

**NOTICE CUM ADDENDUM TO THE SCHEME INFORMATION DOCUMENT(S) /
 KEY INFORMATION MEMORANDA OF SCHEMES OF PRAMERICA MUTUAL FUND**

NOTICE is hereby given that :-

I. INTRODUCTION OF DIRECT PLAN FOR INVESTING DIRECTLY WITH THE FUND (APPLICATIONS NOT ROUTED THROUGH DISTRIBUTORS)

In accordance with Para D titled "Separate Option for direct investments" under Circular no. CIR/IMD/DF/21/2012 dated September 13, 2012 issued by Securities and Exchange Board of India (SEBI), it has decided to introduce a separate plan for direct investments (i.e. investments not routed through an AMFI Registration Number (ARN) Holder ("Distributor") (hereinafter referred to as "Direct Plan") with effect from January 1, 2013 ("Effective Date") as under:

- Introduction of Direct Plan:** Direct Plan is only for investors who purchase /subscribe Units in a Scheme directly with the Fund and is not available for investors who route their investments through a Distributor.
Investors may please note that the Direct Plan under the Schemes is meant for investors who understand the capital market, mutual funds and the risks associated therewith. The risks associated with the investments in the Schemes vary depending upon the investment objective, asset allocation and investment strategy of the Schemes and the investments may not be suited for all categories of investors. The AMC believes that investors investing under the Direct Plan of the Schemes are aware of the investment objective, asset allocation, investment strategy, risks associated therewith and other features of the Schemes and has taken an informed investment decision. Please note that Scheme Information Document(s), Statement of Additional Information, Key Information Memorandum or any other advertisements and its contents are for information only and do not constitute any investment advice or solicitation or offer for sale of units of the Schemes from the AMC.
- Scheme eligibility:** Direct Plan shall be introduced in all the existing schemes of the Pramerica Mutual Fund (hereinafter collectively referred to as "the Schemes")
- Options / Sub-options:** All Options/Sub-Options offered under the Schemes (hereinafter referred as "Regular Plan") will also be available for subscription under the Direct Plan. Thus, from the Effective Date, there shall be 2 Plans available for subscription under the Schemes viz., Regular Plan and Direct Plan. Portfolio for Regular Plan and Direct Plan will be common for each Scheme. Thus, investors subscribing under Direct Plan of the Schemes will have to indicate the Scheme/Plan name in the application form as "Scheme Name - Direct Plan".

Example: Scheme - Pramerica Equity Fund

	Regular Plan	Direct Plan (introduced w.e.f. January 1, 2013)
Subscription Plan	Pramerica Equity Fund - Regular Plan	Pramerica Equity Fund - Direct Plan
Investment Route	Investors routing their investments through Distributor	Investors investing directly with the Fund
Options	<ul style="list-style-type: none"> Growth Option Dividend Option (Payout & Re-investment) 	<ul style="list-style-type: none"> Growth Option Dividend Option (Payout & Re-investment)

Thus, investors subscribing under Direct Plan of Pramerica Equity Fund will have to indicate the Scheme / Plan name in the application form as "Pramerica Equity Fund - Direct Plan".

- Scheme characteristics :** Scheme characteristics such as Investment Objective, Asset Allocation Pattern, Investment Strategy, Risk Factors Facilities offered and terms & conditions including load structure will be the same for the Regular Plan and the Direct Plan except that:-
 - Where the investments were routed through a distributor (i.e. made with distributor code) whether before or after the Effective Date, any Switch of Units from the Regular Plan to Direct Plan of a Scheme shall be subject to applicable exit load, if any. In such cases, after the switch, exit load under the Scheme prevailing on the date of the switch shall apply for subsequent redemption / switch-out from Direct Plan;
 - Where investments were made directly i.e. without any distributor code, exit load will not be levied on switch of Units from Regular Plan to Direct Plan of that Scheme. In such cases, after the switch, exit load under the Scheme prevailing on the date of the switch shall apply for subsequent redemption from Direct Plan;
 - No exit load shall be levied in case of switch of Units from Direct Plan to Regular Plan of a Scheme. However, after the switch, exit load under the Scheme prevailing on the date of the switch shall apply for subsequent redemption / switch-out from the Regular Plan;
 - Direct Plan shall have a lower expense ratio as compared to the Regular Plan excluding distribution expenses, commission, etc. related to distributors and no commission for distribution of Units will be paid/charged under Direct Plan.
- Applicable NAV and allotment of units:**
 - Pramerica Liquid Fund:** Units shall be allotted for valid applications received before cut-off time (subject to provisions on realization of funds) on January 01, 2013 under Direct Plan(s) at the Net Asset Value (NAV) of December 31, 2012 of the corresponding option(s) under Regular Plan. Thereafter, separate NAVs will be calculated and published for Direct Plan w.e.f. January 01, 2013;
 - All other Schemes except Pramerica Liquid Fund (Non-Liquid Schemes):** Units shall be allotted for valid applications received before cut-off time (subject to provisions on realization of funds, where applicable) on January 1, 2013 under Direct Plan(s) at the Net Asset Value (NAV) of January 01, 2013 of corresponding option(s) under Regular Plan(s). Thereafter, separate NAVs will be calculated and published for option(s) under Direct Plan(s) w.e.f. January 02, 2013;
 - However, if the first valid application under the Direct Plan is received on any business day after January 01, 2013, then the units shall be allotted at the applicable NAV of the corresponding option(s) under Regular Plan(s) of the Schemes on the first day of such purchase under the Direct Plan;
 - Where application is received without any Distributor Code in the Regular Plan before cut-off time on December 31, 2012, but the Applicable NAV based on realization of funds is on or after the Effective Date, the Units will be allotted under Regular Plan and not under Direct Plan;
 - Where application is received without any Distributor Code in the Regular Plan after cut-off time on December 31, 2012, the same shall be deemed to have been received on the next Business Day and the Units will automatically be allotted under the Direct Plan at Applicable NAV.
- Eligible investors / modes for applying:** All categories of investors (whether existing or new Unitholders) as permitted under the Scheme Information Document of the Schemes are eligible to subscribe under Direct Plan. Investments under Direct Plan can be made through various modes offered by the Fund for investing directly with the Fund (except Platform(s) where investors' applications for subscription of units are routed through Distributors).
- How to apply:** Investors subscribing under Direct Plan of a Scheme will have to indicate "Direct Plan" against the Scheme name in the application form e.g. "Pramerica Equity Fund - Direct Plan". Investors should also indicate "Direct" in the ARN column of the application form. However, in case Distributor code is mentioned in the application form, but "Direct Plan" is indicated against the Scheme name, the Distributor code will be ignored and the application will be processed under Direct Plan. Further, where application is received for Regular Plan without Distributor code or "Direct" mentioned in the ARN Column, the application will be processed under Direct Plan.
- Existing Investments:**
 - Investors wishing to transfer their accumulated unit balance held under Regular Plan (through Lump-sum/systematic investments made with or without Distributor code) to Direct Plan will have to switch/redeem their investments (subject to applicable Exit Load, if any) and apply under Direct Plan.
 - Investors who have invested without Distributor code and have opted for Dividend Reinvestment facility under Regular Plan may note that the dividend will continue to be reinvested in the Regular Plan only.
- Investments through systematic routes:**
 - In case of Systematic Investment Plan (SIP) / Systematic Transfer Plan (STP)/ Dividend Transfer Plans, etc registered prior to the Effective Date without any distributor code under the Regular Plan, installments falling on or after the Effective Date will automatically be processed under the Direct Plan.
 - Investors, who had registered for Systematic Investment Plan facility prior to the Effective Date with distributor code and wish to invest their future installments into the Direct Plan, shall make a written request to the Fund in this behalf. The Fund will take at least 15 days to process such requests. Intervening installments will continue in the Regular Plan.
 In case of (a) and (b) above, the terms and conditions of the existing registered enrolment shall continue to apply.
 - In case of the following facilities which were registered under the Regular Plan prior to the Effective Date the future installments shall continue under the Regular Plan:
 - All trigger facilities (registered with or without Distributor Code);
 - Systematic Transfer Facilities (registered with Distributor Code);
 - Dividend Transfer Plans (registered from a folio where investments were made both with and without Distributor code).
 In case such investors wish to invest under the Direct Plan through these facilities, they would have to cancel their existing enrolments and register afresh for such facilities.
- Redemption requests:** Where Units under a Scheme are held under both Regular and Direct Plans and the redemption / Switch request pertains to the Direct Plan, the same must clearly be mentioned on the request (along with the folio number), failing which the request would be processed from the Regular Plan. However, where Units under the requested Option are held only under one Plan, the request would be processed under such Plan.
- Tax consequences:** Switch / redemption may entail tax consequences. Investors should consult their professional tax advisor before initiating such requests.

II. CHANGE IN EXIT LOAD STRUCTURE OF SCHEMES:-

The exit load under Pramerica Dynamic Bond Fund, Pramerica Dynamic Monthly Income Fund, Pramerica Dynamic Fund and Pramerica Equity Fund shall stand revised with effect from January 1, 2013 as follows:

Name of the Scheme	Existing Exit Load Structure	Revised Exit Load Structure
Pramerica Dynamic Bond Fund	<ul style="list-style-type: none"> If the units are redeemed/switch-out on or before 365 days of allotment - 2%; If the units are redeemed/switch-out after 365 days, but on or before 455 days of allotment - 0.50%; If the units are redeemed/switch-out after 455 days - Nil. 	Nil
Pramerica Dynamic Monthly Income Fund, Pramerica Dynamic Fund & Pramerica Equity Fund	<ul style="list-style-type: none"> If the units are redeemed/switch-out on or before 365 days of allotment - 2%; If the units are redeemed/switch-out after 365 days, but on or before 730 days of allotment - 1%; If the units are redeemed/switch-out after 730 days - Nil. 	<ul style="list-style-type: none"> If the units are redeemed/switch-out on or before 365 days of allotment - 1%; If the units are redeemed/switch-out after 365 days - Nil.

The aforesaid changes in load structure shall be applicable for all prospective investments in the scheme effective from January 1, 2013. Investments made prior to January 1, 2013 would continue to attract the load structure which was applicable at the time of investment.

III. RESTRICTION ON INVESTMENTS BY PERSONS RESIDING IN CERTAIN JURISDICTIONS:

Non Resident Indians residing in Cuba, Iran, Myanmar, North Korea, Sudan and Syria ('Prohibited Jurisdictions') shall not be eligible to invest in any of the schemes of Pramerica Mutual Fund. Accordingly, no applications for investment (fresh purchases, additional purchase and switches) will be accepted from persons resident in any of these Prohibited Jurisdictions. Further, all existing systematic plans including, Systematic Investment Plans, Systematic Transfer Plans and Dividend Transfer Plans registered in the Folio held by persons resident in these Prohibited Jurisdictions will stand cancelled, subject to completion of necessary formalities. In case of existing investors who are residing in these Prohibited Jurisdictions and if an Investor becomes a resident of any of these Prohibited Jurisdictions after purchasing Units of the Scheme, such investor will not be allowed to do any additional purchase or switch transactions of the Units of the Scheme.

All other terms & conditions of the Schemes will remain unchanged. This addendum shall form an integral part of the Scheme Information Document (S)/Key Information Memoranda of the Schemes of Pramerica Mutual Fund as amended from time to time.

For Pramerica Asset Managers Private Limited
 (Investment Manager for Pramerica Mutual Fund)

Place : Mumbai

Date : December 31, 2012

Sd/-

Authorized Signatory

MUTUAL FUND INVESTMENTS ARE SUBJECT TO MARKET RISKS, READ ALL SCHEME RELATED DOCUMENTS CAREFULLY.