

Important Announcement



Expertise that's trusted

Dear Investor,

Thank you for choosing Tata Mutual Fund for fostering your investment needs.

With a view to enhance compliance with Know Your Customer (KYC) norms under the Prevention of Money Laundering Act, 2002 (PMLA) and to mitigate the risks associated with acceptance of third party payment instruments (cheques, demand drafts, pay orders etc.), Association of Mutual Funds in India (AMFI) issued best practice guidelines on 'Risk mitigation process against third party cheques in mutual fund subscriptions'.

Accordingly, with effect from November 15, 2010 Tata Mutual Fund **will not accept applications for subscriptions accompanied with third party payment instruments** except in **exceptional situations**.

Third Party Payment is defined as:

1. Payment made through an instrument issued from an account other than that of the beneficiary investor.
2. In case of payments from a joint Bank Account, the first holder of the mutual fund folio has to be one of the joint holders of the Bank Account from which payment is made.
3. Investments from the investor's account with a different Bank i.e., the pay-in & payout Banks are different, if the pay-in Bank mandate could not be established to be that of the investor, it will also be treated as third party investment.

The **exceptional situations** where the same will not be applicable are as follows:

- Payment by Parents/Grandparents/related persons on behalf of a minor in consideration of natural love and affection or as gift for a value not exceeding Rs. 50,000/- (each regular purchase or per SIP installment);
- Payment by employer on behalf of employee under Systematic Investment Plan (SIP) facility through payroll deductions;
- Custodian on behalf of an FII or a Client

In case of the exceptional situation as above, following would be **mandatory requirements**:

- KYC for investor and the person making the payment.
- Declaration from investor and person making payment (Person making payments declaration should carry the relationship with investor and the details of Bank Account from which funds are being received.)
- Proof for Source of funds being from the Drawers account only

Points to be taken care of by investors at the time of purchase:

- Investors need to provide the Bank Account details of the subscription cheque in the application form during the purchase.
- In case it cannot be established that the cheque belongs to the applicant i.e. if the name of the first unit holder is not present on the cheque, in that case addition documentation as follows can be provided:
 - A copy of the Bank passbook or a statement of Bank Account having the name and address and the account number

Mutual Fund investment are subject to market risks, read the Scheme Information Document carefully before investing.

- A letter (in original) from the Bank on its letterhead certifying that the investor maintains an account with the Bank, along with information like Bank Account number, Bank branch, account type, the MICR code of the branch & IFSC Code (where available) *(The letter should be certified by the Bank manager with his / her full signature, name, employee code, Bank seal and contact number.)*
- In case where the Bank Account numbers have changed on account of the implementation of core Banking system at the Banks, any related communication from the Bank towards a change in Bank Account number is required.
- In case the subscription payment is made by the way of RTGS/NEFT/ECS/Bank Transfer, such requests should be accompanied with a copy of the instruction to the Bank stating the account number debited. The Bank A/c should be a registered Bank Account or belonging to first unit holder.
- In case the subscription payment is made by the way of prefunded instruments like POs/DDs etc, such requests should carry a certificate from issuing Banker stating Account holders Name and Number.
- Prefunded instrument issued against Cash shall not be accepted for investments of Rs. 50,000/- or more. Also, this should be accompanied with Banker Certificate giving name, address and PAN of the person who has requested for DD.
- Further to prevent frauds and misuse of payment instruments, Tata Mutual Fund strongly recommends that investors must make the payment instrument favoring either of the following:
 - o "XYZ Scheme A/c Permanent Account Number of First Investor
 - o "XYZ Scheme A/c First Investor Name."
 - o "XYZ Scheme A/c Folio No."

To ensure smooth processing of your subscriptions, we are delighted to offer registration of multiple Bank Accounts for buying units of our funds. Multiple Bank registrations will facilitate convenient buying of our funds since you can make payments from any of your recorded Bank Accounts. You can register up to 5 Bank Accounts (in case of an individual/ HUF) and 10 Bank Accounts (in case of a non individual), through a separate form designed for this purpose called, "APPLICATION FORM FOR REGISTRATION OF / ADDITIONS TO MULTIPLE BANK ACCOUNTS".

Any **one** of the following documents is required to be submitted along with the **registration form**:

1. A cancelled original cheque leaf (where the account number and first unitholder name is printed on the face of cheque).
2. A letter from the Bank on its letterhead certifying that the unitholder maintains/maintained an account with the Bank, the Bank Account numbers, Bank branch, account type, MICR of the branch & IFSC Code for NEFT & IFSC code for RTGS (where available). The letter should be certified by the Bank manager with his/her full signature, name employee code, Bank seal and contact number.
3. A copy of the Bank pass book or statement of Bank Account having the name and address of the account holder and account number. The copy should be by the Bank manager with his/her full signature, name, employee code, Bank seal and contact number.

Further, please note that requests for **change in Bank details needs to be submitted at least 10 business days prior to date of redemption / dividend payment as we need adequate time to validate the changed Bank Account details.** In event of insufficient prior notice for change in the Bank Account mandate, the redemption / dividend payment, if any will be processed using last registered Bank Account and Tata Mutual Fund shall not be responsible for any consequence arising out of such action.

For any queries or clarifications in this regard, please feel free to call us on 1800 -209 -0101 (on all days) between 9 a.m. and 7 p.m. or email us on Kiran@tataamc.com.

Regards,

Tata Asset Management Ltd.