

July 06, 2017

**Commission Structure for Period July 01, 2017 to September 30, 2017**

DHFL Pramerica Asset Managers Private Limited						
V - Brokerage Structure (With effect from (With effect from July 2017 to September 2017))						
Scheme Name		Upfront		Trail		
	Exit	Total Upfront	Extra Incentives only for B15	Trail	Trail Applicable From	Trail 2nd Year Onwards
Equity Funds						
DHFL Pramerica Large Cap Fund.	1% - < 12 Months	0.00%	1.50%	1.50%	Day 1	1.50%
DHFL Pramerica Diversified Equity Fund	1% - < 12 Months	0.00%	1.50%	1.50%	Day 1	1.50%
DHFL Pramerica Midcap Opp Fund	1% - < 12 Months	0.00%	1.50%	1.50%	Day 1	1.50%
ELSS Funds						
DHFL Pramerica Tax Savings Fund	NIL	0.00%	1.50%	1.50%	Day 1	1.50%
Arbitrage Funds						
DHFL Pramerica Arbitrage Fund	0.5% - < 1 Month	0.00%	-	0.40%	Day 1	0.40%
Overseas Fund of Funds						
DHFL Pramerica Top Euroland Offshore Fund	1% - < 12 Months	0.00%	1.50%	1.00%	Day 1	1.00%
DHFL Pramerica Global Agribusiness Offshore Fund	1% - < 12 Months	0.00%	1.50%	1.00%	Day 1	1.00%
Hybrid Funds						
DHFL Pramerica Balanced Advantage Fund	1% - < 12 Months	0.00%	1.50%	1.50%	Day 1	1.50%
DHFL Pramerica Income Advantage Fund	1.5% - < 12 Months*	0.00%	1.50%	1.00%	Day 1	1.00%
DHFL Pramerica Equity Income Fund	1% - < 12 Months	0.00%	-	1.00%	Day 1	1.00%
Debt Funds						
DHFL Pramerica Dynamic Bond	1% - < 1 Month	0.00%	-	0.80%	Day 1	0.80%
DHFL Pramerica Credit Opportunities Fund wef May 01, 2017	1% - < 12 Months*	0.00%	0.75%	1.00%	Day 1	1.00%
DHFL Pramerica Premier Bond Fund	Nil	0.00%		0.75%	Day 1	0.75%
DHFL Pramerica Medium Term Income Fund	1% - < 1 Months	0.00%	-	0.40%	Day 1	0.40%
DHFL Pramerica Short Maturity Fund wef May 01, 2017	0.75% - < 6 Months*	0.00%	0.40%	0.70%	Day 1	0.70%
DHFL Pramerica Banking & PSU Fund	NIL	0.00%	-	0.30%	Day 1	0.30%
DHFL Pramerica Inflation Indexed Bond Fund	NIL	0.00%	-	0.50%	Day 1	0.50%
DHFL Pramerica Gilt Fund	NIL	0.00%	-	0.30%	Day 1	0.30%
DHFL Pramerica Short Term Floating Rate Fund	NIL	0.00%	-	0.10%	Day 1	0.10%
Liquid Plus Funds						
DHFL Pramerica Low Duration Fund	NIL	0.00%	-	0.60%	Day 1	0.60%
DHFL Pramerica Ultra Short-Term Fund	NIL	0.00%	-	0.10%	Day 1	0.10%
Liquid Funds						
DHFL Pramerica Insta Cash Plus Fund	NIL	0.00%	-	0.05%	Day 1	0.05%

\* 10% of the units allotted may be redeemed without any exit load with in 1 year from the date of allotment.

Note:- The Table below references the List of the Top 15 cities for which the Structure outlined above will be Applicable

<b>Table 1: List of Cities ( Part of Top 15 Cities)</b>
Mumbai (Include Thane and Navi Mumbai)
New Delhi ( Includes NCR Region )
Bangalore
Hyderabad ( Includes Secunderabad )
Chennai
Kolkatta
Ahmedabad
Kanpur
Lucknow
Surat
Vadodara
Pune
Jaipur
Chandigarh
Ludhiana

The above Table outlines the List of Top 15 cities released by AMFI as per the criteria outlines in the SEBI circular no. CIR/IMD/DF/21/2012 dated September 13, 2012, which shall be amended from time to time.

The **\*Brokerage Structure (Total Upfront)** outlined above will be applicable for all investments sourced from Investors including Non-Resident Indians (NRIs) and other eligible Foreign Investors, Additionally **Extra Incentives applicable only for B 15** for all investments sourced from Investors residing in all locations not covered in the cities outlined in the Table 1 and **will not be** applicable to investments made by NRIs and other eligible foreign investors.

#### **Terms and Conditions:**

- The Brokerage structure mentioned above is applicable for the period** July 01, 2017 to September 30, 2017 *however*; DHFL Pramerica Asset Managers Private Limited (AMC) reserves the right to change the brokerage/commission rates without any prior intimation. The above brokerage structure is based on the present expense ratio charged to the schemes and any change in the expense ratio will also entail a change in the above brokerage structure.
- Frequency of Payment of Upfront Brokerage:** The upfront brokerage payable, if any, as per the above structure will be paid on a monthly basis as per the existing process.
- Recovery of Upfront Brokerage Paid:** The recovery of Upfront Brokerage paid to the Distributor will be made in the following circumstances:

**DHFL Pramerica Asset Managers Pvt. Ltd. (erstwhile Pramerica Asset Managers Pvt. Ltd.)**

2<sup>nd</sup> Floor, Nirlon House, Dr. A.B. Road, Worli, Mumbai - 400030 Tel: +91-22-6159 3000 Fax: +91-22-6159 3100

[www.dhflpramericaamf.com](http://www.dhflpramericaamf.com)

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#### MUTUAL FUND

- a. The Upfront Brokerage paid to a Distributor will be recovered from the Distributor, if the investment for which such upfront brokerage was paid is redeemed/switched out to any other scheme or to the Direct Plans before the completion of the clawback period. The basis for the same will be as outlined in points (b) and (d) below.
- b. For **Brokerage Structure** outlined above (**Total Upfront**), the recovery will be made on pro-rata basis, depending upon the number of days for which the investment has stayed invested in the fund before being redeemed / switched out to any other scheme or to the Direct Plan before the completion of exit load period for the specified fund from the date of allotment.

For redemptions before the clawback period, the recovery of brokerage will be equal to (upfront brokerage paid x (no of days for the clawback period-no of days the monies have stayed in the funds))/(no of days for the clawback period).

- c. The following example explains the same:

An upfront brokerage of 1.00% is paid on an Equity Fund, where the Exit Load period is 1 Year. For and investment of Rs. 1, 00,000/-, a distributor would be paid a sum of Rs. 1000/- as the upfront brokerage. The investor redeems this money exactly after completion of 180 days. In this case, the recovery will be of Rs. 506.85, computed as  $((1000 * (365 - 180)) / 365)$  as per the above formula.

- d. For **\*\*Brokerage Structure** outlined above (**Extra Incentives only for B 15**), FULL RECOVERY of the additional brokerage paid will be done in case the Investor redeems/switches out to any other scheme or to the Direct Plan the amount before the completion of **ONE YEAR** from the date of allotment, irrespective of the Exit Load period applicable to the Fund.

The following example explains the same

An upfront brokerage of 2.50% (1.00% upfront & 1.50% additional upfront) is paid on an Equity Fund, where the Exit Load period is 1 Year. For and investment of Rs. 1, 00,000/-, a distributor would be paid a sum of Rs. 2500/- as the upfront brokerage. The investor redeems this money exactly after completion of 180 days. In this case, the recovery will be of Rs. 2006.85/-  $((1000 * (365 - 180)) / 365 + 1500)$ .

- e. The Recovery will be made from the Brokerage payable to the Distributor for the month in which redemption has been made. E.g. If the redemption has been made in the month of March'16, the recovery will be made from the brokerage payable for the month of March'16 in April'16.
- f. In case the Brokerage payable to the Distributor is insufficient to cover the Recovery amount, the Recovery will be tried for three consecutive months, including the first month when the recovery was tried to be affected. In case the Recovery is still not possible, a demand notice through Registered Post A.D. will be sent to the Distributor asking him to refund the money to the AMC. In case the distributor does not pay the money within 1 month from the date of receipt of the notice, the AMC will initiate appropriate legal proceeding including approaching AMFI for the resolution of the same.
4. Please refer to the Scheme Information document (SID) of the scheme of DHFL Pramerica Mutual Fund, Statement of Additional Information (SAI) together with the addendum issued from time to time, for the minimum amounts for investments, exit loads and other statutory/scheme related information.
5. The computation done by KARVY, Registrar & Transfer Agent of DHFL Pramerica Mutual Fund will be considered to be final for the purpose of the brokerage computation.

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- MUTUAL FUND**
6. The above brokerage structure and the payout thereof are applicable only till the time the Distributor is empanelled with the AMC.
  7. Brokerage will be paid out only for transactions received after the distributor is empanelled with the AMC.
  8. Brokerage Payable on Switches-Inter Scheme switches will be treated as a normal purchase. Upfront brokerage will be paid on switches made between schemes (and not plans within the same scheme), which will be treated like a normal purchase as mentioned above.
  9. The regulations/guidelines issued by SEBI or any other statutory authorities and guidance/ circulars issued by AMFI pertaining to brokerage payment to distributors will also be applicable for payment of the above mentioned brokerage structure.
  10. Any transfer of assets from one distributor to another distributor shall be subject to the provisions of the Best Practices Guidelines on Transfer of AUM from one ARN to another ARN stipulated by AMFI, as amended from time to time.
  11. As per guidelines issued by SEBI Circular No. SEBI/IMD/CIR No. 4/168230/09 dated June 30, 2009, the distributors should disclose all the commissions (in the form of trail commission or any other mode) payable to them for the different competing schemes of various mutual funds from amongst which scheme of DHFL Pramerica Mutual Fund (PMF) is being recommended to the investor. Please ensure compliance.
  12. The brokerage structure communicated from time to time is all inclusive of any cess, charges, taxes, levy's etc. that may be applicable to the distributor.
    - 12.1 Both Parties will comply with the provisions of Goods and Services Tax Laws (hereinafter referred to as "GST Laws" which includes but is not limited to Goods and Services tax Act shall mean Central Goods and Services tax Act, 2017 ('CGST'); Union Territory Goods and Services tax Act, 2017 ('UTGST'); Respective State Goods and Services tax Act 2017 ('SGST') and Integrated Goods and Services tax Act, 2017 ('IGST')). Any change in details such as address, GSTN and contact details shall be intimated to other Party within 10 (ten) days of change.
    - 12.2 Both parties shall be responsible for complying with the requirements of GST Laws such as, including but not limited to, issuing invoice as per GST Laws requirement, uploading the details of the same on GSTN portal, filing of GST returns etc.
    - 12.3 AMC shall not be held liable in case of any mismatch in the report generated by GSTN due to any omission by Distributors in providing such information to AMC.
    - 12.4 AMC reserves the right to clawback or withhold any future brokerage payments for non/incorrect submission of GSTN details to AMC or for any liability, tax, interest, penalty, charges etc. arising on account of non-compliance of GST Laws.

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**MUTUAL FUND**

12.5 Bills raised on and after July 1, 2017 by Registered Distributors should carry tax rate as applicable under GST Laws. Invoices shall be raised in the name of DHFL Pramerica Asset Managers Private Limited with following mandatory details of AMC:-

Name - DHFL Pramerica Asset Managers Private Limited

Address - 2nd Floor, Nirlon House, Dr. A. B. Road, Worli, Mumbai – 400030

Place of Supply – Mumbai

GST No. - 27AACCD9994M1ZR

13. The distributors shall adhere to all applicable SEBI Regulations in force from time to time and more particularly to SEBI circular dated June 26, 2002 and August 27, 2009 on the code of conduct and other guidelines issued by AMFI from time to time for distributors and ensure that (i) no splitting of applications for any benefit is done and (ii) no rebate is given to investors in any form.

14. Distributors will not be entitled on any brokerage on their own investments.

15. Provisions of forfeiture of brokerage will be applicable to transactions on or after April 1, 2014. For transactions upto march 31, 2014, AMC will release brokerage to distributors who fulfill the EUIN compliance requirements, albeit after the remediation period applicable to the transactions. The remediation period of 30 days from the date of transaction will be applicable for transactions after June 30, 2014 as well.

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