

**INSTRUCTIONS FOR EMPANELMENT AS A DISTRIBUTOR WITH  
HSBC ASSET MANAGEMENT (INDIA) PRIVATE LIMITED**

1. Submit the form, duly filled in, to the nearest HSBC Asset Management Investor Service Centre. Incomplete application forms will not be processed.
2. Distributors of HSBC Asset Management (India) Private Limited are expected to adhere to the Code of conduct for Intermediaries and various other circulars and guidelines issued from time to time.
3. Applicants who are not certified by the Association of Mutual Funds in India (AMFI /NISM) are not eligible for empanelment.

**CHECKLIST FOR DOCUMENTS TO BE SUBMITTED**

<b>Documents</b>	<b>Individual</b>	<b>HUF</b>	<b>Proprietorship firm</b>	<b>Partnership Firm/LLP</b>	<b>Trust</b>	<b>Company/ Bank</b>
Empanelment form	✓	✓	✓	✓	✓	✓
Empanelment Terms & Conditions - Duly signed in each page	✓	✓	✓	✓	✓	NA
Distributor Agreement ** (Two Full Sets with distributor Seal and Signature in each page)	NA	NA	NA	NA	NA	✓
Valid letter of Registration issued by AMFI for Non Individuals OR Valid ARN Card in case of Individual/Sole Proprietor	✓	✓	✓	✓	✓	✓
PAN Card of Distributor	✓	✓	✓	✓	✓	✓
MOA, AOA and Certificate of Incorporation	NA	NA	NA	NA	✓	✓
Bank Details along with supporting (i.e., cancelled Cheque Leaf) Cheque Proof - to be in the name of ARN	✓	✓	✓	✓	✓	✓
Trust Deed/Partnership Agreement/LLP Agreement/ HUF Agreement along with details of Co-Parceners	NA	✓	NA	✓	✓	NA
Board Resolution (mentioning that company is applying to HSBC Asset Management Pvt Ltd for empanelment as a distributor of HSBC Mutual Fund products)	NA	NA	NA	✓	✓	✓
Authorized Signatory List (along with Mode of Operation)	NA	NA	NA	✓	✓	✓
Documents of Karta (Along with PAN + Address Proof)	NA	✓	NA	NA	NA	NA
KYD copy of ARN Holder from CAMS website	✓	✓	✓	✓	✓	✓

\*\* Wherever Distribution agreement is mandatory, distributor will be entitled for commission only after signing-off distribution agreement.

**HSBC ASSET MANAGEMENT (INDIA) PRIVATE LIMITED**

 Investment Manager to HSBC Mutual Fund  
 9-11 Floors, NESCO IT Park, Building No. 3, Western Express Highway,  
 Goregaon (East), Mumbai – 400 063. Tel: 1800 419 9800

 ARN No.:   
 Passed on:          
 Valid Upto:          
 PAN No.          

 ARN Name (as per AMFI records) 

* KEY CONTACT DETAILS	
NAME (Mr/ Ms./ M/s) (Block Letters)	<input type="text"/>
ADDRESS FOR COMMUNICATION (Block Letters)	<input type="text"/>
Telephone	Office <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> - <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> Resi. <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> - <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
Mobile	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> Fax <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> - <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
E-mail 1.	<input type="text"/> E-mail 2. <input type="text"/>

* TAX STATUS (Please tick anyone)	
INDIVIDUALS	NON-INDIVIDUALS
<input type="checkbox"/> Individuals	<input type="checkbox"/> Partnership Firm <input type="checkbox"/> Private Limited Company <input type="checkbox"/> Public Limited Company <input type="checkbox"/> HUF
<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Society/Trust/Bank <input type="checkbox"/> LLP <input type="checkbox"/> Others, Please specify <input type="text"/>

* DISTRIBUTOR TYPE (Please tick anyone)	
<input type="checkbox"/> MFD	<input type="checkbox"/> National Distributor <input type="checkbox"/> Corporate Distributor <input type="checkbox"/> Overseas Distributor <input type="checkbox"/> Bank <input type="checkbox"/> Others, Please specify <input type="text"/>

* ADDITIONAL INFORMATION	
INDIVIDUALS	NON-INDIVIDUALS
Date of Birth <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	Date of incorporation <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
Father's Name <input type="text"/>	Contact Person <input type="text"/>
Spouse's Name <input type="text"/>	KARTA Name (In case of HUF) <input type="text"/>
Proprietor Name (In case of Sole-Proprietorship Firm) <input type="text"/>	Others <input type="text"/>
PAN No. <input type="text"/>	PAN No. <input type="text"/>

NOMINATION DETAILS FOR BROKERAGE / COMMISSION (for individuals and sole proprietorships)	
Name <input type="text"/>	<b>If Nominee is a minor</b>
Address <input type="text"/>	Date of Birth of Nominee <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
Relationship with Distributor <input type="text"/>	Name of Legal Guardian <input type="text"/>
	Address of Legal Guardian <input type="text"/>
	Signature of Legal Guardian <input type="text"/>

* BANK DETAILS (Photocopy of the Cheque is mandatory)	
Name <input type="text"/>	Account No. <input type="text"/>
Branch <input type="text"/>	Account Type: (Please ✓) <input type="checkbox"/> Savings <input type="checkbox"/> Current <input type="checkbox"/> Others
Address <input type="text"/>	IFSC Code (For RTGS/NEFT) <input type="text"/> 11 Digit
Pin <input type="text"/>	MICR Code <input type="text"/> 9 Digit

DISTRIBUTION FRAMEWORK - Business Details	
No. of Branches <input type="text"/>	No. of Sales Employees <input type="text"/> No. of Sub-Brokers <input type="text"/> No. of Clients <input type="text"/>
Experience in MF distribution (in years) <input type="text"/>	Experience in Selling: <input type="checkbox"/> Insurance <input type="checkbox"/> IPOs <input type="checkbox"/> Fixed Deposits <input type="checkbox"/> Bonds <input type="checkbox"/> Mutual Funds <input type="checkbox"/> Equity <input type="checkbox"/> Debt <input type="checkbox"/> PMS

<b>Funds Mobilised in MF</b>	Cumulative to Date (₹) <input type="text"/>	Last one year (₹) <input type="text"/>
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COMPLIANCE & RISK MANAGEMENT	
Is there a compliance regime, code of ethics or code of conduct, e.g. policies for countering mis-selling, fraud, bribery, etc. Please (✓) <input type="checkbox"/> Yes <input type="checkbox"/> No	
Have there been any regulatory / statutory levies, penalties, legal suits or customer compensations made? If yes, please provide details. Please (✓) <input type="checkbox"/> Yes <input type="checkbox"/> No	Have there been any pending insolvency, administration, serious financial difficulties or any other matter, which could impact your financial credibility or ability to carry out the service? Please (✓) <input type="checkbox"/> Yes <input type="checkbox"/> No
Details (if any) :	Details (if any) :

\* Mandatory

## DECLARATION

I/We hereby confirm that the information provided above is correct and true to my/our knowledge.

My/our application for empanelment as distributor may accordingly be considered.

I/We hereby accept the attached terms and conditions / Agreement, as amended from time to time, of my/our appointment as a distributor.


I/We hereby declare that none of the employees of the AMC, Mutual Fund, Sponsor, Associate is related to me/us as on this date of empanelment.

Date (Mandatory): \_\_\_\_\_

Place : \_\_\_\_\_

Signature (Mandatory)



FOR OFFICE USE ONLY	
Initial Form Receipt Date: _____	
RM Name: _____	RM Signature

## CALL US AT

Please visit our website [www.assetmanagement.hsbc.co.in](http://www.assetmanagement.hsbc.co.in) / [www.assetmanagement.hsbc.co.in/redhex-sif](http://www.assetmanagement.hsbc.co.in/redhex-sif) for an updated list of Official Points of Acceptance of HSBC Mutual Fund/RedHex SIF. Please visit [www.camsonline.com](http://www.camsonline.com) for an updated list of Official Points of Acceptance of our Registrar/Transfer Agent : Computer Age Management Services.

## TOLL FREE NUMBERS

Description	Investor related queries	Distributor related queries	Investor (Dialing from abroad)
Toll Free Number	1800-4190-200 / 1800-200-2434	1800-419-9800	+ 91 44 39923900
Email ID - SIF	sifinvestor.line@mutualfunds.hsbc.co.in	sifpartner.line@mutualfunds.hsbc.co.in	sifinvestor.line@mutualfunds.hsbc.co.in
Email ID - Mutual Fund	investor.line@mutualfunds.hsbc.co.in	partner.line@mutualfunds.hsbc.co.in	investor.line@mutualfunds.hsbc.co.in

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**DISTRIBUTION AGREEMENT**

Dated [ \_\_\_\_\_ ]

*(mentioned under Schedule I)*

AMONGST

**HSBC ASSET MANAGEMENT (INDIA) PRIVATE LIMITED**

(as the “AMC”)

AND

**The Distributor**

(being the Person Identified in **Schedule I** and who has executed this Agreement)

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## Table of Contents

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SR. NO.	PARTICULARS	PAGE NO.
1.	DEFINITIONS & INTERPRETATIONS	6
2.	APPOINTMENT OF THE DISTRIBUTOR	8
3.	DISTRIBUTOR'S DECLARATIONS, REPRESENTATIONS & UNDERTAKINGS	8
4.	APPOINTMENT OF SUB-DISTRIBUTORS	11
5.	FEES AND CHARGES OF THE DISTRIBUTOR	12
6.	LIABILITIES AND INDEMNITIES	12
7.	CONFIDENTIALITY AND DATA PROTECTION	13
8.	NO CLAIM OR LIEN OR CHARGE ETC	14
9.	NOT TO INCUR LIABILITY, TRANSFER, ASSIGN, ETC.	14
10.	TERM AND TERMINATION	14
11.	INTELLECTUAL PROPERTY RIGHTS	14
12.	OPERATING AND SERVICE STANDARDS	15
13.	ANTI-BRIBERY	15
14.	DISPUTES	15
15.	MISCELLANEOUS	15
SCHEDULE I		18
SCHEDULE II		19

## DISTRIBUTION AGREEMENT

This distribution agreement (“**Agreement**”) is executed at place (*mentioned under Schedule I*) on this date (*mentioned Schedule I*),

### BY AND BETWEEN

- A. **HSBC Asset Management (India) Private Limited**, a company duly incorporated and registered under the provisions of the Companies Act, 1956 (and validly existing under the provisions of the Companies Act, 2013), having its registered office at 9-11 Floors, NESCO IT Park Building 3, NESCO Complex, Western Express Highway, Goregaon (E) Mumbai 400063, India (referred to as the “**AMC**”), which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and assigns) of the ONE PART.

### AND

- B. The **Person** specified in **Schedule I**, (referred to as the “**Distributor**”, which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and assigns) of the SECOND PART.

The AMC and the Distributor shall hereinafter jointly be referred to as the “**Parties**” and severally as the “**Party**” as the case may be.

### WHEREAS

- I. The AMC is appointed as asset manager to Mutual Fund (defined below) and may be granted approval to establish a Specialized Investment Fund (“**SIF**”) (*defined below*), requires Distributors for the purpose of distributing Units (*defined below*) of the Schemes (*defined below*) of the Mutual Fund and Investment Strategies (*defined below*) of the SIF and procuring subscriptions (referred to as the “**Purpose**”).
- II. The Distributor holds a valid AMFI license and is eligible to act as Distributor of mutual fund units and investment strategies of the SIF and has approached the AMC and represented to the AMC that it is agreeable to distribute and procure subscription of the said Units of the Scheme(s) of the Mutual Fund and Investment Strategies of the SIF on the terms and conditions contained in the respective SID (*defined below*), SAI (*defined below*), KIM (*defined below*) and ISID (*defined below*) and AMC intends to appoint the Distributor for the Purpose of distributing Scheme(s) of HSBC Mutual Fund and Investment Strategies of the SIF.
- III. The Distributor and the AMC are desirous of documenting the terms and conditions mutually agreed upon, inter alia, to define the allocation of duties and responsibilities between the Distributor and AMC and in pursuance of the same, the Parties are desirous of recording the said terms and conditions appearing hereinafter.

**NOW THIS AGREEMENT WITNESSETH AND IT IS HEREBY AGREED, DECLARED, CONFIRMED AND RECORDED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:**

### 1. DEFINITIONS & INTERPRETATIONS

- 1.1. **Definitions:** In this Agreement unless the context otherwise requires, the capitalized terms shall have the meaning assigned to them in this Clause 1.1:
- 1.1.1. “**Affiliate**” means, with respect to AMC or Distributor, which, directly or indirectly, Controls, is Controlled by or is under common Control with AMC or Distributor. In case of an individual Distributor, Affiliate shall mean to include his “relative” as defined in Section 2(77) of the Companies Act, 2013.
  - 1.1.2. “**Agreement**” means this distribution agreement and all schedules, appendices, annexures and exhibits to it or incorporated in it by reference and from time to time.
  - 1.1.3. “**AMFI**” means Association of Mutual Funds in India.
  - 1.1.4. “**Anti-Bribery**” shall have the same meaning as defined under Clause 13 of this Agreement.
  - 1.1.5. “**AMC**” or has the meaning given to the term in the Parties clause of this Agreement.
  - 1.1.6. “**Applicable Law(s)**” means the laws of the republic of India or where applicable, any political sub-division thereof, and all the rules, Regulations, ordinances, notifications and policies notified or promulgated pursuant thereto and modifications thereof in force from time to time and shall include but not limited to any guidelines, notifications, regulations, policies, procedures that may be framed or issued from time to time by the SEBI, Reserve Bank of India, AMFI, including the Regulations.
  - 1.1.7. “**ARN**” means AMFI Registration Number provided by AMFI.

1.1.8. “**Business Days**” means any day (except Saturdays, Sundays, public holidays) on which banks and stock markets in India are open for normal business. Provided that, with respect to a Scheme this definition shall always be subject to the definition of Business Day in the SID/SAI/KIM of the respective Scheme.

1.1.9. “**Calendar Days**” or “**days**” means all days in a month, including Saturdays and Sundays and any other holidays.

1.1.10. “**CAMS**” means Computer Age Management Service Limited, having its registered office at New No. 10, Old No. 178, M. G. R. Salai, Nungambakkam, Chennai Tamil Nadu 600034 India.

1.1.11. “**Confidential Information**” shall mean all information disclosed by one Party to the other pursuant to this Agreement save and except information which: at the time of such disclosure is, or subsequently becomes, publicly available (other than as a result of its disclosure by the disclosing Party or its directors, officers, employees (“**Representatives**”), in breach of this Agreement; at the time of such disclosure is, or subsequently becomes, available to the recipient party on a non-confidential basis from a source other than the disclosing Party provided that such source was not, subject to any duty of confidentiality in respect thereof; the recipient can demonstrate by written evidence that the information has been independently acquired or developed by it without breaching any of its obligations under this Agreement, or which is already in the possession or knowledge of the recipient, not subject to any duty of confidentiality.

1.1.12. “**Control**” (including its correlative meanings, “**Controlling**” “**Controlled by**” and “**under common Control with**”) means, as applied to AMC/Distributor, the power or right to, directly or indirectly (i) direct or cause the direction of the management of AMC/Distributor (ii) direct or cause the direction of the policy decisions exercisable by AMC/Distributor or (iii) nominate for appointment the majority of the directors on the board of directors of AMC/Distributor, by virtue of ownership or by virtue of receiving the economic benefit of ownership of voting securities or management rights or contract or in any other manner.

1.1.13. “**Distributor**” shall have the same meaning assigned to it in the Parties clause of this Agreement. Distributor is a person (individual/ non-individual) involved in selling and distribution of the products of the Mutual Fund for which such person has agreed to the terms and conditions set out in this Agreement.

1.1.14. “**FATF**” means Financial Action Task Force.

1.1.15. “**Fee**” shall mean an amount due from the Mutual Fund as brokerage, service charges or other fees to the Distributor for distribution of Schemes pursuant to this Agreement as provided in **Schedule II**, and such communication shall be paid by the AMC in advance of its coming into effect. All payments made to the Distributor shall be subject to the relevant provisions of the Income Tax Act, 1961 and other Applicable Laws prevailing in India for the time being in force.

1.1.16. “**FIU**” means Financial Intelligence Unit- India, Ministry of Finance, Government of India.

1.1.17. “**Force Majeure Event**” shall mean any event due to any cause beyond the reasonable control of either Party including, without limitation, any war, armed aggression, civil rebellion, earthquake, fire, lockdown, pandemic, any other natural calamity or act of God and other factors beyond the control of the Parties.

1.1.18. “**Investor**” shall mean any person who invests in the Schemes of the Mutual Fund or Investment Strategies of the SIF through the Distributor. This shall include all the existing and future Investors of the Distributor. Provided that in relation to schemes of the Mutual Fund or investment strategies of the SIF, Investors shall mean such person eligible to invest in units of the Mutual Fund or SIF in terms of the Scheme Information Document/Statement of Additional Information/Investment Strategy Information Document of the scheme(s) or investment strategy(ies) as stipulated from time to time.

1.1.19. “**Investment Strategy**” or “**Investment Strategies**” means any investment strategy formulated and launched under the SIF by the AMC and shall mean each individual investment strategy

- of the SIF, whether open-ended, close-ended or interval, and the provisions hereof shall apply to each investment strategy individually.
- 1.1.20. **“IT Law”** means and includes provisions of Information technology Act, Information Technology (Reasonable Security Practices and Procedures & Sensitive Personal Data) Rules, 2011, Digital Personal Data Protection Act, 2023 and such other rules or regulations which may modify or repeal the same from time to time. A reference to IT Law shall also deem to include all guidelines, directions, regulations, rules and notifications issued by the Government of India or any statutory or regulatory authority or SEBI for the operation and management of the Mutual Fund, or any legislation in regard thereto.
- 1.1.21. **“Intellectual Property”** means any or all of the following: all patents, designs, trademarks, trade secrets, service marks, trade names, business names, internet domain names, email address names, copyrights (including rights in computer software), moral rights, database rights, design rights, rights in know-how and rights in confidential information, rights in inventions (whether patentable or not) and all other intellectual property and proprietary rights, rights to sue for passing off or for unfair competition, rights in information and the right to use, and protect the confidentiality of, Confidential Information, and all other similar or equivalent rights subsisting now or in the future in any part of the world, in each case whether registered or unregistered and including all applications for, and renewals or extensions of, and rights to claim priority from, such rights for their full term.
- 1.1.22. **“Intellectual Property Rights”** mean all rights, benefits, title or interest in or to any Intellectual Property, anywhere in the world (whether registered or not and including all applications for the same).
- 1.1.23. **“Mutual Fund”** means HSBC Mutual Fund, a fund established in the form of a trust under the provisions of the Indian Trusts Act, 1882 to raise monies through the sale of Units to the public or a section of the public under its Schemes for investing in securities, money market instruments, gold or gold related instruments, silver or silver related instruments, real estate assets and such other assets and instruments as may be specified by the SEBI from time to time, and registered with SEBI vide Registration No. **MF/046/02/5** dated 27 May 2002 under the Regulations.
- 1.1.24. **“NAV”** shall mean the net asset value of the Units of the Scheme and the plans and options therein, calculated on every Business Day, in the manner provided in the Scheme Document of the respective Schemes or as may be prescribed by Regulations.
- 1.1.25. **“NISM”** means National Institute of Securities Markets.
- 1.1.26. **“Person”** includes any individual, sole proprietorship, association of persons, joint venture, Body Corporate, partnership, limited liability partnership, company, government agency, trust or other legal entity or organization, whether incorporated or not.
- 1.1.27. **“PMLA”** means Prevention of Money Laundering Act, 2002, as amended, modified and repealed from time to time. A reference to PMLA shall also deem to include all guidance, directions, regulations, rules and notifications issued by the Government of India or any statutory or regulatory authority or SEBI or any legislation in regard thereto.
- 1.1.28. **“Regulations”** means the Securities and Exchange Board of India (Mutual Funds) Regulations, 2026, and such other rules or regulations which may modify or repeal the same from time to time. A reference to Regulations shall also deem to include all guidelines, directions, regulations, rules, Code of Conduct, and notifications issued by the Government of India or any statutory or regulatory authority or SEBI for the operation and management of the Mutual Fund and the SIF, or any legislation in regard thereto.
- 1.1.29. **“Scheme Information Document (SID)/Statement of Additional Information (SAI)/Key Information Memorandum (KIM) / Investment Strategy Information Document (ISID)”** means a document by which Schemes of Mutual Fund or Investment Strategies of the SIF invites public for subscription of its Units.
- 1.1.30. **“RTA”** means any Registrar and Transfer Agent with whom the AMC has an arrangement for execution/confirmation of the transaction orders placed through the website/channel of the Distributor and shall have the meaning as specified from time to time in the Scheme Information Document of the Schemes of the Fund. The RTA for the Fund at present is CAMS.
- 1.1.31. **“Regulatory Authority”** means and includes SEBI, AMFI, 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.
- 1.1.32. **“Scheme(s)”** means any scheme formulated and floated by the Mutual Fund through the AMC and shall mean each individual scheme of the Mutual Fund and the provisions hereof shall apply to each scheme individually. For the purposes of this Agreement, references to Scheme(s) shall, where the context permits, include Investment Strategies launched under the SIF.
- 1.1.33. **“Scheme Documents”** means collectively the SID, SAI, KIM and ISID of the Schemes of Mutual Fund and Investment Strategies of the SIF, as applicable, and includes addendums issued, if any, thereafter.
- 1.1.34. **“SEBI”** means the Securities and Exchange Board of India.
- 1.1.35. **“SIF”** means a Specialized Investment Fund established by the Mutual Fund through the AMC in accordance with Chapter IX of the Regulations and the circulars issued thereunder, offering Investment Strategies to investors subject to a minimum investment threshold of Rupees Ten Lakhs (INR 10,00,000) across all Investment Strategies.
- 1.1.36. **“Sponsor”** means HSBC Securities and Capital Markets (India) Private Limited.
- 1.1.37. **“Statement of Account”** means the statement of holdings of Units of the Scheme, issued to the Unit Holder under the Scheme of Mutual Fund showing unit holding of the Unit Holder, provided that in the case of a Unit holder opting for holding Units in dematerialized form, the Account Statement will refer to the statement issued to such Unit Holder by the Unit Holder’s depository participant.
- 1.1.38. **“Sub-distributor”** means a person who represents a Distributor for selling and distribution of units of the Mutual Fund and shall inter alia include any sub-broker, agent, consultant, financial advisor, channel partner or called by any other name involved in selling and distribution of units of the Mutual Fund for whom and whose activities under the present Agreement the Distributor shall continue to be liable and fully accountable.
- 1.1.39. **“Transaction”** means any financial or non-financial transaction or service by the Investor(s).
- 1.1.40. **“Trustees”** means HSBC Trustees (India) Private Limited, a company incorporated under the Companies Act, 2013, having its registered office at 52/60 Mahatma Gandhi Road, Fort, Mumbai-400001, India, acting as trustee to HSBC Mutual Fund.
- 1.1.41. **“Unit”** means the interest of the Investors in the Scheme(s) consisting of each Unit representing one undivided share in the assets of that Scheme(s) as evidenced by a Statement of Account.
- 1.1.42. **“Unit Certificate / Account Statement”** means a certificate / account statement in any form issued to the holder of the Units under the Scheme(s) of the Mutual Fund.
- 1.1.43. **“Unit Holder”** means a person holding Units in the Scheme(s) of Mutual Fund.
- 1.2. **Interpretations:** In this Agreement, unless the context otherwise requires:
- 1.2.1. unless specified otherwise, words and expressions used in this Agreement and not defined in this Agreement shall have the same meanings respectively assigned to them under the Regulations.
- 1.2.2. words in the singular shall include words in plural and words in plural shall include the singular.
- 1.2.3. the headings and sub-headings used in this Agreement are inserted only for reference to the provisions hereof and shall not affect the construction of such provisions.
- 1.2.4. a reference to a thing includes a part of that thing and references to the word “include” or “including” shall be construed without limitation.
- 1.2.5. reference to any one gender would include a reference to any other gender.
- 1.2.6. references to “Clauses” and “Parties” in this Agreement are references to the Clauses of, and Parties to (and their permitted successors and permitted assigns) this Agreement.
- 1.2.7. references in this Agreement to statutory provisions shall be construed as references to those provisions as modified or re-

enacted from time to time (whether before or after the date of this Agreement) and to any subordinate legislation made under such provisions and shall include references to any repealed statutory provision which has been so re-enacted (whether with or without modification).

- 1.2.8. references to "Schedule", "Exhibit" or "Annexure" in this Agreement are references to schedules, exhibits and annexures of this Agreement and any Schedule, Exhibit or Annexure attached hereto shall form an integral part of this Agreement and all words and expressions used in the Schedule, Exhibit or Annexure shall have the same meaning as defined in this Agreement, unless repugnant to the context or meaning thereof.
- 1.2.9. references to this Agreement or to any agreement, deed or other instrument shall be construed as a reference to this Agreement, such agreement, deed, or other instrument as the same may from time to time be amended, varied, supplemented or novated.

## 2. APPOINTMENT OF THE DISTRIBUTOR

- 2.1. Subject to the Distributor holding a valid ARN and having satisfied the 'fit and proper' criteria as determined by the AMC through its due diligence process in accordance with SEBI and AMFI guidelines, the AMC hereby appoints the Distributor as a distributor of the Units of the Scheme(s) launched by the Mutual Fund and Investment Strategies launched by the SIF through the AMC initially and thereafter from time to time and as may be agreed between the Distributor and the AMC, and the Distributor hereby accepts such appointment on the terms and conditions set out hereinafter.
- 2.2. The Distributor agrees that this relationship is expressly established subject to AMC being allowed to appoint other Distributors to distribute the Units of the Mutual Fund.
- 2.3. Further, the Distributor agrees that while acting in a representative capacity to AMC, any purchase, repurchase, redemption requests or any other request pertaining to the Units of the Mutual Fund received and forwarded by the Distributor shall be subject to final acceptance by the AMC and shall also be subject to the terms and conditions of the Scheme Documents.
- 2.4. The Distributor acknowledges that any purchase or switch transactions received under an invalid, expired, or non-empaneled ARN shall be processed under Direct Plan and no commission shall be payable to the Distributor in respect of such transactions. The Distributor shall have no recourse or claim against the AMC for processing such transactions under Direct Plan.

## 3. DISTRIBUTOR'S DECLARATIONS, REPRESENTATIONS & UNDERTAKINGS

### 3.1. The Distributor declares, represents, and undertakes that:

- 3.1.1. The Distributor holds a valid AMFI licence and is authorised to undertake distribution of Mutual Fund Units and has the capacity to enter into this Agreement and is not in any way restricted from entering and performing under this Agreement. Nothing contained in this Agreement shall have the effect of imposing an obligation on the Distributor to offer all the Schemes managed by the AMC to its Investors.
- 3.1.2. The Distributor shall, as a distributor of the Schemes, submit/transmit to the AMC and/or its RTA, Transaction requests on behalf of its Investors including, but not limited to, the Purchase and Redemption of Units, SIP, STP, SWP, Change of Income Distribution cum Capital Withdrawal (IDCW) Option and Switch. Provided that, any such Transaction request shall be subject to the applicable Regulations and the terms and conditions of the SIDs of the relevant Scheme, as amended from time to time.
- 3.1.3. The Distributor has not violated any of the Applicable Law and declares that no disciplinary or other proceedings have been commenced or indicated or threatened by SEBI or any other regulatory agency or competent authority against the Distributor which impairs its performance under this Agreement and that the Distributor is not debarred or suspended from carrying on its activities for the Purpose of this Agreement.
- 3.1.4. The Distributor should immediately inform AMC on receipt of any complaint from an Investor. The Distributor shall also provide required assistance to the Fund in suitably addressing the complaint received arising out of marketing, sale, and distribution activities thereof. The Distributor shall provide assistance and response, as may be required by the RTA or the AMC, to redress complaints received against the Distributor arising out of marketing, sale, and distribution activities, within two (2) Business Days of receipt of any such complaint.

- 3.1.5. The Distributor and its employees, agents (including Sub-Distributors), servants and representatives have obtained all the necessary approval(s), registration(s), certification(s), as applicable, required from relevant authority(ies) for the purposes of providing the services under this Agreement and shall ensure that such approval(s), registration(s), certification(s), as applicable, will remain in force including taking prompt steps for renewal of the same. The Distributor further ensures that it has not violated any of the conditions subject to which such approval(s) / registration(s) / certification(s) has been granted.
- 3.1.6. The Distributor hereby certifies that all its employees, agents, servants and representatives engaged in sales and marketing of the Units of the Schemes of the Mutual Fund are certified by AMFI or NISM, as the case may be, and hold a valid AMFI and NISM certificate as required by SEBI. For the distribution of Investment Strategies under the SIF, the Distributor and its relevant employees, agents, servants and representatives shall additionally hold a valid NISM Series-XIII: Common Derivatives Certification or such other certification as may be specified by SEBI from time to time. Further the Distributor shall on the request by the AMC at any time and from time to time, provide a declaration to the above effect. In addition, the AMC shall have the right to obtain copies of AMFI and NISM Certificates (including photo identity card provided by AMFI and NISM certification) of all the Distributor's employees, agents (including Sub-Distributors), servants and representatives engaged in sales and marketing of the Units of the Mutual Fund and Investment Strategies of the SIF and the Distributor shall furnish the same within two (2) Working Days on demand by the AMC.
- 3.1.7. The Distributor undertakes that except as specifically advised by the AMC in writing or as described in the Scheme Documents, no action has been or Distributor is anticipating an action in any jurisdiction that will permit a public offering of Units or possession or distribution of the Scheme Documents outside India where, or in any circumstances in which, action for that purpose is required. Further the Distributor shall comply with all Applicable Laws and Regulations and at its cost make or obtain necessary filing, consents, or approvals, in each jurisdiction in which it will offer, distribute Units (including, without limitation, any applicable requirements relating to the delivery of Scheme Documents).
- 3.1.8. The Distributor shall be responsible for providing the Foreign Inward Remittance Certificate (FIRC) or the certificate evidencing the subscription by way of debit to the NRE/FCNR account of any non-resident Indian (NRI) / overseas corporate bodies (OCB) within five (5) days from receiving credit to the Scheme account.
- 3.1.9. The Distributor shall be responsible for periodically reporting to the AMC, the progress that the Distributor has made in distributing the Schemes as hereinabove stated.
- 3.1.10. The Distributor undertakes that the relationship between the Distributor and the AMC is that of trust and the Distributor shall act in a trustworthy capacity in respect of the transactions entered into by the Distributor on behalf of the AMC. The Distributor shall ensure that they do not encourage Investors in circumventing any provision under the Regulations and keep them adequately advised of complying with the Regulations in letter and spirit.
- 3.1.11. The Distributor undertakes that it shall do all acts, deeds and things necessary on behalf of the AMC whereby the customer's confidence and interest in the Mutual Fund is fully protected at all times.
- 3.1.12. The Distributor shall ensure that the following are strictly adhered to:
  - 3.1.12.1. Units of the scheme(s) of the Mutual Fund are sold only in the manner prescribed in the Scheme Documents and no cash, money orders and postal orders should be accepted at any point of time.
  - 3.1.12.2. It should facilitate subscription or redemption of Units at prevailing applicable NAV.
  - 3.1.12.3. It should not withhold placing Investor orders for the Units so as to profit themselves as a result of such withholding.
  - 3.1.12.4. It should provide each Unit Holder with a copy of Scheme Documents and will be allowed to inspect or receive a copy of such documents of the Mutual Fund as mentioned in the Scheme Documents.

- 3.1.12.5. It should not make any representations except those contained in the Scheme Documents issued by the AMC as information supplemental to such documents.
- 3.1.12.6. It should not sell or distribute the Scheme(s) in any manner which contradicts or is inconsistent with the manner in which the Scheme(s) is presented or depicted in Scheme Documents or any other publications, newsletter, fact sheets prepared by the AMC.
- 3.1.12.7. It should not use or design any advertising or sales material other than sales material released by the AMC relating to the Mutual Fund unless approved in writing by the AMC in advance. It shall strictly adhere to the SEBI guidelines on advertisements and sales literature and keep informed of the changes made by SEBI from time to time in this regard.
- 3.1.12.8. It should not indulge in any kind of malpractice or unethical practice to sell, market or induce any investor to buy the Units of the Schemes, as more particularly described in Clause 3.1.27.
- 3.1.12.9. It should not make or give any representation, statement or warranty which is incorrect, incomplete or misleading (whether by reason of any omission to state a material fact or for any other reason).
- 3.1.12.10 It shall not accept any offerings or subscriptions from persons residing in United States, Canada or FATF (Financial Action Task Force) non-compliant countries.
- 3.1.13. The Distributor (including its employees, agents, servants and representatives) shall take adequate steps to obtain information and identity of Investors who are willing to invest in the Schemes of Mutual Fund through the Distributor in compliance with the KYC requirements under Applicable Law.
- 3.1.14. The Distributor shall upon demand from the AMC provide all such information, reports or documents obtained and maintained by the Distributor (including by its employees, agents, servants and representatives) immediately to the AMC in respect of services provided by the Distributor to the AMC under this Agreement.
- 3.1.15. The Distributor shall not do, communicate, print or publish anything which is illegal, unethical, fraudulent, improper or questionable or which may be detrimental to the reputation of AMC and Mutual Fund, or which may be in any manner harmful to or against the interests of the AMC and Mutual Fund or which may result in a contravention of the provisions of the Regulations.
- 3.1.16. The Distributor (including its sub-distributors) shall upon receipt of a request from the AMC, allow authorized person(s) as designated by the AMC, the right to audit and inspect all the records maintained by Distributor with respect to services provided under this Agreement and take such computer printouts, information, copies as may be required by AMC for carrying out the audit and inspection.
- 3.1.17. The Distributor undertakes to take utmost care that all employees, agents (including Sub-distributors), and representatives of the Distributor shall at all times maintain strict confidentiality of the Confidential Information with regard to all matters and documentation and information relating to the AMC, any Schemes and issues raised by the AMC from time to time and shall not divulge or allow or cause to be divulged or allowed any Confidential Information or know-how which it has received under the terms of this Agreement or which comes into its hands or into the hands of any of its employees, agents (including Sub-distributors), servants and representatives. The Distributor shall, if so required by the AMC, have its employees, servants, agents and representatives sign a declaration for observing strict secrecy on all Investor transactions. The Distributor will make the reportings required, if any, to be made to SEBI and the disclosures required under the laws to be made to the public with prior notice to the AMC of not less than seven (7) Calendar Days. This clause shall survive the termination of this Agreement.
- 3.1.18. The Distributor undertakes at its responsibility to educate its sub-distributors and Investors about the Schemes of the Mutual Fund and will do its best to create awareness about the Schemes of Mutual Fund and the AMC and the products and services offered by the AMC among its sub-distributors, Investors and public at large provided that the AMC shall not be liable or bound by any representation made about the AMC or the HSBC Group by the Distributor. For the avoidance of doubt, the limitation of liability provisions under Clause 6 shall apply to this clause.
- 3.1.19. The Distributor agrees that this relationship is expressly established subject to the AMC being allowed to appoint other Distributors to sell the Units of Scheme(s). Distributor confirms that he/she/it, or its employees, directors, are not related to/relative or connected to AMC, or its employee, directors, Sponsor, its directors, employee, or an Associate (as defined under MF Regulations).
- 3.1.20. The Distributor agrees to adhere to the Code of Conduct notified under the Applicable Laws.
- 3.1.21. The Distributor further undertakes to provide the AMFI/ARN certificate or any other certificate that may be required under the Applicable Law on an annual basis or as may be determined by the AMC from time to time. The Distributor agrees to provide such declarations and/or certifications and/or undertakings as may be required by AMC to ensure that the Distributor is in compliance with the Applicable Law including the Regulations.
- 3.1.22. The Distributor acknowledges that it is not entitled to receive Fee on its own investments and shall inform the AMC if it receives such Fee, erroneously or otherwise and shall reimburse such amounts to the AMC immediately upon receipt together with such sums and will not wait for the AMC for demand of such refund of such an amount. To clarify, this amount erroneously transferred cannot be adjusted with any pending or future payment of Fee to the Distributor by the AMC.
- 3.1.23. The Distributor shall not use or display the acronym 'HSBC'/HSBC Mutual Fund' or any other mark or Logo of HSBC or any part or derivative thereof ("**Trademark**") including these marks/ trademarks along with a hashtag # and it shall not reproduce, store in a retrieval system or transmit, on any form or by any means, electronic, mechanical, photocopying, recording, or otherwise, the Trademark or Logo of HSBC, HSBC Bank, HSBC Mutual Fund, HSBC Asset Management including these marks/trademarks along with a hashtag #, without the prior explicit written permission of the AMC.
- 3.1.24. The Distributor shall have exclusive control over its employees in the conduct of activities under this Agreement and shall be regarded as an independent contractor. The Distributor is not constituted as an agent of AMC for any purpose whatsoever and is expressly prohibited from doing any acts which do or may create the impression or inference that the Distributor is an agent of AMC. Further, the Distributor is not granted any right or authority to create any obligation or responsibility, express or implied, on behalf of, or in the name of AMC in any manner whatever.
- 3.1.25. The Distributor shall disclose to the Investors all material information including all commissions (in the form of trail commission or any other mode) received or receivable by them for the different competing schemes of various Mutual Funds from amongst which the scheme is being recommended to the Investor in compliance with the Applicable Laws. The Distributor shall not rebate or pass-back commission to Investors and shall refrain from attracting Investors through inducement of rebate or gifts / gift-vouchers etc.
- 3.1.26. The Distributor shall not collude or undertake malpractices such as: (i) encouraging over-transacting and churning of investments to earn higher commissions; (ii) splitting applications to earn higher transaction charges / commissions; (iii) participating in payment defaults (such as dishonoring of cheques) or diversion of funds; (iv) making false claims for or participating in wrongful dividend / redemption payouts; or (v) selling unsuitable products to clients, selling units of schemes of any mutual fund, directly or indirectly, by making false or misleading statements, concealing or omitting material facts of the scheme, or concealing the associated risk factors of the schemes.
- 3.1.27. The Distributor understands that the AMC has a statutory obligation under the PMLA to report to FIU on an ongoing basis. The Distributor agrees to assist in procuring data with respect to such suspicious transaction reporting and report any suspicious activity that it may independently become aware of at any point in time.
- 3.1.28. The Distributor agrees that in the event that the Distributor commits a breach of any of the terms and conditions contained herein then AMC may forthwith by notice in writing terminate this Agreement

without any liability of any sorts whatsoever in respect of such termination. The indemnification obligations under Clause 6 shall apply to any such breach.

- 3.1.29. The Distributor agrees that it has adequate due diligence measures to monitor and counter any fraudulent practices conducted by its Investors and will adequately comply with SEBI/AMC's directions in this regard.
- 3.1.30. The Distributor shall ensure that their Representatives undergo training on proper conduct for their sales, marketing and distribution activities focusing on (i) awareness and understanding of their fiduciary obligations towards Investors, (ii) adequate procedures to be followed in performance of their functions so as to prevent and detect any frauds and errors, and (iii) responsible usage of social media platform with respect to content standards, authenticity and approval for the information, frequency of usage and other ethical practices.
- 3.1.31. The Distributor shall co-operate with and provide assistance to the AMC, AMFI, SEBI, competent authorities, and due diligence agencies appointed by AMFI/AMC (as applicable) in relation to their services to the AMC including by providing copies of relevant documents of the Investors in their possession as may be required by the AMC from time to time or as may be called for by SEBI/AMFI/competent authority pursuant to any investigation or other proceeding.
- 3.1.32. The Distributor shall refund to the AMC (either by set off against future commissions or by payment) all incentives of any nature, including commissions received, that are subject to clawback as per SEBI Regulations or the terms and conditions issued by the AMC.
- 3.1.33. The Distributor shall immediately notify the AMC and AMFI, in writing, if any of its Representatives has committed any act amounting to moral turpitude, financial irregularities or has been arrested by the police or whose employment/service has been terminated on account of any of the aforesaid acts.
- 3.1.34. The Distributor shall promptly intimate the AMC and AMFI of any change in the Distributor's status, constitution, address, contact details or any other information provided at the time of obtaining ARN, as well as any changes to the declarations, representations and undertakings included in this Agreement or any changes having an impact on the services provided by the Distributor in terms of this Agreement.
- 3.1.35. KYD (Know your Distributor) norms will be applicable for fresh ARN registration and ARN renewal effective from 1 September 2010. In line with AMFI circular 35P/MEM-COR/20/12-13 dated 16 November 2012; static details of the distributor except bank details will be imported from centralised database (KYD) effective from 15 January 2013. For any subsequent change in static details, the distributor needs to submit the request at AMFI unit of CAMS or the CAMS Service Centre and not to individual AMCs / RTAs. Any subsequent change in static details and further registered with KYD will overwrite the records already maintained with the AMC.
- 3.1.36. The Distributor shall ensure that no investment applications from persons residing in United States of America or Canada are sourced. Further, applications from persons residing in any country which is declared by the Financial Action Task Force (FATF) as a non-compliant country/territory should also not be sourced. The Distributor to ensure for all Non-Resident Indian investors, the complete overseas address is procured, including the Country of residence, to avoid rejection of the application. The distributor shall keep investors aware that the AMC reserves the right to redeem any such investments in case of change of address to a US/Canada address on a later date.
- 3.1.37. Confirmation under the Foreign Account Tax Compliance Act (FATCA) for determining US person status (MANDATORY for ALL distributors) - The United States Department of the Treasury and the US Internal Revenue Service (IRS) has introduced The Foreign Account Tax Compliance Act (FATCA), effective 1 July 2014. The purpose of FATCA is to report financial assets owned by United States persons to the United States tax authorities. Accordingly, Government of India may collect information from banks and financial institutions and onward submit it to United States authorities. All Distributors including non-individual distributors, shall be required to submit a mandatory declaration form confirming their status against a list of US indicia's. The

Indicia are to identify a United States Person as defined under the Laws of the United States of America. In case of any change in the information such as address, telephone number, citizenship, etc., distributors are requested to bring this to the notice of the fund and submit the FATCA declaration form (available on the fund website). AMC reserves the right to seek additional information/documents in order to ascertain your status.

- 3.1.38. **Identification of Ultimate Beneficial Owner (UBO)** - Distributors are required to provide details of Ultimate Beneficial Owner(s) ("UBO(s)") and submit proofs to identify the UBO, i.e., Identity and address proof. Ultimate Beneficial Owner (UBO) is the natural person, who ultimately owns or controls, directly or indirectly your organisation. Controlling ownership interest has been defined as ownership of;
  - 3.1.38.1. more than 10% of shares or capital or profits of the juridical person, where the juridical person is a company;
  - 3.1.38.2. more than 10% of the capital or profits of the juridical person, where the juridical person is a partnership; or
  - 3.1.38.3. more than 10% of the property or capital or profits of the juridical person, where the juridical person is an unincorporated association or body of individuals.
  - 3.1.38.4. In case of a Trust, beneficial owners of the trust need to be known by determining the identity of the settler of the trust, the trustee, the protector, the beneficiaries with 10% or more interest in the trust and any other natural person exercising ultimate effective control over the trust through a chain of control or ownership.
  - 3.1.38.5. In case the Distributor is a listed company or a subsidiary where the majority is held by a listed company, then the details of shareholders or beneficial owners is not required.
- 3.1.39. The Distributor shall ensure that Schemes recommended or sold to Investors are appropriate and suitable based on the Investor's risk profile, financial objectives, and investment experience. The Distributor shall not engage in mis-selling, including but not limited to:
  - 3.1.39.1. selling Schemes to Investors for whom they are unsuitable, including small-cap funds, retirement funds, and close-ended funds to senior citizens, minors, and non-individuals.
  - 3.1.39.2. providing false, misleading, or incomplete information about the risks associated with the Schemes.
  - 3.1.39.3. inducing Investors to make investments primarily for Fee or incentive-driven motives rather than suitability to their financial needs.
- 3.1.40. The Distributor shall at all times, comply with the Applicable Laws and shall refrain from entering into any arrangement which seeks indemnification from Investor or purports to disclaim liability in relation to any claims arising therefrom. This obligation is without prejudice to the indemnification obligations of the Distributor under Clause 6.
- 3.1.41. The Distributor shall maintain necessary physical and digital infrastructure to support the AMC in maintaining high service standards to Investors and ensure that critical operations such as forwarding/submission of forms and cheques etc. to AMC/RTA are appropriately supported. In view of increased initiatives towards digitization, the Distributor shall adopt adequate information technology related infrastructure, including in relation to cyber security measures to maintain confidentiality of electronic data during collection, transmission and storage as well as to mitigate risks related to execution of Mutual Fund transactions through digital platforms.
- 3.1.42. The Distributor shall have internal control procedures and financial and operational systems and processes which can be reasonably expected to detect and prevent mis-selling as well as mitigate financial loss arising from fraud and other dishonest acts, professional misconduct or omissions, theft, or force majeure events.
- 3.1.43. The Distributor shall maintain adequate records in relation to clients, whether in physical or digital form, as applicable, in compliance with the Applicable Laws and Regulations, including KYC records as well as correspondence with the Investors on

particular scheme or transaction suitability and consent/dissent of the Investors.

3.1.44. For the distribution of Investment Strategies under the SIF, the Distributor shall additionally ensure compliance with the following requirements:

3.1.44.1. the Distributor shall clearly communicate to prospective Investors the minimum investment threshold of Rupees Ten Lakhs (INR 10,00,000) applicable across all Investment Strategies of the SIF at the PAN level, and ensure that no investment below this threshold is procured;

3.1.44.2. the Distributor shall prominently disclose to prospective Investors the standard disclaimer: "Investments in Specialized Investment Fund involves relatively higher risk including potential loss of capital, liquidity risk and market volatility. Please read all investment strategy related documents carefully before making the investment decision.";

3.1.44.3. the Distributor shall ensure that Investors are made aware of the subscription and redemption frequencies, notice periods (if any), and liquidity risks associated with each Investment Strategy;

3.1.44.4. the Distributor shall ensure that the Investment Strategies are distributed only to such Investors who meet the eligibility criteria and investment threshold requirements specified in the respective Investment Strategy Information Document (ISID) of the SIF.

### 3.2. AMC declarations, representations & warranties:

3.2.1. The AMC will make available Scheme Document of a particular Scheme(s) as may be reasonably requested by the Distributor. The AMC shall provide the Distributor with all the addendums to the Scheme Document, if any, and the Distributor shall in turn ensure that the addendums are compulsorily attached to the Scheme Document provided to Investors or prospective investors.

3.2.2. Notwithstanding anything contained in this Agreement, the sale and repurchase of Units will be made at the NAV of the relevant business day in accordance with the then current Scheme Document of the Scheme(s).

3.2.3. The AMC appointed RTA will issue Units for each investor, it being understood in all cases that (a) the Distributor is authorized to act as an agent for the Investor, (b) that the relationship between the AMC and the Distributor is one of principal-to-principal, (c) each transaction is initiated solely upon the directions, instructions of the Investor, (d) each transaction is for the account of such Investor and not for the Distributor's own account, (e) always each Investor will be provided by the Distributor with a copy of the abridged Scheme Document, if any, with respect to the relevant Scheme and will be allowed to inspect or receive a copy of the Scheme Document, of the relevant Scheme, (f) as between the Distributor and the Investor, the Investor will have full ownership of the Units.

3.2.4. The AMC shall comply with instructions and procedures mutually agreed with the Distributor and shall also issue its own internal instructions to its employees on similar lines and undertakes to use its best endeavors to ensure that the RTA does comply with the same.

3.2.5. The AMC undertakes that all employees, agents and representatives of the AMC shall at all times maintain strict confidentiality in respect of such database procured from the Distributor. Further the AMC shall use its best endeavors to ensure that its RTA also complies with the same.

3.2.6. All statements made and information which have been provided by the AMC to the Distributor for or in connection with Distributor's appointment, services as a Distributor under this Agreement are at the time of furnishing the information or making the statement to the knowledge of the AMC, materially correct and complete and are not misleading.

3.2.7. The AMC hereby declares that it has complied with and shall continue to comply with all applicable regulatory formalities under the Regulations.

3.2.8. The AMC has the necessary authority to promote the Scheme(s) and do all matters and things as may be necessary for discharge or enforcement of the same.

3.2.9. The AMC will advise the Distributor as soon as practicable, (i) of the issuance by any governmental or regulatory authority of any order preventing or suspending the use of the Scheme Documents or any portion thereof; (ii) of the occurrence of any event at any time as a result of which the Scheme Documents, as then amended or supplemented, would include any untrue statement of a material fact having a direct or indirect impact on the Investors necessary in order to make the statements therein, in the light of the circumstances, existing when the Scheme Documents is delivered to a Investors not misleading; and (iii) of the receipt any notice with respect to any suspension of the services in any jurisdiction.

3.2.10. The AMC owns all Intellectual Property Rights and proprietary rights in the material and information made available by the AMC to the Distributor for the purpose of enabling it to provide services under this Agreement.

3.2.11. The AMC shall be responsible for conducting due diligence of the Distributor in accordance with the parameters specified by SEBI and AMFI from time to time, including at the time of empanelment and during periodic reviews to satisfy 'fit and proper' criteria. The AMC shall monitor the activities of the Distributor to ensure that they do not indulge in any kind of malpractice or unethical practice while selling or marketing Mutual Fund units.

3.2.12. The AMC shall report any non-compliance by the Distributor with the Mutual Funds Regulations, guidelines, or code of conduct to SEBI and AMFI in the periodic meetings of the Board of the AMC and the Trustee(s), and the AMC shall not deal with distributors who do not follow the AMFI Code of Conduct.

3.2.13. The AMC shall also be responsible for mis-selling done by persons associated with selling of mutual funds including the Distributor. The performance disclosure to Investors, if any, by the Distributor shall be true and fair and shall not be misleading to the Investor by representing any selective time period representing favourable returns.

### 3.3. Distributor and AMC representations & warranties:

The Distributor and the AMC severally and only in relation to itself represent and warrant as follows:

3.3.1. It is duly incorporated under the laws of India and has the power to conduct its operations as presently conducted and to enter into this Agreement.

3.3.2. It has the power, capacity and authority to execute, deliver and perform this Agreement and has taken all necessary sanctions and approvals (corporate, statutory or otherwise) to authorize the execution, delivery and performance of this Agreement.

3.3.3. As at the date of this Agreement nothing herein conflicts with any judgment, decree or order or any statute, rule or Regulation applicable to it.

3.3.4. It is not currently involved with any litigation in connection with the securities market, offence involving moral turpitude or any other economic offense whose outcome might materially and adversely affect its ability to discharge its functions under this Agreement.

3.3.5. It is in compliance with and shall, during the term of this Agreement, continue to comply with the Scheme Document, Applicable Law, Regulations, in relation to this Agreement.

3.3.6. It has no outstanding obligations or liabilities contingent or otherwise (including tax liabilities) which might materially and adversely affect the performance of its obligation under this Agreement.

3.3.7. All governmental approvals and statutory permissions to the extent and as are necessary for the execution of this Agreement have been obtained.

## 4. **APPOINTMENT OF SUB-DISTRIBUTORS**

4.1. The Distributor may appoint any number of sub-distributors as it deems fit and necessary, provided however that each such sub-distributor appointed by the Distributor shall have a valid ARN, all the qualifications, approvals, licenses, valid certificates required to act in such capacity and the Distributor understands and agrees to be responsible and accountable for the acts and misdeeds of its sub-distributors.

4.2. The Distributor shall ensure that sub-distributors (and if the sub-distributor is a firm or a company or any other artificial person then all its employees, agents, servants and representatives engaged in sales and marketing of Units of the Schemes) shall have AMFI certification as required by SEBI and that such certification is valid. The Distributor shall also ensure that

all the sub-distributors are registered with AMFI and hold a valid ARN and that their sales personnel hold valid Employee Unique Identification Number (EUN). In case of corporate sub-distributors, the Distributor should ensure that all the employees engaged by the sub-distributors are registered with AMFI and have valid identity proof. The Distributor shall ensure that sub-distributors quote their valid ARN and EUN for all transactions in Regular Plan.

- 4.3. The Distributor also undertakes that it will ensure that all the sub-distributors comply with the Applicable Law, with specific focus on regulations/guidelines on advertisements and sales literature for the purpose of this Agreement. The Distributor also undertakes that it will ensure that the sub-distributor provides all such certificates, documents, information as may be stipulated by the AMC, from time to time.
- 4.4. The Distributor agrees that the AMC shall have no privity of contract with such sub-distributors so appointed by the Distributor and that both the AMC and the Mutual Fund under no circumstances, directly or indirectly, shall be liable for any act or omission of the sub-distributor. For the avoidance of doubt, the Distributor's indemnification obligations under Clause 6 shall extend to all acts and omissions of its sub-distributors.
- 4.5. The Distributor agrees that the agreement if any, between the Distributor and sub-distributor(s) shall not contain any clauses which are contrary to what is stated in this Agreement. However, if the said Agreement contains clauses which require prior approval of the AMC, the said clauses shall be effective only after such approval is obtained by the Distributor from the AMC in writing.
- 4.6. The Distributor shall be responsible for supervising and monitoring the activities of such sub-distributors appointed by it to ensure that they do not indulge in any kind of malpractice or unethical practice while selling or marketing Mutual Fund units, and shall be responsible for ensuring that each sub-distributor shall always act in compliance with all Applicable Law.
- 4.7. The Distributor shall ensure that the sub-distributor including all its employees, agents, servants and representatives, directors, partners, as applicable, shall always maintain the confidentiality as imposed by Clause 3.1.17.
- 4.8. The AMC will not be responsible for payment of any Fee to sub-distributors and any payment to such sub-distributors shall be the sole responsibility and liability of the Distributor. Any claims arising from such payments shall be subject to the indemnification provisions under Clause 6.
- 4.9. Neither Distributor nor its associate shall commit tax evasion nor undertake any activities which may facilitate or otherwise result in another person committing tax evasion, in undertaking its obligations under this Agreement. And it and its associate shall maintain reasonable procedures designed to prevent any employees, agents or other persons, who perform services for them or on their behalf, from undertaking any activities which would facilitate or otherwise result in another person committing tax evasion.
- 4.10. The Distributor shall ensure that the sub-distributors submit the annual Declaration of Self-Certification (DSC) to the Distributor confirming compliance with regulatory guidelines and Code of Conduct. The Distributor shall retain such declarations for a period of at least eight (8) years and shall confirm in its own annual DSC submitted to AMFI that all sub-distributors have submitted their respective DSC.

## 5. FEES AND CHARGES OF THE DISTRIBUTOR

- 5.1. The Distributor Fee will be paid by direct credit to the Distributor's account, the details of which shall be furnished by the Distributor (and not in the name of any nominee of the Distributor or other person). If the said direct credit arrangement is not practicable, the same shall be paid either by account payee cheque, demand draft or any other arrangement as agreed upon by the Parties to this Agreement. No Fee will be paid in cash.
- 5.2. Further, all payments to the Distributor shall be subject to the relevant provisions of the Income Tax Act, 1961 and other Applicable Laws.
- 5.3. The Mutual Fund shall pay to the Distributor Fee for the services provided under this Agreement and the same will be exclusive of all taxes, cess, charges and levies as per the schedule mentioned in **Schedule II**. The Fee schedule is subject to change as mutually agreed between the AMC and the Distributor from time to time.
- 5.4. Notwithstanding termination of this Agreement, the Distributor shall be entitled to receive, such fees as is payable to the Distributor in respect of business procured by the Distributor prior to the termination of this Agreement. The provision of this clause shall survive termination of this Agreement.
- 5.5. The Distributor shall raise all its grievances within one (1) month of receipt of such Fee or other amount by the Distributor and the Distributor shall not be entitled to make any grievance thereafter.

- 5.6. In case the Distributor receives any Fee or incentive or any other amount/fee which is not due or payable to the Distributor, the Trustee of Mutual Fund, AMC on behalf of the Mutual Fund shall be entitled to recover or adjust all such amounts as are wrongly paid to the Distributor and the Distributor shall refund such amounts to the Mutual Fund, AMC on behalf of Mutual Fund within thirty (30) Business Days from the date of receipt of information by the Distributor.

## 6. LIABILITIES AND INDEMNITIES

- 6.1. The Distributor shall irrevocably, unconditionally, and on a full indemnity basis, indemnify, defend, and hold harmless the AMC, the Mutual Fund, its Sponsor, Trustees, Directors, employees, officers, Affiliates, and their respective successors and assigns (collectively the "**Indemnified Parties**") from and against any and all costs, losses, damages, liabilities, demands, penalties, fines, levies, claims, actions, proceedings, judgments, settlements, and expenses of whatsoever nature (including but not limited to reasonable legal fees, costs of investigation, expert witness fees, and costs of enforcement of indemnity rights) whether actual, contingent, or prospective, arising directly out of or in connection with:
  - 6.1.1. any misrepresentation, misstatement, omission, concealment, or misleading information (whether by act or omission) made or provided by the Distributor, its employees, agents (including sub-distributors), representatives, or any person acting on behalf of the Distributor, whether oral, written, electronic or otherwise, relating to the Scheme(s) of Mutual Fund, the AMC, or any matter connected with this Agreement;
  - 6.1.2. any breach, non-compliance, default, or violation (whether material or otherwise) by the Distributor, its employees, agents (including Sub-Distributors), representatives, or any person acting on behalf of the Distributor, of any obligation, representation, warranty, covenant, undertaking, or term of this Agreement, whether express or implied;
  - 6.1.3. any act or omission constituting negligence (whether gross or ordinary), misconduct, mis-selling, improper solicitation, unauthorized representation, churning, unsuitable advice, failure to conduct proper suitability assessment, or failure to adhere to the Scheme Documents, KYC/AML requirements, applicable laws, regulations, circulars, guidelines, or directions issued by Regulatory Authorities;
  - 6.1.4. any fraudulent, unlawful, unethical, dishonest, or wrongful act or omission committed by the Distributor, its employees, agents (including Sub-Distributors), representatives, or any person acting on behalf of the Distributor, including but not limited to collusion with Investor(s), front-running, market manipulation, insider trading, money laundering, terrorist financing, improper business practices such as presenting dishonored cheques, wrongfully claiming dividends or redemptions, forging signatures, tampering with documents, identity theft, or circumventing requirements under Applicable Law;
  - 6.1.5. any action, inquiry, investigation, inspection, audit, show-cause notice, or proceeding (whether civil, criminal, regulatory, or administrative) initiated or threatened by any regulatory, governmental, judicial, quasi-judicial, or law enforcement authority, or any third party, in connection with the acts or omissions of the Distributor, its employees, agents (including Sub-Distributors), representatives, or any person acting on behalf of the Distributor;
  - 6.1.6. any failure by the Distributor, its employees, agents (including Sub-Distributors), representatives, or any person acting on behalf of the Distributor, to comply with Applicable Laws of any regulatory authority governing its activities, including but not limited to Regulatory Authorities.
  - 6.1.7. any investor complaint, grievance, or claim (whether or not meritorious) arising from or relating to the acts, omissions, representations, or conduct of the Distributor, its employees, agents (including Sub-Distributors), or representatives in connection with the distribution of Units;
  - 6.1.8. any reputational harm, damage to goodwill, or adverse publicity suffered by the Indemnified Parties arising from or attributable to the acts, omissions, or conduct of the Distributor, its employees, agents (including Sub-Distributors), or representatives;
  - 6.1.9. any third-party claim, demand, or action arising from or relating to the Distributor's distribution activities, including claims by investors, other distributors, competitors, or any other person;
- 6.2. The indemnification obligations under this Clause 6.1 shall: (a) be in addition to, and not in substitution for, any other rights and remedies available to the Indemnified Parties under law, equity, contract, or otherwise; (b) not be subject to any requirement of prior notice,

- demand, or legal proceedings; (c) extend to all costs of enforcement of these indemnification rights; (d) survive the termination period of this Agreement; and (e) not be reduced, discharged, or otherwise affected by any limitation of liability provisions that may apply to the Distributor under any other agreement or law. The Distributor hereby waives any right to require the Indemnified Parties to proceed against any other person or to pursue any other remedy before enforcing these indemnification obligations.
- 6.3. Subject to the limitations set forth in this Clause 6, the AMC shall indemnify and hold harmless the Distributor against any direct losses, costs, or claims (excluding any indirect, consequential, special, punitive, or incidental losses) which the Distributor might incur as a direct and proximate result of:
- 6.3.1. the incorrect, wrong content of the Scheme Document or any other material distributed by the Mutual Fund to the Distributor containing an untrue statement of a material fact or an omission of a material fact or
- 6.3.2. the gross negligence or willful misconduct of the AMC or its employees acting in their official capacity and within the scope of their employment, provided that such gross negligence or willful misconduct is established by a final, non-appealable judgment of a court of competent jurisdiction;
- 6.3.3. material non-adherence to any of the express terms and conditions mentioned in this Agreement by the AMC, provided that such non-adherence is not attributable to any act, omission, or default of the Distributor.
- 6.3.4. Notwithstanding Clause 6.3, the AMC shall have no liability to the Distributor in respect of any claim: (a) to the extent that such claim arises from or is contributed to by any act, omission, negligence, fraud, or breach of this Agreement by the Distributor; (b) unless written notice of such claim is given to the AMC within thirty (30) days of the Distributor becoming aware of the circumstances giving rise to such claim; (c) to the extent that the Distributor has failed to take reasonable steps to mitigate its loss; or (d) where the Distributor has settled or compromised any claim without the prior written consent of the AMC.
- 6.4. Without prejudice to any other provision of this Agreement, the AMC shall not be responsible or liable for: (a) any indirect, consequential, special, punitive, incidental, or exemplary loss or damage incurred by the Distributor howsoever arising; (b) any loss of profit, loss of business, loss of revenue, loss of goodwill, loss of anticipated savings, or loss of data suffered by the Distributor; (c) the Distributor making available to Investors any information, representation, or material other than that expressly provided or approved by the AMC in writing; (d) acting on any incorrect, incomplete, unauthorized, or fraudulent data, instruction, or transaction request received from the Distributor or purportedly from the Distributor; (e) any delay or failure in processing transactions where such delay or failure is attributable to the Distributor's acts or omissions; or (f) any acts or omissions of the Distributor's sub-distributors, employees, agents, or representatives.
- 6.5. Notwithstanding any other provision of this Agreement, and to the maximum extent permitted by Applicable Law: (a) in no circumstances shall either Party or any of its Affiliates or its or their respective officers, directors, employees, agents, or representatives be liable for any indirect, special, punitive, exemplary, consequential, or incidental losses, claims, or damages (including but not limited to loss of profit, loss of business, loss of revenue, loss of goodwill, loss of anticipated savings, or loss of data) arising out of or in any manner connected with this Agreement, whether in contract, tort (including negligence), strict liability, or otherwise; and (b) the aggregate liability of the AMC to the Distributor under or in connection with this Agreement, whether in contract, tort (including negligence), strict liability, or otherwise, shall in no event exceed the total Fees actually paid by the AMC to the Distributor in the twelve (12) months immediately preceding the event giving rise to such liability. This limitation shall not apply to the Distributor's indemnification obligations under Clause 6.1, which shall remain unlimited.
- 6.6. The Distributor acknowledges and agrees that: (a) the limitations of liability and exclusions set forth in this Clause 6 reflect a fair and reasonable allocation of risk between the Parties; (b) the Fees payable under this Agreement have been calculated on the basis of such allocation of risk; (c) the Distributor has had the opportunity to obtain independent legal advice regarding the terms of this Agreement; and (d) absent such limitations and exclusions, the AMC would not have entered into this Agreement on the terms set forth herein.
- 6.7. The Distributor shall, at its own cost and expense, maintain adequate professional indemnity insurance and/or errors and omissions insurance with a reputable insurer, with coverage of not less than Rs. 1,00,00,000 (Rupees One Crore only) per occurrence and in the aggregate annually, to cover its potential liabilities under this Agreement. The Distributor shall, upon request by the AMC, provide evidence of such insurance coverage and shall ensure that such insurance remains in force throughout the Term and for a period of three (3) years following termination of this Agreement.
- 6.8. The AMC shall have the right, but not the obligation, to control the defense of any claim, action, or proceeding for which it seeks indemnification under this Agreement. If the AMC elects to assume control of the defense, the Distributor shall cooperate fully with the AMC and its legal counsel and shall not settle or compromise any such claim without the prior written consent of the AMC. The Distributor shall bear all costs and expenses (including legal fees) incurred by the AMC in connection with any such claim, regardless of the outcome.
- 6.9. For the avoidance of doubt, the following provisions of this Agreement contain additional liability and indemnification obligations which are supplementary to and shall be read in conjunction with this Clause 6: (a) Clause 3.1.18 (AMC not liable for Distributor's representations); (b) Clause 3.1.29 (termination without liability for breach); (c) Clause 3.1.42 (no indemnification from Investors); (d) Clause 4.4 (no liability for sub-distributor acts); (e) Clause 4.8 (Distributor's liability for sub-distributor payments); (f) Clause 9.1 (not to incur liability on behalf of AMC); (g) Clause 9.2 (liability provisions survive assignment); (h) Clause 10.4 (indemnification rights on termination); (i) Clause 10.5 (post-termination liability); (j) Clause 10.10 (accrued liabilities survive termination); (k) Clause 11.2.2 (IP indemnification); and (l) Clause 15.17 (force majeure limitation of liability).
- 7. CONFIDENTIALITY AND DATA PROTECTION**
- 7.1. The Parties acknowledge that all proprietary information, trade secrets, know how etc. relating to each other, including without limitation, all information, whether written, oral or otherwise, concerning the business, operations, prospects, finances, or other affairs of each other, will be treated as Confidential Information and both Parties shall not divulge or allow or cause to divulge or allow any such Confidential Information. This clause shall survive the termination of this Agreement.
- 7.2. Notwithstanding anything contained in Clause 7, the following information relating to the Parties, will not constitute Confidential Information for the purposes of this Agreement:
- 7.2.1. information which is or becomes generally available to the public otherwise than as a result of breach of this Agreement by a Party.
- 7.2.2. information which is obtained by a Party from a third person who has obtained such information lawfully and is under no obligation of secrecy or confidentiality with respect to such information.
- 7.2.3. information legally required to be disclosed by or under any applicable law, regulation, legal process, or order of any court or governmental body having jurisdiction. Provided, however, that prior to such disclosure, the Party who is legally required to disclose the information shall inform the other Party of such disclosures and consult the other Party as to the information which will be disclosed.
- 7.2.4. Where the Recipient can demonstrate by written evidence that the information has been independently acquired or developed by it without breaching any of its obligations under this Agreement, or
- 7.2.5. Information which is already in the possession or knowledge of the Recipient, not subject to any duty of confidentiality.
- 7.3. The Distributor acknowledges and agrees that all tangible and intangible information obtained, developed or disclosed to the Distributor including but not limited to all documents, data, applications, information, material, instructions, communications, papers and statements and any business, information of AMC, Mutual Fund relating to its business practices and critical to its competitive position in the market place provided to Distributor in connection with the performance of this Agreement shall be considered Confidential Information. Its use is subject to the permission and authority of the AMC and Distributor shall ensure that the same is not used or permitted to be used in any manner incompatible or inconsistent with that authorized by AMC. On the expiry or termination of this Agreement for whatsoever reason, Distributor shall hand over or cause to be handed over all the AMC Confidential Information including documents, applications, data, information, material, papers and statements and all other related materials in its possession to AMC immediately.
- 7.4. All Confidential Information provided by each Party to the other shall, always, remain the sole and exclusive property of the respective Party

and the other Party shall have no right, title, interest whatsoever on the Confidential Information. Upon termination/expiry of this Agreement, all Confidential Information shall be returned by the other Party to the respective Party immediately.

- 7.5. **Data Protection:** The Parties undertake, where applicable, to comply fully with IT Law and to procure that its employees and agents observe the provisions of the IT Law. If the Distributor receives personal data pursuant to this Agreement, the Distributor shall only use it as strictly necessary for the performance of its obligations hereunder and in accordance with this Agreement.
- 7.6. **Confidentiality obligations and rights of the Parties:** The AMC would disclose or transfer to any HSBC Group Members information belonging to you that is confidential in nature (including but not limited to your director(s) / key managerial person's name, address, e-mail address, phone number(s) and identification documents etc.) for administrative and contract governance purposes during the term of our agreement or engagement with HSBC.
- 7.7. In the event that a Party is requested to disclose any Confidential Information, pursuant to, or required by, Applicable Law, Regulations, legal process, order of a court, regulatory authority or other governmental body having jurisdiction, such Party agrees that it will, as far as is legally and practically possible, provide the other Party with prompt notice of such request or requirement in order to enable the disclosing Party to seek an appropriate protective order or other remedy. If such protective order or other remedy is not obtained, the Party, as the case may be, shall disclose only the portion of the Confidential Information which is legally or professionally required to be disclosed. In any such event, the Party will use its reasonable efforts to ensure that all Confidential Information that is disclosed will be accorded confidential treatment.
- 7.8. In the event of this Agreement being terminated, the provisions of this entire Clause shall survive and remain in full force and effect.

## 8. NO CLAIM OR LIEN OR CHARGE ETC

All information, forms, agreements, documents, certificates, letters, papers, writings, data, books, records, reports, statements, files, copies and other items or properties whatsoever belonging to the AMC, Mutual Fund which come into the Distributor's power or possession, pursuant to or in connection with this Agreement will remain the sole and absolute property of the AMC, Mutual Fund, as the case may be and the Distributor shall have no claim, lien, charge, right of retention, sale or set-off or other right, title or interest therein for any reason whatsoever (including for the Fee or other payments) or for the service charges fee payable to the Distributor for distributing Units of the Mutual Fund. This clause shall survive the termination of this Agreement.

## 9. NOT TO INCUR LIABILITY, TRANSFER, ASSIGN, ETC.

- 9.1. The Distributor shall not undertake any obligation or incur any liability in any manner whatsoever on behalf of the AMC, Mutual Fund nor in any way pledge the AMC, Mutual Fund credit in any manner whatsoever. Any breach of this obligation shall be subject to the indemnification provisions under Clause 6. This clause shall survive the termination of this Agreement.
- 9.2. The Distributor shall not be entitled to assign, transfer, charge or in any manner make or create any third party right or interest in this Agreement or for the Distributor's obligations, liabilities, benefits or rights. The liability and indemnification provisions under Clause 6 shall continue to apply notwithstanding any purported assignment or transfer.

## 10. TERM AND TERMINATION

- 10.1. This Agreement shall stand automatically terminate with immediate effect upon the occurrence of the following event in relation to either of the Party:
- 10.1.1. Intimation of liquidation, bankruptcy, insolvency proceedings, or presentation of any petition for winding up (whether voluntary or compulsory for the purpose of a solvent reconstruction or amalgamation);
- 10.1.2. Entering into any arrangement or compromise with creditors, making an assignment for the benefit of creditors, appointment of a receiver, administrator, or manager over its assets or business, or if any distress, execution, or similar enforcement action is levied or threatened against any of its properties;
- 10.1.3. Suffering any analogous event or proceeding in consequence of debt under applicable law.
- 10.2. Either Party may terminate this Agreement for any reason by providing ninety (90) calendar days' prior written notice to the other Party. Notwithstanding such notice, the Distributor shall continue to fully discharge its obligations and liabilities under this Agreement during the notice period.

- 10.3. AMC shall have the absolute right to terminate this Agreement forthwith, without any notice or liability, upon the occurrence of any of the following events:
- 10.3.1. Any breach, non-compliance, or violation of the terms, conditions, or obligations under this Agreement by the Distributor;
- 10.3.2. Any act of negligence, willful misconduct, misrepresentation, fraud, or any activity detrimental to the interests of the AMC, the Mutual Fund, or its investors;
- 10.3.3. Any act or omission by the Distributor that, in AMC's sole and absolute discretion, exposes AMC or the Mutual Fund to legal, regulatory, reputational, or financial risk;
- 10.3.4. If AMC receives any investor complaints, regulatory directions, or notices concerning malpractice, mis-selling, or misrepresentation by the Distributor, which, in AMC's opinion, warrant immediate termination;
- 10.3.5. (a) if the Distributor is found guilty of mis-selling by the AMC, SEBI, AMFI, or any regulatory authority; (b) the Distributor fails to adhere to the risk profiling and suitability guidelines prescribed in Regulations; and (c) the Distributor engages in any fraudulent or unethical sales practices.
- 10.4. Termination by AMC under this Clause 10.3 shall be without prejudice to its rights to claim indemnification, damages, or any other remedies available under Clause 6, this Agreement or applicable law.
- 10.5. Notwithstanding the termination of this Agreement, both Parties shall remain liable for their respective actions and obligations undertaken during the subsistence of this Agreement, subject to the liability and indemnification provisions under Clause 6. However, any claim or right of action shall be subject to the applicable statute of limitations.
- 10.6. Upon termination of this Agreement, the Distributor shall, without any delay and in no event later than thirty (30) Calendar Days from the date of termination, return to AMC all records, investor databases, documents, agreements, marketing materials, investor communication, books, training manuals, reports, and all other information related to the Fund. The Distributor shall have no lien, retention right, or claim over any such materials.
- 10.7. During and after the notice of termination, the Distributor shall not engage in any conduct or act that may be detrimental to the AMC, the Mutual Fund, or its schemes. This obligation shall survive the termination of this Agreement.
- 10.8. Upon termination of this Agreement, the Distributor shall only be entitled to receive Fee strictly in accordance with the following conditions:
- 10.8.1. Fee that had accrued and were due prior to the date of termination;
- 10.8.2. Fee payable in respect of business procured by the Distributor prior to termination, provided that details of such transactions are received by AMC from the RTA within sixty (60) calendar days from the date of termination;
- 10.8.3. Fee sought to be claimed by the Distributor within sixty (60) calendar days from the date of termination.
- 10.9. AMC shall have the right to withhold or adjust any Fee payments in the event of:
- 10.9.1. Any regulatory directive or restriction on such payments;
- 10.9.2. Any Investor complaints or allegations of malpractice, mis-selling, or misrepresentation by the Distributor, pending investigation or resolution.
- 10.10. Upon termination, all payments of Fee to the Distributor shall cease immediately, except for any Fee already accrued up till the date of termination. The termination shall not affect any rights, obligations, or liabilities accrued by either Party up to, including the date of termination, and the provisions of Clause 6 shall continue to apply.
- 10.11. Either Party may terminate this Agreement with immediate effect if, in its sole discretion, it determines that:
- 10.11.1. The risks associated with continuing this Agreement outweigh the benefits; or
- 10.11.2. There are serious or repeated Investors complaints against the other Party that raise material concerns.

## 11. INTELLECTUAL PROPERTY RIGHTS

- 11.1. The AMC and the Distributor shall not use the Intellectual Property of the other Party without obtaining prior written permission of the other Party.
- 11.2. The Parties hereto further undertake the following:

- 11.2.1. Not to use the Intellectual Property in any manner other than as expressly permitted by the prior written permission of the other party.
- 11.2.2. Indemnify the other Party for any liability incurred using the Intellectual Property of one party by the other party post seeking prior written permission, in accordance with the indemnification provisions under Clause 6.
- 11.2.3. Not to cause or permit anything that may damage or endanger the Intellectual Property of the other Party associated for the Purpose or allow others to do so.
- 11.2.4. To notify the other Party of any suspected or threatened infringement of the Intellectual Property of the other Party, and to take such reasonable action as the other Party shall direct (at the expense of other Party) in relation to such infringement.
- 11.2.5. During and after the Term, each Party shall not directly or indirectly contest the validity of, or other Party's ownership of the Intellectual Property, nor take any other action which may in any manner jeopardize the other Party's right or interest therein.

## 12. OPERATING AND SERVICE STANDARDS

All operating and servicing standards and procedures will be as agreed between the Parties to this Agreement from time to time. The operating and service level standards, if any will not require any amendment to this Agreement but will be confirmed by exchange of letters or email communication.

## 13. ANTI-BRIBERY

- 13.1. Distributor hereby represents, warrants, and undertakes that, in connection with:
  - 13.1.1. the transactions contemplated by this Agreement:
    - 13.1.1.1. any matter pertaining directly or indirectly to this Agreement, including without limitation the negotiation of this Agreement and the fulfilment of Distributor's obligations hereunder, or
    - 13.1.1.2. any other transactions involving, or undertaken on behalf of AMC
  - 13.1.2. it has not violated and undertakes that it will not violate any applicable relevant anti-bribery laws and regulations including, but not limited to U.K. Bribery Act, 2010, HK Prevention of Bribery Ordinance 1970, as amended, repealed from time to time, as applicable, the India Prevention of Corruption Act, 1988, as amended, repealed from time to time, and any other relevant laws in India and other analogous legislation in force in other jurisdictions where the Distributor and AMC are domiciled, operate, or the Distributor distributes units of HSBC MF to prospective investors domiciled in jurisdictions other than India ("**Anti-Bribery Laws**"), and;
  - 13.1.3. it has not and undertakes that it shall not engage in the following conduct: making of payments or transfers of value, offers, promises or giving of any financial or other advantage, or requests, arrangements to receive or acceptances of any financial or other advantage, either directly or indirectly, which have the purpose or effect of public or commercial bribery or acceptance of or acquiescence in bribery, extortion, facilitation payments or other unlawful or improper means of obtaining or retaining business, commercial advantage or the improper performance of any function or activity, and
  - 13.1.4. it shall procure the compliance with the above obligations from its own associated persons, agents or subcontractors as may be used for the Distributor's fulfilment of obligations under this Agreement.
  - 13.1.5. The Distributor represents to the AMC that Distributor has not and shall not in connection with the transactions under this Agreement, or in connection with any other business transactions involving the AMC, Mutual Fund, make any payment or transfer anything of value, directly or indirectly:
    - 13.1.5.1. to any governmental official or employee (including employees of a government corporation or public international organization) or to any political party or candidate for public office; or
    - 13.1.5.2. to any other person or entity if such payments or transfers would violate the laws of the country in which made.
  - 13.1.6. It is the intent of the Parties that no payments or transfers of value shall be made which have the purpose or effect of public or

commercial bribery or acceptance of or acquiescence in extortion, kickbacks, or other unlawful or improper means of obtaining business.

- 13.2. Notwithstanding any other provision to the contrary, AMC may suspend or terminate this Agreement immediately should it become aware of a breach or suspected breach of the Distributor's representation, warranty or undertaking, or violation by the Distributor of Anti-Bribery Laws or where the Distributor causes AMC or any member of the HSBC Group to violate Anti-Bribery Laws. However, such termination shall not affect and shall be without prejudice to any subsisting rights or remedies of AMC against the Distributor.

## 14. DISPUTES

- 14.1. In the event of any disputes, differences, controversies and questions directly or indirectly arising at any time hereafter between the Parties or their respective representatives or permitted assigns under, out of, in connection with or in relation to this Agreement (or the subject matter of this Agreement) including, without limitation, all disputes, differences, controversies and questions relating to the validity, interpretation, construction, performance and enforcement of any provision of this Agreement, dispute, difference or contention arising between the Parties in relation to any of the provisions of this Agreement or the interpretation hereof, or as to rights, liabilities or duties of the Parties (hereinafter referred to as a "**Dispute**"), the same shall be, in the first instance, amicably settled between the Parties through mutual consultations within a period of 30 (thirty) Working Days of such dispute arising. If after 30 (thirty) Working Days of consultation, the Parties have failed to reach an amicable settlement, then Parties have an option to resolve the Dispute by approaching a competent Court in Mumbai, India.
- 14.2. After submission of any Dispute, the Parties shall continue to exercise their respective rights and fulfill their remaining respective obligations hereunder except insofar as the same may relate directly to the matters in Dispute.
- 14.3. Each Party shall bear its own costs and expenses in connection with any Dispute.

## 15. MISCELLANEOUS

- 15.1. **Exclusivity:** This Agreement is entered into on a non-exclusive basis and the Parties reserve their rights to enter similar arrangements with other persons.
- 15.2. **Relationship:** Nothing contained herein shall be deemed to create any relationship of principal and agent or, master and servant or, employer and employee between the Parties hereto or subsidiaries thereof or, to provide either Party with the right, power, or authority, whether expressed or implied, to create any such duty or obligation on behalf of the other Party save and except as provided under this Agreement.
- 15.3. **Governing Law and Jurisdiction:** This Agreement shall be governed by and construed and enforced in accordance with the laws of India, without regard to its principles of conflict of laws, the Parties agree to submit to the exclusive jurisdiction of the courts in Mumbai, India.
- 15.4. **Overriding Effect:** In case of any conflict between the provisions of this Agreement, Scheme Documents, Empanelment Form and any other agreement between the Parties for the Purpose of this Agreement, the order of precedence shall be as follows – (i) Scheme Document (ii) this Agreement (iii) Empanelment Form, (iv) other agreement between the Parties for the Purpose herein. It is hereby clarified that in case this Agreement provides for any additional terms which are not present in the Empanelment Form, or vice versa, such additional terms shall not be deemed to be contradictory provisions.
- 15.5. **Document and Notices:** All notices, requests, demands and other communications made or given shall be in writing and shall be either personally delivered, couriered, transmitted by postage prepaid registered mail (air mail if international), or by telex or cable (confirmed in writing by postage prepaid registered mail – air mail if international) or facsimile transmission or e-mail and shall be addressed to the appropriate Party at details provided below or to such other address or place or facsimile number as such Party may from time to time designate. Unless another address or facsimile number has been specified by a Party hereto by written notice thereof to the other Party, any notice, request, demand or other communication given or made shall be deemed to have been received (a) in the case of personal delivery, on the date of delivery, (b) in the case of mail delivery, on the date which is 10 (ten) Calendar Days after the mailing thereof; (c) in the case of courier, on the date which is 4 (four) Calendar Days from the date of dispatch thereof; (d) in the case of electronic mail, within 24 (twenty-four) hours from the electronic mail being sent; and (e) in the case of a telex or cable or facsimile, upon receipt of confirmation of

transmission / dispatch thereof. Notices to the Distributor shall be sent in accordance with the details provided in **Schedule I**. Notices to the AMC shall be sent in accordance with the details provided in the Party clause of this Agreement.

- 15.6. **Entire Agreement:** This Agreement (deemed to include its Annexures, Schedules and Exhibits, if any) constitutes the entire agreement between the Parties pertaining to its subject matter and supersedes all prior and contemporary agreements and understandings. The Parties intend this Agreement to be the final expression of their agreement with respect to its terms, and the complete and exclusive statement of those terms. The terms and conditions laid down in the Empanelment Form executed between the Distributor and the AMC shall be construed as part and parcel of this Agreement and shall be read together for all purposes.
- 15.7. **Partnership or agency:** Nothing in this Agreement shall constitute or be deemed to constitute a partnership or agency or association of Person between any of the Parties hereto and none of them shall have any authority to bind the other in any way.
- 15.8. **Severability:** If any provision or part thereof of this Agreement shall be held void or becomes void or unenforceable at any time, then the rest of the terms of this Agreement shall be given effect to as if such provision or part thereof does not exist in this Agreement. The Parties agree that such an event shall not in any manner affect the validity and the enforceability of the rest of this Agreement.
- 15.9. **Parties in interest:** This Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and permitted assigns.
- 15.10. **No third-party rights:** No provision of this Agreement is intended to, or shall, confer any rights on a third-party beneficiary or other rights or remedies upon any Person other than the Parties hereto; nor impose any obligations on the part of the Parties to this Agreement towards any third parties.
- 15.11. **No waiver:** No delay in exercising or omission to exercise any right, power or remedy accruing to any of the Parties upon any default under this Agreement, shall impair any such right, power or remedy or shall be construed to be a waiver thereof or any acquiescence in such default, nor shall the action or inaction of the concerned Parties in respect of any acquiescence by it in any default, affect or impair any right, power or remedy of the concerned Party in respect of any other default.
- 15.12. **Payment of Stamp Duty:** The Distributor shall, unless otherwise determined by the AMC, bear and pay stamp duty and other charges and expenses payable in connection with execution of this Agreement.
- 15.13. **Grievance Redressal:** Distributors, Investors having any grievance in relation to their investment in the Schemes may report such grievances to the AMC or RTA and the AMC or RTA shall seek to resolve such grievances within twenty-one (21) calendar days from the date of receipt of

the grievance, in accordance with the manner specified by SEBI. Subject to Applicable Law, in the event such grievances are not reasonably addressed within the aforesaid period, the Distributor/Investor also have the option of reporting their grievances through the SEBI Complaints Redress System (SCORES).

- 15.14. **Assignment:** Notwithstanding anything else contained in this Agreement the AMC, in its sole discretion, assign this Agreement or Transfer any rights hereunder to an Affiliate or group company of the AMC. Upon such assignment or Transfer, the assignee / transferee company shall have the same rights against the Distributor as available to the AMC under this Agreement. A Distributor shall not be entitled to assign this Agreement without the prior written consent of the AMC.
- 15.15. **Counterparts:** This Agreement may be executed simultaneously in several counterparts, each of which shall be deemed to be an original but all of which shall constitute one and the same instrument.
- 15.16. **Amendment:** No modification or amendment of this Agreement shall be binding unless made specifically in writing and upon the mutual consent of the Parties. The Parties also agree to modify/amend the provisions of this Agreement which may be necessitated due to statutory/regulatory changes. The modifications/amendments may be carried out by way of exchange of letters or addendum as may be mutually decided by the Parties.
- 15.17. **Force Majeure:** In the event of any failure, interruption or delay in performance of obligations resulting from acts, events or circumstances or force majeure, such as but not limited to as mentioned more particularly herein below, neither Party shall be liable or have any responsibility of any kind for any loss or damage incurred or suffered by the other as a result of such failure, interruption or delay. For the avoidance of doubt, the limitation of liability provisions under Clause 6.5 shall apply to force majeure events:
  - 15.17.1. any action, omission, suspension or trading, decision or ruling of any exchange, Depository or regulatory, governmental or other body or of any other person which is beyond the control of either Party; or
  - 15.17.2. any government restriction, Exchange, Depository or market rulings, suspension of trading, computer, communication, telephone or system failure, war, earthquakes, flood, accident, power failure, equipment or software malfunction, strikes or any other conditions beyond the control of either Party.
  - 15.17.3. any war, strike, lock-out, natural disaster, act of terrorism, delay in post service or any other delay or inaccuracy in the transmission of orders or other information or any breakdown, failure or malfunction which is beyond the control of either Party.
  - 15.17.4. Any other conditions beyond the control of either Party.

**[SIGNATURE PAGE FOLLOWS]**

IN WITNESS WHEREOF, the undersigned have duly executed and delivered this Agreement as of day and year first above written.

Signed for and on behalf of:

**HSBC ASSET MANAGEMENT (INDIA) PRIVATE LIMITED**



\_\_\_\_\_  
*(Authorized Signatory of HSBC)*

NAME : \_\_\_\_\_ [•]

DESIGNATION : \_\_\_\_\_ [•]



\_\_\_\_\_  
*(Authorized Signatory of HSBC)*

NAME : \_\_\_\_\_ [•]

DESIGNATION : \_\_\_\_\_ [•]

IN WITNESS WHEREOF, the undersigned have duly executed and delivered this Agreement as of day and year first above written.

Signed for and on behalf of:

\_\_\_\_\_  
**(Name of the Distributor)**



\_\_\_\_\_  
*(Authorized Signatory of Distributor)*

NAME : \_\_\_\_\_ [•]

DESIGNATION : \_\_\_\_\_ [•]

## SCHEDULE I

Sr. No.	Name and details of Distributor
1.	Name: _____ <i>(Please fill name of persons/entity/company/partnership)</i>
	Address: _____ _____ _____ _____
	Attention: _____
	Telephone: _____
	E-mail: _____
2.	Date of execution of this Agreement: _____
3.	Place of execution of this Agreement: _____

To inform in case of change of status

The Distributor agrees and undertakes to inform the AMC in the event of any change in its status be it residential or otherwise.

Changes in the information provided above are to be communicated by the authorized person of the Party desirous of changing the information to the other Party.

Distributors (other than Individuals & Listed companies) shall be required to submit the following additional documents along with the declaration, to the Fund at the time of an empanelment.

Copy of the latest shareholding pattern including list of all those holding control, either directly or indirectly, in the company in terms of SEBI takeover Regulations, duly certified by the Company Secretary / Whole time director / MD. Documents confirming identity and address of the UBOs of the entity. Distributors are requested to note that the fund shall reserve the right to seek additional information to ascertain the beneficial or controlling ownership.

**SCHEDULE II**

**Fee Schedule**

**DISTRIBUTION AGREEMENT**

Dated [ \_\_\_\_\_ ]

*(mentioned under Schedule I)*

AMONGST

**HSBC ASSET MANAGEMENT (INDIA) PRIVATE LIMITED**

(as the “AMC”)

AND

**The Distributor**

(being the Person Identified in **Schedule I** and who has executed this Agreement)

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**Table of Contents**

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<b>SR. NO.</b>	<b>PARTICULARS</b>	<b>PAGE NO.</b>
1.	DEFINITIONS & INTERPRETATIONS	22
2.	APPOINTMENT OF THE DISTRIBUTOR	24
3.	DISTRIBUTOR'S DECLARATIONS, REPRESENTATIONS & UNDERTAKINGS	24
4.	APPOINTMENT OF SUB-DISTRIBUTORS	27
5.	FEES AND CHARGES OF THE DISTRIBUTOR	28
6.	LIABILITIES AND INDEMNITIES	28
7.	CONFIDENTIALITY AND DATA PROTECTION	29
8.	NO CLAIM OR LIEN OR CHARGE ETC	30
9.	NOT TO INCUR LIABILITY, TRANSFER, ASSIGN, ETC.	30
10.	TERM AND TERMINATION	30
11.	INTELLECTUAL PROPERTY RIGHTS	30
12.	OPERATING AND SERVICE STANDARDS	31
13.	ANTI-BRIBERY	31
14.	DISPUTES	31
15.	MISCELLANEOUS	31
SCHEDULE I		34
SCHEDULE II		35

## DISTRIBUTION AGREEMENT

This distribution agreement (“**Agreement**”) is executed at place (*mentioned under Schedule I*) on this date (*mentioned Schedule I*),

### BY AND BETWEEN

- A. **HSBC Asset Management (India) Private Limited**, a company duly incorporated and registered under the provisions of the Companies Act, 1956 (and validly existing under the provisions of the Companies Act, 2013), having its registered office at 9-11 Floors, NESCO IT Park Building 3, NESCO Complex, Western Express Highway, Goregaon (E) Mumbai 400063, India (referred to as the “**AMC**”), which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and assigns) of the ONE PART.

### AND

- B. The **Person** specified in **Schedule I**, (referred to as the “**Distributor**”, which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and assigns) of the SECOND PART.

The AMC and the Distributor shall hereinafter jointly be referred to as the “**Parties**” and severally as the “**Party**” as the case may be.

### WHEREAS

- I. The AMC is appointed as asset manager to Mutual Fund (defined below) and may be granted approval to establish a Specialized Investment Fund (“**SIF**”) (*defined below*), requires Distributors for the purpose of distributing Units (*defined below*) of the Schemes (*defined below*) of the Mutual Fund and Investment Strategies (*defined below*) of the SIF and procuring subscriptions (referred to as the “**Purpose**”).
- II. The Distributor holds a valid AMFI license and is eligible to act as Distributor of mutual fund units and investment strategies of the SIF and has approached the AMC and represented to the AMC that it is agreeable to distribute and procure subscription of the said Units of the Scheme(s) of the Mutual Fund and Investment Strategies of the SIF on the terms and conditions contained in the respective SID (*defined below*), SAI (*defined below*), KIM (*defined below*) and ISID (*defined below*) and AMC intends to appoint the Distributor for the Purpose of distributing Scheme(s) of HSBC Mutual Fund and Investment Strategies of the SIF.
- III. The Distributor and the AMC are desirous of documenting the terms and conditions mutually agreed upon, inter alia, to define the allocation of duties and responsibilities between the Distributor and AMC and in pursuance of the same, the Parties are desirous of recording the said terms and conditions appearing hereinafter.

**NOW THIS AGREEMENT WITNESSETH AND IT IS HEREBY AGREED, DECLARED, CONFIRMED AND RECORDED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:**

### 1. DEFINITIONS & INTERPRETATIONS

- 1.1. **Definitions:** In this Agreement unless the context otherwise requires, the capitalized terms shall have the meaning assigned to them in this Clause 1.1:
- 1.1.1. “**Affiliate**” means, with respect to AMC or Distributor, which, directly or indirectly, Controls, is Controlled by or is under common Control with AMC or Distributor. In case of an individual Distributor, Affiliate shall mean to include his “relative” as defined in Section 2(77) of the Companies Act, 2013.
- 1.1.2. “**Agreement**” means this distribution agreement and all schedules, appendices, annexures and exhibits to it or incorporated in it by reference and from time to time.
- 1.1.3. “**AMFI**” means Association of Mutual Funds in India.
- 1.1.4. “**Anti-Bribery**” shall have the same meaning as defined under Clause 13 of this Agreement.
- 1.1.5. “**AMC**” or has the meaning given to the term in the Parties clause of this Agreement.
- 1.1.6. “**Applicable Law(s)**” means the laws of the republic of India or where applicable, any political sub-division thereof, and all the rules, Regulations, ordinances, notifications and policies notified or promulgated pursuant thereto and modifications thereof in force from time to time and shall include but not limited to any guidelines, notifications, regulations, policies, procedures that may be framed or issued from time to time by the SEBI, Reserve Bank of India, AMFI, including the Regulations.
- 1.1.7. “**ARN**” means AMFI Registration Number provided by AMFI.

- 1.1.8. “**Business Days**” means any day (except Saturdays, Sundays, public holidays) on which banks and stock markets in India are open for normal business. Provided that, with respect to a Scheme this definition shall always be subject to the definition of Business Day in the SID/SAI/KIM of the respective Scheme.
- 1.1.9. “**Calendar Days**” or “**days**” means all days in a month, including Saturdays and Sundays and any other holidays.
- 1.1.10. “**CAMS**” means Computer Age Management Service Limited, having its registered office at New No. 10, Old No. 178, M. G. R. Salai, Nungambakkam, Chennai Tamil Nadu 600034 India.
- 1.1.11. “**Confidential Information**” shall mean all information disclosed by one Party to the other pursuant to this Agreement save and except information which: at the time of such disclosure is, or subsequently becomes, publicly available (other than as a result of its disclosure by the disclosing Party or its directors, officers, employees (“**Representatives**”), in breach of this Agreement; at the time of such disclosure is, or subsequently becomes, available to the recipient party on a non-confidential basis from a source other than the disclosing Party provided that such source was not, subject to any duty of confidentiality in respect thereof; the recipient can demonstrate by written evidence that the information has been independently acquired or developed by it without breaching any of its obligations under this Agreement, or which is already in the possession or knowledge of the recipient, not subject to any duty of confidentiality.
- 1.1.12. “**Control**” (including its correlative meanings, “**Controlling**” “**Controlled by**” and “**under common Control with**”) means, as applied to AMC/Distributor, the power or right to, directly or indirectly (i) direct or cause the direction of the management of AMC/Distributor (ii) direct or cause the direction of the policy decisions exercisable by AMC/Distributor or (iii) nominate for appointment the majority of the directors on the board of directors of AMC/Distributor, by virtue of ownership or by virtue of receiving the economic benefit of ownership of voting securities or management rights or contract or in any other manner.
- 1.1.13. “**Distributor**” shall have the same meaning assigned to it in the Parties clause of this Agreement. Distributor is a person (individual/ non-individual) involved in selling and distribution of the products of the Mutual Fund for which such person has agreed to the terms and conditions set out in this Agreement.
- 1.1.14. “**FATF**” means Financial Action Task Force.
- 1.1.15. “**Fee**” shall mean an amount due from the Mutual Fund as brokerage, service charges or other fees to the Distributor for distribution of Schemes pursuant to this Agreement as provided in **Schedule II**, and such communication shall be paid by the AMC in advance of its coming into effect. All payments made to the Distributor shall be subject to the relevant provisions of the Income Tax Act, 1961 and other Applicable Laws prevailing in India for the time being in force.
- 1.1.16. “**FIU**” means Financial Intelligence Unit- India, Ministry of Finance, Government of India.
- 1.1.17. “**Force Majeure Event**” shall mean any event due to any cause beyond the reasonable control of either Party including, without limitation, any war, armed aggression, civil rebellion, earthquake, fire, lockdown, pandemic, any other natural calamity or act of God and other factors beyond the control of the Parties.
- 1.1.18. “**Investor**” shall mean any person who invests in the Schemes of the Mutual Fund or Investment Strategies of the SIF through the Distributor. This shall include all the existing and future Investors of the Distributor. Provided that in relation to schemes of the Mutual Fund or investment strategies of the SIF, Investors shall mean such person eligible to invest in units of the Mutual Fund or SIF in terms of the Scheme Information Document/Statement of Additional Information/Investment Strategy Information Document of the scheme(s) or investment strategy(ies) as stipulated from time to time.
- 1.1.19. “**Investment Strategy**” or “**Investment Strategies**” means any investment strategy formulated and launched under the SIF by the AMC and shall mean each individual investment strategy

- of the SIF, whether open-ended, close-ended or interval, and the provisions hereof shall apply to each investment strategy individually.
- 1.1.20. **“IT Law”** means and includes provisions of Information technology Act, Information Technology (Reasonable Security Practices and Procedures & Sensitive Personal Data) Rules, 2011, Digital Personal Data Protection Act, 2023 and such other rules or regulations which may modify or repeal the same from time to time. A reference to IT Law shall also deem to include all guidelines, directions, regulations, rules and notifications issued by the Government of India or any statutory or regulatory authority or SEBI for the operation and management of the Mutual Fund, or any legislation in regard thereto.
- 1.1.21. **“Intellectual Property”** means any or all of the following: all patents, designs, trademarks, trade secrets, service marks, trade names, business names, internet domain names, email address names, copyrights (including rights in computer software), moral rights, database rights, design rights, rights in know-how and rights in confidential information, rights in inventions (whether patentable or not) and all other intellectual property and proprietary rights, rights to sue for passing off or for unfair competition, rights in information and the right to use, and protect the confidentiality of, Confidential Information, and all other similar or equivalent rights subsisting now or in the future in any part of the world, in each case whether registered or unregistered and including all applications for, and renewals or extensions of, and rights to claim priority from, such rights for their full term.
- 1.1.22. **“Intellectual Property Rights”** mean all rights, benefits, title or interest in or to any Intellectual Property, anywhere in the world (whether registered or not and including all applications for the same).
- 1.1.23. **“Mutual Fund”** means HSBC Mutual Fund, a fund established in the form of a trust under the provisions of the Indian Trusts Act, 1882 to raise monies through the sale of Units to the public or a section of the public under its Schemes for investing in securities, money market instruments, gold or gold related instruments, silver or silver related instruments, real estate assets and such other assets and instruments as may be specified by the SEBI from time to time, and registered with SEBI vide Registration No. **MF/046/02/5** dated 27 May 2002 under the Regulations.
- 1.1.24. **“NAV”** shall mean the net asset value of the Units of the Scheme and the plans and options therein, calculated on every Business Day, in the manner provided in the Scheme Document of the respective Schemes or as may be prescribed by Regulations.
- 1.1.25. **“NISM”** means National Institute of Securities Markets.
- 1.1.26. **“Person”** includes any individual, sole proprietorship, association of persons, joint venture, Body Corporate, partnership, limited liability partnership, company, government agency, trust or other legal entity or organization, whether incorporated or not.
- 1.1.27. **“PMLA”** means Prevention of Money Laundering Act, 2002, as amended, modified and repealed from time to time. A reference to PMLA shall also deem to include all guidance, directions, regulations, rules and notifications issued by the Government of India or any statutory or regulatory authority or SEBI or any legislation in regard thereto.
- 1.1.28. **“Regulations”** means the Securities and Exchange Board of India (Mutual Funds) Regulations, 2026, and such other rules or regulations which may modify or repeal the same from time to time. A reference to Regulations shall also deem to include all guidelines, directions, regulations, rules, Code of Conduct, and notifications issued by the Government of India or any statutory or regulatory authority or SEBI for the operation and management of the Mutual Fund and the SIF, or any legislation in regard thereto.
- 1.1.29. **“Scheme Information Document (SID)/Statement of Additional Information (SAI)/Key Information Memorandum (KIM) / Investment Strategy Information Document (ISID)”** means a document by which Schemes of Mutual Fund or Investment Strategies of the SIF invites public for subscription of its Units.
- 1.1.30. **“RTA”** means any Registrar and Transfer Agent with whom the AMC has an arrangement for execution/confirmation of the transaction orders placed through the website/channel of the Distributor and shall have the meaning as specified from time to time in the Scheme Information Document of the Schemes of the Fund. The RTA for the Fund at present is CAMS.
- 1.1.31. **“Regulatory Authority”** means and includes SEBI, AMFI, 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.
- 1.1.32. **“Scheme(s)”** means any scheme formulated and floated by the Mutual Fund through the AMC and shall mean each individual scheme of the Mutual Fund and the provisions hereof shall apply to each scheme individually. For the purposes of this Agreement, references to Scheme(s) shall, where the context permits, include Investment Strategies launched under the SIF.
- 1.1.33. **“Scheme Documents”** means collectively the SID, SAI, KIM and ISID of the Schemes of Mutual Fund and Investment Strategies of the SIF, as applicable, and includes addendums issued, if any, thereafter.
- 1.1.34. **“SEBI”** means the Securities and Exchange Board of India.
- 1.1.35. **“SIF”** means a Specialized Investment Fund established by the Mutual Fund through the AMC in accordance with Chapter IX of the Regulations and the circulars issued thereunder, offering Investment Strategies to investors subject to a minimum investment threshold of Rupees Ten Lakhs (INR 10,00,000) across all Investment Strategies.
- 1.1.36. **“Sponsor”** means HSBC Securities and Capital Markets (India) Private Limited.
- 1.1.37. **“Statement of Account”** means the statement of holdings of Units of the Scheme, issued to the Unit Holder under the Scheme of Mutual Fund showing unit holding of the Unit Holder, provided that in the case of a Unit holder opting for holding Units in dematerialized form, the Account Statement will refer to the statement issued to such Unit Holder by the Unit Holder’s depository participant.
- 1.1.38. **“Sub-distributor”** means a person who represents a Distributor for selling and distribution of units of the Mutual Fund and shall inter alia include any sub-broker, agent, consultant, financial advisor, channel partner or called by any other name involved in selling and distribution of units of the Mutual Fund for whom and whose activities under the present Agreement the Distributor shall continue to be liable and fully accountable.
- 1.1.39. **“Transaction”** means any financial or non-financial transaction or service by the Investor(s).
- 1.1.40. **“Trustees”** means HSBC Trustees (India) Private Limited, a company incorporated under the Companies Act, 2013, having its registered office at 52/60 Mahatma Gandhi Road, Fort, Mumbai-400001, India, acting as trustee to HSBC Mutual Fund.
- 1.1.41. **“Unit”** means the interest of the Investors in the Scheme(s) consisting of each Unit representing one undivided share in the assets of that Scheme(s) as evidenced by a Statement of Account.
- 1.1.42. **“Unit Certificate / Account Statement”** means a certificate / account statement in any form issued to the holder of the Units under the Scheme(s) of the Mutual Fund.
- 1.1.43. **“Unit Holder”** means a person holding Units in the Scheme(s) of Mutual Fund.
- 1.2. **Interpretations:** In this Agreement, unless the context otherwise requires:
- 1.2.1. unless specified otherwise, words and expressions used in this Agreement and not defined in this Agreement shall have the same meanings respectively assigned to them under the Regulations.
- 1.2.2. words in the singular shall include words in plural and words in plural shall include the singular.
- 1.2.3. the headings and sub-headings used in this Agreement are inserted only for reference to the provisions hereof and shall not affect the construction of such provisions.
- 1.2.4. a reference to a thing includes a part of that thing and references to the word “include” or “including” shall be construed without limitation.
- 1.2.5. reference to any one gender would include a reference to any other gender.
- 1.2.6. references to “Clauses” and “Parties” in this Agreement are references to the Clauses of, and Parties to (and their permitted successors and permitted assigns) this Agreement.
- 1.2.7. references in this Agreement to statutory provisions shall be construed as references to those provisions as modified or re-enacted from time to time (whether before or after the date of this

Agreement) and to any subordinate legislation made under such provisions and shall include references to any repealed statutory provision which has been so re-enacted (whether with or without modification).

- 1.2.8. references to "Schedule", "Exhibit" or "Annexure" in this Agreement are references to schedules, exhibits and annexures of this Agreement and any Schedule, Exhibit or Annexure attached hereto shall form an integral part of this Agreement and all words and expressions used in the Schedule, Exhibit or Annexure shall have the same meaning as defined in this Agreement, unless repugnant to the context or meaning thereof.
- 1.2.9. references to this Agreement or to any agreement, deed or other instrument shall be construed as a reference to this Agreement, such agreement, deed, or other instrument as the same may from time to time be amended, varied, supplemented or novated.

## 2. APPOINTMENT OF THE DISTRIBUTOR

- 2.1. Subject to the Distributor holding a valid ARN and having satisfied the 'fit and proper' criteria as determined by the AMC through its due diligence process in accordance with SEBI and AMFI guidelines, the AMC hereby appoints the Distributor as a distributor of the Units of the Scheme(s) launched by the Mutual Fund and Investment Strategies launched by the SIF through the AMC initially and thereafter from time to time and as may be agreed between the Distributor and the AMC, and the Distributor hereby accepts such appointment on the terms and conditions set out hereinafter.
- 2.2. The Distributor agrees that this relationship is expressly established subject to AMC being allowed to appoint other Distributors to distribute the Units of the Mutual Fund.
- 2.3. Further, the Distributor agrees that while acting in a representative capacity to AMC, any purchase, repurchase, redemption requests or any other request pertaining to the Units of the Mutual Fund received and forwarded by the Distributor shall be subject to final acceptance by the AMC and shall also be subject to the terms and conditions of the Scheme Documents.
- 2.4. The Distributor acknowledges that any purchase or switch transactions received under an invalid, expired, or non-empaneled ARN shall be processed under Direct Plan and no commission shall be payable to the Distributor in respect of such transactions. The Distributor shall have no recourse or claim against the AMC for processing such transactions under Direct Plan.

## 3. DISTRIBUTOR'S DECLARATIONS, REPRESENTATIONS & UNDERTAKINGS

- 3.1. The Distributor declares, represents, and undertakes that:
  - 3.1.1. The Distributor holds a valid AMFI licence and is authorised to undertake distribution of Mutual Fund Units and has the capacity to enter into this Agreement and is not in any way restricted from entering and performing under this Agreement. Nothing contained in this Agreement shall have the effect of imposing an obligation on the Distributor to offer all the Schemes managed by the AMC to its Investors.
  - 3.1.2. The Distributor shall, as a distributor of the Schemes, submit/transmit to the AMC and/or its RTA, Transaction requests on behalf of its Investors including, but not limited to, the Purchase and Redemption of Units, SIP, STP, SWP, Change of Income Distribution cum Capital Withdrawal (IDCW) Option and Switch. Provided that, any such Transaction request shall be subject to the applicable Regulations and the terms and conditions of the SIDs of the relevant Scheme, as amended from time to time.
  - 3.1.3. The Distributor has not violated any of the Applicable Law and declares that no disciplinary or other proceedings have been commenced or indicated or threatened by SEBI or any other regulatory agency or competent authority against the Distributor which impairs its performance under this Agreement and that the Distributor is not debarred or suspended from carrying on its activities for the Purpose of this Agreement.
  - 3.1.4. The Distributor should immediately inform AMC on receipt of any complaint from an Investor. The Distributor shall also provide required assistance to the Fund in suitably addressing the complaint received arising out of marketing, sale, and distribution activities thereof. The Distributor shall provide assistance and response, as may be required by the RTA or the AMC, to redress complaints received against the Distributor arising out of marketing, sale, and distribution activities, within two (2) Business Days of receipt of any such complaint.

- 3.1.5. The Distributor and its employees, agents (including Sub-Distributors), servants and representatives have obtained all the necessary approval(s), registration(s), certification(s), as applicable, required from relevant authority(ies) for the purposes of providing the services under this Agreement and shall ensure that such approval(s), registration(s), certification(s), as applicable, will remain in force including taking prompt steps for renewal of the same. The Distributor further ensures that it has not violated any of the conditions subject to which such approval(s) / registration(s) / certification(s) has been granted.
- 3.1.6. The Distributor hereby certifies that all its employees, agents, servants and representatives engaged in sales and marketing of the Units of the Schemes of the Mutual Fund are certified by AMFI or NISM, as the case may be, and hold a valid AMFI and NISM certificate as required by SEBI. For the distribution of Investment Strategies under the SIF, the Distributor and its relevant employees, agents, servants and representatives shall additionally hold a valid NISM Series-XIII: Common Derivatives Certification or such other certification as may be specified by SEBI from time to time. Further the Distributor shall on the request by the AMC at any time and from time to time, provide a declaration to the above effect. In addition, the AMC shall have the right to obtain copies of AMFI and NISM Certificates (including photo identity card provided by AMFI and NISM certification) of all the Distributor's employees, agents (including Sub-Distributors), servants and representatives engaged in sales and marketing of the Units of the Mutual Fund and Investment Strategies of the SIF and the Distributor shall furnish the same within two (2) Working Days on demand by the AMC.
- 3.1.7. The Distributor undertakes that except as specifically advised by the AMC in writing or as described in the Scheme Documents, no action has been or Distributor is anticipating an action in any jurisdiction that will permit a public offering of Units or possession or distribution of the Scheme Documents outside India where, or in any circumstances in which, action for that purpose is required. Further the Distributor shall comply with all Applicable Laws and Regulations and at its cost make or obtain necessary filing, consents, or approvals, in each jurisdiction in which it will offer, distribute Units (including, without limitation, any applicable requirements relating to the delivery of Scheme Documents).
- 3.1.8. The Distributor shall be responsible for providing the Foreign Inward Remittance Certificate (FIRC) or the certificate evidencing the subscription by way of debit to the NRE/FCNR account of any non-resident Indian (NRI) / overseas corporate bodies (OCB) within five (5) days from receiving credit to the Scheme account.
- 3.1.9. The Distributor shall be responsible for periodically reporting to the AMC, the progress that the Distributor has made in distributing the Schemes as hereinabove stated.
- 3.1.10. The Distributor undertakes that the relationship between the Distributor and the AMC is that of trust and the Distributor shall act in a trustworthy capacity in respect of the transactions entered into by the Distributor on behalf of the AMC. The Distributor shall ensure that they do not encourage Investors in circumventing any provision under the Regulations and keep them adequately advised of complying with the Regulations in letter and spirit.
- 3.1.11. The Distributor undertakes that it shall do all acts, deeds and things necessary on behalf of the AMC whereby the customer's confidence and interest in the Mutual Fund is fully protected at all times.
- 3.1.12. The Distributor shall ensure that the following are strictly adhered to:
  - 3.1.12.1. Units of the scheme(s) of the Mutual Fund are sold only in the manner prescribed in the Scheme Documents and no cash, money orders and postal orders should be accepted at any point of time.
  - 3.1.12.2. It should facilitate subscription or redemption of Units at prevailing applicable NAV.
  - 3.1.12.3. It should not withhold placing Investor orders for the Units so as to profit themselves as a result of such withholding.
  - 3.1.12.4. It should provide each Unit Holder with a copy of Scheme Documents and will be allowed to inspect or receive a copy of such documents of the Mutual Fund as mentioned in the Scheme Documents.

- 3.1.12.5. It should not make any representations except those contained in the Scheme Documents issued by the AMC as information supplemental to such documents.
- 3.1.12.6. It should not sell or distribute the Scheme(s) in any manner which contradicts or is inconsistent with the manner in which the Scheme(s) is presented or depicted in Scheme Documents or any other publications, newsletter, fact sheets prepared by the AMC.
- 3.1.12.7. It should not use or design any advertising or sales material other than sales material released by the AMC relating to the Mutual Fund unless approved in writing by the AMC in advance. It shall strictly adhere to the SEBI guidelines on advertisements and sales literature and keep informed of the changes made by SEBI from time to time in this regard.
- 3.1.12.8. It should not indulge in any kind of malpractice or unethical practice to sell, market or induce any investor to buy the Units of the Schemes, as more particularly described in Clause 3.1.27.
- 3.1.12.9. It should not make or give any representation, statement or warranty which is incorrect, incomplete or misleading (whether by reason of any omission to state a material fact or for any other reason).
- 3.1.12.10 It shall not accept any offerings or subscriptions from persons residing in United States, Canada or FATF (Financial Action Task Force) non-compliant countries.
- 3.1.13. The Distributor (including its employees, agents, servants and representatives) shall take adequate steps to obtain information and identity of Investors who are willing to invest in the Schemes of Mutual Fund through the Distributor in compliance with the KYC requirements under Applicable Law.
- 3.1.14. The Distributor shall upon demand from the AMC provide all such information, reports or documents obtained and maintained by the Distributor (including by its employees, agents, servants and representatives) immediately to the AMC in respect of services provided by the Distributor to the AMC under this Agreement.
- 3.1.15. The Distributor shall not do, communicate, print or publish anything which is illegal, unethical, fraudulent, improper or questionable or which may be detrimental to the reputation of AMC and Mutual Fund, or which may be in any manner harmful to or against the interests of the AMC and Mutual Fund or which may result in a contravention of the provisions of the Regulations.
- 3.1.16. The Distributor (including its sub-distributors) shall upon receipt of a request from the AMC, allow authorized person(s) as designated by the AMC, the right to audit and inspect all the records maintained by Distributor with respect to services provided under this Agreement and take such computer printouts, information, copies as may be required by AMC for carrying out the audit and inspection.
- 3.1.17. The Distributor undertakes to take utmost care that all employees, agents (including Sub-distributors), and representatives of the Distributor shall at all times maintain strict confidentiality of the Confidential Information with regard to all matters and documentation and information relating to the AMC, any Schemes and issues raised by the AMC from time to time and shall not divulge or allow or cause to be divulged or allowed any Confidential Information or know-how which it has received under the terms of this Agreement or which comes into its hands or into the hands of any of its employees, agents (including Sub-distributors), servants and representatives. The Distributor shall, if so required by the AMC, have its employees, servants, agents and representatives sign a declaration for observing strict secrecy on all Investor transactions. The Distributor will make the reportings required, if any, to be made to SEBI and the disclosures required under the laws to be made to the public with prior notice to the AMC of not less than seven (7) Calendar Days. This clause shall survive the termination of this Agreement.
- 3.1.18. The Distributor undertakes at its responsibility to educate its sub-distributors and Investors about the Schemes of the Mutual Fund and will do its best to create awareness about the Schemes of Mutual Fund and the AMC and the products and services offered by the AMC among its sub-distributors, Investors and public at large provided that the AMC shall not be liable or bound by any representation made about the AMC or the HSBC Group by the Distributor. For the avoidance of doubt, the limitation of liability provisions under Clause 6 shall apply to this clause.
- 3.1.19. The Distributor agrees that this relationship is expressly established subject to the AMC being allowed to appoint other Distributors to sell the Units of Scheme(s). Distributor confirms that he/she/it, or its employees, directors, are not related to/relative or connected to AMC, or its employee, directors, Sponsor, its directors, employee, or an Associate (as defined under MF Regulations).
- 3.1.20. The Distributor agrees to adhere to the Code of Conduct notified under the Applicable Laws.
- 3.1.21. The Distributor further undertakes to provide the AMFI/ARN certificate or any other certificate that may be required under the Applicable Law on an annual basis or as may be determined by the AMC from time to time. The Distributor agrees to provide such declarations and/or certifications and/or undertakings as may be required by AMC to ensure that the Distributor is in compliance with the Applicable Law including the Regulations.
- 3.1.22. The Distributor acknowledges that it is not entitled to receive Fee on its own investments and shall inform the AMC if it receives such Fee, erroneously or otherwise and shall reimburse such amounts to the AMC immediately upon receipt together with such sums and will not wait for the AMC for demand of such refund of such an amount. To clarify, this amount erroneously transferred cannot be adjusted with any pending or future payment of Fee to the Distributor by the AMC.
- 3.1.23. The Distributor shall not use or display the acronym 'HSBC'/HSBC Mutual Fund' or any other mark or Logo of HSBC or any part or derivative thereof ("**Trademark**") including these marks/ trademarks along with a hashtag # and it shall not reproduce, store in a retrieval system or transmit, on any form or by any means, electronic, mechanical, photocopying, recording, or otherwise, the Trademark or Logo of HSBC, HSBC Bank, HSBC Mutual Fund, HSBC Asset Management including these marks/trademarks along with a hashtag #, without the prior explicit written permission of the AMC.
- 3.1.24. The Distributor shall have exclusive control over its employees in the conduct of activities under this Agreement and shall be regarded as an independent contractor. The Distributor is not constituted as an agent of AMC for any purpose whatsoever and is expressly prohibited from doing any acts which do or may create the impression or inference that the Distributor is an agent of AMC. Further, the Distributor is not granted any right or authority to create any obligation or responsibility, express or implied, on behalf of, or in the name of AMC in any manner whatever.
- 3.1.25. The Distributor shall disclose to the Investors all material information including all commissions (in the form of trail commission or any other mode) received or receivable by them for the different competing schemes of various Mutual Funds from amongst which the scheme is being recommended to the Investor in compliance with the Applicable Laws. The Distributor shall not rebate or pass-back commission to Investors and shall refrain from attracting Investors through inducement of rebate or gifts / gift-vouchers etc.
- 3.1.26. The Distributor shall not collude or undertake malpractices such as: (i) encouraging over-transacting and churning of investments to earn higher commissions; (ii) splitting applications to earn higher transaction charges / commissions; (iii) participating in payment defaults (such as dishonoring of cheques) or diversion of funds; (iv) making false claims for or participating in wrongful dividend / redemption payouts; or (v) selling unsuitable products to clients, selling units of schemes of any mutual fund, directly or indirectly, by making false or misleading statements, concealing or omitting material facts of the scheme, or concealing the associated risk factors of the schemes.
- 3.1.27. The Distributor understands that the AMC has a statutory obligation under the PMLA to report to FIU on an ongoing basis. The Distributor agrees to assist in procuring data with respect to such suspicious transaction reporting and report any suspicious activity that it may independently become aware of at any point in time.
- 3.1.28. The Distributor agrees that in the event that the Distributor commits a breach of any of the terms and conditions contained herein then AMC may forthwith by notice in writing terminate this Agreement

without any liability of any sorts whatsoever in respect of such termination. The indemnification obligations under Clause 6 shall apply to any such breach.

- 3.1.29. The Distributor agrees that it has adequate due diligence measures to monitor and counter any fraudulent practices conducted by its Investors and will adequately comply with SEBI/AMC's directions in this regard.
- 3.1.30. The Distributor shall ensure that their Representatives undergo training on proper conduct for their sales, marketing and distribution activities focusing on (i) awareness and understanding of their fiduciary obligations towards Investors, (ii) adequate procedures to be followed in performance of their functions so as to prevent and detect any frauds and errors, and (iii) responsible usage of social media platform with respect to content standards, authenticity and approval for the information, frequency of usage and other ethical practices.
- 3.1.31. The Distributor shall co-operate with and provide assistance to the AMC, AMFI, SEBI, competent authorities, and due diligence agencies appointed by AMFI/AMC (as applicable) in relation to their services to the AMC including by providing copies of relevant documents of the Investors in their possession as may be required by the AMC from time to time or as may be called for by SEBI/AMFI/competent authority pursuant to any investigation or other proceeding.
- 3.1.32. The Distributor shall refund to the AMC (either by set off against future commissions or by payment) all incentives of any nature, including commissions received, that are subject to clawback as per SEBI Regulations or the terms and conditions issued by the AMC.
- 3.1.33. The Distributor shall immediately notify the AMC and AMFI, in writing, if any of its Representatives has committed any act amounting to moral turpitude, financial irregularities or has been arrested by the police or whose employment/service has been terminated on account of any of the aforesaid acts.
- 3.1.34. The Distributor shall promptly intimate the AMC and AMFI of any change in the Distributor's status, constitution, address, contact details or any other information provided at the time of obtaining ARN, as well as any changes to the declarations, representations and undertakings included in this Agreement or any changes having an impact on the services provided by the Distributor in terms of this Agreement.
- 3.1.35. KYD (Know your Distributor) norms will be applicable for fresh ARN registration and ARN renewal effective from 1 September 2010. In line with AMFI circular 35P/MEM-COR/20/12-13 dated 16 November 2012; static details of the distributor except bank details will be imported from centralised database (KYD) effective from 15 January 2013. For any subsequent change in static details, the distributor needs to submit the request at AMFI unit of CAMS or the CAMS Service Centre and not to individual AMCs / RTAs. Any subsequent change in static details and further registered with KYD will overwrite the records already maintained with the AMC.
- 3.1.36. The Distributor shall ensure that no investment applications from persons residing in United States of America or Canada are sourced. Further, applications from persons residing in any country which is declared by the Financial Action Task Force (FATF) as a non-compliant country/territory should also not be sourced. The Distributor to ensure for all Non-Resident Indian investors, the complete overseas address is procured, including the Country of residence, to avoid rejection of the application. The distributor shall keep investors aware that the AMC reserves the right to redeem any such investments in case of change of address to a US/Canada address on a later date.
- 3.1.37. Confirmation under the Foreign Account Tax Compliance Act (FATCA) for determining US person status (MANDATORY for ALL distributors) - The United States Department of the Treasury and the US Internal Revenue Service (IRS) has introduced The Foreign Account Tax Compliance Act (FATCA), effective 1 July 2014. The purpose of FATCA is to report financial assets owned by United States persons to the United States tax authorities. Accordingly, Government of India may collect information from banks and financial institutions and onward submit it to United States authorities. All Distributors including non-individual distributors, shall be required to submit a mandatory declaration form confirming their status against a list of US indicia's. The

Indicia are to identify a United States Person as defined under the Laws of the United States of America. In case of any change in the information such as address, telephone number, citizenship, etc., distributors are requested to bring this to the notice of the fund and submit the FATCA declaration form (available on the fund website). AMC reserves the right to seek additional information/documents in order to ascertain your status.

- 3.1.38. Identification of Ultimate Beneficial Owner (UBO) - Distributors are required to provide details of Ultimate Beneficial Owner(s) ("UBO(s)") and submit proofs to identify the UBO, i.e., Identity and address proof. Ultimate Beneficial Owner (UBO) is the natural person, who ultimately owns or controls, directly or indirectly your organisation. Controlling ownership interest has been defined as ownership of;
  - 3.1.38.1. more than 10% of shares or capital or profits of the juridical person, where the juridical person is a company;
  - 3.1.38.2. more than 10% of the capital or profits of the juridical person, where the juridical person is a partnership; or
  - 3.1.38.3. more than 10% of the property or capital or profits of the juridical person, where the juridical person is an unincorporated association or body of individuals.
  - 3.1.38.4. In case of a Trust, beneficial owners of the trust need to be known by determining the identity of the settler of the trust, the trustee, the protector, the beneficiaries with 10% or more interest in the trust and any other natural person exercising ultimate effective control over the trust through a chain of control or ownership.
  - 3.1.38.5. In case the Distributor is a listed company or a subsidiary where the majority is held by a listed company, then the details of shareholders or beneficial owners is not required.
- 3.1.39. The Distributor shall ensure that Schemes recommended or sold to Investors are appropriate and suitable based on the Investor's risk profile, financial objectives, and investment experience. The Distributor shall not engage in mis-selling, including but not limited to:
  - 3.1.39.1. selling Schemes to Investors for whom they are unsuitable, including small-cap funds, retirement funds, and close-ended funds to senior citizens, minors, and non-individuals.
  - 3.1.39.2. providing false, misleading, or incomplete information about the risks associated with the Schemes.
  - 3.1.39.3. inducing Investors to make investments primarily for Fee or incentive-driven motives rather than suitability to their financial needs.
- 3.1.40. The Distributor shall at all times, comply with the Applicable Laws and shall refrain from entering into any arrangement which seeks indemnification from Investor or purports to disclaim liability in relation to any claims arising therefrom. This obligation is without prejudice to the indemnification obligations of the Distributor under Clause 6.
- 3.1.41. The Distributor shall maintain necessary physical and digital infrastructure to support the AMC in maintaining high service standards to Investors and ensure that critical operations such as forwarding/submission of forms and cheques etc. to AMC/RTA are appropriately supported. In view of increased initiatives towards digitization, the Distributor shall adopt adequate information technology related infrastructure, including in relation to cyber security measures to maintain confidentiality of electronic data during collection, transmission and storage as well as to mitigate risks related to execution of Mutual Fund transactions through digital platforms.
- 3.1.42. The Distributor shall have internal control procedures and financial and operational systems and processes which can be reasonably expected to detect and prevent mis-selling as well as mitigate financial loss arising from fraud and other dishonest acts, professional misconduct or omissions, theft, or force majeure events.
- 3.1.43. The Distributor shall maintain adequate records in relation to clients, whether in physical or digital form, as applicable, in compliance with the Applicable Laws and Regulations, including KYC records as well as correspondence with the Investors on

particular scheme or transaction suitability and consent/dissent of the Investors.

3.1.44. For the distribution of Investment Strategies under the SIF, the Distributor shall additionally ensure compliance with the following requirements:

3.1.44.1. the Distributor shall clearly communicate to prospective Investors the minimum investment threshold of Rupees Ten Lakhs (INR 10,00,000) applicable across all Investment Strategies of the SIF at the PAN level, and ensure that no investment below this threshold is procured;

3.1.44.2. the Distributor shall prominently disclose to prospective Investors the standard disclaimer: "Investments in Specialized Investment Fund involves relatively higher risk including potential loss of capital, liquidity risk and market volatility. Please read all investment strategy related documents carefully before making the investment decision.";

3.1.44.3. the Distributor shall ensure that Investors are made aware of the subscription and redemption frequencies, notice periods (if any), and liquidity risks associated with each Investment Strategy;

3.1.44.4. the Distributor shall ensure that the Investment Strategies are distributed only to such Investors who meet the eligibility criteria and investment threshold requirements specified in the respective Investment Strategy Information Document (ISID) of the SIF.

### 3.2. AMC declarations, representations & warranties:

3.2.1. The AMC will make available Scheme Document of a particular Scheme(s) as may be reasonably requested by the Distributor. The AMC shall provide the Distributor with all the addendums to the Scheme Document, if any, and the Distributor shall in turn ensure that the addendums are compulsorily attached to the Scheme Document provided to Investors or prospective investors.

3.2.2. Notwithstanding anything contained in this Agreement, the sale and repurchase of Units will be made at the NAV of the relevant business day in accordance with the then current Scheme Document of the Scheme(s).

3.2.3. The AMC appointed RTA will issue Units for each investor, it being understood in all cases that (a) the Distributor is authorized to act as an agent for the Investor, (b) that the relationship between the AMC and the Distributor is one of principal-to-principal, (c) each transaction is initiated solely upon the directions, instructions of the Investor, (d) each transaction is for the account of such Investor and not for the Distributor's own account, (e) always each Investor will be provided by the Distributor with a copy of the abridged Scheme Document, if any, with respect to the relevant Scheme and will be allowed to inspect or receive a copy of the Scheme Document, of the relevant Scheme, (f) as between the Distributor and the Investor, the Investor will have full ownership of the Units.

3.2.4. The AMC shall comply with instructions and procedures mutually agreed with the Distributor and shall also issue its own internal instructions to its employees on similar lines and undertakes to use its best endeavors to ensure that the RTA does comply with the same.

3.2.5. The AMC undertakes that all employees, agents and representatives of the AMC shall at all times maintain strict confidentiality in respect of such database procured from the Distributor. Further the AMC shall use its best endeavors to ensure that its RTA also complies with the same.

3.2.6. All statements made and information which have been provided by the AMC to the Distributor for or in connection with Distributor's appointment, services as a Distributor under this Agreement are at the time of furnishing the information or making the statement to the knowledge of the AMC, materially correct and complete and are not misleading.

3.2.7. The AMC hereby declares that it has complied with and shall continue to comply with all applicable regulatory formalities under the Regulations.

3.2.8. The AMC has the necessary authority to promote the Scheme(s) and do all matters and things as may be necessary for discharge or enforcement of the same.

3.2.9. The AMC will advise the Distributor as soon as practicable, (i) of the issuance by any governmental or regulatory authority of any order preventing or suspending the use of the Scheme Documents or any portion thereof; (ii) of the occurrence of any event at any time as a result of which the Scheme Documents, as then amended or supplemented, would include any untrue statement of a material fact having a direct or indirect impact on the Investors necessary in order to make the statements therein, in the light of the circumstances, existing when the Scheme Documents is delivered to a Investors not misleading; and (iii) of the receipt any notice with respect to any suspension of the services in any jurisdiction.

3.2.10. The AMC owns all Intellectual Property Rights and proprietary rights in the material and information made available by the AMC to the Distributor for the purpose of enabling it to provide services under this Agreement.

3.2.11. The AMC shall be responsible for conducting due diligence of the Distributor in accordance with the parameters specified by SEBI and AMFI from time to time, including at the time of empanelment and during periodic reviews to satisfy 'fit and proper' criteria. The AMC shall monitor the activities of the Distributor to ensure that they do not indulge in any kind of malpractice or unethical practice while selling or marketing Mutual Fund units.

3.2.12. The AMC shall report any non-compliance by the Distributor with the Mutual Funds Regulations, guidelines, or code of conduct to SEBI and AMFI in the periodic meetings of the Board of the AMC and the Trustee(s), and the AMC shall not deal with distributors who do not follow the AMFI Code of Conduct.

3.2.13. The AMC shall also be responsible for mis-selling done by persons associated with selling of mutual funds including the Distributor. The performance disclosure to Investors, if any, by the Distributor shall be true and fair and shall not be misleading to the Investor by representing any selective time period representing favourable returns.

### 3.3. Distributor and AMC representations & warranties:

The Distributor and the AMC severally and only in relation to itself represent and warrant as follows:

3.3.1. It is duly incorporated under the laws of India and has the power to conduct its operations as presently conducted and to enter into this Agreement.

3.3.2. It has the power, capacity and authority to execute, deliver and perform this Agreement and has taken all necessary sanctions and approvals (corporate, statutory or otherwise) to authorize the execution, delivery and performance of this Agreement.

3.3.3. As at the date of this Agreement nothing herein conflicts with any judgment, decree or order or any statute, rule or Regulation applicable to it.

3.3.4. It is not currently involved with any litigation in connection with the securities market, offence involving moral turpitude or any other economic offense whose outcome might materially and adversely affect its ability to discharge its functions under this Agreement.

3.3.5. It is in compliance with and shall, during the term of this Agreement, continue to comply with the Scheme Document, Applicable Law, Regulations, in relation to this Agreement.

3.3.6. It has no outstanding obligations or liabilities contingent or otherwise (including tax liabilities) which might materially and adversely affect the performance of its obligation under this Agreement.

3.3.7. All governmental approvals and statutory permissions to the extent and as are necessary for the execution of this Agreement have been obtained.

## 4. **APPOINTMENT OF SUB-DISTRIBUTORS**

4.1. The Distributor may appoint any number of sub-distributors as it deems fit and necessary, provided however that each such sub-distributor appointed by the Distributor shall have a valid ARN, all the qualifications, approvals, licenses, valid certificates required to act in such capacity and the Distributor understands and agrees to be responsible and accountable for the acts and misdeeds of its sub-distributors.

4.2. The Distributor shall ensure that sub-distributors (and if the sub-distributor is a firm or a company or any other artificial person then all its employees, agents, servants and representatives engaged in sales and marketing of Units of the Schemes) shall have AMFI certification as required by SEBI and that such certification is valid. The Distributor shall also ensure that

all the sub-distributors are registered with AMFI and hold a valid ARN and that their sales personnel hold valid Employee Unique Identification Number (EUN). In case of corporate sub-distributors, the Distributor should ensure that all the employees engaged by the sub-distributors are registered with AMFI and have valid identity proof. The Distributor shall ensure that sub-distributors quote their valid ARN and EUN for all transactions in Regular Plan.

- 4.3. The Distributor also undertakes that it will ensure that all the sub-distributors comply with the Applicable Law, with specific focus on regulations/guidelines on advertisements and sales literature for the purpose of this Agreement. The Distributor also undertakes that it will ensure that the sub-distributor provides all such certificates, documents, information as may be stipulated by the AMC, from time to time.
- 4.4. The Distributor agrees that the AMC shall have no privity of contract with such sub-distributors so appointed by the Distributor and that both the AMC and the Mutual Fund under no circumstances, directly or indirectly, shall be liable for any act or omission of the sub-distributor. For the avoidance of doubt, the Distributor's indemnification obligations under Clause 6 shall extend to all acts and omissions of its sub-distributors.
- 4.5. The Distributor agrees that the agreement if any, between the Distributor and sub-distributor(s) shall not contain any clauses which are contrary to what is stated in this Agreement. However, if the said Agreement contains clauses which require prior approval of the AMC, the said clauses shall be effective only after such approval is obtained by the Distributor from the AMC in writing.
- 4.6. The Distributor shall be responsible for supervising and monitoring the activities of such sub-distributors appointed by it to ensure that they do not indulge in any kind of malpractice or unethical practice while selling or marketing Mutual Fund units, and shall be responsible for ensuring that each sub-distributor shall always act in compliance with all Applicable Law.
- 4.7. The Distributor shall ensure that the sub-distributor including all its employees, agents, servants and representatives, directors, partners, as applicable, shall always maintain the confidentiality as imposed by Clause 3.1.17.
- 4.8. The AMC will not be responsible for payment of any Fee to sub-distributors and any payment to such sub-distributors shall be the sole responsibility and liability of the Distributor. Any claims arising from such payments shall be subject to the indemnification provisions under Clause 6.
- 4.9. Neither Distributor nor its associate shall commit tax evasion nor undertake any activities which may facilitate or otherwise result in another person committing tax evasion, in undertaking its obligations under this Agreement. And it and its associate shall maintain reasonable procedures designed to prevent any employees, agents or other persons, who perform services for them or on their behalf, from undertaking any activities which would facilitate or otherwise result in another person committing tax evasion.
- 4.10. The Distributor shall ensure that the sub-distributors submit the annual Declaration of Self-Certification (DSC) to the Distributor confirming compliance with regulatory guidelines and Code of Conduct. The Distributor shall retain such declarations for a period of at least eight (8) years and shall confirm in its own annual DSC submitted to AMFI that all sub-distributors have submitted their respective DSC.

## 5. FEES AND CHARGES OF THE DISTRIBUTOR

- 5.1. The Distributor Fee will be paid by direct credit to the Distributor's account, the details of which shall be furnished by the Distributor (and not in the name of any nominee of the Distributor or other person). If the said direct credit arrangement is not practicable, the same shall be paid either by account payee cheque, demand draft or any other arrangement as agreed upon by the Parties to this Agreement. No Fee will be paid in cash.
- 5.2. Further, all payments to the Distributor shall be subject to the relevant provisions of the Income Tax Act, 1961 and other Applicable Laws.
- 5.3. The Mutual Fund shall pay to the Distributor Fee for the services provided under this Agreement and the same will be exclusive of all taxes, cess, charges and levies as per the schedule mentioned in **Schedule II**. The Fee schedule is subject to change as mutually agreed between the AMC and the Distributor from time to time.
- 5.4. Notwithstanding termination of this Agreement, the Distributor shall be entitled to receive, such fees as is payable to the Distributor in respect of business procured by the Distributor prior to the termination of this Agreement. The provision of this clause shall survive termination of this Agreement.
- 5.5. The Distributor shall raise all its grievances within one (1) month of receipt of such Fee or other amount by the Distributor and the Distributor shall not be entitled to make any grievance thereafter.

- 5.6. In case the Distributor receives any Fee or incentive or any other amount/fee which is not due or payable to the Distributor, the Trustee of Mutual Fund, AMC on behalf of the Mutual Fund shall be entitled to recover or adjust all such amounts as are wrongly paid to the Distributor and the Distributor shall refund such amounts to the Mutual Fund, AMC on behalf of Mutual Fund within thirty (30) Business Days from the date of receipt of information by the Distributor.

## 6. LIABILITIES AND INDEMNITIES

- 6.1. The Distributor shall irrevocably, unconditionally, and on a full indemnity basis, indemnify, defend, and hold harmless the AMC, the Mutual Fund, its Sponsor, Trustees, Directors, employees, officers, Affiliates, and their respective successors and assigns (collectively the "**Indemnified Parties**") from and against any and all costs, losses, damages, liabilities, demands, penalties, fines, levies, claims, actions, proceedings, judgments, settlements, and expenses of whatsoever nature (including but not limited to reasonable legal fees, costs of investigation, expert witness fees, and costs of enforcement of indemnity rights) whether actual, contingent, or prospective, arising directly out of or in connection with:
  - 6.1.1. any misrepresentation, misstatement, omission, concealment, or misleading information (whether by act or omission) made or provided by the Distributor, its employees, agents (including sub-distributors), representatives, or any person acting on behalf of the Distributor, whether oral, written, electronic or otherwise, relating to the Scheme(s) of Mutual Fund, the AMC, or any matter connected with this Agreement;
  - 6.1.2. any breach, non-compliance, default, or violation (whether material or otherwise) by the Distributor, its employees, agents (including Sub-Distributors), representatives, or any person acting on behalf of the Distributor, of any obligation, representation, warranty, covenant, undertaking, or term of this Agreement, whether express or implied;
  - 6.1.3. any act or omission constituting negligence (whether gross or ordinary), misconduct, mis-selling, improper solicitation, unauthorized representation, churning, unsuitable advice, failure to conduct proper suitability assessment, or failure to adhere to the Scheme Documents, KYC/AML requirements, applicable laws, regulations, circulars, guidelines, or directions issued by Regulatory Authorities;
  - 6.1.4. any fraudulent, unlawful, unethical, dishonest, or wrongful act or omission committed by the Distributor, its employees, agents (including Sub-Distributors), representatives, or any person acting on behalf of the Distributor, including but not limited to collusion with Investor(s), front-running, market manipulation, insider trading, money laundering, terrorist financing, improper business practices such as presenting dishonored cheques, wrongfully claiming dividends or redemptions, forging signatures, tampering with documents, identity theft, or circumventing requirements under Applicable Law;
  - 6.1.5. any action, inquiry, investigation, inspection, audit, show-cause notice, or proceeding (whether civil, criminal, regulatory, or administrative) initiated or threatened by any regulatory, governmental, judicial, quasi-judicial, or law enforcement authority, or any third party, in connection with the acts or omissions of the Distributor, its employees, agents (including Sub-Distributors), representatives, or any person acting on behalf of the Distributor;
  - 6.1.6. any failure by the Distributor, its employees, agents (including Sub-Distributors), representatives, or any person acting on behalf of the Distributor, to comply with Applicable Laws of any regulatory authority governing its activities, including but not limited to Regulatory Authorities.
  - 6.1.7. any investor complaint, grievance, or claim (whether or not meritorious) arising from or relating to the acts, omissions, representations, or conduct of the Distributor, its employees, agents (including Sub-Distributors), or representatives in connection with the distribution of Units;
  - 6.1.8. any reputational harm, damage to goodwill, or adverse publicity suffered by the Indemnified Parties arising from or attributable to the acts, omissions, or conduct of the Distributor, its employees, agents (including Sub-Distributors), or representatives;
  - 6.1.9. any third-party claim, demand, or action arising from or relating to the Distributor's distribution activities, including claims by investors, other distributors, competitors, or any other person;
- 6.2. The indemnification obligations under this Clause 6.1 shall: (a) be in addition to, and not in substitution for, any other rights and remedies available to the Indemnified Parties under law, equity, contract,

- or otherwise; (b) not be subject to any requirement of prior notice, demand, or legal proceedings; (c) extend to all costs of enforcement of these indemnification rights; (d) survive the termination period of this Agreement; and (e) not be reduced, discharged, or otherwise affected by any limitation of liability provisions that may apply to the Distributor under any other agreement or law. The Distributor hereby waives any right to require the Indemnified Parties to proceed against any other person or to pursue any other remedy before enforcing these indemnification obligations.
- 6.3. Subject to the limitations set forth in this Clause 6, the AMC shall indemnify and hold harmless the Distributor against any direct losses, costs, or claims (excluding any indirect, consequential, special, punitive, or incidental losses) which the Distributor might incur as a direct and proximate result of:
- 6.3.1. the incorrect, wrong content of the Scheme Document or any other material distributed by the Mutual Fund to the Distributor containing an untrue statement of a material fact or an omission of a material fact or
- 6.3.2. the gross negligence or willful misconduct of the AMC or its employees acting in their official capacity and within the scope of their employment, provided that such gross negligence or willful misconduct is established by a final, non-appealable judgment of a court of competent jurisdiction;
- 6.3.3. material non-adherence to any of the express terms and conditions mentioned in this Agreement by the AMC, provided that such non-adherence is not attributable to any act, omission, or default of the Distributor.
- 6.3.4. Notwithstanding Clause 6.3, the AMC shall have no liability to the Distributor in respect of any claim: (a) to the extent that such claim arises from or is contributed to by any act, omission, negligence, fraud, or breach of this Agreement by the Distributor; (b) unless written notice of such claim is given to the AMC within thirty (30) days of the Distributor becoming aware of the circumstances giving rise to such claim; (c) to the extent that the Distributor has failed to take reasonable steps to mitigate its loss; or (d) where the Distributor has settled or compromised any claim without the prior written consent of the AMC.
- 6.4. Without prejudice to any other provision of this Agreement, the AMC shall not be responsible or liable for: (a) any indirect, consequential, special, punitive, incidental, or exemplary loss or damage incurred by the Distributor howsoever arising; (b) any loss of profit, loss of business, loss of revenue, loss of goodwill, loss of anticipated savings, or loss of data suffered by the Distributor; (c) the Distributor making available to Investors any information, representation, or material other than that expressly provided or approved by the AMC in writing; (d) acting on any incorrect, incomplete, unauthorized, or fraudulent data, instruction, or transaction request received from the Distributor or purportedly from the Distributor; (e) any delay or failure in processing transactions where such delay or failure is attributable to the Distributor's acts or omissions; or (f) any acts or omissions of the Distributor's sub-distributors, employees, agents, or representatives.
- 6.5. Notwithstanding any other provision of this Agreement, and to the maximum extent permitted by Applicable Law: (a) in no circumstances shall either Party or any of its Affiliates or its or their respective officers, directors, employees, agents, or representatives be liable for any indirect, special, punitive, exemplary, consequential, or incidental losses, claims, or damages (including but not limited to loss of profit, loss of business, loss of revenue, loss of goodwill, loss of anticipated savings, or loss of data) arising out of or in any manner connected with this Agreement, whether in contract, tort (including negligence), strict liability, or otherwise; and (b) the aggregate liability of the AMC to the Distributor under or in connection with this Agreement, whether in contract, tort (including negligence), strict liability, or otherwise, shall in no event exceed the total Fees actually paid by the AMC to the Distributor in the twelve (12) months immediately preceding the event giving rise to such liability. This limitation shall not apply to the Distributor's indemnification obligations under Clause 6.1, which shall remain unlimited.
- 6.6. The Distributor acknowledges and agrees that: (a) the limitations of liability and exclusions set forth in this Clause 6 reflect a fair and reasonable allocation of risk between the Parties; (b) the Fees payable under this Agreement have been calculated on the basis of such allocation of risk; (c) the Distributor has had the opportunity to obtain independent legal advice regarding the terms of this Agreement; and (d) absent such limitations and exclusions, the AMC would not have entered into this Agreement on the terms set forth herein.
- 6.7. The Distributor shall, at its own cost and expense, maintain adequate professional indemnity insurance and/or errors and omissions insurance with a reputable insurer, with coverage of not less than Rs. 1,00,00,000 (Rupees One Crore only) per occurrence and in the aggregate annually, to cover its potential liabilities under this Agreement. The Distributor shall, upon request by the AMC, provide evidence of such insurance coverage and shall ensure that such insurance remains in force throughout the Term and for a period of three (3) years following termination of this Agreement.
- 6.8. The AMC shall have the right, but not the obligation, to control the defense of any claim, action, or proceeding for which it seeks indemnification under this Agreement. If the AMC elects to assume control of the defense, the Distributor shall cooperate fully with the AMC and its legal counsel and shall not settle or compromise any such claim without the prior written consent of the AMC. The Distributor shall bear all costs and expenses (including legal fees) incurred by the AMC in connection with any such claim, regardless of the outcome.
- 6.9. For the avoidance of doubt, the following provisions of this Agreement contain additional liability and indemnification obligations which are supplementary to and shall be read in conjunction with this Clause 6: (a) Clause 3.1.18 (AMC not liable for Distributor's representations); (b) Clause 3.1.29 (termination without liability for breach); (c) Clause 3.1.42 (no indemnification from Investors); (d) Clause 4.4 (no liability for sub-distributor acts); (e) Clause 4.8 (Distributor's liability for sub-distributor payments); (f) Clause 9.1 (not to incur liability on behalf of AMC); (g) Clause 9.2 (liability provisions survive assignment); (h) Clause 10.4 (indemnification rights on termination); (i) Clause 10.5 (post-termination liability); (j) Clause 10.10 (accrued liabilities survive termination); (k) Clause 11.2.2 (IP indemnification); and (l) Clause 15.17 (force majeure limitation of liability).
- 7. CONFIDENTIALITY AND DATA PROTECTION**
- 7.1. The Parties acknowledge that all proprietary information, trade secrets, know how etc. relating to each other, including without limitation, all information, whether written, oral or otherwise, concerning the business, operations, prospects, finances, or other affairs of each other, will be treated as Confidential Information and both Parties shall not divulge or allow or cause to divulge or allow any such Confidential Information. This clause shall survive the termination of this Agreement.
- 7.2. Notwithstanding anything contained in Clause 7, the following information relating to the Parties, will not constitute Confidential Information for the purposes of this Agreement:
- 7.2.1. information which is or becomes generally available to the public otherwise than as a result of breach of this Agreement by a Party.
- 7.2.2. information which is obtained by a Party from a third person who has obtained such information lawfully and is under no obligation of secrecy or confidentiality with respect to such information.
- 7.2.3. information legally required to be disclosed by or under any applicable law, regulation, legal process, or order of any court or governmental body having jurisdiction. Provided, however, that prior to such disclosure, the Party who is legally required to disclose the information shall inform the other Party of such disclosures and consult the other Party as to the information which will be disclosed.
- 7.2.4. Where the Recipient can demonstrate by written evidence that the information has been independently acquired or developed by it without breaching any of its obligations under this Agreement, or
- 7.2.5. Information which is already in the possession or knowledge of the Recipient, not subject to any duty of confidentiality.
- 7.3. The Distributor acknowledges and agrees that all tangible and intangible information obtained, developed or disclosed to the Distributor including but not limited to all documents, data, applications, information, material, instructions, communications, papers and statements and any business, information of AMC, Mutual Fund relating to its business practices and critical to its competitive position in the market place provided to Distributor in connection with the performance of this Agreement shall be considered Confidential Information. Its use is subject to the permission and authority of the AMC and Distributor shall ensure that the same is not used or permitted to be used in any manner incompatible or inconsistent with that authorized by AMC. On the expiry or termination of this Agreement for whatsoever reason, Distributor shall hand over or cause to be handed over all the AMC Confidential Information including documents, applications, data, information, material, papers and statements and all other related materials in its possession to AMC immediately.
- 7.4. All Confidential Information provided by each Party to the other shall, always, remain the sole and exclusive property of the respective Party and the other Party shall have no right, title, interest whatsoever on the

Confidential Information. Upon termination/expiry of this Agreement, all Confidential Information shall be returned by the other Party to the respective Party immediately.

- 7.5. **Data Protection:** The Parties undertake, where applicable, to comply fully with IT Law and to procure that its employees and agents observe the provisions of the IT Law. If the Distributor receives personal data pursuant to this Agreement, the Distributor shall only use it as strictly necessary for the performance of its obligations hereunder and in accordance with this Agreement.
- 7.6. **Confidentiality obligations and rights of the Parties:** The AMC would disclose or transfer to any HSBC Group Members information belonging to you that is confidential in nature (including but not limited to your director(s) / key managerial person's name, address, e-mail address, phone number(s) and identification documents etc.) for administrative and contract governance purposes during the term of our agreement or engagement with HSBC.
- 7.7. In the event that a Party is requested to disclose any Confidential Information, pursuant to, or required by, Applicable Law, Regulations, legal process, order of a court, regulatory authority or other governmental body having jurisdiction, such Party agrees that it will, as far as is legally and practically possible, provide the other Party with prompt notice of such request or requirement in order to enable the disclosing Party to seek an appropriate protective order or other remedy. If such protective order or other remedy is not obtained, the Party, as the case may be, shall disclose only the portion of the Confidential Information which is legally or professionally required to be disclosed. In any such event, the Party will use its reasonable efforts to ensure that all Confidential Information that is disclosed will be accorded confidential treatment.
- 7.8. In the event of this Agreement being terminated, the provisions of this entire Clause shall survive and remain in full force and effect.

## 8. NO CLAIM OR LIEN OR CHARGE ETC

All information, forms, agreements, documents, certificates, letters, papers, writings, data, books, records, reports, statements, files, copies and other items or properties whatsoever belonging to the AMC, Mutual Fund which come into the Distributor's power or possession, pursuant to or in connection with this Agreement will remain the sole and absolute property of the AMC, Mutual Fund, as the case may be and the Distributor shall have no claim, lien, charge, right of retention, sale or set-off or other right, title or interest therein for any reason whatsoever (including for the Fee or other payments) or for the service charges fee payable to the Distributor for distributing Units of the Mutual Fund. This clause shall survive the termination of this Agreement.

## 9. NOT TO INCUR LIABILITY, TRANSFER, ASSIGN, ETC.

- 9.1. The Distributor shall not undertake any obligation or incur any liability in any manner whatsoever on behalf of the AMC, Mutual Fund nor in any way pledge the AMC, Mutual Fund credit in any manner whatsoever. Any breach of this obligation shall be subject to the indemnification provisions under Clause 6. This clause shall survive the termination of this Agreement.
- 9.2. The Distributor shall not be entitled to assign, transfer, charge or in any manner make or create any third party right or interest in this Agreement or for the Distributor's obligations, liabilities, benefits or rights. The liability and indemnification provisions under Clause 6 shall continue to apply notwithstanding any purported assignment or transfer.

## 10. TERM AND TERMINATION

- 10.1. This Agreement shall stand automatically terminate with immediate effect upon the occurrence of the following event in relation to either of the Party:
  - 10.1.1. Intimation of liquidation, bankruptcy, insolvency proceedings, or presentation of any petition for winding up (whether voluntary or compulsory for the purpose of a solvent reconstruction or amalgamation);
  - 10.1.2. Entering into any arrangement or compromise with creditors, making an assignment for the benefit of creditors, appointment of a receiver, administrator, or manager over its assets or business, or if any distress, execution, or similar enforcement action is levied or threatened against any of its properties;
  - 10.1.3. Suffering any analogous event or proceeding in consequence of debt under applicable law.
- 10.2. Either Party may terminate this Agreement for any reason by providing ninety (90) calendar days' prior written notice to the other Party. Notwithstanding such notice, the Distributor shall continue to fully discharge its obligations and liabilities under this Agreement during the notice period.

10.3. AMC shall have the absolute right to terminate this Agreement forthwith, without any notice or liability, upon the occurrence of any of the following events:

- 10.3.1. Any breach, non-compliance, or violation of the terms, conditions, or obligations under this Agreement by the Distributor;
  - 10.3.2. Any act of negligence, willful misconduct, misrepresentation, fraud, or any activity detrimental to the interests of the AMC, the Mutual Fund, or its investors;
  - 10.3.3. Any act or omission by the Distributor that, in AMC's sole and absolute discretion, exposes AMC or the Mutual Fund to legal, regulatory, reputational, or financial risk;
  - 10.3.4. If AMC receives any investor complaints, regulatory directions, or notices concerning malpractice, mis-selling, or misrepresentation by the Distributor, which, in AMC's opinion, warrant immediate termination;
  - 10.3.5. (a) if the Distributor is found guilty of mis-selling by the AMC, SEBI, AMFI, or any regulatory authority; (b) the Distributor fails to adhere to the risk profiling and suitability guidelines prescribed in Regulations; and (c) the Distributor engages in any fraudulent or unethical sales practices.
- 10.4. Termination by AMC under this Clause 10.3 shall be without prejudice to its rights to claim indemnification, damages, or any other remedies available under Clause 6, this Agreement or applicable law.
  - 10.5. Notwithstanding the termination of this Agreement, both Parties shall remain liable for their respective actions and obligations undertaken during the subsistence of this Agreement, subject to the liability and indemnification provisions under Clause 6. However, any claim or right of action shall be subject to the applicable statute of limitations.
  - 10.6. Upon termination of this Agreement, the Distributor shall, without any delay and in no event later than thirty (30) Calendar Days from the date of termination, return to AMC all records, investor databases, documents, agreements, marketing materials, investor communication, books, training manuals, reports, and all other information related to the Fund. The Distributor shall have no lien, retention right, or claim over any such materials.
  - 10.7. During and after the notice of termination, the Distributor shall not engage in any conduct or act that may be detrimental to the AMC, the Mutual Fund, or its schemes. This obligation shall survive the termination of this Agreement.
  - 10.8. Upon termination of this Agreement, the Distributor shall only be entitled to receive Fee strictly in accordance with the following conditions:
    - 10.8.1. Fee that had accrued and were due prior to the date of termination;
    - 10.8.2. Fee payable in respect of business procured by the Distributor prior to termination, provided that details of such transactions are received by AMC from the RTA within sixty (60) calendar days from the date of termination;
    - 10.8.3. Fee sought to be claimed by the Distributor within sixty (60) calendar days from the date of termination.
  - 10.9. AMC shall have the right to withhold or adjust any Fee payments in the event of:
    - 10.9.1. Any regulatory directive or restriction on such payments;
    - 10.9.2. Any Investor complaints or allegations of malpractice, mis-selling, or misrepresentation by the Distributor, pending investigation or resolution.
  - 10.10. Upon termination, all payments of Fee to the Distributor shall cease immediately, except for any Fee already accrued up till the date of termination. The termination shall not affect any rights, obligations, or liabilities accrued by either Party up to, including the date of termination, and the provisions of Clause 6 shall continue to apply.
  - 10.11. Either Party may terminate this Agreement with immediate effect if, in its sole discretion, it determines that:
    - 10.11.1. The risks associated with continuing this Agreement outweigh the benefits; or
    - 10.11.2. There are serious or repeated Investors complaints against the other Party that raise material concerns.

## 11. INTELLECTUAL PROPERTY RIGHTS

- 11.1. The AMC and the Distributor shall not use the Intellectual Property of the other Party without obtaining prior written permission of the other Party.
- 11.2. The Parties hereto further undertake the following:

- 11.2.1. Not to use the Intellectual Property in any manner other than as expressly permitted by the prior written permission of the other party.
- 11.2.2. Indemnify the other Party for any liability incurred using the Intellectual Property of one party by the other party post seeking prior written permission, in accordance with the indemnification provisions under Clause 6.
- 11.2.3. Not to cause or permit anything that may damage or endanger the Intellectual Property of the other Party associated for the Purpose or allow others to do so.
- 11.2.4. To notify the other Party of any suspected or threatened infringement of the Intellectual Property of the other Party, and to take such reasonable action as the other Party shall direct (at the expense of other Party) in relation to such infringement.
- 11.2.5. During and after the Term, each Party shall not directly or indirectly contest the validity of, or other Party's ownership of the Intellectual Property, nor take any other action which may in any manner jeopardize the other Party's right or interest therein.

## 12. OPERATING AND SERVICE STANDARDS

All operating and servicing standards and procedures will be as agreed between the Parties to this Agreement from time to time. The operating and service level standards, if any will not require any amendment to this Agreement but will be confirmed by exchange of letters or email communication.

## 13. ANTI-BRIBERY

- 13.1. Distributor hereby represents, warrants, and undertakes that, in connection with:
  - 13.1.1. the transactions contemplated by this Agreement:
    - 13.1.1.1. any matter pertaining directly or indirectly to this Agreement, including without limitation the negotiation of this Agreement and the fulfilment of Distributor's obligations hereunder, or
    - 13.1.1.2. any other transactions involving, or undertaken on behalf of AMC
  - 13.1.2. it has not violated and undertakes that it will not violate any applicable relevant anti-bribery laws and regulations including, but not limited to U.K. Bribery Act, 2010, HK Prevention of Bribery Ordinance 1970, as amended, repealed from time to time, as applicable, the India Prevention of Corruption Act, 1988, as amended, repealed from time to time, and any other relevant laws in India and other analogous legislation in force in other jurisdictions where the Distributor and AMC are domiciled, operate, or the Distributor distributes units of HSBC MF to prospective investors domiciled in jurisdictions other than India ("**Anti-Bribery Laws**"), and;
  - 13.1.3. it has not and undertakes that it shall not engage in the following conduct: making of payments or transfers of value, offers, promises or giving of any financial or other advantage, or requests, arrangements to receive or acceptances of any financial or other advantage, either directly or indirectly, which have the purpose or effect of public or commercial bribery or acceptance of or acquiescence in bribery, extortion, facilitation payments or other unlawful or improper means of obtaining or retaining business, commercial advantage or the improper performance of any function or activity, and
  - 13.1.4. it shall procure the compliance with the above obligations from its own associated persons, agents or subcontractors as may be used for the Distributor's fulfilment of obligations under this Agreement.
  - 13.1.5. The Distributor represents to the AMC that Distributor has not and shall not in connection with the transactions under this Agreement, or in connection with any other business transactions involving the AMC, Mutual Fund, make any payment or transfer anything of value, directly or indirectly:
    - 13.1.5.1. to any governmental official or employee (including employees of a government corporation or public international organization) or to any political party or candidate for public office; or
    - 13.1.5.2. to any other person or entity if such payments or transfers would violate the laws of the country in which made.
  - 13.1.6. It is the intent of the Parties that no payments or transfers of value shall be made which have the purpose or effect of public or

commercial bribery or acceptance of or acquiescence in extortion, kickbacks, or other unlawful or improper means of obtaining business.

- 13.2. Notwithstanding any other provision to the contrary, AMC may suspend or terminate this Agreement immediately should it become aware of a breach or suspected breach of the Distributor's representation, warranty or undertaking, or violation by the Distributor of Anti-Bribery Laws or where the Distributor causes AMC or any member of the HSBC Group to violate Anti-Bribery Laws. However, such termination shall not affect and shall be without prejudice to any subsisting rights or remedies of AMC against the Distributor.

## 14. DISPUTES

- 14.1. In the event of any disputes, differences, controversies and questions directly or indirectly arising at any time hereafter between the Parties or their respective representatives or permitted assigns under, out of, in connection with or in relation to this Agreement (or the subject matter of this Agreement) including, without limitation, all disputes, differences, controversies and questions relating to the validity, interpretation, construction, performance and enforcement of any provision of this Agreement, dispute, difference or contention arising between the Parties in relation to any of the provisions of this Agreement or the interpretation hereof, or as to rights, liabilities or duties of the Parties (hereinafter referred to as a "**Dispute**"), the same shall be, in the first instance, amicably settled between the Parties through mutual consultations within a period of 30 (thirty) Working Days of such dispute arising. If after 30 (thirty) Working Days of consultation, the Parties have failed to reach an amicable settlement, then Parties have an option to resolve the Dispute by approaching a competent Court in Mumbai, India.
- 14.2. After submission of any Dispute, the Parties shall continue to exercise their respective rights and fulfill their remaining respective obligations hereunder except insofar as the same may relate directly to the matters in Dispute.
- 14.3. Each Party shall bear its own costs and expenses in connection with any Dispute.

## 15. MISCELLANEOUS

- 15.1. Exclusivity: This Agreement is entered into on a non-exclusive basis and the Parties reserve their rights to enter similar arrangements with other persons.
- 15.2. Relationship: Nothing contained herein shall be deemed to create any relationship of principal and agent or, master and servant or, employer and employee between the Parties hereto or subsidiaries thereof or, to provide either Party with the right, power, or authority, whether expressed or implied, to create any such duty or obligation on behalf of the other Party save and except as provided under this Agreement.
- 15.3. Governing Law and Jurisdiction: This Agreement shall be governed by and construed and enforced in accordance with the laws of India, without regard to its principles of conflict of laws, the Parties agree to submit to the exclusive jurisdiction of the courts in Mumbai, India.
- 15.4. Overriding Effect: In case of any conflict between the provisions of this Agreement, Scheme Documents, Empanelment Form and any other agreement between the Parties for the Purpose of this Agreement, the order of precedence shall be as follows – (i) Scheme Document (ii) this Agreement (iii) Empanelment Form, (iv) other agreement between the Parties for the Purpose herein. It is hereby clarified that in case this Agreement provides for any additional terms which are not present in the Empanelment Form, or vice versa, such additional terms shall not be deemed to be contradictory provisions.
- 15.5. Document and Notices: All notices, requests, demands and other communications made or given shall be in writing and shall be either personally delivered, couriered, transmitted by postage prepaid registered mail (air mail if international), or by telex or cable (confirmed in writing by postage prepaid registered mail – air mail if international) or facsimile transmission or e-mail and shall be addressed to the appropriate Party at details provided below or to such other address or place or facsimile number as such Party may from time to time designate. Unless another address or facsimile number has been specified by a Party hereto by written notice thereof to the other Party, any notice, request, demand or other communication given or made shall be deemed to have been received (a) in the case of personal delivery, on the date of delivery, (b) in the case of mail delivery, on the date which is 10 (ten) Calendar Days after the mailing thereof; (c) in the case of courier, on the date which is 4 (four) Calendar Days from the date of dispatch thereof; (d) in the case of electronic mail, within 24 (twenty-four) hours from the electronic mail being sent; and (e) in the case of a telex or cable or facsimile, upon receipt of confirmation of

transmission / dispatch thereof. Notices to the Distributor shall be sent in accordance with the details provided in **Schedule I**. Notices to the AMC shall be sent in accordance with the details provided in the Party clause of this Agreement.

- 15.6. **Entire Agreement:** This Agreement (deemed to include its Annexures, Schedules and Exhibits, if any) constitutes the entire agreement between the Parties pertaining to its subject matter and supersedes all prior and contemporary agreements and understandings. The Parties intend this Agreement to be the final expression of their agreement with respect to its terms, and the complete and exclusive statement of those terms. The terms and conditions laid down in the Empanelment Form executed between the Distributor and the AMC shall be construed as part and parcel of this Agreement and shall be read together for all purposes.
- 15.7. **Partnership or agency:** Nothing in this Agreement shall constitute or be deemed to constitute a partnership or agency or association of Person between any of the Parties hereto and none of them shall have any authority to bind the other in any way.
- 15.8. **Severability:** If any provision or part thereof of this Agreement shall be held void or becomes void or unenforceable at any time, then the rest of the terms of this Agreement shall be given effect to as if such provision or part thereof does not exist in this Agreement. The Parties agree that such an event shall not in any manner affect the validity and the enforceability of the rest of this Agreement.
- 15.9. **Parties in interest:** This Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and permitted assigns.
- 15.10. **No third-party rights:** No provision of this Agreement is intended to, or shall, confer any rights on a third-party beneficiary or other rights or remedies upon any Person other than the Parties hereto; nor impose any obligations on the part of the Parties to this Agreement towards any third parties.
- 15.11. **No waiver:** No delay in exercising or omission to exercise any right, power or remedy accruing to any of the Parties upon any default under this Agreement, shall impair any such right, power or remedy or shall be construed to be a waiver thereof or any acquiescence in such default, nor shall the action or inaction of the concerned Parties in respect of any acquiescence by it in any default, affect or impair any right, power or remedy of the concerned Party in respect of any other default.
- 15.12. **Payment of Stamp Duty:** The Distributor shall, unless otherwise determined by the AMC, bear and pay stamp duty and other charges and expenses payable in connection with execution of this Agreement.
- 15.13. **Grievance Redressal:** Distributors, Investors having any grievance in relation to their investment in the Schemes may report such grievances to the AMC or RTA and the AMC or RTA shall seek to resolve such grievances within twenty-one (21) calendar days from the date of receipt of

the grievance, in accordance with the manner specified by SEBI. Subject to Applicable Law, in the event such grievances are not reasonably addressed within the aforesaid period, the Distributor/Investor also have the option of reporting their grievances through the SEBI Complaints Redress System (SCORES).

- 15.14. **Assignment:** Notwithstanding anything else contained in this Agreement the AMC, in its sole discretion, assign this Agreement or Transfer any rights hereunder to an Affiliate or group company of the AMC. Upon such assignment or Transfer, the assignee / transferee company shall have the same rights against the Distributor as available to the AMC under this Agreement. A Distributor shall not be entitled to assign this Agreement without the prior written consent of the AMC.
- 15.15. **Counterparts:** This Agreement may be executed simultaneously in several counterparts, each of which shall be deemed to be an original but all of which shall constitute one and the same instrument.
- 15.16. **Amendment:** No modification or amendment of this Agreement shall be binding unless made specifically in writing and upon the mutual consent of the Parties. The Parties also agree to modify/amend the provisions of this Agreement which may be necessitated due to statutory/regulatory changes. The modifications/amendments may be carried out by way of exchange of letters or addendum as may be mutually decided by the Parties.
- 15.17. **Force Majeure:** In the event of any failure, interruption or delay in performance of obligations resulting from acts, events or circumstances or force majeure, such as but not limited to as mentioned more particularly herein below, neither Party shall be liable or have any responsibility of any kind for any loss or damage incurred or suffered by the other as a result of such failure, interruption or delay. For the avoidance of doubt, the limitation of liability provisions under Clause 6.5 shall apply to force majeure events:
  - 15.17.1. any action, omission, suspension or trading, decision or ruling of any exchange, Depository or regulatory, governmental or other body or of any other person which is beyond the control of either Party; or
  - 15.17.2. any government restriction, Exchange, Depository or market rulings, suspension of trading, computer, communication, telephone or system failure, war, earthquakes, flood, accident, power failure, equipment or software malfunction, strikes or any other conditions beyond the control of either Party.
  - 15.17.3. any war, strike, lock-out, natural disaster, act of terrorism, delay in post service or any other delay or inaccuracy in the transmission of orders or other information or any breakdown, failure or malfunction which is beyond the control of either Party.
  - 15.17.4. Any other conditions beyond the control of either Party.

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**[SIGNATURE PAGE FOLLOWS]**

IN WITNESS WHEREOF, the undersigned have duly executed and delivered this Agreement as of day and year first above written.

Signed for and on behalf of:

**HSBC ASSET MANAGEMENT (INDIA) PRIVATE LIMITED**



\_\_\_\_\_  
*(Authorized Signatory of HSBC)*

NAME : \_\_\_\_\_ [•]

DESIGNATION : \_\_\_\_\_ [•]



\_\_\_\_\_  
*(Authorized Signatory of HSBC)*

NAME : \_\_\_\_\_ [•]

DESIGNATION : \_\_\_\_\_ [•]

IN WITNESS WHEREOF, the undersigned have duly executed and delivered this Agreement as of day and year first above written.

Signed for and on behalf of:

\_\_\_\_\_  
**(Name of the Distributor)**



\_\_\_\_\_  
*(Authorized Signatory of Distributor)*

NAME : \_\_\_\_\_ [•]

DESIGNATION : \_\_\_\_\_ [•]

## SCHEDULE I

Sr. No.	Name and details of Contributor
1.	Name: _____ <i>(Please fill name of persons/entity/company/partnership)</i>
	Address: _____ _____ _____ _____
	Attention: _____
	Telephone: _____ E-mail: _____
2.	Date of execution of this Agreement: _____
3.	Place of execution of this Agreement: _____

To inform in case of change of status

The Distributor agrees and undertakes to inform the AMC in the event of any change in its status be it residential or otherwise.

Changes in the information provided above are to be communicated by the authorized person of the Party desirous of changing the information to the other Party.

Distributors (other than Individuals & Listed companies) shall be required to submit the following additional documents along with the declaration, to the Fund at the time of an empanelment.

Copy of the latest shareholding pattern including list of all those holding control, either directly or indirectly, in the company in terms of SEBI takeover Regulations, duly certified by the Company Secretary / Whole time director / MD. Documents confirming identity and address of the UBOs of the entity. Distributors are requested to note that the fund shall reserve the right to seek additional information to ascertain the beneficial or controlling ownership.

**SCHEDULE II**

**Fee Schedule**