

Union Smart-Stagger Plan (USP)

February 2024



Why Stagger your Investments

- ❖ Equity Markets can be very volatile in the short term. Hence, judging the right time to enter can be difficult.
- ❖ Lumpsum investments in Equity Markets can be quite challenging because of this volatility.
- ❖ In turbulent times, it is often advised to enter in a staggered manner.
- ❖ Also, short-term corrections create a window of opportunity for investors.
- ❖ A facility that can both **spread out your investments** across a defined period and simultaneously take the **benefit of short-term corrections**, can help enhance the investing experience.

Union Smart Stagger Plan (USP)

- ❖ Union Smart Stagger Plan (USP) brings in this convenience. It enables the investor to mitigate the timing risk while entering the markets.
- ❖ With USP, an investor can invest in Union Business Cycle Fund (target scheme)* in a staggered manner from the source scheme (i.e. Union Money Market Fund). The investor can also decide on the tenure over which the investments can be spread out (**3/6/9 or 12 Months**)
- ❖ The investments are triggered with **every 3% fall** in the target scheme's NAV.
- ❖ It is a smart systematic transfer mechanism that allows investors to weather market volatility.

Features about USP

- ❖ Under the USP, investors can opt to spread their investments over a tenure of **3, 6, 9, or 12 months** with every **3% fall** in the Target Scheme's NAV.
- ❖ Under this feature **20%** of the application amount will be invested in the **target scheme**.
- ❖ The remaining **80%** will be invested in the **source scheme** and will be moved to the target scheme over the selected tenure

Example:

If an investor decides to invest Rs. 1,00,000 in the target scheme (Union Business Cycle Fund) via the Union Smart Stagger Plan, then:

- During the NFO, 20% of this amount (Rs. 20,000) will be invested in the target scheme.
- The remaining (Rs. 80,000) will be invested in the source scheme (Union Money Market Fund) from which systematic transfers will be made to the target scheme as per the period selected by the investor.
- The trigger date will be decided on every 3% fall in the target scheme NAV

Details about USP

3-Month Option

Period	Instalment	% of Investment	Note
On Allotment – March 2024	1st Investment	20%	Investment in Target Fund Directly and 80% in Source Scheme
Apr-24	2nd Instalment	40%	3% fall in Target Fund's NAV or on 2nd last business day
May-24	3rd Instalment & Balance	40%	Further 3% fall in Target Fund's NAV or on 2nd last business day
Only one instalment per month. The minimum investment under this option is Rs. 1 Lakh and in multiples of Re.1			

6-Month Option

Period	Instalment	% of Investment	Note
On Allotment – March 2024	1st Investment	20%	Investment in Target Fund Directly and 80% in Source Scheme
Apr-24	2 nd Instalment	16%	3% fall in Target Fund’s NAV or on 2nd last business day
May-24	3 rd Instalment	16%	Further 3% fall in Target Fund’s NAV or on 2nd last business day
Jun-24	4 th Instalment	16%	
Jul-24	5 th Instalment	16%	
Aug-24	6 th Instalment & Balance	16%	
Only one instalment per month. The minimum investment under this option is Rs. 1 Lakh and in multiples of Re.1			

Details about USP

9-Month Option

Period	Instalment	% of Investment	Note
On Allotment – March 2024	1st Investment	20%	Investment in Target Fund Directly and 80% in Source Scheme
Apr-24	2nd Instalment	10%	3% fall in Target Fund's NAV or on 2nd last business day
May-24	3rd Instalment	10%	Further 3% fall in Target Fund's NAV or on 2nd last business day
Jun-24	4th Instalment	10%	
Jul-24	5th Instalment	10%	
Aug-24	6th Instalment	10%	
Sep-24	7th Instalment	10%	
Oct-24	8th Instalment	10%	
Nov-24	9th Instalment & Balance	10%	

Only one instalment per month. The minimum investment under this option is Rs. 1 Lakh and in multiples of Re.1

12-Month Option

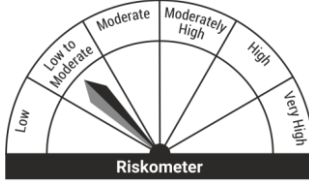
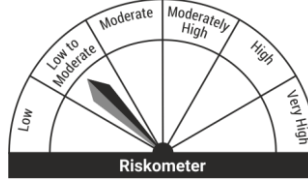
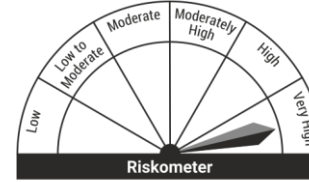
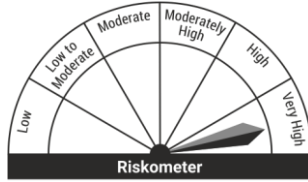
Period	Instalment	% of Investment	Note
On Allotment – March 2024	1st Investment	20%	Investment in Target Fund Directly and 80% in Source Scheme
Apr-24	2nd Instalment	7.25%	3% fall in Target Fund's NAV or on 2nd last business day
May-24	3rd Instalment	7.25%	Further 3% fall in Target Fund's NAV or on 2nd last business day
Jun-24	4th Instalment	7.25%	
Jul-24	5th Instalment	7.25%	
Aug-24	6th Instalment	7.25%	
Sep-24	7th Instalment	7.25%	
Oct-24	8th Instalment	7.25%	
Nov-24	9th Instalment	7.25%	
Dec-24	10th Instalment	7.25%	
Jan-24	11th Instalment	7.25%	
Feb-24	12th Instalment & Balance	7.25%	

Only one instalment per month. The minimum investment under this option is Rs. 1 Lakh and in multiples of Re.1

Terms & Conditions

1. In case the mentioned trigger does not occur, the switch will happen on the 2nd last business day of that particular month. Under this scenario fall % for the next trigger will be calculated from the previous trigger NAV or initial investment NAV whichever is applicable.
2. The Eligible Source Scheme during NFO is Union Money Market Fund
3. The Eligible Target Scheme is Union Business Cycle Fund
4. The minimum investment amount to register for this facility is Rs. 1 Lakh and in multiples of Re.1.
5. Redemption, Switch, SWP, and STP are allowed for the Source Scheme as long as there is sufficient balance. In case the value is less than the defined amount for the trigger, the available balance will shift to the Target Scheme and the Facility will terminate.
6. The appreciation earned from the source scheme will be invested in the target scheme at the time of the last instalment.
7. To opt for Union Smart-Stagger Plan (USP) the cheque should be drawn in the name of - **“Union Smart-Stagger Plan”**.

Scheme Product Labels & Benchmark Riskometers

	Riskometer	Benchmark Riskometer
Union Money Market Fund (An open ended debt scheme investing in money market instruments. A relatively low interest rate risk and moderate credit risk)^^ This product is suitable for investors who are seeking*: <ul style="list-style-type: none"> Regular income over short term Investments in money market instruments with maturity upto one year 	 <p>Riskometer</p> <p>Investors understand that their principal will be at low to moderate risk</p>	 <p>Riskometer</p> <p>CRISIL Money Market B-I Index#</p>
Union Business Cycle Fund (An open-ended equity scheme following business cycles based investing theme)** This product is suitable for investors who are seeking*: <ul style="list-style-type: none"> Capital appreciation over long term Investment predominantly in equity & equity related instruments of business cycle-based theme 	 <p>Riskometer</p> <p>Investors understand that their principal will be at very high risk</p>	 <p>Riskometer</p> <p>Nifty 500 Index (TRI)@@@</p>

*Investors should consult their financial advisers if in doubt about whether the product is suitable for them

^^Note: The Union Money Market Fund and Benchmark riskometers are evaluated on a monthly basis and the Scheme and Benchmark Riskometers provided above are the latest available Riskometers.

**Note: The product labelling assigned during the New Fund Offer is based on internal assessment of the Scheme Characteristics or model portfolio and the same may vary post NFO when actual investments are made. The Benchmark riskometer is evaluated on a monthly basis and the one provided above is the latest available Riskometer.

Potential Risk Class Matrix ("PRC Matrix") of Union Money Market Fund			
Credit Risk of Scheme	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Interest Rate Risk of the Scheme			
Relatively Low (Class I)		B-I	
Moderate (Class II)			
Relatively High (Class III)			

Note: Union Business Cycle Fund NFO Opens on 13th February 2024; NFO Closes on 27th February 2024; Scheme Re-opens on: Within 5 Business Days of Allotment.

Disclaimer

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Statutory Details: Constitution: Union Mutual Fund has been set up as a Trust under the Indian Trusts Act, 1882; **Sponsors:** Union Bank of India and Dai-ichi Life Holdings, Inc.; **Trustee:** Union Trustee Company Private Limited, [Corporate Identity Number (CIN): U65923MH2009PTC198198], a company incorporated under the Companies Act, 1956 with a limited liability; **Investment Manager:** Union Asset Management Company Private Limited, [Corporate Identity Number (CIN): U65923MH2009PTC198201], a company incorporated under the Companies Act, 1956 with a limited liability. **Registered Office:** Unit 503, 5th Floor, Leela Business Park, Andheri Kurla Road, Andheri (East), Mumbai - 400059. **Toll Free No.** 18002002268/18005722268 • **Non Toll Free.** 022-67483333 • **Fax No:** 022-67483402 • **Website:** www.unionmf.com • **Email:** investorcare@unionmf.com

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.unionmf.com.

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

THANK YOU

