

INVESTMENT TERMS

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 *Clients'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. The *Client* can avail of the investment advisory services of the *Bank* only upon (i) executing separate documents with the Investment Advisory Group of the *Bank* for availing 'Investment Advice' (as defined in the Securities and Exchange Board of India (Investment Advisers) Regulations, 2013) from it; and (ii) paying specific fees (if applied by the *Bank*) for such 'Investment Advice'.
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* 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. Where permitted by *Applicable Laws*, the *Client* agrees and acknowledges that:
 - 2.1. 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*;
 - 2.2. 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
 - 2.3. the *Bank* may in its discretion determine the priority of execution of the *Client*’s orders.
 - 2.4. 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 too 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.