

**Union KBC Asset Management Company Private Limited -
Investment Manager for Union KBC Mutual Fund**

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AMENDMENT TO THE STATEMENT OF ADDITIONAL INFORMATION OF UNION KBC MUTUAL FUND

Union KBC Asset Management Company Pvt. Ltd., the Investment Manager to Union KBC Mutual Fund, hereby makes the following amendments to the Statement of Additional Information ("SAI") dated June 28, 2013 and subsequent Amendments to the SAI issued before the date of this Amendment:

1) Investment Valuation Norms for securities and other assets:

The following amendment is being made in the broad valuation norms appearing under the section (IV) 'Investment Valuation Norms for Securities and Other Assets':

Reference	Original text	Revised text
Section C 'Securities Covered', point 1.2 'Instruments having maturity greater than 60 days'	<p>In case of traded instruments the traded price would be used for valuation; and in case of non-traded instruments, the valuation price would be the reference price calculated using benchmark yields.</p> <p>1.2.1 Traded instruments</p> <p>All debt & money market deals are reported on FIMMDA platform and hence trades reported only on FIMMDA platform for debt and money market instruments other than Government Securities and Treasury Bills would be recognised. Presently the NSE (WDM) prices are considered as traded prices which would not be considered once the revised policy is made effective except for Government Securities & Treasury Bills.</p> <p>a. For instruments maturing above 1 year, the traded price may be taken if there are at least two trades aggregating to ₹ 25 crores or more after excluding inter-scheme trades reported on the FIMMDA platform.</p> <p>b. For instruments maturing between 61 days and 1 year, the traded price may be taken if there are at least three trades aggregating to ₹ 100 crores or more after excluding inter-scheme trades reported on the FIMMDA platform.</p> <p>Securities having same ISIN would be considered for comparison. All the amounts mentioned above refer to face value of securities. The security would be valued at weighted average of traded prices. However, in case of discounted securities, before calculating weighted average traded price, all the prices of trades other than T+1 trades would be converted to T+1 prices.</p> <p>Self trade including inter-scheme transfer in debt & money market instrument would be reported on FIMMDA platform as per regulatory requirements and the security would be valued applying the above mentioned principles from the data of FIMMDA. The self trade would not be considered separately for valuation of security.</p> <p>When a debt security (other than Government Securities) is purchased by way of private placement, it will be immediately valued at traded price from the date of allotment. If the trade price is not available then it will be valued as per the norms prescribed for non traded debt securities.</p> <p>1.2.2 Non-traded instruments</p> <p>In the absence of traded prices, the securities will be valued using average of benchmark reference price (matrix) provided by CRISIL & ICRA to determine the valuation price for instruments maturing beyond 60 days. However in the interest of fair reflection of market levels, there would be no restriction on the allowed spread relative to the benchmark curve in respect of different issuers & instruments. The AMC would set its own internal guidelines (e.g. mechanism to determine spreads) to ensure fair valuation. For example, market trades / AMC's trades at a different spread could be reflected through a change in the spread. Similarly a change in the credit rating or credit profile of the issuer would require a re-evaluation of the appropriateness of the spread.</p>	<p>The instruments having residual maturity greater than 60 days would be valued as per AMFI Best Practices Guideline Circular No.42/2013-14 dated November 19, 2013, by aggregating scrip level prices provided by CRISIL and ICRA, the rating agencies currently appointed by AMFI for this activity.</p>

Investors can view the updated Valuation Policy on the AMC's website (www.unionkbc.com).

2) List of Associates:

The list of names of associates of the Sponsors or the Asset Management Company appearing under point (xi) 'Associate Transactions' under sub-section C 'General Information' under Section V. 'Tax & Legal & General Information' will be replaced with the following list:

Names of associates of the Sponsors or the Asset Management Company as on November 30, 2013 are as follows:

Sr. No.	Name of the Associate Company / Firm
1.	<i>KBC Asset Management NV</i>
2.	<i>KBC Asset Management SA</i>
3.	<i>KBC Participations Renta B</i>
4.	<i>KBC Participations Renta C</i>
5.	<i>KBC Participations Renta</i>
6.	<i>KBC Fund Management Ltd</i>
7.	<i>CSOB Asset Management a.s.</i>
8.	<i>KBC TF I.S.A.</i>
9.	<i>Union KBC Asset Management Company Private Limited</i>
10.	<i>Union KBC Trustee Company Private Limited</i>
11.	<i>Prime Commodities Clearing Corporation Limited</i>
12.	<i>Kashi Gomti Samyut Gramin Bank</i>
13.	<i>MCX Stock Exchange</i>
14.	<i>Experian Credit Information Company Limited</i>
15.	<i>National Payment Corporation of India</i>
16.	<i>UBI (UK) LTD</i>
17.	<i>Union Bank of India</i>
18.	<i>Union Bank Social Foundation Trust</i>
19.	<i>Star Union Dai-Ichi Life Insurance Company Limited</i>
20.	<i>Governing Body of Institute of Banking Personnel Selection (IBPS)</i>
21.	<i>Oil India Limited</i>
22.	<i>Orion Equity Advisors Private Limited</i>
23.	<i>Orion Alternative Assets Private Limited</i>
24.	<i>Fortune Securities Private Limited</i>
25.	<i>MAC Insurance Broking Private Limited</i>
26.	<i>Advance Knee Care Private Limited</i>
27.	<i>Transstroy (India) Limited</i>
28.	<i>SCA Associates Private Limited</i>
29.	<i>M/s. Suresh Chandra & Associates</i>
30.	<i>FINSEC Law Advisors</i>
31.	<i>Legasis Services Private Limited</i>
32.	<i>Voltas Limited</i>
33.	<i>ARI Consolidated Investments Limited</i>
34.	<i>INARCO Limited</i>
35.	<i>Lifestyle International Private Limited</i>
36.	<i>Hannover Re- Consulting Services India Pvt. Ltd</i>
37.	<i>Universal Comfort Products Ltd</i>
38.	<i>Accelya Kale Solutions Ltd</i>
39.	<i>KBC Bank – India and South Asia Representative Office</i>
40.	<i>KBC Bank NV</i>
41.	<i>KBC Group NV</i>
42.	<i>Valuesource Technologies Private Limited</i>
43.	<i>Antwerp Diamond Bank NV ("Antwerpse Diamantbank NV")</i>
44.	<i>Horizon N.V. with Access India Fund as sub-fund</i>

3) Investors' Complaints History:

The existing table on the status of Investor Complaints received during the period April 01, 2013 to September 30, 2013 under the heading 'Investors' Complaints History' appearing under point xiii 'Investor Services and Investor Grievances Redressal Mechanism', under sub section C 'General Information', under section V 'Tax & Legal & General Information' shall be replaced with the following table:

"Given below is the status of Investor Complaints received during the period April 1, 2013 to November 30, 2013:

Scheme name	April 01, 2013 to November 30, 2013		
	Number of complaints Received	Number of complaints Redressed	Number of complaints Pending
Union KBC Equity Fund	35	35	0
Union KBC Liquid Fund	1	1	0
Union KBC Tax Saver Scheme	6	6	0
Union KBC Dynamic Bond Fund	7	7	0
Union KBC Ultra Short Term Debt Fund	1	1	0
Union KBC Asset Allocation Fund - Moderate Plan	16	16	0
Union KBC Capital Protection Oriented Fund - Series 1	4	4	0
Union KBC Asset Allocation Fund - Conservative Plan	2	2	0
Union KBC Capital Protection Oriented Fund - Series 2	10	10	0
Union KBC Fixed Maturity Plan - Series 6	0	0	0
Union KBC Fixed Maturity Plan - Series 7	4	4	0
Union KBC Capital Protection Oriented Fund - Series 3	7	7	0
Union KBC Fixed Maturity Plan - Series 8	3	3	0
Union KBC Trigger Fund - Series 1	5	5	0
Total	101	101	0

This amendment shall form an integral part of the SAI. All other terms and conditions mentioned in the SAI remain unchanged.

For Union KBC Asset Management Company Private Limited

(Investment Manager for Union KBC Mutual Fund)

Sd/-

December 23, 2013

Authorised Signatory

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

Statutory Details: Constitution: Union KBC Mutual Fund has been set up as a Trust under the Indian Trusts Act, 1882; **Settlers / Sponsors:** Union Bank of India and KBC Participations Renta, a 100% subsidiary of KBC Asset Management NV; **Trustee:** Union KBC Trustee Company Private Limited, a company incorporated under the Companies Act, 1956 with a limited liability; **Investment Manager:** Union KBC Asset Management Company Private Limited, a company incorporated under the Companies Act, 1956 with a limited liability.

Copy of all Scheme Related Documents along with the application form can be obtained from any of our AMC offices/Customer Service Centres/distributors as well as from our website www.unionkbc.com.