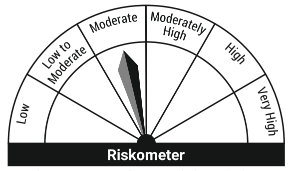
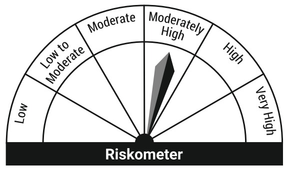
SCHEME INFORMATION DOCUMENT

UNION CORPORATE BOND FUND

(An open ended debt scheme predominantly investing in AA+ and above rated corporate bonds. A relatively high interest rate risk and moderate credit risk.)

Scheme Code - UNIN/O/D/CBF/18/04/0008

Continuous offer for units at NAV based prices (Face Value ₹ 10/- per unit)

This product is suitable for investors who are seeking*:	Riskometer	Benchmark Riskometer
• Regular income over Medium to Long term • Income by investing in fixed income securities of varying maturities and credit	 Investors understand that their principal will be at moderate risk	 CRISIL Corporate Bond B-III Index#

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

Note: The Scheme and Benchmark riskometers are evaluated on a monthly basis and the current riskometers are based on the evaluation of the portfolios for the month ended September 30, 2023.

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Potential Risk Class Matrix ("PRC Matrix") of the Scheme

Credit Risk of Scheme → Interest Rate Risk of the Scheme ↓	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Relatively Low (Class I)			
Moderate (Class II)			
Relatively High (Class III)		B-III	

The particulars of the Scheme have been prepared in accordance with the Securities and Exchange Board of India (Mutual Funds) Regulations 1996, (hereinafter 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 October 30, 2023.

Name of Mutual Fund:

Union Mutual Fund
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
Corporate Identity Number (CIN): U65923MH2009PTC198201
Unit 503, 5th Floor, Leela Business Park, Andheri Kurla Road, Andheri (East), Mumbai - 400059.
Toll Free No. 18002002268 / 18005722268 • Non Toll Free. 022-67483333 • Fax No: 022-67483402 • Website: www.unionmf.com • Email: investorcare@unionmf.com

Name of Trustee Company:

Union Trustee Company Private Limited
Corporate Identity Number (CIN): U65923MH2009PTC198198
Unit 503, 5th Floor, Leela Business Park, Andheri Kurla Road, Andheri (East), Mumbai - 400059
T +91-22-6748 3333 • F +91-22-6748 3402

Name of Sponsors:

1) Union Bank of India
Union Bank Bhavan, 239, Vidhan Bhavan Marg, Nariman Point, Mumbai - 400 021
2) Dai-ichi Life Holdings, Inc.
13-1, Yurakucho 1-chome, Chiyoda-ku, Tokyo 100- 8411, Japan

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HIGHLIGHTS/SUMMARY OF THE SCHEME

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<tr><td>Name of the Scheme</td><td>Union Corporate Bond Fund</td></tr>
<tr><td>Type of Scheme</td><td>An open ended debt scheme predominantly investing in AA+ and above rated corporate bonds. A relatively high interest rate risk and moderate credit risk.</td></tr>
<tr><td>Investment objective</td><td>To achieve long term capital appreciation by investing substantially in a portfolio of corporate debt securities.

However, there is no assurance that the Investment Objective of the scheme will be achieved.</td></tr>
<tr><td>Scheme Code</td><td>UNIN/O/D/CBF/18/04/0008</td></tr>
<tr><td>Plans</td><td>The Scheme has the following Plans across a common portfolio:

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 Corporate Bond Fund - Direct Plan”.
Regular Plan: Regular Plan is for investors who purchase /subscribe Units in the scheme through a Distributor.

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.

Default Plan:

The treatment of applications under “Direct”/ “Regular” Plans shall be as follows:

<table>
<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>
<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>
</table>
</td></tr>
</table>

6	Direct	Regular	Direct Plan
7	Mentioned	Regular	Regular Plan
8	Mentioned	Not Mentioned	Regular Plan

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.

Options

Union Corporate Bond Fund has the following options offered under each of the above mentioned Plans:

- **Growth Option:** This option is suitable for investors who are not seeking Income Distribution cum Capital Withdrawal but who invest only with the intention of capital appreciation.
- **Income Distribution cum Capital Withdrawal (IDCW) Option:** This option is suitable for investors seeking income through IDCW declared by the Scheme. Under this option, the scheme will endeavour to declare IDCW from time to time. The IDCW shall be dependent on the availability of distributable surplus.

  When units are sold, and sale price (Net Asset Value) is higher than face value of the unit, a portion of sale price that represents realized gains is credited to an Equalization Reserve Account which can be used to pay IDCW. Investors are requested to note that, under the aforesaid Option, the amounts can be distributed out of investors capital (Equalization Reserve), which is part of sale price that represents realized gains. Whenever distributable surplus will be distributed, a clear segregation between income distribution (appreciation on NAV) and capital distribution (Equalization Reserve) shall be suitably disclosed in the Consolidated Account Statement provided to investors.

The Income Distribution cum Capital Withdrawal Option has the following facilities

- Reinvestment of Income Distribution cum Capital Withdrawal Option
- Payout of Income Distribution cum Capital Withdrawal Option
- Transfer of Income Distribution cum Capital Withdrawal Plan

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 Income Distribution cum Capital Withdrawal Option and fails to mention Facility, then the default Facility will be Reinvestment of Income Distribution cum Capital Withdrawal Option.

	If the IDCW payable under the Payout of Income Distribution cum Capital Withdrawal Option or Transfer of Income Distribution cum Capital Withdrawal Plan is equal to or less than Rs. 500 then the IDCW would be compulsorily reinvested in the existing option of the Scheme. If an investor opts for Transfer of Income Distribution cum Capital Withdrawal Plan, the investor must meet the minimum balance criterion in the target scheme and in the same folio; else the IDCW will be compulsorily re-invested in the source scheme.
Minimum application amount	Rs. 1,000 and in multiples of Rs. 1 thereafter. For Systematic Investment Plan (SIP): • Rs. 500 and in multiples of Rs. 1 thereafter (for weekly frequency) • Rs. 1,000 and in multiples of Rs. 1 thereafter (for monthly frequency) • Rs. 5,000 and in multiples of Rs. 1 thereafter (for quarterly frequency) The minimum application amount mentioned above shall not be applicable to the mandatory investments made in the Scheme pursuant to Clause 6.10 of SEBI Master Circular for Mutual Funds dated May 19, 2023, as amended from time to time.
Minimum additional application amount (for subsequent investments under an existing folio)	Rs. 1,000 and in multiples of Rs. 1 thereafter
Minimum redemption amount	Rs. 1,000 and in multiples of Rs. 1 thereafter.
Loads	**Entry Load*** – Nil *In accordance with Clause 8.6 of SEBI Master Circular for Mutual Funds dated May 19, 2023, 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. **Exit Load**** 1% if units are redeemed or switched out on or before completion of 15 days from the date of allotment. Nil thereafter. Pursuant to Clause 10.6 of SEBI Master Circular for Mutual Funds dated May 19, 2023), no entry load or exit load shall be charged in respect of units allotted on reinvestment of IDCW. No load will be applicable for switches between the Plans under the

	Scheme and switches between the Options under each Plan under the Scheme. ** Goods & Services Tax on Exit Load, if any, will be paid out of the Exit Load proceeds and Exit Load net of Goods & Services Tax, if any, will be credited to the Scheme. For further details on Load Structure, refer to the section on 'Load Structure' in this document.
Transaction Charges to Distributors	In accordance with the terms of Clause 10.5 of SEBI Master Circular for Mutual Funds dated May 19, 2023 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 Rs. 150/- for subscription of Rs. 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 Rs. 100/- per subscription of Rs. 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. 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 Rs. 10,000/- and (iii) transactions other than purchases/ subscriptions relating to new inflows such as Switch/STP/SWP/Transfer of IDCW etc. 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.
Benchmark	CRISIL Corporate Bond B-III Index $. $***CRISIL Benchmark Disclaimer**: CRISIL Indices are the sole property of CRISIL Limited (CRISIL). CRISIL Indices shall not be copied, transmitted or distributed in any manner for any commercial use. CRISIL has taken due care and caution in computation of the Indices, based on the data obtained from sources, which it considers reliable. However, CRISIL does not guarantee the accuracy, adequacy or completeness of the Indices and is not responsible for any errors or for the results*

	obtained from the use of the Indices. CRISIL especially states that it has no financial liability whatsoever to the users of CRISIL Indices. 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.
Risk factors	For Risk Factors please refer to paragraph on "**Risk Factors**" in this document.
Liquidity	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 within five business days of allotment. Under normal circumstances, the AMC shall transfer the redemption/repurchase proceeds to the unitholders within three working days from the date of redemption or repurchase. However, under exceptional circumstances where the schemes would be unable to transfer the redemption / repurchase proceeds to investors within the time as stipulated above, the redemption/ repurchase proceeds shall be transferred to unitholders within such time frame, as prescribed by AMFI, in consultation with SEBI. For further details in this regard, please refer the Statement of Additional Information (SAI).. The units of the Scheme are presently not proposed to be listed on any exchange.
Transparency/NAV Disclosure	The AMC will calculate the NAVs for all the Business Days. The Asset Management Company ("AMC") shall prominently disclose the NAVs on its website (www.unionmf.com) and on the website of Association of Mutual Funds in India ("AMFI") (www.amfiindia.com) by 11.00 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. Unitholders may avail the facility to receive the latest available NAVs through SMS by submitting a specific request in this regard to the AMC/ Mutual Fund. For the methodology of calculation of repurchase price, please refer section III 'Units and Offer', sub section B 'Ongoing Offer Details', under point 'Ongoing price for redemption (sale) / switch outs (to other schemes/plans of the Mutual Fund) by Investors' in the SID. In case the NAV of Corporate Debt Market Development Fund ('CDMDF') units is not available by 9:30 p.m. of same Business Day, NAV declaration timing for Mutual Fund Schemes holding units of CDMDF shall be 10 a.m. on next business day instead of 11 p.m. on same Business Day. The AMC will disclose the portfolio of the schemes as on the last day of the month / half year on its website and on the website of AMFI within 10 days from the close of each month/ half year respectively in a userfriendly and downloadable spreadsheet format. In case of unitholders whose e-mail addresses are registered, the AMC shall send via email both the monthly

	and half-yearly statement of the scheme portfolio within 10 days from the close of each month/ half–year respectively. The AMC shall publish an advertisement every half-year disclosing the hosting of the half-yearly statement of the scheme portfolios on its website and on the website of AMFI. The AMC shall provide a physical copy of the statement of the scheme portfolio, without charging any cost, on specific request received from a unitholder. Further, pursuant to Clause 5.1 of SEBI Master Circular for Mutual Funds dated May 19, 2023, for debt schemes, portfolio disclosure shall be done on fortnightly basis within 5 days of every fortnight as prescribed by the said circular. 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. Further, the AMC will host the Annual Report of the Schemes on the website of the AMC and on the website of AMFI 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). The AMC shall e-mail the scheme annual reports or abridged summary thereof to those unitholders whose e-mail addresses are registered with the Mutual Fund. Union Mutual Fund will publish an advertisement every year, in the all India edition of at least two daily newspapers, one each in English and Hindi, disclosing the hosting of the scheme wise Annual Report on the AMC website (www.unionmf.com) and on the website of AMFI www.amfiindia.com. The AMC shall provide a physical copy of the abridged summary of the Annual Report, without charging any cost, on specific request received from a unitholder. Investors who have not registered their e-mail id will have to specifically opt-in to receive a physical copy of the Annual Report or Abridged Summary thereof. Further, unitholders can submit a request for a physical or electronic copy of the scheme annual report or abridged summary thereof by writing to the AMC at the email address investorcare@unionmf.com or calling the AMC on the toll free number 18002002268 or submitting a request at any of the official points of acceptance of Union Mutual Fund. **Periodic disclosure of Risk-o-meter of the Scheme and of the Benchmark:** In accordance with Clause 17.4 of SEBI Master Circular for Mutual Funds dated May 19, 2023, the Risk-o-meter of the Scheme shall be

	evaluated on a monthly basis and any change in risk-o-meter shall be communicated to the unitholders of the Scheme by way of Notice cum Addendum and by way of an e-mail or SMS. The Mutual Fund/ AMC shall disclose the Risk-o-meter along with portfolio disclosure for all schemes on its website and on AMFI website within 10 days from the close of each month. The Mutual Fund/AMC shall disclose the risk level of schemes as on March 31 of every year, along with number of times the risk level has changed over the year, on its website and AMFI website. The Mutual Fund/ AMC shall publish the scheme wise changes in Risk-o-meter in scheme wise Annual Reports and Abridged summary as per the prescribed format. The product label of the Scheme shall be disclosed on the front page of initial offering application form, SID, KIM, common application form and scheme advertisements as prescribed. Further, in accordance with Clause 5.16 of SEBI Master Circular for Mutual Funds dated May 19, 2023, the AMC is required to disclose the following in all disclosures, including promotional material or the disclosures stipulated by SEBI: a. risk-o-meter of the Scheme wherever the performance of the Scheme is disclosed; and b. risk-o-meter of the Scheme and benchmark wherever the performance of the Scheme vis-à-vis that of the benchmark is disclosed. Additionally, the AMC is also required to include the Scheme risk-o-meter, name of benchmark and risk-o-meter of benchmark in the portfolio disclosure in terms of Clause 5.16 of SEBI Master Circular for Mutual Funds dated May 19, 2023. **Disclosure of Potential Risk Class (PRC) Matrix**: Pursuant to Clause 17.5 of SEBI Master Circular for Mutual Funds dated May 19, 2023, all debt schemes are required to be classified in terms of a Potential Risk Class matrix consisting of parameters based on maximum interest rate risk (measured by Macaulay Duration (MD) of the scheme) and maximum credit risk (measured by Credit Risk Value (CRV) of the scheme). Mutual Funds are required to disclose the PRC matrix (i.e. maximum risk that a fund manager can take in a Scheme) along with the mark for the cell in which the Scheme resides on the front page of initial offering application form, SID, KIM, common application form and scheme advertisements in the manner as prescribed in the said circular. The Scheme would have the flexibility to take interest rate risk and credit risk below the maximum risk as stated in the PRC matrix. Subsequently, once a PRC cell selection is done by the Scheme, any change in the positioning of the Scheme into a cell resulting in a risk (in terms of credit risk or duration risk) which is higher than the maximum risk specified for the chosen PRC cell, shall be considered as a fundamental attribute change of the Scheme in terms of Regulation 18(15A) of SEBI (Mutual Fund) Regulations, 1996. The Mutual Funds shall be required to

	inform the unitholders about the PRC classification and subsequent changes, if any, through SMS and by providing a link on their website referring to the said change. The Mutual Fund/ AMC shall also publish the PRC Matrix in the scheme wise Annual Reports and Abridged summary
Option to hold Units in dematerialised form	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 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. 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.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. For further details, refer section III 'Units and Offer'.
Switch Facility	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.
Transfer of Units	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 Clause 14.4.4 of SEBI Master Circular for Mutual Funds dated May 19, 2023. Further, for the procedure of release of lien, the investors shall contact their respective DP.

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) 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.

3) Past performance of the Sponsors/AMC/Mutual Fund does not guarantee future performance of the Scheme.

4) The name of the Scheme does not in any manner, indicate either the quality of the Scheme or its future prospects and returns.

5) The Sponsors are not responsible or liable for any loss resulting from the operation of the Scheme beyond the initial contribution of an amount of Rs. 2,00,000 (Rupees two Lakh) made towards setting up the Mutual Fund.

6) The Scheme offered herein is not a guaranteed or assured return scheme.

7) Although it is intended to generate capital appreciation and maximize the returns by actively investing in debt and money market instruments, investors may note that AMC/Fund Manager's investment decisions may not be always profitable.

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 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.

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.

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, to 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.

Selection Risk: This is 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.

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, municipal and agency bonds 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.)

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

Legislative Risk: This is the risk that a change in the tax code could affect the value of taxable or tax-exempt interest income.

2. Risks associated with investing in Securitized Debt

The risks associated with investments in Securitized Debt are as follows (for details on Securitised Debt instruments please refer paragraph on 'Securitized Assets' under the section 'Where will the Scheme invest?' in this document):

Limited Recourse, Delinquency and Credit Risk: The Scheme may invest in domestic securitized debt such as Asset Backed Securities ("ABS") or Mortgage Backed Securities ("MBS"). ABS are securitized debts where the underlying assets are receivables arising from various loans including automobile loans, personal loans, loans against consumer durables, etc. MBS are securitized debts where the underlying assets are receivables arising from loans backed by mortgage of properties which can be residential or commercial in nature.

ABS / MBS instruments reflect the undivided interest in the underlying assets and do not represent the obligation of the issuer of ABS / MBS or the originator of the underlying receivables or the parent or any affiliate of the seller, issuer and originator. The ABS / MBS holders have a limited recourse to the extent of credit enhancement provided. ABS / MBS holders will suffer credit losses in the event of the delinquencies and credit losses in the underlying pool may exceed the credit enhancement provided. As compared to the normal corporate or sovereign debt, ABS / MBS are exposed to a higher level of reinvestment Risk.

Underlying Risk: In terms of specific risks attached to securitization, each asset class would have different underlying risks. Residential Mortgages generally have lower default rates than other asset classes, but repossession becomes difficult. On the other hand, repossession and subsequent recovery of commercial vehicles and other auto assets is fairly easier and better compared to mortgages. Asset classes like personal loans, credit card receivables are unsecured and in an economic downturn may witness higher default. A corporate loan/receivable, depend upon the nature of the underlying security for the loan or the nature of the receivable and the risks correspondingly fluctuate. In case the underlying pool receives the cash flows from multiple assets/loans; the credit risk of the securitized instrument might increase with increase in the correlation of the underlying asset pool and thereby might result in the decrease of the value of the instrument. In addition, the correlation estimations are exposed to the model risks at the level of originator, which might further accentuate the risk profiles of the instruments. However, these risks are mitigated by adequate diversification of the underlying.

Liquidity & Price Risk: Currently, secondary market for securitised papers is not very liquid. There is no assurance that an active secondary market will develop for such securities. This could limit the ability of the investor to resell them. Even if a secondary market develops and sales were to take place, these secondary transactions may be at a discount to the initial issue price due to changes in the interest rate structure.

Prepayment Risk: This risk arises when the borrower pays off the loan sooner than expected. When interest rates decline, borrowers tend to pay off high interest loans with money borrowed at a lower interest rate, which shortens the average maturity of ABS. However, there is some prepayment risk even if interest rates rise, such as when an owner pays off a mortgage when the house is sold or an auto loan is paid off when the car is sold.

Extension Risk: This is the risk that rising interest rates will slow the assumed prepayment speeds of mortgage loans, delaying the return of principal to their investors and causing them to miss the opportunity to reinvest at higher yields.

Reinvestment Risk: Since prepayment Risk increases when interest rates decline, this also introduces reinvestment Risk, which is the risk that the principal can only be reinvested at a lower rate.

Bankruptcy of the Originator or Seller: If the service provider becomes subject to bankruptcy proceedings and the court in the bankruptcy proceedings concludes that the sale from each Originator was not a sale then an Investor could experience losses or delays in the payments due under the instrument.

Co-mingling Risk: The Servicers normally deposit all payments received from the Obligors into the Collection Account. However, there could be a time gap between collection by a Servicer and depositing the same into the Collection Account especially considering that some of the collections may be in the form of cash. In this interim period, collections from the Loan Agreements may probably not be segregated from other funds of the Servicer. If the Servicer fails to remit such funds due to Investors, the Investors may be exposed to a potential loss. Due care is normally taken to ensure that the Servicer enjoys highest credit rating on standalone basis to minimize Co-mingling Risk.

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:

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 (Debt): 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 bond is hedged using a derivative, the change in price of the bond and the change in price of the derivative may not be fully correlated leading to basis risk in the portfolio. 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.

Credit Risk: The Credit Risk is the risk that the counter party will default in its obligations and is generally small as in a derivative transaction there is generally no exchange of the principal amount.

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

Valuation Risk: This is the risk of mis–pricing or improper valuation of derivatives due to inadequate trading data with good volumes.

Operational / Systemic Risk: This is the risk arising 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 Securities Segment and Tri-party Repo trade settlement

The mutual fund is a member of securities segment and Tri-party Repo trade settlement of the Clearing Corporation of India (CCIL). All transactions of the mutual fund in government securities and in Tri-party Repo trades 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). CCIL shall maintain two separate Default Funds in respect of its Securities Segment, one with a view to meet losses arising out of any default by its members from outright and repo trades and the other for meeting losses arising out of any default by its members from Triparty Repo trades. 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.

6. <u>Risks associated with transaction in Units through stock exchange(s):</u>

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.

7. <u>Risk factors associated with investments in REITs and InvITs:</u>

i) **Liquidity Risk**: This refers to the ease with which securities/instruments of REITs/InvITs can be sold. There is no assurance that an active secondary market will develop or be maintained. Hence, there could be times when trading in the units is infrequent. The subsequent valuation of illiquid units may reflect a discount from the market price of comparable securities/instruments for which a liquid market exists. As these products are new to the market they are likely to be exposed to liquidity risk.

ii) **Reinvestment Risk:** Investments in securities/instruments of REITs and InvITs may carry reinvestment risk as there could be repatriation of funds by the Trusts in form of buyback of units or dividend pay-outs, etc. Consequently, the proceeds may get invested in assets providing lower returns.

iii) **Price Risk:** Securities/Instruments of REITs and InvITs are volatile and prone to price fluctuations on a daily basis owing to market movements. The extent of fall or rise in the prices depends upon factors such as general market conditions, factors and forces affecting capital market, real estate and infrastructure sectors, level of interest rates, trading volumes, settlement periods and transfer procedures.

iv) **Interest Rate Risk:** Securities/Instruments of REITs and InvITs run interest rate risk. Generally, when interest rates rise, prices of units fall and when interest rates drop, such prices increase.

v) **Credit Risk:** Credit risk means that the issuer of a REIT/InvIT security / instrument may default on interest payment or even on paying back the principal amount on maturity. Securities / Instruments of REITs and InvITs are likely to have volatile cash flows as the repayment dates would not necessarily be pre-scheduled.

vi) **Regulatory/Legal Risk:** REITs and InvITs being new asset classes, rights of unit holders such as right to information etc. may differ from existing capital market asset classes under Indian Law.

Backstop facility in form of investment in Corporate Debt Market Development Fund (CDMDF):

CDMDF is set up as a scheme of the Trust registered as an Alternative Investment Fund ('AIF') in accordance with the SEBI (Alternative Investment Funds) Regulations, 2012 ("AIF Regulations"). The objective of the CDMDF is to help to develop the corporate debt market by providing backstop facility to instill confidence amongst the market participants in the corporate debt/bond market during times of market dislocation and to enhance the secondary market liquidity. In times of market dislocation, CDMDF shall purchase and hold eligible corporate debt securities from the participating investors (i.e., specified debt-oriented MF schemes to begin with) and sell as markets recover. The CDMDF will thus act as a key enabler for facilitating liquidity in the corporate debt market and to respond quickly in times of market dislocation. The trigger and period for which the backstop facility will be open shall be as decided by SEBI. Thus, this backstop facility will help fund managers of the aforementioned schemes to better generate liquidity during market dislocation to help the schemes fulfill liquidity obligations under stress situation.

In accordance with the requirement of regulation 43A of SEBI (Mutual Funds) Regulations, 1996 read with SEBI circular no. SEBI/HO/IMD/PoD2/P/CIR/2023/129 dated July 27, 2023, on Investment by Mutual Fund schemes in units of Corporate Debt Market Development Fund, the aforementioned schemes shall invest 25 bps of its AUM as on December 31, 2022 in the units of the Corporate Debt Market Development Fund (‘CDMDF’). An incremental contribution to CDMDF shall be made every six months to ensure 25 bps of scheme AUM is invested in units of CDMDF. However, if AUM decreases there shall be no return or redemption from CDMDF. Contribution made to CDMDF, including the appreciations on the same, if any, shall be locked-in till winding up of the CDMDF.

Investors may kindly note that investments in CDMDF units shall not be considered as violation while considering maturity restriction as applicable for various purposes (including applicable investment limits) and the calculations of Potential Risk Class (PRC) Matrix, Risk-o-meter, Stress testing and Duration for various purposes shall be done after excluding investments in units of CDMDF.

Investors are requested to read the detailed disclosure on investment of the schemes in the CDMDF as listed in sub-section C “How will the Scheme allocate its assets?” and sub-section D “Where will the Scheme Invest” in Section II “Information about the Scheme".

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 Sponsors or its Shareholders or their 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.
  Investors are requested to note that it is mandatory to update PAN in non-PAN exempt folios and to complete KYC requirements for all unit holders, including for all joint holders and the guardian in case of folio of a minor investor. Accordingly, financial transactions (including redemptions, switches and all types of systematic plans) and non-financial requests will not be processed if:

  i) the unit holders have not updated PAN in non-PAN exempt folios or
  ii) the unit holders have not completed applicable KYC requirements.

  Unit holders are advised to use the PAN updation Form (for updating PAN) and the applicable KYC Form (for completing the KYC requirements) which are available on the AMC's website www.unionmf.com, and submit the form at any of the Official Points of Acceptance of Union Mutual Fund. Further, upon updation of PAN details with KYC Registration Agency (i.e. KRA-KYC)/ Central Registry of Securitisation Asset Reconstruction and Security Interest (CERSAI) (i.e. CKYC), the unit holders are requested to intimate the AMC/ Registrar and Transfer Agent of Union Mutual Fund their PAN information (if not already updated) along with the folio details for updation in the records of Union Mutual Fund.

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.

  Subsequently, pursuant to the Investment and Subscription Agreement between Union Bank of India, Dai-ichi Life Holdings, Inc. and Union Asset Management Company Private Limited, Dai-ichi Life Holdings, Inc. had on May 17, 2018, invested in Union Asset Management Company Private Limited to the extent of 39.62% of the post issue share capital of Union Asset Management Company Private Limited, on a fully diluted basis, subject to relevant terms and conditions. Pursuant to this investment, Dai-ichi Life Holdings, Inc. holds more than 40% of the networth of Union Asset Management Company Private Limited. Consequently, Union Bank of India and Dai-ichi Life Holdings, Inc. have become Co-sponsors 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.

- **Management and Advisory Services to such Categories of Foreign Portfolio Investors under Regulation 24(b) of SEBI (Mutual Funds) Regulations, 1996, as specified by SEBI:**

  The AMC will provide Management and Advisory Services to such Categories of Foreign Portfolio Investors investing in India ('Offshore Funds'), as specified by SEBI, through the Fund Managers managing the schemes of Union Mutual Fund as permitted under Regulation 24(b) of SEBI (Mutual Funds) Regulations, 1996. SEBI has, vide its letter no. IMD/DF3/OW/P/2019/12781/1 dated May 22, 2019, accorded it's no objection to the AMC for providing management and advisory services to the Offshore Funds.

  The AMC has proper systems and controls in place to ensure that (a) any conflict of interest between the activities of managing the Schemes of Union Mutual Fund and other activities of the AMC will be avoided, (b) there exists a system to prohibit access to insider information of various activities, as envisaged under SEBI (Mutual Funds) Regulations, 1996, and (c) interest of the unit holders of the Schemes of the Fund are protected at all times. In case of an unavoidable conflict of interest situation, the AMC is required to make appropriate disclosures in an appropriate manner, which shall include the source of conflict, potential 'material risk or damage' to investor interests and detailed parameters for the same.

  In this context, since the AMC will provide Management and Advisory Services to such Categories of Foreign Portfolio Investors as specified by SEBI, through the Fund Managers managing the schemes of Union Mutual Fund, there could be various conflicts of interest situations that may arise. These conflict of interest situations could lead to potential risks such as the Fund Manager favoring the interest of one Client or a group of Clients to the detriment of the investors under the Mutual Fund and vice versa. To avoid such conflict of interest situations and to ensure fair treatment of investors across various activities undertaken by the AMC, the AMC has identified situations where conflicts may arise and has put in place detailed procedures to address such conflict of interest situations. These situations and procedures are detailed in the Conflicts of Interest Policy of the AMC which is available on the AMC's website viz. www.unionmf.com. The AMC shall ensure that there is no material conflict of interest across different activities undertaken by the AMC.

  Further, pursuant to Clause 17.2 of SEBI Master Circular for Mutual Funds dated May 19, 2023, in order to bring transparency while addressing the issue of conflict of interest wherein a fund manager is common across the schemes of Union Mutual Fund and Offshore Funds, the AMC shall:

  a) disclose on its website, the returns provided by the said manager for all the schemes (mutual fund, offshore funds etc) on a monthly basis

  b) in case any performance advertisement is issued by the AMC for any scheme, provide the details of returns of all the schemes (mutual fund, offshore funds etc) managed by that fund manager.

  c) in case the difference between the annual returns provided by the schemes managed by the same fund manager is more than 10%, then the same shall be reported to the Trustee and explanation for the same shall be disclosed on the website of the AMC.

The investors are requested to note that the above disclosures shall be further subject to the requirements as prescribed in the SEBI (Mutual Funds) Regulations, 1996 and circulars issued thereunder.

- **Levy of Stamp Duty on applicable mutual fund transactions**

  Pursuant to Part I of Chapter IV of the Notification dated February 21, 2019, issued by the Legislative Department, Ministry of Law and Justice, Government of India, on the Finance Act, 2019, read with subsequent notifications including Notification dated March 30, 2020 issued by Department of Revenue, Ministry of Finance, Government of India, a stamp duty at the rate of 0.005% of the transaction value would be levied on applicable mutual fund investment transactions such as purchases (including switch-in, Reinvestment of Income Distribution cum Capital Withdrawal) with effect from July 1, 2020. Accordingly, pursuant to levy of stamp duty, the number of units allotted on purchases, switch-ins, Systematic Investment Plan (SIP) installments, Systematic Transfer Plan (STP) installments, Reinvestment of Income Distribution cum Capital Withdrawal etc. to the unit holders would be reduced to that extent. The stamp duty will be deducted from the net investment amount i.e. gross investment amount less any other deduction like transaction charge. Units will be created only for the balance amount i.e. Net Investment Amount as reduced by the stamp duty. The stamp duty will be computed at the rate of 0.005% on an inclusive method basis.

  For instance: If the transaction amount is Rs. 100100 /- and the transaction charge is Rs. 100, the stamp duty will be calculated as follows: ((Transaction Amount – Transaction Charge)/100.005*0.005) = Rs. 5. If the applicable Net Asset Value (NAV) is Rs. 10 per unit, then units allotted will be calculated as follows: (Transaction Amount – Transaction Charge – Stamp Duty)/ Applicable NAV = 9,999.50 units.

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 Corporate Bond 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 Corporate Bond 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 (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.
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 to storms, floods, bandhs, strikes or such other events as the AMC may specify from time to time. Further, the day(s) on which the money markets are closed / not accessible, shall not be treated as Business Day(s). 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.
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, Payout of Income Distribution cum Capital Withdrawal, Reinvestment of Income Distribution cum Capital Withdrawal, 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.
Credit Event at Issuer Level	As per Clause 4.4 of SEBI Master Circular for Mutual Funds dated May 19, 2023 on 'Creation of segregated portfolio in Mutual Fund Schemes', 'Credit Event at Issuer Level' shall mean downgrade in credit rating by a SEBI registered Credit Rating Agency (CRA), as under: a) Downgrade of a debt or money market instrument to 'below investment grade', or b) Subsequent downgrades of the said instruments from 'below investment grade', or c) Similar such downgrades of a loan rating.
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.
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.
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 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.
Income Distribution cum Capital Withdrawal (IDCW) (in relation to Mutual Fund units)	Amount distributed by the Mutual Fund on the Units of the scheme, where applicable, out of Income (Appreciation in NAV) and/or Investors Capital (Equalisation Reserve).
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.
InvIT or Infrastructure Investment Trust	"InvIT" or "Infrastructure Investment Trust" shall have the meaning assigned in clause (za) of sub-regulation (1) of regulation 2 of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014. As per the SEBI (Infrastructure Investment Trusts) Regulations, 2014, "InvIT" or 'Infrastructure Investment Trust' shall mean the trust registered as such under these regulations.
Main Portfolio	As per Clause 4.4 of SEBI Master Circular for Mutual Funds dated May 19, 2023 on 'Creation of segregated portfolio in Mutual Fund Schemes', 'Main Portfolio' shall mean scheme portfolio excluding the segregated portfolio.
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, 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 Income Distribution cum Capital Withdrawal / 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 Limited (CAMS), currently acting as Registrar and Transfer Agent to the Scheme, or any other Registrar appointed by the AMC from time to time.
REIT or Real Estate Investment Trust	"REIT" or "Real Estate Investment Trust" shall have the meaning assigned in clause (zm) of sub-regulation 1 of regulation 2 of the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014. As per the SEBI (Real Estate Investment Trusts) Regulations, 2014, "REIT" or "Real Estate Investment Trust" shall mean a trust registered as such under these regulations.
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 Corporate Bond Fund.
Scheme Information Document or SID	This document issued by Union Mutual Fund, offering for subscription, units of Union Corporate Bond 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.
Segregated Portfolio	As per Clause 4.4 of SEBI Master Circular for Mutual Funds dated May 19, 2023 on 'Creation of segregated portfolio in Mutual Fund Schemes', 'Segregated Portfolio' shall mean a portfolio, comprising of debt or money market instrument affected by a credit event, that has been segregated in a mutual fund 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.
Sponsors	Union Bank of India and Dai-ichi Life Holdings, Inc.
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.
Total Portfolio	As per Clause 4.4 of SEBI Master Circular for Mutual Funds dated May 19, 2023 on 'Creation of segregated portfolio in Mutual Fund Schemes', 'Total Portfolio' shall mean the scheme portfolio including the securities affected by the credit event.
Trust Deed / Deed of Trust	The Trust Deed dated December 1, 2010 made by and between the Sponsors and Union 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 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 Limited	NECS	National Electronic Clearing System
CAS	Consolidated Account Statement	NEFT	National Electronic Funds Transfer
CCIL	The Clearing Corporation of India Limited	NFO	New Fund Offer
CDSC	Contingent Deferred Sales Charge	NRE	Non Resident External
CDSL	Central Depository Services (India) Limited	NRI	Non-Resident Indian

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

		TIPS	Treasury Inflation Protection Securities

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 "Rs." 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 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 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: October 30, 2023

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

Note: The aforesaid Due Diligence Certificate dated October 30, 2023 has been submitted to the Securities and Exchange Board of India on October 30, 2023.

II. INFORMATION ABOUT THE SCHEME

A. NAME & TYPE OF THE SCHEME

Union Corporate Bond Fund is an open ended debt scheme predominantly investing in AA+ and above rated corporate bonds. A relatively high interest rate risk and moderate credit risk.

B. WHAT IS THE INVESTMENT OBJECTIVE OF THE SCHEME?

To achieve long term capital appreciation by investing substantially in a portfolio of corporate debt securities.

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**	**High/Medium/Low**
Corporate Bonds (only in AA+ and above rated corporate bonds)	80%	100%	Medium to High
Debt and Money Market Instruments	0%	20%	Low
Units issued by REITs and InvITs	0%	10%	Medium to High

Investment in Securitized Debt - upto 50% of the net asset of the scheme

Investments in Derivatives – upto 20% of the net assets of the scheme.

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 Clause 12.24 of SEBI Master Circular for Mutual Funds dated May 19, 2023, the aggregate asset allocation will not exceed 100% of the net assets of the scheme.

The total debt derivative exposure will be restricted to 20% of the net assets of the Scheme. The Scheme shall not invest in equity derivatives. Investment in derivatives shall be for hedging, portfolio balancing and such other purposes as maybe permitted from time to time.

Presently, the Scheme does not intend to invest in foreign securities or engage in stock lending and short selling.

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 Clause 12.16 of SEBI Master Circular for Mutual Funds dated May 19, 2023.

In accordance with the requirement of regulation 43A of SEBI (Mutual Funds) Regulations, 1996 read with SEBI circular no. SEBI/HO/IMD/PoD2/P/CIR/2023/129 dated July 27, 2023 on Investment by Mutual Fund schemes and AMCs in units of Corporate Debt Market Development Fund, the Scheme shall invest 25 bps of its AUM as on December 31, 2022 in the units of the Corporate Debt Market Development Fund ('CDMDF') within 10 working days from the request of CDMDF. Further, an incremental contribution to CDMDF shall be made every six months within 10 working days from the end of half year starting from December 2023 to ensure 25 bps of scheme AUM is invested in units of CDMDF. However, if AUM decreases there shall be no return or redemption from CDMDF. Contribution made to CDMDF, including the appreciations on the same, if any, shall be locked-in till winding up of the CDMDF.

However, in case of winding up of contributing Scheme, inter-scheme transfers within the same Mutual Fund or across Mutual Funds may be undertaken.

Further, investments in CDMDF units shall not be considered as violation while considering maturity restriction as applicable for various purposes (including applicable investment limits) and the calculations of Potential Risk Class (PRC) Matrix, Risk-o-meter, Stress testing and Duration for various purposes shall be done after excluding investments in units of CDMDF.

Subject to limits prescribed by SEBI and the above mentioned asset allocation pattern, the maturity profile of the Scheme can undergo a change in case the market conditions warrant and at the discretion of the fund manager.

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 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 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 in accordance with Clause 1.14 of SEBI Master Circular for Mutual Funds dated May 19, 2023 for short term and for defensive considerations only. In case of deviation, the portfolio would be rebalanced within 1 month from the date of deviation. In case the same is not aligned to the above asset allocation pattern within 1 month, 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.

Further, as per Clause 2.9 of SEBI Master Circular for Mutual Funds dated May 19, 2023, as may be amended from time to time, in the event of deviation from mandated asset allocation due to passive breaches (occurrence of instances not arising out of omission and commission of the AMC), the Fund Manager shall rebalance the portfolio of the Scheme within 30 Business Days. In case the portfolio of the Scheme is not rebalanced within the period of 30 Business Days, justification in writing, including details of efforts taken to rebalance the portfolio shall be placed before the Investment Committee of the AMC. The Investment Committee, if it so desires, can extend the timeline for rebalancing up to sixty (60) Business Days from the date of completion of mandated rebalancing period. The AMC shall comply with the requirements prescribed under aforementioned SEBI Circular dated May 19, 2023, as amended from time to time.

COMPARISON WITH EXISTING OPEN-ENDED INCOME SCHEMES:

Scheme Name	Type	Investment Objective	Differentiation	AUM (Rs. in crore) as on September 30, 2023	No. of folios as on September 30, 2023
Union Dynamic Bond Fund	An open ended dynamic debt scheme investing across duration. A relatively high interest rate risk and moderate credit risk	To actively manage a portfolio of good quality debt as well as money market instruments so as to provide reasonable returns and liquidity to the investors. However, there can be no assurance that the investment objective of the scheme will be achieved.	The scheme invests in Debt Instruments including Government Securities and Corporate Debt and Money Market Instruments. Asset Allocation under normal circumstances: Debt* Instruments including Government Securities and Corporate Debt (Maximum 100 % and Minimum – 0 % of the total assets). Money Market Instruments (Maximum 100 % and Minimum – 0 % of the total assets). Units issued by REITs and InvITs (Maximum 10% and Minimum 0% of the total assets) *Investments in securitized debt including Pass Through Certificates (PTCs) not to exceed 25% of the net assets of the Scheme as at the time of purchase.	91.72	3763
Union Liquid Fund	An Open Ended Liquid Scheme. A relatively low interest rate risk	To provide reasonable returns commensurate with lower risk and high level of liquidity through a portfolio of money market	The scheme invests in debt and money market instruments with maximum residual maturity of 91 days. Asset Allocation under	2462.17	5872

Scheme Name	Type	Investment Objective	Differentiation	AUM (Rs. in crore) as on September 30, 2023	No. of folios as on September 30, 2023
	and moderate credit risk.	and debt securities. However, there can be no assurance that the investment objective of the scheme will be achieved.	normal circumstances: Money market and debt* instruments with residual maturity upto 91 days (including floating rate debt instruments, securitized debt, mutual fund units of debt schemes) (Maximum 100% and Minimum 0% of the total assets) *Investments in securitized debt including Pass Through Certificates (PTCs) not to exceed 25% of the net assets of the Scheme as at the time of purchase.		
Union Corporate Bond Fund	An open ended debt scheme predominantly investing in AA+ and above rated corporate bonds. A relatively high interest rate risk and moderate credit risk.	To achieve long term capital appreciation by investing substantially in a portfolio of corporate debt securities. However, there can be no assurance that the investment objective of the scheme will be achieved.	The scheme will invest predominantly in AA+ and above rated corporate bonds and remaining portion will be invested in debt and money market securities Asset Allocation under normal circumstances: Corporate Bonds (only in AA+ and above rated corporate bonds) (Maximum 100% and Minimum 80% of the total assets) Debt and Money Market Instruments (Maximum 20 % and Minimum - 0 % of the total assets).	444.07	4835

Scheme Name	Type	Investment Objective	Differentiation	AUM (Rs. in crore) as on September 30, 2023	No. of folios as on September 30, 2023
Union Overnight Fund	An open ended debt scheme investing in overnight securities. A relatively low interest rate risk and relatively low credit risk.	The investment objective of the scheme is to generate returns by investing in Debt and Money Market Instruments with overnight maturity. However, there is no assurance that the investment objective of the scheme will be achieved.	The scheme invests in overnight securities. However, the Scheme may deploy, not exceeding 5% of the net assets of the Scheme in G-secs and/or T-bills with a residual maturity of upto 30 days for the purpose of placing the same as margin and collateral for certain transactions Asset Allocation under normal circumstances: Debt and Money Market Instruments maturing on or before the next Business Day (including Tri-party Repo and equivalent) (Maximum 100 % and Minimum – 0 % of the total assets).	288.09	1443
Union Medium Duration Fund	An open ended medium term debt scheme investing in instrumens such that the Macaulay duration of the portfolio is between 3 to 4 years. Please refer to the page no.	The investment objective of the Scheme is to generate income and capital appreciation by investing in Fixed Income Securities and Money Market Instruments. However, there is no assurance that the Investment Objective of the scheme will be achieved.	Asset Allocation under normal circumstances: Debt and Money Market Instruments^ (0% -100% of the total assets) Units issued by REITs and InvITs (0% - 10% of the total assets) ^Investment in Debt and Money Market Instruments will be such that the Macaulay Duration of the portfolio will be between 3 years to 4 years under normal	133.76	3581

Scheme Name	Type	Investment Objective	Differentiation	AUM (Rs. in crore) as on September 30, 2023	No. of folios as on September 30, 2023
	40 of the SID on which the concept of Macaulay Duration has been explained. A relatively high interest rate risk and moderate credit risk.		circumstances. In case of anticipated adverse situation(s), the portfolio Macaulay Duration will be between 1 year to 4 years. Please refer to the page no. 40 of the SID on which the concept of Macaulay Duration has been explained.		
Union Money Market Fund	An open ended debt scheme investing in money market instruments. A relatively low interest rate risk and moderate credit risk.	The investment objective of the Scheme is to generate regular income through investment in a portfolio comprising of money market instruments. However, there is no assurance that the Investment Objective of the Scheme will be achieved	The Scheme will invest exclusively in money market securities having maturity upto 1 year. Under normal circumstances, the asset allocation shall be as under: Money Market Instruments having maturity upto 1 year (Maximum 100 % and Minimum – 0 % of the total assets).	176.38	4087
Union Gilt Fund	An open ended debt scheme investing in government securities across maturity. A relatively high	The investment objective of the Scheme is to generate income through investment in a portfolio comprising of government securities of various maturities.	The Scheme shall invest minimum 80% of the total assets in government securities (i.e. Central and State Government securities, Treasury Bills and Cash Management Bills of Government of India).	121.18	2053

Scheme Name	Type	Investment Objective	Differentiation	AUM (Rs. in crore) as on September 30, 2023	No. of folios as on September 30, 2023
	interest rate risk and relatively low credit risk.	However, there is no assurance that the Investment Objective of the Scheme will be achieved.	Under normal circumstances, the asset allocation shall be as under: Central and State Government securities, Treasury Bills and Cash Management Bills of Government of India. (Maximum 100 % and Minimum – 80 % of the total assets). Call money market, Triparty Repo, Reverse Repo in Government Securities and Treasury Bills*. (Maximum 20 % and Minimum – 0 % of the total assets). *Including alternative investment for call money market as may be permissible by SEBI and RBI, subject to prior regulatory approval, if any.		

D. WHERE WILL THE SCHEME INVEST?

The corpus of the Scheme will be invested in money market & debt instruments, units issued by REITs & InviTs and in permitted securities which will include but are not limited to the following:

1) 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.

2) Debt instruments issued by Domestic Government Agencies and statutory bodies, which may or may not carry a Central / State Government guarantee.

3) Corporate Bonds of public sector or private sector undertakings.

4) Corporate debt and securities (of both public and private sector undertakings) including Bonds, Debentures, Notes, Strips, etc.

5) Debt instruments (both public and private sector) issued by banks / development financial institutions.

6) Money market instruments permitted by SEBI including alternative investments for the call money market as may be provided by RBI to meet the liquidity requirements.

7) Certificate of Deposits (CDs)

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.

8) Tri-party Repo in Government Securities:

Tri-party Repo means a repo contract where a third entity (apart from the borrower and lender), called a Tri-Party Agent, acts as an intermediary between the two parties to the repo to facilitate services like collateral selection, payment and settlement, custody and management during the life of the transaction. The Scheme shall undertake Tri-party Repo transactions in Government Securities.

9) Commercial Papers (CPs)

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.

10) 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.

11) 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.

12) 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.

13) Debt or Money Market Mutual Fund schemes

14) 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.

15) Securitized Assets

Securitization is a structured finance process which involves pooling and repackaging of cashflow producing financial assets into securities that are then sold to investors. All assets can be securitized so long as they are associated with cash flows. A Pass Through Certificate (PTC) represents beneficial interest in an underlying pool of cash flows. These cash flows represent dues against single or multiple loans originated by the sellers of these loans. These loans are given by banks or financial institutions to corporates. PTCs may be backed, but not exclusively, by receivables of personal loans, car loans, two wheeler loans and other assets subject to applicable regulations.

A typical process of asset securitization involves sale of specific receivables to a Special Purpose Vehicle (SPV) set up in the form of a trust or a company.
The SPV in turn issues financial instruments (promissory notes, participation certificates or other debt instruments) also referred to as "Securitized Debt" to the investors evidencing the beneficial ownership of the investors in the receivables. The financial instruments are rated by an independent credit rating agency.

On the recommendation of the credit rating agency, additional credit support (Credit Enhancement) may be provided in order that the instrument may receive the desired level of rating. Typically the servicing of the receivables is continued by the seller in the capacity of the Servicer. Cash flows, as and when they are received, are passed onto the investors.

Features of securitization transactions include:

- Absolute true sale of assets to an SPV (with defined purposes and activities) in trust for the investors
- Reliance by the investors on the performance of the assets for repayment rather than the credit of the Originator (the seller) or the Issuer (the SPV)
- Remoteness from the Originator
- Support for timely payments, inter-alia, in the form of suitable credit enhancements, if required
- Securitised debt paper usually achieves a high investment grade credit rating
- There is a diversification of economic risks as credit risk is spread over a diversified group of obligors.

Securities, which are the outcome of securitization processes, are termed as Asset Backed Securities ("ABS") or Mortgage Backed Securities ("MBS"). ABS are backed by other assets such as credit card, automobile or consumer loan receivables, retail installment loans or participations in pools of leases. Credit support for these securities may be based on the underlying assets and/or provided through credit enhancements by a third party. MBS are securitized debts wherein the underlying assets are receivables arising from loans backed by mortgage of properties which can be residential or commercial in nature. ABS/MBS instruments reflect the undivided interest in the underlying assets and do not represent the obligation of the issuer of ABS/MBS or the originator of underlying receivables.

Broadly the following types of loans are securitised in India:

- Auto loans (cars / commercial vehicles /two wheelers)
- Residential mortgages or housing loans
- Consumer Durable Loans
- Corporate loans/receivables
- Personal loans, credit card and other retail loans

The Scheme may invest in various type of securitisation issuances. The Scheme does not propose to limit its exposure to only one asset class or to have asset class based sub-limits as it will primarily look towards the credit rating of the offering.

Disclosures regarding investments in Securitised Debt:

i) **How the risk profile of securitized debt fits into the risk appetite of the scheme?**

A pre-investment risk evaluation procedure similar to the one applied to other debt instruments will be applied to analyse the risk profile of the securitised debt instruments and to ascertain that the same is in line with the investment objective of the Scheme.

Normally, the risk of investing in securitized debts is similar to investing in debt securities. However, as securitised debt involves staggered cashflows from underlying loans, there is always a risk of pre-payment of loan installments by the ultimate borrower which may reduce the returns of the Scheme if the re-investment rates are lower than initially envisaged. Also, securitised debts have a relatively lower liquidity compared to other debt securities.

Securitised debts, typically offer higher yield than debt securities of similar rating and maturity due to the aforementioned additional risks. If the fund manager is of the view that the additional risks are suitably compensated by higher returns, then investments will be made in securitised debts subject to applicable limits.

The Scheme will predominantly invest only in those securitization issuances which have at least an investment grade credit rating indicating high level of safety from the credit risk point of view at the time of making an investment.

ii) **Policy relating to originators based on nature of originator, track record, NPAs, losses in earlier securitized debt, etc.**

The Originator is the entity who has initially given the loan and transferred the receivables to a SPV. The Scheme shall invest in those securitised debts, whose Originator is a Corporate Entity, being a Bank or an NBFC.

Before entering into any securitization transaction, the risk is assessed based on the information generated from the following sources:

- Rating provided by the rating agency
- Assessment by the AMC

Assessment by a Rating Agency

In its endeavour to assess the fundamental uncertainties in any securitization transaction, a credit rating agency normally takes into consideration following factors:

a. Credit Risk

Credit risk forms a vital element in the analysis of securitization transaction. Adequate credit enhancements to cover defaults, even under stress scenarios, mitigates this risk. This is done by evaluating following risks:

- Asset risk
- Originator risk
- Portfolio risk
- Pool risks

The quality of the pool is a crucial element in assessing credit risk. In the Indian context, generally, pools are 'cherry-picked' using positive selection criteria. To protect the investor from adverse selection of pool contracts, the rating agencies normally take into consideration pool characteristics such as pool seasoning (seasoning represents the number of installments paid by borrower till date: higher seasoning represents better quality), over dues at the time of selection and Loan to Value (LTV). To assess its risk profile vis-à-vis the overall portfolio, the pool is analyzed with regard to geographical location, borrower profile, LTV, and tenure.

b. Counterparty risk

There are several counterparties in a securitization transaction, and their performance is crucial. Unlike in the case of credit risks, where the risks emanate from a diversified pool of retail assets, counterparty risks result in either performance or non-performance. The rating agencies generally mitigate such risks through the usage of stringent counterparty selection and replacement criteria to reduce the risk of failure. The risks assessed under this category include:

- Servicer risk
- Commingling risk
- Miscellaneous other counterparty risks

c. Legal risks

The rating agency normally conducts a detailed study of the legal documents to ensure that the investors' interest is not compromised and relevant protection and safeguards are built into the transaction.

d. Market risks

Market risks represent risks not directly related to the transaction, but other market related factors, stated below, which could have an impact on transaction performance, or the value of the investments to the investors.

- Macro-economic risks
- Prepayment risks
- Interest rate risks

Assessment by the AMC

a. Acceptance evaluation parameters

Track record

We ensure that there is adequate past track record of the Originator before selection of the pool including a detailed look at the number of issuances in past, track record of issuances, experience of issuance team, etc.

Willingness to pay

As the securitized structure has underlying collateral structure, depending on the asset class, historical NPA trend and other pool / loan characteristics, a credit enhancement in the form of cash collateral, such as fixed deposit, bank, guarantee etc. is obtained, as a risk mitigation measure.

Ability to pay

This assessment is based on a strategic framework for credit analysis, which entails a detailed financial risk assessment.

A traditional SWOT analysis (which means to evaluate the Strengths, Weaknesses, Opportunities and Threats) is used for identifying company specific financial risks. One of the most important factors for assessment is the quality of management based on its past track record and feedback from market participants. In order to assess financial risk a broad assessment of the issuer's financial statements is undertaken to review its ability to undergo stress on cash flows and asset quality.

Business risk assessment, wherein following factors are considered:
- Outlook for the economy (domestic and global)
- Outlook for the industry
- Company specific factors

In addition a detailed review and assessment of rating rationale is done including interactions with the company as well as agency.

b. Critical Evaluation Parameters

Further, before investing in securitised debts, the Originator will be evaluated on the following critical parameters and a detailed report will be compiled:

- Transaction structure including Par versus premium and credit enhancement
- Reputation of Originator in the market
- Proportion of overdue assets of the pool or the underlying loan, as the case may be
- Track record of servicing of the pool or the loan, as the case may be
- Any disputes or litigations in the originated pools
- Credit quality and rating
- Loan to Value ratio

- Liquidity facility

Advantages of Investments in Single Loan Securitized Debt

a. **Wider Coverage:** A Single Loan Securitized Debt market offers a more diverse range of issues / exposures as the Banks / NBFCs lend to larger base of borrowers.

b. **Credit Assessment:** Better credit assessment of the underlying exposure as the Banks / NBFCs ideally co-invest in the same structure or take some other exposure on the same borrower in some other form.

c. **Better Structuring:** Single Loan Securitized Debt investments facilitates better structuring than investments in plain vanilla debt instruments as it is governed by Securitization guidelines issued by RBI.

d. **Better Legal documentation:** Single Loan Securitized Debt structures involves better legal documentation than Non-Convertible Debenture (NCD) investments.

e. **End use of funds:** Securitized debt has better standards of disclosures as well as limitation on end use of funds as compared to NCD investments wherein the end use is general corporate purpose.

f. **Yield enhancer:** Single Loan Securitized Debt investments give higher returns as compared to NCD investments in same corporate exposure.

g. **Regulator supervision:** Macro level supervision from RBI in Securitization Investments as compared to NCD investments.

h. **Tighter covenants:** Single Loan Securitized Debt structures involve tighter financial covenants than NCD investments.

Disadvantages of Investments in Single Loan Securitized Debt

a. **Liquidity risk:** Investments in Single Loan Securitized Debts have relatively less liquidity as compared to investments in NCDs.

b. **Co-mingling risk:** Servicers in a securitization transaction normally deposit all payments received from the obligors into a collection account. However, there could be a time gap between collection by a servicer and depositing the same into the collection account. In this interim period, collections from the loan agreements by the servicer may not be segregated from other funds of the servicer. If the servicer fails to remit such funds due to investors, investors in the Scheme may be exposed to a potential loss.

Table below lists the major risks and advantages of investing in Single Loan securitizations:

Risks	PTC	NCD	Risk Mitigants
Liquidity Risk	Relatively high	Less	Liquidity Risk is mitigated by investing in structures which are in line with product maturity, also by taking cash collateral, bank guarantees etc.
Co-mingling Risk	Relatively high	No	Management representations are taken from the servicer to avoid such risks.

Advantages	PTC	NCD

Wider Coverage	High	Relatively less
Credit Assessment	High	Relatively less
Structure	Low	Relatively less
Legal Documentation	More regulated	Relatively less regulated
End use of funds	Targeted end use	General purpose use
Yield enhancer	High	Relatively less
Covenants	Tighter covenants	Less
Secondary Market Issuances	Lower issuances	Higher issuances

Table below illustrates the framework that will be applied while evaluating investment decision relating to a pool securitization transaction:

Characteristics/ Type of Pool	**Mortgage Loan**	**Commercial Vehicle and Construction Equipment**	**CAR**	**2 Wheelers**
Approximate Average maturity (in Months)	36-120 Months	12-60 Months	12-60 Months	15-48 Months
Collateral margin (including cash, guarantees, excess interest spread, subordinate tranche)	3-10%	4-12%	4-13%	4-15%
Average Loan to Value Ratio	75%-85%	75%-85%	75%-85%	75%-85%
Minimum Retention Period	9-12 months	9-12 months	9-12 months	9-12 months
Maximum single exposure range	4-5%	3-4%	NA (Retail Pool)	NA (Retail Pool)
Average single exposure range %	0.5%-3%	0.5%-3%	<1% of the Fund size	<1% of the Fund size

Notes:

1. Retail pools are the loan pools relating to Car, 2 wheelers, etc. wherein the average loan size is relatively small and spread over large number of borrowers.

2. Information illustrated in the Tables above, is based on the current scenario relating to Securitized Debt market and is subject to change depending upon the change in the related factors.

iii) **Risk mitigation strategies for investments with each kind of originator**

Risk would be mitigated to a large extent by the critical evaluation parameters mentioned above. Further, Risk mitigation strategies typically include additional credit enhancement, overcollateralization, interest subvention, presence of subordinate tranches, analysing ageing of the pools i.e. how long the loan has been with Originator before securitization etc.

Some of the risks with securitised debt investments and the corresponding risk mitigating strategies are listed below:

Risk*	**Risk mitigation strategy**
Limited Recourse, Delinquency and Credit	In addition to careful scrutiny of credit profile of borrower/pool additional security in the form of adequate cash collaterals and other

Risk	securities may be obtained to ensure that they all qualify for similar rating.
Bankruptcy of the Originator or Seller	Normally, specific care is taken in structuring the securitization transaction so as to minimize the risk of the sale from the Originator not being construed as a 'true sale'. It is also in the interest of the originator to demonstrate the transaction as a true sale to get the necessary revenue recognition and tax benefits.
Liquidity and Price risk	Securitized debt instruments are relatively illiquid in the secondary market and hence they are generally held to maturity. The liquidity risk and HTM (Held To Maturity) nature is taken into consideration at the time of analyzing the appropriateness of the securitization.
Prepayment Risk	A certain amount of prepayments is assumed in the calculations at the time of purchase based on historical trends and estimates. Further a stress case estimate is calculated and additional margins are built in.

*For details on the risks involved please refer to the point 'Specific risk associated with investing in Securitized Debt' under 'Risk Factors' above in this Document.

iv) **The level of diversification with respect to the underlying assets, and risk mitigation measures for less diversified investments**

Currently, the securitized market in India is at a nascent stage. There are only few kinds of securitized assets available in the market. The limitation of options has kept diversification of underlying assets low. However, the Scheme will endeavour to maintain diversification with respect to the underlying assets by investing in various types of pools after evaluating each category on the basis of the approximate average maturity, maximum single exposure, average single exposure, average loan to value ratio, the collateral margin etc. Also strict pre-investment review of the originators, underlying assets and the borrower's credit profile will be conducted.

The factors that will be analyzed to ensure diversification of risk and measures identified for less diversified investments are as follows:

- **Size of the loan:** We generally analyze the size of each loan on a sample basis and analyze a static pool of the originator to ensure the same matches the Static pool characteristics. Also indicates whether there is excessive reliance on very small ticket size, which may result in difficult and costly recoveries. To illustrate, the ticket size of housing loans is generally higher than that of personal loans. Hence, in the construction of a housing loan asset pool for say Rs. 1,00,00,000/- it may be easier to construct a pool with just 10 housing loans of Rs. 10,00,000 each rather than to construct a pool of personal loans as the ticket size of personal loans may rarely exceed Rs. 5,00,000/- per individual. Also to amplify this illustration further, if one were to construct a pool of Rs. 1,00,00,000/- consisting of personal loans of Rs. 1,00,000/- each, the larger number of contracts (100 as against one of 10 housing loans of Rs. 10 lakh each) automatically diversifies the risk profile of the pool as compared to a housing loan based asset pool.

- **Average original maturity of the pool:** Indicates the original repayment period and whether the loan tenors are in line with industry averages and borrower's repayment capacity. To illustrate, in a car pool consisting of 60-month contracts, the original maturity and the residual maturity of the pool viz. number of remaining installments to be paid gives a better idea of the risk of default of the pool itself. If in a pool of 100 car loans having original maturity of 60 months, if more than 70% of the contracts have paid more than 50% of the installments and if no default has been observed in such contracts, this is a far superior portfolio than a similar car loan pool where 80% of the contracts have not even crossed 5 installments.

- **Default rate distribution:** We generally ensure that all the contracts in the pools are current to ensure zero default rate distribution. Indicates how much % of the pool and overall portfolio of the originator is current, how much is in 0-30 DPD (Days Past Due), 30-60 DPD, 60-90 DPD and so on. The rationale here being, as against 0-30 DPD, the 60-90 DPD is certainly a higher risk category.

- **Geographical Distribution:** Regional/state/ branch distribution is preferred to avoid concentration of assets in a particular region/state/branch.

- **Risk Tranching:** Typically, we would avoid investing in mezzanine debt or equity of Securitized debt in the form of sub ordinate tranche, without specific risk mitigant strategies / additional cash / security collaterals/ guarantees etc.

v) **Minimum retention period of the debt by originator prior to securitization**

RBI governs the issuance of securitised debts in India. It has formulated guidelines for minimum retention period. Depending on the tenor of the securitised assets and the type of repayment schedule viz. periodic repayment or bullet repayment, nine or twelve months have been prescribed as the minimum retention period before the assets can be securitised.

vi) **Minimum retention percentage by originator of debts to be securitized**

RBI has prescribed the minimum retention percentage as 5% or 10% of the book value of the loans being securitised depending on the original maturity of the loans and the features of the securitisation transaction.

vii) **The mechanism to tackle conflict of interest when the mutual fund invests in securitized debt of an originator and the originator in turn makes investments in that particular scheme of the fund**

The investments in securitised debts are made on the basis of the independent assessments of the research team and the judgements of the fund manager. Our internal processes are designed to ensure complete independence of the research and investment process from the sales business.

viii) **In general, the resources and mechanism of individual risk assessment with the AMC for monitoring investment in securitized debt**

The fund management team has the required experience to analyse and monitor investments in securitised debts. On an on-going basis the rating movement of the securitised debts will be monitored. Credit research agencies also provide analysis of individual instruments and pools. The periodic reports received by the AMC on pool performance will be scanned to check for any change in asset quality and related impact on debt servicing and any impact that it can have on the credit ratings.

Note: The information contained herein is based on current market conditions and may change from time to time based on changes in such conditions, regulatory changes and other relevant factors. Accordingly, our investment strategy, risk mitigation measures and other information contained herein may change in response to the same.

Credit Rating of the Transaction / Certificate

The credit rating is not a recommendation to purchase, hold or sell the Certificate in as much as the ratings do not comment on the market price of the Certificate or its suitability to a particular investor. There is no assurance by the rating agency either that the rating will remain at the same level for any given period of time or that the rating will not be lowered or withdrawn entirely by the rating agency.

When, as and if issued security:

When, as and if issued (commonly known as "**when-issued" (WI) security**) refers to a security that has been authorized for issuance but not yet actually issued. WI trading takes place between the time a new issue is announced and the time it is actually issued. All "when issued" transactions are on an "if" basis, to be settled if and when the actual security is issued.

SEBI has on April 16, 2008 in principle allowed Mutual Funds to undertake 'When Issued (WI)' transactions in Central Government securities, at par with other market participants.

• Open Positions in the 'WI' market are subject to the following limits:

Category	**Reissued Security**	**Newly Issued Security**
Non-PDs	Long Position, not exceeding 5 percent of the notified amount.	Long Position, not exceeding 5 percent of the notified amount.

16) 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 a financial contract between two parties to exchange interest payments for a notional principal amount on settlement date, for a specified period from start date to maturity date. Accordingly, on the settlement date, cash payments based on contract (fixed) and the settlement rate, are made by the parties to one another. The settlement rate is the agreed benchmark/ reference rate prevailing on the settlement date.

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

17) Investments in units of mutual fund schemes

The Scheme may invest in Debt and Liquid schemes managed by the AMC or in the schemes of any other mutual funds in conformity with the investment objective of the Scheme and in terms of the prevailing SEBI (MF) Regulations.

18) 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.

19) Units issued by REITs and InvITs

The Scheme may invest in units issued by REITS and InvITs within the prescribed limits.

20) Investment in CDMDF:

In accordance with the requirement of regulation 43A of SEBI (Mutual Funds) Regulations, 1996 read with SEBI circular no. SEBI/HO/IMD/PoD2/P/CIR/2023/129 dated July 27, 2023 on Investment by Mutual Fund schemes and AMCs in units of Corporate Debt Market Development Fund, scheme shall invest 25 bps of its AUM in the units of CDMDF.

CDMDF Framework-

CDMDF shall comply with the Guarantee Scheme for Corporate Debt (GSCD) as notified by Ministry of Finance vide notification no. G.S.R. 559(E) dated July 26, 2023 and SEBI circular no. SEBI/HO/IMD/PoD2/P/CIR/2023/128 dated July 27, 2023 and circulars / guidelines/ Letters issued by SEBI and AMFI from time to time, which includes the framework for corporate debt market development fund. The framework will be inclusive of following points-

a) The CDMDF shall deal only in following securities during normal times:
   - Low duration Government Securities
   - Treasury bills
   - Tri-party Repo on G-sec
   - Guaranteed corporate bond repo with maturity not exceeding 7 days

b) The fees and expenses of CDMDF shall be as follows:
   - During Normal times: (0.15% + tax) of the Portfolio Value charged on daily pro-rata basis.
   - During Market stress: (0.20% + tax) of the Portfolio Value charged on daily pro-rata basis.
   - “Portfolio Value” means the aggregate amount of portfolio of investments including cash balance without netting off of leverage undertaken by the CDMDF.

c) Corporate debt securities to be bought by CDMDF during market dislocation include listed money market instruments. The long term rating of issuers shall be considered for the money market instruments. However, if there is no long term rating available for the same issuer, then based on credit rating mapping of CRAs between short term and long term ratings, the most conservative long term rating shall be taken for a given short term rating.

d) CDMDF shall follow the Fair Pricing document, while purchase of corporate debt securities during market dislocation as specified in SEBI circular no. SEBI/HO/IMD/PoD2/P/CIR/2023/128 dated July 27, 2023 and circulars / guidelines/ Letters issued by SEBI and AMFI from time to time.

e) CDMDF shall follow the loss waterfall accounting and guidelines with respect to purchase allocation and trade settlement of corporate debt securities bought by CDMDF, specified in SEBI circular no. SEBI/HO/IMD/PoD2/P/CIR/2023/128 dated July 27, 2023 and circulars / guidelines/ Letters issued by SEBI and AMFI from time to time.

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.

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 Clause 12.12 of SEBI Master Circular for Mutual Funds dated May 19, 2023; 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 the Board of AMC and Trustee shall be sought.

For applicable regulatory investment limits please refer the section on "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 corporate bonds (only in AA+ and above rated corporate bonds). The remaining portion will be invested in debt and money market securities.

The investment team of the AMC will continuously monitor and review the macroeconomic environment including the political and economic factors, money supply in the system, Government borrowing programme and demand and supply of debt instruments, credit pick up among others, affecting the liquidity and interest rates.

The Scheme may also invest in the units of REITs and InvITs for diversification, subject to conditions prescribed by SEBI from time to time.

Derivatives Strategy:

In order to achieve the investment objective, the Scheme may take exposure to debt derivatives in accordance with 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.

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 endeavour 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 Rs. 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 Rs. 25 Crores for March 10, 2021 to September 07, 2021. 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 March 10, 2021 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 September 07, 2021, they will calculate the following:

- The Scheme - fixed rate receiver is entitled to receive interest on Rs. 25 Crores at 7.75% for 181 days i.e. Rs. 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 September 07, 2021, if the total interest on the daily overnight compounded benchmark rate is higher than Rs. 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

An 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 as on December 13, 2020 the Scheme holds a benchmark 10 year paper trading at Rs. 98.35 at a yield of 8.05% and the January 2021 futures contract on the 10 year notional 7% coupon bearing Government Paper is trading at Rs. 92.10 at a yield of 8.17%. The fund manager decides to hedge the exposure by taking a short position in the January 2021 IRF contract.

On January 24, 2021 the yield of the benchmark 10 year paper has increased to 8.10% and the price has decreased to Rs. 95.00 and the January 2021 futures contract on the 10 year notional 7% coupon bearing Government Paper is trading at Rs. 91.50 at a yield of 8.25%. The fund manager unwinds the short position by buying the January 2021 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.

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 13, 2020 the Scheme holds a benchmark 10 year paper trading at Rs. 98.35 at a yield of 8.05% and the January 2021 futures contract on the 10 year notional 7% coupon bearing Government Paper is trading at Rs. 92.10 at a yield of 8.17%. The fund manager decides to hedge the exposure by taking a short position in the January 2021 IRF contract.

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The AMC retains the right to enter into such derivative transactions as may be permitted by the applicable regulations from time to time.

Investments 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 other mutual funds in line with the investment objectives of the Scheme and provided that aggregate inter-scheme investment made by all schemes managed by the AMC, either in its own schemes or of any other Mutual Fund, shall not exceed 5% (or such other permitted limit), of the Net Asset Value of the Fund.

<u>Investment Process:</u>

Decision making process:

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:

1. Interest Rate Outlook
2. Compliance with SEBI Guidelines
3. Risk Management Guidelines
4. Yield to Maturity of the instrument
5. Yield curve analysis
6. Liquidity of the instrument
7. Credit Rating
8. Credit spreads

Credit Research and Monitoring of Money Market and Debt Instruments:
The investment team will look at each issue in detail; the following broad framework shall help the team in managing the funds. Following are the key aspects of the process:

1. Creation and Maintenance of an Investment Universe
2. In-house credit appraisal
3. Tier system of monitoring
4. Exposure Norms

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 monitoring 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. The AMC will be guided by the ratings of Credit Rating Agencies authorised to carry on such activity. Further, various risk management tools will be used for measuring and monitoring portfolio risks.

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

Risk	**Risk mitigation strategy**
Interest rate risk Security price volatility due to movements in interest rate.	Active duration management strategy; Control portfolio duration and actively evaluate the portfolio

Since the Scheme has the flexibility of holding debt and money market instruments of any maturity, the interest rate risk of the Scheme may change substantially depending upon the Fund's call.	structure with respect to existing interest rate scenario.
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
Credit Risk Risk that the 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 debt markets	Endeavour to have a well diversified portfolio of high quality securities with adequate liquidity.
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	Control portfolio liquidity at portfolio construction stage; Portfolio exposure spread over various maturity buckets.
Market Risk Risk arising due to adverse market movements	Endeavour to have a well diversified portfolio of high quality securities with the ability to manage duration effectively.

Liquidity risk management practices adopted by the AMC:

Pursuant to AMFI Best Practice Guidelines Circular No. 103/2022-23 dated October 12, 2022, the liquidity risk management practices adopted by the AMC for the various debt schemes of Union Mutual Fund, as applicable, are given below:

Liquidity Management Tool	Applicable Schemes	Brief Description
Potential Risk Matrix (PRC) (pursuant to Clause 17.5 of SEBI Master Circular for Mutual Funds dated May 19, 2023) **Risk-o-meter** (pursuant to Clause 17.4 of SEBI Master Circular for Mutual Funds dated May 19, 2023)	**PRC:** Applicable to all debt schemes; **Risk-o-meter:** Applicable to all schemes.	The maximum risk that the fund manager can take in the scheme is depicted by the Potential Risk Class (PRC) Matrix of the Scheme, and the current risk of the Scheme at a given point in time is depicted by the risk-o-meter of the Scheme which is updated on a regular basis. The PRC Matrix consists of parameters based on maximum interest rate risk (measured by Macaulay Duration (MD) of the scheme) and maximum credit risk (measured by Credit Risk Value (CRV) of the scheme). The risk-o-meter consists of six risk levels

Liquidity Management Tool	Applicable Schemes	Brief Description
		ranging from low risk to very high risk. The AMC monitors and ensures that the scheme does not exceed the maximum risk depicted in the PRC.
Liquidity Risk Management (LRM) Framework (pursuant to Clause 4.6 of SEBI Master Circular for Mutual Funds dated May 19, 2023, AMFI Best Practice Guidelines Circular dated July 24, 2021 and December 3, 2021)	Applicable to all open ended debt schemes except Union Overnight Fund and Union Gilt Fund	The LRM framework defines Liquidity Risk [Liquidity Ratio – Redemption at Risk (LR-RAR) and Liquidity Ratio – Conditional Redemption at Risk (LR-CRaR)] arising from the liability side of the Scheme. LR-RAR is based on the Redemption at Risk concept to represent the likely outflows at a given confidence interval and LR-CRaR is based on the concept of Conditional Redemption at Risk to represent the behaviour of the tail at the given confidence interval. The Scheme shall maintain adequate liquidity, as required, by the above two ratios. However, to meet redemptions, the AMC may have to periodically dip into their liquid assets which may result in the liquidity ratio dropping below the required levels on those days. The Scheme shall ensure to take remedial actions in line with the requirement of the referred circulars.
Stress Testing (pursuant to Clause 4.2 of SEBI Master Circular for Mutual Funds dated May 19, 2023 and AMFI Best Practice Guidelines Circular dated October 12, 2022)	Applicable to all open-ended debt schemes except Union Overnight Fund	The Stress Testing exercise addresses the asset side risk from an Interest Rate, Credit and Liquidity Risk perspective at an aggregate portfolio level in terms of its impact on NAV. Stress testing is carried out on a periodical basis. For any breach of the prescribed thresholds, appropriate remedial measures would be taken.
Review of Asset Liability Mis-match under Risk Management Framework (pursuant to Clause 4.1 of SEBI Master Circular for Mutual Funds dated May 19, 2023)	Applicable to all open-ended Schemes	The referred SEBI circular on 'Risk Management Framework (RMF) for Mutual Funds' inter alia prescribes that liquidity risk has to be modelled at the level of each scheme (except schemes that do not have continuous liquidity requirements like close ended and interval schemes) and should display alerts pertaining to asset liability mis-match (ALM) on monthly basis and in line with any other relevant guidelines prescribed. This addresses potential liquidity requirement over a 90-day period and the required relevant asset side liquidity to be maintained.
Swing Pricing (pursuant to Clause 4.10 of	Applicable to all open-ended debt Schemes	In case of severe liquidity stress at an AMC level or a severe dysfunction at market level,

Liquidity Management Tool	Applicable Schemes	Brief Description
SEBI Master Circular for Mutual Funds dated May 19, 2023)	except Union Overnight Fund and Union Gilt Fund	the Swing Pricing guidelines get triggered. When swing pricing framework is triggered and swing factor is made applicable (in accordance with the disclosures made in the Scheme Information Documents of the respective schemes), applications of both the incoming and outgoing investors shall be processed at applicable NAV adjusted for swing factor.

Portfolio Turnover:

The Scheme being an open-ended debt Scheme, it is expected that there would be a number of subscriptions and redemptions on a daily basis. Also the average maturity of the Scheme being medium to long, the portfolio turnover ratio may be medium to high. Further, in the debt market, trading opportunities may arise due to changes in system liquidity, interest rate policy announced by RBI, shifts in the yield curve, credit rating changes or any other factors. In the opinion of the fund manager these opportunities can be played out to enhance the total return of the portfolio, which will 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 will offset the increase in costs. The fund manager will endeavour to optimize portfolio turnover to maximize gains and minimize risks keeping in mind the cost 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.

For the Scheme's portfolio turnover ratio, kindly refer section L (b).

Investment by the AMC:
Pursuant to regulation 43A of SEBI (Mutual Funds) Regulations, 1996 and SEBI circular no. SEBI/HO/IMD/PoD2/P/CIR/2023/129 dated July 27, 2023 on Investment by Mutual Fund schemes and AMCs in units of Corporate Debt Market Development Fund, the AMC shall make a one-time contribution equivalent to 2 bps of the AUM of the specified debt oriented schemes as on December 31, 2022 in the units of the Corporate Debt Market Development Fund ('CDMDF') within 10 working days of request from CDMDF. Contribution made to CDMDF, including the appreciations on the same, if any, shall be locked in till winding up of the CDMDF.

In case of delay in contribution by the Scheme and AMC, the AMC shall be liable to pay interest at fifteen percent (15%) per annum for the period of delay.

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 debt scheme predominantly investing in AA+ and above rated corporate bonds. A relatively high interest rate risk and moderate credit risk.

(ii) Investment Objective

- **Main Objective:** To achieve long term capital appreciation by investing substantially in a portfolio of corporate debt securities. However, there can be no assurance that the investment objective of the scheme will be achieved.

- **Investment Pattern:** The tentative portfolio break-up of Debt, Money market instruments, other permitted securities and such other securities as may be permitted by SEBI from time to time with minimum and maximum asset allocation, while retaining the option to alter the asset allocation for a short term period on defensive considerations, is detailed in the section 'HOW WILL THE SCHEME ALLOCATE ITS ASSETS?'. Please refer the Section 'HOW WILL THE SCHEME ALLOCATE ITS ASSETS?'

(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 transfer the redemption/repurchase proceeds to the unitholders within three working days from the date of redemption or repurchase. However, under exceptional circumstances where the schemes would be unable to transfer the redemption / repurchase proceeds to investors within the time as stipulated above, the redemption/ repurchase proceeds shall be transferred to unitholders within such time frame, as prescribed by AMFI, in consultation with SEBI. For further details in this regard, please refer the Statement of Additional Information (SAI).

- 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 IDCW.

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.

In addition to the conditions specified under Regulation 18 (15A) for bringing change in the fundamental attributes of any scheme, the trustees shall take comments of SEBI before bringing such change(s).

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 Corporate Bond B-III Index $.

$***CRISIL Benchmark Disclaimer**: CRISIL Indices are the sole property of CRISIL Limited (CRISIL). CRISIL Indices shall not be copied, transmitted or distributed in any manner for any commercial use. CRISIL has taken due care and caution in computation of the Indices, based on the data obtained from sources, which it considers reliable. However, CRISIL does not guarantee the accuracy, adequacy or completeness of the Indices and is not responsible for any errors or for the results obtained from the use of the Indices. CRISIL especially states that it has no financial liability whatsoever to the users of CRISIL Indices.*

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. Parijat Agrawal Head - Fixed Income (Managing the scheme since inception)	56 Years	Bachelor of Engineering (Electronics & Communications), PGDM (IIM - Bangalore)	Industry Experience: Over 27 years of experience in Funds Management. 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. October 2006 till July 2010 with SBI Mutual Fund as Head	Co- Fund Manager of Union Balanced Advantage Fund, Union Dynamic Bond Fund, Union Equity Savings Fund, Union Medium Duration Fund, Union Liquid Fund, Union Hybrid Equity Fund, Union Money Market Fund and Union Gilt Fund

			– Fixed Income with responsibilities of Portfolio Management of Fixed Income and Hybrid Funds. November 2004 till September 2006 with State Bank of Mauritius Limited with responsibilities of managing the entire Treasury functions of the Bank. December 1999 till May 2004 with SUN F&C Asset Management as Fund Manager responsible for Portfolio Management of Fixed Income and Hybrid Funds.	
Mr. Anindya Sarkar Co - Fund Manager (Managing the Scheme since November 01, 2018)	48 years	BE Civil, MBA (Finance), MBA (Risk & Insurance), FRM	Industry experience: Over 20 years of experience in Financial Services Sector. Appointed as Co-Fund Manager at Union Asset Management Company Private Limited with effect from November 01, 2018. September 01, 2010 to October 31, 2018 with Union Asset Management Private Limited (last position held: Vice President – Risk Management). November 2009 till August 2010 with Sarcon Blockbuild Ltd (Family business). June 2009 till September 2009 with Navigators Inc. and from September 2007 till May 2009 with St. John's University (part time employment while pursuing MBA – Risk and Insurance). February 2000 till March 2007 with ICAP India Private	Co-fund Manager of Union Medium Duration Fund, Union Gilt Fund and Union Fixed Maturity Plan – Series 13 (1114 days)

			Limited as Dealer – Fixed Income.	
Mr. Shrenuj Parekh Co - Fund Manager – Fixed Income [Managing the Scheme since July 14, 2023]	30 years	Chartered Accountant, ICAI, Bachelor of Commerce, University of Mumbai, N.M. College of Commerce and Economics	Industry experience: Over 10 years of experience in the field of Finance. June 22, 2023 onwards with Union Asset Management Company Private Limited as Co-Fund Manager - Fixed Income; January 13, 2020 to June 21, 2023 with Union Asset Management Company Private Limited as Credit Analyst; November 2018 to January 2020 with CRISIL Ratings Limited as Senior Rating Analyst, Large Corporate Group - Finance; October 2015 to October 2018 with Axis Bank as Deputy Manager, Risk; September 2012 to September 2015 with Deloitte Haskins & Sells LLP as Senior Associate, Statutory Audit.	-

I. WHAT ARE THE INVESTMENT RESTRICTIONS?

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

1) 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 tri party repo on government securities or treasury bills.

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.

Within the single issuer limit specified above for debt and money market instruments, the Scheme shall not invest more than:

a. 10% of its NAV in debt and money market securities rated AAA; or
b. 8% of its NAV in debt and money market securities rated AA; or
c. 6% of its NAV in debt and money market securities rated A and below

issued by a single issuer.

The above investment limits may be extended by up to 2% of the NAV of the scheme with prior approval of the Board of Trustees and Board of Directors of the AMC, subject to compliance with the overall 12% limit specified above.

The long-term rating of issuers shall be considered for the money market instruments. However, if there is no long-term rating available for the same issuer, then based on credit rating mapping of Credit Rating Agencies (CRAs) between short term and long-term ratings, the most conservative long-term rating shall be taken for a given short term rating. Exposure to government money market instruments such as TREPS on G-Sec/ T-bills shall be treated as exposure to government securities.

2) The Scheme shall not invest in unlisted debt instruments including commercial papers, except Government Securities and other money market instruments.

Provided that the Scheme may invest in unlisted non-convertible debentures up to a maximum of 10% of the debt portfolio of the scheme subject to such conditions as may be specified by SEBI from time to time. Provided further that the Scheme shall comply with the norms under this clause within the time and in the manner as may be specified by SEBI.

Provided further that the norms for investments by the Scheme in unrated debt instruments shall be specified by SEBI from time to time.

3) Transfers 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. [Explanation. — "Spot basis" shall have 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.

4) The Scheme may invest in other schemes of the Mutual Fund or any other mutual fund (restricted to debt and Liquid funds only) without charging any fees, provided the aggregate inter-scheme investment made by all the 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.

5) 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 that the Mutual Fund may engage in short selling of securities in accordance with the framework relating to short selling and securities lending and borrowing specified by SEBI. However, Union Corporate Bond Fund does not intend to engage in stock/securities lending and short selling.

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 the sale of government security already contracted for purchase shall be permitted in accordance with the guidelines issued by the RBI in this regard.

6) The Mutual Fund shall get the securities purchased or transferred in the name of the Fund on account of the concerned Scheme, wherever investments are intended to be of a long-term nature.

7) 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(s) 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. Further, it shall also be ensured that the bank in which the Scheme has short term deposits does not invest in the Scheme until the Scheme has short term deposits with such bank.

vi. The AMC shall not charge any investment management and advisory fees for parking of funds in short term deposits of scheduled commercial banks.

vii. The above norms do not apply to term deposits placed as margins for trading in cash and derivatives market.

8) The scheme shall not make any investment in:

i) Any unlisted security of an associate or group company of the sponsor(s); or

ii) Any security issued by way of private placement by an associate or group company of the sponsor(s); or

iii) The listed securities of group companies of the sponsor(s) which is in excess of 25% of the net assets of the Scheme.

9) The Scheme shall not make any investment in any fund of funds scheme.

10) Save as otherwise expressly provided under the Regulations, the Scheme shall not advance any loans for any purpose.

11) 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 IDCW 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.

12) The total exposure of the Scheme in a particular sector (excluding investments in Bank CDs, triparty repo on Government securities or treasury bills, G-Secs, T-Bills, short term deposits of scheduled commercial banks and AAA rated securities issued by Public Financial Institutions and Public Sector Banks) shall not exceed 20% (erstwhile limit was 25%)* of the net assets of the Scheme. For the purposes of the sector exposure limit, AMFI sector classification of issuers would be considered.

Provided that the Scheme may have an additional exposure to financial services sector (over and above the limit of 20%) not exceeding 10% (erstwhile limit was 15%)* of the net assets of the Scheme by way of increase in exposure to Housing Finance Companies (HFCs). Further, an additional exposure of 5% of the net assets of the scheme has been allowed for investments in securitized debt instruments based on retail housing loan portfolio and/or affordable housing loan portfolio. Provided further that the additional exposure to securities issued by HFCs are rated AA and above and these HFCs are registered with National Housing Bank (NHB) and the total investment/ exposure in HFCs shall not exceed 20% (erstwhile limit was 25%)* of the net assets of the Scheme.

*SEBI, vide Clause 12.9 of SEBI Master Circular for Mutual Funds dated May 19, 2023, read with subsequent circulars, if any, in this regard, modified the sector level exposure limits as stated above. The revised sector exposure limits at sector level shall be applicable as under:

a) All new schemes and fresh investments by existing schemes shall henceforth be in compliance with the revised exposure limits.

b) Existing open ended mutual fund schemes shall comply with the revised limits for sector exposure by June 30, 2020.

c) The investments of existing close ended schemes may be grandfathered. However, if such close ended schemes sell their existing investments, then all fresh investments by such schemes shall be subject to the aforesaid limits.

13) The total exposure of the Scheme in a group (excluding investments in securities issued by Public Sector Units, Public Financial Institutions and Public Sector Banks) shall not exceed 20% of the net assets of the Scheme. Such investment limit may be extended to 25% of the net assets of the Scheme with the prior approval of the Board of Trustees. For this purpose, a group means a group as defined under regulation 2 (mm) of SEBI (Mutual Funds) Regulations, 1996 and shall include an entity, its subsidiaries, fellow subsidiaries, its holding company and its associates.

The investments by the Scheme in debt and money market instruments of group companies of both the sponsor and the AMC shall not exceed 10% of the net assets of the Scheme. Such investment limit may be extended to 15% of the net assets of the Scheme with the prior approval of the Board of Trustees. For the purpose of this provision, 'Group' shall have the same meaning as defined in Clause 12.9 of SEBI Master Circular for Mutual Funds dated May 19, 2023.

14) The Mutual Fund may invest in the units of REITs and InvITs subject to the following:

(a) The Mutual Fund under all its schemes shall not own more than 10% of units issued by a single issuer of REIT and InvIT; and

(b) The Scheme shall not invest –

i. more than 10% of its NAV in the units of REIT and InvIT; and
ii. more than 5% of its NAV in the units of REIT and InvIT issued by a single issuer.

15) Limitations and restrictions for investments in derivatives:

Exposure limits for the Scheme:

In accordance with Clause 12.25 of SEBI Master Circular for Mutual Funds dated May 19, 2023, the following exposure limits for investment in derivatives will be applicable to the Scheme:

1. The Cumulative Gross Exposure in debt, debt derivative positions (including fixed income derivatives), Real Estate Investment Trusts (REITs) & Infrastructure Investment Trusts (InvITs), other permitted securities/assets and such other securities/assets as may be permitted by SEBI from time to time shouldnot 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 shall 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 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 shall 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 value of the notional principal in such cases must not exceed the value of respective existing assets being hedged by the scheme. In case of participation in IRS is through over the counter transactions,

the counter party has to be an entity recognized as a market maker by RBI and exposure to a single counterparty in such transactions should not exceed 10% of the net assets of the scheme. However, if mutual funds are transacting in IRS through an electronic trading platform offered by the Clearing Corporation of India Ltd. (CCIL) and CCIL is the central counterparty for such transactions guaranteeing settlement, the single counterparty limit of 10% shall not be applicable.

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

8. The Mutual Fund may hedge the portfolio or part of the portfolio (including one or more securities) on weighted average modified duration basis by using Interest Rate Futures (IRFs). The maximum extent of short position that may be taken in IRFs to hedge interest rate risk of the portfolio or part of the portfolio, is as per the formula given below:

$$\frac{(\text{Portfolio Modified Duration*Market Value of the Portfolio})}{(\text{Futures Modified Duration*Futures Price/ PAR})}$$

   The Scheme shall not carry out imperfect hedging using IRFs.

9. The Scheme shall hold at least 10% of its net assets in liquid assets. For this purpose, 'liquid assets' shall include Cash, Government Securities, T-bills and Repo on Government Securities. The liquid assets mentioned above shall not be included for determining the scheme characteristics of the Scheme as specified in Clause 2.6 of SEBI Master Circular for Mutual Funds dated May 19, 2023. In case, the exposure in such liquid assets/ securities falls below the aforesaid threshold, the AMC shall ensure compliance with the above requirement before making any further investments.

10. Pursuant to Clause 4.6.2 of SEBI Master Circular for Mutual Funds dated May 19, 2023, as amended from time to time, for the asset allocation limits applicable to the Scheme, the base shall be considered as Net assets excluding the extent of minimum stipulated liquid assets i.e. 10%.

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.

It may be noted that only the applicable investment restrictions have been included in the aforesaid section depending upon the investment pattern and asset allocation pattern of the Scheme. For Eg: If, the Scheme does not intend to engage in short selling or securities lending or invest in securitised debt or participate in Reverse Repo transactions in corporate debt securities or invest in foreign securities etc., depending on the asset allocation pattern, the investment restrictions relating to short selling or securities lending or securitised debt or reverse repo transactions in corporate debt securities or foreign securities etc. is not included in this document.

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 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.

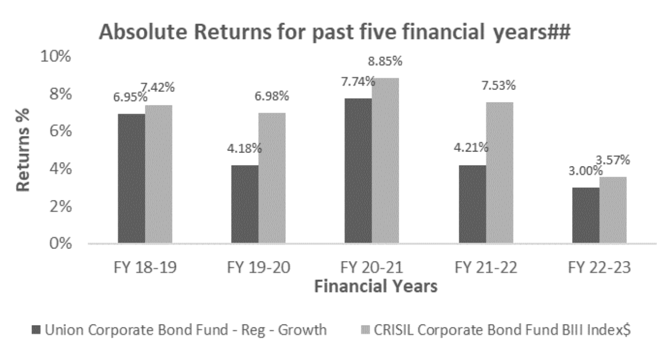
J. HOW HAS THE SCHEME PERFORMED?

The performance of the Scheme is provided below:

a) Union Corporate Bond Fund – Regular Plan - Growth Option

Compounded Annualised Returns	Scheme Returns (%)*	Benchmark Returns (%)*
Returns for the last 1 year	6.30%	7.31%
Returns for the last 3 years	4.30%	6.66%
Returns for the last 5 years	5.50%	7.53%
Returns since inception#	5.46%	7.18%

#Since inception returns are based on Rs. 10.00 (initial allotment NAV) invested at inception. (Allotment / Inception Date – May 25, 2018).

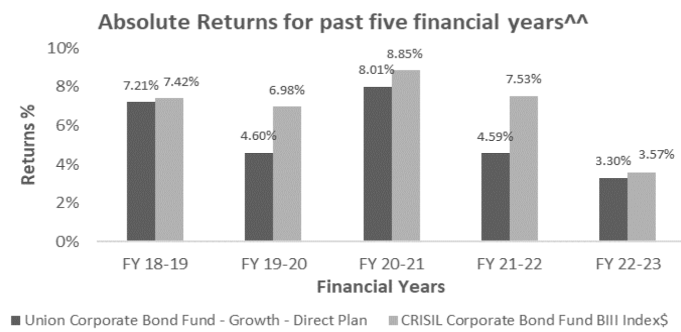


##The Scheme was launched during the financial year 2018-2019.

b) Union Corporate Bond Fund – Direct Plan - Growth Option

Compounded Annualised Returns	Scheme Returns (%)*	Benchmark Returns (%)*
Returns for the last 1 year	6.59%	7.31%
Returns for the last 3 years	4.61%	6.66%
Returns for the last 5 years	5.84%	7.53%
Returns since inception#	5.80%	7.18%

#Since inception returns are based on Rs. 10.00 (initial allotment NAV) invested at inception. (Allotment / Inception Date – May 25, 2018).



^^The Scheme was launched during the financial year 2018-2019.

PAST PERFORMANCE MAY OR MAY NOT BE SUSTAINED IN FUTURE.

Note: Returns are absolute for period less than 1 year. Returns are compounded annualized for period more than or equal to 1 year. The returns are based on growth option NAVs.

******The data is as on* **September 30, 2023.** In case, the start date or the end date of the concerned period is a non-business day, the NAV of the previous business day is considered for computation of returns.

*$**CRISIL Benchmark Disclaimer**: CRISIL Indices are the sole property of CRISIL Limited (CRISIL). CRISIL Indices shall not be copied, transmitted or distributed in any manner for any commercial use. CRISIL has taken due care and caution in computation of the Indices, based on the data obtained from sources, which it considers reliable. However, CRISIL does not guarantee the accuracy, adequacy or completeness of the Indices and is not responsible for any errors or for the results obtained from the use of the Indices. CRISIL especially states that it has no financial liability whatsoever to the users of CRISIL Indices*

Note: The name of the Benchmark of the Scheme has changed from CRISIL Corporate Bond Fund BIII Index to CRISIL Corporate Bond B-III Index with effect from April 03, 2023.

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 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 October 25, 2023.

Instrument	**Yield Range (% per annum)**
Tri – Party Repo	6.75-6.76
Repo	6.80-7.90
91 days T-Bill	6.89-6.90
364 days T-Bill	7.14-7.15
1 month CD/CP	7.10-7.60
3 month CD/CP	7.20-7.75
6 month CD/CP	7.40-8.00
1 year CD/CP	7.60-8.25
1 year Corporate Bond - AAA Rated	7.55-7.80
3 year Corporate Bond - AAA Rated	7.63-7.90
5 year Corporate Bond - AAA Rated	7.65-7.93
5 year G-sec	7.34-7.35
10 year G-sec	7.36-7.38

(Source: Bloomberg, NDS OM and 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 (top 10 holdings by issuer and fund allocation towards various sectors) as on September 30, 2023

i) Top 10 holdings by issuer:

Issuer Name	% of Net Assets
Government of India	16.84%
Indian Railway Finance Corp Ltd	7.87%
Power Finance Corporation Ltd.	7.84%
REC Ltd.	6.73%
SIDBI	6.72%
Bajaj Finance Ltd.	5.63%
HDFC Bank Ltd	5.61%
NABARD	5.60%
State Bank of India	5.39%
Kotak Mahindra Prime Ltd.	4.49%
Total	**72.73%**

ii) Fund allocation towards various sectors^:

Sector*	% Net Assets
Financial Services	67.11%
Sovereign	16.93%
Power	3.25%
Construction	2.26%
Services	2.26%
Oil, Gas & Consumable Fuels	2.24%
Total	**94.05%**

^Sector Classification as recommended by AMFI. Kindly note that the above sector classification does not include Cash & Cash Equivalents which is **5.95%** of Net Assets.

For the latest monthly portfolio holding, kindly visit our website https://unionmf.com/about-us/downloads/monthly-portfolio

b) The Portfolio Turnover Ratio has not been given as the Scheme is a Debt Scheme.

c) The aggregate investment (market value) in the Scheme as on September 30, 2023 by:

i) AMC's Board of Directors: Nil
ii) Scheme's Fund Manager: Rs. 13,46,953.25
iii) Other Key Personnel: Rs. 10,98,739.96

d) The investment (market value) in the Scheme as on October 09, 2023 by the AMC pursuant to Regulation 25(16A) of the SEBI (Mutual Funds) Regulations 1996 and SEBI and AMFI circulars/ guidelines issued in regard: Rs. 67,51,650.00.

III. UNITS AND OFFER

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

A. NEW FUND OFFER (NFO)

New Fund Offer Period This is the period during which a new scheme sells its Unit to the investors.	The New Fund Offer opened on May 04, 2018 and closed on May 18, 2018 The units under the Scheme were allotted on May 25, 2018. Further, the Scheme has opened for on-going subscription on June 01, 2018.
New Fund Offer Price: This is the price per unit that the investors have to pay to invest during the NFO.	Not Applicable
Minimum Amount for Application in the NFO	Not Applicable
Minimum Target amount 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.	Not Applicable
Maximum Amount to be raised (if any) This is the maximum amount which can be collected during the New Fund Offer period as decided by the AMC	Not Applicable
Plans Offered	The Scheme has the following Plans across a common portfolio: • **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 Corporate Bond Fund - Direct Plan". • **Regular Plan:** Regular Plan is for investors who purchase /subscribe Units in the scheme through a Distributor. 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. **Default Plan:** The treatment of applications under "Direct"/ "Regular" Plans shall be as follows: <table><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><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></table> 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.
Options offered	Union Corporate Bond Fund offers the following Options under each of the above mentioned Plans: • Growth option

	• Income Distribution cum Capital Withdrawal (IDCW) Option The Income Distribution cum Capital Withdrawal Option has the following facilities: • Reinvestment of Income Distribution cum Capital Withdrawal Option • Payout of Income Distribution cum Capital Withdrawal Option • Transfer of Income Distribution cum Capital Withdrawal Plan 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. **<u>Default Option / Facility:</u>** Default Option – Growth Option Default facility– Reinvestment of Income Distribution cum Capital Withdrawal Option **<u>Various Options:</u>** • **Growth option** No IDCW 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. • **Income Distribution cum Capital Withdrawal option** IDCW 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. IDCW, 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 Income Distribution cum Capital Withdrawal 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. When units are sold, and sale price (Net Asset Value) is higher than face value of the unit, a portion of sale price that represents realized gains is credited to an Equalization Reserve Account which can be used to pay IDCW. Investors are requested to note that, under the aforesaid Option, the amounts can be distributed out of investors capital (Equalization Reserve), which is part of sale price

	that represents realized gains. Whenever distributable surplus will be distributed, a clear segregation between income distribution (appreciation on NAV) and capital distribution (Equalization Reserve) shall be suitably disclosed in the Consolidated Account Statement provided to investors. It must be noted that the actual declaration of IDCW 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 IDCW distribution nor that IDCW be declared regularly. The Trustee reserves the right to declare IDCW. **Pursuant to payment of IDCW, the NAV of the Income Distribution cum Capital Withdrawal Option will fall to the extent of the IDCW payout and applicable statutory levies, if any.** **Facilities under the Income Distribution cum Capital Withdrawal Option:** • **Payout of Income Distribution cum Capital Withdrawal Option** Under this facility, IDCW declared, if any, will be paid (subject to deduction of statutory levy, if any) to those unitholders, whose names appear in the register of unitholders on the notified record date. If the IDCW payable under the Payout of Income Distribution cum Capital Withdrawal Optionis equal to or less than Rs. 500 then the IDCW would be compulsorily reinvested in the existing option of the Scheme. In case of Units under the Income Distribution cum Capital Withdrawal Option held in dematerialised mode, the IDCW pay-out will be credited to the bank account of the investor, as per the bank account details recorded with the DP. • **Reinvestment of Income Distribution cum Capital Withdrawal Option** Under this facility, the IDCW due and payable to the unitholders will be compulsorily and without any further act by the unitholder, reinvested in the respective Income Distribution cum Capital Withdrawal Optionat a price based on the prevailing Net Asset Value per unit on the record date (at the applicable ex-IDCW NAV). The amount of IDCW re-invested will be net of tax deducted at source, wherever applicable. On reinvestment of IDCW, the number of units to the credit of the unitholder's account will increase to the extent of the IDCW reinvested divided by the Applicable NAV. There shall, however, be no load on the IDCW so reinvested.

	• **Transfer of Income Distribution cum Capital Withdrawal Plan** Under this facility, the IDCW 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 IDCW, as per the features of the respective scheme) at the Applicable NAV based prices. The amount to the extent of the IDCW declared (net of the distribution tax and statutory levy, if any) will be automatically transferred out of this Scheme (source scheme) to the transferee scheme at the Applicable NAV based prices of the transferee scheme on the ex-IDCW 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. If the IDCW payable under the Transfer of Income Distribution cum Capital Withdrawal Planis equal to or less than Rs. 500 then the IDCW would be compulsorily reinvested in the existing option of the Scheme. If an investor opts for Transfer of Income Distribution cum Capital Withdrawal Plan, the investor must meet the minimum balance criterion in the target scheme and in the same folio; else the IDCW will be compulsorily re-invested in the source scheme. In case any of the record date falls on a non business day, the record date shall be the immediately following Business Day. 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 IDCW distributions, if any, as may be declared by the Trustee. 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 prevailing SEBI guidelines and Regulations.
Income Distribution cum Capital Withdrawal Policy	The Trustee will endeavour to declare IDCW under the Income Distribution cum Capital Withdrawal Option, subject to availability of distributable surplus calculated in accordance with the Regulations. **IDCW Declaration Procedure: -** The procedure for IDCW distribution would be as under: The quantum of IDCW and the record date may be fixed by the Trustee in their meeting. IDCW 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. The AMC shall issue a notice to the public communicating the decision of IDCW 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. The record date shall be two working days from the date of publication in at least one English newspaper or in a newspaper published in the language of the region where the Head Office of the mutual fund is situated, whichever is issued earlier. **IDCW Distribution Procedure: -** Under normal circumstances, the IDCW proceeds will be paid through electronic modes such as 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. Physical despatch of IDCW payments shall be carried out only in exceptional circumstances for which the AMC shall maintain records along with reasons for such physical despatch. The AMC, at its discretion at a later date, may choose to alter or add other modes of payment. In case of Units under the Income Distribution cum Capital Withdrawal Option held in dematerialised mode, the IDCW pay-out will be credited to the bank account of the investor, as per the bank account details recorded with the DP. **Effect of IDCW:** The investors should note that the Fund does not assure or guarantee declaration of IDCW under the Income Distribution cum Capital Withdrawal Option. The actual declaration of IDCW, frequency and the rate of IDCW 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 IDCW nor that the IDCW will be paid regularly. Post declaration of IDCW, the NAV of the Units under the Income Distribution cum Capital Withdrawal Option will stand reduced by the amount of IDCW declared and applicable surcharge/cess/any other statutory levy. Even though the asset portfolio will be common at the scheme level, the NAVs of the growth option and Income Distribution cum Capital Withdrawal Optionin each respective Plan under the Scheme will be distinctly different after declaration of the first IDCW to the extent of distributed income,

	applicable tax and statutory levy, if any, and expenses relating to the distribution of the IDCW. All the IDCW declaration and payments shall be in accordance and in compliance with SEBI regulations, as amended from time to time.
Option to hold Units in dematerialised form	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). 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.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. **Subscription of units under Dematerialised Mode & allotment thereof:** 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 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 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. **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.*** **Note:** It is further clarified that the demat mode of holding is subject to the following: 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. For further details on dematerialised mode of holding Units, investors are requested to refer to the SAI.
Allotment	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. **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 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/FPIs will be subject to RBI approval, if required. **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. 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. No unit certificates will be issued.
Refund	For refund payments to unitholders, the AMC may use modes of dispatch such as registered post, speed post, courier etc. The AMC may also use payment channels such as RTGS, NEFT, IMPS, direct credit, etc. or any other mode allowed by Reserve Bank of India from time to time, for refund payments to unitholders in addition to cheque, demand draft or IDCW warrants.
Who can invest 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	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): 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 Portfolio Investor (FPI) subject to applicable regulations; 12. Army, Air Force, Navy and other para-military units and bodies created by such institutions; 13. Scientific and Industrial Research Organizations; 14. Multilateral Funding Agencies / Bodies Corporate incorporated outside India with the permission of Government of India / RBI; 15. Provident Funds, Pension Funds, Gratuity Funds and Superannuation Funds to the extent they are permitted; 16. Other schemes of Union Mutual Fund subject to the conditions and limits prescribed by SEBI (MF) Regulations; 17. Trustee, AMC or Sponsors or their associates may subscribe to units under the Scheme; 18. 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 / FPIs 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, 2017 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 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. 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. Pursuant to 17.6 of SEBI Master Circular for Mutual Funds dated May 19, 2023 read with SEBI Circular no. SEBI/HO/IMD/POD-II/CIR/P/2023/0069 dated May 12, 2023, the following process shall be applicable for investments made in the name of a minor through a guardian: Payment for investment by any mode shall be accepted from the bank account of the minor, parent or legal guardian of the minor, or from a joint account of the minor with parent or legal guardian. For existing folios, the AMCs shall insist upon a Change of Pay-out Bank mandate before redemption is processed. Irrespective of the source of payment for subscription, all redemption proceeds shall be credited only in the verified bank account of the minor, i.e. the account the minor may hold with the parent/ legal guardian after completing all KYC formalities. 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. For further details, please refer SAI.
Who cannot invest	The following persons are not eligible to invest in the Scheme: • 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 FPI 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.
Where can you submit the filled up applications.	Not Applicable
How to Apply	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).* Please refer to the SAI and Application Form for the instructions. 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. 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	Not Applicable
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.	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. 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 Clause 14.4.4 of SEBI Master Circular for Mutual Funds dated May 19, 2023. Further, for the procedure of release of lien, the investors shall contact their respective DP. 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. Please refer to paragraphs on 'Transfer and Transmission of units', 'Right to limit redemption', 'Suspension of purchase and / or redemption of Units and Distribution under IDCW Option' and 'Pledge of Units' in the SAI for further details.
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.

B. ONGOING OFFER DETAILS: -

Ongoing Offer Period This is the date from which the Scheme will reopen for subscriptions /redemptions after the closure of the NFO period.	The scheme re-opened for continues subscription on June 01, 2018.
Ongoing price for subscription (purchase)/switch-in (from other Schemes/Plans of the Mutual Fund) by investors. This is the price you need to pay for purchase/Switch-in.	Units of the Scheme shall be available for subscription (purchase)/switch-in at the Applicable NAV. Presently, entry load cannot be charged by mutual fund schemes. Thus, sale price for a particular investor shall be equal to the applicable NAV for the investor at the time of investment. For example, if applicable NAV of the Scheme is Rs. 11 then the sale price will also be Rs. 11 as Entry Load is Nil. The above illustration is only given to explain the methodology of calculation of Sale Price. The actual sale price amount would depend on the prevailing Statutory levy, if any, and other terms and conditions mentioned in the scheme documents of the Scheme.
Ongoing price for redemption (sale) / switch outs (to other schemes/plans of the Mutual Fund) by Investors. This is the price you will receive for redemptions/ Switch outs. Example: If the applicable NAV is Rs. 10, exit load is 2% then redemption price will be: Rs. 10* (1-0.02) = Rs. 9.80	Units of the Scheme can be redeemed/ switched out at the Applicable NAV subject to prevailing exit load. The Repurchase Price however, will not be lower than 95% of the NAV subject to SEBI Regulations as amended from time to time. **Methodology of calculation of repurchase price:** For calculating the repurchase price, the exit load applicable at the time of investment shall be deducted from the applicable NAV of the Scheme. For example: If the applicable NAV of the Scheme is Rs. 11 and the Exit Load applicable at the time of investment is 1% if redeemed before completion of 1 year from the date of allotment of units and the investor redeems units before completion of 1 year, then repurchase price will be calculated as follows: Step 1: Applicable NAV * Exit Load at the time of investment in % = Exit Load Amount; i.e. Rs. 11 * 1% = Rs. 0.11; Step 2: Applicable NAV - Exit Load Amount = Repurchase price; i.e. Rs. 11- Rs. 0.11 = Rs. 10.89.
Cut off timing for subscriptions/ redemptions/ switches.	'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

This is the time before which your application (complete in all respects) should reach the Official Points of Acceptance	the time of the Business Day on which the application is time stamped. Investors get units on the basis of the Applicable NAV. **Subscriptions / Purchases including Switch – ins:** The following cut-off timings shall be observed by the Mutual Fund in respect of purchase (including switch-in) of the Units of the scheme, and the following NAVs shall be applied for such purchase switch in: 1. In respect to valid applications received upto 3.00 p.m. on a day and where the funds for the entire amount 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 on the same day – the closing NAV of the day shall be applicable. 2. In respect to valid applications received after 3.00 p.m. on a day and where the funds for the entire amount are credited to the bank account of the Scheme either on the same day or before the cut-off time of the next Business Day i.e. available for utilization before the cut off time of the next Business Day – the closing NAV of the next Business Day shall be applicable. 3. Irrespective of the time of receipt of application, where the funds for the entire amount are credited to the bank account of the Scheme before the cut-off time on any subsequent Business Day i.e. available for utilization before the cut-off time of any subsequent Business Day – the closing NAV of such subsequent Business Day shall be applicable. **For allotment of units in respect of purchase in the Scheme/switch-in to the Scheme, it shall be necessary that**: • Application for purchase/switch-in is received before the applicable cut-off time. • Funds for the entire amount of subscription / purchase as per the application for purchase/switch-in are credited to the bank account of the Scheme before the cut-off time. • The funds are available for utilization by the Scheme before the cut-off time without availing any credit facility whether intra-day or otherwise, by the Scheme. • In case of switch-in into the Scheme, the NAV applicability shall be based on the date of payout from the switch-out scheme. For systematic investment transactions such as Systematic Investment Plans (SIPs) and Systematic Transfer Plans (STPs), the units will be allotted as per the closing NAV of the day on which the funds are available for utilization by the target scheme irrespective of the SIP/ STP registration date, instalment date and amount of the SIP/ STP. It is clarified that for purchases, if funds are received in advance and the purchase application is received after receipt of funds in the scheme's bank account, then the applicable NAV would be based on the date and time of receipt of the application.

	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 day of receipt of application 2. where application is received after 3.00 PM – closing NAV of the next business day. **Applicable NAV in case of Redemptions under dematerialised mode:** 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.
Where can the applications for purchase / redemption / switches be submitted?	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. 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. 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.
Option to hold Units in dematerialised form	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). Further, investors also have an option to convert their physical holdings into the dematerialised mode at a later date. 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.

	<u>**Subscription/Additional Purchase of units under Dematerialised Mode & allotment thereof:**</u> 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 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. <u>**NOTE:**</u> ***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 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. **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. **Note:** It is further clarified that the demat mode of holding is subject to the following: 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. 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. For further details on dematerialised mode of holding Units, investors are requested to refer to the SAI.
Minimum amount for Purchase/Redemption/Switches	**Minimum amount for new purchase/switch in** Rs. 1,000 and in multiples of Rs. 1 thereafter **For Systematic Investment Plan (SIP):** • Rs. 500 and in multiples of Rs. 1 thereafter (for weekly frequency) • Rs. 1,000 and in multiples of Rs. 1 thereafter (for monthly frequency) • Rs. 5,000 and in multiples of Rs. 1 thereafter (for quarterly frequency) **For Systematic Transfer Plan (STP):** • Rs. 100 and in multiples of Rs. 1 thereafter • Minimum instalments: 6 instalments **For Systematic Withdrawal Plan (SWP):** • Rs. 1,000 and in multiples of Rs. 1 thereafter • Minimum instalments: 6 instalments

	Minimum additional amount for purchase / switch in Rs. 1,000 and in multiples of Rs. 1 thereafter The minimum subscription limits for new purchases/additional purchases will apply to each Plan/Option separately. The minimum application amount mentioned above shall not be applicable to the mandatory investments made in the Scheme pursuant to Clause 6.10 of SEBI Master Circular for Mutual Funds dated May 19, 2023, as amended from time to time. **Minimum amount for redemption / switch out** Minimum of Rs. 1000 and in multiples of Rs. 1 thereafter. 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. 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.
Minimum balance to be maintained and consequences of non maintenance.	Currently, there is no minimum balance requirement. However, the AMC /Trustee reserve the right to introduce minimum balance requirements at a later date, if they so deem fit. 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.
Special Products / Facilities available	The Special Products / Facilities available under the Scheme, are: 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 v) Transactions by Fax vi) Transactions through Electronic Mode vii) Registration of Multiple Bank Accounts in respect of an Investor Folio* viii) Trigger Facility ix) Facility to transact through email. x) Facility to transact in the Schemes of Union Mutual Fund through MF Utility infrastructure. xi) Facility to transact through email for new investors through empaneled distributors (this temporary facility is available till a date notified by the AMC). xii) Facility to transact through MFCentral Platform xiii) Multi Scheme Investment Facility

	* Facility will not be available under demat mode of holding units. i) **Systematic Investment Plan (SIP)** This facility is useful for investors who wish to invest fixed specified 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 Income Distribution cum Capital Withdrawal under all the Plans under the Scheme. The investors can choose any date as the SIP date. However, in case any of these days fall on a non-business day or on a day which is not available in a particular month, the transaction will be effected on the next business day of the Scheme. The SIP frequency will be weekly, monthly and quarterly. In case none of the frequencies have been selected then Monthly frequency shall be treated as the default frequency provided the requirement relating to minimum instalment size for monthly frequency is fulfilled. In case the SIP day/date is not indicated, the default SIP day/ date will be Wednesday for Weekly Frequency and 8th of every month for Monthly and Quarterly Frequency. The minimum SIP instalment size for weekly frequency is Rs. 500 and in multiples of Rs. 1 thereafter and the SIP request should be for a minimum period of 12 weeks. The minimum SIP instalment size for monthly frequency is Rs. 1,000 and in multiples of Rs. 1 thereafter and the SIP request should be for a minimum period of 6 months. The minimum SIP instalment size for quarterly frequency is Rs. 5,000 and in multiples of Rs. 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 Rs. 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. **Note:** If SIP is terminated within the 6 months of sign-on and the investors folio balance is less then Rs. 5,000, the AMC reserves the right to redeem the investors entire subscription. 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 availing the Electronic Clearing Service

	(ECS)/ Direct Debit Facility / other facilities as may be specified from time to time. **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 Rs. 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. 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 Rs. 100/- and in multiples of Rs. 100/- 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 Rs. 100/-, and the application form shall be processed accordingly. 5. The following frequency options are available for Top-up: **SIP Frequency** – **Top-up Frequency** Weekly – • Half Yearly • Yearly Monthly – • Half Yearly • Yearly Quarterly – • Yearly If the investor does not specify the Top-up frequency under Weekly or 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) month (i.e. the 7th month 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) month (i.e. the 13th month 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 Rs. 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 Rs. 2,000 with monthly frequency, and has requested for an SIP Top-up of Rs. 500 with half yearly frequency, then the monthly SIP instalment amount will be Rs. 2,000 for the first six months, and will increase by Rs. 500 post every sixth SIP instalment i.e. in the given case, the SIP instalment amount will be Rs. 2,500 from the seventh instalment to twelfth instalment, Rs. 3,000 from the thirteenth instalment to eighteen instalment, and so on. **SIP Pause Facility:** Under the SIP Pause Facility, the investor has an option to stop the SIP temporarily (at a folio level) for a specified period of time. On the expiry of the specified period, the SIP would re-start automatically. The features, terms and conditions for availing the SIP Pause facility are as follows: - i) Under this Facility, the Investor has an option to temporarily stop the SIP for a specified period of time by submitting the form for SIP Pause Facility (available at www.unionmf.com) at any of the Official Points of Acceptance of Union Mutual Fund. ii) The SIP Pause form should be submitted at least 15 days prior to the next SIP date. iii) The SIP Pause facility is available under weekly, monthly and quarterly SIP frequency. iv) The SIP shall restart automatically from the immediate next eligible installment after the completion of pause period. v) The SIP Pause facility will allow existing investors to ‘Pause’ their SIP for a specified period of time. The SIP Pause tenure shall not exceed 12 months. vi) Investors can avail this facility only once in the tenure of the existing SIP. vii) The AMC reserves the right to withdraw/ modify this facility.

viii) For further terms and conditions, investors are requested to refer the form for SIP Pause Facility which is available at www.unionmf.com.

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 Rs.)	Minimum Instalments
Daily	Daily (Only Business Day)	Not applicable	Rs. 100 & in multiples of Rs. 1/- thereafter	6
Weekly	Monday to Friday	Wednesday	Rs. 100 & in multiples of Rs. 1/- thereafter	6
Fortnightly	Every Alternate Wednesday	Every Alternate Wednesday	Rs. 100 & in multiples of Rs. 1/- thereafter	6
Monthly	Any date of the month	8th of the month	Rs. 100 & in multiples of Rs. 1/- thereafter	6
Quarterly	Any date of the month	8th of the month	Rs. 100 & in multiples of Rs. 1/- thereafter	6

Half Yearly	Any date of the month	8th of the month	Rs. 100 & in multiples of Rs. 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 th treated as the Default frequency, and 8 shall be treated as the Default Date.

If the STP end date is not selected by the investor, then the STP will continue till all units are liquidated or withdrawn from the account or pledged or upon the AMC receiving notification of death of the Unit holder.

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.

Systematic Transfer Plan (STP) Intello - An Intelligent STP Booster Plan (hereinafter referred to as STP Intello Facility):

STP Intello Facility is a facility wherein unit holder(s) can opt to transfer **variable amount(s)** from designated open ended Scheme(s) of Union Mutual Fund [hereinafter referred to as "**Source Scheme**"] to the designated open ended Scheme(s) of Union Mutual Fund [hereinafter referred to as "**Target Scheme**"] at defined intervals. The Unitholder

	would be required to provide a Base Instalment Amount that is intended to be transferred to the Target Scheme. The actual amount of transfer to the Target Scheme will be determined on the basis of the **Unhedged Equity Portfolio of Union Balanced Advantage Fund,** an Open-ended Dynamic Asset Allocation Fund (hereinafter referred to as "**UEUBAF"**). Based on the UEUBAF and the corresponding multiplier factor, the actual amount of STP will be derived for the Source Scheme and such amount will be transferred to the Target Scheme. This STP amount will change on a monthly basis depending on the UEUBAF. The Scheme(s) eligible for this facility are as follows: **Source Schemes**: Union Liquid Fund, Union Dynamic Bond Fund, Union Corporate Bond Fund, Union Overnight Fund, Union Medium Duration Fund, Union Money Market Fund, Union Arbitrage Fund, Union Equity Savings Fund and Union Gilt Fund. **Target Schemes:** Union Flexi Cap Fund, Union Tax Saver (ELSS) Fund, Union Small Cap Fund, Union Largecap Fund, Union Value Discovery Fund, Union Focused Fund, Union Large & Midcap Fund, Union Midcap Fund, Union Balanced Advantage Fund, Union Hybrid Equity Fund, Union Retirement Fund and Union Multicap Fund. **The key features of this Facility are as follows:** a) The STP Intello frequency will be monthly. b) The investor would be required to provide a Base Instalment Amount that is intended to be transferred to the Target Scheme. The minimum Base Instalment Amount for availing this facility shall be Rs. 1,000/- and in multiples of Re.1/- thereafter. c) Minimum number of instalments will be 6 instalments. d) The UEUBAF as of the month end will be available on the website www.unionmf.com. This data will be uploaded on the website on a monthly basis. The STP transfers for the month will be based on the levels of UEUBAF for the preceding month end. e) To derive the amount of transfer from the Source Scheme to the Target Scheme, the Base Amount selected by the investor shall be multiplied with the Multiplier figure given in the table below depending on the UEUBAF level for the preceding month end. **Example 1:** If the UEUBAF level for the end of March 2022 is 34% and the Base Amount for STP Intello selected by the investor is Rs. 10,000, then Rs. 4,000 (which is 0.40 multiplied with Rs. 10,000) shall be transferred from the Source Scheme to the Target Scheme on the STP date in April 2022. **Example 1:** If the UEUBAF level for the end of March 2022 is 76% and the Base Amount for STP Intello selected by the investor is Rs. 10,000, then Rs. 50,000 (which is 5 multiplied with Rs. 10,000)

shall be transferred from the Source Scheme to the Target Scheme on the STP date in April 2022.

UEUBAF Level (Percentage)	Multiplier (of base STP amount)
Less than 35	0.40
Greater than or equal to 35 but less than 40	0.55
Greater than or equal to 40 but less than 45	0.70
Greater than or equal to 45 but less than 50	0.85
Greater than or equal to 50 but less than 55	1.00
Greater than or equal to 55 but less than 60	1.80
Greater than or equal to 60 but less than 65	2.60
Greater than or equal to 65 but less than 70	3.40
Greater than or equal to 70 but less than 75	4.20
Greater than or equal to 75 but less than 80	5.00

f) As stated in the table above, the Multiplier shall be in the range of 0.40 times to 5.00 times. Therefore, in any case, the derived STP instalment amount will not exceed 5.00 times of the base instalment amount.

g) The STP Intello Facility is available only for units held / to be held in non - demat Mode in the Source Scheme and the Target Scheme. This facility is not available for units held / to be held in demat mode.

h) There is no maximum duration for availing this facility. However, STP Intello will be registered in a folio held by a minor only till the date of the minor attaining majority, even though the instructions may be for a period beyond that date. The STP Intello facility will automatically stand terminated upon the Unit Holder attaining 18 years of age.

i) In case the amount to be transferred is not available in the Source Scheme in the unit holder's folio, the residual amount in the Source Scheme will be transferred to the Target Scheme.

j) In case any of the day/date of transfer falls on a non-business day, the transaction will be effected on the next business day of the Scheme. In case the STP Intello date is not indicated, the default date will be 8th of every month.

k) In case of nil balance in the Source Scheme, STP Intello installment for that particular due date will not be processed and STP Intello will cease to be active upon three consecutive unsuccessful transactions.

	l) This Facility shall be applicable subject to payment of exit load, if any of the Source Scheme. Further, the facility will not get executed in case the units are pledged or where lien is marked on units, or if units are within the applicable statutory lock period, if any, at the time of receipt of request. m) The provision of 'Minimum Redemption Amount' as specified in the Scheme Information Document(s) of the respective designated Source Schemes and 'Minimum Application Amount' specified in the Scheme Information Document(s) of the respective designated Target Schemes will not be applicable for STP Intello. n) A request for STP Intello will be treated as a request for redemption from the Source Scheme and subscription into the selected Target Scheme(s), Option(s) / Plan(s), at the applicable NAV, subject to load and statutory levy, if any. o) This facility is provided subject to provisions of cut off timing for applicability of NAV and time stamping requirements, provisions of the SAI and the respective SID including the provisions of the 'Prevention of Money Laundering and Know Your Customer' requirements as detailed in the SAI, and any other applicable laws, rules and regulations as may be enforced from time to time. p) All requests for registering or deactivating the STP Intello Facility shall be subject to an advance notice of 8 (Eight) calendar days. Investors can deactivate the Facility by sending a written request to any of the Investor Service Centers. Once registered, the facility cannot be modified. Investor may cancel an existing registration and register afresh using a new / separate form. q) The use of this Facility by the Investor will be deemed as the investor's confirmation that the investor understands and agrees to be bound by all of the terms and conditions applicable to this Facility, as detailed in the 'Systematic Transfer Plan (STP) Intello Facility – Form', as amended from time to time. The AMC reserves the right to change, modify or withdraw this facility at any point of time. However, the change will be effective only on a prospective basis. Further, the AMC reserves the right to restrict the number / type of schemes being offered through this facility. iii) **<u>Systematic Withdrawal Plan (SWP)</u>** 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 Rs.)	Minimum Instalments
Daily	Daily (Only Business Day)	Not applicable	Rs. 1000 & in multiples of Rs. 1/- thereafter	6
Monthly	Any date of the month	8^{th} of the month	Rs. 1000 & in multiples of Rs. 1/- thereafter	6
Quarterly	Any date of the month	8^{th} of the month	Rs. 1000 & in multiples of Rs. 1/- thereafter	6
Half Yearly	Any date of the month	8^{th} of the month	Rs. 1000 & in multiples of Rs. 1/- thereafter	6
Yearly	Any date of the month	8^{th} of the month	Rs. 1000 & in multiples of Rs. 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 th treated as the Default frequency, and 8 shall be treated as the Default Date.

If the SWP end date is not selected by the investor, then the SWP will continue till all units are liquidated or withdrawn from the account or pledged or upon the AMC receiving notification of death of the Unit holder.

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

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.

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.

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.

	Investors are requested to note that SWP Facility will not be available under demat mode of holding units. 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. 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. iv) **<u>Facility to purchase/ redeem units of the Scheme through Stock Exchange Mechanism</u>** 1. Transactions through Stock Brokers/ Clearing Members/ Depository Participants: The facility enables an applicant to purchase/ redeem units through the Stock Exchange Infrastructure. Switching of units is currently not permitted under this facility. For this purpose, BSE has introduced the 'BSE StAR MF Platform' and 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 Clause 16.2.4.6 of SEBI Master Circular for Mutual Funds dated May 19, 2023, 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 Clause 16.2.6 of SEBI Master Circular for Mutual Funds dated May 19, 2023, 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 RTA. 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. 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. 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. 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. 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. 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. The AMC reserves the right to call for incremental documents from its investors. 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. v) **<u>Transactions by Fax:</u>** 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 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/ IDCW 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 amount will keep getting redeemed as per option selected as and when the target is achieved till the units become nil.

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. 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. ix) **Facility to transact through email** Under this facility, Investors can submit transactions through their registered email ID to a designated email ID of the Fund which is **transact.mail@unionmf.com** ("**Designated Email ID**"). The terms and conditions applicable to this Facility are as follows: **1. Eligible Investors:** All existing Unit holders with folios where email ID is registered except Unit holders holding units in dematerialized mode and Unitholders who have invested through online mode where the Unitholder's signature is not available on records. **2. Transactions permitted through the Facility:** **i. Financial Transactions:** a. **Additional Purchases** (payment through electronic fund transfer only) b. **Redemptions** (payout to default/ registered bank mandate only) c. **Switches** including requests for change in Plan/ Option/ Facility d. **Lien Invocation** **ii. Non-Financial Transactions:** a. Consolidation of folios (provided bank mandate is the same in all folios) b. Systematic Transfer Plan (STP) Registration Requests, if applicable

	under the Scheme. c. Systematic Withdrawal Plan (SWP) Registration Requests, if applicable under the Scheme. d. Cancellation of Systematic Registrations such as Systematic Investment Plan (SIP), STP and SWP, if applicable under the Scheme. e. Registration and cancellation request for Trigger Facility, if applicable under the Scheme. f. SIP Pause Facility, if applicable under the Scheme g. SIP Top-up Facility, if applicable under the Scheme h. Updation of FATCA details **3. Mandatory requirements:** Scanned copy of the relevant duly signed application with explicit instruction for processing the transaction with relevant supporting documents and details as mentioned below needs to be sent to the Designated Email ID. The subject line should clearly mention the Folio Number and the nature of the transaction for which instruction is being sent. The signature on the scanned copy of the application form should be as per the mode of holding under the particular folio. Further, for non-individual investors, the signature should be as per the Authorized Signatory List for the particular folio. The above requirement of submission of scanned copy of signed application is temporarily relaxed by the AMC for the following non-financial transactions: a. Consolidation of folios (provided bank mandate is the same in all folios) b. Cancellation of Systematic Registrations such as Systematic Investment Plan (SIP), Systematic Transfer Plan (STP) and Systematic Withdrawal Plan (SWP) if applicable under the Scheme. c. Cancellation request for Trigger Facility, if applicable under the Scheme. d. SIP Pause Facility, if applicable under the scheme e. SIP Top-up Facility, if applicable under the scheme f. Updation of FATCA details. Accordingly, investors can submit the above non-financial transactions in the prescribed format along with the relevant supporting documents through their registered email ID to the Designated Email ID of the AMC. However, in order to avail this relaxation, non-individual investors will be required to submit a onetime letter, signed by the authorized signatories registered in the folio, authorizing the AMC to accept and process such transactions received from the registered email ID of the authorized signatories for the said folio. Investors who are individuals are not required to submit such a letter to avail this relaxation. However, this relaxation is not available for individual investors with a joint mode of holding. For all financial transactions and for all non-financial transactions available under the facility other than the non-financial transactions

	mentioned above, the investors will be required to mandatorily submit a scanned copy of the signed application form along with the requisite supporting documents. The AMC at its sole discretion reserves the right to reject any application received through this facility and such decision shall be final and binding on the investor. **i. Financial Transactions** **a. Additional Purchases** (payment through electronic fund transfer only) • Folio number • Investor Name • Scheme - Plan and Option • Amount or Number of units • Mode of Fund Transfer • Proof of Fund Transfer • Broker related information like ARN code, Sub Broker code EUIN details (if any) **b. Redemptions** (payout to default/ registered bank mandate only) • Folio number • Investor Name • Scheme - Plan and Option • Amount or Number of units **c. Switches** including requests for change in Plan/ Option/ Facility • Folio number • Investor Name • Source Scheme - Plan and Option • Target Scheme - Plan and Option • Amount or Number of units • Broker related information like ARN Code, Sub Broker code EUIN Details (if any) **d. Lien Invocation:** • Folio Number • Investor Name • Scheme – Plan and Option • Amount or Number of units • Other requisite details of the Lien Invocation **ii. Non-Financial Transactions** • Folio number • Scheme Name - Plan and Option • ARN code wherever applicable

	• Details of the non-financial transaction request **4. Terms and Conditions:** i. The transaction request can be made only from the registered email ID of the Unitholder, available in the records of the AMC under the particular folio. Transaction requests sent by the Investor through a single email for multiple folios with different investor name(s) and different mode of holding will not be considered for processing through this Facility, even if the email ID registered is same in these folios. ii. All transaction requests sent to any email ID other than the Designated Email ID will not be accepted. Further, these documents shall only be accepted if they are in PDF or JPG format. The AMC may not acknowledge the receipt of the email requests. iii. The AMC reserves the right to change the Designated Email ID/designate more than one email IDs as Designated Email IDs from time to time, and the same shall be updated on the AMC's website. iv. The AMC shall not verify the identity of the person sending the email requests. v. The Designated Email ID will be an Official Point of Acceptance for transactions. The transaction request sent on the Designated Email ID will be time-stamped as per the date and time of the email received on the server of the AMC, and such time stamp shall be considered as final and binding for determining the applicable Net Asset Value (NAV) for the transaction in accordance with the SEBI (Mutual Funds) Regulations, 1996. vi. The Investor agrees and acknowledges and is aware that there may be a delay in delivery or difference in the date and time of the email received on the server of the AMC and the date and time of the server through which the Investor has sent the email, and also that the AMC server may not receive / reject the email sent by the Investor. vii. The AMC shall act in good faith and shall take necessary steps in connection with the email requests received regardless of the value involved, and the same shall be binding on the Investor. The AMC/ Mutual Fund/ Registrar shall not be held responsible / liable for any loss caused to the investor due to any time lag / error / interception in transmission of transaction through email to the AMC / Mutual Fund/ Registrar and will be held harmless for loss, if any, suffered by the Investor for processing/ not processing transactions received through this Facility. viii. The Investor acknowledges that it is a web based service and that transmissions may not be properly received and may be inadvertently read. Further, the Investor acknowledges and is fully aware of the risks

	involved in using this Facility including but not limited to such transaction requests being illegible, altered, etc. The Investor agrees that the risk of misunderstanding and errors shall be borne by the Investor, and the AMC shall not be responsible for such breach and shall not be liable for any claims, liability, loss, damage, cost or expenses arising from such misunderstanding or errors caused in transmission. ix. Investor shall indemnify the AMC/ Mutual Fund/ Registrar from and against all claims, liability, loss, damage, cost and expenses incurred by the AMC/ Mutual Fund/ Registrar arising out of or relating to: • The AMC/ Mutual Fund/ Registrar acting pursuant to, in accordance with or relying upon any email requests received or the AMC/ Mutual Fund/ Registrar not processing the email requests for any reason. • Any unauthorized or fraudulent email request received by the AMC/Mutual Fund/ Registrar from the registered email ID of the investor. x. The Investor also agrees and undertakes to execute any other documents indemnifying the AMC/Mutual Fund/ Registrar. xi. The AMC/ Registrar at its sole discretion and in accordance with the terms of the SID of the Scheme reject the transaction received through this Facility and such decision shall be final and binding on the investor. xii. The AMC reserves the right to restrict the number / type of schemes being offered through this facility. xiii. This facility is provided subject to provisions of cut off timing for applicability of NAV and time stamping requirements, provisions of the SAI and the respective SID including the provisions of the 'Prevention of Money Laundering and Know Your Customer' requirements as detailed in the SAI, and any other applicable laws, rules and regulations as may be enforced from time to time. xiv. The use of this Facility by the Investor will be deemed as the investor's confirmation that the investor understands and agrees to be bound by all of the terms and conditions applicable to this Facility, as amended from time to time. x) **Facility to transact in the Schemes of Union Mutual Fund through MF Utility infrastructure:** **Union Asset Management Company Private Limited** ("**the AMC**") has entered into an Agreement with **MF Utilities India Private Limited** ("**MFUI**"), for usage of **MF Utility** ("**MFU**") - a "Shared Services" initiative, which acts as a transaction aggregation portal for transacting in multiple Schemes of various Mutual Funds with a single form and a single payment instrument. This facility is provided to

	enable investors, directly or through Mutual Fund distributors and financial advisors to transact in units of schemes offered by participating Asset Management Companies across sales channels. Accordingly, Financial and non-financial transactions pertaining to the Scheme(s) of Union Mutual Fund ("the Fund") can be done, subject to applicable terms and conditions, through MFU either electronically on the online transaction portal of MFU at www.mfuonline.com or physically through the authorized Points of Service ("POS") of MFUI as published on MFUI website viz. www.mfuindia.com under the section on POS locations. The list of POS of MFUI published on the website of MFUI may be updated from time to time. The Online Transaction Portal of MFU i.e. www.mfuonline.com and the POS locations of MFUI will be considered as Official Points of Acceptance ("OPA") for transactions in the Scheme(s) of the Fund in addition to the existing OPAs of the Fund. Investors are requested to note that, MFUI will allot a Common Account Number ("CAN"), a single reference number for all investments in the participating Mutual Funds, for transacting in multiple Schemes of various participating Mutual Funds through MFU and to map existing folios, if any. Investors can create a CAN by submitting the CAN Registration Form ("CRF") and necessary documents at the MFUI POS. The AMC and/or its Registrar and Transfer Agent ("RTA") shall provide necessary details to MFUI as may be needed for providing the required services to investors/ distributors through MFU. Investors are requested to visit the websites of MFUI or the AMC (www.unionmf.com) to download the relevant forms. Investors transacting through MFU shall be deemed to have consented to the exchange of information viz. personal and/or financial (including the changes, if any) between the Fund /the AMC and MFUI and/or its authorized service providers for validation and processing of transactions carried out through MFU. The applicability of Net Asset Value (NAV) for transactions under this facility shall be based on time stamping as evidenced by the data received from MFUI in this regard and also the realization of funds in the bank account of the Fund (and not the time of realization of funds in the bank account of MFUI) within the applicable cut-off timing. The uniform cut-off time as prescribed by SEBI and as mentioned in the Scheme Information Document ("**SID**") / Key Information Memorandum ("**KIM**") of the respective Schemes of the Fund and the terms & conditions of offerings of the Scheme(s) of the Fund as specified in the SID, KIM and Statement of Additional Information ("**SAI**") of the Fund shall be applicable for applications received through this facility. Further, investors should note that transactions through this facility shall be subject to the terms & conditions as stipulated by MFUI/the Fund/ the AMC from time to time and any law for the time being in force. The usage of this facility will be deemed as the investor's confirmation that the investor understands and agrees to be bound by all the terms and conditions applicable to this facility, as may be amended from time to time. For details on carrying out transactions through MFU or any queries or clarifications related to MFU, please contact the Customer Care of MFUI on 022-61344316 (during the business hours on all days except Saturday, Sunday and Public Holidays) or send an email to clientservices@mfuindia. com. For any

	escalations and post-transaction queries pertaining to the Scheme(s) of the Fund, the investors can contact the AMC/RTA. xi) **Facility to transact through email for new investors through empaneled distributors** (**This is a temporary faclity and will be provided upto a date which will be provided by the AMC**)**:** Under this facility, distributors empaneled with the AMC can submit transactions of **new investors** (i.e. investors not having a folio with Union Mutual Fund) **whose KYC is verified (i.e. investors whose KYC has been registered and successfully verified by any registered KRA**), from the distributor's registered email ID to a designated email ID of Union Mutual Fund which is **new.investor@unionmf.com ("Designated Email ID**"). The terms and conditions applicable to this Facility are as follows: 1. **Eligible Investors:** This facility shall only be available for **new investors (i.e. individual or non-individual investors not having a folio with Union Mutual Fund)** whose KYC is verified. For non-individual investors, submission of corporate documents is mandatory. Any transaction received on the Designated Email ID from an existing unit holder of Union Mutual Fund under this facility will be rejected. 2. **Empaneled Distributors:** This facility is available only to distributors who are empaneled with the AMC. Further, to avail this facility, the distributor would have to submit a registration form containing requisite declarations to the AMC. Under this facility, a distributor can submit transactions of new investors whose KYC is verified to the Designated Email ID of the AMC. The email should be sent from the registered email ID of the empaneled distributor to the Designated Email ID of the AMC. 3. **Transactions permitted through the Facility: Only lumpsum first time purchase applications or application for creation of zero balance folio** will be permitted under this facility. Under this facility, units will be allotted in physical mode only. 4. The Designated Email ID will be an Official Point of Acceptance for transactions. The AMC reserves the right to change the Designated Email ID/designate more than one email ID as Designated Email IDs. The transaction request sent on the Designated Email ID will be time-stamped as per the date and time of the email received on the server of the AMC, and such time stamp shall be considered as final and binding for determining the applicable Net Asset Value (NAV) for the transaction in accordance with the SEBI (Mutual Funds) Regulations, 1996. 5. Submission of the Permanent Account Number (PAN), proof of KYC compliance, email address and mobile number of the new investor will be mandatory. The PAN of the new investor will be verified by the AMC with the Income Tax Database before allotment of units. Further, the AMC shall verify the KYC compliance status of the investor to ensure that the KYC is verified. In case the name of the investor does not match with the name of the PAN holder as per the Income Tax Database, or the PAN submitted by the investor is

	invalid, or the KYC is not verified then the application will be rejected. 6. The subscription amount shall be credited to any of the designated bank accounts of Union Mutual Fund. The details of the payment instrument shall be provided to the AMC. 7. This facility will be available only in locations where there are no offices which are Official Points of Acceptance in the close vicinity of the Investor and the Distributor and there are travel restrictions on account of the Coronavirus Disease (COVID-19) outbreak. 8. **Mandatory requirements:** Scanned copy of the relevant duly filled-in and signed purchase application form, proof of KYC compliance, proof of transfer/remittance of funds/copy of cheque (dully filled-in and signed) and copy of cheque deposit receipt from the bank along with details as mentioned below in an excel spreadsheet should be emailed by the empaneled distributor to the Designated Email ID.: **• Mandatory details:** a. Investor's PAN: b. Investor's name: c. Scheme: d. Amount (in Rs.): e. Name of the Bank where the amount is transferred into: f. Confirmation that the KYC of the Investor is registered and successfully verified by a registered KRA: g. **For Non-individual Investors only:** o Certified copy of the Board Resolution authorizing investments/ disinvestments in Mutual Funds Schemes, certified by the Company Secretary/authorised signatory. o List containing names and signatures of the signatories, authorised as per the above Board Resolution, duly attested by the Notary/Company Secretary/ any of the Directors of the Company on the Company's letterhead. o Copy of the Memorandum and Articles of Association of the Company, duly attested by the Company Secretary or any other authorised signatory. o Other relevant documents governing the statute (in case of Body Corporate not covered under the Companies Act). Multiple transaction applications received from the distributor through a single email will not be accepted under the Facility. The distributor will have to submit each such transaction application over a separate email. 9. With a view to avoid money laundering risk and fraud risk, the AMC will use the penny drop mechanism (process of validating the name of the bank account holder by crediting a minor amount in the bank account for which the name is being validated) to ensure that the bank account belongs to the investor. Since the penny drop mechanism validates only the name of the first holder in the bank account, it will be mandatory that the first holder in the folio

	opened through this facility is the first holder in the bank account. Further, the pay-in and the pay-out bank account of the new investor mentioned on the application should be one and the same. 10. The AMC at its sole discretion reserves the right to reject any transaction/application received through this facility and such decision shall be final and binding on the investor/ distributor. 11. This facility shall be subject to provisions of cut off timing for applicability of NAV and time stamping requirements, applicable terms and conditions of the Facility to transact through email, provisions of the SAI and the respective SID including the provisions of the 'Prevention of Money Laundering and Know Your Client (KYC) requirements' as detailed in the SAI, and any other applicable laws, rules and regulations as may be enforced from time to time. 12. The use of this facility by the investor / distributor will be deemed as the investor's/ distributor's confirmation that the investor / distributor understands and agrees to be bound by all of the terms and conditions applicable to this facility, as amended from time to time. 13. The Distributor shall ensure that the Distributor is in possession of the duly completed original purchase applications signed by the investors including the requisite supporting documents (as per applicable laws including guidelines under the Prevention of Money Laundering Act and scheme related documents) before submitting the scanned copy of the applications along with the supporting documents to the AMC under this Facility. Further, the Distributor shall ensure that all supporting documents which are copies are duly verified by the Distributor with the originals. It shall be the responsibility of the Distributor to submit all documents referred above to the nearest AMC office within 45 days from the date of submission of application under this facility. The Distributors and Investors availing this facility may note that, in case the originals are not submitted to the AMC, the AMC reserves the right to: i) block all further financial transactions (including redemptions) and non-financial transactions through any mode of transaction under the respective folio held by the investor until the aforesaid originals are submitted to the AMC and / or ii) withhold any commission payable to the respective Distributor until the aforesaid originals are submitted to the AMC. 14. The Distributor using this facility agrees that, before submitting the investor's application along with requisite documents to the AMC under this facility, the Distributor shall inform the investor that in case the originals are not submitted to the AMC, the investor will not be able to undertake any further financial transactions (including redemptions) and non-financial transactions under the respective folio through any mode of transaction until the originals are submitted to the AMC by the Distributor. 15. The AMC reserves the right to modify the above terms and conditions/ facility.

	xii. Facility to transact through MFCentral Platform Investors are requested to note that, pursuant to Clause 16.6 of SEBI Master Circular for Mutual Funds dated May 19, 2023 on Registrar & Transfer Agents (RTA) inter-operable Platform for enhancing investors' experience in Mutual Fund transactions / service requests, the Qualified RTAs, KFin Technologies Private Limited (KFintech) and Computer Age Management Services Limited (CAMS) have jointly developed MFCentral – A digital platform for Mutual Fund investors (the Platform). MFCentral is created with an intent to be a one stop portal/ mobile app for all Mutual fund investments and service-related needs that significantly reduces the need for submission of physical documents by enabling various digital / physical services to Mutual fund investors across the fund houses subject to applicable Terms & Conditions of the Platform. MFCentral will be enabling various features and services in a phased manner. The investors can submit both financial and non-financial transactions through the said Platform. MFCentral can be accessed using https://mfcentral.com/ at present and through a Mobile App in future. With a view to comply with all provisions of the aforesaid circular and to increase digital penetration of Mutual Funds, Union Mutual Fund has designated MFCentral as an Official Point of Acceptance for its Schemes. Any registered user of MFCentral, requiring submission of physical documents as per the requirement of MFCentral, may do so at any of the designated Investor Service Centres or Collection Centres of KFintech or CAMS. **xiii. Multi Scheme Investment Facility:** Under the said facility, the investor shall be eligible to make investments [lumpsum investments and investments through Systematic Investment Plan (SIP)] in multiple Schemes through a single application form and single payment instrument. The features, terms and conditions of the aforesaid facility are as follows: a. Investors can subscribe up to three schemes using the same Application Form and by making a single consolidated payment for the investments. The AMC reserves the right to extend the facility to more than three schemes in the future. b. This facility shall be available for lumpsum investment and for investment through SIP. For SIPs under this Facility, payment only in respect of the first installment can be made using a single cheque. The payment for all the subsequent installments will have to be through the auto-debit/standing instruction/NACH facility provided by the banks. c. For SIPs, the said facility shall be available under all Frequencies offered under the Scheme.

	d. Cheque should be drawn for total amount of investment that the investor proposes to invest in all the mentioned schemes. The investor will have to mention the scheme-wise allocation of investment in the application form. The Cheque should be drawn in the favour of 'Union Mutual Fund'. e. If the total amount of investments mentioned on the application is different from the amount mentioned in the accompanying cheque, or if the allocation amongst the schemes is not mentioned on the application, then the application shall be liable to be rejected. f. Investments will be accepted subject to the minimum application amount criteria for the respective Schemes being met. If the minimum application amount criteria is not satisfied for even one of the mentioned Schemes, then the application will be liable to be rejected for all the mentioned Schemes. g. The amount of investment under each of the Schemes through the Facility can be different subject to the requirement of minimum application amount criteria as mentioned for the respective Schemes. h. In case an investor wishes to cancel the existing SIP registered under the aforesaid facility, separate cancellation request would have to be submitted for each Scheme. i. In case of SIP through this Facility, the first cheque should be drawn on the same bank account which is to be registered for NACH / Auto Debit. Alternatively, the cheque may be drawn on any bank, for which investor should provide a photocopy of the cheque or cancelled cheque of the bank/branch for which NACH / Auto Debit is to be registered. j. All other provisions, as applicable to investment in the Schemes of Union Mutual Fund [lumpsum investments and investments through SIP] shall be applicable to this facility. The AMC reserves the right to change, modify or withdraw this facility at any point of time. However, the change will be effective only on a prospective basis. Further, the AMC reserves the right to restrict the number / type of schemes being offered through this facility. 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. 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.
Switching Options	Unitholders 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.

	Investors may opt to switch Units between the Income Distribution cum Capital Withdrawal 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. 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. Investors wishing to transfer their accumulated unit balance held under the scheme (through lumpsum / systematic investments made with or without Distributor code) to Direct Plan of the scheme will have to switch their existing investments to the Direct Plan of the Scheme. Investors who have invested without Distributor code and have opted for IDCW Reinvestment facility under the scheme may note that the incremental IDCW will not be reinvested in the Direct Plan under the scheme unless the existing investments are switched to the Direct Plan of the Scheme. Switch / redemption may entail tax consequences. Investors should consult their professional tax advisor before initiating such requests. **Note: It may be noted that the option to Switch in and out is currently not available in the dematerialized mode of holding Units.**
Accounts Statements	**For normal transactions (other than SIP/STP/SWP) during ongoing sales and repurchase:** • 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 application 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 application 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 / 18005722268 (toll free no.)

	For SIP / STP / SWP transactions: • 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: i. 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) <u>Investors who do not hold Demat Account:</u>** • A CAS for each calendar month shall be sent by AMC / RTA to investors not holding demat account, on or before fifteenth 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 twenty first 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) along with the break up between Investment and Advisory fees, Commission paid to the distributor and Other expenses for the period for each scheme's applicable plan where the concerned investor has actually invested in shall be issued to investors on or before twenty first day of succeeding month. 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) <u>Investors who hold Demat Account:</u>** • A CAS for each calendar month shall be sent by Depositories to investors holding a demat account, on or before fifteenth 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 twenty first 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) along with the break up between Investment and Advisory fees, Commission paid to the distributor and Other expenses for the period for each scheme's applicable plan where the concerned investor has actually invested in shall be issued to investors on or before twenty first day of succeeding month. 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 Payout of IDCW, Reinvestment of IDCW, 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. The CAS shall also disclose clear segregation between income distribution (appreciation of NAV) and capital distribution (Equalisation Reserve) in case the distributable surplus is distributed. 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 PAN/ KYC valid status.

	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. g) In case of any queries, investors may contact the Depositories or any of the Customer Service Centres of Union Mutual Fund. 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. i) Each CAS issued to the investors shall also provide the total purchase value / cost of investment in each scheme. 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 Goods & Services Tax (wherever applicable, as per existing rates), operating expenses, etc.
Income Distribution cum Capital Withdrawal (IDCW)	The IDCW proceeds shall be transferred to the unitholders within seven working days from the record date. IDCW 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. Please note that it is mandatory for the unitholders to provide the bank account details as per SEBI guidelines. In case of Units under the Income Distribution cum Capital Withdrawal Optionheld 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 IDCW pay-out will be credited to the bank account of the investor, as per the bank account details recorded with the DP.
Redemption	Under normal circumstances, the AMC shall transfer the redemption/repurchase proceeds to the unitholders within three working days from the date of redemption or repurchase. However, under exceptional circumstances where the schemes would be unable to transfer the redemption / repurchase proceeds to investors within the time as stipulated above, the redemption/ repurchase proceeds shall be transferred to unitholders within such time frame, as prescribed by AMFI, in consultation with SEBI. For further details in this regard, please refer the Statement of Additional Information (SAI). 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. 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. 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. For details regarding the minimum amount for redemption please see the point on 'Minimum amount for Purchase/Redemption /Switches' in this document. Where Units under the Scheme are held under both, the scheme and the Direct Plan of the scheme 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 not be processed from the Direct Plan. However, where Units under the requested Option are held only under the Direct Plan, the redemption request would be processed under the Direct Plan irrespective of whether the Direct Plan is specifically mentioned in the redemption request. 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 liquidity issues, market failures, exchange closures, operational issues or such other reasons, in accordance with applicable regulations, circulars and other prevalent guidelines. 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 IDCW 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 and the SAI. Further, please refer to "Bank Account details mandatory for all investors" in the SAI.**

	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 / FPIs. ii. Payment to NRI / FPI 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 IDCW** As per Clause 14.3 of SEBI Master Circular for Mutual Funds dated May 19, 2023, the unclaimed redemption and IDCW amounts shall be deployed by the Fund in call money market or money market instruments or in a separate plan of only Overnight Scheme/Liquid scheme / Money Market Mutual Fund scheme floated by Mutual Funds specifically for deployment of the unclaimed amounts. Provided that such schemes where the unclaimed redemption and IDCW amounts are deployed shall be only those Overnight scheme/ Liquid scheme / Money Market Mutual Fund schemes which are placed in A-1 cell (Relatively Low Interest Rate Risk and Relatively Low Credit Risk) of Potential Risk Class matrix as per Clause 17.5 of SEBI Master Circular for Mutual Funds dated May 19, 2023. There shall be no exit load in this plan, and TER (Total Expense Ratio) of such plan shall be capped as per the TER of direct plan of such scheme or at 50bps whichever is lower. Investors claiming these amounts during a period of three years from the due date shall be paid initial unclaimed amount along-with the income earned on its deployment. Investors, who claim these amounts after 3 years, shall be paid initial unclaimed amount along-with the income earned on its deployment till the end of the third year. After the third year, the income earned on such unclaimed amounts 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. **Process for claiming the unclaimed amounts:** i. Investors can obtain information regarding the unclaimed amounts, if any, under their folios from the website of Union Mutual Fund viz. www.unionmf.com. ii. The process of claiming the unclaimed amount and the necessary forms / documents required for the same is available on the website of Union Mutual Fund. Further, the information on unclaimed amount along with its prevailing value (based on income earned on deployment of such unclaimed amount), will be separately disclosed to investors through the periodic statement of accounts / Consolidated Account Statement sent to the investors **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 / IDCW 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.** **<u>Bank Mandate under Dematerialised mode:</u>** 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.
Delay in payment of redemption / repurchase proceeds/ IDCW	Under normal circumstances, the AMC shall transfer the redemption/repurchase proceeds to the unitholders within three working days from the date of redemption or repurchase and the IDCW warrants shall be dispatched to the unitholders within seven working days from the record date. However, under exceptional circumstances where the schemes would be unable to transfer the redemption / repurchase proceeds to investors within the time as stipulated above, the redemption/ repurchase proceeds shall be transferred to unitholders within such time frame, as prescribed by AMFI, in consultation with SEBI. For further details in this regard, please refer the Statement of Additional Information (SAI). 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). 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.
Non-Financial Transactions	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. Pursuant to Clause 17.16 of SEBI Master Circular for Mutual Funds dated May 19, 2023, the Investors subscribing to units of the Schemes of Union Mutual Fund are compulsorily required to provide: a. Nomination; or b. A declaration form for opting out of nomination. The applications where neither nomination is provided nor declaration for opting out of nomination is provided, are liable to be rejected. Existing individual unitholders of the Schemes of Union Mutual Fund with folios where neither nomination is provided nor declaration for opting out of nomination is provided are requested to either provide nomination or provide declaration for opting out of nomination, failing which such folios shall be frozen for debits (effective from January 01, 2024 or such other date as may be prescribed by SEBI from time to time), and such unitholders will not be able to redeem units till such unitholders submit the nomination / declaration form for opting out of nomination as stated above. The nomination form/ declaration form for opting out of nomination are available at www.unionmf.com.
Segregated Portfolio	In case of a credit event at issuer level and to deal with liquidity risk, the AMC may create a segregated portfolio of debt and money market instruments under the Scheme in compliance with Clause 4.4 of SEBI Master Circular for Mutual Funds dated May 19, 2023, as amended from time to time. In this regard, the term 'segregated portfolio' shall mean a portfolio comprising of debt or money market instrument affected by a credit event, that has been segregated in a mutual fund scheme, the term 'main portfolio' shall mean the scheme portfolio excluding the segregated portfolio and the term 'total portfolio' shall mean the scheme portfolio including the securities affected by the credit event. The AMC may create a segregated portfolio in a mutual fund scheme in case of a credit event at issuer level i.e. downgrade in credit rating by a SEBI registered Credit Rating Agency (CRA), as under: a. Downgrade of a debt or money market instrument to 'below investment grade', or b. Subsequent downgrades of the said instruments from 'below investment grade', or c. Similar such downgrades of a loan rating. In case of difference in rating by multiple CRAs, the most conservative rating shall be considered. Creation of segregated portfolio shall be based on issuer level credit events as detailed above and implemented at the ISIN level. Creation of segregated portfolio shall be optional and at the discretion of the AMC. The AMC shall decide on creation of segregated portfolio on the day of the credit

	event. Further, the AMC shall seek approval of the Trustees prior to creation of the segregated portfolio. Further, as per Clause 4.4 of SEBI Master Circular for Mutual Funds dated May 19, 2023, SEBI has permitted creation of segregated portfolio of unrated debt or money market instruments by mutual fund schemes of an issuer that does not have any outstanding rated debt or money market instruments, subject to the following: a. Segregated portfolio of such unrated debt or money market instruments may be created only in case of actual default of either the interest or principal amount. As per Clause 4.4 of SEBI Master Circular for Mutual Funds dated May 19, 2023, credit event is considered for creation of segregated portfolio, however for the purpose of the aforesaid circular, 'actual default' by the issuer of such instruments shall be considered for creation of segregated portfolio. b. AMCs shall inform AMFI immediately about the actual default by the issuer. Upon being informed about the default, AMFI shall immediately inform the same to all AMCs. Pursuant to dissemination of information by AMFI about actual default by the issuer, AMCs may segregate the portfolio." **Risks associated with segregated portfolio:** The unit holders may note that no redemption and subscription shall be allowed in the segregated portfolio. However, in order to facilitate exit to unit holders in the segregated portfolio, the AMC shall enable listing of units of segregated portfolio on the recognized stock exchange. The risks associated in regard to the segregated portfolio are as follows: • The investors holding units of the segregated portfolio may not be able to liquidate their holdings till the time of recovery of money from the issuer. • The security comprising the segregated portfolio may not realize any value. • Listing of units of the segregated portfolio on a recognized stock exchange does not necessarily guarantee their liquidity. There may not be active trading of units of the segregated portfolio on the stock exchange. • The trading price of units on the stock exchange may be significantly lower than the prevailing Net Asset Value (NAV) of the segregated portfolio. For the detailed provisions in relation to segregated portfolios, investors are requested to refer the Statement of Additional Information (SAI) of Union Mutual Fund.
Mandatory Swing Pricing Framework for market dislocation	Swing Pricing refers to a process for adjusting a scheme's Net Asset Value (NAV) to effectively pass on transaction costs stemming from net capital activity (i.e. flows into or out of the scheme) to the investors associated with that activity during the life of a scheme, excluding ramp-up period or termination. In a liquidity-challenged environment, quoted bid/ask spreads and overall trading cost can widen and may not be representative of the executed prices that can be achieved in the market. In such circumstances, swing pricing can be a useful mechanism to contribute to protect the interests of existing investors, specifically from the dilution of their holdings; and contribute to protect the value of the investors

	capital. Swing pricing is an anti-dilution adjustment that seeks to protect investors in a scheme from performance dilution as a result of significant outflows from the scheme, particularly during market dislocation. i) Mandatory full swing during market dislocation shall apply as stated below: ii) The swing pricing framework will be applicable only for scenarios related to net outflows from the Scheme. iii) SEBI will determine 'market dislocation' either based on the recommendation of the Association of Mutual Funds of India (AMFI) or suo moto. iv) Once market dislocation is declared, it will be notified by SEBI that swing pricing will be applicable for a specified period. v) Subsequent to the announcement of market dislocation, the swing pricing framework shall be applicable only to those open ended debt schemes of Union Mutual Fund (except Union Overnight Fund and Union Gilt Fund), which: a. have High or Very High risk on the risk-o-meter (as of the most recent period at the time of declaration of market dislocation); and b. classify themselves in the cells A-III, B-II, B-III, C-I, C-II and C-III of Potential Risk Class (PRC) Matrix. vi) At the time of market dislocation, the swing factor as mentioned in the below table shall be made applicable to the aforementioned schemes:

Swing factor for designated debt schemes

Max Credit Risk of Scheme→ / **Max Interest Rate Risk of the Scheme ↓**	**Class A (Credit Risk Value >=12)**	**Class B (Credit Risk Value >=10)**	**Class C (Credit Risk Value < 10)**
Class I: (Macaulay Duration <= 1 year)	-	-	1.5%
Class II: (Macaulay Duration <= 3 years)	-	1.25%	1.75%
Class III: (Any Macaulay Duration)	1%	1.5%	2%

vii) The Scheme performance shall be computed based on unswung NAV.

viii) Impact of Swing Pricing on Incoming and Outgoing Investors

	When swing pricing framework is triggered and swing factor is made applicable, both the incoming (unit holders who submit purchase / switch-in requests) and outgoing investors (unit holders who submit redemption / switch out requests) shall get NAV adjusted for swing factor. Swing Pricing shall be made applicable to all unitholders at PAN level with an exemption for redemptions upto Rs. 2 lacs for each mutual fund scheme. However, there shall be no threshold applicable in case of incoming investors i.e. the swung NAV or NAV adjusted to the swing factor shall be made applicable to all incoming investors irrespective of the application/investment amount. Intra-scheme switches i.e. switches within the same Scheme viz. from Regular Plan to Direct Plan and vice-versa or from Growth option to Income Distribution cum Capital Withdrawal option and vice versa, will be excluded from applicability of swing pricing. **<u>Illustration:</u>** Assume that the NAV of the Scheme is Rs. 10 and that there is no exit load applicable under the Scheme. On declaration of market dislocation by SEBI, assuming the swing factor applicable to Scheme as per the swing factor table is 1.5%, then: The NAV shall be adjusted as below: Swung NAV = Existing NAV – (Applicable swing factor* Existing NAV) = Rs. 10 - (1.5% of Rs. 10) = Rs. 10 - Rs. 0.15 = Rs. 9.85 Swing pricing shall be made applicable to all unitholders at PAN level. Purchases, including switch-ins, shall be processed at NAV of Rs. 9.85. Redemptions, including switch outs, at PAN level, of value upto Rs. 2 Lakhs shall be processed at an NAV of Rs. 10 and Redemptions, at PAN level, above Rs. 2 Lakhs shall be processed at NAV of Rs. 9.85. The above illustration has been given only to explain the impact of swing pricing on NAV of the Scheme. The actual purchase and sale price would depend on the prevailing exit load, if any, and other terms and conditions mentioned in the scheme documents of the Scheme. If there is any exit load applicable as per scheme provisions, the same shall be applied on swung NAV. **Disclosure requirements:** Disclosures pertaining to NAV adjusted for swing factor along with the performance impact shall be made by the AMC in the prescribed format in the SID and in the scheme wise Annual Reports and Abridged summary thereof and on the AMC's website in case swing pricing framework has been made applicable for the Scheme.

C. PERIODIC DISCLOSURES

Net Asset Value 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.	The Mutual Fund shall prominently disclose the Net Asset Values 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 11:00 p.m. The NAVs will be calculated and declared for all Business Days. 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. Information regarding NAV can be obtained by the Unit holders / Investors by calling or visiting the nearest CSC. Unitholders may avail the facility to receive the latest available NAVs through SMS by submitting a specific request in this regard to the AMC/ Mutual Fund. For the methodology of calculation of repurchase price, please refer section III 'Units and Offer', sub section B 'Ongoing Offer Details', under point 'Ongoing price for redemption (sale) / switch outs (to other schemes/plans of the Mutual Fund) by Investors' in the SID. In case the NAV of Corporate Debt Market Development Fund ('CDMDF') units is not available by 9:30 p.m. of same Business Day, NAV declaration timing for Mutual Fund Schemes holding units of CDMDF shall be 10 a.m. on next business day instead of 11 p.m. on same Business Day.
Fortnightly/ Monthly / Half yearly Disclosures: Portfolio / Financial Results 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.	The AMC will disclose the portfolio of the schemes as on the last day of the month / half year on its website and on the website of AMFI within 10 days from the close of each month/ half year respectively in a user-friendly and downloadable spreadsheet format. In case of unitholders whose e-mail addresses are registered, the AMC shall send via email both the monthly and half-yearly statement of the scheme portfolio within 10 days from the close of each month/ half–year respectively. The AMC shall publish an advertisement every half-year disclosing the hosting of the half-yearly statement of the scheme portfolios on its website and on the website of AMFI. The AMC shall provide a physical copy of the statement of the scheme portfolio, without charging any cost, on specific request received from a unitholder. Further, pursuant to Clause 5.1 of SEBI Master Circular for Mutual Funds dated May 19, 2023, for debt schemes, portfolio disclosure shall be done on fortnightly basis within 5 days of every fortnight as prescribed by the said circular. The disclosure of the financial results shall be made as described in the section on "Half Yearly Results" (as mentioned below).
Half Yearly Results	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 AMFI.
Annual Report	The AMC will host the Annual Report of the Schemes on the website of the AMC and on the website of AMFI 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). The AMC shall e-mail the scheme annual reports or abridged summary thereof to those unitholders whose e-mail addresses are registered with the Mutual Fund. The AMC shall provide a physical copy of the abridged summary of the Annual Report, without charging any cost, on specific request received from a unitholder. The 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. Investors who have not registered their e-mail id will have to specifically opt-in to receive a physical copy of the Annual Report or Abridged Summary thereof. Further, unitholders can submit a request for a physical or electronic copy of the scheme annual report or abridged summary thereof by writing to the AMC at the email address investorcare@unionmf.com or calling the AMC on the toll free number 18002002268 or submitting a request at any of the official points of acceptance of Union Mutual Fund. Union Mutual Fund will publish an advertisement every year, in the all India edition of at least two daily newspapers, one each in English and Hindi, disclosing the hosting of the scheme wise Annual Report on the AMC website (www.unionmf.com) and on the website of AMFI www.amfiindia.com.
Periodic disclosure of Risk-o-meter of the Scheme and of the Benchmark	In accordance with Clause 17.4 of SEBI Master Circular for Mutual Funds dated May 19, 2023, the Risk-o-meter of the Scheme shall be evaluated on a monthly basis and any change in risk-o-meter shall be communicated to the unitholders of the Scheme by way of Notice cum Addendum and by way of an e-mail or SMS. The Mutual Fund/ AMC shall disclose the Risk-o-meter along with portfolio disclosure for all schemes on its website and on AMFI website within 10 days from the close of each month. The Mutual Fund/AMC shall disclose the risk level of schemes as on March 31 of every year, along with number of times the risk level has changed over the year, on its website and AMFI website. The Mutual Fund/ AMC shall publish the scheme wise changes in Risk-o-meter in scheme wise Annual Reports and Abridged summary as per the prescribed format. The product label of the Scheme shall be disclosed on the front page of initial offering application form, SID, KIM, common application form and scheme advertisements as prescribed. Further, in accordance with Clause 5.16 of SEBI Master Circular for Mutual Funds dated May 19, 2023, the AMC is required to disclose the following in all disclosures, including promotional material or the disclosures stipulated by SEBI:

	a. risk-o-meter of the Scheme wherever the performance of the Scheme is disclosed; and b. risk-o-meter of the Scheme and benchmark wherever the performance of the Scheme vis-à-vis that of the benchmark is disclosed. Additionally, the AMC is also required to include the Scheme risk-o-meter, name of benchmark and risk-o-meter of benchmark in the portfolio disclosure in terms of Clause 5.17 of SEBI Master Circular for Mutual Funds dated May 19, 2023.
Disclosure of Potential Risk Class (PRC) Matrix	Pursuant to Clause 17.5 of SEBI Master Circular for Mutual Funds dated May 19, 2023, all debt schemes are required to be classified in terms of a Potential Risk Class matrix consisting of parameters based on maximum interest rate risk (measured by Macaulay Duration (MD) of the scheme) and maximum credit risk (measured by Credit Risk Value (CRV) of the scheme). Mutual Funds are required to disclose the PRC matrix (i.e. maximum risk that a fund manager can take in a Scheme) along with the mark for the cell in which the Scheme resides on the front page of initial offering application form, SID, KIM, common application form and scheme advertisements in the manner as prescribed in the said circular. The Scheme would have the flexibility to take interest rate risk and credit risk below the maximum risk as stated in the PRC matrix. Subsequently, once a PRC cell selection is done by the Scheme, any change in the positioning of the Scheme into a cell resulting in a risk (in terms of credit risk or duration risk) which is higher than the maximum risk specified for the chosen PRC cell, shall be considered as a fundamental attribute change of the Scheme in terms of Regulation 18(15A) of SEBI (Mutual Fund) Regulations, 1996. The Mutual Funds shall be required to inform the unitholders about the PRC classification and subsequent changes, if any, through SMS and by providing a link on their website referring to the said change. The Mutual Fund/ AMC shall also publish the PRC Matrix in the scheme wise Annual Reports and Abridged summary.
Associate Transactions	Please refer to Statement of Additional Information (SAI).

Taxation

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 and other implications arising out of his or her participation in the Scheme.

	Resident Investors	**Mutual Fund**
Tax on Dividend	TDS @10% if dividend exceeds Rs. 5000/- (Refer note~)	Nil (Refer note~)
Capital Gains Tax		
Long Term***, #	20% with indexation benefit (subject to Surcharge, if Applicable)**	Nil
Short Term (Refer note #)	Income tax Rate applicable to the Unit holders as under; (i) Individuals/HUF – Slab Rates (ii) Others –at applicable rates (subject to Surcharge, if Applicable)**	Nil

~Note: Dividend distribution tax is abolished w.e.f. 1st April 2020. Accordingly, dividend will be taxed in the hands of investor. Section 194K is introduced in order to deduct tax on dividend.

Note: Where the capital asset is a unit of a Specified Mutual Fund acquired on or after the 1st day of April, 2023 or a Market Linked Debenture, the full value of consideration received or accruing as a result of the transfer or redemption or maturity of such debenture or unit as reduced by—
(i) the cost of acquisition of the debenture or unit; and
(ii) the expenditure incurred wholly and exclusively in connection with
such transfer or redemption or maturity, shall be **deemed to be the capital gains arising from the transfer of a short-term capital asset.**

"**Specified Mutual Fund**" means a Mutual Fund by whatever name called, where not more than thirty five percent of its total proceeds is invested in the equity shares of domestic companies.

"**Market Linked Debenture**" means a security by whatever name called, which has an underlying principal component in the form of a debt security and where the returns are linked to market returns on other underlying securities or indices and include any security classified or regulated as a Market Linked Debenture by the Securities and Exchange Board of India.

From A.Y. 2021-22 (FY 2020-21) onwards, any income distributed by mutual fund to resident unit holders, will be subject to TDS @ 10%.TDS shall not be deductible in the following cases:

1) Where income distributed does not exceed INR 5,000/-

2)Where income distributed is in nature of Capital Gains

Under section 206AB of the Act, TDS shall be at higher of following rates on specified payments, where recipient has not filed return of income for previous years and TDS in each year is INR 50,000 or more: (with effect from the 1st day of July, 2021)
-Twice the rate specified in the Act or
-Twice the rates in force
-Rate of 5 %

Section 206AB excludes:

i) Non-resident who does not have a permanent establishment in India.
ii) Persons who are not required to furnish return of income for the relevant year and is notified by the Central Government in the Official Gazette in this behalf.

**These should be increased by the applicable surcharge as under:

Type of person	**Surcharge (%)**
Domestic company with income exceeding Rs. 1 crore but upto Rs. 10 crore in a year	7
Domestic company with income exceeding Rs. 10 crore in a year	12
Company other than domestic company with income exceeding Rs. 1 crore but upto Rs. 10 crore in a year	2
Company other than domestic company with income exceeding Rs. 10 crore in a year	5
Individuals, HUF or Association of Persons (AOP), Body of Individuals (BOI) and Artificial Juridical Person where income exceeds Rs. 50 Lakh but upto Rs. 1 crore.	10
Individuals, HUF or Association of Persons (AOP), Body of Individuals (BOI) and Artificial Juridical Person where income exceeds Rs. 1 crore but upto Rs.2 crore	15

	Individuals, HUF or Association of Persons (AOP), Body of Individuals (BOI) and Artificial Juridical Person where income exceeds Rs. 2 crore but upto Rs. 5 crore	25 {The maximum rate of Surcharge for income referred to in section 111A, 112A and 115AD shall be levied at the rate of 15%}
	Individuals or HUF where income exceeds Rs. 5 crore and the person has opted for a new tax regime u/s 115BAC	25{The maximum rate of Surcharge for income referred to in section 111A, 112A and 115AD shall be levied at the rate of 15%}
	Individuals, HUF or Association of Persons (AOP), Body of Individuals (BOI) and Artificial Juridical Person where income exceeds Rs. 5 crore	37 {The maximum rate of Surcharge for income referred to in section 111A, 112A and 115AD shall be levied at the rate of 15%}
	Partnership firms including LLPs, Local Authorities Co-operative societies where income exceeds Rs. 1 crore	12
	Co-operative Society with income exceeding Rs.1 crore but upto Rs.10 crore in a year	7
	Co-operative Society with income exceeding Rs. 10 crore in a year	12

Further, Health and education cess of 4% shall also be applicable.

**** As per Finance (No.2) Act 2014, period of holding in case of other than equity oriented Schemes is more than 36 months and taxation rate is effective after July 10th, 2014.

1. 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).

2. 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 unit holder. It would depend on whether the unit holder has classified such units as capital assets or as stock in trade.

3. As per Finance Act, 2017, the base year for indexation purpose has been shifted from 1981 to 2001.

[As per Finance (No. 2) Act 2014, in case of FPIs, the characterization of gains / losses arising from transfer / redemption of units would be done as Capital Gains, irrespective of it being the business activity of the FPI.]

	In case of resident individuals and Hindu Undivided Families ('HUFs'), where the total income as reduced by such short-term capital gains (Section 111A), is below the basic exemption limit, the short-term capital gains will be reduced to the extent of the short fall and only the balance short-term capital gains will be subjected tothe15 percent tax rate. **For further details on taxation please refer to the clause on Taxation in the SAI.**
Investor Services	For any enquires/ complaints/ service requests / etc. the investors may contact: **i. Computer Age Management Services Ltd. (R &T)** 158, Rayala Tower 1, 1st Floor, Anna Salai, Chennai, Tamil Nadu – 600002. e-mail: enq_uk@camsonline.com **ii. Union Asset Management Company Pvt. Ltd.** Ms. Leena Johnson Investor Relations Officer, Unit 503, 5th Floor, Leela Business Park, Andheri Kurla Road, Andheri (E) Mumbai – 400 059 Phone:022- 6748 3333, Fax No: 022 – 6748 3402 Toll free no.: 18002002268/ 18005722268 e-mail: investorcare@unionmf.com For verification of investor's identity, the service representatives may require personal information of the investor in order to protect confidentiality of information. The AMC will at all times endeavour to handle transactions efficiently and to resolve any investor grievances promptly. **It may be noted that all grievances/ complaints with regard to demat mode of holding shall be routed only through the DP/NSDL/CDSL.**

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:

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

The NAV of the Scheme shall be calculated up to four decimal places. Separate NAV will be calculated and disclosed for each Option under each Plan. The NAVs of the Growth Option and the Income Distribution cum Capital Withdrawal Option under each Plan, will be different after the declaration of the first IDCW. The NAVs will be calculated for all the Business Days.

Rounding off policy for NAV:

To ensure uniformity, the Mutual Fund shall round off NAVs up to four decimal places.

The fourth decimal will be rounded off to the next higher digit if the fifth decimal is or more than 5 i.e., if the NAV is 10.13745 it will be rounded off to 10.1375.

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.

However, this section is not applicable as this is a Continuous Offer of units of the Scheme at NAV Based Prices.

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 specified below:

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

<table>
<tr><th>Particulars</th><th>Expense (% of Net Assets)</th></tr>
<tr><td>Investment Management & Advisory Fee*</td><td rowspan="11">Upto 2.00%**</td></tr>
<tr><td>Custodial Fees</td></tr>
<tr><td>Registrar & Transfer Agent Fees including cost related to providing account statement, IDCW/ redemption cheques/ warrants etc.</td></tr>
<tr><td>Marketing & Selling Expenses including Agents Commission and statutory advertisement</td></tr>
<tr><td>Brokerage & Transaction Cost pertaining to the distribution of units</td></tr>
<tr><td>Audit Fees / Fees and expenses of trustees</td></tr>
<tr><td>Costs related to investor communications</td></tr>
<tr><td>Costs of fund transfer from location to location</td></tr>
<tr><td>Expenses for investor education and awareness initiatives (at least 2 basis points)</td></tr>
<tr><td>Goods and Services Tax* on expenses other than investment and advisory fees</td></tr>
<tr><td>Goods and Services Tax* on brokerage and transaction cost</td></tr>
</table>

Other Expenses^	
Maximum total expense ratio (TER) permissible under Regulation 52 (6) (c) (i) and (6) (a), as applicable	**Upto 2.00%****
Additional expenses under Regulation 52 (6A) (c)	**Upto 0.05%~**
Additional expenses for gross new inflows from specified cities under regulation 52 (6A) (b)	**Upto 0.30%#**

^ Subject to the Regulations.
***Goods & Services Tax:**

a. The Goods & Services tax on investment and advisory fees charged to the scheme will be **in addition** to the maximum limit of TER.
b. Goods & Services tax on other than investment and advisory fees, if any, will be borne by the scheme **within the maximum limit** of TER.
c. Goods & Services tax on exit load, if any, will be paid out of the exit load proceeds.
d. Goods & Services 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:

Assets under management Slab (In Rs. crore)	**Total Expense Ratio limit**
on the first Rs. 500 crores of the daily net assets	2.00%
on the next Rs. 250 crores of the daily net assets	1.75%
on the next Rs. 1,250 crores of the daily net assets	1.50%
on the next Rs. 3,000 crores of the daily net assets	1.35%
on the next Rs. 5,000 crores of the daily net assets	1.25%
On the next Rs. 40,000 crores of the daily net assets	Total expense ratio reduction of 0.05% for every increase of Rs. 5,000 crores of daily net assets or part thereof.
On balance of the assets	0.80%

~ Additional expenses up to 0.05 % 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. However, such additional expenses will not be charged to the Scheme where the exit load is not levied/ not applicable.

#For inflows beyond top 30 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 30 cities are at least:

a. 30% of gross new inflows in the scheme, or;

b. 15% of the average assets under management (year to date) of the scheme,

   whichever is higher.

As per Clause 10.1.3 of SEBI Master Circular for Mutual Funds dated May 19, 2023, additional expenses of 30 basis points, shall be charged based on inflows only from retail investors from beyond top 30 cities.

In case the inflows from beyond top 30 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 30 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.

With reference to SEBI's letter no. SEBI/HO/ IMD/ IMD-SEC-3/ P/ OW/ 2023/ 5823/ 1 dated February 24, 2023, a copy of which was forwarded by AMFI vide email no. 35P/ MEM-COR/ 85/ 2022-23 dated March 02, 2023, the B-30 incentive structure for new inflows has been kept in abeyance with effect from March 01, 2023 till the incentive structure is appropriately re-instated by SEBI with necessary safeguards.

Note:

a. 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:**

   As per Clause 10.1.14 of SEBI Master Circular for Mutual Funds dated May 19, 2023, the brokerage and transaction cost incurred for the purpose of execution of trade shall be charged to the Scheme as provided under Regulation 52(6A)(a) upto 12bps and 5bps for cash market transactions and derivatives transactions respectively. Any payment towards brokerage and transaction cost, over and above the said 12 bps and 5 bps for cash market transactions and derivatives transactions respectively 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 sponsors, subject to the SEBI (Mutual Funds) Regulations, as amended from time to time.

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

e. The total expenses of the Scheme(s) 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 / Sponsors.

g. The current expense ratios will be updated on the AMC's website viz. www.unionmf.com at least three working days prior to the effective date of the change. The exact weblink of the heads under which the Total Expense Ratio is disclosed is https://www.unionmf.com/about-us/downloads#ter.

Further, the disclosure of the Total Expense Ratio (TER) on a daily basis shall also be made on the website of AMFI viz. www.amfiindia.com.

The above disclosure shall be in accordance with requirements of SEBI (Mutual Funds) Regulations, 1996 and the circulars issued thereunder, as amended from time to time.

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 Goods & Services 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*	1% if units are redeemed or switched out on or before completion of 15 days from the date of allotment. Nil thereafter.

#Pursuant to Clause 10.4 of SEBI Master Circular for Mutual Funds dated May 19, 2023, 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.

*Goods & Services Tax on exit load, if any, will be paid out of the exit load proceeds and Exit load net of Goods & Services 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 IDCW 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 95% of the NAV subject to SEBI Regulations as amended from time to time.

The Mutual Fund may charge the load 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 immediately 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. Any other measure which the Mutual Fund may consider necessary.

D. WAIVER OF LOAD FOR DIRECT APPLICATIONS

Pursuant to Clause 10.4 of SEBI Master Circular for Mutual Funds dated May 19, 2023, 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 Clause 10.5 of SEBI Master Circular for Mutual Funds dated May 19, 2023 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 Rs. 150/- for subscription of Rs. 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 Rs. 100/- per subscription of Rs. 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 Rs.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 Rs.10,000/- and (iii) transactions other than purchases/ subscriptions relating to new inflows such as Switch/ STP/SWP/Transfer of IDCW 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 Clause 10.4 of SEBI Master Circular for Mutual Funds dated May 19, 2023, 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.

During the year 2020-21, RBI imposed Rs. 47.63 lakh for currency chest deficiencies, which has been paid by Union Bank of India.

During the year 2021-22, RBI imposed a penalty of Rs. 136.38 lakh for currency chest deficiencies, Rs.100.00 lakh penalty imposed by RBI for violation of Guidelines & directions, Rs. 46.00 lakh penalty imposed by IRDAI for violation of Rules, which has been paid by Union Bank of India.

During the year 2022-23, the Banking Ombudsman imposed a penalty of Rs.0.20 lakh on Union Bank of India. Further, RBI imposed a penalty of Rs. 85.71 lakh for currency chest deficiencies and Rs. 128.35 lakh for cash out related instances in the ATMs of Union Bank of India, which has been paid by Union Bank of India.

The penalties furnished above are summation of penalties imposed on Union Bank of India under various heads. The penalties have been levied on the instances of default, which are on various dates, at various centers/branches of Union Bank of India across India over a period of time during the aforesaid financial years. The payments have been made by the respective branches / offices of Union Bank of India spread across in different regions / zones over a period of time on various dates during the financial years.

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.

NIL

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 February 26, 2018. The Trustee has ensured that Union Corporate Bond 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: October 30, 2023
Place: Mumbai

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CAMS Customer Service Centres / CAMS Transaction Points: (For all Schemes)

• **Agartala -** Nibedita, 1st floor, JB Road, Palace Compound, Near Babuana Tea and Snacks, Agartala, Tripura - 799001. • **Agra -** No. 8, II Floor Maruti Tower Sanjay Place Agra Uttar Pradesh - 282002. • **Ahmedabad-** 111-113, 1st Floor - Devpath Building, Off C G Road, Behind Lal Bungalow, Ellis Bridge, Ahmedabad, Gujarat - 380 006. • **Ahmednagar -** Office no 3, 1st Floor, Shree Parvati, Plot no 1/175, Opposite Mauli Sabhagruh, Zopadi Canteen, Savedi, Ahmednagar - 414 003. • **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, Gulsham Tower, 2nd Floor Near Panchsheel Talkies Amaravati Maharashtra - 444601. • **Ambala -** Opposite PEER Bal Bhavan Road Ambala Haryana - 134003. • **Amritsar -** 3rd Floor Bearing Unit no- 313, Mukut House, Amritsar - 143001, Punjab. • **Anand -** 101, A.P. Tower, B/H, Sardhar Gunj Next to Nathwani Chambers Anand Gujarat - 388001. • **Anantapur -** AGVR Arcade, 2nd Floor, Plot No.37(Part), Layout No.466/79, Near Canara Bank, Sangamesh Nagar, Anantapur - 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. • **Balasore -** B C Sen Road Balasore Orissa - 756001. • **Bangalore -** Trade Centre, 1st Floor 45, Dikensen Road (Next to Manipal Centre) Bangalore Karnataka - 560 042. • **Bangalore -** 1st Floor 17/1,-(272) 12th Cross Road, Wilson Garden, Bangalore - 560027. • **Bareilly -** F-62-63, Second Floor, Butler Plaza, Civil Lines, Bareilly - 243001. • **Basti -** Office no 3, Ist Floor Jamia Shopping Complex ,(Opposite Pandey School) Station Road Basti Uttar Pradesh - 272002. • **Belgaum -** Classic Complex, Block no. 104, 1st Floor, Saraf Colony, Khanapur Road, Tilakwadi, Belgaum, Karnataka - 590 006. • **Ballari -** 18/47/A, Govind Nilaya, Ward No. 20, Sangankal Moka Road, Gandhinagar, Ballari - 583102, Karnataka. • **Berhampur -** Kalika Temple Street, Ground Floor, Beside SBI BAZAR Branch, Berhampur, Odisha - 760 002. • **Bhagalpur -** Ground Floor, Gurudwara Road, Near Old Vijaya Bank, Bhagalpur, Bihar - 812001. • **Bharuch (parent: Ankleshwar TP) -** A-111, First Floor, R K Casta, Behind Patel Super Market, Station Road, Bharuch - 392001. • **Bhatinda -** 2907 GH,GT Road Near Zila Parishad Bhatinda Punjab - 151001. • **Bhavnagar -** 501 - 503, Bhayani Skyline, Behind Joggers Park, Atabhai Road, Bhavnagar - 364001. • **Bhilai -** First Floor, Plot No. 3, Block No. 1, Priyadarshini Parisar West, Behind IDBI Bank, Nehru Nagar, Bhilai, Dist. Durg, PIN - 490020. • **Bhilwara -** Shope No 211 - 213, 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 - 501/1741/1846, Premises No-203, 2nd Floor, Kharvel Nagar, Unit-3, Bhubaneswar - 751001. • **Bhuj -** Office no. 4-5, first floor, RTO Relocation Commercial Complex –B, opposite Fire Station, near RTO Circle, Bhuj - Kutch, 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. • **Bohorampur -** No.107/1, A C Road, Ground Floor, Bohorompur, Murshidabad, West Bengal - 742103. • **Bokaro -** Mazzanine Floor F-4, City Centre, Sector 4, Bokaro Steel City Bokaro Jharkhand - 827004. • **Borivali -** 501 - Tiara Chambers, CTS 617, 617/1-4, Off Chandavarkar Lane, Maharashtra Nagar, Borivali - West, Mumbai - 400092. • **Burdwan -** 399 G T Road, Basement of Talk of the Town, Burdwan, West Bengal - 713 101. • **Kozhikode (Calicut) -** 29/97G, 2nd Floor, S.A Arcade, Mavoor 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. • **Chennai -** No.158, Rayala Tower-1, Anna Salai, Chennai - 600 002. • **Chhindwara -** 2nd Floor, Parasia Road, Near Surya Lodge, Sood Complex, Above Nagpur CT Scan, Chhindwara - 480001. • **Chittorgarh -** 3 Ashok Nagar Near Heera Vatika Chittorgarh Rajasthan - 312001. • **Cochin -** Modayil, Door No.: - 39/2638 DJ, 2nd Floor, 2A, M. G. Road, Cochin, Kerala - 682 016. • **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 Devengere 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, Jamnalal 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 -** LG3, SCO 12, Sector 16, Behind Canara Bank, Faridabad, Haryana – 121002. • **Gandhidham -** Shyam Sadan, First Floor, Plot No 120, Sector 1/A, Gandhidham - 370201. • **Gandhinagar -** No.507, 5th Floor, Shree Ugati Corporate Park, Opp Pratik Mall, Nr HDFC Bank, Kudasan, Gandhinagar, Gujarat - 382421. • **Ghaziabad -** First Floor C-10 RDC Rajnagar, Opp Kacheri Gate No.2, Ghaziabad, Uttar Pradesh, Pin-201002. • **Goa -** Office no 103, 1st floor, Unitech City Centre, M.G. Road, Panaji Goa, Goa - 403 001. • **Gondal (Parent Rajkot) -** A/177, Kailash Complex Opp. Khedut Decor Gondal Gujarat - 360 311. • **Gorakhpur -** Shop No. 5 & 6, 3rd Floor, The Mall, Cross Road A. D. Tiraha, Bank Road, Gorakhpur - 273001. • **Gulbarga -** Pal Complex, Ist Floor Opp. City Bus Stop, Super Market Gulbarga Karnataka - 585 101. • **Guntur -** D No 31-13-1158, 1st Floor, 13/1 Arundalpet, Ward No.6, Guntur - 522002. • **Gurgaon -** Unit no-115, First Floor Vipul Agora Building Sector-28, Mehrauli Gurgaon Road Chakkar Pur, Gurgaon – 122001, Haryana. • **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 -** J.L. No. 126, Basudevpur Mouza, Haldia Municipality, Ward No 10, Durgachak, Haldia, District Purba Medinipur, West Bengal - 721602. • **Haldwani -** Durga City Centre Nainital Road Haldwani Uttarakhand - 263139. • **Haridwar -** F - 3, Hotel Shaurya, New Model Colony, Haridwar - 249408. • **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. • **Hooghly -** 47/S//1 Raja Rammohan Roy Sarani, Serampore, Dist Hooghly, Hooghly - 712203. • **Hoshiarpur -** Near Archies Gallery Shimla Pahari Chowk Hoshiarpur Punjab - 146 001. • **Hosur -** 25/204, Attibele Road HCF Post, Mathigiri Above Time Kids School, Opposite to Kuttys Frozen Foods, Hosur - 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 -** 144, Vijay Nagar, Near Capital Small Finance Bank, Football Chowk, Jalandhar City - 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 - 431203. • **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. • **Janakpuri -** Office Number 112, 1 Floor, Mahatta Tower, B Block Community Centre, Janakpuri - 110058, New Delhi. • **Jamshedpur:** Millennium Tower, "R" Road Room No: 15 First Floor, Bistupur Jamshedpur Jharkhand – 831001 (w.e.f: November 22, 2023: Tee Kay Corporate Towers, 3rd Floor, S B Shop Area, Main Road, 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 -** Aastha Plus, 202 - A, 2nd Floor, Sardarbag Road, Nr. AlkapuriOpp, Zansi Rani Statue, Junagadh - 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. • **Kalyan -** Office No. 413, 414, 415, 4th Floor, Seasons Business Centre, Chatrapati Shivaji Maharaj Chowk, Opposite Kalyan Dombivli Municipal Corporation (KDMC), Kalyan (West), Thane - 421 301. • **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, Gurunanak Dharmakanta Jabalpur Road BARGAWAN Katni Madhya Pradesh - 483 501. • **Khammam -** Shop No: 11 - 2 - 31/3, 1st floor, Philips Complex, Balajinagar, Wyra Road, Near Baburao Petrol Bunk, Khammam Andhra Pradesh - 507 001. • **Kharagpur -** "Silver Palace", OT Road, Inda - Kharagpur, 301G.P-Barakola, P.S - Kharagpur Local, West Bengal - 721 305. • **Kolhapur -** 2 B, 3rd Floor, Ayodhya Towers Station Road, Kolhapur Maharashtra - 416001. • **Kolkata -** Kankaria Centre, 2/1, Russell Street, (2ndFloor), Kolkata - 700071. • **Kolkata-CC -** 3/1, R.N. Mukherjee Road, 3rd Floor, Office space -3C, Shreeram Chambers, Kolkata - 700 001. • **Kollam -** Uthram Chambers (Ground Floor) Thamarakulam, Kollam - 691 006. • **Korba -** KH. No. 183/2G, Opposite Hotel Blue Diamond, T.P. Nagar, Korba - 495677. • **Kota -** B-33 'Kalyan Bhawan Triangle Part ,Vallabh Nagar Kota Rajasthan - 324007. • **Kottayam -** 1307 B, Puthenparambil Building KSACS Road, Opp. ESIC office Behind Malayala Manorama Muttambalam P O Kottayam - 686501. • **Kukatpally -** No. 15-31-2M-1/4, 1st Floor, 14-A, MIG, KPHB Colony, Kukatpally, Hyderabad - 500072. • **Kumbakonam -** 28/8, 1st Floor, Balakrishna Colony Pachaiappa Street, Near VPV Lodge, 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 -** Office No. 107, 1st Floor, Vaishali Arcade Building, Plot No. 11, 6 Park Road, Lucknow - 226001.• **Ludhiana -** U/ GF, Prince Market, Green

Field Near Traffic Lights, Sarabha Nagar Pulli Pakhowal Road, Ludhiana Punjab - 141 002. • **Madurai -** Shop No. 3, 2nd Floor, Suriya Towers, 272/273 - Goodshed Street, Madurai, Tamil Nadu - 625001. • **Mahabubnagar -** H. No.: 14-3-178/1B/A/1, Near Hanuman Temple, Balaji Nagar, Boothpur Road, Mahabubnagar, Telangana – 509001. • **Malda -** Daxhinapan Abasan Opp Lane of Hotel Kalinga SM Pally Malda West Bengal - 732 101. • **Mandi Gobindgarh* -** Opposite Bank of Bikaner and Jaipur, Harchand Mill Road, Motia Khan, Mandi Gobindgarh, Punjab - 147301. • **Mangalore -** 14-6-674/15(1), Shop No.UG11-2 Maximus Complex, Light House Hill Road, Mangalore, Karnataka - 575 001. • **Manipal -** Shop No A-2, Basement floor, Academy Tower Opposite Corporation Bank Manipal Karnataka - 576104. • **Mapusa (Parent ISC : Goa) -** Office No 503, Buildmore Business Park, New Canca By Pass Road, Ximer, Goa Mapusa – 403 507. • **Margao -** F4 - 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 Mehsana Gujarat - 384 002. • **Mirzapur*-** First Floor, Canara Bank Building, Dhundhi Katra, Mirzapur, Uttarpradesh - 231001. • **Moga -** Street No 8-9 Center, Aarya Samaj Road, Near Ice Factory, Punjab, Moga -142 001.• **Moradabad -** H 21-22, 1st Floor, Ram Ganga Vihar Shopping Complex, Opposite Sale Tax Office, Moradabad, Uttar Pradesh - 244 001. • **Mumbai -** Rajabahdur Compound, Ground Floor Opp Allahabad Bank, Behind ICICI Bank 30, Mumbai Samachar Marg, Fort Mumbai Maharashtra - 400 023. • **Mumbai -** Platinum Mall, Office No.307, 3rd floor, Jawahar Road, Ghatkopar (East), Mumbai - 400 077.• **Muzzafarpur -** Brahman 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 142, First Floor, Ghantakarna Complex, Gunj Bazar, Nadiad - 387 001. • **Nagpur -** 145 Lendra New Ramdaspeth Nagpur Maharashtra - 440 010. • **Namakkal -** 156A / 1, First Floor, Lakshmi Vilas Building Opp. To District Registrar Office, Trichy Road Namakkal Tamil Nadu - 637001. • **Nasik -** 1st Floor, "Shraddha Niketan" Tilak Wadi, Opposite Hotel City Pride, Sharanpur Road, Nasik, Maharashtra - 422 002. • **Navsari -** 214-215, 2nd Floor, Shivani Park, Opp. Shankeshwar Complex, Kaliawadi, Navsari - 396445. • **Nellore -** Shop No. 2, 1st Floor, NSR Complex, James Garden, Near Flower Market, Nellore, Andhra Pradesh – 524001. • **New Delhi -** 401 to 404, 4th Floor, Kanchan Junga Building, Barakhamba Road, New Delhi - 110001. • **New Delhi -** Number G-8, Ground Floor, Plot No C-9, Pearls Best Height - II, Netaji Subhash Place, Pitampura, New Delhi - 110034. • **Nizamabad -** 5-6-208, Saraswathi Nagar, Opposite Dr. Bharathi Rani Nursing Home, Nizamabad, Andhra Pradesh - 503001. • **Noida -** Commercial Shop No.GF 10 & GF 38, Ground Floor, Ansal Fortune Arcade, Plot No. K-82, Sector -18, Noida - 201301. • **Ongole -** Shop No.1128, First Floor, 3rd Line, Sri Bapuji Market Complex,Ongole, Andhra Pradesh - 523001. • **Palakkad -** Door No.18/507(3) Anugraha, Garden Street, College Road, Palakkad - 678 001. • **Palanpur -** Gopal Trade Center, Shop No. 13-14, 3rd Floor, Near BK Mercantile Bank, Opposite Old Gunj, Palanpur - 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, opposite Polo Ground, Patiala, 147001. • **Patna -** G-3, Ground Floor, Om Complex, Near Saket Tower, SP Verma Road, Patna, Bihar - 800 001. • **Pondicherry -** S-8, 100, Jawaharlal Nehru Street (New Complex, Opp. Indian Coffee House) Pondicherry Pondicherry - 605001. • **Pune -** Vartak Pride , 1st floor, Survay No 46, City Survay No 1477, Hingne Budruk, D. P Road, Behind Dinanath Mangeshkar Hospital, Karvenagar, Pune - 411 052. • **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. • **Ratlam -** Dafria & Co 18, Ram Bagh Near Scholar's School Ratlam Madhya Pradesh - 457001. • **Ratnagiri -** Orchid Tower, Ground Floor, Gala no 06, S.V. No.301/Paiki 1/2, Nachane Munciple Aat, Arogya Mandir, Nachane Link Road, At, Post, Ratnagiri, Dist. Ratnagiri - 415612. • **Rohtak -** SCO 06, Ground Floor, MR Complex, Near Sonipat Stand Delhi Road, Rohtak – 124001. • **Roorkee -** 22 Civil Lines Ground Floor Hotel Krish Residency Roorkee Uttarakhand - 247667. • **Rourkela -** J. B. S. Market Complex,2nd Floor, Udit Nagar Road, Rourkela, Orissa, Rourkela - 769012. • **Sagar -** Opp. Somani Automobiles Bhagwanganj, Sagar Madhya Pradesh - 470 002. • **Saharanpur -** I Floor, Krishna Complex Opp. Hathi 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 -** M G Complex Bhawna Marg, Beside Over Bridge, Bansal Cinema Market, Sirsa - 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 -** Shop No-G-5, International Commerce Center, near Kadiwala School, Majura Gate, Ring Road, Surat, 395002. • **Surendranagar -** Shop No. 12, M.D. Residency, Swastik Cross Road, Surendranagar, Gujarat - 363001. • **Thane -** Dev Corpora, 1st floor, Office no. 102, Cadbury Junction, Eastern Express Way, Thane (West), Maharashtra - 400 601. • **Thiruppur -** 1(1), Binny Compound, II Street, Kumaran Road Thiruppur Tamil Nadu - 641601. • **Thiruvalla -** 1st Floor, Room No - 61(63), International Shopping Mall, opposite St. Thomas Evangelical Church, above Thomson Bakery, Manjady, Thiruvalla - 689105 • **Tinsukia -** Bangiya Vidyalaya Road, Near Old post office, Durgabari, Tinsukia – 786 125, Assam. • **Tirunelveli -** No. F4, Magnem Suraksaa Apartments, Tiruvananthapuram Road, Tirunelveli – 627 002. • **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 Kokkalai Thrissur Kerala - 680001. • **Trichy -** No 8, I Floor, 8th Cross West Extn Thillainagar Trichy Tamil Nadu - 620018. • **Trivandrum -** TC no: 22/902, 1st - Floor "Blossom" Building, Opposite NSS Karayogam, Sasthamangalam Village P.O Thiruvananthapuram, Kerala -695010.• **Tuticorin -** 4B/A16, Mangal Mall Complex, Ground Floor, Mani Nagar, Tuticorin, Tamilnadu, Tuticorin - 628003. • **Udaipur -** 32, Ahinsapur, Fatehpura Circle, Udaipur - 313001. • **Ujjain -** 109, 1st Floor, Siddhi Vinayaka TradeCentre, Saheed Park, Ujjain, Madhya Pradesh - 456010. • **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. • **Vashi -** BSEL Tech Park, B-505, Plot no 39/5 & 39/5A, Sector 30A, Opposite Vashi Railway Station, Vashi, Navi Mumbai, Maharashtra - 400 705. • **Vasco(Parent Goa) -** No DU 8, Upper Ground Floor Behind Techoclean Clinic, Suvidha Complex Near ICICI Bank Vasco da gama Goa - 403802. • **Vellore -** Door No. 86, BA Complex, 1st Floor, Shop No 3, Anna Salai (Officer Line), Tollgate, Vellore - 632 001 • **Vijayawada -** 40-1-68, Rao & Ratnam Complex Near Chennupati Petrol Pump M.G Road, Labbipet Vijayawada Andhra Pradesh - 520 010. • **Visakhapatnam -** Door No. 47-3-2/2, Flat No GF2 , Vigneswara Plaza, 5th Lane, Dwarakanagar, Visakhapatnam- 530 016. • **Warangal -** A.B.K Mall, Near Old Bus Depot road BVSS Mayuri Complex F-7, Ist 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 Mutual Fund - Customer Service Centers and Official Points of Acceptance: (For all Schemes)

• **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, Unit No. 206, Prestige Meridian -II, No. 30, M.G Road, Bengaluru - 560 001. • **Bhubaneshwar:** GBP Business Center, Unit 103-D, 191/A, Kharavela Nagar, Unit 3,Odisha, Bhubaneshwar - 751001. • **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, 206, 2nd floor, Challa mall, 11 & 11A, Sir Theagaraya Road, T. Nagar, Chennai - 600017. • **Guwahati:** Ganpati Enclave, Ground floor, GS Road, Opposite Bora Service Station, Ullubari, Guwahati - 781 007. • **Hyderabad:** Union Asset Management Co Pvt Ltd, 6-3-1085/D/501/A, 5th Floor, Dega Towers, Raj Bhavan Road, Somajiguda, Hyderabad - 500082. • **Indore:** Union Asset Management Co Pvt Ltd, 320, Milinda Manor, 3rd Floor, 2, RNT Marg, Opposite Central Mall, Indore - 452001. • **Jaipur:** Union Asset Management Co Pvt Ltd, 403, 4th Floor, Ambition Tower, Subhash Marg, Agrasen Circle, C - Scheme, Jaipur - 302 001. • **Kanpur:** Office no. 211, 2nd Floor, Kan-chamber, 14/113, Civil Lines, Kanpur - 208 001. • **Kochi :** Union Asset Management Co Pvt Ltd, M/s. Mayur Business Centre, Pulleppady Jn., Chittoor Road, Ernakulam, Ernakulam Village Kochi, PIN: 682 035. • **Kolkata:** Union Asset Management Co Pvt Ltd, 32, Chowringhee Road, OM Tower, 4th Floor, Room No. 401, Kolkata - 700071. • **Lucknow:** Union Asset Management Co Pvt Ltd, 208, 2nd Floor, Saran Chambers II, 5 Park Road, Lucknow - 226 001. • **Mumbai (Registered Office):** Union Asset Management Co Pvt Ltd, Unit 503, 5th Floor, Leela Business Park, Andheri Kurla Road, Andheri (East), Mumbai - 400 059. • **Mumbai (Fort):** Union Asset Management Co Pvt Ltd, 301, Janmabhoomi Bhavan, Janmabhoomi Marg, Fort, Mumbai - 400001. • **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, A Wing, Ground Floor, 27 Statesman House, 148 Barakhamba Road, New Delhi - 110001. • **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, 36/127 T. D., 3rd Floor, D.M. Plaza, Chota Para (Pt Bagwati Charan Shukla Ward No. 36), Raipur, Chhattisgarh - 492001. • **Ranchi:** 302-A, 3rd Floor, Satya Ganga Arcade, Lalji Hirji Road,Ranchi, Jharkhand - 834001• **Varanasi:** Union Asset Management Co Pvt Ltd, Shop No. 9,10,11, 1st Floor, Kuber Complex, Rathyatra Crossing, Varanasi - 221010.