

Regd. Office: Ramon House, 3rd Floor, H. T. Parekh Marg, 169, Backbay Reclamation, Churchgate, Mumbai 400 020
 Phone : 022-66316300, Toll Free No. 1800 233 6767, Fax : 022-22821144, e-mail : cliser@hdfcfund.com

website : www.hdfcfund.com

ADDENDUM

- **HDFC Arbitrage Fund**
An Open - ended Equity Fund
 Investment Objective : To generate income through arbitrage opportunities between cash and derivative market and arbitrage opportunities within the derivative segment and by deployment of surplus cash in debt securities and money market instruments.

CHANGE IN THE LOAD STRUCTURE

HDFC Trustee Company Limited, Trustee to HDFC Mutual Fund has decided to revise the Exit Load (non SIP/ STP) in **HDFC Arbitrage Fund - Wholesale Plan**. The details of existing / revised Exit Load are as follows:

Particulars	Existing Provision	Revised Provision
Exit Load (Non SIP/STP)	<ul style="list-style-type: none"> ● In respect of each purchase / switch-in of units, an Exit Load of 0.50% is payable if units are redeemed / switched-out within 3 months from the date of allotment. ● No Exit load is payable if units are redeemed / switched-out after 3 months from the date of allotment. 	<ul style="list-style-type: none"> ● In respect of each purchase / switch-in of units, an Exit Load of 1.00% is payable if units are redeemed / switched-out within 12 months from the date of allotment. ● No Exit load is payable if units are redeemed / switched-out after 12 months from the date of allotment.

The aforesaid change will be applicable on a prospective basis from **July 1, 2009** in respect of investments made in HDFC Arbitrage Fund - Wholesale Plan. The Trustee reserves the right to change / modify the load structure at a later date on prospective basis. All other terms and conditions of the Scheme will remain unchanged.

This addendum forms an integral part of the Scheme Information Document / Key Information Memorandum of HDFC Arbitrage Fund as amended from time to time.

This Addendum is dated June 26, 2009.

Risk Factors: All mutual funds and securities investments are subject to market risks and there can be no assurance that the Scheme's objectives will be achieved and the NAV of the Scheme may go up or down depending upon the factors and forces affecting the securities market. Past performance of the Sponsors and their affiliates / AMC / Mutual Fund and its Scheme(s) do not indicate the future performance of the Scheme of the Mutual Fund. There is no assurance or guarantee to Unit holders as to the rate of dividend distribution nor that dividends will be paid regularly. Investors in the Scheme are not being offered any guaranteed /assured returns. The NAV of the units issued under the Scheme may be affected, inter-alia by changes in the interest rates, trading volumes, settlement periods, transfer procedures and performance of individual securities. The NAV will inter-alia be exposed to Price / Interest Rate Risk and Credit Risk. **HDFC Arbitrage Fund** (an open-ended equity fund, the objective of the scheme is to generate income through arbitrage opportunities between cash and derivative market and arbitrage opportunities within the derivative segment and by deployment of surplus cash in debt securities and money market instruments) is only the name of the Scheme and does not in any manner indicate either the quality of the Scheme, its future prospects and returns. **Wholesale Plan: Entry Load:** Direct Applications & Applications routed through any Agent/Distributor/Broker: Nil. **Exit Load:** As disclosed above. Please read the Scheme Information Document and Statement of Additional Information before investing.

Statutory Details: HDFC Mutual Fund has been set up as a trust sponsored by Housing Development Finance Corporation Limited and Standard Life Investments Limited (liability restricted to their contribution of Rs. 1 lakh each to the corpus) with HDFC Trustee Company Limited as the Trustee (Trustee under the Indian Trusts Act, 1882) and with HDFC Asset Management Company Limited as the Investment Manager.