

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

Union KBC Asset Management Company Private Limited, the Investment Manager to Union KBC Mutual Fund, hereby makes the following amendments to the Statement of Additional Information (“SAI”) dated June 30, 2016 and subsequent Amendments to the SAI issued before the date of this Amendment:

I. Changes pursuant to change in controlling interest are as follows:

With reference to the **Notice dated August 01, 2016** issued by Union KBC Asset Management Company Private Limited, Unit holders are informed that **Union Bank of India** has acquired the entire shareholding held by **KBC Participations Renta** in Union KBC Asset Management Company Private Limited (“**Union KBC AMC**”) and Union KBC Trustee Company Private Limited (“**Union KBC TC**”), which constitutes 49% (forty nine per cent) of: (a) the paid-up equity share capital of Union KBC AMC; and (b) the paid-up equity share capital of Union KBC TC. The Board of Directors of Union KBC AMC and Union KBC TC have approved the aforesaid transfer of shares on **September 20, 2016**.

Consequently, Union Bank of India has become the sole Sponsor of Union KBC Mutual Fund, and KBC Participations Renta has ceased to be a co-sponsor of Union KBC Mutual Fund.

The following changes are consequently hereby made in the SAI:

- The existing definition of “Sponsors” appearing under the heading “Definitions” is hereby replaced with the following text:

Sponsor	Union Bank of India
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- The word “Sponsors” wherever it appears in the SAI is hereby replaced with the word “Sponsor”.
- Pursuant to KBC Participations Renta ceasing to be a co-sponsor of Union KBC Mutual Fund, all references to KBC Participations Renta and related details, where applicable, in the SAI are hereby deleted.
- The existing paragraph under **sub section A ‘Constitution of the Mutual Fund’**, appearing under Section I ‘Information about Sponsor, AMC and Trustee Companies’ is hereby replaced with the following paragraph:

“Union KBC Mutual Fund (“the Mutual Fund” or “the Fund”) has been constituted as a trust on December 1, 2010 in accordance with the provisions of the Indian Trusts Act, 1882 (2 of 1882) with Union Bank of India as the sole Sponsor, and Union KBC Trustee Company Private Limited as the Trustee. The Trust Deed has been registered under the Indian Registration Act, 1908. The Mutual Fund was registered with SEBI on March 23, 2011 under Registration Code MF/066/11/01.

The Mutual Fund was originally co-sponsored by Union Bank of India and KBC Participations Renta, a 100% subsidiary of KBC Asset Management NV. Union Bank of India acquired the entire shareholding held by KBC Participations Renta in Union KBC Asset Management Company Private Limited and Union KBC Trustee Company Private Limited, which constituted 49% (forty nine per cent) of: (a) the paid-up equity share capital of Union KBC Asset Management Company Private Limited; and (b) the paid-up equity share capital of Union KBC Trustee Company Private Limited. The Board of Directors of Union KBC Asset Management Company Private Limited and Union KBC Trustee Company Private Limited approved the aforesaid transfer of shares on September 20, 2016. Consequently, Union Bank of India has become the sole Sponsor of Union KBC Mutual Fund.”

- The existing paragraphs appearing under **sub section B ‘Sponsors’**, under Section I ‘Information about Sponsor, AMC and Trustee Companies’ is hereby replaced with the following text:

“Union KBC Mutual Fund is sponsored by Union Bank of India. The Sponsor is the Settlor of the Mutual Fund Trust. The Mutual Fund was originally co-sponsored by Union Bank of India and KBC Participations Renta, a 100% subsidiary of KBC Asset Management NV. Union Bank of India (Sponsor) and KBC Participations Renta (erstwhile co-sponsor) have entrusted a sum of ₹ 1,00,000 each to the Trustee as the initial contribution towards the corpus of the Mutual Fund.

Union Bank of India is one of the leading public sector banks in India, registered on November 11, 1919, headquartered in Mumbai. As on July 31, 2016, the Bank has a network of about 4203 domestic branches, 4 foreign branches, 3 representative branches and over 30 million customers. Moreover, all of these branches are integrated under the Core Banking Solution. Union Bank of India is the first large public sector bank in the country to have implemented 100% networking of branches.

Financial Performance of the Sponsor (past three years):

Union Bank of India

(in ₹ Crore)

Particulars	Year ended 31.03.16	Year ended 31.03.15	Year ended 31.03.14
Net Worth	19,764	18,312	16,979
Total Income	35,830.5	35,606.96	32,170.93
Profit after tax	1,351.6	1,781.64	1,696.20
Assets Under Management (if applicable)	N.A.	N.A.	N.A.

N.A.: Not applicable”

- The table and text on **shareholding pattern of the Trustee Company** appearing under **sub section C ‘The Trustee’**, appearing under Section I ‘Information about Sponsor, AMC and Trustee Companies’ is hereby replaced with the following:

Name of the Shareholder	% of Paid up Equity Share Capital
Union Bank of India	99.99
Mr. Dinesh Mistry - Nominee Shareholder of Union Bank of India	0.01

7. **Mr. Jurgen Verschaeve**, Associate Director nominated by KBC Participations Renta, **ceases to be a Director** on the Board of Directors of Union KBC TC. Accordingly, the information relating to Mr. Jurgen Verschaeve appearing in the table under the heading 'Details of Trustee Directors', under sub-section C 'The Trustee', under section I 'Information about Sponsor, AMC and Trustee Companies', hereby stands deleted.
8. The table and text on **shareholding pattern of the AMC** appearing under **sub section D 'Asset Management Company'**, appearing under Section I 'Information about Sponsor, AMC and Trustee Companies' is hereby replaced with the following:

Name of the Shareholder	% of Paid up Equity Share Capital
<i>Union Bank of India</i>	99.99
<i>Mr. Dinesh Mistry - Nominee Shareholder of Union Bank of India</i>	0.01

9. **Mr. Dirk Mampaey and Mr. Sameer Chinchani**, Associate Directors nominated by KBC Participations Renta, **cease to be Directors** on the Board of Directors of Union KBC AMC. Accordingly, the information relating to Mr. Dirk Mampaey and Mr. Sameer Chinchani appearing in the table under the heading 'Details of AMC Directors', under sub-section D 'Asset Management Company', under section I 'Information about Sponsor, AMC and Trustee Companies', hereby stands deleted.
10. The following text appearing under the point (xi) 'Associate Transactions', under sub section C 'General Information', under section V 'Tax & Legal & General Information' hereby stands deleted since KBC Asset Management NV is no longer an associate:
"The AMC has also entered into an agreement with KBC Asset Management NV, which is the holding company of KBC Participations Renta (one of the Sponsors) in relation to the Front Office System (Decalog) used by the AMC for management of deals."
11. The text and table on 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' hereby stands replaced with the following text and table:
"The Mutual Fund was originally co-sponsored by Union Bank of India and KBC Participations Renta, a 100% subsidiary of KBC Asset Management NV. Union Bank of India acquired the entire shareholding held by KBC Participations Renta in Union KBC Asset Management Company Private Limited and Union KBC Trustee Company Private Limited. Consequently, Union Bank of India has become the sole Sponsor of Union KBC Mutual Fund. Accordingly, the list of associates of the Sponsor or the Asset Management Company has been updated."

Names of associates of the Sponsor or the Asset Management Company as on September 21, 2016 are as follows:

Sr. No.	Name of the Associate Company / Firm
1	<i>Union KBC Asset Management Company Private Limited</i>
2	<i>Union KBC Trustee Company Private Limited</i>
3	<i>Prime Commodities Clearing Corporation Limited</i>
4	<i>Kashi Gomti Samyut Gramin Bank</i>
5	<i>Experian Credit Information Company Limited</i>
6	<i>UBI (UK) LTD</i>
7	<i>Union Bank of India</i>
8	<i>Union Bank Social Foundation Trust</i>
9	<i>Star Union Dai-Ichi Life Insurance Company Limited</i>
10	<i>General Insurance Corporation of India</i>
11	<i>Orion Equity Advisors Private Limited</i>
12	<i>Orion Alternative Assets Private Limited</i>
13	<i>Envair Electrodyne Limited (formerly Kirloskar Electrodyne Limited)</i>
14	<i>Fortune Securities Private Limited</i>
15	<i>MAC Insurance Broking Private Limited</i>
16	<i>Jayshree Infrastructure Private Limited</i>
17	<i>PSL Infratech Private Limited</i>
18	<i>PSL Infradevelopers Private Limited</i>
19	<i>PSL Infracon Private Limited</i>
20	<i>Mandeep Infosolutions Pvt Limited</i>
21	<i>Akshar Corporate Consultant Pvt Limited</i>
22	<i>Shatabdi Sales Private Limited</i>
23	<i>Advance Knee Care Private Limited</i>
24	<i>SCA Associates Private Limited</i>
25	<i>M/s. Suresh Chandra & Associates</i>
26	<i>FINSEC Law Advisors</i>
27	<i>Voltas Limited</i>
28	<i>INARCO Private Limited</i>
29	<i>Lifestyle International Private Limited</i>
30	<i>Hannover Re- Consulting Services India Pvt. Ltd</i>
31	<i>Universal Comfort Products Ltd</i>
32	<i>Accelya Kale Solutions Ltd</i>

Sr. No.	Name of the Associate Company / Firm
33	Horizon N.V. with Access India Fund as sub-fund
34	Vaya Finserv Private Limited
35	Sarcon Blockbuild Ltd
36	Viney Corporation limited
37	The New India Assurance Company Limited
38	Indian Institute of Banking & Finance
39	Aegon Life Insurance Company Limited
40	Krishna Infosolutions Private Limited
41	Institute of Banking Personnel Selection
42	Association of Development of Securities Market

II. **Changes on account of updation of information in the SAI are as follows:**

1. The following text appearing under the heading 'Supervisory Role of the Trustee', under sub-section C 'The Trustee', under section I 'Information about Sponsor, AMC and Trustee Companies':

"The Board Meeting of the Trustee Company has been held 8 times during the period April 1, 2015 till March 31, 2016 and 2 times during the period April 1, 2016 till the date of this SAI."

is hereby replaced with the following text:

"The Board Meeting of the Trustee Company has been held 8 times during the period April 1, 2015 till March 31, 2016 and 6 times during the period April 1, 2016 till the date of this SAI."

2. In the table appearing under the heading 'Details of Trustee Directors', under sub-section C 'The Trustee', in the table appearing under the heading 'Details of AMC Directors', under sub-section D 'Asset Management Company', in the table appearing under the headings 'Information on Key Personnel' and 'Investment Team' respectively, under sub-section D 'Asset Management Company', under section I 'Information about Sponsor, AMC and Trustee Companies', the details relating to age of the Trustee Directors, AMC Directors, Key Personnel and the members of the Investment Team, wherever mentioned, hereby stands updated, as applicable.

3. The following changes are hereby made in Section V 'Tax & Legal & General Information', sub-section A 'Taxation on investing in Mutual Funds':

- i) The sub point c 'Service Tax', under point (i) 'To the Mutual Fund' hereby stands replaced with the following text:

"c) Service tax

The Mutual Fund is liable for payment of service tax as recipient of services on various services availed by it. The rate of service tax is 15 percent (14% Service Tax, 0.5% Swachh Bharat Cess, 0.5% Krishi Kalyan Cess)."

- ii) The sub point d 'Wealth Tax', under point (ii) 'To the Unit holders' hereby stands replaced with the following text:

"d. Wealth Tax

Wealth Tax is not applicable (abolished) as per Finance Act, 2015."

4. **Investor Complaints History:**

The existing text and table on the status of Investor Complaints received during the period April 1, 2016 to July 31, 2016 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' hereby stands replaced with the following text and table:

"Given below is the status of Investor Complaints received during the period April 1, 2016 to August 31, 2016:

Scheme name	April 01, 2016 to August 31, 2016		
	Number of complaints Received	Number of complaints Redressed	Number of complaints Pending
Union KBC Equity Fund	7	7	0
Union KBC Liquid Fund	1	1	0
Union KBC Tax Saver Scheme	3	3	0
Union KBC Dynamic Bond Fund	2	2	0
Union KBC Ultra Short Term Debt Fund	0	0	0
Union KBC Asset Allocation Fund - Moderate Plan	0	0	0
Union KBC Capital Protection Oriented Fund – Series 3	0	0	0
Union KBC Capital Protection Oriented Fund – Series 4	0	0	0
Union KBC Capital Protection Oriented Fund – Series 5	0	0	0
Union KBC Small and Midcap Fund	4	4	0
Union KBC Trigger Fund - Series 2	0	0	0
Union KBC Capital Protection Oriented Fund – Series 6	0	0	0
Total	17	17	0

III. **Change under the section on 'Details of Trustee Directors' is as follows:**

Mr. Pradeep Bhandari ceases to be a Director on the **Board of Directors of Union KBC Trustee Company Private Limited with effect from September 21, 2016** due to his resignation from the Board of Directors of Union KBC Trustee Company Private Limited. Accordingly, the information relating to Mr. Pradeep Bhandari appearing in the table under the heading 'Details of Trustee Directors' under sub-section C 'The Trustee', under section I 'Information about Sponsor, AMC and Trustee Companies', hereby stands deleted.

It may be noted that necessary/incidental changes, as applicable, in the above regard shall be made in the SAI of Union KBC Mutual Fund.

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)

September 22, 2016

Sd/-

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; **Sponsor:** Union Bank of India; **Trustee:** Union KBC Trustee Company Private Limited [Corporate Identity Number (CIN): U65923MH2009PTC198198], a company incorporated under the Companies Act, 1956 with a limited liability; **Investment Manager:** Union KBC Asset Management Company Private Limited [Corporate Identity Number (CIN): U65923MH2009PTC198201], 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.unionkbcmf.com.