

Commission Structure for L&T Mutual Fund

(From 1st April 2015 to 30th April 2015)

Name of the Fund	Prepaid Commission*	Trail(apm)-From Day 1	Total Earnings in Year 1 for T ₁₅ Cities	B ₁₅ Incentive	Total Earnings in Year 1 for B ₁₅ Cities
<u>Equity, Balanced and Hybrid Funds</u>					
L&T India Large Cap Fund L&T Infrastructure Fund L&T India Value Fund L&T Mid Cap Fund L&T India Prudence Fund L&T India Equity and Gold Fund L&T Equity Fund L&T India Special Situations Fund L&T Global Real Assets Fund L&T Indo Asia Fund L&T Tax Advantage Fund L&T Equity Savings Fund L&T Monthly Income Plan	0.75%**	1.00%	1.75%	1.50%	3.25%
L&T Business Cycles Fund	0.75%**	1.00%	1.75%	0.75%	2.50%
<u>Arbitrage Fund</u>					
L&T Arbitrage Opportunities Fund	Nil	0.50%	0.50%	Nil	0.50%
<u>Debt Funds</u>					
L&T Income Opportunities Fund L&T Resurgent India Corporate Bond Fund	0.25%***	0.75%	1.00%	0.50%	1.50%
L&T Triple Ace Bond Fund L&T Short Term Income Fund L&T Flexi Bond Fund	0.25%***	0.75%	1.00%	Nil	1.00%
L&T Short Term Opportunities Fund	Nil	0.50%	0.50%	Nil	0.50%
L&T Low Duration Fund	Nil	0.40%	0.40%	Nil	0.40%
L&T Ultra Short Term Fund	Nil	0.20%	0.20%	Nil	0.20%
L&T Gilt Fund	Nil	0.15%	0.15%	Nil	0.15%
L&T Floating Rate Fund	Nil	0.10%	0.10%	Nil	0.10%
<u>Liquid Funds</u>					
L&T Cash Fund	Nil	0.65%	0.65%	Nil	0.65%
L&T Liquid Fund	Nil	0.02%	0.02%	Nil	0.02%

* L&T IM wishes to enhance the quality of service provided to its investors to improve retention of investments in its schemes. For this purpose, the AMC intends to fund the distributors through a prepayment of commission to enable them to service their clients. The prepayment will be based on the amount invested by the customer at the rates specified in the table above. The distributor is entitled to keep this commission if the investor stays through the exit period. In the event the investment is withdrawn before completion of this period, the proportionate prepaid commission which corresponds to the balance period would be recovered or adjusted against other amounts payable to such distributors.

** For investments > Rs.3 Crore, no prepaid commission will be paid. The prepaid commission indicated above would be paid out in 12 equal instalments.

*** For investments > Rs.5 Crore, no prepaid commission will be paid. The prepaid commission indicated above would be paid out in 12 equal instalments.

Commission Structure for L&T Mutual Fund – Terms and Conditions

(From 1st April 2015 to 30th April 2015)

General

- a) The aforesaid structure is effective from **1st April 2015 to 30th April 2015** and will remain effective till further notice and may change at the discretion of AMC/ as a result of any changes in the law.
- b) **The aforesaid commission rates for prepaid and trail commission is inclusive of service tax and other government levies.**
- c) **Prepaid Commission:** It will be calculated on a monthly basis and paid in the following month.
- d) **Trail Commission:** The Trail Commission is calculated on the basis of 'Daily Average Assets'. This is payable monthly at the annualized rate mentioned.
- e) **In case the investment is redeemed within the exit load period, as applicable, the proportionate Prepaid Commission paid shall be recovered or set-off from other amounts payable.**
- f) Commission/Incentive will be paid on switches/systematic transfer from one scheme to another scheme. However, no commission will be paid in case of change of option in the same scheme except for L&T tax Advantage Fund.
- g) If the total commission payout for a month (including prepaid commission/Incentive) is less than Rs. 250/-, the same would be accrued and carried forward to subsequent months for payouts,
- h) AMC reserves the right to change the commission structure at its sole discretion, without giving any notice.
- i) The AMC reserves the right not to pay Commission/Incentive on assets mobilized through multiple / split applications from the same investor where such arrangement is made with an intention to earn Commission/Incentive otherwise not available on the investment.
- j) In accordance with the clause 4(d) of 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 the scheme is being recommended to the investor. Distributors are advised to ensure compliance of the same.
- k) The rules and regulations of SEBI/AMFI pertaining to commission/incentive payment to distributors will also be applicable for payment of the commission/incentive as per the structure stated above.
- l) The aforesaid commission/incentive structure is based on the present expense ratio allowed by SEBI. Any change by SEBI in the expense ratio will entail a change in the aforesaid commission structure. AMC reserves the right to change, withdraw and / or amend, the above mentioned terms and conditions without any prior notice.
- m) For change of broker code cases, payment of commission will be governed by the requirements of SEBI and / or AMFI.

B-15 Incentive

- a) B-15 incentive is over and above the existing commission and incentives.
- b) B-15 incentive will be payable on the applications procured from residents of all the cities beyond the following 15 cities (as per Pincode Master circulated by AMFI from time to time :
Mumbai (including Thane & Navi Mumbai), Delhi (including NCR), Bangalore, Kolkata, Chennai, Pune, Ahmedabad, Hyderabad, Baroda, Panjim, Jaipur, Lucknow, Surat, Kanpur and Chandigarh
- c) Applications procured from Non-resident Indians will not be eligible for B-15 incentive.
- d) In case the investment is redeemed (lump sum & SIP/STP) within 12 months, the entire B15 incentive paid as above shall be recovered or set-off from other amounts payable in accordance with requirements of SEBI and/or AMFI.
- e) Identification or tagging of a transaction as B15 transaction will be at the sole discretion of AMC and as per the guidelines and list of Pin codes issued by SEBI and/or AMFI from time to time.
- f) Any claims by distributors to change the tagging will not be entertained.
- g) **B15 Incentive on application amounts > Rs. 25, 00,000 will be paid in 12 monthly equated instalments.** However, this cap will not be applicable to L&T Tax Advantage Fund.
- h) The AMC reserves the right not to pay Commission/Incentive on assets mobilized through multiple / split applications from the same investor where such arrangement is made with an intention to earn Commission/Incentive otherwise not available on the investment.