

I. Change in Exit Load Structure

The exit load structure of Kotak Balance will be revised as under with effect from October 17, 2016.

Scheme	Existing Load Structure	Revised Load Structure
Kotak Balance	<ul style="list-style-type: none"> For redemptions/switch outs (Including SIP/STP) within 1 year from the date of allotment of units, irrespective of the amount of investment: 1%. For redemptions / switch outs (including SIP/STP) after 1 year from the date of allotment of units, irrespective of the amount of investment: NIL <p>Any exit load charged (net off Service Tax, if any) shall be credited back to the respective Scheme. Units issued on reinvestment of dividends shall not be subject to entry and exit load.</p>	<ul style="list-style-type: none"> For redemption/switch out of upto 10% of the initial investment amount (limit) purchased or switched in within 1 year from the date of allotment: Nil. If units redeemed or switched out are in excess of the limit within 1 year from the date of allotment: 1% If units are redeemed or switched out on or after 1 year from the date of allotment: NIL <p>Any exit load charged (net off Service Tax, if any) shall be credited back to the respective Scheme. Units issued on reinvestment of dividends shall not be subject to entry and exit load.</p>

The aforesaid revised exit load structure will be applicable only on a prospective basis to Units purchased / SIP / STP registered on or after October 17, 2016

II. Introduction of "Long Term Income" facility in Kotak Balance

Notice is hereby "Long Term Income" (LTI) facility under Kotak Balance will be introduced with effect from October 17, 2016.

Other Terms:

- LTI is only a facility for regular withdrawal from the Scheme and shall not be construed as an assurance or guarantee of returns under Kotak Balance.
- LTI will be available for investors investing in the above mentioned scheme on or after October 17, 2016.
- This facility will allow investors to redeem a fixed sum of money on monthly/quarterly basis at prevailing Net Asset Value (NAV). Investor can select to redeem between 6% to 10% (in multiples of 0.5%) of the investment amount on annual basis.
- Investors are required to submit LTI registration request at least 15 days prior to the date of 1st installment.
- This facility will be available under the growth option only.
- Investors can opt for this facility and withdraw their investments systematically on a Monthly/Quarterly basis. Withdrawals will be made/effected on 1st/ 7th/ 14th/ 21st/ 25th of every month/quarter, and would be treated as redemptions. Eg:- In case 25th is a holiday, then it would be effected on next business day.
- The applicant will have the right to discontinue the LTI at any time, if he/she so desires, by providing a written request at any of the Kotak Mahindra Mutual Fund branches or Registrar's branches (CAMS). Request for discontinuing LTI shall be subject to an advance notice of 7 (seven) working days.
- Minimum amount of investment required for availing the LTI facility is Rs. 1 lakh.
- AMC reserves the right to amend/terminate this facility at any time, keeping in view business/operational exigencies and the same shall be in the best interest of the investors.

All other terms and conditions as provided in the Scheme Information Document/Key Information Memorandum of the above mentioned scheme remain unchanged.

**For Kotak Mahindra Asset Management Company Limited
Investment Manager - Kotak Mahindra Mutual Fund**

**Mumbai
October 14, 2016**

**Sd/-
Nilesh Shah
Managing Director**

Any queries / clarifications in this regard may be addressed to:

Kotak Mahindra Asset Management Company Limited

CIN: U65991MH1994PLC080009

(Investment Manager for Kotak Mahindra Mutual Fund)

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Mutual Fund investments are subject to market risks, read all scheme related documents carefully.