

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

**Kotak Group Secure Capital Plan**  
**UIN: 107L122V01**

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



## About the 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.

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

## Key Advantages

- Market-linked returns and long-term investment growth
- Guaranteed benefit in the form of return of all contributions made
- Loyalty Additions every year to further add value to your contributions
- Life insurance coverage for employees except under superannuation schemes
- Tax benefits<sup>@</sup> in the hands of employer / trust and employees

<sup>@</sup>Tax benefit is applicable as per 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.

## How does the 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 funds.
- 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.

## Plan Benefits

Event	How & when benefits are payable	Benefit Amount
Death	Payable at the time of Death of a Member	<p>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.</p> <p>For Defined Contributions Schemes, Member Account Value shall be payable.</p> <p>For all EB schemes other than Superannuation Scheme, the Sum Assured of ₹ 5,000 will also be paid.</p>
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	<p>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.</p> <p>For Defined Contribution Schemes Member Account Value shall be paid</p>

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.

## Plan Benefits

Event	How & when benefits are payable	Benefit Amount
Any other benefit in accordance to Scheme Rules (e.g. Leave encashment while in service, Medical reimbursement, etc.)	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.
Policy Surrender	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.

## 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.

## 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. ***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.***

### Employee Benefit Scheme

- 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.

### Defined Contribution Scheme

- Loyalty Additions calculated daily shall be distributed among members based on ratio of each Members Account Value to the Fund Value.
- For members exiting under Defined Contribution scheme during the financial year, Loyalty Addition will be credited on the date of exit.



## 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 Cashback 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 Option

## Fund Option

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
<b>Group Secure Capital Fund</b> (ULGF-016-12/04/11-SECCAPFND-107)	To protect capital with minimum downside risk	Secure	0%	0%-75%	25%-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)	Min: 18 years or as per scheme rules whichever is higher Max: 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*	Minimum: <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> Maximum: No limit
Contribution Frequency	Depending on funding requirements of the Scheme

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

# Charges

**Premium Allocation Charges:** There is no premium allocation charge under the product.

**Fund Management Charges:** 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.

Fund Name	FMC (p.a.)
Group Secure Capital Fund (SFIN: ULGF-016-12/04/11-SECCAPFND-107)	0.90%

**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 3 <sup>rd</sup> Year	0.05% or Rs. 5 lacs, whichever is lower
4 <sup>th</sup> Year onwards	NIL

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

## Suicide Exclusion

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.

## Free Look Period

The Policyholder is offered 15 days [30 days in case of electronic policies and policies obtained through Distance Marketing<sup>^</sup> 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<sup>^</sup> 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.

*<sup>^</sup>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.*

## Section 41

**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.



## Section 45

Fraud, Misrepresentation and Forfeiture would be dealt with in accordance with provisions of Section 45 of the Insurance Act, 1938 as amended from time to time.

## Risk Factors

- Unit Linked Life Insurance products are different from the traditional insurance products and are subject to the risk factors.
- The premium paid in Unit Linked Life Insurance policies are subject to investment risks associated with capital markets and the NAVs of the units may go up or down based on the performance of fund and factors influencing the capital market and the insured is responsible for his/her decisions.
- Kotak Mahindra Life Insurance Company Ltd. is only the name of the Insurance Company and Kotak Group Secure Capital Plan 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 prospects or returns.
- The various funds offered under this contract are the names of the funds 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 (along with the possibility of increase in charges), from your Insurance Agent or Corporate Agent / Insurance Broker or policy document of the insurer.

## About Us

**Kotak Mahindra Life Insurance Company Ltd.** is a 100% owned subsidiary of Kotak Mahindra Bank Limited (Kotak). For more information, please visit the company's website at [www.kotaklife.com](http://www.kotaklife.com)

**Kotak Mahindra Group** Established in 1985, Kotak Mahindra Group is one of India's leading financial services conglomerate. The Group offers a wide range of financial services that encompass every sphere of life. 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.

Kotak Secure Capital Plan: UIN:107L122V01, Form No: L122. Ref. No.: KLI/20-21/E-PPT/1357

This is a non-participating, Guaranteed Unit Linked, Fund based Group Plan. For more details on risk factors, terms and conditions, please read sales brochure carefully before concluding a sale. Please refer the policy document for specific details on all terms and conditions.

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