

INVESTMENT TERMS

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Important notice

You need to read this document.

It sets out the general terms and conditions on which the Bank provides Investment Services to its Clients. These terms and conditions apply in addition to other documents including the client terms, product terms and the tariff booklet, but they do not apply to any existing facility, product or service the Bank provides to the Client to the extent that they are subject to separate terms and conditions.

Key words

The meaning of key words printed like this is explained at the end of these Investment Terms.

Inherent risks

You acknowledge that there are inherent risks in conducting transactions over the internet or electronic networks and you have voluntarily assumed those risks.

PART ONE

SCOPE

- 1 The Investment Terms govern the provisions of Investment Services by the Bank to its Clients.
- 2 The Bank is a distributor of third party mutual funds and referrer of other financial products (collectively “Investment Products”). The Bank is not an issuer of the Investment Products and all Transactions executed by the Bank will be at the express Instructions of the Client and strictly on a non-discretionary and on a non-risk participation basis.
- 3 In case of inconsistency between the Investment Terms and any offering document, term sheet, or documentation pertaining to a particular Transaction in Investment Products, the offering document, term sheet, or documentation of that Transaction shall prevail.
- 4 The Investment Terms and all Transaction are subject to Applicable Laws. To the extent that any provision of Applicable Laws conflicts with any provision of the Investment Terms and such provision of Applicable Laws cannot be varied contractually, such provision of Applicable Laws shall prevail in relation to such conflict.

PROVISION AND AVAILABILITY OF SERVICES

- 1 Subject to the terms and conditions in the Investment Terms, the Bank may (but is not obliged to) from time to time enrol Clients for Investment Services and provide the Client with execution and any other services as agreed between the Bank and the Client from time to time.
- 2 Notwithstanding the terms and conditions in the Investment Terms, the Bank has no obligation to enrol Clients for Investment Services or enter into any Transaction for or with, the Client or on the Client’s behalf, and the Bank may refuse to do so. No reasons for any refusal, termination or discontinuance need to be given to the Client. The Bank may require the Client to sign additional documentation in order to enrol for Investment Services or enter into Transactions.

AUTHORISED PERSONS

- 1 Subject to the Bank’s approval, which may be withheld at the Bank’s discretion, the Client may

appoint Authorised Persons to give Instructions on the Clients behalf regarding any Transaction or Investment Service by providing a written power of attorney or such other form of authorisation as may be acceptable to the Bank. All acts of the Authorised Persons shall be binding on the Client. The Bank will not be liable or responsible for any Losses provided that the Bank acts in accordance with any Instruction.

- 2 A list of specimen signatures of the Authorised Persons shall be filed with the Bank which shall remain in full force and effect until the Bank has received written notice of amendment or revocation. The Bank may ignore and disregard any notice of revocation of such authority not in form and substance satisfactory to it. The Authorised Persons may provide Instructions in relation to the entry into of Transactions, any request for additional services and all other matters in relation to Investment Services in any manner as the Authorised Persons think fit, and the Bank may act on all such Instructions. Unless the Bank otherwise agrees, all written Instructions must bear the signature(s) of the Client or Authorised Persons in accordance with the specimen(s) available on the Bank's records.

INSTRUCTIONS AND TRANSACTIONS

1. Instructions

- 1.1 The Client authorises the Bank in its discretion to rely on, and treat as fully authorised, any Instruction or other communication which purports to be given by the Client or on the Clients behalf (including from any Authorised Person) and which is reasonably accepted by the Bank in good faith provided always that the Bank shall have the right under Clause 1.6 hereinbelow. The Bank may act on, process or perform any such Instruction or communication without any enquiry as to the authority or identity of the person making or purporting to give such Instructions or the authenticity thereof. The Client agrees that the Client is under an express duty to the Bank to prevent any fraudulent, forged or unauthorised Instructions being given.
- 1.2 The Client must give the Bank Instructions in writing in accordance with the signing mandate as agreed with the Bank from time to time. Instructions can be given by telex, telephone, fax (signed in accordance with the signing mandate) or e-mail, or by any other means acceptable to the Bank unless:

- 1.2.1 the Bank agrees otherwise in writing; or
- 1.2.2 the Bank notifies the Client that Instructions can only be given in a particular way.
- 1.3 If the Client gives an Instruction by telex, telephone, fax or e-mail, the Bank may act upon such Instructions without receipt of any written confirmations and the Bank's records of telex, telephone, fax or e-mail Instructions shall be conclusive evidence of all such Instructions. Without prejudice to the above, the Client acknowledges that the Bank is entitled to insist on any verbal Instructions given by or purportedly given by or on behalf of the Client being confirmed by the Client in writing, but the Client shall always be bound by such verbal Instructions regardless of whether they have been so confirmed.
- 1.4 The Client will bear all risks, and no member of the Standard Chartered Group is or will be responsible or liable for Losses arising from Instructions or communications provided to the Bank by any means. In particular but without limitation, the Bank will not be responsible or liable for any Loss suffered or incurred as a consequence of (a) any failure or delay in executing an Instruction caused by circumstances beyond its reasonable control including delay or failure to read an Instruction, or (b) any delay in reading an Instruction given by telex, fax or e-mail.
- 1.5 An Instruction given to the Bank may not be cancelled, withdrawn or amended unless the Bank, in its discretion, decides otherwise. The Bank has no liability if it does not or is unable to stop or prevent the implementation of the initial Instruction.
- 1.6 The Bank may, in its discretion and without being required to give any explanation, refuse to accept or comply with any Instruction or reject or cancel any Instruction.
- 1.7 The Bank shall have no duty to assess the prudence or otherwise of any Instruction. Notwithstanding this, if the Bank determines that any of the Instructions or other circumstances may expose the Bank (whether directly or indirectly) to any Loss, the Bank may suspend the entry into any or all of the Transactions, the provision of Investment Services and/or require an indemnity from the Client before continuing to provide Investment Services, carrying out any Transaction or providing any service or complying with any Instruction.

2. Transactions

- 2.1 The Bank may apply limits to Transactions or Instructions of certain types or amounts. The Bank is not obliged to inform the Client of these limits and any changes which the Bank may make to them. The Bank will not be liable to the Client for not notifying the Client of these limits and any changes thereto or any Losses arising from or in connection with the application of such limits.
- 2.2 The Bank reserves the right to debit from any Account with the Bank at any time any cash or other assets that were credited to the Client in error.

NO INVESTMENT ADVICE

1. This clause is subject to any express agreement from time to time entered into between the Bank and the Client in writing to the contrary.
2. The Bank does not provide investment advice to the Client and the Bank does not act as the Client's adviser in relation to any Investment Products, any Transaction and in the provision of Investment Services.
3. The Bank in its capacity of a distributor or referrer of Investment Products may offer advice which is incidental to its activity of distribution/referral. The Bank will not be charging any fee/consideration for such advice and such advice should not be construed as 'Investment Advice' as defined in the Securities and Exchange Board of India (Investment Advisers) Regulations, 2013 or otherwise.
4. Without prejudice to the generality of Clauses 1, 2 and 3 above, if the Bank provides any information on the Investment Products (or the relevant reference underlying), Transactions, Investment Services or markets such as research, reports, market trends, investment analysis, commentary or internal ratings upon the performance of selected companies, assets, interest rates, exchange rates and/or indices, the Client represents, warrants and fully understands and agrees that this should not be construed as:
 - 4.1 any endorsement of the Investment Products (or the relevant reference underlying), Transactions, services or markets;
 - 4.2 a representation that the Bank has performed any due diligence on the Investment Products (or the relevant reference underlying), Transactions, services or markets;

- 4.3 a recommendation or an investment advice;
 - 4.4 the Bank acting as the Client's adviser or fiduciary;
 - 4.5 information which the Client can or may rely on in connection with his investment decision; or
 - 4.6 a representation by the Bank that the information in the materials is complete, accurate, clear, fair and not misleading (as the Bank does not make any representation with respect to the contents of the materials), and the Client should seek his own independent advice as to the suitability of any Investment Product, Transaction or service as he considers appropriate. The use of or reliance on any such information is at the Client's own risk. The Bank is not responsible or liable for the accuracy and completeness of any such information, the performance of any Investment Product, or the outcome of any Transaction.
5. The Client agrees and acknowledges that:
- 5.1 the Client shall be solely responsible for making his own independent investment decisions;
 - 5.2 all decisions on whether to enter into, invest in, hold or dispose of any Investment Product, and whether to enter into any Transaction or to accept a service, are the Client's; and
 - 5.3 the Client does not rely on the Bank, any of its Affiliates, Agents or nominees or any of their directors, officers or employees, or on any research, information, representation, advice, recommendation, view, opinion or other statement (in each case whether written or oral) produced or provided by any of the abovementioned persons in making any investment decision. The Client has made and will make his own independent assessment of the Investment Products, Transactions and services in terms of value, merit, suitability, effects or otherwise.
6. Without prejudice to any provision of this Clause 6:
- 6.1 the Bank is not obliged to give investment advice or make recommendations and, notwithstanding that the Bank may do so on request by the Client or otherwise, such investment advice or recommendations are given or made diligently and with reasonable care based on analyses and available alternatives the Bank should reasonably know to exist (and the Client acknowledges and agrees that it is so given or made) without any responsibility on the part of the Bank; and
 - 6.2 the Client acknowledges and agrees that the Client is aware that the Bank does not hold out any of its agents,

directors, officers or employees as having any authority to advise the Client and the Bank does not purport to advise the Client on the terms of, or any other matters connected with any Investment Product, Transaction or service.

7. None of the Investment Terms, provision of Investment Services or Transaction or, to the extent applicable, any investment advice provided by the Bank to the Client, shall give rise to any fiduciary or other equitable duties on the part of the Bank.

COMPLIANCE WITH LAWS

1. The Bank and its Affiliates may take any action in accordance with or in order to comply with any Applicable Laws (including the laws, regulations, notices and directions of public and regulatory authorities which relate to the prevention of money laundering, terrorist financing and the provision of financial and other services to any persons or entities) as it deems appropriate.
2. The Client undertakes to comply with Applicable Laws at all times. The Standard Chartered Group has no obligation to monitor or ensure the Client's compliance with Applicable Laws including any restrictions in relation to investments, the authority and capacity of the Client to open, maintain or operate the Account, to enter into any Transaction, to accept the provision of Investment Services or to give Instructions or otherwise to act in connection with any Transaction or service.

PAYMENTS

1. All payments by the Bank to the Client under any Transaction or Investment Service shall be made to the Account or any one of the Client's accounts with the Bank or by such other means, in each case, as the Bank shall determine in its discretion.
2. All payments by the Client to the Bank under any Transaction or for Investment Service shall be made either by:
 - 2.1 deductions from the Account or any one of the Client's accounts with the Bank as determined by the Bank in its sole and absolute discretion; or
 - 2.2 payments to an account designated by the Bank, or by such other means as may be notified to the Client from time to time. All such payments shall be made in full in immediately available and freely transferrable funds without set-off or counterclaim or any restriction or

condition, free and clear of and without withholding or deduction of any taxes, charges or fees of any nature now or hereafter imposed or howsoever arising. If the Client is or becomes required by Applicable Laws to make any such withholding or deduction from any payment, then the Client shall pay to the Bank, in addition to the payment to which the Bank is otherwise entitled under any Transaction or for Investment Services, such additional amount as is necessary to ensure that the net amount actually received by the Bank will equal the full amount the Bank would have received had no such deduction or withholding been required.

3. The Client shall be responsible for all risks and expenses in connection with any payment under any Transaction. Any expenses in connection with the making of payments under any Transaction will be paid by the Client.
4. If, on any date, amounts are due and payable by each of the Bank and the Client to the other in the same currency in respect of any one or more Transaction and/or service, such amounts shall be automatically satisfied and discharged and only the net amount owing on that day shall be paid by the party owing the larger amount to the other party.
5. The Bank may charge interest in respect of any sums due to the Bank and unpaid at such rates as the Bank may determine until all such sums are fully paid, as well before as after judgment.
6. In the event of any limitation on the use of funds or any unavailability or non-payment of funds due to exchange restrictions, inconvertibility, governmental restriction or any other cause beyond the control of the Bank, the Bank may:
 - 6.1 discharge its obligations by paying the Client or to the Client's order such funds at any time (whether before, on or after maturity), in any currency and in such manner as the Bank may determine in its discretion. For the purpose of this Clause 6.1, the funds shall be calculated at such exchange rate as the Bank may determine in its discretion; or
 - 6.2 with notice to the Client, take action to appoint a successor in another jurisdiction, transfer the Client's assets to another jurisdiction, change the Governing Law(s) of this agreement, terminate the provision of Investment services and/or Transactions at the Client's cost or take any other action that the Bank considers expedient.

FEES AND EXPENSES

1. The Bank will charge fees and commissions for provision of Investment Services as applicable and execution of Transactions as notified to the Client and which may be varied from time to time. The Bank will charge interest at the rate or rates prescribed by the Bank from time to time, and may at any time debit the Account the Client has with the Bank with any such fees, commissions or interest, as well as any taxes as may be required to be debited by Applicable Laws or as the Client may instruct. The Bank may vary any fees, commissions and, where applicable, interest rates payable in the same way it may vary any provision of the Investment Terms.
2. The Client shall on demand indemnify the Bank against, and the Bank may at any time debit the Account with, all costs and expenses incurred in connection with the provision of Investment Services or any Transaction effected (including costs and expenses incurred in unwinding any Transaction in accordance with an Instruction or this Investment Terms), and expenses incurred in the enforcement of the Bank's rights or the recovery of any amount due to the Bank.
3. The Client acknowledges and agrees that a member of the Standard Chartered Group may receive remuneration, fees, benefit in-kind, soft commissions, trailer commissions, and other selling or placing commission (howsoever designated) ("**Benefits**") from any person arising out of or in connection with any Transaction or any provision of Investment Services to the Client (including representatives of any issuer of Securities or any other person whatsoever in respect of which it provides information to the Client), and such member of the Standard Chartered Group is entitled to retain such Benefits for itself and shall have no obligation to account to the Client for all or any part of such Benefits. A member of the Standard Chartered Group may also share charges and commission with its Affiliates or third parties in respect of the Transactions or services.

STATEMENTS

The Bank may provide the Client with statements of account or any other statements, transaction advices, confirmations and other documents (referred to collectively as "**Statements**") by the means as agreed with the Bank from time to time, in which case the Client shall examine all Statements supplied by the

Bank setting out or recording any balances and transactions. All Statements should be deemed to have been received by the Client at the date or time specified in clause on Notices and Communication of the Investment Terms. All Statements provided by the Bank shall, save for manifest error, be conclusive and binding on the Client unless the Client notifies the Bank within seven Business Days from the date of such Statement stating its objection to the content of such Statement in writing. The Bank may make any changes to such Statements it considers necessary in its discretion and shall not be liable for any errors reported in such Statements. The Bank may at any time correct any Statement to rectify any error therein which has been proved to its satisfaction or otherwise.

APPOINTMENT OF AGENTS

1. The Bank may employ or utilise agents and delegate to any such agent the performance of any of the Bank's duties and exercise of any of the Bank's rights under the Investment Terms.
2. The Bank will use reasonable care in the selection of the agents, but will not otherwise be liable for any act or default of any agent (including its bankruptcy or insolvency), non-delivery, loss or destruction of any security or an item in transit or in the possession of others, or any Loss incurred by the Client in connection therewith.

CONFLICTS OF INTEREST

1. The Client acknowledges that the Bank and/or any Affiliate may from time to time have an interest, relationship or arrangement that could be material and/or could give rise to a conflict of interest in relation to the Client, in which case the Bank will ensure that the Client is treated fairly.
2. The Bank has a "Conflicts of Interest" framework that safeguards its clients. For details on how the Bank manages conflicts of interest and the nature of certain conflicts, client to please click <https://www.sc.com/en/banking-services/mifid.html>. Conflicts of interest will be monitored and reviewed from time to time, hence Bank encourages client to refer to the contents periodically.
3. Where permitted by Applicable Laws, the Client agrees and acknowledges that:
 - 3.1. the Standard Chartered Group, its officers, employees and representatives shall be permitted to act in any

capacity for any other persons and trade for their respective own accounts provided that any such trading is done in accordance with the policies laid down from time to time by the Standard Chartered Group;

- 3.2. the Bank may, at its discretion and without prior disclosure to the Client, make payments out of the fees, commissions and/or spreads which the Client pays to the Bank to any other members of the Standard Chartered Group and their respective officers, employees and representatives, including those who may be primarily responsible for effecting the Transactions, providing the services or advising the Client; and
- 3.3. the Bank may in its discretion determine the priority of execution of the Client's orders.
- 3.4. The Bank shall not be under any obligation to disclose to the Client any fact or thing which may come to the notice of the Bank in the course of providing services to others in any other capacity or in any manner whatsoever.

REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS

1. The Client represents and warrants to the Bank as follows (which representations and warranties shall be deemed repeated on each date the Client enters into a Transaction or accepts the provision of Investment Service or otherwise provides an Instruction of any kind to the Bank and on a continuous basis for so long as the Client has any outstanding service or Transaction.):
 - 1.1. the Client has full capacity, authority and legal right to obtain Investment Services from the Bank, to enter into and engage in the Transactions and has taken or obtained all necessary action and consents to authorise the Client's entry into and performance of the Client's obligations in respect thereof in accordance with all Applicable Laws;
 - 1.2. no litigation, arbitration or administrative proceeding is currently taking place or pending or threatened against the Client or the Client's business or assets;
 - 1.3. the Investment Terms and any application form for Investment Services and other documents and forms constitute legal, valid and binding obligations of the Client enforceable against the Client in accordance with their respective terms;
 - 1.4. the utilisation of the Investment Services by the Client,

the entering into of the Transactions by the Client, the Instructions given to the Bank and the performance by the Client of the Client's obligations will not contravene any Applicable Laws applicable to the Client;

- 1.5. the Client has the capacity to evaluate each Transaction (including decisions regarding the appropriateness or suitability of each Transaction) and has made and will make its own decision to enter into each Transaction based upon its own judgment and upon advice from such professional advisers as the Client deems necessary to consult;
- 1.6. the Client is not relying on any advice (whether written or oral) of the Bank regarding any Transaction or Investment Service, and the Bank is not acting as fiduciary or advisor to the Client;
- 1.7. all information supplied by the Client to the Bank in connection with Investment Services and the Transactions is true, complete and accurate in all respects;
- 1.8. any monies held in each Account or used in connection with any Transaction or Investment Service are not in any way derived from money laundering or criminal activities;
- 1.9. the Client will at all times maintain complete and exclusive control of the Account, and will exclusively give Instructions (where applicable, through the Authorised Person(s)) on the acceptance and utilisation of Investment Services or the entry into of Transactions and, unless otherwise expressly agreed with the Bank, the Client (where applicable, through its Authorised Person(s)) is the only person that is ultimately responsible for originating an Instruction in relation to any Transaction and stands to gain the commercial or economic benefit of any Transaction and/or bear its commercial or economic risk;
- 1.10. the Client acknowledges that Applicable Laws of certain jurisdictions impose restrictions on individual clients who are either nationals of or are domiciled in certain countries, and/or prohibit the source of funds for investment in a foreign currency or transaction in which the underlying is foreign currency or certain types of securities of certain countries. The Client also acknowledges that the selling restrictions mentioned above may also apply to foreign currency and transactions entered into by the Client's nominee or corporations that are controlled by the Client. The Client hereby expressly represents and warrants to

the Bank that the Client shall be responsible for ensuring that each investment in foreign currency and Transaction is in compliance with the applicable requirements in respect of the Client's domicile/nationality and the source of funds; and

- 1.11. no deduction or withholding (whether on account of taxes or otherwise) will be required to be made under any Applicable Laws applicable to the Client from any payment or delivery to be made by the Client under any Investment Product.
- 1.12. The Client agrees and undertakes with the Bank as follows:
 - 1.12.1. to furnish such financial information to the Bank promptly as it may request from time to time;
 - 1.12.2. to immediately inform the Bank of any changes to the representations and warranties provided by the Client or in the event that such representations or warranties are no longer accurate or correct;
 - 1.12.3. on request by the Bank, to do or procure the doing of all such acts and things and execute or procure the execution of all such instruments and documents as the Bank may in its discretion consider necessary or desirable for giving full effect to the Investment Terms or Instructions or Transactions or for securing to the Bank the full benefits of all rights, powers and remedies conferred upon the Bank thereunder;
 - 1.12.4. to assume responsibility for any disclosure of any holdings or other interest in any securities required under any Applicable Laws;
 - 1.12.5. where the Client is a company or a corporation, to provide a written mandate and a certified copy of a board resolution to the Bank in such form satisfactory to the Bank; and
 - 1.12.6. The Client agrees and undertakes to notify the Bank in the event of any material change to the information provided by the Client in, or pursuant to, the Investment Terms. Any change to the information provided by the Client shall only take effect upon receipt of such notification by the Bank.
- 1.13. The Client acknowledges and understands that if the Bank knows or suspects that any Transaction may be used to process the proceeds of crime or to support terrorism , the Bank is obliged to comply with all applicable rules under the Prevention of Money Laundering Act 2002 and other Applicable Laws and report the fact and nature of their knowledge or suspicion to the relevant compliance unit of the Bank,

Securities and Exchange Board of India , Reserve Bank of India and/or to any other regulatory body or authority as required under the Prevention of Money Laundering Act 2002 and other Applicable Laws.

- 1.14. The Client will at all times maintain sufficient balance in the Account to cover the amount payable towards the Transactions, charges, fees, taxes as applicable, failing which the Bank is authorised at its sole discretion to reject the instruction. In the event that the Bank executes any such Instruction for which the Client has not maintained sufficient funds, the Client will pay the deficiency for the amount, fees, charges and taxes, at the earliest, together with interest calculated at a rate to be determined by the Bank, from time to time, in respect of such unauthorised overdrafts.

DISCLOSURE OF CLIENT INFORMATION

1. Unless otherwise stated, the Client must supply information relating to the Client (including personal data), the Account, the Transactions and Investment Services (collectively, the “Client Information”) as requested by the Bank. If the Client does not supply the Client Information, it may not be possible for the Bank to provide Investment Services or enter into any Transaction.
2. The Client agrees and consents to the Bank, its officers and agents disclosing Client Information, including but not limited to details of the Clients facilities, any security taken, transactions undertaken and balances and positions with the Bank, to:
 - 2.1 The head office of the Bank and any other member of Standard Chartered Group in any jurisdiction (the ‘permitted parties’);
 - 2.2 Professional advisers, service providers or independent contractors to, or agents of, the permitted parties, such as debt collection agencies, data processing firms and correspondents who are under a duty of confidentiality to the permitted parties;
 - 2.3 Any actual or potential participant or sub-participant in relation to any of the Banks rights and/or obligations under any agreement with the Bank, or its assignee, novatee or transferee (or any officer, employee, agent or adviser of any of them);
 - 2.4 Any credit information company, business alliance partner, rating agency, insurer or insurance broker of direct or indirect provider of credit protection to any permitted party;
 - 2.5 Any court or tribunal or authority (Including an

authority investigating an offence) with jurisdiction over the permitted parties;

- 2.6 Anyone the Bank consider necessary in order to provide the Client with Investment Services.
3. The Client consents to and authorises the use by the Bank of any Client Information for the purposes of the sending of commercial messages to the Client in relation to Investment Products or Investment Services that may be of interest to the Client. The provisions of this Clause shall constitute the Client's request and consent for the purpose of the provisions of any spam control laws. If the Client does not wish to receive such messages or would like to revoke this consent, the Client shall notify the Bank accordingly.
4. This Clause shall survive the termination of the Investment Terms.

SUSPENSION

1. The Bank may, at its discretion, at any time without prior notice to the Client and for any reason whatsoever, suspend operation of Investment Service without liability.
2. The Bank shall not be liable or responsible for any Losses suffered or incurred by the Client arising from any delay, failure or inability of the Bank or any Agent to discharge any of its obligations in connection with the Investment Service or Transaction as a result of any reasons or causes beyond the Bank's or the Agent's control (including any breakdown of and/or failure of transmission of telecommunications or computer facilities, exchange closure, industrial action, acts and regulations of any public, regulatory or governmental authorities or clearing houses or settlement systems or failure by any third party for any reason to perform its obligations, in the relevant market). In such circumstances, the Bank may extend the time for performance by the Bank by a period equal to that during which performance is so prevented or hindered.
3. Each of the Bank and the Client will take reasonable steps which in its sole opinion is available to mitigate any adverse effects on the other party of the circumstances listed in Clause 1 or Clause 2 above.

LIABILITY AND INDEMNITY

1. Any action which the Bank may take or omit to take in connection with the provision of Investment Services, any Instructions or Transactions shall be solely for the

account of the Client and at the Client's risk. None of the Bank, its Affiliates, Agents and any director, officer, employee or agent of any of the foregoing (each, an "**Indemnified Person**") shall be liable for any Losses or for the acts of any Agent appointed by the Bank in good faith, or any other persons through whom Instructions are effected, save where the same arises directly from the Bank's gross negligence, wilful misconduct or fraud. Indemnified Persons shall be entitled to every exemption from liability; every defence and every indemnity to which the Bank is entitled save in the event of the Bank's gross negligence, wilful misconduct or fraud. Notwithstanding any provision of this Agreement, the Bank shall not at any time be liable for any indirect, special or consequential Losses, loss of profits, goodwill or reputation whether or not they were foreseeable or likely to occur and even if the Client may have advised the Bank of the possibility of such Losses.

2. The Client further agrees to fully indemnify and keep indemnified each Indemnified Person against any and all Losses which any Indemnified Person may suffer or incur as a result of (directly or indirectly) or in connection with:
 - 2.1 any breach by the Client of any provision of the Investment Terms (including without limitation any representation or warranty under this Agreement);
 - 2.2 any breach by the Client of its obligations in connection with any Transaction or Investment Service;
 - 2.3 any failure by the Client to comply with any Applicable Laws in respect of any Transaction or Investment Service.
3. Without limiting the generality of Clause 2 above:
 - 3.1 notwithstanding any other provision of the Investment Terms, the Bank shall have no responsibility in respect of the performance or outcome of any Investment Product, Transaction or Investment Service. The Client acknowledges that past performance of any investment or class of investments is no indicator of future performance;
 - 3.2 the Bank shall not be responsible for, nor have any liability for Losses attributable to, incorrect or incomplete information in any prospectus or other offering, transactional or marketing materials prepared or issued by third parties other than the Bank or derived from such third party materials; and
 - 3.3 the Client agrees to indemnify each Indemnified Person against any Losses arising from or as a result of acting on any Instruction or other communication

received by the Bank by any means which the Bank reasonably believes to have been given by the Client or on the Client's behalf, and the Client agrees to be bound by and ratify any Transaction entered into, service provided or action taken by the Bank as the result of such Instruction or communication.

THE CLIENT'S RESPONSIBILITY

1. The Client shall at all times exercise due care to prevent payment or other orders or instruments, Instructions, electronic aids, passwords, tests, codes or digital signatures from coming into the possession of unauthorised persons and to prevent alteration in a manner which may facilitate fraud or forgery. The Client shall notify the Bank immediately on discovering that any such items have been stolen, lost, misappropriated or mislaid, but such notification shall not relieve the Client from the liability to assume and bear the consequences of the same. It is the Client's duty to ensure Instructions are clear, correct and intelligible and that they have been received and/or read, as applicable, by the Bank's officer designated to execute Transactions or provide Investment Service.
2. The Client undertakes to consult with the Client's own independent legal, regulatory, tax, financial, accounting and other advisors to the extent the Client deems necessary in respect of any Transaction or Investment Service (or any Transaction that the Client proposes to enter into with or through the Bank).
3. The Client shall be responsible for all taxes, duties and charges (including but not limited to tax reporting and withholding obligations) of any kind arising pursuant to the Transactions conducted with or through the Bank. For the avoidance of doubt, in no event shall the Bank or any of its Affiliates and Agents or any director, officer, employee or agent of any of the foregoing be liable for any adverse tax implications in respect of any Transaction.

RISK DISCLOSURE

The Client accepts all risks arising from its entry into of any Transactions and the acceptance of any Investment Services. The Client's attention is drawn to and the Client acknowledges that the Client has read and fully understood the Risk Disclosure Statement and all documents referred to therein. By accepting any Investment Services and/or entering into any Transactions, the Client acknowledges that the Client has made his/her own assessment and has relied on his/her own judgement.

AMENDMENT

The Bank may vary or amend the Investment Terms at any time at the Bank's discretion by notifying the Client of such variations or amendments at the address provided by the Client to the Bank or by such other means as the Bank may deem fit. Any such variation or amendment shall take effect from such date as the Bank shall stipulate or, in the absence of express stipulation, upon notice being given to the Client, without the need for any further consent or agreement by the Client and shall be binding on the Client even if the Client has not received the notification from the Bank.

NOTICES AND COMMUNICATIONS

1. Without prejudice to any other effective mode of dispatch, any report, statement, written confirmation, notice, demand or any other communication from the Bank to the Client shall be deemed to have been sufficiently dispatched, given or made if:
 - 1.1. left by personal delivery addressed to the Client, at the address last known to the Bank at the time of delivery;
 - 1.2. by prepaid post similarly addressed, five days after posting;
 - 1.3. communicated or transmitted to the Client by telephone, telex, cable, telegraph or facsimile transmission at the respective numbers last known to the Bank, at the time of communication/transmission; and
 - 1.4. communicated by e-mail, on the date and time of transmission by the e-mail server operated by the Bank and/or its service provider, notwithstanding any non-delivery or "returned mail" reply message or any error message indicating that the e-mail was not successfully sent to the Client's mailbox. The Client will bear the risk of any non-delivery of e-mails from the Bank.
2. Any communication from the Client to the Bank shall only be effective upon actual receipt thereof by the Bank.
3. All notices and other communication sent by the Bank to the Client or vice versa are to be sent at the Client's risk, and the Bank does not assume any responsibility for any inaccuracy, interruption, error or delay or total failure in transmission or delivery by any form of communication or other cause beyond the control or anticipation of the Bank. The Bank shall not be obliged to preserve any documents which may be returned undelivered.

MISCELLANEOUS

Destruction of documents: The Bank may in its discretion destroy any cheques or other records and documents relating

to Investment Service or Transaction after the same have been processed by microfilm or any other form of electronic media. Production of the microfilm or other form of electronic media shall be binding on and shall be conclusive evidence against the Client. The Bank may destroy any records after the retention period required by law.

Monitoring of correspondence: The Client agrees that all telephone conversations and electronic message correspondence (including electronic message correspondence delivered by e-mail and instant messaging services) between the Bank or an Affiliate and the Client may be recorded and may, to the fullest extent permitted by Applicable Laws, be used as conclusive evidence of the content of the calls or electronic messages and will be admissible in evidence in any proceedings. The Client waives any right to challenge or dispute the admissibility, reliability, accuracy or the authenticity of the contents of such records.

Severability: If any provision of the Investment Terms is or becomes illegal, invalid or unenforceable in any respect, the legality, validity or enforceability of the remaining provisions shall not be affected or impaired.

Time of the essence: The Client agrees that time shall be of the essence in respect of the Client's responsibilities and liabilities in all matters arising under the Investment Terms.

No waiver of rights: No indulgence or forbearance granted by the Bank, no failure to exercise and no delay in exercising on the part of the Bank of any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise of such right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

Remedies cumulative: Any rights and remedies of the Bank under the Investment Terms are cumulative and are not exclusive of any rights or remedies provided by law.

Successors: The Client's rights and obligations under the Investment Terms shall be binding on the Client's heirs and successors.

Signing Authority: The Client hereby authorises the Bank to sign on behalf of the Client and in the name of the Client any agreement or other document to enable or better enable the Bank to carry out the Instructions, to enter into Transactions and/or to provide Investment Services.

Standard Chartered Bank's intellectual property: The Client will not use the "Standard Chartered Bank" name, logo or

trademark or any other intellectual property belonging to the Standard Chartered Group for marketing or publicity purposes without the prior written consent of the Bank.

Conclusive evidence: For all purposes, including without limitation, any legal proceedings against the Client, a certificate by any of the Bank's officers as to any amount due from the Client to the Bank or as to any other determination, notification or opinion or the like of the Bank shall, in the absence of manifest error, be binding and conclusive evidence.

Governing law and jurisdiction: The Investment Terms and all relations between the parties shall be governed by and construed in accordance with the laws of India. Any legal action or proceedings in connection with the Investment Terms, or any dispute thereunder, may be brought in the courts of Mumbai in India and the Client irrevocably submits to the jurisdiction of Indian courts. The Bank reserves the right to institute proceedings in the Client's domicile or in any other appropriate jurisdiction.

Definitions & Interpretation

- A) In the Investment Terms, unless specified otherwise or unless the context otherwise requires:
1. **"Account"** means the bank account maintained by the Client with the Bank and mentioned on the investment services enrolment form. The Investment Services and the Transactions are linked to the Account and all debits and credits pursuant to the Transactions will be reflected in the Account.
 2. **"Affiliates"** means any subsidiary, related corporation, parent company, office, representative office, associated company of the Bank, and includes their respective successors and assigns.
 3. **"Agents"** means any agent, broker, dealer, counterparty, advisor, banker, attorney, custodian, sub-custodian, depository, manager, service provider or nominee selected or used by the Bank in connection with any Account, Investment Service or Transaction or otherwise in connection with the Investment Terms.
 4. **"Applicable Law"** means to the extent applicable, all laws, rules, regulations, notices, circulars, codes and guidelines of any regulatory, supervisory, governmental, quasi-governmental, legislative or other authority or body or exchange or clearing house, in each case as supplemented and amended from time to time.

5. **“Authorised Persons”** means each person authorised (whether solely or jointly) to, on the Client’s behalf, give Instructions to the Bank.
6. **“Bank”** means Standard Chartered, a banking company incorporated with limited liability in England by Royal Charter, in 1853, whose principal office is located at 1, Basinghall Avenue, London EC2V5DD and operating in India through its branches and having its corporate office in India at Floor 3A, Crescenzo, Plot no. C-38 & 39, G-Block, Bandra Kurla, Mumbai- 400051.
7. **“Business Days”** means a day (other than a Saturday or Sunday or public holiday) on which the Bank is open for business and, in the context of Instructions, Transactions and Investment Services, a day when banks and relevant financial markets and institutions are open for business in the jurisdiction concerned.
8. **“Client”** means the holder(s) of the Account as identified in any account opening documentation completed or provided when such Account is opened, including its/their successors and assigns and who have enrolled to obtain Investment Services from the Bank by filling up the investment services enrolment form.
9. **“Investment Services/Services”** mean any services offered, granted or made available by the Bank to the Client from time to time pursuant to Clause on ‘provision and availability of services’ under Part One of the Investment Terms.
10. **“Instructions”** means any instruction or request given or purportedly given by the Client or, where applicable, Authorised Persons to the Bank pursuant to the Investment Terms by such means as the Bank may allow as detailed in Clause 1.2 and Clause 1.3 under the heading ‘instructions and transactions’ of Part One of the Investment Terms.
11. **“Loss” or “Losses”** mean any losses, damages, costs (including legal costs on a full indemnity basis), fines, expenses, fees, charges, actions, suits, proceedings, claims, claims for an account or equitable compensation or equitable lien, any other demands or remedy whatsoever, or any diminution in the value of or loss or damage to any property or security or any lost opportunity whereby the value of the same could have been increased or otherwise.
12. **“Risk Disclosure Statement”** means the risk disclosure statement set out in Part Two of the Investment Terms and includes all annexures and

supplements thereto from time to time and all the disclosures or descriptions of risks contained in documents which are specific to any investment product, Transaction or Investment Service as provided by the Bank to the Client from time to time.

13. **“Securities”** means equities, bonds, debentures, debenture stocks, certificates of deposit, treasury bills, bills of exchange, units in mutual funds or any other kind of collective investment schemes, warrants, options, all derivatives (other than Structured Investments) over the same, securitised structured products such as notes, warrants or certificates, annuities, debt certificates which may be drawn by lot for redemption, mortgage bonds and any other interests, rights or property, whether in the form of an instrument or otherwise, commonly known as securities in the jurisdiction in which they are created or issued.
 14. **“Standard Chartered Group”** means any one or more of Standard Chartered Bank, its subsidiaries, associated companies and affiliates (including, without limitation, the Bank and its Affiliates).
 15. **“Transaction”** means any transaction effected by the Bank for or on behalf of the Client pursuant to or in connection with Investment Services or any Account.
- B) In the Investment Terms, unless specified otherwise or unless the context requires otherwise:
- C) a reference to any statute, statutory provision or regulation shall be construed as a reference to the same as it may be amended, modified, replaced or re-enacted from time to time;
- 1) headings and titles are for convenience only and do not affect its interpretation;
 - 2) the singular includes the plural and vice versa;
 - 3) words denoting any gender shall include the other genders;
 - 4) **“assets”** means property or assets of any nature and includes all or part of any present and future business, undertaking, real property, personal property, uncalled capital, revenues and any rights of every description (whether actual or contingent, present or future) to receive, or require delivery of, any of the foregoing;
 - 5) any reference to the Bank’s **“discretion”** shall be construed to refer to the Bank’s **“sole and absolute discretion”**; any determination to be made by the Bank or any exercise by the Bank of any rights or

entitlement may be made at the Bank's sole and absolute discretion and, in every case, shall be conclusive and binding on the Client; and the word **"includes"** or **"including"** as used in the Investment Terms shall be construed to mean **"includes without limitation"** or, as the case may be, **"including without limitation"**; and

- 6) **"person"**, **"he"** or **"him"** includes any individual, company, corporation, firm, partnership, joint venture, association, organisation, trust, state or agency of a state (in each case, whether or not having separate legal personality).

PART TWO

RISK DISCLOSURES

Part A: Risk related to Transactions & Investment Services

1. General

1. This Risk Disclosure Statement does not explain all the risks and other significant aspects of entering into a Transaction or accepting the provision of Investment Service. Such risks can be substantial. The Client should consult its advisors on the nature of the Transaction or Investment Service. In addition, the Client should carefully consider the risks specific to the Transaction or Investment Service and whether the particular Transaction or Investment Service is appropriate and suitable for the Client in the light of the Clients experience, objectives and personal and financial circumstances.
2. In particular, each Client should:
3. have sufficient knowledge and experience to make a meaningful evaluation of a Transaction or Investment Service, including the merits and risks of such Transaction or Investment Service;
4. have access to, and knowledge of, appropriate analytical tools to evaluate a Transaction or Investment Service and the impact the Transaction or Investment Service will have on the Clients overall investment portfolio;
5. have sufficient financial resources and liquidity to bear all relevant risks;
6. understand thoroughly the terms and conditions of the Transaction or Investment Service; and
7. be able to evaluate (either alone or with the help of an independent financial adviser) possible scenarios for economic, interest rate and other factors that may affect the Transaction or Investment Service and the Clients ability to bear the applicable risks.

By entering into a Transaction or agreeing to the provision of Investment Service, the Client acknowledges that he makes his own assessment and relies on his own judgement in relation to any and all investment or trading or other decisions in respect of such Transaction or Investment Service and accepts any and all risks associated therewith and any Losses suffered as a result. The Bank is not

responsible for any Losses whatsoever or howsoever arising from the Transaction or Investment Service. In addition, the Client confirms that he has read and fully understood this Risk Disclosure Statement and all offering documents, term sheets, and documentation pertaining to the Transaction or Investment Service, and that he fully understands the nature and terms and conditions of the Transaction or Investment Service.

2. Risk of Securities trading

The prices of Securities fluctuate, sometimes dramatically. The price of a Security may move up or down, and may become valueless. It is as likely that losses will be incurred rather than profit made as a result of buying and selling Securities. In addition, any representation of past performance is not necessarily a guide to future performance.

3. Liquidity risks

At certain times, or under certain market conditions, the Client may find it difficult or impossible to liquidate a position, to assess the value or to determine a fair price. This is particularly so for unlisted Securities where there is no formal market for such Securities and are often thinly traded. In addition, there can be no certainty that market traders will be prepared to deal in Securities, in particular in relation to unlisted Securities, and proper information for determining their current value may not be available. Whilst generally it may be easier to liquidate a position or to assess the value or determine a fair price for listed Securities, there is no assurance that there will be a liquid market for such Securities or that the value or fair price can be obtained.

4. Trading of listed Securities outside the home jurisdiction

Trading of listed Securities in jurisdictions other than the jurisdiction from where the Investment Services are provided may expose the Client to additional risks. Such markets may be subject to regulation which may offer different or diminished investor protection. Before the Client trades in such markets, the Client should enquire about the relevant rules as the Client's local regulatory authority may not be able to enforce such rules. The Client should ask the Bank for details on, and understand the redresses available in his local jurisdiction as well as the relevant overseas jurisdictions

5. Credit risks

The Client should satisfy himself that the credit risk of

the issuer of a Security or the counterparty to a Transaction is acceptable to him, including but not limited to the failure by the issuer or counterparty to make good, valid or timely delivery or payment to the Client. Further, an issuer to a Security may experience adverse changes to its financial condition which may result in an increased volatility in the price of the Security (including in the case of a debt security, a possible downgrade to any credit rating assigned to such security), negatively affect the liquidity of the Security and thereby make it more difficult to sell the Security. In addition, changes in the economic and political conditions in general, or changes in economic and political conditions specific to an issuer of a Security or a counterparty a Transaction, may have an adverse impact on the creditworthiness of the issuer or the counterparty. There is no assurance of protection against a default of its obligations by the issuer or counterparty. A Client who has received delivery of such Securities would be adversely impacted.

6. Currency risk

Where the Client engages in a Transaction involving one currency to hedge an original investment in another currency, or where the Transaction entered into by the Client references two different currencies, fluctuations of the currencies against each other or against the other underlying elements of the Transaction may affect the Client's net profit on the Transaction or increase the Client's loss. In addition, where the Client's home currency differs from the currency in which payments pursuant to the Transaction are made, foreign currency fluctuations may affect the Clients who intend to convert profits or losses pursuant to the Transaction to their home currency. Foreign exchange rates may fluctuate significantly and suddenly and are determined by (among other things) the supply and demand for currencies in the international foreign exchange markets, inflation rates in the countries concerned, interest rate differences between the respective countries, currency convertibility and measures (e.g. exchange controls) taken by government and monetary authorities.

7. Exchange traded instruments

For Transactions involving underlying contracts or instruments which are traded on exchanges, disruption of the normal market operation or

conditions of such exchanges and/or the rules of operation of such exchanges (e.g. discretion on the part of the exchange to suspend or limit trading of certain contracts or instruments under certain market conditions) may increase the risk of loss by making it difficult or impossible to close out the Transactions. The Client should inform himself of exercise and expiration procedures and his rights and obligations upon exercise or expiry of Transactions.

For Transactions in which the underlying contracts or instruments are supported by electronic trading facilities at exchanges (e.g. computer-based component systems for order-routing, execution, matching, registration, or clearing of trades), any temporary disruption or power/system failure of such electronic trading facilities could result in a disruption in the trading activities at the exchange and an unavailability of reference prices for the relevant Transaction. In such circumstances, the Client's order may not be executed according to his Instructions or at all, which may lead to losses. It is likely that such losses will not be recoverable from the relevant exchanges as the rules thereof invariably exempt them from such liabilities.

8. Insolvency

In the event of the insolvency of the issuer of a Security or the counterparty to a Transaction, the Client may experience delay in liquidating his investment and may suffer losses, including a decline in the value of his investment (which may be zero). Further, the insolvency of the issuer of a Security or the counterparty to a Transaction may lead to positions being liquidated or closed out without the Client's consent. The Client could lose his entire investment, any payment to be made or Securities to be delivered to the Client, and any assets lodged by the Client as collateral. In the event of the insolvency of the issuer of a Security or the counterparty to a Transaction, the Client's claims for recovery will generally be subordinated to the claims of the preferred or secured creditors of the issuer or counterparty.

9. No investment advice or recommendations

The Bank is not obliged to, and does not, give investment advice or make recommendations. Whilst it may provide recommendations on request by the Client, such investment advice or recommendations are given or made (and the Client acknowledges and

agrees that it is so given or made) without any responsibility on the part of the Bank unless otherwise agreed in writing by the Bank and on the basis that the Client will nevertheless make his own assessment and rely on his own judgment in respect of all Transactions executed or Investment Services rendered under the Investment Terms.

10. Emerging markets

Transactions related to emerging countries (e.g. Securities or underlying reference assets or reference entities of structured investments which are listed in or linked to emerging countries), including those located in Asia, Latin America and eastern Europe, may carry high investment risks. Such risks include political risks (including confiscation of assets, restriction of the Client's rights of disposal, or declines in the value of assets as a result of state intervention or the introduction of state monitoring and control mechanisms), risks of economic instability, greater prevalence of illegitimate market practices (e.g. insider trading) and laws and regulations which afford inadequate protection and safeguards to investors.

11. Risks associated with unsecured e-mail communication

The Client acknowledges that e-mail is sent via public and private data transfer networks and providers which are accessible worldwide, and available to anyone. It is therefore impossible to control the transmission route of an e-mail. The Client acknowledges and agrees that a multitude of risks are inherent in unsecured e-mail, for example, e-mail from the Bank can be faked as a result of e-mail or computer infections created or spread by third parties. The Bank accepts no responsibility for any losses arising from such risks.

12. Risks associated with Instructions via facsimile

Non-original signatures on the facsimile may be forged and such instructions may be transmitted to, and received at, wrong numbers, may never reach the Bank and may be disclose to third parties at the wrong number thereby losing their confidential nature.

13. Other Related Documentation

The Bank may, in appropriate cases, furnish the Client with term sheets and other documentation (whether issued by the Bank or third party product providers)

setting out the material terms, associated obligations, underlying assumptions, pricing basis and sensitivity analysis to illustrate the impact of market movements on the proposed financial investment and/or such other information as the Bank may think relevant. Any sensitivity analysis which may be provided are for the purposes of illustration only. The provision of such term sheet or other documentation shall not detract from the Client's duty to take all such steps and make all such enquiries as may be necessary or desirable prior to making any investment decision and the Bank takes no responsibility or liability for the accuracy and completeness of such term sheet or other documentation or any information set out therein.

14. Commissions, Fees and Charges

Before the Client enters into any Transaction or accepts any Investment Service, the Client should obtain a clear explanation of all commissions, fees and other charges for which the Client will be liable. These charges will affect the Client's net profit (if any) or increase the Client's loss.

15. Taxation

The Bank does not provide tax advice and the Client has full responsibility for any tax implication of entering into a Transaction. Any tax treatment depends on a Client's individual circumstances and may be subject to change in the future. The Client should consult his tax adviser about his own tax situation.

Part B – Specific risk in financial products or services

1. Structured products

The Bank refers third party Structured products to its Clients. The Client consents to the Bank sharing with the third party product provider personal information of the Client and any other information that the Bank at its sole discretion deems fit in relation to the referral activity. The Bank shall be receiving referral fees from the product provider. In cases where the Structured products are of a stated maturity, the investment will be locked in till maturity, with no assurance of any immediate liquidity. Even in case a premature exit is facilitated by the product provider, there can be no assurance on principal protection or returns. Generally structured products are financial instruments whose investment returns are linked to the performance of reference underlying(s). Examples

include (but are not limited to) equity-linked notes, interest rate-linked notes and credit-linked notes. Structured products can come in a variety of forms and linked to a wide range of reference underlying(s) and can be complex financial instruments. The Client should read the offering document, term sheet, and documentation pertaining to the particular structured product carefully and fully understand the nature, terms and risks of such product.

Principal protected Structured products - Principal protection will be applicable only if the product is held till maturity. Such protection is subject to the conditions set out in the offering document, term sheet, and documentation pertaining to the particular structured product. Since, the Bank is not the issuer of the Structured products, such protection is not provided by the Bank but by the third party issuer. In the event that there is a default by the issuer, non-payment of expected coupons or changes of credit ratings of underlying instruments, principal protection may not apply and there may be a risk of the total loss of the amount invested.

2. Portfolio Management Schemes

The Bank refers its Clients to PMS providers enabling the Clients to avail Portfolio Management Services (PMS) of a PMS provider. The Client consents to the Bank sharing with the third party PMS provider personal information of the Client and any other information that the Bank at its sole discretion deems fit in relation to the referral activity. The Bank shall be receiving referral fees from the PMS provider. The PMS schemes may be discretionary or non-discretionary in nature PMS schemes may invest in a concentrated portfolio of stocks as per mandate of the scheme, which a Client should consider before investing in PMS scheme. Typically, PMS schemes require power of attorney to be provided in favour of the portfolio manager. Non discretionary PMS's performance may vary amongst investors as the performance depends on to what extent the guidance of PMS Manager is adopted and at what price.

3. Bonds, NCD's & Corporate Fixed Deposits

The Bank refers its Clients to issuers, brokers and arrangers enabling the Clients to invest in third party Bonds, NCD's and Corporate Fixed Deposits. The Client consents to the Bank sharing with the issuers, brokers and arrangers personal information of the Client and any other information that the Bank at its sole

discretion deems fit in relation to the referral activity. The Bank shall be receiving referral fees from the issuers, brokers and arrangers, as the case may be. Since Bonds, NCD's and Corporate Fixed Deposits are of a stated maturity, the investment will be locked in till maturity with no assurance of any immediate liquidity. Even in case a premature exit is facilitated by the issuer there can be no assurance on principal protection or returns in case of premature exit.

4. Alternative Investment Funds

The Bank refers its Clients to Alternative Investment Fund (AIF) Fund Manager enabling the Clients to invest in AIF. The Client consents to the Bank sharing with the AIF Fund Manager personal information of the Client and any other information that the Bank at its sole discretion deems fit in relation to the referral activity. Investments in AIF Funds are highly illiquid in nature due to investments in the real estate sector. Investments in AIF Funds are locked in for a long period (5 to 10 years, depending on the product) without any premature withdrawal being possible and could also stretch beyond the lock in period. Investments in AIF Funds requires a smaller upfront commitment with subsequent draw-down provisions and there could be a severe penalty for default on draw-down going up to the extent of forfeiture of the amount already invested by the Client. Investments in AIF Funds could result in potential capital loss. The Bank shall be receiving referral fees from the AIF Fund Manager.

5. Collective Investment Schemes

Collective investment schemes invest the funds paid in by the subscribers of units or shares in the collective investment schemes in different types of investments provided for in their offering documents or constitutional documents. The Client will therefore be exposed to the risks and returns associated with the nature of the financial instruments in which the collective investment scheme invests, including without limitation:

General

- 5.1 **Market risk** – the value of an investment will decrease due to moves in market factors, and this will impact on the net asset value of the collective investment scheme.

- 5.2 **Risk relating to investment in equity** – the equity markets may fluctuate significantly with prices rising and falling sharply, and this will impact on the net asset value of the collective investment scheme.
- 5.3 **Risk relating to investment in debt securities** – the value of the investments will depend on (among others) market interest rates, the credit quality of the issuer and liquidity considerations. Some collective investment schemes may invest in high yielding debt instruments where the level of income may be relatively high (compared to investment grade debt instruments), however, the risk of depreciation and realisation of capital losses on such instruments will be significantly higher than on lower yielding debt instruments. Instruments or schemes which are called capital protection oriented, do not guarantee returns and such instruments or schemes are only oriented towards protection of capital. The orientation towards protection of the capital originates from the portfolio structure of the scheme and not from any bank guarantee, insurance cover etc.
- 5.4 **Currency risk** – since the investments held by a collective investment scheme may be denominated in currencies different from its base currency, the collective investment scheme may be affected adversely by exchange control regulations or changes in the exchange rates between such reference currency and other currencies. Changes in currency exchange rates may influence the value of the units in a collective investment scheme, and also may affect the value of dividends and interests earned by the collective investment scheme.
- 5.5 **Investment grade risk** – some collective investment schemes invest in investment grade debt securities, which, like other types of debt securities, involve credit risk of the debt security issuer and may be subject to ratings downgrades by the rating agencies.
- 5.6 **Investment in derivative instruments** – some collective investment schemes invest in derivative instruments which can involve additional material risks such as counterparty risks or credit and liquidity risk. Some derivative instruments may employ leverage which can cause greater volatility.
- 5.7 **Country concentration** – collective investment schemes which invest in one country or limited countries will have greater exposure to market, political, legal, economic and social risks of that

country/countries than a scheme which diversifies country risk across a number of countries.

- 5.8 **Holdings concentration** – collective investment schemes which invest in a relatively small number of investments or may be concentrated in a specific industry sector are subject to higher concentration risk.
- 5.9 **Emerging market risk** – some collective investment schemes invest in part or in whole via the methods detailed above in emerging markets which may be more volatile and subject to greater political and economic risks.
- 5.10 **Liquidity risk** - Investments held by a collective investment scheme may need to be sold if insufficient cash is available to finance redemptions of the scheme by investors. If the size of the disposals is sufficiently large, or the market is illiquid, there is a risk that the investments might not be sold or the price at which they are sold may adversely affect the net asset value of the scheme.

Exchange traded funds

Exchange traded funds (“**ETFs**”) are closed-ended collective investment schemes, traded as shares on stock exchanges, and typically replicate a stock market index, market sector, commodity or basket of assets. ETFs can broadly be grouped into two types. Traditional ETFs track, replicate and correspond to the performance of an underlying index. Synthetic ETFs mimic the behaviour of traditional ETFs through the use of derivatives such as swaps and performance-linked notes.

ETFs are subject to tracking error risk, namely the disparity between the performance of the ETF as measured by its net asset value and the performance of the underlying index. Tracking error may arise due to various factors. These include, failure of the ETFs tracking strategy, the impact of fees and expenses, foreign exchange differences between the base currency or trading currency of an ETF and the currencies of the underlying investments, or corporate actions such as rights and bonus issues by the issuers of the ETFs underlying securities.

Trading on an Exchange does not, in and of itself guarantee that a liquid market exists for an ETF. A higher liquidity risk is also involved if an ETF invests in financial derivative instruments that not actively traded in the secondary market and where price transparency is not as easily accessible as physical securities. This may result in a bigger bid and offer

spread. Further, an ETF is exposed to the economic, political, currency, legal and other risks of a specific sector or market related to the underlying equity, commodity, asset or index that the ETF is designated to track. Synthetic ETFs typically invest in over-the-counter derivatives issued by counterparties. Such a synthetic ETF may suffer losses potentially equal to the full value of the derivatives issued by the counterparty upon its default. Synthetic ETFs are therefore exposed to both the risks of the securities that constitute the index as well as the credit risk of the counterparty that issues the financial derivative instruments for replicating the performance of the index.

Non-traditional funds (hedge funds)

Non-traditional funds (which may take a variety of legal forms such as investment companies or partnerships) differ from traditional investment funds such as equity or fixed income funds in respect of their investment style. A common type of a non-traditional fund is a hedge fund. Some of the common features of, and risks of investing in, a non-traditional fund include the following:

1. Non-traditional funds have variable liquidity and tradeability, and may have limited subscription and redemption rights with lengthy notice periods (e.g. fund issues and redemptions are often allowed only on a monthly, quarterly or annual basis). Fixed holding periods are common, and liquidations may stretch out over a period of years;
2. The fund often aims to make an absolute return, under varying market conditions;
3. Sometimes, the fund takes on very high levels of risk and may have significant leverage from the investment of borrowed capital;
4. The fund often uses derivatives, whether for hedging or for investment or speculation;
5. The fund may be able to carry out short sales;
6. The fund may not be subject to any restrictions on investment categories, markets or trading methods, and the strategies adopted by the fund may be speculative in nature;
7. The fund may require a high minimum investment amount; and
8. Many non-traditional funds are located in “offshore” jurisdictions, and are subject to less stringent laws and supervision, which in turn provides relatively

weaker investor protection relative to a traditional fund. There is no assurance that an investor's legal rights will be enforceable. There may be other risks associated with weaker regulation of such funds; for example, the fund may have poor or unsuitable operating systems and checking procedures.

Non-traditional fund investments involve a high degree of risk. Before making any investments, the Client should seek independent advice about the particular risks involved and carefully study the relevant information memorandum, subscription agreement and other information on the investments.

THIS RISK DISCLOSURE STATEMENT DOES NOT DISCLOSE ALL THE RISKS AND SIGNIFICANT ASPECTS OF THE INVESTMENTS. THE CLIENT IS ADVISED TO STUDY CAREFULLY THE TERMS AND CONDITIONS OF THE RELEVANT INVESTMENT AND SEEK INDEPENDENT FINANCIAL, TAX, LEGAL OR OTHER ADVICE, AS APPROPRIATE, BEFORE ENTERING INTO ANY INVESTMENT.

PART THREE

SPECIFIC TERMS & CONDITIONS FOR ELECTRONIC INVESTMENT TRANSACTION PROCESSING ('EITP') FOR MUTUAL FUND TRANSACTIONS ONLY

1. Definitions:

Capitalised terms not defined here, shall have the same meaning as given in Part One of the Investment Terms. In the EITP Terms for Mutual Fund Transactions, unless specified otherwise or unless the context otherwise requires:

'Asset Management Company' or **'AMC'** means the Asset Management Company who's Mutual Fund Units are distributed by the Bank to the Client.

'AMFI' means Association of Mutual Fund of India.

'Mutual Fund' or **'MF'** means, a trust set up under the provisions of the Indian Trusts Act, 1882 and registered with SEBI under SEBI (Mutual Funds) Regulations, 1996.

'Offer Document' means any document by which the Mutual Fund invites public for subscription of Units of its Scheme(s).

'Registrar' means any person or entity appointed by the AMC and/or its trustees to manage all aspects of or related to investor servicing for the Scheme(s) of the Mutual Fund.

'Regulatory Authority' means and includes SEBI, The Reserve Bank of India and/or any other authority appointed by the Indian government or under Indian laws from time to time to regulate and control Mutual Funds.

'Scheme' means any scheme formulated and floated by the Mutual Fund from time to time and shall mean each individual scheme of the Mutual Fund and the provisions hereof shall apply to each scheme individually.

'SEBI' means The Securities and Exchange Board of India.

'Transaction' means any transaction effected by the Bank for or on behalf of the Client pursuant to Clients transaction instructions in a scheme of a Mutual Fund, including purchase, redemption, re-investment, switch.

'Unit' means the interest of the investors in the Scheme, consisting of each Unit representing one undivided share in the assets of that Scheme as evidenced by a unit certificate/account statement.

'Unit Holder' means a participant who is a registered holder for the time being of Unit(s) of the Scheme(s) of the Mutual Fund, including persons jointly registered. Such Unit Holders shall have a beneficial interest in the legal, trust property to the extent of their individual holding of Unit(s) in the Scheme(s) only.

2. Scope:

In addition to Part One and Part Two of the Investment Terms, these EITP specific Terms shall specifically apply to Mutual Fund Transactions undertaken by the Bank on the Instructions of the Client.

3. Transaction processing:

- 3.1 The Client understands and agrees that the Bank shall act only on specific Instructions provided by the Client and shall forward the same to the AMC or its Registrar or any other agency as directed by the AMC. The Bank shall exercise no discretion whatsoever and no action or lack thereof on the part of the Bank shall be construed as an investment advice to/decision on behalf of the Client. The Client understands and agrees that the Bank is not its agent, constituted attorney and/or an adviser.
- 3.2 The Client acknowledges having read and understood applicable charges payable by the Client to the Bank for utilising the EITP mode of processing Mutual Fund Transactions and the commission's payable by the Mutual Fund (In the form of trail commission or any other mode) to the Bank for the different Scheme of Mutual Fund distributed by the Bank.
- 3.3 The Client must read and understood the contents of the Offer Documents as amended from time to time, prior to entering into any transaction in Mutual Funds.
- 3.4 For undertaking a Transaction in Mutual Funds through the EITP mode, the Client shall provide the Bank with Instructions in the manner provided in clause 1.2 of Part One of the Investment Terms, in the format prescribed by the Bank, containing all details relevant to the investment and authorize the Bank to recover charges and taxes as applicable, by debit to the Client's Account with the Bank. Further, for any non-investment oriented information including change in address, change in personal details, etc.

the Client undertakes to intimate the Bank in writing as per the Notice and Communication clause under Part One of the Investment Terms. However, the Bank shall execute only those instructions that are clear, timely and as per the rules applicable to such investments, and the Bank shall not be required to ascertain compliance with any regulatory or investment restrictions whatsoever as applicable to the Client. The Bank shall not be responsible for any incorrect or error in the information contained in the Instruction.

- 3.5 The Client acknowledges and agrees that for operational reasons, the Bank shall forward only those Instructions that are received prior to a cut off time, which may be earlier than the cut-off time prescribed by the Mutual Fund. The Bank shall not be liable for any losses, damages, costs or expenses arising out of the resultant non-forwarding of/delay in execution of Transaction Instructions received after such cut-off time.
- 3.6 The Client understands that the Client may route future communication/instructions for Transactions (financial or non financial) through the Bank or directly approach the Asset Management Company, Mutual Funds or Registrar. Where the Client undertakes such transactions directly with the Asset Management Company, Mutual Funds or Registrar, the details of such transactions may not be updated in the Banks records and may not reflect in the Statements or may be updated with a time lag. In case of non financial transactions undertaken directly by the Client with the Asset Management company, Mutual fund, or Registrar, the Client shall ensure that such communication is also provided to the Bank by the Client.
- 3.7 Transactions in Mutual Funds through the EITP mode are available only in jurisdictions where they may be lawfully performed by the Bank and are not intended for use by persons located in or resident in jurisdictions that restrict the distribution of such material by the Bank. Clients transacting in Mutual Funds through the EITP mode are required to inform themselves about and observe all relevant restrictions/regulations. The Bank makes no representations that the Mutual Funds are available to persons residing outside India, or are necessarily suitable for any particular person or appropriate in accordance with any applicable local laws, rules or regulations. Among other things, this means that the disclosures provided may not conform to rules of the

regulatory bodies of any other country and investment in such products will not afford the protection offered by the local regulatory regime in any other country. The provision of Investment Services and/or mailing of Statements and/or provision of other information relating to the financial markets shall not be construed as an offer or solicitation to sell investments or securities in any country, including India where, or to any person to whom, it is unlawful to make such an invitation or solicitation.

- 3.8 Upon receipt of Instructions from the Client for the Transactions in Mutual Funds through EITP mode, the Bank shall be authorized to automatically debit the Client's Account maintained with the Bank, without notice to the Client and to the extent of the amount payable by the Client to

the Mutual Fund on account of the Transaction and to the Bank on account of charges, fees, commission and taxes as applicable. Towards this end the Client agrees to maintain sufficient amounts in the Account to cover the Transactions instructed and the charges, fees, commission and taxes, as applicable, failing which the Bank is authorized at its sole discretion to reject the Instruction. In the event that the Bank executes any such instruction for which the Client does not have sufficient funds, the Client undertakes to pay the deficiency for the transaction amount and the charges and taxes, as applicable at the earliest, together with interest calculated at a rate as determined by the Bank, from time to time, in respect of such unauthorized overdraft.

4. **Termination**

- 4.1 The Client may terminate the EITP mode of providing Instructions pertaining to Mutual Funds by providing a notice of termination to the Bank for all investments in Mutual Funds held by the Client through the EITP mode and the Bank shall forward the notice of termination to the respective Mutual Funds. Termination shall be complete after all the Units of the respective Mutual Funds are transferred out of the EITP platform and a confirmation to that effect has been received by the Bank from the Mutual Fund and once all outstanding charges payable by the Client to the Bank have been paid by the Client to the Bank.
- 4.2 The Bank may terminate the EITP mode of providing Instructions pertaining to Mutual Funds by providing a notice of termination to the Client in the manner provided in the clause on Notice and Communication

under Part One of the Investment Terms, calling upon the Client to forthwith send the closure request for all the investments in Mutual Funds held by the Client through the EITP mode. In case of non- receipt of the closure request within 30 days from the date of dispatch, no further transactions will be permitted and the Bank shall forward the notice of termination to the respective Mutual Funds. Termination shall be complete after all the Units of the respective Mutual Funds are transferred out of the EITP platform and a confirmation to that effect has been received by the Bank from the Mutual Fund and once all outstanding charges payable by the Client to the Bank have been paid by the Client to the Bank.

5. Force Majeure:

- 5.1 If the Bank is prevented or delayed in the performance of any of its obligations under the EITP mode of accepting Investment Transactions in Mutual Funds, then the Bank shall be excused from the performance or the punctual performance as the case may be from the date of such force Majeure event occurring till the time the event continues to exist.
- 5.2 Force majeure shall be deemed to be any cause affecting the performance of this arrangement arising from or attributable to acts, events, omissions or accidents beyond the reasonable control of the Bank to perform and without limiting the generality thereof shall include the following:
 - 5.2.1 Strikes, lock-outs or other industrial action;
 - 5.2.2 Civil commotion, riot, invasion, war threat or preparation for war;
 - 5.2.3 Outbreak of war, rebellion, revolution, hostilities, riot, civil disturbance, acts of terrorism (including bans on non-essential travel) issued by the World Health Organisation or any governmental authority;
 - 5.2.4 Fire, explosion, storm, flood, earthquake, subsidence, epidemic or other natural physical disaster;
 - 5.2.5 Impossibility of the use of railways, shipping, aircraft motor transport or other means of public or private transport;
 - 5.2.6 Political interference with the normal operations of the Bank or AMC; and
 - 5.2.7 Any change in or introduction of any laws and legal requirements.

