

**Kotak**  
GROUP  
SECURE  
CAPITAL PLAN

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

**Assurance For  
A Better Tomorrow.**





## **Kotak Group Secure Capital Plan**

A Non-Participating, Guaranteed Unit Linked, Fund based Group Plan

Kotak Group Secure Capital Plan enables Employers /Trusts to manage funds under their Employee Benefit (EB) schemes like Gratuity, Leave Encashment, Superannuation (Defined Contribution and Defined Benefit) and Post-Retirement Medical Schemes (PRMS) in an efficient manner.

It is a Non-Participating, Guaranteed Unit Linked Fund Based Group Life Insurance Plan. The Plan offers guarantee as explained under Benefits of the Plan.

Kotak Group Secure Capital Plan provides guaranteed investment opportunity. As an employer of choice, this plan will help you to design an optimal retirement benefits for your employees and in turn increase employee retention.

# Key Advantages

- Market-linked returns and long-term investment growth
- Guaranteed return as explained under the Benefits of the Plan
- Loyalty Additions every year to further add value to your contributions
- Life insurance coverage for employees except under superannuation schemes
- Tax benefits as per tax law, in the hands of employer / trust and employees

# How does the Kotak Group Secure Capital Plan work?

- Plan is offered to employers or trusts who wish to fund their employee benefit schemes.
- Employer/ Trust of the employee benefit scheme will be the Master Policyholder.
- Contributions as determined by the Master Policyholder based on the Rules of the Scheme can be invested in the available unit-linked fund.
- Separate policy shall be issued to administer different Employee Benefit Schemes
- In the event of resignation, retirement or any other contingent event, benefits in accordance to the Scheme Rules shall be paid.
- In case of death of a member (except under superannuation scheme), ₹ 5,000 along with benefits as per Rules of Scheme shall be paid.

# Benefits of the Plan

Events	How and when benefits are payable	Size of such benefits / policy monies
Death	Payable at the time of Death of a Member.	For Defined Benefit Schemes, amount calculated as per the rules of the EB Scheme will be paid by cancellation of units at the prevailing NAV.  For Defined Contributions Schemes, Member Account Value shall be payable.  For all EB schemes other than Superannuation Scheme, the Sum Assured of ₹ 5,000 will also be paid.
Member's exit from employer's service due to Retirement/ Resignation/ Termination	On a Member's exit from employer's service as per the EB Scheme rules if any.	For Defined Benefit Schemes, amount calculated as per the rules of the EB Scheme will be paid by cancellation of units at the prevailing NAV.  For Defined Contribution Schemes Member Account Value shall be paid.

<b>Any other benefit in accordance to Scheme Rules (e.g. Leave encashment while in service, Medical reimbursement, etc)</b>	Payable to the member/ Master Policyholder as per the EB Scheme rules if any.	For Defined Benefit Schemes, amount calculated as per the rules of the EB Scheme will be paid by cancellation of units at the prevailing NAV.  For Defined Contribution Schemes Member Account Value shall be paid.
<b>Policy Surrender</b>	Payable to the Master Policyholder at the time of surrender.	The Surrender Value as described under section Surrender Benefit.

Benefit amount other than Sum Assured shall be payable through cancellation of units at the prevailing NAV of the fund (s).

There is no maturity and survival benefit under the product. All the benefits are paid as per the Scheme Rules.

**Note:** Tax benefits under this plan are subject to change in the tax laws. You are advised to consult your tax advisor for details.

## Guaranteed Benefits

The product offers guarantee in the form of 'return of all contributions made (Net of benefit payments, if any)' at the point of exit, subject to the following condition:

- Guarantee for every contribution shall be applicable only after one year from the date of that contribution and the Guaranteed Benefit in respect of that contribution is return of contribution net of benefit payments, if any.

Benefit payments shall be made on First in First Out basis starting from contributions which have not yet completed one year. Once the non-guaranteed tranche(s) is/are exhausted benefits shall be paid from guaranteed tranche.

- Fund values in respect of contributions where the guarantee is yet to apply is maintained in separate tranches.
- Fund values in respect of contributions received prior to one year are maintained in a single tranche.

## Other Features:

### **Surrender:**

This policy may be surrendered by the Policyholder giving one month's prior notice in writing to Kotak Life. We will pay, higher of;

- (i) The fund value in respect of contributions that have completed one year or more
- (ii) Sum of contributions received that have completed one year or more net of benefit payments, if any}

### **Plus**

The fund value of contributions received during last one year (for which guarantee is yet to apply)

### **Less**

Surrender charges (as mentioned under Charges Section) as may be applicable

We may waive the surrender notice. On surrender of the policy all rights, benefits and interests under the Policy shall cease.

### **Switching:**

Not applicable.

### **Annuity options under Superannuation Scheme**

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 (UIN 107N103V06<sup>^</sup>) offers the following annuity options:

**Option 1:** Lifetime Income

**Option 2:** Lifetime Income with Cash-back

**Option 3:** Lifetime Income with Term Guarantee

**Option 4:** Last survivor Lifetime Income with 100% annuity to Surviving Spouse

**Option 5:** Last survivor Lifetime Income with 50% annuity to Surviving Spouse

**Option 6:** Last survivor Lifetime Income with 100% annuity to the Surviving Spouse and Cash-back on death of Surviving Spouse

Where the group policyholder maintains superannuation funds with more than one insurer, the group policyholder shall have the option to choose any insurer to purchase available annuity as per the provisions of Regulation 24 of IRDAI (Unit Linked Insurance Products) Regulations, 2019 as amended from time to time.

<sup>^</sup>Kotak Life may modify the product Kotak Lifetime Income Plan and/or provide another Annuity Product at the time of vesting.

## Investment Options:

Investment Option	Objective	Risk - Return Profile	Equity	Government/ Government Guaranteed Securities	Other Debt securities	Short term Investments such as money market instruments, short term bank deposits, call money and cash
Group Secure Capital Fund (SFIN: ULGF-016-12/04/11-SECCAPFND-107)	To protect capital with minimum downside risk	Secure	0%	0% to 75%	25% to 100%	0% to 40%

The company may close or modify the fund subject to IRDAI approval.

## Eligibility:

Particulars	Description
Group	Employer - Employee groups
Entry Age (Last birthday)	<b>Min:</b> 18 years or as per scheme rules whichever is higher; <b>Max:</b> 85 years or retirement age as specified in scheme rules whichever is lower
Maximum Maturity age (Last birthday)	Retirement age as specified in scheme rules or 86 years whichever is lower
Policy Term	1 year (Yearly renewable)
Sum Assured	Minimum and Maximum: ₹ 5,000 per member Not applicable for Superannuation Schemes
Contribution/ Premium at inception*	<b>Minimum:</b> <ul style="list-style-type: none"> <li>Superannuation Defined Contribution Schemes: ₹ 500 per member</li> <li>Other Schemes: ₹ 2,00,000 at scheme level</li> </ul> <b>Maximum:</b> No limit
Contribution Frequency	Depending on funding requirements of the Scheme

**Note:** \*Contribution and Premium have the same meaning, i.e. the amount paid by the trustee / Company /Member towards their liability.

**Charges:**

- **Switching Charge:** Not applicable
- **Premium Allocation Charges:** There is no premium allocation charge under the product
- **Fund Management Charges (FMC):** This is a charge levied as a percentage of the value of assets and shall be appropriated by adjusting the NAV on a daily basis. Following are the FMC applicable per annum for the available funds:  
Group Secure Capital Fund  
(SFIN: ULGF-016-12/04/11-SECCAPFND-107) = 0.90% p.a.
- **Mortality Charges:** Mortality charge will be deducted from the Fund through cancellation of units subject to availability of sufficient funds.  
Mortality Charge for EB schemes other than PRMBS is equal to ₹ 1 per annum (excluding GST and/or other taxes, if any) per ₹ 1,000 Sum Assured per Member covered under the Policy.  
  
Mortality charge for Post-Retirement Medical Benefit Scheme is equal to ₹ 7 per annum (excluding GST and/or other taxes, if any) per ₹ 1,000 Sum Assured per Member covered under the Policy.
- **Surrender Charges:**

Following surrender charges are applicable based on year of surrender of the policy:

Year of Surrender	Charges applicable (as a % of Fund Value)
Upto 3rd Year	0.05% or ₹ 5 lacs, whichever is lower
4th Year onwards	NIL

# Terms & Conditions:

## 1. Loyalty Additions:

Annual Loyalty Addition in the form of additional units shall be credited to the policy at the end of financial year. The loyalty additions are computed based on daily fund Value of the policy ((calculated by multiplying NAV of the fund to number of units) and applicable Loyalty Addition percentage of the Fund.

If more than one Employee Benefit Scheme of a Company is being managed by Kotak Life under this product, the total fund value across all schemes of that Company for each day shall be used to determine the appropriate Fund Slab and applicable Loyalty Addition percentage of the Fund.

Based on the fund slab corresponding to total fund across all Schemes of the Company and applicable Loyalty Addition percentage, the amount of Loyalty Addition for each scheme shall be calculated for each day. The sum of such Loyalty Additions calculated daily, shall be used to credit units at the end of financial year. For Defined Contribution Schemes, Loyalty additions calculated daily shall be distributed among members based on ratio of each Members Account Value to the Fund Value.

The Loyalty Additions in the form of units will be allocated to the unit-linked funds at the end of financial year. The NAV of the fund as on the date of allocation shall be used for allocation of these units.

For members exiting under Defined Contribution scheme during the financial year, Loyalty Addition will be credited on the date of exit.

The loyalty addition will be applicable for Fund Value above ₹ 5 Cr and the addition percentage will vary from 0.10% to 0.40% depending upon the Fund Value.

## 2. Liability of the Insurer

The liability of the insurer at any point of time is defined as higher of:

- (i) The fund value in respect of contributions that have completed one year or more
- (ii) Sum of contributions received that have completed one year or more net of benefit payments, if any



## **Plus**

The fund value of contributions received during last one year (for which guarantee is yet to apply)

### **3. Death Benefit in case of Suicide :**

The nominee of the member shall be entitled for Sum assured, if applicable under the employee benefit scheme along with the benefits as per Scheme / Trust Rules.

### **4. 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.

### **5. Nomination and Assignment:**

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. Assignment will be in accordance with provisions of section 38 of the Insurance Act, 1938 as amended from time to time.

### **6. Loans :**

No loan facility is available under this policy.

### **7. Termination of Cover**

A Group Member's cover will cease on the earliest of:

- a) A claim under this Policy in respect of that Group Member being paid as per scheme rules;
- b) Death of the Group Member;
- c) Date of the Group Member withdrawing from the service of the Employer settling the gratuity / superannuation trust, or date he ceases to be a Group Member as herein defined;
- d) The Group Member attaining the maximum age limit as specified in the Policy;
- e) The date the value of the unit holding is insufficient to meet the risk premiums;
- f) The date of termination of the Policy; or

- g) Specific event as per scheme rules;
- h) On free look cancellation of the policy

## **8. Revival**

A policy once terminated due to any reason 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.

## **9. Free Look Period:**

The Policyholder is offered 15 days [30 days in case of electronic policies and policies obtained through Distance Marketing^ mode] free look period, from the date of receipt of this Policy Document. During this period the Policyholder may choose to reconsider his/her decision to hold this Policy, or may choose to return the same within the said 15 days [30 days in case of electronic policies and policies obtained through Distance Marketing^ mode] by stating the reasons thereof. If the Policyholder returns the Policy, within the aforesaid period he/she shall be entitled to a refund of fund value at the date of cancellation after deducting proportionate risk charges and stamp duty in accordance with IRDA (Protection of Policyholders' Interests) Regulations, 2017. 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.

^ 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.

## **10. Fraud / Mis-statement :**

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.

## **11. Force Majeure**

If our performance or any of our obligations are in any way prevented or hindered as a consequence of a force majeure event, the performance of this Policy shall be

wholly or partially suspended during the continuance of such force majeure event. This shall be subject to the following conditions:

- a. The Company shall value the Funds (SFIN) on each day for which the financial markets are open. However, the Company may value the SFIN less frequently in extreme circumstances external to the Company i.e. in force majeure events, where the value of the assets is too uncertain. In such circumstances, the Company may defer the valuation of assets for up to 30 days until the Company is certain that the valuation of SFIN can be resumed.
- b. The Company shall inform IRDAI of such deferment in the valuation of assets. During the continuance of the force majeure events, all request for servicing the policy including policy related payment shall be kept in abeyance.
- c. The Company shall continue to invest as per the fund mandates submitted to IRDAI at the time of Product approval. However, the Company shall reserve its right to change the exposure of all or any part of the Fund to Money Market Instruments [as defined under Regulations 2(j) of IRDAI (Investment) Regulations, 2016, as amended from time to time] in circumstances mentioned under points a. and b. above. The exposure of the fund as per the fund mandates submitted to IRDAI (as stated above) shall be reinstated within reasonable timelines once the force majeure situation ends.
- d. In such an event, an intimation of such force majeure event shall be uploaded on the Company's website for information.
- e. Few examples of circumstances as mentioned a. & b. above are:
  - i. when one or more stock exchanges which provide a basis for valuation of the assets of the fund are closed otherwise than for ordinary holidays;
  - ii. when, as a result of political, economic, monetary or any circumstances which are not in the control of the Company, the disposal of the assets of the fund would be detrimental to the interests of the continuing Policyholders;
  - iii. in the event of natural calamities, strikes, war, civil unrest, riots and bandhs;
  - iv. in the event of any force majeure or disaster that affects the normal functioning of the Company.

## **12. Goods and Services Tax and Cess:**

Goods and Services Tax and Cess (currently at 18%), 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.

**13. 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.

**14. Tax Benefits :**

Tax benefits under the policy may 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

## Risk Factors:

- The Investment risk in the Unit Linked product is borne by the policyholder.
- Unit Linked Insurance products are different from the traditional insurance products and are subject to the risk factors.
- The premium paid in Linked 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 his/ her decisions.
- Kotak Mahindra Life Insurance Company Ltd. is only the name of the company and Kotak Group Secure Capital Plan is only the name of the linked insurance contract and does not in any way indicate the quality of the contract, its future prospects or returns
- The funds offered under this contract are the name of the funds and do not in any way indicate the quality of these funds, 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.

### **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.
- 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 Ltd. (Kotak) which provides 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 growing insurance companies in India and has covered over several million lives.

For more information, please visit the company's website at [www.kotaklife.com](http://www.kotaklife.com)

### **Kotak Mahindra Group**

Kotak Mahindra Group is one of India's leading banking and financial services organisations offering wide range of financial services that encompass every sphere of life. From commercial banking, to stock broking, mutual funds, 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.



**TOLL FREE 1800 120 7856**

**[www.kotaklife.com](http://www.kotaklife.com)**



 *Hum hain... hamesha*

**Kotak Group Secure Capital Plan; UIN: 107L122V01, Form No: L122**

This is a non-participating, Guaranteed Unit Linked, Fund based Group 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, Ref. No. KLI/20-21/E-PB/1356

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: [www.kotaklife.com](http://www.kotaklife.com) | Email: [kli.groupoperations@kotak.com](mailto:kli.groupoperations@kotak.com) | Toll Free No: 1800 120 7856

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