

Kotak

Superannuation
Group Plan - II
Unit Linked Life Insurance

IN THIS POLICY, THE INVESTMENT RISK IN THE INVESTMENT PORTFOLIO IS BORNE BY THE POLICYHOLDER.





KOTAK SUPERANNUATION GROUP PLAN - II

A Unit Linked Superannuation Insurance Plan

In today's time when the prospect of out-living retirement savings is larger than ever, few employees take the time to plan their long-term financial goals or have the discipline to systematically save for their retirement years. As an employer of choice, you can help your employees tremendously by assisting in their retirement planning and, in turn, increase employee retention. The solution lies in Kotak Life Insurance's Kotak Superannuation Group Plan - II.

Kotak Superannuation Group Plan - II offers:

Defined Benefit Scheme :

In this scheme, employers provide employees a specific retirement benefit based on salary and years of service. Such plans are funded by employer contributions. If there is any shortfall between the amount available in the scheme for payment to the employee, the shortfall will be made good by the master policyholder/employer.

Defined Contribution Scheme: In this scheme, both employees and / or employers can contribute towards fund accumulation and the rate of employer and / or employee contributions are usually defined as a percentage of salary. This scheme is becoming more important for workers in today's evolving marketplace where the average worker may switch jobs and even career multiple times over the course of a life time. Both employer and employee can contribute to the scheme. The fund value at that time of benefit payments will be payable.

How does the Kotak Superannuation Group Plan -II work?

The Kotak Superannuation Group Plan -II (KSGP -II) is a uniquely flexible product that addresses the needs of both the employers and the employees. Under this plan, contributions are invested in Group Secure Capital Fund a Monthly Regular Additions are also added to the unit fund as per fund size and offers guarantees as per Scheme opted i.e. Defined Benefit or Defined Contribution. The benefits are paid to the Trustees of the Superannuation Trust.

How will KSGP- II help me as an employer?

You know that your employees are your most valuable assets. By helping to provide for retirement, you help increase employee retention and motivation. Moreover:

- Any amount received by the trustees on behalf of an approved superannuation fund is exempt under sec 10(25)(iii).
- The amount of deduction available on ordinary annual contribution to an approved superannuation fund shall not exceed 27% (including the contribution to Provident Fund) of the employee's annual basic salary for each year of his service under section 36 (1)(iv) of the Income Tax Act, 1961.

How does KSGP-II help my employees?

KSGP -II gives your employees unparalleled flexibility and peace of mind.

- Any employee contribution towards an approved superannuation fund qualifies for tax deduction under section 80 C of the Income Tax Act, 1961.
- On death, the benefit paid to nominee shall be exempt from tax under section 10(13) and shall be as per the scheme rules of the employer's superannuation scheme.
- On retirement (vesting), the benefit shall be as per the scheme rules of the employer's superannuation scheme and commuted benefit shall be tax free.
- Any contribution by employer to approved superannuation fund up to ₹1 lacs will not be included in perquisites of the employee under Sec 17(2)(vii).
- At the time of withdrawal from service, employee has an option to transfer his superannuation account to his/her new employer, if allowed as per scheme rules of the superannuation fund.

Note : 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.

How do I know if my company is eligible for KSGP - II?

Particulars	Minimum	Maximum
Group size	10	No limit
Entry age (Last birthday)	As specified in the Trust Rules or 18 years whichever is higher	One year before Normal Retirement Age as specified in the Trust Rules or 74 years whichever is lower
Maturity age (Last birthday)	-	Normal Retirement Age as specified in the Trust Rule or 75 years whichever is lower
Term	1 year (renewable indefinitely)	
Contribution – Defined benefit	₹ 2,00,000 at inception	No limit
Contribution – Defined contribution	₹ 6,000 per member per year	No limit

What is the Assured Benefit available under the plan?

Defined Benefit Schemes- Assured Benefit payable on complete surrender shall not be less than 100.1% of the total contribution paid, net of withdrawals already made from the account. Assured Benefit shall be applicable on the entire superannuation fund available with the Insurer.

Defined Contribution Schemes - Assured Benefit payable on retirement or death shall not be less than 100.1% of contributions paid. Assured Benefit is not applicable on exits other than retirement or death.

What are the benefits payable to the members?

On death or retirement which is in accordance with the scheme rules, the amount payable pertaining to that member shall be as communicated to Kotak Life Insurance by the employer.

For Defined Benefit Schemes: Assured Benefit on Death or Retirement: The benefit payable on death or retirement of a member of the scheme will be the benefit pertaining to that member as communicated by the employer according to scheme rules. The benefit payable is subject to availability of funds in the respective unit fund of the employer's superannuation fund. If there is any shortfall between the amounts available in the scheme for payment to the employee, the shortfall will be made good by the master policyholder/employer.

Termination or Resignation: The benefit amount will be in accordance with the rules of the superannuation fund.

For Defined Contribution Schemes: Assured Benefit on Death or Retirement: The benefit payable on death or retirement of a member will be the fund value i.e. number of units in the member's retirement account times the unit price, according to the scheme rules, subject to Assured Benefit mentioned above. The benefit payable is subject to availability of funds in the respective unit fund of the respective member of the employer's superannuation fund. On retirement, member has the option to choose from the various annuity options then available.

NAV of a fund is calculated and published in financial newspapers on each business day. Termination or Resignation: The benefit amount will be in accordance with the rules of the superannuation fund. Employee has an option to transfer his superannuation account to his/her new employer, if allowed as per scheme rules of the superannuation fund.

What is Monthly Regular Additions?

Monthly Regular Additions are added to the Schemes and the percent varies by fund size at the beginning of the calendar month and the rate of these additions is in the range of 0.05% to 0.30% per annum. Monthly Regular Additions are expressed as units and added to the unit fund at the end of the month.

What investment options do I have?

Considering the financial goals and risk appetite of your employees, Kotak Life Insurance has specially designed **Group Secure Capital Fund** that helps your employees achieve good investment performance. Mentioned below are the fund details:

Fund / Fund Composition	Short term investments such as Money market instruments, short term bank deposits, call money and cash	Government / Government guaranteed securities	Other debt Securities
Group Secure Capital Fund (SFIN: ULGF-016-12/04/11-SECCAPFND-107)	0 - 40%	0 - 75%	25 - 100%

Investment Management Philosophy:

Kotak's Group investment philosophy works on the principles of transparency, flexibility and well-defined investment portfolios.

NAV Computation:

All the contributions referred to in this section will be applied to buy units in the funds selected by the Policyholder according to the following rules:

- Where premiums are paid by outstation cheques, the NAV of the clearance date or due date, whichever is later, will be used for allocation of the premium.
- Transaction requests (including renewal premiums by way of local cheques, demand draft, switches, etc.) received before the cutoff time will be allocated to the same day's NAV and the ones received after the cutoff time will be allocated to the next day's NAV.
- The current cutoff time is 3:00 p.m. which may vary from time to time as per IRDAI guidelines.

NAV of a fund is calculated and published in financial newspapers on each business day.

Market Value of investments held by the fund + Value of any Current Assets- Value of Current liabilities & Provisions, if any

Net Asset Value (NAV) =

Number of units existing at the valuation date (before creation / redemption of units)

Fund Value is the product of the total number of units under a policy and the NAV.

The NAV calculated above will be used with respect to portfolio valuations for policyholders in addition to terms for full or partial surrenders, maturity and death settlement options. The NAVs will be calculated on each business day.

What are the various annuity options available?

At vesting, employer/member can opt for annuity options then available at the then prevailing annuity rates, subject to the rules of superannuation scheme. Currently Kotak Lifetime Income (107N103V02) offers the following annuity options:

- Lifetime Income - Annuity payout shall be payable to the member for life and shall cease only on unfortunate event of member's death
- Lifetime Income with cash-back- Annuity shall be payable to the member for life. In case of unfortunate event of member's death, the amount paid (at inception) to purchase annuity shall be paid back to the nominee.
- Lifetime Income with term guarantee - Annuity shall be payable to the member for a guaranteed term of 5 / 10 / 15 / 20 years as chosen, irrespective of the member's death. Thereafter, the annuity shall continue for life in case the member survives the guaranteed term and shall cease on member's death.
- Last survivor Lifetime Income with 100% annuity to Surviving Spouse - Annuity shall be payable to the member for life. On death of the member, 100% of the Annuity shall continue to be paid to the surviving spouse and shall cease only on unfortunate event of death of member's spouse
- Last survivor Lifetime Income with 50% annuity to Surviving Spouse - Annuity shall be payable to the member for life. On death of the member, 50% of the Annuity shall continue to be paid to the surviving spouse and shall cease only on unfortunate event of death of both member's spouse
- Last survivor Lifetime Income with 100% annuity to the Surviving Spouse and Cash-back on death of Surviving Spouse - Annuity shall be payable to the member for life. On death of the member, 100% of the Annuity shall continue to be paid to the surviving spouse. On death of the member's spouse, the amount paid (at inception) to purchase annuity shall be paid back to the nominee.

Further, new Annuity options will be available to the Policyholder as declared by the Insurer time to time.

Where superannuation fund is maintained with multiple Insurers, the employer can choose to purchase annuity from us or any other insurer.

Can the policy be surrendered?

Yes, the policy may be surrendered by the master policyholder giving three months' prior notice in writing to the Insurer. On the expiration of the notice period, the Insurer shall pay the current value of the units as on date of surrender, subject to the surrender charges (as mentioned under "Charges") as may be applicable. For both - Defined Benefit and Defined Contribution - schemes, policy can be surrendered by the policyholder only.

Charges:

Premium Allocation Charges:

Premium allocation charge would be 0.3% of contribution amount. This is a percentage of premiums appropriated towards charges from the contribution received. The balance known as allocation rate constitutes that part of contribution which is utilized to purchase (investment) units for the policy.

Administration Charges: There are no administration charges applicable.

Fund Management Charges: This is a charge levied as a percentage of the value of assets and shall be appropriated by adjusting the NAV. The fund operates in a totally transparent manner, with the NAV posted on our website daily. Fund management charges is 0.90% per annum. These charges can be altered at the sole discretion of the company with prior approval From IRDAI.

Surrender Charges: This is a charge levied on the unit fund at the time of surrender of contract. In case the policyholder wants to surrender the policy, surrender charge of 0.05% of the fund with a cap of 5,00,000 in the first three policy years is applicable. No surrender charge will be levied if the surrender occurs after completion of three policy years.

Switching Charges: There are no switching charges applicable now as there is only one fund available. However, Kotak Mahindra Life Insurance Company Ltd. may impose a switching charge if it introduces more funds, subject to prior approval from IRDAI.

Sample Illustration:

Net Yield @4%	3.02%
Reduction in Yield @4%	0.98%

Year	Initial Contribution	Annual Contribution	Allocation Charges	Gross Yield at 4%				
				GST*	Fund before FMC	FMC	Fund after FMC	Fund after surrender charges
1	1,000,000	250,000	3,750	2,775	1,296,100	11,665	1,281,660	1,281,020
2	-	265,000	795	2,748	1,607,700	14,469	1,590,483	1,589,688
3	-	280,900	843	3,303	1,945,362	17,508	1,924,551	1,923,588
4	-	297,754	893	3,903	2,310,268	20,792	2,285,572	2,285,572
5	-	315,619	947	4,551	2,704,254	24,338	2,675,365	2,675,365
6	-	334,556	1,004	5,250	3,129,274	28,163	3,095,860	3,095,860
7	-	354,630	1,064	6,003	3,587,403	32,287	3,549,114	3,549,114
8	-	375,908	1,128	6,814	4,080,849	36,728	4,037,308	4,037,308
9	-	398,462	1,195	7,687	4,611,957	41,508	4,562,763	4,562,763
10	-	422,370	1,267	8,625	5,183,220	46,649	5,127,946	5,127,946

Net Yield @4%	6.98%
Reduction in Yield @4%	1.02%

Year	Initial Contribution	Annual Contribution	Allocation Charges	Gross Yield at 8%				
				GST*	Fund before FMC	FMC	Fund after FMC	Fund after surrender charges
1	1,000,000	250,000	3,750	2,855	1,345,950	12,114	1,330,981	1,330,316
2	-	265,000	795	2,934	1,722,801	15,505	1,704,362	1,703,509
3	-	280,900	843	3,624	2,143,172	19,289	2,120,260	2,119,200
4	-	297,754	893	4,390	2,610,491	23,494	2,582,607	2,582,607
5	-	315,619	947	5,240	3,129,061	28,162	3,095,660	3,095,660
6	-	334,556	1,004	6,180	3,703,550	33,332	3,664,038	3,664,038
7	-	354,630	1,064	7,221	4,339,012	39,051	4,292,740	4,292,740
8	-	375,908	1,128	8,369	5,040,921	45,368	4,987,184	4,987,184
9	-	398,462	1,195	9,636	5,815,206	52,337	5,753,234	5,753,234
10	-	422,370	1,267	11,031	6,668,283	60,015	6,597,238	6,597,238

*Goods and Services Tax and Chess.

Please Note:

- All amounts in Indian Rupees.
- This is only an indicative illustration. Rates may vary for each group
- The above illustration is based on the assumption that all contributions are paid as due and the fund will grow at the rate of 4% p.a. and 8% p.a. Please note that the assumed rate of return is only for illustration purpose, where as the actual return will depend on the investment performance.
- Non-guaranteed benefits will vary with returns based on investment performance. If your policy offers guaranteed returns then these will be clearly marked "guaranteed" in the illustration table on this page.

5. This illustration is not a contract of insurance and must be read in conjunction with the Policy Document.
6. The above illustration is based on the assumption that the policy has been sourced through channels other than "Direct Sales".
7. Goods and Services Tax and Cess, is levied, at the applicable Tax rates in accordance with the prevailing Tax Laws, from time to time.
8. Premiums are allocated in Group Secure Capital Fund (SFIN – ULGF-016-12/04/11-SECCAPFND-107)
9. The guarantee offered is a 'return of 0.1% per annum on all contributions made' and is applicable on benefits paid on retirement or on death of the member.

Terms and Conditions :

Availability of Unit Statement:

The Master Policyholder may check the Unit Statement in D02 format available on the Group Customer Portal using the prescribed link: <https://customer.kotaklifeinsurance.com/kliportal/Login.aspx>.

In order to view the Unit Statement, the Master Policyholder has to register in the Group Customer Portal to generate the Login ID and Password.

Fraud / Misrepresentation:

The provisions of Section 45 of the Insurance Act 1938, as amended from time-to-time, will be applicable to this contract and each life cover provided therein. The Insurer reserves the right to recover the amount from the Policyholder or the Group Member or any other person, if it is found that the Benefits are erroneously paid due to the fault of the Policyholder. In case the Insurer is not in a position to recover such amount from the Group Member or any other person, the Policyholder will be liable to pay the said amount to the Insurer within 15 days from the date of its demand. However, the Policyholder will not be liable or responsible for any wrong payments made by the Insurer.

Nomination :

Nomination will be allowed under the plan as per the provisions of Section 39 of the Insurance Act, 1938 and amendments thereto from time to time.

Suicide Exclusion:

There is no suicide exclusion applicable and the benefit payable on death as defined in scheme rules shall be paid, irrespective of the nature of death.

Goods and Services Tax and Cess

Goods and Services Tax and Cess,, as applicable shall be levied as per the prevailing tax laws and/or any other laws. In case of any statutory levies, cess, duties etc., as may be levied by the Government of India from time to time, the Company reserves its right to recover such statutory charges from the policyholder(s) either by increasing the premium and / or by reducing the benefits payable under the plan.

Taxes levied by the Government in future:

In future, the Company shall pass on any additional taxes levied by the Government or any statutory authority to the policyholder. The method of collection of these taxes shall be informed to the policyholders under such circumstances.

Tax Benefits:

Tax benefits under the policy will be as per the prevailing Income Tax laws. Tax laws are subject to amendments from time to time and interpretations. Employers are advised to consult a tax expert.

Free Look Period:

In case policyholder is not agreeable to any of the provisions stated in the policy, then he/she has the option of returning the policy, stating the reasons thereof within 15 days from the date of the receipt of the policy. The cancellation request should be submitted to nearest Kotak Life Insurance Branch or sent directly to our Head Office On receipt of letter along with the original policy document arrangement shall be made to refund the non-allocated premium plus charges levied by cancellation of units plus fund value at the date of cancellation less expenses in accordance with IRDAI (Protection of Policyholders' Interests) Regulations, 2000. 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.

Insurance Ombudsman:

The company shall endeavor to promptly and effectively address policyholder's grievances However, in case the policyholder may not be satisfied with the response of the company, he/she may also approach the Insurance Ombudsman located in his/her region. Details of the offices of the Ombudsman across the country are made available on the website of the company at <http://insurance.kotak.com> and will also be made available to the policyholder on request

Risk Factors:

- Unit Linked Life Insurance products are different from traditional insurance products and subject to risk factors.
- The premium paid in Unit Linked Life Insurance policies are subject to investment risk associated with capital markets and the NAVs of the units may go up or down based on the performance of the fund and factors influencing the capital market and insured is responsible for the his/her decisions.
- Kotak Mahindra Life Insurance Company Ltd. (Formerly known as Kotak Mahindra Old Mutual Life Insurance Ltd.) is only the name of the company and Kotak Superannuation Group Plan II is only the name of the unit linked life insurance contract and does not in any way indicate the quality of the contract, its future prospectus or returns.
- The various funds offered under this contract are the name of the fund and do not in any way indicate the quality of these plans, their future prospects and returns.
- The past performance of other Funds of the Company is not necessarily indicative of the future performance of the funds.
- Please know the associated risks and the applicable charges, from your insurance agent or the intermediary or policy document of the insurer. All benefits payable under the policy are subject to the tax laws and other financial enactments, in force from time to time.

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

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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Kotak Superannuation Group Plan - II - UIN No: 107L078V01, Form No: L078, Ref. No.: KLI/17-18/E-PB/119.

This is a unit linked non-participating endowment plan. The sales 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. 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 Toll Free No: 1800 209 8800

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