

**KEY INVESTOR
INFORMATION
DOCUMENT (KIID)**

OF

**FIRST CAPITAL MONEY PLUS
FUND**

IMPORTANT

The following document (KIID) is issued to provide a general overview of the operations of the **FIRST CAPITAL MONEY PLUS FUND (FCMPF)**, an open-ended Unit Trust managed by **FIRST CAPITAL ASSET MANAGEMENT LIMITED**, a company duly licensed as a managing company of Unit Trust funds by Securities and Exchange Commission of Sri Lanka (SEC), by operating in view of investing its Unit holder's Funds exclusively in fixed income securities.

FCMPF is approved by the SEC under the CIS Code 2021 which was issued under the Securities and Exchange Commission Act No. 19 of 2021.

This KIID does not constitute an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation and may be used only in connection with this offering of securities to which it relates by distributors as contemplated herein.

The operations of FCMPF will be carried out solely based on the information contained in this KIID and the documents referred herein. The Unit Holders are thus advised of any information or representation given or made by any person or by any other documents, which are not contained herein, should be deemed as unauthorized and accordingly not be relied, accepted or acted upon.

IMPORTANT: READ AND RETAIN THIS KIID FOR FUTURE REFERENCE. IF YOU ARE IN ANY DOUBT ABOUT THE CONTENTS OF THIS KIID YOU SHOULD CONSULT YOUR ATTORNEY AT LAW, ACCOUNTANT, FUND MANAGER OR OTHER FINANCIAL ADVISORS.

THE PRICES OF UNITS AND INCOME DERIVED FROM INVESTMENTS IN UNITS MAY INCREASE OR DECREASE FROM TIME TO TIME DUE TO MOVEMENTS OF MARKET CONDITIONS.

All inquiries about the FIRST CAPITAL MONEY PLUS FUND should be directed to:

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2, Deal Place
Colombo 3

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1. INTRODUCTION TO THE FUND

1.1 Introduction

The FCMPF is structured as an “Open-Ended Unit Trust” where the investments made by Unit Holders are placed exclusively in a portfolio of Fixed Income Securities under the Collective Investment Scheme (CIS) Code issued under the SEC Act No.19 of 2021. The FCMPF is approved by the Securities and Exchange Commission of Sri Lanka (SEC) under the CIS Code 2021 to issue Units to the public on an ongoing basis.

Based on the nature of the fund and investment objectives, FCMPF is more suited for investors with short term investment objective under lower risk, as the fund doesn't directly expose to the Market, Interest rate risk.

1.2 Corporate Information

1.2.1 Fund Manager
First Capital Asset Management Limited (FCAM)
Date of incorporation : 26 October 1998
No. 2, Deal Place, Colombo 3

1.2.2 Trustee and Custodian
Hatton National Bank PLC
No.479, T B Jayah Mawatha, Colombo 10

1.2.3 Registrars
Janashakthi Corporate Services Limited
No. 2, Deal Place, Colombo 3

1.2.4 Auditors
M/s. Deloitte Sri Lanka
Chartered Accountants
No.11, Castle Lane
Colombo 04

1.2.5 Bankers
Hatton National Bank PLC
No.479, T B Jayah Mawatha, Colombo 10

1.2.6 Lawyers
M/s. Nithya Partners
Attorneys-at-Law
No. 97A, Galle Road, Colombo 3

1.2.7 Tax Advisors
M/s. Amarasekera and Company
Chartered Accountants
No. 12, Rotunda Gardens, Colombo 3

1.3 Managing Company

First Capital Asset Management Limited

First Capital Asset Management Limited was formed in 2002, an Investment Manager and a managing company of a unit trust, licensed by the Securities and Exchange Commission of Sri Lanka (SEC).

Unit Trust shall be managed by managing company in accordance with the provisions of the Securities and Exchange Commission of Sri Lanka Act No 19 of 2021, the provisions of CIS

Code, Trust Deed, the latest published KIID of such scheme and the directives issued by the securities and Exchange Commission of Sri Lanka from time to time.

As part of the First Capital Group which has high visibility and understanding of the financial markets, the Company is able to avail clients of investment options which would otherwise not be available to them. In doing so, First Capital Asset Management Limited secures significantly higher returns on funds entrusted to them for management.

First Capital Group comprises of Six (6) subsidiary companies as listed below.

1. First Capital Asset Management Limited
2. First Capital Limited – Immediate parent of the Group
3. First Capital Treasuries PLC – Primary Dealer in Government Securities appointed by the Central Bank of Sri Lanka.
4. First Capital Markets Limited – Debt structuring, Placements and Corporate Finance Functions.
5. First Capital Equities Private Limited– Licensed Stockbroker.
6. First Capital Trustee Services Private Limited – engaged with Trustee Services for asset backed securitizations and listed debentures

1.3.1 Board of Directors of the Company

Name	Directorship	Address	Principal employment
Mr. Nishan Fernando	Chairman (Independent Non-Executive Director)	No. 116, Katukurunda, Moratuwa	Managing Director: BDO Consulting (Pvt.) Limited
Ms. Manjula Mathews	Deputy Chairperson (Non-Executive Director)	15 A, Ekanayake Avenue, Nugegoda	N/A
Mr. Dilshan Wirasekera	Managing Director (Executive Director)	68/2, G.H. Perera Mawatha, Rathanapitiya, Borelasgamuwa	N/A
Ms. Minette Perera	Independent Non-Executive Director	248/167, Hill Street, Lotus Grove, Dehiwala	None
Mr. Chandana de Silva	Independent Non-Executive Director	26, Anderson Road, Havelock Town, Colombo 05	Director: Eureka Technologies (Pvt.) Limited 24/7 Techies (Pvt.) Limited and Reap Digital (Pvt.) Limited.
Dr. Nishan De Mel	Independent Non-Executive Director	441/4 1/1 Longden Hill, off Thimbirigasyaya Road, Colombo 5	Director: Eureka Technology Partners (Pvt.) Limited

1.3.2 Members of the Investment Committee

Name	Position
Dr. Nishan De Mel	Chairman
Manjula Mathews	Member
Nishan Fernando	Member
Dilshan Wirasekera	Member

Profiles of the members of Investment Committee

Dr. Nishan De Mel - Independent Non-Executive Director

Dr. Nishan de Mel is the Executive Director and Head of Research of Verité Research, a think tank that provides analytical research and advisory services on economic, political, and legal issues in Sri Lanka and Asia. He is an economist with extensive academic, policy, and private sector experience.

He has been a Member of the Presidential Task Force on Health Sector Reform, Presidential Committee on Tobacco, Alcohol and Dangerous Drug Regulation, and the National Steering Committee on Social Security. He has also served as the Executive Director of the International Centre for Ethnic Studies (ICES) and on the Board of the Sri Lanka Foundation Institute, among others. Internationally, Nishan has held several governing, teaching, and research positions, including as Lecturer in Economics at the University of Oxford, UK. His undergraduate degree in Economics is from Harvard University, USA.

He earned his masters and doctoral degrees in Economics at the University of Oxford where he was a Chevening scholar.

Other principal appointments

Director: Eureka Technology Partners (Pvt.) Limited

Manjula Mathews – Deputy Chairperson (Non-Independent Non-Executive Director)

Ms. Manjula Mathews has over three decades of experience in finance, marketing, and general management, both in Sri Lanka and the United Kingdom. She is currently a Deputy Chairperson of First Capital Holdings and its subsidiaries.

Earlier this year Ms. Mathews was appointed to the Board of Habitat for Humanity International, a leading global non-profit with a presence in more than 70 countries. Habitat works with families, local communities, volunteers and partners from around the world so that more people are able to live in affordable and safe homes. Manjula has also been a director of Habitat for Humanity in Sri Lanka since 2016 and is currently in her second term as Board Chair. She has been serving as a Custodian of the Alzheimer's Association of Sri Lanka since 2019. Ms. Mathews's former business positions include that of Managing Director and subsequently Chairperson of Dunamis Capital PLC and its several subsidiaries. She is a former finance director of Janashakthi Insurance PLC and until 2021 served in the capacity of a non-executive director.

More recently Ms. Mathews has focused her energies on more service-minded endeavors working as a counsellor in private practice and as a lecturer at the Colombo Theological Seminary. She is a fellow member of the Chartered Institute of Management Accountants in the UK, and holds a master's degree in Business Administration from the University of Cambridge, UK.

Other principal appointments

Director: Janashakthi Limited, Janashakthi Insurance PLC, Orient Finance PLC and First Capital Holdings PLC

Nishan Fernando – Chairman (Independent Non-Executive Director)

Nishan Fernando is a Fellow Chartered Accountant and a Chartered Global Management Accountant with Associate Membership of the Chartered Institute of Management Accountants, UK. He holds a Master's Degree in Business Administration from the Postgraduate Institute of Management, University of Sri Jayewardenepura, and is a Graduate of the Sri Lanka Institute of Directors.

He counts over 30 years of experience, during which period he has held the position of CFO/ Head of Finance at leading corporates in Sri Lanka.

Nishan is a Past President of the Institute of Chartered Accountants of Sri Lanka. He has served on the International Accounting Education Standards Board of the International Federation of Accountants, and its Consultative Advisory Board. He has also served on the Board of South Asian Federation of Accountants.

Nishan has represented Sri Lanka in the Asian Oceanian Standard Setters' Group for over ten years and was appointed as its Chair in 2020. He currently serves as Vice Chair and is the Chair Elect for 2022-2023.

Nishan acted as a Commission Member of the Securities and Exchange Commission of Sri Lanka and also served on the Accounting and Auditing Standards Monitoring Board, Governing Boards of Postgraduate Institute of Management and of National Institute of Business Management. He has been serving on the Sri Lanka Accounting Standards Committee for over sixteen years and chaired it in 2009-2013 during which period Sri Lanka fully converged with IFRS. He also chairs the SLFRS Implementation and Interpretation Committee of CA Sri Lanka.

Other principal appointments

Managing Director: BDO Consulting (Pvt.) Limited

Dilshan Wirasekera – Managing Director / Group CEO (Executive Director)

Dilshan Wirasekera, Managing Director/ Group Chief Executive Officer of First Capital Holdings PLC is an experienced professional with a career spanning over 26 years, comprising diversified expertise in financial services including, banking, treasury and investment management, capital market strategy and corporate finance advisory services.

Having joined First Capital in 2013, Dilshan steered the Company, a full service investment and advisory services provider in Government Securities, Corporate Finance and Advisory, Asset Management and Stock brokering complemented by an industry-leading Research unit, to establish itself as a significant contributor to the local capital market industry. He spearheaded the formation of key debt structuring deals with internationally based development financial institutions as well the signing of strategic partnerships with foreign institutions focusing on emerging markets such as Sri Lanka.

He was the former General Manager of Softlogic Capital PLC guiding investment and trading portfolio management across subsidiaries inclusive of the Group's Licensed Finance Company, Composite Insurer and Equity Brokerage; prior to which he was the Head of Treasury at Nations Trust Bank PLC.

He specialises in Asset and Liability Risk Management having secured the accolade of leading and representing two Sri Lankan companies in winning the International Bank Asset and Liability competition organised annually by the Netherlands Development Finance Company (FMO), German Investment Corporation (DEG) and Proparco – a subsidiary of the Agence Française de Development (AFD).

Dilshan is an Alumnus of INSEAD having successfully completed his Executive Professional Education at INSEAD Business School, Fontainebleau, France. He is also an Alumnus of the Association for Overseas Technical Cooperation and Sustainable Partnerships, Tokyo, Japan.

Other principal appointments

Chairman: Colombo Stock Exchange (CSE)

Director: Central Depository Systems (Pvt.) Limited (CDS)

1.3.3 Details of Portfolio managers and the Compliance officer

Name	Experience	Academic/professional qualifications
Kavin Karunamoorthy Assistant General Manager (Head of Asset Management)	Counts over 17 years of experience in Treasury and Investment Banking	Master of Business Administration from Cardiff Metropolitan University, UK Dealing certificate offered by ACI Financial Markets Association, Paris, France
Kanagasoorier Kumaravaran - Assistant Manager	Counts over 5 years in portfolio management in the FCAM	Bachelor of Business Administration (Specialized in Finance) from University of Colombo Chartered Financial Analyst by CFA Institute Chartered Management Accountant by CIMA
Shalomi Gunasekara – Executive	Over 3 years of experience in the fields Of Investment Banking and in Asset Management	Pearson Assured Managerial Diploma in Business Administration
Compliance Officer		
Kapila Perera Assistant General Manager - Risk and Compliance	Counts over 15 years of experience in Accounts, Operations and Risk and Compliance	Master of Business Administration from University of Colombo B.Com (SP) Degree from University of Sri Jayewardenepura Fellow Member of Sri Lanka Institute of Credit Management Member of the Institute of Chartered Professional Managers of Sri Lanka Diploma in Treasury and Risk Management from the Institute of Bankers Sri Lanka

1.3.4 Shareholders

Shareholder name	Number of shares	% holding
First Capital Limited	15,339,999	98.71%
3i Infotech Limited	200,000	1.29%
First Capital Holdings PLC	01	0.00%

1.4 Trustee and Custodian

Hatton National Bank PLC (HNB) perform the functions of Trustee and Custodian for the FCMPF. The Trustee’s responsibilities are mainly to exercise due diligence and vigilance over the Fund with the objective of safeguarding the interests of the Unit Holders. The Trustee is the legal owner of the Fund’s assets and will hold them on behalf of the Unit Holders. It is also responsible for ensuring that the Manager performs its obligations of all payments on behalf of the Fund and for appointing the Fund’s auditors. The liability of the Trustee and the Manager is limited to the NAV of the fund and the outstanding investment amount of the Unit holder.

The trust deed is binding on the Managing Company, Trustee, Custodian, and each Unit holder.

1.5 Investment Objectives and Strategies

The Objective of the FCMPF is to yield higher return to Unit Holders while minimizing their risk through investments in short term Fixed Income Securities placed according to the parameters stated in the CIS Code.

The management and operational teams of First Capital Group will employ risk management tools to accommodate the various risk and liquidity considerations attached to different types of securities.

The manager will seek to diversify the portfolio by investing in government debt securities and corporate debt securities, issued by different companies spread over different industries for eligible tenors. FCMPF will only invest the funds in short-term investment opportunities which will mitigate the counterparty risk. Furthermore, the investments will be diversified to further reduce the counterparty risk and to achieve higher returns to the investors under calculated risk. The investments and risk factors are illustrated in the Section 1.8.

1.6 Permissible investments

The investments considered by FCMPF will include following as per the CIS Code, 2022:

- (a) treasury bills and repurchase agreements on government securities with a maturity of less than 397 days;
- (b) treasury bonds with a remaining term to maturity of less than 397 days;
- (c) deposits with banks and finance companies licensed by the Central Bank of Sri Lanka with a maturity of less than 397 days;
- (d) commercial papers issued by listed or rated corporate entities with a maturity of less than 397 days;
- (e) listed corporate debentures with a remaining term to maturity of less than 397 days;
- (f) asset-backed securities issued by a listed or rated corporate entity with a remaining maturity of less than 397 days; or
- (g) repurchase agreements on listed corporate debt securities and unlisted short term corporate debt securities, such as commercial papers and asset back securities, where such agreements can have a maximum tenure of 91 days. (No rollovers are permitted beyond 91 days). The corporate debt securities related to such repurchase agreements should be transferred to the custody of the Trustee on the trade day of the transaction.

Note :
“listed” refers to the listing of the entity or instrument at an Exchange licensed by the SEC.
“rated” refers to ratings issued by any Credit Rating Agency licensed by the SEC.

1.7 Investment Restrictions

Investments that will be made by FCMPF will be inline with the CIS Code, 2022 any directive issued time to time by the SEC, at all times. The fund will not make any investment that are restricted through the said code, or any directive issued time to time by the SEC.

Instrument	Description	Minimum rating	Risk factors
Government Securities	Short-term debt instruments (TBills or TBonds) issued by the Govt. of Sri Lanka	N/A	Reinvestment risk Liquidity risk Default risk (Generally carries zero default risk subject however to any decision taken by the Government to restructure local debt) Policy, political and other macro-economic risks
Repurchase agreements (Repo) on Govt. Securities	Repo on TBills and TBonds	N/A	Default risk Policy, political and other macro-economic risks
Commercial Papers	Short term debt instrument		Default risk

	issued by a Body of Corporate in Sri Lanka	BB	Credit-rating migration risk Reinvestment risk Liquidity risk Policy, political and other macro-economic risks
Corporate Debentures	Long term debt instrument issued by a Body of Corporate in Sri Lanka	BBB-	Default risk Credit-rating migration risk Reinvestment risk Liquidity risk Policy, political and other macro-economic risks
Repurchase agreements (Repo) on Corporate Debt Securities	Repo on Corporate Debt instruments listed above	As mentioned above	Default risk Policy, political and other macro-economic risks
Asset Backed Securities	A Corporate Debt security that is based by a receivable or any other security portfolio	BB	Default risk Credit-rating migration risk Reinvestment risk Liquidity risk Policy, political and other macro-economic risks
Deposits with Finance Companies and Banks	Fixed or any other deposit make with Bank or Finance Company licensed by CBSL	BBB-	Default risk Policy, political and other macro-economic risks

1.8 Instruments and Risk Factors

The fund's investments will be broadly subject to the above-mentioned risks. The manager cannot eliminate these risks but will employ its resources towards minimizing such risks while pursuing the fund's objective of achieving superior yields for Unit Holders. The mix of investments will differ from time to time at the discretion of the manager with adequate liquidity maintained in the form of near-cash investments at all times.

The fund will take investment decisions to manage risk and return under calculated level. Liquidity levels stipulated by CIS Code will be maintained by taking appropriate portfolio re-balancing decisions.

1.9 Liquidity requirement

FCMPF is a short-term fund and there could be flow of redemptions that the fund may have to facilitate with the changes occur in economic conditions in the country. Hence, the fund will take appropriate actions to maintain the liquidity levels stipulated by the CIS Code. Liquidity of Corporate debt market in Sri Lanka is at a lower level. However, the manager is in a position to dispose such instruments, if a contingency situation occur, using the market reach possess within the First Capital Group.

As per the CIS Code, FCMPF shall maintain following liquidity levels

- 5% of its NAV maturing on an overnight basis;
- 10% of its NAV maturing on a weekly basis;

- 20% of its NAV maturing on a monthly basis.

1.10 Limitation on borrowing

FCMPF may require borrowing funds in order to facilitate redemption requests by the clients. However, as per the CIS code, 2022, FCMPF shall not borrow by any method whatsoever except where the borrowing;

- is temporary and is for a period not exceeding three (3) calendar months;
- does not exceed the percentage of the NAV of the Scheme as may have been determined by the SEC by way of its directives; and
- is not used to leverage investment returns.

1.11 Transfer of Units

The Unit Holders may instruct the Manager to transfer their investments to any other Unit Trust managed by the Manager (if any). Unit holders are required to tender specific written instructions for the transfer of Units and it will be subject to "Redemption of Units" under 2.11 herein this document.

1.12 Currency Denomination of Units

All pricing and transactions of the Fund will be denominated by Sri Lankan Rupees (LKR).

2 INVESTMENT IN UNITS

2.1 Issue of new Units under this KIID

Eligible investors are hereby invited to invest in Units of FCMPF on a continuous basis by this KIID. No upper limit has been set to the number of Units the Fund can issue..

2.2 Investment Scheme

Investor can purchase Units at the prevailing market price.

Initial issue price on 27th April 2024 was LKR 1,000/- per unit and valid for a period determined by the manager which will not exceed 21 business days. No redemptions will be facilitated during this initial offer period.

2.3 Eligibility to Invest

- a. Citizens of Sri Lanka, Companies and Institutions incorporated in Sri Lanka.
- b. Pension Funds, Provident Funds and other legally constituted bodies incorporated in Sri Lanka.
- c. Minors under the age of 18 years may apply for units, but the application should be made by a parent or guardian on behalf of such minor.
- d. Non-citizens/institutions incorporated outside Sri Lanka based on the rules stipulated through Foreign Exchange Act time to time.

2.4 Allotment of Units

Units are allotted to an investor when funds are received (realized), subject to the cutoff times imposed by the Bankers, in support of an application for the purchase of Units duly made to the managing company via

- written instruction (in writing or through e-mail)
- through online portal
- mentioning NIC or Customer reference number as the deposit/transfer reference

All allotments in respect of investments where payment is made by Banker's drafts and cheques will be made only after the realization of funds subject to the cutoff times imposed by the Bankers

2.5 Dividends and Reinvestment of Dividends

The Managing company may decide to distribute the whole or part of the earnings as dividends to the unit holders in line with the guidelines of CIS Code. Generally, the dividend is decided by the managing company at the end of the financial year (31st March).

Unit Holders of the FCMPPF are given the option of re-investing declared dividends in fresh Units at the existing selling price offered by the Manager.

2.6 Minimum Subscription

The minimum initial subscription by an investor for Units, is LKR 1,000/-.

2.7 Mode of Payment

Payment for Units should be made;

- **Cheque/ banker's draft:** in favor of "First Capital Money Market Fund Collection Account" crossed Account Payee only and sent to First Capital Asset Management Limited, 2, Deal Place, Colombo 03, Sri Lanka or deposited to the Bank accounts mentioned below.

- **Direct Deposits/Transfers:**

Account Name	:	First Capital Money Plus Fund – Collection account
Bank	:	Hatton National Bank PLC – Corporate Branch
Number	:	003010553193

2.8 Issue of transaction receipts

Investor will receive a transaction receipt upon each investment which is not required to be submitted at the next subscription or redemption.

2.9 Bank Account Details

The clients must specify a bank account number (authorized account) in the mandate form to which redemptions are to be remitted. Where the bank account details of a client have subsequently changed, a proof of account ownership must be submitted by the client at the time of redemption or before.

2.10 Refunds

Refunds of subscription monies to applicants, whose applications are invalid for any reason whatsoever, will be dispatched within 14 working days of the receipt of the application.

2.11 Redemption of Units

Unit Holders may, in general, redeem the Units on any subscription day at the Manager's buying price relevant to that subscription day, subject to the following conditions.

a. A written request, fax or email (subject to submission of a duly signed email/fax indemnity), redemption request through First Capital Online Portal must be submitted to the

Manager by the Unit holder. Automated withdrawals/payments/transfers made through the Credit/Debit card issued to the Unit holder and payments/transfers made through the HNB Digital Banking Applications will also be treated as a valid request made for a redemption.

b. In the case of joint holders, signatures should be placed based on the method of providing instructions stated initially at the point of account opening..

c. Applications for redemption (other than redemptions made through Credit/Debit card and HNB Digital banking application) should be submitted to the Manager before 9.00 a.m. on a settlement day. Any request received after 9.00 a.m. will be processed on the following settlement day.

d. Clients who opt not to have a transaction receipt instead a unit trust (UT) certificate should surrender the original UT certificate to make their redemptions at all times and those who fail to surrender the original UT certificate should be supported by a valid indemnity / affidavit.

e. The proceeds on redemption of Units will be transferred to authorised account (refer 2.9) or made by a cheque. If the client requires the funds to be transferred to a different Bank account owned by the client, details of the same should be properly mentioned in the instruction.

f. Payment to third party Bank accounts will be made under the "Third party payment procedure" followed by FCAM. A call-back process will be followed to ensure authenticity of the instructions provided.

g. Charges related to Redemption will be accounted to the Fund and not be charged from the client. However, all charges related to obtaining, subscribing, and using the facilities related to the integrated Bank account will be deducted from the client's investment by way of a redemption.

h. Where applicable, redemption requests on any dealing day exceed ten (10) per centum of the total number of units in issue, redemption requests in excess of the ten (10) per centum may be deferred to the next dealing day provided the SEC is notified in writing of such deferral.

i. Redemption requests to withdraw the total investment held by a client will only be facilitated on the next dealing day in order to comply with Section 36.4 of the CIS Code.

2.12 Pledging the Units

Unit Holders are provided with the facility of pledging their Units with financial institutions as collateral at the request of the Unit Holders and subject to the approval of the Trustee.

2.13 Application/Mandate Forms

An eligible client can open a Unit investment account prior to purchasing of Units. Account opening forms can be obtained from the main office of FCAM or the client can open the account through non-face-to-face method by using the e-onboarding facility provided through the website (<https://firstcapital.lk/digifirst/>) and/or mobile application of the manager or the facility provided by the Colombo Stock Exchange.

2.14 Obtaining ATM and other value added facilities

FCMPF provides the facilities of redeeming unit investments through Credit/Debit card issued to the Unit holder and/or through payments/fund transfers facilitated by HNB through the digital banking application. In order to obtain this service, the client should open a special bank account with HNB and details of such Bank account will be linked to the Unit Trust investment account opened under FCMPF.

With the ATM facility, the client will be able to redeem investments made with FCMPF using the Credit/Debit card. Additionally, client can redeem investments made with the FCMPF using client's Bank account without having a time restriction. The maximum amount (daily and transaction limit) a client can redeem through the ATM facility is Rs. 50,000.00.

Charges related to obtaining, subscribing, or using these facilities should be borne by the client and the same will be reduced from the investment balance.

The client requires to maintain a minimum investment balance of Rs.250,000.00 (or any other balance the Managing Company decides from time to time) in order to enjoy this facility. The Managing Company will have the discretion of activating and discontinuing these facilities.

The unit holder will be liable for any ATM-related transactional risk that will arise through using this facility with the bank account opened with HNB.

3. VALUATION OF UNITS

The offer price and the redemption price are calculated daily by the Manager as follows;

3.1 Selling/Offer Price

This is the price at which fresh Units are offered to investors at that particular subscription day.

The selling price/offer price at any subscription day is determined by;

- a. Ascertaining the value of the net asset of the Fund as at 4.00 p.m. (Sri Lankan Time) on the day the buying/subscription request was received .
- b. Adding such sum that Manager may consider as representing the appropriate provision for duties and charges.
- c. Dividing the result sum by the number of units in issue.

3.2 Buying or Redemption Price

This is the price which the Manager will offer to existing Unit Holders at a particular subscription day for redemption of Units.

The buying price or the redemption price at any subscription day is determined by;

- a. Ascertaining the value of net assets of the Fund as at 4.00 p.m. (Sri Lankan Time) on the day the selling/redemption request was received.
- b. Deducting there from such sum that Manager may consider as representing the appropriate duties and charges which would have been incurred if all the securities and other assets of the Fund would have been realized on that date at the prices equal to their respective value as at 4.00 p.m. (Sri Lankan Time) on the day the selling/redemption request was received.
- c. Dividing the resulting sum by the number of units in issue.

3.3 Valuation Policy

All fixed income securities shall be valued on cost plus accrued interest basis.

3.4 Number of Unit holders

Minimum number of unit holders is Fifty (50) and no limit on maximum number of unit holders.

4. FEES AND CHARGE

4.1 Front End Fee

There is **NO** Front End Fee applicable for this Fund.

4.2 Management Fee

0.50% per annum of the net asset value of the Fund will be calculated daily and paid monthly.

4.3 Trustee Fee

0.15% per annum of the net asset value of the fund. This is all Inclusive and will be calculated daily and paid monthly.

4.4 Exit Fee

There is **NO** Exit Fee applicable for this Fund.

4.5 Other Fees to be paid out of Deposited Property

- (i) Any expenses or disbursements of the custodian which are authorized by the trust deed of Scheme to be paid out of the assets of the Scheme;
- (ii) the cost of dealing in the assets of the Scheme;
- (iii) interest on borrowing permitted under the Scheme and charges incurred in effecting or varying the terms of such borrowings;
- (iv) the costs and expenses incurred in obtaining a listing of the shares of the Scheme on any licensed securities exchange;
- (v) the fees and expenses of the auditor of the Scheme;
- (vi) the costs incurred in respect of the distribution of income to investors;
- (vii) 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;
- (viii) any costs incurred in preparation or the modification of the trust deed of the Scheme;
- (ix) any other costs, incidental to its operation that may be charged to the Scheme;
- (x) any change in annual charges of the Managing Company;
- (xi) any expenses or disbursements of the Trustee, which are authorized by the trust deed to be paid out of the assets of the Scheme;
- (xii) fees payable to the Commission in respect of obtaining approval for a Scheme;
- (xiii) legal expenses incurred in safeguarding the assets of the Scheme;
- (xiv) any other fee approved by the Commission and specified in the trust deed.

*Commissions paid to agents will not be paid out of the assets of the Scheme.

5. TERMINATION OF FCMPF

FCMPF 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 fund 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 fund;
- (c) the fund has completed its tenure or circumstances exist that warrants the termination/winding up of a fund 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 fund has fallen below an operationally viable level;
- (e) the SEC in consultation with the Trustee and the Managing Company has directed the Trustee to wind up the fund since the value of the deposited property has fallen below an operationally viable level;
- (f) upon an order made by a competent court.

When a decision to terminate/windup has been made, the Managing Company shall:

- (a) cease all operational activities of the fund 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 fund;

- (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 SEC of the commencement of proceedings to terminate/wind up the fund 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 SEC setting out in detail the steps taken in such process.

When a decision to terminate/windup has been made, the Trustee shall:

- (a) liquidate all the assets of the fund 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 fund to conduct a final review and audit of the fund accounts and shall submit a copy of such report and accounts to the Unit Holders and the SEC within one (1) week upon the Trustee receiving such report and accounts.

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.

6 GENERAL INFORMATION

6.1 Rights of Unit Holders

- a. Inspect the Trust Deed and latest KIID
- b. To redeem subject to the conditions of the Trust Deed all or part of the Units registered in their name.
- c. To receive periodical statements, annual accounts and reports of Auditors.
- d. To participate in meetings of the unit holders subject to provisions of the Trust Deed.

6.2 Periodic Reports and Accounts

Subject to the SEC approval, interim financial statements shall be published in the web site of FCAM (<https://firstcapital.lk/unit-trusts/>) within 3 calendar months from the end of interim accounting period (30th September). This will be published by way of newspaper advertisement within the period mentioned.

Subject to the SEC approval, annual reports and audited financial statements shall be published in the web site of FCAM (<https://firstcapital.lk/unit-trusts/>) within 4 calendar months from the end of accounting period (31st March). This will be published by way of newspaper advertisement within the period mentioned to make it available to the current unit holders.

Any other reports (Fact sheets, KIID etc.) will also made available on the website of FCAM (<https://firstcapital.lk/unit-trusts/>).

Trust deed of the scheme can be accessed by the client through the website of FCAM (<https://firstcapital.lk/unit-trusts/>).

6.3 Suspension of Dealing

The Manager may suspend the dealing during the following instances with the approval of the Trustee and the SEC.

- a. The existence of any state of affairs which in the opinion of the Manager constitute an emergency.

- b. Any period when there is a breakdown in the communication normally employed by the Manager in determining or ascertaining the price of their investments.
- c. Any period when remittance of monies which will or may be involved in the realization of their investments or in the payment of such investments cannot be carried out within a reasonable time.
- d. Any other contingent situation that might occur due to natural or man-made disasters.

The Manager shall inform all unit holders once approval of the Trustee and the Commission have been obtained and explaining the reasons for such suspension.

The suspension of dealing will be lifted immediately after the Manager is satisfied the situation/situations mentioned above ceases to exit.

6.4 Taxation

The scheme will be liable to pay any taxes charged by the issuers, service providers or any other stakeholders which may be stipulated by the Government time to time. Impact to the scheme and the method of passing the same to the Unit holders may vary based on such tax laws.

It is advised that Investors consult their tax advisors/professionals before investing in Units of FCMPF.

6.5 Conflicts of interest related to services offered by Group companies

FCAM and First Capital's other Group companies are engaged in a broad spectrum of activities in the financial services sector. Conflict may arise in the following areas:

- portfolio trading transactions (outright sales and purchases)
- portfolio management
- corporate finance
- corporate debt, structuring, placement and debt related services

The Company carries out transactions with parties who are defined as related parties as per Sri Lanka Accounting Standard (LKAS 24), in the ordinary course of its business. The details of such transactions are reported to the Related Party Transactions Review Committee of FCH for the purpose of review and approve. The pricing applicable to such transactions is based on the assessment of risk and pricing model of the Company and is comparable with what is applied to transactions between the Company and its unrelated customers. Related party transactions were made on terms equivalent to those that prevail in arm's length transactions.

Further, investment transactions with related parties of the FCAM will only be conducted after obtaining prior approval of the Trustee. Related party transactions stated in Rules applicable to Managing Companies will be disclosed in the interim and annual reports of the managing company and FCMPF.

6.6 Transactions of the Scheme and Personal Trading

FCAM accepts its fiduciary duty to ensure that client-welfare is not subordinated to the Company's interests or any of its personnel.

Employees are permitted to personally invest their own monies in securities, which can also be, from time to time, recommended to clients, within certain limitations. In order to ensure fiduciary integrity, staff authorized to perform investment management duties must follow these guidelines if engaging in personal trading:

- No employee acting as an portfolio manager or who has discretion over a client account, shall buy or sell securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, by reason of his/ her employment, unless the information is also available to the investing public on reasonable inquiry;
- No employee shall prefer his or her own interest to that of a client;

- Personal trades are reviewed and approved by the Compliance officer who monitors all transactions executed by the employees to ensure the same are without any conflict and in line with the market
- Employees are required to follow the compliance procedures established in line with regulatory requirements and any individual employee not in observance will be subject to disciplinary action as may be determined by the Compliance Officer.

6.7 Third party service providers

The following services related to core operations of the business are provided by third party service providers. Details of such service providers are mentioned.

Service outsourced	Service provider	
	Name	Address
Core application and maintenance	SasiaNet (Pvt) Limited	24, Torrington Ave, Colombo 07
Lawyers	M/s. Nithya Partners	No. 97A, Galle Road, Colombo 3
Tax advisor	M/s. Amarasekera and Company	Chartered Accountants No. 12, Rotunda Gardens, Colombo 3
Document management service	Techone Global	435/16, Arangala Kottawa Road, Hokandara North Arangala, Hokandara
Server maintenance services	Data Management Systems	159, Dharmapala Mawatha, Colombo 07

Managing Company is responsible for all actions of commissions and omissions of the third party to whom services are delegated.

7.0 Disclaimer

The purpose of this KIID is to provide essential information about the FCMPF in a manner that assists and enables the client in making an informed decision relating to the services offered. The information contained in this KIID is not intended and should not be used or construed as an offer to form a valid contract between the Scheme and the client. A definitive Account opening process will be followed upon the execution of a formal documents. The risks mentioned in this Investment Manager Services Guide is not an exhaustive list of investment risks. Prospective clients should carefully read the entirety of this KIID prior to making a decision to avail of the service offering of the Scheme.

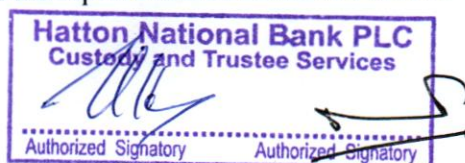
8.0 KIID

This KIID is dated 22nd March 2024 and can be inspected in our website (<https://firstcapital.lk/unit-trusts/>) and free of charge at First Capital Asset Management Limited, No 2, Deal Place, Colombo 3.

This document does not constitute an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation and maybe used only in connection with offering of units to which it relates by distributors as contemplated herein.

The Board of Directors of the Trustee hereby declares that it will carry out the transactions with the Managing Company at an arm’s length basis and on terms which are best available for the fund, as well as act, at all times, in the best interests of the fund’s Unit Holders.

The Board of Directors of the Trustee also hereby declares that they have complied with the requirements of the guidelines issued by the SEC. The Trustee further certifies that it has read and agrees with the representation contained herein.



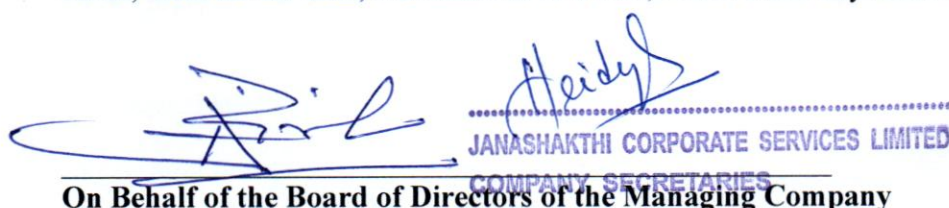
On behalf of the Board of Directors of the Trustee

"The Board of Directors of the Managing Company hereby declares that it will carry out the transactions with the Trustee at an arm's length basis and on terms which are best available for the fund as well as act, at all times, in the best interests of the fund's Unit Holders.

The Board of Directors of the Managing Company hereby declares that they have complied with the requirements of the guidelines issued by SEC.

The Board of Directors of the Managing Company hereby declares that Managing Company is responsible for all actions of commissions and omissions of the third parties (mentioned under Section 2.7) to whom such function is delegated.

This KIID 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.



On Behalf of the Board of Directors of the Managing Company



DEFINITIONS

"**Act**" means the Securities and Exchange Commission of Sri Lanka Act No.19 of 2021 and any amendments made thereto.

"**Accounting Date**" means in the case of any final Accounting Period, the date on which the moneys required for the final distribution are transferred to the Distribution Account, and in any other case, 31st day of March in each year, provided that the Managers may, with the prior written consent of the Trustees, change the Accounting Date to any other date approved by the Trustees upon giving not less than twenty one days (21) notice to the Trustees and the Holders.

"**Accounting Period**" means a period ending on and including an Accounting Date and commencing (in the case of the first such period) on the date on which the Deposited Property is first paid or transferred to the Trustees or (in any other case) from the date immediately after the end of the preceding Accounting Period.

"**Auditors**" mean auditors of the Trust appointed by the Trustee with the approval of the Commission in terms of the CIS Code.

"**Authorized Investment**" means any Investments generally or specifically permitted by this Deed, the CIS Code and any directions given by the Commission from time to time

"**Business Day**" means a day on which Commercial Banks are generally open for business in Sri Lanka.

"**CIS Code**" means the Collective Investment Code of 2022 framed by the Commission under the Act and any other amendments or modifications or substitutions made thereto.

"**Commercial Banks**" shall mean Commercial Banks licensed in terms of the Banking Act No.30

of 1988 and any amendments thereto.

“Commission” means the Securities and Exchange Commission of Sri Lanka established by the Securities and Exchange Commission of Sri Lanka Act No.19 of 2021.

“Connected Person” in relation to the Manager or Trustee means-

(a) any person, owning directly or indirectly, twenty per centum (20%) or more of the ordinary share capital of the trustee or the licensed managing company, or is able to exercise directly or indirectly a twenty per centum (20%) or more of the total votes in the trustee or the licensed managing company.

(b) a company, twenty per centum (20%) or more of whose ordinary capital is owned directly or indirectly, together by the trustee and the licensed managing company or twenty per centum (20%) or more of the total votes are exercised directly or indirectly by the trustee and the licensed managing company.

(c) a director or officer of trustee, or the licensed managing company of a Scheme or a company referred to in paragraph (b).

“Dealing Day” means a day on which subscription for Units and redemption of Units can be effected as specified in relevant schemes, introduced under this Trust Deed.

“Deposited Property” means all the assets (including cash and earnings on cash deposits) for the time being held or deemed to be held by the Trustee on behalf of the Scheme and subject to the provisions of this Deed, excluding any amount for the time being standing to the credit of the Distribution Account.

“Directors” shall have the same meaning as in the Companies Act No.7 of 2007 as amended.

“Distribution Account” means an account which has been set up by the Trustees to hold income for distribution to Unit holders.

“Fund / Scheme” means the Scheme formed pursuant to this Deed.

“Holder” means the person for the time being entered in the Register as the Holder of a Unit and includes persons so entered as joint Holders.

“Initial Offer Period” means the initial period in which units are offered to the public and indicated in the KIID of the Fund.

Key Investor Information Document / KIID means the document issued by the Manager from time to time containing information with regard to a Scheme to invite offers from members of the public to subscribe for or purchase units in the Scheme.

“Management Fee” means any sum to which the Managers may become entitled for the service provided.

“Managers” shall mean a managing company approved by the Commission to operate a Scheme

“Net Asset Value (NAV)” means the value of the Deposited Property less the amounts deductible in terms of Clauses 21.1, 21.2, 21.4 of this Trust Deed and any principal amount of borrowings (together with any interest and other charges thereon accrued but remaining unpaid) effected by the Trust for the time being outstanding;

“Offer Price / Selling Price” is the price which may be charged by the Managers from the Holders for the issue of an Unit and which shall be published in at least one (1) leading Sri Lankan daily newspaper or on the web site of the Managing Company.

“Redemption” means the purchase of Units from the Holders by the Manager as principal and ‘redeem’ shall be construed accordingly.

“Redemption Date” means the day on which Redemption takes place.

“Redemption Price / Buying Price” is the price which may be payable by the Managers to the

Holders on the redemption of an Unit and which shall be published in at least one (1) leading Sri Lankan daily newspaper or on the web site of the Managing Company.

"Register" means the register of the Holders

"Rupees" or **"Rs"** mean rupees and **"cents"** or **"cts"** mean cents in Sri Lankan currency, unless otherwise stated.

"Subscription Day" means every Business Day during which the Managers issue Units provided that the Managers may with the prior written consent of the Trustees decide as they deem appropriate, any particular Business Day not to be a Subscription Day upon giving not less than seven days (07) notice to the Trustees.

"Transaction Receipt" means any notification or confirmation or acknowledgement receipt issued by the Managers which may be computer generated and/or which may be transmitted or delivered by wire, telephone, satellite, cable or any other such electronic, magnetic or optical media.

"Trust" means the said Scheme constituted by this Trust Deed as modified or added to from time to time with the approval of the Commission and called by the name "" or such other name as the Trustees and the Managers may mutually agree upon from time to time.

"Trustees" means Hatton National Bank PLC or such other person or persons for the time being duly appointed trustee or trustees hereof in succession to Hatton National Bank PLC under the provisions of Clause 25.

"Trustee Fee" means any sum to which the Trustees may become entitled for the services provided.

"Unit" means one undivided share in the Trust.

"Value" means with reference to:

- (1) Investments related to Financial Securities should be valued at cost plus accrued interest basis using the discounting method
- (2) Investments related to deposits should be valued at cost plus accrued interest basis

Provided however that the 'Value' shall at all times be computed in accordance with any directions given by the Commission and the guidelines issued by the Unit Trust Association of Sri Lanka

"Year" means calendar year and **"Month"** means calendar month