

Kotak Ace Investment (UIN-107L064V02)

a. Available Funds:

1. Balance Fund (ULIF-037-21/12/09-BALKFND-107)
2. Classic Opportunities Fund (ULIF-033-16/12/09-CLAOPPFND-107)
3. Money Market Fund (ULIF-041-05/01/10-MNMKKFND-107)
4. Frontline Equity fund (ULIF-034-17/12/09-FRLEQUFND-107)
5. Kotak Dynamic Bond Fund (ULIF-015-15/04/04-DYBNDFND-107)
6. Kotak Floating Rate Fund (ULIF-020-07/12/04-DYFLTRFND-107)
7. Kotak Gilt Fund (ULIF-006-27/06/03-DYGLTFND-107)
8. Floating Rate Fund (ULIF-040-28/12/09-FLTRKFND-107)

Please refer Annexure FD for the description of Funds currently available.

b. Definitions :

Act:

Means Insurance Act, 1938

Age

Refers to the age at last birthday of the Life Assured

Beneficiary:

Means the nominee/legal heir/Assignee specified by the Policyholder as the Beneficiary under this Policy or a person directed by the Court of competent jurisdiction.

Date of Issue:

As mentioned in Schedule.

Date of Commencement:

As mentioned in Schedule.

Minimum Age & Maximum Age:

The Minimum age of the Life Insured at entry is 0 years and the Maximum age is 65 years. The Maximum age at maturity is 75 years.

Premium:

Means the total initial basic premium and subsequent premiums due and payable under the Policy towards the Main Account.

Basic Sum Assured:

Means the risk cover (as given in the Schedule) guaranteed on death of the Life Insured.

Top-Up Premiums:

Means additional sums paid towards the Top-Up Accounts.

Main Account:

Consists of units purchased through Premiums.

Top-Up Accounts:

Consists of units purchased through individually allocated Top-Up Premiums, if any.

Top-Up Sum Assured:

Means the risk cover in respect of Top-Up Premiums, if any paid and guaranteed on death of the Life Insured.

Benefits:

Benefits available under the Policy contract shall be in the event of death of the Life Insured or upon maturity or on discontinuance of this Policy contract. Details of these are mentioned under the "Benefits Payable" clause, to be read with the Terms & Conditions under this contract.

Grace Period:

Means the time granted by the Company i.e. 30 days from the due date for the payment of premium for annual, half-yearly and quarterly mode and 15 days for monthly mode without levy of any interest or penalty during which time the policy is considered to be in-force with the risk cover without any interruption as per the terms of the policy.

Notice Period:

The period of 30 days after the date of receipt by the Policyholder of the notice that premiums have not been paid and that the Policy will be discontinued.

Discontinued Policy Fund:

Means the fund of the Company that is set aside and is constituted by the Fund Value less Discontinuance Charges of all discontinued policies determined in accordance with Insurance Regulatory and Development Authority (Linked Insurance Products) Regulations, 2013 as amended from time to time.

Date of Discontinuance of the Policy:

Means, the date on which the Company receives the intimation from the Insured or the Policyholder about discontinuance of the Policy or the Surrender of the Policy or on the expiry of the Notice Period.

Discontinuance:

Means the state of a policy that could arise on account of non-payment of the contracted premium due before the expiry of the Notice Period.

Provided that no policy shall be treated as discontinued if, before the expiry of the Notice Period, the premium has not been paid due to the death of the policyholder or the insured or both or upon the happening of any other contingency covered under the policy.

Lock-in-period:

Means the period of five consecutive years from the date of commencement of the policy, during which period the proceeds of the discontinued policies cannot be paid by the Company to the Policyholder or to the insured, as the case may be, except in the case of death or upon the happening of any other contingency covered under the policy.

Unit:



Unit means the interest of the unit holders in a fund, which consists of each unit representing one undivided share in the assets of a fund;

Net Asset Value (NAV):

The Unit price (NAV) will be calculated on each business day.

The Net Asset Value will be calculated as:

Market Value of Investments held by the fund + Value of Current Assets - Value of Current Liabilities & Provisions, if any

Number of Units existing on Valuation Date (before creation or redemption of any Units)

Unit prices will be available from the Company on request and/or on the website of the Company.

Unit price will be Appropriation or Expropriation Price (whichever prevails on the date concerned) which will be used for portfolio valuations for policyholders and for calculating benefits on Partial Withdrawal, Discontinuance, Maturity and Death.

Appropriate adjustments to unit prices may be made by the Company to give effect to any changes in the prevailing tax laws or other legislation.

Fund Value:

Fund Value is the product of the total number of units under a policy and the NAV. Wherever moneys are invested in several funds, the Fund Value will be the aggregate of the values computed separately for each fund.

The Unit Balance in respect of a particular Fund is the aggregate of the units bought (available monies allocated to this Fund, including money available on switching from another Fund at the Policyholders request, divided by the prevailing unit price) minus the units sold (amounts withdrawn by the Company periodically to meet charges, or amounts switched out of this Fund at the Policyholders request, divided by the prevailing unit price).

In determining the value of the Fund(s), the investments and other assets of the Fund(s) shall be valued at such values in accordance with the IRDA Regulations/Directions prevailing at that time. Due allowance shall be made for the expenses of the Fund(s), specified here under, and for any liability of the Fund(s) such as capital gains tax, capital levy or any other taxes.

c. Benefits Payable:

The following benefits are payable provided all the due Premiums have been paid up to date.

I. Maturity Benefit:

On survival of the Life Insured to the end of the Policy Term, the benefit available on maturity will be:

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

The above benefit will be reduced to account for current outstanding loans (including interest), if any.

Distribution of Maturity Benefit/Settlement Option:

The Policyholder will have following 3 options of taking the maturity proceeds and this should be intimated to the Company within 3 months prior to the date of the Maturity of the Policy.

- Entire maturity proceeds as an immediate payout in one go, OR
- Part of the maturity proceeds as a lump sum and part as instalments (as described below), OR
- Whole amount as instalments (as described below)

The instalments can be taken over a maximum period of five years. At the end of Settlement Period, the balance in the Main Account and Top-Up Account(s), if any will be paid out as one lump sum and the Policy will cease thereafter.

Details on Instalments:

1. At maturity, the Policyholder will pre-specify the instalment pattern to be followed (% of initial fund balance at maturity and mode e.g. quarterly, semi-annually or annually).
2. During this settlement period, the investment risk will be borne by the Policyholder.
3. The Policyholder should specify the choice of funds into which maturity amounts are to be maintained with the Company. Such selection of funds should be specified at the point of pre-settlement notification.
4. Switching between the funds will not be allowed during the settlement period.
5. Partial withdrawals and Top-Ups will not be allowed during the settlement period.
6. 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.
7. Life cover and other benefits are not provided during the settlement period. In case of death of Life Insured during Settlement Period, the balance Fund Value shall be paid immediately as a lump sum.
8. If the Policyholder requests for pre-closure or the Fund Value is insufficient (due to volatility in the Market) to pay the desired amount of instalment, then the balance Fund Value will be payable and the policy will be terminated.

No other charges except Fund Management Charge and the applicable taxes (currently service tax) are levied during this period. The Fund Management Charge will be adjusted in the NAV.

The Company may from time to time prescribe certain norms pertaining to minimum withdrawals/balance etc., to enable the Policyholder to maintain such balance subject to IRDA approval.

Note:

The Fund Value will be computed based on the closing Net Asset Value (NAV) on:

- i. the business day coinciding with the date of maturity if it is a business day; or

- ii. the next business day if the date of maturity falls on a holiday.

II Basic Death Benefit:

If all the due Premiums are paid upto date, the benefits available on the death of Life Insured will be

Highest of:

- Basic Sum Assured less applicable partial withdrawal amount (if any); or
- 105% of the Premiums paid up to the time of death; or
- Fund Value in Main Account.

PLUS

If any Top-up premium has been paid:

Highest of:

- Top-Up Sum Assured less applicable partial withdrawal amount (if any);
- Fund Value of Top-Up Account;
- 105% of the Top-Up Premium paid.
-

On the death of Life Insured from the start of the Grace Period until the end of Notice Period, the benefit payable will be:

Highest of:

- Basic Sum Assured less due unpaid premiums;
- 105% of the Premiums paid up to the time of death;
- Fund Value in Main Account.

PLUS

If any Top-up premium has been paid:

Highest of:

- Top-Up Sum Assured;
- Fund Value of Top-Up Account;
- 105% of the Top-Up Premium paid.

In case of any Partial Withdrawals made by the Policyholder, the Basic Sum Assured, Top-Up Sum Assured as well as 105% of Basic and Top-Up Premiums paid up to the time of death, will be adjusted as mentioned in Clause on Partial Withdrawals.

Distribution of Basic Death Benefit:

Basic Death Benefit is payable as a lump sum and no settlement option is available. Once this benefit is paid the Policy terminates and no further benefits are payable.

III. Benefit on Discontinuance of the Policy:

Upon discontinuance of the Policy following benefits are available:

a. Benefits on discontinuance during the Lock-in Period:

The Fund Value (Main Account plus Top-Up Accounts, if any) of the Policy will be credited to the Discontinued Policy Fund after deduction of Discontinuance Charges.

The amount of the Discontinued Policy after addition of interest (as specified by IRDA) will be payable to Policyholder only upon the completion of the Lock-in Period.

b. Benefit on Discontinuance after the Lock-in Period:

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

In the event of death after the Lock-in Period, refer to Clause on 'Discontinuance' under the terms and conditions.

Discontinuance applies to the whole Policy, Main and Top-Up Accounts will have to be discontinued together at one time. The benefit will be payable immediately. Once the benefit on discontinuance is paid, the Policy stands terminated.

d. Beneficiary:

The benefits under this policy are payable to:

- i. the beneficiary(ies) as identified by the Policyholder and recorded in this policy; or
- ii. the Assignee (in accordance with Section 38 of the Insurance Act, 1938); or
- iii. the Policyholder (as defined in Section 2(2) of the Insurance Act, 1938), where the Policyholder and Life Insured are two different individuals and beneficiaries and/or assignees have not been elected previously by the Policyholder; or
- iv. the Nominee(s) (in accordance with Section 39 of the Insurance Act, 1938); or
- v. in the event of the death of the Policyholder without identifying a beneficiary or making a valid nomination; the executors, administrators or other legal representatives of the Policyholder; or
- vi. to such person as directed by a court of competent jurisdiction in India.

The benefits shall be limited at all times to the monies payable under this Policy.

TERMS & CONDITIONS

1. Proof of Age:

The Premiums/Charges have been calculated on the basis of the age(s) of the Life Insured and/or the Policyholder as declared by him/her/them in the Proposal Form. If at a future date, the age(s) of the Life Insured and/or the Policyholder is/are found to be different from the age(s) declared, without prejudice to the Company's other rights and remedies including those under the Insurance Act, 1938, and any other laws then prevailing, the benefits will be calculated based on:

- the correct age(s) at entry;
- the premium rates/mortality charges then in force;
- the Premium paid on the policy;
- eligibility criteria

subject to any additional underwriting required, the other terms and conditions of the Policy remaining the same.

If at a future date, the age is found to be different from the age declared by the Policyholder/Life Insured, without prejudice to the Company's other rights and remedies including those under the Insurance Act, 1938, and any other laws then prevailing, the Company will have the right to recover/refund the difference in the Premium as the case may be from the Policyholder during the Policy term or at the time of settlement of his/her claim.

If it is found that the age of the Life Insured is beyond the maximum cover limit. The Company has the right to cancel the Policy and pay the surrender value (if any) to the Policyholder/claimant.

2. Payment of Premiums:

The annual Premiums, as aforesaid are payable in advance on the anniversary of the date of commencement of the Policy. With the consent of the Company, the Premiums can be paid by half-yearly, quarterly or monthly instalments.

In case of annual, half-yearly and quarterly instalments a grace period of 30 days and in case of monthly mode a grace period of 15 days from the due date of premium payment will be allowed. Thereafter from the end of Grace Period until the expiry of the Notice Period the Policyholder can either revive or completely withdraw his policy without any risk cover.

The Fund Value of the Policy shall remain invested in the Fund(s) chosen; till the Policyholder exercises his/her option or till the expiry of Notice Period whichever is earlier. During this period, the Policy shall be deemed to be in force with risk cover as per terms and conditions of the Policy.

Premiums/Charges may be revised by the Company to give effect to any changes in the prevailing tax laws or other legislation. In the event of death of the Life Insured during the grace period and/or before the payment of the premium then due, and if the claim is

admitted, the Basic Sum Assured will be subject to deduction of due outstanding Premium at the time of death.

If all the due Basic Premiums are paid till date, the Policyholder has an option to make additional Top-Up Premium during the term of the Policy, being not less than an amount as shall be fixed by the Company from time to time. Currently, the minimum Top-Up Premium for this policy is Rs. 10,000/-. The total Top-Up premium paid shall not exceed the sum of all the regular premiums paid at that point of time. No Top-Up Premiums will be allowed in the last five years of the Policy Term.

A lock in period of five years from the date of payment of Top-Up Premium shall apply. For each Top-Up Premium, following Top-Up Sum Assured will be applicable:

- Life Insured's age below 45 years at the time of payment of Top-Up Premium: $1.25 \times \text{Top-Up Premium}$
- Life Insured's age 45 years and above at the time of payment of Top-Up Premium : $1.10 \times \text{Top-Up Premium}$
-

Each Top-Up Premium will be held in a separate Top-Up Account after deducting the relevant charges (refer Clause on Charges). After completion of the Lock-in Period, Top-Up Account can be utilised for payment of regular Basic Premium.

It shall not be obligatory on the Company to issue any communication to a Policyholder conveying that his/her premium paying instrument (including those for any other payments under the Policy) has bounced and/or any standing instructions by the Policyholder to a bank has not been honoured, thereby resulting in non-payment/non-receipt of the premium(s)/payments under the Policy. As mentioned above it shall be the sole responsibility of the Policyholder to ensure that the premiums as mentioned herein (including for any other payments under the Policy) are duly and properly discharged.

3. Allocation of Available Monies to Fund(s) :

Available Monies means the Premium(s) paid after deducting applicable taxes/levies etc. Available Monies will be used to buy units of the Funds that the Policyholder has elected to invest in.

The Policyholder must inform the Company of the percentage allocation to each Fund. Separate allocations should be given for the Main Account and each of the Top-Up Account(s). The allocation percentages, subject to IRDA Guidelines / Directions, mentioned in the Schedule will apply to Available Monies. As a result of differences in the performance of the selected Funds, the apportionment of the realizable value between these Funds will differ from the allocation percentages originally selected.

The Policyholder may elect to amend the allocation of Available Monies (premium redirection) in future. This will be effective from the Premium due date and will not affect the existing Fund Value.

Any change in the allocation percentages mentioned in the Schedule must be in writing and communicated to the Company and will be subject to premium redirection charge.

The Policyholder has the option to switch all or part of his/her holding from one Fund to another at any time subject to minimum switch amounts prescribed by the Company, from time to time. Switching shall be done by liquidating the units of one Fund at its prevailing Unit Price, and converting the money so realized into units of the desired Fund at its prevailing Unit Price.

It is clarified that switching between the Funds of Main Account and the Top-Up Account, or vice versa is not permitted.

Each Fund will be valued at the prevailing market price of the assets in that Fund.

The Company has the right to close any Fund at any time and can ask the Policyholder to select another Fund at that time. The Fund may be closed due to commercial reasons such as non-performance, non-availability of suitable assets, Regulatory restrictions etc. Further the Company may add more funds to those listed above or modify the existing funds from time to time, subject to the approval of IRDA. The Company will periodically liquidate such number of units as are necessary to meet certain charges referred to in Clause on Charges.

In case of First Premium, the NAV will be allocated of the day on which underwriting decision is taken or the Premium amount is realized, whichever is later. For renewal premiums, the allotment of units will be done only after the receipt of the premium. The premium will be treated as received the day on which the local cheque or the demand draft payable at par is received. In respect of premiums received with outstation cheques / demand drafts at the place where the premium is received, the closing NAV of the day on which cheque / demand draft is realized shall be applicable.

The Premium/Top-Up Premium will be treated as received on the day of realization of the outstation cheque / demand draft not payable at par. In case of Top-Up or Major Revival, the Top-Up/ Revival Premium shall be treated as First Premium, i.e., the NAV will be allocated of the day on which underwriting decision is taken or the premium amount is realized, whichever is later.

In respect of premiums/switch request received before 3 p.m. the closing unit price of the day on which the premium/switch request is received will be applicable. In respect of premium/switch request received after 3 p.m. the closing unit price of the next business day will be applicable. For written requests received for redemption of units by way of switch etc. before 3 p.m. the same day's closing unit price will be applicable. For such requests received after 3 p.m., next business day's unit price will be applicable.

- **Systematic Switching Strategy (SSS)**

Systematic Switching Strategy (SSS) will enable the Policyholder to switch his/her holding from one Fund to another in a systematic manner. The Policyholder may invest all or part of the holding in Money Market Fund and instruct the Company to transfer a proportion into Classic Opportunities Fund or Frontline Equity Fund on monthly basis. The minimum amount transferable under this strategy is Rs. 25000/- (Rupees Twenty Five Thousand).

SSS will be executed by redeeming the required number of units from Money Market Fund at the applicable unit price, and allocating new units in the Classic Opportunities Fund or



Frontline Equity Fund at the applicable unit price. The transfer shall be automatic and effected at the beginning of every month in the following manner.

Policy Month 1	1/12 of the units available at inception
Policy Month t	1/(13-t) of the units available at the beginning of Policy Month `t`
Policy Month 12	Balance units available at the beginning of Policy Month 12

The Policyholder will have the option to stop the SSS at any time during the policy term by giving a request in writing and it will become effective from the next monthly anniversary of the Policy after the receipt of request. The Policyholder may re-start the SSS at any time during the policy term by giving a request in writing and it shall take effect from the policy anniversary following the date of receipt of request.

The Systematic Switching Strategy will not be allowed when the Policy has been discontinued. This facility is also not available during notice period (starting from the end of the grace period till the end of the notice period). The SSS shall not be operative in the last policy year if the Policyholder has opted for Systematic Exit Strategy (mentioned below). SSS will not be allowed for Top-up premiums paid under the policy.

The manual switching facility will be allowed along with the SSS at the applicable charges.

- In this case, SSS will either be stopped or continued as confirmed by Policyholder.
 - In case of partial switch out of Money Market Fund, the SSS will continue to apply to the remaining Fund Value.
 - In case of complete switch out the effective amount transferred through SSS will become zero, and SSS will cease.
- **Systematic Exit Strategy (SES)**

Systematic Exit Strategy (SES) will enable the Policyholder to transfer the amount from Classic Opportunities Fund or Frontline Equity Fund to Money Market Fund over a 12 months period of the last policy year. The manner in which such transfer will take place is similar to SSS. The Policyholder may opt for the SES either at the inception of the policy or at any time prior to the last policy year. The Policyholder may stop the SES at any time by giving a request in writing.

4. Discontinuance of Policy:

Discontinuance of the Policy means the state of a policy that could arise on account of non-payment of the contracted premium due before the expiry of the Notice Period.

If, premiums are unpaid at the end of the Grace Period the Company within 15 days from the end of Grace Period shall send a notice to the Policyholder asking him/her to exercise the following options within a period of 30 days from the date of receipt of such notice.

- Revival of the Policy within two years; or
- Complete withdrawal from the Policy without any risk cover and making it a Discontinued Policy.

However, the Policy will not be treated as discontinued if, before the expiry of the Notice period, the premium has not been paid due to the death of the Policyholder or the Life Insured or both or upon the happening of any other contingency covered under the Policy.

From the start of the Grace Period until the end of Notice Period, the Fund Value will remain invested in the existing funds; till the Policyholder exercises the options as mentioned aforesaid or till the expiry of the Notice Period, whichever is earlier. During this period, the Policy shall be deemed to be in force with risk cover as per terms and conditions of the Policy and applicable charges shall be deducted. The investment risk during this time shall be borne by the Policyholder. After expiry of Grace Period, Top-Up Premiums, Fund Switching and fresh Assignment and Nomination shall not be allowed. After the expiry of the Notice Period, all benefits shall permanently cease to apply.

However, if the Policyholder fails to exercise the option of revival of the policy within the stipulated Notice Period of 30 days, the Policyholder shall be deemed to have exercised the option to discontinue the policy without any risk cover with effect from the end of the Notice Period. In such a case, the policy will be treated as a Discontinued Policy.

If the Policy is discontinued during the Lock-in Period, the Fund Value of the Policy (Fund Value in Main Account and Fund Value in Top-Up Account(s), if any) shall be credited to the Discontinued Policy Fund after deduction of Discontinuance Charges on the Date of Discontinuance. The Policyholder can revive the Policy within two years from the Date of Discontinuance. However, if the Policyholder fails to exercise the option of revival of the Policy within the stipulated revival period, the Policyholder shall be deemed to have exercised the option of complete withdrawal from the Policy and the Fund Value will be paid at the end of lock-in period or revival period, whichever is later.

Benefits payable on discontinuance of the Policy (due to non-payment of premium or when the Policyholder requests discontinuance of his/her policy):

During the Lock in period of first 5 years:

a) Where the Life Insured survives till the end of the Lock-in Period: The Fund Value of the Policy (Fund Value in Main Account and Fund Value in Top-Up Account(s), if any) shall be credited to the Discontinued Policy Fund after deduction of Discontinuance Charges. The proceeds of the discontinued policy after addition of interest (subject to a minimum interest rate as specified by the Insurance Regulator and Development Authority (IRDA)) shall be paid to the Policyholder, only after completion of the Lock-in Period.

b) On the death of the Life Insured during the Lock-in Period or after the end of the Grace period but before the end of the Notice Period:

Highest of:

- Basic Sum Assured less due unpaid Premium less applicable partial withdrawal amount (if any); or
- Fund value in the Main Account (if any); or
- 105% of the Premiums paid.

Plus,

In respect of each Top-up Premium paid,

Highest of,

- Top-up Sum Assured less applicable partial withdrawal amount (if any),
or

- Fund value in the Top-up Account (if any); or
- 105% of the Top-up Premiums paid

c) On the Death of the Life Insured after expiry of the Notice Period during the Lock-in Period

Balance in the Discontinued Policy Fund will be payable immediately.

After the Lock-in period of 5 years:

If the Premium are not paid after the completion of the Grace Period, the Company will send a 30 (thirty) days notice to the Policyholder within 15 (fifteen) days from the date of expiry of the Grace Period. During this notice period policy will be in force.

As per the notice the Policyholder will have following 3 (three) option:

1. Revive the Policy within a period of 2 years (as per Revival clause); or
2. Complete withdraw (surrender) from the Policy without any risk cover; or
3. Convert the Policy into the Reduced Paid-Up (as per the Reduced Paid-Up clause)

If, the Policyholder did not revert with any of the options mentioned above, the Policy will be considered with complete withdrawal (surrender) without any risk cover.

The Fund Value will be payable immediately on the date of discontinuance without deduction of any Discontinuance Charges, but after deduction of any current outstanding loans (including interest).

a) On the death of the Life Insured after the Lock-in Period i.e. till the end of Notice Period:

Highest of:

- Basic Sum Assured less due unpaid Premium less applicable partial withdrawal amount (if any); or
- Fund value in the Main Account (if any); or
- 105% of the Premiums paid.

Plus,

In respect of each Top-up Premium paid,

Highest of,

- Top-up Sum Assured less applicable partial withdrawal amount (if any), or
- Fund value in the Top-up Account (if any); or
- 105% of the Top-up Premiums paid.

Once the benefit on discontinuance is paid, the policy terminates.

5. Revival of Discontinued policy

The Policyholder can revive the Policy until the expiry of aforementioned Notice Period. Upon revival of the Policy the risk cover and investment in the respective funds will continue and there would be no revival charge.

The Policyholder may revive his/her discontinued policy within two years from the Date of Discontinuance, by paying all the due premiums on the date of revival without any interest or fee. The Company may levy Policy Administration charges and Premium Allocation charges as applicable during the Discontinuance period. Upon revival of the Policy any Discontinuance Charges deducted from the Fund at the time when the Policy was Discontinued will be added back to the current Fund Value of the Discontinued Policy Fund, and the amount will be utilised to buy units of the segregated funds chosen by the Policyholder, at the unit price (NAV) prevailing as on the date of such revival. Upon revival of the Policy the risk cover and investment in the respective funds will continue and there would be no revival charge.

All the benefits will be reinstated subject to underwriting and after realization of payment of due premiums. The revival of the Policy will be effective after the Company's approval is communicated in writing to the Policyholder.

The Company may, accept or decline the request for revival (made by the Policyholder in writing) or accept the request for revival on such terms and conditions as it deems fit. The revival of the Policy will be effective after the Company's approval is communicated in writing to the Policyholder.

6. Discontinuance due to Surrender/Surrender

The Policyholder can surrender (completely withdraw) the Policy without any risk cover at any point of time (i.e. within Lock-in Period or after Lock-in Period). To Surrender the Policy the Policyholder has to intimate the Company in writing.

Within Lock-in Period

On acceptance of request by the Company the Fund Value of the Policy will be transferred to the Discontinuance Policy Fund after deduction of Discontinuance Charges. The surrender amount (including interest rate as specified by the IRDA) shall be refunded after completion of the Lock-in Period and the policy gets terminated.

After Lock-in Period

However, if request is made after Lock-in Period the Fund Value will be paid immediately and the Policy gets terminated.

7. Partial Withdrawals:

The Partial Withdrawals are allowed only after completion of the Lock-in Period and the premiums of the Lock-in Period have been paid in full. Partial Withdrawal will only be allowed if the Life Insured has attained 18 years of age. The Partial Withdrawal from Main Account will be allowed only if there is insufficient amount

in the Top-Up Account(s) (if any) or the relevant Top-Up Account(s) are still in their lock-in periods of five years.

Premium payment from Top-Up Account to the Main Account will be treated as Partial Withdrawal from Top-Up Account.

The minimum amount of Partial Withdrawal is Rs.10,000. Currently, the minimum amount required to be maintained in the Main Account after Partial Withdrawal is one annual Premium. Further, Partial Withdrawals that result in Fund Value in the Main Account being less than one annual premium will not be allowed. If the Fund Value in the Main Account (after Partial Withdrawal) falls below one annual premium, either because of a charge or due to a fall in NAV, the Policy will continue whilst the Fund Value in the Main Account remains positive.

The Company may at any time, change such limits on Partial Withdrawal and minimum balance to be maintained in the Main Account, after Partial Withdrawal. Any such limits will be subject to approval by IRDA.

In case of Partial Withdrawal from the Main account, the Basic Sum Assured will be reduced, by the amount of Partial Withdrawals made during the two years preceding the date of death (the applicable Partial Withdrawals). However, once the Life Insured attains the age of 60 years, all the Partial Withdrawals made from age 58 years onwards will be set off against the Basic Sum Assured.

Similarly, Top-Up Sum Assured will be reduced in case of Partial Withdrawals from the Top-Up Account, by the amount of Partial Withdrawals made during the two years preceding the date of death (the applicable Partial Withdrawals). However, once the Life Insured attains the age of 60 years, all the Partial Withdrawals made from age 58 years onwards will be set off against the Top-Up Sum Assured.

8. Reduced Paid-up Option:

In case a Policy is discontinued after the Lock-in Period,

- The Policyholder will have an option to convert the Policy into Reduced Paid-Up with Reduced Paid-Up Sum Assured and continue with the Policy
- Reduced Paid-up Sum assured will be calculated as Basic Sum Assured multiplied by total premiums paid to the total premiums payable

Death Benefit under the Reduced Paid-Up Policy:

The Highest of:

- Reduced Paid-Up Basic Sum Assured*, or
- 105% of the premiums paid, or
- Fund value in the Main Account which will include any Loyalty Additions infused into the Main Account

Plus, in respect of each Top-Up Premium paid,

The Highest of the:

- Top-Up Sum Assured*, or
- 105% of the Top-Up Premium paid, or
- Fund value in the Top-Up Account

Where

Reduced Paid-Up Basic Sum Assured = Basic Sum Assured × Total Premiums Paid divided by Total Premiums payable under the Policy.

*Adjusted for applicable Partial Withdrawals as mentioned in Partial Withdrawal section.

9. Suicide Exclusion:

In the event of the Life Insured committing suicide within one year of the date of issue of the Policy, the Basic Sum Assured and Top-Up Sum Assured are not payable and only the Fund Value in the Main Account and Top-Up Accounts as on the date of death are payable.

- In the event of the Life Insured committing suicide within one year of the date of the revival of the Policy, when the revival is done within 6 months from the date of discontinuance, Suicide Exclusion shall not be applicable and the Death Benefit under the product shall be payable.
- However, in case of suicide within 1 year of the date of revival, when the revival is done after 6 months from the date of discontinuance, only the fund value in the Main Account and Top-Up Accounts 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, the Top-Up Sum Assured for that Top-Up Premium is not payable and 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.

10. Forfeiture of Policy:

The Policy will be forfeited if,

- the Fund Value in the Main Account is not sufficient to cover the Mortality, Extra Premium (if any) and Policy Administration Charges; or
- the Policy is discontinued; or
- any condition herein contained or endorsed hereon is contravened; or
- the Fund Value (Fund Value in Main Account and Fund Value in Top-Up Account(s), (if any) net of Discontinuance Charges is equal to the monies due to the Company for any outstanding loans (including interest), provided the Policy has completed lock-in period of five years;

11. Fraud / Misrepresentation:

In case of fraud or misrepresentation by the Policyholder/Life Insured, the Policy to that extend shall be cancelled immediately by paying the surrender value, subject to the fraud or misrepresentation being established by the Insurer in accordance with section 45 of the Insurance Act, 1938.

Further, the Insurer shall also have the right to cancel the Policy immediately by paying the surrender value, in the event of establishment of misrepresentation / non-disclosure of any change in the state of health of the Policy Holder/Life Insured and/or as to his / her occupation and / or any decisions about his / her existing policies or proposals during the period of signing of the Proposal form for until the issuance of the Policy by the Company.

12. Incontestability :

Section 45 of the Insurance Act, 1938:

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 a 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 Policyholder and that the Policyholder 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.

13. Loans:

Loan option is not available under this Policy.

14. Nomination and Assignment:

Nomination (as per Section 39 of the Act) and Assignment (as per Section 38 of the Act) facilities are available.

An Assignment of this policy 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 the policy is not allowed.

In case of discontinuance of the policy, fresh Nomination and Assignment will not be allowed. If the policy is already assigned, the status of the policy should be informed to the Assignee.

The Policyholder may at any time before the date of maturity of the policy, make or change a Nomination for the purpose of payment of the monies secured by the policy in the event of a death claim. Where the nominee is a minor, the Policyholder may appoint a person to receive the money during the minority of the nominee. Nomination shall be made or changed by an endorsement on the policy and by communicating the same in writing to the Company.

By recording the Assignment or registering the Nomination or change in Nomination, the Company does not express any opinion upon the validity nor accepts any responsibility on the Assignment or Nomination.

In case of Assignment the benefits of the Policyholder will be paid to the Assignee. Endorsing of an Assignment shall cancel any existing Nomination.

15. Charges:

Premium Allocation Charge

In respect of the Main Account:

This is a percentage of the Basic Annualized Premium appropriated towards charges from the Basic Annualized Premium received. This is a charge levied at the time of receipt of Premiums. The balance known as allocation rate constitutes that part of premium, which is utilized to purchase units for the policy.

The Premium Allocation Charges are as follows:

	Premium Allocation Charge		
	Policy Year 1 to 2	Policy Year 3 to 5	Policy Year 6 onwards until the end of premium payment term
All Premiums	6%	4%	2%

In respect of the Top-Up Account(s):

This is a percentage of the Top-Up Premium appropriated towards charges from the Top-Up Premiums received. This is a charge levied at the time of receipt of each Top-Up Premium. The balance known as allocation rate constitutes that part of the Top-Up Premium, which is utilized to purchase units for the policy in Top-Up Account. Top-Up Premium Allocation Charge is 2%.

Policy Administration Charges

Policy Administration Charge represents the charges other than those covered by the Premium Allocation Charges and the Fund Management Charge. This charge is met by

liquidating units at the beginning of each policy month from the Fund(s) invested in the Main Account. The administration charge is a percentage of the Basic Premium paid and will be recovered through monthly cancellation of units throughout the policy term:

Premium Bands	Policy Administration Charge
Up to Rs. 9,99,999	0.10% p.m. of Annualized Premium, subject to maximum of Rs. 500 per month
Rs. 10,00,000 and above	NIL

Fund Management Charge

This is a charge levied as a percentage of the value of assets and shall be appropriated by adjusting the Net Asset Value. This is a charge levied at the time of computation of Net Asset Value. The Fund Management Charge is as follows:

Fund	Charges as a % of the value of the assets in each fund of the Main / Top-Up Account
Classic Opportunities Fund (ULIF-033-16/12/09-CLAOPPFND-107)	1.35 % per annum
Frontline Equity Fund (ULIF-034-17/12/09-FRLEQUFND-107)	1.35 % per annum
Balanced Fund (ULIF-037-21/12/09-BALKFND-107)	1.35 % per annum
Dynamic Bond Fund (ULIF-015-15/04/04-DYBNDFND-107)	1.20 % per annum
Dynamic Floating Rate Fund (ULIF-020-07/12/04-DYFLTRFND-107)	1.20 % per annum
Dynamic Gilt Fund (ULIF-006-27/06/03-DYGLTFND-107)	1.00 % per annum
Money Market Fund (ULIF-041-05/01/10-MNMKKFND-107)	0.60 % per annum
Discontinued Policy Fund (ULIF-050-23/03/11-DISPOLFND-107)	0.50% per annum

Mortality Charges

Mortality charge is required to meet the benefits payable on death of Life Insured during each year. The Mortality charges, along with Extra Premium (if any) shall be met by liquidating units at the beginning of each policy month from the Fund(s) in the Main Account and Top-Up Account.

The annual mortality charge will be equal to Sum at Risk multiplied by the mortality rate (as shown in the table below).

Sum at Risk

For the Main Account:

The Sum at risk will be:

Highest of:

- Basic Sum Assured less due unpaid premium less applicable Partial Withdrawals; or
- 105% of the total regular premiums paid

Less, Fund Value in Main Account inclusive of Survival Units (if any)

For Top-up Premium Account:

The Sum at Risk will be:

Highest of:

- Top-up Sum Assured less applicable Partial Withdrawal amount (if any); or
- 105% of the total Top-up Premiums paid

Less, Fund Value in Top-up Account

For Reduced Paid-up Policy (applicable for Regular & Limited Premium Payment options):

The Sum at Risk (in the Main Account for Reduced Paid-up Policy) will be:

Highest of:

- Reduced Paid-up Sum Assured less applicable Partial Withdrawals.
- 105% of the total regular Premiums paid.

Less, Fund Value in Main Account inclusive of Survival Units (if any)

The Sum at Risk (in the Top-up Account for Reduced Paid-up Policy) will be:

Highest of:

- Top-up Sum Assured less applicable Partial Withdrawal amount (if any); or
- 105% of the total Top-up Premiums paid

Less, Fund Value in Top-up Account

Mortality Rates (per unit Sum at Risk)

Age	Mortality Charge	Age	Mortality Charge
0	0.001630	38	0.001996
1	0.000960	39	0.002140
2	0.000670	40	0.002328
3	0.000620	41	0.002495
4	0.000470	42	0.002638
5	0.000420	43	0.002795
6	0.000380	44	0.002997
7	0.000400	45	0.003248
8	0.000400	46	0.003548

9	0.000400	47	0.003899
10	0.000380	48	0.004298
11	0.000450	49	0.004747
12	0.000530	50	0.005244
13	0.000650	51	0.005819
14	0.000713	52	0.006443
15	0.000770	53	0.007116
16	0.000823	54	0.007839
17	0.000873	55	0.008611
18	0.000919	56	0.009433
19	0.000961	57	0.010294
20	0.000999	58	0.011025
21	0.001088	59	0.011951
22	0.001173	60	0.013073
23	0.001255	61	0.014391
24	0.001333	62	0.015904
25	0.001407	63	0.017612
26	0.001422	64	0.019516
27	0.001434	65	0.021615
28	0.001441	66	0.022724
29	0.001445	67	0.025617
30	0.001445	68	0.028823
31	0.001446	69	0.032372
32	0.001476	70	0.036294
33	0.001521	71	0.040623
34	0.001583	72	0.045392
35	0.001662	73	0.050639
36	0.001757	74	0.056404
37	0.001868	75	0.062728

Partial Withdrawal Charge

For each Partial Withdrawal from the Main Account in any policy year Rs.500 will be charged.

Partial Withdrawal Charge will not be levied for withdrawals made from the Top-Up Account.

Discontinuance Charges

The discontinuance charges will be applicable on Main Account only and not on Top-Up Accounts. The Discontinuance charge applicable on the Main Account will be:

Year during which policy is discontinued	Policy Year 1	Policy Year 2	Policy Year 3	Policy Year 4	Policy Year 5 & Onwards
--	---------------	---------------	---------------	---------------	-------------------------

For all Premiums	Lowest of: <ul style="list-style-type: none"> • 6% of AP, • 6% of FV, • Rs. 6000/-. 	Lowest of: <ul style="list-style-type: none"> • 4% of AP, • 4% of FV, • Rs. 5000/- 	Lowest of: <ul style="list-style-type: none"> • 3% of AP, • 3% of FV, • Rs. 4000/- 	Lowest of: <ul style="list-style-type: none"> • 2% of AP, • 2% of FV, • Rs. 2000/-. 	Nil
-------------------------	--	---	---	--	-----

Note: AP represents Annualized Premium and FV represents Fund value on the date of discontinuance. After Lock-in-period of five years no discontinuance charge will be levied.

Switching Charge

This is a charge levied on switching of monies from one fund to another within the Policy. This charge will be levied at the time of effecting switch and is a flat amount per switch. First two switches are free in any policy year. For every additional switch thereafter, there is a charge of Rs. 500 per switch. This may be increased to a maximum of Rs. 2000, with the approval from the IRDA.

Miscellaneous Charge

This is a charge levied for any alterations within the contract, such as, increase/decrease in Basic Sum Assured (without change in Premium), rider alteration, replacement of policy document etc. Currently for any such alteration request, the charge is Rs. 500. For premium redirection, the charge is Rs. 100. These charges may be increased to a maximum of Rs. 2,000, with the approval from the IRDA.

Statutory Taxes/Levies

The Fund Management Charges and Mortality Charges (including extra mortality charges, if any), are subject to Service Tax (including Education Cess and Secondary and Higher Education Cess on the same) and any other statutory levies as may be applicable from time to time. This may change as per Government Laws.

16. Notice

Any notice, information or instruction to the Company must be in writing and delivered to the address intimated by the Company to the Policyholder which is currently:

Customer Care,
 Kotak Mahindra Old Mutual Life Insurance Ltd,
 Kotak Towers, 7th Floor, Zone II,
 Building No. 21, Infinity Park, Off Western Express Highway,
 Goregaon Mulund Link Road, Malad East, Mumbai 400097
 Toll Free: 1800 209 8800

Fax No. 022 - 6725 7452
e-mail: clientservicedesk@kotak.com

The Company may change the address stated above and intimate the Policyholder of such change by suitable means.

The Policyholder is also advised to promptly notify the Company of any change in his/her address and/or that of his/her nominee.

Any notice, information or instruction from the Company to the Policyholder shall be mailed to the address specified in the proposal form or to the changed address as intimated to the Company in writing.

17. Claims

In the unfortunate event of death of the Life Insured, the benefit will be paid to the nominee/legal heir or to such other person(s) as directed by a Court of competent jurisdiction in India.

All claims payable will be subject to production of proof of the claim event satisfactory to the Company, such other requirements as stipulated by the Company and the legal title of the claimant, satisfactory to the Company.

The Company reserves its rights to condone the delay on merit for delayed claims, where the delay is genuine and proved to be for reasons beyond the control of the Life Insured/ claimant.

The Primary documents normally required for processing a claim are:

- Intimation of the claim event (duly supported by evidence of claim event), in writing and in the Company's format and signed by the beneficiary / nominee/ assignee/ legal heirs as the case may be. This intimation shall mention the following:
 - A statement that the claim event (i.e. death) has occurred along with the Death Certificate.
 - Details of the policy under which the insured is covered
 - Date of the claim event
 - Place of occurrence of claim event (i.e. residence/hospital etc.) and the address of such place
 - Bank Account Details
- Cause of claim event with supporting documents.
- Proof of claim event with supporting documents (e.g. original death certificate in the case of a death claim/hospital reports in the case of a critical illness claim etc.)
- If the claim event occurs due to any accident or unnatural causes, then certified copies of the First Information Report [FIR], the post mortem or the autopsy report and the coroner's statement plus any newspaper cuttings shall have to be submitted. Complete Police Report and post Mortem Report in relation to the accident of the life insured Where death occurs due to any car or motor accident where the life insured was the driver, a certified copy of the insured's driving license to be submitted.
- Original policy document.



- Proof of age of the Life Insured / Policyholder, if this has not been previously admitted by the Company (e.g. birth certificate, school leaving certificate etc.).
- Recent photograph of the beneficiary, as mentioned above.
- Current residential proof and identity proof of beneficiary, as mentioned above.
- Photocopy of Bank Pass Book/Bank Statement of beneficiary, as mentioned above showing name of Bank, location of Bank Branch, Name of Account Holder, Account No.
- Documents relied on for taking the said Policy.

The Company reserves the right to call for any additional information and documents required to satisfy itself as to the validity of a claim. The amount due under this policy is payable at the office of the Company situated at Mumbai, but the Company may fix an alternative place of payment for the claim at any time before or after the policy has become a claim.

18. **Free Look Provision**

The Policyholder is offered 15 days free look period (except policies sold through Distance Marketing channel - which will have 30 days), 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. If the Policyholder returns the Policy, within the aforesaid period he/she shall be entitled to a refund of the Fund Value on the date of cancellation plus the un-allocated premium (if any) plus any charge deducted by cancellation of units, after deducting proportionate risk charges, stamp duty and cost of medical examination, if any.

19. **Vesting on attaining majority**

Where the Policy has been issued on the life of a minor, the policy shall automatically vest on him/her with effect from the date of completion of 18 years of age and the Life Insured would be the holder of the Policy from such date. The Company shall thereafter enter into all correspondence directly with him. Any assignment or nomination of the Policy contrary to this provision would be null and void as against the Company.

In case the policy held by a minor, the Company shall till the date of his/her attaining majority seek instructions from and enter into all correspondence directly with the Legal Guardian whose details are made available to the Company. The Company shall not be held responsible vis-à-vis the Policyholder for any acts executed by it, based on any instructions issued to it by such a Guardian.

Annexure: FD

Allocation of monies to funds is subject to IRDA guidelines / directions.

Note: When markets are turbulent, the asset allocation percentages indicated below may be changed in the interest of the Policyholder, in all funds, subject to prior approval from IRDA.

Fund Descriptions

A) Money-Market Fund (ULIF-041-05/01/10-MNMKKFND-107):

The portfolio will consist of money market investments such as treasury bills, commercial paper, certificates of deposit, short-term deposits, debentures, bonds and Government securities etc.

	Minimum	Maximum
Short term Investments such as money market instruments, short term bank deposits, call money and cash	100%	100%

B) Dynamic Floating Rate Fund (ULIF-020-07/12/04-DYFLTRFND-107):

The portfolio will consist of high quality floating rate debt instruments including corporate debt and infrastructure debt assets as defined in IRDA regulations, Government securities and short term investments.

	Minimum	Maximum
Investment in Government / Government guaranteed securities / Investment in floating rate debt instruments	60%	100%
Short term Investments such as money market instruments, short term bank deposits, call money and cash	0%	40%

C) Dynamic Gilt Fund (ULIF-006-27/06/03-DYGLTFND-107):

The portfolio aims to provide safety to capital by investing in Govt. Securities.

	Minimum	Maximum
Investment in Government / Government guaranteed securities	80%	100%
Short term Investments such as money market instruments, short term bank deposits, call money and cash	0%	20%

D) Dynamic Bond Fund (ULIF-015-15/04/04-DYBNDFND-107):

The portfolio will consist of high quality debt instruments including corporate debt and infrastructure debt assets as defined in the IRDA regulations, Government securities and short term investments.

	Minimum	Maximum
Investment in Government / Government guaranteed securities Investment in other debt securities	60%	100%
Short term Investments such as money market instruments, short term bank deposits, call money and cash	0%	40%

E) Balanced Fund (ULIF-037-21/12/09-BALKFND-107):

The portfolio will consist of listed Indian equity shares, debt instruments including corporate debt, Government securities and short term investments to provide moderate capital appreciation whilst avoiding excessive risk.

	Minimum	Maximum
Investment in listed equity shares	30%	60%
Investment in Government / Government guaranteed securities and other debt securities and infrastructure assets	20%	70%
Short term Investments such as money market instruments, short term bank deposits, call money and cash	0%	40%

F) Frontline Equity Fund (ULIF-034-17/12/09-FRLEQUFND-107):

The portfolio will be professionally managed and primarily invested in listed equity and equity related investments. This will be a high risk portfolio with potential to earn high returns but coupled with high volatility of returns, which means that there can be negative returns in some year(s).

	Minimum	Maximum
Investment in equity shares / equity related Instruments	60%	100%
Debt instrument (including money market instruments)	0%	40%
Money Market Fund	0%	40%

G) Classic Opportunities Fund (ULIF-033-16/12/09-CLAOPPFND-107):

The portfolio will be professionally managed and primarily invested in listed equity and equity-related investments. The equity investments will comprise a flexible mix of large-cap companies and mid-cap companies.

The high equity exposure in particular to mid-cap companies, offers investors the potential to earn superior returns in the longer term, but exposes the investor to increased volatility of returns and capital values in the short to medium term.

	Minimum	Maximum
Investment in equity shares	75%	100%
Debt instruments	0%	25%
Money Market Instruments	0%	25%

H) Discontinued Policy Fund (ULIF-050-23/03/11-DISPOLFND-107):

The portfolio will be professionally managed and primarily invested in low risk debt instruments. This will be a low-risk portfolio and will provide secured returns to the policies in discontinued state.

	Minimum	Maximum
Investment in Government / Government Guaranteed Securities / Investment in other Debt Securities	0%	100%
Short term investments such as money market instruments, short term bank deposits, call money and cash	0%	100%

Note: The various fund names offered under this contract do not in any way indicate the quality of these plans, their future prospects and returns.