

ADDENDUM

INTRODUCTION OF PRAMERICA POWER GOALS FACILITY IN PRAMERICA MIDCAP OPPORTUNITIES FUND (PMOF) W.E.F. DECEMBER 16, 2013:

Pramerica Power Goals ('the Facility') is a PE (Price to Earnings Ratio) variation based asset allocation facility with rebalancing features. The Facility would help the investors in making investments in equity and debt/liquid schemes of Pramerica Mutual Fund ('the Fund') based on an asset allocation suggested by a proprietary model developed by the AMC and rebalance the same. Following are the features of the Facility:

- (a) The initial investment under the Facility shall be made to a specific scheme of the Fund identified by the AMC ('herein referred as the Feeder Fund'), which is currently, Pramerica Short Term Floating Rate Fund;
- (b) Investment under the Facility into the Feeder Fund can be made through any one of these modes, viz. (1) Lump-sum Investment; (2) Systematic Investment Plan (SIP); (3) Lump-sum investment with SIP; or (4) Lump-sum investment with Systematic Transfer Plan (STP);
- (c) The investor shall identify and designate one equity scheme of the Fund (for equity allocation) and one debt/liquid scheme of the Fund (for debt allocation) in which the investments shall be made under the Facility. Please note that the debt/liquid scheme so chosen by the investor for the purpose of debt allocation cannot be the Feeder Fund.
- (d) The allocation towards the designated equity scheme shall be arrived through calculation of variation from long-term average S&P CNX Nifty PE (see table below) and the balance allocation shall be in the designated debt scheme.

Variation from long-term average PE*	% Equity Allocation
Less than -20%	100%
Between -20% to -11%	100%
Between -10% to 0%	100%
Between 1% to 10%	80%
Between 11% to 20%	60%
Between 21% to 30%	40%
Between 31% to 40%	0%
Above 40%	0%

*Trailing PE of S&P CNX Nifty is observed on a 20 days moving average basis as at the month-end and compared to long-term average PE (from January 1999) to calculate the Variation.

- (e) Based on the variation from the long-term average PE (refer above table), the investments (i.e. cleared units) in the Feeder Fund shall be switched to the designated equity scheme (i.e. equity allocation) and to the designated debt scheme (i.e. debt allocation) on the 1st business day of every month.

- (f) The Facility would also re-balance the clear units in the folio on the 1st business day of every month (where applicable) (i.e. investments in the designated equity and debt schemes) based on PE Variations (see table below).

Variation from long-term average PE*	Rebalancing	
	% of Outstanding Equity Units Moved Out to Debt	% of Outstanding Debt Units Moved Into Equity
Less than -20%	-	100%
Between -20% to -11%	-	50%
Between -10% to 0%	-	10%
Between 1% to 10%	-	-
Between 11% to 20%	-	-
Between 21% to 30%	-	-
Between 31% to 40%	50%	-
Above 40%	100%	-

*Trailing PE of S&P CNX Nifty is observed on a 20 days moving average basis as at the month-end and compared to long-term average PE (from January 1999) to calculate Variation.

- (g) All investments under the Facility shall be under a unique identified folio. By subscribing to this facility the investor(s) authorises the AMC to carry out the switch from the Feeder Fund to designated equity and debt funds and switch between equity and debt funds (on reallocation) without any further instructions or authorisations from the investor(s).
- (h) Investors are requested to note that the applicability of NAV on switch of units from the Feeder Fund to designated equity and debt schemes and switch between equity and debt schemes (on reallocation) shall be subject to the realization/utilization of funds, wherever applicable, as per the prevailing SEBI regulations/circulars, issued and amended from time to time. Further, investors shall not (at the instance of the investor) be allowed to switch within the designated equity and debt schemes within the folio which is part of the Facility and the minimum amount criteria applicable to the schemes shall not be applicable for switches within the Facility.
- (i) Investors are requested to note that all switches between (i.e. Switch of units from the Feeder Fund to designated equity and debt schemes and switch between equity and debt schemes) shall be subject to the applicable exit load of the respective schemes. The redemption of units from the folio shall be subject to exit load as applicable to the respective schemes.
- (j) Investors shall register to avail this Facility by submitting the “Pramerica Power Goals Application form” to the AMC/ISC. This form also includes the terms and condition applicable to the Facility and the same shall be available on the website of the mutual fund, www.pramericaamf.com.
- (k) The Investor(s) agrees and confirms that the AMC may at its sole discretion suspend the Facility in whole or in part at any time without prior notice. The Investor/s agrees that subscription to this Facility will be deemed acceptance of the terms and conditions and the investor(s) will unequivocally be bound by these Terms and Conditions.

This addendum forms an integral part of the Scheme Information Document(s) and Key Information Memoranda of the Pramerica Midcap Opportunities Fund.

Date: December 12, 2013