

SCHEDULE

Policy No. :

Plan Name : **Headstart Future Protect (Single life Plan)**

Plan Description : **Unit-Linked Endowment Assurance Plan.**

Participating: **No**

Name of the Policyholder :

Name of the Life Insured in full :

Date of Birth of Life Insured:

Gender of the Life Insured:

Life Insured's Age at Commencement :

Date of Commencement :

Date of Maturity:

Date of Issue :

Term of the Policy :

Client ID of Policyholder :

Premium Payment Term :

Whether Age at Commencement Admitted :

Death Cover:

**ALLOCATION OF AVAILABLE MONIES \***

The policyholder has elected to allocate available monies to the following fund(s):

	FUND NAME	ALLOCATION PERCENTAGES #
1	Dynamic Money Market Fund	
2	Dynamic Gilt Fund	
3	Dynamic Bond Fund	
4	Dynamic Floor Fund	
5	Dynamic Balanced Fund	
6	Dynamic Growth Fund	
7	Dynamic Floating Rate Fund	
8	Aggressive Growth Fund	
	TOTAL	

The total of the allocation percentages should equal 100%.

\* Available Monies are the basic premiums paid less Premium Allocation Charges (Please refer to Clause 13 for details of these and other expenses). For allocation of monies in Top up account a separate form provided by the Company needs to be filled.

\*\* Please refer Annexure (FD) for the description of Funds currently available.

# Allocation percentages are subject to IRDA guidelines / directions. Currently no more than 20% of the moneys can be invested in the Money Market Fund.

**DEFINITIONS**

**Premium**

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

**Top-up Premium**

Means additional sums paid towards the Top up accounts.

VIN: 107L037V01

Main Account consists of units purchased through Premiums

Top up Accounts consists of units purchased through individually allocated Top up Premiums.

**Basic Death Benefit :**

Subject to all premiums being paid:-

- the Basic Death Benefit will be the Death Cover in force at the date of death
- In the event of the death of the Life Insured, additional Death Benefit Cover is provided which will be equal to Basic premium \* Number of outstanding instalments.

**Distribution of Basic Death Benefit**

On the death of the Life Insured, the beneficiary(ies) will receive the Basic Death Cover, payable immediately as a lump sum.

The remaining benefit available on death of the Life Insured will be the fund value in the Main account plus the fund value in the Top up accounts plus additional Death Benefit Cover.

At the option of the Policyholder at outset or prior to death, this policy balance is available either immediately as a lump sum, or it will be distributable by way of equal instalments of Rs108 per Rs 1000 of policy balance, payable semi-annually over the next 5 years subsequent to the date of death or till maturity whichever is earlier (the last payment will be adjusted accordingly where the outstanding term is less than 5 years).

**Maturity Benefit**

Subject to the policy being in force, the benefit available on maturity shall be the fund value in the Main Account and the Top up Accounts, as on the date of maturity.

**Distribution of Maturity Benefit**

The Policyholder has the option to take their Maturity Benefit in pre-selected instalments over a five year period from the date of maturity. At the end of five years from the date of maturity, the balance in the Main Account and Top up Accounts will be paid out as one lump sum and the policy will cease. The Company may from time to time prescribe certain norms pertaining to minimum withdrawals/balance etc., to enable maintenance of such balance subject to IRDA approval.

Note: The fund value will be computed based on the closing NAV on:

- (i) the business day coinciding 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.

**Settlement Option**

The policyholder may take the maturity benefit in the following manner:

- (i) the entire maturity benefit in one lump sum (the policy then terminates), OR
- (ii) the maturity benefit may be taken in an instalment pattern specified by the policyholder at maturity, over a maximum period of five years ['settlement period'] subsequent to the maturity date, subject to the following conditions:-
  - a) At maturity, the policyholder will prespecify the instalment pattern to be followed (% of fund balance and mode e.g. monthly, quarterly, semi annually or annually).
  - b) During this settlement period, the investment risk will be borne by the policyholder.
  - c) Infusion of Top up premiums will not be allowed during the settlement withdrawal period
  - d) 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

#### Survival Units:

There will be additional survival units credited to the Main Account during the policy term, subject to the policy being in force (i.e. within the policy term and all premiums paid up to date). The survival units will be 1%, 1.5% and 2% of the average fund value at the end of 10th year, 15th year and 20th year respectively. The average fund value will be calculated as the weighted average value of funds in the three years preceding the survival unit allocation.

"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;

The **Fund value** is the product of the total number of units under a policy and the NAV. Wherever moneys are invested in several funds this 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 that Fund divided by the prevailing Unit Price) and the units added to the Fund by virtue of switching to this Fund from another Fund, minus the units sold (amounts withdrawn by the Company periodically to meet expenses divided by the prevailing Unit Price, or, amounts switched out of this Fund including partial withdrawals etc., divided by the prevailing Unit Price). Please refer Clause 13 for details of the charges.

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 to the IRDA Regulations/Directions prevailing at that time. Due allowance shall be made for the expenses of the Fund(s), specified hereunder, and for any liability of the Fund(s) such as capital gains tax, capital levy or any other taxes.

Expenses charged to the Fund(s) :

- a) All direct expenses related to the purchase, sale and valuation of the investments of the Fund(s).
- b) An annual management fee at the rates as mentioned in clause 13 under the head 'summary of charges' and collected daily or at such intervals as when the unit price is calculated.

The amount allocated to a Fund is the relevant allocation percentage multiplied by the available monies as described above.

The unit price will be calculated on each business day.

The **Appropriation price** shall apply in a situation when the Company is required to purchase the assets to allocate the units at the valuation date. This shall be the amount of money that the Company should put into the fund in respect of each unit it allocates in order to preserve the interests of the existing policyholders.

The **Expropriation price** shall apply in a situation when the company is required to sell assets to redeem the units at the valuation date. This shall be the amount of money that the company should take out of the fund in respect of each unit it cancels in order to preserve the interests of the continuing policyholders.

#### Net Asset Value (NAV)

The Net Asset Value will be calculated as :

$$\text{Net Asset Value (NAV)} = \frac{\text{Market Value of investments held by the fund} + / - \text{the expenses incurred in the purchase/sale of assets} + \text{Value of Current Assets} + \text{any accrued income net of fund management charges} - \text{Value of Current Liabilities} - \text{Provisions}}{\text{Number of units existing at the valuation date}}$$

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

Net asset value will be available from the Company on request and on the website of the Company. The Appropriation or Expropriation price (whichever prevails on the date concerned) will be used with respect to portfolio valuations for policyholders, in addition to terms for full or partial surrenders, maturity and death settlement options.

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.

**BENEFITS PAYABLE**

**A. Benefits payable on the death of the Life Insured :**

Product	Benefit Amount	Date Up To
Death Cover		
Rider - Accidental Death Benefit(*)		

**B. Benefits payable on disability of the Life Insured:**

Product	Benefit Amount	Date Up To
Rider - Permanent Disability Benefit (\$)		

**C. Benefits payable on the Life Insured suffering from a Critical illness :**

Product	Benefit Amount	Date Up To
Rider - Critical Illness Benefit (#)		

**D. Benefits payable on survival at Date of Maturity as mentioned above:**

Product	Benefit Amount	Payment Date
Basic Maturity Benefit		

**(\*) See Annexure (ADB) for specific terms and conditions.**

**(\$) See Annexure (PDB) for specific terms and conditions.**

**(#) See Annexure (CIB) for specific terms and conditions.**

(x) Please refer "Basic Death Benefit" under the Definitions section above.

(y) After benefit under this Rider is paid, the Death Cover will reduce in the same proportion that the Critical Illness Benefit paid bears to the Death Cover at the time of the claim. On the payment of this benefit, the mortality charges will be re-calculated based on the reduced Death Cover and the age at commencement of this policy.

(z) Please refer "Maturity Benefit" under the Definitions section above

**BENEFICIARY**

The benefits under this policy are payable to:

- i. the beneficiary(ies) as identified by the policyholder and recorded under the section titled Special Condition of the 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 beneficiary(ies) and/or assignees have not been elected previously by the policyholder
- 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.

**PREMIUMS PAYABLE**

Please note that under this policy the Premiums are payable by the Policyholder.

Mode of premium Payment : / /

Due date(s) of Future Premium Payments :

Amount of installment premium payable	Regular Premium(Rs.)	Extra Premium (Rs.) (&)	Date of Commencement	Date Last Premium Due
Basic Benefit Accidental Death Benefit (*)				

Total Premium Payable is the Basic Premium. Extra premium and charges/premiums for additional rider benefits are paid by the Policyholder via unit cancellations from the Main Account.

(%) On the accidental disability of the life insured (see Annexure (ADG) for specific terms and conditions) future premium payments for all other benefits shall be waived.

**Special Conditions, if any :**

Extra rate up of 50 % on mortality on Basic Plan.

**Name of the Beneficiary[ies] as identified by the Policyholder pursuant to condition 1 of the Section titled Beneficiary**

OR

**Name of Nominee(s) under Section 39 of the Insurance Act, 1938 :**

Name of the Nominee (s)	Name of the Appointee where Nominee is Minor	Entitlement (%)

Signed for and on behalf of Kotak Mahindra Old Mutual Life Insurance Limited at Mumbai on : / /

Authorised Signatory

## II. TERMS & CONDITIONS

### 1. Proof of Age

The premium has been calculated on the basis of the age of the life insured as declared by him/her in the proposal form. If at a future date, the age is found to be different from the age 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 policy will automatically be converted to a policy for an amended sum assured based on :

- the correct age at entry,
- the premium rates then in force, and
- the premiums paid on the policy,

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

If the correct age is such as would have made the life insured ineligible for any of the benefits (including riders) of this policy, 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 shall be altered to those generally granted by the Company based on :

- the correct age at entry,
- the premium rates then in force, and
- the premiums paid on the policy,

subject to any additional underwriting required by the Company.

If this is not possible, the policy shall be cancelled from the date of commencement and premiums shall be refunded after deducting expenses incurred by the Company.

### 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 or quarterly installments. Furthermore, for policyholders desiring to pay premiums electronically, they can opt for the monthly premium payment mode, with the consent of the Company.

A grace period of 30 days from the due date of premium payment will be allowed in case of annual, quarterly or half-yearly premium payment modes. And in case of monthly premium payment mode a grace period of 15 days from the due date of premium payment will be allowed.

Premiums 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 during the grace period and/or before the payment of the premium then due, AND the death claim is admitted, the claim will be settled after deducting the balance of the Premium then due and the balance of the year's premium for cases where the premium is not paid annually in advance.

Enhancement in premium shall be subject to medical and such other conditions as may be prescribed by the Company.

The policyholder has the option of injecting Top-Up premiums. These Top Up Premiums can be made only so long as the Premiums are paid and whilst the prevailing Basic premium is not less than the original level of the Basic Premium. Currently the minimum Top Up Premium fixed for this product is Rs. 10,000/-. At any time the maximum amount of Top-up premium should not exceed 25% of the total amount of the Basic Regular premiums paid up to that date. The Policyholder may instruct the Company to utilize the top up account for payment of Premiums subject to a 3 year lock-in period applying to each top up accounts. The 3 year lock-in period will not apply for top ups made in the last 3 years of the policy. Such transfer from Top up account to Main account will be treated as Partial withdrawal.

The company may by way of written intimation remind the policyholder of the premium due and payable under this policy. However, whether or not such intimation is received by the policyholder, it shall be the sole responsibility of the policyholder, at all times, to discharge the premium obligations as mentioned herein.

Likewise 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)

The premiums paid after deducting Premium Allocation Charges (commission and sales related charges if any - please refer clause 13 for details of these and other charge), will be used to buy units of the Funds that the policyholder has elected to link his / her policy to. The charges, if any on top up premiums shall be prescribed, reviewed and revised by the Company from time to time subject to IRDA approval.

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 Accounts. The allocation percentages, subject to IRDA Guidelines / Directions, mentioned in the schedule will apply to premiums net of charges. As a result of differences in the performance of the selected Funds, the apportionment of the realisable value between these Funds will differ from the allocation percentages originally selected.

The policyholder may elect to amend the allocation of available monies in future. This will be effective from the premium due date and will not affect the existing fund value. There is no charge for such election.

Any change in the allocation percentages mentioned in the schedule must be in writing and communicated to the Company.

The policyholder has the option to switch all or part of his / her holding from one Fund to another at any time. This shall be done by liquidating the units of one Fund at the prevailing Unit Price, and converting the money so realized into units of the desired Fund at its prevailing Price. For first four switches within a Policy Year, there are no separate charges. Further switches [i.e. beyond 4 switches within a year] would attract a charge as may be specified by the Company from time to time. Currently such charge is Rs.500/-, per such additional switch request. This may be increased to a maximum of Rs.1000/-, subject to approval from the Insurance Regulatory and Development Authority.

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 the IRDA.

The Company will periodically liquidate such number of units as are necessary to meet certain charges referred to in clause 13.

Units are created and cancelled at the unit price, prevailing at the close of the day on which written communication is actually received at the Registered Office, provided that such communication is received before 4.15 p.m. on a working day. If written communication is received after 4.15 p.m. or on a holiday, the request will be processed at the market value prevailing at the close of the next working (business) day.

### 4. Revival of Lapsed Policy

In case the premiums for the first three Policy Years are not paid within the grace period as mentioned in 2 above, the policy together with the rider benefits, shall lapse from the due date of the unpaid premiums.

However, the policyholder can revive the lapsed policy with or without rider benefits added to the policy, by making an application within a period of two years from the due date of the first unpaid premium and before the date of maturity of the policy.

The policy may be revived on the following terms:

	within six months from the due date of the first unpaid premium;	without evidence of health;	on payment of a) premiums in arrears, and; b) a revival charge of Rs 500
	after six months but within two years from the due date of the first unpaid premium and before the date of maturity of the policy;	on production of evidence of good health and good habits to the satisfaction of the Company and also the evidence of there being no adverse change in the personal or family history or occupation;	At such premium rate and from such date as may be fixed by the Company. In addition to payment of premiums, a revival charge of Rs 500 will be payable.

In either case, the available monies on revival will be used to purchase units at the unit price prevailing on the date of revival of the policy.

The Company may, accept or decline the request for revival (made by the policyholder in writing) of a lapsed policy, 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.

In case the policy is not revived within the above mentioned period, the same shall stand terminated and the surrender value, if any, shall be paid.

#### **5. Surrender Value**

On payment of three full year's premiums, the Policy shall acquire a Surrender Value. The surrender value will be the then fund value (based on unit price) less a surrender charge (expressed as a % of fund value) of 3% in year 4, 2% in year 5, 1% in year 6 and 0% thereafter.

The Top up accounts will also be surrendered together with the Main account and there no option to surrender the two viz. the Main and the Top up accounts separately. The surrender value of the Top up accounts will be the fund value in the Top up Accounts.

#### **6. Partial Withdrawals**

Partial withdrawals from the Main Account are admissible any time after completion of the three policy years and provided three full years premiums are paid. For Top Up premiums in the Top up Account, a lock in period of 3 years shall apply from the date of payment of that top up premium after which withdrawals can be made. The lock-in period of three years will not apply for Top-ups made during the last three years of the policy.

Withdrawal from the Top up Account shall not attract any partial withdrawal charge. The Company shall at any time in future, prescribe limits on partial withdrawal and minimum fund balance, after partial withdrawal. Any such limits will be approved by the IRDA.

Partial withdrawal(s) from the Main Account will attract partial withdrawal charges as in Clause 5 above. The charge will be expressed as a % of amount withdrawn. Currently the minimum partial withdrawal allowed at any time is Rs. 10,000/- and/or multiples of Rs. 1000/- (for amounts in excess of Rs.10,000/-). Partial withdrawals are allowed up to the minimum required fund balance (currently Rs.25 000), where-after the Company has the right to terminate the policy and release the remaining proceeds there under. The Company shall at any time in future, change limits on partial withdrawal and minimum fund balance, after partial withdrawal. Any such limit will be approved by the IRDA.

A maximum of two partial withdrawals will be allowed in any Policy year. Any subsequent partial withdrawal will be allowed at such terms and conditions as may be prescribed by the Company from time to time (Rs 500 per partial withdrawal, which may be increased to a maximum of Rs 1000, subject to clearance from the Insurance and Regulatory Authority).

Needless to say that in case of complete surrender the Policy shall stand terminated and no further benefit of any kind shall be provided.

Partial withdrawals must be made from qualifying Top up accounts, before the Main Account can be accessed.

#### **7. Automatic Non-forfeiture Provision**

After receipt of premiums for three full years, if the premiums due have not been paid within the days of grace, the insurance cover will be continued for a period of two years from the date of the first unpaid premium by liquidating such number of units at the prevailing Unit Price as are necessary to meet mortality, administration and rider charges as these fall due, to enable the Death Cover and rider benefits to remain in force. The Additional Death Benefit Cover will cease. Under this option, if the value of remaining units reaches a level such that the fund would fall to an amount which is less than one full year's premium after deduction of mortality, administration and rider charges, the policy shall be foreclosed and the fund value, if any, shall be paid.

If the policy is not revived within two years from the date of the first unpaid premium, it would terminate by default and surrender value, if any, shall be paid. Alternatively, if so opted by the policyholder the death cover and riders shall continue beyond 2 years by deduction of mortality, administration and rider charges from the fund.

In case the policy becomes a death claim whilst the non-forfeiture provision is in operation and if the claim is admitted, the Death Cover along with fund value in the Main and Top up Accounts will become distributable on the contracted terms.

The maturity benefit, whilst non-forfeiture provision is in operation, shall be the fund value in the Main Account and the Top up Accounts.

Whilst the policy is in Automatic Non Forfeiture Mode, the Accidental Disability Guardian Rider will fall away. All other rider benefits will remain in place, with charges continuing to be deducted from the Main Account.

The Automatic Non-forfeiture provision will fall away if the policyholder elects to take the surrender value.

#### **8. Option to Alter Death Cover**

On any policy anniversary, the policyholder can elect to increase the Death Cover up to such amount as may be prescribed by the Company.

If the policyholder elects to increase the Death Benefit, this would be subject to fresh medical underwriting and premium rates prevalent based on the age of the life insured at the time such request is received by the Company. The Company may, accept or decline the request for increase in the Death Cover (made by the policyholder in writing) on such terms and conditions as it deems fit. The increase in the Death Cover of the policy will be effective after the Company's approval is communicated in writing to the policyholder. The increase in Death cover will not increase the Basic premium but the mortality charges will increase would be payable by further cancellation of units in the Main Account.

#### **9. Forfeiture of Policy**

The policy will be forfeited if,

- The fund value in the Accounts are not sufficient to cover the mortality and administration charges;
- The policy has not been revived as provided in clause 4 hereof,
- any condition herein contained or endorsed hereon is contravened, or
- it is found that a statement made
  - in the proposal for insurance, or
  - in any report of a medical officer, or
  - in any other document leading to the issue of the policy,

was inaccurate, or false, or not made in good faith or any material matter or fact was suppressed:

then, and in every such case (but subject to the provisions of Section 45 of the Insurance Act, 1938) the policy shall be void, and all claims to any benefit under this policy shall cease and all monies that have been paid in consequence of this policy shall belong to the Company, excepting in so far as whatever relief may be granted as per the law.

[\*Section 45 states that "*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 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*"]

#### **10. Suicide**

If, within one year of the date of issue of this policy or date of revival, the life insured commits suicide, whether being sane or insane at the time of committing suicide, the policy shall cease to exist and only the fund value of units in Main Account and Top up Account shall be payable.

#### **11. Loans**

Not Applicable.

#### **12. Assignment and Nomination**

An assignment of or identification of a Beneficiary [-ies] - as per condition (i) of the Section titled "Special Conditions" - for this policy, may be made by an endorsement upon the policy itself or by a separate instrument signed in either case by the Policyholder specifically stating the fact of assignment/appointment of Beneficiary[ies] and duly attested. Such assignment/identification and appointment of a Beneficiary[ies] shall be operative as against the Company effective from the date the Company receives a written notice of the assignment/request for appointment of Beneficiary[ies] and endorses the same on the Policy Contract. Where the Beneficiary[ies] is/are minors, the Policyholder should provide the details of the Legal Guardian to receive the benefits during the minority of the Beneficiary[ies].

The Policyholder, since he/she is the life insured, may at any time before the date of maturity of policy, make or change a nomination for the purpose of payment of the monies secured by the policy in the event of his death. 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, beneficiary details 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 on the life of the Policyholder named herein shall continue to vest with him/her.

Endorsing of an Assignment/Beneficiary shall cancel any existing nomination.

#### **13. Charges**

##### **Premium Allocation Charge**

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

The Premium allocation charges varies according to the level of Premium and the Policy term. The allocation charges are listed in the table below:

Initial Premium Allocation Charges:		
	Policy Term	
Premium level	< 15 yrs	> 15 yrs
< 25,000	32.00%	36.00%
25,000-1,50,000	28.00%	31.50%
>= 1,50,000	19.50%	21.00%

**Renewal Premium Allocation Charges:**

Premium level	2nd yr	3rd yr	4-10 yr
< 25,000	14.00%	7.00%	1.00%
25,000-1,50,000	9.00%	5.00%	1.00%
>= 1,50,000	7.00%	4.00%	1.00%

**There are no premium allocation charges from the 11th year onwards.**

**Top Up Premium Allocation Charge**

This is a percentage of the top up premium appropriated towards charges from the top up premiums received. 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. Currently the top up premium allocation charge is 1%.

**Policy Administration Charges**

Policy Administration Charge represents the expenses other than those covered by the premium allocation charges and the fund management expenses. These charges are met by liquidating units of the Fund(s) from the Main Accounts invested in.

A monthly policy administration charge of Rs 75 per month will be taken from the Main Account in the first year for annual premium less than Rs 1,00,000. The monthly policy administration charges would be Rs 40 per month from second policy year onwards for annual premiums less than Rs 1,00,000/-. There will no policy administration charges for annual premium levels of Rs 1,00,000/- or above. The charges may be revised in the future, but only if a change takes place for all similar policies, and clearance has been obtained from the Insurance Regulatory and Development Authority. They will not be increased by more than 5% per annum from their original level (at each policy anniversary).

Policy Administration charges of Rs 30 per month will continue to be deducted when the policy becomes fully paid- up. Price changes and caps will apply as above.

### 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 depends on the Fund selected:

Fund	Charges as a % of the value of the assets in each fund of the Main / Top up Account
Dynamic Money Market Fund	0.6 % per annum
Dynamic Gilt Fund	1.0 % per annum
Dynamic Bond Fund	1.2 % per annum
Dynamic Floating Rate Fund	1.2 % per annum
Dynamic Balanced Fund	1.3 % per annum
Dynamic Floor Fund	1.75% per annum
Dynamic Growth Fund	1.5% per annum
Aggressive Growth Fund	1.6 % per annum

These charges may be changed in future (subject to maximum increase of 40% from the initial level), but only on prior approval from the IRDA. Such change should take place for all participants in that Fund and on prior written notice to the policyholder. The charges will be taken on a daily basis from the assets in each Fund, and will thus be reflected in the unit prices (appropriation and expropriation).

### Mortality Charges

Mortality charges are required to meet the benefits payable on death during each year. These charges continue to be levied on the death of one of the lives and cease on the death of the second life or at the end of the term. They are met by liquidating, from the Main Account, units of the Fund(s) invested in. The recovery takes place in monthly installments every year.

The current mortality rates are set out in Annexure hereto. These rates are guaranteed through the term of the policy.

### Partial withdrawal/Full Surrender Charge

This is a charge levied on the unit fund at the time of part withdrawal/partial withdrawals/full surrender of the contract. Surrenders and partial withdrawals from Main Account will have a surrender charge (expressed as a % of fund value) of 3% in year 4, 2% in year 5, 1% in year 6 and 0% thereafter. There is no surrender/partial withdrawal charge on the Top up accounts. For the third and subsequent partial withdrawals from the main account in any policy year an additional Rs 500 per withdrawal will be charged.

### 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 each switch. Four free switches are allowed in any policy year. For every additional switch thereafter, there is a charge of Rs 500 per such switch. This may be increased to a maximum of Rs.1000, with approval from the Insurance Regulatory and Development Authority.

### Miscellaneous Charge

This is a charge levied for any alterations within the contract, such as, increase in sum assured, premium redirection, change in policy term, replacement of policy document etc. Currently for any such alteration request, the charge is Rs 500/-. This may be increased to a maximum of Rs.1000, with approval from the Insurance Regulatory and Development Authority.

Summary of charges.

The details of the charges to be levied are set forth in the table below. Under unforeseen circumstances, the charges may be increased to the maximum level as mentioned in this table.

S.No.	Premium Related	Current	Maximum																		
1.	Premium Allocation Charges includes sales related and agent's commission	This charge will be expressed as a percentage of the Premium paid.																			
	<b>First Year</b>	<table border="1"> <thead> <tr> <th colspan="3">Policy Term</th> </tr> <tr> <th>Premium level</th> <th>&lt; 15 yrs</th> <th>&gt; 15 yrs</th> </tr> </thead> <tbody> <tr> <td>&lt; 25,000</td> <td>32.00%</td> <td>36.00%</td> </tr> <tr> <td>25,000-1,50,000</td> <td>28.00%</td> <td>31.50%</td> </tr> <tr> <td>&gt;= 1,50,000</td> <td>19.50%</td> <td>21.00%</td> </tr> </tbody> </table>	Policy Term			Premium level	< 15 yrs	> 15 yrs	< 25,000	32.00%	36.00%	25,000-1,50,000	28.00%	31.50%	>= 1,50,000	19.50%	21.00%	Same as current			
Policy Term																					
Premium level	< 15 yrs	> 15 yrs																			
< 25,000	32.00%	36.00%																			
25,000-1,50,000	28.00%	31.50%																			
>= 1,50,000	19.50%	21.00%																			
	<b>Other Years</b>	<table border="1"> <thead> <tr> <th>Premium level</th> <th>2nd yr</th> <th>3rd yr</th> <th>4-10 yr</th> </tr> </thead> <tbody> <tr> <td>&lt; 25,000</td> <td>14.00%</td> <td>7.00%</td> <td>1.00%</td> </tr> <tr> <td>25,000-1,50,000</td> <td>9.00%</td> <td>5.00%</td> <td>1.00%</td> </tr> <tr> <td>&gt;= 1,50,000</td> <td>7.00%</td> <td>4.00%</td> <td>1.00%</td> </tr> </tbody> </table> <p>There are no premium allocation charges from 11th year onwards</p>	Premium level	2nd yr	3rd yr	4-10 yr	< 25,000	14.00%	7.00%	1.00%	25,000-1,50,000	9.00%	5.00%	1.00%	>= 1,50,000	7.00%	4.00%	1.00%	Same as current		
Premium level	2nd yr	3rd yr	4-10 yr																		
< 25,000	14.00%	7.00%	1.00%																		
25,000-1,50,000	9.00%	5.00%	1.00%																		
>= 1,50,000	7.00%	4.00%	1.00%																		
2.	Top up Premium Allocation Charge	For top up premium in the Top up account the charge would be 1% per Top up premium	Same as current																		
3.	Policy Administration Charge		These charges may be increased by upto 5% per annum from the original level (subject to IRDA clearance)																		
	<b>First Year</b>	Rs 75 per month for annual premium of less than Rs 1,00,000/- .No charge for annual premium levels of Rs 1,00,000 and above.																			
	<b>All Years after the first year</b>	Rs 40 per month for annual premium of less than Rs 1,00,000/- .No charge for annual premium levels of Rs 1,00,000 and above Rs 30 per month in case of fully paid-up policies																			
4.	Fund Management Charges	<table border="1"> <thead> <tr> <th>Fund</th> <th>Charges as a % of the assets in each fund of the Main/ Top up Account</th> </tr> </thead> <tbody> <tr> <td>Dynamic Money Market Fund</td> <td>0.6% per annum</td> </tr> <tr> <td>Dynamic Gilt Fund</td> <td>1.0% per annum</td> </tr> <tr> <td>Dynamic Bond Fund</td> <td>1.2% per annum</td> </tr> <tr> <td>Dynamic Balanced Fund</td> <td>1.3% per annum</td> </tr> <tr> <td>Dynamic Floor Fund</td> <td>1.75% per annum</td> </tr> <tr> <td>Dynamic Growth Fund</td> <td>1.5% per annum</td> </tr> <tr> <td>Aggressive Growth Fund</td> <td>1.6% per annum</td> </tr> <tr> <td>Dynamic Floating Rate Fund</td> <td>1.2% per annum</td> </tr> </tbody> </table>	Fund	Charges as a % of the assets in each fund of the Main/ Top up Account	Dynamic Money Market Fund	0.6% per annum	Dynamic Gilt Fund	1.0% per annum	Dynamic Bond Fund	1.2% per annum	Dynamic Balanced Fund	1.3% per annum	Dynamic Floor Fund	1.75% per annum	Dynamic Growth Fund	1.5% per annum	Aggressive Growth Fund	1.6% per annum	Dynamic Floating Rate Fund	1.2% per annum	These charges may be increased to a maximum of 40% from their original level (subject to IRDA clearance)
Fund	Charges as a % of the assets in each fund of the Main/ Top up Account																				
Dynamic Money Market Fund	0.6% per annum																				
Dynamic Gilt Fund	1.0% per annum																				
Dynamic Bond Fund	1.2% per annum																				
Dynamic Balanced Fund	1.3% per annum																				
Dynamic Floor Fund	1.75% per annum																				
Dynamic Growth Fund	1.5% per annum																				
Aggressive Growth Fund	1.6% per annum																				
Dynamic Floating Rate Fund	1.2% per annum																				

Sr.No		Current	Maximum
5.	Mortality Charges	The age-wise rates are mentioned in Annexure hereto	No increase
6.	Partial withdrawals/Full Surrender Charge in respect of Surrender Value	No surrender allowed for first three policy years	
	Main Account	The surrender charge is expressed as a % of fund value and will be 3% in year 4, 2% in year 5, 1% in year 6 and 0% thereafter	Same as current
	Top up Account	Surrender from this account will not attract any charge	
7.	Switching Charge	Four free switches are allowed in any policy year. For every additional switch thereafter, there is a charge of Rs 500 per such switch.	Rs 1000, (subject to IRDA clearance)
8.	Service Tax	12% of the Risk Premium	As per statutory provisions
9.	Education Cess	2% of the Service Tax.	As per statutory provisions
10.	Miscellaneous Charge (including revival charges)	Rs 500/-	Rs 1000/-, (subject to IRDA clearance)

#### **14. 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 Services**  
**Kotak Mahindra Old Mutual Life Insurance Limited**  
**11-12, Krishna House,**  
**Raghuvanshi Compound,**  
**Senapati Bapat Marg,**  
**Lower Parel (West)**  
**Mumbai 400013**  
**Telephone: 022 - 6050 5000 / 1800 22 881**  
**E-mail: [omkm.customercare@kotak.com](mailto:omkm.customercare@kotak.com)**

Any such notice, information and instruction shall be deemed to be served 7 days after the posting, or immediately upon receipt by the Company in the case of recorded hand delivery or courier.

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

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.

Any such notice, information and instruction shall be deemed to be served 7 days after the posting, or immediately upon receipt by the Company /Policyholder in the case of recorded hand delivery or courier.

#### **15. Claims**

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 primary documents normally required for processing a claim are:

- Intimation of the 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/ accidental death/ permanent disability/critical illness) has occurred
  - 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
  - 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.)
- original policy document
- proof of age of the insured, if this has not been previously admitted by the Company (e.g. birth certificate, school leaving certificate etc.)

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 at its absolute discretion may fix an alternative place of payment for the claim at any time before or after the policy has become a claim.

The basic death benefit would be released only on admission of death claim in respect of both the lives insured. In case of Joint Lives Insured, the policyholder is obliged to inform the company on the death of the first of life insured if this occurs within the first five years of the policy contract, within 3 months of the death occurring.

#### **16. Insurance Ombudsmen**

The Company shall endeavour to promptly and effectively address Policyholder's grievances. However, in case the Policyholder may not be satisfied with the response of the Company, he/she may also approach the Insurance Ombudsman located in his/her region. Details of the offices of the Ombudsmen across the country is made available on the website of the Company at [www.kotaklifeinsurance.com](http://www.kotaklifeinsurance.com) and will also be made available to the Policyholder on request.

#### **17. Free Look Provision**

The Policyholder is offered a 15 days free look period, from the date of receipt of this policy. 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. Should the Policyholder choose to return the Policy, he/she shall then be entitled to a refund of the premium paid after adjustments for expenses for medical examination, stamp duty and proportionate risk premium for the period of cover.

### III. ANNEXURES

Annexure : FD

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

#### Fund Descriptions

**A) Dynamic Money Market Fund :** The portfolio will consist of money market investments such as treasury bills, commercial paper, certificates of deposit, short term deposits, bills of exchange, debentures, bonds and Government securities etc. At the time of commencement of the policy, the policyholder will not be entitled to invest more than 20% of the allocated premiums in this fund.

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

**B) Dynamic Gilt Fund :** The portfolio will primarily consist of Government securities and infrastructure debt assets as defined in the IRDA regulations as per the following indicative investment pattern.

	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%

**C) Dynamic Bond Fund :** The portfolio will consist of highly rated 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	0%	75%
Investment in other debt securities	25%	100%
Short term Investments such as money market instruments, short term bank deposits, call money and cash	0%	20%

**D) Dynamic Balanced Fund:** The portfolio will include primarily listed Indian equity shares, debt instruments including corporate debt, Government securities and short term investments .

	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%	20%

**E) Dynamic Growth Fund :** The portfolio will consist of a professionally managed portfolio primarily invested in listed equity and equity-related investments. Security will be enhanced through holdings in Government and other debt securities, infrastructure assets as defined in the IRDA regulations together with short-term investments.

	Minimum	Maximum
Investment in equity shares/equity related instruments	40%	80%
Investment in Government/Government guaranteed securities and other debt securities and infrastructure assets	20%	60%
Short term Investments such as money market instruments, short term bank deposits, call money and cash	0%	20%

**F) Aggressive Growth Fund:** The portfolio will consist of a professionally managed portfolio primarily invested in listed equity and equity-related investments with a balance holding in debt securities. This will be a higher risk portfolio with potential to earn higher returns but with a volatility of returns, which may be negative in a particular year. Option for investment in this Fund is not available for Shield Account.

	Minimum	Maximum
Investment in equity shares / equity related instruments	60%	100%
Debt Instruments	0%	40%

**G) Dynamic Floating Rate Fund :** The portfolio will consist of highly rated 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	0%	75%
Investment in floating rate debt instruments	25%	100%
Short term Investments such as money market instruments, short term bank deposits, call money and cash	0%	20%

**H) Dynamic Floor Fund:** The portfolio will aim to generate stable, inflation beating returns over the medium to long term by maximizing equity exposure when markets are strong. It will aim to reduce volatility and protect 90% of capital in the shorter term by cutting back equity exposure either to lock in returns earned in strong markets, or to limit downside risk when markets are or in decline. The portfolio will include primarily listed Indian equity shares, debt instruments including corporate debt, Government securities and short-term investments. Equity exposure will range between 0% and 75%, depending on prevailing market conditions. The portfolio manager will make the active asset allocation decisions required to support the portfolio objectives.

	Minimum	Maximum
Investment in equity shares/ equity related instruments	0%	75%
Investment in Government / Government guaranteed securities and other debt securities and infrastructure assets	0%	100%
Investment in Floating Rate Debt Instruments	0%	100%
Short term investments such as money market instruments, short term bank deposits, call money and cash	0%	20%

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.