

Modification to the Investment Mandate for Vantage Fund

The Change

- IRDAI Regulation dated 29th July 2011 has asked insurance companies to stop investing in the underlying funds units in Fund of Funds like Manager and Vantage Funds and invest directly in the securities.
- As a result, we are modifying the mandate of the Vantage Fund to specify the asset allocation in terms of the underlying asset classes rather than the Unit Linked Funds.

Applicability

- Fund of Fund- Vantage Fund
- Vantage Fund invests in 3 available Unit Linked Funds, namely Income Fund, Blue Chip Fund and Opportunities Fund.
- Vantage Fund currently achieves its target investment pattern by investing in these 3 available underlying Unit Linked Funds.

Original Wording

FUND	DETAILS	ASSET CLASS			RISK & RETURN RATING	
		Money Securities Deposits	Market & Public	Govt. Securities & Corporate Securities & Bonds		Equity
		FUND COMPOSITION				
Vantage Fund	▪ Fund of funds – Dynamic exposure between equity funds and debt funds ▪ Invested in the funds available to HDFC Wealth Builder funds	0 to 40%	10% to 70%	10% to 70%	High	
		Income Fund: 15% to 70% Blue Chip Fund : 15% to 70% Opportunities Fund: 15% to 60%				

Revised Wording

FUND	DETAILS	ASSET CLASS			RISK & RETURN RATING	
		Money Securities & Deposits	Market & Public	Govt. Securities & Corporate Securities & Bonds		Equity
		FUND COMPOSITION				
Vantage Fund	▪ Dynamic exposure between equity securities and debt securities	0 to 40%		10% to 70%	10% to 70%	High

Result

- The Fund would continue to be managed by the fund manager in a similar manner as before except that the target investment pattern would be achieved by investing directly in the underlying asset classes rather than in the 3 available underlying Unit Linked Funds.
- There is no change in the investment strategy for the fund.
- The mandates of the other funds; Income Fund, Blue Chip Fund and Opportunities Fund; available to you remain unchanged.
- There will be no change in the actual performance that will be delivered within this fund as a result of this change and the unit price will also be unaffected by this switchover.
- Further, the number of units, Net Asset Value (NAV) per unit and total Asset Under Management of the Vantage Fund will not get impacted by modification of Mandate.