

NOTICE CUM ADDENDUM

This Notice / Addendum sets out changes to be made in the Scheme Information Document (SID) / Key Information Memorandum (KIM) of Tata Balanced Fund ('the scheme') regarding introduction of additional option i.e. Monthly Dividend Option along with the existing Dividend Option.

Effective Date: 23rd July 2010.

Notice is hereby given that the Board of Trustees of Tata Mutual Fund have approved introduction of additional option i.e. 'Monthly Dividend Option' in the scheme. Under 'Monthly Dividend Option', the fund will strive to declare the dividends on a monthly basis subject to availability of distributable surplus.

Monthly dividend option will have two sub options i.e. Dividend Pay-Out and Dividend Re-investment options. In case the monthly dividend amount is less than Rs. 250/- then the dividend will be compulsorily be reinvested and the payout option will not be applicable.

However, monthly dividends under the new option are not guaranteed or assured in any way. Declaration of dividend will be subject to availability and adequacy of distributable surplus and the discretion of the trustees.

The existing Dividend Option will continue to remain in the scheme and shall declare dividends periodically subject to availability of distributable surplus.

Load structure for Monthly Dividend Option would be as under (for new investors):

Entry Load: Nil

Exit Load: 1% of the applicable NAV if redeemed on or before expiry of 365 days from the date of allotment.

All the unitholders under the dividend option of the scheme are requested to take a note of the above and if they wish to change their option from the existing Dividend Option to the new Monthly Dividend Option, they should intimate to the AMC by July 21, 2010.

Notes:-

- With effect from July 23, 2010, three NAVs shall be generated under the scheme for the respective three options.
- The Monthly Dividend Option and sub-options thereunder will form an integral part of Tata Balanced 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 and 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 Trust Act 1882. **Sponsors:** Tata Sons Limited and Tata Investment Corporation Limited. **Trustee:** Tata Trustee Company Ltd. **Investment Manager:** Tata Asset Management Ltd. **Nature and Investment Objective: Tata Balanced Fund** - An open ended balanced scheme, the investment objective of the Scheme is to provide income distribution and / or medium to long term capital gains while at all times emphasising the importance of capital appreciation.. **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 and forces affecting capital markets. Mutual Fund and securities investments are subject to market risks and there can be no assurance and 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 Balanced Fund only the name of the scheme and 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 and liquidity risk. **For scheme specific risk factors and other details investors are urged to read the Scheme Information Document (SID) / Statement of Additional Information (SAI) and terms and conditions, as outlined in the application form, carefully before investing.**