

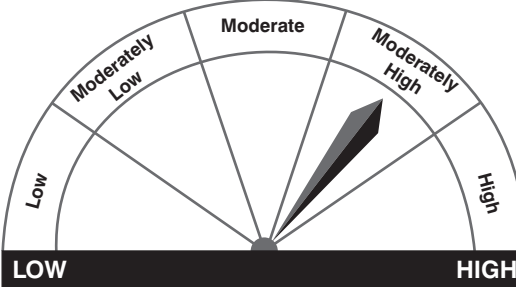
SCHEME INFORMATION DOCUMENT

UNION PRUDENCE FUND

An Open-ended Dynamic Asset Allocation Fund

Offer of Units of ₹ 10 each for cash during the New Fund Offer and continuous offer for Units at NAV based prices (Face Value ₹ 10)



This product is suitable for investors who are seeking*:	Riskometer
<ul style="list-style-type: none">Long Term Capital AppreciationInvestment predominantly in a portfolio of equity and equity linked securities and the rest in debt and money market instruments.	 <p>Investors understand that their principal will be at moderately high risk</p>

*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

New Fund Offer Opens on:

December 07, 2017

New Fund Offer Closes on:

December 15, 2017

Scheme Re-opens for continuous sale and repurchase on:

January 01, 2018

The particulars of the Scheme have been prepared in accordance with the Securities and Exchange Board of India (Mutual Funds) Regulations 1996, (herein after referred to as SEBI (MF) Regulations or the Regulations) as amended till date, and filed with SEBI, along with a Due Diligence Certificate from the Asset Management Company (AMC). The Units being offered for public subscription have not been approved or recommended by SEBI nor has SEBI certified the accuracy or adequacy of the Scheme Information Document.

The Scheme Information Document sets forth concisely the information about the scheme that a prospective investor ought to know before investing. Before investing, investors should also ascertain about any further changes to this Scheme Information Document after the date of this Document from the Mutual Fund / Investor Service Centres / Website / Distributors or Brokers.

The investors are advised to refer to the Statement of Additional Information (SAI) for details of Union Mutual Fund, Tax and Legal issues and general information on www.unionmf.com

SAI is incorporated by reference (is legally a part of the Scheme Information Document). For a free copy of the current SAI, please contact your nearest Investor Service Centre or log on to our website.

The Scheme Information Document should be read in conjunction with the SAI and not in isolation.

This Scheme Information Document is dated November 28, 2017.

Name of Mutual Fund:

Union Mutual Fund (formerly Union KBC Mutual Fund)

Registered Office: Unit 503, 5th Floor, Leela Business Park, Andheri Kurla Road, Andheri (East), Mumbai - 400059 • www.unionmf.com

Name of Asset Management Company:

Union Asset Management Company Private Limited (formerly Union KBC Asset Management Company Private Limited):

Corporate Identity Number (CIN): U65923MH2009PTC198201

Registered Office: Unit 503, 5th Floor, Leela Business Park, Andheri Kurla Road, Andheri (East), Mumbai - 400059

Toll Free No. 18002002268 • Non Toll Free. 022-67483333 • Fax No: 022-67483401 • Website: www.unionmf.com • Email: investorcare@unionmf.com

Name of Trustee Company:

Union Trustee Company Private Limited (formerly Union KBC Trustee Company Private Limited):

Corporate Identity Number (CIN): U65923MH2009PTC198198

Registered Office: Unit 503, 5th Floor, Leela Business Park, Andheri Kurla Road, Andheri (East), Mumbai - 400059

T +91-22-6748 3300 • F +91-22-6748 3401

Name of Sponsor:

Union Bank of India

Registered Office: Union Bank Bhavan, 239, Vidhan Bhavan Marg, Nariman Point, Mumbai - 400 021

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TABLE OF CONTENTS

	Particulars	Page No.
	HIGHLIGHTS/SUMMARY OF THE SCHEME	4
I	INTRODUCTION	10
A.	Risk Factors	10
B.	Requirement of Minimum Investors in the Scheme	15
C.	Special Considerations	16
D.	Definitions & Abbreviations	19
E.	Due Diligence by the Asset Management Company	27
II.	INFORMATION ABOUT THE SCHEME	28
A.	Name & Type of the Scheme	28
B.	What is the Investment Objective of the Scheme?	28
C.	How will the Scheme allocate its assets?	28
D.	Where will the Scheme invest?	32
E.	What are the Investment Strategies?	36
F.	Fundamental Attributes	55
G.	How will the Scheme Benchmark its Performance?	56
H.	Who manages the Scheme?	56
I.	What are the Investment Restrictions?	58
J.	How has the Scheme Performed?	63
K.	Debt and Money Markets in India	63
L.	Additional Scheme Disclosures	65
III.	UNITS AND OFFER	65
A.	New Fund Offer (NFO)	65
B.	Ongoing Offer Details	78
C.	Periodic Disclosures	107
D.	Computation of NAV	110
IV.	FEES AND EXPENSES	111
A.	New Fund Offer (NFO) Expenses	111
B.	Annual Scheme Recurring Expenses	112
C.	Load Structure	115
D.	Waiver of Load for Direct Applications	116
E.	Transaction Charges to Distributors	116
V.	RIGHTS OF UNITHOLDERS	117
VI.	PENALTIES, PENDING LITIGATION OR PROCEEDINGS, FINDINGS OF INSPECTIONS OR INVESTIGATIONS FOR WHICH ACTION MAY HAVE BEEN TAKEN OR IS IN THE PROCESS OF BEING TAKEN BY ANY REGULATORY AUTHORITY	117

HIGHLIGHTS/SUMMARY OF THE SCHEME

Name of the Scheme	Union Prudence Fund																										
Type of Scheme	An Open-ended Dynamic Asset Allocation Fund																										
Investment objective	<p>To achieve long term capital appreciation and generate income through an equity portfolio by using long equities, equity derivatives and arbitrage opportunities available.</p> <p>However, there is no assurance that the Investment Objective of the scheme will be achieved.</p>																										
Plans	<p>The Scheme has the following Plans across a common portfolio:</p> <ul style="list-style-type: none"> • Direct Plan: Direct Plan is only for investors who purchase /subscribe Units in the Scheme directly with Union Mutual Fund and is not available for investors who route their investments through a Distributor (AMFI registered distributor / ARN Holder). Investors subscribing under Direct Plan will have to indicate the Plan against the Scheme name in the application form as “Union Prudence Fund - Direct Plan”. • Regular Plan: Regular Plan is for investors who purchase /subscribe Units in the scheme through a Distributor. <p>The Direct Plan shall have a lower expense ratio as compared to the Regular Plan to the extent of distribution expenses, commission, etc. and no commission for distribution of Units will be paid / charged under the Direct Plan. The Direct Plan shall have a separate NAV.</p> <p>Default Plan:</p> <p>The treatment of applications under “Direct”/ “Regular” Plans shall be as follows:</p> <table border="1"> <thead> <tr> <th>Scenario</th> <th>Broker Code mentioned by the investor</th> <th>Plan mentioned by the investor</th> <th>Default Plan to be captured</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Not mentioned</td> <td>Not mentioned</td> <td>Direct Plan</td> </tr> <tr> <td>2</td> <td>Not mentioned</td> <td>Direct</td> <td>Direct Plan</td> </tr> <tr> <td>3</td> <td>Not mentioned</td> <td>Regular</td> <td>Direct Plan</td> </tr> <tr> <td>4</td> <td>Mentioned</td> <td>Direct</td> <td>Direct Plan</td> </tr> <tr> <td>5</td> <td>Direct</td> <td>Not Mentioned</td> <td>Direct Plan</td> </tr> </tbody> </table>			Scenario	Broker Code mentioned by the investor	Plan mentioned by the investor	Default Plan to be captured	1	Not mentioned	Not mentioned	Direct Plan	2	Not mentioned	Direct	Direct Plan	3	Not mentioned	Regular	Direct Plan	4	Mentioned	Direct	Direct Plan	5	Direct	Not Mentioned	Direct Plan
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3	Not mentioned	Regular	Direct Plan																								
4	Mentioned	Direct	Direct Plan																								
5	Direct	Not Mentioned	Direct Plan																								

	6	Direct	Regular	Direct Plan
	7	Mentioned	Regular	Regular Plan
	8	Mentioned	Not Mentioned	Regular Plan
	<p>In cases of wrong/ invalid/ incomplete ARN codes mentioned on the application form, the application shall be processed under Regular Plan. The AMC shall contact and obtain the correct ARN code within 30 calendar days of the receipt of the application form from the investor/ distributor. In case, the correct code is not received within 30 calendar days, the AMC shall reprocess the transaction under Direct Plan from the date of allotment of aforesaid units under the Regular Plan, without any exit load.</p>			
Options	<p>Union Prudence Fund has the following options offered under each of the above mentioned Plans:</p> <ul style="list-style-type: none"> • Growth Option: This option is suitable for investors who are not seeking dividend but who invest only with the intention of capital appreciation. • Dividend Option: This option is suitable for investors seeking income through dividend declared by the Scheme. Under this option, the scheme will endeavour to declare dividends from time to time. The dividend shall be dependent on the availability of distributable surplus. <p>The dividend option has the following facilities</p> <ul style="list-style-type: none"> • Dividend Re-investment Facility • Dividend Pay-out Facility • Dividend Sweep Facility <p>In cases where the investor fails to opt for a particular Option at the time of investment, the default option will be Growth Option. If the investor chooses Dividend Option and fails to mention Facility, then the default Facility will be Dividend Re-investment Facility.</p> <p>If the dividend payable under the Dividend Sweep Option or Dividend Payout Option is equal to or less than ₹ 500 then the dividend would be compulsorily reinvested in the existing option of the Scheme.</p> <p>If an investor opts for dividend sweep option, the investor must meet the minimum balance criterion in the target scheme and in the same folio; else the dividend will be compulsorily re-invested in the source scheme.</p>			
Minimum application amount	<p>₹ 5,000 and in multiples of ₹ 1 thereafter.</p> <p>For Systematic Investment Plan (SIP):</p>			

	<ul style="list-style-type: none"> • ₹ 2,000 and in multiples of ₹ 1 thereafter (for monthly frequency) • ₹ 5,000 and in multiples of ₹ 1 thereafter (for quarterly frequency)
Minimum additional application amount (for subsequent investments under an existing folio)	₹1,000 and in multiples of ₹ 1 thereafter
Minimum redemption amount	₹1,000 and in multiples of ₹ 1 thereafter.
Loads	<p>Entry Load* – Nil</p> <p>*In accordance with SEBI Circular No. SEBI/IMD/CIR No. 4/168230/09 dated June 30, 2009, no entry load will be charged on purchase / additional purchase / switch-in/ SIP/ STP transactions. The upfront commission, if any, on investment made by the investor shall be paid by the Investor directly to the Distributor, based on the Investor’s assessment of various factors including the service rendered by the Distributor.</p> <p>Exit Load –</p> <p>20% of the units allotted may be redeemed without any exit load, on or before completion of 18 months from the date of allotment of units. Any redemption in excess of such limit in the first 18 months from the date of allotment shall be subject to the following exit load. Redemption of units would be done on First in First out Basis (FIFO):</p> <ul style="list-style-type: none"> • 1% if redeemed or switched out on or before completion of 18 months from the date of allotment of units • Nil, if redeemed or switched out after completion of 18 months from the date of allotment of units. <p>Pursuant to SEBI circular No. SEBI/IMD/CIR No. 14/120784/08 dated March 18, 2008, with effect from April 1, 2008, no entry load or exit load shall be charged in respect of units allotted on reinvestment of dividend.</p> <p>No load will be applicable for switches between the Plans under the Scheme and switches between the Options under each Plan under the Scheme.</p> <p>** Service tax on Exit Load, if any, will be paid out of the Exit Load proceeds and Exit Load net of service tax, if any, will be credited to the Scheme.</p> <p>For further details on Load Structure, refer to the section on ‘Load Structure’ in this document.</p>
Transaction Charges to	In accordance with the terms of SEBI Circular Cir/ IMD/ DF/13/ 2011 dated

<p>Distributors</p>	<p>August 22, 2011 on Transaction Charges, the AMC/Mutual Fund shall deduct the Transaction Charges on purchase / subscription received from first time mutual fund investors and investors other than first time mutual fund investors through the distributor (who have specifically opted in to receive the transaction charges) as under:</p> <ul style="list-style-type: none"> ○ First Time Mutual Fund Investor (across Mutual Funds): Transaction charge of ₹ 150/- for subscription of ₹ 10,000 and above will be deducted from the subscription amount and paid to the distributor/agent of the first time investor and the balance amount shall be invested. ○ Investor other than First Time Mutual Fund Investor: Transaction charge of ₹ 100/- per subscription of ₹ 10,000 and above will be deducted from the subscription amount and paid to the distributor/agent of the existing investor and the balance amount shall be invested. <p>Distributors shall be able to choose to “opt in” OR “opt out” of charging the transaction charge. However, the option exercised by the Distributor is required to be at distributor level and may be based on type of product but not at investor level i.e. a distributor shall not charge one investor and choose not to charge another investor.</p> <p>Transaction charges shall not be deducted for (i) purchases/ subscriptions made directly with the Fund (i.e. not through any distributor); (ii) purchase/subscriptions below ₹ 10,000/- and (iii) transactions other than purchases/ subscriptions relating to new inflows such as Switch/STP/SWP/Dividend Sweep etc.</p> <p>For further details on Transaction Charges, refer to the sub section E. ‘Transaction Charges to Distributors’ under Section IV. ‘Fees and Expenses’ in this document.</p>
<p>Benchmark</p>	<p>Crisil Balanced Fund – Aggressive Index</p> <p>The Fund reserves the right to change the benchmark for evaluation of the performance of the Scheme from time to time, subject to SEBI Regulations and other prevailing guidelines if any.</p>
<p>Risk factors</p>	<p>For Risk Factors please refer to paragraph on “Risk Factors” in this document.</p>
<p>Liquidity</p>	<p>The Scheme offers Units for Subscription/Switch in and Redemption/Switch out at NAV based prices on all Business Days on an on-going basis, commencing not later than five business days from the date of allotment. In other words, the Scheme shall be available for on-going repurchase / sale</p>

	<p>within five business days of allotment. Under normal circumstances, the AMC shall dispatch the Redemption proceeds within 10 Business Days from date of receipt of valid redemption request from the Unit holder. The units of the Scheme are presently not proposed to be listed on any exchange.</p>
<p>Transparency/NAV Disclosure</p>	<p>The AMC will calculate the NAVs for all the Business Days. The NAV of the Scheme shall be published at least in two daily newspapers for all Business Days (along with sale and repurchase prices). The Asset Management Company (“AMC”) shall update the NAVs on its website (www.unionmf.com) and on the website of Association of Mutual Funds in India (“AMFI”) (www.amfiindia.com) by 9.00 p.m. every Business Day. If the NAVs are not available before the commencement of business hours on the following day due to any reason, the Mutual Fund shall issue a press release giving reasons and explaining when the Mutual Fund would be able to publish the NAV.</p> <p>The AMC will disclose the portfolio of the scheme within one month from the close of each half year (i.e. 31st March and 30th September) either by sending a complete statement to all the Unit holders or by publishing the same by way of advertisement in one national English daily newspaper circulating in the whole of India and in a newspaper published in the language of the region where the Head Office of the Mutual Fund is situated. The portfolio statement will also be displayed on the website of the AMC and AMFI.</p> <p>The Mutual Fund and AMC shall before the expiry of one month from the close of each half year i.e. 31st March and on 30th September, host a soft copy of its unaudited financial results on its website (www.unionmf.com). The Mutual Fund and AMC shall publish an advertisement disclosing the hosting of such financial results on its website, in atleast one English daily newspaper having nationwide circulation and in a newspaper having wide circulation published in the language of the region where the Head Office of the Mutual Fund is situated. The unaudited financial results will also be displayed on the website of AMC and AMFI.</p> <p>The AMC will also disclose the portfolios of all the schemes of Union Mutual Fund as on the last day of the month on the AMC’s website (www.unionmf.com) on or before the tenth day of the succeeding month. The Investors will be able to view and download these monthly portfolio disclosures from the AMC’s website.</p> <p>Further, the AMC will make available the Annual Report of the Scheme within four months of the end of the financial year. The Annual Report shall also be displayed on the website of the AMC and AMFI.</p>
<p>Option to hold Units in dematerialised form</p>	<p>The Unit holders are given an Option to hold the units in Physical form (by way of an Account Statement) or Dematerialized (‘Demat’) form. The Applicants intending to hold the Units in dematerialised mode will be required to have a beneficiary account with a DP of the NSDL/CDSL and</p>

	<p>will be required to mention the DP's Name, DP ID No. and Beneficiary Account No. with the DP in the application form at the time of subscription/ additional purchase of the Units of the Scheme/Plan/Option.</p> <p>Further, investors also have an option to convert their physical holdings into the dematerialised mode at a later date. Each Option under each Plan held in the dematerialised form shall be identified on the basis of an International Securities Identification Number (ISIN) allotted by National Securities Depositories Limited (NSDL) and Central Depository Services Limited (CDSL). The ISIN No. details of the respective option under the respective Plan can be obtained from your Depository Participant (DP) or the investors can access the website link www.nsd.co.in or www.cdslindia.com. The holding of units in the dematerialised mode would be subject to the guidelines/ procedural requirements as laid by the Depositories viz. NSDL/CDSL from time to time. For further details, refer section III 'Units and Offer'.</p>
Switch Facility	<p>Unitholders can easily move from one scheme to another scheme or between plans of the scheme or between options of the scheme according to their needs, subject to completion of lock in period as applicable.</p>
Transfer of Units	<p>Units held in Physical Form (by way of Account statement) cannot be transferred. The Units of the Scheme held in the dematerialised form will be fully and freely transferable (subject to lock-in period, if any and subject to lien, if any marked on the units) in accordance with the provisions of SEBI (Depositories and Participants) Regulations, 1996 as may be amended from time to time and as stated in SEBI Circular No. CIR/IMD/DF/10/2010 dated August 18, 2010. Further, for the procedure of release of lien, the investors shall contact their respective DP.</p>
Application Supported by Blocked Amount (ASBA)	<p>Investors also have an option to subscribe to units of the scheme during the New Fund Offer Period under the Applications Supported by Blocked Amount (ASBA) facility, which would entail blocking of funds in the investor's Bank account, rather than transfer of funds, on the basis of an authorisation given to this effect at the time of submitting the ASBA application form. Investors applying through the ASBA facility should carefully read the applicable provisions before making their application. For further details on ASBA facility, investors are requested to refer to the Statement of Additional Information (SAI).</p>

I. INTRODUCTION

A. RISK FACTORS

i. Standard Risk Factors:

- 1) Investment in Mutual Fund Units involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal.
- 2) The scheme would invest in Equity and Equity related instruments in line with the Investment objective of the scheme. Investments in equity and equity related securities involve a degree of risk and investors should not invest in the equity schemes unless they afford to take the risk of losing their investment.
- 3) As the price / value / interest rate of the securities in which the Scheme invests fluctuates, the value of your investment in the Scheme may go up or down, depending on the various factors and forces affecting the capital markets.
- 4) Past performance of the Sponsor/AMC/Mutual Fund does not guarantee future performance of the Scheme.
- 5) **Union Prudence Fund** is only the name of the Scheme and does not in any manner indicate either the quality of the Scheme or its future prospects and returns.
- 6) The Sponsor is not responsible or liable for any loss resulting from the operation of the Scheme beyond the initial contribution of an amount of ₹ 1,00,000 (Rupees One Lakh) made by it towards setting up the Mutual Fund.
- 7) Although it is intended to generate capital appreciation and maximize the returns by actively investing in equity/ equity related securities and utilising debt and money market instruments as a defensive investment strategy, investors may note that AMC/Fund Manager's investment decisions may not be always profitable.
- 8) **Union Prudence Fund** is not a guaranteed or assured return Scheme.

ii. Scheme Specific Risk Factors:

Different types of securities in which the Scheme would invest as given in the Scheme Information Document carry different levels and types of risk. Accordingly, the Scheme's risk may increase or decrease depending upon its investment pattern.

1. Risks Associated with investments in Equities

The scheme proposes to invest in equity and equity related instruments. Equity instruments by nature are volatile and prone to price fluctuations on a daily basis due to both micro and macro factors.

The following are the main risks related to investing in equities:

Market risk: Market Risk is any type of risk due to the market conditions and evolution, such as volatility in the capital markets, changes in macro-economic conditions and factors, interest rates, changes in policies of the Government, taxation laws or any other political and economic development, which all may negatively affect the prices of the securities invested in by the scheme.

Business risk: Risk related to uncertainty of income caused by the nature of a company's business and having an impact on price fluctuations.

Liquidity risk related to equity instruments: This risk pertains to how saleable a security is in the market or the ease at which a security can be sold at or close to its' quoted or published price/value. Securities that are listed on the stock exchange generally carry lower liquidity risk; the ability to sell these investments is limited by the overall trading volume on the stock exchanges.

Performance Risk: Performance of the Scheme may be impacted with changes in factors which affect the capital market .

Counterparty Risk: This is the risk of failure of counterparty to the transaction to deliver securities against consideration received or to pay consideration against securities delivered, in full or in part or as per the agreed specification. There could be losses to the scheme in case of counterparty default.

Settlement Risk: Different segments of the Indian financial markets have different settlement periods and such periods may be extended significantly by unforeseen circumstances. The inability of the Scheme to make purchases in intended securities due to settlement problems could cause the Scheme to miss certain investment opportunities. Fixed income securities run the risk of settlement which can adversely affect the ability of the fund house to swiftly execute trading strategies which can lead to adverse movements in NAV.

Selection Risk: The risk that a security chosen will underperform the market for reasons that cannot be anticipated.

Timing risk: It is the risk of transacting at a price based on erroneous future price predictions resulting to losses. Timing risk explains the potential for missing out on beneficial movements in price due to an error in timing. This could lead to purchasing too high or selling too low.

Legislative and fiscal risk: The risk that a change in the tax code or law could affect the value of taxable or tax-exempt interest income.

Concentration risk: This is the risk arising from over exposure to few securities/issuers/sectors.

2. Risks associated with investing in Fixed Income Securities/Bonds:

The following are the risks associated with investment in Fixed Income Securities/Bonds:

Interest Rate Risk: This risk is associated with movements in interest rate, which depend on various factors such as government borrowing, inflation, economic performance etc. Fixed income securities such as government bonds, corporate bonds, and money market instruments etc. run price-risk or interest-rate risk. Generally, when interest rates rise, prices of fixed income securities fall and when interest rates drop, the prices generally increase. The extent of fall or rise in the prices depends upon factors such as coupon,

maturity of the security, the yield level at which the security is being traded. The longer the time to a bond's maturity, the greater is its interest rate risk. The NAV of the Scheme is expected to increase from a fall in interest rates while it would be adversely affected by an increase in the level of interest rates.

Re-investment Risk: Investments in fixed income securities may carry re-investment risk as interest rates prevailing on the interest or maturity due dates may differ from the original coupon of the bond. Consequently, the proceeds may get invested at a lower rate.

Basis Risk: This risk arises when the derivative instrument used to hedge the underlying asset does not match the movement of the underlying being hedged. The underlying benchmark of a floating rate security might become less active or may cease to exist and thus may not be able to capture the exact interest rate movements, leading to loss of value of the portfolio. Where swaps are used to hedge an underlying fixed income security, basis risk could arise when the fixed income yield curve moves differently from that of the swap benchmark curve

Spread Risk: Yield Spreads between fixed income securities might change. Example: Corporate Bonds are exposed to the risk of widening of the spread between corporate bonds and gilts. Prices of corporate bonds tend to fall if this spread widens which might adversely affect the NAV of the scheme. Similarly, in case of floating rate securities, where the coupon is expressed in terms of a spread or mark up over the benchmark rate, widening of the spread results in a fall in the value of such securities.

Liquidity Risk: This risk pertains to how saleable a security is in the market or the ease at which a security can be sold at or close to its true value. Trading volumes, settlement periods and transfer procedures may restrict the liquidity of some of the investments. The primary measure of liquidity risk is the spread between the bid price and the offer price quoted by a dealer. The liquidity of debt securities may change, depending on market conditions. At the time of selling the security, the security can become less liquid (wider spread) or illiquid, leading to loss in value of the portfolio. Securities that are unlisted generally carry a higher liquidity risk compared to listed securities.

Money market securities, while fairly liquid, lack a well-developed secondary market, which may restrict the selling ability of the Scheme and may lead to the Scheme incurring mark to market losses and losses when the security is finally sold.

Liquidity risk is greater for thinly traded securities, lower-rated bonds, bonds that were part of a smaller issue, bonds that have recently had their credit rating downgraded or bonds sold by an infrequent issuer may be relatively illiquid. Bonds are generally the most liquid during the period right after issuance when the bond typically has the highest trading volume.

Credit Risk/ Default Risk: Credit risk is the risk that the issuer of a debenture/ bond or a money market instrument may default on interest and /or principal payment obligations and/or on violation of covenant(s) and/or delay in scheduled payment(s). Even when there is no default, the price of a security may change with expected changes in the credit rating of the issuer.

Government Security is a sovereign security and the default risk is considered to be the least. Corporate bonds carry a higher credit risk than Government Securities and among corporate bonds there are different levels of safety. Credit risks of most issuers of debt securities are rated by independent and professionally run rating agencies. Ratings of Credit issued by these agencies typically range from "AAA"

(read as “Triple A” denoting “Highest Safety”) to “D” (denoting “Default”). A bond rated higher by a particular rating agency is safer than a bond rated lower by the same rating agency.

Duration risk: The modified duration of a bond is a measure of its price sensitivity to interest rates movements, based on the average time to maturity of its interest and principal cash flows.

Bond portfolio managers increase average duration when they expect rates to decline, to get the most benefit, and decrease average duration when they expect rates to rise, so minimize the negative impact. If rates move in a direction contrary to their expectations, they lose.

Inflation risk: Inflation causes tomorrow’s currency to be worth less than today’s; in other words, it reduces the purchasing power of a bond investor’s future interest payments and principal, collectively known as “cash flows.” Inflation also leads to higher interest rates, which in turn leads to lower bond prices. Inflation-indexed securities such as Treasury Inflation Protection Securities (TIPS) are structured to remove inflation risk.

Performance Risk: Performance of the Scheme may be impacted with changes in factors which affect the capital market and in particular the debt market.

Prepayment Risk: The borrower may repay the receivables earlier than scheduled, which may result in change in the yield and tenor for the Scheme.

Call risk: Some corporate have a “call provision” entitling their issuers to redeem them at a specified price on a date prior to maturity. Declining interest rates may accelerate the redemption of a callable bond, causing an investor’s principal to be returned sooner than expected. In that scenario, investors have to reinvest the principal at the lower interest rates. (See also Reinvestment risk.)

Counterparty, settlement, selection, timing, concentration and legislative risk are the same as mentioned under the risks associated with Equities.

3. Risks associated with investing in Derivatives:

Derivatives are financial contracts designed to create pure price exposure to an underlying commodity, asset, rate, index or event. In general, they do not involve the exchange or transfer of principal or title, so investors do not actually buy anything. Rather their purpose is to capture, in the form of value changes, some underlying price change or event.

Derivative products are leveraged instruments and can provide disproportionate gains as well as disproportionate losses to the investor. Execution of such strategies depends upon the ability of the fund manager to identify such opportunities. Identification and execution of the strategies to be pursued by the fund manager involve uncertainty and decision of fund manager may not always be profitable. No assurance can be given that the fund manager will be able to identify or execute such strategies.

The risks associated with the use of derivatives are different from or possibly greater than, the risks associated with investing directly in securities and other traditional investments.

The Scheme may use permitted derivative instruments like futures, options, interest rate swaps, forward rate agreements and other equity or debt derivative instruments as may be permitted from time to time.

Derivatives require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to the portfolio and the ability to manage the risks.

The risks associated with investments in derivatives are as follows:

Credit Risk: The credit risk is the risk that the counter party will default in its obligations.

Market Risk: Derivatives are traded in the market and are exposed to losses due to change in the prices of the underlying and/or other assets and, change in market conditions and factors. The volatility in prices of the underlying may impact derivative instruments differently than its underlying.

Basis Risk (Equity): This risk arises when the derivative instrument used to hedge the underlying asset does not match the movement of the underlying being hedged. For example, when a stock is hedged using a derivative, the change in price of the stock and the change in price of the derivative may not be fully correlated leading to basis risk in the portfolio.

Basis Risk (Debt): This risk arises when the derivative instrument used to hedge the underlying asset does not match the movement of the underlying being hedged. The underlying benchmark of a floating rate security might become less active or may cease to exist and thus may not be able to capture the exact interest rate movements, leading to loss of value of the portfolio. Example: Where swaps are used to hedge an underlying fixed income security, basis risk could arise when the fixed income yield curve moves differently from that of the swap benchmark curve or if there is a mismatch in the tenor of the swap and the fixed income security.

Liquidity risk: This risk arises from the inability to sell derivatives at prices that reflect the underlying assets/ rates/ indices, lack of availability of derivatives products across different maturities and with various risk appetite.

Valuation Risk: The risk of mis-pricing or improper valuation of derivatives due to inadequate trading data with good volumes.

Systemic Risk / Operational Risk: The risk arising due to failure of operational processes followed by the exchanges and Over the Counter (OTC) participants for the derivatives trading.

Operational Risk: This is the risk due to failure of operational processes followed by the exchanges and Over the Counter (OTC) participants for the derivatives trading.

Counterparty Risk: Counterparty risk is the risk that losses will be incurred due to the default by the counterparty for OTC derivatives.

Exposure Risk: An exposure to derivatives in excess of the hedging requirements can lead to losses. An exposure to derivatives can also limit the profits from a plain investment transaction.

Interest Rate Risk: This risk arises from the movement of interest rates in adverse direction. As with all the debt securities, changes in the interest rates will affect the valuation of the portfolios.

4. Risk Factors Associated with Securities Lending

Securities Lending is a lending of securities through an approved intermediary to a borrower under an agreement for a specified period with the condition that the borrower will return equivalent securities of the same type or class at the end of the specified period along with the corporate benefits accruing on the securities borrowed. There are risks inherent to securities lending, including the risk of failure of the other party, in this case the approved intermediary, to comply with the terms of the agreement entered into between the lender of securities i.e. the Scheme and the approved intermediary. Such failure can result in the possible loss of rights to the collateral put up by the borrower of the securities, the inability of the approved intermediary to return the securities deposited by the lender and the possible loss of any corporate benefits accruing to the lender from the securities deposited with the approved intermediary.

5. Risks associated with investing in CBLO Segments

The mutual fund is a member of securities and CBLO segments of the Clearing Corporation of India (CCIL). All transactions of the mutual fund in government securities and in CBLO segments are settled centrally through the infrastructure and settlement systems provided by CCIL; thus reducing the settlement and counterparty risks considerably for transactions in the said segments. The members are required to contribute an amount as communicated by CCIL from time to time to the default fund maintained by CCIL as a part of the default waterfall (a loss mitigating measure of CCIL in case of default by any member in settling transactions routed through CCIL). The mutual fund is exposed to the extent of its contribution to the default fund of CCIL at any given point in time. i.e. In the event that the default waterfall is triggered and the contribution of the mutual fund is called upon to absorb settlement/default losses of another member by CCIL, the scheme may lose an amount equivalent to its contribution to the default fund allocated to the scheme on a pro-rata basis.

6. Risks associated with transaction in Units through stock exchange(s):

In respect of transaction in Units of the Scheme through BSE and / or NSE (applicable as and when the facility to transact in the Units of the Scheme through the Stock Exchange mechanism is provided by the AMC), allotment and redemption of Units on any Business Day will depend upon the order processing / settlement by BSE and / or NSE and their respective clearing corporations on which the Fund has no control.

B. REQUIREMENT OF MINIMUM INVESTORS IN THE SCHEME

The Scheme shall have a minimum of 20 investors and no single investor shall account for more than 25% of the corpus of the Scheme. However, if such limit is breached during the NFO of the Scheme, the Fund will endeavour to ensure that within a period of three months or the end of the succeeding calendar quarter from the close of the NFO of the Scheme, whichever is earlier, the Scheme complies with these two conditions. In case the Scheme does not have a minimum of 20 investors in the stipulated period, the provisions of Regulation 39(2)(c) of the SEBI (MF) Regulations would become applicable automatically without any reference from SEBI and accordingly the Scheme shall be wound up and the units would be redeemed at Applicable NAV. The two conditions mentioned above shall also be complied within each subsequent calendar quarter thereafter, on an average basis, as specified by SEBI. If there is a breach of the 25% limit by any investor over the quarter, a rebalancing period of one month would be allowed and thereafter the investor who is in breach of the rule shall be given 15 days notice to redeem his exposure over the 25 % limit. Failure on the part of the said investor to redeem his exposure over the 25 % limit

within the aforesaid 15 days would lead to automatic redemption by the Mutual Fund on the Applicable Net Asset Value on the 15th day of the notice period. The Fund shall adhere to the requirements prescribed by SEBI from time to time in this regard.

C. SPECIAL CONSIDERATIONS

- Prospective investors should study this Scheme Information Document (SID) and Statement of Additional Information (SAI) carefully in its entirety and should not construe the contents hereof as advice relating to legal, taxation, financial, investment or any other matters and are advised to consult their legal, tax, financial, investment and other professional advisors to determine possible legal, tax, financial or other considerations of subscribing to or redeeming Units, before making a decision to invest/redeem/hold Units.
- Neither this SID, SAI nor the Units being offered have been registered in any jurisdiction outside India. The distribution of this SID or SAI in certain jurisdictions may be restricted or totally prohibited or subject to registration requirements and accordingly, persons who come into possession of this SID or SAI are required to inform themselves about and to observe any such restrictions and/ or legal compliance requirements, as may be applicable. This SID does not constitute an offer or solicitation to any person within such jurisdiction. The Trustee may compulsorily redeem any units held directly or beneficially in contravention of these prohibitions.
- It is the responsibility of any person, in possession of this SID and of any person wishing to apply for Units pursuant to this SID to be informed of and to observe, all applicable laws and Regulations of such relevant jurisdiction.
- The AMC, Trustee or the Mutual Fund have not authorized any person to issue any advertisement or to give any information or to make any representations, either oral or written, other than that contained in this SID or the SAI or as provided by the AMC in connection with this offering. Prospective investors are advised not to rely upon any information or representation not incorporated in the SID or SAI or as provided by the AMC as having been authorized by the Mutual Fund, the AMC or the Trustee.
- Redemption due to change in the fundamental attributes of the Scheme or due to any other reasons may entail tax consequences. The Trustee, AMC, Mutual Fund, their directors or their employees shall not be liable for any such tax consequences that may arise due to such Redemptions.
- The Trustee, AMC, Mutual Fund, their directors or their employees shall not be liable for any of the tax consequences that may arise, in the event that the Scheme is wound up for the reasons and in the manner provided in SAI.
- The tax implications described in this SID and in the SAI are as available under the present taxation laws and are available subject to relevant conditions. The information given is included only for general purpose and is based on advice received by the AMC regarding the law and practice currently in force in India as on the date of this SID and the investors should be aware that the relevant fiscal rules or their interpretation may change. As is the case with any investment, there can be no guarantee that the tax position or the proposed tax position prevailing

at the time of an investment in the Scheme will not undergo change. In view of the individual nature of tax consequences, each Unit holder is advised to consult his / her own professional tax advisor.

- The Mutual Fund may disclose details of the investor's account and transactions there under to those intermediaries whose stamp appears on the application form or who have been designated as such by the investor. In addition, the Mutual Fund may disclose such details to the bankers, as may be necessary for the purpose of effecting payments to the investor. The Fund may also disclose such details to regulatory and statutory authorities/bodies as may be required or necessary.
- The AMC or its Sponsor or its Shareholders or their affiliates/associates or group entities may, either directly or indirectly invest in this Scheme and/ or any other Schemes, present or future, and such investment could be substantial. However, the AMC shall not charge any Investment Management Fee on its investment in the Scheme. Redemption of substantial portion of such investment by these entities may have an adverse impact on the NAV of the Scheme. This may also affect the ability of the other Unit holders to redeem their units. As the liquidity of the Scheme investments may sometimes be restricted when there are circumstances leading to a systemic crisis or event that severely constricts market liquidity or efficient functioning of markets, the time taken by the Fund for Redemption of Units (subject to lock in period, if any) may be significant during such events. In view of this, the AMC has the right, in its sole discretion, on the basis of specific approval of the Board of Directors of the AMC and the Trustee Company, and in accordance with applicable regulations, circulars and other prevalent guidelines, to limit redemptions under certain circumstances. Please refer to the paragraph "*Right to Limit Redemption*" in the SAI for further details.
- Mutual Funds and securities investments are subject to market risks and there can be no assurance or guarantee that the scheme objectives will be achieved. Investors should study this SID & the SAI carefully before investing.
- It may be noted that no prior intimation/indication would be given to investors when the composition of asset allocation pattern of the Scheme undergoes changes within the permitted band as mentioned in this document.
- Pursuant to the provisions of Prevention of Money Laundering Act, 2002, the Rules issued thereunder and the guidelines / circulars issued by SEBI regarding the Anti Money Laundering (AML) Laws, all intermediaries, including Mutual Funds, have to formulate and implement a client identification programme, verify and maintain the record of identity and address(es) of investors,

If after due diligence, the AMC believes that any transaction is suspicious in nature as regards money laundering, or on failure to provide required documentation, information, etc. by the Unit holder the AMC shall have absolute discretion to report such suspicious transactions to FIU-IND (Financial Intelligence Unit – India) and / or to freeze the folios of the investor(s), reject any application(s)/redemptions / allotment of Units.

For further details, refer to the paragraph on 'Prevention of Money Laundering and Know Your Client ('KYC') requirements' in the SAI.

- The Mutual Fund / AMC have not given and shall not give any indicative portfolio and/or indicative yield of the Scheme in any of their communication in any manner whatsoever to any empanelled distributor/ any other person. Investors are advised not to rely on any communication regarding indicative portfolio/yield with regard to the Scheme. Investors are requested to study the terms of the offer carefully before investing in the Scheme, and to retain this SID and the SAI for future reference.
- The Mutual Fund was originally co-sponsored by Union Bank of India and KBC Participations Renta, a 100% subsidiary of KBC Asset Management NV. Union Bank of India acquired the entire shareholding held by KBC Participations Renta in Union Asset Management Company Private Limited and Union Trustee Company Private Limited, which constituted 49% (forty-nine per cent) of: (a) the paid-up equity share capital of Union Asset Management Company Private Limited; and (b) the paid-up equity share capital of Union Trustee Company Private Limited. The Board of Directors of Union Asset Management Company Private Limited and Union Trustee Company Private Limited approved the aforesaid transfer of shares on September 20, 2016. Consequently, Union Bank of India has become the sole Sponsor of Union Mutual Fund.
- **Foreign Account Tax Compliance Act (FATCA):**

The Foreign Account Tax Compliance Act (FATCA) is a United States Federal Law, aimed at prevention of tax evasion by US taxpayers through use of offshore accounts. The Government of India and the United States of America (US) have reached an agreement in substance on the terms of an Inter-Governmental Agreement (IGA) to implement FATCA. FATCA is designed to increase compliance by US taxpayers and is intended to bolster efforts to prevent tax evasion by the US taxpayers with offshore investments. Union Mutual Fund is classified as a "Foreign Financial Institution" (FFI) under the FATCA provisions. FATCA requires enhancement of due diligence processes by the FFI so as to enable the FFI to identify US reportable accounts.

In accordance with the FATCA provisions, the Fund /the AMC would be required, from time to time, to undertake necessary due diligence process by collecting information/documentary evidence of the US/non-US status of its investors/ unit holders and identify US reportable accounts, and to disclose/report information (through itself or through its service providers), as far as may be legally permitted, about the holdings/investment returns pertaining to US reportable accounts to the US Internal Revenue Service (IRS) and/or such Indian authorities as may be specified under FATCA or other applicable laws or guidelines; and to carry out such other activities, as prescribed under FATCA or other applicable laws or guidelines, as amended from time to time. For further details in relation to FATCA, investors are requested to refer the SAI.

D. DEFINITIONS & ABBREVIATIONS

Definitions:

The following scheme specific definitions/terms apply throughout this Document in addition to the definitions mentioned in the Statement of Additional Information unless the context requires otherwise:

Allotment Date	The date on which the units of Union Prudence Fund are allotted to the successful applicants from time to time and includes allotment made pursuant to the New Fund Offer.
AMFI Certified Stock Exchange Brokers	A person who is registered with Association of Mutual Funds in India (AMFI) as Mutual Fund Advisor and who has signed up with Union Asset Management Company Private Limited and also registered with BSE & NSE as a Participant.
Applicable NAV	The NAV applicable for purchase or redemption or Switching of Units, based on the time of the Business Day on which the application is time stamped.
Applicant	Applicant means a person who applies for allotment of units of Union Prudence Fund in pursuance of this Offer Document.
Application Supported by Blocked Amount or ASBA	ASBA is an application containing an authorization to a Self-Certified Syndicate Bank (SCSB) to block the application money in the bank account maintained with the SCSB, for subscribing to an issue.
Asset Management Company or Investment Manager or AMC	Union Asset Management Company Private Limited (formerly Union KBC Asset Management Company Private Limited) incorporated under the provisions of the Companies Act, 1956 and approved by Securities and Exchange Board of India to act as the Investment Manager to the Scheme(s) of Union Mutual Fund (formerly Union KBC Mutual Fund).
ARN Holder / AMFI Registered Distributors	Intermediary registered with AMFI to carry out the business of selling and distribution of mutual fund units and having AMFI Registration Number (ARN) allotted by AMFI.
Beneficial Owner	As defined in the Depositories Act 1996 (22 of 1996) means a person whose name is recorded as such with a depository.
Book Closure	The time during which the Asset Management Company would temporarily suspend sale, redemption and switching of Units.
Business Day	A day other than: (i) Saturday and Sunday; (ii) A day on which the banks in Mumbai and /or RBI are closed for business /clearing; (iii) A day on which the National Stock Exchange of India Limited and/or the Bombay Stock Exchange Limited are closed; (iv) A day which is a public and /or bank Holiday at an Investor Service Centre/Official Point of Acceptance where the application is received; (v) A day on which Sale / Redemption / Switching of Units is suspended by the AMC; (vi) A day on which normal business cannot be transacted due

	<p>to storms, floods, bandhs, strikes or such other events as the AMC may specify from time to time.</p> <p>Further, the day(s) on which the money markets are closed / not accessible, shall not be treated as Business Day(s).</p> <p>The AMC reserves the right to declare any day as a Business Day or otherwise at any or all Investor Service Centres/Official Points of Acceptance of the Mutual Fund or its Registrar.</p>
Business Hours	Presently 9.30 a.m. to 5.00 p.m. on any Business Day or such other time as may be applicable from time to time.
Collecting Bank	Branches of Banks during the New Fund Offer Period authorized to receive application(s) for units, as mentioned in this document.
Custodian	A person who has been granted a certificate of registration to carry on the business of custodian of securities under the Securities and Exchange Board of India (Custodian of Securities) Regulations 1996, which for the time being is SBI-SG Global Securities Services Private Limited
Consolidated Account Statement or CAS	Consolidated Account Statement is a statement containing details relating to all the transactions across all mutual funds viz. purchase, redemption, switch, dividend payout, dividend reinvestment, systematic investment plan, systematic withdrawal plan, systematic transfer plan, and bonus transactions, and holding at the end of the month. Further, in case of investors who hold demat account(s), CAS shall also include transaction in dematerialized securities across demat accounts of the investors and holding at the end of the month.
Cut off time	In respect of subscriptions and redemptions received by the Scheme, it means the outer limit of timings within a particular day/ Business Day which are relevant for determination of the NAV/ related prices to be applied for a transaction.
Day	Any day (including Saturday, Sunday and holiday) as per the English Calendar including a Non-business Day, unless otherwise specified.
Debt Instruments	Government securities, corporate debentures, bonds, promissory notes, money market instruments, pass through certificates, asset backed securities / securitised debt and other possible similar securities.
Depository	A Depository as defined in the Depositories Act, 1996 and includes National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL).
Depository Participant or DP	Depository Participant (DP) is an agent of the Depository who acts like an intermediary between the Depository and the investors. DP is an entity who is registered with SEBI to offer depository-related services.
Derivative	Derivative includes (i) a security derived from an equity index or from a debt instrument, equity share, loan whether secured or

	unsecured, risk instrument or contract for differences or any other form of security; (ii) a contract which derives its value from the prices, or index of prices, or underlying securities.
Dividend (in relation to Mutual Fund units)	Income distributed by the Mutual Fund on the Units of the scheme, where applicable.
Electronic Fund Transfer/ EFT	Electronic Fund Transfer includes all the means of electronic transfer like Direct Credit /Debit, National Electronic Clearing System (NECS), RTGS, NEFT, Wire Transfer or such like modes which may be introduced by relevant authorities from time to time.
Equity Related Instruments	Equity Related Instruments includes convertible bonds and debentures, convertible preference shares, warrants carrying the right to obtain.
Entry Load	Entry Load means a one-time charge that the investor pays at the time of entry into the scheme. Presently, entry load cannot be charged by mutual fund schemes.
Exit Load	A charge paid by the investor at the time of exit from the scheme.
Fixed Income Securities	Debt Securities created and issued by, inter alia, Central Government, State Government, Local Authorities, Municipal Corporations, PSUs, Public Companies, Private Companies, Bodies Corporate, Special Purpose Vehicles (incorporated or otherwise) and any other entities, which yield at fixed rate by way of interest, premium, discount or a combination of any of them.
Floating Rate Debt Instruments	Floating rate debt instruments are debt securities issued by Central and / or State Government, corporates or PSUs with interest rates that are reset periodically. The periodicity of the interest reset could be daily, monthly, quarterly, half yearly, annually or any other periodicity that may be mutually agreed with the issuer and the Fund. The interest on the instruments could also be in the nature of fixed basis points over the benchmark gilt yields.
Foreign Institutional Investor (FII)	Foreign Institutional Investor, registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.
Foreign Portfolio Investor	“Foreign Portfolio Investor” means a person who satisfies the eligibility criteria prescribed under regulation 4 of the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014. Any foreign institutional investor or qualified foreign investor who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995.
Foreign Securities	ADRs / GDRs / Equity / Debt securities of overseas companies

	listed on the recognised stock exchanges overseas or other securities as may be specified and permitted by SEBI and/or RBI from time to time.
Forward Rate Agreement or FRA	A FRA is an agreement to pay or receive the difference between the agreed fixed rate and actual interest prevailing at a stipulated future date. The interest rate is fixed now for a future agreed period wherein only the interest is settled between the counter parties.
Gilts or Government Securities	Securities created and issued by the Central Government and/or a State Government (including Treasury Bills) or Government Securities as defined in the Public Debt Act, 1944, as amended or re-enacted from time to time.
Holiday	Holiday means the day(s) on which the banks (including the Reserve Bank of India) are closed for business or clearing in Mumbai or their functioning is affected due to a strike / bandh call made at any part of the country or due to any other reason and on the day(s) on which the stock exchanges are closed.
Interest Rate Swap or IRS	IRS is a financial contract between two parties exchanging a stream of interest payments for a notional principal amount on multiple occasions till maturity. Typically, one party receives a pre-determined fixed rate of interest while the other party receives a floating rate, which is linked to a mutually agreed benchmark with provision for mutually agreed periodic resets.
Investment Management Agreement	The agreement dated December 2, 2010 entered into between Union Trustee Company Private Limited (formerly Union KBC Trustee Company Private Limited) and Union Asset Management Company Private Limited (formerly Union KBC Asset Management Company Private Limited), as amended from time to time
Investor	Any resident (person resident in India under the Foreign Exchange Management Act) or non-resident person (a person who is not a resident of India) whether an individual or not (legal entity), who is eligible to subscribe for Units under the laws of his/her/its/their state/country of incorporation, establishment, citizenship, residence or domicile and who has made an application for subscribing for Units under the Scheme.
Investor Service Centres / Customer Service Centres or CSCs	Investor Service Centres / Customer Service Centres, as designated from time to time by the AMC, whether of the Registrar or AMC's own branches, being official points of acceptance, authorized to receive Application Forms for Purchase/ Redemption /Switch and other service requests/queries from Investors/Unit Holders.
Money Market Instruments	Money Market Instruments as defined in Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 as amended from time to time. Generally, Money Market Instruments includes commercial papers, commercial bills, and treasury bills, Government securities having an unexpired maturity up to one year, call or notice money, CBLO, certificate

	of deposit, usance bills and any other like instruments as specified by the Reserve Bank of India from time to time.
Mutual Fund or the Fund	Union Mutual Fund, a trust set up under the provisions of the Indian Trusts Act, 1882.
Net Asset Value or NAV	Net Asset Value per Unit of the Scheme (including plans/options thereunder), calculated in the manner described in this Scheme Information Document or as may be prescribed by the SEBI (MF) Regulations from time to time.
Non-resident Indian or NRI	A Non-Resident Indian or a Person of Indian Origin residing outside India.
Offer Document	This Scheme Information Document (SID) and Statement of Additional Information (SAI) (collectively).
Official Points of Acceptance	Places, as specified by AMC from time to time where application for Subscription / Redemption / Switch will be accepted on an ongoing basis.
Ongoing Offer/Continuous Offer	Offer of units under the Scheme, when it becomes open-ended after the closure of its New Fund Offer Period.
Ongoing Offer Period / Continuous Offer Period	The period during which the Ongoing Offer / Continuous Offer for subscription to the Units of the Scheme is made and not suspended.
Person of Indian Origin	A citizen of any country other than Bangladesh or Pakistan, if (a) he at any time held an Indian passport; or (b) he or either of his parents or any of his grandparents was a citizen of India by virtue of Constitution of India or the Citizenship Act, 1955 (57 of 1955); or (c) the person is a spouse of an Indian citizen or person referred to in subclause (a) or (b).
Qualified Foreign Investor	Qualified Foreign Investor / QFI shall mean a person as may have been defined under the SEBI (Mutual Funds) Regulations, 1996 and SEBI circulars / Amendments thereto.
Rating	Rating means an opinion regarding securities, expressed in the form of standard symbols or in any other standardized manner, assigned by a credit rating agency and used by the issuer of such securities, to comply with any requirement of the SEBI (Credit Rating Agencies) Regulations, 1999.
Record Date	Shall be the date that will be considered for the purpose of determining the eligibility of the investors whose names appear in the Scheme's Unitholder's Register for receiving Dividend/ Bonus in accordance with the SEBI Regulations.
Redemption or Repurchase	Redemption/Repurchase of Units of the Scheme as specified in this Document.
Registrar and Transfer Agents or Registrar or RTA	Computer Age Management Services Private Limited (CAMS), currently acting as Registrar and Transfer Agent to the Scheme, or any other Registrar appointed by the AMC from time to time.
Regulatory Agency	GOI, SEBI, RBI or any other authority or agency entitled to issue or give any directions, instructions or guidelines to the Mutual Fund.
Repo	Sale of Government Securities with simultaneous agreement to

	repurchase them at a later date.
Reserve Bank of India or RBI	Reserve Bank of India, established under the Reserve Bank of India Act, 1934, (2 of 1934)
Reverse Repo	Purchase of Government Securities with simultaneous agreement to sell them at a later date.
Statement of Additional Information or SAI	The document issued by Union Mutual Fund containing details of Union Mutual Fund, its constitution, and certain tax, legal and general information, as amended from time to time. SAI is legally a part of the Scheme Information Document.
Sale or Subscription	Sale or allotment of Units to the Unit holder upon subscription by the Investor / Applicant under the Scheme.
Scheme	Union Prudence Fund.
Scheme Information Document or SID	This document issued by Union Mutual Fund, offering for subscription, units of Union Prudence Fund (including Plans/Options there under).
SEBI	Securities and Exchange Board of India, established under the Securities and Exchange Board of India Act, 1992.
SEBI (MF) Regulations or SEBI Regulations or Regulations	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended and re-enacted from time to time including notifications/circulars/guidelines issued thereunder, from time to time.
Securities	As defined in Securities Contract (Regulation) Act, 1956 & includes shares, scrips, notes, bonds, debentures, debenture stock, warrants, etc., futures, options, derivatives, etc. or other transferable securities of a like nature in or of any incorporated company or other body corporate, Gilts / Government Securities, Mutual Fund Units, Money Market Instruments like Call Deposit, Commercial Paper, Treasury Bills, etc. and such other instruments as may be declared by GOI and / or SEBI and / or RBI and / or any other regulatory authority to be securities and rights or interest in securities subject to the asset allocation of the Scheme.
Separate Trading of Registered Interest and Principal Securities (STRIPS)	Long-term notes and bonds divided into principal and interest paying components, which may be transferred and sold in smaller denomination securities.
Short Selling	Short selling means selling a stock which the seller does not own at the time of trade.
Sponsor	Union Bank of India
Switch	Redemption of a unit in any scheme (including the Plans/Options therein) of the Mutual Fund against purchase/allotment of a unit in another scheme (including the Plans / Options therein) of the Mutual Fund, subject to completion of Lock-in Period, if any, of the units of the scheme(s) from where the units are being switched.
Stock Lending	Lending of securities to another person or entity for a fixed period of time, at a negotiated compensation in order to enhance returns of the portfolio.

Systematic Investment Plan / SIP	Facility given to the Unit holders to invest specified fixed sums in the Scheme on periodic basis by giving a single instruction.
Systematic Transfer Plan / STP	Facility given to the Unit holders to transfer sums on periodic basis from one scheme to another schemes launched by the Mutual Fund from time to time by giving a single instruction.
Systematic Withdrawal Plan / SWP	Facility given to the Unit holders to withdraw amounts from the Scheme on periodic basis by giving a single instruction.
Trust Deed / Deed of Trust	The Trust Deed dated December 1, 2010 made by and between the Sponsor and Union Trustee Company Private Limited (formerly Union KBC Trustee Company Private Limited), as amended from time to time, thereby establishing an irrevocable trust, called Union Mutual Fund.
Trustee or Trustee Company	Union Trustee Company Private Limited incorporated (formerly Union KBC Trustee Company Private Limited) under the provisions of the Companies Act, 1956 and approved by SEBI to act as the Trustee to the Schemes of the Mutual Fund.
Unit	The interest of the Unit holder which consists of each Unit representing one undivided share in the assets of the Scheme.
Unit holder	A person holding Unit(s) in the Scheme offered under this Document.

Abbreviations:

AMC	Asset Management Company i.e. Union Asset Management Company Private Limited	MIBOR	Mumbai Inter Bank Offered Rate
AMFI	Association of Mutual Funds in India	NACH	National Automated Clearing House
BSE	BSE Limited (Formerly known as Bombay Stock Exchange Ltd).	NAV	Net Asset Value
BSE StAR MF	BSE Stock Exchange Platform for Allotment and Repurchase of Mutual Funds	NDS	Negotiated Dealing System
CAMS	Computer Age Management Services Private Limited	NECS	National Electronic Clearing System
CAS	Consolidated Account Statement	NEFT	National Electronic Funds Transfer
CBLO	Collateralised Borrowing and Lending Obligation	NFO	New Fund Offer
CCIL	The Clearing Corporation of India Limited	NRE	Non Resident External
CDSC	Contingent Deferred Sales Charge	NRI	Non-Resident Indian
CDSL	Central Depository Services (India) Limited	NRO	Non Resident Ordinary
CRF	Conversion Request Form	NSDL	National Securities Depository Limited
CSC	Customer Service Centre	NSE	National Stock Exchange of India

			Limited
CVL	CDSL Ventures Limited	OIS	Overnight Indexed Swap
DFI	Development Finance Institution	OTC	Over The Counter
DP	Depository Participant	PAN	Permanent Account Number
DRF	Demat Request Form	PIO	Person of Indian Origin
ECS	Electronic Clearing System	PMLA	Prevention of Money Laundering Act, 2002
EFT	Electronic Funds Transfer	POS	Points of Service
FCNR	Foreign Currency Non Resident	PSU	Public Sector Undertaking
FI	Financial Institution	RBI	Reserve Bank of India
FII	Foreign Institutional Investor	RTGS	Real Time Gross Settlement
FIMMDA	Fixed Income Money Market & Derivatives Dealers Association	SAI	Statement of Additional Information
FIU-IND	Financial Intelligence Unit – India	SCBs	Scheduled Commercial Banks
GOI	Government of India	SDL	State Development Loans
G-Sec	Government Securities	SEBI	Securities and Exchange Board of India
HUF	Hindu Undivided Family	SID	Scheme Information Document
ICRA	Investment Information and Credit Rating Agency of India	SIP	Systematic Investment Plan
IMA	Investment Management Agreement	SPV	Special Purpose Vehicle
IPO	Initial Public Offering	STP	Systematic Transfer Plan
IRS	Interest Rate Swap	STT	Securities Transaction Tax
ISC	Investor Service Centre	SWP	Systematic Withdrawal Plan
KRA	Know Your Client Registration Agency	T-Bills	Treasury Bills
KYC	Know Your Client	TIPS	Treasury Inflation Protection Securities
MFSS	Mutual Fund Service System		

Interpretation:

For all purposes of this Scheme Information Document, except as otherwise expressly provided or unless the context otherwise requires:

1. All references to the masculine shall include the feminine and all references, to the singular shall include the plural and vice-versa. All references to Unit holders whether masculine or feminine include references to non individuals unless repugnant to the context thereof.
2. All references to "₹" refer to Indian Rupees and "dollars" or "\$" refer to United States Dollars. A "crore" means "ten million" and a "lakh" means a "hundred thousand".
3. All references to timings relate to Indian Standard Time (IST).
4. Any reference to any statute or statutory provision shall be construed as including a reference to any statutory modifications or re-enactment therein from time to time.
5. Headings are for ease of reference only and shall not affect the construction or interpretation of this Document.

E. DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY

It is confirmed that:

(i) The draft Scheme Information Document forwarded to SEBI is in accordance with the SEBI (Mutual Funds) Regulations, 1996 and the guidelines and directives issued by SEBI from time to time.

(ii) All legal requirements connected with the launching of the Scheme as also the guidelines, instructions, etc., issued by the Government and any other competent authority in this behalf, have been duly complied with.

(iii) The disclosures made in the Scheme Information Document are true, fair and adequate to enable the investors to make a well informed decision regarding investment in the proposed scheme.

(iv) The intermediaries named in the Scheme Information Document and Statement of Additional Information are registered with SEBI and their registration is valid, as on date.

Place: Mumbai
Date: May 24, 2017

Signed:
Name: **Padmaja Shirke**
Designation: **Head – Compliance, Legal & Risk Management**

Note: The aforesaid Due Diligence Certificate dated May 24, 2017 has been submitted to the Securities and Exchange Board of India on May 24, 2017.

II. INFORMATION ABOUT THE SCHEME

A. NAME & TYPE OF THE SCHEME

Union Prudence Fund is an Open-ended Dynamic Asset Allocation Fund.

B. WHAT IS THE INVESTMENT OBJECTIVE OF THE SCHEME?

To achieve long term capital appreciation and generate income through an equity portfolio by using long equities, equity derivatives and arbitrage opportunities available.

However, there can be no assurance that the Investment Objective of the scheme will be achieved.

C. HOW WILL THE SCHEME ALLOCATE ITS ASSETS?

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

Instruments	Indicative allocations (% of net assets)		Risk Profile
	Minimum	Maximum	
Equity and Equity related instruments	65%	100%	Medium to High
Equity Derivatives	0%	45%	Medium to High
Debt and Money Market Instruments	0%	35%	Low to Medium

Investment in Securitized Debt - Nil

Investments in Derivatives – upto 45% of the net assets of the scheme. The Scheme may use derivatives for such purposes as may be permitted by the Regulations, including for the purpose of hedging and portfolio balancing, based on the opportunities available and subject to guidelines issued by SEBI from time to time. The gross equity exposure will be maintained between 65% to 100% while the net equity exposure is to be maintained between 30% to 100%. The difference between these exposures will be carried out using derivatives. The derivatives may be used to hedge the gross exposure where the net exposure is required to be brought down. For e.g. if the gross exposure to equity shares is 75%, the fund manager may hedge 45% of equity shares using derivatives, to bring down net exposure to equity shares to 30%.

Investments in Securities Lending – upto 20% of its net assets of the scheme (where not more than 5% of the net assets of the scheme will be deployed in securities lending to any single counterparty).

In accordance with SEBI Circular No. Cir/ IMD/ DF/ 11/ 2010 dated August 18, 2010, the aggregate asset allocation will not exceed 100% of the net assets of the scheme.

The scheme does not intend to invest in overseas/foreign securities or participate in repo/ reverse repo transactions in corporate debt securities or engage in short selling or in Equity Linked Debentures or participate in credit default swap transactions.

Pending deployment of funds of the Scheme, in securities in terms of the investment objective, the AMC may park the funds of the scheme in short term deposits of scheduled commercial banks, subject to the guidelines issued by SEBI vide its circular dated April 16, 2007, as amended from time to time.

At all times the portfolio will adhere to the overall investment objective of the scheme.

Change in Investment Pattern

The Scheme may review the above pattern of investments based on views on markets, interest rates and asset liability management needs. However, at all times the portfolio will adhere to the overall investment objectives of the Scheme. Subject to the Regulations, the asset allocation pattern indicated above may change from time to time, keeping in view market conditions, market opportunities, applicable regulations, legislative amendments and political and economic factors. It must be clearly understood that the percentages stated above are only indicative and not absolute. These proportions can vary substantially depending upon the perception of the fund manager; the intention being at all times to seek to protect the interests of the Unit holders. Such changes in the investment pattern will be for short term and for defensive considerations only. In case of deviation, the portfolio would be rebalanced within 30 calendar days from the date of deviation. In case the same is not aligned to the above asset allocation pattern within 30 calendar days, justification shall be provided to the Investment Committee of the AMC and reasons for the same shall be recorded in writing. The Investment committee shall then decide on the course of action.

Comparison with existing open-ended Equity Schemes

Scheme Name	Type	Investment Objective	Differentiation	AUM (₹ in crore) as on October 31, 2017	No. of folios as on October 31, 2017
Union Equity Fund	An Open-ended Equity Scheme	To achieve long-term capital appreciation by investing substantially in a portfolio consisting of equity and equity related securities. However, there can be no assurance that the investment objective of the scheme will be achieved.	The scheme invests substantially in a portfolio consisting of equity and equity related securities. <u>Asset Allocation under normal circumstances</u> - Equity & Equity related instruments including equity linked derivatives (75% - 100% of total assets); Debt & Money Market	207.23	33,002

			Instruments (0% - 25% of total assets).		
Union Tax Saver Scheme	An Open-ended Equity Linked Savings Scheme with a lock in period of 3 years	To generate income and long-term capital appreciation by investing substantially in a portfolio consisting of equity and equity related securities. However there can be no assurance that the investment objective of the scheme will be achieved.	This Scheme seeks to generate income and long-term capital appreciation by investing substantially in a portfolio consisting of equity and equity related securities. <u>Asset Allocation under normal circumstances</u> - Equity & Equity related instruments (80% - 100% of net assets); Debt & Money Market Instruments (0% - 20% of net assets). Further, the Scheme has a lock in period of 3 years from the date of allotment.	184.88	31,597
Union Small and Midcap Fund	An Open-ended Equity Scheme	To achieve long term capital appreciation by investing in a portfolio consisting of equity and equity related securities, predominantly of small and mid-sized companies. However, there	This Scheme seeks to generate long-term capital appreciation by investing predominantly in an equity and equity related portfolio of small and mid-sized companies. <u>Asset Allocation</u>	264.16	36,659

		can be no assurance that the investment objective of the scheme will be achieved.	<u>under normal circumstances</u> - Equity & Equity related instruments predominantly of small and mid-sized companies (80 % - 100 % of the total net assets); Debt and Money Market Instruments (0 % - 20 % of the total net assets)		
Union Focussed Largecap Fund	An Open-ended Equity Scheme	To seek to generate capital appreciation by investing in a portfolio of select equity and equity linked securities of large cap companies. However, there can be no assurance that the Investment Objective of the scheme will be achieved.	This Scheme Seeks to generate capital appreciation by investing in a portfolio of select equity and equity linked securities of large cap companies. <u>Asset Allocation under normal circumstances</u> - Equity & Equity related instruments predominantly of large cap companies (80 % - 100 % of the total net assets); Debt, Money Market Instruments and Cash equivalent (0 % - 20 % of the total net assets)	361.64	19,154

D. WHERE WILL THE SCHEME INVEST?

The corpus of the Scheme will be invested in Equity and Equity linked Instruments and in Debt and Money Market Instruments which will include but not be limited to the following.

- **Investment in Equity and Equity linked Instruments:**

Equity related securities include, but are not limited to:

- i. Equity Warrants and Convertible Instruments.
- ii. Fully Convertible debentures, Debentures, Partly Convertible Debentures, unlisted securities, initial public offerings, private placements etc.
- iii. Equity Derivatives.

Futures:

A futures contract is an exchange traded, standardized contract between the buyer and the seller for the purchase and sale of a particular asset at a specific price on a specific future date. The price at which the underlying asset would change hands in the future is agreed upon at the time of entering into the contract. The actual purchase or sale of the underlying asset involving payment of cash and delivery of the instrument does not take place until the contracted date of delivery. A futures contract involves an obligation on both the parties to fulfil the terms of the contract. A futures contract on the stock market index gives its owner the right and obligation to buy or sell the portfolio of stocks characterized by the index. Stock index futures are cash settled; there is no delivery of the underlying stocks.

Options:

An option is a contract which provides the buyer of the option (also called the holder) the right, without the obligation, to buy or sell a specified asset at an agreed price on or upto a particular date. For acquiring this right, the buyer has to pay a premium to the seller. The seller of the option (known as writer of the option) on the other hand has the obligation to buy or sell that specified asset at the agreed price. An option contract may be of two kinds, viz., a call option or a put option. An option that provides the buyer the right to buy is a call option whereas an option that provides the buyer the right to sell is a put option. Options can be classified based on the exercising feature. Two main types are: European and American. In a European option, the holder of the option can only exercise his right on the date of expiration. In an American option, he can exercise this right anytime between the purchase date and the expiration date. Pursuant to SEBI circular - Cir/ IMD/ DF/ 11/ 2010 dated August 18, 2010, the Scheme shall not write options or purchase instruments with embedded written options.

- iv. Any other securities / instruments as may be permitted by SEBI from time to time.

The Scheme may participate in securities lending as permitted under the Regulations.

Investment in Debt and Money Market Instruments:

1. Certificate of Deposit (CD):

Certificate of Deposit (CD) is a negotiable money market instrument issued by Scheduled Commercial Banks (SCBs) and select All India Financial Institutions (FIs) that have been permitted by the RBI to raise short term resources. The maturity period of CDs issued by the SCBs is between 7 days to 1 year, whereas, in case of FIs, maturity is 1 year to 3 years from the date of issue. CDs also are issued at a discount to face value and can be traded in secondary market.

2. Collateralized Borrowing and Lending Obligations (CBLO):

Collateralized Borrowing and Lending Obligations (CBLO) is a money market instrument that enables entities to borrow and lend against sovereign collateral security. The maturity ranges from 1 day to 90 days and can also be made available up to 1 year. Central Government securities including Treasury Bills are eligible securities that can be used as collateral for borrowing through CBLO.

3. Commercial Paper (CP):

Commercial Paper (CP) is an unsecured negotiable money market instrument issued in the form of a promissory note, generally issued by the corporates, primary dealers and All India Financial Institutions as an alternative source of short term borrowings. CP is traded in secondary market and can be freely bought and sold before maturity. CP can be issued for maturities between a minimum of 15 days and a maximum up to 1 year from the date of issue.

4. Reverse Repo:

Reverse Repo is a transaction in which two parties agree to sell and purchase the same security with an agreement to purchase or sell the same security at a mutually decided future date and price. The transaction results in collateralized borrowing or lending of funds. Presently in India, Central Government Securities, State Government securities and T-Bills are eligible for Reverse Repo.

5. Treasury Bill (T-Bill):

Treasury Bills (T-Bills) are issued by the Government of India or State Governments to meet their short term borrowing requirements. T-Bills are issued for maturities of 91 days, 182 days and 364 days. T-Bills are issued at a discount and for a fixed period.

6. Securities created and issued by the Central and State Governments as may be permitted by RBI, securities guaranteed by the Central and State Governments (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills). State Government Securities (popularly known as State Development Loans or SDLs) are issued by the respective State Government in co-ordination with the RBI.

7. Non-convertible debentures and bonds

Non-convertible debentures as well as bonds are securities issued by companies / institutions promoted / owned by the Central or State Governments and statutory bodies which may or may not carry a Central/State Government guarantee, public and private sector banks, all India Financial Institutions and Private Sector Companies. These instruments may be secured or unsecured against the assets of the Company and generally issued to meet the short term and long term fund requirements. The Scheme may also invest in the non-convertible part of convertible debt securities.

8. Floating rate debt instruments

Floating rate debt instruments are instruments issued by Central / State Governments, corporates, PSUs, etc. with interest rates that are reset periodically.

9. Debt derivative instruments:

Interest Rate Swap: An Interest Rate Swap (“IRS”) is a financial contract between two parties exchanging or swapping a stream of interest payments for a ‘notional principal’ amount on multiple occasions during a specified period. Typically, one party receives a predetermined fixed rate of interest while the other party, receives a floating rate, which is linked to a mutually agreed benchmark with provision for mutually agreed periodic resets. Such contracts generally involve exchange of a “fixed to floating” or “floating to fixed” rate of interest. Accordingly, on each payment date that occurs during the swap period, cash payments based on fixed/ floating and floating rates are made by the parties to one another.

Forward Rate Agreement: A Forward Rate Agreement (FRA) is an agreement to pay or receive the difference between the agreed fixed rate and actual interest rate (reference rate specified in the contract) prevailing at a stipulated future date for a notional loan amount and specified time period.

The interest rate is fixed now for a future agreed price wherein only the interest is settled between the counter parts.

Interest Rate Futures: A futures contract is a standardized, legally binding agreement to buy or sell a commodity or a financial instrument in a designated future month at a market determined price (the futures price) by the buyer and seller. The contracts are traded on a futures exchange. An Interest Rate Future is a futures contract with an interest bearing instrument as the underlying asset.

Characteristics of Interest Rate Futures

1. Obligation to buy or sell a bond at a future date
2. Standardized contract
3. Exchange traded
4. Physical settlement
5. Daily mark to market

• **Investment in Short Term Deposits**

Pending deployment of funds as per the investment objective of the Scheme, the funds may be parked in short term deposits of Scheduled Commercial Banks, subject to guidelines and limits specified by SEBI.

• **Investment in units of Mutual Fund schemes**

To avoid duplication of portfolios and to reduce expenses, the Scheme may also invest in debt and liquid schemes managed by the AMC or in the debt and liquid schemes of any other mutual funds (without charging any fees) in conformity with the investment objective of the Scheme and in the terms of the prevailing SEBI (Mutual Funds) Regulations, 1996. Provided the aggregate inter-scheme investment made by all the schemes under the same management or in schemes under management of any other asset management company shall not exceed 5% of the Net Asset Value of the Mutual Fund.

The aforementioned securities may be acquired through initial public offering (IPOs), secondary market, private placement, rights offers, negotiated deals. Further investments in debentures, bonds and other fixed income securities will be in instruments which have been assigned investment grade rating by the Credit Rating Agency.

The Scheme, presently, does not intend to invest in Repos/Reverse Repos transactions in corporate debt securities.

Investment in unrated debt instruments shall be subject to complying with the provisions of the Regulations and within the limit as specified in Schedule VII to the Regulations.

The securities / instruments mentioned above and such other securities the Scheme is permitted to invest in could be listed, unlisted, privately placed, secured, unsecured, rated or unrated and of any maturity subject to investment limits specified elsewhere in this document.

Pursuant to SEBI Circular No. MFD/CIR/9/120/2000 dated November 24, 2000; the AMC may constitute committee(s) to approve proposals for investments in unrated debt instruments. The AMC Board and the Trustee shall approve the detailed parameters for such investments. However, in case any unrated debt security does not fall under the parameters, the prior approval of Board of AMC and Trustee shall be sought.

For applicable regulatory investment limits, please refer paragraph the section on "What are the Investment Restrictions?".

Details of various derivative strategies/examples of use of derivatives have been provided under the section "Derivatives Strategy"

The Fund Manager reserves the right to invest in such securities as may be permitted from time to time and which are in line with the investment objectives of the Scheme.

E. WHAT ARE THE INVESTMENT STRATEGIES?

The investment team will follow an active strategy to manage the assets of the fund. The Scheme will invest predominantly in equities. Union Prudence Fund will use a combination of top down and bottom up approach. The top-down process will lead to the active ongoing asset allocation decision between equity and debt and the bottom up process would lead to stock selection across market capitalisation through fundamental research.

The scheme portfolio constructed will be a blend of value and growth stocks. picking through fundamental research. The Scheme will use derivatives to hedge the downside risk of the portfolio. The Scheme will take a call on the hedging strategies based on qualitative, quantitative and market factors.

The Scheme will seek to reduce volatility of returns by actively using derivatives as hedge. This will make the Scheme forgo some upside but shall protect downside.

The investment team shall also scan the market for opportunities and shall evaluate the individual companies on their merits, leading to the bottom-up investment decision.

The fund manager shall use derivatives within the permissible limits actively in-addition to hedging and rebalancing the portfolio.

The fund manager could also use active cash calls as a means to rebalance or hedge the portfolio upto the permissible limits.

Trading in Derivatives:

The scheme intends to use derivatives actively in-addition to the purpose of hedging and portfolio balancing or such other purpose as may be permitted under the Regulations from time to time. The same shall be within the permissible limit prescribed by SEBI (Mutual Funds) Regulations, 1996 from time to time.

Derivative transactions that can be undertaken by the Scheme include a wide range of instruments, including, but not limited to

- Futures
- Options
- Swaps
- Any other instrument, as may be regulatorily permitted

Derivatives can be either exchange traded or can be Over The Counter (OTC). Exchange traded derivatives are listed and traded on Stock Exchanges whereas OTC derivative transactions are generally structured between two counterparties.

Derivatives Strategy:

Equity Derivatives Strategy:

Index Futures

Index Futures have been introduced by BSE and NSE and three futures of 1 month, 2 months, and 3 months are presently traded on these exchanges. These futures expire on the last working Thursday of the respective months. The Index futures are cash settled and there is no delivery of the underlying stock. The Profitability of the Index / Stock Future as compared to underlying individual securities / security will inter-alia depend on

- Carrying Cost
- Interest available on surplus funds
- Transaction Costs
- Cost Associated with rolling over of the futures trade, if applicable
- Liquidity in the markets etc.

Strategies that employ index futures and their objectives:

The fund has an existing equity portion invested in a basket of stocks. In case the fund manager has a view that the equity markets are headed downwards, the fund can hedge the exposure to equity either fully or partially by initiating sell futures positions in the index. A long position can be initiated by the fund by buying futures positions in the index against the available cash and permissible equivalents. The extent to which this can be done is determined by existing guidelines.

Risk associated with this strategy:

1. Lack of opportunities available in the market.
2. Inability of the derivatives to correlate perfectly with underlying indices.
3. Execution risk, whereby the rates seen on the screen may not be the rates at which the ultimate execution takes place.

Illustration:

Spot Index: 1070

1 month Nifty Future Price on day 1: 1075 Fund buys 100 lots

Each lot has a nominal value equivalent to 200 units of the underlying index

Let us say that on the date of settlement, the future price = Closing spot price = 1085

Profits for the Fund = $(1085-1075) * 100 \text{ lots} * 200 = \text{Rs } 200,000$

Please note that the above example is given for illustration purposes only.

The net impact for the Fund will be in terms of the difference between the closing price of the index and cost price (ignoring margins for the sake of simplicity). Thus, it is clear from the example that the profit or loss for the Fund will be the difference of the closing price (which can be higher or lower than the purchase price) and the purchase price. The risks associated with index futures are similar to the one with equity investments. Additional risks could be on account of illiquidity and hence mispricing of the future at the time of purchase.

Buying Options:

Benefits of buying a call option:

Buying a call option on a stock or index gives the owner the right, but not the obligation, to buy the underlying stock / index at the designated strike price. Here the downside risks are limited to the premium paid to purchase the option.

Illustration

For example, if the fund buys a one month call option on ABC Limited at a strike of Rs. 150, the current market price being say Rs.151. The fund will have to pay a premium of say Rs. 15 to buy this call. If the stock price goes below Rs. 150 during the tenure of the call, the fund avoids the loss it would have incurred had it straightaway bought the stock instead of the call option. The fund gives up the premium of Rs. 15 that has to be paid in order to protect the fund from this probable downside. If the stock goes above Rs. 150, it can exercise its right and own ABC Limited at a cost price of Rs. 150, thereby participating in the upside of the stock.

Benefits of buying a put option

Buying a put option on a stock originally held by the buyer gives him/her the right, but not the obligation, to sell the underlying stock at the designated strike price. Here the downside risks are limited to the premium paid to purchase the option.

Illustration

For example, if the fund owns ABC Limited and also buys a three month put option on ABC Limited at a strike of Rs. 150, the current market price being say Rs.151. The fund will have to pay a premium of say Rs. 12 to buy this put. If the stock price goes below Rs. 150 during the tenure of the put, the fund can still exercise the put and sell the stock at Rs. 150, avoiding therefore any downside on the stock below Rs. 150. The fund gives up the fixed premium of Rs. 12 that has to be paid in order to protect the fund from this probable downside. If the stock goes above Rs. 150, say to Rs. 170, it will not exercise its option. The

fund will participate in the upside of the stock, since it can now sell the stock at the prevailing market price of Rs. 170.

The Scheme will comply with provisions specified in Circular dated August 18, 2010 related to overall exposure limits applicable for derivative transactions as stated below:

- 1) The cumulative gross exposure through equity, debt and derivative positions should not exceed 100% of the net assets of the scheme.
- 2) Mutual Funds shall not write options or purchase instruments with embedded written options.
- 3) The total exposure related to option premium paid must not exceed 20% of the net assets of the scheme.
- 4) Cash or cash equivalents with residual maturity of less than 91 days may be treated as not creating any exposure.
- 5) Exposure due to hedging positions may not be included in the above mentioned limits subject to the following
 - a. Hedging positions are the derivative positions that reduce possible losses on an existing position in securities and till the existing position remains.
 - b. Hedging positions cannot be taken for existing derivative positions. Exposure due to such positions shall have to be added and treated under limits mentioned in Point 1.
 - c. Any derivative instrument used to hedge has the same underlying security as the existing position being hedged.
 - d. The quantity of underlying associated with the derivative position taken for hedging purposes does not exceed the quantity of the existing position against which hedge has been taken.
- 6) Mutual Funds may enter into interest rate swaps for hedging purposes. The counter party in such transactions has to be an entity recognized as a market maker by RBI. Further, the value of the notional principal in such cases must not exceed the value of respective existing assets being hedged by the scheme. Exposure to a single counterparty in such transactions should not exceed 10% of the net assets of the scheme.
- 7) Exposure due to derivative positions taken for hedging purposes in excess of the underlying position against which the hedging position has been taken, shall be treated under the limits mentioned in point 1.

The following section describes some of the more common equity derivatives transactions long with their benefits:

1. Basic Structure of a Stock & Index Future

The Stock Index futures are instruments designed to give exposure to the equity markets indices.

BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) provide futures in select stocks and indices with maturities of 1, 2 and 3 months. The pricing of a stock/index future is the function of the underlying stock/index and short term interest rates.

Example using hypothetical
figure 1 month NIFTY 50 Index
Future

Say, Fund buys 1,000 futures contracts; each contract value is 50 times futures index price
Purchase Date: Feb 01, 2017

Spot Index: 6036.25

Future Price: 6081.90

Say, Date of Expiry: Feb 24,
2017 Say, Margin: 20%

Assuming the exchange imposes total margin of 20%, the Investment Manager will be required to provide total margin of approx. Rs. 6.08 Cr (i.e. $20\% * 6081.90 * 1000 * 50$) through eligible securities and cash.

Date of Expiry

Assuming on the date of expiry, i.e. Feb 24, 2017, Nifty 50 Index closes at 6100, the net impact will be a profit of Rs 9,05,000 for the fund i.e. $(6100 - 6081.90) * 1000 * 50$

Futures price = Closing spot price = 6100.00

Profits for the Fund = $(6100 - 6081.90) * 1000 * 50 = \text{Rs. } 9,05,000$

Please note that the above example is given for illustration purposes only. Some assumptions have been made for the sake of simplicity.

The net impact for the Fund will be in terms of the difference of the closing price of the index and cost price. Thus, it is clear from the example that the profit or loss for the Fund will be the difference of the closing price (which can be higher or lower than the purchase price) and the purchase price. The risks associated with index futures are similar to those associated with equity investments. Additional risks could be on account of illiquidity and potential mis-pricing of the futures.

2. Basic Structure of an Equity Option

An option gives a buyer the right but does not cast the obligation to buy or sell the underlying. An option is a contract between two parties wherein the buyer receives a privilege for which he pays a fee (premium) and the seller accepts an obligation for which he receives a fee. The premium is the price negotiated and set when the option is bought or sold. A person who buys an option is said to be long in the option. A person who sells (or writes) an option is said to be short in the option.

In India, National Stock Exchange (NSE) became the first exchange to launch trading in options on individual securities. Trading in options on individual securities commenced from July 2, 2001. All stock/index Option contracts are European style (w.e.f. January 2011) and cash settled as stipulated by the Securities and Exchange Board of India (SEBI).

Example using hypothetical figures on Index Options:

Market type: N Instrument Type: OPTIDX Underlying: NIFTY

Purchase date: Feb 01, 2017

Expiry date: Feb 24, 2017

Option Type: Put Option (Purchased)

Strike Price: Rs. 6,000.00

Spot Price: Rs. 6036.00

Premium: Rs. 84.00

Lot Size: 50

No. of Contracts: 100

Say, the Fund purchases on Feb 01, 2017, 1 month Put Options on Nifty on the NSE i.e. put options on 5000 shares (100 contracts of 50 shares each) of Nifty.

Date of Exercise

As these are European style options, they can be exercised only on the exercise date i.e. Feb 24, 2017. If the share price of Nifty falls to Rs.5,500 on expiry day, the net impact will be as follows:

Premium expense = Rs.84*100* 50 Rs. 4,20,000

Option Exercised at = Rs. 5,500

Profits for the Fund = (6000.00–5,500.00) * 100*50 = Rs. 25,00,000

Net Profit = Rs. 25,00,000 – Rs. 4,20,000 = Rs. 20,80,000

In the above example, the Investment Manager hedged the market risk on 5000 shares of Nifty Index by purchasing Put Options.

Please note that the above example is given for illustration purposes only. Some assumptions have been made for the sake of simplicity. Certain factors like margins have been ignored. The purchase of Put Options does not increase the market risk in the fund as the risk is already in the fund's portfolio on

account of the underlying asset position. The premium paid for the option is treated as an expense. Additional risks could be on account of illiquidity and potential mis-pricing of the options.

In case of Equity and Derivatives Fund:

The fund will use derivatives instruments for the purpose hedging or portfolio rebalancing or for any other stock and / or index derivative strategies as allowed under the SEBI regulations.

Example of Hedging using Index Futures

The scheme holds stock at current market price of Rs. 100. To hedge the exposure, the scheme will sell index futures for Rs. 100.

The stock will make a gain or a loss subject to its relative out-performance or underperformance of the markets.

Stock A falls by 10% and market index also falls by 10%.
Profit/(Loss) on stock A will be = (Rs. 10)

Profit/(Loss) on Short Nifty futures = Rs. 10
Net Profit/(loss) = Nil

Therefore, hedging allows the scheme to protect against market falls.

Please note that the above examples are only for illustration purposes.

Valuation of Derivative Products

a) The traded derivatives shall be valued at market price in conformity with the stipulations of sub clauses (i) to (v) of clause 1 of the Eighth Schedule to the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended from time to time.

b) The valuation of un-traded derivatives shall be done in accordance with the valuation method for un-traded investments prescribed in sub clauses (i) and (ii) of clause 2 of the Eighth Schedule to the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 as amended from time to time.

Various Derivatives Strategies:

If and where Derivative strategies are used under the scheme the Fund Manager will employ a combination of the following strategies:

1. Index Arbitrage:

As the Nifty 50 Index derives its value from fifty underlying stocks, the underlying stocks can be used to create a synthetic index matching the Nifty Index levels. Also, theoretically, the fair value of a stock/ index futures is equal to the spot price plus the cost of carry.

Theoretically, therefore, the pricing of Nifty Index futures should be equal to the pricing of the synthetic

index created by futures on the underlying stocks. However, due to market imperfections, the index futures may not exactly correspond to the synthetic index futures.

The Nifty Index futures normally trades at a discount to the synthetic Index due to large volumes of stock hedging being done using the Nifty Index futures giving rise to arbitrage opportunities.

The fund manager shall aim to capture such arbitrage opportunities by taking long positions in the Nifty Index futures and short positions in the synthetic index. The strategy is attractive if this price differential (post all costs) is higher than the investor's cost-of-capital.

Objective of the Strategy

The objective of the strategy is to lock-in the arbitrage gains.

Risks Associated with this Strategy

- Lack of opportunity available in the market

- The risk of mispricing or improper valuation and the inability of derivatives to correlate perfectly with underlying assets, rates and indices:
- **Execution Risk:** The prices which are seen on the screen need not be the same at which execution will take place.

2. Cash Futures Arbitrage: (Only one way as funds are not allowed to short in the cash market).

The Plans under the scheme would look for market opportunities between the spot and the futures market. The cash futures arbitrage strategy can be employed when the price of the futures exceeds the price of the underlying stock.

The Plans will first buy the stocks in cash market and then sell in the futures market to lock the spread known as arbitrage return.

Buying the stock in cash market and selling the futures results into a hedge where the Plans have locked in a spread and is not affected by the price movement of cash market and futures market. The arbitrage position can be continued till expiry of the future contracts. The future contracts are settled based on the last half an hour's weighted average trade of the cash market. Thus there is a convergence between the cash market and the futures market on expiry. This convergence helps the Plans under the Scheme to generate the arbitrage return locked in earlier. However, the position could even be closed earlier in case the price differential is realized before expiry or better opportunities are available in other stocks. The strategy is attractive if this price differential (post all costs) is higher than the investor's cost-of-capital.

Objective of the Strategy

The objective of the strategy is to lock-in the arbitrage gains.

Risk Associated with this Strategy

- Lack of opportunity available in the market.
- The risk of mispricing or improper valuation and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.
- Execution Risk: The prices which are seen on the screen need not be the same at which execution will take place

3. **Hedging and alpha strategy:** The fund will use exchange-traded derivatives to hedge the equity portfolio. The hedging could be either partial or complete depending upon the fund managers' perception of the markets. The fund manager shall either use index futures and options or stock futures and options to hedge the stocks in the portfolio. The fund will seek to generate alpha by superior stock selection and removing market risks by selling appropriate index. For example, one can seek to generate positive alpha by buying an IT stock and selling Nifty IT Index future or a bank stock and selling Bank Index futures or buying a stock and selling the Nifty Index.

Objective of the Strategy

The objective of the strategy is to generate alpha by superior stock selection and removing market risks by hedging with appropriate index.

Risk Associated with this Strategy

- The stock selection under this strategy may under-perform the market and generate a negative alpha.
- The risk of mispricing or improper valuation and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.
- Execution Risk: The prices which are seen on the screen need not be the same at which execution will take place.

4. **Other Derivative Strategies:** As allowed under the SEBI guidelines on derivatives, the fund manager will employ various other stock and index derivative strategies by buying or selling stock/index futures.

Objective of the Strategy

The objective of the strategy is to earn low volatility consistent returns.

Risk Associated with this Strategy

- The risk of mispricing or improper valuation and the inability of derivatives to correlate perfectly with underlying assets, rates and indices
- Execution Risk: The prices which are seen on the screen need not be the same at which execution will take place.

Strategies that employ stock specific futures and their objectives:

Derivatives strategy:

The fund manager will employ a combination of the various derivative strategies apart from investments in equity and equity related instruments and short-term debt instruments. The derivative strategies to be used have been enumerated in the section Derivative Strategy in this document.

The Scheme will seek to reduce volatility of returns by actively using derivatives as hedge. This will make the Scheme forgo some upside but shall protect downside.

Following are some of the illustrations on the different types of Derivative exposure strategies that the Scheme may adopt:

Example of Index Arbitrage replacing Company A, Company B and Company C with similar stocks.

The Scheme will enter in the following trade.

Purchase 1,000 lots of 100 Nifty 50 Futures (current month expiry) @ Rs. 3,000 at the total Cost of Rs. 30,00,00,000.

Sell Rs. $\sum (1000 * 100 * \text{price of stock } x_i \text{ Futures} * \% \text{ of stock } x_i \text{ in Nifty in units})$ @ Rs. 30,30,00,000

where, x_i is a constituent stock of Nifty, $i = 1$ to 50, and Company A, Company B and Company C replaced by Company D, Company E and Company F respectively.

This trade is done to lock in profit of Rs. 30,00,000 irrespective of prices of Nifty Index or its constituent stocks.

The annualized return before brokerage and transaction cost will be 12%.

The said transaction will generate profit under any market scenario as under:

1. Value of Nifty 50 Index goes up by 500 points
Profit / (loss) on Nifty 50 Futures is Rs.5,00,00,000
Profit / (loss) on Constituent Stock Futures is (Rs. 4,70,00,000)
Net profit = Rs. 30,00,000
2. Value of Nifty 50 Index goes down by 500 points
Profit / (loss) on Nifty Futures is (Rs.5,00,00,000)
Profit / (loss) on Constituent Stock Futures is Rs. 5,30,00,000
Net profit = Rs. 30,00,000

Example of Index Arbitrage keeping the portion represented by Company A, Company B and Company C in the Nifty 50 Index as open

The Scheme will enter in the following trade.

Purchase 1,000 lots of 100 Nifty Futures (current month expiry) @ Rs. 3,000 at the total Cost of Rs. 30,00,00,000.

Sell Rs. $\sum (1000 * 100 * \text{price of stock } x_i \text{ Futures} * \% \text{ of stock } x_i \text{ in Nifty in units})$ @ Rs. 29,02,50,000. where, x_i is a constituent stock of Nifty, $i = 1$ to 47, excluding Company A, Company B and Company C.

The above trade will keep 4.25% of Nifty position i.e. Rs. 1,27,50,000 open to market risk.

1. If the value of Nifty Index goes up by 300 points i.e. 10% with the values of Company A, Company B and Company C going up 20% i.e. by Rs. 25,50,000
Profit / (loss) on Nifty Futures is Rs.3,00,00,000
Profit / (loss) on Constituent Stock Futures is (Rs. 2,57,25,000)
Net profit = Rs. 42,750
2. If the value of Nifty Index goes up by 300 points i.e. 10% with the values of Company A, Company B and Company C going down by 10% i.e. by Rs. 12,75,000
Profit / (loss) on Nifty 50 Futures is Rs.3,00,00,000
Profit / (loss) on Constituent Stock Futures is Rs. (2,95,50,000)
Net profit = Rs. 4,50,000.

Example of cash futures arbitrage

The Scheme will enter in the following trade.

Purchase 1000 shares of A @ Rs. 100 at the total Cost of Rs. 1,00,000

Sell 1000 Futures @ Rs. 101 at the sale proceeds of Rs. 1,01,000

This trade is done to lock in profit of Rs. 1000 irrespective of price of stock A.

The annualized return before brokerage and transaction cost will be 12%.

The said transaction will generate profit under any market scenario as under:

1. At the time of expiry of derivative contract, price of stock A is Rs. 50
Profit/(loss) on Stock A will be = $1000 * (50-100) =$ (Rs. 50,000)
Profit/(loss) on Futures will be = $1000 * (101-50) =$ Rs. 51,000
Net Profit/(loss) = Rs. 1,000
2. At the month end, price of stock A is Rs. 200
Profit/(loss) on stock A will be = $1000 * (200-100) =$ Rs. 1,00,000
Profit/(loss) on futures position = $1000 * (101-200) =$ (Rs. 99,000)
Net Profit/(loss) = Rs. 1,000.

Example of hedging

The scheme will enter into the following trade

Buy stock A for Rs. 100.

Sell Nifty futures for Rs. 100

This trade will make the stock A market neutral. The stock may generate returns out of market outperformance irrespective of market movements.

1. Due to fall in the overall market by 20%, the stock A goes down by 10%.
Profit/(Loss) on stock A will be = (Rs. 10)
Profit/(Loss) on Short Nifty futures = Rs. 20
Net Profit/(loss) = Rs. 10
2. Due to rise in the overall market by 10%, the stock A goes up by 20%.
Profit/(Loss) on stock A will be = Rs. 20
Profit/(Loss) on Short Nifty futures = (Rs. 10)
Net Profit/(loss) = Rs. 10

Using Futures

Based on the relative valuations of Stock A and Stock B in the banking sector, the scheme buys 100 units of Stock A at Rs. 100 and sells 50 units of stock B futures at Rs. 200 thus creating an opposite exposure.

1. If the overall banking index goes up with stock A at Rs. 120 and stock B at Rs. 220, Profit/(loss) on stock A = Rs. 2000
Profit/(loss) on stock B = (Rs. 1000)
Net Profit/(loss) = Rs. 1000.
2. If the overall banking index goes down, Stock A falls to Rs. 95 and stock B falls to Rs. 180,
Profit/(loss) on stock A = (Rs. 500)
Profit/(loss) on stock B = Rs. 1000
Net Profit/(loss) = Rs. 500.

Example of stock and index derivative strategies

Based on the relative valuations of Stock A in the banking sector, the scheme buys 3000 units of Stock A at Rs. 100 and sells 100 units of Nifty Bank futures at Rs. 3000 thus creating an opposite exposure.

1. If the bank index goes up with stock A futures at Rs. 120 and Nifty Bank futures at Rs. 3300,
Profit/(loss) on stock A = Rs. 60,000
Profit/(loss) on Nifty Bank futures = (Rs. 30,000)
Net Profit/(loss) = Rs. 30,000.
2. If the banking index goes down, Stock A falls to Rs. 95 and Nifty Bank futures falls to Rs. 2700,
Profit/(loss) on stock A = (Rs. 15,000)
Profit/(loss) on Nifty Bank futures = Rs. 30,000
Net Profit/(loss) = Rs. 15,000.

Example of sector index derivative strategies

Based on the relative valuations of banking sector and the IT sector, the scheme buys 100 units of Nifty IT Futures at Rs. 3000 and sells 100 units of Bank Nifty futures at Rs. 3000 thus creating an opposite exposure.

1. If the overall markets go up, with Nifty Bank Futures at Rs. 3600 and Nifty IT Futures at Rs. 3300,
Profit/(loss) on Nifty Bank futures = Rs. 60,000
Profit/(loss) on Nifty IT futures = (Rs. 30,000)
Net Profit/(loss) = Rs. 30,000.
2. If the overall markets go down, with Nifty Bank Futures at Rs. 2850 and Nifty IT Futures at Rs. 2700,
Profit/(loss) on Nifty Bank futures = (Rs. 15,000)
Profit/(loss) on Nifty IT futures = Rs. 30,000
Net Profit/(loss) = Rs. 15,000.

Example of sector and market index derivative strategies

The Scheme may decide to hedge a sector index against the market and generate returns out of the out performance of the sector against the market. Based on the relative valuations of IT sector, the scheme buys 100 units of Nifty IT Futures at Rs. 3000 and sells 100 units of Nifty 50 futures at Rs. 3000.

1. If the markets go up, with Nifty IT Futures at Rs. 3600 and Nifty 50 Futures at Rs. 3300,
Profit/(loss) on Nifty IT futures = Rs. 60,000

- Profit/(loss) on Nifty 50 futures = (Rs. 30,000)
Net Profit/(loss) = Rs. 30,000.
2. If the overall markets go down, with Nifty IT Futures at Rs. 2850 and Nifty 50 Futures at Rs. 2700,
Profit/(loss) on Nifty IT futures = (Rs. 15,000)
Profit/(loss) on Nifty 50 futures = Rs. 30,000
Net Profit/(loss) = Rs. 15,000.

Example of buying a straddle

If the volatility in the market is high, the scheme will buy call as well as put options on stock A / index with the same strike price and expiration date.

Strike Price Rs. 100

Premium paid on call option Rs. 3

Premium paid on put option Rs. 3

1. If the price of the stock / index goes up to Rs. 110, the scheme will exercise the call option
Profit on call option Rs. (110-100) = Rs.10
Total premium paid on call and put options = Rs. 6
Net Profit = Rs. 4
2. If the price of the stock / index goes down to Rs. 90, the scheme will exercise the put option
Profit on put option Rs. (100-90) = Rs.10
Total premium paid on call and put options = Rs. 6
Net Profit = Rs. 4

Example of buying a strangle

If the volatility in the market is high, the scheme will buy out of money call as well as put options on stock A / index with the same expiration date.

Current market price of stock A / index Rs.100

Strike price of call option Rs. 105

Premium paid on call option Re. 1

Strike price of put option Rs. 95

Premium paid on put option Re. 1

1. If the price of the stock / index goes up to Rs. 110, the scheme will exercise the call option Profit on call option Rs. (110-105) = Rs.5
Total premium paid on call and put options = (Rs. 2)
Net Profit = Rs. 3
2. If the price of the stock / index goes down to Rs. 90, the scheme will exercise the put option Profit on put option Rs. (95-90) = Rs.5
Total premium paid on call and put options = (Rs. 2)
Net Profit = Rs. 3

The above examples are the indicative strategies. Depending upon the market outlook, more strategies could be developed and employed to fulfill the scheme objectives.

Debt Derivatives Strategy:

In order to achieve the investment objective, the Scheme may take exposure to debt derivatives in accordance with the SEBI Regulations as amended from time to time. The Scheme may use derivative instruments like interest rate swaps like Overnight Indexed Swaps (“OIS”), forward rate agreements, interest rate futures or such other derivative instruments as may be permitted under the applicable

regulations. Further, the Mutual Fund will adhere to the applicable guidelines issued by RBI as amended from time to time, for undertaking transactions in forward rate agreements and interest rate swaps and other derivative products. Derivatives will be used for the purpose of hedging, portfolio balancing, increasing the returns of the Scheme or such other purpose as may be permitted under the Regulations and Guidelines from time to time.

The Fund will be allowed to take exposure in interest rate swaps only on a non-leveraged basis. A swap will be undertaken only if there is an underlying asset in the portfolio. In terms of Circular No. MFD.BC.191/07.01.279/1999-2000 and MPD.BC.187/07.01.279/1999- 2000 dated November 1, 1999 and July 7, 1999 respectively issued by RBI permitting participation by Mutual Funds in interest rate swaps and forward rate agreements, the Fund will use derivative instruments for the purpose of hedging and portfolio balancing.

The guidelines issued by RBI from time to time for forward rate agreements and interest rate swaps and other derivative products would be adhered to by the Mutual Fund.

IRS and FRA do also have inherent credit and settlement risks. However, these risks are substantially reduced as they are limited to the interest streams and not the notional principal amounts.

The circumstances under which such transactions would be entered into would be when, for example using the IRS route it is possible to generate better returns / meet the objective of the Scheme at a lower cost. e.g. if buying a 2 Year MIBOR based instrument and receiving the 2 Year swap rate yields better return than the 2 Year AAA corporate bond, the Scheme would endeavor to do that. Alternatively, the Scheme would also look to hedge existing fixed rate positions if the view on interest rates is that it would likely rise in the future.

The following information provides a basic idea as to the nature of the derivative instruments proposed to be used by the Fund and the benefits and risks attached therewith. Please note that the examples have been given for illustration purposes only.

Using Overnight Indexed Swaps

In a rising interest rate scenario, the Scheme may enhance returns for the investor by hedging the risk on its fixed interest paying assets by entering into an OIS contract where the Scheme agrees to pay a fixed interest rate on a specified notional amount, for a predetermined tenor and receives floating interest rate payments on the same notional amount. The fixed returns from the Scheme's assets and the fixed interest payments to be made by the Scheme on account of the OIS transaction offset each other and the Scheme benefits on the floating interest payments that it receives.

The Scheme may enter into an opposite position in case of a falling interest rate scenario, i.e. to hedge the floating rate assets in its portfolio the Scheme enters into an OIS transaction wherein it receives a fixed interest rate on a specified notional amount for a specified time period and pays a floating interest rate on the same notional amount. The floating interest payments that the Scheme receives on its floating rate securities and the floating interest payments that the Scheme has to pay on account of the OIS transaction offset each other and the Scheme benefits on the fixed interest payments that it receives in such a scenario.

Illustration:

Assume that the Scheme has a ₹ 25 crores floating rate investment linked to MIBOR (Mumbai Inter Bank Offered Rate). Hence, the Scheme is currently running an interest rate risk and stands to lose if the interest rate moves down. To hedge this interest rate risk, the Scheme can enter into a 6 month MIBOR swap. Through this swap, the Scheme will receive a fixed predetermined rate (assume 7.75%) and pays the “benchmark rate” (MIBOR), which is fixed by the NSE or any other agency such as Reuters. This swap would effectively lock-in the rate of 7.75% for the next 6 months, eliminating the daily interest rate risk. This transaction is usually routed through an intermediary who runs a book and matches deals between various counterparties. The steps will be as follows:

Assuming the swap is for ₹ 25 Crores for December 15, 2016 to May 15, 2017. The Scheme is a fixed rate receiver at 7.75% and the counterparty is a floating rate receiver at the overnight rate on a compounded basis (say NSE MIBOR).

On December 15, 2016 the Scheme and the counterparty will exchange only a contract of having entered into this swap. This documentation would be as per International Swap Dealers Association (“ISDA”) norms.

On a daily basis, the benchmark rate MIBOR fixed by NSE will be tracked by them.

On May 15, 2017, they will calculate the following:

- The Scheme - fixed rate receiver is entitled to receive interest on ₹ 25 Crores at 7.75% for 181 days i.e. ₹ 96.08 lakhs, (this amount is known at the time the swap was concluded) and will pay the compounded benchmark rate.
- The counterparty is entitled to receive daily compounded MIBOR for 181 days & pay 7.75% fixed.
- On May 15, 2017, if the total interest on the daily overnight compounded benchmark rate is higher than ₹ 96.08 lakhs, the Scheme will pay the difference to the counterparty. If the daily compounded benchmark rate is lower, then the counterparty will pay the Scheme the difference.

The above example illustrates the use of derivatives for hedging and optimizing the investment portfolio. Interest Rate Swaps are agreement between two counterparties and has market risk, credit risk and settlement risk. However, these risks are substantially reduced as the monetary exchange involved is the net interest amount and not the principal amount.

Forward Rate Agreement

A FRA is an agreement to pay or receive the difference between the agreed fixed rate and actual interest prevailing at a stipulated future date. The interest rate is fixed now for a future agreed period wherein only the interest is settled between the counter parties.

Illustration:

Assume that on December 15, 2016, the 30-day commercial paper (CP) rate is 8.50% and the Scheme has an investment in a CP of face value ₹ 50 Crores, which is going to mature on January 14, 2017. If the interest rates are likely to remain stable or decline after January 14, 2017, and if the fund manager, who wants to re-deploy the maturity proceeds for 1 more month does not want to take the risk of interest rates

going down, he can then enter into a following Forward Rate Agreement (FRA) say as on December 15, 2016:

He can receive 1 X 2 FRA on December 15, 2016 at 8.50% (an agreement to lend for 1 month in 1 months' time) on the notional amount of ₹ 50 Crores, with a reference rate of 30 day CP benchmark. If the CP benchmark on the settlement date i.e. January 14, 2017 falls to 8.25%, then the Scheme receives the difference 8.50 – 8.25 i.e. 25 basis points on the notional amount ₹ 50 Crores. As the settlement is done at the beginning of the contract, the net present value of the gain needs to be calculated using the 1-month rate as the discount factor. FRA will allow the fund manager to hedge his portfolio from adverse interest rate movements.

Interest Rate Futures

An Interest Rate Futures (IRF) contract is an agreement to buy or sell a debt instrument at a specified date at a price that is fixed today. Assume that the Scheme holds a GOI security and the fund manager has a view that the yields will go up in the near future leading to decrease in value of the investment and subsequent decrease in Net Asset Value (NAV) of the fund. In this case the fund manager may use Interest Rate Futures to mitigate the risk of decline of Net Asset Value (NAV) of the fund. The illustration given below will demonstrate the use of IRF.

Illustration:

Assume that as on December 15, 2016 the Scheme holds a benchmark 10 year paper trading at ₹ 98.35 at a yield of 8.05% and the January 2017 futures contract on the 10 year notional 7% coupon bearing Government Paper is trading at ₹ 92.10 at a yield of 8.17%. The fund manager decides to hedge the exposure by taking a short position in the January 2017 IRF contract.

On January 26, 2017 the yield of the benchmark 10 year paper has increased to 8.10% and the price has decreased to ₹ 95.00 and the January 2017 futures contract on the 10 year notional 7% coupon bearing Government Paper is trading at ₹ 91.50 at a yield of 8.25%. The fund manager unwinds the short position by buying the January 2017 futures contract. The transaction results in profit from the futures position, against the corresponding loss from the long Government of India security position.

Certain risks are inherent to Derivative strategies viz. lack of opportunities, inability of Derivatives to correlate perfectly with the underlying and execution risks, whereby the rate seen on the screen may not be the rate at which the transaction is executed. For details of risk factors relating to use of Derivatives, the investors are advised to refer to Scheme Specific Risk Factors given elsewhere in this document

Investment in Mutual Fund units:

To avoid duplication of portfolios and to reduce expenses, the Scheme may also invest in debt and liquid schemes managed by the AMC or in the debt and liquid schemes of any other mutual funds (without charging any fees) in conformity with the investment objective of the Scheme and in the terms of the prevailing SEBI (Mutual Funds) Regulations, 1996. Provided the aggregate inter-scheme investment made by all the schemes under the same management or in schemes under management of any other asset management company shall not exceed 5% of the Net Asset Value of the Mutual Fund.

Investment Process on the basis of asset allocation is summarized as follows:

Investment Process for Equity and Equity related instruments:

- Individual Securities Selection: Research forms a very important part of the portfolio creation process and superior performance comes from superior security selection based on research capabilities. The Research Analysts would look at the following factors while analysing the companies in the investible universe.
 - ✓ Quantitative Factors
 - Financial strength
 - Profit Margin
 - Sales growth
 - Return on Capital Employed
 - Valuation
 - ✓ Qualitative Factors
 - Business of the company and brief history
 - Management and promoters
 - Product profile
 - Customer/market for the products
 - Business risk
 - Corporate governance
 - ✓ Market Factors
 - Average daily volume, market capitalization, shareholding pattern/free float etc.
- Portfolio Creation: In creating the portfolio, the fund manager shall look at various factors like the suitability of the security for the portfolio, which shall include the riskiness of the security, the growth prospects, the volume, free float, market capitalization, the sector to which the security belongs etc. before allocating a desired weight to the security.
- Asset Allocation: Based on the macro-economic outlook and the macro-research, the Fund manager shall take a call on the asset allocation in terms of Equities, Equity derivatives and short term Debt/Money market/Cash equivalent within the permissible limits for the fund.
- Sector Allocation: The sector allocation shall be decided based on the macro factors and the attractiveness of the various sectors and also considering the composition of the various sectors within the benchmark.
- Portfolio Performance Review: The investment and the risk team would review the performance of the portfolio and the portfolio composition and accordingly re-balance the portfolio to bring it in line with the desired characteristics.

Investment Process for Debt and Money market instruments:

The Fund Manager shall take a view on the broad direction of the markets including interest rate outlook. The Credit Analyst along with the Fund Manager shall have the responsibility of individual security analysis, while the dealers shall execute the trading mandates with a view to obtaining the best execution in terms of price and quantity.

- The Fund Manager, while buying / selling securities for the Scheme shall take into account the following main factors:
 - ✓ Interest Rate Outlook
 - ✓ Compliance with SEBI Guidelines
 - ✓ Risk Management Guidelines
 - ✓ Yield to Maturity of the instrument
 - ✓ Yield curve analysis
 - ✓ Liquidity of the instrument
 - ✓ Credit Rating
 - ✓ Credit spreads
- Credit Research and Monitoring of Money Market and Debt Instruments:

The investment team will look at each issue in details; the following broad framework shall help the team in managing the funds. Following are the key aspects of the process:

- ✓ Creation and Maintenance of an Investment Universe
- ✓ In-house credit appraisal
- ✓ Tier system of monitoring
- ✓ Exposure Norms

Portfolio Turnover:

The scheme being an open ended scheme, it is expected that there would be a number of subscriptions and redemptions on a daily basis. Further the trading opportunities could be exploited by the fund manager to optimise returns for the scheme, which could result in increase in portfolio turnover. The Fund manager would also be required to rebalance the portfolio in line with the asset allocation and the investment objectives. The portfolio will be managed taking into account the associated risks perceived/expected so as to minimise risks by using appropriate risk management techniques. All of these could result in increase in portfolio turnover. There may be an increase in transaction cost such as brokerage paid, if trading is done frequently. However, the cost would be negligible as compared to the total expenses of the Scheme. Frequent trading may increase the profits which could offset the increase in costs. The Fund Manager will endeavour to optimise portfolio turnover to maximise gains and minimise risks keeping in mind the costs associated with it. However, it is difficult to estimate with reasonable measure of accuracy, the likely turnover in the portfolio of the scheme. The scheme has no specific target relating to portfolio turnover.

RISK CONTROL:

The asset allocation of the Scheme will be steadily monitored and it shall be ensured that investments are made in accordance with the scheme objective and within the regulatory and internal investment restrictions prescribed from time to time.

A detailed process has been designed to identify, measure, monitor and manage portfolio risk. The aim is to have a structured mechanism towards risk management thereby maximising potential opportunities and

minimising the adverse effects of risk. Effective risk management is crucial for achieving optimum results. Adequate safeguards would be incorporated in the portfolio management process. The main instrument for reducing risk is through diversification across sectors/companies/ securities. The Fund Manager's job is to identify securities which offer higher returns with a lower level of risk. While identifying such securities, rigorous credit evaluation would be carried out by the investment team. The front office system of the AMC has the capability of pre- investment monitoring of investment restrictions as per SEBI guidelines and various internal limits prescribed from time to time to facilitate pre-emptive monitoring.

Some of the risks and the corresponding risk mitigating strategies are listed below:

Risk	Risk mitigation strategy
Market Risk The scheme is vulnerable to price fluctuations and volatility changes, which could have a material impact on the overall returns of the scheme.	Endeavour to have a well diversified portfolio of good companies with the ability to use cash/derivatives for hedging.
Business Risk Risk related to uncertainty of income caused by the nature of a company's business and having an impact on price fluctuations.	Portfolio companies carefully selected to include those with perceived good quality of earnings.
Derivatives Risk Various inherent risks arising as a consequence of investing in derivatives.	Continuous monitoring of the derivatives positions and strictly adheres to the regulations.
Concentration Risk Risk arising due to over exposure to few securities/issuers/sectors	Ensuring diversification by investing across the spectrum of securities/issuers/sectors.
Liquidity Risk Risk associated with saleability of portfolio securities	Monitor the portfolio liquidity periodically.
Interest rate risk Security price volatility due to movements in interest rate	Control portfolio duration and periodically evaluate the portfolio structure with respect to existing interest rate scenario.
Credit Risk Risk that the debt issuer may default on interest and/or principal payment obligations.	Investment universe carefully defined to include issuers with high credit quality; critical evaluation of credit profile of issuers on an on-going basis.
Performance Risk Risk arising due to changes in factors affecting markets.	Endeavour to have a well diversified portfolio of good companies, carefully selected to include those with perceived good quality of earnings.

F: FUNDAMENTAL ATTRIBUTES

Following are the Fundamental Attributes of the Scheme, in terms of Regulation 18(15A) of the SEBI (MF) Regulations:

(i) Type of a Scheme

An Open-ended Dynamic Asset Allocation Fund

(ii) Investment Objective

- **Main Objective:** The investment objective of the Scheme is to achieve long term capital appreciation and generate income through an equity portfolio by using long equities, equity derivatives and arbitrage opportunities available. However, there can be no assurance that the investment objective of the scheme will be achieved.
- **Investment Pattern:** The indicative portfolio break-up with minimum and maximum asset allocation is detailed in the section 'HOW WILL THE SCHEME ALLOCATE ITS ASSETS?'. The fund manager reserves the right to alter the asset allocation for a short term period on defensive considerations.

(iii) Terms of Issue

- Liquidity provisions such as listing, repurchase, redemption

The Units of the Scheme are not proposed to be listed on any stock exchange. However, the Trustee reserves the right to list the Units as and when this Scheme is permitted to be listed under the Regulations and the Trustee considers it necessary in the interest of Unit holders of the Fund.

The Scheme offers Units for subscription and redemption at NAV based prices on all Business Days on an ongoing basis, commencing not later than five business days from the date of allotment. Under normal circumstances, the AMC shall dispatch the Redemption proceeds within 10 Business Days from date of receipt of request from the Unit holder.

- Aggregate fees and expenses charged to the scheme

The aggregate fees and expenses charged to the Scheme will be in line with the limits defined in the SEBI (MF) Regulations as amended from time to time. The aggregate fee and expenses to be charged to the Scheme is detailed in Section IV of this document.

- Any safety net or guarantee provided

The Scheme does not provide any safety net or guarantee nor does it provide any assurance regarding the realization of the investment objective of the scheme or in respect of declaration of dividend.

In accordance with Regulation 18(15A) of the SEBI (MF) Regulations, the Trustee shall ensure that no change in the fundamental attributes of the Scheme or the trust or fee and expenses payable or any other change which would modify the Scheme and affect the interests of Unitholders is carried out unless:

- A written communication about the proposed change is sent to each Unitholder and an advertisement is given in one English daily newspaper having nationwide circulation as well as in

a newspaper published in the language of the region where the Head Office of the Mutual Fund is situated; and

- The Unitholders are given an option for a period of 30 days to exit at the prevailing Net Asset Value without any exit load.

However, changes / modifications to the Scheme made in order to comply with any subsequent change in Regulations or circulars issued by SEBI will not constitute change in fundamental attributes.

G. HOW WILL THE SCHEME BENCHMARK ITS PERFORMANCE?

The performance of the Scheme will be benchmarked with **CRISIL Balanced Fund – Aggressive Index**.

Justification for use of benchmark

The composition of the benchmark is such that, it is most suited for comparing performance of the Scheme.

The Trustee reserves the right to change the benchmark for the evaluation of the performance of the Scheme from time to time, keeping in mind the investment objective of the Scheme and the appropriateness of the benchmark, subject to the Regulations and other prevalent guidelines.

H. WHO MANAGES THE SCHEME?

Name of the Fund Manager	Age	Qualification	Experience	Other Schemes managed by the Fund Manager
Mr. Ashish Ranawade (Chief Investment Officer) Tenure for which the Fund Manager has been managing the Scheme: Not applicable as it is a New Scheme	47 years	B.E. (Electronics), Master of Management Studies (Finance)	Industry Experience: Over 23 years of experience in Investments. July 2010 to date with Union Asset Management Company Private Limited as the Chief Investment Officer (CIO) with overall responsibility of Fund Management. April 2006 to July 2010 with UTI Asset Management Company Limited as Head of PMS with responsibilities of Portfolio Performance and Business Strategy. September 2005 to April 2006 with ING Investment Management (India) Limited	Union Equity Fund, Union Tax Saver Scheme, Union Trigger Fund – Series 2. Co-fund Manager of Union Asset Allocation Fund - Moderate Plan, Union Small and Midcap Fund and Fund Manager of the equity portion of Union Capital Protection Oriented Fund – Series 6, Union Capital Protection Oriented Fund – Series 7,

			<p>as Head of PMS with responsibilities of Portfolio Performance and Business Strategy.</p> <p>June 1994 to September 2005 with UTI Asset Management Company Limited in various capacities as Analyst, Fund Manager, Head of PMS with overall responsibilities of Portfolio Performance and Business Strategy.</p>	<p>Union Capital Protection Oriented Fund – Series 8.</p>
<p>Mr. Parijat Agrawal</p> <p>Head - Fixed Income</p> <p>(Managing the scheme since inception.)</p>	<p>48 Years</p>	<p>Bachelor of Engineering (Electronics & Communications), PGDM (IIM - Bangalore)</p>	<p>Industry Experience: Over 20 years of experience in Funds Management.</p> <p>September 2010 till date with Union Asset Management Company Private Limited as Head - Fixed Income with overall responsibilities of Portfolio Management of Fixed Income and Hybrid Funds.</p> <p>October 2006 till July 2010 with SBI Mutual Fund as Head – Fixed Income with responsibilities of Portfolio Management of Fixed Income and Hybrid Funds.</p> <p>November 2004 till September 2006 with State Bank of Mauritius Limited with responsibilities of managing the entire Treasury functions of the Bank.</p> <p>December 1999 till May 2004 with SUN F&C Asset Management as Fund Manager responsible for Portfolio Management of Fixed Income and Hybrid Funds.</p>	<p>Union Dynamic Bond Fund</p> <p>Fund Manager of the Debt portion of Union Capital Protection Oriented Fund – Series 6, Union Capital Protection Oriented Fund – Series 7, Union Capital Protection Oriented Fund – Series 8.</p>

I. WHAT ARE THE INVESTMENT RESTRICTIONS?

Investment restrictions as contained in the SEBI (Mutual Funds) Regulations, 1996 specifically in the Seventh Schedule of the Regulations including any amendments thereto and SEBI circulars issued from time to time and as applicable to the Scheme are provided below:

- 1) The Mutual Fund under all its schemes shall not own more than 10% of any company's paid up capital carrying voting rights.
- 2) The Mutual Fund shall buy and sell securities on the basis of deliveries and shall in all cases of purchases, take delivery of relevant securities and in all cases of sale, deliver the securities.

Provided further that the Mutual Fund may enter into derivatives transactions in a recognized stock exchange, subject to the framework specified by SEBI.

Provided further that sale of government security already contracted for purchase shall be permitted in accordance with the guidelines issued by the Reserve Bank of India in this regard.

- 3) The Scheme shall not invest more than 10% of its net assets in the equity shares or equity related instruments of any company.
- 4) The Scheme shall not invest more than 5% of its net assets in the unlisted equity shares or equity related instruments.
- 5) The Scheme shall not invest more than 10% of its NAV in debt instruments comprising money market instruments and non-money market instruments issued by a single issuer which are rated not below investment grade by a credit rating agency authorised to carry out such activity under the SEBI Act, 1992. Such investment limit may be extended to 12% of the NAV of the Scheme with the prior approval of the Board of Trustee and the Board of directors of the AMC.

Provided that such limit shall not be applicable for investments in Government Securities, treasury bills and CBLOs.

Provided further that investment within such limit can be made in mortgaged backed securitised debt which are rated not below investment grade by a credit rating agency registered with SEBI.

- 6) The Scheme shall not invest more than 10% of its NAV in unrated debt instruments issued by a single issuer and the total investment in such instruments shall not exceed 25% of the NAV of the Scheme. All such investments shall be made with the prior approval of the Trustees and the Board of AMC.
- 7) The Scheme shall not make any investment in:
 - a) Any unlisted security of an associate or group company of the sponsor; or
 - b) Any security issued by way of private placement by an associate or group company of the sponsor; or

- c) The listed securities of group companies of the sponsor which is in excess of 25 % of the net assets.
- 8) Transfer of investments from one Scheme to another Scheme in the same Mutual Fund shall be allowed only if, -
- a) Such transfers are done at the prevailing market price for quoted instruments on spot basis ("Spot basis" shall have the same meaning as specified by Stock Exchange for spot transactions);
- b) The securities so transferred shall be in conformity with the investment objective of the Scheme to which such transfer has been made.
9. The Scheme may invest in another scheme under the same AMC or any other Mutual Fund without charging any fees, provided the aggregate inter-scheme investment made by all schemes under the same management or in schemes under the management of any other asset management company shall not exceed 5 % of the Net Asset Value of the Mutual Fund. Provided that this clause shall not apply to any Fund of Funds scheme.
10. The Mutual Fund shall get the securities purchased or transferred in the name of the Mutual Fund on account of the concerned Scheme, wherever investments are intended to be of long-term nature.
11. All the Scheme's investments will be in transferable securities or bank deposits or in money at call or any such facility provided by RBI in lieu of call.
12. Save as otherwise expressly provided under the Regulations, the Scheme shall not advance any loans for any purpose.
13. The Fund shall not borrow except to meet temporary liquidity needs of the Fund for the purpose of repurchase/redemption of Units or payment of interest and/or Dividend to the Unit holder.
- The Fund shall not borrow more than 20% of the net assets of the Scheme and the duration of the borrowing shall not exceed a period of 6 months.
14. The scheme shall not make any investment in a Fund of Funds scheme.
15. Pending deployment of the funds of the Scheme in securities in terms of the investment objective of the Scheme, the Mutual Fund may park the funds of the Scheme in short term deposits of scheduled commercial banks, subject to the following guidelines issued by SEBI vide its circular dated April 16, 2007, as may be amended from time to time:
- i. "Short Term" for such parking of funds by the Scheme shall be treated as a period not exceeding 91 days. Such short-term deposits shall be held in the name of the Scheme.
 - ii. The Scheme shall not park more than 15% of the net assets in short term deposit(s) of all the scheduled commercial banks put together. However, such limit may be raised to 20% with prior approval of the Trustee.
 - iii. Parking of funds in short term deposits of associate and sponsor scheduled commercial banks together shall not exceed 20% of total deployment by the Mutual Fund in short term deposits.

- iv. The Scheme shall not park more than 10% of the net assets in short term deposit(s), with any one scheduled commercial bank including its subsidiaries.
- v. The Scheme shall not park funds in short term deposit of a bank which has invested in that Scheme.
- vi. The above norms do not apply to term deposits placed as margins for trading in cash and derivatives market.
- vii. The AMC shall not charge any investment management and advisory fees for parking of funds in short term deposits of scheduled commercial banks in case of liquid and debt oriented schemes.

16. Limitations and restrictions for investments in derivative instruments

SEBI has vide its circular DNP/D/Cir-29/2005 dated September 14, 2005 inter alia specified the guidelines pertaining to trading by Mutual Funds in Exchange Traded derivatives. The position limits have subsequently been modified vide circulars inter alia including circular no. DNP/D/Cir-30/2006 dated January 20, 2006 and circular no. SEBI/DNP/D/Cir-31/2006 dated September 22, 2006 and circular no. SEBI/HO/MRD/DP/CIR/P/2016/143 dated December 27, 2016.

All derivative position taken in the portfolio would be guided by the following principles.

i. Position limit for the Mutual Fund in index options contracts

- a. The Mutual Fund position limit in all index options contracts on a particular underlying index shall be ₹ 500 crore or 15% of the total open interest of the market in index options, whichever is higher, per Stock Exchange.
- b. This limit would be applicable on open positions in all options contracts on a particular underlying index.

ii. Position limit for the Mutual Fund in index futures contracts

- a. The Mutual Fund position limit in all index futures contracts on a particular underlying index shall be ₹ 500 crore or 15% of the total open interest of the market in index futures, whichever is higher, per Stock Exchange.
- b. This limit would be applicable on open positions in all futures contracts on a particular underlying index.

iii. Additional position limit for hedging

In addition to the position limits at point (i) and (ii) above, the Mutual Fund may take exposure in equity index derivatives subject to the following limits:

- 1. Short positions in index derivatives (short futures, short calls and long puts) shall not exceed (in notional value) the Mutual Fund's holding of stocks.

2. Long positions in index derivatives (long futures, long calls and short puts) shall not exceed (in notional value) the Mutual Fund's holding of cash, government securities, T-Bills and similar instruments.

iv. Position limit for Mutual Fund for stock based derivative contracts

The Mutual Fund position limit in a derivative contract on a particular underlying stock, i.e. stock option contracts and stock futures contracts, is defined in the following manner:-

1. The combined futures and options position limit shall be 20% of the applicable Market Wide Position Limit (MWPL).
2. The MWPL and client level position limits however would remain the same as prescribed earlier.

v. Position limit for each scheme of a Mutual Fund for stock based derivative contracts

The scheme-wise position limit / disclosure requirements shall be –

1. For stock option and stock futures contracts, the gross open position across all derivative contracts on a particular underlying stock of a scheme of a mutual fund shall not exceed the higher of:
1% of the free float market capitalisation (in terms of number of shares) or 5% of the open interest in the derivative contracts on a particular underlying stock (in terms of number of contracts).
2. This position limits shall be applicable on the combined position in all derivative contracts on an underlying stock at a Stock Exchange.
3. For index based contracts, Mutual Funds shall disclose the total open interest held by its scheme or all schemes put together in a particular underlying index, if such open interest equals to or exceeds 15% of the open interest of all derivative contracts on that underlying index.

Exposure limits for the Scheme:

In accordance with SEBI Circular No. Cir/ IMD/ DF/ 11/ 2010 dated August 18, 2010; the following exposure limits for investment in derivatives will be applicable to the Scheme:

1. The cumulative gross exposure through equity, debt and derivative positions shall not exceed 100% of the net assets of the Scheme. However, cash or cash equivalents with residual maturity of less than 91 days shall be treated as not creating any exposure.
2. The Scheme shall not write options or purchase instruments with embedded written options.
3. The total exposure related to option premium paid shall not exceed 20% of the net assets of the Scheme.
4. Exposure due to hedging positions may not be included in the above mentioned limits subject to the following:
 - a. Hedging positions are the derivative positions that reduce possible losses on an existing position in securities and till the existing position remains.

- b. Hedging positions cannot be taken for existing derivative positions. Exposure due to such positions have to be added and treated under limits mentioned in point 1 above.
 - c. Any derivative instrument used to hedge shall have the same underlying security as the existing position being hedged.
 - d. The quantity of underlying associated with the derivative position taken for hedging purposes does not exceed the quantity of the existing position against which hedge has been taken.
5. The Scheme may enter into plain vanilla interest rate swaps for hedging purposes. The counter party in such transactions shall have to be an entity recognized as a market maker by RBI. Further, the value of the notional principal in such cases shall not exceed the value of respective existing assets being hedged by the scheme. Exposure to a single counterparty in such transactions shall not exceed 10% of the net assets of the scheme.
6. Exposure due to derivative positions taken for hedging purposes in excess of the underlying position against which the hedging position has been taken, shall be treated as exposure for the limit mentioned in point 1 above.
7. Definition of Exposure in case of Derivative Positions:

Each position taken in derivatives shall have an associated exposure as defined under. Exposure is the maximum possible loss that may occur on a position. However, certain derivative positions may theoretically have unlimited possible loss. Exposure in derivative positions shall be computed as follows:

Position	Exposure
Long Future	Futures Price * Lot Size * Number of Contracts
Short Future	Futures Price * Lot Size * Number of Contracts
Option bought	Option Premium Paid * Lot Size * Number of Contracts

All investments by the Scheme will be made in accordance with the Investment Objective and Investment Pattern described earlier.

The Trustee may alter the above restrictions from time to time to the extent that changes in the Regulations may allow and as deemed fit in the general interest of the Unit Holders.

The Scheme will comply with the other Regulations applicable to the investments of Mutual Funds from time to time.

As the Scheme, presently does not intend to engage in short selling or invest in securitised debt or participate in repo/reverse repo transactions in corporate debt securities or participate in credit default swap transactions or invest in overseas/ foreign securities, the investment restrictions relating to short selling or securitised debt or repo/reverse repo transactions in corporate debt securities or credit default swap transactions or overseas/ foreign securities have not been included in this document.

Since the scheme does not intend to participate in credit default swaps transactions, the investments restrictions relating to credit default swaps transactions have not been included in the SID.

Apart from the Investment Restrictions prescribed under the Regulations, internal risk parameters for limiting exposure to a particular scrip or sector may be prescribed from time to time to respond to the dynamic market conditions and market opportunities.

The AMC/Trustee may alter these above stated restrictions from time to time to the extent the Regulations change, so as to permit the Scheme to make its investments in the full spectrum of permitted investments for mutual funds to achieve its respective investment objective.

All the investment restrictions will be applicable at the time of making investments. Changes do not have to be effected merely because of appreciations or depreciations in value of the investments, or by reason of receipt of any rights, bonuses or benefits in the nature of capital or of any schemes of arrangement or of amalgamation, reconstruction or exchange, or at any repayment or redemption or other reason outside the control of the Fund resulting in any of the above limits getting breached. However, the AMC shall take appropriate corrective action as soon as possible taking into account the interests of the Unit holders.

J. HOW HAS THE SCHEME PERFORMED?

This Scheme is a new scheme and does not have any performance track record.

K. DEBT AND MONEY MARKETS IN INDIA

The Indian debt market is today one of the largest in Asia and includes securities issued by the Government (Central & State Governments), public sector undertakings, other government bodies, financial institutions, banks and corporates. Government and public sector enterprises are the predominant borrowers in the markets. Securities in the debt market typically vary based on their tenure and rating. The major players in the Indian debt markets today are banks, financial institutions, mutual funds, insurance companies, primary dealers, trusts, pension funds and corporates. The Indian debt market is the largest segment of the Indian financial markets. The debt market comprises broadly of two segments, viz. Government Securities market or G-Sec market and corporate debt market. The latter is further classified as market for PSU bonds and private sector bonds. The Government Securities market is the oldest and the largest component of the Indian debt market in terms of market capitalization, outstanding securities and trading volumes. The G-Sec market plays a vital role in the Indian economy as it provides the benchmark for determining the level of interest rates in the country through the yields on the Government Securities which are referred to as the risk-free rate of return in any economy. Over the years, there have been new products introduced by the RBI like zero coupon bonds, floating rate bonds, inflation indexed bonds, etc.

The corporate bond market, in the sense of private corporate sector raising debt through public issuance in capital market, is only an insignificant part of the Indian Debt Market. A large part of the issuance in the non-Government debt market is currently on private placement basis.

The money markets in India essentially consist of the call money market (i.e. market for overnight and term money between banks and institutions), reverse repo transactions (temporary buy with an agreement to sell the securities at a future date at a specified price), commercial papers (CPs, short term unsecured promissory notes, generally issued by corporates), certificate of deposits (CDs, issued by banks) and Treasury Bills (issued by RBI) and similar securities. In a predominantly institutional market, the key money market players are banks, financial institutions, insurance companies, mutual funds, primary

dealers and corporates. In money market, activity levels of the Government and non-government debt vary from time to time.

Apart from these, there are some other options available for short tenure investments that include MIBOR linked debentures with periodic exit options and other such instruments. PSU / DFI / Corporate paper with a residual maturity of less than 1 year are actively traded and offer a viable investment option.

Following table exhibits various debt instruments along with current yields as on November 10, 2017:

Instrument	Yield Range
	(% per annum)
CBLO	5.10-5.95
Repo	5.10-5.95
91 days T-Bill	6.09-6.10
364 days T-Bill	6.23-6.26
1 month CD/CP	6.04-6.55
3 month CD/CP	6.15-6.80
6 month CD/CP	6.45-7.00
1 year CD/CP	6.50-7.15
1 year Corporate Bond - AAA Rated	6.71-6.80
3 year Corporate Bond - AAA Rated	7.01-7.15
5 year Corporate Bond - AAA Rated	7.20-7.35
5 year G-sec	6.76-6.79
10 year G-sec	6.93-6.96

(source: Bloomberg, NDS, RBI, CCIL)

These yields are indicative and do not indicate yields that may be obtained in future as interest rates keep changing consequent to changes in macro-economic conditions and RBI policy. The price and yield on various debt instruments fluctuate from time to time depending upon the macro economic situation, inflation rate, overall liquidity position, foreign exchange scenario etc. Also, the price and yield vary according to maturity profile, credit risk etc.

L. ADDITIONAL SCHEME DISCLOSURES

a) Scheme's portfolio holdings:

Not applicable as the scheme is a new Scheme.

Fund allocation towards various sectors:

Not applicable as the scheme is a new Scheme.

Website link for Monthly Portfolio Holding:

Not applicable as the scheme is a new Scheme.

b) Portfolio Turnover Ratio of the Scheme

Not applicable as the scheme is a new Scheme.

c) The aggregate investment (market value) in the Scheme by:

- i) AMC's Board of Directors: Nil as the Scheme is a new Scheme
- ii) Scheme's Fund Manager: Nil as the Scheme is a new Scheme
- iii) Other Key Managerial Personnel: Nil as the Scheme is a new Scheme

III. UNITS AND OFFER

This section provides details you need to know for investing in the Scheme.

A. NEW FUND OFFER (NFO)

<p>New Fund Offer Period</p> <p>This is the period during which a new scheme sells its Unit to the investors.</p>	<p>NFO opens on: December 07, 2017 NFO closes on: December 15, 2017</p> <p>The AMC/Trustee reserves the right to close the NFO of the Scheme before the above mentioned date. The AMC/Trustee reserves the right to extend the closing date of the New Fund Offer Period, subject to the condition that the New Fund Offer shall not be kept open for more than 15 days.</p>
<p>New Fund Offer Price:</p> <p>This is the price per unit that the investors have to pay to invest during the NFO.</p>	<p>₹ 10 /- per Unit</p>
<p>Minimum Amount for Application in the NFO</p>	<p>₹ 5,000 and in multiples of Re. 1 thereafter</p> <p>For Systematic Investment Plan (SIP):</p> <ul style="list-style-type: none"> • ₹ 2,000 and in multiples of ₹ 1 thereafter (for monthly frequency) • ₹ 5,000 and in multiples of ₹ 1 thereafter (for quarterly frequency)
<p>Minimum Target amount</p>	<p>₹ 10,00,00,000 (Rupees Ten Crores)</p>

<p>This is the minimum amount required to operate the scheme and if this is not collected during the NFO period, then all the investors would be refunded the amount invested without any return. However, if the AMC fails to refund the amount within 5 Business Days, interest as specified by SEBI (currently 15% p.a.) will be paid to the Investors from the expiry of five business days from the date of closure of the subscription period.</p>	
<p>Maximum Amount to be raised (if any)</p> <p>This is the maximum amount which can be collected during the New Fund Offer period as decided by the AMC</p>	<p>There will be no upper limit on the total amount collected under the Scheme during the NFO Period.</p>
<p>Plans Offered</p>	<p>The Scheme has the following Plans across a common portfolio:</p> <ul style="list-style-type: none"> • Direct Plan: Direct Plan is only for investors who purchase /subscribe Units in the Scheme directly with Union Mutual Fund and is not available for investors who route their investments through a Distributor (AMFI registered distributor / ARN Holder). Investors subscribing under Direct Plan will have to indicate the Plan against the Scheme name in the application form as “Union Prudence Fund - Direct Plan”. • Regular Plan: Regular Plan is for investors who purchase /subscribe Units in the scheme through a Distributor. <p>The Direct Plan shall have a lower expense ratio as compared to the Regular Plan to the extent of distribution expenses, commission, etc. and no commission for distribution of Units will be paid / charged under the Direct Plan.</p> <p>Default Plan:</p> <p>The treatment of applications under “Direct”/ “Regular” Plans shall be as</p>

	<p>follows:</p> <table border="1" data-bbox="537 422 1433 961"> <thead> <tr> <th>Scenario</th> <th>Broker Code mentioned by the investor</th> <th>Plan mentioned by the investor</th> <th>Default Plan to be captured</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Not mentioned</td> <td>Not mentioned</td> <td>Direct Plan</td> </tr> <tr> <td>2</td> <td>Not mentioned</td> <td>Direct</td> <td>Direct Plan</td> </tr> <tr> <td>3</td> <td>Not mentioned</td> <td>Regular</td> <td>Direct Plan</td> </tr> <tr> <td>4</td> <td>Mentioned</td> <td>Direct</td> <td>Direct Plan</td> </tr> <tr> <td>5</td> <td>Direct</td> <td>Not Mentioned</td> <td>Direct Plan</td> </tr> <tr> <td>6</td> <td>Direct</td> <td>Regular</td> <td>Direct Plan</td> </tr> <tr> <td>7</td> <td>Mentioned</td> <td>Regular</td> <td>Regular Plan</td> </tr> <tr> <td>8</td> <td>Mentioned</td> <td>Not Mentioned</td> <td>Regular Plan</td> </tr> </tbody> </table> <p>In cases of wrong/ invalid/ incomplete ARN codes mentioned on the application form, the application shall be processed under Regular Plan. The AMC shall contact and obtain the correct ARN code within 30 calendar days of the receipt of the application form from the investor/ distributor. In case, the correct code is not received within 30 calendar days, the AMC shall reprocess the transaction under Direct Plan from the date of allotment of aforesaid units under the Regular Plan, without any exit load.</p>	Scenario	Broker Code mentioned by the investor	Plan mentioned by the investor	Default Plan to be captured	1	Not mentioned	Not mentioned	Direct Plan	2	Not mentioned	Direct	Direct Plan	3	Not mentioned	Regular	Direct Plan	4	Mentioned	Direct	Direct Plan	5	Direct	Not Mentioned	Direct Plan	6	Direct	Regular	Direct Plan	7	Mentioned	Regular	Regular Plan	8	Mentioned	Not Mentioned	Regular Plan
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7	Mentioned	Regular	Regular Plan																																		
8	Mentioned	Not Mentioned	Regular Plan																																		
<p>Options offered</p>	<p>Union Prudence Fund offers the following Options under each of the above mentioned Plans:</p> <ul style="list-style-type: none"> • Growth option • Dividend option <p>The Dividend Option has the following facilities:</p> <ul style="list-style-type: none"> • Dividend Reinvestment Facility • Dividend Pay-out Facility • Dividend Sweep Facility <p>The investors should indicate the Option/Facility for which Subscription is made by indicating the choice in the appropriate box provided for this purpose in the application form. In case of valid application received without any choice of Option/Facility, the following default Option/Facility will be considered.</p> <p>Default Option / Facility:</p>																																				

Default Option – Growth Option
Default facility– Dividend Reinvestment Facility

Various Options:

- **Growth option**

No dividends will be declared under this option. The income earned under this option will get accumulated as capital accretion and will continue to remain invested in the Scheme and will be reflected in the NAV of the Units held under this option.

- **Dividend option**

Dividends will be declared under this Option at the discretion of the Trustee, subject to availability of distributable surplus calculated in accordance with SEBI (MF) Regulations. Dividends, if declared will be paid to those unitholders whose names appear in the register of unitholders on the notified record date. In case of Units under the Dividend Option held in dematerialised mode, the Depositories (NSDL/CDSL) will give the list of demat account holders and the number of Units held by them in electronic form on the Record date to the AMC/Registrar. The Trustee reserves the right to change the record date from time to time.

It must be noted that the actual declaration of dividends and the frequency thereof is at the sole discretion of the Trustee. There is no assurance or guarantee to the unitholders as to the rate of dividend distribution nor that dividends be declared regularly. The Trustee reserves the right to declare dividends. Pursuant to payment of dividend, the NAV of the Dividend Option will fall to the extent of the dividend payout and applicable statutory levies, if any.

Facilities under the Dividend Option:

- **Dividend Payout Facility**

Under this facility, dividend declared, if any, will be paid (subject to deduction of dividend distribution tax and statutory levy, if any) to those unitholders, whose names appear in the register of unitholders on the notified record date.

If the dividend payable under the Dividend Payout option is equal to or less than ₹ 500 then the dividend would be compulsorily reinvested in the existing option of the Scheme.

In case of Units under the Dividend Option held in dematerialised mode, the dividend pay-out will be credited to the bank account of

	<p>the investor, as per the bank account details recorded with the DP.</p> <ul style="list-style-type: none"> <p>• Dividend Reinvestment Facility</p> <p>Under this facility, the dividend due and payable to the unitholders will be compulsorily and without any further act by the unitholder, reinvested in the respective Dividend Option at a price based on the prevailing Net Asset Value per unit on the record date (at the applicable ex-dividend NAV). The amount of dividend re-invested will be net of tax deducted at source, wherever applicable. On reinvestment of dividends, the number of units to the credit of the unitholder's account will increase to the extent of the dividend reinvested divided by the Applicable NAV. There shall, however, be no load on the dividends so reinvested.</p> <p>• Dividend Sweep Facility</p> <p>Under this facility, the dividend declared in the Scheme, if any, can be transferred to any other open-ended scheme of the Fund (in existence at the time of declaration of dividend, as per the features of the respective scheme) at the Applicable NAV based prices. The amount to the extent of the dividend declared (net of the distribution tax and statutory levy, if any) will be automatically swept out of this Scheme (source scheme) to the transferee scheme at the Applicable NAV based prices of the transferee scheme on the ex-dividend date and equivalent units will be allotted. The details, including mode of holding, of unit holders in the transferee scheme will be as per the existing folio in the source scheme. Units in the transferee scheme will be allotted in the same folio.</p> <p>If the dividend payable under the Dividend Sweep Option is equal to or less than ₹ 500 then the dividend would be compulsorily reinvested in the existing option of the Scheme.</p> <p>If an investor opts for dividend sweep option, the investor must meet the minimum balance criterion in the target scheme and in the same folio; else the dividend will be compulsorily re-invested in the source scheme.</p> <p>In case any of the record date falls on a non business day, the record date shall be the immediately following Business Day.</p> <p>All Units will rank pari passu, among Units within the same Option in each respective Plan under the Scheme, as to assets, earnings and the receipt of dividend distributions, if any, as may be declared by the Trustee.</p> <p>The AMC, in consultation with the Trustee reserves the right to discontinue/ add more options / facilities at a later date subject to complying with the</p>
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	prevailing SEBI guidelines and Regulations.
Dividend Policy	<p>The Trustee will endeavour to declare dividend under the Dividend Option, subject to availability of distributable surplus calculated in accordance with the Regulations.</p> <p>Dividend Declaration Procedure: -</p> <p>The procedure for dividend distribution would be as under:</p> <p>The quantum of dividend and the record date may be fixed by the Trustee in their meeting. Dividend so decided shall be paid subject to availability of distributable surplus. Record date is the date that will be considered for the purpose of determining the eligibility of investors whose name appears on the register of unitholders.</p> <p>The AMC shall issue a notice to the public communicating the decision of dividend declaration including the record date, within one calendar day of the decision of the Trustee, in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of the region where the head office of the Mutual Fund is situated.</p> <p>The Record Date will be 5 calendar days from the date of issue of notice.</p> <p>Dividend Distribution Procedure: -</p> <p>The dividend proceeds will be paid by way of cheque, Dividend Warrants / Direct Credit / National Electronic Fund Transfer (NEFT) / Real Time Gross Settlement (RTGS) / National Electronic Clearing System (NECS) or any other manner to the unitholder's bank account as recorded in the Registrar's records. The AMC, at its discretion at a later date, may choose to alter or add other modes of payment.</p> <p>In case of Units under the Dividend Option held in dematerialised mode, the dividend pay-out will be credited to the bank account of the investor, as per the bank account details recorded with the DP.</p> <p>Effect of Dividends:</p> <p>The investors should note that the Fund does not assure or guarantee declaration of dividends under the Dividend Option. The actual declaration of dividend, frequency and the rate of dividend will inter alia, depend on availability of distributable surplus calculated in accordance with SEBI (MF) Regulations and the decisions of the Trustee shall be final in this regard. There is no assurance or guarantee to the unitholders as to the rate of Dividend nor that the dividend will be paid regularly.</p> <p>Post declaration of dividend, the NAV of the Units under the Dividend Option will stand reduced by the amount of dividend declared and</p>

	<p>applicable dividend distribution tax/surcharge/cess/any other statutory levy.</p> <p>Even though the asset portfolio will be common at the scheme level, the NAVs of the growth option and dividend option in each respective Plan under the Scheme will be distinctly different after declaration of the first dividend to the extent of distributed income, applicable tax and statutory levy, if any, and expenses relating to the distribution of the dividends.</p> <p>All the dividend declaration and payments shall be in accordance and in compliance with SEBI regulations, as amended from time to time.</p>
<p>Option to hold Units in dematerialised form</p>	<p>The Unit holders are given an option to hold the Units in physical form (by way of an account statement) or in dematerialized form (Demat).</p> <p>Each Option under each Plan held in the dematerialised form shall be identified on the basis of an International Securities Identification Number (ISIN) allotted by National Securities Depositories Limited (NSDL) and Central Depository Services Limited (CDSL). The ISIN No. details of the respective option under the respective Plan can be obtained from your Depository Participant (DP) or the investors can access the website link www.nsd.co.in or www.cdslindia.com. The holding of units in the dematerialised mode would be subject to the guidelines/procedural requirements as laid by the Depositories viz. NSDL/CDSL from time to time.</p> <p><u>Subscription of units under Dematerialised Mode & allotment thereof:</u></p> <p>The Applicants intending to hold the Units in dematerialised mode will be required to have a beneficiary account with a DP of the NSDL/CDSL and will be required to mention the DP's Name, DP ID No. and Beneficiary Account No. with the DP in the application form at the time of subscription/ additional purchase of the Units of the Scheme/Plan/Option.</p> <p>The applicant shall mandatorily attach a self-attested copy of the latest demat account statement/client master statement along with the application forms at the time of initial subscription. The application for subscription would be liable to be rejected by the AMC/ Registrar under the following conditions:</p> <ol style="list-style-type: none"> a. In case the applicants do not provide their Demat Account details in the application form; or b. The demat details provided in the application form are incomplete / incorrect or do not exactly match with the details in the Depository records; and/or c. The mode of holding in the application form does not match exactly with that of the demat mode of holding. <p>Applicants intending to hold units in the dematerialised mode would be considered to be KYC compliant as per the DP records and no separate</p>

	<p>KYC acknowledgment proof needs to be submitted to the AMC/Registrar. However, the submission of KYC acknowledgement proof is optional. It may be noted that in case the application stands rejected due to any of the above reasons, the AMC/ Registrar shall refund the amount to the applicants in line with the provisions of the SID. However if the applicant has submitted the KYC acknowledgment proof along with the application forms, the units will be allotted in the physical mode 'by default' (without any separate intimation to such applicant) and an Account Statement shall be sent to the Unit holders in accordance with the provisions of the SID. It may be further noted that for any such default allotment the "Source Bank Account" (as per the payment instrument submitted along with the application form) shall be considered as the bank mandate for all purposes.</p> <p>NOTE: It may be noted that the facilities viz. Switch in and out, Systematic Withdrawal Plan (SWP) / Systematic Transfer Plan (STP), are currently not available in the dematerialised mode. It may also be noted that units in the demat mode shall only be credited in the DP account on the basis of realization of funds.</p> <p>Note:</p> <p>It is further clarified that the demat mode of holding is subject to the following:</p> <ol style="list-style-type: none"> a. Mandatory Submission of the PAN details along with the necessary proofs in accordance with the provisions of the SAI; b. Provisions of "Non-Acceptance of Third Party Payment Instruments for subscription/investments of units" under the section "How to Apply" in the SAI. c. Submission of such other mandatory authority documents as may be specified in the application forms for individual/non-individual category of investors; d. All communications under demat mode of holding shall be on the basis of DP ID and client ID submitted in the application form and no separate folio shall be created for the same. <p>For further details on dematerialised mode of holding Units, investors are requested to refer to the SAI.</p>
<p>Allotment</p>	<p>Full allotment of units will be made to all valid applications received by the Fund including applications received through ASBA facility during the New Fund Offer Period. Allotment of units will be completed within 5 business days from the closure of the New Fund Offer Period.</p> <p>Applicants under the Scheme will have an option to hold the Units either in physical form (by way of an account statement) or in dematerialised form.</p> <p>Account Statement (for non-demat account holders): An account statement stating the number of units purchased and allotted will be sent through ordinary post or courier and/or electronic mail to each unitholder</p>

	<p>who has not provided his demat account details in the application form for subscription during the NFO, within 5 business days from the closure of NFO period. The Account Statement shall be non-transferable. Despatch of account statements to NRIs/FIIs will be subject to RBI approval, if required.</p> <p>Allotment Advice (demat account holders): For investors who have given valid demat account details at the time of NFO, the Units issued by the AMC shall be credited by the Registrar to the investors' beneficiary account with the DP as per information provided in the application form and an allotment advice will be sent upon allotment of Units stating the number of Units allotted to each of the Unit holder(s) within 5 Business Days from the date of closure of the NFO Period.</p> <p>AMC/ Registrar shall send confirmation specifying the number of units allotted to the applicant by way of email and/or SMS's to the applicant's registered email address and/or mobile number as soon as possible but not later than five working days from the date of closure of the initial subscription list.</p> <p>Normally, no unit certificates will be issued. However, if an applicant so desires, the AMC shall issue the unit certificates to the applicant within 5 business days of the receipt of request for the certificate. Unit certificate if issued must be duly discharged by the Unit holder(s) and surrendered alongwith the request for Redemption / Switch or any other transaction of Units covered therein.</p>
<p>Refund</p>	<p>Application money may be refunded in case the minimum target amount required to operate the Scheme is not collected during the NFO period. Applications may also be rejected if they are found to be incomplete, invalid or for any other reason whatsoever. If application is rejected, the Fund will refund the full application amount within 5 business days of the closure of the NFO period. In the event of delay beyond 5 business days of the closure of the NFO, interest at the rate of 15% per annum or such other rate of interest as may be prescribed from time to time for the delay period will be paid to the applicant and borne by the AMC. Refund orders will be marked "A/c Payee only" and drawn in the name of the applicant (in the case of a sole applicant) and in the name of the first applicant in all other cases. All refunds will be made by registered post or by any other mode of payment as authorised by applicant.</p>
<p>Who can invest</p> <p>This is an indicative list and you are requested to consult your financial advisor to ascertain whether the Scheme is suitable to your risk profile</p>	<p>The following persons are eligible to apply for subscription to the units of the Scheme (subject to, wherever relevant, subscription to units of the Scheme being permitted under the respective constitutions and relevant statutory regulations):</p> <ol style="list-style-type: none"> 1. Indian resident adult individuals either singly or jointly (not exceeding three) or on an Anyone or Survivor basis; 2. Hindu Undivided Family (HUF) through Karta of the HUF; 3. Minor through parent / legal guardian; 4. Partnership Firms and Limited Liability Partnerships (LLPs);

5. Proprietorship in the name of the sole proprietor;
6. Companies, Bodies Corporate, Public Sector Undertakings (PSUs), Association of Persons (AOP) or Bodies of Individuals (BOI) and societies registered under the Societies Registration Act, 1860;
7. Banks (including Co-operative Banks and Regional Rural Banks) and Financial Institutions;
8. Mutual Funds registered with SEBI;
9. Religious and Charitable Trusts, Wakfs or endowments of private trusts (subject to receipt of necessary approvals as required) and private trusts authorised to invest in mutual fund schemes under their trust deeds;
10. Non-Resident Indians (NRIs) / Persons of Indian origin (PIOs) residing abroad on repatriation basis or on non-repatriation basis;
11. Foreign Institutional Investors (FIIs) and their sub accounts registered with SEBI on repatriation basis;
12. Foreign Portfolio Investor (FPI) subject to applicable regulations;
13. Army, Air Force, Navy and other para-military units and bodies created by such institutions;
14. Scientific and Industrial Research Organizations;
15. Multilateral Funding Agencies / Bodies Corporate incorporated outside India with the permission of Government of India / RBI;
16. Provident Funds, Pension Funds, Gratuity Funds and Superannuation Funds to the extent they are permitted;
17. Other schemes of Union Mutual Fund subject to the conditions and limits prescribed by SEBI (MF) Regulations;
18. Trustee, AMC or Sponsor or their associates may subscribe to units under the Scheme;
19. Such other individuals' /institutions/ body corporates etc., as may be decided by the AMC from time to time, so long as, wherever applicable, subject to their respective constitutions and relevant statutory regulations.

The list given above is indicative and the applicable laws, if any, as amended from time to time shall supersede the list.

Note:

1. Non Resident Indians (NRIs) and Persons of Indian Origin (PIOs) residing abroad / Foreign Institutional Investors (FIIs) have been granted a general permission by Reserve Bank of India under Schedule 5 of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 for investing in / redeeming units of the mutual funds subject to conditions set out in the aforesaid regulations.
2. It is expressly understood that at the time of investment, the investor/unitholder has the express authority to invest in units of the Scheme and AMC / Trustee / Mutual Fund will not be responsible if such investment is ultravires the relevant constitution. Subject to the

	<p>Regulations, the Trustee may reject any application received in case the application is found invalid/ incomplete or for any other reason in the Trustee's sole discretion.</p> <ol style="list-style-type: none"> 3. Dishonoured cheques are liable not to be presented again for collection, and the accompanying application forms are liable to be rejected. 4. The Trustee, reserves the right to recover from an investor any loss caused to the Scheme on account of dishonour of cheques issued by the investor for purchase of Units of this Scheme. 5. For subscription in the Scheme, it is mandatory for investors to make certain disclosures like bank details etc. and provide certain documents like PAN copy etc. (for details please refer SAI) without which the application is liable to be rejected. 6. Subject to the SEBI (MF) Regulations, any application for units of this Scheme may be accepted or rejected in the sole and absolute discretion of the Trustee/AMC. The Trustee/AMC may inter-alia reject any application for the purchase of units if the application is invalid or incomplete or if the Trustee for any other reason does not believe that it would be in the best interest of the Scheme or its unitholders to accept such an application.
<p>Who cannot invest</p>	<p>The following persons are not eligible to invest in the Scheme:</p> <ul style="list-style-type: none"> • Any individual who is a foreign national or any other entity that is not an Indian resident under the Foreign Exchange Management Act, 1999 (FEMA Act) except where registered with SEBI as a FII or sub account of FII or otherwise explicitly permitted under FEMA Act/ by RBI/ by any other applicable authority. • Pursuant to RBI A.P. (DIR Series) Circular No. 14 dated September 16, 2003, Overseas Corporate Bodies (OCBs) cannot invest in Mutual Funds. • NRIs residing in Non-Compliant Countries and Territories (NCCTs) as determined by the Financial Action Task Force (FATF), from time to time. • NRIs and PIOs who are residents of the United States of America/defined as United States Persons under applicable laws/ statutes and the residents of Canada. • Qualified Foreign Investor/ QFI as defined in this document. • Such other persons as may be specified by AMC/Regulatory Authorities from time to time.
<p>Where can you submit the filled up applications.</p>	<p>Duly completed application forms for purchase of units under the Scheme during the NFO period along with the instrument for payment may be submitted to any of the Official Points of Acceptance for the NFO or as notified by the AMC.</p>

	<p>Please refer the back cover page of this document for address, contact details and website address of the Registrar and Transfer Agent, Official Points of Acceptance, collecting banker details etc.</p> <p>During the NFO period, apart from the current process of payment wherein cheques/demand drafts (if permitted) etc. are used as a mode of payment, an investor also has the option to subscribe to the units of this Scheme using the Application Supported by Blocked Amount (ASBA) facility. This facility is available to all categories of investors mentioned under the heading 'Who can invest?'. Investors using the ASBA facility are requested to carefully read the detailed provisions related to ASBA given in the SAI as application procedures under this facility are different from the application procedures otherwise followed.</p> <p>As per SEBI Circular No. CIR/IMD/DF/21/2012 dated September 13, 2012 and SEBI Circular No. CIR/IMD/DF/10/2014 dated May 22, 2014, cash transactions in mutual funds have been permitted to the extent of ₹ 50,000/- per investor, per mutual fund, per financial year subject to compliance with prescribed norms. However, currently the AMC/Mutual Fund does not accept cash transactions in the Schemes of Union Mutual Fund.</p>
<p>How to Apply</p>	<p>Investors may obtain Key Information Memorandum (KIM) along with the application forms from AMC offices or Customer Service Centres of the Registrar or may be downloaded from www.unionmf.com (AMC's website).</p> <p>Please refer to the SAI and Application Form for the instructions.</p> <p>Applicants using the ASBA facility may submit the ASBA application form to the Self Certified Syndicate Banks (SCSBs) directly or through the syndicate/sub syndicate members, authorising the SCSB to block funds available in the investor's bank account specified in the ASBA application form and maintained with the SCSB. The SCSB shall then block an amount equal to the application amount in the specified bank account until scrutiny of the documents by the Registrar and consequent transfer of the application amount to the account of the Scheme for full and firm allotment of units or until rejection of the application on failure to raise minimum target amount or due to any other reason, as the case may be. For detailed provisions relating to ASBA facility the investors are requested to refer the SAI.</p> <p>An application Form accompanied by a payment instrument issued from a bank account other than that of the Applicant / Investor will not be accepted except in certain circumstances. For further details, please refer paragraph "Non – acceptance of Third Party Payment Instruments for subscriptions / investments" under the section "How to Apply" in SAI.</p>

	Further, please refer to the paragraph on 'Bank Account Details mandatory for all Investors' under the section 'How to Apply?' of the SAI in this regard.
Listing	Since units of the Scheme will be offered for subscription and redemption at NAV based prices on all Business Days on an ongoing basis providing the required liquidity to investors, units of the Scheme are not proposed to be listed on any stock exchange. However, the Trustee reserves the right to list the units of the Scheme on any stock exchange(s) at its sole discretion at a later date.
Special Products / facilities available during the NFO	During the NFO period, Systematic Investment Plan (SIP) will be available. However, SIP through post dated cheques will not be available during NFO. For details on the above facility, please refer to paragraph on "Special Products / Facilities" available in the section on "Ongoing Offer Details".
The policy regarding reissue of Repurchased Units, including the maximum extent, the manner of reissue, the entity (the Scheme or the AMC) involved in the same.	Units once redeemed will not be reissued.
Restrictions, if any, on the right to freely retain or dispose of Units being offered.	<p>The Mutual Fund will be repurchasing (subject to completion of lock-in period, if any) and issuing units of the Scheme on an ongoing basis and hence the transfer facility is found redundant. Any addition / deletion of name from the folio of the Unit holder is deemed as transfer of Units. In view of the same, additions / deletions of names will not be allowed under any folio of the Scheme. The said provisions in respect of deletion of names will not be applicable in case of death of a Unit holder (in respect of joint holdings) as this is treated as transmission (transfer of units by operation of law) of Units and not transfer.</p> <p>The Units of the Scheme held in the dematerialised form will be fully and freely transferable (subject to lock-in period, if any and subject to lien, if any marked on the units) in accordance with the provisions of SEBI (Depositories and Participants) Regulations, 1996 as may be amended from time to time and as stated in SEBI Circular No. CIR/IMD/DF/10/2010 dated August 18, 2010. Further, for the procedure of release of lien, the investors shall contact their respective DP.</p> <p>Also, when a person becomes a holder of the units by operation of law or upon enforcement of pledge, then the AMC shall, subject to production/submission of such satisfactory evidence, which in its opinion is sufficient, effect the transfer, if the intended transferee is otherwise eligible to hold the units.</p> <p>Please refer to paragraphs on 'Transfer and Transmission of units', 'Right to limit redemption', 'Suspension of purchase and / or redemption of Units and dividend distribution' and 'Pledge of Units' in the SAI for further details.</p>

Transaction Charges to Distributors	Please refer to the provisions on Transaction Charges provided under sub section E. viz. 'Transaction Charges to Distributors' under section IV. 'Fees and Expenses' in this document.
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B. ONGOING OFFER DETAILS: -

<p>Ongoing Offer Period</p> <p>This is the date from which the Scheme will reopen for subscriptions /redemptions after the closure of the NFO period.</p>	<p>The scheme will reopen for subscriptions/redemptions within 5 business days of the date of allotment. Allotment of units will be completed within 5 business days from the closure of the New Fund Offer Period.</p>
<p>Ongoing price for subscription (purchase)/switch-in (from other Schemes/Plans of the Mutual Fund) by investors.</p> <p>This is the price you need to pay for purchase/Switch-in.</p>	<p>Units of the Scheme shall be available for subscription (purchase)/switch-in at the Applicable NAV.</p>
<p>Ongoing price for redemption (sale) / switch outs (to other schemes/plans of the Mutual Fund) by Investors.</p> <p>This is the price you will receive for redemptions/ Switch outs.</p> <p>Example: If the applicable NAV is ₹ 10, exit load is 2% then redemption price will be:</p> <p>₹ 10* (1-0.02) = ₹ 9.80</p>	<p>Units of the Scheme can be redeemed/ switched out at the Applicable NAV subject to prevailing exit load.</p> <p>The Repurchase Price however, will not be lower than 93% of the NAV and the Sale Price shall not be higher than 107% of the NAV subject to SEBI Regulations as amended from time to time. Similarly, the difference between the Repurchase price and Sale price at any point in time shall not exceed the permitted limit as prescribed by SEBI from time to time which is presently 7% calculated on the Sale Price.</p>
<p>Cut off timing for subscriptions/ redemptions/ switches.</p> <p>This is the time before which your application (complete in all respects) should reach the Official Points of Acceptance</p>	<p>'Cut-off Timing' in relation to an investor making an application for purchase or sale of units of the Scheme, shall mean, the outer limit of timing within a particular day which is relevant for determination of the NAV applicable for his transaction. The Applicable NAV used for processing subscriptions/redemptions is based on the time of the Business Day on which the application is time stamped. Investors get units on the basis of the Applicable NAV.</p> <p>Subscriptions / Purchases including Switch – ins:</p> <p>The following cut-off timings shall be observed by the Mutual Fund in respect of purchase of the Units of the scheme, and the following NAVs shall be applied for such purchase:</p> <p>1. where the application is received upto 3.00 PM with a local cheque or</p>

demand draft (if permitted) payable at par at a place where it is received – closing NAV of the day of receipt of application.

2. where the application is received after 3.00 PM with a local cheque or demand draft (if permitted) payable at par at a place where it is received – closing NAV of the next business day; and.

3. *Where the application is received with an outstation cheque or demand draft which is not payable on par at the place where it is received – closing NAV of day on which the cheque or demand draft is credited.

*applicable if and when outstation cheque or demand draft not payable on par is permitted.

In respect of purchase of units with an amount equal to or more than ₹ 2 lakhs, irrespective of the time of receipt of application, the closing NAV of the day on which the funds are available for utilisation shall be applicable.

For allotment of units in respect of purchase / switch-in to the Scheme for an amount equal to or more than ₹ 2 lakhs, it shall be ensured that:

- (i) for allotment of units in respect of purchases in the Scheme, it shall be ensured that the application is received before the applicable cut-off time, the funds for the entire amount of subscription / purchase as per the application are credited to the bank account of the Scheme before the cut-off time and the funds are available for utilization before the cut-off time without availing any credit facility whether intra-day or otherwise, by the Scheme.
- (ii) for allotment of units in respect of switch-in to the Scheme from other schemes, it shall be ensured that the application for the switch-in is received before the applicable cut-off time, the funds for the entire amount of subscription / purchase as per the switch-in request are credited to the bank account of the Scheme before the cut-off time and the funds are available for utilization before the cut-off time without availing any credit facility whether intra-day or otherwise, by the Scheme.

Redemptions including Switch – outs

The following cut off timings shall be observed by the Mutual Fund in respect of repurchase of units

1. where the application is received upto 3.00 PM – closing NAV of the

	<p>day of receipt of application</p> <p>2. where application is received after 3.00 PM – closing NAV of the next business day.</p> <p>Applicable NAV in case of Redemptions under dematerialised mode:</p> <p>It may be noted that in case of Redemption of units held in demat mode, the date and time available in the electronic feed from the DP sent to the AMC/Registrar will only be considered for the purpose of determination of Applicable NAV.</p>
<p>Where can the applications for purchase / redemption / switches be submitted?</p>	<p>Investors can submit the application forms for purchase or redemption or switch at any of the Official Points of Acceptance, details of which are mentioned on the back cover page of this document.</p> <p>Investors are requested to note that the Investor Service Centres/Official Points of Acceptance of the Mutual Fund or its Registrar will not accept redemption requests for units held in demat mode. Investors who hold units in demat form, would need to route redemption requests through their DPs in the format prescribed by them.</p> <p>Investors are requested to note that an Application Form accompanied by a payment instrument issued from a bank account other than that of the Applicant / Investor will not be accepted except in certain circumstances. For further details, please refer paragraph “Non – acceptance of Third Party Payment Instruments for subscriptions / investments” under the section “How to Apply ?” in SAI.</p>
<p>Option to hold Units in dematerialised form</p>	<p>The Unit holders are given an option to hold the Units in physical form (by way of an account statement) or in dematerialized form (Demat).</p> <p>Further, investors also have an option to convert their physical holdings into the dematerialised mode at a later date.</p> <p>Each Option under each Plan under the Scheme held in the dematerialised form shall be identified on the basis of an International Securities Identification Number (ISIN) allotted by National Securities Depositories Limited (NSDL) and Central Depository Services Limited (CDSL). The ISIN No. details of the respective option under the respective Plan can be obtained from your Depository Participant (DP) or you can access the website link www.nsdl.co.in or www.cdslindia.com. The holding of units in the dematerialised mode would be subject to the guidelines/ procedural requirements as laid by the Depositories viz. NSDL/CDSL from time to time.</p> <p><u>Subscription/Additional Purchase of units under Dematerialised Mode & allotment thereof:</u></p>

The Applicants intending to hold the Units in dematerialised mode will be required to have a beneficiary account with a DP of the NSDL/CDSL and will be required to mention the DP's Name, DP ID No. and Beneficiary Account No. with the DP in the application form at the time of subscription/ additional purchase of the Units of the Scheme/Plan/Option.

The applicant shall mandatorily attach a self-attested copy of the latest demat account statement/client master statement along with the application forms at the time of initial subscription. The application for subscription/additional purchase would be liable to be rejected by the AMC/ Registrar under the following conditions:

- a. In case the applicants do not provide their Demat Account details in the application form; or
- b. The demat details provided in the application form are incomplete / incorrect or do not exactly match with the details in the Depository records; and/or
- c. The mode of holding in the application form does not match exactly with that of the demat mode of holding.

Applicants intending to hold units in the dematerialised mode would be considered to be KYC compliant as per the DP records and no separate KYC acknowledgment proof needs to be submitted to the AMC/Registrar. However, the submission of KYC acknowledgment proof is optional. It may be noted that in case the application stands rejected due to any of the above reasons, the AMC/ Registrar shall refund the amount to the applicants in line with the provisions of the SID. However if the applicant has submitted the KYC acknowledgment proof along with the application forms, the units will be allotted in the physical mode 'by default' (without any separate intimation to such applicant) and an Account Statement shall be sent to the Unit holders in accordance with the provisions of the SID. It may be further noted that for any such default allotment the "Source Bank Account" (as per the payment instrument submitted along with the application form) shall be considered as the bank mandate for all purposes.

NOTE: It may be noted that the facilities viz. Switch in and out, Systematic Withdrawal Plan (SWP)/ Systematic Transfer Plan (STP), are currently NOT available in the dematerialised mode. It may also be noted that units in the demat mode shall only be credited in the DP account on the basis of realization of funds.

Conversion of Units from Physical mode to Dematerialised mode:

If the Unit holder desires to convert the Units in a dematerialised form at a later date, the unitholder will be required to have a beneficiary account with a DP of the NSDL/CDSL and will have to submit the account

	<p>statement along with a request form viz. Conversion Request Form (CRF)/ Demat Request Form (DRF) to the DP asking for the conversion of units into demat form. It may be noted that it is necessary to mention the ISIN No. of the respective Option under the respective Plan on the CRF/ DRF.</p> <p>Re-materialization process: Re-materialization of Units will be in accordance with the provisions of SEBI (Depositories & Participants) Regulations, 1996 as may be amended from time to time.</p> <p>Note: It is further clarified that the demat mode of holding is subject to the following:</p> <ol style="list-style-type: none"> Mandatory Submission of the PAN details along with the necessary proofs in accordance with the provisions of the SAI; Provisions of “Non-Acceptance of Third Party Payment Instruments for subscription/investments of units” under the section “How to Apply ?” in the SAI.” Submission of such other mandatory authority documents as may be specified in the application forms for individual/non-individual category of investors. <p>All communications under demat mode of holding shall be on the basis of DP ID and client ID submitted in the application form and no separate folio shall be created for the same.</p> <p>For further details on dematerialised mode of holding Units, investors are requested to refer to the SAI.</p>
<p>Minimum amount for Purchase/Redemption/Switches</p>	<p>Minimum amount for new purchase/switch in ₹ 5,000 and in multiples of ₹ 1 thereafter</p> <p>For Systematic Investment Plan (SIP):</p> <ul style="list-style-type: none"> ₹ 2,000 and in multiples of ₹ 1 thereafter (for monthly frequency) ₹ 5,000 and in multiples of ₹ 1 thereafter (for quarterly frequency) <p>For Systematic Transfer Plan (STP):</p> <ul style="list-style-type: none"> ₹ 1,000 and in multiples of ₹ 1 thereafter Minimum instalments: 6 instalments <p>For Systematic Withdrawal Plan (SWP):</p>

	<ul style="list-style-type: none"> • ₹ 1,000 and in multiples of ₹ 1 thereafter • Minimum instalments: 6 instalments <p>Minimum additional amount for purchase / switch in</p> <p>₹ 1,000 and in multiples of ₹ 1 thereafter</p> <p>The minimum subscription limits for new purchases/additional purchases will apply to each Plan/Option separately.</p> <p>Minimum amount for redemption / switch out</p> <p>Minimum of ₹ 1000 and in multiples of ₹ 1 thereafter.</p> <p>In case the investor specifies the number of units and amount to be redeemed, the number of units shall be considered for redemption. In case the unitholder does not specify the number of units or amount to be redeemed, the redemption request will not be processed.</p> <p>The AMC reserves the right to change the minimum amounts for various purchase/ redemption/ switch. Such changes shall only be applicable to transactions on a prospective basis.</p>
<p>Minimum balance to be maintained and consequences of non maintenance.</p>	<p>Currently, there is no minimum balance requirement.</p> <p>However, the AMC /Trustee reserve the right to introduce minimum balance requirements at a later date, if they so deem fit.</p> <p>In case balance in the account of the unitholder does not cover the amount of redemption request, then the Mutual Fund is authorized to redeem all the units in the folio and send the redemption proceeds to the unitholder.</p>
<p>Special Products / Facilities available</p>	<p>The Special Products / Facilities available under the Scheme, are:</p> <ul style="list-style-type: none"> i) Systematic Investment Plan ii) Systematic Transfer Plan* iii) Systematic Withdrawal Plan* iv) Facility to purchase/ redeem units of the Scheme through Stock Exchange Mechanism (as and when provided) v) Transactions by Fax vi) Transactions through Electronic Mode vii) Registration of Multiple Bank Accounts in respect of an Investor Folio* viii) Trigger Facility <p>* Facility will not be available under demat mode of holding units.</p> <p>i. Systematic Investment Plan (SIP)</p> <p>This facility is useful for investors who wish to invest fixed specified</p>

amounts at regular intervals by submitting a one-time SIP application form along with the relevant documents. SIP facility is available for both the Options viz. Growth and Dividend under all the Plans under the Scheme.

The investors can choose any one of the dates among 2nd, 8th, 15th or 23rd of every month as the SIP date (in case any of these days fall on a non-business day, the transaction will be effected on the next business day of the Scheme).

The default SIP date will be 8th of every month.

The SIP frequency will be monthly and quarterly.

The minimum SIP instalment size for monthly frequency is ₹ 2,000 and in multiples of ₹ 1 thereafter and the SIP request should be for a minimum period of 6 months.

The minimum SIP instalment size for quarterly frequency is ₹ 5,000 and in multiples of ₹ 1 thereafter and the SIP request should be for a minimum period of 2 quarters.

Transaction charges: In case of SIPs, transaction charge shall be applicable only if the total commitment (i.e amount per SIP instalment x No. of instalments) through SIPs amounts to ₹ 10,000/- and above. The transaction charge shall be deducted in 4 equal instalments commencing from the second SIP instalment. For further details on Transaction Charges, refer to the sub section E. 'Transaction Charges to Distributors' under Section IV. 'Fees and Expenses' in this document.

Unitholder may change the amount (but not below the minimum specified amount) / frequency by giving written notice to any of the Official Point(s) of Acceptance at least 15 days prior to next SIP execution date.

The SIP payments can be made either by issue of post dated cheques or by availing the Electronic Clearing Service (ECS)/ Direct Debit Facility / other facilities as may be specified from time to time.

SIP through post-dated cheques

The date of the first cheque shall be the same as the date of the application while the remaining cheques shall be post dated cheques which shall be dated uniformly. Investors can invest in SIP by providing post-dated cheques to Official Point(s) of Acceptance as notified by the AMC. All SIP cheques should be of the same amount and same date option (excluding first cheque which can be of a date / amount other than the SIP date opted for). Cheques should be drawn in favour of the Fund

and "A/c Payee only". A letter will be forwarded to the investor on successful registration of SIP. The Post Dated cheques will be presented on the dates mentioned on the cheque and subject to realization of the cheque, the applicable NAV would be decided and units would be allotted. The SIP date selected by the Investor should fall at least 30 calendar days after the date of the first cheque.

SIP through Electronic Clearing Service (ECS) / Direct Debit / other facilities.

Investors / unitholders may also enroll for SIP facility through Electronic Clearing Service (Debit Clearing) of the RBI or for SIP Direct Debit Facility available with specified Banks / Branches (the said facility will be available during the NFO and ongoing offer basis). To avail this facility, an investor must fill-up the SIP Application Form for SIP ECS / Direct Debit facility. The first investment in SIP through the ECS/ Direct Debit Facility needs to be made by issuance of a cheque from the account from which the ECS/ Direct Debit is requested. The investor shall be required to submit a cancelled cheque or a photocopy of a cheque of the bank account for which the ECS/Direct Debit mandate is provided. All SIP cheques/payment instructions should be of the same amount and the same date (excluding first cheque which can be of an amount / date other than the SIP amount / date opted for). However, there should be a gap of 30 days between first SIP Installment and the second installment in case of SIP started during ongoing offer. If the SIP end date is not filled, the SIP ECS/Direct Debit will be considered perpetual till further instructions are received from the investor. Unitholders are free to discontinue from the SIP facility at any point of time by giving necessary instructions in writing atleast 15 days prior to the next SIP due date. On receipt of such request, the SIP facility will be terminated. It is clarified that if the Fund fails to get the proceeds from three installments out of a continuous series of installments submitted at the time of initiating a SIP, the SIP is deemed as discontinued. Units will be allotted at the Applicable NAV of the respective dates on which the investments are sought to be made. An extension of an existing SIP will be treated as a new SIP on the date of such application, and all the above conditions need to be met with.

Investors also have the option to enroll for SIP through the National Automated Clearing House (NACH) Platform in case the investor's bank is participating in the NACH Platform, subject to certain terms and conditions detailed in the 'Systematic Investment Plan (SIP) – Auto Debit Form' available on the AMC's website. Further, investors are requested to note that the AMC may, from time to time, enable the option to enroll for SIP through such modes of electronic fund transfer as may be introduced by relevant authorities from time to time and as may be detailed in the 'Systematic Investment Plan (SIP) - Auto Debit Form' available on the AMC's website and updated from time to time.

Corporate SIP facility: The AMC has the authority to make available SIP by way of a salary savings scheme for a group of employees through an arrangement with their corporate employers. If the Corporate would provide direct credit for the cumulative SIP investments of their employees/officers, the requirement for submitting cheque/cancelled cheque during first time investment shall be waived off. Further, the frequency of such SIPs may be customised by the AMC, at its discretion. In case of receipt of Funds by way of direct credit instructions/ any other electronic mode of transfer of Funds for such SIPs, the date of allotting units under the Corporate SIP facility would be the date of receipt of a valid direct credit / transfer of funds instruction by the AMC.

Micro Investments including Micro SIPs exempt from Permanent Account Number (PAN) Requirement:

The requirement of PAN shall be exempted if the aggregate of the lump sum investments (fresh purchases & additional purchases) and SIP instalments by an investor in a rolling 12 months period or in a financial year i.e. April to March does not exceed ₹ 50,000/- (Rupees Fifty Thousand) (hereafter referred to as “Micro investments”). However, the requirements of Know Your Client (KYC) shall be mandatory for all investments, irrespective of the amount of investment.

The above exemption for PAN will be available to Micro investments made by eligible investors, being individuals (including Joint holders who are individuals, NRIs but not PIOs), Minors, Sole proprietary firms. HUFs and other categories of investors will not eligible for this exemption. However, in lieu of PAN, eligible investor has to submit any one of standard specified photo identification documents and any other document along with the Micro SIP application, in accordance with the process as per the KYC guidelines.

For the purpose of identifying Micro investments, the value of investments at the investor level will be aggregated and such aggregation shall be done irrespective of the number of folios / accounts under which the investor has invested.

For further details, Investors are required to refer to the disclosures on Micro Investments in the SAI.

The AMC reserves the right to withdraw / modify this facility in accordance with the SEBI Regulations and any such change will be effective on a prospective basis.

SIP transactions in dematerialised (demat) mode:

In case of SIP transactions in demat mode, the units will be allotted based on applicable Net Asset Value (NAV) as per this SID and will be

credited to the investor's Demat (Beneficiary) Account on a weekly basis upon realization of funds. For example, units will be credited to investor's Demat (Beneficiary) Account every Monday (or next business day, if Monday is a non-business day) for realization status received in the previous week from Monday to Friday.

SIP Top-up Facility:

SIP Top-up Facility provides flexibility to Investors to increase the amount of the SIP instalment by a fixed amount at pre-defined intervals during the tenure of the SIP. The terms and conditions applicable to this Facility are as follows:

1. This facility will allow investors (including existing investors) to opt for Top-up in their SIP, which are routed through electronic mode only (the Top-up Facility is not available for SIP through post-dated cheques).
2. Investors/unit holders subscribing for the Top-up facility are required to submit the request at least 30 days prior to the SIP date. In case the request is not received at least 30 days prior to the SIP date, the Top-up will be applicable from the next effective SIP instalment.
3. The minimum Top-up amount is ₹ 500/- and in multiples of 500/- thereafter.
4. **Default Top-up amount:** If the investor does not specify the Top-up amount, the default amount for Top-up will be considered as ₹ 500/-, and the application form shall be processed accordingly.
5. The following frequency options are available for Top-up:

SIP Frequency	Top-up Frequency
Monthly	<ul style="list-style-type: none"> • Half Yearly • Yearly
Quarterly	<ul style="list-style-type: none"> • Yearly

If the investor does not specify the Top-up frequency under Monthly SIP, the default frequency for Top-up will be Yearly.

6. **Half-yearly Top-up:** Under this option, the SIP instalment amount shall be increased, by an amount chosen by the Investor, post every 6th (sixth) SIP instalment (i.e. the 7th SIP instalment and so on).
7. **Yearly Top-up:** Under this option, the SIP instalment amount shall be increased, by an amount chosen by the Investor, post every 12th (twelfth) SIP instalment (i.e. the 13th SIP instalment and so on).

8. Once enrolled, in case the Investor wants to modify the Top-up details, the investor must cancel the existing SIP Top-up and enroll for a new SIP Top-up with the desired Top-up details.

9. SIP Top-up will be allowed in case of Micro Investments subject to the condition that total investments including SIP Top-up by the investor does not exceed ₹ 50,000/- in a rolling 12 months period or in a financial year i.e. April to March i.e. the limit on Micro Investments.

10. **Top-up Cap Amount:** Investor has an option to freeze the SIP Top-up amount once it reaches a fixed predefined amount.

11. **Maximum amount:** It is the upper most limit per transaction set by the investor for his registered bank account to be debited through the One Time Mandate (OTM). If the maximum amount set in the OTM is less than the Cap amount, a new OTM needs to be registered with the revised maximum amount. Till the time a revised OTM with change in maximum amount is submitted, the existing maximum amount will be considered as the Top-up Cap amount. Along with new OTM, a revised Top-up form also needs to be submitted with the Top-up Cap amount.

12. In case the SIP frequency is perpetual then the investor has to mention the Top-up Cap amount.

13. All other terms & conditions applicable for regular SIP Facility will also be applicable to Top-up Facility.

14. An illustration to explain the concept of SIP Top-up Facility is given below:

If an investor has opted for an SIP of ₹ 2,000 with monthly frequency, and has requested for an SIP Top-up of ₹ 500 with half yearly frequency, then the monthly SIP instalment amount will be ₹ 2,000 for the first six months, and will increase by ₹ 500 post every sixth SIP instalment i.e. in the given case, the SIP instalment amount will be ₹ 2,500 from the seventh instalment to twelfth instalment, ₹ 3,000 from the thirteenth instalment to eighteen instalment, and so on.

ii. **Systematic Transfer Plan (STP)**

This facility enables unit holders to transfer a fixed specified amount from one open-ended scheme of the Fund (source scheme) to another open-ended scheme of the Fund (target scheme), in existence at the time of availing the facility of STP, at applicable NAV, subject to the minimum investment criteria of the target scheme. Investors can opt for the Systematic Transfer Plan by investing a lump sum amount in one scheme of the fund and providing a standing instruction to transfer sums at regular intervals. Investors could also opt for STP from an existing account by quoting their account / folio number. However, units marked

under lien or pledged in the source scheme shall not be eligible for STP.

The STP frequencies available under the Scheme are as follows:

Frequency	Cycle Day/ Date*	Default Day/ Date	Minimum Instalment Amount (in ₹)	Minimum Instalments
Weekly	Monday to Friday	Wednesday	₹ 1000 & in multiples of ₹ 1/- thereafter	6
Fortnightly	Every Alternate Wednesday	Every Alternate Wednesday	₹ 1000 & in multiples of ₹ 1/- thereafter	6
Monthly	2 nd , 8 th , 15 th , 23 rd of the month	8 th of the month	₹ 1000 & in multiples of ₹ 1/- thereafter	6
Quarterly	2 nd , 8 th , 15 th , 23 rd of the month	8 th of the month	₹ 1000 & in multiples of ₹ 1/- thereafter	6
Half Yearly	2 nd , 8 th , 15 th , 23 rd of the month	8 th of the month	₹ 1000 & in multiples of ₹ 1/- thereafter	6

*In case any of these days fall on a non-business day, the transaction will be effected on the next business day of the Scheme.

In case none of the frequencies have been selected then Monthly frequency shall be treated as the Default frequency, and 8 shall be treated as the Default Date.

If the required minimum balance is not available in the transferor scheme for 3 consecutive attempts, the STP registered will be terminated.

A minimum period of 8 days shall be required for registration under STP. In case the required time of 8 calendar days are not met, then the STP

will be processed from the next STP cycle.

A request for STP will be treated as a request for redemption from the Transferor scheme and subscription into the selected Transferee scheme(s), option(s) / plan(s), at the applicable NAV, subject to load and statutory levy, if any.

Unitholder may change the amount (but not below the minimum specified amount) / frequency by giving written notice to any of the Official Point(s) of Acceptance at least 8 days prior to next STP execution date.

Units will be allotted/ redeemed at the applicable NAV of the respective dates of the Scheme on which such investments/withdrawals are sought from the Scheme.

The STP may be terminated on a written notice of 8 days by a unitholder of the Scheme. The STP will be automatically terminated if all units are liquidated or withdrawn from the source scheme or pledged or upon receipt of intimation of death of the unitholder.

Investors are requested to note that STP Facility will not be available under demat mode of holding units.

iii. Systematic Withdrawal Plan (SWP)

This facility enables unitholders to withdraw a fixed sum (subject to tax deduction at source, if applicable) by redemption of units in the unitholder's account at regular intervals through a one-time request.

The SWP frequencies available under the Scheme are as follows:

Frequency	Cycle Day/ Date*	Default Day/ Date	Minimum Instalment Amount (in ₹)	Minimum Instalments
Monthly	2 nd , 8 th , 15 th , 23 rd of the month	8 th of the month	₹ 1000 & in multiples of ₹ 1/- thereafter	6
Quarterly	2 nd , 8 th , 15 th , 23 rd of the month	8 th of the month	₹ 1000 & in multiples of ₹ 1/- thereafter	6
Half Yearly	2 nd , 8 th , 15 th , 23 rd of the month	8 th of the month	₹ 1000 & in multiples of ₹ 1/- thereafter	6

*In case any of these days fall on a non-business day, the transaction

	<p>will be effected on the next business day of the Scheme.</p> <p>In case none of the frequencies have been selected then Monthly frequency shall be th treated as the Default frequency, and 8 shall be treated as the Default Date.</p> <p>If the required minimum balance is not available in the scheme for 3 consecutive attempts, the SWP registered will be terminated.</p> <p>A minimum period of 8 days shall be required for registration under SWP. In case the required time of 8 calendar days are not met, then the SWP will be processed from the next SWP cycle.</p> <p>Unit holder may change the amount (but not below the minimum specified amount) / frequency by giving written notice to any of the Official Point(s) of Acceptance at least 8 days prior to next SWP execution date.</p> <p>The SWP may be terminated on a written notice of 8 days by a unitholder of the Scheme. The SWP will be automatically terminated if all units are liquidated or withdrawn from the Scheme or pledged or upon receipt of intimation of death of the unitholder.</p> <p>Investors are requested to note that SWP Facility will not be available under demat mode of holding units.</p> <p>The Load Structure prevailing at the time of submission of the SIP/STP/SWP application will apply for all the instalments indicated in such application.</p> <p>The AMC reserves the right to introduce SIP/STP/SWP at any other frequencies or on any other dates as the AMC may feel appropriate from time to time.</p> <p>iv. <u>Facility to purchase/ redeem units of the Scheme through Stock Exchange Mechanism</u></p> <p>1. Transactions through Stock Brokers/ Clearing Members/ Depository Participants:</p> <p>This facility shall be provided from a later date which will be notified by the AMC.</p> <p>The facility enables an applicant to purchase/ redeem units through the Stock Exchange Infrastructure. Switching of units is currently not permitted under this facility.</p> <p>For this purpose, BSE has introduced the 'BSE StAR MF Platform' and</p>
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NSE has introduced 'Mutual Fund Service System (MFSS)'. The investors should note that the units of the Scheme are not listed on the stock exchange and the same cannot be traded on the stock exchanges.

All trading members of the BSE and NSE who are registered with AMFI as Mutual Fund Advisors and are empanelled with the AMC and also registered with BSE & NSE as Participants (Brokers) will be eligible to offer this facility to investors. Such brokers shall be considered as Official Points of Acceptance of the Fund.

Further, in terms of SEBI Circular No. CIR/IMD/DF/17/2010 dated November 9, 2010, investors will be able to transact in Units of the Scheme through clearing members of the registered Stock Exchanges and redeem units held in demat form through the Depository Participants of registered Depositories.

2. Transactions through Mutual Fund Distributors:
SEBI, vide its Circulars no. CIR/MRD/DSA/32/2013 dated October 4, 2013 and CIR/MRD/DSA/33/2014 dated December 9, 2014, permitted Mutual Fund Distributors to use recognized Stock Exchange infrastructure to purchase/redeem units directly from Mutual Fund/Asset Management Companies on behalf of their clients. Accordingly, the following guidelines shall be applicable for transactions executed in the open ended Schemes of Union Mutual Fund through Mutual Fund Distributors through the Stock Exchange Infrastructure:

- a. Mutual Fund Distributors registered with the Association of Mutual Funds in India (AMFI) and who have been permitted by NSE, are eligible to use "NSE Mutual Fund Platform II (NMF II)" which is an online Mutual fund Platform of National Stock Exchange of India Ltd. ('NSE') to purchase and/or redeem units of schemes of the Fund in physical (non-demat) mode and/or demat (electronic) mode.
- b. It may be noted that switch transactions can presently be placed only for units held in the non-demat mode.
- c. Mutual Fund Distributors will not handle pay out and pay in of funds as well as units on behalf of investor.
- d. The pay in will be directly received by the recognized clearing corporation [i.e. National Securities Clearing Corporation Limited (Clearing Corporation)].
- e. Non- Demat Mode Transactions: In case of non-demat mode, the investors will be intimated of the allotment details through the issuance of account statement. Further, the redemption order will be placed by the Mutual Fund distributor through the NMF-II and the Registrar and Transfer Agent (RTA) of Union Mutual Fund i.e. Computer Age Management Services Private Limited will process the redemption proceeds. Further, all redemption payouts will be directly made to the registered bank account as per bank mandate submitted by the investor and recorded by the

	<p>RTA.</p> <p>f. Demat Mode Transactions: In case of demat mode, units shall be credited and debited directly from the demat account of investors. In case of redemption in demat mode, the investor has to approach his/her/their Depository Participant (DP) / Mutual Fund Distributor registered with NMF-II and submit the necessary documents as may be prescribed. In case of demat mode, all redemption payouts will be directly made in the bank account linked to the demat account of the investor.</p> <p>g. All redemptions and switch-out request would be liable to rejections if the same are subject to lock-in period, if any and subject to lien, if any marked on the units.</p> <p>h. The Applicable NAV considered for the transactions under this facility, will be subject to the guidelines issued by SEBI on uniform cut-off timings for applicability of NAV of Mutual Fund Scheme(s)/Plan(s) as amended from time to time.</p> <p>i. The AMC reserves the right to accept and/ or reject any transaction request subject to the terms of the Scheme related documents and/or applicable regulations from time to time.</p> <p>j. NMF- II also facilitates the Mutual Fund Distributor on behalf of the investor to submit the non-financial transactions along with the supporting documents as may be prescribed in the Scheme related documents issued by the AMC from time to time.</p> <p>The facility of transacting in Union Mutual Fund schemes through NMF-II is available subject to operating guidelines, terms and conditions as may be prescribed by the NSE/Clearing Corporation/Depositories from time to time.</p> <p>The AMC reserves the right to call for incremental documents from its investors.</p> <p>For further details on this facility, please refer the section on “Facility to purchase/ redeem units of the Scheme through Stock Exchange Mechanism” in the SAI.</p> <p>v. <u>Transactions by Fax:</u></p> <p>In order to facilitate quick processing of transaction and / or instruction of investment of investor the Mutual Fund / AMC / Trustee may (at its sole discretion and without being obliged in any manner to do so and without being responsible and /or liable in any manner whatsoever), accept and process any application, supporting documents and /or instructions submitted by an investor/ Unit holder by facsimile (Fax Submission) and the investor/Unit holder voluntarily and with full knowledge takes and assumes any and all risk associated therewith. The Mutual Fund / AMC/ Trustee shall have no obligation to check or verify the authenticity or accuracy of fax submission purporting to have been sent by the investor</p>
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and may act thereon as if same has been duly given by the investor. In all cases the investor will have to immediately submit the original documents / instruction to AMC/ Mutual Fund/ Official Points of Acceptance. For details / terms and conditions, investors are advised to refer to the SAI.

vi. Transactions through Electronic Mode:

The Mutual Fund may (at its sole discretion and without being obliged in any manner to do so and without being responsible and /or liable in any manner whatsoever), allow subscriptions of Units by electronic mode (web/ electronic transactions) including subscriptions through the various web sites with which the AMC would have an arrangement from time to time. Subject to the investor fulfilling certain terms and conditions as stipulated by AMC from time to time, the AMC, Mutual Fund, Registrar or any other agent or representative of the AMC, Mutual Fund, the Registrar may accept transactions through any electronic mode including web transactions and as permitted by SEBI or other regulatory authorities from time to time. For details / terms and conditions, investors are advised to refer to the SAI.

vii. Registration of Multiple Bank Accounts in respect of an Investor Folio:

An investor can register with the Fund upto 5 bank accounts in case of individuals and HUFs and upto 10 in other cases.

Registering of Multiple Bank Accounts will enable the Fund to systematically validate the pay-in of funds and avoid acceptance of third party payments.

For the purpose of registration of bank account(s), Investor should submit Bank Mandate Registration Form (available at the ISCs/ AMC Website) together with any of the following documents:

- Cancelled original cheque leaf in respect of bank account to be registered where the name of the account number and names of the account holders are printed on the face of the cheque; or
- Bank statement or copy of Bank Pass Book page with the Investor's Bank Account number, name and address.

For documents to be submitted for change in bank account mandate, please refer point on 'Change in Bank Mandate' in the SAI. The AMC will register the Bank Account only after verifying that the sole/ first joint holder is the holder / one of the joint holders of the bank account. In case if a copy of the above documents is submitted, Investor shall submit the original to the AMC/ Service Centre for verification and the same shall be returned.

In case of Multiple Registered Bank Account, Investor may choose one of the registered bank accounts for the credit of redemption/ dividend proceeds (being “Pay-out bank account”).

Investor may however, specify any other registered bank accounts for credit of redemption proceeds at the time of requesting for the redemption. Investor may change such Pay-out Bank account, as necessary, through written instructions.

However, if request for redemption is received together with change of bank account or before verification and validation of new bank account, the AMC reserves the right to process the redemption request to the currently registered default old bank account.

For further details, please refer to paragraph on ‘Registration of Multiple Bank Accounts in respect of an Investor Folio’ in the SAI.

Note: Investors are requested to note that the Facility to register multiple bank accounts will not be available under demat mode of holding units. For Units held in demat mode, the bank mandate shall be as per the bank details registered with the DP.

viii. Trigger Facility

Trigger is an event on the happening of which, the units of the investor will be automatically redeemed, on behalf of the investor, on the date of happening of the event. All redemptions linked to triggers will always be at the applicable Net Asset Value (NAV) based prices of the day on which the event occurs.

The terms and conditions applicable to this Facility are as follows:

1. The Trigger Facility is available under the Growth Option only.
2. The Unitholder will have the option to select from a set of 5 triggers which are linked to the level of appreciation in the value of investments held by the Unitholder. These triggers are 15%, 20%, 25%, 50% and 100% of appreciation (applicable at folio level – scheme level – plan level) in the value of investments from the date of registration of the trigger, and subsequently, appreciation in the value of investments from the date on which the desired trigger level was previously achieved. The investor can select any one of the trigger options under Growth Option of the scheme. On appreciation of selected magnitude, the appreciation in the NAV per unit, as selected by the investor will be redeemed and paid back to the investor. The appreciation

	<p>amount will keep getting redeemed as per option selected as and when the target is achieved till the units become nil.</p> <ol style="list-style-type: none"> 3. Default option: In case the investor has opted for the Trigger Facility but has failed to specify the trigger level, the default option will be 20% appreciation in NAV. 4. The investors opting for the Trigger Facility will also have the right to redeem their holdings before happening of the trigger event. 5. On the trigger date (the day of event occurrence), the applicable amount will be redeemed at the closing NAV of the day i.e. the trigger date. 6. Once a trigger is activated and a transaction is processed, the same will not be reversed and it will be final and binding upon the Unit holder. 7. Trigger Facility shall be applicable subject to payment of exit load, if any. 8. Trigger will not get executed in case units are pledged or where lien is marked on units, at the time of receipt of request for trigger. 9. In case of full redemption, any trigger already registered for a particular transaction will be deactivated. <p>All requests for registering or deactivating the Trigger Facility shall be subject to an advance notice of 8 (Eight) working days. Investors can deactivate the Trigger Facility by sending a written request to any of the Investor Service Centres.”</p> <p>The AMC reserves the right to alter/ discontinue all / any of the abovementioned special product(s)/ facility (ies) at any point of time. However, the change will be effective only on a prospective basis.</p> <p>Further, the AMC reserves the right to introduce more special product(s) / facility (ties) at a later date subject to prevailing SEBI Guidelines and Regulations.</p>
Switching Options	<p>Unit holders have the flexibility to alter the allocation of their investments among the scheme(s) offered by the Fund, in order to suit their changing investment needs, by easily switching between the scheme(s) / plans / options of the Fund.</p>

	<p>Investors may opt to switch Units between the Dividend Option and Growth Option within a Plan under the Scheme at the Applicable NAV. Switching will also be allowed between Plans under the Scheme or into/from any other eligible open-ended schemes of the Fund either currently in existence or a scheme(s) that may be launched / managed in future, as per the features of the respective scheme.</p> <p>Load shall be applicable for switches between eligible schemes of Union Mutual Fund as per the prevailing load structure. However, no load will be applicable for switches between the plans under the scheme and switches between the options under each plan under the scheme.</p> <p>Note: It may be noted that the option to Switch in and out is currently not available in the dematerialized mode of holding Units.</p>
<p>Accounts Statements</p>	<p>For normal transactions (other than SIP/STP/SWP) during ongoing sales and repurchase:</p> <ul style="list-style-type: none"> • The AMC shall issue to the investor whose application (other than SIP/STP/SWP) has been accepted, an account statement specifying the number of units allotted. Under normal circumstances, the AMC shall endeavour to dispatch the account statement as soon as possible but not later than 5 working days from the date of receipt of the request from the unitholder. • AMC/ Registrar shall send confirmation specifying the number of units allotted to the applicant by way of email and/or SMS's to the applicant's registered email address and/or mobile number as soon as possible but not later than five working days from the date of receipt of the request from the unitholder. • For those unitholders who have provided an e-mail address, the AMC will send the account statement by e-mail. • The unitholder may request for a physical account statement by writing/calling the AMC/ISC/Registrar & Transfer Agent at 18002002268 (toll free no.) <p>For SIP / STP / SWP transactions:</p> <ul style="list-style-type: none"> • Account Statement for SIP, STP and SWP will be dispatched once every quarter ending March, June, September and December within 10 working days of the end of the respective quarter. • A soft copy of the Account Statement shall be mailed to the Investors under SIP/STP/ SWP to their e-mail address on a monthly basis, if so mandated.

However, the first Account Statement under SIP/STP/ SWP shall be issued within 10 working days of the initial investment/ transfer.

- In case of specific request received from investors, Mutual Funds shall provide the account statement (SIP/STP/ SWP) to the investors within 5 working days from the receipt of such request without any charges.

Note:

- If an applicant so desires, the AMC will issue the unit certificates to the applicant within 5 working days of the receipt of request for the certificate.
- For normal transactions and SIP/STP/ SWP transactions as stated above, in the event the account has more than one registered holder, the first-named Unit holder shall receive the account statements.

Account Statement for demat account holders:

Investors shall receive the demat account statement /demat holding statement directly from the DP with whom the investor holds the DP account. The statement issued by the DP will be deemed adequate compliance with the requirements in respect of dispatch of Statement of Account. In case of any specific requirements/queries on the account statement, investor should directly contact the respective DP's.

Consolidated Account Statement (CAS):

i) Investors who do not hold Demat Account:

- A CAS for each calendar month shall be sent by AMC / RTA to investors not holding demat account, on or before tenth day of the succeeding month, detailing all the transactions and holding at the end of the month, across all Schemes of all Mutual Funds to all the investors in whose folios transaction has taken place during that month.
- In case of investors in whose folios no transaction has taken place during any half yearly period ended September/ March, a CAS for such a half yearly period shall be sent by AMC/ RTA, on or before tenth day of succeeding month, detailing the holding at the end of the respective six month period across all Schemes of all mutual funds.

- A CAS for the half-year (ended September / March) containing additional disclosures such as the amount of actual commission paid by the AMC/Mutual Fund to distributors (in absolute terms) during the half-year period and the scheme's average Total Expense Ratio (in percentage terms) for the half-year period for each scheme's applicable plan where the concerned investor has actually invested in shall be issued to investors. This CAS shall be issued to all investors, excluding those investors who do not have any holdings in the schemes and where no commission against their investment has been paid to distributors, during the concerned half-year period.

ii) Investors who hold Demat Account:

- A CAS for each calendar month shall be sent by Depositories to investors holding a demat account, on or before tenth day of the succeeding month, detailing all the transactions and holding at the end of the month, across all Schemes of all Mutual Funds and across demat accounts to all the investors in whose folios / demat accounts transaction has taken place during that month.
- In case of investors in whose folios and demat accounts no transaction has taken place during any half yearly period ended September/ March, a CAS for such a half yearly period shall be sent by Depositories, on or before tenth day of succeeding month, detailing the holding at the end of the respective six month period across all Schemes of all mutual funds and across demat accounts of such investors.
- A CAS for the half-year (ended September / March) containing additional disclosures such as the amount of actual commission paid by the AMC/Mutual Fund to distributors (in absolute terms) during the half-year period and the scheme's average Total Expense Ratio (in percentage terms) for the half-year period for each scheme's applicable plan where the concerned investor has actually invested in shall be issued to investors. This CAS shall be issued to all investors, excluding those investors who do not have any holdings in the schemes and where no commission against their investment has been paid to distributors, during the concerned half-year period.
- The dispatch of CAS by the Depositories would constitute compliance by the AMC/ the Mutual Fund with the requirement under Regulation 36(4) of SEBI (Mutual Funds) Regulations, 1996.

- In case an investor has demat accounts with multiple Depositories, the Depository with whom the account has been opened earlier will be the default Depository. However, the investor shall be given an option by the default depository to choose the depository through which the investor wishes to receive the CAS.
- Investors who do not wish to receive CAS sent by Depositories have an option to indicate their negative consent. Such investors may contact the Depositories to opt out. Where such option is exercised, the AMC/ RTA shall be informed by the Depository, and accordingly the data with respect to the said investor shall not be shared by the AMC/ RTA with the Depository.

Note:

- a) For the purpose of CAS, common investors across mutual funds / depositories shall be identified. Consolidation of account statement shall be done on the basis of Permanent Account Number (PAN) of investors. In case of multiple holding, it shall be PAN of the first holder and pattern of holding.
- b) In case the account has more than one registered holder, the CAS shall be sent to the first holder.
- c) CAS is a statement containing details relating to all financial transactions made by an investor across all mutual funds including purchase, redemption, switch dividend payout, dividend reinvestment, systematic investment plan, systematic withdrawal plan, systematic transfer plan, and bonus transactions (including transaction charges paid to the distributor) and holding at the end of the month. Further, in case of investors who hold demat account(s), CAS shall also include transaction in dematerialized securities across demat accounts of the investors and holding at the end of the month.
- d) It may be noted that for investors whose e-mail addresses are available and registered across any of the Mutual Funds/AMCs/ Depositories, the CAS shall be sent by way of an e-mail communication on any/all of the registered email addresses. However, an investor who does not wish to receive CAS through email can opt to receive the CAS in physical form.
- e) In case the PAN / KYC valid status is not updated in any folio, details under such folio would not be consolidated. Investors are therefore requested to ensure that their folios are updated with

	<p>PAN/ KYC valid status.</p> <p>f) The statement sent within the time frame mentioned above is subject to realisation of payment instrument and/ or verification of documents, including the application form, by the RTA/AMC.</p> <p>g) In case of any queries, investors may contact the Depositories or any of the Customer Service Centres of Union Mutual Fund.</p> <p>h) Investors may note that dispatch of CAS across all mutual funds and Depositories requires consolidation of transactions and holdings across all Fund Houses and Depositories, and the AMC shall not be responsible for any errors/ omissions except any error/omission pertaining to transactions and holdings relating to any Schemes of Union Mutual Fund.</p> <p>i) Each CAS issued to the investors shall also provide the total purchase value / cost of investment in each scheme.</p> <p>j) For the purpose of CAS containing additional disclosures such as the amount of actual commission paid by the AMC/Mutual Fund to distributors, the term 'commission' refers to all direct monetary payments and other payments made in the form of gifts / rewards, trips, event sponsorships etc. by the AMC/Mutual Fund to distributors. Further, the commission disclosed in the CAS is gross commission and does not exclude costs incurred by distributors such as service tax (wherever applicable, as per existing rates), operating expenses, etc.</p>
<p>Dividend</p>	<p>The dividend warrants / proceeds shall be dispatched to the unitholders within 30 days of the date of declaration of the dividend.</p> <p>In case of Unit holders having a bank account with certain banks with which the Mutual Fund would have an arrangement from time to time, the dividend proceeds shall be electronically credited to their account.</p> <p>In case of specific request for dividend by warrants/cheques/demand drafts or unavailability of sufficient details with the Fund, the dividend will be paid by warrant/cheques/demand drafts and payments will be made in favour of the unitholder (registered holder of the Unit or, if there are more than one registered holder, only to the first registered holder) with bank account number furnished to the Fund.</p> <p>Please note that it is mandatory for the unitholders to provide the bank account details as per SEBI guidelines.</p> <p>In case of Units under the dividend option held in dematerialised mode, the Depositories (NSDL/CDSL) will give the list of demat account holders</p>

	<p>and the number of Units held by them in electronic form on the Record date to the AMC/Registrar. The dividend pay-out will be credited to the bank account of the investor, as per the bank account details recorded with the DP.</p>
<p>Redemption</p>	<p>The redemption or repurchase proceeds shall be dispatched to the unitholders within 10 working days from the date of redemption or repurchase.</p> <p>For redeeming units of the Scheme, an investor would need to submit a duly filled-in redemption application at any of CSC/Official Point of Acceptance. However, an investor who holds units in the demat mode is required to place an order for redemption (subject to applicable limits prescribed in SID, if any or as may be communicated from time to time) directly with the DP.</p> <p>The redemption/ switch would be permitted to the extent of credit balance in the unitholder's account. The redemption/ switch request can be made by specifying either the number of units or the amount (in rupees) to be redeemed.</p> <p>In case the investor specifies the number of units and amount to be redeemed, the number of units shall be considered for redemption. In case the unitholder does not specify the number of units or amount to be redeemed, the redemption request will not be processed.</p> <p>For details regarding the minimum amount for redemption please see the point on 'Minimum amount for Purchase/Redemption /Switches' in this document.</p> <p>In the larger interest of the unit holders of the Scheme, the AMC may, on the basis of specific approval of the Board of Directors of the AMC and the Trustee Company, impose restriction on redemption of units when there are circumstances leading to a systemic crisis or event that severely constricts market liquidity or efficient functioning of markets such as:</p> <ol style="list-style-type: none"> 1. Liquidity issues - when market at large becomes illiquid affecting almost all securities. 2. Market failures, exchange closures - when markets are affected by unexpected events which impact the functioning of exchanges or the regular course of transactions. Such unexpected events could also be related to political, economic, military, monetary or other emergencies. 3. Operational issues - when exceptional circumstances are caused by force majeure, reasonably unpredictable operational problems and technical failures (e.g. a black out) which occur in spite of appropriate

diligence of third parties, adequate and effective disaster recovery procedures and systems.

4. If so directed by SEBI.

Unusual market conditions include, but are not limited to, extreme volatility in the capital markets, fixed income and money markets, natural calamities, communication breakdowns, internal system breakdowns, strikes, bandhs, riots or other situations, where the AMC considers that such restriction on redemptions is necessary. Any such restriction shall be for a specified period of time not exceeding 10 working days in any 90 days period. Any imposition of restriction would be with the specific approval of Board of the AMC and Trustee Company, and the same would be informed to SEBI immediately.

When restriction on redemption is imposed, the following procedure shall be followed:

- i. No redemption requests upto ₹ 2 lakh shall be subject to such restriction.
- ii. Where redemption requests are above ₹ 2 lakh, the AMC shall redeem the first ₹ 2 lakh without such restriction and the remaining part over and above ₹ 2 lakh shall be subject to such restriction

For details, please refer to the paragraph on '*Right to limit redemption*' in the SAI.

The AMC reserves the right to, in consultation with the Trustee, suspend the purchase and/ or redemption of units temporarily or indefinitely, in case of unforeseen extraordinary circumstances.

For details, please refer to paragraph on 'Suspension of Purchase and / or Redemption of Units and Dividend Distribution' in the SAI.

Please note that it is mandatory for the investors of mutual fund schemes to mention their bank account numbers in their applications/requests for redemption. Also, please refer to point on "Registration of Multiple Bank Accounts in respect of an Investor Folio" given elsewhere in this document.

Payment of redemption proceeds:

Resident Investors:

In case of Unit holders having a bank account with certain banks with which the Mutual Fund would have an arrangement from time to time, the redemption proceeds shall be electronically credited to their account. In

case of specific requests, redemption proceeds will be paid by way of cheques/demand drafts in favour of the unitholder (registered holder of the Unit or, if there are more than one registered holder, only to the first registered holder) with bank account number furnished to the Fund.

Redemption by NRIs:

For NRIs, redemption proceeds will be remitted depending upon the source of investment as follows:

- Where the payment for the purchase of the units redeemed was made out of funds held in NRO account, the redemption proceeds will be credited to the NRI investor's NRO account
- Where the units were purchased on repatriation basis and the payment for the purchase of the units redeemed was made by inward remittance through normal banking channels or out of funds held in NRE / FCNR account, the redemption proceeds will be credited to his NRE / FCNR / NRO account

Note :

- i. The Fund will not be liable for any delays or for any loss on account of any exchange fluctuations, while converting the rupee amount in foreign exchange in the case of transactions with NRIs / FIIs.
- ii. Payment to NRI / FII Unit holders will be subject to the relevant laws / guidelines of the RBI as are applicable from time to time (also subject to deduction of tax at source as applicable).
- iii. The Fund may make other arrangements for effecting payment of redemption proceeds in future.
- iv. The cost related to repatriation, if any will be borne by the Investor.

Redemption under Dematerialised mode:

The investor who holds units in the demat mode is required to place an order for redemption (subject to applicable limits prescribed in SID, if any or as may be communicated from time to time) directly with the DP. The investors should provide request for redemption to their DP along with Depository Instruction Slip and such other documents as may be specified by the DP. The redemption requests submitted to the AMC/ Registrar directly are liable to be rejected. Further, it may be noted that the date and time available in the electronic feed from the DP sent to the

AMC/Registrar will only be considered for the purpose of determination of Applicable NAV. The redemption proceeds will be credited (within the time stipulated in the SID) to the bank account of the investor, as per the bank account details recorded with the DP.

Effect of Redemptions

The balances in the unitholder's account will stand reduced by the number of units redeemed. Units once redeemed will be extinguished and will not be reissued.

Unclaimed redemptions and dividends

As per circular no. MFD / CIR / 9 / 120 / 2000, dated November 24, 2000 issued by SEBI, the unclaimed redemption and dividend amounts shall be deployed by the Fund in call money market or money market instruments only. The investment management fee charged by the AMC for managing such unclaimed amounts shall not exceed 50 basis points. Investors claiming these amounts during a period of three years from the due date shall be paid at the prevailing NAV. After a period of three years, this amount shall be transferred to a pool account and the investors can claim the said amounts at the NAV prevailing at the end of the third year. Income earned on such funds shall be used for the purpose of investor education. The AMC shall make a continuous effort to remind investors through letters to take their unclaimed amounts.

Alternative mechanism for redemption

The AMC reserves the right to provide the facility of redeeming Units of the Scheme through an alternative mechanism including but not limited to online transactions on the Internet through the AMC website or any other website, etc., as may be decided by the AMC from time to time. The alternative mechanisms would be applicable to only those investors who opt for the same in writing and/or subject to investor fulfilling such conditions as AMC may specify from time to time.

Bank Details:

In order to protect the interest of Unit holders from fraudulent encashment of redemption / dividend cheques, SEBI has made it mandatory for investors to provide their bank details viz. name of bank, branch, address, account type and number, etc. to the Mutual Fund. Applications without complete bank details shall be rejected. The AMC will not be responsible for any loss arising out of fraudulent encashment of cheques / warrants and / or any delay / loss in transit. Also, please refer to point on 'Registration of Multiple Bank Accounts in respect of an Investor Folio' given elsewhere in this document and the point on 'Bank Account details mandatory for all investors' given in the SAI.

	<p>Bank Mandate under Dematerialised mode:</p> <p>In case of those unit holders, who hold units in demat form, the bank mandate available with the respective DP will be treated as the valid bank mandate for the purpose of pay-in at the time of subscription or purchase/ pay-out at the time of maturity or at the time of any corporate action. In view of the above, Multiple Bank Mandate registration facilities with the AMC will not be applicable to Demat account holders.</p>
<p>Delay in payment of redemption / repurchase proceeds/ dividend</p>	<p>Under normal circumstances, the redemption or repurchase proceeds shall be dispatched to the unitholders within 10 working days from the date of redemption or repurchase and the dividend warrants shall be dispatched to the unitholders within 30 days of the date of declaration of the dividend.</p> <p>The AMC shall be liable to pay interest to the unitholders at such rate as may be specified by SEBI for the period of such delay (presently @ 15% per annum).</p> <p>However, the AMC will not be liable to pay any interest or compensation or any amount otherwise, in case the AMC / Trustee is required to obtain from the investor / unitholders, verification of identity or such other details relating to subscription for units under any applicable law or as may be requested by a regulatory body or any government authority, which may result in delay in processing the application.</p>
<p>Non Financial Transactions</p>	<p>Non financial transactions will be accepted only for such investors who hold units in physical form (i.e. by way of an Account Statement). For those investors who hold units in Demat mode, all non- financial transactions such as Change in Address, Bank Mandate, Nominee Registration etc. should be routed directly through their DP's as per the format defined by the DPs. Non-financial transaction request from demat account holder submitted directly to the AMC/ Registrar are liable to be rejected.</p>

C. PERIODIC DISCLOSURES.

<p>Net Asset Value</p> <p>This is the value per unit of the Scheme on a particular day. You can ascertain the value of your investments by multiplying the NAV with your Unit balance.</p>	<p>The Mutual Fund shall declare the Net Asset Value of the Scheme on every business day on AMFI's website www.amfiindia.com and also on the website of Union Mutual Fund www.unionmf.com by 9:00 p.m.</p> <p>The first NAV of the Scheme will be calculated and disclosed within a period of 5 business days from the date of allotment. Subsequently, the NAVs will be calculated for all Business Days and released to the Press. The NAV of the Scheme shall be published in at least in two daily newspapers on all Business Days in accordance with the SEBI Regulations (alongwith sale and repurchase prices).</p> <p>Due to any reason, if the NAVs of the Scheme are not available before the commencement of Business Hours on the following day, the Mutual Fund shall issue a press release giving reasons and explaining when the Mutual Fund would be able to publish the NAV.</p> <p>Information regarding NAV can be obtained by the Unit holders / Investors by calling or visiting the nearest CSC.</p>
<p>Monthly Portfolio Disclosures</p>	<p>The AMC will disclose the portfolios of all the schemes of Union Mutual Fund as on the last day of the month on the AMC's website (www.unionmf.com) on or before the tenth day of the succeeding month.</p> <p>The Investors will be able to view and download these monthly portfolio disclosures from the AMC's website.</p>
<p>Half yearly Disclosures: Portfolio / Financial Results</p> <p>This is a list of securities where the corpus of the Scheme is currently invested. The market value of these investments is also stated in portfolio disclosures.</p>	<p>The Mutual Fund shall publish a complete statement of the Scheme portfolio, within one month from the close of each half year (i.e. 31st March and 30th September), by way of an advertisement at least, in one National English daily and one regional newspaper in the language of the region where the head office of the Mutual Fund is located.</p> <p>The Mutual Fund may opt to send the portfolio to all Unit holders in lieu of the advertisement (if applicable).</p> <p>The Portfolio Statement will also be displayed on the website of the AMC and AMFI.</p> <p>The disclosure of the financial results shall be made as described in the section on "Half Yearly Results" (as mentioned below).</p>
<p>Half Yearly Results</p>	<p>The Mutual Fund and AMC shall before the expiry of one month from the close of each half year i.e. 31st March and on 30th</p>

	<p>September, host a soft copy of its unaudited financial results on its website (www.unionmf.com).The Mutual Fund and AMC shall publish an advertisement disclosing the hosting of such financial results on its website, in atleast one English daily newspaper having nationwide circulation and in a newspaper having wide circulation published in the language of the region where the Head Office of the Mutual Fund is situated.</p> <p>The unaudited financial results will also be displayed on the website of AMFI.</p>												
<p>Annual Report</p>	<p>The Scheme wise annual report or an abridged summary thereof shall be mailed (only emailed, where e-mail address is available and registered with the AMC/ Registrar/Fund) to all Unit holders not later than four months (or such other period as may be specified by SEBI from time to time) from the date of closure of the relevant accounting year (i.e. 31st March each year) and full annual report shall be available for inspection at the Head Office of the Mutual Fund and a copy shall be made available to the Unit holders on request on payment of nominal fees, if any. Scheme wise annual report shall also be displayed on the website of the AMC (www.unionmf.com) and Association of Mutual Funds in India (www.amfiindia.com).</p> <p>Investors are requested to note that the physical copies of scheme annual report or abridged summary thereof shall not be mailed in cases where they have been emailed at the email addresses of the investors available with the Mutual Fund. Investors who still wish to receive these reports in the physical mode may specifically communicate such preference to the AMC/ Registrar/ Fund.</p> <p>Scheme wise annual report or an abridged summary thereof shall be sent in physical mode to the Unit holders whose email address is not available/registered with the AMC/ Registrar/Fund and/or to those Unit holders who have specifically opted / requested for the physical format in the application form.</p>												
<p>Associate Transactions</p>	<p>Please refer to Statement of Additional Information (SAI).</p>												
<p>Taxation</p> <p>The information is provided for general information only. However, in view of the individual nature of the implications, each investor is advised to consult his or her own tax advisors/authorised dealers with respect to the specific amount of tax</p>	<p>Equity Funds</p> <table border="1" data-bbox="672 1600 1276 1812"> <thead> <tr> <th></th> <th>Resident Investors</th> <th>Mutual Fund</th> </tr> </thead> <tbody> <tr> <td>Tax on Dividend</td> <td>Nil</td> <td>Nil</td> </tr> <tr> <td>Capital Gains Tax</td> <td></td> <td></td> </tr> <tr> <td>Long Term</td> <td>Nil</td> <td>Nil</td> </tr> </tbody> </table>		Resident Investors	Mutual Fund	Tax on Dividend	Nil	Nil	Capital Gains Tax			Long Term	Nil	Nil
	Resident Investors	Mutual Fund											
Tax on Dividend	Nil	Nil											
Capital Gains Tax													
Long Term	Nil	Nil											

and other implications arising out of his or her participation in the Scheme.	(Holding period more than 12 months)			
	Short Term (Holding period upto 12 months)	15%	Nil	

1. Equity scheme will also attract securities transaction tax (STT) at applicable rates.

2. The aforesaid tax rates shall be increased by applicable surcharge (as mentioned in the table below) and applicable educational cess.

Total Income	Individuals, HUFs, AOP, BOI, Co-op. Societies & Firms	Domestic Companies	Foreign Companies
Upto ₹ 1 crore	Nil	Nil	Nil
Above ₹ 1 crore & upto ₹ 10 crore	15%	7%	2%
Above ₹ 10 crore	15%	12%	5%

3. For further details on taxation, please refer to the clause on Taxation in the SAI.

4. Union Mutual Fund is a Mutual Fund registered with the Securities & Exchange Board of India and hence the entire income of the Mutual Fund will be exempt from income tax in accordance with the provisions of Section 10(23D) of the Income-tax Act, 1961 (the Act).

Investors are requested to note that the tax position prevailing at the time of investment may change in future due to statutory amendment. The Mutual Fund will pay / deduct taxes as per the applicable tax laws on the relevant date. Additional tax liability, due to such changes in the tax structure, shall be borne by the investors and not by AMC or Trustees.

	<p>The characterization of gains / losses arising from transfer / redemption of units as capital gains or business income would depend on the classification of the said units by the unitholder. It would depend on whether the unit holder has classified such units as capital assets or as stock in trade.</p>
<p>Investor Services</p>	<p>For any enquires/ complaints/ service requests / etc. the investors may contact:</p> <p>i. Computer Age Management Services Pvt. Ltd. (R &T)</p> <p>Ground Floor No.178/10, Kodambakkam High Road, Opp. Hotel Palmgrove, Nungambakkam, Chennai, Tamil Nadu - 600 034. e-mail: enq_uk@camsonline.com</p> <p>ii. Union Asset Management Company Pvt. Ltd.</p> <p>Mr. Joseph Idichandy Investor Relations Officer,</p> <p>Unit 503, 5th Floor, Leela Business Park, Andheri Kurla Road, Andheri (E) Mumbai – 400 059 Phone:022- 6748 3333, Fax No: 022 – 6748 3401 Toll free no.: 18002002268 e-mail: investorcare@unionmf.com</p> <p>For verification of investor's identity, the service representatives may require personal information of the investor in order to protect confidentiality of information.</p> <p>The AMC will at all times endeavour to handle transactions efficiently and to resolve any investor grievances promptly.</p> <p>It may be noted that all grievances/ complaints with regard to demat mode of holding shall be routed only through the DP/NSDL/CDSL.</p>

D. COMPUTATION OF NAV

The Net Asset Value (NAV) per unit will be computed by dividing the net assets of the Scheme/Plan/Option by the number of units outstanding under the Scheme /Plan/Option on the valuation date.

The Fund will value its investments according to the valuation norms, as per the AMC's valuation policy and as specified in Eighth Schedule of the SEBI (MF) Regulations, or such norms as may be specified by SEBI from time to time.

The Net Assets Value (NAV) per unit under the Scheme/Plan/Option shall be calculated as follows:

$$\text{NAV (₹)} = \frac{\text{Market or Fair Value of Scheme's + investments} + \text{Current Assets including accrued income} - \text{Current Liabilities and Provisions including accrued expenses}}{\text{No. of Units outstanding under Scheme/Plan/Option}}$$

The NAV shall be calculated up to two decimal places. However, the AMC reserves the right to declare the NAVs upto additional decimal places as it deems appropriate. Separate NAV will be calculated and disclosed for each Option under each Plan. The NAVs of the Growth Option and the Dividend Option under each Plan will be different after the declaration of the first dividend.

The AMC will calculate and disclose the first NAV of the Scheme within a period of 5 business days from the date of allotment. Subsequently, the NAVs will be calculated for all the Business Days.

The NAV of the Scheme will be calculated upto 2 decimals.

Rounding off policy for NAV:

To ensure uniformity, the Mutual Fund shall round off NAVs up to two decimal places. However, the Mutual Fund can round off the NAVs up to more than two decimal places, if it so desires.

For this scheme, NAV will be declared upto two decimal places and the second decimal will be rounded off to the next higher digit if the third decimal is or more than 5 i.e., if the NAV is 10.137 it will be rounded off to 10.14.

IV. FEES AND EXPENSES

This section outlines the expenses that will be charged to the Scheme.

A. NEW FUND OFFER (NFO) EXPENSES

These expenses are incurred for the purpose of various activities related to the NFO like sales and distribution fees paid, marketing and advertising, Registrar & Transfer Agents expenses, printing and stationary, bank charges etc.

In accordance with the provisions of SEBI Circular no. SEBI/ IMD/CIR No. 1/64057/06 dated April 04, 2006 and SEBI/IMD/CIR No. 4/ 168230/09 dated June 30, 2009, the NFO expenses shall be borne by the AMC/Trustee/Sponsor.

B. ANNUAL SCHEME RECURRING EXPENSES

These are the fees and expenses for operating the Scheme. These expenses include Investment Management and Advisory Fee charged by the AMC, Registrar & Transfer Agent's fee, marketing and selling costs etc. as given in the table below:

Estimated Expenses and limits on Recurring Expenses:

The AMC has estimated that the below specified percentage of the daily net assets of the Scheme will be charged to the Scheme as expenses. For the actual current expenses being charged, the investor should refer to the website of the AMC.

Expense Head	% of daily Net Assets
Investment Management and Advisory Fees *	Upto 2.50%**
Trustee fee	
Audit fees	
Custodian fees	
Registrar & Transfer Agent Fees	
Marketing & Selling expense including agents commission	
Cost related to investor communications	
Cost of fund transfer from location to location	
Cost of providing account statements and dividend, redemption cheques and warrants	
Costs of statutory advertisements	
Cost towards investor education & awareness (at least 2 basis points)	
Brokerage & transaction costs over and above 12 basis points and 5 basis points for cash and derivative market trades respectively	
Service tax* on expenses other than investment and advisory fees	
Service tax* on brokerage and transaction cost	
Other expenses^	
Maximum total expense ratio (TER) permissible under Regulation 52 (6) (c) (i) and (6) (a), as applicable	Upto 2.50%**
Additional expenses under Regulation 52 (6A) (c)	Upto 0.20%~
Additional expenses for gross new inflows from specified cities under regulation 52 (6A) (b)	Upto 0.30%#

^ Subject to the Regulations.

*Service Tax:

- The service tax on investment and advisory fees charged to the scheme will be **in addition** to the maximum limit of TER.
- Service tax on other than investment and advisory fees, if any, will be borne by the scheme **within the maximum** limit of TER.
- Service tax on exit load, if any, will be paid out of the exit load proceeds.

- d. Service tax on brokerage and transaction cost paid for execution of trades, if any, will be **within the maximum** limit of TER.

**Subject to the slab-wise ceiling prescribed by SEBI on the basis of daily net assets indicated as follows:

Percentage limit of daily net assets of the Scheme:

On the first ₹ 100 crores of the daily net assets:	2.50%
On the next ₹ 300 crores of the daily net assets:	2.25%
On the next ₹ 300 crores of the daily net assets:	2.00%
On the balance of the assets:	1.75%

~Additional expenses up to 0.20 % of daily net assets of the Scheme, incurred towards the different heads mentioned under Regulation 52(2) and 52(4) of the SEBI (Mutual Funds) Regulations, 1996 may be charged by the AMC.

#For inflows beyond top 15 cities: In addition to the above Annual Scheme Recurring Expenses charged to the scheme, expenses up to 30 basis points on daily net assets of the scheme may be charged to the scheme if the new inflows from beyond top 15 cities are at least:

- 30% of gross new inflows in the scheme, or;
 - 15% of the average assets under management (year to date) of the scheme,
- whichever is higher.

In case the inflows from beyond top 15 cities are less than the higher of (a) or (b) above, such additional expenses on daily net assets of the scheme will be charged on a proportionate basis as prescribed by SEBI.

The above additional expenses charged to the scheme will be utilized for distribution expenses incurred for bringing inflows from such cities.

The additional Total Expense Ratio (TER) on account of inflows from beyond top 15 cities so charged shall be credited back to the scheme in case the said inflows are redeemed within a period of 1 year from the date of investment.

Note:

- These estimates have been made in good faith as per the information available and estimates made by the Investment Manager/ AMC and are subject to change inter-se or in total subject to prevailing Regulations. The AMC may incur actual expenses which may be more or less than those estimated above under any head and/or in total. Type of expenses charged shall be as per the Regulations.

b. The AMC may charge the Mutual Fund with investment and advisory fee as prescribed in the SEBI (MF) Regulations from time to time and as permitted by the Investment Management Agreement.

c. **Brokerage and transactions costs:** Brokerage and transaction costs which are incurred for the purpose of execution of trades and are included in the cost of investments shall be charged to the Scheme in addition to the limits on total expenses prescribed under Regulation 52(6) of the SEBI (Mutual Funds) Regulations 1996 and will not exceed 0.12 per cent in case of cash market transactions and 0.05 per cent in case of derivatives transactions.

As per SEBI Circular dated November 19, 2012 having reference number CIR/IMD/DF/24/2012, the brokerage and transaction cost incurred for the purpose of execution of trade may be capitalized to the extent of 12bps for cash market transactions and 5bps for derivatives transactions. Any payment towards brokerage and transaction cost, over and above the said 12 bps for cash market transactions and 5 bps in case of derivatives transactions may be charged to the scheme within the maximum limit of Total Expense Ratio (TER) as prescribed under regulation 52 of the SEBI (Mutual Funds) Regulations, 1996. Any expenditure in excess of the said prescribed limit (including brokerage and transaction cost, if any) shall be borne by the AMC or by the trustee or sponsor.

d. **The Direct Plan shall have a lower expense ratio as compared to the Regular Plan to the extent of distribution expenses, commission, etc and no commission on distribution expenses for distribution of Units will be paid / charged under the Direct Plan.**

e. **The total expenses of the Scheme including the investment management and advisory fee shall not exceed the limit stated in Regulation 52 of the SEBI (MF) Regulations.**

f. Subject to the SEBI Regulations and this document, expenses over and above the prescribed ceiling will be borne by the AMC / Trustee / Sponsor.

g. The current expense ratios will be updated on the AMC website viz. www.unionmf.com within two working days mentioning the effective date of the change.

h. Illustration of impact of expense ratio on the Scheme's returns:

Illustration of expenses and impact on the return	
Opening NAV Per Unit for the Day (a)	10.0000
Closing NAV Per Unit for the Day (b)	11.0000
NAV Movement Per Unit (c = a – b)	1.0000
Flat Return for the Day after expenses (d = (c / a) %)	10.0000%
TER % (e)	2.000%
Expenses for the Day (f = (b * e)/365)	0.00060
Expenses for the Day % (g = (f / b) %)	0.0055%
Flat Return prior to expenses for the Day (h = d + g)	10.0055%

The above illustration is purely given to explain the impact of the expense ratio on a scheme's return and should not be construed as an indicative return of the scheme.

C. LOAD STRUCTURE

Load is an amount which is presently paid by the investor to redeem the Units from the Scheme. This amount net of service tax will be credited back to the Scheme. Load amounts are variable and are subject to change from time to time. For the current applicable structure, investors may refer to the website of the AMC (www.unionmf.com) or may call at 18002002268 (*toll free no.*) or you can contact your distributor.

Type of Load	Load Chargeable (as a % to NAV)
Entry Load[#]	Nil
Exit Load[*]	<p>20% of the units allotted may be redeemed without any exit load, on or before completion of 18 months from the date of allotment of units. Any redemption in excess of such limit in the first 18 months from the date of allotment shall be subject to the following exit load. Redemption of units would be done on First in First out Basis (FIFO):</p> <ul style="list-style-type: none"> • 1% if redeemed or switched out on or before completion of 18 months from the date of allotment of units • Nil, if redeemed or switched out after completion of 18 months from the date of allotment of units. <p>Pursuant to SEBI circular No. SEBI/IMD/CIR No. 14/120784/08 dated March 18, 2008, with effect from April 1, 2008, no entry load or exit load shall be charged in respect of units allotted on reinvestment of dividend.</p>

[#] Pursuant to SEBI circular No. SEBI/IMD/CIR No. 4/ 168230/09 dated June 30, 2009, no entry load will be charged for purchase/ additional purchase/switch in/ SIP/ STP transactions accepted by the Fund. The upfront commission on investment made by the investor, if any, shall be paid to the ARN Holder directly by the investor, based on the investor's assessment of various factors including service rendered by the ARN Holder.

^{*}Service tax on exit load, if any, will be paid out of the exit load proceeds and Exit load net of service tax, if any, will be credited to the Scheme.

The above mentioned load structure shall be equally applicable to the special products such as STP, SWP, switches, to other schemes, etc. offered by the AMC. However, no load will be applicable for switches between the plans under the scheme and switches between the options under each plan under the scheme. Further, the AMC shall not charge any load on issue of bonus units and units allotted on reinvestment of dividend for existing as well as prospective investors.

The Investor is requested to check the prevailing Load structure, if any, of the Scheme before investing.

The AMC / Trustee reserves the right to change / modify the Load structure, subject to the limits prescribed under the Regulations, if it so deems fit in the interest of investors and for the smooth and efficient functioning of the Mutual Fund.

The Repurchase Price however, will not be lower than 93% of the NAV subject to SEBI Regulations as amended from time to time. Similarly, the difference between the Repurchase price and Sale price at any point in time shall not exceed the permitted limit as prescribed by SEBI from time to time which is presently 7% calculated on the Sale Price.

The Mutual Fund may charge the load within the stipulated limit of 7% and without any discrimination to any specific group of unit holders.

Any imposition or enhancement in the Load in future shall be applicable on prospective investments only.

Procedure for changing the Load Structure:

At the time of changing the Load Structure, the AMC shall follow the following procedure:

1. An Addendum detailing the changes will be attached to Scheme Information Document (s) and Key Information Memorandum. The addendum may be circulated to all the distributors / brokers so that the same can be attached to all Scheme Information Documents and Key Information Memoranda already in stock.
2. The addendum will be displayed on the website of the AMC and arrangements will be made to display the addendum in the form of a notice in all the Investor Service Centers and distributors / brokers' office.
3. The introduction of the Exit Load/ CDSC along with the details may be stamped in the acknowledgement slip issued to the Investors on submission of the application form and may also be disclosed in the statement of accounts issued after the introduction of such Load/CDSC.
4. A public notice shall be given in respect of such changes in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of region where the Head Office of the Mutual Fund is situated.
5. Any other measure which the Mutual Fund may consider necessary.

D. WAIVER OF LOAD FOR DIRECT APPLICATIONS

Pursuant to SEBI circular no. SEBI/IMD/CIR No.4/ 168230/09 dated June 30,2009 no entry load will be charged for purchase / additional purchase / switch-in / SIP/ STP transactions accepted by the Fund. The upfront commission on investment made by the investor, if any, shall be paid to the ARN Holder directly by the investor, based on the investor's assessment of various factors including service rendered by the ARN Holder.

E. TRANSACTION CHARGES TO DISTRIBUTORS

In accordance with the terms of SEBI Circular Cir/ IMD/ DF/13/ 2011 dated August 22, 2011 on Transaction Charges, the AMC/Mutual Fund shall deduct the Transaction Charges on purchase / subscription received from first time mutual fund investors and investors other than first time mutual fund investors through the distributor (**who have specifically opted in to receive the transaction charges**) as under:

- **First Time Mutual Fund Investor (across Mutual Funds):**
Transaction charge of ₹ 150/- for subscription of ₹ 10,000 and above will be deducted from the subscription amount and paid to the distributor/agent of the first time investor and the balance amount shall be invested.
- **Investor other than First Time Mutual Fund Investor:**
Transaction charge of ₹ 100/- per subscription of ₹ 10,000 and above will be deducted from the subscription amount and paid to the distributor/agent of the existing investor and the balance amount shall be invested.

It may be noted that the transaction charges shall be subject to the following:

- Transaction charges in case of investments through Systematic Investment Plan (SIP) shall be deducted only if the total commitment (i.e. amount per SIP installment x No. of installments) through SIPs amounts to ₹ 10,000/- or more. The Transaction Charges shall be deducted in 4 equal installments commencing from the second SIP installment.
- Distributors shall be able to choose to “opt in” OR “opt out” of charging the transaction charge. However, the option exercised by the Distributor is required to be at distributor level and may be based on type of product but not at investor level i.e. a distributor shall not charge one investor and choose not to charge another investor.
- Transaction charges shall not be deducted for (i) purchases/ subscriptions made directly with the Fund (i.e. not through any distributor); (ii) purchase/subscriptions below ₹ 10,000/- and (iii) transactions other than purchases/ subscriptions relating to new inflows such as Switch/ STP/SWP/Dividend Sweep etc.

It may be further noted that the transaction charges are in addition to the existing system of commission permissible to the Distributors. It is further clarified that pursuant to SEBI Circular No. SEBI/IMD/CIR No. 4/ 168230/09, dated June 30, 2009, upfront commission to distributors shall continue to be paid by the investor directly to the distributor by a separate cheque based on his assessment of various factors including the service rendered by the distributor.

V. RIGHTS OF UNITHOLDERS

Please refer to SAI for details.

VI. PENALTIES, PENDING LITIGATION OR PROCEEDINGS, FINDINGS OF INSPECTIONS OR INVESTIGATIONS FOR WHICH ACTION MAY HAVE BEEN TAKEN OR IS IN THE PROCESS OF BEING TAKEN BY ANY REGULATORY AUTHORITY

This section shall contain the details of penalties, pending litigation, and action taken by SEBI, other regulatory and Govt. Agencies.

1. All disclosures regarding penalties and action(s) taken against foreign Sponsor(s) may be limited to the jurisdiction of the country where the principal activities (in terms of income / revenue) of the Sponsor(s) are carried out or where the headquarters of the Sponsor(s) is situated. Further, only top 10 monetary penalties during the last three years shall be disclosed.

Nil

2. In case of Indian Sponsor(s), details of all monetary penalties imposed and/ or action taken during the last three years or pending with any financial regulatory body or governmental authority, against Sponsor(s) and/ or the AMC and/ or the Board of Trustee /Trustee Company; for irregularities or for violations in the financial services sector, or for defaults with respect to shareholders or debenture holders and depositors, or for economic offences, or for violation of securities law. Details of settlement, if any, arrived at with the aforesaid authorities during the last three years shall also be disclosed.

RBI had imposed a penalty of ₹ 9.39 lakh during the financial year 2014 - 15, ₹ 6.26 lakh during the financial year 2015 – 16 and ₹ 8.43 lakh during the financial year 2016-17 and ₹ 3.25 lakh during the financial year 2017-18 (till date) on Union Bank of India which pertained to currency chest related penalties, which has been paid by the Bank. Further in the month of July 2017, RBI had imposed a monetary penalty aggregating ₹ 3 crore on Union Bank of India for non-compliance with the directions issued by RBI on 'Know-Your-Customer' (KYC) norms, which has been paid by the Bank.

3. Details of all enforcement actions taken by SEBI in the last three years and/ or pending with SEBI for the violation of SEBI Act, 1992 and Rules and Regulations framed there under including debarment and/ or suspension and/ or cancellation and/ or imposition of monetary penalty/adjudication/enquiry proceedings, if any, to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustee /Trustee Company and/ or any of the directors and/ or key personnel (especially the fund managers) of the AMC and Trustee Company were/ are a party. The details of the violation shall also be disclosed.

In respect of the inspection conducted by SEBI of Union Mutual Fund for the period between February 1, 2013 to March 31, 2014, SEBI has issued a show cause notice to Union Mutual Fund, Union Asset Management Company Private Limited, Union Trustee Company Private Limited (Noticee no. 1, 2 and 3) and Shri G. Pradeepkumar, Chief Executive Officer of Union Asset Management Company Private Limited (Noticee no. 4), with respect to the following: (i) Investment by Union Ultra Short Term Debt Fund in the units of Union Liquid Fund is considered as a deviation and non-alignment from the investment objective of Union Ultra Short Term Debt Fund (ii) Allotment of units in the New Fund Offer (NFO) of Union Tax Saver Scheme to investors where money/ credits have been received after the date of NFO allotment. It is alleged that the above actions are not in accordance with the Regulation 18(22), Regulation 25 (16), Regulation 68(h) read with clauses 6, 8 and 9 of Schedule V of the SEBI (Mutual Funds) Regulations, 1996 by noticees 1, 2 and 3 and of Regulation 25(6A) of the SEBI (Mutual Funds) Regulations, 1996 by noticee 4. The matter is pending adjudication.

4. Any pending material civil or criminal litigation incidental to the business of the Mutual Fund to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustees /Trustee Company and/ or any of the directors and/ or key personnel area party should also be disclosed separately.

Nil

5. Any deficiency in the systems and operations of the Sponsor(s) and/ or the AMC and/ or the Board of Trustees/Trustee Company which SEBI has specifically advised to be disclosed in the SID, or which has been notified by any other regulatory agency, shall be disclosed.

Nil

Notes:

The Scheme under this Document was approved by the Trustee on April 12, 2017. The Trustee has ensured that Union Prudence Fund is a new product offered by Union Mutual Fund and is not a minor modification of its existing schemes.

The information contained in this Document regarding taxation is for general information purposes only and is in conformity with the relevant provisions of the tax laws, and has been included relying upon advice provided by the Fund's tax advisor based on the relevant provisions of the currently prevailing tax laws.

Any dispute arising out of this issue shall be subject to the exclusive jurisdiction of the Courts in India. Statements in this Scheme Information Document are, except where otherwise stated, based on the law, practice currently in force in India, and are subject to changes therein.

Notwithstanding anything contained in this Scheme Information Document, the provisions of the SEBI (Mutual Funds) Regulations, 1996 and the Guidelines there under shall be applicable.

For and on behalf of

Union Asset Management Company Private Limited

Sd/-

G Pradeepkumar
Chief Executive Officer

Date: November 28, 2017

Place: Mumbai

CAMS Customer Service Centres / CAMS Transaction Points:

• **Agartala** - Advisor Chowmuhani (Ground Floor) Krishnanagar Agartala Tripura - 799001. • **Agra** - No. 8, II Floor Maruti Tower Sanjay Place Agra Uttar Pradesh - 282002. • **Ahmedabad** - 111-113, 1st Floor - Deypath Building, Off C G Road, Behind Lal Bungalow, Ellis Bridge, Ahmedabad, Gujarat - 380 006. • **Ahmednagar** - B, 1-3, Krishna Enclave Complex, Near Hotel Natraj, Nagar-Aurangabad Road, Ahmednagar, Maharashtra - 414 001. • **Ajmer** - AMC No. 423/30 Near Church Brahampuri, Opp T B Hospital Jaipur Road Ajmer Rajasthan - 305001. • **Akola** - Opp. RLT Science College Civil Lines Akola Maharashtra - 444001. • **Aligarh** - City Enclave, Opp. Kumar Nursing Home Ramghat Road Aligarh Uttar Pradesh - 202001. • **Allahabad** - 30/2, A&B, Civil Lines Station Besides Vishal Mega Mart Strachey Road Allahabad Uttar Pradesh - 211001. • **Alleppey** - Doctor's Tower Building Door No. 14/2562, 1st floor North of Iorn Bridge, Near Hotel Arcadia Regency Alleppey Kerala - 688011. • **Alwar** - 256A, Scheme No:1, Arya Nagar Alwar Rajasthan - 301001. • **Amaravati** - 81, Gulshan Tower, 2nd Floor Near Panchsheel Talkies Amaravati Maharashtra - 444601. • **Ambala** - Opposite PEER Bal Bhavan Road Ambala Haryana - 134003. • **Amritsar** - SCO - 18J, 'C' Block Ranjit Avenue Amritsar Punjab - 140001. • **Anand** - 101, A.P. Tower, B/H, Sardhar Gunj Next to Nathwani Chambers Anand Gujarat - 388001. • **Anantapur** - 15-570-33, I Floor Pallavi Towers Anantapur, Andhra Pradesh - 515 001. • **Andheri** - 351, Icon, 501, 5 Floor, Western Express Highway, Andheri - East, Mumbai - 400069. • **Ankleshwar** - Shop No - F -56 First Floor, Omkar Complex Opp Old Colony, Nr Valia Char Rasta GIDC Ankleshwar- Bharuch Gujarat - 393002. • **Asansol** - Block - G 1st Floor P C Chatterjee Market Complex Rambandhu Talab P O Ushagram Asansol West Bengal - 713303. • **Aurangabad** - 2nd Floor, Block No. D-21-D-22 Motiwala Trade Center, Nirala Bazar, New Samarth Nagar, Opp. HDFC Bank, Aurangabad, Maharashtra - 431001. • **Balassore** - B C Sen Road Balassore Orissa - 756001. • **Bangalore** - Trade Centre, 1st Floor 45, Dikensan Road (Next to Manipal Centre) Bangalore Karnataka - 560 042. • **Bareilly** - F-62-63, Butler Plaza Civil Lines Bareilly Uttar Pradesh - 243001. • **Basti** - Office no 3, Ist Floor Jamia Shopping Complex, (Opposite Pandey School) Station Road Basti Uttar Pradesh - 272002. • **Belgaum** - 1st Floor, 221/2A/1B Vaccine Depot Road Near 2nd Railway gate, Tilakwadi, Belgaum Karnataka - 590006. • **Bellary** - 60/5, Mullangi Compound Gandhinagar Main Road (Old Gopalswamy Road) Bellary Karnataka - 583101. • **Berhampur** - Kalika Temple Street, Beside SBI BAZAR Branch, Berhampur - 02, Ganjam, Odisha - 760 001. • **Bhagalpur** - Krishna, I Floor Near Mahadev Cinema Dr.R.P.Road Bhagalpur Bihar - 812002. • **Bharuch (parent: Ankleshwar TP)** - F-108, Rangoli Complex Station Road Bharuch Gujarat - 392001. • **Bhatinda** - 2907 GH, GT Road Near Zila Parishad Bhatinda Punjab - 151001. • **Bhavnagar** - 305-306, Sterling Point Waghawadi Road OPP: HDFC Bank Bhavnagar Gujarat - 364002. • **Bhilai** - First Floor, Plot No. 3, Block No. 1, Priyadarshini Parisar West, Behind IDBI Bank, Nehru Nagar, Bhilai, Dist. Durg, PIN - 490020. • **Bhilwara** - Indraparstha tower Second floor Shyam ki sabji mandi Near Mukharji garden Bhilwara Rajasthan - 311001. • **Bhopal** - Plot no 10, 2nd Floor Alankar Complex Near ICICI Bank MP Nagar, Zone II Bhopal Madhya Pradesh - 462011. • **Bhubaneswar** - Plot No - 111, Varaha Complex Building 3rd Floor, Station Square Kharvel Nagar, Unit 3 Bhubaneswar Orissa - 751 001. • **Bhuj** - Data Solution, Office No:17 I st Floor Municipal Building Opp Hotel Prince Station Road Bhuj - Kutch Gujarat - 370001. • **Bhusawal (Parent: Jalgaon TP)** - 3, Adelade Apartment Christain Mohala, Behind Gulshan-E-Iran Hotel Amardeep Talkies Road Bhusawal Maharashtra - 425201. • **Bikaner** - Behind Rajasthan Patrika, In front of Vijaya Bank, 1404, Amar Singh Pura, Bikaner, Rajasthan - 334 001. • **Bilaspur** - Shop No. B - 104, First Floor, Narayan Plaza, Link Road Bilaspur, Chattisgarh - 495001. • **Bokaro** - Mazzanine Floor F-4, City Centre, Sector 4, Bokaro Steel City Bokaro Jharkhand - 827004. • **Borivali** - Hirji Heritage, 4th Floor, Office No. 402, Landmark : Above Tribhuvandas Bhimji Zaveri (TBZ), L.T. Road, Borivali - West, Mumbai - 400 092. • **Burdwan** - 1st Floor, Above Exide Showroom, 399 G T Road, Burdwan, West Bengal - 713 101. • **Kozhikode (Calicut)** - 29/97G, 2nd Floor, S.A Arcade, Mavoov Road, Arayidathupalam, Kozhikode - Kerala - 673016. • **Chandigarh** - Deepak Tower SCO 154-155, 1st Floor Sector 17-C Chandigarh Punjab - 160 017. • **Chennai** - Ground Floor No.178/10, Kodambakkam High Road, Opp. Hotel Palmgrove Nungambakkam Chennai Tamil Nadu - 600 034. • **Chhindwara** - Shop No. 01, Near Puja Lawn, Prarasia Road, Chhindwara, Madhya Pradesh - 480 001. • **Chittoorgarh** - 3 Ashok Nagar Near Heera Vatikla Chittoorgarh Rajasthan - 312001. • **Cochin** - 1st Floor, K C Centre, Door No. 42/227-B, Chittoor Road, Opp. North Town Police Station, Kacheripady, Cochin, Kerala - 682 018. • **Coimbatore** - No. 1334, Thadagam Road, Thirumoorthy Layout, R. S. Puram, Behind Venkteswara Bakery, Coimbatore - 641 002. • **Cuttack** - Near Indian Overseas Bank Cantonment Road Mata Math Cuttack Orissa - 753001. • **Darbhanga** - Ground Floor, Belbhadrapur, Near Sahara Office, Laheriasarai Tower Chowk, Laheriasarai, Darbhanga, Bihar - 846001. • **Davenegere** - 13, Ist Floor, Akkamahadevi Samaj Complex Church Road P.J.Extension Davenegere Karnataka - 577002. • **Dehradun** - 204/121 Nari Shilp Mandir Marg Old Connaught Place Dehradun Uttaranchal - 248001. • **Deoghar** - S S M Jalan Road Ground floor Opp. Hotel Ashoke Caster Town Deoghar Jharkhand - 814112. • **Dhanbad** - Urmila Towers Room No: 111 (1st Floor) Bank More Dhanbad Jharkhand - 826001. • **Dharmapuri** - 16A/63A, Pidamaneri Road Near Indoor Stadium Dharmapuri Tamil Nadu - 636 701. • **Dhule** - House No. 3140, Opp. Liberty Furniture, Jammalal Bajaj Road, Near Tower Garden, Dhule, Maharashtra - 424 001. • **Durgapur** - Plot No 3601, Nazrul Sarani City Centre, Durgapur, West Bengal - 713216. • **Erode** - 197, Seshaiyer Complex Agraharam Street Erode Tamil Nadu - 638001. • **Faizabad** - 1/13/196, A, Civil lines, behind Triupati Hotel, Faizabad Uttar Pradesh - 224001. • **Faridhabad** - B-49, Ist Floor Nehru Ground Behind Anupam Sweet House NIT Faridhabad Haryana - 121001. • **Gandhidham** - S-7, Ratnakala Arcade, Plot No. 231, Ward - 12/B, Gandhidham, Gujarat - 370 201. • **Ghaziabad** - B-11, LGF RDC, Rajnagar, Ghaziabad, Uttar Pradesh - 201002. • **Goa** - Lawande Sarmalkar Bhavan, 1st Floor, Office No. 2, Next to Mahalaxmi Temple, Panaji, (Goa), Goa - 403 001. • **Gondal (Parent Rajkot)** - A/177, Kailash Complex Opp. Khedut Decor Gondal Gujarat - 360 311. • **Gorakhpur** - Shop No. 3, Second Floor, The Mall Cross Road, A.D. Chowk Bank Road Gorakhpur Uttar Pradesh - 273001. • **Gulbarga** - Pal Complex, Ist Floor Opp. City Bus Stop, SuperMarket Gulbarga Karnataka - 585 101. • **Guntur** - Door No 5-38-44 5/1 Brodipet Near Ravi Sankar Hotel Guntur Andhra Pradesh - 522002. • **Gurgaon** - SCO - 16, Sector - 14, First Floor Gurgaon Haryana - 122001. • **Guwahati** - Piyali Phukan Road, K. C. Path, House No - 1, Rehabari, Guwahati, Assam - 781008. • **Gwalior** - G-6 Global Apartment Kailash Vihar Colony Opp. Income Tax Office, City Centre Gwalior Madhya Pradesh - 474002. • **Haldia** - 2nd Floor, New Market Complex 2nd Floor, New Market Complex Durgachak Post Office, Purba Medinipur District, Haldia West Bengal - 721 602. • **Haldwani** - Durga City Centre Nainital Road Haldwani Uttarakhand - 263139. • **Hazaribag** - Municipal Market Annanda Chowk Hazaribagh Jharkhand - 825301. • **Himmatnagar** - D-78 First Floor New Durga Bazar Near Railway Crossing Himmatnagar Gujarat - 383 001. • **Hisar** - 12, Opp. Bank of Baroda Red Square Market Hisar Haryana - 125001. • **Hoshiarpur** - Near Archiefs Gallery Shimla Pahari Chowk Hoshiarpur Punjab - 146 001. • **Hosur** - No. 9/2, 1st Floor, Attibele Road, HCF Post, Behind RTO Office, Mathigiri, Hosur, Tamil Nadu - 635 110. • **Hubli** - No.204 - 205, 1st Floor 'B' Block, Kundagol Complex Opp. Court, Club Road Hubli Karnataka - 580 029. • **Hyderabad** - 208, II Floor Jade Arcade Paradise Circle Secunderabad Andhra Pradesh - 500 003. • **Indore** - 101, Shalimar Corporate Centre 8-B, South tukogunj, Opp. Greenpark Indore Madhya Pradesh - 452 001. • **Jabalpur** - 8, Ground Floor, Datt Towers Behind Commercial Automobiles Napier Town Jabalpur Madhya Pradesh - 482001. • **Jaipur** - R-7, Yudhisthir Marg, C-Scheme Behind Ashok Nagar Police Station Jaipur Rajasthan - 302 001. • **Jalandhar** - 367/8, Central Town Opp. Gurudwara Diwan Asthan Jalandhar Punjab - 144001. • **Jalgaon** - Rustomji Infotech Services 70, Navipeth Opp. Old Bus Stand Jalgaon Maharashtra - 425001. • **Jalna** - Shop No 6, Ground Floor Anand Plaza Complex Bharat Nagar, Shivaji Putla Road Jalna Maharashtra - 431 203. • **Jammu** - JRDS Heights Lane Opp. S&S Computers Near RBI Building, Sector 14, Nanak Nagar Jammu J & K - 180004. • **Jamnagar** - 207, Manek Centre, P.N. Marg, Jamnagar, Gujarat - 361 001. • **Jamshedpur** - Millennium Tower, "R" Road Opp. No:15 First Floor, Bistupur Jamshedpur Jharkhand - 831001. • **Jaunpur** - 248, Fort Road Near AMBER HOTEL Jaunpur Uttar Pradesh - 222001. • **Jhansi** - 372/18 D, 1st Floor above IDBI Bank, Beside V-Mart, Near "RASKHAN", Gwalior Road, Jhansi, Uttar Pradesh - 284001. • **Jodhpur** - 1/5, Nirmal Tower Ist Chopasani Road Jodhpur Rajasthan - 342003. • **Junagadh** - Circle Chowk, Near Choksi Bazar Kaman, Junagadh Gujarat - 362001. • **Kadapa** - Bandi Subbaramaiah Complex D.No:3/1718, Shop No: 8 Raja Reddy Street Kadapa Andhra Pradesh - 516 001. • **Kakinada** - D No-25-4-29, 1 floor, Kommireddy vari Street, Beside Warf Road, Opposite Swathi Medicals, Kakinada - 533001. • **Kalyani** - A - 1/50, Block - A, Dist Nadia Kalyani West Bengal - 741235. • **Kannur** - Room No.14/435 Casa Marina Shopping Centre Talap Kannur Kerala - 670004. • **Kanpur** - I Floor 106 to 108 CITY CENTRE Phase II 63/2, THE MALL Kanpur Uttar Pradesh - 208 001. • **Karimnagar** - HNo-7.1-257, Upstairs S B H Mangammathota Karimnagar Andhra Pradesh - 505 001. • **Karnal (Parent : Panipat TP)** - 29, Avtar Colony, Behind Vishal Mega Mart, Karnal - 132001. • **Karur** - 126 G, V.P.Towers, Kovai Road Basement of Axis Bank Karur Tamil Nadu - 639002. • **Katni** - 1st Floor, Gurananak Dharmakanta Jabalpur Road BARGAWAN Katni Madhya Pradesh - 483 501. • **Kestopur** - S.D.Tower, Sreeparna Apartment, AA-101, Prafulla Kannan (West), Shop No. 1M, Block-C (Ground Floor), Kestopur, Kolkata, West Bengal - 700 101. • **Khammam** - Shop No: 11 - 2 - 31/3, 1st floor, Philips Complex, Balajinagar, Wyr Road, Near Baburao Petrol Bunk, Khammam Andhra Pradesh - 507 001. • **Kharagpur** - "Silver Palace", OT Road, Inda - Kharagpur, 301G.P-Barakola, PS - Kharagpur Local, West Bengal - 721 305. • **Kolhapur** - 2 B, 3rd Floor, Ayodhya Towers Station Road, Kolhapur Maharashtra - 416001. • **Kolkata** - Saket Building, 44 Park Street, 2nd Floor Kolkata West Bengal - 700016. • **Kolkata-CC** - Room No.3A Commerce House" (4th Floor) Kolkata West Bengal - 700013. • **Kollam** - Kochupillamood Junction Near V.L.C. Beach Road Kollam Kerala - 691001. • **Kota** - B-33 'Kalyan Bhawan Triangle Part, Vallabh Nagar Kota Rajasthan - 324007. • **Kottayam** - Building No - Old No - 1319F, New No - 2512D, Behind Makkil Centre, Good Shepherd Road, Kottayam, Kerala - 686 001. • **Kukatpally** - No. 15-31-2M-1/4, 1st Floor, 14-A, MIG, KPHB Colony, Kukatpally, Hyderabad - 500072. • **Kumbakonam** - Jailani Complex 47, Mutt Street Kumbakonam Tamil Nadu - 612001. • **Kurnool** - Shop Nos. 26 and 27, Door No. 39/265A and 39/265B, Second Floor, Skanda Shopping Mall, Old Chad Talkies, Vaddageri, 39th Ward, Kurnool, Andhra Pradesh - 518001. • **Lucknow** - Off # 4, 1st Floor, Centre Court Building, 3/c, 5 - Park Road, Hazratganj Lucknow Uttarpradesh - 226 001. • **Ludhiana** - U/ GF, Prince Market, Green Field Near Traffic Lights, Sarabha Nagar Pulli Pakhowal Road, Ludhiana Punjab - 141 002. • **Madurai** - Ist Floor, 278, North Perumal Maistry Street Near Main Lane Madurai Tamil Nadu - 625 001. • **Malda** - Daxhinapan Abasan Opp Lane of Hotel Kalinga SM Pally Malda West Bengal - 732 101. • **Mangalore** - No. G 4 & G 5, Inland Monarch Opp. Karnataka Kadri Main Road, Kadri Mangalore Karnataka - 575 003. • **Manipal** - Basement floor, Academy Tower Opposite Corporation Bank Manipal Karnataka - 576104. • **Mapusa (Parent ISC : Goa)** - Office no.CF-8, 1st Floor, Business Point Above Bicholim Urban Co-op Bank Angod Mapusa Goa - 403 507. • **Margao** - F-4 - Classic Heritage Near Axis Bank, Opp. BPS Club Pajifond, Margao, Goa - 403 601. • **Mathura** - 159/160 Vikas Bazar Mathura Uttar Pradesh - 281001. • **Meerut** - 108 Ist Floor Shivam Plaza Opposite Eves Cinema, Hapur Road Meerut Uttar Pradesh - 250002. • **Mehsana** - 1st Floor, Subhadra Complex Urban Bank Road Mehana Gujarat - 384 002. • **Moga** - Gandhi Road Opp Union Bank of India Moga Punjab - 142001. • **Moradabad** - H 21-22, 1st Floor, Ram Ganga Vihar Shopping Complex, Opposite Sale Tax Office, Moradabad, Uttar Pradesh - 244 001. • **Mumbai** - Rajabhadur Compound, Ground Floor Opp Allahabad Bank, Behind ICICI Bank 30, Mumbai Samachar Marg, Fort Mumbai Maharashtra - 400 023. • **Muzzafarpur** - Brahma toli, Durgasthan Gola Road Muzaffarpur Bihar - 842001. • **Mysore** - No. 1, 1st Floor CH.26 7th Main, 5th Cross (Above Trishakthi Medicals) Saraswati Puram Mysore Karnataka - 570009. • **Nadiad (Parent TP: Anand TP)** - F-134, First Floor, Ghantakarana Complex, Gunj Bazar, Nadiad - 387 001, Gujarat. • **Nagpur** - 145 Lendra New Ramdaspath Nagpur Maharashtra - 440 010. • **Namakkal** - 156A / 1, First Floor, Lakshmi Vilas Building Opp. To District Registrar Office, Trichy Road Namakkal Tamil Nadu - 637001. • **Nasik** - Raturang Bungalow, 2 Godavari Colony Behind Big Bazar, Near Boys Town School Off College Road Nasik Maharashtra - 422005. • **Navsari** - 16, 1st Floor, Shivani Park Opp. Shankeswar Complex Kaliawadi Navasari Gujarat - 396 445. • **Nellore** - 97/56, I Floor Immadisetty Towers Ranganayakulapet Road, Santhapet, Nellore Andhra Pradesh - 524001. • **New Delhi** - 7-E, 4th Floor, Deen Dayal Research Institute Building Swami Ram Tirath Nagar, Near Videocon Tower Jhandewalan Extension, New Delhi New Delhi - 110 055. • **New Delhi-CC** - 23, Barakhamba Road Connaught Place New Delhi - 110 001. • **Noida** - G-81, 1st floor Sector - 2 Noida - 201301. • **Palakkad** - 10 / 688, Sreedevi Residency Mettupalayam Street Palakkad Kerala - 678 001. • **Palanpur** - 3rd Floor, T - 11 Opp. Government Quarter College Road Palanpur Gujarat - 385001. • **Panipat**: SCO 83-84, First Floor, Devi Lal Shopping Complex, Opp. RBL Bank, G.T.Road, Panipat, Haryana - 132103. • **Patiala** - 35, New Lal Bagh Colony Patiala Punjab - 147001. • **Patna** - G-3, Ground Floor, Om Complex, Near Saket Tower, SP Verma Road, Patna, Bihar - 800 001. • **Pondicherry** - S-8, 100, Jawaharal Nehru Street (New Complex, Opp. Indian Coffee House) Pondicherry

Pondicherry - 605001. • **Pune** - Nirmithi Eminence, Off No. 6, I Floor Opp Abhishek Hotel Mehandale Garage Road Erandwane Pune Maharashtra - 411 004. • **Rae Bareli** - 17, Anand Nagar Complex Rae Bareli Uttar Pradesh - 229001. • **Raipur** - HIG-C-23, Sector - 1 Devendra Nagar Raipur Chhattisgarh - 492004. • **Rajahmundry** - Door No: 6-2-12, 1st Floor, Rajeswari Nilayam Near Vamsikrishna Hospital, Nyapathi Vari Street, T Nagar Rajahmundry Andhra Pradesh - 533 101. • **Rajapalayam** - No 59 A/1, Railway Feeder Road Near Railway Station Rajapalayam Tamil Nadu - 626117. • **Rajkot** - Office 207 - 210, Everest Building Harihar Chowk Opp Shastri Maidan Limda Chowk Rajkot Gujarat - 360001. • **Ranchi** - 4, HB Road No: 206, 2nd Floor Shri Lok Complex H B Road Near Firayalal Ranchi Jharkhand - 834001. • **Rattlam** - Dafria & Co 18, Ram Bagh Near Scholar's School Rattlam Madhya Pradesh - 457001. • **Ratnagiri** - Kohinoor Complex Near Natya Theatre Nachane Road Ratnagiri Maharashtra - 415 639. • **Rohtak** - 205, 2ND Floor, Blg. No. 2, Munjal Complex, Delhi Road, Rohtak Haryana - 124001. • **Roorkee** - 22 Civil Lines Ground Floor Hotel Krish Residency Roorkee Uttarakhand - 247667. • **Rourkela** - 1st Floor Mangal Bhawan Phase II Power House Road Rourkela Orissa - 769001. • **Sagar** - Opp. Somani Automobiles Bhagwananjy Sagar Madhya Pradesh - 470 002. • **Saharanpur** - I Floor, Krishna Complex Opp. Hath Gate Court Road Saharanpur Uttar Pradesh - 247001. • **Salem** - No.2, I Floor Vivekananda Street, New Fairlands Salem Tamil Nadu - 636016. • **Sambalpur** - C/o Raj Tibrewal & Associates Opp. Town High School, Sansarak Sambalpur Orissa - 768001. • **Sangli** - Jiveshwar Krupa Bldg, Shop. No. 2, Ground Floor, Tilak Chowk, Harbhat Road, Sangli, Maharashtra - 416 416. • **Satara** - 117/A/3/22, Shukrawar Peth Sargam Apartment Satara Maharashtra - 415002. • **Shahjahanpur** - Bijlipura, Near Old Distt Hospital Near Old Distt Hospital Shahjahanpur Uttar Pradesh - 242001. • **Shimla** - I Floor, Opp. Panchayat Bhawan Main gate Bus stand Shimla Himachal Pradesh - 171001. • **Shimoga** - No.65, 1st Floor, Kishnappa Compound, 1st Cross, Hosmane Extn, Shimoga, Karnataka - 577 201. • **Siliguri** - 78, Haren Mukherjee Road, 1st Floor, Beside SBI Hakimpara, Siliguri - 734001. • **Sirsa** - Beside Overbridge Next to Nissan car showroom Hissar Road Sirsa Haryana - 125055. • **Sitapur** - Arya Nagar Near Arya Kanya School Sitapur Uttar Pradesh - 261001. • **Solan** - 1st Floor, Above Sharma General Store Near Sanki Rest house The Mall Solan Himachal Pradesh - 173 212. • **Solapur** - Flat No 109, 1st Floor A Wing, Kalyani Tower 126 Siddheshwar Peth Near Pangal High School Solapur Maharashtra - 413001. • **Sriganganagar** - 18 L Block Sri Ganganagar Rajasthan - 335001. • **Srikakulam** - Door No 4-4-96, First Floor, Vijaya Ganapathi Temple Back Side Nanubala Street Srikakulam Andhra Pradesh - 532 001. • **Sultanpur** - 967, Civil Lines Near Pant Stadium Sultanpur Uttar Pradesh - 228 001. • **Surat** - Plot No.629, 2nd Floor, Office No.2-C/2-D Mansukhlal Tower, Beside Seventh Day Hospital Opp. Dhiraj Sons, Athwalines Surat Gujarat - 395 001. • **Surendranagar** - 2 M I Park, Near Commerce College Wadhwan City Surendranagar Gujarat - 363035. • **Thane** - 3rd Floor, Nalanda Chambers "B" Wing, Gokhale Road, Near Hanuman Temple Naupada Thane Maharashtra - 400 602. • **Thiruppur** - 1(1), Binny Compound, II Street, Kumaran Road Thiruppur Tamil Nadu - 641601. • **Thiruvalla** - 24/590-14, C.V.P Parliament Square Building, Cross Junction, Thiruvalla, Kerala - 689 101. • **Tinsukia** - Dhawal Complex Ground Floor, Durgabari Rangangora Road, Near Dena Bank Tinsukia Assam - 786125. • **Tirunelveli** - 1 Floor, Mano Prema Complex 182 / 6, S.N High Road Tirunelveli Tamil Nadu - 627001. • **Tirupathi** - Shop No : 6, Door No: 19-10-8, (Opp to Passport Office), AIR Bypass Road, Tirupathi, Andhra Pradesh - 517 501. • **Trichur** - Room No. 26 & 27 Dee Pee Plaza Kakkalai Thrissur Kerala - 680001. • **Trichy** - No 8, I Floor, 8th Cross West Extn Thillainagar Trichy Tamil Nadu - 620018. • **Trivandrum** - R S Complex Opposite of LIC Building Pattom PO Thiruvananthapuram Kerala - 695004. • **Tuticorin** - Ground Floor, Mani Nagar Tuticorin Tuticorin Tamil Nadu - 628 003. • **Udaipur** - Shree Kalyanam, 50, Tagore Nagar, Sector - 4, Hiranmagri, Udaipur - 313001. • **Ujjain** - 123, 1st Floor, Siddhi Vinayaka Trade Centre Saheed Park, Ujjain Madhya Pradesh - 456 010. • **Unjha (Parent: Mehsana)** - 10/11, Maruti Complex, Opp. B R Marbles, Highway Road Unjha Gujarat - 384 170. • **Vadodara** - 103 Aries Complex BPC Road, Off R.C. Dutt Road Alkapuri Vadodara Gujarat - 390 007. • **Valsad** - 3rd floor Gita Nivas, opp Head Post Office Halar Cross Lane Valsad Gujarat - 396001. • **Vapi** - 208, 2nd Floor, Heena Arcade, Opp. Tirupati Tower, Near G.I.D.C. Char Rasta, Vapi, Gujarat - 396 195. • **Varanasi** - Office no. 1, Second Floor, Bhawani Market, Building No. D-58/2-A1, Rathyatra, Beside Kuber Complex, Varanasi, Uttar Pradesh - 221 010. • **Vaso (Parent Goa)** - No DU 8, Upper Ground Floor Behind Techoclean Clinic, Suvidha Complex Near ICICI Bank Vasco da gama Goa - 403802. • **Vellore** - No.1, Officer's Line 2nd Floor, MNR Arcade Opp. ICICI Bank, Krishna Nagar Vellore Tamil Nadu - 632 001. • **Vijayawada** - 40-1-68, Rao & Ratnam Complex Near Chennupati Petrol Pump M.G Road, Labbipet Vijayawada Andhra Pradesh - 520 010. • **Visakhapatnam** - 48-3-2, Flat No 2, 1st Floor, Sidhi Plaza, Near Visakha Library, Srinagar, Visakhapatnam, Andhra Pradesh - 530 016. • **Warangal** - A.B.K Mall, Near Old Bus Depot road BVSS Mayuri Complex F-7, 1st Floor, Ramnagar Hanamkonda Warangal Andhra Pradesh - 506001. • **Yamuna Nagar** - 124-B/R Model Town Yamunanagar Yamuna Nagar Haryana - 135 001. • **Yavatmal** - Pushpam, Tilakwadi Opp. Dr. Shrotri Hospital Yavatma Maharashtra - 445 001.

Union Bank of India - Official Points of Acceptance: (During New Fund Offer Period only)

• **Agra** - Friends Wasan Plaza, Sanjay Place, Dist. Agra, Uttar Pradesh - Pin - 282 003. • **Ahmedabad** - Upper Floor, Parth Milan Complex, Near Hotel Nest Sardar Patel Nagar, Off C.G Road, Dist. Ahmedabad, Gujarat Pin-380 006. • **Allahabad** - Hotel Samrat Bldg, M G Marg, Civil Lines, Allahabad - 211 001. • **Amritsar** - Majith Mandi, Dist Amritsar, Punjab. • **Bangalore** - 14, Sevaksheeta, 1st Floor, 1st Main Road, Gundhinagar, Bangalore - 560 009. • **Belgaum** - 659-660, 1st Floor, Union Bank Bhavan, Rawiwar Pet, Belgaum - 590 002. • **Bellary** - #488/2A, 17th Ward, Agadi Towers, Agadi Mareppa Compound, Raghavendra Talkies Road, Bellary - 583 101. • **Bhilwara** - 15/251, Rajendra Marg, Dist. Bhilwara, Rajasthan, Pin - 311 001. • **Bhopal** - 1513/1/1, Union Bank Bhavan, Arera Hills, Bhopal, Madhya Pradesh - 462011. • **Bhubaneswar** - Plot No. 101, Janpath, Kharvel Nagar, Unit III, Bhubaneswar, Dist. Khurda, Orissa, Pin - 751 001. • **Chandigarh** - 64/65 Bank Square, Sector 17-B, Chandigarh - 160 017. • **Chennai** - IInd floor, 139, Broadway, Prakasam Road, Chennai - 600 108 Tamil Nadu. • **Coimbatore** - 235, Second Floor, Oppannakara Street, Dist. Coimbatore, Tamil Nadu. • **Davengere** - Ground Floor, Suraj Arcade, H.M. Road, Dist. Davangere, Karnataka, Pin - 577001. • **Dehradun** - 19-B, Rajpur Rd, PB. No.109, Dehradun, Uttar Pradesh - 248001. • **Erode** - 381, Sathy Road, Erode, Tamil Nadu, Pin - 638 003. • **Gorakhpur** - Cinema Road, Dr.Khudadajis Compound Golghar, Gorakhpur- Uttar Pradesh. • **Guwahati** - Dugar Building, K.C.Road, Fancy Bazar, Guwahati, Assam. • **Gwalior** - 8/85, Sarafa Bazar, Lashkar, Dist. Gwalior, Madhya Pradesh, Pin - 474 001. • **Hisar** - S.C.O. 155-156, Urban Estate - I, Near Telephone Exchange, Dist. Hissar, Haryana, Pin - 125 005. • **Hoshiarpur** - Kamalpur Chowk, Phagwara Road, Dist. Hoshiarpur, Punjab, Pin - 146 001. • **Hyderabad** - 6/1/67/14, Ground Floor, Public Garden Road, Saifabad, Hyderabad, Andhra Pradesh Pin - 500 004. • **Indore** - Service Branch Indore, Shiv Vilas Palace, Ground Floor, M.G. Road, Indore, Madhya Pradesh - 452003. • **Jabalpur** - 1st Floor, 'Shyam Arcade', Malaviya Chowk, Jabalpur, Madhya Pradesh - 482 001. • **Jaipur** - 2nd Floor, Katla Purohitiji, Badi Choupad, Johri Bazar, Jaipur, Rajasthan. • **Jalandhar** - 12 Param Market, Opposite Circuit House Civil Lines, Jalandhar, Punjab. • **Jaunpur** - Mohalla Mandi Nasib Khan, Block Karanjakala, Near Vertanity Hospital, Dist. Jaunpur, Uttar Pradesh 222001. • **Jhansi** - Bhaskar Bhavan, Civil Lines, Dist. Jhansi, Uttar Pradesh, Pin - 284 001. • **Jodhpur** - Takiya Chand Shah Market, Outside Sojati Gate, Dist. Jodhpur, Rajasthan, Pin - 342 001. • **Kanpur** - 24/53, Birhana Road, Kanpur, Uttar Pradesh - 208 001. • **Kochi** - 1st Floor, Union Bank Bhavan, M G Road, Ernakulam. • **Kolhapur** - 1411 "C", Maya Chambers, Laxmipuri Post Box No. 12, Dist. Kolhapur, Maharashtra. • **Kolkata** - 'Allepee Court', 1st Floor, 225 C A J C Bose Road, District Kolkata, West Bengal, Pin - 700 020. • **Kota** - 9, Udyog Marg, Aerodrome Circle, Dist. Kotah, Rajasthan, Pin - 324 007. • **Kottayam** - Kodimatha Branch, Ground Floor, ZAC Complex, Kodimatha, Kottayam - 686 013. • **Kozhikode** - Service Branch, Colombo Complex, 1st Floor, Jail Road, Kozhikode - 673 002. • **Lucknow** - Sharda Tower, 2nd Floor, Kapoorthala, Lucknow, Uttar Pradesh - 226 001. • **Ludhiana** - Chowk Desarganj, Ludhiana, Punjab 141 008. • **Madurai** - P.O.Box No.51, Rosary Bldg., 1st Floor, Town Hall Road, Madurai - Tamil Nadu. • **Mangalore** - 1st Floor, 44/1/128, Deenar Mansion, Balmatta Road, Hampankatta, Mangalore, Karnataka, Pin - 575 001. • **Meerut** - Begum Bridge Road, Opp. Govt. Inter College, B. No. 93, Meerut City, Uttar Pradesh. • **Moradabad** - Union Bank Bhavan, Opp. Kunwar Cinema, Station Rd., Budh Bazar, Dist. Moradabad, Uttar Pradesh, Pin - 244 001. • **Mumbai** - Ground Floor, 239, Vidhan Bhavan Marg, Nariman Point, Mumbai, Maharashtra 400 021. • **Mysore** - 47D/47E, Ashoka Road, Mannar's Complex, Dist. Mysore, Karnataka, Pin - 570 001. • **Nagpur** - V.N.Sathe Bldg, Opp Lokmats, Wardha Rd, Janata Chowk, Nagpur, Maharashtra - 440 012. • **Nasik** - Maratha Mandir, Post Box No.18, M.G. Road, Nasik, Maharashtra - 422 001. • **New Delhi** - 1st Floor, M - II, Middle Circle, Connaught Circus, New Delhi - 110 0010. • **Panaji** - Avanti Hotel Building, Rua De Ourem, Panaji, Dist. North Goa, 403 001. • **Patna** - 1st Floor, Pushpak Complex, Fraser Road, Patna, Bihar. • **Pune** - Plot No. 285/286, Torna Road Agriculture Market Yard, Gultekdi, Pune, Maharashtra - 411 037. • **Raipur** - 8/13, Shankar Nagar, Main Road, Near Chhoti Rly Crossing, Raipur, Chhattisgarh - 492007. • **Rajkot** - Pattani Building, Opp. Jubilee Garden, Mahatma Gandhi Road, Post Box No. 38, Rajkot, Gujarat, Pin - 360 001. • **Ranchi** - Kutcheri Road, Ranchi, Dist Ranchi, Jharkhand - 834001. • **Rohtak** - Hajaraj Road, Rohtak, Dist. Rohtak, Haryana, Pin - 124 001. • **Salem** - P.B.No.239, 75/75-A, Jambulingam Street, Shevapet, Dist. Salem, Tamil Nadu, Pin - 636 002. • **Surat** - Shivam Chambers, Khand Bazar, Varacha Road, Surat, Gujarat. • **Thiruvananthapuram** - Union Bank Building, Ground Floor, MG Road, Statue, Thiruvananthapuram - 695 001. • **Trichy** - P.B. No. 534, 66, West Boulevard Road, Tiruchirappalli, Tamil Nadu, Pin - 620 008. • **Udaipur** - Opp. Town Hall, Panch Sheel Marg., Dist. Udaipur, Rajasthan 313001. • **Ujjain** - Fawara Chowk, Tilak Marg, Ujjain, Madhya Pradesh, Pin - 456 001. • **Vadodara** - Union Bank Bhawan, 1st Floor near Kala ghoda, Vodadara, Gujarat. • **Varanasi** - S. 5/38-15, First Floor, Vindhawasini Nagar Colony, Ordely Bazar, Varanasi - 221002, Uttar Pradesh • **Vijayawada** - Rishabh Towers, 1st floor, Convent Street, Vijayawada, Andhra Pradesh - 520 001. • **Visakhapatnam** - Door No.21-32/8, Kotha Rd, Chanlaraopeta, PB.No.101, Visakhapatnam, Andhra Pradesh - 530 001.

Union Mutual Fund - Customer Service Centers and Official Points of Acceptance: (During New Fund Offer Period only)

• **Bhubaneswar**: Union Asset Management Co Pvt Ltd, C/O Union Bank of India, Service Branch, 1st Floor, Plot No-38, Ashok Nagar, Bhubaneswar - 751 009. • **Hyderabad**: Union Asset Management Co Pvt Ltd, C/O Union Bank of India, Regional Office, 6-3-664, Prestige Rai Towers, Opp NIMS, Punjagutta Main Road, Hyderabad - 500 082. • **Varanasi**: Union Asset Management Co Pvt Ltd, Shop No. 9, 10, 11, 1st Floor, Kuber Complex, Rathyatra Crossing, Varanasi, Varanasi - 221 010.

Union Mutual Fund - Customer Service Centers and Official Points of Acceptance:

• **Ahmedabad**: Union Asset Management Co Pvt Ltd, 907, Shitiratna Building, 9th Floor, Panchvati Circle, C. G. Road, Ahmedabad - 380 006. • **Bangalore**: Union Asset Management Co Pvt Ltd, Sunrise Chambers, No. W-303, 3rd floor, 22 Ulsoor Road, Bangalore - 560 001. • **Chandigarh**: Union Asset Management Co Pvt Ltd, Deepak Towers, SCO 154 - 155, Cabin no. - 202, 2nd Floor, Sector 17 - C, Chandigarh - 160 017. • **Chennai**: Union Asset Management Co Pvt Ltd, JVL Arcade, G2, Ground Floor, 18/199, North Usman Road, T. Nagar, Chennai - 600 017. • **Cochin**: Union Asset Management Co Pvt Ltd, M/s. Mayur Business Centre, Pilleppady Jn., Chittoor Road, Ernakulam, Ernakulam Village Cochin, PIN: 682 035. • **Indore**: Union Asset Management Co Pvt Ltd, Office No - 309, Starlit Tower, 29, Yeshwant Niwas Road, Indore - 452 001. • **Jaipur**: Union Asset Management Co Pvt Ltd, 403, 4th Floor, Ambition Tower, Subhash Marg, Agrasen Circle, C - Scheme, Jaipur - 302 001. • **Kolkata**: Union Asset Management Co Pvt Ltd, 32, Chowringhee Road, Om Tower, 10th Floor, Room No. 1008, Kolkata - 700 071. • **Lucknow**: Union Asset Management Co Pvt Ltd, 208, 2nd Floor, Saran Chambers II, 5 Park Road, Lucknow - 226 001. • **Mumbai**: Union Asset Management Co Pvt Ltd, Unit 503, 5th Floor, Leela Business Park, Andheri Kurla Road, Andheri (East), Mumbai - 400 059. • **Nagpur**: Union Asset Management Co Pvt Ltd, Fortune Business Centre, 6, Vasant - Vihar, 1st Floor, W.H.C. Road, Shankar Nagar, Nagpur - 440 010. • **New Delhi**: Union Asset Management Co Pvt Ltd, Flat No. 603, 6th Floor, Surya Kiran Building, 19, Kasturba Gandhi Marg, Connaught Place, New Delhi - 110 001. • **Pune**: Union Asset Management Co Pvt Ltd, Office No. 4, 2nd Floor, Chanakyapuri Building, Tukaram Paduka Chowk, F C Road, Pune - 411 004. • **Raipur**: Union Asset Management Co Pvt Ltd, Shop No. T - 18, 3rd Floor, Raheja Tower, Jail Road, Fafadih Chowk, Raipur-492 009, Chhattisgarh.