**CLIENT CONSENT AND UNDERTAKING**

**INTRODUCTION:**

Mr./Ms.\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, being holder of PAN\_\_\_\_\_\_\_\_\_, (“hereinafter referred to as ‘Investment Adviser” or “IA”) IA shall service the Client in accordance with the terms and conditions of this Agreement.

I/ We/M/s, Mr./Ms. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_<<client name>>, being holder of PAN \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, have read and understood the terms and conditions of the investment advisory services provided by the Investment Adviser and understood the Fee structure and mechanism for charging and payment of Fees for such investment advisory services provided by the Investment Adviser.

I/We hereby voluntarily consent to open and maintain Trading and Demat Account with Kedia Capital Services Private Limited (hereinafter referred to as “Kedia”) through which I/ we shall avail advisory services from the IA in accordance with this agreement and administration services from Kedia. I/We understand that opening Investment account with Kedia is optional and not a prerequisite for availing advisory services from the IA.

I / We was/were provided the opportunity by the Investment Adviser to ask questions and understand the scope of services and fees.

**Signature:**

**Name of the Client:**

**Date:**

**Place:**

**DECLARATION BY INVESTMENT ADVISER**

I shall neither render any investment advice nor charge any Fee until the Client has signed this agreement**.**

I shall not manage funds and securities on behalf of the Client and it shall only receive such sums of monies from the Client as are necessary to discharge the Client’s liability towards Fees owed to me.

I hereby undertake that I shall not, in the course of performing services to the Client, provide any investment advice implying any assured returns or minimum returns or target return or percentage accuracy or service provision till achievement of target returns or any other nomenclature that gives the impression to the Client that the investment advice is risk-free and/or not susceptible to market risks and/or that it can generate returns with any level of assurance.

**DECLARATION REGARDING ADVISORY FEES**

**(A) Fees prescribed under IA Regulations and circulars issued there under:**

Regulation 15 A of the IA Regulations provides that Investment Advisers shall be entitled to charge Fees from the Client in the manner as specified by SEBI, and accordingly Investment Advisers (IA) shall charge Fees from the Client in either of the two modes:

**(i) Assets under Advice (AUA) mode**

1. The maximum Fees that may be charged under this mode shall not exceed 2.5 percent of AUA per annum per Client across all services offered by IA.
2. IA shall be required to demonstrate AUA with supporting documents like demat statements, unit statements etc. of the Client.
3. Any portion of AUA held by the Client under any pre-existing distribution arrangement with any entity shall be deducted from AUA for the purpose of charging Fee by the IA.

**(ii) Fixed Fee mode**

The maximum Fees that may be charged under this mode shall not exceed INR 1,25,000 per annum per Client across all services offered by IA.

**General conditions under both modes:**

1. In case “family of Client” is reckoned as a single Client, the Fee as referred above shall be charged per family of Client”.
2. IA shall charge Fees from a Client under any one mode i.e. (A) or (B) on an annual basis. The change of mode shall be effected only after 12 months of the Clients on-boarding or last change of mode.
3. If agreed by the Client, IA may charge Fees in advance. However, such advance shall not exceed Fees for 2 quarters.
4. In the event of pre-mature termination of the IA services in terms of agreement, the Client shall be refunded the Fees for unexpired period. However, IA may retain a maximum breakage Fee of not greater than one quarter Fee.

**(B) Fees applicable to the Client:**

1. **Fees:**

For Clients who have decided to obtain advisory services from the IA , IA shall provide advice only on commission-free products wherever possible and hence shall be remunerated solely through Advisory Fees (hereinafter referred to as Fee) charged to the Clients and shall not receive any commissions whatsoever.

1. **Fee Structure:**

The Client’s applicable fee structure is mentioned in this IA terms and conditions document which is also sent to client on email after he has signed it.

**(C) Fee Recovery Process**

The Fees recovered on a monthly or quarterly basis as agreed with client:

1. The Fee is recovered monthly or quarterly from the Client’s cash account linked with the Client’s Trading Account.
2. The advisory fees invoice is sent to client on the registered email of the client for the payment of advisory fees
3. The Client can pay the fees by depositing cash into the cash account. If there is insufficient balance in the cash account, the holdings will be redeemed for fee payment.
4. In the event that the Client chooses to pay by depositing cash into the Cash Account and there is insufficient balance in the Cash Account to pay for the fees for more than two quarters, holdings will be redeemed in the following quarter to pay for all Outstanding Fee.

**(D) Fee Recovery by Redemption of Client Holdings:**

1. The default asset class for redemption priority is in this order: Liquid-> Debt-> Hybrid-> Equity-> Global.
2. In each asset category, the First in First out (FIFO) Logic will be applied where the oldest scheme shall be redeemed first.

**(F) Fee Modalities, Periodicity**

1. The Client shall pay Fees, through NEFT/ RTGS/ IMPS/ UPI or any other mode specified by SEBI from time to time, as mutually decided between IA and the Client. The fees shall not be accepted in cash. The details of such Fees and the invoices of advisory fees shall be sent periodically to clients registered email ID
2. IA shall issue invoices to the Client in relation to the payment of Fees by the Client to IA and the Client shall pay such invoices promptly. The Client authorizes Kedia to collect such Fees from the Client’s funds lying in the Client’s cash account linked with the Client’s Account within the prescribed due date.
3. The Client shall pay, any outstanding Fee on or before the due date of the relevant Transaction as provided for under these terms and conditions.
4. All payments made by the Client to the Product Provider and/or IA shall be in free and clear funds and free of deductions or withholdings.
5. Any portion of AUA held by the client under any pre-existing distribution arrangement with the IA shall be deducted from AUA for the purpose of charging fee under this Agreement.
6. An Illustration of the determination of Fees has been provided for reference under Annexure 3.

**CLIENT ENGAGEMENT AGREEMENT**

This Agreement dated \_\_\_\_day of \_\_\_\_\_\_\_\_, 20\_ outlines the terms and conditions under which Investment Advisory services are being offered by Mr./Ms.\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, being holder of PAN\_\_\_\_\_\_\_\_\_, (“hereinafter referred to as ‘Investment Adviser” or “IA”) to the Client.

The Client, Mr./ Ms/ M/s.

 ………………………………………………………………………………………………………………………., has engaged the IA being SEBI registered Investment Adviser vide Registration No. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_entirely at his/her/its risk in accordance with the provisions of this document, SEBI (Investment Advisers) Regulations, 2013 and circulars issued there under (as applicable and in force from time to time).

Mr./Ms.\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, being holder of PAN\_\_\_\_\_\_\_\_\_, (“hereinafter referred to as “Person Associated with Investment Advice (IA)”), shall act as a representative of Kedia who shall service the Client in accordance with the terms and conditions of this Agreement.

1. **INTERPRETATION**

**“AMC”** means an Asset Management Company licensed by SEBI as an asset manager;

**"Applicable Laws"** means all relevant or applicable statutes, laws, rules, regulations, directives, guidelines, notices and circulars issued by statutory/government/other prescribed authorities;

**"Agreement”** means this agreement, terms and conditions, any addition, addendum made thereto and includes the set of account opening forms, annexures and such other forms/letters/documents in accordance with applicable laws and general operating procedures of Kedia for the application by the Client to open and maintain his/her/their Trading and Demat Account(s);

**‘’Bonds’’** shall mean convertible/non-convertible, redeemable/non-redeemable bonds in nature of debentures issued by private/public or Government companies in accordance with applicable regulations;.

**“Bond Trust Deed”** shall mean Trust deed to be implemented between the Bond Trustee and the issuer Company;

**"Business Day"** shall mean a business day or working day on which the Product Provider accepts transactions and as more specifically defined in the Scheme Information Document of the respective schemes;

**“Client”** means any person who avails Investment advisory services in accordance with the terms and conditions of this Agreement includes the successors in title, legal heirs, representatives or Person authorised by the Client, whichever is applicable, of the Client;

**“Client Disability”** shall mean any intellectual, physical, sensory or mental incapacitation, disablement, weakness or unsoundness, whether partial or complete, due to which Client is unable to operate, access or take decisions in respect of his/her Investment Account or holdings thereof;

**“Family of the Client”** shall mean the dependent family 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.

**"Electronic Services"** shall have the meaning ascribed to it in Clause 12;

**“Fees”** means and includes Advisory Fees Fee charged by IA to the Client towards the Investment Advice rendered in accordance with the terms of this Agreement, as may be decided and / or amended from time to time;

**“Force Majeure Event”** shall mean an event arising due to any cause beyond the reasonable control of Kedia, including, without limitation, unavailability of any communication system (including Internet), breach or virus in the processes or payment mechanism, sabotage, fire, flood, explosion, acts of God, civil commotion, strikes or industrial action of any kind, riots, insurrection, war, acts of government, and computer hacking;.

**“Family of the IA”** shall mean the IA, his/her spouse, children and parents;

**“IA Regulations”** IA regulations shall mean the SEBI (Investment Advisers) Regulations, 2013 as amended from time to time including all amendments, circulars, notices etc issued thereunder;

**“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;:

**“KYC”** means Know Your Client policies in respect of ant-money laundering and countering of financial terrorism as per Applicable Laws;

**“NAV”** shall mean the net asset value of the Units of the Mutual Funds and the plans and options therein, calculated on every Business Day, in the manner as provided in the Scheme Information Document of the respective Mutual Funds or as may be prescribed by SEBI from time to time;

**"Order"** means any authorization, request, instruction, order or transaction (in whatever form and how so ever sent) given or transmitted to Kedia or its authorized Service Provider, by the Client , which Kedia or its Officers or Service Provider reasonably believes to be the authorization, request, instruction, order or transaction of the Client;

**"Products"** means any financial product offered by Kedia including but not limited to Mutual Funds, Stocks, Bonds, ETFs, IPOs or any financial and non-financial product authorised or recognized by SEBI or any other regulatory authorities (or deemed to be authorised or recognized under law) and distributed by or made available through Kedia from time to time;

**“Product Provider”** means an entity offering any Products through Kedia and shall include an AMC;

**“Service Provider”** means and includes Kedia or any person or entity engaged by Kedia to act as a service provider on behalf of Kedia;

**"Transaction"** means any transaction (both financial and non-financial transaction) effected under the Client Account in respect of any Product and includes applications for subscription, switching, transferring and redemption of Units in any Product.

1. **SCOPE AND APPLICATION**
2. The terms and conditions herein shall apply to the Client for all facilities in respect of all Products under the Client’s Investment Account.
3. IA shall add to, amend or vary any of these terms and conditions in accordance with applicable laws at any time by giving a written notice to the Client. The Client shall refer to the Kedia website for the applicable terms and conditions for the usage of the Kedia services.
4. **Scope of Services provided by Kedia:**

The IA has engaged Kedia to perform certain functions in relation to the advisory services provided to the Client. The Scope of Services provided by Kedia is as under:

1. To open Trading and Demat Account(s) for the Client with Kedia Capital Services Private Limited subject to Client consent;
2. To conduct Risk Profiling and KYC of the Client at the time of on-boarding, annually or at such intervals as may be prescribed by Law on behalf of the IA;
3. To provide implementation services in direct plans in case the Client opts to avail of implementation services through Kedia;
4. To provide periodic reports, statements, etc. in connection with the investment account of the Client;
5. To provide assistance to the IA for timely resolution of queries, grievances raised by the Client;
6. To keep the Client promptly informed of any material information in connection with the investment account of the Client.
7. **FUNCTIONS AND DUTIES OF INVESTMENT ADVISER:**

The IA shall discharge following functions and duties:

1. To comply with the provisions of SEBI (Investment Advisers) Regulations, 2013 and its amendments, rules, circulars and notifications and such other laws and regulations as applicable to Investment Advisers from time to time;
2. Compliance with the eligibility criteria as specified under the IA Regulations from time to time;
3. To undertake Risk assessment/ Risk Profiling of Clients including their risk capacity and risk aversion
4. Providing reports to Clients on timely basis and at such intervals as required by law on investments;
5. To maintain Client-wise KYC, advice, risk assessment, analysis reports of investment advice and suitability, terms and conditions document, rationale of advice, related books of accounts and a register containing list of Clients along with dated investment advice and rationale incompliance with IA Regulations;
6. Maintain Client accounts and data as mandated under IA Regulations;
7. To undergo Internal Audit at such intervals and manner as prescribed by Law;
8. Take all consents and permissions from the Client prior to undertaking any actions in relation to the securities or investment products advised by the IA;
9. To not seek any power of attorney or authorizations from its Clients for auto implementation of investment advice;
10. To not divulge any confidential information about its Client, which has come to its knowledge, without taking prior permission of its Client, except where such disclosures are required to be made in compliance with any law for the time being in force;
11. To not enter into transactions on its own account which are contrary to its advice given to Clients for a period of fifteen days from the day of such advice. If, during the period of such fifteen days, IA is of the opinion that the situation has changed, then it may enter into such a transaction on its own account after giving such revised assessment to the Client at least 24 hours in advance of entering into such transaction;
12. To resolve the queries, grievances of the Client at the earliest and latest within the timelines specified under SEBI regulations and circulars issued from time to time;
13. To act in fiduciary capacity towards its Clients and disclose all conflicts of interest as and when they arise;
14. To abide by the Code of Conduct as specified in the IA Regulations;
15. To provide direct implementation of advice i.e. through direct schemes/direct codes, and other Client specifications / restrictions on investments, if any.
16. **INVESTMENT OBJECTIVE, PRODUCTS, GUIDELINES, TRANSACTION PROCESSING AND RISK FACTORS**
17. The IA shall provide Investment Advice to the Client on the basis of his Risk Profile, Product Suitability and ideal asset allocation, in products including but not limited to Mutual Funds, Stocks, Bonds, ETFs, IPOs or any financial and non-financial product authorised or recognized by SEBI or any other regulatory authorities (or deemed to be authorised or recognized under law) and distributed by or made available through Kedia from time to time, either singly or in combination according to the Risk Profile, Product Suitability and ideal asset allocation of the Client. A detailed statement of taxation aspects and risks associated with each type of investment covering the standard risks associated with each type of investment has been given in Annexure 1.
18. The Advice so provided will be captured on emails and shall be sent to the Client for his approval. The final decision on whether to place and implement the order as per the advice of the IA shall be of the Client. Once the advice is approved by the Client the Order shall be placed.
19. Risk Profiling of the Client shall be undertaken annually or at such intervals as prescribed under applicable regulations. Client will review and approve transactions with the rationale and advice provided. Particulars regarding financial plan i.e. Goal Planning as agreed with the client (based on the risk profiling conducted for the client, total AUA of the client and time period for deployment will be available at all times under the Client Login.
20. The Client may instruct Kedia to implement any Transaction by placing an Order with Kedia and/or it’s Service Provider. The Client understands that an Order once placed with Kedia cannot be revoked. Upon the receipt of such Order and monies on a cleared-fund basis, Kedia shall implement the Transaction by placing an order with the relevant Product/Service Provider, while adhering to the client level segregation. The Order becomes irrevocable immediately after Kedia or Service Provider or Product Provider has received the Transaction on behalf of Client.
21. Orders received by Kedia on any Business Day before the relevant cut-off time shall be consolidated with other orders (if any) for placement with the relevant Product/Service Provider on the same Business Day. Orders received after the specified cut -off time shall be deemed to be an Order received by Kedia on the next Business Day and shall only be placed on the next Business Day.
22. The Client agrees and confirms that all the authorised and complete Transactions will be processed at the applicable value subject to realization / utilization of the funds and acceptance of the Transactions by the AMCs / their authorised representatives, Exchange, CDSL etc.
23. The Client agrees that the Client shall be responsible for all Transactions conducted through the Kedia and records generated by Kedia shall be conclusive proof of the Transaction being undertaken and may be used as evidence in any proceedings. In case of any discrepancy with regard to a Transaction, the Client shall notify Kedia/IA within 7 days of receipt of the record of such transaction or within such time period as prescribed under Applicable Laws.
24. In respect of Transactions involving units purchased, Kedia/IA will send the confirmation notes and statements to the Client in respect of all Transactions in the Investment Account by email to the Clients registered email ID.
25. Kedia/IA shall not be liable or responsible for any action or rejection on the part of any Product/Service Provider in respect of any Order. Kedia/IA shall have no responsibility or liability for ensuring that the relevant Product/Service Provider allots the units or for any Losses (including any loss of investment opportunity) which the Client may suffer or incur as a result of any refusal to accept or delay in accepting such Order by the Product/Service Provider.
26. The Client acknowledges that the issue prices and redemption (realisation) prices, wherever applicable are determined by external factors beyond the control of Kedia/IA. Accordingly, any price or value quoted by Kedia to the Client in respect of any Product is not conclusive and is indicative only. The Client hereby agrees that in placing an Order, the applicable issue or redemption price in relation to the Client’s Order may be different from the indicated or quoted/historic prices.
27. In cases where the Client opts for premature withdrawal of a Product, exit load as per applicable rates on the withdrawal proceeds may be charged by the Product Provider.
28. **VALIDITY OF THE AGREEMENT AND TERMINATION**
29. **Validity of the Agreement:**

The Agreement shall be valid and continue to be in force until specifically terminated by either parties in writing, in accordance with this Clause.

1. **Voluntary Termination by Client / IA:**
2. Either party may terminate this Agreement by giving the other Thirty (30) Day’s prior written notice.
3. It shall be the responsibility of the Client to ensure that there are no holdings in his/her/their Investment account before giving request for termination of this Agreement.
4. Termination of this Agreement shall in no way prejudice or affect any rights Kedia/IA may have against the Client under these terms and conditions or under Applicable Laws.
5. **Mandatory Termination by Client/ IA:**

Notwithstanding the above, either party reserves the right to terminate this Agreement forthwith, upon the occurrence of any of the following events:

1. If any party (i.e. defaulting party) commits any breach of any of the terms and conditions hereunder and does not remedy such breach within thirty (30) days after written notice has been given, requiring such remedy;
2. If either party becomes insolvent or enters into liquidation or receivership or suffers an administration receiver to be appointed in relation to the whole or any part of its assets, or suffers any judgment to be implemented in relation to any of its property or assets, or if any of these would adversely affect the performance of the obligation under these terms and conditions;
3. If either party fails to comply with any of the representations, warranties or statements hereunder or in any document delivered pursuant to the Investment Account
4. If the either party ceases, or threatens to cease, to carry on business;
5. Termination of the Client’s broking / demat account (by Kedia), if any, as per internal policy communicated to the Client from time to time, applicable regulations and pursuant to any regulatory order/direction.

**5.4. Suspension/Cancellation of IA registration of IA by SEBI**

If owing to any regulatory action, the registration of the IA to provide advisory services is terminated or suspended by SEBI, this agreement shall stand terminated on and with effect from the date of suspension/ cancellation of Licence.

**5.5 Termination of the Agreement**

The agreement shall stand terminated upon any other action taken by any other regulatory body/ Government Authority.

1. **CONSEQUENCES OF TERMINATION**
2. In the event that the Investment Account being terminated by either Party in accordance with clause 5 (a) above, the Product Provider/Kedia(on behalf of IA) shall deduct from the Client’s cash account the sum of any outstanding Fees, charges and expenses and wherever necessary, redeem the units in the Client’s Investment Account to satisfy any monies due from the Client to Product Provider/Kedia/IA under these terms and conditions or in connection with the Investment Account or any Transaction effected there under.
3. In the event that the Investment Account is terminated pursuant to Clause 5 (c) above, and without prejudice to any other right of IA hereunder or under Applicable Law, IA may (but is not obliged to) immediately or at any time thereafter, do any one or more of the following:
	* 1. Suspend or terminate the Investment Account, or IA’s relationship with the Client, accelerate any and all liabilities of the Client to IA so that they shall become immediately due and payable;
		2. Cancel any of the Client's outstanding Order(s);
		3. Apply any amounts of whatsoever nature standing to the credit of the Client against any amounts which the Client owes to IA (of whatsoever nature and howsoever arising, including any contingent amounts), or generally to exercise IA’s right of set-off against the Client;
		4. Exercise its rights of sale in respect of any of the Client’s units or call upon any security pursuant to the Client’s instructions;
		5. Demand any shortfall from the Client, hold any excess pending full settlement of any other obligations of the Client, or pay any excess to the Client by way of cheque to the last known registered address of the Client; and
		6. Any investment transaction in process shall be completed to the extent possible.
		7. Exercise such other authority and powers that may have been conferred upon IA by these terms and conditions.
4. **COVENANTS**

IA covenants as under and agrees to maintain them throughout the validity of this agreement as under:

1. No Conflict of Interest: IA or his/her family members shall not derive any direct or indirect benefit out of the Client’s securities/investment products except as disclosed in this Agreement;
2. The IA shall maintain an arms-length relationship between its activities as an Investment Adviser and other activities. IA shall maintain this arm’s length relationship throughout the tenure of advisory service;
3. It shall not provide any distribution services;
4. The family of the IA shall not provide distribution services to the Client advised by the IA for securities and investment products;
5. IA shall not provide investment advisory services, for securities and investment products to a client who is receiving distribution services from other family members;
6. It shall ensure that it shall receive and maintain all applicable approvals and consents (from regulatory/statutory bodies, third party consents, corporate approvals etc.) throughout the validity of advisory services;
7. Consideration by the way of remuneration or compensation or in any other form shall be received from the Client only and not from any person other than the Client being advised;
8. IA shall ensure that it will take all consents and permissions from the Client prior to undertaking any actions in relation to the securities or investment product advised;
9. **DEATH OF THE CLIENT**
10. The Investment Account of the deceased Client maintained with Kedia (with the holdings) shall be transferred to the Nominee, upon the Nominee providing necessary forms, documents required in this regard. Alternatively, the Nominee may choose to close the Investment Account after all the holdings are transferred in his/her name, subject to the full payment of any Fees, charges or any other dues, if any.
11. All acts performed by IA and Kedia prior to receiving written notice of the Client’s death, incapacity of or incapability shall be valid and binding upon the Client and the Client’s successors in title.
12. In the event of the Client’s death, IA and Kedia shall be absolutely protected in acting under these terms and conditions until Kedia receives actual notice of death from the legal representatives or executors of the Client. The legal representatives or executors will be recognised by IA/Kedia as having the sole authority to act under these terms and conditions on behalf of the deceased Client only upon the legal representatives or executors producing the relevant legal documents which establish them as the legal representatives of the deceased Client and process the transmission or account closure, as the case may be, as decided by the Nominee, if any.
13. **DISABILITY OF THE CLIENT**
14. In the event that the Client suffers Disability, the immediate relatives of the Client shall inform IA/Kedia in writing of such occurrence along with supporting medical reports. Depending upon facts of the case, IA shall de-activate the investment Account of the Client for allowing any debit transaction to avoid any form of misuse of the Funds/ holdings in the Client’s investment account until the recovery or death of the Client. In case the Client recovers, the account shall be activated upon written confirmation from the Client and exercise of applicable due diligence. In case of death of the Client, the provision stated under Clause 8 shall apply.
15. In the event that there is no intimation to IA/Kedia regarding Disability of the Client as stated in 9 (a) above, the Investment account shall continue to remain active and Kedia shall not be liable for any unauthorized access or misuse of the Client’s Investment Account.
16. **DEATH/ DISABILITY OF THE IA**
17. The IA shall, at all times have one of his/her legal heirs, executor, trustee, administrator of state of the deceased (the “Obligor”) to act as the person-in-charge in the event of Death or Disability of the IA.
18. The Obligor chosen by the IA shall so far as possible, be the one who is qualified to act as Investment Adviser under the IA Regulations.
19. The Obligor shall, in the event of Death/ Disability of the IA;
20. Give notice to all clients of the occurrence of the eventuality and confirmation of having taken charge over by the Obligor
21. Settlement of account with the client (fees payable and/or fees refundable)
22. Either act as the new IA subject to fulfilment of qualification, experience and certification requirements under the IA regulations and acceptance by the Client or facilitate completion of transition of any outstanding business to another duly registered investment adviser.
23. Ensure redressal of any outstanding or new disputes / claims of clients
24. The IA shall promptly inform all his/her Clients of any change in details of the Obligor during the tenure of this agreement.
25. **DISPUTE RESOLUTION**
26. If any dispute and/or difference has arisen between the Parties hereto during the subsistence of these terms and conditions or thereafter, in connection with the validity, interpretation, implementation or alleged material breach of any provision of these terms and conditions or regarding any question arising out of these terms and conditions or otherwise, the Parties hereto shall endeavour to settle such dispute/difference amicably by negotiation.
27. In case of failure to resolve the dispute and/or difference amicably, the dispute and/or difference shall be referred to Arbitration presided by a sole arbitrator appointed by the IA.
28. The Arbitration proceedings shall be governed by the Arbitration and Conciliation Act, 1996 or any amendment thereto.
29. The Arbitration proceedings shall be held in - India and in the English language.
30. The Parties hereto shall submit to the Arbitrator's award and the award shall be enforceable in any competent court of law.
31. The provisions of this clause shall survive the termination of these terms and conditions for any reason whatsoever.
32. **GENERAL EXCLUSION AND LIMITATION OF LIABILITY**
33. In addition and without prejudice to any other right or remedy which may be available (whether under these terms and conditions or under Applicable laws), and in the absence of fraud on the part of IA, neither IA nor his/her officers, servants, agents or employees shall be liable to the Client in any respect for any Loss suffered by the Client, including but not limited to any Loss arising out of any of the following:
34. Any loss, which a Client may suffer by reason of any depletion in the value of the assets under advice, which may result by reason of fluctuation in asset value, or by reason of non-performance or under-performance of the securities/funds or any other market conditions;
35. any reliance by the Client on any information and/or reports which are incomplete, inaccurate, corrupted, untrue or out-of-date, notwithstanding that such information and/or reports may or may not have been customized for the use of the Client, where such information and/or reports have been prepared, compiled or produced by any Product Provider, fund manager and/or issuer of any Mutual Funds or any third party, received by Kedia in good faith and forwarded to the Client by Kedia/IA or made available through the Electronic Services;
36. any loss or unauthorised use of the Electronic Services or delay in the transmission or wrongful interception of any Order or contract through any equipment or system, including any equipment or system owned and/or operated by or on behalf of Kedia/IA;
37. any delay, fault, failure or loss of access to or unavailability of the Electronic Services for whatever reason;
38. any delay, failure or omission in the execution of the Orders of the Client due to any reason beyond the control of Kedia/IA;
39. for any fraud, negligence/mistake or misconduct by Client;
40. any action taken for non-compliance with PAN/Bank guidelines issued by SEBI/other regulatory authorities or for any delay thereof, including for loss of interest and / or opportunity loss and / or any loss arising due to movement in NAV or any other losses, liabilities, damages, costs, charges, expenses which the Client(s) may sustain, incur or suffer or be put to or become liable or incur directly or indirectly by reason or as a consequence of any such action or any delay thereof.
41. Kedia, its IAs, Officers, Employees and Agents, may have taken or take the same or similar positions in specific investments for their own accounts, or for the accounts of other Clients, as the IA does for the Assets of the Client. The Client expressly acknowledges and understands that Kedia (through its IAs) shall be free to render Investment Advice to others and that Kedia does not make its investment management services available exclusively to Clients. Nothing in this Agreement shall impose upon Kedia/IA any obligation to purchase or sell, or to recommend for purchase or sale, on its own account, any securities, instruments, financial products which Kedia, its IAs, officers, employees or agents may purchase or sell for their own accounts or for the account of any other Client.
42. The IA acting in good faith shall not be liable for any acts and/or omissions of other professionals or third party service providers recommended to the Client if any, , including a broker-dealer and/or custodian, attorney, accountant, or any other professional.
43. For the avoidance of doubt and without prejudice to the generality of the foregoing, Kedia and IA shall not in any event be liable to the Client for any indirect or consequential loss, or for punitive damages.
44. Kedia and its IA shall not be liable for any loss/damage suffered by the Client in respect of any transactions implemented outside the Kedia platform irrespective of whether or not Kedia ARN or RIA Code has been used.
45. [Except with](https://www.lawinsider.com/clause/limitation-of-liability?cursor=ClsSVWoVc35sYXdpbnNpZGVyY29udHJhY3RzcjwLEhZDbGF1c2VTbmlwcGV0R3JvdXBfdjE2IiBsaW1pdGF0aW9uLW9mLWxpYWJpbGl0eSMwMDAwMDAwYQwYACAA) respect to any claim arising out of wilful default/misconduct or gross negligence, the liability of IA/ Kedia in respect of any claim arising due to any loss, damage, injury, act or omission either on part of Kedia or the IA shall be limited to the extent of Fees earned by IA in respect of such transaction from the Client.

1. **FORCE MAJEURE**

IA shall not be liable for any failure to perform any of its obligations under these terms and conditions if the performance is prevented, hindered or delayed by a Force Majeure Event (defined below) and in such case its obligations shall be suspended for so long as the Force Majeure Event continues. IA shall endeavour to inform the Client of the existence of a Force Majeure Event.

1. **MISCELLANEOUS:**
2. This agreement may be amended by mutual written consent of the parties.
3. If any provision of this Agreement shall be held or made invalid by a court decision, statute, rule or otherwise, the remainder of this Agreement shall not be affected thereby.

**IN WITNESS WHEREOF** the Parties hereto have caused the execution of this Agreement on the date hereinabove written

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name: Mr./Ms \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Investment Adviser

Signed on behalf of <<<Client Name>>>:

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

**ANNEXURE 1**

**RISKS AND TAXATION ASPECTS ASSOCIATED WITH EACH TYPE OF INVESTMENT COVERING THE STANDARD RISKS**

*(\*Disclaimer: The source of information shared under this Annexure has also been stated for reference. Please note that the information shared under this Annexure may not be exhaustive).*

1. **Risk Considerations:** When evaluating risk, financial loss may be viewed differently by each Client and may depend on many different risks, each of which may affect the probability and magnitude of any potential losses. The following risks may not be exhaustive, but should be considered carefully by the Client before engaging or retaining our services:
2. **Risk of Loss:** Investment in any financial product involves risk of loss that a Client should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate Clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in not an indication of future performance.
3. **Market Risk:** Market risk or systematic risk, is a risk which may result in losses for any investor due to the poor performance of the financial markets. It is that part of a security's risk that is common to all securities of the same general class (mutual funds, stocks and bonds) and thus cannot be eliminated by diversification.
4. **Concentration Risk:** While investment in mutual funds and ETFs generally provide diversification, concentration risk can be significantly increased if the fund invests in a particular sector of the market, or concentrates in a particular type of security (i.e equities) rather than balancing the fund with different types of securities. The best way to minimise this risk is by diversifying your portfolio.
5. **Liquidity Risk:** The risk of being unable to sell your investment at a fair price at a given time due to high volatility or lack of active liquid markets. You may receive a lower price or it may not be possible to sell the investment at all.
6. **Rating Risk:** Investment in stocks may be impacted due to negative or positive share price movement affected by experts providing analysis and ratings on listed stocks and their performance
7. **Credit Risk:** Credit risk typically applies to debt investments such as corporate, municipal, and sovereign fixed income or bonds. A bond issuing entity can experience a credit event that could impair or erase the value of an issuer's securities held by the Client.
8. **Inflation and Interest Rate Risk:** Security prices and portfolio returns will likely vary in response to changes in inflation and interest rates. Inflation causes the value of future returns to be worth less and may reduce the purchasing power of a Client's future interest payments and principal. Inflation also generally leads to higher interest rates which may cause the value of many types of fixed income investments to decline.
9. **Default Risk:** The Client may lose his invested corpus if the company in which he is invested through mutual funds or stocks, does not perform well financially with each passing year and is not able to meet liabilities and goes bankrupt.
10. **Political and Economic Risk:** National and international political and economic developments may have an impact on the financial markets and ultimately affect the performance of financial instruments and therefore the portfolio of the Client.
11. **Horizon and Longevity Risk:** The risk that your investment horizon is shortened because of an unforeseen event, for example, the loss of your job. This may force you to sell investments that you were expecting to hold for the long term. If you must sell at a time that the markets are down, you may lose money. Longevity Risk is the risk of outliving your savings. This risk is particularly relevant for people who are retired, or are nearing retirement.
12. **Technology Risk:** Investment through web based systems and use of financial technology may be subject to system error and has inherent risk due to system response and access times that may be affected by various factors, including but not limited to, processing or communication errors, system failure, market conditions and system performance.
13. **Epidemic Risk:** Occurrences of epidemics, depending on their scale, may cause different degrees of damage to the national and local economies. Global economic conditions may be disrupted by widespread outbreaks of infectious or contagious diseases, and such disruption may adversely affect the returns of your portfolio.
14. **Tracking Error Risk:** The goal of an ETF/ index fund is to track a specific market index, often referred to as the fund's target index. The difference between the returns of the index fund and the target index is known as a fund's tracking error. Tracking errors can have an unexpected material effect on an investor's returns.
15. **Trade Errors:** Trade confirmations and account statements provided to you by Kedia shall be binding if you do not object, in writing, within three (3) calendar days in the case of trade confirmations, and ten (10) calendar days in the case of account statements, after transmittal to you by electronic delivery or otherwise. In the event a transaction error occurs in your account, you will need to notify Kedia to restore your account to the position it should have been in had the error not occurred.
16. **Call Risk:** In case of bonds, if interest rates drop low enough, the bond's issuer may choose to repay its callable bonds and issue new bonds at lower interest rates. If this happens, the bondholder's interest payments cease and they receive their principal early.
17. **Prepayment Risk:** Similar to call risk, in case of individual bonds, including mortgage-backed bonds, prepayment risk is the risk that the issuer of a security will repay principal prior to the bond’s maturity date, thereby changing the expected payment schedule of the bonds.
18. **Tax Considerations:** Income from investments is subject to tax as per the provisions of Income Tax Act, as amended from time to time. The following heads of income from investments are subject to tax, unless specifically exempt: dividend income, interest income and realised capital gain.

Income from investments may be in the form of interest or dividend and is taxable as income from other sources. The tax treatment for both these types of income is different. Investment in securities will classify as capital assets as per the definition of Capital Assets under Section 2(14) of the Income Tax Act and a capital gain/loss from the sale or transfer of such asset (also known as realised gains/losses) can be a short term capital gain/loss or long term capital gain/loss depending upon the period for which it was held by the investor (Client) and taxed accordingly.

Every purchase and sale of securities (including equity and unit of equity oriented mutual fund) listed on recognized stock exchanges in India also attract a direct tax called Securities Transaction Tax (STT).STT is computed on the amount of redemption or sales value and is reduced from the redemption or sales proceeds paid to the investor (Client).

Tax calculated on your investment products depends on factors such as what kind of instruments you have invested in, the duration of your investment, and which income tax slab you belong to. The Client should consult a tax professional or a qualified Chartered Accountant regarding the tax implications of the investing of his assets and the filing of his tax returns.

**ANNEXURE 2**

**REPRESENTATION ABOUT THE QUALIFICATION OF THE IA**

|  |
| --- |
| **PARTICULARS OF INVESTMENT ADVISER** |
| NAME: MR/MS.  |
| EDUCATIONAL QUALIFICATION: |

## **ANNEXURE 3**

**DETAILS AND ILLUSTRATION OF REMUNERATION EARNED BY INVESTMENT ADVISER**

1. **Advisory Fees**
2. In case of an investment account, Kedia shall provide advice only on zero-commission products where possible and hence shall be remunerated solely through Advisory Fees. This is the ongoing fees for the advisory services provided by Kedia to the Client and is charged on the total AUA.
3. The Advisory Fees can be a fixed rate or a percentage of the AUA or a slab wise rate. Asthe Kedia Wrap Account is a multi-product account, the Advisory Fee will be charged across all the products advised.

**Advisory Fees Calculation Illustration:** For the purpose of calculations in this example, the AUA is assumed to be INR One Crore and 100% of the AUA is assumed to be Mutual Fund AUA. The Advisory Fee being charged is assumed to be 1% of the AUA is as per the percentages provided in Table 1.0 above.

***Illustration 1.0***

|  |
| --- |
| **Advisory Fee Calculation** |
| **AUA** | **Advisory Fee** | **AdvisoryFee Calculation** |
| 100,00,000.00 | 1% | (100,00,000\*1%/4) = 25,000.00 |
| Advisory Fee payable for the Quarter is INR 25,000excluding GST |

As detailed in the above Illustration 1.0, the Advisory Fees payable by the Client to Kedia for the Quarter will be INR 25,000 excluding GST. The invoice for the Advisory Fee will be emailed to client in the subsequent month of the current month or quarter and will become payable accordingly.

**Please Note:** The Advisory Fee charged by Kedia under the AUA mode shall not exceed 2.5% of the Client's AUA and shall not exceed Rs.1.25 Lakh in case of Fixed Fee mode. Fees charged by Kedia is exclusive of any Goods and Services Tax (GST) or any other applicable taxes as amended from time to time, which shall be borne by and separately charged to the Client.