

## ADDENDUM

This addendum sets out changes to be made in the Scheme Information Document (SID) / Key Information Memorandum (KIM) of Tata Equity P/E Fund ('the scheme') regarding "Change in the Base NAV for Dividend Triggers".

Effective Date: Calendar Quarter commencing from October 01, 2010

Notice is hereby given that the Trustees have approved following change in base NAV for dividend triggers under the scheme:

Existing Base NAV for calculation of dividend trigger levels	Revised Base NAV for calculation of dividend trigger levels
<b>Dividend Trigger Option A (5% Trigger):</b> Last Ex-dividend NAV	<b>Dividend Trigger Option A (5% Trigger):</b> Lowest NAV of the option during the immediate preceding calendar quarter.
<b>Dividend Trigger Option B (10% Trigger):</b> Last Ex-dividend NAV	<b>Dividend Trigger Option B (10% Trigger):</b> Lowest NAV of the option during the immediate preceding calendar quarter.

Accordingly, w.e.f. calendar quarter commencing from October 01, 2010, the base NAV for declaration of dividend would be the lowest NAV of the respective options declared during previous calendar quarter e.g. for the quarter 1st October 2010 to 31st December 2010, the base NAV for declaration of dividend would be the lowest NAV of the respective options during the calendar quarter ended 30th September 2010.

Further, the quantum of dividend will be decided by the Trustees subject to availability of distributable surplus. The Trustees reserve the right to declare dividend even if the trigger is not occurred.

### Illustration

*The lowest NAVs during preceding calendar quarter (July – September, 2010) were Rs. 20 & 25 for Dividend Trigger Option A & Dividend Trigger Option B respectively. For the purpose of calculating the trigger levels for the calendar quarter October – December 2010, these NAVs shall be treated as the base NAVs of the respective options.*

*Trigger level for Option A would be: Rs. 21 (i.e. 5% appreciation in the base NAV of Rs. 20)*

*Trigger level for option B would be: Rs. 27.50 (i.e. 10% appreciation in the base NAV of Rs. 25)*

*As & when NAV appreciates to these levels during the calendar quarter (Oct – Dec 2010), the fund shall initiate declaration of dividends (subject to availability of distributable surplus) within five working days.*

*Likewise, base NAVs & dividend trigger levels shall be decided for subsequent calendar quarters.*

**Subject to the Regulations & disclosure requirements as specified by SEBI, the Trustees reserve the right to amend / modify any or all the features of the Dividend Trigger Option, including the minimum application amount, recurring expenses, load structure etc. from time to time.**

### Notes:-

- % Figures as mentioned (10% & 5%) are with reference to appreciation of NAV & not the quantum of dividend.
- The Dividend Trigger Option & sub-options thereunder will form an integral part of Tata Equity P/E Fund.
- Declaration of dividend is at the discretion of Trustees. As per the prevailing regulatory guidelines, dividend can be paid only out of distributable surplus. Due to various reasons beyond the control of the Investment Manager, it may be possible that in spite of appreciation in NAV there is no distributable surplus available on the record date. Under such scenario, no dividend will be distributed.
- All plans / options under the scheme shall have common portfolio.
- The above provisions will remain in force till further notice
- All other terms & conditions of the SID read with other addendums if any remain unchanged further notice.

**Statutory Details:** Constitution: Tata Mutual Fund (TMF) has been set up as a Trust under the Indian Trusts Act 1882. Sponsors: Tata Sons Limited & Tata Investment Corporation Limited. Trustee: Tata Trustee Company Ltd., 9<sup>th</sup> floor, Mafatal Centre, Nariman Point, Mumbai – 21. Investment Manager: Tata Asset Management Ltd., 9<sup>th</sup> floor, Mafatal Centre, Nariman Point, Mumbai. **Nature & Investment Objective: Tata Equity P/E Fund** - An open ended equity scheme, the investment objective of the scheme is to provide reasonable & regular income and / or possible capital appreciation to its unit holders.

**Disclaimer:** Trigger facility in any manner whatsoever is not an assurance or guarantee on part of Tata Mutual Fund (TMF) / Tata Asset Management Limited (TAML) to the unit holders in terms of returns or capital appreciation or minimization of loss of capital or otherwise. TMF / TAML shall not be responsible if the trigger is not achieved and / or implemented due to reasons which are beyond the control of TMF / TAML such as technology failure / default etc. Further, this trigger facility shall be subject to terms & conditions as outlined in the application form / KIM of the scheme. Trigger facility being an additional

facility can be withdrawn at any time at the discretion of Trustees. **Risk Factors: As with any investment in securities, the NAV of the Units issued under the Schemes may go up or down depending on the various factors & forces affecting capital markets. Mutual Fund & securities investments are subject to market risks & there can be no assurance & no guarantee that the scheme's objectives will be achieved.** Past performance of the Sponsors/ AMC/ schemes of the Tata Mutual Fund does not indicate the future performance of the scheme of the Mutual Fund. **Tata Equity P/E Fund only the name of the scheme & do not in any manner indicate either the quality of the scheme, its future prospects or the returns.** The present scheme / plans / options is not a guaranteed return scheme / plans / options. The Sponsors are not responsible or liable for any loss resulting from the operations of the Mutual Fund beyond the contribution of an amount of Rs.1 lac made by them towards setting up of the Mutual Fund. Investments by the scheme in interest bearing securities are subject to interest rate risk, credit risk, floating rate risk & liquidity risk. **For scheme specific risk factors & other details investors are urged to read the Scheme Information Document (SID) / Statement of Additional Information (SAI) & terms & conditions, as outlined in the application form / KIM, carefully before investing.**