



QLTEF - ADDENDUM 1

The Board of Directors of Quantum Trustee Company Private Limited has approved following changes in Quantum Long-Term Equity Fund (QLTEF scheme) in its meeting held on August 28, 2006. This addendum is prepared to bring to the notice of unitholders, prospective and existing, regarding changes as mentioned below. The changes are applicable prospectively with effect from September 15, 2006:

EXISTING PROVISIONS	REVISED PROVISIONS
Portfolio Construction – Page No. 28 of existing Offer Document	
3. The AMC buys a new stock at the Buy Limit (or below) and sells an existing stock at the Sell Limit. It may add to a stock the Scheme already owns if it is between the Buy and Sell limits (a Hold).	3. The AMC generally buys a new stock at the pre-determined Buy price (or below) and sells an existing stock at the pre-determined Sell price or above. It may add to a stock the Scheme already owns if it is between the pre-determined Buy and Sell price.
Dividend Plan – Page No. 40 of existing Offer Document	
Under this Plan, it is proposed to declare dividends subject to availability of distributable profits, as computed in accordance with SEBI Regulations. Further the Trustee at its sole discretion may also declare interim dividend. Dividends, if declared, will be paid (subject to deduction of tax at source, if any) to those Unitholders whose names appear in the Register of Unitholders on the notified record date. The AMC reserves the right to change the record date from time to time. However, it must be distinctly understood that the actual declaration of dividend and the frequency thereof will inter-alia, depend on the availability of distributable profits as computed in accordance with SEBI Regulations. The decision of the Trustee in this regard shall be final. There is no assurance or guarantee to Unitholders as to the rate of dividend distribution nor that dividends will be paid regularly. In order to be a Unitholder, an Investor has to be allotted Unit against receipt of clear funds by the Scheme. On payment of dividends, the NAV will stand reduced by the amount of dividend and dividend tax (if applicable) paid.	Under this Plan, it is proposed to declare dividends subject to availability of distributable profits, as computed in accordance with SEBI Regulations. In terms of SEBI Circular No. 1/64057/06 dated April 4, 2006, the Trustees shall fix the quantum of dividend and the record date (which is the date that will be considered for the purpose of determining the eligibility of investors) at their meeting. Dividends, if declared, will be paid (subject to deduction of tax at source, if any) to those Unitholders whose names appear in the Register of Unitholders on the notified record date. The AMC shall, within one calendar day of the decision by the Trustee, issue notice to the public, communicating the decision, including the record date. The record date shall be 5 calendar days after the issue of notice. Further the Trustee at its sole discretion may also declare interim dividend. However, it must be distinctly understood that the actual declaration of dividend and the frequency thereof will inter-alia, depend on the availability of distributable profits as computed in accordance with SEBI Regulations. The decision of the Trustee in this regard shall be final. There is no assurance or guarantee to Unitholders as to the rate of dividend distribution nor that dividends will be paid regularly. In order to be a Unitholder, an Investor has to be allotted Units against receipt of clear funds by the Scheme. On distribution of dividends, the NAV will stand reduced by the amount of dividend distributed and statutory levy, if any, at the close of business hours on record date."



Shut-out Period – Page No. 40 of existing Offer Document

Investors should note that the AMC reserves a right to declare Shut-out period not exceeding 5 days for the investors opting for payment of dividend under the Dividend Plan. The declaration of the Shut-out period is envisaged to facilitate the AMC to determine the Units of the Unitholders eligible for receipt of dividend under the Dividend Plan. Further, the Shut-out period will also help in expeditious processing and dispatch of dividend warrants. The AMC shall arrange to display at all Investor Service Centres at least 10 days before the introduction. The Shut-out period will be applicable for making investments in the Scheme. During the Shut-out period investors may make purchases into the Scheme but the Sale Price for subscription of Units will be calculated at the Applicable NAV as at the close of the first Business Day following the shutout period. Therefore, if investments are made during the Shut-out period, Units to the credit of the Unitholders' account will be allotted only on the first Business Day following the shut-out period. The Shut-out period applies to new investors in the Scheme as well as to Unitholders making additional purchases of Units into an existing folio. The Shutout period does not apply to purchases of Units under the Growth Option. The AMC reserves the right to change the duration of the Shut-out period and prescribe new Shut-out period, from time to time.

This paragraph has been deleted consequent to SEBI circular No.1/64057/06 dated April 4, 2006, notifying the detailed procedure for fixing the record date and payment of dividend.



Dividends and Distributions – Page No. 41 of existing Offer Document	
The Trustees propose to follow the following dividend distribution policy: Dividends, if declared, will be paid out of the net surplus of the Scheme/Plan to those Unitholders whose names appear in the Register of Unitholders on the record date. Declaration of dividend is subject to the availability of distributable surplus. It must be distinctly understood that the actual declaration of dividends under the Scheme and the frequency thereof will, inter-alia, depend upon the distributable surplus of the Scheme. There is no assurance or guarantee to Unitholders as to the rate of dividend distribution nor that dividend will be regularly paid. The dividend that may be paid out of the net surplus of the Scheme will be paid only to those Unitholders whose names appear in the register of Unitholders on the notified record date. Unitholders are entitled to receive dividend within 30 days of the date of declaration of the dividend. However, the Mutual Fund will endeavour to make dividend payments sooner to Unitholders	The Trustees propose to follow the following dividend distribution policy: Dividends, if declared, will be paid out of the net surplus of the Scheme/Plan to those Unitholders whose names appear in the Register of Unitholders on the record date. Declaration of dividend is subject to the availability of distributable surplus. It must be distinctly understood that the actual declaration of dividends under the Scheme and the frequency thereof will, inter-alia, depend upon the distributable surplus of the Scheme. There is no assurance or guarantee to Unitholders as to the rate of dividend distribution nor that dividend will be regularly paid. The dividend that may be paid out of the net surplus of the Scheme will be paid only to those Unitholders whose names appear in the register of Unitholders on the notified record date. The AMC shall adhere to the procedure for fixing record date and dividend distribution as prescribed under SEBI Circular no. SEBI/IMD/CIR No. 1/64057/06 dated April 4, 2006. Unitholders are entitled to receive dividend within 30 days of the date of declaration of the dividend. However, the Mutual Fund will endeavour to make dividend payments sooner to Unitholders”

For Quantum Asset Management Company Private Limited
(Investment Manager – Quantum Mutual Fund)
Sd/-
Arjun Marphatia
CEO