

Soft Dollar Arrangements

In terms of Clause F of the SEBI Circular: SEBI/HO/IMD/DF2/CIR/P/2016/42 dated March 18, 2016, Soft-dollar arrangement 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. The soft dollar arrangements between the Asset Management Companies (AMCs) and the brokers should be limited to only benefits (like free research report, etc.) that are in the interest of investors and the same should be suitably disclosed.

In this regard, it may be noted that IIFL Asset Management Limited (IIFL AMC) does not have any Soft-Dollar arrangements with any of its brokers. However, such brokers may provide free research related services which can facilitate in investment decision making process (like research reports, meetings /calls with subject experts, etc.) and / or trade execution related services. Such arrangements are in the interest of investors of IIFL Mutual Fund.