

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 introduction of two dividend trigger options under the existing 'Dividend Option' of the scheme.

Effective Date: October 1, 2009

Notice is hereby given that the Board of AMC and the Trustee have approved introduction of two dividend trigger options under the existing Dividend Option of the scheme. Accordingly, existing 'dividend option' will split into two options i.e. Dividend Trigger Option A (Trigger A) and Dividend Trigger Option B (Trigger B).

Under Trigger A, the Fund will initiate the declaration of dividend when there is an appreciation in NAV by 5% in a calendar quarter.

In case of Trigger B, the Fund will initiate the declaration of dividend when there is an appreciation in NAV by 10% in a calendar quarter.

For the calendar quarter October - December 2009, NAV as on September 30, 2009 would be the base NAV for trigger of 5% / 10% appreciation. For subsequent quarters the base NAV would be the NAV as on last ex-dividend date or NAV as on 30th September 2009 whichever is later.

The salient features of Dividend Triggers are as under:

Dividend Triggers – The Fund intends to declare dividends as and when there is an appreciation in the NAV of the options by pre-defined trigger level i.e. 5% (Dividend Trigger Option A) and 10% (Dividend Trigger Option B) in a calendar quarter. Record date for dividend will be announced within five working days from the date of the occurrence of trigger. Maximum only one dividend will be declared in one calendar quarter. The quantum of dividend shall be decided by the Trustees and will be subject to availability of distributable surplus. Once a dividend is declared in the option, the next trigger of 5% (Dividend Trigger Option A) and 10% (Dividend Trigger Option B) shall be calculated from the ex-dividend NAV of the respective option.

Please Note – No dividend will be declared if the NAV does not reach to the trigger level and irrespective of the appreciation level of the NAV, not more than one dividend will be declared in a particular calendar quarter. Further, it is also possible that trigger level is reached only for Option A and not for option B, in that case dividend will be declared only in option A.

Illustration - Suppose the option is implemented from October 1, 2009 (Calendar Quarter – October – December 2009) The base NAV for the quarter October – December 2009 would be NAV calculated at end of the day on 30th September 2009. Assume that NAV as on 30th September 2009 is Rs. 12.00 per unit. The trigger NAV for declaration of dividend would be Rs. 12.60/- in case of Option A and Rs. 13.20/- in case of Option B.

Scenario 1 - NAV does not reach to the trigger levels during the said quarter

Dividend may not be declared.

Scenario 2 – NAV reaches to the trigger level say on November 16, 2009

Record date for Dividend will be announced within 5 working days from the date of occurrence of trigger i.e. 16th November, 2009 and record date for dividend is fixed on 23rd November, 2009 and ex dividend date is 24th November, 2009. Trigger level for next dividend in next quarter shall be based on the Ex-dividend NAV as on 24th November, 2009. Say dividend of Re. 0.30/- and Re. 0.60/- per unit is declared in Option A & B respectively and Ex-dividend NAV comes to Rs. 11.75/- & 12.70/- then trigger NAV level for the next dividend would be Rs. 12.34/- and Rs. 13.97/- for Option A & B respectively.

Scenario 3 – NAV reaches to the next trigger level in the same quarter say on December 15, 2009

No 2nd dividend will be declared in October - December 2009 quarter. However, if NAV level remains above the trigger level till 1st January, 2010 (i.e. on beginning of next calendar quarter), then the record date for dividend will be announced within first five working days.

Subject to the Regulations and 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:-

- The Dividend Trigger Option and 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 and conditions of the SID read with other addendums if any remain unchanged further notice.

All unit holders under the 'dividend option' of the scheme will be informed about the proposed change and will be given an option to select any one of the dividend option.

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 Pvt. Ltd. Investment Manager: Tata Asset Management Ltd. **Nature and Investment Objective:** **Tata Equity P/E Fund** - An open ended equity scheme, the investment objective of the scheme is to provide reasonable and 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 and conditions as outlined in the application form 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 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 Equity P/E Fund is 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.**