

ANNEXURE A

TERMS AND CONDITIONS OF AGREEMENT BETWEEN IA AND THE CLIENT

1. Appointment of the Investment Adviser

The client appoints, entirely at his/her/its own risk, the Investment Adviser to provide services in accordance with Regulation 19(1)(d) of the SEBI (Investment Advisers) Regulations, 2013.

2. Consent & Declaration (First Page)

1. Client Consent:

- “I/We have read and understood the terms and conditions of Investment Advisory services provided by the Investment Adviser along with the fee structure and mechanism for charging and payment of fee.”
- “Based on our written request to the Investment Adviser, an opportunity was provided to ask questions and interact with persons associated with the investment advice.”

2. Declaration by Investment Adviser:

- No advice/fee until agreement is signed.
- No fund or securities management; only fee collection.
- No assurance or guarantee of returns.

3. Fees as per SEBI Regulations (to be mentioned).

4. Specific fee charged to client (to be mentioned).

3. Scope of Services

Services to be provided shall comply with SEBI Regulations. The Investment Adviser shall act in fiduciary capacity at all times.

4. Functions, Duties & Responsibilities

- Compliance with SEBI regulations, rules, circulars, and notifications.
- Maintain eligibility criteria at all times.
- Client risk assessment, including risk capacity and aversion.
- Provide reports on potential and current investments.
- Maintain records: KYC, risk assessment, investment analysis, advice rationale, agreements, and client register.
- Conduct audits as mandated by SEBI Regulations.
- Undertake to abide by the SEBI Code of Conduct (Third Schedule).

5. Investment Objectives & Guidelines

- Types of securities advised, including direct scheme recommendations and client restrictions.
- Financial plan/strategy agreed with client (based on risk profiling and AUA).
- Tax implications related to investment advice and adviser’s fee.

6. Risk Factors

Detailed statement of risks associated with each type of investment.

7. Validity of Advisory Services

Minimum period (if any), renewal terms and conditions (if applicable).

8. Amendments

Agreement may be amended by mutual written consent.

9. Termination

- Voluntary/mandatory termination by Adviser or Client (30 days written notice).
- Suspension or cancellation of Adviser's SEBI registration.
- Termination due to regulatory/government action.
- Clients may terminate upon IA's registration suspension.

10. Implications of Amendments & Termination

Includes refund/set-off of fees, ongoing investment completion, and transition obligations.

11. Relationship with Related Parties

Adviser to declare independence and disclose conflicts of interest.

12. Engagement in Other Activities

- Individual advisers to maintain arm's-length relationship between advisory and other activities.
- Individuals shall not provide distribution services.
- Family members of individual advisers shall not provide distribution services to advisory clients.
- Advisers shall not provide advisory services to clients receiving distribution services from family/group.
- Non-individual advisers shall not provide distribution or advisory services across advisory/distribution clients.

13. Representation to Client

Adviser to take all necessary consents/permissions prior to action on securities or products.

14. No Right to Seek Power of Attorney

Adviser shall not seek PoA or authorization from clients for implementation of advice.

15. No Conflict of Interest

Adviser to disclose conflicts as and when they arise and not derive benefit from client investments.

16. Maintenance of Accounts & Confidentiality

Adviser shall maintain client accounts and data as per SEBI Regulations.

17. Terms of Fees & Billing

- Details of quantum, mode, and periodicity of fees.
- Attach detailed fee schedule with illustrations.
- Specify advance/arrears, receipt documentation, and billing periodicity.
- Payment via traceable banking modes (NEFT, RTGS, IMPS, UPI, etc.); cash not permitted.

18. Liability of Investment Adviser

Adviser not liable for losses due to market risks, fluctuation in asset values, or performance issues.

19. Representations & Covenants

Includes qualifications of adviser, approvals/consents, and covenant to maintain them.

20. Death or Disability of Client

Agreement to cover continuation/termination, succession, nomination, or representation.

21. Death or Disability of Investment Adviser

Adviser to appoint an Obligor (legal heir/representative). Agreement to specify PAN, contact details, and transition obligations to protect clients.

22. Settlement of Disputes & Arbitration

Dispute resolution including arbitration per SEBI Regulations; protection for acts done in good faith.

23. Adherence to Grievance Redressal Timelines

Adviser shall resolve client grievances within timelines specified by SEBI.

24. Severability

Invalid provisions will not affect the remainder of the Agreement.

25. Force Majeure

Adviser not liable for delays/errors due to events beyond control (e.g. natural disasters, war, communication failures).

26. Miscellaneous

Both parties agree to perform further actions and execute additional agreements as necessary.