

FAQ on Edelweiss Small Cap Fund

1. What is STeP facility?

Through STeP Facility investors can spread their investments equally over 5 monthly instalments, wherein the initial 20% of the investment amount will be considered upfront in the NFO of the Scheme and the remaining 80% will be invested in Edelweiss Liquid Fund - Growth Option as per the NAV applicable on the date of allotment of Edelweiss Small Cap Fund.

2. When will Trigger exactly occur?

After the 20% of investment on the allotment date, only one trigger will happen from the consecutive month. 20% of amount will trigger in the next month if the market falls by 3%, if the market does not fall trigger will happen on last business day of the month. Similarly, 6% for 2nd month, 9% for 3rd month and so on.

3. Why should I Invest via STeP feature?

Step feature in Edelweiss Small cap fund is a unique feature which will be valid only for the NFO investors. While small cap Index has corrected by 35% from its peak, predicting the bottom is difficult. Though small caps look attractive today investing in a staggered way through STeP facility can reduce the timing risk.

4. What is Minimum amount for STeP feature?

Minimum Investment amount under the STeP facility is Rs. 25000/- and in multiples of Re. 1/- . Investment for an amount of less than Rs. 25000/- will not be eligible for the STeP facility and will be considered under the Lump Sum purchase option.

5. Can I invest in Edelweiss Small cap Fund with STeP Facility under my existing Folio?

A new folio will be opened for all investments received under the STeP Facility. You can later merge this into your existing folio

6. If I have invested via STeP feature can I discontinue the feature in between?

Investment under STeP facility cannot be cancelled although investor have an option to redeem in between from Edelweiss Liquid Fund or Edelweiss Small Cap Fund subject applicable Exit Load.

7. Which NAV will be used for Trigger both for source and target scheme?

For trigger amount less than Rs. 2 lakh, NAV as on the date of Index Fall will be applicable.

For trigger amount Rs. 2 Lakh and above switch-out NAV of the same day and Switch-in NAV will be of next T+1 business Day.

8. If Next day of trigger is Non Business Day (Transaction day on Friday) for source scheme, what will happen?

For trigger amount less than Rs. 2 lakh, NAV as on the date of Index Fall will be applicable.

9. What will happen if an investor redeems during the tenure of the STeP Facility?

In case of redemption of units under Edelweiss Liquid Fund during the tenure of the STeP facility, the amount / number of instalments to be switched would stand reduced to the extent of the amount redeemed or in case of full redemption, the facility will be discontinued.

10. How many maximum triggers can occur in a month.

Maximum one trigger can occur in any particular month.

11. Can US/Canada Investor in Edelweiss Small Cap Fund through STeP Facility?

Due to regulatory challenges US/Canada investor cannot invest via this facility. Although, US investor can invest Lump sum amount.

12. Will the Trigger hit when the index falls by 3% from Previous Month Value?

Triggers are based on the index falls calculated from allotment date. For example if Index Falls 6% in second month itself. First 20% will trigger on first fall of 3% and Next 20% on first business day next month.

13. Simulation of STeP Facility

Post the closure of the NFO of the Scheme, the amount invested under Edelweiss Liquid Fund shall be switched into Edelweiss Small Cap Fund in 4 equal monthly instalments which will be triggered on the basis of 3% fall in the Nifty Small Cap 250 Index on a monthly basis which will be calculated based on the value of the index on the date of initial allotment. In case the above trigger does not occur in a month, 20% of the amount invested during the NFO period will be switched to Edelweiss Small Cap Fund on the last business day of the month.

Please refer to the illustration table below for more information.

ILLUSTRATION SIMULATION - 1				
MONTH	INDEX FALL DATE	INDEX FALL	TRIGGER DATE	TRIGGER
FEBRURAY		NA	7 TH Feb 2019	20%
MARCH	-	NIL	29 th Mar 2019	20%
APRIL	-	NIL	30 th April 2019	20%
MAY	-	NIL	31 st May 2019	20%
JUNE	-	NIL	28 th June 2018	20%

ILLUSTRATION SIMULATION - 2				
MONTH	INDEX FALL DATE	INDEX FALL	TRIGGER DATE	TRIGGER
FEBRURAY		NA	7 TH Feb 2019	20%
MARCH	7th Mar 2019	-3%	7th Mar 2019	20%
APRIL	3rd April 2019	-3%	3rd April 2019	20%
MAY	16th May 2019	-3%	16th May 2019	20%
JUNE	20th June 2019	-3%	20th June 2019	20%

ILLUSTRATION SIMULATION – 3				
MONTH	INDEX FALL FATE	INDEX FALL	TRIGGER DATE	TRIGGER
FEBRURAY		NA	7 TH Feb 2019	20%
MARCH	-	NIL	29 th Mar 2019	20%
APRIL	3 rd April 2019	-2%	30 th April 2019	20%
MAY	16th May 2019	-1% (Total fall since allotment is 3%)	16th May 2019	20%
JUNE	20 th June 2019	-1.3%	28 th June 2018	20%

ILLUSTRATION SIMULATION - 4				
MONTH	INDEX FALL FATE	INDEX FALL	TRIGGER DATE	TRIGGER
FEBRURAY		NA	7 TH Feb 2019	20%
MARCH	-	NIL	29 th Mar 2019	20%
APRIL	3rd April 2019	-3%	3rd April 2019	20%
MAY	16 th May 2019	-1%	31 st May 2019	20%
JUNE	20th June 2019	-2% (Total fall since allotment 3% + 3% = 6%)	20th June 2018	20%

ILLUSTRATION SIMULATION - 5				
MONTH	INDEX FALL FATE	INDEX FALL	TRIGGER DATE	TRIGGER
FEBRURAY		NA	7 TH Feb 2019	20%
MARCH	-	NIL	29 th Mar 2019	20%
APRIL	3rd April 2019	-3%	3rd April 2019	20%
ARPIL	10th April 2019	-1%	-	
APRIL	18th April 2019	-2%	-	
MAY	-	-	1 st May 2018 (Total Fall in previous month was 6%)	20%
MAY	16 th May 2019	-1%	31 st May 2019	-
JUNE	20th June 2019	-2% (Total fall since allotment 3% + 3% + 3% =9%)	20th June 2018	20%