

KEY INFORMATION MEMORANDUM CUM APPLICATION FORM

PRAMERICA DYNAMIC MONTHLY INCOME FUND

(An Open Ended Income Scheme)

*Monthly Income is not assured and is subject to availability of distributable surplus



Pramerica

MUTUAL FUND

PRAMERICA DYNAMIC MONTHLY INCOME FUND (An Open Ended Income Scheme)

Monthly Income is not assured and is subject to availability of distributable surplus

Offer for Units of ₹ 10 Per Unit for cash during the New Fund Offer Period and at NAV based prices upon re-opening

New Fund Offer Opens on : March 8, 2011

New Fund Offer Closes : March 22, 2011

Scheme Re-opens for continuous sale and repurchase on : April 4, 2011

MUTUAL FUND:

Pramerica Mutual Fund

Registered Office: 2nd Floor, Nirlon House, Dr. Annie Besant Road, Worli, Mumbai - 400 030. www.pramericamf.com

SPONSOR:

Prudential Financial, Inc. (U. S. A.)*

Registered Office: 751, Broad Street Newark, New Jersey 07102.

*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.

Registered Office: 2nd Floor, Nirlon House, Dr. Annie Besant Road, Worli, Mumbai - 400 030.

INVESTMENT MANAGER:

Pramerica Asset Managers Private Limited.

Registered Office: 2nd Floor, Nirlon House, Dr. Annie Besant Road, Worli, Mumbai - 400 030.

REGISTRAR:

Karvy Computershare Private Limited
Unit - Pramerica Mutual Fund

Address: Karvy Plaza, Street No. 1, Banjara Hills, Hyderabad - 400 034.

CUSTODIAN:

Citibank N. A.

Address: Trent House, 3rd Floor, G-60, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051.

This Key Information Memoranda (KIM) sets forth the information, which a prospective investor ought to know before investing. For further details of the scheme/Mutual Fund, due diligence certificate by the AMC, Key Personnel, investors' rights & services, risk factors, penalties & pending litigations etc. investors should, before investment, refer to the Scheme Information Document and Statement of Additional Information available free of cost at any of the Investor Service Centres or distributors or from the website www.pramericamf.com.

The particulars of the Schemes have been prepared in accordance with Securities and Exchange Board of India (Mutual Funds) Regulations 1996, as amended till date, and filed with Securities and Exchange Board of India (SEBI). The units being offered for public subscription have not been approved or disapproved by SEBI, nor has SEBI certified the accuracy or adequacy of this KIM.

This KIM is dated February 14, 2011

Name of the Scheme	Pramerica Dynamic Monthly Income Fund			
Investment Objective	<p>The objective of Scheme is to generate regular returns through investment in Debt and Money Market Instruments and to generate capital appreciation by investing in equity and equity related instruments.</p> <p>Monthly Income is not assured & is subject to availability of distributable surplus.</p> <p>However, there is no assurance that the investment objective of the Scheme will be realized and the Scheme does not assure or guarantee any returns.</p>			
Asset Allocation Pattern of the scheme	Under normal circumstances, it is anticipated that the asset allocation in the each Series under the Scheme will be as follows:			
	Instruments	Indicative allocations (% of total assets)		Risk Profile
		Minimum	Maximum	(High/ Medium/Low)
	Fixed Income Securities	70	95	Low to Medium
	Equity and Equity related instruments	5	30	High
	<p>The allocation between equities and debt shall be based on a Valuation Matrix viz., Pramerica Dynamic Asset Rebalancing Tool (Pramerica DART) developed and maintained by the AMC. (please see details of "Pramerica DART" given below under the section "Investment Strategy")</p> <p>Presently, the scheme does not intend to invest in securitised debt, overseas / foreign securities and also does not intend to engage in securities lending and borrowing. The Scheme may engage in short selling of securities in accordance with the framework relating to short selling as specified by SEBI.</p> <p>The scheme retains the flexibility to invest across all the securities in the debt and money markets instruments. The portfolio may hold cash depending on the market condition. The fund manager can use derivative instruments to protect the downside risk. 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.</p> <p>In terms of SEBI Circular ref. SEBI/IMD/CIR No 18 / 198647 /2010 dated March 15, 2010, the Mutual Fund /AMC shall make investment out of the NFO proceeds only on or after the closure of the NFO period.</p> <p>Change in Asset Allocation</p> <p>Subject to the Regulations, the asset allocation pattern indicated above for the Scheme may change from time to time, keeping in view market conditions, market opportunities, applicable regulations and political and economic factors. It must be clearly understood that the percentages stated above are only indicative and not absolute and that they can vary substantially depending upon the perception of the Fund Manager, the intention being at all times to seek to protect the interests of the Unitholders, and meet the objective of the Scheme.</p> <p>Such changes in the asset allocation will be for short term and defensive considerations. In case of deviation, the portfolio would be rebalanced within 1 month from the date of such deviation.</p> <p>Provided further and subject to the above, any change in the asset allocation affecting the investment profile of the Scheme shall be effected only in accordance with the provisions of sub regulation (15A) of Regulation 18 of the Regulations, as detailed in Section II (F) 'Fundamental Attributes' of the SID.</p>			
Investment Strategy	<p>The Scheme is a medium to long-term investment option that provides the flexibility to counter a dynamic environment by actively managing its portfolio in line with the evolving interest rate scenario. The investment strategies of the Scheme will focus on constructing a robust portfolio in line with the above objective.</p> <p>Under normal market conditions, majority of the portfolio of the Scheme will be invested in fixed income securities issued by corporates and/or State and Central Government across a range of maturities, while some portion will be invested in equity and equity related securities.</p> <p>The debt portfolio will be managed actively based on the AMC's outlook on interest rates and liquidity. Such outlook will be developed by in-house assessment of various macro factors like economic growth, inflation, credit pick-up, liquidity and other such factors as considered relevant. Credit portfolio management will be primarily guided by external credit ratings assigned by any of the recognized credit rating agency. Additionally, as may be deemed appropriate, inputs may be available from financial statement analysis, management review, industry trends, capital structure and covenant analysis to identify securities for inclusion / exclusion from credit portfolios. Efficient portfolio construction will be used to manage interest rate risk across different asset class and duration buckets, and optimise risk-adjusted returns. The Scheme will follow an active duration management strategy.</p> <p>The Scheme may use debt 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. Derivatives may be used for the purpose of hedging, and portfolio balancing and such other purpose as may be permitted under the regulations and Guidelines from time to time.</p> <p>The fund manager will select equities on a top-down and bottom-up, stock-by-stock basis, with due consideration given to price-to-earnings, price-to-book, and price-to-sales ratios, as well as growth, margins, asset returns, and cash flows, amongst others. The fund manager will use a disciplined quantitative analysis of financial operating statistics. In selecting individual investment opportunities for the portfolio, the fund manager will conduct in-house research in order to identify various investment opportunities. The company-wise analysis will focus, amongst others, on the historical and current financial condition of the company, potential value creation/unlocking of value and its impact on earnings growth, capital structure, business prospects, policy environment, strength of management, responsiveness to business conditions, product profile, brand equity, market share, competitive edge, research, technological know-how and transparency in corporate governance.</p> <p>The fund manager/s will actively monitor and review markets and portfolios so as to ensure rebalancing of the portfolios as and when necessary.</p> <p>Within the limits indicated in the asset allocation table, the allocation between equities and debt shall be based on a valuation matrix, namely, Pramerica DART, developed and maintained by the AMC. The valuation matrix is described in subsequent section.</p> <p>Pramerica Dynamic Asset Rebalancing Tool (Pramerica DART):</p> <p>Pramerica DART is a proprietary multi-factor model that works on the philosophy of mean reversion. The theory of mean reversion suggests that prices and returns eventually move back towards the long-term average. Such an average can be the historical average of price or return. The model takes three broad parameters which drives asset prices, using historical data and is updated daily.</p> <p>These are (i) Fundamental, (ii) Liquidity and (iii) Volatility. These factors change on a daily basis and gets updated in the Pramerica DART. The DART model assigns a valuation score namely, PRAMERICA DART SCORE, that indicates whether equities are under-valued or over-valued at a particular point in time. Based on these scores, the model then calculates the optimum equity-debt mix. Since the data is updated daily, the rebalancing of the portfolio could occur on a daily basis.</p>			

	<p>The following are the indicative weights of the above-mentioned factors:</p> <table border="1"> <thead> <tr> <th>Factor</th> <th>Weight</th> </tr> </thead> <tbody> <tr> <td>Fundamental</td> <td>50% - 70%</td> </tr> <tr> <td>Liquidity</td> <td>20% - 30%</td> </tr> <tr> <td>Volatility</td> <td>0% - 10%</td> </tr> </tbody> </table> <p>Note: (i) The underlying factors and parameters of the valuation matrix may change over time based on changing global macroeconomic environment. (ii) The weights of the factors are only indicative and are subject to change depending on the changes in global and macro environment.</p> <p>Stock market movements are primarily driven by three broad factors, namely, Fundamental, Liquidity and Volatility.</p> <p>Fundamental Factors: Fundamental factors play a very important role in how stock markets perform over the long term. Hence, this is the primary reason why fundamental factors have been ascribed maximum weight. These would include macro as well as micro variables such as GDP growth, inflation, and the overall interest rate environment prevalent in the economy. Micro factors would include corporate earnings and current valuation based on various valuation criteria.</p> <p>Liquidity factors: In addition to fundamental factors, stock markets in the short to medium term are governed by liquidity, both domestic and international. These are determined by money supply in the system, relative currency valuation, global interest rates, external trade and sovereign risk.</p> <p>Volatility factors: Often times stock markets tend to get extremely volatile, either due to fundamental or technical factors. These are determined by F&O prices and volumes, Derivative risk premium/discount, put/call volume ratio etc.</p> <p>Please refer to Scheme Information Document (SID) of the Scheme for complete details.</p>			Factor	Weight	Fundamental	50% - 70%	Liquidity	20% - 30%	Volatility	0% - 10%
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Risk Profile of the Scheme	<p>Mutual Fund Units involve investment risks including the possible loss of principal. Please read the SID carefully for details on risk factors before investment. Investment in Pramerica Dynamic Monthly Income Fund will involve certain Scheme specific Risk Factors which are summarized below:</p> <p>The Scheme carries risk associated with investing in debt and money market instruments. Investment in debt and money market instruments are subject to Interest Rate Risk, Credit Risk, Spread Risk, Liquidity Risk, Counterparty, Risk and Re-investment Risk. As the price / value / interest rates of the securities in which the Scheme invests fluctuates, the value of your investment in the Scheme may go up or down.</p> <p>Risk associated with Pramerica Dynamic Asset Rebalancing Tool:</p> <ol style="list-style-type: none"> Given that the Scheme would dynamically allocate the assets between equity and debt based on Pramerica Dynamic Asset Rebalancing Tool (Pramerica DART), the valuation matrix developed and maintained by the AMC, it is likely that the Scheme may underperform the relevant benchmark during certain periods. At times, there might be a lag in terms of implementation of change in the asset allocation during periods of extreme volatility. This can also have an impact on the intended performance of the fund. Pramerica DART is based on certain fundamental and quantitative factors. Hence, it is likely that the asset allocation provided by the model may not show the desired results. Any significant change in the global macroeconomic situation might render some of the fundamental and quantitative factors as irrelevant for some time. In addition, such change might require new factors to be incorporated in the valuation matrix. <p>Please refer to Scheme Information Document (SID) of the Scheme for detailed risk factors.</p>										
Risk Mitigation Strategies	<p>Interest rate risk is managed by determination of modified duration (which is the expression for change in portfolio value for a basis point change in interest rate) of the portfolio. Analysis of macro economic conditions is done to form a view on future direction of interest rates and to the portfolio accordingly. Credit risk is managed by an analysis of issuer (financial / operating performance) with the help of internal and external research. Liquidity risk is addressed by maintaining exposure to cash / cash equivalents and highly liquid instruments as considered appropriate. Investments in debt / money market securities would normally be undertaken in instruments that have been assigned high investment grade ratings by any of the recognised rating agencies. Unrated investments, if any, would require specific approval from the Board of Directors of AMC/TRUSTEE Company.</p>										
Plans and Options	<p>The Scheme has two options, viz:</p> <ol style="list-style-type: none"> Growth Option Dividend Option <p>Dividend Option consists of :</p> <ul style="list-style-type: none"> Dividend Reinvestment facility at a Monthly frequency Payout facility at Monthly frequency <p>Note: If the amount of Dividend payable under the Dividend payout facility is ₹ 500/- or less, then the Dividend would be compulsorily reinvested in the Dividend Option of the Scheme</p>										
Applicable NAV (after the scheme opens for repurchase and sale)	<p>a. Purchases including Switch-ins for below ₹ 1 crore :</p> <p>Where a valid application is received on any Business Day at the Official Points of Acceptance along with a local cheque or a demand draft payable at par at the same place of submission of the application:</p> <ul style="list-style-type: none"> Upto 3.00 pm - NAV of the same business day After 3.00 pm - NAV of the next business day. <p>b. Purchases including Switch-ins for ₹ 1 crore and above:</p> <p>In respect of valid applications for ₹ 1 crore and above for Purchase/ Switch-in received at the designated official point of acceptance on a Business Day, the applicable NAV shall be as under:</p> <table border="1"> <tbody> <tr> <td>i. Applications received upto cut-off time of 3.00 p.m. and funds for the entire amount of subscription/purchase/switch-in are credited to bank account of the Scheme before the cut-off time of 3.00 p.m. and the funds are available for utilisation on the same day before the cut-off time of 3.00 p.m.</td> <td>The closing NAV of the day of receipt of application</td> </tr> <tr> <td>ii. Applications received after cut-off time of 3.00 p.m. and funds for the entire amount of subscription/purchase/switch-in are credited to bank account of the Scheme after the cut-off time of 3.00 p.m. and funds for the entire amount of subscription/purchase/switch-in are available for utilisation after the cut-off time of 3.00 p.m.</td> <td>The closing NAV of the next Business Day</td> </tr> <tr> <td>iii. Irrespective of the time of receipt of the application, where the funds for the entire amount of subscription/purchase/switch-in are not credited to bank account of the Scheme before the cut-off time of 3.00 p.m. and the funds are not available for utilisation before the cut-off time of 3.00 p.m.</td> <td>The closing NAV of the Business Day on which the funds are available for utilisation before the cut-off time i.e. 3.00 p.m.</td> </tr> </tbody> </table> <p>Note:</p> <ul style="list-style-type: none"> For purchase transactions, the time of credit into the Scheme's account will only be considered, irrespective of the time of debit to the investor's bank account. Where the application is received on a non-Business Day, it will be treated as if received on the next Business Day. In case the Mutual Fund receives multiple applications for less than ₹ 1 Crore from the same investor for same type of transaction (i.e. subscription or switch-in) before the cut-off time, the aggregate value of which is equal to or greater than ₹ 1 Crore, such multiple applications may be treated (at the discretion of the AMC) as a single transaction and liable to be processed accordingly at NAV applicable for transaction amounting of ₹ 1 Crore and above. <p>C. Repurchase / Redemptions including Switch-outs:</p> <ol style="list-style-type: none"> Where a valid application is received on any Business Day at the Official Point of Acceptance <ul style="list-style-type: none"> Upto 3.00 p.m. - NAV of the same business day After 3.00 p.m. - NAV of the next business day <p>The Mutual Fund shall calculate NAVs for the Scheme for every Business day.</p> <p>As per the existing procedure, the applications will be time stamped in accordance with the SEBI guidelines. The Trustee/AMC may alter the limits and other conditions in line with the Regulations.</p>			i. Applications received upto cut-off time of 3.00 p.m. and funds for the entire amount of subscription/purchase/switch-in are credited to bank account of the Scheme before the cut-off time of 3.00 p.m. and the funds are available for utilisation on the same day before the cut-off time of 3.00 p.m.	The closing NAV of the day of receipt of application	ii. Applications received after cut-off time of 3.00 p.m. and funds for the entire amount of subscription/purchase/switch-in are credited to bank account of the Scheme after the cut-off time of 3.00 p.m. and funds for the entire amount of subscription/purchase/switch-in are available for utilisation after the cut-off time of 3.00 p.m.	The closing NAV of the next Business Day	iii. Irrespective of the time of receipt of the application, where the funds for the entire amount of subscription/purchase/switch-in are not credited to bank account of the Scheme before the cut-off time of 3.00 p.m. and the funds are not available for utilisation before the cut-off time of 3.00 p.m.	The closing NAV of the Business Day on which the funds are available for utilisation before the cut-off time i.e. 3.00 p.m.		
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Minimum Application Amount/ Number of Units	Initial investment under a folio	For subsequent investments (i.e., Addl. purchase) under an existing folio	Minimum Redemption Amount								
	Minimum of ₹ 5,000/- and in multiples of ₹ 1/- thereafter.	Minimum of ₹ 1000/- and in multiples of ₹ 1/- thereafter.	₹ 500 /- or 50 Units in respect of each Option or account balance whichever is lower.								
Despatch of Repurchase (Redemption) Proceeds	Within 10 Business Days of the receipt of the redemption request at the designated Investor Service Center of Pramerica Mutual Fund.										
Benchmark Index	CRISIL MIP Blended Index										
Dividend Policy	The Trustee will endeavor to declare dividend subject to availability of distributable surplus calculated in accordance with the Regulations. It must be clearly understood that there is neither any assurance to the Unitholders that the Dividend will be paid regularly, nor any assurance as to the rate of Dividend. On payment of dividend, the NAV of the units under Dividend option will fall to the extent of the dividend payout and Dividend Distribution Tax u/s. 115R of the Income Tax Act, 1961 and applicable statutory levies, if any.										
Name of the Fund Manager	Mr. Mahendra Jajoo										
Name of the Trustee Company	Pramerica Trustees Private Limited										
Performance of the scheme	The Scheme does not have any performance track record										

Expenses of the Scheme	<p>New Fund Offer Period and Continuous Offer</p> <p>Entry load : Nil*</p> <p>(i) Load Structure</p> <p>Exit load :</p> <ul style="list-style-type: none"> If the Units are Redeemed / Switched-out upto & including 365 days of allotment - @ 1% If the Units are Redeemed / Switched-out after 365 days of allotment - NIL <p>*SEBI vide its circular no. SEBI / IMD / CIR No. 4 / 168230 / 09 dated June 30, 2009 has decided that there shall be no Entry Load for all mutual fund schemes. The upfront commission on investment made by the investor, if any, shall be paid to the distributor (AMFI registered distributor / ARN Holder) directly by the investor, based on the investor's assessment of various factors including service rendered by the distributor.</p> <p>(ii) Recurring expenses</p> <table border="1" data-bbox="353 451 1185 604"> <tr> <td>First Rs. 100 crores of the average weekly net assets :</td> <td>2.25%</td> <td rowspan="4" style="text-align: center;">Actual expenses for the previous financial year - Not Applicable being a new scheme</td> </tr> <tr> <td>Next Rs. 300 crores of the average weekly net assets :</td> <td>2.00%</td> </tr> <tr> <td>Next Rs. 300 crores of the average weekly net assets :</td> <td>1.75%</td> </tr> <tr> <td>Balance</td> <td>1.50%</td> </tr> </table>						First Rs. 100 crores of the average weekly net assets :	2.25%	Actual expenses for the previous financial year - Not Applicable being a new scheme	Next Rs. 300 crores of the average weekly net assets :	2.00%	Next Rs. 300 crores of the average weekly net assets :	1.75%	Balance	1.50%																																																	
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Waiver of Load for Direct Applications	In terms of SEBI circular no. SEBI / IMD / CIR No. 4 / 168230 / 09 dated June 30, 2009 there shall be no Entry Load for all mutual fund schemes.																																																															
Tax treatment for the Investors (Unitholders)	Investors are advised to refer to the details in the Statement of Additional Information and also independently consult their tax advisors.																																																															
Daily Net Asset Value (NAV) Publication	<p>NAV of the Scheme will be calculated and disclosed at the close of every Business Day to the Press, News Agencies and Association of Mutual Funds in India (AMFI).</p> <p>The AMC shall publish the NAVs on its Website and of the AMFI (www.amfiindia.com) and at least in two daily newspapers for every Business Day.</p>																																																															
For Investor Grievances please contact	<p>Name and Address of Registrar</p> <p>Karvy Computershare Private Limited Unit - Pramerica Mutual Fund Address: Karvy Plaza, Street No. 1, Banjara Hills, Hyderabad - 400 034. Email id : customercare@pramericamf.com</p>	<p>Name, address, telephone number, fax number, e-mail i.d. of Pramerica Mutual Fund</p> <p>Mr. V. Robinson Francis, Investor Relations Officer Pramerica Asset Managers Pvt. Ltd. 2nd floor, Nirlon House, Dr. Annie Besant Road, Worli, Mumbai - 400030. Tel: 91 22 6159 3000. Email id: customercare@pramericamf.com</p>																																																														
Unitholders' Information	<p>Accounts Statements:</p> <p>An account statement will be sent by ordinary post / courier / e-mail to each Unitholder, stating the number of Units allotted, not later than 5 business days from the close of the NFO Period.</p> <p>During the Ongoing Offer, the Account Statement reflecting the Purchase / Redemption / Switch of Units shall be dispatched to the Unit holder within 10 Business Days from the date of such transactions. Further, for SIP/STP/SWP the Account Statement shall be dispatched within 10 business days from the end of quarter/initial investment.</p> <p>Annual Account Statement: The Mutual Fund shall provide the Account Statement to the Unitholders who have not transacted during the last six months prior to the date of generation of account statements. The Account Statement shall reflect the latest closing balance and value of the Units prior to the date of generation of the account statement. The account statements in such cases may be generated and issued along with the Portfolio Statement or Annual Report of the Scheme. Alternately, soft copy of the account statements shall be mailed to the investors' e-mail address, instead of physical statement, if so mandated.</p> <p>Annual Financial Results: The Scheme annual report or an abridged summary thereof shall be mailed (e-mailed, where e-mail id is provided unless otherwise required) to all Unit holders 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) and full annual report shall be available for inspection at the Head Office of Pramerica Mutual Fund and a copy shall be made available to the Unit holders on request on payment of nominal fees, if any. Scheme wise annual report shall also be displayed on the website of the AMC (www.pramericamf.com) and Association of Mutual Funds in India (www.amfiindia.com).</p> <p>Half yearly portfolio to the investors: The Mutual Fund/ AMC shall publish a complete statement of the Scheme portfolio and the unaudited financial results, within one month from the close of each half year (i.e. 31st March and 30th September), by way of an advertisement at least, in one national English daily and one regional newspaper in the language of the region where the head office of the mutual fund is located. The Mutual Fund may choose to send the Scheme portfolio to all Unit holders in lieu of the advertisement (if applicable) or as may be stipulated under the Regulations.</p> <p>Note: Investors may also apply through the ASBA process during the NFO period of the scheme by filling in the ASBA form and submitting the same to any of the "Self Certified Syndicate Bank" (SCSB) approved / recognised by SEBI, which in turn will block the amount in the account as per the authority contained in the ASBA form, and undertake other tasks as per the procedure specified therein. For complete details on ASBA refer Statement of Additional Information (SAI).</p>																																																															
Comparison with the existing schemes, number of folios and Assets under Management (AUM)	<p>Pramerica Dynamic Monthly Income Fund, An Open Ended Income Scheme that invests at least 70% in Fixed Income Securities and at least 5% in Equity and Equity related instruments. The following table shows the product differentiation of the Scheme with the existing open-ended liquid / debt schemes of Pramerica Mutual Fund:</p> <table border="1" data-bbox="353 1611 1949 2804"> <thead> <tr> <th rowspan="2">Name of the existing Scheme</th> <th rowspan="2">Primary Investment Objective</th> <th colspan="3">Asset Allocation Pattern</th> <th rowspan="2">Product Differentiation</th> <th>AUM as on</th> <th>No. of Folios as on</th> </tr> <tr> <th>Instruments</th> <th colspan="2">Indicative allocations (% of total assets)</th> <th>Risk Profile</th> <th>Jan. 31, 2011 ₹ Cr.</th> <th></th> </tr> </thead> <tbody> <tr> <td rowspan="3">Pramerica Liquid Fund</td> <td rowspan="3">The Scheme seeks to deliver reasonable market related returns with lower risk and higher liquidity through a portfolio of debt and money market instruments.</td> <td>Instruments</td> <td colspan="2">Indicative allocations (% of total assets)</td> <td rowspan="3">Pramerica Liquid Fund is an open ended liquid scheme which invests only in debt and money market instruments and floaters with a residual maturity of upto 91 days thereby differentiating it from Pramerica Dynamic Monthly Income Fund.</td> <td rowspan="3">836.07</td> <td rowspan="3">502.00</td> </tr> <tr> <td>Debt instruments (including Asset Backed Securities), money market instruments and floaters having a residual maturity of upto 91 days.</td> <td colspan="2">0-100%</td> <td>Low</td> </tr> <tr> <td>Investments in securitised debt will not exceed 20% of the net assets as at the time of purchase. Investment in debt derivatives instruments will be up to 50% of the net assets of the Scheme. 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.</td> <td colspan="3">Presently, the scheme does not intend to invest in overseas / foreign securities.</td> </tr> <tr> <td rowspan="4">Pramerica Ultra Short Term Bond Fund</td> <td rowspan="4">The objective of the Scheme is to provide reasonable returns, commensurate with a low to moderate level of risk and high degree of liquidity, through a portfolio constituted of money market and debt instruments.</td> <td>Instruments</td> <td colspan="2">Indicative allocations (% of total assets)</td> <td rowspan="4">Pramerica Ultra Short Term Bond Fund is an open ended income schemes that invest at least 80% in Money market and debt securities including government securities, corporate debt, and other debt instruments with residual maturity less than or equal to 400 days.**</td> <td rowspan="4">776.65</td> <td rowspan="4">537.00</td> </tr> <tr> <td rowspan="2">Money market and debt securities including government securities, corporate debt, and other debt instruments with residual maturity less than or equal to 400 days.**</td> <td>Min</td> <td>Max</td> <td rowspan="2">Low</td> </tr> <tr> <td>80</td> <td>100</td> </tr> <tr> <td>Debt instruments including government securities, corporate debt, and other debt instruments with a residual maturity between 400 days to 3 years.</td> <td>0</td> <td>20</td> <td>Low to Medium</td> </tr> <tr> <td colspan="2">** In case of instruments with put options within a period of 400 days, the residual maturity will not exceed 3 years.</td> <td colspan="3">Presently, the scheme does not intend to invest in securitised debt and overseas / foreign securities.</td> </tr> <tr> <td colspan="2">The Scheme may engage in short selling of securities in accordance with the framework relating to short selling and securities lending and borrowing as specified by SEBI. The Scheme shall not deploy more than 20% of its net assets in securities lending and not more than 5% of the net assets of the Scheme will be deployed in securities lending to any single counterparty.</td> <td colspan="3">The fund manager can use derivative instruments to protect the downside risk. 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. Investment and disclosure by the Scheme in derivatives will be in line with SEBI Circular no. Cir/IMD/DF/11/2010 dated August 18, 2010.</td> </tr> </tbody> </table>						Name of the existing Scheme	Primary Investment Objective	Asset Allocation Pattern			Product Differentiation	AUM as on	No. of Folios as on	Instruments	Indicative allocations (% of total assets)		Risk Profile	Jan. 31, 2011 ₹ Cr.		Pramerica Liquid Fund	The Scheme seeks to deliver reasonable market related returns with lower risk and higher liquidity through a portfolio of debt and money market instruments.	Instruments	Indicative allocations (% of total assets)		Pramerica Liquid Fund is an open ended liquid scheme which invests only in debt and money market instruments and floaters with a residual maturity of upto 91 days thereby differentiating it from Pramerica Dynamic Monthly Income Fund.	836.07	502.00	Debt instruments (including Asset Backed Securities), money market instruments and floaters having a residual maturity of upto 91 days.	0-100%		Low	Investments in securitised debt will not exceed 20% of the net assets as at the time of purchase. Investment in debt derivatives instruments will be up to 50% of the net assets of the Scheme. 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.	Presently, the scheme does not intend to invest in overseas / foreign securities.			Pramerica Ultra Short Term Bond Fund	The objective of the Scheme is to provide reasonable returns, commensurate with a low to moderate level of risk and high degree of liquidity, through a portfolio constituted of money market and debt instruments.	Instruments	Indicative allocations (% of total assets)		Pramerica Ultra Short Term Bond Fund is an open ended income schemes that invest at least 80% in Money market and debt securities including government securities, corporate debt, and other debt instruments with residual maturity less than or equal to 400 days.**	776.65	537.00	Money market and debt securities including government securities, corporate debt, and other debt instruments with residual maturity less than or equal to 400 days.**	Min	Max	Low	80	100	Debt instruments including government securities, corporate debt, and other debt instruments with a residual maturity between 400 days to 3 years.	0	20	Low to Medium	** In case of instruments with put options within a period of 400 days, the residual maturity will not exceed 3 years.		Presently, the scheme does not intend to invest in securitised debt and overseas / foreign securities.			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Pramerica Ultra Short Term Bond Fund	The objective of the Scheme is to provide reasonable returns, commensurate with a low to moderate level of risk and high degree of liquidity, through a portfolio constituted of money market and debt instruments.	Instruments	Indicative allocations (% of total assets)		Pramerica Ultra Short Term Bond Fund is an open ended income schemes that invest at least 80% in Money market and debt securities including government securities, corporate debt, and other debt instruments with residual maturity less than or equal to 400 days.**	776.65	537.00																																																									
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Date : February 14, 2011

N.B. Data and information shall be up-to-date but in no case older than 30 days from the date of KIM