

Distributor Change Request Form

Date : _____




PMS Account Code: _____

Name of Client	
Name of Old Distributor	
Name of New Distributor	
New RM name	
New RM email address	
New Service RM name	
New Service RM email address	

Mode of Fee recovery: ☐ Bank Transfer ☐ Selling of Securities

I/We understand that as a result of Distributor Change Request, Marcellus will need to compute the fees due and recover the same before implementing my/our request.

I/We understand that except the above recovery, my/our billing cycle will continue to remain as the Financial Year ending on March 31st or the account activation anniversary date, as the case may be.

Name : First Applicant	Name : Second Applicant	Name : Third Applicant
		

Note:

- 1) *The Fee structure change (from fixed fee structure to performance fee structure) is not allowed under Distributor change request.*
- 2) *As per the distribution agreement executed with the distributor, Marcellus will intimate the receipt of such request to the old distributor before the movement of account to New distributor code.*
- 3) *Marcellus will take 10 (Ten) days to give effect to such changes. Eg. If the Client request is received on 1st of the month then the effective date will be a day upto the 10th day of month.*
- 4) *Please note that the Distributor change request cannot be effected on the 1st or the last day of the month.*
- 5) *Client signature should be same as registered in the Marcellus system or as per the Account Opening Documents.*
- 6) *In case of any incomplete information provided on Distributor Change request form, then the said request will be put on hold until complete information is received from the client.*

SCHEDULE 4.1 - Fee structures and list of charges for Little Champs Investment Approach (Direct)

Please Tick (✓) in anyone of the Fee Structure of your choice.

Portfolio Management Service	Particulars/Conditions of fees to be charged	Periodicity with which fees will be levied
Discretionary (Combination of fixed and variable fee)	<p>Fixed fee of 1.0% p.a. of the Net Asset Value (with NAV calculated based on average daily NAV over the course of the quarter)</p> <p>And</p> <p>Variable fee –</p> <p>i) For first computation period – 20% of all returns in excess of the Hurdle Rate of 10% p.a. (No Catch up).</p> <p>ii) For subsequent computation periods – 20% of all returns in excess of the Hurdle Rate of 10% p.a. (No Catch up) subject to a High Watermark principle.</p>	<p>Fixed fee - on Calendar Quarter basis*</p> <p>Variable fee –</p> <p>i) First computation period* would be 3 years from date of first investment in Little Champs PMS</p> <p>ii) Subsequent computation periods*, variable fee shall be charged on annual basis at each anniversary</p> <p>Note:- * In case of withdrawals before computation date, all fees shall be charged on pro-rata basis for the relevant period.</p>

1. Brokerage and transaction cost

Charged at actuals. These are amounts payable to the broker for opening of an account, execution of transactions on the stock exchange or otherwise for the transfer of Securities and may interalia include service charges, stamp duty costs, GST, STT etc. and is expected to be in the range of 10 BPS- 20BPS.

2. Goods and Service Tax or any other statutory levy: As applicable from time to time, charged over and above all fees and charges billed to the Client.

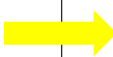

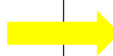

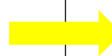

If client makes partial redemptions out of PMS account, changes fee structure, switches to a different distributor or direct code or closes the PMS account before the billing date for Fixed Fee Billing Period or Performance Fee Billing Period, then applicable fees and charges as per existing fees structure would be billed and recovered for the period between Last billing date/Account Activation Date / Account Activation Anniversary Date (as the case may be) and Date of redemption / change of distributor/ account closure/switch. This billing and recovery of fees and charges would happen at the time of giving effect to such change in Client account.

If client has understood the fee calculations, client to write **"I have understood the fees/charges for the services."** and sign below :

The parties have caused these schedules forming part of Marcellus Discretionary Portfolio Investment Management Service Agreement to be signed on the day and year and manner hereinafter mentioned.

Declaration :

I/We understand that restriction of securities provided for previous Investment approaches/products, shall apply to this investment approach if the FirstApplicant is the same.

 First Applicant Sign 	 Second Applicant Sign 	 Third Applicant Sign 
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Place _____

Date

D	D	M	M	Y	Y	Y	Y
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Schedule 4.2: Illustrations for fee computation under different fee structures for Little Champs Investment Approach. The tables provided in this Schedule are provided only for the purpose of illustrating the effects of the fees charged by the Portfolio Manager. These tables are not in any way indicative or representative of actual returns nor do they represent fees that the client may pay to third parties. Actual Performance Fees will be computed and charged on returns generated after the payment of expenses and third-party fees.

Illustration 1: For investors not withdrawing AUM before expiry of lock-in period	
The assumptions for the illustration are as follows:	
-Size of sample portfolio: Rs. 50,00,000 -Period: 4 years -Upfront fees: Nil Hurdle rate: 10% p.a.	-Marcellus' Profit share above hurdle rate: 20% -Fixed fees: 1.0% p.a. of the daily average NAV

Scenario 1 - Positive returns

Return	20.00%	20.00%	20.00%	20.00%
Year	1	2	3	4
Opening capital	50,00,000	59,45,500	70,68,605	80,54,657
Add profit	10,00,000	11,89,00	14,13,721	16,10,931
Less: brokerage / any other charges*	-	-	-	-
Pre- fees AUM	60,00,000	71,34,000	84,82,326	96,65,588
High Water Mark				88,60,123
Hurdle AUM	55,00,000	60,50,000	66,55,000	88,60,123
Management Fees**	55,000	65,395	77,755	88,601
Post Management Fees AUM	59,45,500	70,68,605	84,04,571	95,76,987
Performance Fees***	-	-	3,49,914	1,43,373
Post-Performance Fees AUM	59,45,000	70,68,605	80,54,657	94,33,614
Ending AUM	59,45,000	70,68,605	80,54,657	94,33,614
Fees a % of Average AUM	1.0%	1.0%	5.5%	2.6%

Scenario 2 - Nil returns

Return	0.00%	0.00%	0.00%	0.00%
Year	1	2	3	4
Opening capital	50,00,000	49,50,000	49,00,500	48,51,495
Add profit	-	-	-	-
Less: brokerage / any other charges*	-	-	-	-
Pre- fees AUM	50,00,000	49,50,000	49,00,500	48,51,495
High Water Mark				50,00,000
Hurdle AUM	55,00,000	60,50,000	66,55,000	53,36,645
Management Fees**	50,000	49,500	49,005	48,515
Post Management Fees AUM	49,50,000	49,00,500	48,51,495	48,02,980
Performance Fees***	-	-	-	-
Post Performance Fees AUM	49,50,000	49,00,500	48,51,495	48,02,980
Ending AUM	49,50,000	49,00,500	48,51,495	48,02,980
Fees a % of Average AUM	1.0%	1.0%	1.0%	1.0%

Scenario 3 - Negative returns

Return	-20.00%	-20.00%	-20.00%	-20.00%
Year	1	2	3	4
Opening capital	50,00,000	39,55,000	31,28,405	24,74,568
Add profit	-10,00,000	-7,91,000	-6,25,681	-4,94,914
Less: brokerage any other charges*	-	-	-	-
Pre- fees AUM	40,00,000	31,64,000	25,02,724	19,79,655
High Water Mark				50,00,000
Hurdle AUM	55,00,000	60,50,000	66,55,000	27,22,025
Management Fees**	45,000	35,595	28,156	22,271
Post Management Fees AUM	39,55,000	31,28,405	24,74,568	19,57,384
Performance Fees***	-	-	-	-
Post Performance Fees AUM	39,55,000	31,28,405	24,74,568	19,57,384
Ending AUM	39,55,000	31,28,405	24,74,568	19,57,384
Fees a % of Average AUM	1.0%	1.0%	1.0%	1.0%

* for illustrative purposes only.

** for illustrative purposes only. In reality, fixed fees will be charged each quarter based on the average daily NAV in that quarter (rather than on the year ending NAV). Charging 1% fee p.a. on average AUM for the period

*** charging 20% of all returns in excess of hurdle rate (10% p.a.) with no catch-up

Illustration 2: For investors withdrawing AUM before expiry of lock-in period	
The assumptions for the illustration are as follows:	
-Size of sample portfolio: Rs 50,00,000 -Period: 1 year -Upfront fees: Nil -Hurdle rate: 10% p.a.	-Marcellus' Profit share above hurdle rate: 20% -Fixed fees: 1% p.a. of the daily average NAV

Return	Scenario 1 - Positive return	Scenario 2 - Nil return	Scenario 3 - Negative return
	20.00%	0.00%	-20.00%
Year	1	1	1
Opening capital	50,00,000	50,00,000	50,00,000
Add profit	10,00,000	-	-10,00,000
Less: brokerage any other charges*	-	-	-
Pre- fees AUM	60,00,000	50,00,000	40,00,000
Hurdle AUM	55,00,000	55,00,000	55,00,000
Management Fees**	55,000	50,000	45,000
Post Management Fees AUM	59,45,000	49,50,000	39,55,000
Performance Fees***	89,000	-	-
Post Performance Fees AUM	58,56,000	49,50,000	39,55,000
Ending AUM	58,56,000	49,50,000	39,55,000
Fees a % of Average AUM	2.6%	1.0%	1.0%

* for illustrative purposes only.

** for illustrative purposes only. In reality, fixed fees will be charged each quarter based on the average daily NAV in that quarter (rather than on the year ending NAV). Charging 1% fee p.a. on average AUM for the period

*** charging 20% of all returns in excess of hurdle rate (10% p.a.) with no catch-up

Schedule 4.3: Additional*** Illustration to explain Performance Fee computation over a multi-year investment period

Assumptions:

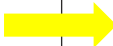

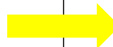

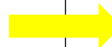

Fixed fees - 1.0% p.a.
Profit share above hurdle - 20%
Hurdle rate - 10% p.a.

Return	30.00%	30.00%	30.00%	-25.00%	50.00%	20.00%
Year	1	2	3	4	5	6
Opening capital	50,00,000	64,42,500	83,01,161	98,87,837	73,29,359	1,08,61,147
Add profit	15,00,000	19,32,750	24,90,348	-24,71,959	36,64,680	21,72,229
Pre- fees AUM	65,00,000	83,75,250	1,07,91,510	74,15,878	1,09,94,039	1,30,33,376
Management Fees**	57,500	74,089	95,463	86,519	91,617	1,19,473
Post Management Fees AUM	64,42,500	83,01,161	1,06,96,046	73,29,359	1,09,02,422	1,29,13,903
High Water Mark				1,06,96,046	1,06,96,046	1,09,02,422
Hurdle AUM	55,00,000	60,50,000	66,55,000	1,08,76,621	80,62,295	1,19,47,261
Higher of Hurdle AUM & High watermark	55,00,000	60,50,000	66,55,000	1,08,76,621	1,06,96,046	1,19,47,261
Performance Fees***	0	0	8,08,209	0	41,275	1,93,328
Post Performance Fees AUM	64,42,500	83,01,161	98,87,837	73,29,359	1,08,61,147	1,27,20,575
Ending AUM	64,42,500	83,01,161	98,87,837	73,29,359	1,08,61,147	1,27,20,575
Fees a % of Average AUM	1.0%	1.0%	9.5%	1.0%	1.5%	2.6%

Notes:

** Hurdle AUM from the 4th year is computed by multiplying the Hurdle Rate of Return with the post fees opening AUM for the relevant year.

***Please note that this illustration does not demonstrate charges like broker fees etc. as the purpose of this illustration is to bring clarity to the Client on the methodology of performance fees calculation over multiple years scenario. We have provided this illustration in addition to the SEBI prescribed format (refer the table titled as Regulatory Illustration above) as the SEBI prescribed format only provides calculation mechanism in a one year scenario than multiple years.

 First Applicant Sign 	 Second Applicant Sign 	 Third Applicant Sign 
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Annexure A
Client Suitability, Investment Objective and Risk Profile Form

In order for us to offer our products to you, we need to have a reasonable basis. The information requested in this Client Risk Profile Questionnaire is one of the tools we use to establish a basis by which we offer a particular strategy/product to you. It is therefore important for you to complete this document as accurately and fully as possible. Failure to do so could result in you subscribing to a strategy/product that is not appropriate to your individual needs, circumstances and objectives. Please note that this questionnaire is not suited for holistic financial planning but is only used to offer you our strategy/product that we believe suits a particular investor risk profile.

Your Investment Risk Profile Levels

Investment risk refers to the level of volatility or fluctuation that a person is prepared to accept in investment returns - including the potential risk of loss of some capital in the short term, and the potential risk that retirement goals may not be met in the longer term. Volatility refers to the unpredictable upward and downward movements in investment values over a period of time.

Name (First Holder only): _____ Date: _____

Proposed Investment \$: _____ *Approximate Net Worth \$: _____

Note - *If you are a natural person, while calculating the networth you may add assets held jointly with a spouse. Further, you need to exclude the value of your primary residence and indebtedness secured by such residence immediately prior to entering into an investment advisory contract.

Please answer all the questions below, wherever required by ticking (✓) only ONE of the options for each question. Choose the option that BEST indicates how you feel about each question.

Annual Household Income

\$0-\$50,000	<input type="checkbox"/>	\$50,001-\$100,000	<input type="checkbox"/>
\$100,000-\$250,000	<input type="checkbox"/>	\$250,000-\$500,000	<input type="checkbox"/>
\$500,000-\$1,000,000	<input type="checkbox"/>	Over \$1,000,000	<input type="checkbox"/>

A. How many years' experience do you have in equity investing?

1. 0-1	<input type="checkbox"/>	2. 1-3	<input type="checkbox"/>
3. 3- 6	<input type="checkbox"/>	4. 6 - 8	<input type="checkbox"/>
5. 8-10	<input type="checkbox"/>	6. 10 & above	<input type="checkbox"/>

B. What is your Investment horizon? How long can you keep your money invested in the market before needing access to it?

1. Up to two years	<input type="checkbox"/>	2. Two and three years	<input type="checkbox"/>
3. Three and five years	<input type="checkbox"/>	4. Five years and Ten years	<input type="checkbox"/>
5. Ten years and more	<input type="checkbox"/>		

C. The age group you belong to:

1. 51 years & above	<input type="checkbox"/>	2. 36 - 50 years	<input type="checkbox"/>
3. 25 - 35 years	<input type="checkbox"/>	4. 18-25	<input type="checkbox"/>

D. How well do you understand investing in the markets?

1. I am a novice. I don't understand the markets at all.	<input type="checkbox"/>
2. I have basic understanding of investing. I understand the risks and basic investment concepts like diversification.	<input type="checkbox"/>
3. I have an amateur interest in investing. I have invested earlier on my own. I understand how markets fluctuate and the pros and cons of different investment classes.	<input type="checkbox"/>
4. I am an experienced investor. I have invested in different markets and understand different investment strategies. I have my own investment philosophy.	<input type="checkbox"/>

E. My current and future income sources (example: salary, business income, investment income et are:

1. Very unstable	<input type="checkbox"/>	2. Unstable	<input type="checkbox"/>
3. Somewhat stable	<input type="checkbox"/>	4. Stable	<input type="checkbox"/>
5. Very Stable	<input type="checkbox"/>		

F. From the following 5 possible investment scenario, please select the option which defines your investment objective?

1. I cannot consider any Capital Loss in a year	<input type="checkbox"/>
2. I can consider Loss of 4% if the possible Gains are of 10% in a year	<input type="checkbox"/>
3. I can consider Loss of 8% if the possible Gains are of 22% in a year	<input type="checkbox"/>
4. I can consider Loss of 14% if the possible Gains are of 30% in a year	<input type="checkbox"/>
5. I can consider Loss of 25% if the possible Gains are of 50% in a year	<input type="checkbox"/>

G. Volatile investments usually provide higher returns and tax efficiency. What is your desired balance?

1. Preferably guaranteed returns, before tax efficiency	<input type="checkbox"/>
2. Stable, reliable returns, minimal tax efficiency	<input type="checkbox"/>
3. Some variability in returns, some tax efficiency	<input type="checkbox"/>
4. Moderate variability in returns, reasonable tax efficiency.	<input type="checkbox"/>
5. Unstable, but potentially higher returns, maximising tax efficiency.	<input type="checkbox"/>

H. If in one year , the value of your investments declines by 20%, what would you do?

1. Cut losses immediately and liquidate all investments. Capital preservation is paramount.	<input type="checkbox"/>
2. Cut your losses and transfer investments to safer asset classes.	<input type="checkbox"/>
3. You would be worried, but would give your investments a little more time.	<input type="checkbox"/>
4. You are ok with volatility and accept decline in portfolio value as a part of investing. You would keep your investments as they are.	<input type="checkbox"/>
5. You would add to your investments to bring the average buying price lower. You are confident about your investments and are not perturbed by notional losses.	<input type="checkbox"/>

I. Which of these scenarios best describes your “Risk Range”? What level of losses and profits would be comfortable with?

Select	Choice	Worst Year
1	Investment A	1%
2	Investment B	-5%
3	Investment C	-10%
4	Investment D	-14%
5	Investment E	-18%
6	Investment F	-21%

Below is the score-card that we will use to determine your risk profile, which in turn shall determine your asset allocation mix.

Question No.	1	2	3	4	5	6	Score
A							
B							
C							
D							
E							
F							
G							
H							
I							
Total							

Conservative	Score grid ≤ 10
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You are an investor who is prepared to accept lower returns with lower levels of risk in order to preserve your capital. The negative effects of taxation and inflation will not be concern to you, provided your initial investment is protected.

Moderate	Score grid 11 - 25
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You are an investor who would like to invest in both income and growth assets. You will be comfortable with calculated risks to achieve good returns; however, you require an investment strategy that adequately deals with the effects of inflation and tax.

Balanced	Score grid 26 - 39
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You are an investor who is comfortable with a high volatility and high level of risk in order to achieve higher returns over long term. Your objective is to accumulate assets over long term by primarily investing in growth assets.

Aggressive	Score grid ≥ 40
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You are an investor who is comfortable with a higher level of risk in order to achieve potentially higher returns. Capital security is secondary to potential wealth accumulation.

Note:- This Risk assessment framework is an attempt to categorise investor risk profile basis their downside risk appetite over a time period equal to or longer than one year.

Investment risk profile acceptance declaration

I/We confirm that the details recorded in the "Client Risk Profile Questionnaire" are correct and reflect my/our true financial position and understanding and investment risk profile.

I/we are making this investment on the basis of my/our skill and assessment that this product is suitable for me/us."

I/We confirm that we have selected the following Investment Objective & Strategy:

Name of the Strategy: _____

Type of Securities: Equity, Mutual Funds and equity related instruments

Taxation: To be assessed by the Client with help of his/her/their tax advisors. The fees charged by Marcellus shall be subject to Goods & Services Tax and such other taxes & levies which will be charged to the Clients.

I/We confirm that I/we will immediately notify in writing to Marcellus any change in my/our risk profile or appetite.

Client Name
Client signature
Date: