years 15 pay – 30 years
Payout period	7 PPT – 8 yearly Payouts starting from the end of the 8 th policy year 10 PPT – 10 yearly Payouts starting from the end of the 11 th policy year 15 PPT – 15 yearly Payouts starting from the end of the 16 th policy year
Premium Payment Option	Limited only
Annual Premium	Min: ₹15,000 Max: No limit, subject to underwriting
Basic Sum Assured	10 times of annual premium In case of non-annual mode, the installment premium will be divided by modal factor to arrive at annual premium.
Premium Payment Mode	Yearly, Half yearly, Quarterly, Monthly
Modal Factor (% of annual premium)	The following modal loading will be used to calculate the installment Premium. Yearly – 100% Half yearly – 51% Quarterly – 26% Monthly – 8.8%

Terms and Conditions

1. **Death Benefit:**

If the death occurs during Grace Period, the due unpaid premium (if any) till the date of death will be deducted from the Death Benefit. For non-annual Policy, the balance of the premium for that policy year will be deducted from the Death Benefit.

2. **Survival Benefit:**

The Guaranteed Income will be first adjusted against the outstanding loan amount (if any) before it is paid to the Policyholder.

3. **Maturity Benefit:**

The Guaranteed Maturity Benefit will be reduced to account for any outstanding loans (including interest).

4. **Grace Period:**

There is a grace period of 30 days for the yearly, half-yearly and quarterly mode, and 15 days for the monthly mode from the premium payment due date without levy of any interest or penalty.

5. **Riders:**

The payment of Rider premium will be made in addition to the premium for the base plan and collected along with the premiums for the base plan.

6. **Policy Loan:**

Loans can be availed under this plan through Kotak Life Insurance up to the limit of 80% of the Surrender Value of the policy. The Company shall determine the rate of interest from time to time. Currently the interest rate is 12.5% compounding half-yearly but it can be revised from time to time. 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. Policyholder will be intimated in case outstanding loan amount (including interest) exceeds 95% of the Surrender Value (higher of GSV or SSV). In case of failure to repay the outstanding loan with interest, policy will be foreclosed. The policy will not be auto foreclosed where all due premiums have been paid. In case of any benefit payout before the end of term or at maturity, the Company is entitled to deduct any outstanding loan amount, together with all interest payable before making such benefit payment.

7. **Lapse:**

For policies where premiums are not paid within the Grace Period, the policy shall lapse from the due date of the unpaid premium and no benefits will be payable, subject to the following conditions:

For PPT less than 10 years, if premiums are discontinued anytime during the first two policy years, the policy shall lapse at the end of the grace period.

For PPT of greater than or equal 10 years, if premiums are discontinued anytime during the first three policy years, the policy shall lapse at the end of the grace period.

8. **Policy Revival:**

A lapsed or a Reduced Paid-Up policy can be reinstated for full benefits on revival within two years of the first unpaid premium. The revival can be done without evidence of good health on payment of the outstanding premiums with late payment charges (currently 9% p.a. of outstanding premiums), if the payment is made within six months from the date of first unpaid premium. Thereafter to revive the policy, evidence of good health would be required along

with payment of the outstanding premiums with late payment 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. However, if a Reduced Paid-Up policy is not revived during the Revival Period, it will continue in that mode until maturity.

9. Surrender:

The policy acquires a Surrender Value depending on the premium payment term chosen and the number of premiums paid:

- **For policies with premium payment term of less than 10 years:** The policy acquires a Surrender Value provided premiums due for at least 2 policy years have been paid in full.
- **For policies with premium payment term of greater than or equal to 10 years:** The policy acquires a Surrender Value provided premiums due for at least 3 policy years have been paid in full.

Guaranteed Surrender Value (GSV) is calculated as X% of total Premiums paid (excluding Service Tax, Rider Premium and Extra Premiums, if any) less Guaranteed Income already paid (if any).

Where 'X' varies by year of surrender and Policy Term as mentioned below:

Year of surrender	Policy Term (Years)			Year of surrender	Policy Term (Years)		
	15	20	30		15	20	30
1	0.0%	0.0%	0.0%	16	-	77.0%	68.0%
2	30.0%	0.0%	0.0%	17	-	80.0%	70.0%
3	30.0%	30.0%	30.0%	18	-	83.0%	72.0%
4	50.0%	50.0%	50.0%	19	-	86.0%	74.0%
5	50.0%	50.0%	50.0%	20	-	90.0%	76.0%
6	50.0%	50.0%	50.0%	21	-	-	78.0%
7	50.0%	50.0%	50.0%	22	-	-	80.0%
8	55.0%	53.0%	52.0%	23	-	-	82.0%
9	60.0%	56.0%	54.0%	24	-	-	84.0%
10	65.0%	59.0%	56.0%	25	-	-	86.0%
11	70.0%	62.0%	58.0%	26	-	-	88.0%
12	75.0%	65.0%	60.0%	27	-	-	90.0%
13	80.0%	68.0%	62.0%	28	-	-	92.0%
14	85.0%	71.0%	64.0%	29	-	-	94.0%
15	90.0%	74.0%	66.0%	30	-	-	95.0%

The Company may consider paying a Special Surrender Value when the policy acquires Surrender Value. In any case, the higher of the Guaranteed Surrender Value and Special Surrender Value will be payable. On Surrender, all benefits will cease and the policy terminates. The surrender value will be paid out as a lump sum benefit.

10. Reduced Paid-Up Policy:

After the policy acquires Surrender Value, if the subsequent premiums are not paid within the Grace Period the Base Policy along with Riders (if any) will be converted into a Reduced Paid-Up policy by default. Upon being made Reduced Paid-up;

- policy may be revived (for the original benefits) within 2 years from the date of first unpaid premium.
- rider benefit will be available as per Reduced Paid-Up Sum Assured (if applicable).

The Surrender Value payable will be higher of Guaranteed Surrender Value and Special Surrender Value.

Guaranteed Income during Payout Period:

- During the Payout Period, the Guaranteed Income will be paid as the percentage of Reduced Paid-Up Basic Sum Assured.
- The Reduced Paid-Up Basic Sum Assured will be calculated as:
(Total Premiums paid / Total premiums payable over the term) X Basic Sum Assured.

Payout at Maturity:

- On survival of the life insured till the maturity date, Guaranteed Maturity Benefit will be paid as the percentage of Reduced Paid-Up Basic Sum Assured.
- The Reduced Paid-Up Basic Sum Assured will be calculated as:
(Total Premiums paid / Total premiums payable over the term) X Basic Sum Assured.

Payout on Death:

- On death of the life insured during the policy term after being made Reduced Paid-Up, the benefit payable will be Reduced Paid-Up Sum Assured on death.
- The Reduced Paid-Up Sum Assured on death will be calculated as:
(Total premiums paid) / (Total premiums payable, during the entire policy term) x Sum Assured on death.

11. Vesting in case of minor life:

If the policy has been taken on the life of a minor, the policy shall automatically vest on him/her with effect from the date of completion of 18 years of age and the Life Insured will become the Policyholder from such date.

- 12.** In case there is no nomination effected in the policy or in case the nominee dies during the term, the benefit payout will be made to the legal heir(s).

13. Nomination & Assignment:

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

Assignment is allowed in this plan as per Section 38 of the Insurance Act, 1938. It may be made by an endorsement upon the policy itself or by a separate instrument signed in either case by the assignor specifically stating the fact of Assignment and duly attested. Such Assignment shall be operative as against the Company effective from the date that the Company receives a written notice of the Assignment and on confirmation of record of such Assignment. On assignment, any nomination effected under the policy will automatically get cancelled and the Assignee will become the Policyholder. Partial assignment of policy is not allowed.

14. 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, stamp duty and proportionate risk premium for the period of cover.

*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.

15. General Exclusion:

In the event of the life insured committing suicide within one year of the date of issue of the policy, 80% of the premiums paid will be payable.

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 plan 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 benefit payable shall be higher of 80% of Premiums Paid or Surrender Value at the date of claim event.

Section 41 of the Insurance Act, 1938 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:

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.

About Us

Kotak Mahindra Old Mutual Life Insurance Ltd. is a 74:26 joint venture between Kotak Mahindra Bank Ltd., its affiliates and Old Mutual.

Kotak Mahindra 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, to mutual funds, to life insurance, to investment banking, the group caters to the diverse financial needs of individuals and corporate sector.

Old Mutual is an international long-term savings, protection and investment group. Originating in South Africa in 1845, the Group provides life assurance, asset management, banking and general insurance in Europe, the Americas, Africa and Asia. Old Mutual is listed on the London Stock Exchange and the JSE, among others.

BEWARE OF SPURIOUS PHONE CALLS AND FICTIOUS / FRAUDULENT OFFERS

IRDA clarifies to public that

- IRDA or its officials do not involve in activities like sale of any kind of insurance or financial products nor invest premiums
- IRDA does not announce any bonus. Public receiving such phone calls are requested to lodge a police complaint along with details of phone call, number.



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Kotak Assured Income Accelerator - UIN No.: 107N089V01, Form No.: N089, Ref. No.: KLI/14-15/E-PB/049, **KTB** - 107B003V03, **ADB** - 107B001V02, **PDB** - 107B002V02, **LGB** - 107B012V02, **ADGB** - 107B011V02.

Kotak Mahindra Old Mutual Life Insurance Ltd; Regn. No.:107, Regd. Office: 4th Floor, Vinay Bhavya Complex, 159 A, C.S.T. Road, Kalina, Santacruz (East), Mumbai - 400098.

Guaranteed benefits due under this plan are available provided premiums are paid regularly for the entire premium payment term and policy is in force. Insurance is the subject matter of solicitation. This is a non-participating guaranteed income anticipated endowment plan. For sub-standard lives, extra premium may be charged based on KLI's underwriting policy. The product brochure gives only the salient features of the plan. Please refer the policy document for specific details on all terms and conditions.

Annexure

Kotak Assured Income Accelerator - Guaranteed Maturity Benefit percentages expressed as a % of Basic Sum Assured

Entry Age	15/20 Policy Term	30 Policy Term	Entry Age	15/20 Policy Term	30 Policy Term	Entry Age	15/20 Policy Term	30 Policy Term
0	36.25%	37.25%	21	33.10%	34.10%	41	26.50%	26.00%
1	36.10%	37.10%	22	32.95%	33.95%	42	25.75%	25.00%
2	35.95%	36.95%	23	32.80%	33.80%	43	25.00%	24.00%
3	35.80%	36.80%	24	32.65%	33.65%	44	24.25%	23.00%
4	35.65%	36.65%	25	32.50%	33.50%	45	23.50%	22.00%
5	35.50%	36.50%	26	32.35%	33.35%	46	22.75%	21.00%
6	35.35%	36.35%	27	32.20%	33.20%	47	22.00%	20.00%
7	35.20%	36.20%	28	32.05%	33.05%	48	21.25%	19.00%
8	35.05%	36.05%	29	31.90%	32.90%	49	20.50%	18.00%
9	34.90%	35.90%	30	31.75%	32.75%	50	19.75%	17.00%
10	34.75%	35.75%	31	31.60%	32.60%	51	19.00%	16.00%
11	34.60%	35.60%	32	31.45%	32.45%	52	18.25%	15.00%
12	34.45%	35.45%	33	31.30%	32.30%	53	17.50%	14.00%
13	34.30%	35.30%	34	31.15%	32.15%	54	16.75%	13.00%
14	34.15%	35.15%	35	31.00%	32.00%	55	16.00%	12.00%
15	34.00%	35.00%	36	30.25%	31.00%	56	15.25%	NA
16	33.85%	34.85%	37	29.50%	30.00%	57	14.50%	NA
17	33.70%	34.70%	38	28.75%	29.00%	58	13.75%	NA
18	33.55%	34.55%	39	28.00%	28.00%	59	13.00%	NA
19	33.40%	34.40%	40	27.25%	27.00%	60	12.25%	NA
20	33.25%	34.25%						



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