

o3



**o3 Securities Private Limited**

**Portfolio Management Registration Form**



CONTENTS			
Sr. No.	Particulars	Brief Significance of the Document	Page No.
1	Account Opening Form (Individual)	Document captures the basic information about the Individual Applicant	1 – 5
2	Account Opening Form (Non Individual)	Document captures the basic information about the Individual Applicant	6 – 10
3	Discretionary Portfolio Management Agreement	Document stating the Rights & Obligations of the Portfolio manager and Client (including risks associated with dealing in the securities market)	11 – 27
4	List of Securities Annexure	Document detailing the format required to be provided by clients who are doing a security transfer as a mode of investment to us.	28
5	Declaration of Interest	Declaration of Interest in various body corporates and Investment restrictions	29
6	Investment Approach	Details of investment objective, indicative tenure and risks associated with the investment approach	30 – 32
7	Power of Attorney (POA)	Execution of this POA authorizes the Portfolio Manager to operate the client's Demat and Bank account(s)	33 – 36
8	Electronic Communication	Consent Letter for receiving the statements, reports & Documents via Email	37
9	Online Access of reports	Letter for availing the Online Access for reports regarding investments	38
10	Fees & Charges Schedule	Document detailing the Fees and other charges levied on the client for the Portfolio management services and the illustration explaining the methodology for charging the fees and charges	39 – 41
11	FATCA / CRS Information (Individual)	FATCA / CRS self certification confirming the details of residence(s) for tax purposes	42 – 43
12	UBO & FATCA / CRS Information (Non Individual)	Details of ultimate beneficial owner including additional FATCA / CRS certification	44 – 49
13	Systematic Transfer Plan form	Document to be provided by clients for availing the Systematic Transfer Plan facility	50 - 51
14	Specimen of Board Resolution / Declaration	Format of the Board Resolution for Company/firm/Trust and Declaration by Partnership firm/Trust/HUF	52 – 53

### **o3 SECURITIES PRIVATE LIMITED**

No. 5, Crescent Road, High Grounds, Bangalore - 560001, Karnataka, India. CIN:U67120KA2008PTC047749

SEBI PMS Regn. No. : INP000005430 Phone: +91 80 42410000 Fax: +91 80 42410022

Website: [www.o3.am](http://www.o3.am) | Email: [pmsassist@o3capital.com](mailto:pmsassist@o3capital.com)

**Compliance Officer** : **Devender Kumar Pathak**  
Tel: +91 80 42410014 Email Id: [compliance@o3securities.com](mailto:compliance@o3securities.com)

**Investor Relations Officer** : **Sudeep Srikantaswamy**  
Tel: +91 80 42410000 Email Id: [sudeep.srikantaswamy@o3capital.com](mailto:sudeep.srikantaswamy@o3capital.com)

**Managing Director** : **Shyam Sunder Shenthar**  
Tel: +91 80 42410000 Email Id: [shyam.shenthar@o3capital.com](mailto:shyam.shenthar@o3capital.com)

For any grievance / complaint, please contact us at the above address or email to [helpdesk@o3securities.com](mailto:helpdesk@o3securities.com)

- On receipt of grievance / complaint we would endeavour to resolve the complaint within 30 days of its receipt. Investor relations officer would be primary contact for the clients and would internally work with other team members to get the complaint resolved.
- You may escalate it to the Managing Director in case the query remains unresolved for a period of 30 days.
- In case grievance is not addressed to your satisfaction, you may also lodge the grievance with SEBI's web based Complaints redressal system <http://scores.gov.in>. For any queries, feedback or assistance, please contact SEBI Office on Toll Free Helpline at **1800 266 7575**.

<b>List of Supporting Documents – Non Individual</b>		
<b>Sr. No.</b>	<b>Certified Documents by Karta required for HUF account</b>	<b>No. of Copies</b>
1	PAN Card of the HUF	2
2	Proof of Address of the Karta	2
3	PAN Card of the Karta	2
4	Proof of Address of the Karta	2
5	HUF declaration	2
6	List of Coparceners/Members of the HUF along with the specimen signatures	2
7	Passport Size Photographs of the Karta	2

<b>Sr. No.</b>	<b>Certified Documents by Partners / Trustees for Partnership firm or Trust account</b>	<b>No. of Copies</b>
1	PAN Card of the Partnership firm / Trust	3
2	Proof of Address of the Partnership firm / Trust	3
3	Self attested PAN Card of all the Partners / Trustees	3
4	Self attested Proof of Address of all the Partners / Trustees	3
5	Resolution on the letterhead Partnership firm/Trust to open the PMS account, Depository a/c and/or Bank account specifying the names of the Authorised Signatory(ies) certified by all the the Partners/Trustees	3
6	List of all the Authorized Signatories and Partners / Trustees with their photographs and Specimen Signatures	3
7	Certified copy of the Partnership Deed / Trust Deed	3
8	Certified copies of Balance sheet for the latest 2 financial years	3

<b>Sr. No.</b>	<b>Certified Documents for Corporate account</b>	<b>No. of Copies</b>
1	PAN Card of the company	3
2	Proof of Registered Address of the company	3
3	Board Resolution on the company letterhead to open the PMS account, Depository account and/or Bank account specifying the names of the Authorised Signatory(ies) in the prescribed Format	3
4	Self attested PAN Card of all the Directors / Authorised Signatory(ies)	3
5	Self attested Proof of Address of all the Directors / Authorised Signatory(ies)	3
6	List of all the Directors and Authorized Signatories along with their photographs and Specimen Signatures	3
7	Certificate of incorporation (CIN)	3
8	Certified copies of Memorandum and Articles of Associates (MOA & AOA)	3
9	Certified copies of Balance sheet for the latest 2 financial years	3
10	Latest Shareholding Pattern of the company on the letterhead	3
11	PAN and Address proof of Beneficial Owner having shareholding > 10% (in case of where judicial person is company) & > 10% (in case of where judicial person is firm / trust / body of individuals / unincorporated association)	3

<b>For Office Use Only</b>		
Documents verified with Originals / In person Verification done by		
(Originals Verified) Self Certified Document copies received	Name	
	Signature	
	Designation	
	Employee Code	
	Date	
Referred By (From o3)	Employee Name	
	Employee Code	
	Employee Signature	

**o3 SECURITIES PRIVATE LIMITED**

No. 5, Crescent Road, High Grounds, Bangalore - 560001, Karnataka, India. Phone: +91 80 42410000 Fax: +91 80 42410022

Website: www.o3.am Email: pmsassist@o3capital.com

CIN:U67120KA2008PTC047749 | SEBI PMS Regn. No. : INP000005430

**ACCOUNT OPENING FORM (NON INDIVIDUAL)**

**STATUS**

Public Ltd. Co.  Private Ltd. Co.  Partnership firm  HUF  LLP  FPI  Trust  Others

**DETAILS OF APPLICANT**

Name of Applicant

Registration No. (e.g. CIN)

Date of Incorporation         Place of Incorporation

PAN  GST No

Annual Income  1-5 Lacs  5-10 Lacs  10-25 Lacs  25 Lacs – 1 Cr  1- 10 Cr  > 10 Cr

Net worth in Rs. \_\_\_\_\_ as on         (Not older than 1 year)

**MAILING ADDRESS**

City  State

Country  Pin/Zip Code

Telephone No.(1)  Mobile No.

Telephone No.(2)  Fax No.

Email Id

**REGISTERED ADDRESS (if different from above)**

City  State

Country  Pin/Zip Code

Telephone No.(1)  Mobile No.

Telephone No.(2)  Mobile No.

Email Id

**KRA Status**

KRA  Y  N

## BANK ACCOUNT DETAILS

Name of the Bank

Branch Address

City  State

Country  Pin/Zip Code

Account Number

Account Type  Savings  Current  Others

IFSC Code  UPI Id

## OTHER DETAILS

Whether registered with other Broker/Portfolio Manager  Yes  No

If yes: Name of Broker/Portfolio Manager

Exchange Name

Details of disputes/dues pending from/to such Broker/Portfolio Manager \_\_\_\_\_

Details of any action taken by SEBI/Stock Exchanges/any other authority for violation of securities laws/other economic offences (if any)  
 Yes  No

If Yes, furnish the details: \_\_\_\_\_

## INVESTMENT EXPERIENCE / PREFERENCE

Investment Experience  No prior experience  Equity (Years)  Derivatives (Years)  Other Investment Products

Expected time period of investment   Number of Years

Systematic withdrawal if required  Monthly  Quarterly  Half Yearly  Annually Amount (Rs.) \_\_\_\_\_

Investment Horizon  Long Term  Medium Term  Short Term

Investment Objective  Capital Appreciation  Regular income  Both

Risk Tolerance  Low  Medium  High

Portfolio Construction for Client  Equity  Balanced  Debt  Mutual Fund  Others \_\_\_\_\_

Indicative percentage of total investment portfolio proposed to be invested with the Portfolio Manager (optional) \_\_\_\_\_%

Preferences/Restrictions (Please mention if you have specific preferences and/or restrictions with regard to certain businesses, stocks or sector)  
 \_\_\_\_\_

## INTRODUCER DETAILS (OPTIONAL)

Introducer's

Name Address

City  State

Country  Pin/Zip Code

Telephone No.  Mobile No.

Signature of the Introducer

**Please tick ✓ as applicable**

Politically Exposed Person (PEP)     
  Related to Politically Exposed Person (RPEP)     
  Not Applicable

**DEPOSITORY ACCOUNT DETAILS**

DP Name

Depository     
  CDSL     
  NSDL     
 DP Id      
 Client Id

**DECLARATION**

"I/We have received the Disclosure Document provided by the Portfolio Manager prior to entering into Portfolio Management Service Agreement. I/We have read & understood the terms and conditions of Disclosure Document, Portfolio Management Service Agreement as well as the fee structure and undertake to abide with the provisions of the same.

I/We hereby declare that the details furnished above are true and correct to the best of my/our knowledge and belief and I/we undertake to inform you of any changes therein, immediately. In case any of the above information found to be false or untrue or misleading or misrepresenting, I am/we aware that I/we may be held liable for it.

I/We hereby declare that I am/we are not a US person, within the meaning of the United States Securities Act, 1933, as amended from time to time; and that I am/we are not applying on behalf of proxy holders of a person who is a US person.

I/We undertake to provide all the disclosures as required under SEBI (Insider Trading) Regulations, Prevention of Money Laundering Act 2002, SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as amended from time to time or any other Act/Regulation.

I/We hereby declare that the amount given/to be given by me/us to the Portfolio Manager for investing on my/our behalf is derived through legitimate sources and is not held or designed for the purpose of contravention of any act, rules, regulations or any statute or legislation including the Income Tax Act, Prevention of Money Laundering Act, 2002, Anti Corruption Act 1988 or any other applicable laws or any notifications, directions issued by any governmental or statutory authority from time to time.

I/We hereby request you to treat the proceeds of the Demand Draft/Banker's Cheque or funds transferred as proceeds from my/our behalf. I/We agree to indemnify o3 Securities Private Limited in the event of any claim/loss by o3 Securities Private Limited due to this.

I/we hereby declare that I/we will immediately inform o3 Securities Pvt Ltd in case I am/we are convicted under any grounds or any action is taken against me/us by any authority.

In case of Non-Residents, I/We here confirm that I/we am/are Non-Resident of Indian Nationality / Origin and I/we have entered into the PMS agreement as per FEMA Rules and Regulations, which are in force, from time to time. I/We hereby confirm that the funds for investment have been remitted from abroad through approved banking channels or from funds in my / our Non Resident External / Ordinary Account / FCNR Account."

Passport Size Photograph

Sign across Photo

Passport Size Photograph

Sign across Photo

Passport Size Photograph

Sign across Photo

	First Authorised Signatory	Second Authorised Signatory	Third Authorised Signatory
Name			
Signatures			

(Please affix the seal)

## INVESTMENT APPROACH

TYPE OF PORTFOLIO	INVESTMENT AMOUNT (RS.)
<b>DISCRETIONARY</b>	
CORE VALUE- CONCENTRATED / REGULAR	
SPECIAL SITUATIONS	
THEMATIC OPPORTUNITIES PORTFOLIO	

## PAYMENT DETAILS

AMOUNT (RS.)		SECURITIES*
BANK & BRANCH NAME		
ACCOUNT NO. & TYPE		
CHEQUE / DD NO.		
DATE		

\*List of securities along with details as to scrip name, ISIN and quantity should be provided separately in **Annexure 1**.

## MODE OF OPERATION (Please tick as applicable)

Singly     
  Jointly     
  As per Resolution

## RISK FACTORS

Securities investments are subject to market risks and there is no assurance or guarantee that the objectives of the portfolio will be achieved. As with any securities investment, the value of the portfolio can go up or down depending on the factors and forces affecting the capital markets. o3 Securities Private Limited is not responsible or liable for losses resulting from the operations of the portfolios. The value of the portfolios offered in this document may be affected by changes in general market conditions, factors and forces affecting capital markets, in particular, level of interest rates, various market related factors and trading volumes, settlement period and transfer procedures. The liquidity of the portfolio investments are inherently restricted by trading volumes in the securities in which it invests. Investors in the portfolios are not being offered any guaranteed returns. Derivatives are specialized instruments that require understanding not only of the underlying instrument/security but of the derivative itself. Derivatives require maintenance of adequate controls to monitor the transactions entered into and the ability to forecast prices or interest rate movement correctly. There is a possibility that a loss may be sustained by the portfolio as a result of failure of another party (referred to as counterparty) to comply with the terms of the derivatives contract. Other risks in using derivatives include the risk of mispricing or improper valuation of derivatives, lack of liquidity and the inability of derivatives to correlate perfectly with the underlying assets, rates and indices.

	First Authorised Signatory	Second Authorised Signatory	Third Authorised Signatory
Name			
Signatures			
			

(Please affix the seal)

## FOR HO USE ONLY

DP Id	<input style="width: 100%; height: 20px;" type="text"/>	Client Id	<input style="width: 100%; height: 20px;" type="text"/>
Bank Name	<input style="width: 100%; height: 20px;" type="text"/>		
Bank A/c No	<input style="width: 100%; height: 20px;" type="text"/>		
Checked By	<input style="width: 100%; height: 20px;" type="text"/>	Date	<input style="width: 100%; height: 20px;" type="text"/>
		PMS Client Id	<input style="width: 100%; height: 20px;" type="text"/>

**Details of Promoters / Partners / Karta / Trustees / Authorised Signatories and whole time directors for Non-Individuals**

Name of Applicant		PAN of the Applicant					Signature		
Sr. No.	PAN	Name	Designation	DIN (For Directors)/ UJD (For Others)	Residential / Registered Address	Photograph	Signature		
<b>Name &amp; Signature of the Partners / Karta / Trustees / Directors / Authorised Signatory(ies)</b>							Date		



\*(Please use additional annexure if the space provided is not sufficient)

## DISCRETIONARY PORTFOLIO MANAGEMENT AGREEMENT

**THIS DISCRETIONARY PORTFOLIO MANAGEMENT AGREEMENT** (hereinafter referred to as "Agreement") is made at Bangalore this \_\_\_\_\_ day of \_\_\_\_\_ by and between **o3 Securities Private Limited**, a company incorporated under the Companies Act, 1956, and having its registered office at No.5 Crescent Road, High Grounds, Bangalore - 560001, Karnataka (hereinafter referred to as the "**Portfolio Manager**"/"**o3 Securities Private Limited**" which expression shall include, unless repugnant or inconsistent to the meaning or context thereof, be deemed to mean and include its successors and permitted assigns) of the **One Part;**

**Mr/ Ms/ M/s** \_\_\_\_\_ an Individual/NRI/FPI/Trust/HUF/Co-operative Society/a Sole Proprietary Concern/a Body Corporate/Partnership Firm/LLP registered /incorporated/formed under the provisions of the Companies Act, 1956/2013/LLP Act, 2008/Indian Partnership Act,1932 having his/her/its residence/registered office at \_\_\_\_\_

(hereinafter referred to as "the Client" which expression shall include, unless repugnant to or inconsistent with the subject or context thereof, his/her/its successors, heirs, administrators and executors) of the **Other Part;**

(The Portfolio Manager and the Client are hereinafter individually referred to as 'Party' and collectively as 'Parties')

### WHEREAS

1. The Portfolio Manager is a Portfolio Manager registered with the Securities and Exchange Board of India (SEBI) vide Registration No.**INP000005430**.
2. The Portfolio Manager is engaged in investing funds of its clients in Securities and providing Portfolio management services to its clients on discretionary basis.
3. The Client is desirous of engaging the services of the Portfolio Manager for managing the investment of his/her/its funds on a discretionary basis to avail the portfolio management services from the Portfolio Manager.
4. The Portfolio Manager and the Client hereby record their mutual understanding and their common intention in the manner as hereinafter provided. The Portfolio Manager has provided the Client with a Disclosure Document as specified in V of the Regulations, along with a certificate in Form C as specified in the Regulations.

**NOW THIS AGREEMENT WITNESSETH AND IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES HERETO AS UNDER:**

### 1. DEFINITIONS AND INTERRETATIONS

#### 1.1. Definitions

**"Agreements"** means the Discretionary Portfolio Management Agreement and shall include all modifications, alterations, additions or deletions thereto made in writing upon mutual consent of the Parties hereto.

**"Assets"** means the funds and securities standing to the credit of designated Cash Account(s) and DP Account(s), which are managed by the Portfolio Manager in terms of this Agreement.

**"Cash Account"** means the bank account(s) in the name of the Client or a pooled bank account of all the Portfolio Manager's client in the name of the Portfolio Manager, maintained with the bank designated by the Portfolio Manager, in which the funds are deposited by the Client for their management by the Portfolio Manager in terms of this Agreement.

**"Custodian"** means an entity appointed as Custodian by Portfolio Manager from time to time and on case to case basis.

**"Disclosure Document"** means the Disclosure Document issued by the Portfolio Manager and as specified in Regulation 22 of the Regulations and Schedule V of the Regulations and made available to the Client in accordance with the Regulations.

**"Discretionary Portfolio Management Services"** means the management, including investment or sale, purchase etc. of the portfolio of funds and/or securities of the client, as the case may be, by the Portfolio Manager at its complete and unfettered discretion subject to any specific restrictions mentioned in the Agreement or given by the client, at a later date.

**"Distributor"** means a person/entity who may refer a client to avail services of Portfolio Manager in lieu of commission/charges.

**"DP Account"** means the demat account(s) in the name of Client, maintained with the depository participant designated by the Portfolio Manager in which the Securities are deposited by the Client as well as the Portfolio Manager for their management by the Portfolio Manager in terms of this Agreement.

**"FEMA"** means Foreign Exchange Management Act, 1999 and shall include the rules and regulations issued thereunder from time to time, including amendments thereof.

**"High Water Mark"** shall mean the highest value that the portfolio / account shall reach. Value of the portfolio for computation of high watermark shall be taken to be the value on the date when performance fees are charged.

**"Investment Approach"** means any of the current investment approach or such investment approach that may be introduced at any time in future by the portfolio manager.

**"Issuer"** means a person issuing any Security.

**"NAV"** means the net asset value of the Portfolio of the Client.

**"NRI"** means a person resident outside India, who is a citizen of India or is a person of Indian origin, as defined in Foreign Exchange Management (Deposits) Regulations, 2000.

**"Portfolio"** means the total Assets of the Client including the aggregate holding of all investments, securities and funds belonging to the Client.

**"Power of Attorney"** shall include:-

- (i) The power of attorney to be executed by the Client in favour of the Portfolio Manager in the format provided in Annexure 4 of this Agreement, required by the Portfolio Manager on execution of this Agreement; and
- (ii) Such other power of attorney as the Portfolio Manager may require the Client to execute from time to time.

**"Principal Officer"** means an employee of the portfolio manager who has been designated as such by the portfolio manager and is responsible for: -

- (i) the decisions made by the portfolio manager for the management or administration of portfolio of securities or the funds of the client, as the case may be; and
- (ii) all other operations of the portfolio manager.

**"SEBI"** means Securities and Exchange Board of India established under sub-section (1) of Section 3 of Securities and Exchange Board of India Act, 1992.

**"Securities"** means the securities, as defined in the Securities Contract (Regulation) Act, 1956, as amended from time to time and shall include but not be limited to:

- (i) Equity and Equity related securities, Convertible Stock and Preference Shares of Indian Companies;
- (ii) Derivatives;
- (iii) Debentures (Convertible and Non-Convertible), Bonds, and Securities Premium Notes, Swaps, Options, Futures, Securitised Debt, Pass Through Certificates and instruments which are quasi-debt instruments Tax – exempt Bonds of Indian Companies and Corporations;
- (iv) Government and Trustee Securities;
- (v) Units or any other such instruments of Mutual funds;
- (vi) Bank Deposit;
- (vii) Treasury Bills;
- (viii) Commercial Papers, Certificates of Deposit and similar Money Market instruments; and

- (ix) Other eligible modes of investment and/or forms of deployment within the meaning of the Regulation based by SEBI as amended from time to time.

**"Taxes"** means all taxes, cess, dues penalties, charges, duties, etc. including service tax, excise duty, sales tax, turnover tax, withholding tax, value added tax whether direct or indirect, tax to be deducted at source by the Portfolio Manager or any other tax including tax payable on the income earned on the investments made for and on behalf of the Client by the Portfolio Manager.

## 1.2 Interpretation

In this Agreement, the headings are for convenience only and shall not constrain or affect the construction or interpretation in any way whatsoever.

- a) References to a person shall include such person's successors and permitted assignees or transferees;
- b) Words importing a particular gender include all genders and word denoting company include body corporate, corporations and trusts and vice-versa;
- c) "Person" or "Client" includes any individual, partnership, firm, trust, body corporate, government, government body, authority, agency, unincorporated body of persons or association;
- d) References to "Party" means a party to this agreement and references to "Parties" shall be construed accordingly;
- e) Clause and paragraph headings are inserted for ease of reference only and shall not affect the interpretations of this Agreement;
- f) References to clauses and recitals shall be construed as references to clauses or recitals of this Agreement, unless specified otherwise;
- g) The words "including", "include" and "in particular" shall be construed as being by way of illustration only and shall not be construed as limiting the generality of the preceding words;
- h) Heading, sub-heading and bold type faced are only for convenience and shall be ignored for the purpose of interpretation;
- i) Reference to any legislation or law or to any provision thereof shall include references to any such law as it may, after the date hereof, from time to time, be amended, supplemented or re-enacted and any reference to a statutory provision shall include any sub-ordinate legislation made from time to time under that provision;
- j) where a word or phrase is defined, other parts of speech and grammatical variations of that word or phrase shall have corresponding meanings;
- k) Capitalized terms used herein but not specifically defined shall have the respective meanings assigned to them in the relevant Disclosure Document;
- l) Any term or expression used but not defined herein shall have the same meaning attributable to it under applicable law; and
- m) the words importing the singular include the plural and vice versa; words importing a gender include the other gender.

## 2 APPOINTMENT OF THE PORTFOLIO MANAGER

The Client hereby appoints the Portfolio Manager and the Portfolio Manager hereby accepts such appointment, as the portfolio manager, of the Client for managing the Assets on a discretionary basis and to provide administrative services in respect of the Assets deployed by the Client, on the terms and conditions as contained herein ("**Services**"). The Portfolio Manager shall act in a fiduciary capacity and as a trustee and agent of the Client's account.

For the purposes of this Agreement, the phrase 'managing the Assets on a discretionary basis' shall mean that the Portfolio Manager shall have complete freedom and authority to invest / dis-invest the Assets in such manner as it shall deem fit without prior consent of the Client subject to the investment objectives as per Clause 4 below and restrictions mentioned under **Annexure 2** of this Agreement.

The Portfolio Manager may (i) empanel channel partners / distributors /agents to on-board the Client; and / or (ii) on-board Clients directly without intermediation of any channel partners / distributors / agents.

## 3 PARTICIPATION

The Client hereby confirms that (i) the Assets are his / her / its personal property; (ii) he / she / it is eligible to enter into this Agreement; and (iii) he / she / it has the capacity to perform the rights and obligations arising out of this Agreement. The Client having agreed to avail of the Services herein shall be deemed to have satisfied himself / herself / itself with regard to the capacity and competency of the Portfolio Manager in this respect.

## 4 INVESTMENT OBJECTIVE AND GUIDELINES

In pursuance of the objectives of the Client to avail of the portfolio management services that can achieve preservation and growth of his / her / its Assets, the Portfolio Manager shall endeavor to apply its professional expertise in order to help the Client achieve his / her / its objectives, as herein above stated. The Client shall set out its investment objective and restrictions to be complied with in respect of the Portfolio in the Account Opening Form. Investment Approach and other terms of investments shall be as per the details mentioned in the Term Sheet under **Annexure 3** of the Agreement. The Client can avail more than one Investment Approach, from time to time, under this Agreement by executing an additional Term Sheet, which shall form part of this Agreement.

## 5 INVESTMENT OF FUNDS

- 5.1. The Portfolio Manager shall invest / disinvest the Client's Assets in accordance with SEBI (Portfolio Managers) Regulations, 2020 as amended from time to time and such other extant regulations, as may be applicable.
- 5.2. The Portfolio Manager may deal in Securities on behalf of the Client through a member broker of the Bombay Stock Exchange Limited, Mumbai ("BSE"), or a member broker of the National Stock Exchange of India Limited ("NSE") or through any other registered member or broker through a panel of brokers, which may include associate brokers of the Portfolio Manager. The Portfolio Manager's decision (taken in good faith) in the deployment / disinvestment of the Client's Asset is absolute and final and cannot be called in question or be open to review at any time during the currency of the Agreement or at any time thereafter except on the ground of mala-fide, fraud, conflict of interest or gross negligence.
- 5.3. The Portfolio Manager shall manage the funds raised or collected from Non-Resident Indian Clients in accordance with the Reserve Bank of India's guidelines on Portfolio Investment Scheme and from Foreign Portfolio Investors in accordance with the SEBI (Foreign Portfolio Investors) Regulations, 2019.
- 5.4. The Portfolio Manager may invest / disinvest the Client's funds in index / stocks / stocks basket linked, privately placed, non-convertible debentures having some equity index as an underlying and the same may comprise the Client's entire portfolio placed with the Portfolio Manager. Further the Portfolio Manager may also invest the Client's funds in debt as well as equity-oriented securities, units of mutual funds (through direct plan), debt deposits, fixed deposits, inter corporate deposits, money market instruments including commercial papers, certificate of deposit, trade bills, treasury bills and other money market instruments and securitised debts Pass Through Certificates) and any other financial instruments including derivative products.
- 5.5. The Client clearly understands and acknowledges that investment in securities entail a high degree of risk, including without limitation, the risks and conflict of interest outlined under Clause 7 below and that there can be no assurance by the Portfolio Manager about the returns thereon or even as regards to preservation of capital. Further, the Client has read and understood the specific risk factors, disclosure documents pertinent to investment / disinvestment in equity debt and / or structured products which may affect the Client's portfolio due to investment in / disinvestment from such instruments. The Client is therefore through this Agreement permitting the Portfolio Manager to manage only such Assets that can be entirely risked and is hereby placing them with the Portfolio Manager for its best advice. The Client is entering into this Agreement and placing its Assets with the Portfolio Manager for its advice, being fully aware of the aforesaid risks. The Client shall initially place Assets worth not less than Rupees 50 lakhs for management by the Portfolio Manager. The initial value of Assets to be placed under management by the Client is agreed at Rs.....(Rupees only).
- 5.6. Funds of the Clients shall be kept in the Cash Account being a separate and distinct bank account from the other clients of the Portfolio Manager and they shall be used only for the purpose of the purchase of Securities and also for payment of allowable expenses / fees. The Portfolio Manager or the Client shall not use the funds in any other manner. The Portfolio Manager shall not use funds of one of its clients for the benefit of any other of its clients. The Cash Account and DP Account of each client shall be segregated and maintained separately from the Cash Accounts and DP Accounts of the other clients and of the Portfolio Manager. A statement to that effect shall be provided to the Client on monthly basis or as and when required by the Client. The Accounts shall be maintained separately in the name of each client as are necessary to account for the assets and any additions, income, receipts and disbursements in connection therewith, as provided under SEBI (Portfolio Managers) Regulations, 2020.
- 5.7. Notwithstanding anything contained in Clause 5.6 above, if the Portfolio Manager so deems fit subject to compliance with the applicable regulations, the Portfolio Manager may keep and maintain funds of all its clients in a separate bank pool account and such funds shall be used only for the purpose of the purchase and sale of Securities, in accordance with this Agreement and for payment of allowable expenses / fees.
- 5.8. The Portfolio Manager shall be at liberty to manage idle cash balances of the Client which may arise from time to time, in bank deposits, liquid or money market mutual fund schemes, Bills, or short dated debt securities. In no case shall the Portfolio Manager deploy the Client's funds in or unregulated financing mechanism such as badla or discounting of bills of exchange.
- 5.9. The Portfolio Manager shall in its discretion invest / disinvest Assets of the Client in terms of this Agreement. The Client acknowledges that the investments / disinvestments of the Portfolio Manager and / or its clients, officers, associates, brokers or custodians may be similar or dissimilar to the investments / disinvestments of the Client and such investments / disinvestments may be made at different times and / or at different prices than investments / disinvestments by any of the aforesaid.
- 5.10. Except in the event of redemption of portfolio in the form of Securities, either upon termination of this Agreement or otherwise, all transactions between the Portfolio Manager and the Client or between the Client and any other clients of the Portfolio Manager shall be at prevailing market prices.
- 5.11. The Portfolio Manager shall deal exclusively with the Client in respect of this Agreement and shall under no circumstances, recognize or take cognizance of any privity of contract between the Client and any other person or entity in respect of this Agreement except in cases of duly constituted attorney(s) and / or authorised agent(s), who will be recognized strictly for the limited purpose of representing the Client under this Agreement.

5.12. The Portfolio Manager shall enter into separate Agreements with each and every of its clients. The relationship of the Portfolio Manager with each client is exclusive and does not create any interest of whatsoever manner amongst its client's inter-se or between its clients as a group and the Portfolio Manager.

5.13. In the event of a change in the constitution, identity by change of name and / or residential status of the Client during the currency of this Agreement it shall be the duty of the Client to keep the Portfolio Manager duly informed of such a change. The Portfolio Manager shall seek advice or appropriate directions where required, from competent authority, under applicable laws with regard to the continuation of this Agreement and other agreements with the Client if any affected by such a change.

5.14. The Client will have an option to introduce further Assets for management by the Portfolio Manager and also withdraw any or all Assets there from with a prior written notice of at least Thirty (30) days or a different period as agreed to between the Client and the Portfolio Manager.

5.15. The Portfolio Manager may invest in units of mutual funds only through direct plans and shall not charge any distribution related fees to the Client in accordance with the SEBI Regulations. Further, the Portfolio Manager shall not (i) invest the Client Portfolio in the portfolio managed or administered by another portfolio manager and (ii) invest the Client Portfolio based on the advice from any other person.

## 6 MANNER AND TERMS OF USAGE OF DERIVATIVE INSTRUMENTS

In accordance with the regulations, the Portfolio Manager shall participate in derivatives trading only for hedging and portfolio rebalancing subject to guidelines issued by SEBI in this behalf. The Portfolio Manager may use various derivative and hedging products from time to time, as would be available and permitted by SEBI in an attempt to protect the value of the portfolio and enhance Client's interest. However, in respect of investments in derivatives, the Portfolio Manager shall not leverage the Portfolio.

### a) Type of derivative instruments

The Portfolio Manager may use derivative instruments for hedging and portfolio rebalancing like stock index futures, stock futures, options on stocks and stock indices, interest rate swaps, forward rate agreements or other such derivative instruments as may be introduced from time to time, as permitted by SEBI.

### b) Quantum of exposure

The quantum of exposure to derivatives shall at all points of time be less than or equal to 100% of the portfolio value (including cash) of the Assets of the Client. For this purpose, the exposure limit would be computed in terms of notional value of the derivative position. The notional value of the derivative position for each specific instrument held is defined as:

**Options:** Number of contracts held x Number of underlying shares x strike price / index per contract

**Futures:** Number of contracts held x Number of underlying shares / index per contract x current or closing market price.

### c) Type of derivative position & exposure thereof

The limits of derivatives exposure per scrip/instrument and derivatives positions and limits are as follows:

Sr. No.	Derivatives	Action	Description/Purpose	Limit/Portfolio
1.	Index futures	Buy	Buy future against cash to protect against rising market	<ul style="list-style-type: none"> <li>Maximum derivative position of upto 100% of portfolio value</li> <li>To the extent of cash/cash equivalents</li> </ul>
2.	Index futures	Sell	Hedging of portfolio against expected market downturn	<ul style="list-style-type: none"> <li>Maximum derivative position of upto 100% of portfolio value</li> <li>To the extent of holding of portfolio of securities</li> </ul>
3.	Index options – Call	Buy	Buy index of portfolio against expected market up move	<ul style="list-style-type: none"> <li>Maximum derivative position of upto 100% of portfolio value</li> <li>To the extent of cash/cash equivalents</li> </ul>
4.	Index options – Call	Sell	Covered call sale - against existing Portfolio	<ul style="list-style-type: none"> <li>Maximum derivative position of upto 100% of portfolio value</li> <li>To the extent of holding of portfolio of securities</li> </ul>
5.	Index options – Put	Buy	Buy index puts to hedge existing portfolio	<ul style="list-style-type: none"> <li>Maximum derivative position of upto 100% of portfolio value</li> <li>To the extent of holding of portfolio of securities</li> </ul>
6.	Index options – Put	Sell	Covered Put sale – Possible to sell index puts against cash	<ul style="list-style-type: none"> <li>Maximum derivative position of upto 100% of portfolio value</li> <li>To the extent of cash/ cash equivalents</li> </ul>

6.	Index options – Put	Sell	Covered Put sale – Possible to sell index puts against cash	<ul style="list-style-type: none"> <li>• Maximum derivative position of upto 100% of portfolio value</li> <li>• To the extent of cash/ cash equivalents</li> </ul>
7.	Stock Futures	Buy	Buy against cash to protect against rising share prices	<ul style="list-style-type: none"> <li>• Maximum derivative position of upto 100% of portfolio value</li> <li>• To the extent of cash/ cash equivalents</li> </ul>
8.	Stock Futures	Sell	Sell against existing stock – Hedging against downside on existing stock in the face of expected volatility in the stock price	<ul style="list-style-type: none"> <li>• Maximum derivative position of upto 100% of portfolio value</li> <li>• To the extent of holding</li> </ul>
9.	Stock options - Call	Buy	Buy against cash to protect against rising share prices	<ul style="list-style-type: none"> <li>• Maximum derivative position of upto 100% of portfolio value</li> <li>• To the extent of cash/ cash equivalents</li> </ul>
10.	Stock options - Call	Sell	Sell against existing stock	<ul style="list-style-type: none"> <li>• Maximum derivative position of upto 100% of portfolio value</li> <li>• To the extent of holding</li> </ul>
11.	Stock options - Put	Buy	Purchase against existing stock, Hedging against downside on existing stock in the face of expected volatility in the stock price	<ul style="list-style-type: none"> <li>• Maximum derivative position of upto 100% of portfolio value</li> <li>• To the extent of holding</li> </ul>
12.	Stock options - Put	Sell	Covered Put sale against cash	<ul style="list-style-type: none"> <li>• Maximum derivative position of upto 100% of portfolio value</li> <li>• To the extent of cash/ cash equivalents</li> </ul>

Definition of the word "Cash" shall include cash, money market instruments, deposits with scheduled commercial banks (public sector, private sector and foreign banks) and net current assets.

**d) Valuation of Derivative Products:**

- (i) Open positions in derivative transactions, will be marked to market on the valuation day.
- (ii) In case of liquidation of the portfolio for any reason whatsoever, the outstanding derivative position would be closed out at the then prevailing market rates.

Prior permission shall be obtained from the Client in the event of participation or dealing in the Exchange Traded Commodity Derivatives or any changes in the manner or terms of usage of derivative contracts.

**7 RISKS AND CONFLICTS**

**Potential Risks**

- (a) It is expressly stated and understood by and between the Parties that the nature of the Services provided herein carries certain risks and the Client has read and understood the Disclosure Document and has entered into this Agreement with full knowledge of such associated risks. The Client clearly understands that investments in Securities entails a high degree of risk and there can be no assurance from the Portfolio Manager about minimum returns or guaranteed returns thereon or even as regards preservation of capital. Risk may arise from the investment objective and the investment policy. These risks are inherent in this business. The Client acknowledges that the list is merely an illustrative list indicative of some of the risks associated with the Services and does not purport to be exhaustive.
- (b) The Client hereby acknowledges that he has received the disclosure document prior to entering into this Agreement, provided by the portfolio manager as specification in Regulation and has read the same.
- (c) The Client acknowledges that investments in securities are subject to market risks. There are no assurances or guarantees that the objectives of any of the products will be achieved. The investments may not be suited to all categories of investors, the value of the products can go up or down depending on various market factors. The Client is not being offered any guaranteed or indicative returns through any of the Products. The names of the products do not in any manner indicate their prospects or returns. The performance of the products may be adversely affected by the performance of individual companies, changes in the market conditions, micro and macro factors and forces affecting capital markets in particular like interest rate risk, credit risk, liquidity risk and reinvestment risk, Derivative/future and options products are affected by various risks including but not limited to counter party risk, market risk, valuation risk, liquidity risk, basis risk and other risk. Besides the price of the underlying asset the volatility, tenor and interest rates affect the pricing of derivatives. In the case of stock lending; risks relate to the defaults from counter parties with regard to securities lent and the corporate benefits accruing thereon, inadequacy of the collateral and settlement risks.

- (d) Past performance of the Portfolio Manager does not indicate the future performance of the Products or any other future Products of the Portfolio Manager. The Portfolio Manager is not responsible or liable for any loss resulting from the operations of the Products. Each portfolio will be exposed to various risks depending on the investment objective, Investment Approach and the asset allocation. Non Diversified Portfolio tends to be more volatile than diversified portfolio.
- (e) The Client acknowledges that he has read the "Risks" contained herein and the Disclosure Documents in connection with investing the funds in derivatives as well as read the "Risks" contained in the product brochure / product presentation as shall be furnished from time to time in respect of each product in which the Client shall invest and is informed, aware and has understood the risks associated with investing the Assets in the capital and money market instruments including derivatives but not limited to equities and other Securities.
- (f) The Client further acknowledges that investments may be made in index / stocks / stocks basket linked, privately placed non-convertible debentures having some equity index as underlying which could affect the liquidity of the Client's portfolio and that the Client has read and understood the specific risk factors and disclosures pertinent to structured notes like index/ stocks / stock basket linked debentures and securitized debt instruments as mentioned in the Disclosure Document and the product brochure / product presentation, as shall be provided from time to time.
- (g) The Portfolio Manager shall not be responsible for any loss or damage occasioned including but not limited to market conditions, force majeure circumstances, delays on the part of companies, corporations or other authorities including government authorities in registering transfer of Securities or other factors beyond the control of the Portfolio Manager.
- (h) The Client stands at a risk of loss due to lack of adequate external systems for transferring, pricing, accounting and safekeeping or recordkeeping of Securities. Transfer risk may arise due to the process involved in registering the shares, physical and demat, in the Client's name, while price risk arises on account of availability of share price from stock exchanges during the day and at the close of the day.
- (i) Investment decisions made by Portfolio Manager are subject to risk arising from the investment objective, Investment Approach and asset allocation.
- (j) Not meeting the obligation to make Capital Contributions in terms of the Agreement may have implications as set out in the Agreement and may also impact the profitability of the Portfolio.
- (k) In case of the Client being a non-resident, the Parties agree and acknowledge that it shall solely be the Client's responsibility and liability to comply and conform to the provisions of all the applicable laws and regulations, including FEMA or SEBI Regulations or as may be prescribed from time to time by any other regulatory authority, including but not limiting to the amount(s) of investment that can be made by him. The Portfolio Manager shall not be liable for any loss caused to the Client as a consequence of any delay of Regulatory Authority. In the event of any Securities purchased for the Client not being registered in the Client's name due to any regulatory reasons (including without limitation the percentage of NRI holdings in the relevant company exceeding permissible limits), the Client shall be liable for and shall indemnify the Portfolio Manager from all losses that Portfolio Manager may suffer as a consequence of such transaction (including without limitation, the loss arising out of the sale of such Securities in the market).
- (l) The Client acknowledges that the list is merely an illustrative list indicative of some of the risks associated with the Services and does not purport to be exhaustive.

### **Potential Conflicts**

The Client recognizes that the Portfolio Manager may have a direct or indirect interest or a relationship with another party, which may involve a potential conflict with the Portfolio Manager's duty to the Client. The Portfolio Manager shall not be liable to the Client for any profit, commission or remuneration made or received from or by reason of such transactions or any connected transactions and the Portfolio Manager's fees shall not be abated thereby. For example, such potential conflicting interests may arise because:

- (i) The Portfolio Manager undertakes investment business for other clients;
- (ii) The transaction is in securities issued by another client of the Portfolio Manager;
- (iii) The transaction is in relation to an investment in respect of which the Portfolio Manager may benefit from a commission, fee payable otherwise than by the client, and/or the Portfolio Manager may also be remunerated by the counterpart to any such transaction;
- (iv) The Portfolio Manager may act as an agent for the Client in relation to transactions in which it is also acting as an agent for the account of other clients;
- (v) The transaction is in units or shares of in-house funds or any company of which the Portfolio Manager is the manager, operator, adviser or trustee;

- (vi) The Portfolio Manager may have regard, in exercising its management discretion, to the relative performance or other funds under its management;
- (vii) The transaction is in the securities of a company for which the Portfolio Manager or any other member of the o3 Group has underwritten, managed or arranged an issue or offer for sale before the date of the transaction;
- (viii) The transaction is in securities in respect of which the Portfolio Manager, or a director or employee of the Portfolio Manager, is contemporaneously trading or has traded on its own account or has either a long or short position;
- (ix) The Portfolio Manager or its associates / group companies provide certain services (including underwriting services) to the issuer of Securities in which investment is made as part of the Portfolio.

The Client takes note of the potential conflict situations and confirms that notwithstanding this, the Portfolio Manager is authorized to make investments/disinvestments on behalf of the Client, whether or not such investment/disinvestments involves a conflict.

The Portfolio Manager shall not invest any part of the Portfolio in Securities of its associates or group companies. The Portfolio Manager undertakes that in case of any such conflict of interest, it shall ensure fair treatment to all its clients and shall not place its own interest above those of its clients.

## 8 TRANSFER, REGISTRATION AND CUSTODY

- (a) The Client authorizes the Portfolio Manager to manage the Assets of the Client held in the Cash Account(s) and DP Account(s) maintained in the name of the Client in terms of this Agreement.
- (b) The Client authorizes the Portfolio Manager to register the Client's Securities in the Client's name for claiming and receiving all accruals, accretions, benefits, allotments, calls, returns, privileges, entitlements, substitutions, and/or replacements or any other beneficial interest including dividend, interest, rights, bonus owing to the Client on account of such investments. Subscription/renunciation of rights entitlements shall be at the sole discretion of the Portfolio Manager. The Client shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of the Securities purchased / sold under this Agreement.
- (c) The Portfolio Manager shall arrange for the custody of Securities held on account or such other activities of the Client under this Agreement by keeping them in its actual custody, or by using/appointing an agent for this purpose in its discretion. The Portfolio Manager shall not be liable, if any instruments relating to the Securities is damaged, mutilated, torn, destroyed, lost, misplaced or otherwise becomes invaluable.

## 9 AUTHORITY

- 9.1. The Client hereby unconditionally and irrevocably appoints the Portfolio Manager as his / her fits lawful attorney to make decisions on investments, sale, purchase of Securities: to execute and deliver such documents as may be deemed necessary by the Portfolio Manager: to invest any of the cash or transfer any of the Securities into the name of the Client: to exercise any and all of the powers or discretions entrusted upon the Portfolio Manager herein or to perform any obligations herein and to do and perform all acts, deeds, matters and things to effectually perform its functions herein and to do all such acts, deeds, matters and things as the Client can himself do and perform in respect of the Assets. Further such functions shall be performed by the Portfolio Manager on behalf and at the risk of the Client.
- 9.2 Without prejudice to the generality of the foregoing, the Client hereby undertakes to execute the Power of **Attorney as per Annexure 4** in favour of the Portfolio Manager in such form and manner as the Portfolio Manager may require or consider necessary for the delegation of the necessary authorities for the performance of his obligations herein.

## 10 NO WARRANTY

- 10.1 The Portfolio Manager does not provide any warranty (express or implied) as to the appreciation in the value of the Securities in which the Portfolio Manager shall invest the funds of the Client or the preservation of the initial value of the Assets of the Client or the return from the investment of the Assets. The Portfolio Manager hereby expressly disclaims all liabilities, on any account whatsoever, including without limitation, due to errors of judgment or negligence, that may arise out of the performance of its duties hereunder and shall not be liable, in any manner whatsoever, in case of any depreciation in the value of Securities in which the funds of the Client are invested by the Portfolio Manager, or any indirect or consequential losses arising to the Client by virtue of the provision of the services herein by the Portfolio Manager. Further, the liability of the Portfolio Manager arising out of its willful misconduct or misfeasance, fraud or negligence shall under no circumstances, exceed the amount of the aggregate fees received by it under this Agreement, in respect of the Assets under contention, for the period of three months preceding the date when such liability arises.
- 10.2 The Client acknowledges and confirms that it is fully aware of the fact that dealing in Securities including their purchase and sale has inherent risk and accordingly, any loss, damage, cost, expenses, direct or indirect or consequential on account of the dealing in Securities including their purchase and sale by the Portfolio Manager in discharge of its obligations herein, out of the funds of the Client, shall be solely to the account of the Client. The Portfolio Manager shall not in any way, directly or indirectly, be responsible or liable for the losses or otherwise any liabilities that may arise to the Client on account of the aforesaid.

## 11 DUTIES /OBLIGATIONS/FUNCTIONS AND RESPONSIBILITIES OF THE PORTFOLIO MANAGER

- 11.1. The Portfolio Manager shall manage the Assets of the Client individually and in an independent manner, in accordance with the needs of the Client and in a manner, which does not partake the character of a mutual fund.
- 11.2. The Portfolio Manager shall act in a fiduciary capacity and as a trustee and agent with regard to the Client's Assets. The Portfolio Manager and / or its officers, directors employees or associates shall not derive any benefit, whether direct or indirect from the Client's Assets or Securities purchased for the Client and shall strive to safeguard the Client's interests to the best of its ability at all times.
- 11.3. The Portfolio Manager shall hold the Securities in a separate Depository Account opened in the name of the Client for the purpose of Portfolio Management services, The Custodian/Portfolio Manager shall follow up all entitlements such as bonus, rights, dividends etc. on behalf of the Client.
- 11.4. The Portfolio Manager shall segregate the accounts of each client in the books as are necessary to account for the Assets and any additions income, receipts and disbursements in connection therewith, as provided under SEBI (Portfolio Managers) Regulations, 2020.
- 11.5. The Portfolio Manager shall provide the statement of holding to the Client at such regular intervals, as may be agreed from time to time.
- 11.6. The Portfolio Manager shall exercise due care and diligence in rendering service to prevent the possibility of loss of capital. However, the Client acknowledges and understands that investments are made on certain evaluation basis and there can be no assurance with regard to returns or even preservation of capital. Further, the Portfolio Manager shall not be responsible for any loss expenses resulting to any Client, from the insufficiency or deficiency of value or title to any property or security acquired or taken on behalf of the Client or anything done in good faith in execution of the duties of his office or in relation thereto.
- 11.7. The Client's Securities shall always belong to the Client and the Portfolio Manager shall not pledge or lend all or any of such Securities with any entity, or derive any benefit from the same, without specific written consent of the Client.
- 11.8. The Portfolio Manager accepts no responsibility for either ensuring availability of overdraft facilities or for the terms on which the Custodian/broker/bank might make such facility available.
- 11.9. The Portfolio Manager shall ensure proper and timely handling of complaints from the Client and take appropriate action promptly.
- 11.10. The Portfolio Manager will take best efforts to safeguard the Client's interest with regard to dealings with capital market intermediaries such as brokers, custodians, bankers etc. Any contract or understanding arrived at by the Portfolio Manager with any such intermediary shall be strictly on behalf of the Client and the Portfolio Manager shall not be responsible for the due performance of the contract or understanding by the intermediary.
- 11.11. The Portfolio Manager shall on a best efforts basis, assist the Custodian in attending to the complaints of the Client in respect of the non-receipt of dividends, bonus shares, receipt of entitlements and subscription of right shares, transfer of shares and the like, However, the responsibility and liability in respect of the aforesaid shall be entirely that of the Custodian.
- 11.12. The Portfolio Manager shall not:
- trade on margin or on a speculative basis on behalf of the Client, All transactions shall be on delivery basis other than derivatives contracts;
  - pledge or give loan on Securities held on behalf of the Client to a third person without obtaining a written permission from the Client; and
  - the Portfolio Manager shall not deal based on price-sensitive classified information, nor engage in front running.
- 11.13. The Portfolio Manager shall furnish the following reports to the Client, once in every three months. The report may be made available on the website of the portfolio Manager with access restricted to the Client Such report shall contain the following details namely
- report on the composition and value of the portfolio of the Client. description of Securities, number of Securities, value of each Security held in the portfolio, cash balance and aggregate value of the portfolio on the date of the report
  - report on the transaction undertaken during the period of report including date of transaction and details of purchase and sale of Securities:
  - report on beneficial interest received during that period on account of interest, dividend, bonus shares, right shares and debentures etc
  - report on expenses incurred in managing the portfolio:
  - details of risk foreseen by the Portfolio Manager and the risk relating to the Securities recommended by the Portfolio Manager for investment or disinvestments.

- f) default in payment of coupons or any other default in payments in the underlying debt security and downgrading to default rating by the rating agencies, if any
- g) details of commission paid to distributor(s) for the particular client.

- 11.14. On termination of the Agreement the Portfolio Manager shall give detailed statement of accounts to the Client and settle the account with the Client as agreed in the Agreement.
- 11.15. The Client shall have the right to obtain details of his portfolio or in respect of his account from the Portfolio Managers upon giving notice of 10 days in advance. The report may be made available on the website of the Portfolio Manager with access restricted to the Client,
- 11.16. The Portfolio Manager will allow access to such persons as are authorised by the Client by a prior written authorisation as per **Annexure 5** and **Annexure 6**, of such information as is authorized by the Client including access to the website reports or e-mail reports addressed to the Client by the Portfolio Manager.
- 11.17. The Portfolio Manager shall ordinarily purchase or sell Securities separately for each client. However, in the event of aggregation of purchases or sale for economy of scale, allocation shall be done on a pro-rata basis at the weighted average price of the day's transaction. The Portfolio Manager shall not keep any open position in respect of allocation of sales or purchases affected in a day.
- 11.18. The Portfolio Manager shall at all times observe a high standard of integrity and fair dealing in all transactions undertaken by it on behalf of the Client and the statements/ documents/ reports furnished by the Portfolio Manager shall present a true and fair view of the actual transactions undertaken by the Portfolio Manager on behalf of the Client.
- 11.19. The Portfolio Manager shall maintain books and records relating to his / her / its transactions separately in the name of the Client as provided in the Regulations, and the Client may, at its own cost and expense, have such books, records relating to his/her/its portfolio or its transactions audited by a Chartered Accountant appointed by the Client. The Portfolio Manager shall provide the Client access to relevant and material documents pertaining to the Client. The Portfolio Manager shall also provide for inspection of such documents and shall fix the timing for such inspection with the client, if required by the Client.
- 11.20. The Portfolio Managers' decision in deployment / disinvestment of the Client's Asset is absolute and final and cannot be called in question or be open to review at any time during the currency of the Agreement or any time thereafter except on the ground of malafide, fraud, conflict of interest or gross negligence.
- 11.21. The Portfolio Manager shall not carry out any off-market transfer(s) from/to Clients' accounts of any type, except:
- (i) for settlement of Clients' own trades;
  - (ii) for providing margins for Clients' own positions;
  - (iii) for dealing in unlisted securities in accordance with the Regulations;
  - (iv) with the express positive consent of the clients on transaction to transaction basis; and / or
  - (v) as may be specified by SEBI from time to time.
- 11.22. The Portfolio Manager shall maintain proper books of accounts and records relating to its transactions for the Client to ensure compliance with the Regulations and shall get its Portfolio accounts audited annually by an independent chartered accountant as required under the Regulations. A copy of the certificate issued by the chartered accountant shall be provided to the Client.
- 11.23. The Portfolio Manager shall not borrow Funds or Securities on behalf of the Client.
- 11.24. The Portfolio Manager shall abide by the code of conduct as specified under Schedule III to Regulations and comply with the model code of conduct as specified in the SEBI (Prohibition of Insider Trading) Regulations, 2015
- 11.25. The portfolio manager or any his employees shall not render, directly or indirectly any investment advice about any security in the publicly accessible media, whether real-time or non-real-time, unless a disclosure of portfolio manager or employees or his dependent family members long or short position in the said security has been made, while rendering such advice
- 11.26. The portfolio Manager shall reconcile the client-wise funds with the funds in the pool account on daily basis
- 11.27. The Portfolio Manager shall not execute any trade against the interest of client in its proprietary account.

## 12 DUTIES AND OBLIGATIONS OF THE CLIENT

- 12.1. The Client shall maintain utmost secrecy with regard to investment made by the Portfolio Manager on his/her/its behalf. In no case shall the Client replicate for himself /herself/ itself or for the benefit of others, the investments made by the Portfolio Manager.

- 12.2. The Client shall disclose **in Annexure 2** to the Portfolio Manager from time to time whether he is privy to any price sensitive information in relation to any Indian company, such that a conflict of interest may arise where the Portfolio Manager were to buy Securities of that Indian company on behalf of the Client.
- 12.3. The Client shall pay the agreed fees at the agreed times to the Portfolio Manager in the manner as hereinafter provided. In case of discretionary portfolio management, the liability of the Client shall not exceed his investment with the Portfolio Manager.
- 12.4. The Client shall not directly dispose off or acquire any Securities held in the Portfolio, except as agreed by the Portfolio Manager. The Custodian/bank or broker appointed by the Portfolio Manager is not authorised to accept instructions directly from the Client. The Client shall not issue any direct instructions to the Custodian or the broker or the bank in this respect. In case, the Client issues any instructions directly to the Custodian or the broker or the Portfolio Manager as part of the investable funds and in case of any purchase, the Client shall make payment directly to the Seller.
- 12.5. The Client shall within seven days notify the Portfolio Manager in writing if it notices any discrepancies or shortfalls in the portfolio holding statement. In case the Client does not notify the Portfolio Manager in writing of any discrepancies or shortfalls in the portfolio holding statement the same shall be deemed to be correct.
- 12.6. The Client shall plan and pay any tax (long term or short term capital gains, income tax etc.) and other liabilities that may arise as a consequence of the portfolio transactions on its account by the Portfolio Manager. It is clearly understood by the Client that tax considerations shall not be allowed to supersede investment decisions even though the Portfolio Manager recognizes the desirability of maximizing post tax returns.
- 12.7. The Client agrees that the investments/ disinvestments made by the Portfolio Manager shall be at the sole discretion, judgment and opinion of the Portfolio Manager.
- 12.8. The Client understands and agrees that upon the repayment/withdrawal of the entire Assets or termination of this Agreement the Assets shall be transferred by the Portfolio Manager in the accounts) specified by the Client and thereafter the Cash Account and the DP Account shall be closed/ maintained as dormant account by the respective service providers, and accordingly the Client hereby agrees that it shall not operate the Cash Account and the DP Account at any point in time.
- 12.9. Notwithstanding anything contained elsewhere in this Agreement, the liability of the Client shall not exceed his investment with the Portfolio Manager.

### 13 INDEMNITY

Without prejudice to the right of indemnity available to the Portfolio Manager under any law, the Client shall indemnify and keep indemnified the Portfolio Manager and every person appointed by the Portfolio Manager including the Custodian, bank(s) or broker(s), out of the funds deployed in respect of and against any charges arising out of payment of stamp duty or any taxes, costs, expenses and liabilities,

- a) properly incurred or levied on it in the execution of its rights and duties under or arising out of this Agreement;
- b) incurred and/ or levied on it as a result of the Portfolio Manager acting or not acting on the basis of any Information given by the Client or any agent of the Client;
- c) incurred, levied or paid by it, on account of the discharge of its obligations and duties under or arising out of this Agreement;
- d) consequent on any mistake, oversight or error of judgment on part of the Portfolio Manager or any appointee; and
- e) against all actions proceedings, costs, claims and demands in respect of any matter or thing done or omitted to be done in any way in relation to these presents whether made by a statutory, regulatory body, any tribunal or court or any other person whatsoever.

Notwithstanding anything contained herein but subject to the SEBI Regulations, the Client shall be liable to the Portfolio Manager only to the extent of the investments of the Client.

### 14 FEES (NATURE OF COSTS AND EXPENSES FOR CLIENT)

- 14.1. For the purposes of this Agreement the Client is aware and agrees that the fees and charges (levied by affiliates or various agencies) shall be payable by Client for availing the services under this Agreement. These would be debited to the Client's Cash Account which shall be in addition to the portfolio management fees payable by the Client to the Portfolio Manager. The aforesaid fees, as debited to the Client's accounts, shall not be reversible. All fees and charges shall be levied on the actual amount of Client's assets under management. In case of interim contributions/ withdrawals by the Client, performance fee, if any, may be charged after appropriately adjusting the High Water Mark on proportionate basis. Notwithstanding anything contained in the Client Agreement, the performance fee, if any, shall be charged at a frequency that shall not be less than quarterly.

- 14.2. The fees and charges shall be payable in advance on a monthly or quarterly basis, as applicable and as shall be notified to the Client by the Portfolio Manager. The fees shall be debited from the Cash Account of the Client by the designated Custodian and credited directly to the account of the Portfolio Manager at the end of every month and the Client hereby undertakes to provide the requisite authority to the Custodian for the same. The fees shall also be payable in respect of any involuntary sales of Securities which may have been made during a month. In case the Agreement is terminated before the end of a month, the Client will pay fees for the proportionate period for which the services of the Portfolio Manager are availed.
- 14.3. Transactions through Associates (e.g. Broking, Demat services, custody etc.) if any, shall be upto 20% by value per Associate per calendar quarter. In any case the fees paid to Associate shall not be more than the fees paid to the non-associate intermediaries providing similar services.
- 14.4. Distributor commission shall be paid on trail basis out of the portfolio management fees received by the Portfolio Manager in case if the Client is on-boarded through a Distributor.
- 14.5. The following are indicative types of fees, charges, cost and expenses (by whatever name called) for the Client availing the Portfolio Management services. The Client agrees to pay the management fees which shall be independent of the returns accrued to the Client on the performance of the Services. The exact basis of charge relating to each of the following services shall be as shown in **Annexure 7** to the Client registration Form.

- (ii) **Custodian/Depository Fees**  
The charges relating to opening and operation of dematerialized accounts, custody and transfer charges for shares, bonds and units, dematerialization and other charges in connection with the operation and management of the depository accounts.
- (iii) **Registrar And Transfer Agent Fee**  
Charges payable to registrars and transfer agents in connection with effecting transfer of Securities and bonds including stamp charges, cost of affidavits, notary charges, postage stamp and courier charges.
- (iv) **Brokerage, Distribution And Transaction Costs**  
The brokerage charges, distribution charges and other charges like service charge, stamp duty, transaction costs, turnover tax, exit and entry loads on the purchase and sale of shares, stocks, bonds, debt, deposits, units and other financial instruments.
- (v) **Securities Lending and Borrowing Charges**  
The charges pertaining to the lender of securities, costs of borrowing including interest and costs associated with transfers of securities connected with the lending and borrowing transfer operations.
- (vi) **Certification and Professional Charges**  
Charges payable for outsourced professional services like accounting, taxation and legal services, notarizations etc for certifications, attestations required by bankers or regulatory authorities.
- (vii) **Incidental Expenses**  
Charges in connection with the courier expenses, stamp duty, service tax, postal, telegraphic, opening and operation of bank accounts etc.
- (viii) **Banker Fees**  
The charges relating to opening and operation of bank account(s) and other charges in connection with the operation and management of the bank account(s).
- (ix) **Administrative Charges**  
The charges relating to provision of various administrative services such as cost related to the furnishing of regular communications, account statements, miscellaneous expenses, and expenses in connection with any specific requests from the Client etc.

Provided such operating expenses excluding brokerage (at actuals) which are over and above the management fees shall be capped at 0.50% per annum of the client's average daily Assets under Management (AUM) or as may be specified under the Regulation.

## 15 TAX OBLIGATIONS

- 15.1. All Taxes payable on any transaction entered into or undertaken by the Portfolio Manager on behalf of the Client whether by way of deduction at source, withholding, payment or otherwise shall be fully borne by the Client. Payment of the Tax shall be the personal responsibility and liability of the Client. The Portfolio Manager is not by law, contract or otherwise required to discharge any obligation on behalf of the Client with respect to the payment of any Taxes payable by the Client. If however any Tax is paid by the Portfolio Manager to any tax authority for and on behalf of the Client the Portfolio Manager shall be entitled to recover the same from the Client. If the Client does not pay the Portfolio Manager has the unconditional and irrevocable authority to deduct or appropriate the same from any amount or Security held by the Portfolio Manager on behalf of the Client. In the event, however, no Security or amount is available for reimbursement to the Portfolio Manager of any Taxes paid by the Portfolio Manager on behalf of the Client, the Client shall make such reimbursement forthwith on demand of the Portfolio Manager. In the event of the failure of the Client to reimburse any such amount, the Portfolio Manager shall without prejudice to its other rights, be entitled to recover the same from the Client with interest at 15% per annum with quarterly rests.

- 15.2. Subject to applicable taxation laws in force from time to time the Portfolio Manager may on its own deduct any Tax at source while effecting disbursements/ payments of amounts interim or otherwise to the Client under this Agreement and shall certify the deduction of Tax at source to the Client's Account on a pro -rata basis as far as practicable.
- 15.3. For Securities held in the name of the Client as on date of declaration or record date of any company's dividend declaration the Portfolio Manager shall receive such company's certificate of Tax deduction at source for any dividend subjected to Tax.
- 15.4. The Portfolio Manager shall only distribute the net dividend to the Client's account. Any Tax arising on such disbursements shall be charged to the Client's account and shall be borne by the Client in full.
- 15.5. The Portfolio Manager is not required to undertake any tax planning of the Client under this Agreement.
- 15.6. In the event of any demand being made on the Portfolio Manager by the appropriate authorities to pay any amount towards purported liability for Tax in connection with or arising from the transactions carried out by the Portfolio Manager on behalf of the Client, the Client hereby expressly authorizes the Portfolio Manager to comply with the demand and pay such amount to the appropriate authorities and debit the Client's account accordingly.
- 15.7. The Portfolio Manager will be at liberty but not obliged or required to resist such demands if the Portfolio Manager at its discretion thinks fit, and in this event, the Portfolio Manager is hereby authorised to incur any fees, duties, Commissions, costs, charges and expenses required to incur so as to resist the demand including the costs of appointing any chartered accountant, tax expert, lawyer, solicitor or advocate but the Portfolio Manager will not be responsible if ultimately the demand is held/ upheld to be proper and lawful.
- 15.8. Despite the fact that the Portfolio Manager is not required to undertake any tax planning of the Client if in pursuance of directions issued by the appropriate authorities the Portfolio Manager is obliged to represent the Client in respect of any of the aforesaid directions the Portfolio Manager is hereby empowered by the Client to file, sign, and / or execute such papers and/ or documents on behalf of the Client as might be necessary in that behalf.
- 15.9. If required the Client shall execute a power of attorney in favour of the Portfolio Manager or any other nominee(s) or agent(s) of the Portfolio Manager conferring Inter alia powers to represent the Client before such authorities and comply with other requirements as envisaged in this Agreement.
- 15.10. The Client agrees and undertakes to furnish any information, papers and documents as may be required by the Portfolio Manager in connection with Tax incidence or implications and also for the proper operation of the Client's account thereto.
- 15.11. The Client shall at all times indemnify and keep the Portfolio Manager indemnified from and against all liabilities whatsoever that may at any time arise or be brought or made by any authorities against the Portfolio Manager in respect of any act, matters and things lawfully done or caused by the Portfolio Manager in connection with the Securities or in pursuance of or in connection with any matter under this Agreement.

## **16 VALUATION OF SECURITIES**

The value of the Securities shall be computed as per the extant SEBI Regulations or as may be decided by the Portfolio Manager

## **17 RIGHTS OF PORTFOLIO MANAGER**

The Portfolio Manager may assign its rights or obligations hereunder to any other company, person, firm or institution acceptable and approved by SEBI by executing an Instrument in writing whereby it shall assume the obligations of the Portfolio Manager hereunder and agree to be bound by the provisions hereof or to become the successor to the Portfolio Manager hereunder and thereafter such assignee/successor may exercise all of the powers and enjoy all of the rights and be subject to all the duties and obligations of the Portfolio Manager hereunder as fully as though originally named as a party to this Agreement. This Agreement cannot be assigned by the Client.

## **18 REPAYMENT**

- a) The Portfolio Manager shall on redemption or termination and/or determination of this Agreement as stated herein arrange to deposit the Net Realisable Value (i.e. gross market value net of costs of realization) of Securities held in the Client's account together with all accruals, accretions, benefits, allotments, call refunds, returns, privileges, entitlements, substitutions and/or replacements or any other beneficial interest including dividend, interest, bonus as well as residual cash balance, if any on such date subject to the Client fulfilling all his obligations under this Agreement in such account as may be instructed by the Client to the Portfolio Manager in writing. The Securities shall be disposed off by the Portfolio Manager as provided for in the Securities Contracts (Regulation) Act, 1956 and/or any other relevant statute unless the Client desires to have the Securities transferred to him, which is duly expressed in writing at least thirty (30) days prior to the termination of this Agreement. The amount so

realized, and/or the Securities together with residual cash balances, if any, due and belonging to the Client shall be made over to such bank and / or demat account as instructed by the Client in writing, subject to the following deductions.

- (i) Interim disbursements, if any, of amounts paid to the Client as described in clause 18(d).
  - (ii) Fees and charges levied and/or to be levied by the Portfolio Manager as described in clause 14.
  - (iii) All taxes, rates, fees, duties, commissions, costs, charges, penalties, deductions, recoveries and/or appropriations etc. to be made in accordance with law or otherwise on account of the Client
  - (iv) Any other dues, liabilities, obligations etc. owed by/ due on account of the Client under this Agreement.
- b) The Portfolio Manager, by disbursement through payment or otherwise as provided in clause 18(a) hereinabove, subject to all the above recoveries, deductions and appropriations, is validly discharged of all its obligations owed to the Client or his nominee, as the case may be, in respect of this Agreement.
- c) Any accruals, accretions, benefits, allotments, calls, refunds, returns, privileges, entitlements, substitutions, and/or replacements or any other beneficial interest including dividend, interest, rights, bonus arising out of the amount as per clause 18(a) hereinabove, shall accrue to or vest in the Client and shall accrue to and/or continue to vest with the Portfolio Manager, which if, received by the Portfolio Manager shall be turned/made over to the Client.
- d) The Portfolio Manager may, at its sole discretion, choose to effect interim disbursements of amounts against the amount payable as per clause 18(a) hereinabove to the Client on annual or such other frequencies, as the Portfolio Manager deems fit without setting any precedent whatsoever, on the part of the Portfolio Manager and without conferring any right on the Client to demand such other similar disbursements from their Portfolio Manager at any stage in respect of this Agreement.

## 19 SECURITY

Neither Party hereto shall during the continuance of this Agreement or after its termination disclose to any person, firm, company or institution whatsoever (except with the authority of other Party or except as required by the laws; or unless ordered to do so by a court of competent jurisdiction on any relevant regulatory authority) any information relating to the business, investments, finances or other matters of a confidential nature of any other Party of which it may in the course of its duties hereunder or otherwise become possessed and each Party shall use all reasonable endeavors to prevent any such disclosure as aforesaid.

## 20 NOTICE

Any notice or communication to be given by one Party to the other may be given by post, courier, fax, e-mail and personal delivery. Such notice or communication shall be sent at the address of the Party herein before mentioned or such other address that may be communicated by the Party concerned to the other Party from time to time (such communication also to be in line with this Clause).

All notices or communications thus given shall be deemed to have been received by the Party to whom it is addressed when given by post or courier, on expiration of ten days after the same has been sent by registered post at the address of such Party; if given by fax, upon transmission thereof (subsequently confirmed in writing); if given by personal delivery, when so delivered.

## 21 ENTIRE AGREEMENT

This Agreement together with the client registration form, annexure attached thereto and executed by the Parties hereto as well as the disclosure document products brochures / presentations constitute the entire agreement between the Parties hereto with respect to the subject matter hereof and supersedes and cancels all previous agreements, negotiations thereof. This Agreement, client profiling form and annexure thereto shall not be changed, altered or amended except in writing and on execution by duly authorized representatives of both Parties hereto.

## 22 WAIVER

No provision of and no default under this Agreement may be waived except by an instrument in writing signed by the Party waiving the provision of this Agreement or default committed thereunder. No waiver of any provision or default shall be deemed a waiver of any other provision or default.

## 23 GOVERNMENT OF INDIA / RESERVE BANK OF INDIA APPROVAL

This Agreement may be subject to obtaining necessary approvals from the appropriate governmental and regulatory authorities. In the event that one of the Parties is required to obtain the necessary approvals or validation or to file a notification with the Indian government in connection with this Agreement the other Party shall co-operate fully with such other Party.

## 24 FORCE MAJEURE

Except to the extent otherwise provided herein, no liability shall result to either Party from delay in performance or from non-performance caused by circumstances beyond the control of the Party affected, including but not limited to act of God, fire, flood, explosion, war, theft action or request of governmental authority, accident, labour trouble or shortage, inability to obtain material, power, equipment or transportation, but each of the Parties hereto shall be diligent in attempting to remove such cause or causes.

**25 COUNTERPARTS**

This Agreement (and each amendment, modification and waiver in respect of it) may be executed and delivered in counterparts each of which will be deemed to be an original and will constitute one and the same document.

**26 AMENDMENT**

Any modification or amendment to this Agreement shall be made by way of a letter, which has to be signed by both the Parties and such a letter may be given by one Party to the other by post, courier or personal delivery and such an amendment signed by both Parties to this Agreement shall be valid and binding and shall form part of the Agreement. The Portfolio Manager shall not change any terms of this Agreement without prior consent of the Client.

**27 TERMS**

1. This Agreement shall commence from the date of execution of this Agreement and shall continue till such period, unless terminated by any of the Parties with a prior notice of 30 days in the manner mentioned in Clause 28 of this Agreement.
2. The Client will be entitled to withdraw/ liquidate the Portfolio at his own risks before the maturity date of the Agreement under the following circumstances:
  - a) voluntary or compulsory, termination of portfolio management services by the Portfolio Manager;
  - b) suspension or termination of registration of Portfolio Manager by the SEBI;
  - c) bankruptcy or liquidation of the Portfolio Manager; or
  - d) closure of the business of the Portfolio Manager.

**28 TERMINATION**

The Portfolio Manager reserves the right to terminate this Agreement with immediate effect in case the Client does not pay any fees as required to be paid by it to the Portfolio Manager in terms of this Agreement or if the Client commits a breach of any of its obligations under this Agreement.

Each Party hereto will be entitled to terminate this Agreement with prior notice of 30 days addressed in the manner mentioned in clause 20 hereto in case of breach by either Party of any of the terms contained herein, if such breach continues unremedied for a period of thirty (30) days after due notice for the same has been given by the non defaulting Party to the other Party.

This Agreement may also be terminated:

- a) by any of the Parties, without any cause, with prior notice of 30 days addressed in the manner mentioned under Clause 20;
- b) in the event that the laws or regulations of India at any time be or become such that this Agreement cannot be continued, enforced or performed according to its terms subject to a reasonable notice period;
- c) in the event of any statutory or government License or permission or registration being withdrawn, cancelled, or nullified causing the terms of the Agreement to be inoperative or unenforceable;
- d) upon dissolution or liquidation of the Portfolio Manager and / or the Client.

The termination or purported termination of this Agreement shall be without prejudice to any claim or right of action previously accrued to any Party hereto against the other Party hereto,

On termination of this Agreement the Client may elect to receive back the Portfolio, or opt for sale of the Portfolio for cash in either case, the Client shall pay to the Portfolio Manager its fees, costs and dues payable under this Agreement and the Portfolio Manager shall have the right of lien on any and all Securities in respect thereof.

In the event of the death, insolvency, disability, dissolution or the winding up of the Client during the currency of this Agreement, and on receipt of notice, in writing of such event, the Portfolio Manager shall cease operations of the Client's account and the Agreement shall stand terminated; provided that, in the event of succession, nomination or representation of the Client, the Portfolio Manager shall execute a new agreement with such successor, nominee or representative of the Client and this Agreement with the Client shall accordingly stand terminated.

In the event that this Agreement is terminated for any of the reasons stated above, the Client shall take or cause to be taken all necessary steps to close and/ or transfer all accounts maintained by the Client with the Portfolio Manager and/ or any agents in relation to services provided under this Agreement within a period of 30 days from the date of termination.

Notwithstanding what is stated herein, the Portfolio Manager reserves the absolute discretion independently to terminate this Agreement at any time by giving a written notice of not less than 30 days, without assigning any reason, and cause the Client to transfer its portfolio/account to other intermediaries.

**29 REPRESENTATIONS**

The Client makes the representations contained in Sections 30 (a) and, if specified in (b) to the Portfolio Manager as under:

- a) Basic Representations:

- (i) Powers the Client has the requisite power to execute this Agreement and to deliver this Agreement and to perform its obligations under this Agreement and the Portfolio Manager has taken all the necessary action to authorise such execution, delivery and performance;
  - (ii) No violation or conflict such execution, delivery and performance do not violate or conflict within any law applicable to the Client including the prevention of Money Laundering Act. 2002, any order or judgement of any court or other agency of government applicable to the Client or any of his assets or any contractual restriction binding on or affecting it or any of his assets; and
  - (iii) Consents All governmental and other consents that are required to have been obtained by It with respect to this Agreement and are in full force and effect and all conditions of any such consents have been complied with.
- b) No Agency: It is entering into this Agreement as principal and not as agent of any person or entity.

### 30 AGREEMENTS:

Subject to Clause 28 of this Agreement, the Client agrees that during the term of this Agreement, the Client shall comply with all applicable laws and orders to which he may be subject if failure so to comply would materially impair his ability to perform his obligations under this Agreement.

### 31 EVENTS OF DEFAULT AND TERMINATION EVENTS:

Events of Default: The occurrence at any time with respect to a Client of any of the following events:

- (i) **Failure to Pay or Deliver:** Failure by the Client to make, when due, any payment under this Agreement or delivery required to be made by it if such failure is not remedied on or before the first Local Business Day (in the case of any such payment) and on or before the first local delivery day (in the case of any such delivery) after in each case, notice of such failure is given to the Party.
- (ii) **Breach of Agreement; Repudiation of Agreement:** Failure by the Client to comply with or perform any part of this Agreement or obligation (other than an obligation to make any payment under this Agreement or delivery) to be complied with or performed by the Client in accordance with this Agreement and if such failure is not remedied within 30 days after notice of such failure is given to the Client; or
- (iii) **Misrepresentation:** A representation made or repeated or deemed to have been made or repeated by the Client in this Agreement proves to have been incorrect or misleading in any material respect when made or repeated or deemed to have been made or repeated.

### 32 TRANSFER

Restrictions on transfer are permitted by applicable law. Neither this Agreement nor any interest or obligation in or under this Agreement may be transferred (whether by way of security or otherwise) by either Party without the prior written consent of the other Party, except that,

- a) a Party may make such a transfer of this Agreement pursuant to a consolidation or amalgamation with or merger with or into or transfer of all or substantially all its of assets to another entity (but without prejudice to any other right or remedy under this Agreement); and
- b) any purported transfer that is not in compliance with this section will be void.

### 33 ACCESS TO INFORMATION

The Portfolio Manager hereby agrees to provide the Client with access to relevant information and material documents (viz. books of accounts, information pertaining to investments made by the Portfolio Manager on behalf of the Client) of the Portfolio Manager and such other information in relation to the Services provided by the Portfolio Manager to the Client upon prior notice of 14 business days by the Client to the Portfolio Manager in accordance with this Clause 33. Such information, document shall be accompanied with a statement that by the Portfolio Manager confirming to the Client that the information provided presents a true and fair picture of the transactions.

### 34 ASSIGNMENT

- a) The Client shall not be entitled to assign any of its rights, obligations or benefits under this Agreement without the prior written consent of the Portfolio Manager.
- b) To the fullest extent permitted by the applicable laws, the Portfolio Manager shall be entitled to assign its rights, obligations and benefits under this Agreement to any successor entity, Affiliate or to any other third-party entity at its discretion, provided that:
  - (i) the Portfolio Manager reasonably considers the transferee is capable of performing its obligations under this Agreement; and
  - (ii) the Portfolio Manager has given the Client prior notice of the transfer.

### 35 GRIEVANCES REDRESSAL / ARBITRATION

In case of any grievance, the Client can contact the Investor relationship officer of the Portfolio Manager at No.5 Crescent Road, High Grounds, Bangalore-560001. On receipt of complaint the Portfolio Manager would endeavour to resolve the complaint within 30 days of its receipt.

In case grievances of the client is not addressed to their satisfaction as per the mechanism given above, the client may lodge the complaint with SEBI's web-based complaints redressal system (SCORES) on <http://scores.gov.in>.

Any dispute or difference of whatsoever nature including but not limiting to disputes regarding fees and charges arising between Parties out of or relating to the construction meaning or operation effect in connection with this Agreement shall to the extent possible be resolved amicably by the Parties. However in the event of failure to settle the same amicably, the disputes or differences including but not limiting to disputes regarding fees and charges shall be settled by arbitration in accordance with the Arbitration and Conciliation Act 1996. Each Party to the dispute shall appoint an arbitrator and notify the other Party within 15 days of the appointment of such arbitrator. The two arbitrators so appointed shall then appoint an arbitrator to form a panel of three arbitrators and the decision of the majority of the arbitrators shall be final and binding upon the Parties. All proceedings under such arbitration shall be held in Mumbai and would be conducted in accordance with the provisions of the Arbitration and Conciliation Act 1996 and any statutory modifications or re-enactments thereof.

### 36 GOVERNING LAWS

This Agreement shall be governed by the laws of India and the courts of Bangalore, Karnataka subject to the provisions of Clause 35 above shall be the forum of administration thereof.

### 37 SEVERABILITY

If at any time any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect, neither the legality, validity nor enforceability of the remaining provisions of this Agreement shall in any way be affected or impaired thereby.

IN WITNESS WHEREOF, the parties to the Agreement have caused these presents to be executed as of the day and year first above written.

SIGNED AND DELIVERED by )  
o3 SECURITIES PRIVATE LIMITED )  
through its Authorised Signatory )  
In the presence of: )

#### Witness

1. \_\_\_\_\_

2. \_\_\_\_\_

SIGNED AND DELIVERED by \_\_\_\_\_ :

	First / Sole Applicant	Second Applicant	Third Applicant
Name			
Signatures			
			

(Please affix the seal in case of Company/Proprietary/Partnership Firm)

In the presence of:

#### Witness

1. \_\_\_\_\_

2. \_\_\_\_\_



**DECLARATION OF INTEREST IN VARIOUS BODY CORPORATES**

To,  
o3 Securities Private Limited  
No.5 Crescent Road, High Grounds,  
Bangalore – 560001

Dear Sir,

**Sub: Declaration of Interest in Body Corporates**

I / We \_\_\_\_\_, having entered into Discretionary Portfolio Management Services agreement with o3 Securities Private Limited (hereinafter referred to as Portfolio Manager), hereby declare that I/We may be considered as holding interest in various entities listed below which enables me/us to obtain unpublished/price-sensitive information of the following body corporate/s:

Sr. No.	Name of the Body Corporate	Nature of Interest

I/We undertake to intimate Portfolio Manager in case of any modification in the above- mentioned details including change in name, if any, of the Body corporate.

In case any of the above-mentioned Body corporate/s are not already listed on any of the recognized Stock Exchange/s. I/We undertake to intimate the Portfolio Manager atleast fifteen days prior to it/they being listed.

I/We understand that the Portfolio Manager may not invest in the equity shares of the above- mentioned companies on my/our behalf unless specified otherwise in writing by me/us.

I/We confirm and declare that the above-mentioned details constitute compliance with the provisions of the SEBI (Prohibition of Insider Trading) Regulations 1992 and SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997.



\_\_\_\_\_  
Sole / First Applicant /  
Authorised Signatory

\_\_\_\_\_  
Second Applicant /  
Authorised Signatory

\_\_\_\_\_  
Third Applicant /  
Authorised Signatory

.....  
To,  
o3 Securities Private Limited  
No.5 Crescent Road, High Grounds,  
Bangalore – 560001

Dear Sir,

**Sub: Investment in Discretionary Portfolio Management Services**

With reference to the discretionary Portfolio Management Services agreement Dated \_\_\_\_\_ entered with you. I/ We request not to effect any of my / our investments in any of the companies indicated below and / or in any of the companies belonging to the industry(ies) as mentioned below

Sr. No.	Name of the Company
Sr. No.	Name of the Industry

(Please attach additional annexure if space provided is not sufficient)



\_\_\_\_\_  
Sole / First Applicant /  
Authorised Signatory

\_\_\_\_\_  
Second Applicant /  
Authorised Signatory

\_\_\_\_\_  
Third Applicant /  
Authorised Signatory

## Core Value Investment Approach

1. Our investment objective is not to “maximise the returns” at all points of time, nor is it to “outperform the index” at all points of time. We do however believe that disciplined adherence to the first principles of investing leads to long-term outperformance, but not on a monthly or quarterly basis.
2. While we buy when the individual stocks are not very popular, our intention is not to dilute the quality of the businesses we choose to invest in. For this reason, we shall choose companies with a long track record of profitability, market standing, corporate governance and competitive advantages. In our estimate, the company should have not had any permanent impairment of its ability to compete in the marketplace.
3. The focus of the investment approach is to invest in companies with :
  - a. A long track record of at least 15 years
  - b. Consistency in high ROCE and generating free cash flow
  - c. Competitive advantage in its field of business
  - d. Increasing market share along with visibility of growth
  - e. A management with decent track record of corporate governance
  - f. Reasonable price
4. At least 75% of the portfolio will reflect the above characteristics.
5. This portfolio seeks to buy stocks of companies when they are not very popular (because that is when one gets them at a reasonable price).
6. After buying them at such times, we wait for the popularity around the stock to increase (leading to a valuation increase in stock price). When, in our opinion, the valuation has reached unsustainable levels, we would sell the stock.
7. There is no specific time horizon that one can predict as to when an unpopular stock would turn popular. The client may have to wait, sometimes for over a year or longer, for the approach to fructify. The clients who wish to invest in this approach should have an investment time horizon of at least 3 years.
8. In choosing to invest in this approach, the client accepts the fact that there are times when this portfolio’s performance would trail that of the benchmark index, and there are times when it would do better.

**Benchmark** : BSE 500 TRI  
**Investment Horizon** : 3-5 Years

The client agrees that tracking error (portfolio’s movement vis-a-vis index movement) is a feature of this investment approach and finds it acceptable.

There are two options available under this approach, with the “**Regular Option**” being the default option.

- Regular Option (with 20-25 stocks)  
 Concentrated Option (with 12-15 stocks)

I / We have read the characteristics of the \_\_\_\_\_ approach, and have understood the same.

	First / Sole Applicant	Second Applicant	Third Applicant
Name			
Signatures			
			

(Please affix the seal in case of Company/Proprietary/Partnership Firm)

Date: \_\_\_\_\_

Place: \_\_\_\_\_

**Special Situations Investment Approach**

**a) Investment objective**

The focus of this approach is to invest in small and mid size companies that have high potential but are available below their intrinsic value.

**b) Type of securities**

Predominantly invests in listed equity securities and for liquidity or pending deployment, the Portfolio Manager may invest in money market instruments, debt mutual fund schemes and Liquid ETFs.

**c) Allocation of Portfolio across types of securities**

- Listed equity securities allocation – 70% to 100%
- Money market instruments, debt mutual fund schemes and Liquid ETFs – 0% to 30%

**d) Investment Strategy**

The investment will be in companies which fall in any of the below mentioned three situations: -

The first set of companies will be one where we are observing **improving prospects** going forward, resulting in a visible change in operating parameters.

The **improving prospects** can be because of –

- Change in the outlook for the industry,
- Impact of change in regulations,
- Corporate restructuring or change in the management,
- Increased demand for the products of the industry,
- Company having won new business or customers,
- Geographical expansion
- Reduction in debt
- New capacity addition for the company, etc.

**Improvement in the business prospects** is expected to result in sizable increase in revenue and profits, cash the company is generating, improvement in the quality of balance sheet and increase in the scale of the business. It is expected that the impact of these changes will be visible in next few quarters in the financials of the company.

The second set of companies will be chosen where the **inherent value of the assets is far higher than market price of the assets** which the company owns.

The third set of companies will be those which have good growth track record and future expectations but are **available below the intrinsic value of the future expected cash flows they will generate.**

**e) Basis for selection of securities as a part of investment approach**

Companies will be chosen from the mid and small cap space having **significant focus on their niche business segments, a strong competitive position, unique business model, competent management and visible traction in the business** over next few quarters (4 to 12 quarters). The reason to focus on small and midcap is there is a very wide spectrum of available companies which are less tracked and researched.

**f) Risks associated with this approach are:**

- External factors can prevent the management from benefitting from the tailwinds
- Low volumes getting traded in the stocks
- Possibility of a longer time to fructify

The selected portfolio is subject to market risks. There are no assurances or guarantees that the objectives will be achieved. In choosing to invest in this approach, the client accepts the fact that there are times when this portfolio's performance would trail that of the benchmark index, and there are times when it would do better.

**Benchmark** : BSE 500 TRI  
**Investment Horizon** : 2-3 Years

**g) Justification for benchmark selection**

The Portfolio Manager under this approach invests across mid and small size companies predominantly investing in small capitalisation companies.

I / We have read the characteristics of the Special Situations Investment Approach, and have understood the same.

	First / Sole Applicant	Second Applicant	Third Applicant
Name			
Signatures			

(Please affix the seal in case of Company/Proprietary/Partnership Firm)

Date:

Place: \_\_\_\_\_

### Thematic Opportunities Portfolio Investment Approach

**a) Investment objective**

The o3 Thematic Opportunities Portfolio is a top-down, theme-based investment approach that seeks to benefit from investing in the “quality companies” in the sectors selected based on the investment themes that we believe will play out in India over the next several years.

**b) Type of securities**

Predominantly invests in listed equity securities and for liquidity or pending deployment, the Portfolio Manager may invest in money market instruments, debt mutual fund schemes and Liquid ETFs.

**c) Allocation of Portfolio across types of securities**

- Listed equity securities allocation – 90% to 100%
- Money market instruments, debt mutual fund schemes and Liquid ETFs – 0% to 10%

**d) Investment Strategy**

- First identifying investment themes, both for the medium term (3-5 years), and the long term (at least a decade)
- Then identifying the industry sectors that would benefit from the fructification of these themes.
- Based on the above, the portfolio has companies from any or all the following categories:
  - A Clear Market Leader with a dominant market position and expected to remain competitive in the foreseeable future
  - A Strong Contender is defined as the company apart from number one, that has grown faster and/or is expected to grow faster in earnings compared to peer set over the next 2 years
  - A Dark Horse is a company, other than a market leader, which is capable of disproportionately benefitting from the way the industry is shaping up.

**Medium term investment themes -**

Currently the following trends have good visibility and tailwinds of government focus and policy actions:

- Development of physical infrastructure in India
- Strong manufacturing companies, aided by the PLI schemes and the potential of sourcing manufactured products from India as an alternate source of supply for the world markets

**Long term investment themes -**

Continued consumerism in India, reflected in customers constantly striving to upgrade their quality of life by buying better products and services, driven primarily by increased per capita purchasing power and a willingness to spend.

- Increasing focus on health, wellness, and fitness.
- Increasing digitization of financial transactions.
- Greater spending on upgrading, education, travel, and entertainment.

**e) Basis for selection of securities as a part of investment approach**

Companies will be chosen on the above defined parameters with a focus on their market share, earnings growth, and valuation.

**f) Risks associated with this approach are:**

The selected portfolio is subject to market risks. There are no assurances or guarantees that the objectives will be achieved. In choosing to invest in this approach, the client accepts the fact that there are times when this portfolio’s performance would trail that of the benchmark index, and there are times when it would do better.

**Benchmark** : BSE 500 TRI  
**Investment Horizon** : 3 – 4 years

**g) Justification for benchmark selection**

The Portfolio Manager under this approach invests across all market cap companies.

I/We have read the characteristics of the Thematic Opportunities Portfolio Investment Approach (TOP) and have understood the same.

	First / Sole Applicant	Second Applicant	Third Applicant
Name			
Signatures			

(Please affix the seal in case of Company/Proprietary/Partnership Firm)

Date: \_\_\_\_\_

Place: \_\_\_\_\_

**POWER OF ATTORNEY**

KNOW ALL MEN BY THESE PRESENTS THAT I / We, \_\_\_\_\_ S/o, D/o, W/o  
 \_\_\_\_\_ residing at \_\_\_\_\_  
 \_\_\_\_\_ and I/we,  
 \_\_\_\_\_ S/o, D/o, W/o \_\_\_\_\_ residing at \_\_\_\_\_  
 \_\_\_\_\_ and I/we,  
 \_\_\_\_\_ S/o, D/o, W/o \_\_\_\_\_ residing at \_\_\_\_\_

(hereinafter collectively referred to as "Client")

o3 Securities Private Limited, a company incorporated under the Companies Act 1956 and having its office at No.5 Crescent Road, High Grounds Bangalore-560001, Karnataka, (hereinafter referred to as "The Attorney" which expression shall include unless repugnant to or inconsistent with the subject or context thereof, its successors and assigns) is duly authorized by the Securities and Exchange Board of India (hereinafter referred to as "SEBI") to provide Portfolio Management Services vide Registration No. **INP000005430**.

WHEREAS, the client has agreed to avail portfolio management services being rendered by o3 Securities Private Limited and has consequently entered into a discretionary portfolio management agreement ("PMS Agreement") with o3 Securities Private Limited.

WHEREAS, in accordance with the Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993, as amended, the client is required to open and maintain, in its own name, independent and separate demat and independent and separate or pooled bank account for availing the portfolio management services ("PMS Services");

WHEREAS to avail the PMS services, I/We have opened and maintain separate and independent demat account(s) in my/our name and separate and independent bank account(s), if any in my/our name;

AND WHEREAS it is most expedient that a power of attorney be executed in favour of the Attorney enabling the Attorney to deal with the demat account(s) and bank account(s), if any, in consonance with the PMS Agreement, and for exercising all the rights in respect thereof, which I/we hereby do in the manner hereinafter appearing.

NOW KNOW ALL MEN AND THESE PRESENTS WITNESS THAT I/we for myself/ourselves and my/our successors, heirs, executors, administrators, legal representatives and permitted assigns do hereby nominate,



\_\_\_\_\_  
Signature(s) Sole / First Holder

\_\_\_\_\_  
Second holder

\_\_\_\_\_  
Third Holder

constitute and appoint the Attorney acting through any of its directors / officers / employees and/or directors/ officers / employees of its associates/ affiliates, as my / our true and lawful attorney for me/ us in my / our name(s) and on behalf of and at my / our costs and risks to do, execute and perform all or any of the following acts, deeds, matters and things that is to say:

1. To make/ file forms/ applications to various authority(ies) in India, including but not limited to, the Central Government, the Reserve Bank of India, the Income Tax Authorities and the Securities and Exchange Board of India, and to fulfill other obligations, to secure approval/consent/ permission or for that purpose to enter into any deed/ document on my behalf with any such authority(ies) in India in connection with securing the permission/consent of the concerned authority(ies) with respect to purchase, sale, transfer, investment, holding and continuing to hold Securities in accordance with the applicable laws and regulations and regulations and to represent me/us in all respects before such authority(ies) and establish the ownership of the Securities in my/our name.  
At its own sole discretion or pursuant to our instructions acquire by subscription or purchase various Securities and to sell, transfer and endorse the Securities or redeem the same and/or to sign and to execute all transfer deeds whether as transferor or transferee and such other instruments, application and papers as may be necessary for the purpose of acquiring or transferring/ redeeming the Securities, creating pledge/ lien on such Securities and /or for transferring the investments in the units of Mutual Fund from one scheme to another or between Mutual Funds.
2. The term "Securities" shall include shares, scrips, stocks, bonds, warrants, options, futures, derivatives, convertible debentures, non-convertible debentures, fixed return investments, equity linked instruments, or other marketable Securities of a like nature in or of any incorporated company or other body corporate, negotiable instruments including issuance Bills of Exchange, deposits or other money market instruments, commercial paper, certificates of deposits, units issued by Unit Trust of India and units issued by Mutual Funds, mortgage backed or other asset backed Securities issued by any institution of body corpora te, cumulative convertible preference share issued by any incorporated company and securities issued by ant incorporated company and securities issued by the Central Government or a State Government for the purpose of raising public loan and having one of the forms Specified in Clause (2) of Section2 of the Public Debt Act, 1944, any other new form of capital or money market instruments that may be issued in the future by any incorporated company/fim/institution or Government.
3. At its own sole discretion or pursuant to our instructions, to make applications for, or to renounce and sign renunciation forms in respect of Securities, rights to additional Securities and to receive and hold such rights additional Securities.
4. At its own sole discretion or pursuant to our instructions to issue orders and instructions for acquisitions and disposal of investments in Securities and to purchase or otherwise acquire, sell or otherwise dispose of and invest in Securities including enter into foreign transactions required for this purpose.
5. To open, operate and /or close new or existing safe custody or to keep in safe custody the Securities acquired pursuant to the authority contained herein.
6. To appoint, nominate or engage any broker and/or legal agent for effecting purchase and sale of the Securities and to sign and submit such documents as may be required for admission as a client of such broker.
7. At its own sole discretion or pursuant to our instructions, to open in my/our name, execute such documents as may be required and operate depository account(s) with depository participant(s) and to issue instructions relating to dematerialization or rematerialization of Securities, freezing of accounts, to block and/or debit the account, to give delivery/receipt instructions, pledge instructions, pledge closure instruction, lending and borrowing instruction, and to do all such other things as may be deemed necessary, relating to such depository account including closure of the account if deemed necessary or expedient.



Signature(s) Sole / First Holder

Second holder

Third Holder

8. To demand, receive and give on my behalf good and effectual receipt(s) and discharge(s) for all or any dividends, interest, bonuses or any other sums(s) and/or income arising from the investment in Securities and to sign and endorse pay order, dividend/interest warrants or certificates receive all debts, sums of money, principal, interest, dividend or other dues of whatsoever nature or account which are now or which may at any time be due and payable and belong to me/us on any account(s).
9. For the purpose of the aforesaid to sign contracts, agreements, transfers, acceptances, receipts, acquaintances or other instruments, documents and forms to accept and carry out correspondence with such person(s) or authority/authorities or departments and to do all lawful acts that may be necessary for effecting the same.
10. At its own sole discretion or pursuant to our instructions, to open, operate one or more bank account(s) in my/our name with any bank for the purpose of managing my investments and to do all or any of the following acts in respect thereof:
  - a) To make applications, if required, to the Reserve Bank of India and/ or any other authority for repatriation of funds;
  - b) To buy/sell foreign exchange on my/our behalf and to sign all documents related to repatriating the funds from my/our account as per the Banking Guidelines;
  - c) Hold receipts, dividends etc., in respect of my investments in Securities;
  - d) To withdraw or transfer any sums and to close any or such accounts;
  - e) To avail the facility of electronic banking and such other services offered through electronic media by the bank;
  - f) To prepare, sign and submit all forms, statements and declarations as may be required;
  - g) To collect cheque book(s) from the respective bank(s);
  - h) To make, draw, sign, endorse, negotiate, accept and release as the case may be cheques, drafts, pay orders, telegraphic transfers/direct transfers on the internet or other securities for payment of money whether debit or credit in my account(s); and
  - i) To collect and deposit the monies realized from sale of the Securities and all interest / dividends received in respect thereof and/or to invest the same in any other Securities or in any other instrument, which the Attorney may consider appropriate.
11. To negotiate with any person whether body corporate or otherwise and affect the purchase/ sale of Securities on such terms and at such price, as may be deemed appropriate.
12. To attend, vote and otherwise act as attorney or proxy at meetings of the members, creditors, debentures holders of the company of which I/we hold the Securities.
13. To comply and/or cause to be complied with all statutory and other requirements attached to or arising out of these premises and for these purposes to take such steps and actions necessary or proper including signing of affidavits, indemnity, declarations, legal documents, deeds and writings required.
14. And for all or any of the purposes aforesaid to delegate all or any of the powers herein conferred upon the Attorney to such person(s) as it may deem appropriate and further appoint from time to time substitute(s) and/or revoke such substitution but so that the appointment of any such substitute(s) shall not affect or prejudice the rights or powers of the Attorney to act hereunder and the Attorney may continue to do so notwithstanding such appointments.
15. And generally to do, execute and perform such acts, deeds, matters or things, whatsoever, which in the opinion of the Attorney ought to be done and executed.

I/we declare that upon the execution of this Power of attorney, all the powers and authorities conferred hereinabove shall be exercisable solely by the Attorney and that I /we shall not, until this Power of Attorney stands revoked subject to the satisfaction of dues under the PMS Agreement, have the right to perform any



\_\_\_\_\_  
Signature(s) Sole / First Holder

\_\_\_\_\_  
Second holder

\_\_\_\_\_  
Third Holder

act(s) as mentioned in this Power of Attorney, except with the prior approval of the Attorney, given in writing, the authority for the performance of which has been duly conferred on the Attorney hereinabove. I/we further declare that I/we shall not at any time act in a manner, which has the effect of diluting, nullifying or vitiating the powers given to the Attorney under these presents, whilst this power of attorney is subsisting.

And I/we do hereby for myself, my heirs, executors, administrators, successors and legal representatives declare, ratify and confirm and agree to declare, ratify and confirm all and whatsoever acts, deeds, matters and things done or cause to be done by the Attorney or its delegatee(s) or substitutes(s) for the purpose of exercise of the powers conferred herein.

It is hereby clarified and declared that the Attorney being a body corporate, the power herein above granted may be exercised by any of its agents or employees to whom the Attorney may delegate any of the powers aforesaid and accordingly the Attorney may appoint and remove any sub-agent or Attorney from time to time as it may consider appropriate.

This document shall be subject to the jurisdiction of the Courts in Bangalore.

IN WITNESS WHEREOF, I/We set my/our hands on this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_.

Signed and delivered by:

 _____ Signature(s) Sole / First Holder Name(s) _____	_____ Second holder _____	_____ Third Holder _____
In the presence of: Witness		
1. _____	2. _____	

ACCEPTED:  
 For and behalf of o3 Securities Private Limited,

(Authorized Signatory)

Notary

**LETTER FROM CLIENT FOR RECEIPT OF STATEMENTS, REPORTS & DOCUMENTS VIA E - MAIL**

To,  
o3 Securities Private Limited  
No.5 Crescent Road High Grounds  
Bangalore-560 001

Date: \_\_\_\_\_

Dear Sir,

I/We hereby consent to receive all statements, reports and other documents as may be issued by o3 Securities Private Limited in respect of my/our Portfolio Management Services account(s) as mentioned below including but not limited to reports as mentioned under Regulation 21 of the SEBI (Portfolio Managers) Regulations, 1993, in electronic form duly authenticated by means of a digital signature as specified in the Information Technology Act, 2000 and the rules made there under to any of my/our below mentioned e-mail account(s) (said e-mail account(s)):

(At least one is Mandatory)

EMAIL ACCOUNT – 1	
EMAIL ACCOUNT – 2	

I/We hereby agree that o3 Securities Pvt. Ltd. shall fulfill its legal obligation, if the above statement, reports and other documents are sent electronically to any one of the said e-mail account(s).

In this regard I/We further agree that:

- (i) I/We shall take all necessary steps to ensure confidentiality and the secrecy of the login and password of the above mentioned e-mail account(s). o3 Securities Pvt. Ltd. shall not be liable to or responsible for any breach of secrecy.
- (ii) E-mails sent to any of the above mentioned e-mail account(s), which have not bounced back, shall be deemed to be duly delivered to me/us.
- (iii) In the event any e-mail sent by o3 Securities Pvt. Ltd. bounces back due to insufficient space in my/our inbox or in the event any network problem occurs, o3 Securities Pvt. Ltd. shall make the required delivery by any other electronic means (email, fax, electronic mail attachment or in the form of an available download from back office website) or in paper baseformat.
- (iv) o3 Securities Pvt. Ltd. shall not take cognizance of out-of -office/out-of-station auto replies and I/We shall be deemed to have received such electronic mails.
- (v) Such statements, reports and other documents shall be deemed to have been delivered on the day when the e-mail is sent by o3 Securities Pvt. Ltd.
- (vi) o3 Securities Pvt. Ltd. may at its discretion discontinue sending me/us the statement, reports and other documents in physical form.
- (vii) o3 Securities Pvt. Ltd. shall not be liable or responsible for any statement, report or document received from frauds or impostors or any consequences thereof.
- (viii) o3 Securities Pvt. Ltd. shall not be liable for any problem, which arises at my/our computer network because of my/our receiving any statement, report, document from o3 Securities Pvt. Ltd.
- (ix) I/We shall inform o3 Securities Pvt. Ltd. in writing if there is any change in the information given above.

I/We further agree that the o3 Securities Pvt. Ltd. will not be responsible for non-receipt of documents sent via electronic delivery due to change in/incorrect email address / correspondence address as mentioned or any other reason which inter alia include technical reasons or malfunction of my/our computer system / server / internet connection etc.

I/We further agree that o3 Securities Pvt. Ltd. may at its sole discretion also provide such documents in physical form.

Yours faithfully,



\_\_\_\_\_  
Sole/First Applicant/  
Authorised Signatory

\_\_\_\_\_  
Second Applicant/  
Authorised Signatory

\_\_\_\_\_  
Third Applicant/  
Authorised Signatory

**ONLINE ACCESS OF REPORTS**

To,  
o3 Securities Private Limited  
No.5 Crescent Road High Grounds  
Bangalore-560 001

Date: \_\_\_\_\_

Dear Sir,

**Sub: Online Access of reports of my investments**

Kindly provide the online access of reports of my investments with the following login credential:

Please mention the preferred User Name in the order of preference	
First Preference	
Second Preference	
Third Preference	

Further, I / We hereby give my / our consent and authorise Mr./Ms. \_\_\_\_\_ to view my / our reports and authorise you to provide online access for operational convenience.



\_\_\_\_\_  
Sole/First Applicant/  
Authorised Signatory

\_\_\_\_\_  
Second Applicant/  
Authorised Signatory

\_\_\_\_\_  
Third Applicant/  
Authorised Signatory

**FEES & CHARGES SCHEDULE**

The Fees and other Charges levied are as stated below:

Sr. No.	Particulars	Basis of calculations	Frequency of charge
(1)	Management Fees	___% p.a of Daily Average portfolio value	Quarterly
(2)	Performance Fees	<p>___ % of the alpha (excess returns compared to the Benchmark). In this context, 'Benchmark' shall be BSE 500 total return index. The performance of the Benchmark during the period under consideration will be treated as the hurdle rate. Performance Fee payable is calculated on the annualized percentage by which the return beat the hurdle rate on the completion of the portfolio account/ financial year. The performance fees for the first year will be charged once the hurdle rate is met. The performance fees from the next year will be charged once the hurdle rate is met and by applying the high-water mark principle in the manner illustrated below*.</p> <p>The Performance fee is applicable only on the positive returns of the portfolio.</p>	<p>The Performance Fees will be charged annually i.e. on financial year end of the portfolio manager i.e. 31<sup>st</sup> March every year.</p> <p>The returns for the period from inception date will be annualized and the performance fees will be charged in the next financial year end for the client accounts that are opened during mid year post September 30.</p> <p>However, if the client terminates the agreement during the year, the returns for the period (from inception date / date of performance fee charged lately to the termination date) will be annualized and the variable fee will be calculated based on the annualized return.</p>
(3)	Exit Load	___% of the amount redeemed if the client withdraws within one year from the date of investment (maximum upto 3% of the amount redeemed).	
(4)	Other Charges	Such as Auditors' Fees, Transaction charges, Depository charges, Custody charges, Sebi charges, Brokerage, Goods & Service Tax (GST), Securities Transaction Tax (STT) & Any other Incidental or out of pocket expenses etc. upto 0.50% per annum of the client's average daily assets under management (AUM).	

(Please refer to Annexure-1 for Illustration on the fees and charges)

o3 Securities Private Limited

Sole / First Applicant /  
Authorised Signatory

Second Applicant /  
Authorised Signatory

Third Applicant /  
Authorised Signatory

## FEES & CHARGES SCHEDULE

### Terms & Conditions:

- 1) Withdrawals: The withdrawals may be in form of shares or in cash at the end of the agreed period as per the terms & conditions of the Portfolio Management Agreement and are subject to the minimum investment criteria for PMS as specified by SEBI from time to time.
  - i) Withdrawals shall be for a minimum amount of Rs. One Lakh only. (Acceptance/Processing of applications for withdrawal of Assets less than the specified minimum amount shall be at the discretion of the Portfolio Manager).
  - ii) Exit Load will be charged on withdrawals within one year from the date of investment. In case of withdrawals in the form of securities, Exit Load will be charged on the Net Asset Value of the securities withdrawn.
  - iii) No Exit Load will be charged on switch between different investment approaches.
- 2) The Portfolio Manager has the discretion to sell securities held in the client accounts for the recovery of any of the fees charged to the clients account.
- 3) All fees and charges will be levied on the actual amount of client's asset under management.
- 4) The Fees and other Charges are subject to revision from time to time with the consent of the Client.

### \* Illustration of Benchmark and High Water Mark

-----

A client's initial contribution is Rs. 50,00,000, which then rises to Rs. 52,00,000 in its first year; a performance fee/profit sharing would be payable on the Rs. 2,00,000 return if such return exceeds the Benchmark based return on hurdle rate. In the next year the portfolio value drops to Rs. 51,00,000 even if such value exceeds the Benchmark based return on hurdle rate, no performance fee would be payable since the high water mark for charging the performance fees was Rs. 52,00,000. If in the third year, the portfolio rises to Rs. 53,00,000 and exceeds the Benchmark based return on hurdle rate, a performance fee/profit sharing would be payable on Rs. 1,00,000 which is portfolio value in excess of the previously achieved high water mark of Rs. 52,00,000, rather than on the full return during that year from Rs. 51,00,000 to Rs. 53,00,000. If in the fourth year, the portfolio rises to Rs. 55,00,000 but does not beat the Benchmark based return on hurdle rate, no performance fee will be charged and the high-water mark for the fifth year would still be Rs. 53,00,000.

-----

I/We have read, understood and accept the fee structure mentioned above. (Handwritten by Client)

-----

(Please refer to Annexure-1 for Illustration on the fees and charges)

o3 Securities Private Limited



Sole / First Applicant /  
Authorised Signatory

Second Applicant /  
Authorised Signatory

Third Applicant /  
Authorised Signatory

## Annexure-1

Illustration to explain the methodology for charging for fees and charges

Please note that the sample portfolio and the calculations given below are only for illustrative purpose. They may be used primarily to understand how the fees and charges are levied on the portfolio. The actual fees and charges applicable to each client's portfolio may vary from the illustration. The assumptions for the illustration are as follows:

1	Size of sample portfolio: Rs. 50 lakhs
2	Period: 1 year
3	Hurdle Rate: Assuming Benchmark return is 15%
4	Other Expenses: Assumed @ 0.50% (Brokerage/DP charges/transaction charges: Weighted Average of such charges (as a percentage of assets under management) levied in the past year/ in case of new portfolio managers indicative charges as a percentage of assets under management)
5	Upfront fee - Not applicable
6	Management fee - 1% p.a. charged on the average of the opening and closing AUM (in actual practice may be charged quarterly of the daily average portfolio value)
7	Performance fee – 15% on alpha (excess return over Benchmark)
9	Exit Load – Not applicable (Assuming there are no withdrawal within one year from the date of corpus infusion).
10	The frequency of calculating all fees is annual

Portfolio Performance:		Scenario		
	Particulars	Gain of 20%	Loss of 20%	No Change
	Capital Contribution	50,00,000	50,00,000	50,00,000
a	Less: Upfront fees	0	0	0
	Assets under management	<b>50,00,000</b>	<b>50,00,000</b>	<b>50,00,000</b>
b	Less: Brokerage/DP charges/any other similar charges/Taxes (assumed @ 0.50%)	25,000	25,000	25,000
	Assets under management less Brokerage/DP charges/any other similar charges	<b>49,75,000</b>	<b>49,75,000</b>	<b>49,75,000</b>
	Add/Less: Profits/Losses on investment during the year (@ 20% or @0% as applicable) on Assets under management	9,95,000	-9,95,000	0
	Gross Value of the portfolio at the end of the year	<b>59,70,000</b>	<b>39,80,000</b>	<b>49,75,000</b>
c	Less: Management Fees (1% on the average of the opening and closing AUM)	54,850	44,900	49,875
	Portfolio Value after charging Management Fees	<b>59,15,150</b>	<b>39,35,100</b>	<b>49,25,125</b>
d	Portfolio return at the end of the year	9,15,150	0	0
e	Benchmark return assuming @15%	<b>7,50,000</b>	0	0
f	Alpha (excess return over Benchmark)	<b>1,65,150</b>	0	0
g	Performance Fees charged @15% on Alpha	<b>24,772</b>	0	0
h	Portfolio Value after charging Performance Fees	<b>58,90,378</b>	<b>39,35,100</b>	<b>49,25,125</b>
i	Less: Exit Load Nil	0	0	0
	Portfolio Value after charging Exit Load	<b>58,90,378</b>	<b>39,35,100</b>	<b>49,25,125</b>
	Total charges during the year (a+b+c+g+i)	1,04,622	69,900	74,875
	%change over capital contributed	<b>17.81</b>	<b>(21.30)</b>	<b>(1.50)</b>

**Note:** In the above illustration, the Statutory Charges/Taxes such as GST, Transaction Charges, Securities Transaction Tax (STT), Stamp duty etc. will be charged at the prevailing rates as applicable which are subject to statutory/regulatory changes.



### UBO Declaration

Category  Partnership firm  Limited Liability Partnership  Public Trust  Unlisted Company  
 (*Tick applicable category*)  Unincorporated AOP/BOI  Public Charitable Trust  Others specify \_\_\_\_\_

Please list below the details of controlling person(s), confirming ALL countries of tax residency / permanent residency / citizen ship and ALL Tax Identification Numbers for EACH controlling person(s).

**Section I:** I/We declare that no individual person holds directly **\*\*Controlling ownership** in the captioned Company/Firm/LLP/AoP/BoI/Trust above the prescribed threshold limit

**Section II:** I/We the undersigned hereby declare the below details of senior managing officials in the captioned Company/Firm/LLP/AoP/BoI/Trust.

Sr. No.	Name of trustees, settlers, grantors & Beneficiaries / Name of Shareholders / Partner / Beneficial holders	Date of Birth/ Date of Incorporation	Mention if trustee, settler, grantor, protector or beneficiary or Designation (In case of Companies)	PAN / Tax ID No / CIN No	Address	% of Ownership/ Capital / Profits	Controlling person type code (mandatory)

**Section III:** The following individual person(s), directly or indirectly, holds **\*\*Controlling ownership** in the above captioned Company/Firm/LLP/AoP/BoI/Trust

Sr. No.	Name of UBO	PAN / Tax ID No / Equivalent ID No	Place & Country of Birth	Country of Tax Residency	Occupation	Date of Birth	Gender	Controlling person type code (mandatory)

**\*\* Definition of Controlling Ownership**

Definition of Beneficial owners: The term "beneficial owner" has been defined as the natural person who ultimately owns or controls a client and/or the person on whose behalf the transaction is being conducted, and includes a person who exercises ultimate effective control over a juridical person. Percentage allocation for identification of Beneficial owners:

- Company: 25% and above of Equity shares. In case of listed Companies, no further details of beneficial owners to be obtained
- Partnership firm/ LLP / BOI: 15% and above of the property or capital or profits
- Trust: Provide the details of trustees, Settlers, Grantors, Protectors, beneficial owners holding 15% and above of the property or capital or profits

Where no natural person is identified, the identity of the relevant natural person who holds the position of senior managing official  
 Note: Beneficial owners' declaration is not applicable for Societies, Association registered under Societies Registration Act, 1860

### FATCA – CRS Terms and Conditions

The Central Board of Direct Taxes has notified Rules 114F to 114H, as part of the Income-tax Rules, 1962, which Rules require Indian financial institutions such as the Bank to seek additional personal, tax and beneficial owner information and certain certifications and documentation from all our account holders. In relevant cases, information will have to be reported to tax authorities/ appointed agencies. Towards compliance, we may also be required to provide information to any institutions such as withholding agents for the purpose of ensuring appropriate withholding from the account or any proceeds in relation thereto.

Should there be any change in any information provided by you, please ensure you advise us promptly, i.e., within 30 days.

Please note that you may receive more than one request for information if you have multiple relationships with o3 Securities Private Limited or its group entities. Therefore, it is important that you respond to our request, even if you believe you have already supplied any previously requested information.

If you have any questions about your tax residency, please contact your tax advisor. If you are a US citizen or resident or green card holder, please include United States in the foreign country information field along with your US Tax Identification Number.

**Certification**

I / We have understood the information requirements of this Form (read along with the FATCA & CRS instructions) and hereby confirm that the information provided by me/us on this Form is true, correct and complete. I / We also confirm that I / We have read and understood the FATCA Terms and Conditions below and hereby accept the same.

Name/s of the Authorised Signatory(ies) and Designation	Place: Date :
---	------------------



\_\_\_\_\_ First Authorised Signatory

\_\_\_\_\_ Second Authorised Signatory

\_\_\_\_\_ Third Authorised Signatory

**Refer PART D for instructions**

## PART D FATCA Instructions & Definitions

**1 Financial Institution (FI)** - The term FI means any financial institution that is a Depository Institution, Custodial Institution, Investment Entity or Specified Insurance company, as defined.

- Depository institution: is an entity that accepts deposits in the ordinary course of banking or similar business.
- Custodial institution is an entity that holds as a substantial portion of its business, holds financial assets for the account of others and where its income attributable to holding financial assets and related financial services equals or exceeds 20 percent of the entity's gross income during the shorter of-
  - (i) The three financial years preceding the year in which determination is made; or
  - (ii) The period during which the entity has been in existence, whichever is less.
- Investment entity is any entity:
- That primarily conducts a business or operates for or on behalf of a customer for any of the following activities or operations for or on behalf of a customer
  - (i) Trading in money market instruments (cheques, bills, certificates of deposit, derivatives, etc.); foreign exchange; exchange, interest rate and index instruments; transferable securities; or commodity futures trading; or
  - (ii) Individual and collective portfolio management; or
  - (iii) Investing, administering or managing funds, money or financial asset or money on behalf of other persons;

or

- The gross income of which is primarily attributable to investing, reinvesting, or trading in financial assets, if the entity is managed by another entity that is a depository institution, a custodial institution, a specified insurance company, or an investment entity described above.

An entity is treated as primarily conducting as a business one or more of the 3 activities described above, or an entity's gross income is primarily attributable to investing, reinvesting, or trading in financial assets of the entity's gross income attributable to the relevant activities equals or exceeds 50 percent of the entity's gross income during the shorter of :

- (i) The three-year period ending on 31 March of the year preceding the year in which the determination is made; or
- (ii) The period during which the entity has been in existence.

The term "Investment Entity" does not include an entity that is an active non-financial entity as per codes 03, 04, 05 and 06 - refer point 2c.)

- Specified Insurance Company: Entity that is an insurance company (or the holding company of an insurance company) that issues, or is obligated to make payments with respect to, a Cash Value Insurance Contract or an Annuity Contract.

- FI not required to apply for GIIN:

A. Reasons why FI not required to apply for GIIN:

Code	Sub-category
01	Governmental Entity, International Organization or Central Bank
02	Treaty Qualified Retirement Fund; a Broad Participation Retirement Fund; a Narrow Participation Retirement Fund; or a Pension Fund of a Governmental Entity, International Organization or Central Bank
03	Non-public fund of the armed forces, an employees' state insurance fund, a gratuity fund or a provident fund
04	Entity is an Indian FI solely because it is an investment entity
05	Qualified credit card issuer
06	Investment Advisors, Investment Managers & Executing Brokers
07	Exempt collective investment vehicle
08	Trustee of an Indian Trust
09	FI with a local client base
10	Non-registering local banks
11	FFI with only Low-Value Accounts
12	Sponsored investment entity and controlled foreign corporation
13	Sponsored, Closely Held Investment Vehicle
14	Owner Documented FFI

## 2. Non-financial entity (NFE) - Foreign entity that is not a financial institution

Types of NFEs that are regarded as excluded NFE are:

**a. Publicly traded company (listed company)**

A company is publicly traded if its stock are regularly traded on one or more established securities markets

(Established securities market means an exchange that is officially recognized and supervised by a governmental authority in which the securities market is located and that has a meaningful annual value of shares traded on the exchange)

**b. Related entity of a publicly traded company**

The NFE is a related entity of an entity of which is regularly traded on an established securities market;

**C. Active NFE : (is any one of the following):**

Code	Sub-category
01	Less than 50 percent of the NFE's gross income for the preceding financial year is passive income and less than 50 percent of the assets held by the NFE during the preceding financial year are assets that produce or are held for the production of passive income;
02	The NFE is a Governmental Entity, an International Organization, a Central Bank , or an entity wholly owned by one or more of the foregoing;
03	Substantially all of the activities of the NFE consist of holding (in whole or in part) the outstanding stock of, or providing financing and services to, one or more subsidiaries that engage in trades or businesses other than the business of a Financial Institution, except that an entity shall not qualify for this status if the entity functions as an investment fund, such as a private equity fund, venture capital fund, leveraged buyout fund, or any investment vehicle whose purpose is to acquire or fund companies and then hold interests in those companies as capital assets for investment purposes;
04	The NFE is not yet operating a business and has no prior operating history, but is investing capital into assets with the intent to operate a business other than that of a Financial Institution, provided that the NFE shall not qualify for this exception after the date that is 24 months after the date of the initial organization of the NFE;
05	The NFE was not a Financial Institution in the past five years, and is in the process of liquidating its assets or is reorganizing with the intent to continue or recommence operations in a business other than that of a Financial Institution;
06	The NFE primarily engages in financing and hedging transactions with, or for, Related Entities that are not Financial Institutions, and does not provide financing or hedging services to any Entity that is not a Related Entity, provided that the group of any such Related Entities is primarily engaged in a business other than that of a Financial Institution;
07	<p>Any NFE that fulfills all of the following requirements:</p> <ul style="list-style-type: none"> <li>• It is established and operated in India exclusively for religious, charitable, scientific, artistic, cultural, athletic, or educational purposes; or it is established and operated in India and it is a professional organization, business league, chamber of commerce, labor organization, agricultural or horticultural organization, civic league or an organization operated exclusively for the promotion of social welfare;</li> <li>• It is exempt from income tax in India;</li> <li>• It has no shareholders or members who have a proprietary or beneficial interest in its income or assets;</li> </ul> <p>The applicable laws of the NFE's country or territory of residence or the NFE's formation documents do not permit any income or assets of the NFE to be distributed to, or applied for the benefit of, a private person or non-charitable Entity other than pursuant to the conduct of the NFE's charitable activities, or as payment of reasonable compensation for services rendered, or as payment representing the fair market value of property which the NFE has purchased; and The applicable laws of the NFE's country or territory of residence or the NFE's formation documents require that, upon the NFE's liquidation or dissolution, all of its assets be distributed to a governmental entity or other non-profit organization, or escheat to the government of the NFE's country or territory of residence or any political subdivision thereof.</p> <p>Explanation.- For the purpose of this sub-clause, the following shall be treated as fulfilling the criteria provided in the said sub-clause, namely:-</p> <ul style="list-style-type: none"> <li>(I) an Investor Protection Fund referred to in clause (23EA);</li> <li>(II) a Credit Guarantee Fund Trust for Small Industries referred to in clause 23EB; and</li> <li>(III) an Investor Protection Fund referred to in clause (23EC), of section 10 of the Act;</li> </ul>

### 3. Other definitions

**(i) Related entity**

An entity is a 'related entity' of another entity if either entity controls the other entity, or the two entities are under common control For this purpose, control includes direct or indirect ownership of more than 50% of the votes and value in an entity.

**(ii) Passive NFE**

The term passive NFE means

- (i) any non-financial entity which is not an active non-financial entity including a publicly traded corporation or related entity of a publicly traded company; or
- (ii) an investment entity defined in clause (b) of these instructions
- (iii) a withholding foreign partnership or withholding foreign trust;

(Note: Foreign persons having controlling interest in a passive NFE are liable to be reported for tax information compliance purposes)

**(iii) Passive income**

The term passive income includes income by way of :

- (1) Dividends,
- (2) Interest
- (3) Income equivalent to interest,
- (4) Rents and royalties, other than rents and royalties derived in the active conduct of a business conducted, at least in part, by employees of the NFE
- (5) Annuities
- (6) The excess of gains over losses from the sale or exchange of financial assets that gives rise to passive income
- (7) The excess of gains over losses from transactions (including futures, forwards, options and similar transactions) in any financial assets,
- (8) The excess of foreign currency gains over foreign currency losses
- (9) Net income from swaps
- (10) Amounts received under cash value insurance contracts

But passive income will not include, in case of a non-financial entity that regularly acts as a dealer in financial assets, any income from any transaction entered into in the ordinary course of such dealer's business as such a dealer.

**(iv) Controlling persons**

Controlling persons are natural persons who exercise control over an entity and includes a beneficial owner under sub-rule (3) of rule 9 of the Prevention of Money-Laundering (Maintenance of Records) Rules, 2005. In the case of a trust, the controlling person means the settlor, the trustees, the protector (if any), the beneficiaries or class of beneficiaries, and any other natural person exercising ultimate effective control over the trust. In the case of a legal arrangement other than trust, controlling person means persons in equivalent or similar positions.

Pursuant to guidelines on identification of Beneficial Ownership issued, vide SEBI circular no. CIR/MIRSD/2/2013 dated January 24, 2013, persons (other than Individuals) are required to provide details of Beneficial Owner(s) ('BO'). Accordingly, the Beneficial Owner means 'Natural Person', who, whether acting alone or together, or through one or more juridical person, exercises control through ownership or who ultimately has a controlling ownership interest of / entitlements to:

- i. More than 25% of shares or capital or profits of the juridical person, where the juridical person is a company;
- ii. More than 15% of the capital or profits of the juridical person, where the juridical person is a partnership; or
- iii. More than 15% of the property or capital or profits of the juridical person, where the juridical person is an unincorporated association or body of individuals.

Where the client is a trust, the financial institution shall identify the beneficial owners of the client and take reasonable measures to verify the identity of such persons, through the identity of the settler of the trust, the trustee, the protector, the beneficiaries with 15% or more interest in the trust and any other natural person exercising ultimate effective control over the trust through a chain of control or ownership.

Where no natural person is identified the identity of the relevant natural person who holds the position of senior managing official.

<i>(A) Controlling Person Type:</i>	
<i>Code</i>	<i>Sub-category</i>
01	CP of legal person-ownership
02	CP of legal person-other means
03	CP of legal person-senior managing official
04	CP of legal arrangement-trust-settlor
05	CP of legal arrangement--trust-trustee
06	CP of legal arrangement--trust-protector
07	CP of legal arrangement--trust-beneficiary
08	CP of legal arrangement--trust-other
09	CP of legal arrangement—Other-settlor equivalent
10	CP of legal arrangement—Other-trustee equivalent
11	CP of legal arrangement—Other-protector equivalent
12	CP of legal arrangement—Other-beneficiary equivalent
13	CP of legal arrangement—Other-other equivalent
14	Unknown
<p><i>(v) Specified U.S. person – A U.S. person other than the following:</i></p> <ul style="list-style-type: none"> <li>(i) a corporation the stock of which is regularly traded on one or more established securities markets;</li> <li>(ii) any corporation that is a member of the same expanded affiliated group, as defined in section 1471(e)(2) of the U.S. Internal Revenue Code, as a corporation described in clause (i);</li> <li>(iii) the United States or any wholly owned agency or instrumentality thereof;</li> <li>(iv) any State of the United States, any U.S. Territory, any political subdivision of any of the foregoing, or any wholly owned agency or instrumentality of any one or more of the foregoing;</li> <li>(v) any organization exempt from taxation under section 501(a) of the U.S. Internal Revenue Code or an individual retirement plan as defined in section 7701(a)(37) of the U.S. Internal Revenue Code;</li> <li>(vi) any bank as defined in section 581 of the U.S. Internal Revenue Code;</li> <li>(vii) any real estate investment trust as defined in section 856 of the U.S. Internal Revenue Code;</li> <li>(viii) any regulated investment company as defined in section 851 of the U.S. Internal Revenue Code or any entity registered with the U.S. Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. 80a-64);</li> <li>(ix) any common trust fund as defined in section 584(a) of the U.S. Internal Revenue Code;</li> <li>(x) any trust that is exempt from tax under section 664(c) of the U.S. Internal Revenue Code or that is described in section 4947(a)(1) of the U.S. Internal Revenue Code;</li> <li>(xi) a dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any State;</li> <li>(xii) a broker as defined in section 6045(c) of the U.S. Internal Revenue Code; or</li> <li>(xiii) any tax-exempt trust under a plan that is described in section 403(b) or section 457(g) of the U.S. Internal Revenue Code.</li> </ul>	
<p><i>(vi) Owner documented FFI</i></p> <p>An FFI meets the following requirements:</p> <ul style="list-style-type: none"> <li>(a) The FFI is an FFI solely because it is an investment entity;</li> <li>(b) The FFI is not owned by or related to any FFI that is a depository institution, custodial institution, or specified insurance company; (c) The FFI does not maintain a financial account for any non-participating FFI;</li> <li>(d) The FFI provides the designated withholding agent with all of the documentation and agrees to notify the withholding agent if there is a change in circumstances; and</li> <li>(e) The designated withholding agent agrees to report to the IRS (or, in the case of a reporting Model 1 IGA, to the relevant foreign government or agency thereof) all of the information described in or (as appropriate) with respect to any specified U.S. persons and (2). Notwithstanding the previous sentence, the designated withholding agent is not required to report information with respect to an indirect owner of the FFI that holds its interest through a participating FFI, a deemed-compliant FFI (other than an owner-documented FFI), an entity that is a U.S. person, an exempt beneficial owner, or an excepted NFE.</li> </ul>	
<p><i>(vii) Direct reporting NFE</i></p> <p>A direct reporting NFFE means a NFFE that elects to report information about its direct or indirect substantial U.S. owners to the IRS.</p>	

(viii) Exemption code for U.S. persons

Code	Sub-category
A	An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)
B	The United States or any of its agencies or instrumentalities
C	A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities
D	A corporation the stock of which is regularly traded on one or more established securities markets, as described in Reg. section 1.1472-1(c)(1)(i)
E	A corporation that is a member of the same expanded affiliated group as a corporation described in Reg. section 1.1472-1(c)(1)(i)
F	A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state
G	A real estate investment trust
H	A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940
I	A common trust fund as defined in section 584(a)
J	A bank as defined in section 581
K	A broker
L	A trust exempt from tax under section 664 or described in section 4947(a)(1)
M	A tax exempt trust under a section 403(b) plan or section 457(g) plan

## Systematic Transfer Form

Date: \_\_\_/\_\_\_/\_\_\_.

PMS Account Details	
Investor Name	
First Applicant Name	
Second Applicant Name	
Third Applicant Name	

Systematic Transfer Plan (STP) Cum Switch from Liquid to New / Existing Equity Strategy					
Liquid investment approach - PMS Code	Switch To Equity Investment Approach	Total Investment Amount	STP frequency	STP Start Date	% Switch in Each STP
			<input type="checkbox"/> Monthly	<input type="checkbox"/> 1st or <input type="checkbox"/> 15th	20% monthly of Capital*
			<input type="checkbox"/> Fortnightly	<input type="checkbox"/> 1st or <input type="checkbox"/> 15th	10% fortnightly of Capital*

\* Switch from Liquid Bees will be made on 1<sup>st</sup> / 15<sup>th</sup> of every month / fortnight. If 1<sup>st</sup> / 15<sup>th</sup> is a holiday, then a switch will be made on subsequent business day.

### **Kindly note the below points for STP Cum Switch:**

- On receipt the total investment amount / funds in the designated bank account, minimum of Rs.25,00,000 (Rupees Twenty Five Lakhs) of the total investment amount will be transferred to the Equity investment approach specified in the attached STP form on an Immediate basis and the balance amount will be used for purchase of liquid bees.  
In case an existing client opts for the STP then a minimum of 5 installments of Rs. 1,00,000/- each would be applicable.
- The second STP will start in the following month after the first / immediate transfer (For instance: If funds are transferred on 1<sup>st</sup> April, the next transfer will either be initiated on 1<sup>st</sup> or 15<sup>th</sup> May based on the preferred date mentioned in the STP form)
- Monthly / fortnightly switch from liquid bees will be made on 1st / 15th of every month. If 1st / 15th is a holiday, then Switch will be made on subsequent business day.
- The 5th STP amount can be more or less than the 20% considering accumulated returns in Liquid bees / custody & other expenses.
- Cancellation/Modification during the STP period is not permitted. During the course of the STP the client cannot instruct to transfer the partial amount to equity investment approach however the client is free to transfer the entire amount to the equity investment approach.
- In case of additional capital, we will require a new STP form from the client and the same process as above needs to be followed.
- Funding can be initiated only after the account is setup.

### **Declaration & Signature:**

- I/We understand that pursuant to this request the Portfolio Manager shall now manage the assets i.e., funds and /or securities managed under the liquid STP investment approach and shall transfer funds and/or securities to the new Equity Strategy specified above on a periodic basis.
- I/We further understand that the Portfolio Manager may at its discretion transfer the assets in the same form (funds and / or securities) as invested under the liquid STP investment strategy or may liquidate any/all securities managed under the liquid STP investment strategy and thereafter the funds and / or securities standing to my/our credit (net of all expenses) may be invested as per the Equity investment approach specified above.
- I/We further understand that due to fluctuations in the prices of securities/ transfer of marketable lot of the securities, the resultant value of the securities transferred may not be exactly equal to

the amount requested hereinabove. I/We agree to hold o3 Securities Private Limited and its employees harmless and not liable and agree that I/We shall raise no claims for any loss that is suffered due to delay in deployment or transfer of funds/ securities.

- If the transaction(s) are delayed / not processed due to any reason on the STP due date, no back dated impact will be given in any circumstances whatsoever.
- I/We understand the investment objectives under the liquid STP investment approach and the Equity investment approach to which funds and/or securities will be subsequently transferred and have read and understood the Disclosure Document.
- I/We understand that the Portfolio Investment Management Agreement and Supplemental Agreement (if any) entered into between me/us and o3 Securities Private Limited shall continue to remain in force and be applicable to my/our investment in liquid STP investment approach as well as the Equity investment approach specified above. Further, I/We confirm that I/We have read and understood the schedule of fee and that the fees applicable for the Equity investment approach shall be applicable to me after the change in the investment approach.
- In case of a partial re-balancing to the Equity investment approach specified above, I/We agree and confirm that the fees and charges charged by the Portfolio Manager for providing me / us the Portfolio Management Services with respect to the other Investment Strategies availed by me as per the PMS fee schedule(s) signed by me/us from time to time shall continue to remain applicable.
- I/ We understand that upon redemption request, the portfolio will be liquidated, and proceeds will be paid as per redemption payout timelines, irrespective of exposure to equity/liquid funds.

	First / Sole Applicant	Second Applicant	Third Applicant
Name			
Signatures			

Date: \_\_\_\_\_

Place: \_\_\_\_\_

**FORMAT OF BOARD RESOLUTION FOR CORPORATES ON LETTERHEAD**

**CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT THE MEETING OF THE BOARD OF DIRECTORS OF M/s \_\_\_\_\_ HELD ON \_\_\_\_\_ AT \_\_\_\_\_.**

**RESOLVED THAT** the Company appoint o3 Securities Private Limited having its registered office at No.5, Crescent Road, High Grounds, Bangalore-560 001, as its Portfolio Manager to provide portfolio management and other administrative services for the funds / value of the funds to be deployed by the Company.

**RESOLVED FURTHER THAT** the Mr. \_\_\_\_\_ and Mr. \_\_\_\_\_ Directors/Officials of the Company whose specimen signatures are appended below, be and are hereby authorised severally and/or jointly to sign and submit the application, undertakings, agreements, execute Power of Attorney and other requisite documents as may be deemed necessary for entering into the Portfolio Management Services with o3 Securities Private Limited.

**RESOLVED FURTHER THAT** to give effect to this resolution, a depository account be opened with (Bank Name) at Mumbai in the name of the Company and the aforementioned Directors/Officials, be and are hereby authorised severally and/or jointly to execute, sign and issue all / any such Applications, Agreements and all the other necessary documents that may be required by the Bank for opening and operating these accounts.

Sr. No.	Name of the Director / Authorised Signatory(ies)	Designation	Specimen Signature

**RESOLVED FURTHER THAT** that a certified true copy of this Resolution be furnished to o3 Securities Private Limited and the \_\_\_\_\_ Bank, Mumbai.”

For \_\_\_\_\_ (Name of the Company)

Chairman/Managing Director/Directors/Company Secretary

**FORMAT OF RESOLUTION FOR PARTNERSHIP FIRM / TRUST ON LETTERHEAD**

**CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT THE MEETING OF THE BOARD OF TRUSTEES / PARTNERS OF M/s \_\_\_\_\_ HELD ON \_\_\_\_\_ AT \_\_\_\_\_.**

**RESOLVED THAT** the trust / firm appoint o3 Securities Private Limited having its registered office at No.5, Crescent Road, High Grounds, Bangalore-560 001, as its Portfolio Manager to provide portfolio management and other administrative services for the funds / value of the funds to be deployed by the trust / firm.

**RESOLVED FURTHER THAT** the Mr. \_\_\_\_\_ and Mr. \_\_\_\_\_ trustees/partners of the trust / firm whose specimen signatures are appended below, be and are hereby authorised severally and/or jointly to sign and submit the application, undertakings, agreements, execute Power of Attorney and to do such acts and things as may be deemed necessary, on behalf of the trust/firm for the purpose of opening and operating the PMS account with o3 Securities Private Limited.

**RESOLVED FURTHER THAT** to give effect to this resolution, a Depository account be opened with (Bank Name) at Mumbai, in joint names of the trustees / partners named above and the aforementioned trustees/partners be and are hereby authorised to execute, sign and issue all / any such Applications, Agreements and all the other necessary documents that may be required by the Bank for opening and operating the depository account on behalf of the trust/firm so as to facilitate the settlement of any securities transaction done by the Portfolio Manager for the trust/firm.

Sr. No.	Name of the Authorised Partner / Trustee	Specimen Signature of Authorised Partner / Trustee

For \_\_\_\_\_ (Name of the Trust / Firm)

**To be signed by all the Trustees/Partners**

**DECLARATION TO BE GIVEN BY PARTNERSHIP FIRM / TRUST ON LETTERHEAD**

To,  
o3 Securities Private Limited  
No.5 Crescent Road, High Grounds,  
Bangalore – 560001

Dear Sir,

With reference to the Discretionary Portfolio Management Services agreement dated \_\_\_\_\_ and declare and authorise you as under:

We understand that a beneficiary account cannot be opened with a depository participant in the name of the partnership firm / trust as per regulations. To facilitate the operation of the PMS account opened with you and for purposes of completing securities transfer obligations pursuant to the trades executed in our PMS account, we authorize you to recognize the beneficiary account No. \_\_\_\_\_ with depository \_\_\_\_\_ (Bank Name) opened / to be opened in the joint names of the partners / trustees of our partnership firm / trust.

We agree that the obligations for shares purchased and / or sold by the firm / trust will be handled and completed through transfers to / from the above mentioned beneficiary account. We recognize and accept transfers made by you to / from the beneficiary account as complete discharge of obligations by you in respect of trades executed in the PMS account of the firm / trust.

**For \_\_\_\_\_ (Name of the Firm / Trust)**

**To be signed by Trustees/Partners**

**DECLARATION TO BE GIVEN BY KARTA ON HUF LETTERHEAD**

To,  
o3 Securities Private Limited  
No.5 Crescent Road, High Grounds,  
Bangalore – 560001

Dear Sir,

With reference to the Discretionary Portfolio Management Services agreement dated \_\_\_\_\_ and declare and authorise you as under.

We hereby authorise \_\_\_\_\_, the Karta of our HUF to sign, execute and submit such applications, agreements, undertakings and such other documents as may be necessary to enter into PMS agreement and engage in business with o3 Securities Private Limited and to operate the PMS account on behalf of our HUF.

I \_\_\_\_\_, Karta of the HUF declare that following are the co-parceners/members in/of my family.

Sr. No.	Name of Co-Parceners	Relationship with Karta	Age / Date of Birth	Signatures

Yours faithfully,

**FOR \_\_\_\_\_ (Name of the HUF)**

**Signature of the Karta with Seal**

Note: Please attach Birth Certificate in the case of minor members

## O3 SECURITIES PRIVATE LIMITED

---

### REGISTERED OFFICE

O3 HOUSE, No.5  
CRESCENT ROAD, HIGH GROUNDS,  
BENGALURU – 560001 KARNATAKA, INDIA  
T: +91 80 42410000  
F: +91 80 42410022

E: PMSASSIST@O3CAPITAL.COM

### BRANCH OFFICE

802, 8TH FLOOR, SOUTH ANNEXE TOWER 2,  
ONE WORLD CENTER, SENAPATI BAPAT MARG,  
LOWER PAREL, MUMBAI – 400013  
MAHARASHTRA, INDIA  
T: +91 22 69251018

E: PMSASSIST@O3CAPITAL.COM