

# Kotak Super Advantage



Reward your investments with  
guaranteed additions.



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## KOTAK SUPER ADVANTAGE

Every step in your life brings with it new learning. You are determined to make the best of it, so that you can look forward to a great future. How you shape your tomorrow depends greatly on how you build on your today.

Kotak Life Insurance introduces Kotak Super Advantage offering you a smart solution to put your savings to work today for a brighter tomorrow. It is a market linked plan with 100% premium allocation from the second year onwards, helping you accumulate wealth systematically over the long-term.

Kotak Super Advantage is a great combination of investment with insurance designed to enable you to make the best use of your hard-earned money that puts you right ahead.

### Note

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

# Why should you invest in Kotak Super Advantage?

- Guaranteed maturity addition of up to 280% of your first year premium
- Assured bonus addition to enhance your Fund Value at maturity
- 100% allocation of your premiums from second year onwards
- Unique funds offering you the maximum opportunity for growth as per your investment needs
- Protection for your loved ones to choose from

## How does the plan work?

Kotak Super Advantage optimizes the return on your premiums paid through a smart mix of guaranteed additions at maturity and 100% premium allocation from year 2 onwards.

The additions at maturity are a powerful combination of two benefits:

### A. Fixed Advantage

The Fixed Advantage is an assured value guaranteed at the end of your policy term. It is calculated as a percentage of your first year premium depending upon the policy term chosen:

Policy Term					
	10years	15years	20 years	25 years	30 years
Fixed Advantage	110%	160%	200%	240%	280%

### B. Dynamic Advantage

The Dynamic Advantage is an assured bonus addition credited to your Fund Value at maturity. This benefit is calculated as 3% of the average Fund Value of the last three policy years.

The combination of these two advantages lets you enjoy a fixed assurance and a dynamic benefit directly linked to your Fund Value, to help you progress comfortably and swiftly towards your goal. On maturity of your policy, you will receive the Fund Value plus Fixed Advantage and Dynamic Advantage.

Please Note: Fixed and Dynamic Advantage are paid provided your due premiums are paid on time. These benefits do not apply to Top-Ups.

# What can you gain by investing in Kotak Super Advantage?

## Smarter Avenues for Growth

Smart investing is based on the fundamental idea of regular savings and the power of compounding, which is a great way to multiply your money. It transforms small savings into jackpots if planned with a long-term vision and right investment fund options.

Kotak Super Advantage, with its power-packed and well-defined fund options, gives you unmatched benefits to maximize your earnings potential. Each of these funds is carefully crafted to suit your individual long-term needs.

Investment Option	Objective	Risk-Return Profile	Equity	Debt (Including Money Market Instruments*)
Classic Opportunities Fund	Aims to maximize opportunity for long-term capital growth by holding significant portion in a diversified and flexible mix of large/medium sized stocks	Aggressive	75%-100%	0%-25%
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%
Dynamic Floor Fund II	Aims to provide inflation-beating growth over medium to long-term through exposure to large-sized company stocks, whilst shielding the capital invested against short-term market volatility.	Cautious	0%-75%	25%-100%
Bond Fund	Aims to preserve capital by investing in high quality corporate bonds and generating relatively higher fixed returns	Conservative	-	100%

\* Investments in Money Market Instruments will not exceed 40%

You can distribute your investments across one or more funds based on your needs and goals, keeping in mind your time horizon and risk appetite. You also have the convenience of switching your monies between funds to balance your needs and risk appetite at different stages of life.

### Smarter Financial Protection for your loved ones

Kotak Super Advantage allows you to shoulder all your responsibilities to the fullest. In the unfortunate event of loss of life, your beneficiary will receive a life cover benefit<sup>2</sup> equal to the higher of:

Basic Sum Assured; OR  
Fund Value plus the Fixed Advantage

You have the flexibility to choose different cover options depending on your lifestage needs; as explained in the Eligibility section

### Smarter Savings to avail Tax Benefits

You can avail of tax benefits under Section 80C and Section 10 (10D) of Income Tax Act, 1961. Tax benefits are subject to change in the tax laws. You are advised to consult your Tax Advisor for details.

## Enhancing Your Options

You can further add value to your plan by opting for these additional features.

Top-Up Premiums <sup>3</sup>	You can invest your surplus funds at any time as Top-Ups, thus adding to your savings potential
Switching between the funds	Switch between fund options as per your needs and investment objectives to maximize your returns. Switching between Main Account and Top-Up Accounts is not allowed.
Partial Withdrawals <sup>4</sup>	Be able to meet any sudden or unforeseen expenses, from year 4 onwards by withdrawing up to 10% of the Fund Value in any policy year. For any withdrawals in excess of this limit, the Fixed Advantage will be revised.
Automatic Cover Maintenance <sup>5</sup>	Enable your insurance cover to remain intact, whilst your fund balance allows it, should you miss your premium payments or stop them all together.
Settlement Options <sup>6</sup>	Provides flexibility to receive your policy benefits at maturity in the form of: <ul style="list-style-type: none"> <li>• A lump sum payment; or</li> <li>• Equal installments over a maximum period of five years</li> </ul>

## Eligibility – A Ready Reckoner

This simple eligibility table will help you structure the plan as per your requirement.

Entry Age	Min: 0 years, Max: 65 years
Maturity Age	Min: 18 years, Max: 75 years
Policy Term	10 / 15 / 20 / 25 / 30 years For minors, minimum term –10 years or 18 less entry age (as on last birthday), whichever is higher, rounded to the next higher policy term available.
Premium Payment Term	Equal to the Policy Term
Premium Payment Modes	Yearly, Half-Yearly, Quarterly and Monthly
Premium	Min: Rs.15,000; Max : No Limit
Basic Sum Assured	Min: 5 x Annual Premium. Max: Policy Term x Annual Premium

## Plan Snapshot

25 year old Dinesh realizes the benefits of astute financial planning and wants to save for the long term in a systematic way. He is looking for a plan that gives him the comfort that his savings are working towards optimising his growth potential in the long run.

Dinesh has found the solution to his needs in Kotak Super Advantage. Given below is an illustration of the benefits payable to him for an annual premium of Rs. 40,000 for a 30 year term with a guaranteed Basic Sum Assured of Rs. 200,000:

		Non-Guaranteed Benefits at 6%		Non-Guaranteed Benefits at 10%	
Age in years	Cumulative Annual Premium (in Rs.)	Fund Value (Rs.)	Death Benefit (Rs.)	Fund Value (Rs.)	Death Benefit (Rs.)
35	4,00,000	4,32,629	5,44,629	5,28,960	6,40,960
40	6,00,000	7,56,339	8,68,339	10,36,627	11,48,627
45	8,00,000	11,57,618	12,69,618	17,94,485	19,06,485
50	10,00,000	16,54,774	17,66,774	29,25,715	30,37,715
55	12,00,000	22,69,941	-	46,13,704	-
		Fixed Advantage (in Rs.)	1,12,000	Fixed Advantage (in Rs.)	1,12,000
		Dynamic Advantage (in Rs.)	64,143	Dynamic Advantage (in Rs.)	1,26,904
		Fixed Advantage + Dynamic Advantage (as % of first year premium)	440%	Fixed Advantage + Dynamic Advantage (as % of first year premium)	597%
		Maturity Benefit (in Rs):	24,46,084	Maturity Benefit (in Rs):	48,52,608
				Net Yield	8.16%

Please note:

- The Maturity Benefit is equal to Fund Value plus Fixed Advantage and Dynamic Advantage
- The above Illustration is an extract of a separate, more detailed Benefit Illustration. For full details, please refer to the Benefit Illustration.

## Charges

### Premium Allocation Charge

First year's premium is not allocated to the investment funds. From year 2 onwards, there will be no premium allocation charge on your premiums and the premiums you pay towards your Main Account will be fully allocated.

An allocation charge of 1% will apply to Top-Up premiums.

### Fund Management Charge

To manage your money efficiently, an annual charge is levied as a percentage of the Fund Value and will be deducted on a daily basis by adjusting the Net Asset Value<sup>7</sup> of your fund. The fund management charge for all the available fund options is 1.35% p.a.

## Policy Administration Charge

The administration charge is a percentage of the annualized premium paid and will be recovered through monthly cancellation of units throughout the term of the policy.

The charge will be 0.25% per month of the annual premium for premium amount up to Rs. 50,000. For the portion of premium above Rs. 50,000 the charge will be 0.1% per month.

This charge will be applicable from the 2<sup>nd</sup> year onwards till the end of the policy term.

## Switching Charge

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

## Surrender Charge

Surrender is allowed only after three policy years provided premiums for three policy years have been paid<sup>8</sup>. On Surrender, the amount payable is the Fund Value less the surrender charge. The surrender charge is applicable on the Main Account and is a percentage of the Fund Value.

Surrender charge as mentioned in the table below will apply -

Policy Year*	4	5	6+
Charge	4%	2%	Nil

\* If premiums are discontinued before completion of 3 Policy Years, refer to "Lapses" (Terms and Conditions, Item No. 8.).

Once the surrender value is paid, your policy will be terminated.

Surrender Charge does not apply to your Top-Up Premiums.

## Partial Withdrawal Charge

Partial Withdrawals are not allowed in the first 3 years. From year 4 onwards, a part of the Fund Value<sup>4</sup> in any policy year can be withdrawn and the charge applicable as a percentage of the amount withdrawn is the same as that for surrender.

Besides the Partial Withdrawal charges, there are no other charges for the first two withdrawals in a policy year. There is an additional charge of Rs. 500 per withdrawal for the third and subsequent withdrawals in a policy year from the Main Account.

These charges do not apply to your Top-Up Accounts.

## Mortality Charge

No Mortality Charges are levied in the first year. From year 2 onwards, the cost of life cover will be 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 = Death Benefit - Fund Value

## Miscellaneous Charge

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

# Terms and Conditions

1. The Fixed Advantage reduces when the policy enters the Automatic Cover Maintenance mode or in case of any premium reduction. It will be revised based on average of the premiums paid during the premium payment term (i.e. sum of premiums paid divided by original premium payment term). Dynamic Advantage will cease to apply during ACM. However both benefits will be reinstated on policy revival.

Premium alterations are permitted only after the first 3 policy years

2. In case the life insured commits suicide during the first year of the plan or within one year from the date of revival, the beneficiary will receive the Fund Value only (including any Fund Value in Top-Up Account). If death occurs within five years from the date of commencement and the life insured has not attained age 18, the death benefit would be greater of all the premiums paid or the Fund Value in the Main Account plus any Fund Value in the Top-Up Account.
3. Top-Up Premiums will be invested in separate Top-Up Accounts, each with a lock-in period of 3 years from the date of Top-Up, except during the last 3 policy years. Minimum Premium per Top-Up is Rs.10,000 In Top-Up Accounts, investments can be up to a maximum of 25% of the cumulative premiums paid up to the date of Top-Up.
4. Partial Withdrawals will be allowed after completion of three policy years and provided three full years' premiums are paid and if the life insured has attained 18 years of age. Minimum amount for Partial Withdrawal is Rs. 10,000. Partial Withdrawals should be in multiples of Rs. 1,000.

The sum of Partial Withdrawals in any policy year should not exceed 10% of the Fund Value at the time of withdrawal (excluding Top-Up Accounts Fund Value). For Partial Withdrawals beyond this limit, the Fixed Advantage will be revised to 100% of the average premium paid during the policy term. Partial Withdrawals must be made first from the qualifying Top-Up Accounts. Minimum balance of one annualized premium should be maintained in the Main Account after partial withdrawal.

Partial Withdrawals will have the following effect on your Sum Assured: (1) Up to the age of 60 years, Sum Assured payable on death is reduced to the extent of Partial Withdrawals made in the preceding two years (2) After the age of 60 years, Sum Assured payable on death is reduced to the extent of all Partial Withdrawals made from age 58 years onwards.

5. The Automatic Cover Maintenance facility is available only after payment of first three years' premiums in full and the policy has completed 3 years. During this period, the Fixed & Dynamic Advantage will be altered as explained in point (1) above. However, the Death Benefit to the life insured will remain intact until the Fund Value in the Main Account is sufficient to cover applicable Policy Charges. During this period, applicable Policy Charges continue to be deducted from the fund. The Automatic Cover Maintenance facility is available until the end of two years from the due date of the first unpaid premium or until the Surrender Value reduces to a level equal to one year's premium after deduction of applicable policy charges, whichever is earlier. After 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 expresses in writing to continue the policy in Automatic Cover Maintenance mode.

6. On selecting the Settlement Option on maturity, the value of the payments will depend on the number of units and 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. Life cover and other benefits are not provided during the settlement period.

You can elect to receive a percentage of the maturity proceeds in cash or by way of pre-selected periodic installments, for up to 5 years after maturity by informing the company within 3 months prior to maturity of the policy.

7. The NAVs of your fund 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) divided by 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 in a situation when the Company is required to purchase assets to allocate the units at the valuation date. The Expropriation price shall apply in a situation 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 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 IRDA guidelines.

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

8. If premium for the first three policy years is not paid in full and within the grace period (15 days for monthly mode and 30 days for other modes), policy lapses and all benefits (including Life Cover, Fixed Advantage and Dynamic Advantage) will cease. If the policy is not revived within two years of the first unpaid premium, the contract shall be terminated. In case the policy lapses before paying any part of the 2<sup>nd</sup> year's premium, 10% of the premium(s) paid (excluding any extra premiums) will be payable at the end of the third policy year. In case of lapse during second or third policy year, the surrender value will be paid out at the end of the third policy anniversary. Surrender charge applicable in the year of first unpaid premium (as mentioned below) will be used to calculate surrender value.

Year of Lapse	2	3
Surrender Charge	70%	50%

The policy can be revived within 2 years from the date of first unpaid premium. Revival can be done without proof of good health, if the payment of the outstanding premiums is made within six months from due date of the first unpaid premium. Thereafter to revive the policy, proof of good health would be required with payment of outstanding revised premiums, subject to underwriting. All policy benefits will be reinstated on revival.

9. No loan is available under this product.
10. Kotak Life Insurance reserves its right to impose charges not beyond the level mentioned below (Subject to IRDA approval):
- The miscellaneous, switching and withdrawal charges may be increased to a maximum of Rs.1,000.

However, Mortality charges are guaranteed for the term of the policy.

11. 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 adjustments for expenses for medical examination (if any), stamp duty and proportionate risk premium for the period of cover. Alterations are allowed during the free look period.
12. Service Tax and Education Cess shall be levied as per the prevailing tax laws and/or any other laws on all the applicable charges and shall be deducted by cancellation of units. Service Tax and Education Cess in the first year are covered by non-allocated premium.

# Optimal Financial Planning In 5 Easy Steps

Now that you are aware of the Kotak Super Advantage details, here's how you can structure your financial planning in 5 easy steps:

- Step 1:** Decide how much you want to save in a year to fulfill your financial goals, payable as the premium amount.
- Step 2:** Decide the term of the policy, the number of years you want to save, depending on your age and priorities.
- Step 3:** Decide your life cover, based on your financial protection needs.
- Step 4:** Choose your fund options to suit your risk appetite and financial goals

While you save systematically and enjoy returns; we work towards enhancing your savings safely and smartly, thus steering you surely and steadily towards your dreams.

If you need any further information on how you can start investing in this plan, our Life Insurance Advisor will be happy to hear from you.

Here's looking forward to a bright tomorrow – today!

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## 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 Super 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 the Intermediary or policy document of the insurer.

## Section 41 and 45

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.

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](http://www.kotaklifeinsurance.com)

Kotak Mahindra Old Mutual Life Insurance 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](http://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](http://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



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

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