TATA MUTUAL FUND

NOTICE CUM ADDENDUM

Notice cum addendum for Scheme Information Document (SID) & Key Information Memorandum (KIM) of Tata Hybrid Equity Fund, of Tata Mutual Fund regarding writing of call options under a covered call strategy.

Effective date:15th June, 2019

The Scheme will write call options under a covered call strategy subject to guidelines issued by SEBI from time to time. At present Call Option writing is subject to following conditions:

1) Call option writing under a cover call strategy is allowed for constituent stocks of NIFTY 50 and BSE SENSEX.
2) The total notional value (taking into account strike price as well as premium value) of call options written by the scheme shall not exceed 15% of the total market value of equity shares held in that scheme.
3) The total number of shares underlying the call options written shall not exceed 30% of the unencumbered shares of a particular company held in the scheme. The unencumbered shares in a scheme shall mean shares that are not part of Securities Lending and Borrowing Mechanism (SLBM), margin or any other kind of encumbrance.
4) In no case, the scheme shall write a call option without holding the underlying equity shares. A call option can be written only on shares which are not hedged using other derivative contracts.
5) The total gross exposure related to option premium paid and received must not exceed 20% of the net assets of the scheme.
6) The call option written shall be marked to market daily and the respective gains or losses factored into the daily NAV of the scheme until the position is closed or expired.

Benefit of Writing of Call Option Under a Cover Call Strategy

a. Holders with Long term view on the stock can write options and reduce the portfolio costs.
b. Writing can also act as a good alternative for playing relative outperformance for stocks held in portfolios within same sector.
c. Stocks held in the portfolio can be effectively hedged in extreme volatility in the market.

Illustration

For example, if the scheme buy a stock A at Rs.900, receive a Rs.100 option premium from writing a Rs.1050 strike price call of stock A, then it can maintain the stock position as long as the stock price stays below Rs.1150 at expiry. If the stock price moves above Rs.1150, the scheme may have to give delivery of long position to meet obligation of call writing. The scheme can only profit if stock price remains below Rs.1150 on expiry.

Risk of Writing of Call Option Under a Cover Call Strategy

Under a delivery settlement a call writer will have to part with the physical holding of security which was originally intended for long term holding.

A written communication informing the above change has been sent to all the unit holders of the scheme informing them of the above changes and option to exit from scheme at the prevailing NAV without payment of exit load from 15th May 2019 to 14th June 2019 (upto 3.00 p.m.).

Unitholders may note that no action is required in case they are in agreement with the aforesaid changes.

Load free exit period is available only for investors holding units as on 14th May 2019 as per Registrars records.

Notice cum addendum to the Scheme Information Documents (SIDs) & Key Information Memorandums (KIMs) of Tata Dynamic Bond Fund, Tata Gilt Securities Fund, Tata Income Fund & Tata Hybrid Equity Fund regarding use of Interest Rate Futures (IRF) to create an imperfect hedge from time to time.

Effective Date: 15th June, 2019

In order to reduce interest rate risk, the schemes may hedge the portfolio or part of the portfolio (including one or more securities) on weighted average modified duration basis by using Interest Rate Futures (IRFs). The maximum extent of short position that may be taken in IRFs to hedge interest rate risk of the portfolio or part of the portfolio, is as per the formula given below:

$$\frac{\text{(Portfolio Modified duration*Market Value of Portfolio)}}{\text{(Futures Modified Duration*Future Price/PAR)}}$$

In case IRF contract has different underlying security(s) than the existing position being hedged, it would result in imperfect hedging. Imperfect edging using IRFs is exempted from the gross exposure, up to maximum of 20% of the net assets of the scheme, subject to following conditions:

1. Exposure to IRFs is created only for hedging the interest rate risk based on the weighted average modified duration of the bond portfolio or part of the portfolio.
2. Imperfect hedging is permitted without it being considered under the gross exposure limits, if and only if, the correlation between the portfolio or part of the portfolio (excluding the hedged portions, if any) and the IRF is at least 0.9 at the time of initiation of hedge. In case of any subsequent deviation from the correlation criteria, the same may be rebalanced within 5 working days and if not rebalanced within the timeline, the derivative positions created for hedging shall be considered under the gross exposure. The correlation should be calculated for a period of last 90 days.
3. The portion of imperfect hedging in excess of 20% of the net assets of the scheme should be considered as creating exposure and shall be included in the computation of cumulative gross exposure through equity, debt and derivative positions which should not exceed 100% of the net assets of the scheme.
4. At no point of time, the net modified duration of part of the portfolio being hedged should be negative.

Illustration of imperfect hedging

DP = Duration of the portfolio (measure of the interest rate sensitivity of the portfolio) = 7

DF =Duration of the underlying security of the futures contract = 6 (> 0.9 correlations with the portfolio)

P = Portfolio's market value = Rs. 200 crores

Y = underlying interest rate or portfolio yield = 8.00%

Subsequently, if it is anticipated that yields may rise in the future, the fund manager can hedge the underlying duration risk in the IRF by selling the futures contract.

Maximum Imperfect hedge allowed = 20% of the Net assets of the Scheme

Assuming interest rates rise by 50 bps point, post the imperfect hedging

Change in the market value of the portfolio = (P*DP*Change in interest rate) = Rs 200 crores * 7 * (0.50%) = (Rs.7.00 crores)

Duration risk managed due to hedge in IRF = % of portfolio hedged *P * DF * Change in the interest rates = 20% * 200 * 6 * (0.50%) = Rs. 1.20 crores

Thus, net change in the market value of the portfolio = Rs 200 crores – Rs 7.00 crores + Rs 1.20 crores = Rs 194.20 Crores

As can be seen from the above, in case yields move higher by 50 bps, there is a loss in the portfolio for Rs 7 crores, but due to the active hedging, IRFs position helps in reducing the loss in the portfolio by 1.20 crores.

Risks associated with Imperfect Hedging using Interest Rate Futures (IRF)

Liquidity/execution risk - IRF are relatively new instruments traded on the exchanges and don't have as much liquidity as the OTC market in the underlying bond. This could expose the hedge to liquidity (execution and wider bid-offer spread) risk and associated impact cost.

Spread risk - The IRF is based on government securities and treasury bills. Imperfect hedging can be applied on portfolios comprised of corporate bonds as well. Corporate bond yield theoretically comprises of the risk free rate and a credit spread. IRF would hedge out only the risk free rate. Any compression/expansion of credit spread of the underlying portfolio would not be hedged by the IRF.

Yield curve slope risk - The IRF hedge is done on a modified duration basis. This means that the maturity of the underlying instrument and the maturity of the IRF could be different. The hedge ratio is arrived at using the prescribed formula. This hedges the risk arising from a parallel shift in the yield curve. Any change in the slope of the yield curve (flattening/steepening) remains unhedged as residual risk.

Unwinding risk - An unexpected change in market conditions may require unwinding the derivative positions at disadvantageous prices during periods of heightened volatility e.g. if the yields slide lower due to a surprise RBI rate cut, participants with short Interest Rate Futures positions would seek to cut their losses and exit, leading to an increase in the price of the IRF, and negative price impact on the hedged portfolio there from.

Correlation risk - As per the extant regulation, the IRF has to have a 0.90 correlation coefficient with the underlying bond/portfolio, for the past 90 days, to be considered for imperfect hedging. If the correlation deteriorates going forward, the hedge may have to be rebalanced with attendant impact cost.

A written communication informing the above change has been sent to all the unit holders of the scheme(s) informing them of the above changes and option to exit from scheme(s) at the prevailing NAV without payment of exit load from 15th May 2019 to 14th June 2019 (upto 3.00 p.m.).

Unitholders may note that no action is required in case they are in agreement with the aforesaid changes.

Load free exit period is available only for investors holding units as on 14th May 2019 as per Registrars records.

Notice cum Addendum for Creation of Segregate Portfolio in the Scheme Information Documents (SIDs) & Key Information Memorandums (KIMs) of Tata Liquid Fund, Tata Ultra Short Term Fund, Tata Treasury Advantage Fund, Tata Money Market Fund, Tata Short Term Bond Fund, Tata Medium Term Fund, Tata Income Fund, Tata Dynamic Bond Fund, Tata Corporate Bond Fund, Tata Gilt Securities Fund & Tata Hybrid Equity Fund.

Effective Date 15th June, 2019

In order to ensure fair treatment to all investors in case of a credit event and to deal with liquidity risk, SEBI has allowed creation of segregated portfolio of debt and money market instruments by mutual fund schemes.

It is proposed to incorporate provision of segregated portfolio in the Scheme Information Documents (SIDs) and Key Information Document (KIMs) of the above-mentioned schemes of Tata Mutual Fund.

Creation of segregated portfolio shall be subject to guidelines specified by SEBI from time to time and includes the following:

1) Segregated portfolio may be created, in case of a credit event at issuer level i.e. downgrade in credit rating by a SEBI registered Credit Rating Agency (CRA), as under:
   a) Downgrade of a debt or money market instrument to 'below investment grade', or
   b) Subsequent downgrades of the said instruments from 'below investment grade', or
   c) Similar such downgrades of a loan rating
2) In case of difference in rating by multiple CRAs, the most conservative rating shall be considered. Creation of segregated portfolio shall be based on issuer level credit events as mentioned above and implemented at the ISIN level.
3) Creation of segregated portfolio is optional and is at the discretion of the Tata Asset Management Ltd (AMC)

Process for Creation of Segregated Portfolio

1) On the date of credit event, AMC should decide on creation of segregated portfolio. Once AMC decides to segregate portfolio, it should:
   a) seek approval of trustees prior to creation of the segregated portfolio.
   b) immediately issue a press release disclosing its intention to segregate such debt and money market instrument and its impact on the investors. Tata Mutual Fund will also disclose that the segregation shall be subject to Trustee approval. Additionally, the said press release will be prominently disclosed on the website of the AMC.
   c) ensure that till the time the trustee approval is received, which in no case shall exceed 1 business day from the day of credit event, the subscription and redemption in the scheme will be suspended for processing with respect to creation of units and payment on redemptions.
2) Once Trustee approval is received by the AMC:
   a) Segregated portfolio will be effective from the day of credit event
   b) AMC shall issue a press release immediately with all relevant information pertaining to the segregated portfolio. The said information will also be submitted to SEBI.
   c) An e-mail or SMS will be sent to all unit holders of the concerned scheme.
   d) The NAV of both segregated and main portfolios will be disclosed from the day of the credit event.
   e) All existing investors in the scheme as on the day of the credit event will be allotted equal number of units in the segregated portfolio as held in the main portfolio.
   f) No redemption and subscription will be allowed in the segregated portfolio. However, upon recovery of any money from segregated portfolio, it will be immediately distributed to the investors in proportion to their holding in the segregated portfolio.
   g) AMC should enable listing of units of segregated portfolio on the recognized stock exchange within 10 working days of creation of segregated portfolio and also enable transfer of such units on receipt of transfer requests
   h) Investors redeeming their units will get redemption proceeds based on the NAV of main portfolio and will continue to hold the units of segregated portfolio.
3) If the trustees do not approve the proposal to segregate portfolio, AMC will issue a press release immediately informing investors of the same.
4) In case trustees do not approve the proposal of segregated portfolio, subscription and redemption applications will be processed based on the NAV of total portfolio.

Processing of Subscription and Redemption Proceeds

All subscription and redemption requests for which NAV of the day of credit event or subsequent day is applicable will be processed as under:

i. Upon trustees' approval to create a segregated portfolio -
   - Investors redeeming their units will get redemption proceeds based on the NAV of main portfolio and will continue to hold the units of segregated portfolio.
   - Investors subscribing to the scheme will be allotted units only in the main portfolio based on its NAV.

ii. In case trustees do not approve the proposal of segregated portfolio, subscription and redemption applications will be processed based on the NAV of total portfolio.

Disclosure

AMC shall make necessary disclosures as mandated by SEBI, in statement of account, monthly / half yearly portfolio statements, Key Information Memorandum (KIM), SID, Scheme Advertisements, Scheme Performance data, AMC Website and at other places as may be specified.

The information regarding number of segregated portfolios created in a scheme shall appear prominently under the name of the scheme at all relevant places such as SID, KIM-cum-Application Form, advertisement, AMC and AMFI websites, etc.

Monitoring by Trustees

Trustees will monitor the compliance of the SEBI Circular in respect of creation of segregated portfolio and disclosure in this respect shall be made in Half-Yearly Trustee reports filed with SEBI.

In order to avoid mis-use of segregated portfolio, Trustees will put in place a mechanism to negatively impact the performance incentives of Fund Managers, Chief Investment Officers (CIOs) etc. involved in the investment process of securities under the segregated portfolio, mirroring the existing mechanism for performance incentives of Tata Asset Management Ltd., including claw back of such amount to the segregated portfolio of the scheme.

TER for the Segregated Portfolio

1) AMC will not charge investment and advisory fees on the segregated portfolio. However, TER (excluding the investment and advisory fees) can be charged, on a pro-rata basis only upon recovery of the investments in segregated portfolio.
2) The TER so levied shall not exceed the simple average of such expenses (excluding the investment and advisory fees) charged on daily basis on the main portfolio (in % terms) during the period for which the segregated portfolio was in existence.in addition to the TER mentioned above, the legal charges related to recovery of the investments of the segregated portfolio may be charged to the segregated portfolio as mentioned below.
3) The legal charges related to recovery of the investments of the segregated portfolio may be charged to the segregated portfolio in proportion to the amount of recovery. However, the same shall be within the maximum TER limit as applicable to the main portfolio. The legal charges in excess of the TER limits, if any, shall be borne by the AMC.
4) The costs related to segregated portfolio shall in no case be charged to the main portfolio.

Explanations:

1) The term 'segregated portfolio' means a portfolio, comprising of debt or money market instrument affected by a credit event, that has been segregated in a mutual fund scheme.
2) The term 'main portfolio' means the scheme portfolio excluding the segregated portfolio.
3) The term 'total portfolio' means the scheme portfolio including the securities affected by the credit event.

Risks associated with segregated portfolio

1. Investor holding units of segregated portfolio may not able to liquidate their holding till the time recovery of money from the issuer.
2. Security comprises of segregated portfolio may not realise any value.
3. Listing of units of segregated portfolio in recognised stock exchange does not necessarily guarantee their liquidity. There may not be active trading of units in the stock market. Further trading price of units on the stock market may be significantly lower than the prevailing NAV.
4. Illustration of Segregated Portfolio

Portfolio Date	31-Mar-19
Downgrade Event Date	31-Mar-19
Downgrade Security	7.65% C Ltd from AA+ to B
Valuation Marked Down	25%

Mr. X is holding 1000 Units of the Scheme, amounting to (1000*15.0573) Rs.15057.3

Portfolio Before Downgrade Event

Security	Rating	Type of the Security	Qty	Price Per Unit(Rs)	Market Value (Rs. in Lacs)	% of Net Assets
7.80% A FINANCE LTD	CRISIL AAA	NCD	3,200,000	102.812	3289.98	21.850
7.70 % B LTD	CRISIL AAA	NCD	3,230,000	98.5139	3182.00	21.133
7.65 % C Ltd	**CRISIL B***	**NCD**	**3,200,000**	**73.843**	**2362.97**	**15.693**
D Ltd (15/May/2019)	ICRA A1+	CP	3,200,000	98.3641	3147.65	20.904
7.65 % E LTD	CRISIL AA	NCD	3,000,000	98.6757	2960.27	19.660
Cash / Cash Equivalents					114.47	0.760
		Net Assets			**15057.34**	
		Unit Capital (no of units)			**1000.00**	
			NAV (Rs)		**15.0573**	

* Marked down by 25% on the date of credit event. Before Marked down the security was valued at Rs.98.4570 per unit on the date of credit event i.e on 31st March 2019, NCD of C Ltd (7.65%) will be segregated as separate portfolio.

Main Portfolio as on 31st March 2019

Security	Rating	Type of the Security	Qty	Price Per Unit(Rs)	Market Value (Rs. in Lacs)	% of Net Assets
7.80% A FINANCE LTD	CRISIL AAA	NCD	3,200,000	102.812	3289.98	21.850
7.70 % B LTD	CRISIL AAA	NCD	3,230,000	98.5139	3182.00	21.133
D Ltd (15/May/2019)	ICRA A1+	CP	3,200,000	98.3641	3147.65	20.904
7.65 %E LTD	CRISIL AA	NCD	3,000,000	98.6757	2960.27	19.660
Cash / Cash Equivalents					114.47	0.760
		Net Assets			**12694.37**	
		Unit Capital (no of units)			**1000.00**	
			NAV (Rs)		**12.6944**	

Segregated Portfolio as on 31st March 2019

Security	Rating	Type of the Security	Qty	Price Per Unit(Rs)	Market Value (Rs. in Lacs)	% of Net Assets
7.65 % C Ltd	**CRISIL B***	**NCD**	**3,200,000**	**73.843**	**2362.97**	**15.693**
		Unit Capital (no of units)			**1000.00**	
			NAV (Rs)		**2.3630**	

Value of Holding of Mr. X after creation of Segregated Portfolio

	Segregated Portfolio	Main Portfolio	Total Value(Rs.)
No of units	1000	1000	
NAV(Rs)	2.3630	12.6944	
Total value	2362.97	12694.33	15057.30

A written communication informing the above change has been sent to all the unit holders of the scheme(s) informing them of the above changes and option to exit from scheme(s) at the prevailing NAV without payment of exit load from 15th May 2019 to 14th June 2019 (upto 3.00 p.m.).

Unitholders may note that no action is required in case they are in agreement with the aforesaid changes.

Load free exit period is available only for investors holding units as on 14th May 2019 as per Registrars records.

Notice cum Addendum for Changes in the Fundamental Attributes & Other Terms of Tata Young Citizens' Fund

Effective Date 15th June, 2019

Notice is hereby given that the Trustees of Tata Mutual Fund have approved the changes in the fundamental attributes and other terms of the Tata Young Citizens' Fund ("Scheme").

The following changes will be implemented to the terms of the scheme from the effective date.

1) Changes in the Fundamental Attributes

Changes in Asset Allocation:

Under normal circumstances, the asset allocation of the scheme will be as follows:

Instruments	Indicative allocations (% of total assets)		Risk Profile
	Minimum	Maximum	High/Medium/Low
Equity and Equity Related Instruments (Listed / Unlisted)	65	100	High
Debt* & Money market instrument	0	35	Low to Medium
Units issued by REITs and InviTs	0	10	Medium to High

* Investment by the scheme in securitised debt will not normally exceed 70% of the debt exposure of the Scheme.

The Scheme may participate in repo in corporate debt securities subject to guidelines specified by SEBI from time to time.

The scheme may invest in the units of REITs and InviTs.

The scheme may write call options under covered call strategy.

There are no changes in the other restrictions mentioned below the Asset Allocation table in the SID.

Investment restriction applicable to REITs and InvITs

1) No mutual fund under all its schemes shall own more than 10% of units issued by a single issuer of REIT and InvIT; and
2) The scheme shall not invest –
   a) more than 10% of its NAV in the units of REIT and InvIT; and
   b) more than 5% of its NAV in the units of REIT and InvIT issued by a single issuer.

Risks Associated with Investments in REITs and InvITS:

- Market Risk: REITs and InvITs Investments are volatile and subject to price fluctuations on a daily basis owing to factors impacting the underlying assets. AMC/Fund Manager's will do the necessary due diligence, but actual market movements may be at variance with the anticipated trends.
- Liquidity Risk: As the liquidity of the investments made by the Scheme(s) could, at times, be restricted by trading volumes, settlement periods, dissolution of the trust, potential delisting of units on the exchange etc, the time taken by the Mutual Fund for liquidating the investments in the scheme may be high in the event of immediate redemption requirement. Investment in such securities may lead to increase in the scheme portfolio risk.
- Reinvestment Risk: Investments in REITs & InvITs may carry reinvestment risk as there could be repatriation of funds by the Trusts in form of buyback of units or dividend pay-outs, etc. Consequently, the proceeds may get invested in assets providing lower returns.
- Regulatory/Legal Risk: REITs and InvITs being new asset classes, rights of unit holders such as right to information etc. may differ from existing capital market asset classes under Indian Law.

i) Writing of call option under covered call strategy

The scheme may write call options under covered call strategy subject to conditions specified by SEBI which includes the following:

(1) Call option writing under a cover call strategy is allowed for constituent stocks of NIFTY 50 and BSE SENSEX.
(2) The total notional value (taking into account strike price as well as premium value) of call options written by a scheme shall not exceed 15% of the total market value of equity shares held in that scheme.
(3) The total number of shares underlying the call options written shall not exceed 30% of the unencumbered shares of a particular company held in the scheme. The unencumbered shares in a scheme shall mean shares that are not part of Securities Lending and Borrowing Mechanism (SLBM), margin or any other kind of encumbrance.
(4) In no case, a scheme shall write a call option without holding the underlying equity shares. A call option can be written only on shares which are not hedged using other derivative contracts.
(5) The total gross exposure related to option premium paid and received must not exceed 20% of the net assets of the scheme.
(6) The call option written shall be marked to market daily and the respective gains or losses factored into the daily NAV of the respective scheme(s) until the position is closed or expired.

Benefit of Writing of Call Option Under a Cover Call Strategy

a. Holders with Long term view on the stock can write options and reduce the portfolio costs.
b. Writing can also act as a good alternative for playing relative outperformance for stocks held in portfolios within same sector.
c. Stocks held in the portfolio can be effectively hedged in extreme volatility in the market.

Illustration

For example, if the scheme buy a stock A at Rs.900, receive a Rs.100 option premium from writing a Rs.1050 strike price call of stock A, then it can maintain the stock position as long as the stock price stays below Rs.1150 at expiry. If the stock price moves above Rs.1150, the scheme may have to give delivery of long position to meet obligation of call writing. The scheme can only profit if stock price remains below Rs.1150 on expiry.

Risk of Writing of Call Option Under a Cover Call Strategy

Under a delivery settlement a call writer will have to part with the physical holding of security which was originally intended for long term holding.

2) Change in Other Terms

i) Participation in Repo in Corporate Bond

The Scheme may participate in repo in corporate debt securities subject to guidelines specified by securities subject to guidelines specified by RBI and SEBI which includes the following:

- Gross exposure to corporate bond repo transaction should be not more than 10% of the net asset of the scheme.
- The cumulative gross exposure through repo transactions in corporate debt securities along with equity, debt and derivatives shall not exceed 100% of the net assets of the Scheme.
- The Scheme will participate in repo transactions only in AA and above rated corporate debt securities.
- The Scheme may borrow through repo transactions (for redemption/dividend payout) only if the tenor of the transaction does not exceed a period of six months and aggregate borrowing is note more than 20% of net assets of the Scheme.
- Credit exposure will be on the counterparty and not on the collateral securities in case of corporate bond repo. Issuer and counterparty limits will be based on approved credit universe.

The scheme will ensure compliance with the Seventh Schedule of the Mutual Funds Regulations about restrictions on investments, wherever applicable, with respect to repo transactions in corporate debt securities.

As mandated by SEBI vide circular CIR / IMD / DF / 19 / 2011dt. November 11, 2011, AMC and Trustee company of Tata Mutual Fund have specified norms for Category of counterparty, credit rating of counterparty, tenor of collateral and applicable haircuts for participation in repo in corporate bonds.

Risk associated with investing in Repo of Corporate Bond Securities

To the extent the scheme invests in Repo of Corporate Bond Securities, the scheme will be subject to following risks:

- Corporate Bond Repo will be subject to counter party risk.
- The Scheme will be exposed to credit risk on the underlying collateral– downward migration of rating. The scheme may impose adequate haircut on the collateral to cushion against any diminution in the value of the collateral. Collateral will require to be rated AA and above rated where potential for downgrade/default is low. In addition, appropriate haircuts are applied on the market value of the underlying securities to adjust for the illiquidity and interest rate risk on the underlying instrument.
- Liquidity of collateral: In the event of default by the counterparty, the scheme Fund would have recourse to recover its investments by selling the collateral in the market. If the underlying collateral is illiquid, then the Mutual Fund may incur an impact cost at the time of sale (lower price realization).

The proposed changes are changes in the fundamental attributes of the Scheme as per Regulation 18(15A) of the SEBI (Mutual Funds) Regulations, 1996. Hence, Unitholders who are not in favour of the above mentioned scheme changes, they may choose to exit from Tata Young Citizens' Fund (TYCF) by submitting request for redemption or switch to any of our existing schemes at the prevailing NAV without payment of exit load, from 15th May, 2019 to 14th June, 2019 (upto 3.00 p.m.) at any of our Branches or CAMS Official Points of Acceptance.

Kindly note that investors who have subscribed or switched-in to the scheme after 3rd May 2018 will not be eligible for opting of exit option as their investments are subject to a lock-in period of 5 years or till the time the child attains majority (18 years of age) whichever is earlier.

The above changes will be effective from 15th June,2019. Revised asset allocation pattern indicated above will be achieved within 30 days from the effective date of change in the fundamental attribute of the scheme.

The unit holders who have pledged or encumbered their units will not have the option to exit unless they procure an effective release of their pledges/ encumbrances prior to the redemption / switch-out requests.

A written communication informing the above change has been sent to all the unit holders of TYCF informing them of the proposed changes and the exit option details.

Unitholders may note that no action is required in case they are in agreement with the aforesaid changes, which shall be deemed as acceptance of the change. **The offer to exit from the Scheme is optional at the discretion of the Unit holders and not compulsory.**

Load free exit period is available only for investors holding units as on 14th May 2019 as per Registrars records.

Notes:-

- This notice cum addendum will form an integral part of the SIDs and KIMs of the schemes.
- All other terms and conditions of the SIDs/KIMs read with other addendums including the Risk-o-meter, Type of the schemes remain unchanged.

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