

# Kotak

SINGLE  
INVEST  
ADVANTAGE

Unit Linked Life Insurance Plan

Onetime investment.

Big-time gain.



A JOINT VENTURE WITH  OLD MUTUAL

*Faidey ka insurance*



**Why should you invest in  
Kotak Single Invest Advantage?**

- Easy one time payment**
- Advantage of Loyalty Additions**
- Protection through life cover**
- Option to invest in a wide array  
of funds**



A JOINT VENTURE WITH  OLD MUTUAL

*Faidey ka insurance*

## **KOTAK SINGLE INVEST ADVANTAGE**

### Unit Linked Life Insurance Plan

There are times when life can surprise you pleasantly with financial windfalls or unexpected rewards. Such surplus is normally spent by you over a period of time or it simply lies idle. However, an intelligent investment of such a lump sum amount can go a long way in ensuring a bright future for you.

Keeping this in mind Kotak Life Insurance brings to you Kotak Single Invest Advantage, a hassle-free unit linked plan, where you invest once and reap the benefits throughout the policy term. Coupled with easy liquidity and a wide array of funds we ensure that your investments work for you and not vice versa.

#### **Note**

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

Linked Insurance Products do not offer any liquidity during the first five years of the contract. The policyholder will not be able to surrender/withdraw the monies invested in Linked Insurance Products completely or partially till the end of the fifth year.

## How does this plan work?

### Convenience of One Time Investment

In this plan, a single premium enables you to enjoy the benefits of investment and insurance throughout the policy term. There is no obligation of future payments, which means that now you can sit back and relax.

### Added Advantage of Loyalty Additions<sup>7</sup>

While your money remains invested, Loyalty Additions on your investment is an added advantage. Thus, your single premium earns extra for you and adds to the returns. The Loyalty Additions are as follows:

Premium Amount	Loyalty Addition
₹ 50,000 to ₹ 1,99,999	2.25%
₹ 2,00,000 & above	3.00%

### Wide Array of Funds to Suit your Risk Profile

Some of you might be aggressive and look for maximum equity exposure while others might be cautious and would like safety of capital. Whatever be your investment style, Kotak Single Invest Advantage offers you fund options to match your risk profile and investment objective.

Fund Option	Investment Objective	Risk-Return Profile	Equity	Debt	Money Market
Classic Opportunities Fund (ULIF-033-16/12/09-CLAOPFND-107)	Aims to maximize opportunity for long term capital growth, by holding a significant portion in a diversified and flexible mix of large / medium sized company equities.	Aggressive	75-100%	0-25%	0-25%
Frontline Equity Fund (ULIF-034-17/12/09-FRLEQFND-107)	Aims for a high level of capital growth for you, by holding a significant portion in large sized company equities	Aggressive	60-100%	0-40%	0-40%
Dynamic Bond Fund (ULIF-015-15/04/04-DYBNDFND-107)	Aims to preserve capital by investing in high quality corporate bonds and generating relatively higher fixed returns	Conservative	-	60-100%	0-40%
Dynamic Gilt Fund ULIF-006-27/06/03-DYGLTFND-107	Aims to provide safety to capital by investing in Govt. Securities where default risk is close to zero	Conservative	-	80-100%	0-20%
Money Market Fund SFIN-ULIF-041-05/01/10-MNMKFFND-107	Aims to protect your capital and not have downside risks.	Secure	-	-	100%
Discontinued Policy Fund* ULIF-050-23/03/11-DISPOLFND-107	Aims to provide secure returns to policies in the discontinued state, by investing in low-risk debt instruments.	Secure	-	0-100%	0-100%

\*The asset categories under the discontinued policy fund may vary in future in line with relevant IRDA Regulations / Circulars.

## Option to Switch

Attractiveness of an asset class depends both on your requirements and on the market conditions. It therefore becomes very important that your plan gives you the flexibility to move your investments from one fund to another. Under Kotak Single Invest Advantage, you have 12 free switches thereby enabling you to choose the right fund as per market conditions.

## Death Benefit<sup>2</sup>

Kotak Single Invest Advantage offers you protection along with the investments. There are two options available for Sum Assured.

In case of death of Life Insured during the term of the policy, the Death Benefits under each of these options are:

### Option I (Basic Sum Assured = 5 X Single Premium) :

- First Year : Higher of:
  - Basic Sum Assured or
  - 105% of the Single Premium or
  - Fund Value in Main AccountPlus  
Higher of:
  - Top-Up Sum Assured, or
  - Fund Value of Top-Up Account or
  - 105% of the Top-Up Premium  
(in respect of each Top-Up Premium paid (if any))
- Second Year onwards : Higher of:
  - 25% of Basic Sum Assured (5 times of Single Premium) or
  - 105% of the single premium or
  - Fund Value in Main AccountPlus  
Higher of:
  - Top-Up Sum Assured, or
  - Fund Value of Top-Up Account or
  - 105% of the Top-Up Premium  
(in respect of each Top-Up Premium paid (if any))

### Option II (Basic Sum Assured = 1.25 X Single Premium) :

- Throughout the term : Higher of:
  - Basic Sum Assured (1.25 times of Single Premium) or
  - 105% of the Single Premium, or
  - Fund Value in Main AccountPlus  
Higher of:
  - Top-Up Sum Assured, or
  - Fund Value of Top-Up Account
  - 105% of the Top-Up Premium  
(in respect of each Top-Up Premium paid (if any))

Please note : Applicable partial withdrawals, if any will get adjusted with the death benefit. Please refer to T&C Point No. 3 for details

## Maturity Benefit

On maturity under this plan, you will get:

- ♦ Fund Value in the Main Account, plus
- ♦ Fund Value in the Top-Up Account (if any)

### Tax Benefit:

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.

### Other Benefits

<b>Top-Up Premium<sup>1</sup></b>	Increase your investment contribution as and when you have surplus money
<b>Access to your Funds</b>	You have the convenience and flexibility to withdraw your money from year 6 onwards by way of Partial Withdrawals thus enhancing the liquidity. You may opt out of your investments without any charge through exit option <sup>3</sup> anytime after the 5 <sup>th</sup> policy year.
<b>Settlement Options<sup>4</sup> (available at maturity)</b>	Provides flexibility to receive the maturity benefits in the form of: <ul style="list-style-type: none"><li>• Lump sum payout in one go, or</li><li>• Part of it as a lump sum and part as installments</li><li>• Whole amount as installments</li></ul>

## Eligibility - A Ready Reckoner

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

Entry Age	Min: 3* years, Max: 65 years
Maturity Age	Min: 18 years, Max: 75 years
Policy Term	10 and 15 years
Premium Payment Mode	Single Premium
Single Premium	Min: ₹30,000. Max: No limit
Top-Up Premium	Min: ₹10,000 Max: Total Top-Up Premium paid shall not exceed Single Premium paid at that point of time.
Basic Sum Assured	Option I: Basic Sum Assured = 5 X Single Premium Option II: Basic Sum Assured = 1.25 X Single Premium
Top-Up Sum Assured	If age at the point of Top-Up is less than 45 yrs: 1.25XTop-Up Premium If age at the point of Top-Up is 45 yrs & above : 1.10XTop-Up Premium

\*For age 3 to 7 years, underwriting screening will apply.

## Illustration

For a premium of 1,00,000 the Fund Value at the end of 10 years and 15 years for age 35 years are given below:

Policy Term (Yrs)	Entry Age (Yrs)	Fund Value at Maturity (₹)		Net Yield at 8%
		Benefits at 4%	Benefits at 8%	
Option I (Basic Sum Assured- 5,00,000)				
10	35	112,355	165,642	5.63%
15	35	129,270	230,265	6.08%
Option II (Basic Sum Assured- 1,25,000)				
10	35	113,466	167,210	5.63%
15	35	130,579	232,444	6.08%

**Please Note:**

- The above illustrations assume 100% investment in Classic Opportunities Fund are extracts of separate, more detailed benefit illustrations. For full details please refer to the Benefit Illustrations.
- The above values are inclusive of service tax wherever applicable

## Charges

### Premium Allocation Charge

This is charged as a percentage of the Single Premium. The net premium is then allocated at the Net Asset Value (NAV)<sup>6</sup> prevailing on the date of receipt of premiums. The charge varies for premium bands as below.

Single Premium	Premium Allocation Charge
₹ 30,000 to ₹ 4,99,999	5%
₹ 5,00,000 and above	4%

Top-Up Allocation Charge will be 3% of the Top-Up Premium.

### Policy Administration Charge

The administration charge is a percentage of the Single Premium and will be recovered through monthly cancellation of units for the first 5 policy years. There is no administration charge from 6th policy year onwards.

Single Premium	Administration Charge
₹ 30,000 to ₹ 9,99,999	0.10% p.m., subject to a maximum of ₹ 500 p.m.
₹ 10,00,000 and above	Nil

### Fund Management Charge (FMC)

For efficient management of funds, a charge is levied as a percentage of the Fund Value and is adjusted in the Net Asset Value (NAV). The annual FMC of the funds in this plan are:

- |   |   |
|---|---|
| • Classic Opportunities Fund : 1.35% p.a. | • Dynamic Gilt Fund : 1.00% p.a.        |
| • Frontline Equity Fund : 1.35% p.a.      | • Money Market Fund : 0.60% p.a.        |
| • Dynamic Bond Fund : 1.20% p.a.          | • Discontinued Policy Fund : 0.50% p.a. |

## Mortality Charge

Mortality Charge is the cost of life cover levied by cancellation of units on a monthly basis. Given below are the annual charges per thousand Sum at Risk\* for a healthy individual.

Age (in years)	25	35	45	55
Mortality Charge	1.688	1.994	3.898	10.333

\* Sum at Risk for the Main Account = Death Benefit -Fund Value.

## Switching Charge

There is no charge for first 12 switches in a year under this plan. Thereafter a charge of ₹500 will be applicable for each additional switch.

## Partial Withdrawal Charge

Partial Withdrawals are not allowed in the first 5 years. From year 6 onwards, a part of the Fund Value can be withdrawn in any policy year. A charge of ₹500 per Partial Withdrawal from the Main Account will be charged.

## Miscellaneous Charge

The charge for replacement of policy contract is ₹500.



# Terms and Conditions

## 1. Top-Up Premiums

The aggregate of all Top-Up premiums during the policy term should not exceed the Single Premium paid till that point of time. Top-Up premiums will be invested in separate Top-Up Accounts, each with a lock-in of 5 years from the date of Top-Up. Each Top-Up will have a Top-Up Sum Assured of 125% or 110% of Top-Up amount depending on the age ₹\* the Life Insured at the time of payment of the Top-Up premium. Minimum Top-Up premium is 10,000. No Top-Ups will be allowed during the last five years of the policy term.

## 2. Death Benefit

The Insured Benefit (Basic Sum Assured or 25% of Basic Sum Assured, as applicable) shall be reduced by the amount of applicable Partial Withdrawals (please refer to section on Partial Withdrawals for details). Additionally, Higher of Top-Up Sum Assured less applicable Partial Withdrawals or Fund Value\* in the Top-Up account in respect of each Top-Up premium paid. This amount is paid in lump sum.

Death Benefit while the policy is in discontinued state:

Fund Value (in the Main and Top-Up Account) after addition of interest (subject to a minimum of the interest rate specified by Insurance Regulatory and Development Authority (IRDA), till the lock-in period of 5 years from inception), will be payable. Policy is terminated thereafter.

\*For policies issued on minor life, the date of commencement of risk will start anytime within two years or on the policy anniversary after attainment of majority whichever is earlier from the date of commencement of the policy. If death occurs prior to the date of commencement of risk, normal death benefit will be payable.

## 3. Partial Withdrawal

- Partial Withdrawals will be allowed after completion of five policy years.
- Partial Withdrawals are allowed on or after the life insured has attained 18 years of age.
- The minimum amount of Partial Withdrawal is ₹ 5,000. Partial Withdrawals should be in multiples of ₹ 1,000. Partial Withdrawal charges (as mentioned charge section) will be applicable.
- The minimum amount of ₹ 10,000 shall be required to be maintained after Partial Withdrawal; i.e. Partial Withdrawals that result in Fund Value being less than ₹ 10,000 will not be allowed. If the Fund Value in the Main Account (after Partial Withdrawal) subsequently falls below ₹ 10,000, either because of a charge or due to a fall in NAV, the policy will continue whilst the Fund Value remains positive.
- The Insured Benefit (Basic Sum Assured or 25% of Basic Sum Assured as applicable) will be reduced in case of Partial Withdrawals by the amount of Partial Withdrawals made during the two years period preceding the date of death (the applicable Partial Withdrawals). However, on attainment of age 60 all the Partial Withdrawals made from age 58 onwards will be set off against the Insured Benefit (the applicable Partial Withdrawals).
- Minimum death benefit will be subject to a floor of 105% of the Single premium paid.
- The partial withdrawals leading to termination of the policy shall not be allowed.

## 4. Settlement Option

This plan provides an option to receive the maturity proceeds as lump sum in one go, or part as a lump sum and part as installments or the whole amount as installments. Pre- selected periodic installments (yearly, half-yearly and quarterly only), can be taken for up to 5 years after maturity by informing the company within 3 months prior to maturity of the policy.

On selecting the Settlement Option, the number of units to be liquidated to meet each payment shall depend on the respective fund NAVs as on the date of each payment. Partial withdrawals and switches are not allowed during this period. During the settlement period, the investment risk in the investment portfolio is borne by the policyholder. If the Policyholder requests for pre-closure or the fund value is insufficient to pay the desired amount of installment during the settlement period (due to volatility in the market), then the balance Fund Value will be payable and the policy will be terminated. Life cover and other benefits are not provided during the settlement period. In case of death, the Fund Value shall be paid immediately as a lump sum.

## 5. Plan benefits on Discontinuance of the Policy

1) If Policy holder requests for policy discontinuance at any time during the first 5 years from inception (lock-in period).

Fund Value\* (in the Main and Top-Up Account) after addition of interest (subject to a minimum of the interest rate specified by Insurance Regulatory and Development Authority (IRDA), till the lock-in period of 5 years from inception), will be payable. Policy will be terminated thereafter.

2) If Policyholder requests for policy discontinuance at any time after the first 5 years from inception (lock-in period)

Fund Value without deduction of any charges will be payable will be paid out immediately and policy will get terminated.

## 6. Fund NAV's

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

Net Asset Value (NAV) =  $\frac{\text{Market Value of investment held by the fund} + \text{Value of Current Assets} - \text{Value of Current Liabilities \& Provisions, if any}}{\text{Number of Units existing on Valuation Date (before creation / redemption of Units)}}$

- The current cut-off time is 3:00 p.m. which may vary from time to time as per IRDA guidelines
- Transaction requests (including renewal premiums switches, etc.) by way of local cheques, demand draft, received before the cut-off time will be allocated the same day's closing NAV and the ones received after the cut-off time will be allocated the next day's closing NAV
- Where premiums are paid by outstation cheques or demand drafts, the closing NAV of the day on which cheque / demand draft is credited shall be applicable
- Premiums received in advance will be allocated on the scheduled due dates. No interest will be payable.

## 7. Loyalty Additions

The Loyalty Additions will be calculated as a percentage of the average Fund Value in the Main Account in the three years preceding the date of benefit payment. These additions will be available at the end of the 10th policy year (for policy terms 10 and 15 years) and at the end of the 15th policy year (only for 15 year policy term). Loyalty Additions are not applicable for single premiums below ₹ 50,000. They are paid subject to policy being in force i.e., not in the discontinued state.

## 8. 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. Partial assignment of policy is not allowed.

#### **9. Maximum Charge Level**

Kotak Life Insurance reserves its right to impose charges not beyond the level mentioned below (Subject to IRDA approval):

- The miscellaneous and switching charges may be increased to a maximum of 2,000.
- Mortality charges are guaranteed for the term of the policy.

#### **10. 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.

#### **11. General Exclusion**

- In the event of the Life Insured committing suicide within one year of the date of issue of the policy, only the Fund Value in the Main Account and Top-Up Account as on the date of death are payable.
- In the event of the Life Insured committing suicide within one year of the date of payment of a Top-Up Premium, only the fund value in the Top-Up Account as on the date of death is payable in respect of that Top-Up premium. For all other Top-Up premiums (outside the suicide exclusion period), the applicable Top-Up Sum Assured would be payable.

Any charges recovered subsequent to the date of death shall be payable.

#### **12. Service Tax and Education Cess**

Service Tax and Education Cess shall be levied on Fund Management Charge and Mortality Charge 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. Service Tax shall be levied over and above premium amount shown here as per applicable tax laws. Service tax is calculated on Charges shown in the detailed Benefit Illustration.

## 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 Old Mutual Life Insurance Ltd. is only the name of the Insurance Company and Kotak Single Invest Advantage 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.
- Please know the associated risks and the applicable charges, from your Insurance Agent or Corporate Agent / Insurance Broker or policy document of the insurer

### Section 41 and 45

#### **Section 41 of the Insurance Act, 1938:**

(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 for insurance 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.

<http://insurance.kotak.com>

Kotak Mahindra Old Mutual Life Insurance Ltd is a 74:26 joint venture between Kotak Mahindra Bank Ltd., its affiliates and Old Mutual plc. A Company that combines its international strengths and local advantages to offer its customers a wide range of innovative life insurance products, helping them take important financial decisions at every stage in life and stay financially independent.

Kotak Mahindra Group

[www.kotak.com](http://www.kotak.com)

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. The consolidated balance sheet of Kotak Mahindra group is over ₹ 1.17 lakh crore and the consolidated net worth of the Group stands at ₹ 17,228 crore (approx US\$ 2.9 billion) as on June 30, 2013. The Group has a wide distribution network through branches and franchisees across India, and international offices in London, New York, Dubai, Abu Dhabi, Mauritius and Singapore.

Old Mutual plc

[www.oldmutual.com](http://www.oldmutual.com)

Old Mutual plc 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 plc is listed on the London Stock Exchange and the JSE, among others.

Numbers as on 30<sup>th</sup> June 2013



[clientservicedesk@kotak.com](mailto:clientservicedesk@kotak.com)  
<http://insurance.kotak.com>



A JOINT VENTURE WITH  OLD MUTUAL

**Kotak Single Invest Advantage** UIN – 107L065V02, Form No. - L065, Reference No.: KLI/13-14/E-PB/201

Regd. Office: Kotak Mahindra Old Mutual Life Insurance Ltd. 4th Floor, Vinay Bhavya Complex, 159 A, C.S.T. Road, Kalina, Santacruz (East), Mumbai - 400 098. Website: <http://insurance.kotak.com>  
Email: [clientservicedesk@kotak.com](mailto:clientservicedesk@kotak.com). SMS KLIFE to 5676788, Toll Free No. – 1800 209 8800.

Insurance is the subject matter of solicitation. This is a unit linked non-participating endowment plan. The product brochure gives only the salient features of the plan. This document is not a contract of insurance and must be read in conjunction with the Benefit Illustration and Policy Document.