In this policy, the investment risk in the investment portfolio is borne by the policyholder.

There may be times when you wish there was an answer to your financial worries. A solution that allows you to take control of your investments. A way to provide for your family's future goals and expenses, and to protect your family from the harsh uncertainties of life; be it death, disability or illness.

Here is **'Kotak Flexi Plan'** which is designed to do just this. It comes to you with the option of investing in six professionally managed funds, allowing you to allocate your investment in a combination of one or more funds, switch between them and take charge of your investments. The plan aims to earn efficient returns over the long term and helps you plan for your financial goals, with the comfort of a **Guaranteed Maturity Value**. More importantly, it ensures that your loved ones are protected, if any unfortunate events were to take place……….a plan that gives you complete control.

Why should you invest in Kotak Flexi Plan?

Kotak Flexi Plan is an ideal option if:

- You want a comprehensive long term solution for managing your finances.
- You want insurance to be an important part of your portfolio to protect your loved ones.
- You are cautious with investments in the equity markets due to the fear of loss of capital.
- You think that financial concepts require lot of time to grasp and are probably best left to the experts.

How does this plan work?

Step 1: Decide the **amount of savings** (premium) you would make each year.

Step 2: Decide the **term of the policy** depending on the goals that you have In mind.

Step 3: Choose the **fund options** to balance your risk profile and tenure of investment.

Step 4: Opt for any of the optional **rider benefits** to enhance flexibility and boost the lifestyle benefits of your plan.

The premiums less charges, are used to purchase units in the funds that you select. The basic regular premiums will be held in the Main Account and any Top-Up Premium made will be deposited in the Top-Up Account.

Key Features

Fund Options

When saving over a longer horizon, it is important that your investment outpaces the cost of living and earns real returns that beats inflation. Equities have historically demonstrated the best chance of achieving real returns in the medium to long term. In short, the amount required to meet your financial requirements over the next 15 to 20 years should be sufficiently large to fund your goals and hence requires a choice of fund options that will allow you to balance your risk profile (the level of equity exposure) with the tenure and purpose of your investment.

For the risk averse Kotak Flexi Plan offers the Guaranteed Gilt Fund and for aggressive investors, the Guaranteed Growth Fund. With the expertise of Kotak backing your investments, we ensure that high returns do not necessarily come with high risks.

Fund Options	Objective	Your Risk-Return Profile	Equity	Debt (Including Money Market Instruments*)
Aggressive Growth Fund	Aims for a **high level of capital growth** by holding a significant portion in large sized company equities	Aggressive	60-100%	0-40%
Dynamic Growth Fund			40-80%	20-60%
Guaranteed Growth Fund			0-80%	20-100%
Dynamic Balanced Fund	Aims for **moderate growth** by holding a diversified mix of equities and fixed interest instruments	Moderate	30- 60%	40-70%
Guaranteed Balanced Fund			0- 60%	40-100%
Guaranteed/ Dynamic Bond Fund Guaranteed/ Dynamic Floating Rate Fund Guaranteed/ Dynamic Gilt Fund	Aims to preserve capital and **minimize downside risk** with investment in debt and government instruments	Conservative	-	100%
Guaranteed/ Dynamic Money Market Fund#	Aims to protect your capital and not have downside risks	Conservative	-	100%

* Investments in Money Market instruments will not exceed 40% except for Money Market Fund, Guaranteed Growth Fund & Guaranteed Balanced Fund.

Available only in the last policy year.

Note: The Guaranteed Funds are available only with the Main Account whereas the other funds are available with the Top-Up Account

Guaranteed Maturity Value

A unique benefit in this plan is that even while you take the necessary level of long term equity exposure and expose your capital to short term swings in the market, Kotak Flexi Plan provides a stable underpin by way of a Guaranteed Maturity Value. At maturity you will receive the Guaranteed Maturity Value or Fund Value in Main Account, whichever is higher. In bearish market conditions, your investments would still be safe, as you are assured of a Guaranteed Maturity Value. The Guaranteed Maturity Value applies where all premiums have been paid on time at maturity and will fall away, where any Partial Withdrawals have been made from the Main Account.

On maturity, you can withdraw the entire maturity proceeds and the policy would terminate. If the need is not immediate, you can receive the proceeds by choosing our Settlement Option, discussed in detail under the 'Terms & Conditions' section.

Death Benefit

To protect your family from the harsh uncertainties of life, the life cover (Sum Assured) will be 5 x Annual Premium. If you should meet your unfortunate demise during the policy term, your beneficiary would get the Sum Assured (less any partial withdrawals made from the Main Account during the 2 years immediately preceding death. If death occurs after attainment of age 60, all the Partial Withdrawals made from age 58 onwards will be set off against the Sum Assured) or Fund Value in the Main Account whichever is higher. Plus, if you have invested any Top-Up Premiums, then you would get back the Fund Value in the Top-Up Account. If Death occurs within the first five years of the policy and life insured is a minor, the benefit payable on death will be all premiums paid (excluding rider and extra premiums) or Fund Value in Main Account; whichever is higher plus Fund Value in Top-Up Accounts; if any.

Top-Up Premium

Besides regular premiums, whenever you have excess money, you can invest it by way of Top-Up Premiums, without any commitment to bring them again in the coming year (subject to a maximum of 25% of the cumulative premiums paid till that date).

You can invest your surplus money across a combination of funds and units bought from this amount will be held in separate Top-Up Accounts for each Top-Up. In the event of maturity or death, you would receive the value of these Top-Up units.

Partial Withdrawals/Surrender

This plan enhances liquidity by allowing you the flexibility to access the investment after completion of 3rd policy year, provided that the premiums for the first three policy years have been paid in full. No surrender or Partial Withdrawal charges will be applicable from year 7 onwards. Withdrawals must be made from the qualifying Top-Up Accounts first. A lock-in period of three years shall apply from the date of payment of Top-Up premiums (except on the Top-Up Premiums paid during the last three policy years).

Partial Withdrawals from the Main Account will have the following effect on your Sum Assured:

(1) Up to the age of 60 years, Sum Assured payable on death is reduced to the extent of Partial Withdrawals made in the preceding two years

(2) After the age of 60 years, Sum Assured payable on death is reduced to the extent of all Partial Withdrawals made from age 58 years onwards.

Partial withdrawals will be allowed only after the life insured attains the age of 18. The Guaranteed Maturity Value will cease to apply, where Partial Withdrawals have been made from the Main Account.

Limited Premium Payment

If you wish to pay off all your premiums over a short period of time, instead of the full term, we have the Limited Premium Payment option. This option allows you to pay off your premiums over a tenure shorter than your policy term Under this option, you can pay off your premiums over 3, 5, 6, 7, 10 or 15 years.

Other Features

- In case you miss your premium payment, Automatic Cover Maintenance facility will ensure that your insurance cover is in force. For details, please refer to the 'Terms & Conditions' section.
- The facility to switch between funds has been provided to help you maximize your returns from the markets.
- You may pay your premiums annually, half-yearly, quarterly or monthly.
- You can choose from any of the following riders:
  - Kotak Term / Preferred Term Benefit (KTB/KPTB)
  - Kotak Accidental Death Benefit (ADB)
  - Kotak Permanent Disability Benefit (PDB)
  - Kotak Critical Illness Benefit (CIB)
  - Kotak Life Guardian Benefit (LGB)
  - Kotak Accidental Disability Guardian Benefit (ADGB)

  Please refer to the rider brochure for details and exclusions.

Advantages

- Manage your need for investments and insurance with a single plan.
- Enjoy the potential of high returns without fear of loss of capital with a Guaranteed Maturity Value.
- Choose the flexibility in premium payment: Limited Premium Payment option and Full Term payment option.
- Increase your contribution at will by way of Top-Up Premiums, without any commitment to bring them again.
- Enjoy switching across fund categories.
- Access your accumulated corpus, when in need.

Tax Benefit

Section 80C, 10(10D) of the Income Tax Act,1961 would apply. Premiums paid for Kotak Critical Illness Benefit (CIB) qualify for a deduction under Section 80D of the Income Tax Act,1961. Tax Benefits are subject to change in tax laws. You are advised to consult your Tax advisors for details.

Eligibility

Entry age for the life to be insured	Min - 14 years, Max - 65 years
Term	Min - 10 years, Max - 30 years
Maturity Age	Max - 75 years
Regular Premium	Min - Rs. 10,000 annually
Limited Premium Payment	Min - Rs. 50,000 annually
Limited Premium Payment Term	3 years (10 year policy term), 5/6/7 years (10/15 year policy term), 10/15 years (policy term of 15 years and above)
Top-Up Premiums	Min - Rs. 10,000, Max - 25% of the cumulative annualized premiums paid
Partial Withdrawals	Min - Rs.10,000, (Subject to retaining a minimum balance of one annualized basic premium)

Charges

Premium Allocation Charge

There is an initial advice and distribution charge related to policy issue that is a percentage of the premium received. The premium allocation charge applies as is given below:

Premium Paying Term	Year 1	Year 2 Onwards
3 years	28%	4.375%
5 to 7 years	42%	4.375%
10 to 14 years	56%	4.375%
15 years and more	65%	4.375%

*For Top-Up Premiums, the charge will be 2.5%

Policy Administration Charge

To meet the administration and support infrastructure cost, there is an administration charge recovered by liquidation of units. In the first year, the administration charge would be 7% of the annual premium, for premium up to Rs. 20,000. For portion of premium over Rs. 20,000, the charge would be 3%.

In subsequent years, for portions of premiums below and above Rs 20,000 the charge would be 4% and 2% respectively.

Fund Management Charge

The fund management charge is towards managing your moneys efficiently, to earn you handsome returns. Annual Fund Management charge, adjusted in NAV, is:

- Guaranteed / Dynamic Money Market Fund - 0.6%
- Guaranteed / Dynamic Gilt Fund - 1.0%,
- Guaranteed / Dynamic Bond Fund - 1.2%,
- Guaranteed / Dynamic Floating Rate Fund - 1.2%
- Guaranteed / Dynamic Balanced Fund - 1.3%,
- Guaranteed / Dynamic Growth Fund - 1.5%,
- Aggressive Growth Fund - 1.6%,

Surrender / Partial Withdrawal Charge

There is no surrender / Partial Withdrawal allowed in the first 3 policy years. Thereafter the surrender charge (expressed as a % of fund value) / partial withdrawal charge (expressed as a % of amount withdrawn) is 3% in year 4, 2% in year 5, 1% in year 6, 0% from year 7 onwards. No surrender/partial withdrawal charges apply to 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

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

Mortality Charge

This is the cost of life cover and will be levied by cancellation of units on a monthly basis.

Miscellaneous Charges

The charges for alteration in policy contract (such as change in sum assured etc.) and revival charge are Rs. 500/-. For premium redirection a fee of Rs. 100/- will be charged.

Please note, in the event of experience being worse than expected, the Company reserves its right to impose charges not beyond the level mentioned below (subject to IRDA approval):

- The Annual Fund Management charges would not increase beyond 40% of the initial level.
- The policy administration charge will not be increased by more than 5% per annum from the original level.
- The switching, withdrawal and miscellaneous charges may be increased to a maximum of Rs.1000.

Service Tax and education cess shall be levied on all applicable charges as per the prevailing tax laws and/or any other laws.

In case of any statutory levies, cess, duties etc., as may be levied by the Government of India from time to time, the Company reserves its right to recover such statutory charges from the policyholder(s) either by increasing the premium and / or by reducing the benefits payable under the plan.

Illustration

If you would like to choose a term of 25 years, given below are the details for selected age:

Age of the life insured	Annual Premium Paid	Basic Sum Assured	Maturity Values	
			at 6% investment return	at 10% investment return
30	25,000	125,000	1,094,300	1,972,800
35	25,000	125,000	1,093,900	1,972,100
40	25,000	125,000	1,093,200	1,970,400
45	25,000	125,000	1,092,000	1,967,800

Please note the fund chosen for illustration purpose is the Guaranteed Gilt Fund.
The maturity values are not guaranteed and are subject to the future performance of the fund.

Terms and Conditions

Loans : No loan facility.

Lapses : Where the premiums for the first three Policy Years are not paid within the grace period (15 days for monthly mode and 30 days for other modes), the policy together with the rider benefits, shall lapse from the due date of unpaid premiums. On death during lapse mode, the Fund Value in the Main Account along with Fund Value in Top-Up Accounts will be payable.

Automatic Cover Maintenance: The Automatic Cover Maintenance ('ACM') facility enables your insurance cover to remain intact should you miss your premium payments or stop them altogether. You can avail of ACM after payment of premium for 3 completed policy years. However, the rider benefits cease to apply. If the policy is not revived within two years from the due date of first unpaid premium, the policy will be terminated by paying the applicable surrender value, unless the policyholder expresses in writing to continue the policy in ACM mode. At any point of time, if the Fund Value reaches a level equal to one year's premium after deduction of applicable policy charges, the policy terminates and Fund Value will be payable. Once the policy goes into ACM mode, the GMV will cease.

Policy Revivals : A lapsed policy or a policy in ACM mode may be revived within 2 years from the date of the first unpaid premium by making payment of the arrears of premiums with an additional revival charge of Rs. 500. Any revivals after six months from the due date of unpaid premium will require production of evidence of good health. For such revived policies, the benefit at maturity will be the Fund Value in the Main and Top-Up Accounts.

Settlement Option: By selecting the Settlement Option, you can elect to receive a percentage of the maturity proceeds in cash and the balance by way of pre-selected periodic installments for up to 5 years after maturity by informing the company within 3 months prior to the maturity of the policy. The value of the payments will depend on the number of units and the respective fund NAVs as on the date of each payment. Partial withdrawals and switches are not allowed during this period. During the settlement period, the investment risk in the investment portfolio is borne by the policyholder. Life cover and other benefits are not provided during the settlement period. In case of death of life insured during Settlement Period, the balance Fund Value shall be paid in lump sum. No other charges except FMC and the applicable Service tax & Education cess are levied during this period.

Free Look Provision: The policyholder is offered 15 days freelook period, from the date of receipt of the policy wherein the Policyholder may choose to return the policy within 15 days of receipt if he is not agreeable with any of the terms and conditions of the plan. Should he choose to return the policy, he/she shall be entitled to refund of the premium paid after adjustment for expenses on medical examination, stamp duty and proportionate risk premium for the period of cover.

General Exclusion: In case the life insured commits suicide during the first year of the plan the beneficiary would receive the Fund Value in the Main and the Top-Up Account.

Risk Factors

- Unit Linked Life Insurance products are different from the traditional insurance products and are subject to the risk factors.
- The premium paid in Unit Linked Life Insurance policies are subject to investment risks associated with capital markets and the NAVs of the units may go up or down based on the performance of fund and factors influencing the capital market and the insured is responsible for his/ her decisions.
- Kotak Mahindra Old Mutual Life Insurance Ltd is only the name of the Insurance Company and Kotak Flexi Plan is only the name of the unit linked life insurance contract and does not in any way indicate the quality of the contract, its future prospects or returns. The various funds offered under this contract are the names of the funds and do not in any way indicate the quality of these plans, their future prospects and returns.
- Please know the associated risks and the applicable charges, from your Insurance Agent or the Intermediary or policy document of the insurer.

Section 41 and 45

Section 41:

(1) No person shall allow or offer to allow, either directly or indirectly, as an inducement to any person to take or renew or continue an insurance in respect of any kind of risk relating to lives or property in India, any rebate of the whole or part of the commission payable or any rebate of the premium shown on the policy, nor shall any person taking out or renewing or continuing a policy accept any rebate, except such rebate as may be allowed in accordance with the published prospectuses or tables of the insurer:

Provided that acceptance by an insurance agent of commission in connection with a policy of life insurance taken out by himself on his own life shall not be deemed to be acceptance of a rebate of premium within the meaning of this sub section if at the time of such acceptance the insurance agent satisfies the prescribed conditions establishing that he is a bona fide insurance agent employed by the insurer.

(2) Any person making default in complying with the provisions of this section shall be punishable with fine which may extend to five hundred rupees.

Section 45:

No policy of life insurance effected before the commencement of this Act shall after the expiry of two years from the date of commencement of this Act and no policy of life insurance effected after the coming into force of this Act shall, after the expiry of two years from the date on which it was effected be called in question by an insurer on the ground that statement made in the proposal or in any report of a medical officer, or referee, or friend of the insured, or in any other document leading to the issue of the policy, was inaccurate or false, unless the insurer shows that such statement was on a material matter or suppressed facts which it was material to disclose and that it was fraudulently made by the policy holder and that the policy holder knew at the time of making it that the statement was false or that it suppressed facts which it was material to disclose:

Provided that nothing in this section shall prevent the insurer from calling for proof of age at any time if he is entitled to do so, and no policy shall be deemed to be called in question merely because the terms of the policy are adjusted on subsequent proof that the age of the life insured was incorrectly stated in the proposal.

About Us

Kotak Mahindra Old Mutual Life Insurance
www.kotaklifeinsurance.com

Kotak Mahindra Old Mutual Life Insurance is a joint venture between Kotak Mahindra Bank Ltd., its affiliates and Old Mutual plc. A company that combines its international strengths and local advantages to offer its customers a wide range of innovative life insurance products, helping them take important financial decisions at every stage in life and stay financially independent. The company is one of the fastest growing insurance companies in India and has shown remarkable growth since its inception in 2001. Kotak Life Insurance employs around 5,565 people in its various businesses and has 197 branches across 141 cities.

The Kotak Mahindra Group
www.kotak.com

The Kotak Mahindra group is one of India's leading banking and financial services organizations, with offerings across personal financial services; commercial banking; corporate and investment banking and markets; stock broking; asset management and life insurance. The Kotak Group has over 1,300 offices, and services around 5.9 million customer accounts across India. Kotak also has offices in London, New York, San Francisco, Singapore, Dubai and Mauritius

Old Mutual plc
www.oldmutual.com

Old Mutual plc is an international savings and wealth management company based in the UK. Originating in South Africa in 1845, it is among the top 100 largest companies in the FTSE100. The group has a balanced portfolio of businesses offering Asset Management, Life Assurance, Banking and General Insurance Services in over 40 countries, with a focus on South Africa, Europe and the United States, and a growing presence in Asia Pacific. Old Mutual plc employs approximately 54,000 employees worldwide with its primary listing on the London, secondary listing on the Johannesburg stock exchanges as well as in Namibia, Malawi and Zimbabwe.

* Numbers as on 31st December 2008

TOLL FREE 1800 209 8800
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www.kotaklifeinsurance.com

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A JOINT VENTURE WITH OLD MUTUAL

Kotak Flexi Plan UIN 107L023V02. Form No: KFP03.KTB - 107C003V02, KPTB-107C013V01, ADB-107C001V01, PDB-107C002V01, CIB-107C004V02, LGB-107C012V01, ADGB- 107C011V01. Ref No: KLI/09-10/E-PB/017.

Kotak Mahindra Old Mutual Life Insurance Ltd. Regn. No.:107, Regd. Office: 9th floor, Godrej Coliseum, Behind Everard Nagar, Sion (E), Mumbai - 400 022. Website: www.kotaklifeinsurance.com Email: lifeexpert@kotak.com

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

Kotak Flexi Plan

Your Finances.
The way you need it.

kotak Life Insurance

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