

softlogic INVEST

Softlogic Income Fund

Key Investor Information Document (KIID)

Managing Company: Softlogic Asset Management (Pvt)
Ltd

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Key Facts

Name of the Scheme	Softlogic Income Fund
Nature of the Scheme	Open ended Income Scheme, offering units for sale/redemption every Business Day ¹
Managing Company	Softlogic Asset Management (Pvt) Ltd ²
Trustee	Hatton National Bank
Custodian	Hatton National Bank
Investment Objective	To enhance investment returns through a strategic focus on short-, medium-, and long-term fixed-income investments in government securities, corporate debt, and money market instruments, while actively mitigating risks to deliver regular and stable income to investors.
Approved Investments	<ul style="list-style-type: none">• Repurchase agreements backed by Government securities.• Corporate debt securities (such as corporate bonds, debentures, commercial papers, asset backed securities, trust certificates and any other similar financial instruments) issued by a company which is carrying an investment grade rating of BBB- and above• Deposits with a commercial bank licensed by the Central Bank of Sri Lanka or a specialized bank licensed by the Central Bank of Sri Lanka.• Deposits with a finance company licensed by the Central Bank of Sri Lanka.• Money Market Unit Trust Funds/Income Funds approved by the SEC.
Limitations on investments of the Scheme	<ul style="list-style-type: none">• An open-ended or interval Scheme that is offered to the public shall ensure that in making investments in the securities of any one (1) Issuer, it does not at any given time exceed the percentage of the NAV of the Scheme that may have been specified from time to time by the Commission.• The Scheme shall make investments only as permitted by the trust deed and the KIID
Investment Strategy	The fund shall invest in fixed income securities (a combination of long term, medium term and short term) such as government securities and bonds, corporate debentures, commercial papers, asset backed securities, money market instruments, cash and cash equivalents.

Limitations on borrowing and lending related activities offered to the public	The Further to the limitations specified in Rule 41 of the CIS Code, the scheme shall not borrow by any method whatsoever except where the borrowing of the CIS does not exceed fifteen per centum (15%) of the NAV of the Scheme.
Minimum Initial Investment	LKR 10,000/= ³
Subsequent Investments	In multiples of LKR 10,000/= ³
Inception Date	Xxxx
Entry and Exit Fees	No Front- end fee. Exit fee 1% of redemption sales proceeds if units are redeemed within Sixty Days (60) of purchase date. No Exit Fee if Units are sold after Sixty Days (60) of purchase.
Management Fee	0.50% per annum based on net asset value (“NAV”) of the Scheme ⁴
Trustee Fee	0.15% per annum based on net asset value (“NAV”) of the Scheme ⁴
Custodian Fee	LKR 20,000/= per month ⁴
Eligible investors	Individuals, corporate bodies, non-residents, and foreign institutional investors
Tax Liability	Fund is not liable for income tax in accordance with Inland Revenue (amended) Act 10 of 2021. Investors may consult professional tax consultants with regards to their individual tax liabilities pertaining to investments made in the scheme.
Liability of Unit Holders	Limited to the amount of the investment in units by each unit holder
Price	Latest available selling price given by the Scheme

¹Business day implies weekdays (Monday to Friday), excluding all bank holiday

²Softlogic Asset Management (Pvt) Ltd is licensed by the Securities and Exchange Commission of Sri Lanka (SEC/Commission) to operate this Money Market Scheme

³Currency denomination of the Fund will be in Sri Lankan Rupees (LKR). The issue and redemption of Units of the Fund will be made only in Sri Lankan Rupees (LKR)

⁴Plus applicable taxes

Risk Profile

Sovereign Risk

Sovereign risk refers to the risk that a governmental entity may be unable to repay principal and interest on issued sovereign debt. Furthermore, unless the securities are held to maturity, the market prices of such securities are subject to fluctuation.

Market Risk

Market Risk is the possibility of making a loss on an investment due to factors that affect financial markets overall due to global and local events. Examples of such market risk are political unrest, interest rate uncertainty, regulatory events and natural disasters. Ultimately the balance of supply and demand for a particular security will determine its market value. For example, when there are more sellers than buyers in the market, prices tend to fall and when there are more buyers than seller's prices tend to rise. Market Risk is an inherent risk associated with investments in most securities and cannot be eliminated through diversification.

Interest Rate Risk

This is the risk of the value of a security changing due to a change in the absolute level of interest rates. Generally, when interest rates rise, the prices of bonds fall and vice versa. Interest rates, in turn are affected by a number of factors including but not limited to, government policy, inflation, exchange rate movement and supply and demand of bonds. Typically, securities with longer maturities are prone to greater fluctuations in value.

Liquidity Risk

Liquidity risk is a financial risk arising due to the lack of marketability of a given security. Illiquid securities may result in a loss on the investment as the security may not be able to be sold within the given period of time without distorting the market price.

The Scheme shall maintain liquidity levels as specified by the Commission in terms of Collective Investment Scheme Code (CIS Code) and Directives issued from time to time by the Commission.

Re-investment Risk

Reinvestment Risk is the risk that future coupons and/ or principal will not be invested at the prevailing bond yields. Investors who want to reinvest coupons or principal back into the debt market must now do so under current market conditions. Re-investment risk typically occurs when interest rates have fallen.

Credit Risk

Credit risk refers to the potential loss that an investor may incur if a borrower fails to meet their debt obligations, such as repaying principal and interest on time. This risk is primarily associated with investments in debt securities, including bonds, loans, and other debt instruments.

Inflation Risk

The potential loss of purchasing power due to rising prices over time. Inflation rate overtaking interest yield can create inflationary risk reducing the value of your investment.

The Offer

Original issue price of unit

LKR 100/=

Minimum investment value

The minimum initial investment should be LKR 10,000/- or above.

Fee structure

Front end fees	None
Management fee	0.50% per annum based on the NAV of the Scheme
Trustee fees	0.15% per annum based on the NAV of the Scheme
Custodian fees	LKR 20,000/= per month
Registrar fees	LKR 30,000/= per month
Exit fees	1.00% of redemption proceeds if Units are redeemed within Sixty Days (60) of purchase date.

Scheme Overview

Investment in the Scheme can be made by

Investment in the Scheme can be made by

- Citizens of Sri Lanka who are resident within Sri Lanka and are above 18 years of age (severally or jointly).
- Minors as the first holder when applied jointly with parent, legally appointed guardian *.
- Companies, corporations or institutions incorporated or established within Sri Lanka.
- Provident funds and contributory pension schemes registered / incorporated / established in Sri Lanka.
- Citizens of foreign states whether resident in or outside Sri Lanka, Sri Lankans resident outside Sri Lanka, foreign institutional investors, and companies with limited liability or other bodies /corporates established or incorporated outside Sri Lanka**.
- Global, regional and country funds**

* In the case of investments in the name of minors, dividends if any, as and when distributed by the Scheme will be cumulatively re-invested in Units until the minor attains 18 years of age.

**Payment for the purchase of Units shall be made through an Inward Investment Account (IIA). An IIA is a special account designated for eligible investor's resident in or outside Sri Lanka to route funds to invest in the permitted investments. Licensed Commercial Banks and Licensed Specialized Banks (as permitted) are permitted to open and maintain IIA in the Domestic Banking Unit of a Licensed Commercial Bank and Licensed Specialized Banks (as permitted) in the name of the eligible investor, subject to the terms and conditions stipulated in the Government Gazette bearing no. 2045/56 dated 17.11.2017 and the Directions issued on the same. IIA may be maintained in Sri Lanka rupees or in any designated foreign currency and may be held jointly by eligible investors.

Asset Allocation

Type of Investment	Allocation	Risk
Treasury bills, treasury bonds and other securities issued by the government.	100%	Low-Mid
Debentures, securitized papers and any other fixed income corporate debt securities.	100%	Low-Mid
Repurchase agreements of government securities.	100%	Low-Mid
Deposits in licensed commercial banks or licensed specialized banks.	100%	Low-Mid

The minimum asset allocation will be maintained in accordance with the directive issued by the SEC (Ref: SEC/SUP/2025/10/367).

Valuation

The prices at which investors may subscribe for or redeem Units, are calculated on each Business Day, by reference to the Net Asset Value of the Scheme as at the close of business on the valuation day (as defined in the Trust Deed).

The Managing company's Selling Price for subscriptions on an ongoing basis (subsequent to the Initial Offer Period) as at any dealing day shall be determined by:

- I. Ascertaining the Net Asset Value of the Scheme as at 4.00 p.m. (Sri Lanka time) on the Valuation Day;
- II. Adding such sum that the Managing company considers as representing the appropriate provision for duties and charges which would have been incurred if all the securities and other assets of the Scheme had been purchased on that date at prices equal to their respective value as at 4.00 p.m. (Sri Lanka time) on that day.
- III. Dividing the resulting sum by the number of Units in issue and deemed to be in issue;

The Managing company's Buying Price for redemptions on any Business Day shall be determined by:

- I. Ascertaining the Net Asset Value of the Scheme as at 4.00 p.m. (Sri Lanka time) on that day;
- II. Deducting such sum that the Managing company considers as representing the appropriate duties and charges which would have been incurred if all the securities and other assets of the Scheme had been realized on that date at prices equal to their respective value as at 4.00 p.m. (Sri Lanka time) on that day and any Exit Fee;
- III. Dividing the resulting sum by the number of Units in issue and deemed to be in issue.

Unit Price Information

The Managing company's Selling Price and Buying Price of the Scheme will be published daily on the Managing company's website, www.softlogicinvest.lk

Determination of Net Asset Value

The Net Asset Value of the Scheme will be determined by the Managing company in accordance with the Trust Deed, directives issued by the SEC Valuation methods of investments set out herein may change from time to time because of directives issued by the SEC.

As at the date of this Key Investor Information Document, the following valuation principles shall be applicable to investments in the Scheme:

- Government Securities shall be valued on Mark to Market basis using the daily yield curve released by Central bank of Sri Lanka (CBSL) until maturity. Government Securities shall be valued at cost plus accrued interest basis.
- All Unquoted fixed income securities such as Commercial Papers, Trust Certificates, Asset backed securities with a maturity of less than 397 days shall be valued at a cost-plus accrued basis. Any maturities more than 397 days shall be valued on Mark to Market basis using the daily yield curve released by the CBSL until maturity plus any risk premium attached to the instrument.
- Corporate bonds traded on a recognised market shall be valued at the last traded price. Where there is no trade for 30 calendar days, it shall be valued on Mark to Market basis using the daily yield curve released by the CBSL until maturity plus any risk premium attached to the instrument.
- Repurchase agreements / Deposits with financial institutions / shall be valued at cost plus accrued interest basis.
- Cash -At face value

The Net Asset Value per Unit will be calculated by the Fund Manager using the formula: the total assets of the Scheme less the total liabilities divided by the total number of outstanding Units of the Scheme as at close of business on the Valuation Day. The Net Asset Value of the Scheme and the Units Price will be expressed in LKR.

All liabilities will be deducted from the total value of the Scheme Assets including the expenses referred to in Page 22 of the KIID.

Subject to the provisions of the Trust Deed and the Collective Investment Scheme Code, Unit Holders are entitled to:

- I. inspect the Trust Deed at the office of the Managing Company on any Market Day free of charge and to purchase copies of the same at a price of LKR 1,000 at the office of the Managing Company on any Market Day.
- II. receive statements, annual accounts, and reports of the auditors.
- III. participate in meetings of Unit Holders, subject to the provisions of the Trust Deed; and
- IV. redeem subject to the conditions of the Trust Deed

Tax Impact to Unit Holders

Tax on unit trust investments will be accordance to the prevailing tax laws in the country and may change from time to time.

Reports and Accounts

Unit Holders will be sent the Scheme 's Annual Report and Audited Financial Statements as well as a semi - annual report. The Income Fund Scheme semi-annual and annual reports shall contain disclosures on the term to maturity profile of the Income Fund Scheme underlying investments, such as the distribution of investments grouped by similar maturities.

Governing Laws

The Unit Trust will be managed in accordance with the SEC Act, the Collective Investment Scheme Code, the Trust Deed, and the last published Key Investor Information Document.

Parties Involved

Managing Company

Softlogic Asset Management (Pvt) Ltd, as Manager, will manage the FUND in accordance with this Key Investor Information Document, the Trust Deed, the SEC Act, the CIS Code and any directions which may be issued by the Commission from time to time. Its function includes the issue and redemption of units on behalf of the FUND, making investments and divestments on behalf of the FUND and providing a valuation for the units.

Softlogic Asset Management (Pvt) Ltd has been incorporated on 24th May 2006 and its head office is situated at Level 16, One Galle Face Tower, Colombo 02

The details of the members of the board of directors of Softlogic Asset Management (Pvt) Ltd are as follows:

Name	Address	Status	Principle Occupation of Independent Directors
		Chairman/Non-Executive Independent Director	Vacant
Biyagama Dharshanie Niloo Jayatilake Nee Fernando	Monarch Residencies, Apt. 7-B/2, No 89, Galle Road, Colombo 03	Executive Director	N/A
Tuan Mihar Iftikar Ahamed	700/76, Perera Mawatha, Thalawathugoda	Executive Director	N/A
Rajakaruna Wanigasekara Mudiyanselage Dihan Dananjaya Dedigama	No. 66B/44, Sri Maha Vihara Road, Kalubowila	Non-Executive Director	N/A
Naresh Andrew Abeysekera	450/12, Thibirigasyaya Road, Colombo 5	Non-Executive Director	N/A

Details of the persons acting as portfolio managers are as follows;

Name	Qualifications	Previous experience in managing portfolios of a Scheme
Buddhika Samarathunga	<p>MBA – Finance, University of Bedfordshire, UK</p> <p>Diploma in Applied Banking & Finance, Institute of Bankers of Sri Lanka</p> <p>Diploma in Treasury & Risk Management, Institute of Bankers of Sri Lanka</p> <p>Diploma In Accounting & Finance – Level 7, Pioneer Institute of Business & Technology</p>	More than 11 years' experience in finance sector
Akila Alwis	<p>Diploma of Business & Accounting – Monash College, Australia</p> <p>Bachelor of Business Administration (Accounting) – Monash University, Australia</p> <p>Association of Chartered Certified Accountants (UK) – Currently being pursued</p> <p>Registered Investment Advisor (Equities, Debt, Derivatives & Unit Trusts) – Securities & Exchange Commission of Sri Lanka</p> <p>Certification in Capital Markets (Equities, Debt, Derivatives & Unit Trusts) – Securities & Exchange Commission of Sri Lanka</p>	More than 8 years' experience in the mutual fund industry

The compliance officer of Softlogic Asset Management (Pvt) Ltd is Mrs. Harshani Jayakody.

Investment Advisory Panel

The Investment Advisory Panel is established to advise the Managers with regard to the investing of the Deposited Property. The members of the Investment Advisory Panel shall be appointed and removed by the Managing Company. The details of the members of the Investment Advisory Panel is as follows;

Name	Principle Employment	Experience in the field of investment management
Sudarshan Ahangama	Director – MAS Group of Companies	Mr. Sudarshan Ahangama, oversees all finance functions across the MAS Group whilst simultaneously managing the Treasury, Legal, Audit & Assurance and the Shared Services Functions. He is also a member of the MAS Investments board, which oversees the non-apparel investments of the Group. Prior to joining the MAS Group, Mr Ahangama worked at John Keels Holdings (JKH) Group of companies from 1988 to 2004 and he was appointed to the Board of John Keels Stockbrokers and was its Managing Director until 1999.
Chethana Ellepola	Consultant	Ms. Chethana Ellepola is currently working as a Research consultant at Deloitte, Berlin, Germany (October 2023 – Present). Ms. Ellepola previously worked as research consultant at PwC Sri Lanka (April 2022 to October 2023). Before joining PwC Sri Lanka, she also worked as External relations consultant at S\ASSCOM (Sri Lanka Associations for Software and Service Companies) in June 2021 and also carried the position of Vice President/Investment Manager at M Venture Partners Pte. Ltd, Singapore, which is an early-stage investor and partner in innovative and disruptive start-up ventures. Prior to this, she was the Director of Research at Acuity Stockbrokers (Pvt) Ltd
Shiran Fernando	Chief Economist	Mr. Shiran Fernando is the current Chief Economist at the Ceylon Chamber of Commerce and head of its Economic Intelligence Unit. He is engaged in providing policy-level support and strategic advice to the Government by incorporating the views of the private sector to shape the national economic agenda. Prior to joining the Chamber, Mr Fernando was the Lead Economist and Senior Product Head at Frontier Research.

Investor Guide: Key Facts

Trustee & Custodian

Hatton National Bank PLC
No. 479, T. B. Jayah Mawatha (Darley Road),
P.O. Box 837, Colombo 10,
Sri Lanka.

Registrar and transfer agent

Softlogic Asset Management (Pvt) Ltd
Level 16, One Galle Face Tower,
Colombo 02,
Sri Lanka.

Lawyers

Nithya Partners
97/A Galle Main Rd,
Colombo 03,
Sri Lanka.

Auditors

BDO Partners
"Charter House"
65/2, Sir Chittampalam A Gardiner Mawatha, Colombo 02

Investor Guide: Application Process

Application

(I) Account opening

1. All prospective investors shall open an account with Softlogic Asset Management (Pvt) Ltd before investing into any of its unit trust Schemes.
2. Copies of this KIID and the application forms can be obtained from Softlogic Asset Management (Pvt) Ltd or any other authorized sales agent appointed by Softlogic Asset Management (Pvt) Ltd from time to time.
3. Investors must fill in the mandatory fields of mobile number, correspondence address, e-mail address and bank account details in the account opening application.
4. Bank details: It is mandatory for investors to mention the bank account details in their application. We encourage all redemptions to be credited to this bank account at all times as payments made directly to a bank account is the fastest way to receive redemption proceeds.
5. Duly completed Know Your Customer (KYC) form provided along with the application form.
6. Each application shall accompany the following key documents as well as any additional document(s) to satisfy KYC requirements;
 - a. Individual/Joint accounts – Copy of NIC/Passport of each individual investor
 - b. Minor account – Copy of birth certificate of minor and NIC/Passport copy of the parent/legal guardian
 - c. Corporate/Institutional – Copy of the business registration certificate, articles of association and board resolution
7. Softlogic Asset Management (Pvt) Ltd shall have the right to reject any application which does not fulfill its requirements.

(II) Subscription

Investors may apply for units and make payment for units via a direct bank transfer, cheque or a banker's draft crossed 'A/C Payee Only' made payable to the following collection accounts or any other collection accounts assigned by Softlogic Asset Management (Pvt) Ltd from time to time, which may be published in its website www.softlogicinvest.lk

Completed application along with proof of fund transfer shall be sent to Softlogic Asset Management (Pvt) Ltd., Level 16, One Galle Face Tower, Colombo 02 Sri Lanka.

Softlogic Asset Management (Pvt) Ltd reserves the right to scrutinize, review and reject any application received on an ongoing basis, at its discretion, without assigning any reason. In cases where, according to the Managing company, accepting the same would not be in the best interests of the trust.

Account Name: Softlogic Asset Management (Pvt)

LTD Account Number: 003010534505

Name of Bank: Hatton National Bank (Bank Code: 7083) Name of Branch: Head Office (Branch Code: 003)

Unit allotment/purchases

Purchase orders are processed upon the receipt of a valid purchase form and the realization of funds.

- For funds received on or before 12.00 noon, the closing NAV of the previous day shall apply & units will be created on the same day
- For funds received after 12.00 noon, the closing NAV of the same business day shall apply & units will be created on the next working day.

If funds are received on a non-business day, units will be allocated on the next working day, and the closing NAV of the previous business day shall apply.

Joint holders

In a Joint account (if an account has more than one registered investor), the first-named investor will receive all notices and correspondences with regard to that account.

The application must specify if the account is held 'Jointly' or by 'Anyone'. In the case of an account being held 'Jointly', redemption requests must be signed by all joint holders. Conversely, in the case of an account being specified as 'Anyone', any one of the unit holders will have the power/authority to make redemption requests, without it being necessary for all the unit holders to sign. However, irrespective of an account being specified as 'Jointly' or 'Anyone', the proceeds of the redemptions will be paid to the first-named unit holder at all times. In the event the account has more than one registered unit holder and the mode of holding is not specified in the application form, the default option would be considered to be 'Anyone'.

In case of death/insolvency of any one or more of the persons named in the register of account holders as a joint holder of any account, Softlogic Asset Management (Pvt) Ltd shall not be bound to recognize any person(s) other than the remaining unit holders. In all such cases, the proceeds of the redemptions will be paid to the first-named of such remaining unit holders.

Investor Guide: Redemption Process

Redemption and right to limit redemption

- Redemption requests received on or before 9.00 a.m. on a business day will be processed on the same day using the previous day's closing NAV.
- Redemption requests received after 9.00 a.m. will be processed on the next business day using the NAV of the day the instruction was received.
- Redemption requests received on a non-business day will be processed on the next working day using the closing NAV of the day prior to the processing day.

Payment of redemption proceeds will be made in Sri Lanka Rupees to the first holder and will be dispatched by crossed 'Account Payee Only' cheque by ordinary post within three (3) Business Days after the date of receipt of a valid request for redemption. Unit Holders also have the option of requesting redemption proceeds via direct transfer into a bank account bearing the name of the redeeming Unit Holder.

The maximum interval between the receipt of a valid redemption request and the payment of the redemption money to the holder shall not exceed ten (10) Business Days from the day the request was received. In exceptional cases where it is not feasible or desirable to make payment within ten (10) Business Days, the SEC will be notified immediately with reasons as to why such payment should not be made within the stipulated time.

Where redemption requests on any Business Day exceed ten percent (10%) of the total number of units in issue in the Scheme, requests in excess of the ten percent (10%) may be deferred to the next dealing day, provided the SEC is notified in writing of such deferral.

Switching

A Unit Holder may instruct the Manager to switch his or her investment from any Scheme under the management of Softlogic Asset Management (Pvt) Ltd to another Scheme managed by the same company. Such a request must be made with the written consent of the Unit Holder, either:

- by submitting a written and signed request,
- via the registered email address, or
- through the secure online portal provided by the Managing Company.

A switch will be treated as a redemption from the original Scheme and a new investment into the selected Scheme, and will be subject to the applicable terms and conditions, including any exit or entry fees (if applicable).

Investor Guide: Distributions

Dividends, distributions and re-investment of distributions

Dividend declaration is solely at the discretion of the Managing company.

At an event of a dividend declaration by the Managing company, all distributions shall be either paid out or re-invested in Softlogic Asset Management (Pvt) Ltd Schemes for which new units will be issued for the value of dividends. distributed and will be at the discretion of Softlogic Asst Management. In the event of a minor's account, dividends (if any) will be automatically reinvested in additional units.

The managers to the Scheme will announce to the investor group in the event of a dividend declaration by way of the company website notification giving date of declaration, date of payment and dividend rate.

Investor Guide: Other

Reports and accounts

The annual report and audited accounts shall be made available to current Unit Holders of the Scheme and also be published on the website of the Managing Company, www.softlogicinvest.lk within four (4) calendar months of the end of the last day of the financial year.

The interim report and unaudited accounts of a Scheme for a reporting period shall be published in the website of the Managing Company, www.softlogicinvest.lk and the investors shall be informed of such fact by way of a newspaper advertisement within three (3) calendar month from the end of the interim accounting period.

Fees and charges

Following expenses are paid by the scheme and as a result, such expenses are indirectly borne by the unit holders

Entry and Exit Fees	<ul style="list-style-type: none">• Entry Fee: No front-end fee is charged.• Exit Fee: 1% of redemption proceeds if Units are redeemed within Sixty Days (60) of the date of purchase.• No Exit Fee is charged if Units are redeemed after Sixty Days (60) of the date of purchase.
Management fee	<ul style="list-style-type: none">• A management fee of 0.50% per annum is charged based on the daily Net Asset Value (NAV) of the Scheme and is paid monthly.• Any change in the annual management fee will be communicated to Unit Holders in accordance with the Trust Deed.
Trustee fees	<ul style="list-style-type: none">• A trustee fee of 0.15% per annum is charged based on the daily NAV of the Scheme and is paid monthly.
Custodian fees	<ul style="list-style-type: none">• A fixed custodian fee of LKR 20,000 per month is paid to the Custodian.• Any expenses or disbursements of the Custodian authorized under the Trust Deed will be paid out of the assets of the Scheme

Other Charges and Expenses Incurred by the Scheme

In addition to the fees mentioned above, the following expenses may also be charged to the Scheme as provided in the CIS Code:

- a) The cost of dealing in the assets of the Scheme;
- b) Interest on borrowing permitted under the Scheme and charges incurred in effecting or varying the terms of such borrowings;
- c) The costs and expenses incurred in obtaining a listing of the shares of the Scheme on any licensed securities exchange;
- d) The fees and expenses of the auditor of the Scheme;
- e) The costs incurred in respect of the distribution of income to investors;
- f) The costs reasonably incurred in respect of the publication of prices of units and in respect of the publication and distribution of the Scheme KIID or trust deed, annual and interim reports and accounts;
- g) Any costs incurred in preparation or the modification of the trust deed of the Scheme;
- h) Any other costs, incidental to its operation that may be charged to the Scheme;
- i) Any change in annual charges of the Managing Company;
- j) any expenses or disbursements of the Trustee, which are authorized by the trust deed to be paid out of the assets of the Scheme;
- k) fees payable to the Commission in respect of obtaining approval for a Scheme;
- l) legal expenses incurred in safeguarding the assets of the Scheme;
- m) any other fee approved by the Commission and specified in the trust deed.

Note: Commissions paid to agents shall not be paid out of the deposited property of the Scheme.

Suspension of Dealing

(1) The managing Company may suspend the operations of a scheme in circumstances more fully stated in the trust deed and/or the KIID.

(2) The managing Company shall:

- (a) Obtain the prior approval of the Trustee and the Commission;
- (b) Inform all unit Holders once approval of the trustee and the Commission have been obtained and explaining the reasons for such suspension.

Termination of Fund

- 1) A scheme shall be terminated or wound up upon the occurrence of any of the following events:
 - (a) The approval granted by the Commission to operate the Scheme is cancelled;
 - (b) The Unit Holders representing at least seventy-five per centum (75%) of the total Units in issue (excluding those held by the Managing Company) pass a special resolution to terminate or wind up the Scheme;
 - (c) The scheme has completed its tenure or circumstances exist that warrants the termination/winding up of a Scheme as specified in the trust deed /KIID;
 - (d) The managing Company and the trustee are of the view that the value of the assets of the scheme has fallen below an operationally viable level;
 - (e) The Commission in consultation with the trustee and the managing Company has directed the trustee to wind up the Scheme since the value of the deposited property has fallen below an operationally viable level;
 - (f) Upon an order made by a competent court.
- 2) When a decision to terminate/windup has been made, the managing Company shall:
 - (a) Cease all operational activities of the scheme and cease the issuance cancellation, sale redemption or the transfer of units;
 - (b) Prepare annual audited and interim unaudited accounts and reports up to the completion of the winding up process of the Scheme;
 - (c) Ensure that no changes are made to the register of unit Holders without the agreement of the trustee and Custodian or as directed by a competent court;
 - (d) Immediately notify all unit Holders and the Commission of the commencement of proceedings to terminate/wind up the Scheme and the circumstances leading to such termination/winding up; and
 - (e) Publish a notice with the approval of the trustee in three (3) daily newspapers in three (3) languages within (5) Five days upon completion of such winding up and through the Trustee submit a report to the Commission setting out in detail the steps taken in such process.
- 3) When a decision to terminate/windup has been made, the trustee shall:
 - (a) Liquidate all the assets of the Scheme remaining in its custody;
 - (b) After paying all liabilities or retaining adequate amounts to meet such liabilities and the cost of winding up, distribute to unit Holders the net cash proceeds available for the purpose of such distribution in proportion to the number of units held by the Unit Holders respectively in accordance with these Rules;
 - (c) Arrange for the auditor of the Scheme to conduct a final review and audit of the Scheme accounts and shall submit a copy of such report and accounts to the unit Holders and the Commission within one (1) week upon the trustee receiving such report and accounts.
- 4) Any unclaimed net proceeds or other cash held by the trustee after the expiration of (12) twelve months from the date on which the same becomes payable shall be paid by the trustee to the Public trustee subject to the right of the trustee to retain there from any expenses incurred by the trustee in making such payment.

Delegation of Services

The Managing Company will not be delegating any of the core services such as scheme management, scheme valuation, maintenance of unitholder registry, and the creation and redemption of units to a third party. However, The Scheme's Legal Advisory Services, Tax Consultancy Services and External Audit Service will be provided by external parties. Furthermore, an external party will be providing the software solutions required for the scheme valuations and unitholder registry service. Managing Company is responsible for all actions of commissions and omissions of the third party to whom such function is delegated.

Digital Access

When you use our services, you provide us with certain personal information of yours, directly and indirectly and grant us permission and the limited right to use this information enabling us to provide our services to you more fully. This permission extends to our affiliates and trusted third parties such as Hatton National Bank PLC

In order to better serve the Unit Holders, Softlogic Asset Management (Pvt) Ltd has resolved to increase digital accessibility and have developed internal digital capabilities and uses external digital platforms such as HNB Internet Payment Gateway. When you use these capabilities and platforms our affiliates and trusted Third parties may collect, store and /or process the information collected from you and you agree to link your details to the use of these capabilities and platforms.

Whilst we ensure use of commercially reasonable efforts to engage with our affiliates and trusted third parties we cannot and do not assume responsibility or liability for any errors or omissions, or any loss or damage of any kind incurred as a result of the use of these capabilities and platforms and it is important to familiarize yourself with their privacy policies and terms and conditions before proceeding.

The following table provides details of all the digital service providers of the Softlogic Income Scheme, where the charges listed below will apply only to deposits made through these platforms, in addition to the management fee, trustee fee, and custody fee.

Digital Platform	Service Provider	Service fee charged from the client
1) Dialog Genie	Dialog EzCash	1.5% from investment made via Ez Cash
2) Customer onboarding link Softlogic Invest	Softlogic Invest	No
3) Internal payment gateway	Softlogic Invest & HNB	2.75% from investments made via Bank Debit or Credit Card

General Information

Rights of unit holders

- Redeem units registered in their names
 - Participate and vote at meetings of the unit holders
 - Transfer units on the payment of the appropriate fee
 - Inspect the trust deed
 - Receive financial statements of the Scheme
- (1) The liability of a Unit Holder in the Scheme is limited to the amount, which, at the time when any debts fall due, is equal to the Net Asset Value of the Units held by such Unit Holder.
 - (2) A Unit Holder in the Scheme is not liable for acts or omissions of the Managing company, Trustee or of the Custodian of the Scheme
 - (3) The trust deed is binding on the Managing Company, Trustee, Custodian and each Unit Holder;
 - (4) All assets of the Scheme are held by the Trustee / Custodian

Consent

The following parties have given written consent to include their names in the Key Investor Information Document and have not withdrawn their consent up to the time of publication of this memorandum

- Hatton National Bank PJC
- Nithya Partners
- BDO Partners

Key Information

Important

- We advise our investors to read and retain this document for further reference. If in any doubt about the contents of this Key Investor Information Document we urge our investors to consult the respective Managing company or financial adviser.
- The management company in exceptional circumstances to protect the interests of unit holders in consultation with the Trustee subject to approval of the SEC, will temporarily suspend the sale/redemption units for 90 days.

POTENTIAL CONFLICTS OF INTEREST

The Managing Company may have direct or indirect interest or a relationship with another party provided however the Managing Company shall take all steps to avoid any potential conflicts with the Managing Company's duty to the Unit Holder and always shall ensure that the Unit Holder's Portfolio is not compromised and the Managing Company at all times, act in the best interests of the Unit Holder.

The Managing Company shall make investments on behalf of the Scheme and manage its Portfolio in accordance with the Investment Policy and been compliant with the requirements of the CIS code and Securities and Exchange laws of Sri Lanka, and all dealings will be conducted on a fair and an arm's-length basis.

Approval of the Securities and Exchange Commission of Sri Lanka

The SEC has approved the Softlogic Income Scheme on xx xxxx 2025.

Contact

All inquiries about the Softlogic Asst Management Schemes should be directed to; Softlogic Asset management (Pvt) Ltd.

Level 16, One Galle Face

Tower, Colombo 02,

Sri Lanka.

Email: info@softlogicassetmanagement.lk

Complaints Handling:

If you have a complaint about our services or products, we want to hear from you. We are committed to handling all complaints fairly, promptly, and in line with our internal procedures. All details of our complaints process is available on our website at : <https://softlogicinvest.lk/wp-content/uploads/sites/4/2025/01/Handling-customer-complaints-2025.pdf>

In addition, the handling of complaints will be undertaken in accordance with the provisions set out in Appendix 7 of the CIS Code.

Disclaimer and Declaration

Declarations by the Trustee and the Managing company

Trustee Declaration

Hatton National Bank PLC hereby declare that we will carry out the transactions with the Managing company at an arm's length basis and on terms which are best available for the Scheme, as well as act, at all times, in the best interests of the Scheme's Unit Holders. Hatton National Bank PLC declares that the guidelines issued by the SEC in Circular No. 2/2009 dated 07th January 2009 have been complied with.

The Trustee hereby also declare and certify that we have read and agreed with the representations made in this Key Investor Information Document.

Director

Director

Managing Companys' Declaration

We, Softlogic Asset Management (Pvt) Ltd, hereby declare that we will carry out the transactions with the Trustee at an arm's length basis and on terms which are best available for the Scheme, as well as act, at all times, in the best interests of the Scheme 's Unit Holders. Softlogic Asset Management (Pvt) Ltd declares that the guidelines issued by the SEC in Circular No. 2/2009 dated 07th January 2009 have been complied with.

This Key Investor Information Document has been seen and approved by the Board of Directors of the Managing Company and we collectively and individually accept full responsibility for the accuracy of the information given and confirm that, after making all reasonable inquiries and to the best of our knowledge and belief, there are no facts, the omission of which, would make any statement herein misleading.

Director

Director

softlogic INVEST

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