

**No. - 86/08-09**

**Date – February 10, 2009**

## **Introduction of Systematic Investment Plan (SIP) and Dividend Payout Facility under UTI-SPrEAD Fund**

With effect from February 16, 2009, the following changes are being made to the scheme:

1. Introduction of Dividend Payout facility under Dividend Option of the Scheme. The existing investors of Dividend Option will continue to be under Dividend Option – Reinvestment facility. On specific request any investor can change-over to Dividend Option – Payout facility of the scheme on or after 16th February 2009.
2. Systematic Investment Plan (SIP) is introduced under UTI-SPrEAD Fund. The general features of SIP are:
  - i. SIP is offered with following Periodicity
    - (a) Monthly Systematic Investment Plan (MSIP) and
    - (b) Quarterly Systematic Investment Plan (QSIP)
  - ii. Both the options (MSIP and QSIP) can not be mingled. A separate Enrolment Form needs to be filled in for MSIP and QSIP
  - iii. SIP Mandate Form can be submitted at least 1 month before the first SIP instalment date. The forms that are received within the period of 1 month before the first SIP instalment date, will be considered from the SIP date of the following month/quarter, as per the date (1st/7th/15th/25th) opted by the Investor.
  - iv. The load applicable under SIP is the same as for regular investments mentioned below:

Type	Application Size	Holding Period (Days)	As % of NAV
Entry Load	For all amounts	Nil	Nil
Exit Load	< Rs.2 Crs.	<= 180 days	0.75%
	=> Rs.2 Crs.	<=25 days	0.50%

- v. The minimum amount of each investment for SIP is Rs.500/- (for monthly option) and Rs.1, 500/- (for quarterly option) and in multiples of Re.1/-.
- vi. All applications for redemptions shall be accepted at all Official Point of acceptance by 3.00 p.m. or such other time as may be prescribed by UTI AMC from time to time on a particular day. All redemption

/switch-out requests received till Friday (In case such Friday is a holiday then the last Business Day) of the week preceding the Interval Period, would be processed at the NAV of the Interval Period.

The Interval period will be the settlement Thursday (the settlement day for derivatives segment in the NSE which is currently last Thursday of the month) or any day which is declared as the settlement day for Derivatives segment by the NSE.

- vii. There is no stipulated period up to which a SIP account can be under operation, however if no period is specified, the default period is 5 years.
- viii. Units Allotment: Units will be allotted at NAV based purchase price declared on the applicable dates i.e. 1st or 7th or 15th or 25th of the month / quarter. In case the date falls on a non-business day or falls during a book closure period, the immediate next business day will be taken into account for the purpose of determining the price. The applications will be accepted at all official points of acceptance of UTI AMC.
- ix. Account statement: An account statement will be dispatched to the unitholder normally within 10 business days from the date of first transaction / cheque realization and thereafter at least on a quarterly basis.
- x. Existing Investor of UTI SPREAD Fund can start the SIP within the existing folio. New Investor should attach the SIP Enrolment Form with the Scheme Application Form. All details about the Investor will be as per the existing folio or as provided by the Investor in the Scheme Application Form.
- xi. Investors can choose to discontinue this facility by giving 1 month written notice to the Scheme's registrar.
- xii. Investor will not hold UTI Mutual Fund or its service providers responsible if the transaction is delayed or not effected or the investors bank account is debited in advance or after the specific SIP date due to various clearing cycles of ECS / local holidays.
- xiii. Investor will not hold UTI Mutual Fund or its service providers responsible for non - allotment of units for SIP if the payment is not received from the unitholder's bank for various reasons.
- xiv. UTI Mutual Fund or its other service providers shall not be responsible and liable for any damages/ compensation for any loss, damage, etc. incurred by the investor. The investor assumes the entire risk of using this facility and takes full responsibility.

- xv. UTI Mutual Fund reserves the right to reject SIP or auto debit mandate without assigning any reasons thereof.

**SIP by Cheques:**

- i. The disbursement of SIP cheques could be as under

	<b>Monthly Option</b>	<b>Quarterly Option</b>
New Investor	1 Cheque of initial investment + 5 Cheques (Minimum)	1 Cheque of initial investment + 3 Cheques (minimum)
Existing unitholder	6 Cheques (Minimum)	4 Cheques (minimum)

- ii. All SIP Cheques must be dated 1st, 7th, 15th or 25th of the month as opted by the investor. All SIP cheques instalments under MSIP & QSIP should be of uniform amount. For example: If an investor enrolls under MSIP for the period February 2009 to January 2010, the initial investment cheque can be of any amount and drawn on any date of February 2009. The remaining cheques should be of uniform date (1st / 7th / 15th / 25th) and of uniform amount. Similarly, for quarterly option the initial investment cheque could be of any amount and of any date of February 2009 and subsequent cheques should be of uniform date and amount.
- iii. Investors are required to send all post dated cheques in respect of SIP at one go and not in a staggered manner. Outstation cheques will not be accepted.
- iv. The cheques should be drawn in the name of the Scheme.
- v. Returned Cheques, if any, will not be presented again.

**SIP by Auto Debit**

- i. The Auto Debit Facility is available as under:

**Direct Debit:** The Direct Debit Facility is available only with the banks with which UTI AMC or its service provider has tied up for Direct Debit. (At Present with SBI, HDFC Bank, AXIS Bank Ltd., ICICI Bank, Kotak Mahindra Bank, IDBI Bank, IndusInd Bank Ltd., and select branches of Punjab National Bank, Bank of India and Bank of Baroda)

**ECS Debit :** Currently SIP payment through Electronic Clearing Service (Debit Clearing) of the Reserve Bank of India (RBI) is offered only to the investors having bank account in select cities mentioned below:

Agra, Ahmedabad, Allahabad, Amritsar, Aurangabad, Bangalore, \*Bardhaman, Baroda, \*Belgaum,

## Addendum

Bhilwara, Bhopal, Bhubaneswar, \*Bijapur, Calicut, Chandigarh, Chennai, Cochin, Coimbatore, Dehradun, Delhi, Dhanbad, \*Durgapur, Erode, \*Gadag, Gorakhpur, Guwahati, Gwalior, Hubli, Hyderabad, Indore, Jabalpur, Jaipur, Jalandhar, Jammu, \*Jamnagar, Jamshedpur, Jodhpur, \*Kakinada, Kanpur, Kolhapur, Kolkata, Lucknow, Ludhiana, Madurai, Mangalore, Mumbai, Mysore, Nagpur, Nasik, Nellore, Panjim, Patna, Pondicherry, Pune, Raipur, Rajkot, Ranchi, Salem, Shimla, Sholapur, Siliguri, Surat, Thirupur, Tirupati, Trichur, Trichy, Trivandrum, Udaipur, \*Udipi, Varanasi, Vijaywada and Vizag.

\* Only debit service allowed.

- (a) The cities in the list may be modified/updated/changed/removed at any time in future entirely at the discretion of UTI Mutual Fund without assigning any reasons or prior notice.
  - (b) If any city is removed, SIP instructions for investors in such cities via ECS (debit) route will be discontinued without prior notice.
  - (c) The Investor's bank branch should participate in Electronic Clearing Service (Debit Clearing) of RBI.
  - (d) It is mandatory to submit the copy of cancelled cheque leaf (issued by the bank branch mentioned overleaf) along with the Auto Debit (ECS Debit) Form.
- ii. The investor's bank particulars in the scheme application form and the bank particulars in Auto Debit Form should be one and the same.

All other features of UTI-SPrEAD Fund remain unchanged.

This addendum is an integral part of the Scheme Information Document / Key Information Memorandum of the UTI-SPrEAD Fund and should be read in conjunction with the Scheme Information Document / Key Information Memorandum.

For **UTI Asset Management Company Limited (UTI AMC)**

Sd/-

Authorised Signatory

In case you require any further information please contact the nearest Financial Centre of UTI AMC.