

Kotak Second Innings Plan



Enjoy the same life style even after you retire.



A JOINT VENTURE WITH  OLD MUTUAL

Faidey ka Insurance



Why should you invest in **Kotak Second Innings Plan?**

- ✓ **No premium allocation charge#**
to maximize your accumulation potential
- ✓ **Well defined fund options**
to suit your risk profile
- ✓ **Guaranteed Bonus¹ additions**
to enhance your fund value
- ✓ Enjoy **regular income** after your working life
- ✓ Flexibility to **choose your annuity options²**

#Other charges are applicable as mentioned in the section on charges



A JOINT VENTURE WITH  OLD MUTUAL

Faidey ka Insurance

KOTAK SECOND INNINGS PLAN

With a comfortable lifestyle and a happy family, today you are enjoying life to the full. Pause for a moment and think about tomorrow when you will stop working. Wouldn't you still want to give your family all these comforts and much more? The decisions you take today are going to shape your future. So you need to ensure that you take the right step now.

Introducing Kotak Second Innings Plan - a cost effective market linked plan which ensures that you save systematically and build wealth so that you can enjoy life even after you retire.

Note

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

How does this plan work?

Maximizes Retirement Wealth

You are investing your hard earned money with us and would like to see it being utilized to its fullest. Keeping this in mind, Kotak Second Innings Plan offers you full unit allocation throughout the policy term. This ensures that your investment moves swiftly towards accumulating wealth for your retired years.

Offers Avenues to Reach Retirement Goals

To meet your future retirement goals, it is really important for your investment to generate 'real' returns, i.e. returns that grow faster than inflation does. What makes Kotak Second Innings Plan your ideal choice is that it offers a range of well defined funds, each of which is carefully designed to suit your individual needs.

You can thus choose to distribute your investment across one or more funds as per your age, investment horizon and risk appetite.

Fund Option	Fund Objective	Risk-Return Profile	Equity	Debt (Including Money Market Instruments*)
Pension Classic Opportunities	Aims to maximize opportunity for long term capital growth by holding significant portions in a diversified and flexible mix of large/medium sized stocks	Aggressive	75% to 100%	0% to 25%
Pension Frontline Equity Fund	Aims for a high level of capital growth by holding a significant portion in large sized company equities	Aggressive	60-100%	0-40%
Pension Balanced Fund II	Aims for moderate growth by holding a diversified mix of equities and fixed interest instruments	Moderate	30-60%	40-70%
Pension Floor Fund II	Aims to provide stable, long-term inflation beating growth over medium to long-term and defend capital against short-term capital shocks	Cautious	0% to 75%	25% to 100%
Pension Bond Fund II	Aims to preserve capital by investing in high quality corporate bonds and generating relatively higher fixed returns	Conservative	-	100%
Pension Money Market Fund II	Aims to protect your capital and not have downside risks	Conservative	-	100%

*Investments in Money Market Instruments will not exceed 40%, except for Pension Money Market Fund II

Provides For a Comfortable Retirement

On your retirement, you may withdraw up to one third of the amount as a lump sum in cash and the balance shall be used to receive a pension (an annuity²) from Kotak Life Insurance or any other annuity provider approved by Insurance Regulatory and Development Authority (IRDA). The benefit on retirement will be:

- Fund Value in the Main Account (which includes Guaranteed Bonus¹), plus
- Fund Value in Top-Up Accounts, if any.

What can you gain by investing in Kotak Second Innings Plan?

Guaranteed Bonus¹ to Enhance Your Fund Value

Since saving for retirement is a long term goal, regular and systematic savings will help create a large accumulation. If you pay your premiums regularly, Guaranteed Bonus¹ as a percentage of your prevailing annualized premium will be added to your Fund Value in the Main Account as mentioned below.

	At the end of 10th policy year	At Maturity
Guaranteed Bonus ¹	15%	2% for each policy year from the 11 th policy year onwards

Choosing Your Retirement Age

You can select any retirement age (vesting age) starting from the age of 45 upto 99 years, subject to the policy terms available with this plan. At vesting, you will start receiving pensions as per your choice. The retirement age once selected may be pre-poned /postponed at a later date to fit your retirement needs, after giving the company at least a 3 months' notice. The retirement age selected will determine the term of your policy.

Switching Options

As you near maturity, to protect your investments from any market volatility, you can move your investments into safer fund options for capital preservation. To enable you to manage your investments better, you also have the flexibility to switch between funds anytime during the policy term.

Payout on Death

In the event of death, the beneficiary will receive the Fund Value in the Main Account and Top-Up Accounts, if any. This amount may be taken as follows:

- As a lump sum or
- Entire amount as an annuity²
- Partly as lump sum and the balance amount as an annuity

Tax Benefit:

You can avail of tax benefits under Section 80 CCC (1) of the Income Tax Act, 1961. Tax benefits are subject to change in the tax laws. You are advised to consult your Tax Advisor for details.

Options Available To You

Top-Up Premiums³	You can invest your surplus funds at any time as Top-Ups, thus adding to your savings potential.
Switching between the Funds	Switch as per your needs and accomplish objective of maximizing your returns.
Automatic Non-Forfeiture Mode (ANM)⁵	Enables your policy to remain intact, whilst your fund balance allows it, should you miss your premium payments or stop them all together.
Surrender	You can surrender the policy after completion of the 3 rd policy year provided premiums for 3 policy years have been paid, by paying the applicable charges. The amount payable on surrender is the Fund Value in Main Account less the Surrender Charge plus Fund Value in the Top-Up Account, if any.
Premium Payment Modes	You have the flexibility to pay premiums at intervals that suit you i.e. annually, half-yearly, quarterly or monthly. You may change the payment mode on policy anniversaries.

Eligibility - For Your Ready Reference

Entry Age	Min: 18 yrs Max: 89 yrs
Vesting Age	Min: 45 yrs Max: 99 yrs
Policy Term	10 yrs, and 15 yrs to 40 yrs
Annual Premium	Min: Rs.25,000 p.a. Max: No Limit

Plan Snapshot

Mr. Nikhil Arya is a 35 years old professional, working with a reputed firm. He lives with his wife and two kids and loves spending time with them. When retired, he wishes to take his wife on a world tour and make up for the lack of time during his working life. He knows that this is the right time to save in order to have his dreams realized on retirement.

Kotak Second Innings Plan is tailor-made for what Mr. Arya has in mind - a plan that systematically builds wealth for the future.

Given below is an illustration considering that Mr. Arya plans to retire at the age of 55 years and decides to contribute Rs. 50,000 yearly to achieve his retirement goals:

Non Guaranteed Benefits						
End of Year	Age (in Years)	Cumulative Annualized Premium	At an assumed growth of 6% p.a.		At an assumed growth of 10% p.a.	
			Fund Value (Rs.)	Death Benefit (Rs.)	Fund Value (Rs.)	Death Benefit (Rs.)
5	40	250,000	2,59,285	2,59,285	2,91,571	2,91,571
10	45	500,000	5,99,810	5,99,810	7,46,992	7,46,992
15	50	750,000	10,29,900	10,29,900	14,36,321	14,36,321
20	55	1,000,000	15,73,889	-	24,76,314	-

Net yield at 10% investment return: 8.21 % p.a.

Please note:

Mr. Arya is the life insured as well as the policyholder.

The above illustration is an extract of a separate, more detailed Benefit Illustration. For full details, please refer to the Benefit Illustration.

Charges

a) Premium Allocation Charge

There is no premium allocation charge in this plan for premiums towards the Main Account. All the premiums received are invested into the funds of your choice.

For Top-Up Premiums, the allocation charge is 2% of each Top Up premium received.

b) Fund Management Charge

To manage your money efficiently, an annual charge is levied as a percentage of the Fund Value and is adjusted in the Net Asset Value⁹ (NAV). The annual fund management charge for all fund options is 1.35%.

c) Policy Administration Charge

The administration charge is a percentage of the Initial Annualized Premium paid and will be recovered through monthly cancellation of units over the first 10 years. There will be no administration charge from the 11th policy year onwards. Monthly Administration Charges are as follows:

Initial Annualized Premium (Rs.)	Policy Year	
	1 to 5	6 to 10
Up to 1,49,999	0.70%	0.40%
1,50,000 to 4,99,999	0.60%	0.30%
5,00,000 & above	0.50%	0.20%

d) Mortality Charge

Mortality charge is not applicable for this plan.

e) Surrender Charge

In case you opt to surrender your policy before maturity, you will receive the Fund Value in the Main Account less the Surrender Charge plus the Fund Value in the Top-Up Accounts.

The Surrender Charges as a percentage of the Fund Value are as follows:

Policy Year *	4	5	6+
Surrender Charge	10%	5%	Nil

* If premiums are discontinued before the completion of 3 policy years, the policy lapses. Please refer to the section on Lapses⁵ under Terms and Conditions.

f) Switching Charge

The first four switches in a year are free. For every additional switch thereafter, Rs. 500 will be charged.

g) Miscellaneous Charge

The charges for alteration in the policy contract and revival⁷ are Rs. 500 per request. For premium redirection a fee of Rs. 100 will be charged.

Terms and Conditions

1. Guaranteed Bonus

Guaranteed Bonus will be credited to the Main Account at the end of the 10th policy year and at maturity if the policy is in force at that time.

The bonus is calculated as per the revised policy term in case the retirement age has been pre-poned or postponed.

2. Pension Options

The following pension (annuity) options are currently available with us under Kotak Lifetime Income Plan (UIN: 107N047V01):

- Lifetime Income
- Lifetime Income with cash-back
- Lifetime Income with term guarantee (of 5/10/15/20 years)
- Last survivor Lifetime Income

3. Top-Ups

Top-Up Premiums will be invested in separate Top-Up Accounts, each with a lock-in of 3 years from the date of Top-Up. The lock-in period will not apply in case the Top-Up Premium is injected during the last 3 policy years. Minimum Top-Up Premium is Rs. 10,000. There is no maximum limit to the amount that can be paid as a Top-Up.

4. Grace Period

30 days from due date for premium payment for Annual, Half Yearly and Quarterly mode and 15 days for Monthly Mode.

5. Lapses

If you are unable to pay your premiums for the first three policy years within the grace period, the policy shall lapse from the due date of unpaid premiums. Once the policy has lapsed, all policy benefits cease although the funds continue to remain invested. In case of death of the life insured during this period, Fund Value is payable. If a lapsed policy is not revived within two years of the first unpaid premium, the contract shall be terminated and the Surrender Value shall be paid out at the end of the third policy year or at the end of the revival period whichever is later. The charge used in determining the Surrender Value will be the charge applicable at the due date of the first unpaid premium as mentioned below:

Policy Year of Lapse	1	2	3
Surrender Charge	100%	80%	70%

6 Automatic Non-forfeiture Mode (ANM)

The Automatic Non-forfeiture Mode (ANM) facility enables your insurance policy to remain intact should you miss your premium payments or stop them altogether. ANM facility is available only after payment of first three years' premiums in full, provided the policy has completed 3 years. During this period, applicable Policy Charges continue to be deducted from the fund. The ANM facility is available until the end of two years from the due date of the first unpaid premium. At the end of two years from the due date of the first unpaid premium, the policy will be terminated by paying the applicable surrender value, unless the policyholder revives the policy or expresses in writing to continue the policy in ANM. If, at any point of time, the Surrender Value reduces to a level equal to one year's premium, the policy will be terminated on payment of at least one annualized premium.

7 Policy Revivals

A lapsed policy or a policy in ANM mode may be revived within 2 years from the date of the first unpaid premium by making payment of the premium in arrears with an additional revival charge of Rs.500.

8 Loans

No loan facility is available

9 Net Asset Value

The NAVs of funds are calculated and published in financial newspapers on a daily basis. Net Asset Value (NAV) = (Market Value of investment held by the fund +/- the expenses incurred in the purchase/sale of assets + value of Current Assets + any accrued income net of Fund Management Charges – value of Current Liabilities - Provisions) ÷ Number of outstanding units in the Fund

The basis used for unit pricing would be appropriation price or the expropriation price, whichever prevails on the valuation date. The Appropriation price shall apply when the Company is required to purchase assets to allocate the units at the valuation date. The Expropriation price shall apply when the Company is required to sell assets to redeem the units at the valuation date.

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 cut-off 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 cut-off time is 3:00 p.m. which may vary from time to time as per IRDA guidelines.

Premiums received in advance will be allocated on the scheduled due dates. No interest will be paid on such premiums.

10. Cap on Charges

Kotak Life Insurance reserves its right to impose charges up to the level mentioned below (Subject to IRDA approval):

- The miscellaneous, switching and withdrawal charges may be increased to a maximum of Rs.2,000.

11 Free Look Provision

The policyholder is offered 15 days free look period, from the date of receipt of the policy wherein the Policyholder may choose to return the policy within 15 days of receipt if he is not agreeable with any of the terms and conditions of the plan. Should he choose to return the policy, he/she shall be entitled to refund of the premium paid after adjustment for stamp duty and administration expenses. Alterations are allowed during the free look period.

12 General Exclusion

There is no exclusion in this plan.

13 Service Tax and Education Cess

Service Tax and Education Cess shall be levied on all applicable charges as per the prevailing tax 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.

14 Tax clause:

Taxes may be levied by the Company as per the Tax Laws and other Legislations prevailing in India. In the event of any amendments, or change (prospective and retrospective) to any of the provisions of the said Tax Laws and/or Legislations and /or in the event any interpretation adopted by the Company is held contrary to the position adopted by the Government Authorities, impacting the policy contract, the Company reserves the right to revise the premium(s) or the benefits(s) under this policy and/or modify the terms and conditions entailed in this Contract.

3 Easy steps to a carefree life after retirement

Step 1: Decide **how much you will need to save** regularly to secure your family's future and comfort

Step 2: Decide the **term of the policy** depending upon the age you would like to retire and the total amount you require to save for your retirement

Step 3: Select the **Fund Option**

If you would like to retire at the age of 55 years, given below are the details for selected ages.

Age	Vesting Age	Annual Premium (Rs.)	Fund Value (Rs.) @6% p.a.	Fund Value (Rs.) @ 10% p.a.
30	55	50,000	22,41,877	40,20,322
35	55	50,000	15,73,889	24,76,314
40	55	50,000	10,34,900	14,41,321
45	55	50,000	5,99,810	7,46,992

The life insured and the policyholder is assumed to be the same person.

While you ensure that your future is as happy and secure as your present, we ensure that your investments grow safely thus building a net of security for your future.

If you need any further information on how you can secure your family's future, our **Life Insurance Advisor** will be happy to hear from you.

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 Second Innings 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.
- Please know the associated risks and the applicable charges, from your Insurance Agent or the Intermediary 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 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.

www.kotaklifeinsurance.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. The Company is one of the fastest growing insurance companies in India and has shown remarkable growth since its inception in 2000. Kotak Life Insurance employs around 5,593 people in its various businesses and has 203 branches pan India.

The Kotak Mahindra Group

www.kotak.com

The Kotak Mahindra Group is one of India's leading banking and financial services organizations, with offerings across personal financial services; commercial banking; corporate and investment banking and markets; stock broking; asset management and life insurance. The Kotak Group has a net worth of Rs. 6,799 cr and has a distribution network through branches, franchisees, representative offices and satellite offices across cities and towns in India and offices in London, New York, San Francisco, Singapore, Dubai and Mauritius, servicing around 6.4 million customer accounts.

Old Mutual plc

www.oldmutual.com

Old Mutual plc is an international savings and wealth management company based in the UK. Originating in South Africa in 1845, Old Mutual is a Global 500 and FTSE 100 company, listed in UK, South Africa and other 3 African exchanges. The group has a balanced portfolio of businesses offering Asset Management, Life Assurance, Banking and General Insurance Services in over 40 countries, with a focus on South Africa, Europe and the United States, and a growing presence in Asia Pacific.

Numbers as on 30th June, 2009



A JOINT VENTURE WITH  OLD MUTUAL

Kotak Second Innings Plan – UIN-107L052V02, Form No.-L052, Ref No. - KLI/09-10/E-PB/181,
Kotak Lifetime Income Plan - UIN: 107N047V01

Kotak Mahindra Old Mutual Life Insurance Ltd. Regn. No.:107, Regd. Office: 9th floor, Godrej Coliseum, Behind Everard Nagar, Sion (East), Mumbai – 400022. Website:www.kotaklifeinsurance.com, Email: lifexpert@kotak.com

Insurance is the subject matter of the solicitation. This is a unit linked non-participating retirement plan. This document is not a contract of insurance and must be read in conjunction with the Benefit Illustration and Policy Document..

Faidey ka Insurance