

TERMS & CONDITIONS

1. SIP is available to investors in the following Scheme(s) of HDFC Mutual Fund:

HDFC Growth Fund, HDFC Equity Fund, HDFC Top 200 Fund, HDFC Capital Builder Fund, HDFC Index Fund, HDFC Children's Gift Fund, HDFC Balanced Fund, HDFC Prudence Fund, HDFC Long Term Advantage Fund (an open-ended equity linked savings scheme having a lock-in period of 3 years - formerly HDFC Tax Plan 2000), HDFC TaxSaver, HDFC MF Monthly Income Plan (an open-ended income scheme. Monthly income is not assured and is subject to availability of distributable surplus), HDFC Core & Satellite Fund, HDFC Premier Multi-Cap Fund, HDFC Multiple Yield Fund, HDFC Income Fund, HDFC High Interest Fund, HDFC Short Term Plan, HDFC Cash Management Fund - Savings Plus Plan, HDFC Gilt Fund, HDFC Sovereign Gilt Fund, HDFC Floating Rate Income Fund - Long Term Plan and HDFC Multiple Yield Fund - Plan 2005

The above list is subject to change from time to time. Please contact the nearest Investor Service Centre (ISC) of HDFC Mutual Fund for updated list.

2. The SIP Enrolment Form should be completed in English and in Block Letters only. Please tick (✓) in the appropriate box (□), where boxes have been provided. The SIP Enrolment Form complete in all respects, should be submitted at any of the Investor Service Centres (ISCs) of HDFC Mutual Fund or at the Official Points of Acceptance of Transaction(s) of Computer Age Management Services (Pvt.) Ltd. (CAMS).
3. Existing unit holders in Scheme(s) of HDFC Mutual Fund are required to submit only the SIP Enrolment Form. Existing unit holders should note that unit holders' details and mode of holding (single, jointly, anyone or survivor) will be as per the existing folio number.
4. a. New investors who wish to enroll for SIP are required to fill the SIP Enrolment Form along with the respective Scheme Application Form. New investors are advised to read the Offer Document(s) of the respective Scheme(s) carefully before investing. The Offer Document(s)/Key Information Memorandum(s) of the respective Scheme(s) are available with the ISCs of HDFC Mutual Fund, brokers/distributors and also displayed at the HDFC Mutual Fund website i.e. www.hdfcfund.com.
- b. New investors need not have an existing folio for investments into respective schemes / plans / options. Such investors can start a folio with a SIP.
New investors should take a note of the following requirements:
The provision for 'Minimum Application Amount' specified in the respective scheme offer document **will not be applicable** for SIP investments. For e.g. the minimum application amount for new investors in HDFC Equity Fund - Growth Option is Rs. 5,000/-. However, in case of SIP investments, an investor can enter the Scheme with minimum amount of Rs. 1,000/-.
5. SIP offers investors the following two Plans:
i) **Monthly Systematic Investment Plan (MSIP)**
ii) **Quarterly Systematic Investment Plan (QSIP)**
6. Under the **MSIP**, the investor must submit post-dated cheques for each month. An investor is eligible to issue only one cheque for each month. For example, an investor cannot issue one cheque for June 1st and the other for June 25th under the same SIP Enrolment Form. Under the **QSIP**, the investor must submit post-dated cheques for each quarter. An investor is eligible to issue only one cheque for each quarter. There should be a gap of three months between two cheques. For example, an investor cannot issue one cheque for April 1st and the other for May 1st under the same SIP Enrolment Form. The beginning of the quarter could be of any month for e.g. April, August, October, November, etc. Both MSIP and QSIP cannot be co-mingled. A separate SIP Enrolment Form must be filled for MSIP and QSIP.
The details of minimum amount per cheque, minimum number of cheques, entry load, exit load, etc. under MSIP and QSIP are given below:
i. Minimum amount per cheque for schemes other than HDFC TaxSaver and HDFC Long Term Advantage Fund - Under MSIP: Rs. 1,000/- and in multiples of Rs. 100/- thereof
ii. Minimum amount per cheque for HDFC TaxSaver and HDFC Long Term Advantage Fund - Under MSIP: Rs. 500/- and in multiples of Rs. 500/- thereof
iii. Total minimum number of cheques under MSIP: 6
iv. Minimum amount per cheque for schemes other than HDFC TaxSaver and HDFC Long Term Advantage Fund - Under QSIP: Rs. 3,000/- and in multiples of Rs. 100/- thereof
v. Minimum amount per cheque for HDFC TaxSaver and HDFC

Long Term Advantage Fund - Under QSIP: Rs. 1,500/- and in multiples of Rs. 500/- thereof

- vi. Total minimum number of cheques under QSIP: 2
vii. (a) Load Structure for investments through SIP for HDFC Growth Fund, HDFC Equity Fund, HDFC Top 200 Fund, HDFC Capital Builder Fund, HDFC Prudence Fund, HDFC Balanced Fund, HDFC Core & Satellite Fund, HDFC Premier Multi-Cap Fund, HDFC Long Term Advantage Fund (an open-ended equity linked saving scheme with a lock-in period of 3 years) and HDFC TaxSaver (an open-ended equity linked saving scheme with a lock-in period of 3 years) is as follows:

Entry Load	An Entry Load of 1% is payable in respect of each SIP installment.
Exit Load	An Exit Load of 1.25% is payable if units are redeemed / switched-out on or before 2 years from the date of allotment of units. <i>[This Exit Load provision will not be applicable for HDFC TaxSaver and HDFC Long Term Advantage Fund as the units are locked-in for a period of 3 years]</i>

- (b) Load Structure for investments through SIP for HDFC Children's Gift Fund is as follows :

Entry Load	An Entry Load of 1% is payable in respect of each SIP installment.
Exit Load	<ul style="list-style-type: none"> ● For units subject to Lock-in Period : NIL ● For units not subject to Lock-in Period : <ul style="list-style-type: none"> ◆ 3% if the units are redeemed / switched - out within one year from the date of allotment; ◆ 2% if the units are redeemed / switched-out between the first and second year of the date of allotment; ◆ 1% if units are redeemed / switched-out between the second and third year of the date of allotment; ◆ NIL if units are redeemed / switched-out after the third year from the date of allotment.

- (c) Load Structure for other schemes other than those mentioned above in item vii (a) and (b) are as follows :

Entry Load	No Entry Load for each SIP investment irrespective of the amount (per folio, per due date, per Scheme/Plan/Option).
Exit Load	Applicable Entry Load (% wise) originally waived will be levied if units are redeemed on or before 2 years from the date of allotment of units. Further, applicable Exit Load, if any, in the Scheme/Plan/option as on the date of allotment of units will also be levied.

7. All SIP cheques must be dated 1st, 10th, 15th or 25th of a month. All SIP cheques under MSIP and QSIP should be of the same amount and same date. For example, if an investor is enrolling for MSIP for the period July - December 2004 for total amount of Rs. 60,000/-, he will be required to issue six cheques all bearing the same date (except for first SIP cheque which could be of any date) and same amount. It may, however, be noted that the first SIP cheque could be of any date, but all subsequent cheques should be dated either 1st, 10th, 15th or 25th. The first SIP cheque (of any date) and the subsequent cheque should not fall in the same month for the MSIP and should not fall in the same quarter for the QSIP.
8. Units will be allotted on the above applicable dates. In case the date falls on a Non-Business Day or falls during a book closure period, the immediate next Business Day will be considered for the purpose of determining the applicability of NAV subject to the realization of cheques. Further, in case of SIP investments accepted through cheques drawn on a location where ISCs of HDFC Mutual Fund does not have a presence but HDFC Bank has a presence, units will be allotted on the date on which subscription proceeds are realized.

9. The cheques should be drawn in favour of "the specific Scheme / Plan" as applicable (e.g. in case of **HDFC MF Monthly Income Plan - Short Term Plan**, the cheque should be drawn in favour of "**HDFC MF Monthly Income Plan - Short Term Plan**") and crossed "**A/c Payee Only**". Unit holders must write the SIP Enrolment Form number, if any, on the reverse of the cheques accompanying the SIP Enrolment Forms.

10. Payment may be made by cheques drawn on any bank which is situated at and is a member of the Bankers' Clearing House located at the place where the SIP application is submitted. Outstation cheques other than the one specified in item 9 above will not be accepted and applications accompanied by such cheques are liable to be rejected. No cash, money orders or postal orders will be accepted.

Payment may also be accepted by direct debits to unit holders' bank accounts. For this purpose, unit holders are required to give standing instructions to their bankers (with whom HDFC Mutual Fund may have an arrangement from time to time) to debit their bank accounts at periodic intervals and credit the subscription proceeds to the HDFC Mutual Fund bank account. Currently, the arrangement for direct debit facility is with HDFC Bank and ABN Amro Bank. Please contact the nearest Investor Service Centre for updated list.

Investors / Unit holders may also enroll for SIP Auto Debit facility through Electronic Clearing Service (Debit Clearing) of the Reserve Bank of India. Investors / Unit holders may also enroll for SIP Direct Debit Facility available with IDBI Bank Ltd., Kotak Mahindra Bank Ltd., Bank of India, and Punjab National Bank and such other Banks / Branches which may be included from time to time. In order to enroll for this facility, please fill-up the Application Form for SIP Auto Debit facility.

11. Returned cheque(s) may not to be presented again for collection. In case the returned cheques are presented again, the necessary charges are liable to be debited to the investor.
12. An account statement will be dispatched by mail or by e-mail (if opted by the Unit holder) to the Unit holder normally within 3 Business Days from the date of transaction indicating the new balance to the credit of the Unit holder's account.
13. Unit holders will have the right to discontinue the SIP facility at any time by sending a written request to the ISC. Notice of such discontinuance should be received at least 7 days prior to the due date of the next cheque. On receipt of such request, the SIP facility will be terminated and the balance post dated cheque(s) will be returned to the Unit holder.
14. Units of HDFC Long Term Advantage Fund and HDFC TaxSaver cannot be assigned / transferred / pledged / redeemed / switched - out until completion of 3 years from the date of allotment of the respective units.

15. Permanent Account Number (PAN)

SEBI has made it **mandatory** for applicants (in the case of application in joint names, each of the applicants) to mention his/her PAN if the application is for Rs. 50,000 or more.

Further, as per Notification no. 288 of 2004 dated December 1, 2004 issued by the Central Board of Direct Taxes, every person shall quote his PAN in all documents where payment is of an amount of Rs. 50,000 or more to a Mutual Fund for purchase* of its units. Where the applicant is a minor, is not liable to Income Tax, he shall quote the PAN of his father or mother or guardian, as the case may be.

In order to verify that the PAN of the applicants (in the case of application in joint names, each of the applicants) has been duly and correctly quoted therein, the applicants shall attach along with the purchase application form, a photocopy of the PAN card or a PAN letter or any intimation from the Income Tax Department quoting PAN.

Any person who does not have a PAN and who enters into any purchase* transaction as aforesaid shall make a declaration in Form No. 60 or Form No. 61 (in the case of persons who have agricultural income and are not in receipt of any other income chargeable to tax) along with proof of address giving the particulars of such transaction. Such declaration in Form No. 60 or Form No. 61, as applicable (in duplicate) should be attached along with each purchase* request.

* include fresh/ additional purchase, switch, Systematic Investment / Transfer and Dividend Reinvestment.

Since dividend reinvestment of Rs. 50,000 or more qualifies as purchase of units for aforesaid Notification, PAN or Form no. 60 or Form no. 61 (as applicable) is required along with supporting in respect of each such reinvestment, failing which dividend reinvestment shall be automatically converted into payout option.

Applications not complying with the above shall be rejected.

16. The Trustee reserves the right to change/modify the terms and conditions of the SIP.