

## **INVESTMENT ADVISORY SERVICES AGREEMENT**

This Investment Advisory Services Agreement (hereinafter referred to as the "Agreement") is made at/on \_\_\_\_ this day of \_\_\_\_\_, 20\_\_ by and between "**BRIGHTER MIND EQUITY ADVISOR PRIVATE LIMITED**" (hereinafter shall be referred as "**Brighter Mind Equity Advisor**"), a Private Limited Company, incorporated in India under the provisions of The Companies Act, 2013 and having its Registered office at "**53-B, U.G.Floor, Vijay Block, Laxmi Nagar, New Delhi - 110092**", PAN No.AAJCB7499N,

And

**Mr. / Ms. / Mrs** \_\_\_\_\_ an individual / Karta of Hindu Undivided Family / partnership firm formed under the provisions of Indian Partnership Act / a company incorporated under the provisions of The Companies Act, 1956 / a Limited liability partnership formed and registered under the Limited Liability Partnership Act, 2008 having office / residing at

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\_\_\_\_\_, having PAN No \_\_\_\_\_.

(hereinafter collectively referred as "the Client" which expression shall include, unless repugnant to or inconsistent with the subject or context thereof, be deemed to include (i) where the client is an individual, the heirs, executors, administrators and legal representatives and permitted assigns, (or the survivor(s) in case the client has jointly entered into the Agreement); (ii) where the Client is a company, its successors and permitted assigns; (iii) where the Client is a partnership firm, the partners for the time being of the firm, the survivors or survivor of them and the heirs, executors, administrators of the last survivor; (iv) where the Client is a Hindu Undivided Family, the members / coparceners of the HUF, their respective survivors / heirs, executors, administrators; (v) where the client is a Trust, the trustee or the trustees for the time being of the Trust, the survivors or survivor of them and the heirs, executors, administrators of the last survivor; (vi) where the client is the governing body of a society, the respective successors of the members of the governing body and any new members elected or appointed).

WHEREAS

1. **Brighter Mind Equity Advisor Pvt. Ltd.** is inter alia in the business of providing investment advice to individuals and corporates regarding investments in the Indian Capital Markets. It has obtained registration from SEBI under the SEBI (Investment Advisers) Regulations, 2013 and is duly authorized by SEBI to provide Investment Advisory Services within the purview of SEBI (Investment Advisers) Regulations, 2013, any amendments thereto from time to time vide Registration No. **INA100016363**
2. The Client is desirous of appointing Brighter Mind Equity Advisor as an Investment Advisor for the purpose of receiving advisory services relating to investing in, purchasing, selling or otherwise dealing in securities or investment products, and advice on investment portfolio containing securities or investment products, whether written or oral or through any other means of communication for the benefit of the Client and shall include financial planning;
3. The Client warrants that the Client is eligible to enter into this agreement with the Investment Advisor to avail of the services.

NOW THEREFORE, In consideration of the covenants and conditions hereinafter set forth, both parties to the agreement agree as follows:

## 1. **TERM**

This Agreement shall come into effect from the date of execution and shall remain valid and binding upon the Parties, unless terminated by either party as mentioned in clause "9".

## 2. **DEFINITIONS**

For the purpose of this agreement, the terms shall be construed accordingly, –

- a. "Act" means the Securities and Exchange Board of India Act, 1992 (15 of 1992);
- b. "assets under advice" shall mean the aggregate net assets value of securities and investment products for which the investment adviser has rendered investment advice irrespective of whether the implementation services are provided by the investment advisor or conducted by the client directly or through other service providers;
- c. "Board" means the Securities and Exchange Board of India established under section 3 of the Act;
- d. "certificate" means a certificate of registration granted under these regulations;
- e. "company" means a Company incorporated under the Companies Act, 2013 (Companies Act, 1956)
- f. "consideration" means any form of economic benefit including non-cash benefit received or receivable for providing investment advice;
- g. "family of Client" shall include individual Client, dependent spouse, dependent children and dependent parents as confirmed by the Client, at the time of entering into the agreement or at any subsequent amendments thereof; The dependent family members shall be those members whose assets on which investment advisory is sought/provided, originate from income of a single entity i.e. earning individual Client in the family.
- h. "financial planning" shall include analysis of clients' current financial situation, identification of their financial goals, and developing and recommending financial strategies to realize such goals;
- i. "investment advice" means advice relating to investing in, purchasing, selling or otherwise dealing in securities or investment products, and advice on investment portfolio containing securities or investment products, whether written, oral or through any other means of communication for the benefit of the Client and shall include financial planning:

Provided that investment advice given through newspaper, magazines, any electronic or broadcasting or telecommunications medium, which is widely available to the public shall not be considered as investment advice for the purpose of these regulations;

- j. "investment adviser" means any person, who for consideration, is engaged in the business of providing investment advice to Clients or other persons or group of persons and includes any person who holds out himself as an investment adviser, by whatever name called'
- k. "persons associated with investment advice" shall mean any member occupying a similar status or performing a similar function irrespective of the nature of association with the investment adviser who is engaged in providing investment advisory services to the Clients of the investment adviser;

l. “related-party” shall mean parties who are joined by a pre-existing business relationship or common interest;

m. “SEBI” shall mean the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992 (15 of 1992).

### **3. APPOINTMENT**

Pursuant to valid and proper authority and in accordance with applicable law, the Client hereby appoints **Brighter Mind Equity Advisor** to render the services of Investment Advisers for the Term and **Brighter Mind Equity Advisor** agrees to such appointment of terms and conditions provided for herein.

### **4. FEES**

- a. The Client(s) shall pay the Investment Advisor fees for the services rendered as provided in Schedule I or as may be amended from time to time.
- b. The Client agrees that fees are to be paid in favor of “Brighter Mind Equity Advisor Pvt. Ltd.”.
- c. Upon calculations of fees due, Brighter Mind Equity Advisor shall issue an invoice with applicable additions of taxes/GST, etc. under the Act and amendments included thereafter to “the Client”, payment shall be effected within thirty (30) days of submission of said invoice in consideration to the applicable deductions of taxes under the Act and amendments included thereafter. Payment made by the Client will be confirmed by Brighter Mind Equity Advisor.
- d. All fees shall be paid or made in full by the Client without any counter claim / deductions, set off or withholding.

### **5. SCOPE OF SERVICES**

- a. Brighter Mind Equity Advisor role would be to deliver investment advisory services to the Client(s). Hence the role would be limited to advisory by carrying out portfolio review & financial planning based on risk profiling. Further, the client has complete discretion on timing and execution of the transaction(s).
- b. The general objective is to formulate and device investment philosophy to achieve long term growth of capital or generate income or both, by investing in assets, which generate reasonable return and to advice client in line with each client profile with regard to their risk tolerance levels and specific preferences or concerns and to advice clients in line with each client’s goals on the basis of risk tolerance levels and other constraints if any.
- c. Brighter Mind Equity Advisor shall ensure that risk profiling of client has been carried on periodical basis and client is obligated to provide such information which is necessary for carrying out risk profiling using industry recognized tool or such other questionnaire for carrying out risk profiling. The information derived from risk profiling shall be communicated to the client after risk assessment has been done. Further, investment advice shall be provided based on suitability and appropriateness based on client’s investment objectives, risk tolerance, experience and knowledge of understanding risk by Clients(s) and rationale shall be documented towards the same. The client shall be required to provide all information pertaining to their investment portfolio and the investment advice shall be provided based on the responses provided by client in the risk profiling and/or financial planning and/or information provided towards overall portfolio.



- d. Brighter Mind Equity Advisor role is limited to advising the Clients and in no event shall be held liable for any claims of losses or damages made by the Client in respect of amount invested or transacted.
- e. Brighter Mind Equity Advisor does not intend to provide legal, accounting, tax or specific Investment advice. If such advice is required, the services of a competent Professional advisor should be sought.
- f. Any information / content in Brighter Mind Equity Advisor brochure or any other material or otherwise communicated by Brighter Mind Equity Advisor, shall not be treated as substitute for necessary review for validation at the client(s) end.
- g. Brighter Mind Equity Advisor may also deal with Authorized Persons or authorized agency in respect of this agreement and such other Authorized Persons or authorized agency as and when notified to do so by the client.
- h. Brighter Mind Equity Advisor shall at its sole discretion do all other acts as it deems necessary to achieve investment objective of client and for fulfillment of any other objective of this agreement.

**6. DECLARATIONS, REPRESENTATIONS AND WARRANTIES OF BRIGHTER MIND EQUITY ADVISOR**

- a. Brighter Mind Equity Advisor represents that it has obtained a certificate of registration from Securities and Exchange Board of India under the SEBI (Investment Advisers) Regulations, 2013 and the registration number is **INA100016363**
- b. Brighter Mind Equity Advisor represents that it shall ensure that in case of any conflict of interest of investment advisory activities with other activities, such conflict of interest shall be disclosed to the client.
- c. Investment products advised by Brighter Mind Equity Advisor including any financial and non-financial product such as securities (as defined under Section 2(h) of the Securities Contracts (Regulation) Act, 1956 including any amendments thereafter) or financial instrument purchased are subject to investment risk, liquidity risk, default risk, country risk, foreign exchange risk, interest rate risk, political risk, market risk including the possible loss of principal amount invested (details in Schedule 2). Past results or performance are not a guarantee to future performance. Yields or funds past performance should not be considered as indication or guarantee to future yield or result.
- d. Brighter Mind Equity Advisor shall maintain arm's length relationship between its activities as investment adviser and distribution or execution services offered by its holding company.

**7. DECLARATIONS, REPRESENTATIONS AND WARRANTIES OF CLIENT(S)**

- a. The Client(s) declares that the Client(s) has complied with and agrees to comply with all statutory formalities and guidelines issued by any regulatory authority to enable to enter into this arrangement with Brighter Mind Equity Advisor.
- b. Brighter Mind Equity Advisor shall have no liability for any such advice or representation made as it will be the responsibility of the Client(s) to make individual assessment.
- c. The Client(s) hereby agrees that the money being invested has been sourced through legitimate



sources and subject to no violation in present, and, in future too there will no violation under the Prevention of Money Laundering Act, 2002 and subsequent amendments to the said act. The client hereby confirms and agrees that Investment Adviser reserves the right to report any suspicious transaction to the Director of Financial Intelligence Unit-India (FIU-IND), New Delhi or any other competent authority, after applying appropriate due diligence measures and believes that the transaction is suspicious in nature with the purview of applicable law and/or SEBI circulars/guidelines issued from time to time.

- d. The Client(s) hereby declares that the Client(s) have clear ownership of the money / wealth being advised through Brighter Mind Equity Advisor and there are no violations of any concerned statutory regulations.
- e. The Client(s) hereby declares that the Client(s) are duly authorized, eligible and competent to enter into business relationship with Brighter Mind Equity Advisor. Further, Client(s) declares that the client(s) has not been debarred / suspended or prohibited from carrying on its normal activities and more especially the service governed through this arrangement.
- f. The Client(s) hereby declares and represents that the Client(s) will, at all times during the existence of this arrangement with Brighter Mind Equity Advisor be the holder of all registrations and authorization required by any regulatory authority to carry on its activity.
- g. The Client(s) shall comply with all Applicable Laws including but not restricted to the SEBI (Prohibition of Insider Trading) Regulations, 2015, SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003, The Prevention of Money Laundering Act, 2002, the Income Tax Act 1961 as may be enacted from time to time and the Investment Advisor shall not be responsible for any breach by the Client of such Applicable Laws.
- h. In the event of a change in the client's constitution or identity by change of name or inter alia, events such as merger, amalgamation, liquidation, winding up, takeover, or change in management, as the case may be, during the term of this Agreement the client shall keep the Investment Advisor duly informed in writing of such change and provide such information to the Investment Advisor as the Investment Advisor may request in this regard. In such an event, the Investment Advisor shall seek advice or appropriate directions where required, under Applicable Laws with regard to the continuation of this Agreement.
- i. The Client(s) shall communicate the Risk Profile Questionnaire Report to Brighter Mind Equity Advisor and also required to provide all information pertaining to their investment portfolio or any change thereof. Brighter Mind Equity Advisor shall provide investment advice based on the responses provided by client(s) in the Risk Profiling and / or Financial Planning / or information provided towards their overall portfolio.
- j. The Client must declare his/ her status as Non-resident Indian or foreign nationals and FATCA declaration is mandatory to submit with all the other necessary documents and information.
- k. All foreign nationals and/or NRI Clients must disclose all the relevant information and related documents which are required as per the Rules, Regulations, guideline and all other applicable provisions being laid by RBI, SEBI, FEMA, PMLA Regulations and all competent Governing Bodies which are time being in force.

## **8. LIABILITY OF BRIGHTER MIND EQUITY ADVISOR**

- a. Without prejudice to what is stated above, Brighter Mind Equity Advisor shall not be liable for any or by reason of any loss or damage arising to the Client(s) or failure or delay in complying with the instruction of the Client(s), which is caused directly or indirectly by any event or circumstances beyond Brighter Mind Equity Advisor control.
- b. Brighter Mind Equity Advisor shall not be liable for any error or inaccuracies in any of the publicly available information that may be provided for Client(s) by Brighter Mind Equity Advisor.

- c. Without prejudice to provisions of Clause 9 hereunder, the Client, acknowledges and agrees that the Investment Manager (or its directors, officers, employees, agents, consultants or other representatives) shall not be responsible or liable for any direct, indirect, incidental, consequential, special, exemplary, punitive or any other damages (including loss of profits, loss of goodwill, business interruption etc.) for any error of judgment, mistake or for any loss suffered by the Client in connection with the Services or in respect of any matter to which the Agreement relates unless such damage or loss is finally judicially determined to have resulted primarily from the willful misfeasance and bad faith of the Investment Adviser.
- d. Neither the Investment Advisor nor any employee or agent of the Investment Advisor shall be liable for any advice or representation made by it under this Agreement; it will be the client's responsibility to make an independent assessment.

## **9. CONFIDENTIALITY**

- a. Brighter Mind Equity Advisor and the Client(s) agree and undertake to keep confidential at all times the confidential information provided to the other party, details of this arrangement and all materials and other related documents pertaining to the transactions shared by the parties in connection with this agreement.
- b. However, Brighter Mind Equity Advisor will not publish, disclose or use any such confidential information unless required by law, order of a court of competent jurisdiction or by a regulatory authority or with specific permission of the client.
- c. Brighter Mind Equity Advisor may share the client(s) information for the purpose of taking expert / legal advice, if any, at the Client's cost as mutually agreed between both the parties before acting upon.
- d. Neither Party hereto shall (except in the course of its duties hereunder or where required to comply with judicial, quasi-judicial, regulatory or statutory requirements) disclose to such third party (as may be directed by such regulatory/statutory authority) which disclosure shall be no more extensive than is usual or necessary to meet the requirements imposed upon the Party making such disclosure any information relating to Client or any investors or the affairs of the other Party (including information about the customers of either Party) and the arrangements contemplated by this Agreement or the contents of this Agreement unless authorized in writing by such other Party, as the case may be, and shall prevent any such prohibited disclosures as aforesaid whether by any of its officers, employees or agents.

The receiving Party shall not be liable for disclosure or use of any Confidential information if:

- i. information which now is or hereafter comes into the public domain, otherwise than by reason of a breach of this Agreement; or
- ii. information made available to the receiving Party from other sources without obligation of confidentiality; or
- iii. Information that is already in the possession of or independently developed by the receiving Party.
- iv. Information which becomes known to the receiving Party prior to such disclosure without similar restrictions from a source other than the disclosing Party, as evidenced by written records.

## **10. TERMINATION**

Either party may terminate this agreement at any time, by giving the other party thirty (30) days prior written notice. Upon termination by either party all outstanding fees in accordance to this agreement due to Brighter Mind Equity Advisor at that time shall be settled in full within sixty (60) days.

This Agreement shall stand terminated forthwith on occurrence of the following events during the currency of this Agreement:

- a) Voluntary or compulsory termination of Investment Advisory Services by the Investment Adviser or the Client
- b) Insolvency, dissolution or winding up of the Client;
- c) Suspension or termination of the registration of the Investment Advisor as an Investment Advisor by SEBI or any other competent authority;
- d) Investment Advisor rendered incapable of rendering the Services; or
- e) Insolvency, dissolution or winding up of the Investment Advisor.

All rights and obligations which have accrued or arisen prior to the termination of this Agreement shall continue to be governed by the provisions of this Agreement irrespective of any termination.

Upon termination, the client or the heirs / successors / permitted assigns of the Client shall settle all dues owned by the Client under this Agreement towards fees, costs, charges and expenses.

#### **11. DO & DON'T FOR CLIENT**

- a. The Client shall completely ignore any call from number other than the numbers mentioned in claiming to be from Brighter Mind Equity Advisor and shall report such cases on Brighter Mind Equity Advisor's registered contact info.
- b. The client hereby agrees that the investment advice provided by Brighter Mind Equity Advisor is based on the risk profile of the Client; therefore, the client must not share the investment advice provided by Brighter Mind Equity Advisor to any other person/individual for any fee or free of cost under any circumstances. The client shall be fully responsible for the same.
- c. The Client understands that the Investment Adviser, in providing advice, may use or rely on the information provided by the Client and its Affiliates as well as any publicly available material and that the Investment Adviser does not assume responsibility for independent certification of any such information including without limitation any financial information forecasts or projections considered by the Investment Adviser in connection thereto.
- d. The Client shall endeavor to furnish to the Investment Adviser such information as the Investment Adviser may reasonably request in connection with the performance of its advisory services.
- e. The Client shall comply with all Applicable laws including but not restricted to the SEBI (Prohibition of Insider Trading) Regulations, 1992, SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Markets) Regulations, 1995, Prevention of Money Laundering Act, 2002, Income-tax Act, 1961 as may be enacted from time to time and the Investment Adviser shall not be responsible for any breach by the Client of any such Applicable Laws.

#### **12. INDEMNIFICATION**



In the event that either of the parties is found to be in breach of terms of this Agreement, such party shall at all times hereafter indemnify and keep the other party, its affiliates and their directors, officers, employees, representatives and agents ("Indemnified Party") fully indemnified against all claims, demands, actions, proceedings, losses, damages, costs, charges, expenses, interests and disbursements of any nature whatsoever which the Indemnified Party may pay or incur or suffer or sustain or be liable to pay or incur or suffer or sustain as a result or consequence, direct or indirect, of such breach.

### **13. GOVERNING LAW AND JURISDICTION**

- a. This Agreement, the construction and enforcement of its terms and the interpretation of the right and duties of the Parties hereto shall be governed by the laws of land in rules and regulations existing in particular sectors, services, products, as the case may be. In case any clause is not in accordance with any laws or regulations in force, the latter will prevail over the clause forming part of this agreement. In case any clause is not in accordance with any laws or regulations in force, the latter will prevail over the clause forming part of this agreement.
- b. This Agreement shall be construed in accordance with the laws of India and shall be subject to the exclusive jurisdiction of the competent courts in Delhi only.

### **14. MISCELLANEOUS**

- a. This agreement constitutes the whole agreement between the parties and any alteration must be in writing and signed by both parties.
- b. The terms of this Agreement shall be binding upon and shall inure to the benefit of the Parties, their respective successors, successors-in-title, heirs and assigns. None of the provisions of this Agreement shall be for the benefit of or enforceable by any Person that is not a party hereto.
- c. No Party may assign its interest hereunder without the express written consent of the other Party.
- d. This Agreement embodies the entire agreement and understanding among the Parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings relating to such subject matter.
- e. If any provision of this Agreement is held to be unenforceable under applicable law, the Parties agree to renegotiate such provision in good faith.
- f. If any provision of this Agreement or the application thereof to any person or circumstance is held to be invalid or unenforceable to any extent, the remainder of this Agreement and the application of such provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby, and each provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law. Any invalid or unenforceable provision of this Agreement shall be replaced with a provision, which is valid and enforceable and most nearly reflects the original intent of the unenforceable provision.
- g. The Investment Advisor may record telephone conversations without use of a warning tone. Such records will be the Investment Advisor's sole property and shall be accepted by the Client as conclusive evidence of any communication, advice or instructions to / from either party. Such records are kept for a certain period based on the in-house policy of the Investment Advisor and may be relied upon by the Investment Advisor as and when required.
- h. In case of any grievances, Client(s) may contact Compliance Officer having email ID- [brightermindequity@gmail.com](mailto:brightermindequity@gmail.com) and if not satisfied with response, can lodge grievances with

SEBI at <https://scores.gov.in/scores/complaintRegister.html>.

**15. OTHERS**

- a. No clause in this Agreement may be deleted or altered without the mutual consent of both parties and such consent for such deletion or alteration shall be obtained in writing by the other party.
- b. Request for amendment in any of the clauses of this Agreement shall be made in writing and be communicated to the other party within 7 days from the date of receipt of request for amending the clause and shall be agreed in writing on mutual consent between the parties.
- c. The amended clause shall form a part of this Agreement and constitutes a legal binding between the parties.

**IN WITNESS WHEREOF the Parties hereto have set and subscribed their respective hands hereunto on the day and the year mentioned herein above.**

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**SIGNED SEALED AND DELIVERED**

by within named Client

**SIGNED SEALED AND DELIVERED by**

**BRIGHTER MIND EQUITY ADVISOR LIMITED**  
**(through its constituted attorneys)**

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**In Presence of Witness:**

**1. Name:** \_\_\_\_\_ **Signature:** \_\_\_\_\_

**2. Name:** \_\_\_\_\_ **Signature:** \_\_\_\_\_

### **SCHEDULE 1 - Schedule of Fees**

Client would be charged non-refundable fee at 2.5 % per annum of the Asset Under Advice (Investment Portfolio Value). The fee would be charged on half yearly basis. GST would be levied on the fees at applicable rates.

Brighter Mind Equity Advisor Pvt. Ltd. shall provide the client an invoice for fee being charged and the client shall make the payment by way of account payee cheque issued in favour of – Brighter Mind Equity Advisor Private Limited or by way of electronic transfer.

Bank account details for purpose of making electronic transfer are as follows:

A/c name:- Brighter Mind Equity Advisor Private Limited

A/c No:- 033005008280

Bank name:- ICICI BANK LIMITED

IFSC code:- ICIC0000330

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**Client Signature**

## **SCHEDULE 2 - Risk Factors**

The risks described herein is not an exhaustive list and the Potential Investors should read and understand them before investing in any securities and other financial products (hereinafter referred to as "Portfolio") based on the advice of Investment Adviser. Potential Investors should be aware that an investment in a Portfolio may be exposed to other risks of an exceptional nature from time to time. In addition, different risks may apply to different Portfolios. Prospective Investors should review the below risk factors in its entirety and take an informed decision before making an investment.

### **1. Investment Risks**

The Portfolio may be risky and the investors could lose all or part of their investment. Prices of a Portfolio could be volatile and a variety of other factors, that are inherently difficult to predict, such as domestic or international economic and political developments, global pandemics etc. may significantly affect the value of a Portfolio's investments. A Portfolio's performance over a period may not necessarily be indicative of the results that may be expected in future. Similarly, the past performance of the portfolio may not necessarily be indicative of the future results.

### **2. Market Risks**

The investments in securities market are subject to normal market fluctuations and other risks inherent to investing in such investments and there can be no assurance that any appreciation in value will occur. Prospective investors are advised that the value of investment and their income from it may go down as well as up. An investment should only be made by persons who have the ability to sustain a loss. The financial markets may be adversely affected as a result of geopolitical situations, or historically unprecedented events, which could diminish the value of investments.

### **3. Liquidity risk**

The liquidity of the Portfolio may be restricted by trading volumes and settlement periods. Delays and/or other problems in settlement of transactions could result in temporary periods when the investments comprising the Portfolio are un-invested and no return is earned thereon.

### **4. Pricing and valuation Risk**

For quoted investments, a valuation price can be obtained from an exchange or similarly verifiable source.

### **5. Risks Associated with Investments in Small to Medium Capitalization Companies**

Investment Adviser may recommend investment in the securities of companies with small-to medium-sized market capitalizations which may have lower liquidity and higher price volatility. While the Investment Adviser believes these investments often provide significant potential for appreciation, these securities, particularly smaller-capitalization securities, involve higher risks in some respects as compared to investments in securities of larger companies.

### **6. Market disruption and geopolitical Risk**

Various social and political tensions in India and around the world may contribute to increased market volatility, may have long-term effects on financial markets and may cause further economic uncertainties in India and worldwide.

### **7. Political and economic risks**

The Government of India has traditionally exercised, and continues to exercise, a significant influence over many aspects of the economy. There can be no assurance that existing government policies will be continued and a significant change in the government's policies in the future could affect business and economic conditions in India and could also adversely affect our business, prospects, financial condition and results of operation. Any political instability in India may adversely affect the Indian securities markets in general, which could also adversely affect the trading price of the Indian securities.

### **8. Regulatory risk**

The value and marketability of the investments may be affected by changes or developments in the legal and regulatory environment in India. The SEBI regulates the securities market in India and legislates from time to time on matters affecting the stock market. In the past SEBI has issued regulations that affect investment in India, including regulations on takeovers, raising portfolios and insider trading. SEBI and/or the Government of India may make changes to regulations which may affect the ability to make or exit investments without much a heads-up.

#### **9. Foreign Exchange Risk**

Foreign exchange risk, also known as exchange rate risk, is the risk of financial impact due to exchange rate fluctuations

#### **10. Bankruptcy of investee companies**

Bankruptcy risk, or insolvency risk, is the likelihood that a company will be unable to meet its debt obligations. Its the probability of a firm becoming insolvent due to its inability to service its debt. Consequently, your investments in such companies may be substantially impacted.

#### **11. Litigation risk**

Some investments may be governed by a complex series of legal documents and contracts. As a result, the risk of a dispute over interpretation or enforceability of the documentation and consequent costs and delays may be higher than for other types of investments. The Investee companies may be subject to material or protracted litigation, litigation expenses and the liability threatened or imposed could have a material adverse effect on your investments in such companies.

#### **12. No guarantee on Investment philosophy and potential to lose all the sum invested**

Prospective investors should ensure that they understand the nature of such investment and the extent of their exposure to risk, that they have sufficient knowledge and experience and access to professional advisers to make their own legal, tax, accounting, and regulatory risks of investment in such Portfolios and that they consider the suitability of such an investment in the light of their own circumstances and financial condition. An investment in a Portfolio should not in itself be considered a balanced investment program, but rather is intended to provide diversification in a more complete investment portfolio. Investment advice is arrived at after using statistical methods, trading models, and quantitative research tools depend upon the assessment of business and economic trends. No assurance can be given of the accuracy of business assessment and subsequent investment advice.

Prospective clients should review/study the above Risk factors carefully and in its entirety and shall not construe the contents hereof or regard the summaries contained herein as advice relating to legal, taxation, or financial / investment matters.

Clients are advised to consult their own professional advisor(s) as to the legal, tax, financial or any other requirements or restrictions within their jurisdiction of nationality, residence, incorporation, domicile etc. relating to the subscription, gifting, acquisition, holding, disposal (sale or conversion into money) of portfolio and to the treatment of income (if any), capitalization, capital gains, any distribution and other tax consequences.

**Client Signature** \_\_\_\_\_

