

MOTILAL OSWAL MUTUAL FUND PRESENTS

MOST SHARES M50

NIFTY 50 REMIXED



NFO Opens: 30 June 2010
Closes: 19 July 2010

Motilal Oswal MOST Shares M50 Exchange Traded Fund

An Open Ended Exchange Traded Fund
India's first Fundamentally weighted ETF based on Nifty

- MOST Shares M50 takes the Nifty 50 constituents and re-mixes them in a different proportion using Motilal Oswal AMC's pre-defined methodology; based on fundamental performance and valuations.
- MOST Shares M50 is an open ended Exchange Traded Fund, giving the investors the benefits of investing in a Mutual Fund that trades like a Share. i.e. a diversified bluechip portfolio, real time liquidity and prices.
- Low cost structure, No Entry/Exit Load.

MOST Shares M50 Frequently Asked Questions (FAQ)

1. What are ETFs?

Exchange Traded Funds (ETFs) are open ended mutual fund schemes, which are traded on stock exchanges like a share and seek investment returns that correspond to the performance of a particular index like Nifty or Basket of Securities like MOST 50.

2. What is MOST Shares M50?

Motilal Oswal MOST Shares M50 ETF (MOST Shares M50) is an open ended fundamentally weighted ETF that seeks investment return that corresponds (before fees and expenses) to the performance of the MOST 50 Basket, subject to tracking error. It's a first of its kind of ETF in India that combines the benefits of fundamentals based investing and rational execution. It also combines the benefit of mutual fund scheme with convenience of trading like a share.

3. What is MOST 50 basket?

MOST 50 Basket is a fundamentally weighted basket based on S&P CNX Nifty Index (Nifty). The methodology is conceptualized and developed by Motilal Oswal AMC. MOST 50 includes all the Nifty 50 stocks but not in the same proportion as Nifty. Weightage of a stock in MOST 50 basket is determined by using Motilal Oswal AMC's proprietary pre-defined methodology that assigns weights based on stock's fundamentals such as ROE, net worth, share price and retained earnings. This is to ensure that companies with good financial performance and reasonable valuation get higher weightage.

4. What is the frequency of change in weightage of stocks in MOST 50 basket?

Weightage of stock in MOST 50 basket will be readjusted as and when there is a change in constituents of Nifty or one year from last change, whichever happens earlier.

5. How is the price of MOST Shares M50 determined?

For all the investment applications received during the NFO period, MOST Shares M50 units will be allotted to investors at a price approximately equal to 1/100th of the value of MOST 50 Basket on the allotment date. For example, if on allotment date value of MOST 50 basket is 7500 then the units will be issued approximately at

Rs. 75/- . NAV of MOST Shares M50 will be published daily at the end of day at 9 p.m. on AMFI website i.e. www.amfiindia.com and also on AMC's website i.e. www.motilaloswal.com/assetmanagement and www.mostshares.com.

Post NFO, MOST Shares M50 will be listed on the capital market segment of NSE and will trade like any other share. Investors will be able to buy & sell the units of the Scheme at the prevailing price on NSE, which though a function of demand & supply, will be around the NAV of underlying MOST Shares M50 portfolio. The indicative intra day real time NAV of MOST Shares M50 will be displayed on AMC's website.

6. What is minimum investment amount in MOST Shares M50?

During NFO period, minimum investment amount is Rs. 10,000/- and in multiples of Re. 1/- thereafter. On an ongoing basis, on the exchange, the units of the Scheme can be bought/sold in round lot of 1 unit.

7. What are the advantages of MOST Shares M50?

- A mutual fund scheme with the convenience of trading like a share.
- Low fees and expenses.
- Combines the benefit of fundamentals based investing and rational execution.
- Owning a diversified portfolio of top 50 stocks at low investment amount.
- Better transparency with daily portfolio disclosure.

8. Where to buy & sell MOST Shares M50?

During NFO, Investors can apply online on BSE Star Platform or on MFSS platform of NSE through their share broker/sub-brokers or through any Mutual Fund distributor. They can also apply directly to Motilal Oswal AMC through physical applications.

On an ongoing basis, MOST Shares M50 will be listed on NSE and investors will be able to buy or sell MOST Shares M50 from NSE through their trading accounts with their brokers/sub-brokers at prices quoted on NSE.

The Large Investors can subscribe/redeem directly with the Fund only in creation unit size i.e. 50,000 units.

Call: 1800-200-6626 | SMS: M50 to 575753

E-mail : mfservice@motilaloswal.com

Website : www.mostshares.com

Website : www.motilaloswal.com/assetmanagement



**MOST
Shares**

Acts like a fund, Trades like a share

Statutory Details: Constitution: Motilal Oswal Mutual Fund has been set up as a trust under the Indian Trust Act, 1882. **Trustee:** Motilal Oswal Trustee Company Limited. **Investment Manager:** Motilal Oswal Asset Management Company Ltd. **Sponsor:** Motilal Oswal Securities Ltd. **Scheme Classification & Investment Objective:** Motilal Oswal MOST Shares M50 ETF (MOST Shares M50), an open ended Exchange Traded Fund that seeks investment return that corresponds (before fees and expenses) generally to the performance of the MOST 50 Basket (Underlying Basket), subject to tracking error. **Asset Allocation:** Securities constituting MOST 50 Basket: 95%-100%; Debt and Money market instruments and cash at call: 0-5%. The total exposure to Derivatives would be restricted to 10% of the net assets of the Scheme. **Load:** Entry Load: Nil Exit Load: Nil **Terms of Issue: Minimum Application Amount: During NFO,** Rs. 10,000/- and in multiples of Re. 1/- each. **Ongoing Basis,** On the Exchange: The units of the Scheme are proposed to be listed on the Capital Market Segment on National Stock Exchange of India Ltd. (NSE). On NSE, the units of the Scheme can be purchased/sold in round lot of 1 unit and in multiples thereafter. Directly with the Fund: The minimum number of units of the Scheme that investors can create/redeem in exchange of portfolio deposit and cash component is 50,000 units and in multiples thereof. **Face Value & Issue Price:** Offer of units of Rs. 10/- per unit for cash at a premium approximately equal to difference between the face value of Rs. 10/- and 1/100th of the value of MOST 50 Basket during the New Fund Offer and at NAV based prices on ongoing basis. **Investor Benefits and General Services:** During NFO, Investors can also subscribe to the units through the mutual fund trading platforms viz. BSE StAR MF of Bombay Stock Exchange Limited (BSE) and Mutual Fund Service System (MFSS) of NSE. The AMC will calculate and publish the first NAV of the Scheme not later than 30 days from the closure of the NFO. Subsequently, the NAVs will be calculated and disclosed at the close of every Business Day. **Risk Factors: (1) All the Mutual Funds and securities investments are subject to market risks and there can be no assurance that the Scheme's objectives will be achieved (2) As the price / value / interest rates of the securities in which the Scheme invests fluctuates, the Net Asset Value (NAV) of units issued under the Scheme may go up or down depending upon the factors and forces affecting the securities market (3) Past performance of the Sponsor/AMC/Mutual Fund and its affiliates does not indicate the future performance of the Scheme and may not provide a basis of comparison with other investments (4) Motilal Oswal MOST Shares M50 ETF (MOST Shares M50) is the name of the Scheme and does not in any manner indicate either the quality of the Scheme, its future prospects and returns. Investors are therefore urged to study the terms of offer carefully and consult their Investment Advisor before they invest in the Scheme (5) The Sponsor is not responsible or liable for any loss or shortfall resulting from the operation of the Mutual Fund beyond the initial contribution made by it of an amount of Rs. 1 Lac towards setting up of the Mutual Fund (6) Motilal Oswal Asset Management Company Limited (MOAMC) has no previous experience in managing a Mutual Fund. The present Scheme is the first Scheme being launched under its management (7) The present Scheme is not a guaranteed or assured return Scheme. **Scheme Specific Risk Factors:** Investment in the scheme shall be subject to various other risk factors including but not limited to risk associated with investment in Equities such as trading volumes, settlement risk, liquidity risk, default risk, tracking error risk, calculating agent risk, Underlying Basket risk, risk associated with investment in derivatives, risk of fundamentally weighted Basket, risk of total return, etc. **IISL Disclaimer:** The MOST 50 Basket is not sponsored, endorsed, sold or promoted by India Index Services & Products Limited (IISL). MOST 50 Basket has been developed by MOAMC and IISL has calculated and maintained as per the specifications and requirements of MOAMC. IISL does not make any representation or warranty, express or implied regarding the advisability of investing in the products linked to MOST 50 Basket and availing the services generally or particularly or the ability of MOST 50 Basket to track general stock market performance in India. Please read the full Disclaimers in relation to the MOST 50 Basket in the Scheme Information Document. **S&P Disclaimer:** "S&P®" and "Standard and Poor's®" are trademarks of S&P, and have been licensed for use by India Index Services & Products Limited in connection with the S&P CNX Nifty Index. MOST Shares M50 is not sponsored, endorsed, sold or promoted by India Index Services & Products Limited ("IISL") or Standard & Poor's ("S&P"), a Delaware limited liability company. Neither IISL nor S&P makes any representation or warranty, express or implied, to the owners of MOST 50 Shares or any member of the public regarding the advisability of investing in securities generally or in MOST Shares M50. 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For further Scheme Specific Risk Factors & other details, **Please read the Scheme Information Document (SID) & Statement of Additional Information (SAI) carefully before investing.** A copy of SID, SAI and KIM alongwith the application form are available at the office of the AMC, R&T, Distributors, or can be downloaded from www.motilaloswal.com/assetmanagement and www.mostshares.com Investors can also contact us on our toll free number 1800-200-6626 or send email at mfservice@motilaloswal.com**