

**Make the most out of the
current high interest
rate scenario!**

Invest in

**PRAMERICA SHORT TERM
INCOME FUND**



Pramerica

MUTUAL FUND

NFO Opens on : January 27, 2011 • NFO Closes on : February 3, 2011

Scheme re-opens for continuous sale and repurchase on : February 7, 2011

Pramerica Short Term Income Fund

The scheme aims to generate regular returns with moderate level of risk by investing primarily into a portfolio of Debt Securities and Money Market Instruments of short term maturity.

Why invest in Pramerica Short Term Income Fund?

- Reap the benefits of rising short term rates
- Increased government security yields due to rate hikes make short term income funds an attractive proposition
- Active duration management in range bound market to provide opportunity for alpha
- Single expense ratio for all investors

Asset Allocation

Instruments	Indicative allocations (% of total assets)		Risk Profile
	Maximum	Minimum	High/Medium/Low
Debt and Money market instruments with residual maturity up to 3 years	100	65	Low to Medium
Debt and Money market instruments with residual maturity not exceeding 5 years and 3 months	35	0	Low to Medium

- The average maturity of the Scheme's portfolio will not exceed 3 years.
- Presently, the Scheme does not intend to invest in securitized debt and overseas / foreign securities.
- The scheme retains the flexibility to invest across all the securities in the debt and money markets instruments, within the abovementioned asset allocation. The portfolio may hold cash depending on the market outlook. The fund manager may use derivative instruments as permitted under the Regulations from time and as may be deemed appropriate.

Further, aggregate asset allocation including exposure to derivatives will not exceed 100% of the net assets; and that same security wise hedge positions would be excluded from the same.

Key Features of Pramerica Short Term Income Fund:

Benchmark Index	CRISIL Short Term Bond Fund Index
Offer Price	<ul style="list-style-type: none"> • ₹ 1,000/- per unit during NFO • At NAV during On-going Offer
Minimum application amount	Minimum of ₹ 5,000/- and in multiples of ₹ 1/- thereafter.
Minimum additional amount	Minimum of ₹ 1,000/- and in multiples of ₹ 1/- thereafter.
Load structure	Nil Entry Load, Exit load 0.25% for redemptions/switch out before 3 months from the date of allotment, thereafter Nil.
Options	<ul style="list-style-type: none"> • Growth Option; and • Dividend Option, with two facilities, namely: <ol style="list-style-type: none"> Dividend Reinvestment facility on a Weekly, Fortnightly, Monthly & Quarterly frequency; and Dividend Payout facility at Monthly & Quarterly frequency. <p>(If the amount of Dividend payable under the Dividend Payout facility is ₹ 500 or less, then the amount of Dividend would be compulsorily reinvested in the Dividend Option of the Scheme.)</p>
Other facilities	SIP, SWP, Switch, STP

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Disclaimers & Risk Factors:

All mutual funds and securities investments are subject to market risks and there can be no assurance that the objectives of the Scheme will be achieved and the NAV of the funds may go up or down depending upon the factors and forces affecting the securities markets. Pramerica Short Term Income Fund is only the name of the scheme and does not in any manner indicate either the quality of the Scheme, its future prospects and return. Performance of the Sponsor has no bearing on the expected performance of the mutual fund or any of its schemes. Past performance of the Sponsor and their Affiliates/AMC/Mutual Fund & its Scheme(s) does not indicate the future performance of the Scheme and may not necessarily provide a basis of comparison with other investments. Investment in Mutual Fund Units involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal. As the price / value / interest rates of the securities in which the scheme invests fluctuate, the value of your investment in the Scheme may go up or down. Investors are not being offered any guaranteed / assured returns under any scheme of Pramerica Mutual Fund.

Name of the Scheme: Pramerica Short Term Income Fund **Scheme Classification:** An open-ended Income scheme. **Investment Objective:** The objective of the Scheme is to generate regular returns with moderate level of risk by investing primarily into a portfolio of Debt Securities and Money Market Instruments of short term maturity.

Assets Allocation: Debt and Money market instruments with residual maturity upto 3 years - 65% to 100%; Debt and Money market instruments with residual maturity not exceeding 5 years and 3 months - 0 to 35%. The average maturity of the Scheme's portfolio will not exceed 3 years. **Terms of issue and sale and redemption of units:** Issue of units of ₹ 1,000/- each for cash during the new fund offer and at NAV based prices thereafter. The scheme offer sale and redemption facility on all business days during the ongoing offer. NAV of the Scheme will be calculated for all calendar days and disclosed at the close of every Business Day. **Load Structure:** Entry Load: Nil; Exit load: @ 0.25% for redemption/switch-out before 3 months from the date of allotment; Nil, for redemption/switches on or after 3 months from the date of allotment. **Recurring Expenses:** Recurring expenses including the investment management and advisory fee that can be charged to the Scheme shall be subject to a percentage limit of average weekly net assets @ 2.25% for the first 100 crore; @ 2.%, next ₹ 300 crore; @ 1.75% on the next ₹ 300 Crore; and @ 1.50% on the balance. **NFO expenses:** To be fully borne by AMC/ Sponsor. Copy of SID/SAI and Key Information Memorandum (KIM) can be obtained from any of our Investor Services Centers as well as from our website: www.pramericamf.com

Statutory Details: Pramerica Mutual Fund is set up as a Trust under the Indian Trusts Act, 1882 and registered with SEBI. **Sponsor:** Prudential Financial, Inc. (PFI) of the United States of America [liability restricted to initial contribution of ₹ 1 Lac towards the corpus of the Mutual Fund]. [Pramerica is the brand name used by PFI and its affiliates in select countries outside of the United States. Prudential Financial, Inc. of the United States is not affiliated in any manner with Prudential plc, a company incorporated in the United Kingdom.] **Trustee:** Pramerica Trustees Private Limited **Investment Manager:** Pramerica Asset Managers Private Limited. Copy of SID/SAI and Key Information Memorandum (KIM) can be obtained from all Investor Services Centers of Pramerica Mutual Fund or can be downloaded from: www.pramericamf.com.

MUTUAL FUND INVESTMENTS ARE SUBJECT TO MARKET RISKS, PLEASE READ ALL SCHEME RELATED DOCUMENTS CAREFULLY.