CLAIMS:

1. A system for creating ~~P~~paired/~~S~~split mutual fund units out of same ~~M~~mutual ~~F~~fund scheme /~~U~~units ~~T~~trust scheme which is open ended trading and investment comprising:

~~Input device link module (IDLM) for synchronizing and linking the input device;~~

a plurality of ~~One or more~~ input devices(ID) to input ~~the~~at least one parameters to set at least one benchmark;

an input device link module (IDLM) for synchronizing and linking the plurality of input devices;

~~A~~a benchmark module(BMM) for determining a bench-mark by processing, analyzing and linking a plurality ~~various~~ of input parameters received from the input devices;

~~A~~a memory module(MM) for storing and/or actively / passively updating at least one ~~the said total~~ database consisting of a plurality of ~~various~~ classes of units/shares data on a storage medium;

an ~~A~~arbitration-selection module(ASM) for setting up maturity & relationship _between the plurality of ~~the various~~ classes of units and/or shares with the ~~B~~benchmark, in order that at least one ~~the~~ resultant paired unit achieves zero-sum nature and provide simultaneous issuance / redemption of the plurality of ~~all~~ classes of units/shares for pay offs without division of assets, ~~wherein issuance of units and/or redemption deliver returns linked to various investible and non investible benchmarks without investing them so as to provide income without liquid assets and/or regular distribution of income through increase in the number of units of the same class and/or other various class and for setting up defined maturity;~~

~~Output device link module(ODLM) for synchronizing and linking the output device;~~

~~C~~central control and synchronization unit(CCSU) for synchronizing and controlling operations of all the modules constituting the system;

a plurality of ~~One or more~~ output devices(OD) ~~to output the processed data~~ for providing plurality of process data outputs;~~.~~

output device link module(ODLM) for synchronizing and linking the plurality of output devices;

wherein, the arbitration-selection module(ASM) defines at least one maturity options, set up maturity, set up relationship between the plurality of classes of units and/or shares with the benchmark, setup simultaneous issuance / redemption of the plurality of classes of units/shares for pay offs without division of assets to deliver returns linked to a plurality of investible and non investible benchmarks without investing in the assets representing underlying benchmark, distribute regularly an income generated by underlying investment either directly and/or through increase in the number of units of the same asset class and/or other various class and achieve zero-sum nature with sum total always be 2x for resultant paired unit; and provide flexibility to trade each class of units as different securities either on exchange or on over-the-counter basis.

2. The system according to claim 1, wherein the ~~said~~ input device link module synchronize~~s~~ and link~~s~~ the system to the plurality of input device~~s~~.

3. The system according to claim 1, wherein said input device~~s~~ are ~~is a~~ keyboard~~s~~ and /or another computer~~s~~ and /or cell phone~~s~~ and /or personal digital device~~s~~.

4. The system according to claim 1, wherein ~~said~~ the output device link module synchronizes and links the system to the plurality of output devices.

5. The system according to claim 1, wherein said output devices are ~~is a~~ Display devices and /or printers.

6. The system according to claim 1, wherein the ~~B~~benchmark module is a processor.

7. The system according to claim 1, wherein the input parameter ~~data~~ is comprise of various inputs such as ~~E~~equity ~~i~~index, ~~S~~single o~~f~~r multiple equity shares, ~~A~~any arithmetical relationship between stocks and stocks, indices and indices or stocks and indices, ~~C~~commodity, basket of commodities, commodity indices, weather indices, credit events, interest rates, currency or basket of currency, real estate indices and /or other variable whose value can be derived in objective and non disputable manner, the plurality of input parameters ~~is~~are captured and set through analysis and linking to link it to the units/ shares of the plurality of ~~various~~ classes data stored at ~~from~~ the storage device.

8. The system according to claim 1, wherein ~~a~~the data storage device store~~ing~~ and/or actively / passively update~~ing~~ at least one ~~the said total~~ database consisting of the plurality of ~~various~~ classes of units and / or shares data on the storage medium.

9. The system according to claim 8, wherein said storage mediums are ~~is a~~ hard drives and /or floppy discs and /or CD ROM discs and /or thumb drives.

10. The system according to claim 1, wherein the arbitration-selection module is a processor, the processor having arbitration logic implemented ~~t~~for ~~setting~~ up relationship between the plurality of ~~the various~~ classes of units/shares which are linked to ~~B~~benchmark for achieving zero sum nature and provide simultaneous issuance / redemption of ~~all~~the plurality of classes of units/shares for pay offs, wherein issuing units deliver returns linked to various investible and non investible benchmarks without investing them and/or by regular distribution of income through increase in number of units.

11. The system according to claim 1, where in the system provide options ~~f~~for ~~setting~~ up defined maturity such as early close out option and rollover option.

12. The system according to claim 1, wherein the arbitration-selection module ~~define~~s pay offs which can be linear payoffs, linear leveraged payoffs, nonlinear payoffs.

13. The system according to claim 1, wherein the arbitration-selection module ~~design~~s units with pay offs such as periodic dividend/ periodic bonus/ no dividend option.

14. A method for creating ~~P~~paired / ~~S~~split mutual fund units out of same ~~M~~mutual ~~F~~fund scheme / ~~U~~units ~~T~~trust scheme, collective investment

scheme and investment trust scheme / company which is open ended trading and investment comprising steps of:

~~S~~synchronizing and linking a plurality of ~~the~~ input device~~s~~ for receiving inputs through input device link module;

r~~R~~eceiving at least one ~~the~~ parameter input~~s~~ for determining at least one benchmark through the plurality of input devices;

~~D~~determining the bench mark by processing, analyzing and linking a plurality of ~~various~~ parameter inputs received from the plurality of input device~~s~~ through a benchmark module;

define maturity options;

set up maturity through an arbitration selection module;

setting up relationship between a plurality of ~~the various~~ classes of units/shares with at least one ~~the~~ benchmark through the arbitration selection module;

setup simultaneous issuance / redemption of the plurality of classes of units/shares for pay offs without division of assets to deliver returns linked to a plurality of investible and non investible benchmarks without investing in a plurality of assets representing underlying benchmark, distribute regularly an income generated by underlying investment either directly and/or through increase in the number of units of the same asset class and/or other various class and achieve zero-sum nature with sum total always be 2x for resultant paired unit through the arbitration selection module ~~in order that the resultant paired unit achieve zero sum nature and provide simultaneous issuance / redemption of all classes of units/shares for pay offs, wherein issuing units delivers returns linked to various investible and non investible benchmarks without investing them and/or regular distribution of income through increase in number of units and setting up defined maturity with varied option through the arbitration selection module~~; synchronizing and controlling operations of

all the modules constituting the system through central control and synchronization unit; synchronizing and linking a plurality of output devices to output a plurality of processed data outputs; and provide flexibility to trade each class of units as different securities either on exchange or on over-the-counter~~OTC~~ basis;

~~Synchronizing and linking the output device to output the processed data output~~.

15. The method of claim 14, wherein the step of receiving inputs, receives various inputs such as ~~E~~equity ~~I~~index, ~~F~~fixed incentive index, ~~S~~single or ~~M~~multi basket final incentive index, ~~S~~single or multiple equity shares, relationship between stocks and stocks, indices and indices or stocks and indices, ~~C~~commodity, basket of commodities, commodity indices, weather indices, credit events, interest rates, currency or basket of currency, real estate indices, or any other variable.

16. The method of claim 14, wherein the step of setting ~~up~~ ~~B~~benchmark, sets the benchmark through processing, analyzing and linking various inputs.

17. The method of claim 14, wherein the step of arbitration and selection, set~~s~~ up relationship between the plurality of ~~various~~ classes of units/shares with the ~~B~~benchmark.

18. The method of claim 14, wherein the step of arbitration and selection, set~~s~~ up relationship between the plurality of ~~various~~ class~~es~~ of units/shares with the ~~B~~benchmark in order that the resultant paired unit achieve zero

sum nature and provide simultaneous issuance / redemption of plurality ofall classes of units/shares for pay offs.

19. The method of claim 14, wherein the step of arbitration and selection, sets up relationship between the plurality ofvarious classes of units/shares with the Bbenchmark, wherein issuing units delivers returns linked to various investible and non investible benchmarks without investing them.

20. The method of claim 14, wherein the regular distribution of income is through increase in number of units.

21. The method of claim 14, wherein the defined maturity option can be set through with option of early close out and rollover option.

22. The method of claim 14, issues paired units from plurality of classes units with exactly opposite payoffs wherein the payoffs are zero sum attribute payoff such that their sum total may be always '2x' and the resultant pair may be defined equal or unequal.

23. The method of claim 14 provides linear payoff, linear leveraged payoff or non linear payoff linked to the Bbenchmark.

24. The method of claim 14, providehave flexibility to trade at least one each class of units as different securities either on exchange or on over-the-counterOTC basis.

25. The method of claim 14, providehave operational capability to measure daily entitlement of distribution.

26. The method of claim 14, optionally designs units with periodic dividend/ periodic bonus option on prorate basis.

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STATEMENT UNDER ARTICLE 19 (1)

Claim amendments:

In view of Re Box No. V, Para 1 of the Written Opinion to The International Searching Authority, to define the inventive step clearly Claim 1 and Claim 14 have been amended. The supporting reference for the amendment can be cited on page 12, 16-19 of the Specification and a marked copy of the claim is being submitted.

After amendment to Claim 1 and Claim 14, the scope of the claims does not exceed the disclosure as originally filed.

Inventive Step

US 200710239571 Al (Michaletz), US 200310126058 Al (Hunter), US 2006/0212360 Al (Williams et. al.)

Applicant respectfully traverses these citations and explanation of the International Search Report (ISR) issued by the International Searching Authority (ISA).

Applicant respectfully asserts that Michaletz, Hunter, Williams et. al.*(herein after '* Williams*)* fail to support a *prima facie* case of obviousness, because the cited references fail to teach or suggest all of the elements of the Applicant's invention. For example, even if combined as suggested in the International Search Report, the references would fail to teach setting up maturity & relationship between the various class of units and/or shares with the Benchmark, in

order that the resultant paired unit achieves zero-sum nature and provide simultaneous issuance / redemption of all classes of units/shares for pay offs without division of assets, wherein issuance of units and/or redemption deliver returns linked to various investible and non investible benchmarks without investing them so as to provide income without liquid assets and/or regular distribution of income through increase in the number of units of the same class and/or other various class and for setting up defined maturity, as recited in presently amended independent claims 1 and 14.

Michaletz in Paragraphs [0020]-[0032] describes a method and device for providing income from a range of assets. Applicant respectfully submits, however, that the cited sections of Michaletz not suggest what the Examiner contends.

Nowhere in the cited sections of Michaletz is there mention of process which attends that it is intended to without dividing assets.

Hunter in paragraphs [0032], [0035], [0048], [0061]- [0062] describes tool about analyzing investment opportunities for the selected benchmark and time period. Hunter fails to teach or suggest "simultaneous issuance / redemption of all classes of units/shares for pay offs without division of assets, wherein issuance of units and/or redemption deliver returns linked to various investible and non investible benchmarks without investing them so as to provide income without liquid assets and/or regular distribution of income through increase in the number of units of the same class and/or other various class and for setting up defined maturity" as recited in presently amended independent claims 1 and 14. Additionally, the Examiner does not rely on *these references as reciting such a feature.*

Williams in paragraphs [0032], [0045], [0060]-[0061], and [0547] describes about a method of issuing and managing investment instruments called "Pension Shares" and its payout distribution. Williams fails to teach or suggest "simultaneous issuance / redemption of all classes of units/shares for pay offs without division of assets, wherein issuance of units and/or redemption deliver returns linked to various investible and non investible benchmarks without investing them so as to provide income without liquid assets and/or regular distribution of income through increase in the number of units of the same class and/or other various class and

for setting up defined maturity" as recited in presently amended independent claims 1 and 14.

Therefore, Applicant submits that independent claims 1 and 14 are allowable. Claims 2-13, and 15-26 should be found allowable at least because they each depend directly or indirectly from a respective one of the independent claims 1 and 14, which are allowable for the reasons presented above.

For at least the reasons presented above, Applicant respectfully request the International Bureau to withdraw the rejection of lack of inventive step over the cited documents and issue a favorable International Preliminary Examination Report on Patentability.