



DISCLOSURE OF SOFT-DOLLAR ARRANGEMENTS

SEBI vide its circular ref. no. SEBI/HO/IMD/DF2/CIR/P/2016/42 dated March 18, 2016 has required AMCs to make disclosure with respect to “Soft Dollar Arrangements” with brokers.

As per the explanation provided in the above mentioned circular, Soft Dollar arrangements refers to an arrangement between AMCs and brokers in which the AMC executes trades through a particular broker and in turn the broker may provide benefits such as free research, hardware, software or even non-research-related services etc., to the AMC.

In this regard, Principal Pnb Asset Management Company Private Limited, (“PPAMC”) would like to disclose that PPAMC does not have Soft Dollar Arrangements with any of our empanelled brokers. However, we may receive benefits like research report/ material, market data services, invitation to meeting with market experts/leaders, invitation to attend conferences etc. Similarly, fixed income being predominantly an over-the-counter market, some brokers provide dedicated phone hot-lines for fixed income dealings which are exclusively used for execution of fixed income trades which helps fixed income dealers to achieve best execution of trades. PPAMC is under no obligation to use services of any brokers in lieu of the benefits provided by them.