

## Distributor Change Request Form

Date : \_\_\_\_\_




PMS Account Code: \_\_\_\_\_

<b>Name of Client</b>	
<b>Name of Old Distributor</b>	
<b>Name of New Distributor</b>	
<b>New RM name</b>	
<b>New RM email address</b>	
<b>New Service RM name</b>	
<b>New Service RM email address</b>	

**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 31<sup>st</sup> 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 1<sup>st</sup> of the month then the effective date will be a day upto the 10<sup>th</sup> day of month.*
- 4) *Please note that the Distributor change request cannot be effected on the 1<sup>st</sup> 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 7.1 - Fee structures and list of charges for Liquid STP Investment Approach (Partner)**

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

Discretionary (Fixed Fees Only) <input type="checkbox"/>	<b>Fixed fee*</b> at 2% Per Annum of the Net Asset Value <sup>1</sup> - charged Quarterly <sup>2</sup>
--	--



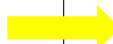

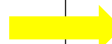

1. Brokerage and transaction cost  
Charged at actuals. These are amounts payable to the broker for opening of an account, execution of transactions on the stock exchange or otherwise for the transfer of Securities and may interalia include service charges, stamp duty costs, GST, STT etc. and is expected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

**Notes to fees:**\*Fixed Fee computed as % Per Annum of the Net Asset Value<sup>1</sup> - charged Quarterly<sup>2</sup><sup>1</sup>Net Asset Value based on average daily NAV over the course of the computation period.<sup>2</sup>End of calendar quarter (31-Mar, 30-Jun, 30-Sep, 31-Dec). Pro-rata for the first computation period.

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, then applicable fees and charges as per existing fees structure would be billed and recovered for the period between Last billing date 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.

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

Place \_\_\_\_\_

Date 

D	D	M	M	Y	Y	Y	Y
---	---	---	---	---	---	---	---

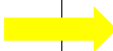

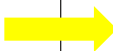

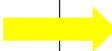

**Schedule 7.2: Illustrations for fee computation under different fee structures for Liquid STP Investment Approach.** The tables provided in this Schedule are provided only for the purpose of illustrating the effects of the fees charged by the Portfolio Manager. These tables are not in any way indicative 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: Fixed fee of 2.0% of the Net Asset Value (with NAV calculated based on average daily NAV over the course of the quarter)				
Assumptions	Nature of fees	Scenario 1: Gain of 20%	Scenario 2: Loss of 20%	Scenario 3: No change
		Amount in Rs	Amount in Rs	Amount in Rs
1. Size of sample portfolio: Rs 50,00,000 2. Period: 1 year 3. Upfront fees: Nil 4. Performance fees: Nil 5. Fixed fees: 2.0% of the daily average NAV 6. Frequency of fee charging: Quarterly for fixed fees	Capital contribution	50,00,000	50,00,000	50,00,000
	Less: upfront fees	0	0	0
	Less: any other fees	0	0	0
	Assets under management (AUM)	50,00,000	50,00,000	50,00,000
	Add/Less: Profit/Loss on investment during the year of 20% of AUM	10,00,000	10,00,000	0
	Less: brokerage/DP charges/any other charges*	0	0	0
	Less: fixed fees of 2.0% per annum**	1,20,000	80,000	1,00,000
	Less: performance fees	0	0	0
	Total charges during the year	1,20,000	80,000	1,00,000
	<b>Net Asset Value (NAV) of the portfolio at year end</b>	<b>58,80,000</b>	<b>39,20,000</b>	<b>49,00,000</b>
	% change over capital contributed	17.60%	-21.60%	-2.00%

**Assumptions:**

\* for illustrative purposes only. In reality, brokerage.

\*\* 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).

Name : First Applicant	Name : Second Applicant	Name : Third Applicant
 <div>First Applicant </div>	 <div>Second Applicant </div>	 <div>Third Applicant </div>

Place\_\_\_\_\_

Date 

D	D	M	M	Y	Y	Y	Y
---	---	---	---	---	---	---	---



**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							

<b>Conservative</b>	<b>Score grid ≤ 10</b>
---------------------	------------------------

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.

<b>Moderate</b>	<b>Score grid 11 - 25</b>
-----------------	---------------------------

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.

<b>Balanced</b>	<b>Score grid 26 - 39</b>
-----------------	---------------------------

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.

<b>Aggressive</b>	<b>Score grid ≥ 40</b>
-------------------	------------------------

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:

## DISCLOSURE OF SOLICITATION ARRANGEMENT

The following disclosures are provided to you in accordance with the provisions of Rule 206(4)-1 of the Investment Advisers Act of 1940:

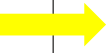
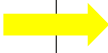
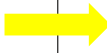
[ ] (the "**Promoter/Channel Partner**") has entered into a written Solicitation Agreement (the "**Solicitation Agreement**") with Marcellus Investment Managers Private Limited (the "**Adviser**") to refer potential clients to the Adviser. The Promoter/Channel Partner **[is/is not]** a current client of the Adviser.

If you engage the Adviser as a result of the Promoter's /Channel Partner's efforts under the Solicitation Agreement, the Promoter/Channel Partner will be compensated by (i.e., receive a fee from) the Adviser for its services (the "**Compensation**"). The Compensation will be equal to [ ]% of the fees that the Adviser receives from you for managing the assets in your account till the time you stay invested in the Adviser.

As a result of this solicitation arrangement, if you decide to have assets managed by the Adviser under the fixed fee option and hybrid fee option, you will be charged higher fees than those customarily charged to the Adviser's clients for similar services to comparable accounts because of the Compensation that the Adviser will pay to the Promoter with respect to your account. The Promoter, due to the Compensation received, has an incentive to recommend the Adviser, resulting in a material conflict of interest.

### ACKNOWLEDGEMENT:

The undersigned hereby acknowledge the receipt of the above disclosure of the arrangement involving the Adviser, and hereby consents to such relationship.

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

Place \_\_\_\_\_

Date 

D	D	M	M	Y	Y	Y	Y
---	---	---	---	---	---	---	---

Serial No/PMS Code- \_\_\_\_\_