

PEERLESS MUTUAL FUND

Registered and Corporate Office: Peerless Mansion, 1, Chowringhee Square, Kolkata-700069
Tel: 033 40185000; Fax: 033 401805010; Toll free no. 1800 200 9995,
Website: www.peerlessmf.co.in, email: connect@peerlessmf.co.in

THIS ADDENDUM SETS OUT THE CHANGES TO BE MADE IN THE SID, KIM and SAI of ALL SCHEMES OF PEERLESS MUTUAL FUND

In terms of Best Practice Circular no. 20/2010-11 dated February 9, 2011, following provisions will be introduced w.e.f. April 1, 2011:

1. "On Behalf of Minor" Accounts: Where the account/folio (account) is opened on behalf of a minor:

(a) The minor shall be the first and the sole holder in an account. There shall not be any joint accounts with minor as the first or joint holder.

(b) The Guardian in the folio on behalf of the minor should either be a natural guardian (i.e. father or mother) or a court appointed legal guardian. Information on the relationship/status of the guardian as father, mother or legal guardian should be provided to the AMC/ the Registrar of Peerless Mutual Fund ("the Registrar"). If the documents mentioned in clause (c) below do not provide information evidencing the relationship of natural guardian to the minor, separate documents establishing the relationship should be provided. In case of court appointed legal guardian, supporting documentary evidence should be submitted.

(c) Date of birth of the minor along with photocopy of supporting documents as enumerated below shall be mandatory while opening the account on behalf of minor:

1. Birth certificate of the minor, or
2. School leaving certificate / Mark sheet issued by Higher Secondary Board of respective states, ICSE, CBSE etc., or
3. Passport of the minor, or
4. Any other suitable proof evidencing the date of birth of the minor.

2. Minor Attaining Majority – Status Change:

(a) Prior to minor attaining majority, the AMC/ Registrar will send advance notice to the registered correspondence address advising the guardian and the minor to submit an application form along with prescribed documents (as per (e) below) to change the status of the account to "major".

(b) The account shall be frozen for operation (including SIP, STP, SWP) by the guardian on the day the minor attains the age of majority and no transactions shall be permitted till the documents for changing the status are received (c) The AMC/ the Registrar will suspend all standing instructions like SIPs, SWPs, STPs etc. from the date of the minor attaining majority, by giving adequate notice prior to that date.

(d) The AMC/ the Registrar will execute the standing instructions like SIPs, SWPs, STPs in a folio of a minor only till the date of the minor attaining majority, though the instructions may be registered for a period beyond that date.

(e) List of standard documents required to change the account status from minor to major:

1. Services Request form, duly filled and containing details like name of major, folio numbers, etc.
2. New Bank mandate where account has been changed from minor to major,
3. Signature attestation of the major by a manager of a scheduled bank / Bank Certificate / Letter
4. KYC acknowledgement of the major.

3. Change in Guardian: When there is a change in guardian either due to mutual consent or demise of existing guardian, following documents should be submitted to the AMC/ the Registrar prior to registering the new guardian:

(a) Request letter from the new guardian,

(b) No Objection Letter (NoC) or Consent Letter from existing guardian or Court Order for new guardian, in case the existing guardian is alive.

(c) Notarized copy or attested copy of the Death Certificate of the deceased guardian, where applicable. The attestation may also be done by a special executive magistrate, AMC authorised official or manager of a scheduled bank.

(d) The new guardian must be a natural guardian (i.e. father or mother) or a court appointed legal guardian.

1. Information on the relationship/status of the guardian as father, mother or legal guardian should be specified in the application form.

2. In case of natural guardian, a document evidencing the relationship if the same is not available as part of the documents submitted as per sub clause c of clause 1 of this notice – cum – addendum

3. In case of court appointed legal guardian, supporting documentary evidence should be submitted.

(e) Bank attestation attesting the signature of the new guardian in a bank account of the minor where the new guardians registered as the guardian.

(f) KYC of the new guardian.

4. Nomination facility

(a) Nomination should be maintained at the folio level should be applicable for investments in all schemes in the folio or account.

(b) Where a folio has joint holders, all joint holders should sign the request for nomination/cancellation of nomination, even if the mode of holding is not "joint". Nomination form cannot be signed by Power of attorney (PoA) holders.

(c) Every new nomination for a folio/account will overwrite the existing nomination.

(d) Nomination shall be mandatory for new folios/accounts opened by individual especially with sole holding and no new folios/accounts for individuals in single holding will be opened without nomination.

1. Even those investors who do not wish to nominate must sign separately confirming their non-intention to nominate.

(e) Nomination will not allowed in a folio held on behalf of a minor.

Nomination will not be a part of the Statement of account or any normal communication to the investor. There will only be a communication to the investor on registration of the Nomination for the first time / every time registered.

5. Transmission: We have set out below the list of the documents required for transmission under various situations:

a. Transmission to surviving unit holders in case of death of one or more unit holders:

1. Letter from surviving unit holders to the Fund / AMC / RTA requesting for transmission of units,
2. Death Certificate in original or photocopy duly notarized or attested by gazette officer or a bank manager,
3. Bank Account Details of the new first unit holder as per specified format along with attestation by a bank branch manager or cancelled cheque bearing the account details and account holders name.
4. KYC of the surviving unit holders, if not already available.

b. Transmission to registered nominee/s in case of death of Sole or All unit holders:

1. Letter from claimant nominee/s to the Fund / AMC / RTA requesting for transmission of units,
2. Death Certificate/s in original or photocopy duly notarized or attested by gazette officer or a bank manager,
3. Bank Account Details of the new first unit holder as per specified format along with attestation by a bank branch manager or cancelled cheque bearing the account details and account holders name.
4. KYC of the claimant/s,
5. If the transmission amount is Rs One Lakh or more:
 - a. Indemnity duly signed and executed by the nominee/s in the specified format.

c. Transmission to claimant/s, where nominee is not registered, in case of death of Sole or All unit holders:

1. Letter from claimant/s to the Fund / AMC / RTA requesting for transmission of units,
2. Death Certificate/s in original or photocopy duly notarized or attested by gazette officer or a bank manager,
3. Bank Account Details of the new first unit holder as per specified format along with attestation by a bank branch manager or cancelled cheque bearing the account details and account holders name.
4. KYC of the claimant/s,
5. Indemnity Bond from legal heir/s as per specified format.
6. Individual affidavits from legal heir/s as per specified format

7. If the transmission amount is below Rs. One Lakh any appropriate document evidencing relationship of the claimant/s with the deceased unitholder/s.

8. If the transmission amount is Rs One Lakh or more any one of the documents mentioned below:

a. Notarised copy of Probated Will, or

b. Legal Heir Certificate or Succession Certificate or Claimant's Certificate issued by a competent court, or

c. Letter of Administration, in case of Intestate Succession.

d. Transmission in case of HUF, due to death of Karta: HUF, being a Hindu Undivided Family, the property of the family is managed by the Karta and HUF does not come to an end in the event of death of the Karta. In such a case, the members' of the HUF will appoint the new Karta who needs to submit following documents for transmission:

1. Letter Requesting for change of Karta,

2. Death Certificate in original or photocopy duly notarized or attested by gazette officer or a bank manager,

3. Duly certified Bank certificate stating that the signature and details of new Karta have been appended in the bank account of the HUF as per specified format

4. KYC of the new Karta and KYC of HUF, if not already available.

5. Indemnity bond signed by all the surviving coparceners and new Karta as per specified format.

6. In case of no surviving co-parceners OR the transmission amount is Rs One Lakh or more OR where there is an objection from any surviving members of the HUF, transmission shall be effected only on the basis of any of the following mandatory documents:

a. Notarized copy of Settlement Deed, or

b. Notarized copy of Deed of Partition, or

c. Notarized copy of Decree of the relevant competent Court

e. Clarifications

1. It is clarified that PAN card copy or another proof of identity of claimant/s is not required separately if KYC acknowledgement issued by CVL is made available.

No separate KYC is required for the cases where Demat cases if the units are to be allotted through Electronic modes.

2. Where the units are to be transmitted to a claimant who is a minor, various documents like KYC, PAN, Bank details, indemnity should be of the guardian of the nominee.

f. Additional risk mitigation measures:

While the list of documents mentioned in sub-clauses a to d above shall be taken in all cases, the AMC/ the Registrar may seek additional documents if the amount involved in transmission exceeds Rs One Lakh on a case to case basis. The AMC/the Registrar may also ask additional document depending on circumstances of each cases.

This addendum forms an integral part of the Documents. All other terms and conditions appearing in the Documents being modified through this Addendum remain unchanged.

Place: Kolkata
Date: March 31, 2011

For Peerless Funds Management Co. Ltd.
(Investment Manager to Peerless Mutual Fund)

sd/-

Akshay Gupta
Managing Director & CEO

Statutory Details: Peerless Mutual Fund has been set up as a Trust under The Indian Trusts Act, 1882. **Sponsors:** The Peerless General Finance & Investment Co. Ltd. **Trustee:** Peerless Trust Management Company Limited. **Investment Manager:** Peerless Funds Management Company Limited. (Registered Office of the Trustee & Investment Manager: "Peerless Mansion" 1, Chowringhee Square, 3rd Floor, Kolkata-700069) The Sponsor, the Trustee and the Investment Manager are incorporated under the Companies Act, 1956. The sponsor is not responsible or liable for any loss resulting from the operation of the schemes beyond their initial contribution of Rs. 1 Lakh towards setting up of the Peerless Mutual Fund and such other accretions and additions to the corpus.

Risk Factors: Mutual Funds and Securities Investments are Subject to market risks and there is no assurance and no guarantee that the objective of scheme(s)/plan(s) will be achieved. As with any other investment in securities, the NAV of the Units issued under the scheme(s)/plan(s) can go up or down depending on the factors and forces affecting the securities market. Past performance of the Sponsor/AMC/Mutual Fund/Scheme(s)/Plan(s) and their affiliates do not indicate the future performance of the scheme(s) of the Mutual Fund. **Please read the Scheme Information Document and Statement of Additional Information carefully before investing.**
