



PORTFOLIO MANAGEMENT SERVICES
Account Opening Form - Individual



नेपाल धितोपत्र बोर्डबाट स्वीकृति प्राप्त

बि.ओ.के. क्यापिटल मार्केट लि.
B.O.K. Capital Market Ltd.

A subsidiary of Bank of Kathmandu Limited

PORTFOLIO MANAGEMENT SERVICES Account Opening Form - Individual

Title Mr. Mrs. Miss Others

1. Applicant's Name in English
 पुरा नाम देवनागरीमा

Joint Account (If Applicable)

Date of Birth (B.S.) Date of Birth (A.D.)
 जन्म तिथि (बि.स.) जन्म तिथि (इ.स.)

Nationality Citizenship No.
 राष्ट्रियता नागरिकता नं.

Citizenship Issued Date Citizenship Issued Place
 नागरिकता जारी भएको मिति नागरिकता जारी भएको जिल्ला

Passport No. Passport Issued Place & Date
 राहदानी नं. राहदानी जारी स्थान र मिति

2. Permanent Address Province District
 स्थायी ठेगाना प्रदेश जिल्ला

VDC/SM/M Tole Ward No. Block No.
 गा.वि.स./म.पा./म.न.पा. टोल वडा नं. ब्लक नं.

Phone No. Mobile No.
 फोन नं. मोबाइल नं.

Email

3. Temporary Address Province District
 हालको ठेगाना प्रदेश जिल्ला

VDC/SM/M Tole Ward No. Block No.
 गा.वि.स./म.पा./म.न.पा. टोल वडा नं. ब्लक नं.

Phone No. Mobile No.
 फोन नं. मोबाइल नं.

Email

4. Father's Name
 बाबुको नाम

5. Grand Father's Name
 बाजेको नाम

6. Marital Status Married Unmarried Other
 विवाहित अविवाहित अन्य

7. Spouse Name
 पति वा पत्निको नाम

8. Educational Qualification Post Graduate Graduate Higher Secondary Matriculation Others.....
 शैक्षिक योग्यता

9. Occupation Salaried Business Professional Housewife Others.....
 पेशा

If currently employed
 कुनै कार्यालयमा कार्यरत भए कार्यालयको नाम, ठेगाना र पद अनिवार्य रूपमा खुलाउनु पर्ने।

Employer's Name (कार्यालयको नाम)	Employer's Address (कार्यालयको ठेगाना)	Designation (पद)
<input type="text"/>	<input type="text"/>	<input type="text"/>

10. Permanent Account Number(PAN)
 स्थायी लेखा नम्बर

11. Bank Account Details Current Saving Others
 कारोबार गर्ने बैंकको नाम, ठेगाना तथा खाता नम्बर: (खाताको प्रकार खुलाउनु पर्ने) लगानी प्रयत्नवाकले यस दफतमा दर्तालेख भएको बैङ्कींग खातको ग्राहकको सम्बन्धमा जानकारी माग्न सक्नेछ।
 खाताको प्रकार चल्ती खाता बचत खाता अन्य

Bank's Name (बैंकको नाम)	Bank's Address (बैंकको ठेगाना)	Bank A/C No. (बैंक खाता नं.)

12. Source of Fund
 स्रोतको व्याख्यापना लगाइने रकमको जाग स्रोत सम्बन्धी विवरण Salary Business/Profession Rental Income Others.....

13. Estimated Annual Transaction
 अनुमानित वार्षिक कारोबार Estimated Annual Income
 अनुमानित वार्षिक आय

14. Type of Service Discretionary Non-Discretionary

15. Investment Amount- NPR (Cash/Stocks)

16. Lock in period 1 year 2 years 3 years Others.....

17. Nomination Details

Nominee's Full Name

Nominee's Address

Phone Number/
Email

Citizenship Number/
Issued Date

Relationship to Applicant

Date of Birth: (Mandatory if nominee is a minor)



Signature of Applicant
 चिह्नकारीको दस्तखत

Client(s) Declaration

I/We have read and understood the terms and conditions set out in the provided Portfolio Management Services Agreement. I/We hereby declare that all above information and particulars given in this application are true and fair in all aspects and I/We have not suppressed, inflated or hidden any fact whatsoever. I/We agree and undertake to immediately inform B.O.K. Capital Market Ltd. in case of any changes in the information given in this application or in separate sheets with this application. I/We also agree to furnish additional information as B.O.K. Capital Market Ltd. or SEBON or the Stock Exchange may required me/us to from time to time or as required by any other prevailing laws.

Furthermore, I/We also declare that the investment amount is earned through lawful means abiding the prevailing laws including Asset (Money) Laundering Prevention Act, (2008). Should there be doubt or in the event of receiving any information in terms of my/our investment amount being on against be above mentioned laws, B.O.K. Capital Market Ltd. shall reserves the right to block the service and Bank accounts maintained to operate PMS and informed the same to the concerned authorities.

Date (दिनांक)

Place

Signature of Applicant
 चिह्नकारीको दस्तखत

Document Checklist

1. Copy of Citizenship
2. Photo of Applicant
3. Photo/Identification of Nominee
4. PAN Registration Number

For Official use

Account Opening Date

Client Code

Verified By

Approved By

POWER OF ATTORNEY

TO ALL TO WHOM THESE PRESENTS SHALL COME, I/We residing/ having its registered office at (hereinafter referred to as the "Client" which expression shall, unless repugnant to the context or meaning thereof, be deemed to include my/our respective heirs, executors, administrators, successors, legal representatives);

Whereas:

i) The Client has entered into a Portfolio Management Agreement dated ("PMS Agreement") with "B.O.K. Capital Market Limited", a company incorporated under the Companies Act, 2063 and having its registered office at Kamradi, Kathmandu, Nepal (hereinafter referred to as "B.O.K. Capital" or "Portfolio Manager" which expression shall, unless repugnant to the context or meaning thereof, include its successors and assigns); and is Licensed from SEBON to provide services of Portfolio Manager, inter alia.

ii) Under the PMS Agreement, B.O.K. Capital has agreed to provide Discretionary/Non-Discretionary portfolio management services in respect of money and securities of the Client (hereinafter collectively referred to as "Assets") on the terms and conditions and for the consideration set out therein;

iii) Pursuant to the terms of the PMS Agreement, the Client desires to execute and deliver to B.O.K. Capital a power of attorney authorizing B.O.K. Capital or its Sub-Delegate/Agent appointed by B.O.K. Capital in its behalf to do various acts on behalf of the Client. **NOW KNOW ALL MEN THAT I/We, the Client hereunder do hereby nominate, constitute and appoint B.O.K. Capital and Sub Delegates/Agents as may be appointed on its behalf by B.O.K. Capital from time to time to be my/our true and lawful attorney(s), for me/us and in my/our name/s and on my/our behalf to do all or any of the following acts, deeds, matters and things in respect of above Portfolio Management only.**

1. To open, operate and close bank accounts in my/our name, whether solely or jointly with another or others with any Banks/ Financial Institutions (the "Bank"), in such manner as the Portfolio Manager may deem fit and to do all or any of the following:

a. to draw, endorse and sign cheques/demand drafts, depositing monies and issue necessary instructions including electronic instructions or otherwise to operate my/our Bank account for any and all monies in the hands of the Bank belonging to me solely or jointly with another or others and to operate my/our Bank account standing in my/our sole name or in the joint names of myself/ourselves and another or others in the Bank;

b. to open in the Bank a fixed deposit account in my/our name solely or jointly with another or others, and to draw, sign cheques upon and/or issue necessary instructions including electronic instructions or otherwise to operate the fixed deposit account as my/our Attorney may deem fit or proper.

2. To open, operate and close a Depository Participant Account in my/our name with a Depository Participant in such manner as the Portfolio Manager may deem fit on my/our behalf and to do the following:

a) to transfer Securities to/from my/our Depository Participant Account;

b) to effect dematerialization / re-materialization of Securities;

c) to make transfers and disposition of Securities to/from my/our Depository Participant Account on my/our behalf to/from any third party, including, but not limited to, individuals or legal entities.

3. To facilitate settlement of transactions in Securities done by the Portfolio Manager on my/our behalf and to take all or any of the following actions:

a) to collect and deposit monies directly in my/our Bank Account in my/our name, whether solely or jointly with another or others with the Bank and to make such debits in the said account as may be necessary;

b) to appoint and engage brokers/agents/intermediaries/custodian for the purpose of the powers conferred herein and to give instructions and orders to the brokers/ agents/ intermediaries/ custodian including instructions and orders of purchase, sale, transfer, switch, redeem, consolidate units and to pay remuneration, brokerage, commission and other sums to the brokers/agents/intermediaries/ custodian;

c) to acquire or purchase or to make application/bids for investments in Securities and Financial Instruments including but limited to initial public offerings, rights issues, money market instruments on my/our behalf and to issue instructions to my/our Bank Account to enable payment for the Securities so applied/bid for on allocation/allotment/call if any from my/our Bank account on my/our behalf;

d) to make application for sale of Securities held in my/our name, whether solely or jointly with another or others, in an offer for sale and/or buy back of Securities on my/our behalf and to receive payments for the same upon acceptance in my/our Bank account on my/our behalf;

e) to make applications for conversion of a type of Security held in my/our name, whether solely or jointly with another or others, into another type of security and to receive/make payments, if any, upon such conversion in/from my/our Bank account on my/our behalf;

f) to subscribe to/purchase units of Mutual Funds and to issue instructions to my/our bank account maintained by me/us in my/our name for the payments of the units so subscribed/purchased;

g) to receive the account statement pertaining to the above said units and to acknowledge receipt of the same;

h) to redeem/sell the Mutual Fund Units held by me/us, whether solely or jointly with another or others and to receive the payment of the redemption/ sale price directly into my/our Bank Account and acknowledge receipt of the same;

i) to sign all such writings and do all such acts as may be required for redeeming/selling any units;

j) to dematerialize physical securities and rematerialize securities;

k) to hold, or appoint any custodian or other person to hold, any securities in such manner as the Portfolio Manager may consider appropriate;

l) to sign all such writings and do all such acts as may be required for switching any units between schemes/plans of Mutual Funds;

m) to collect and receive directly into my/our Bank Account and give good and effectual receipts and discharges for any sum including dividend, interest or income arising from the Mutual Fund Units and to sign and endorse dividend and interest warrants;

n) to correspond with and give notice to the corresponding asset management company/trustees / transfer agents of the mutual funds;

o) to instruct the corresponding asset management company of the mutual funds to make note of instructions with regard to nomination/change in investment plans/any other changes that may be necessitated;

p) to execute all papers, deeds, writings, matters and things, to enter into and execute contracts of sales/purchases of securities, to transfer, accept, collect, preserve, store, assign, endorse or otherwise deliver and acknowledge, whether absolutely or partly, any money or securities (including the full or any part of the beneficial or legal or other interest held by the Client in any securities) whatsoever;

q) generally to attend to and act in all transactions, matters and deeds in connection with the sale/ purchase instructions, transfer, delivery and other dealings in connection with the Securities, monies and other assets, including to demand and receive all debts, sums of money, interest, dividend and dues of whatsoever nature or kind relating to the above securities;

r) to demand and receive, all interest and dividend due or to accrue on all or any Securities;

s) to collect, receive and hold all the cash, assets and Securities and credit the same to any account with a custodian, and/or in a bank and/or demat account and/or otherwise;

t) to appear before the relevant authorities, submit information and complete, sign and submit any applications or documents for any approvals that may be necessary or desirable to perform any of the acts listed in PMS Agreement;

u) to release or deliver or cause to be released or delivered Securities as follows:

PORTFOLIO MANAGEMENT AGREEMENT

DATED THIS () DAY OF () 20__ AT THE PLACE _____

By and Between

Client has agreed to avail of, the aforesaid services.

NOW THEREOF IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES HERE TO AS FOLLOWS:-

1.0 Definition:

Unless the context or meaning thereof otherwise requires, the following expressions shall have the meaning assigned to them hereunder respectively:-

- 1.1 **"Agreement"** means this Agreement and any amendments (including by way of exchange of letters) made hereunder from time to time.
- 1.2 **"Application"** means the Application made by the Client to the Portfolio Manager to place monies and/or securities or any other services connected therewith, therein mentioned with the Portfolio Manager for Discretionary PMS. However, the Portfolio Manager will have the discretion to consider/reject the securities forwarded at its disposal by the Client. Upon execution of this Agreement by the Portfolio Manager, the Application shall be an integral part of this Agreement. In case of any conflict in the contents of the Application and the provisions of this Agreement, the provisions of this Agreement shall prevail.
- 1.3 **"Assets"** means (i) the Portfolio and/or (ii) the Funds.
- 1.4 **"Bank Account"** means one or multiple accounts opened, maintained and operated by the Portfolio Manager with any Banks/Financial Institutions in the name of the Client.
- 1.5 **"Depository Account"** means one or multiple accounts opened, maintained and operated by the Portfolio Manager in the name of the Client with Depository or Depository Participants registered/licensed under appropriate laws of Nepal.
- 1.6 **"Discretionary Portfolio Management Services"** means the PMS rendered to the Client, by the Portfolio Manager as per the terms and conditions stipulated in this Agreement, where under the Portfolio Manager exercises discretion in investments or management of assets of the Client.
- 1.7 **"Custodian"** means any person who carried on or proposes to carry on the business of providing custodial services. For rendering of PMS under this Agreement, it will be B.O.K. Capital.
- 1.8 **"Funds"** means monies managed by the Portfolio Manager on behalf of the Client pursuant to this Agreement and includes monies mentioned in the Application, any further monies placed by the Client with the Portfolio Manager for being managed pursuant to this Agreement, the proceeds of the sale or other realization of the Portfolio and interest, dividend or other monies arising from the assets, so long as the same is managed by the Portfolio Manager.
- 1.9 **"Parties"** means the Portfolio Manager and the Client; and "Party" shall be construed accordingly.
- 1.10 **"Person"** includes any individual, partners in partnership, company, body corporate, co-operative society and corporation.
- 1.11 **"Portfolio"** means the Securities managed by the Portfolio Manager on behalf of the Client pursuant to this Agreement and includes any Securities mentioned in the Application, any further Securities placed by the Client with the Portfolio Manager for being managed pursuant to this Agreement, Securities acquired by the Portfolio Manager through investment of Funds, bonus and rights shares in respect of Securities forming part of the Portfolio so long as the same is managed by the Portfolio Manager.
- 1.12 **"Portfolio Manager"** means B.O.K. Capital Ltd. who pursuant to this Agreement with the Client, advises or directs or undertakes on behalf of the Client the management or administration of portfolio of securities or the funds of the Client, as the case may be.
- 1.13 **"Portfolio Management Fees"** shall have the meaning attributed thereto in Clause (5) below.
- 1.14 **"Regulations"** means Portfolio Management Guidelines, 2010 issued by SEBON and as may be amended from time to time.
- 1.15 **"SEBON"** means Securities Board of Nepal established under Clause 3 of the Securities Act, 2007.
- 1.16 **"Securities"** includes:
 - (i) "Securities" as defined under the Securities Act, 2007.
 - (ii) Any other instruments or investments as maybe permitted by applicable law from time to time.
- 1.17 **"Sub Delegate"** means a person to whom the Portfolio Manager has fully or partially delegated the performance of his duties, discretion, obligations, any of power and authority.

2.0 Appointment of the Portfolio Manager

The Client hereby appoints, entirely at his/her/its own risk, the Portfolio Manager to provide services for and in respect of Assets of the Account in accordance with the provisions of this Agreement and the Regulations (as may be applicable and in force from time to time). The Portfolio Manager shall have absolute and unfettered discretion and authority, (without reference to the Client) to manage, invest and reinvest Client's Account.

3.0 Scope

- 3.1 The Portfolio Manager agrees to provide the services which shall include investment management, the responsibility of managing, renewing and reshuffling the Assets in the Account of the Client, buying and selling Securities, keeping safe custody of the Securities and monitoring book closures, dividend, bonus, rights etc. and other corporate actions so as to ensure all benefits accrue in the Client's Account and to take day to day decisions in respect of the Account in accordance with this Agreement and may include consultancy services.
- 3.2 The Portfolio Manager shall individually, independently and at its sole, entire and absolute discretion manage the Assets of Account of the Client to provide PMS.
 - a) The Portfolio Manager is licensed by Securities Board of Nepal (SEBON) under its Securities Businessperson (Merchant Banker) Regulations, 2008.
 - b) At the request of the Client, the Portfolio Manager has agreed to provide Discretionary Portfolio Management Services (PMS hereafter) to the Client;
 - c) The Client upon having examined the financials/skills/competency of the Portfolio Manager has satisfied itself of the capacity of the Portfolio Manager
 - d) The parties hereto are entering into this Agreement to set out the terms and condition on which the Portfolio Manager has agreed to render and the Mr./Mrs./Messrs....., residing/having its registered office at (hereinafter referred to as the "Client") which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its/his/her/their respective heirs executors, administrators, successors, legal representatives and permitted assigns) of the ONE PART, ANDB O.K CAPITAL MARKET LIMITED, a Company incorporated under the Company Act, 2063 and having its Registered Office at Kamladi, Kathmandu, Nepal (hereinafter referred to as "Portfolio Manager", which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and permitted assigns) of the OTHER PART.

WHEREAS:

3.3 The Portfolio Manager shall, in discharging its duties as such, act as an agent/trustee of the Client and in fiduciary capacity with regard to Client's Account consisting of investments, accruals, benefits, allotments, calls/refunds, returns/privileges, entitlements, substitutions and/or replacements or any other beneficial interest including dividend, interest, rights, bonus as well as residual cash balances, if any (represented both by quantity and in monetary value).

3.4 All actions undertaken by the Portfolio Manager, under this Agreement, shall be in accordance with the stated investment objectives and restrictions, as may be stipulated hereunder and further detailed in writing by the Client forming integral part of the Agreement. All transactions in investments shall be subject to prevailing rules, regulations and laws so that:

- (i) In the event of any conflict between the terms and conditions of this Agreement and any prevailing laws, the prevailing law shall prevail;
- (ii) The Portfolio Manager shall be entitled to take such action or steps or omit to take any action or steps as it shall in its absolute discretion consider necessary to ensure compliance with the prevailing laws, including taking of any action to avoid or mitigate any loss arising as a result of a change in the prevailing law; and
- (iii) All of the prevailing law and any such action or step so taken by the Portfolio Manager as a consequence of such requirement shall be binding upon the Client as if expressly set out herein or authorized hereby.

3.5 The Portfolio Manager shall inform the Client about its portfolio, the returns generated on the same, the costs associated with the portfolio construction etc. on regular basis by creating a window for the same on its Official Web-site www.bokcapital.com wherein the Client will be able to review their said information only by logging in with his/her/its user name & password forwarded by the Portfolio Manager to the Client.

4.0 Functions of the Portfolio Manager

The main function of the Portfolio Manager as per this Agreement is as follows:-

- 4.1 To carry on the activity of portfolio management for the Client by providing the Services in general and by exercising its discretion for the investments to be made with respect to the Assets of the Account as per the Investment Guidelines inter alia provided for in Clause 7;
- 4.2 To deploy funds contributed with an objective to enable the Client earn reasonable returns on his/her/its contribution;
- 4.3 The Portfolio Manager has as on the date hereof launched certain Portfolios and may launch more Portfolios for the above purpose and the Client may invest in such Portfolios as per the conditions stipulated in Product Paper.
- 4.4 For Institutional Client, the Portfolio Manager shall rely upon instructions/notes given by a person who is duly authorized by the Client including decision for partial withdrawal of returns as per Product Paper. Without prejudice to the aforesaid, the Portfolio Manager shall be facilitated with a copy of a board resolution of the Client authorizing such person to act on behalf of the Client with respect to this Agreement. In the event of revocation of authority of any such person, the Client shall promptly inform the Portfolio Manager of such actions.
- 4.5 The Portfolio Manager may, if required by applicable law or regulations, disclose the identity of the Client to the issuers of Securities held as part of the Assets or to the agents of such issuer upon the request of such issuer, or to any Government body or the court of law, without further consent from the Client.
- 4.6 The Portfolio Manager shall observe a high standard of integrity and fair dealing in all transactions involving the Client's Account.
- 4.7 The Portfolio Manager shall maintain appropriate records for every transaction undertaken in respect of the Client's Account. The records so maintained shall indicate the data, facts and opinion leading to the decision to conduct the transaction.

5.0 Fees and Charges

- 5.1 Notwithstanding anything contained herein or elsewhere, a Portfolio Management Fee as mutually agreed upon from time to time and on case to case basis through exchange of letter between the parties shall be paid by the Client to the Portfolio Manager.
- 5.2 The fees will be charged upon activation of the Client's account i.e., from the date on which the account activation formalities are completed and the participation amount(s) is / are realized in the account of the Client, or in case of securities, the date on which the last of the securities with respect to the corresponding Minimum Participation Amount is credited in the depository account of the Client. For all purpose of this Agreement, including without limitation to the computation of the Portfolio Manager's fees hereunder, the Assets of the Account shall be valued in accordance with the Portfolio Manager's standard valuation policies and procedures.
- 5.3 The Client hereby undertakes to pay the Portfolio Manager the fees for the Services rendered by the Portfolio Manager. The Client hereby authorizes the Portfolio Manager to debit his/her/its Account for all costs, expenses and charges as mutually agreed upon and for any other services rendered by the Portfolio Manager or outsourced by the Portfolio Manager in relation to the Account as mentioned and furnished by the Portfolio Manager to the Client and as agreed by the Client from time to time.
- 5.4 In the event of non-payment of fees and / or other charges due and payable by the Client as stipulated under this Agreement, the Portfolio Manager by virtue of the authorization given hereby may sell any securities forming part of the Client's portfolio, at its absolute discretion and/or debit Client's Account to the extent of such outstanding fees / charges.
- 5.5 Tax and other regulatory charges shall be in strict conformity with the prevailing laws which may change from time to time.

6.0 Portfolio Manager's Duties and Obligations

- 6.1 The Client hereby authorizes the Portfolio Manager to do in its absolute discretion all such acts, deeds, matters and things on behalf of the Client as may be incidental or consequential to the discharge of its responsibilities under this Agreement, any other applicable law in force.
- 6.2 The Portfolio Manager shall maintain books and records relating to its transactions for the Client to ensure compliance with the Regulations.
- 6.3 The Portfolio Manager may at its discretion, constitute, nominate, appoint and substitute agents/ custodians/ auditors, determine their duties, fix their emoluments and acquire security in such instances and of such amount, as the Portfolio Manager may think fit.
- 6.4 The Portfolio Manager may constitute committees consisting of such persons as it thinks fit to guide and advise the operations of the Portfolio Manager, delegate suitable power to them, impose appropriate regulations on them; and generally, to do all acts, deeds, matters and things which are necessary for any object, purpose of or in relation to the Client's Account in any manner or in relation thereto.
- 6.5 The Portfolio Manager may not act upon the instructions given by the Client, in case after the receipt of instruction but before implementation thereof, the Portfolio Manager believes that the implementation or compliance may not be practicable or might be in contravention of any law, Regulations and Rules.
- 6.6 The Portfolio Manager shall at its sole discretion determine the manner in which any voting rights; right to consent to corporate actions, conversion rights, subscription rights, tender rights, appraisal rights and any other rights pertaining to any portfolio of Securities held in the Account may be exercised. For the purpose, the Portfolio Manager may require the Client to execute any such certificate, proxy, consent and/or any other document necessary or appropriate to effectuate its power under this Agreement.
- 6.7 The Portfolio Manager shall not derive any direct or indirect benefit out of the Client's funds or securities other than in the manner contemplated herein.

7.0 Investment Guidelines

- 7.1 Subject to Directives of SEBON and amendments thereto from time to time, the Portfolio Manager shall have the sole and absolute discretion to invest Client's funds in any or all of the following securities or in a combination of securities deemed appropriate by the Portfolio Manager.
 - (a) Securities listed with Stock Exchange
 - (b) Publicly issued Securities, Money Market Instruments and units of Mutual Fund
 - (c) Time/Fixed Deposits with Banks/ Financial Institutions and
 - (d) Any other investment instrument stipulated by SEBON from time to time.If provided, the Portfolio Manager requires investing Client's funds with certain restrictions, stipulated by the Client in writing which shall form an integral part of this Agreement.

- 7.2 The Portfolio Manager shall not deploy Clients' funds in bill discounting, for the purpose of lending or placement with corporate or non-corporate bodies or investment in such instruments as may be prohibited by SEBON or Nepal Rastra Bank ("NRB") or other regulatory bodies from time to time. The Portfolio Manager, while dealing with the Client's funds shall not indulge in speculative transactions, i.e., transactions for the purchase or sale of any securities which is periodically or ultimately settled otherwise than by actual delivery or transfer of securities.
- 7.3 The powers exercised by the Portfolio Manager as above shall be final, binding and irrevocable on the Client and shall be construed having approved ratified any such investment and/or related activities or deeds that the Portfolio Manager may take on behalf of the client from time to time.
- 7.4 In management of Client's Account, the Portfolio Manager may exercise complete discretion on the proportion of exposure on each security and apply for, subscribe, obtain, buy, accept, acquire, endorse, transfer, redeem, renew, exchange, dispose, sell or otherwise deal in the Securities specified in Clause above and generally manage, convert, transpose and vary the investments in respect of Client's Account in such manner as the Portfolio Manager in its absolute discretion thinks fit and proper.
- 7.5 Accruals, accretions, benefits, allotments, call refunds, returns, privileges, entitlements, substitutions and/or replacements or any other beneficial interest including dividend, interest, rights, bonus that accrue to investments in respect of Client's Account shall be received by the Portfolio Manager either in its own name or in the name of the Client but in either case it shall be placed in Client's Account on relevant date(s) upon realization. The Portfolio Manager shall take necessary steps for conversion of securities when necessary. The subscription/ renunciation/ renouncement of rights and options in respect of the Securities shall be at the sole discretion of the Portfolio Manager.
- 7.6 The Client agrees to provide Portfolio Manager or its Sub-Delegate, such information as may be required from time to time, including, without limitation, all changes to the information provided by the Client in the Application or "Know Your Client" form in order to enable the Portfolio Manager or its Sub-

Delegate to update the information therein. Without prejudice to the aforesaid, the Client shall inform the Portfolio Manager of

- (i) Residential status and of any changes thereto and
- (ii) Any restrictions that have been or are imposed upon the acquisition of any particular Securities by the Client.
- 7.7 The Portfolio Manager shall ensure that any transaction of purchase or sale including that between the Portfolio Manager's own accounts and Client's accounts or between two Clients' accounts shall be at the prevailing market price.

8.0 Delegation and use of Agents

To the extent permissible by law, the Portfolio Manager may delegate any of its functions under this Agreement to an Agent and may provide information about the Client and the Account to any such Agent. The Portfolio Manager will act in good faith and with due diligence in its choice and use of such Agents.

9.0 Maintenance of Client's Account

- 9.1 The Portfolio Manager may open one or more bank account(s) for and on behalf of the Client with Banks/ Financial Institutions to deposit and withdraw funds entrusted by the Client and fully operate the same for the purpose of this Agreement and such bank account may be opened with any bank as per the discretion of the Portfolio Manager.
- 9.2 The Portfolio Manager may open and operate Depository account under the Power of Attorney, with any Depository Participant of CDS and Clearing Limited (CDSL) and/or any other Depository and Clearing House for and on behalf of the Client, for crediting the securities in electronic mode and fully operate the same for the purpose of this Agreement and such depository account may be opened with any Depository Participant at the discretion of the Portfolio Manager.
- 9.3 The Client shall execute and deliver to the Portfolio Manager, a Power of Attorney, in the format specified by the Portfolio Manager authorizing the Portfolio Manager or its Sub-Delegates, to do all acts on behalf of the Client necessary for rendering the Services. The Portfolio Manager may rely and act on any instruction or communication which purport to have been given (and which is reasonably accepted as having been given) by or on behalf of any person notified by the Client from time to time as being authorized to instruct the Portfolio Manager in respect of the Account through telephone, facsimile, telex, email, or in writing, whether or not the authority of any such person has been terminated, unless the Portfolio Manager has received a written notice of the termination.
- 9.4 The Portfolio Manager shall provide the Client with a statement/report on investment/divestments and all credits to the accounts of the Client by way of accruals, accretions, benefits, allotments, calls, refund, returns, privilege, entitlement, substitutions and / or replacements or any other beneficial interest including dividend, interest, rights, bonus received from time to time including details specified in Portfolio Management Guidelines, 2010.

10.0 Minimum Participation Amount and Tenure

The Client shall maintain the minimum participation amount under each Portfolio as may be stated by the Portfolio Manager from time to time and such minimum amount shall not in any event be less than the minimum amount stipulated under the Portfolio Management Guidelines, 2010 issued by SEBON or in accordance with the amendments there under from time to time ("the Minimum Participation Amount"). The Portfolio Manager has the discretion to define an amount higher than SEBON specified amount as minimum amount acceptable portfolio value. The Client may on one or more occasion(s) or on a continual basis, make further placement of funds/securities under the service with the consent of Portfolio Manager. Provided, the Portfolio Manager shall have the right to accept or reject, at its sole discretion without assigning any reason therefore, any of the securities brought in by the client as the participation amount. In case any of the securities brought in by the Client are rejected by the Portfolio Manager and the value of the securities accepted together with cash, if any, brought in by the client towards Minimum Participation Amount is less than the requisite minimum amount, then the client shall bring in additional cash or the securities (acceptable to the Portfolio Manager) to make up the shortfall in the Minimum Participation Amount. Provided that the Client shall not be required to make up the shortfall to the extent that the shortfall is on account of the mark-to-market value of the Securities contained in the Account being lower than the Minimum Participation Amount. The assets placed for management by the Client with the Portfolio Manager for Discretionary Portfolio Management Services under this Agreement shall be placed for a period as specified in the product paper.

11.0 Indemnity to Portfolio Manager

- 11.1 The Portfolio Manager, its Sub-Delegate and every Agent, person employed or appointed by the Portfolio Manager shall be entitled to be indemnified out of the Assets of the Account deployed in respect of all liabilities, losses (direct or indirect) and expenses incurred by them in the execution of the services under this Agreement or any of the powers, authorities and discretion vested in them pursuant to these including liabilities, losses and expenses consequent up on any action, omission, mistake, oversight or error of judgment on the part of the Portfolio Manager or any such appointee and against all actions, proceedings, costs, claims and demands in respect of any matter, acts, deeds or thing done or omitted in any way in relation to these. The Portfolio Manager shall have a lien and may retain and pay out of the Assets of the Account in its hands all sums or other amounts necessary to affect such indemnity.
- 11.2 The Portfolio Manager shall however not be liable to the Client for any acts of such Sub-Delegate or Agent. Without prejudice to the generality of the above clause(s), the Portfolio Manager may employ Sub-Delegate or Agents to perform any administrative, accounting, dealing, custodial and ancillary services required for performing its services under this Agreement.
- 11.3 The Portfolio Manager and every person employed or appointed by the Portfolio Manager shall not be responsible to any other person including an employee or officer of the Client, or to the Client for any loss or expenses resulting to such other person, or to the Client due to insufficiency or deficiency of value of or title to any property or security acquired or the exercise of any discretion including voting rights and corporate actions on behalf of the Client or the insolvency or wrongful act of any debtor or any person under obligation to the Client or for anything done in good faith in the execution of the duties of its office or in relation thereto.
- 11.4 The Client is aware that the investments/divestments of the fund shall be at his/her/its entire risk and the Portfolio Manager will not be responsible for loss, damage or diminishing value of the Account and the Securities held therein, except where such loss/damage is occasioned directly due to any willful default, gross negligence or fraud on the part of the Portfolio Manager or its Sub-Delegate.

12.0 Period & Termination

- 12.1 This Agreement shall commence from the date on which the parties have affixed their signatures and seal, if applicable.
- 12.2 This Agreement shall remain valid in perpetuity unless terminated in accordance with the terms herein.
- 12.3 The Portfolio Manager has right to terminate this Agreement if it has reason to believe that the conditions specified in this Agreement are not complied with by the Client.
- 12.4 The Client has the right to terminate this Agreement after giving a 7 days prior notification in writing in the prescribed format specified by the Portfolio Manager, subject to the minimum period, if any, as per the Product Paper or as stipulated by SEBON from time to time, if applicable. However, the Portfolio Manager shall be entitled to terminate this Agreement and cease operations of the Client's Account within 30 days from the date of receipt of such notification in writing from the Client.
- 12.5 The Portfolio Manager can also terminate this Agreement without assigning any reason therefore but after giving 7 days prior notice in writing to the Client. Provided, such notice shall not be required if the termination is for prevention of money laundering or any other illegal activities that the Portfolio Manager may reasonably suspect.
- 12.6 Except in the event of termination as provided under Clause 12.3, the Assets of Account can be withdrawn or taken back by the Client at his/her/ its sole risk before expiry of the Agreement under the following circumstances:
- (a) Voluntary or compulsory termination of the Services by the Portfolio Manager;
 - (b) Suspension or termination of the license granted to the Portfolio Manager by SEBON and/or any other competent authority;
 - (c) Liquidation of the Portfolio Manager;
- 12.7 Where no person has been nominated by the Client under this Agreement and in the event of death, incapacitations, insolvency, dissolution or winding up of a Client during the tenure of the Agreement, and on receipt of notice from the Client or successors/heirs, in writing of such an event, the Agreement shall ensure to the benefit of the successors/heirs. However, the Portfolio Manager shall be entitled to terminate this Agreement and cease operations of the Client's Account within 30 days from the date of receipt of such notification in writing from the Client or his/her/its successors/heirs.
- 12.8 The termination of this Agreement, in any manner whatsoever, shall not, affect or preclude the consummation of any transaction initiated by the Portfolio Manager prior to its receipt or transmission of the notice of termination (or, if the Portfolio Manager continues to act until selection of the successor by the Client, any transaction initiated during the period when the Portfolio Manager so continues to act), in which case all the terms and conditions of this Agreement shall apply to such transactions.

13.0 Assignment

The Client hereby agrees that he/she/it shall not assign or transfer any of his/her/its assets, right and/or obligations hereunder without the prior written consent of the Portfolio Manager.

14.0 Repayment & Transfer of Securities

- 14.1 The Portfolio Manager shall on a best effort basis liquidate the securities in the Client's Portfolio at an earliest date from the date of notice of termination and maturity and arrange to deposit the net realized value of securities held in the Client's Account together with all accruals, accretions, benefits, allotments, calls, 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/her/its obligations under this Agreement, in the designated account. In case of failure to liquidate the securities in the Client's portfolio within 30 days from the date of receipt of notification from the Client of termination, physical delivery of the securities will be made to the Client. The amount so realized, and/or the Securities together with residual cash balances, if any, due and belonging to the Client, shall be paid / transferred to the Client, subject to the following deductions:
- (a) Payments, if any, already made to the Client;
 - (b) Portfolio Manager's fee, custody fee, other fee/expenses as described herein the Agreement or in product paper;
 - (c) All taxes, rates, fees, duties, commissions, costs, charges, penalties, deductions, recoveries and/or appropriations, etc., to be made in accordance with applicable law or Rules or Regulations or By-laws or otherwise on account of the Client; and
 - (d) Any other dues, liabilities, obligations, etc. owed by/due on account of the Client under this Agreement.
- 14.2 The Portfolio Manager also reserves the right to settle the Client's account, in whole or in part, by issuing physical delivery or by transferring the securities to his/her/its depository account in case:
- (a) The Securities in his/her/its account cannot be liquidated by the Portfolio Manager within the stipulated time as aforesaid; and/or
 - (b) A written request is received from the client to effect the termination by transfer of the Client's Securities to his/her/its depository account.
- 14.3 The Portfolio Manager, by disbursement through payment and/or transfer of securities, subject to all the above recoveries, deductions and appropriations, shall be validly discharged of all its obligations owed to the Client or his/her/its legal heir or nominee, as the case may be, in respect of this Agreement.
- 14.4 Any accruals, accretions, benefit, allotment, calls, refund, returns, privilege, entitlement, substitutions and/or replacements or any other beneficial interest including dividend, interest, rights, bonus, voting rights arising out of the amount, shall accrue to or vest in the Client and which, if received by the Portfolio Manager shall be returned/made over to the Client in full.
- 14.5 At any point of time if the Client's portfolio is valued in excess of the Minimum Participation Amount, the Client may be entitled to withdraw such surplus amounts as specified on the product paper. Where the Client requires the amount in cash, the payment shall be to the extent and subject to the amounts realized by the Portfolio Manager on the relevant exchange or other markets where the transactions are executed, within a period of 30 days. Where the Client requires a withdrawal in Securities, such withdrawal shall be prorated to the portfolio of Securities held on behalf of the Client and the closing price on the date of receipt of the instruction for such withdrawal by the Portfolio Manager shall be taken into account for the purpose of valuation thereof. However, any such withdrawal shall be subject to applicable law and the Portfolio Manager may, in its sole discretion in response to unforeseen circumstances or unusual market conditions, limit the withdrawal of the funds/securities.

15.0 Confidentiality

The terms and conditions of this Agreement and all information and recommendations furnished by the parties shall be treated as confidential by the parties and shall not be disclosed to third parties except if required by applicable laws, Rules or Regulations or as otherwise expressly agreed to in writing by the parties.

16.0 Risk and Losses

- 16.1 The Client hereby agrees to undertake the risks pertaining to portfolio investments as stated herein:
- (a) Securities investments are subject to market risks and there is no assurance or guarantee that the objectives of the investments will be achieved.
 - (b) As with any Securities investment, the value of the portfolio can go up or down depending on the factors and forces affecting the market.
 - (c) The value of various portfolio offered may be affected by changes in the general market conditions, factors and forces affecting the markets, in particular, level of interest rates, various market related factors, trading volumes, settlement periods, transfer procedures, currency exchange rates, foreign investments, changes in government policies, taxation, political, economic and other developments, closure of stock exchanges, etc. Hence, the Portfolio Manager is not responsible or liable for losses resulting from the operations of the portfolio.
 - (d) The liquidity of portfolio investments is inherently restricted by trading volumes in the securities in which the investment is made.
- 16.2 The Client shall not question any act, deed, omission or commission of the Portfolio Manager or its Sub-Delegates under this Agreement, taken in good faith except on grounds of malafide, negligence, conflict of interest and/or fraud.
- 16.3 The Client understands and acknowledges that past performance is not necessarily indicative of likely future performance.

16.4 The Client understands that his/her/its funds will be invested as per Clause 7.1 of this Agreement. However, Equity instruments by nature are volatile and prone to price fluctuations on a daily basis due to both macro and micro factors. Trading volumes, settlement periods and transfer procedures may restrict the liquidity of these investments. Different segments of financial markets have different settlement periods and such periods may be extended significantly by unforeseen circumstances. The inability of the Portfolio Manager to make intended securities' purchases due to settlement problems could cause the Portfolio to miss certain investment opportunities.

16.5 The investments made are subject to external risks such as war, natural calamities, policy changes of local / international markets etc. which are beyond the control of the Portfolio Manager and which affects markets.

17.0 Joint Account

If the Client is more than a single person, the Client's obligations under this Agreement shall be joint and several. It is clarified that in case of the joint Client account, all dealings with the Client under this Agreement, including but without limitation to the payment of Assets of the Account on termination or expiry of the Agreement would be undertaken by the Portfolio Manager with the first holder of the Account or the person jointly authorized by the account holders. If the Client proposes to disclose the information of its Account to any third person, the Client shall make a written request to the Portfolio Manager.

18.0 Representations and Warranties of the Portfolio Manager

18.1 The Portfolio Manager represents and warrants that it is a Portfolio Manager licensed by SEBON to operate under Portfolio Management Guidelines, 2010 and amendments there under from time to time. The Portfolio Manager shall not change any clause of this Agreement without the consent of the Client in writing.

18.2 The Portfolio Manager does not provide any guarantee (express or implied) for the appreciation in value of the Securities in which the Portfolio Manager invests the Client's funds.

18.3 The Portfolio Manager understands and acknowledges that the liability of the Client shall not exceed the value of his/her/its investment with the Portfolio Manager.

19.0 Representations and Warranties of the Client

19.1 The Client represents and warrants that he/she/it is duly authorized, eligible and competent to enter into this Agreement and appoint Portfolio Manager to manage the Assets of the Account. The Client having agreed to avail the services offered by the Portfolio Manager shall be deemed to have satisfied eligibility in this respect. The Client shall at all times comply with all relevant laws, rules and regulations as may apply to his/her/its portfolio, or dealing therein.

19.2 The Client also warrants that the Portfolio Manager shall have full authority to execute in the name and on behalf of the Client, all necessary deeds, documents, writings, forms, applications, as may be necessary to file with any company, banks and other financial organizations, institutions, securities registrars, depository participants, government bodies, or departments in any manner relating to the management of the Account and to take all necessary actions which enables the Portfolio Manager to effectively exercise the authority conferred in hereto and for any incidental and consequential actions.

19.3 The Client hereby warrants and represents to the Portfolio Manager that cash corpus/securities handed over to the Portfolio Manager upon execution hereof, absolutely belongs to him/her/it and there is no encumbrance on the same, of whatsoever nature, and he/she/it shall not create any encumbrance on the assets whether by way of pledge, lien, mortgage, hypothecation or any other charge, during the tenure of this Agreement and shall also at all times comply with all relevant laws, rules and regulations as may apply to his/her/its dealings therein.

19.4 The Client warrants that all information which he/she/it has provided to the Portfolio Manager in relation to his/her/its status, including in particular his/her/its residence and domicile for taxation purpose, is complete and correct and agrees to provide any further information, if required by any competent authority or the Portfolio Manager. The Client hereby agrees and undertakes to notify the Portfolio Manager forthwith if there is any change in any such information provided.

19.5 The Client understands and agrees that the Services provided by the Portfolio Manager to the Client are not deemed to be exclusive, the Portfolio Manager being free to render investment advisory, portfolio management and/or other services to other Clients.

19.6 In the event of any change in the constitution, identity by change of name and / or residential status of the Client during the tenure of this Agreement, it shall be the duty of the Client to keep the Portfolio Manager duly informed of such changes. 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 under the applicable law.

19.7 The Client undertakes to maintain the Minimum Participation Amount as specified in the Product Paper.

20.0 Income and Other Taxes

Any income tax and other tax liability on investments, funds and yields there from shall be borne and paid by the Client. The Portfolio Manager does not take any responsibility for any matters relating to the tax filings or assessments of the Client.

21.0 Arbitration

All disputes, differences, claims and questions whatsoever, which may arise either during the subsistence of this Agreement or afterward between the parties hereto and/or their respective representatives touching these presents or any clause or anything contained herein or otherwise in any way relating to or arising through the interpretation of any provision contained herein shall be first settled by mutual discussions between the parties, failing which the same shall be referred to and settled in accordance with the Arbitration Act, 1999.

22.0 Governing Law, Jurisdiction and Government Regulations

The Portfolio Manager shall formulate the Portfolio in accordance with the Regulations, Rules and other guidelines of SEBON and other concerned authorities subject to modification to the extent required by any applicable law, regulation, rule or guideline. This Agreement and the rights and liabilities of the parties shall always be subject to the prevailing Act, Rules, Regulations and Guidelines of SEBON and other concerned authorities.

23.0 Grievance Redress System

Where the Client has any grievances, he/she/it should promptly notify the same to the Portfolio Manager in writing giving sufficient details to enable the Portfolio Manager to take necessary steps. The Portfolio Manager, on receipt of such grievance, shall take prompt action to redress the same.

24.0 Miscellaneous

24.1 This Agreement sets forth the entire and exclusive understanding of the parties and supersedes and cancels any and all prior Agreements/ engagements between the parties, whether written or oral, relating to investment management of the Account or of any other assets of the Client. Unless otherwise provided for herein, this Agreement may not be modified, amended, rescinded, or waived, in whole or part, except by a written instrument signed by duly authorized representatives of both the parties. No provision of this Agreement shall be construed so as to violate, or so as to cause party to violate the applicable provisions of the Portfolio Management Guidelines, 2010 or amendments there under from time to time or any other laws, rules, regulations or orders.

24.2 The parties hereby agree that all terms, requirements, or restrictions, and other provisions of this Agreement are fair and reasonable and shall be enforceable in the court of law.

24.3 All mail and notice from the Portfolio Manager to the Client shall be sent to the Client's last known address, as in existence in the records of the Portfolio Manager. All mail and notices from the Client to the Portfolio Manager shall be sent to the address stated in the Application Form.

24.4 In order to be effective, the Client's notification to the Portfolio Manager regarding change of address etc. must be lodged at least 30 (thirty) days before the date on which any payment from the Portfolio Manager to the Client falls due.

IN WITNESS WHEREOF THE PARTIES HERETO HAVE SET THEIR HANDS ON THIS AGREEMENT AT THE PLACE ON THE DAY, MONTH AND YEAR FIRST HEREINABOVE WRITTEN

SIGNED AND DELIVERED

For & on behalf of the "Portfolio Manager"
Full Name

Authorized Signatory(ies)

Witnessed By
Full Name

Signature

Date (दिनांक)

SIGNED AND DELIVERED

For & on behalf of the "Client(s)"
Full Name

Authorized Signatory(ies)

Witnessed By
Full Name

Signature

Date (दिनांक)

