

NOTICE



Principal Pnb Asset Management Company Pvt. Ltd.
(CIN : U25000MH1991PTC064092)
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NOTICE-CUM-ADDENDUM TO THE STATEMENT OF ADDITIONAL INFORMATION (SAI) SCHEME INFORMATION DOCUMENT (SID) AND KEY INFORMATION MEMORANDUM (KIM) OF THE SCHEMES OF PRINCIPAL MUTUAL FUND ("PMF") [NO. 2/2017]

1. Renaming of existing Dividend Option

NOTICE IS HEREBY GIVEN THAT, Principal Trustee Company Private Limited, the Trustee to Principal Mutual Fund, has approved the following change to the SID and KIM w.r.t. Dividend Option under Regular Plan and Direct Plan of Principal Arbitrage Fund ("an open-ended Equity Scheme") ["the Scheme"] with effect from February 01, 2017.

The existing 'Dividend Option' (currently adhoc) under both Regular and Direct Plan of Principal Arbitrage Fund shall be renamed as 'Monthly Dividend Option'. Accordingly, the following disclosure shall be incorporated in the 'Dividend Policy' section of the SID of the Scheme:

Sr. No.	Name of Scheme	Plans/Option/Frequency	Record Date*
1.	Principal Arbitrage Fund	Regular Plan - Monthly Dividend Option	17th of every month**
		Direct Plan - Monthly Dividend Option	

* When the Record Date falls on a non-business day, the immediately preceding business day shall be the Record Date.

** Or such other date at the discretion of the Trustees. The Trustee, in its sole discretion, may also declare interim dividends.

Quantum of Dividend:

Quantum of dividends may vary from month to month, subject to availability and adequacy of distributable surplus and approval of Trustees.

It is being clarified that the Dividend Distribution Procedure as per SEBI Circular no. SEBI/IMD/ Cir No. 1/64057/06 dated April 4, 2006 shall be strictly followed at the time of declaration of dividend. Distribution of dividend is subject to availability and adequacy of distributable surplus and approval of the Trustees. Further, the AMC/Trustee reserves the right to include/remove/modify the frequency for declaration of dividend as may be deemed appropriate, subject to relevant provisions of SEBI regulations. The Trustees may not declare a dividend at all in the event of inadequacy of distributable income. There is no assurance or guarantee to unit holders as to the periodicity of dividend and rate of dividend distribution.

2. Changes to Dividend Distribution Policy as stated in the SID of the schemes of Principal Mutual Fund:

NOTICE IS HEREBY GIVEN THAT, Principal Trustee Company Private Limited, the Trustee to Principal Mutual Fund, has approved the change in the record date of dividend for the pre-defined dividend frequency of Monthly, Quarterly, Half-Yearly and Annual dividend, in case of all open ended schemes of Principal Mutual Fund ('PMF') with effect from February 01, 2017.

In view of the changes mentioned above, following disclosure shall be incorporated in the 'Dividend Policy' section of the SID of all the Schemes of PMF:

Sr. No.	Frequency	Existing Record Date	Revised Record Date
1.	Monthly, Quarterly, Half-Yearly and Annual	24th of every month	17th of every month

3. Uniform implementation of CKYC

NOTICE IS HEREBY GIVEN THAT, in compliance with AMFI Best Practices Guidelines Circular No.68/2016-17 dated December 22, 2016 on Uniform implementation of CKYC by Mutual Fund/AMCs, the new CKYC form have been uploaded on Mutual Fund Website -<http://principalindia.com>.

FURTHER NOTICE IS HEREBY GIVEN THAT, in line with the above mentioned guidelines, with effect from February 01, 2017, while on boarding a new individual investor, for those investors whose KYC is not registered or verified in the KRA system, Mutual Funds are required to use new CKYC form to conduct and register the KYC of the investor.

In case the investor uses the old KRA KYC form, in addition to the KRA KYC form, the investor will need to provide the additional information using a 'Supplementary CKYC Form' or to fill the new 'CKYC Form'

In case the new investors have completed CKYC and quote KYC Identification Number (KIN) in their application forms, Mutual Funds/AMC will use the KIN provided by the customer to download KYC information from CKYCR system and update the records. In case PAN details of the investor are not updated in the CKYC system, investors are required to submit self-certified copy of the PAN card and the same shall be uploaded in the CKYC system by the Mutual Fund/ AMC.

Contents hereof shall form an integral part of the SAI, SID and KIM of the schemes of Principal Mutual Fund as amended from time to time and all other features / terms and conditions as mentioned therein shall remain unchanged.

For Principal Pnb Asset Management Company Pvt. Ltd.

Place : Mumbai
Date : January 31, 2017

Sd/-
Authorised Signatory

**Mutual Fund investments are subject to market risks,
read all scheme related documents carefully.**