

AIG Global Investment Group Mutual Fund

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NOTICE CUM ADDENDUM**Changes in Terms of Issue of AIG Quarterly Interval Fund - Series I & AIG Quarterly Interval Fund - Series II (Interval Income Schemes)**

Pursuant to SEBI Circular No. Cir/IMD/DF/19/2010 dated November 26, 2010 and Clarification issued by SEBI vide its email dated February 7, 2011, Investors/Unit holders of AIG Global Investment Group Mutual Fund are requested to note that the following changes are carried out in the Scheme Information Document(s)/Statement of Additional Information/Key Information Memoranda of AIG Quarterly Interval Fund - Series I (QIS I) and AIG Quarterly Interval Fund - Series II (QIS II).

A. Mandatory Listing

- The units of QIS I & QIS II will be listed on the National Stock Exchange of India Limited (NSE) and/or any other stock exchange(s) [hereinafter referred as "Exchanges"] w.e.f. March 23, 2011. Buying or selling of units of QIS I and QIS II by the investors can be made from the secondary market at market prices during the trading days like any other publicly traded stock on the Exchanges with effect from March 23, 2011. The minimum number of units that can be bought or sold on the Exchanges is 1 (one) unit. Investors holding units in decimals and wishes to redeem would have the following options:
 - Since trading is not allowed in decimals at the Exchanges, the investor will be allowed to sell only full units and remaining decimal units can be redeemed during the specified transaction period. For e.g. if the investor has 100.75 units, investor can trade on the exchange only for 100 units and the remaining 0.75 units would have to be redeemed during the specified transaction period.
- or
- The investor can hold units in decimals till the next specified transaction period and submit the redemption request for all units. Please refer to point no. D for the process of redemption.
- Investors can buy/sell units at market prices, which may be at a premium/discount to the NAV of the Scheme depending upon the demand and supply of units at Exchanges.
- Unit holders who wish to trade on the exchange would be required to have a demat account.
- Transaction Cost: Though there will be no entry/exit load for buying/selling the units from/to the secondary market, the investors may have to bear the other costs related to transacting in the secondary market, e.g. brokerage, service tax, etc.

Although units will be listed on Exchanges, there can be no assurance that an active secondary market will develop or be maintained. Trading on Exchanges may be halted because of market conditions or if the market authorities or SEBI are of the view that trading in the units is not advisable. There can be no assurance that the requirements of the market necessary to maintain the listing of the units will continue to be met or will remain unchanged. The AMC and the Trustees will not be liable for delay in trading of units on Exchanges due to the occurrence of any event beyond their control. The AMC may also decide to delist the units from a particular exchange, provided that the units are listed at least on one Exchange.

Please refer to our website (www.aiginvestments.co.in) for details on the processes for transacting through Stock Exchange Mode.

B. Specified Transaction Period (STP)

The specified transaction period shall be of minimum 2 working days (i.e. 91st day and 92nd day from the previous specified transaction period). This will be applicable to the Specified Transaction periods for QIS I & QIS II due in May 2011 respectively and the subsequent STPs.

Application for subscription/switch-in and redemption/switch-out of units in physical form (statement of account) will be accepted only on/during the STP (without exit load).

However, buying or selling of units in Demat form can be made from the secondary market on the Exchanges by investors effective March 23, 2011. Units can be bought or sold like any other stock listed on the Exchanges at market prices.

Investors making subscriptions on the first day of the Specified Transaction Period (STP) would be able to redeem their units only during the next specified transaction period or sell them on the exchange once the book closure is revoked. Post listing the investors would have to follow the purchase/redemption process as given below in Point D.

C. Provision for Investing in Securities by the QIS I and QIS II

In accordance with the SEBI regulations, investments by QIS I and QIS II will be made only in such securities which mature on or before the opening of the immediately following specified transaction period.

Explanation: In case of securities with put and call options the residual time for exercising the put option of the securities shall not be beyond the opening of the immediately following transaction period.

D. Purchase/Redemption in QIS I and QIS II (Post Listing)

The unit holders who wish to purchase/redeem their units in the said schemes have two options:

Option 1 - Units in Physical Mode:

The unit holder may purchase/redeem (including switches) during the Specified Transaction Period (i.e. STP due in May 2011 and the subsequent STPs) by submitting the transaction requests to any of the Investor Service Centers of the AMC or the CAMS Investor Service Centers. Alternatively the unit holders may choose to convert their holdings into demat mode (Option 2).

Option 2 - Units in Demat Mode:

The unit holders may buy/sell units from the secondary market on all the trading days on the Exchanges like any other stock listed at the prevalent market prices.

The option of "Dividend Reinvestment" provided under the plans shall stand withdrawn after the exit load waiver period. Hence the units held under the "Dividend Reinvestment" option as on March 22, 2011 will be automatically converted into "Dividend Payout" option.

The record date for declaration of Dividend (if any, as decided by the Trustees) under the dividend option during the STP shall be the first date of the STP and the ex-dividend NAV shall be applied for new subscriptions, subject to cut-off time.

E. Change in the Load Structure:Existing Load structure:

Entry Load: Not Applicable; Exit load: 0.75% if redeemed/switch-out on any other day other than during the Specified Transaction Period under retail and institutional plan.

Revised Load structure:

Entry Load: Not Applicable; Exit load: (a) 0.75% till the units of QIS I and QIS II are listed; (b) Nil: On or after the date of listing.

F. Suspension

The trading of units listed on Exchanges will get suspended for the purposes of book closure and/or Specified transaction period for a temporary period as determined by the regulations of the Exchange in this regard. No off-market trade shall be permitted by the depositories during this temporary period. This suspension period will be after the date of issuance of notice by the AMC.

G. Change in Fundamental Attribute

In the case of QIS I and QIS II:

1. Investments by the said schemes will be made only in such securities which mature on or before the opening of the immediately following respective STPs
2. Once the said schemes are being listed on the stock exchanges, the daily redemption option will not be available to the investors. Based on SEBI circular dated February 4, 1998, any Change in the Investment pattern and/or the Terms of Issue like Liquidity provisions such as listing, repurchase/redemption, etc. (as mentioned above) will be considered as change in "Fundamental Attributes" of the scheme.

Accordingly, as per Regulation 18(15A) of SEBI (Mutual Funds) Regulations, 1996, in case an investor does not wish to continue to hold units in view of the above said changes, they will have the option to exit the said scheme at the prevailing NAV, without any exit load. The said exit option can be availed between February 21, 2011 to March 22, 2011 (both days inclusive).

Investors are requested to note the following:

1. An exit option (without the payment of exit load) will be available only to the existing investors of QIS I and QIS II as on February 19, 2011.
2. **The offer to exit is merely an option and is not compulsory.**
3. Investors who wish to switch-out or redeem during the exit load waiver period i.e. February 21, 2011 to March 22, 2011 may submit their request to any of the Investor Service Centers of the AMC or the CAMS Investor Service Centers.
4. Such exit option will not be available to unit holders whose units have been pledged and Mutual Fund has been instructed to mark a lien on such units and the release of the pledge is not obtained and appropriately communicated to the Mutual Fund prior to applying for redemption.
5. **Such exit option (without the payment of exit load) will not be available to the new unit holders of AIG Quarterly Interval Fund - Series I and AIG Quarterly Interval Fund - Series II investing during the forthcoming Specified Transaction Period i.e. February 21, 2011 and February 28, 2011 respectively. Such investors can exit the scheme by paying the applicable exit load till the units are listed on the Exchanges.**

A written communication in this regard is being sent to all the existing investors of the Schemes informing them of the above proposal. However, if an investor is in agreement with the above proposed change, no action is required to be taken by the investor and it shall be deemed as an acceptance of the above proposal. The investor will continue to hold units in the Schemes with the changed terms of issue, with effect from March 23, 2011 for QIS I and QIS II.

All other terms and conditions of QIS I & QIS II will remain unchanged. The above shall be subject to SEBI (Mutual Funds) Regulations, 1996, as applicable and as amended from time to time.

The Trustees shall reserve the right to change/modify the features of this facility at a later date.

This addendum forms an integral part of the Scheme Information Document(s)/Statement of Additional Information/Key Information Memoranda of the above Scheme(s) of AIG Global Investment Group Mutual Fund as amended from time to time.

For and on behalf of **AIG Global Asset Management Company (India) Private Limited**
 (Investment Manager of AIG Global Investment Group Mutual Fund)

Sd/-

Place : Mumbai

Date : February 18, 2011

Sunil Mehta
 Chief Executive Officer

Scheme(s) Classification: Interval income scheme(s). **Investment objective:** The investment objective of the Scheme(s) is to generate returns while endeavoring to manage interest rate volatility over the interval period through a portfolio of fixed income securities. **Asset Allocation Pattern:** Debt and money market securities-0%-100% (Debt securities may include securitized debts upto 75% of the net assets). **Terms of issue:** Units of the scheme are being offered at NAV based prices, during the Specified Transaction Period. **Load Structure:** Entry load: Not Applicable; Exit load: 0.75% if redeemed/switch-out on any other day other than during the Specified Transaction Period under retail and institutional plan. (No exit load shall be charged on Bonus units allotted and on units allotted on Re-investment of Dividend). NAVs will be calculated on all Business days.

Risk Factors: Investment in Mutual Fund Units involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal. As the price/value/interest rates of the securities in which the scheme(s) invests fluctuates, the value of your investment in the scheme(s) may go up or down. Past performance of the Sponsor/AMC/Mutual Fund does not guarantee future performance of the scheme. **AIG Quarterly Interval Fund - Series I & II are the names of the scheme(s) do not in any manner indicate either the quality of the scheme(s) or their future prospects and returns.** The sponsor is not responsible or liable for any loss resulting from the operation of the scheme beyond the initial contribution of Rs.1 lakh made by it towards setting up the Fund. The scheme(s) are not guaranteed or assured return scheme(s). In addition, the scheme(s) do not guarantee or assure any dividend and also do not guarantee or assure that they will make any dividend distribution, though they have every intention to make the same in the dividend option of the plans. All dividend distributions are subject to the investment performance of the Scheme(s). **Please read the Scheme Information Document of the above scheme(s) and Statement of Additional Information carefully before investing.**

Statutory Details: AIG Global Investment Group Mutual Fund ('the Fund') has been established as a trust under the Indian Trusts Act, 1882, sponsored by AIG Capital Corporation (liability restricted to Rs. 1 lakh). AIG Trustee Company (India) Private Limited, a company incorporated under the Companies Act, 1956, with a limited liability is the Trustee to the Fund. AIG Global Asset Management Company (India) Private Limited, a company incorporated under the Companies Act, 1956, with a limited liability is the Investment Manager to the Fund.

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